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PROCEEDINGS AND DEBATES OF THE 100th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Tuesday, March 17, 1987*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Blessed is the nation whose God is the Lord * * *.—Psalm 33:12.

As our Nation has been blessed by the bounty of Your manifold gifts, O God, so make us appreciative of those blessings.

May we not lose the vision of that act that is greater than every other act—the act of thanksgiving. Though we are so aware of the difficulties of our time and the problems to be faced, yet may we see the importance of giving praise in all the gifts that are ours, especially the gift of life itself. With the attitude of thanksgiving may we go forward to serve others and do those good deeds that acknowledge Your blessings upon us. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested.

S. Con. Res. 24. Concurrent Resolution supporting the initiative of Central American heads of state, meeting in San Jose, Costa Rica, in formulating a regional proposal for bringing about an end to the armed conflict in Central America, and for other purposes.

PERMISSION FOR COMMITTEE ON RULES TO FILE A RULE PROVIDING FOR CONSIDERATION OF CONFERENCE REPORT ON H.R. 2, SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT OF 1987, AND A CONCURRENT RESOLUTION RELATING TO MAXIMUM SPEED LIMIT

Mr. PEPPER. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until 7 p.m. this evening, Tuesday, March 17, 1987, to file a privileged resolution providing for the consideration of the conference report on H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act, and a concurrent resolution relating to the maximum speed limit.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would like to announce that it is the intention of the Chair to postpone 1-minute speeches today until after the bills under suspension of the rules. This is the day for suspensions.

Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on both motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has been concluded on both motions to suspend the rules.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO THE U.S. MILITARY ACADEMY

The SPEAKER. Pursuant to the provisions of title 10, United States Code, section 4355(a), the Chair appoints as members of the Board of Visitors to the U.S. Military Academy, the following Members on the part of the House:

Mr. HEFNER of North Carolina;
Mr. PICKETT of Virginia;
Mr. FISH of New York; and
Mr. LOWERY of California.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 782

Mr. CRAIG. Mr. Speaker, I ask unanimous consent that my name be withdrawn from cosponsorship of H.R. 782.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

MAKING THE NEW GI BILL PERMANENT

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1085) to amend title 38, United States Code, to make permanent the new GI bill educational assistance programs established by chapter 30 of such title, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1085

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIMINATION OF TEMPORAL RESTRICTIONS ON AVAILABILITY OF NEW GI BILL EDUCATIONAL ASSISTANCE PROGRAMS.

(a) ACTIVE DUTY PROGRAM.—Section 1411(a)(1)(A) of title 38, United States Code, is amended by striking out "during the period beginning on July 1, 1985, and ending on June 30, 1988," and inserting in lieu thereof "after June 30, 1985,".

(b) ACTIVE DUTY AND SELECTED RESERVE PROGRAM.—Section 1412(a)(1)(A) of such title is amended by striking out "during the period beginning on July 1, 1985, and ending on June 30, 1988," and inserting in lieu thereof "after June 30, 1985,".

(c) SELECTED RESERVE PROGRAM.—Section 2132(a)(1) of title 10, United States Code, is amended by striking out "during the period

☐ This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

beginning on July 1, 1985, and ending on June 30, 1988" and inserting in lieu thereof "after June 30, 1985".

SEC. 2. NEW SHORT TITLE.

Section 701 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 38 U.S.C. 101 note) is amended to read as follows:

"SHORT TITLE

"SEC. 701. The title may be cited as the 'Montgomery GI Bill Act of 1984'.".

The **SPEAKER**. Pursuant to the rule, a second is not required on this motion.

The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes and the gentleman from New York [Mr. SOLOMON] will be recognized for 20 minutes.

Mr. **MONTGOMERY**. Mr. Speaker, we have a number of Members who have requested to speak on this legislation. I ask unanimous consent for an additional 20 minutes to be equally divided and controlled by myself and the ranking minority Member.

The **SPEAKER**. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The **SPEAKER**. The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 30 minutes and the gentleman from New York [Mr. SOLOMON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. **MONTGOMERY**. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, let me first thank the many people in this Chamber for making this day possible. This was a team effort and so many deserve credit for this historic bill.

Mr. Speaker, while you are still in the Chamber, let me thank you very much for the support that you have given this peacetime legislation and the comments that you have made that make it possible that we can bring this legislation to the floor today.

Mr. **WRIGHT**. Mr. Speaker, will the gentleman yield?

Mr. **MONTGOMERY**. I am happy to yield to our Speaker, the gentleman from Texas [Mr. WRIGHT], for any comments he may wish to make.

Mr. **WRIGHT**. I thank the gentleman for yielding and for his comments.

I want to congratulate the gentleman as well as the gentlewoman from Maryland [Mrs. BYRON] and the others who have participated in drafting this very important landmark legislation.

It is my firm judgment that no investment our Government ever has made, at least in recent times, has been as productive as the GI bill of rights. It has produced not only a richer social fabric for our Nation, but actually it has paid back to the Treasury many times the amount that has been invested in making it possible for young Americans of modest economic circumstances to gain college education.

I commend the gentleman and his committee and I commend the Committee on Armed Services for its part in bringing this legislation to the floor.

Mr. **MONTGOMERY**. I thank the Speaker for his comments.

I would like to quote what the gentleman said recently in a nationally televised address. He said:

> The very best financial investment this country has made was the GI Bill of Rights after World War II. It sent an entire generation of Americans to college, and our country has been reaping the dividends ever since.

Thank you, Mr. Speaker.

I rise in support of making the peacetime GI bill permanent legislation. The test program has been a total success with the January participation rate by the combined services running over 64 percent.

☐ 1210

The Army has led with 81 percent participation. Over 265,000 recruits on active duty have signed up for these educational benefits, and already, 46,000 members of the National Guard and Reserve have entered school under the new GI bill.

Mr. Speaker, I would like to point out, there will be no cost to the Federal Government until after the year 1992 should this bill be enacted. That is because the reduction in pay of $100 a month for 12 months by the servicemember for the educational benefits to be provided will save the Government at least $318 million plus 6 percent interest over the next few years.

The GI bill is basically a readjustment program for those who volunteer to serve their country. It will give those individuals the opportunity to improve themselves after leaving the military. It is estimated the Government will get a minimum of 3:1 payback on this program.

The Army has been pushing the GI bill and the Army college fund very strongly, and for the first 3 months of fiscal year 1987, the Army has signed up more quality recruits than the other services. We think it is because of the GI bill.

It has played a major role in saving the All-Volunteer Force. Now is the time to assure our future volunteers that the program will be available when they need it; and as Speaker WRIGHT has said, this is one of the best investments that we have ever had for our country.

So I ask my colleagues, "What's wrong with helping this new generation with a program that works?"

So, Mr. Speaker, today we consider whether hundreds of thousands of young Americans will have an opportunity to go to college. Today is the day we will let our future veterans know if their country is going to continue to provide them with education assistance to help them readjust to civilian society. Today we decide whether or not to give our Armed Forces the proper device to attract quality personnel and maintain necessary strength levels. Today we make a decision that will greatly affect America's future. Today, we consider H.R. 1085, a bill that would make the new GI bill a permanent program.

Almost 200 Members of the House have joined as cosponsors of the bill. That speaks loudly of the program's integrity and success and the broad base of support it enjoys—in this great body, in the military, in the education community, and from the American public.

Mr. Speaker, a 3-year test of the new GI bill comes to an end on June 30, 1988. It would be a tragic mistake to shove such a critically important and successful program back into the closet without letting it achieve its full potential.

What is right about the new GI bill? Why should we allow it to continue you might ask?

Just talk to 265,000 active-duty recruits who are participating in the program.

Ask the 46,000 members of the Guard and Reserve who have already enrolled in colleges throughout the country.

Listen to the families of thousands of young people who would not have been able to attend college or pursue technical training without the assistance available under the program.

Heed the advice and comments of our military recruiters, one in particular who told us: "A lot of these kids are never going to get into college without money, and jobs are hard to find. We're meeting our quotas and getting qualified people, and the new GI bill has a lot to do with it."

Members of the Veterans' Affairs and Armed Services Committees, as well as representatives of military associations and veterans' service organizations, have accompanied me to service training bases around the country where we have observed tremendous enthusiasm for the new GI bill. According to those in the best position to evaluate the program—base commanders, recruiters, trainers—the program gets an A-plus for its first 20 months of operation. It is responsible for marked increases in both numbers and quality. As for the recruits, practically everyone we spoke with said he was attracted to the service by education benefits.

Brig. Gen. Paul Funk, assistant commandant of the Army Armor School at Fort Knox, who has commanded troops over the past three decades, says the young people coming into the Army today are the best ever. According to General Funk, "The new GI bill has made the Army a great place to soldier."

The adjutant general of Kentucky, Gen. Billy Wellman, told us: "The new GI bill is the most attractive and important benefit we have to offer * * *. I don't know of any program more important to the military—Guard, Reserve, and Active Force—than the new GI bill."

The new GI bill is succeeding as a readjustment benefit for former service personnel and as a powerful recruitment and retention tool for the All-Volunteer Force.

More than 90 percent of the Army's recruits today are high school graduates, up from 54 percent in 1980. The percentage of Army recruits scoring in the upper half of the Armed Forces qualification test [AFQT] increased by 37 percent during the same period. Quality male recruits increased 10 percent during the first year of the new GI bill over the final 12 months of VEAP, the previous education program, a program which proved to be a dismal failure.

The first year impact of the new GI bill on Army Reserve recruitment was equally impressive. Army Reserve high quality recruits increased 24 percent and 6-year enlistments increased 28 percent over the year prior to the implementation of this new program.

The other services are as enthusiastic as the Army in their support for continuation of the new GI bill. They rate the program as a critical component of their recruiting package.

There simply aren't as many 18-year-old males as there once were. Studies show that we'll have to recruit one out of every two eligible noncollege males beginning in the early 1990's just to maintain the current military personnel strength levels. Recruiters are going to have a tough time attracting those kinds of numbers unless we provide them with the proper tools to compete with private-sector employers for the attention of ambitious, highly motivated young people of recruitment age.

I urge my colleagues to give favorable consideration to H.R. 1085, which would make no other changes in the new GI bill other than to allow it to continue its good works. We now have a broad cross-section of recruits, many who are college-bound, and we're getting finer quality personnel than I've seen in the 35 years I've been dealing with the military. It is our responsibility to continue to enable those who protect our freedom to also pursue their personal freedom and self-improvement through education.

What we do today will play a pivotal role in the future of our children, the future of our military, the future of our colleges, and the future of America.

As I stated previously, I'm grateful to Speaker WRIGHT for his leadership and strong support of this legislation.

I am most grateful for the support of the ranking minority member of the Veterans' Affairs Committee, the very able gentleman from New York [Mr. SOLOMON]. Without the hard work of my good friend, this bill could not have been brought to the House so early in the session.

I want to thank Mr. DOWDY, my distinguished colleague from Mississippi who chairs the Veterans' Affairs Subcommittee on Education, Training and Employment, and Mr. SMITH of New Jersey, the subcommittee's ranking minority member, for their leadership in making H.R. 1085 a priority bill in the subcommittee and for bringing this measure to the floor for consideration.

Certainly, I must thank the distinguished gentleman from Arkansas [Mr. HAMMERSCHMIDT] who has been a very dedicated advocate of the new GI bill and who, as the former ranking minority member of the Veterans' Affairs Committee, was instrumental in the development of the test program we enacted in 1984.

I also want to express my appreciation to the distinguished gentlelady from Maryland [Mrs. BYRON] who chairs the Armed Services Subcommittee on Military Personnel and Compensation, and my good friend, Mr. BATEMAN of Virginia, ranking minority member of the subcommittee, for guiding H.R. 1085 through the Armed Services Committee. I'm grateful for the cooperation of the distinguished chairman of the Armed Services Committee, the gentleman from Wisconsin [Mr. ASPIN], and the ranking minority member of the committee, Mr. DICKINSON of Alabama.

Mr. Speaker, the Senate Veteran's Affairs Committee ordered reported on February 26, 1987, S. 12, a bill almost identical to H.R. 1085. This measure is expected to be on the Senate floor by early May. I want to thank my friend, ALAN CRANSTON, the distinguished Senator from California, who has been an outspoken advocate of the new GI bill. I also appreciate the strong support from my good friend from Alaska, Senator FRANK MURKOWSKI. He has been with us on this issue all the way. Last, but not least, I certainly want to acknowledge and express my appreciation for the cooperation that I received from the distinguished Senator from Wyoming, AL SIMPSON. When we enacted the 3-year test program. Had Senator SIMPSON not agreed that the Veterans' Administration should pay for the basic benefit, we probably would not have the program today. The Senator from Hawaii, SPARK MATSUNAGA, has also played a critical role in the development of the new GI bill, and I am grateful to him. I am grateful for the cooperation of all members of the Senate Veterans' Affairs Committee.

Mr. Speaker, the strongest advocacy for the new GI bill on the Senate Armed Services Committee has been from the distinguished Senator from Maine, BILL COHEN. His effective leadership in the Armed Services Committee of the Senate was the key factor in getting the new GI bill enacted in 1984. He has been a great supporter of the program from the beginning. Senator BILL ARMSTRONG of Colorado has been another strong advocate and key player in the establishment of the new GI bill. He has been out front on this program since the first bill was introduced in 1981.

I also want to acknowledge the outstanding work done on the new GI bill by the staff of the Senate Veterans' Affairs Committee. I greatly appreciate the support of the majority chief counsel/staff director, Jon Steinberg, and his excellent staff. I also want to thank Tony Principi, the minority chief counsel/staff director, and his fine staff, for their hard work on behalf of the new GI bill. I especially want to thank Jim Dykstra, who did most of the staff work for Senator COHEN. Jim was recently appointed minority staff director of the Select Committee on Intelligence. His help has been invaluable throughout the process.

Special thanks should also go to Karen Heath, Debbie Lee, John Sullivan, Kim Wincup, and Bill Hogan of the House Armed Services Committee staff. They have been a big help in the development and passage of the new GI bill, and I appreciate their efforts.

I also want to thank Bob Cover and Joe Womack of the House Legislative Counsel's Office, and Hugh Evans of the Senate Legislative Counsel's Office.

Finally, my thanks go to the staff of the House Veterans' Affairs Committee—Jill Cochran, Beth Kilker, Jim Holley, Rufus Wilson, Candis Sniffen, Richard Shultz and Mack Fleming—for their assistance. Last but not least, I want to thank Frank Stover, who helped so much in 1984 getting the new GI bill enacted. Frank has since retired from the committee staff, but I will always remember all the work he did on the new GI bill.

Mr. Speaker, If I may, I would like to pay special tribute to some of the people who have devoted an enormous amount of time and energy behind the scenes to ensure the success of the new GI bill. Without their support, and without the information and statistics they have supplied, the new GI bill would not be the effective program it is today.

ACTIVE FORCES

Ltc. Al Bemis—Army.
Ltc. Joe Selman—Army.
Ltc. Ron Johnston—Army.
Mr. George Karasik—Air Force.
Ms. Jude Korol—Navy.
Major Al Pingree—Marine Corps.
Ms. Gail Christiansen—Coast Guard.

RESERVE COMPONENTS

Sfc. Mike Graves—Army National Guard.
Major E. L. Robertson—U.S. Army Reserve.
Cdr. Jim Spagnole—U.S. Navy Reserve.
Msg. Fred Richardson—Air National Guard.
Major Fred Reinero—U.S. Air Force Reserve.
Major Dan Franklin—U.S. Marine Corps Reserve.
Cdr. George Isele—Coast Guard Reserve.

DEPARTMENT OF DEFENSE

Col. William A. Scott—Director of Education Policy.
Dr. Lenore Saltman—Coordinator, Voluntary Education.

Finally, I want to acknowledge the good work of Mr. Frank Mensel of the American Association of Community and Junior Colleges. As far as the education community goes, he stands out as the key individual who enthusiastically supported the bill from the beginning and who has been on the road telling community colleges throughout the country about its merits.

I am grateful for the support of all of these people.

Mr. Speaker, I urge the adoption of the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to begin by thanking everyone who has been involved in making the new GI bill permanent including WAYNE DOWDY, chairman of the Education, Training and Employment Subcommittee and the ranking member of the subcommittee, CHRIS SMITH. I wish to particularly commend the hard work and diligence of Mr. MONTGOMERY. It was his dedication to our men and women in uniform which made this legislation a reality.

I am pleased that President Reagan supports making the new GI bill permanent. I am also pleased that the Montgomery GI bill program will continue to be funded under the VA because the fundamental value of the GI bill is that of an adjustment benefit.

Clearly, the primary objective of assisting veterans in obtaining an education is the most important benefit of the program, although we must acknowledge the benefits of the program in attracting high quality young people to our military services.

Mr. Speaker, several members of our committee visited four military bases recently to obtain firsthand information about the effect of the GI bill. The unanimity of opinion expressed by all those concerned with the GI education program was striking. Base commanders, recruits, and recruiters all acknowledged that the GI bill is the single biggest drawing card for the recruitment of smart high school graduates. Time and again the delegation was told that without the GI bill, military readiness and stability would decrease while training costs, attrition, and discipline problems would increase.

As the pool of eligible recruits for our Armed Forces shrinks from 9.5 million people in 1987 to 7.8 million people by 1995, this legislation will continue to be one of the best recruitment tools we possess.

Within 3 years, the competition between private industry and our military for entry level job holders will be intense, and without the GI bill, the Pentagon will be hard pressed to meet its recruitment goals. By the early 1990's it appears that it will be necessary to recruit into the military one out of every two eligible noncollege males. The success and very survival of the All-Volunteer Force are at stake.

As a readjustment mechanism for veterans returning to the civilian world;

As an incentive to attract high quality young people into the military service; and

As an investment in the men and women who have served their country.

It would be difficult to design a better program than the Montgomery GI bill.

Mr. Speaker, I would hope that every Member of the House would support this bill today, because the very future of America, and particularly our young people, are at stake with this legislation.

Again, I take off my hat to the chairman of the full committee, the gentleman from Mississippi, SONNY MONTGOMERY, who has done such an outstanding job in leading this bill to its fruition as a permanent piece of legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I would certainly like to thank the gentleman from New York [Mr. SOLOMON], who is the ranking minority member of the Committee on Veterans' Affairs, for his kind remarks and for his total support of the GI bill.

Mr. Speaker, I ask unanimous consent that I be permitted to give the gentlewoman from Maryland [Mrs. BYRON] 15 minutes of my time.

The SPEAKER pro tempore. (Mr. BONIOR of Michigan). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MONTGOMERY. Mr. Speaker, I yield 1½ minutes to the gentleman from Mississippi [Mr. DOWDY], the chairman of the subcommittee that voted out this GI bill.

Mr. DOWDY of Mississippi. Mr. Speaker, I rise in strong support of H.R. 1085, as amended, which is cosponsored by 196 of our colleagues. This bill would do two things. First, H.R. 1085 would make permanent the new GI bill programs provided under chapter 30, title 38, and chapter 106, title 10. It would make no other substantive changes. In addition, and equally important, H.R. 1085 would name the act which established the new GI bill the Montgomery GI Bill Act of 1984.

No single individual, House or Senate, is more deserving of this honor than is my colleague from Mississippi, the distinguished chairman of the Veterans' Affairs Committee, the Honorable G.V. (SONNY) MONTGOMERY. As everyone in this House knows, SONNY MONTGOMERY is the author and chief sponsor of the new GI bill. He has developed and nurtured this program since 1981 when he recognized the need for an effective educational assistance program for the All-Volunteer Force. He skillfully guided his legislation through the Congress and, on October 19, 1984, the act establishing the new GI bill was signed into law.

Since that time, SONNY MONTGOMERY has closely monitored the implementation and effectiveness of the new GI bill. He has talked to recruits and base commanders. He has talked to recruiters and training officers. He has visited training bases and military entrance processing stations. SONNY MONTGOMERY knows this program and knows, because of first hand observation, that the new GI bill is a great success. The new GI bill is good for recruits. It's good for the Armed Forces, and it's good for our country. It is right and proper that we name the act which established the new GI bill after the individual who has devoted so much time and thought to the development and success of this program. Without the leadership of SONNY MONTGOMERY, we would not have a new GI bill today.

Mr. Speaker, since its implementation on July 1, 1985, the new GI bill has proven its worth as a readjustment benefit and as a powerful recruitment and retention tool for our active military forces as well as the Selected Reserve. Current participation rates are high, with over 260,000 active duty service personnel signed up for the new GI bill. Already, more than 43,000 members of the Selected Reserve are attending college under the program. Without the assistance of the new GI bill, thousands of these young people would not have been able to afford postsecondary training. Because this additional education will significantly increase the lifetime earnings of these men and women, the Federal budget will benefit from the increased taxes they will pay. Educational assistance is an investment in the future that will repay the cost of the initial investment many times over.

I recently visited service training bases with Chairman MONTGOMERY and other members of the Veterans' Affairs Committee and had the opportunity to see the effectiveness of the new GI bill first hand. We were all impressed by the enthusiasm expressed for the program by those in positions of command. Even more impressive, however, was the enthusiasm expressed for the new GI bill by the recruits themselves. Many told us they entered military service because of the educational assistance benefits and they are grateful that, in exchange for honorable service, they will be provided with the means to continue their education.

The new GI bill, in addition to providing readjustment assistance, has proven to be a strong, cost-effective recruitment and retention tool for our Armed Forces. Because participants in the program provided for active duty service personnel agree to a $100-a-month reduction in their basic pay for 12 months, the Government will collect as much as $318 million from those recruits now enrolled in the new GI bill. Additionally, the Army estimates that the reduced attrition, reduced indiscipline, and lower training costs associated with the higher quality recruits attracted to Army service because of the new GI bill, will result in an annual cost avoidance of $234 million.

The Reserve components are also telling us that they are seeing cost savings because of the new GI bill. For example, due to a 500-percent increase in the ratio of 6-year extensions versus 3-year extensions, largely attributed to the new GI bill, the Army National Guard has saved $35 million in recruiting, retention, and training costs since the implementation of the new GI bill.

Clearly, this program is doing what its supporters said it would do. The new GI bill is providing additional educational opportunities for hundreds of thousands of young people. It is also bringing smart, eager men and women into the Armed Forces. We have a responsibility in the Congress to enact laws and develop programs that strengthen our Nation. The new GI bill is doing just that. This program is helping to ensure that we are a nation of educated people and that we are a nation of defended people. So long as the citizens of this country are educated, and defended, our Nation will continue to flourish.

Mr. Speaker, before I close, I want to again thank the distinguished chairman of the full committee, SONNY MONTGOMERY, for his leadership on this issue. I also want to commend the ranking minority member of the committee, JERRY SOLOMON, for his support of the new GI bill. I particularly want to acknowledge the assistance and cooperation of the ranking minority member of the Subcommittee on Education, Training, and Employment, CHRIS SMITH. Finally, I want to thank all members of the subcommittee for their enthusiastic support of the new GI bill and H.R. 1085.

Mr. Speaker, the new GI bill is working. It should be made permanent and all uncertainty regarding its future laid to rest. The program is good, and it will only get better. I urge my colleagues to support H.R. 1085.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman from Mississippi [Mr. DOWDY] for his kind remarks in total support of this bill.

Mr. Speaker, I yield 30 seconds to the gentleman from Arkansas [Mr. ALEXANDER].

□ 1220

Mr. ALEXANDER. I thank the chairman for yielding.

Mr. Speaker, I wish to compliment the chairman for his leadership in bringing a renewal of the concept of a GI bill back to our society and give an opportunity to the young people of today the benefits of that bill.

I am a product of the GI bill. Mr. Speaker, but for the benefits of that bill, I would not have had the opportunity to go to college and on to law school. I know that I have paid back more taxes than I received from the benefits of that bill which paid me, as I recall, about $3,000 over a period of 4 years, which I used to supplement the funds I required to go to college along with working during college. That, however, gave me that opportunity.

Mr. Speaker, I join with the chairman and with the ranking member of this committee to extend that similar opportunity to the young people of today.

I compliment the chairman and the ranking member for their leadership.

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that I be permitted to yield 15 minutes of my time to the gentleman from Virginia [Mr. BATEMAN], one of the members of the Committee on Armed Services.

The SPEAKER pro tempore (Mr. BONIOR of Michigan). Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Fifteen minutes of the time of the gentleman from New York [Mr. SOLOMON] will be apportioned to the gentleman from Virginia [Mr. BATEMAN].

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana [Mr. HILER].

Mr. HILER. Mr. Speaker, I rise in support of the bill.

Mr. Speaker, today we are discussing a program that is of vital importance to the Armed Forces, our national security, and thousands of young people who hope to further their education while serving our country.

As you know, the GI bill has the dual benefit of improving the quality of the All-Volunteer Force Program and retaining personnel in the Armed Forces. It also provides excellent educational opportunities for young men and women who join the military. Since the inception of the original GI bill during WW II, millions of service men, women and veterans, have taken advantage of these opportunities and, after leaving the military, have become valuable and productive members of our society.

There is no question that the current 3-year GI bill has improved the overall caliber of young men and women who enter the Armed Forces. Well over 90 percent of today's recruits have a high school education. When compared with the 54 percent high school graduate rates that characterized the Armed Forces a mere 7 years ago, the importance of the program to the military is undeniable. Commanding officers at military bases across the country will, without exception, stress that the quality of men and women now serving our country is the best they have ever seen.

The educational opportunities available under the GI bill provides the incentive to bright students who normally could not afford additional schooling—especially in this time of inflated education costs—to devote their skills and resources to the various branches of the Armed Forces. Participation in the services provides a good education in discipline, commitment and cooperation with others. The combination of this experience with advanced education and the enthusiasm created by opportunity is producing outstanding American citizens who are destined to play important roles in our future.

I am pleased to support this legislation and would like to thank the chairman for the opportunity to speak on behalf of this important program.

The SPEAKER pro tempore. The gentleman from Virginia [Mr. BATEMAN] is recognized for 15 minutes.

Mr. BATEMAN. I thank the Speaker.

Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a ranking member of the Military Personnel and Compensation Subcommittee of the Committee on Armed Service, I have particular pleasure in rising in support of H.R. 1085, which makes permanent the new GI bill and which very appropriately is being named the Montgomery GI Bill Act of 1984, on account of the distinguished service and leadership of the distinguished gentleman from Mississippi, who has been the architect of this effort.

Let me say parenthetically that I, too, found myself finally able to attend law school because of the GI bill following my service during the Korean war. I cannot recall, like the gentleman who preceded me, how much those benefits were. I can only recall very vividly, however, that I had to go to law school at night because I had a dependent mother and father to help support and without that difference the GI bill made, law school for me would have been an unattainable objective.

Mr. Speaker, it gives me great pleasure to rise in support of H.R. 1085, to make permanent the new GI bill and to name the program the "Montgomery GI Bill Act of 1984."

As my colleagues know, the GI bill has been a highly successful test program since July 1, 1985, and is paying big dividends in terms of high quality military recruits and longer terms of enlistment. In fiscal year 1986, for example, the Active Army—the service that traditionally has the toughest time recruiting quality individuals—recruited 91 percent high school graduates and 96 percent upper mental category individuals. These are astounding statistics when you consider that just a few short years ago, the Army failed to attract half that many quality youth.

Not only is the Montgomery GI bill a great deal for the military, Mr. Speaker, it's also a great deal for the young people who participate in the program. For young people who might not be able to afford college otherwise, the Government matches the individual's contribution 8 to 1. There aren't many savings plans that can match that return on investment.

Lastly, Mr. Speaker the Montgomery GI bill is of great value to the country as a whole. Education is one of the most important benefits we can provide our young people—one that will follow them and help them throughout their entire lives. An educated America benefits all of us—and the Montgomery GI bill will make an important contribution to this goal.

I urge all Members to vote in favor of H.R. 1085.

The SPEAKER pro tempore. The gentlewoman from Maryland [Mrs. Byron] is recognized for 15 minutes.

Mrs. BYRON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the chairman of Subcommittee on Military Personnel and Compensation, I rise in strong support of H.R. 1085, to make permanent the new GI bill.

There is no better investment in the future than education. America is what it is today because of the accomplishments of those World War II veterans who returned to college under the first GI bill to become the scientists, engineers, doctors, teachers, and political leaders of their generation. Today, on the floor of the House of Representatives, we have the opportunity to make a similar investment in the next generation of Americans by the approval of H.R. 1085. In addition, we will be keeping in place a highly effective program to recruit and retain top quality young men and women in the Nation's Armed Forces.

Today's House action is—as it should be—a tribute to the gentleman from Mississippi [Mr. Montgomery] who wisely foresaw the need for a new GI bill and has worked tirelessly to make it a reality. It was my distinct pleasure to offer an amendment during the subcommittee's markup of H.R. 1085 to name this program for Sonny Montgomery. I can think of no more fitting way to honor his vision and his perseverance.

In title VII of the fiscal year 1985 Defense Authorization Act—Public Law 98-525—Congress approved a 3-year test of a new educational assistance program for both the Active and Reserve components, funded jointly by the Veterans' Administration and the Department of Defense. That test program has been an unqualified success, and H.R. 1085 would make it permanent. There is no question about it: H.R. 1085 makes good sense for the individual service member, good sense for the Department of Defense, and good sense for the future of the Nation. I urge my colleagues' wholehearted support.

H.R. 1085—To Make Permanent the New GI Bill

STRUCTURE OF NEW GI BILL

Active duty personnel

Applicable to all new entrants onto active duty from July 1, 1985, through June 30, 1988

Basic benefit of $300 per month for 36 months in exchange for an enlistment of three years or longer (or $250 per month for 36 months for two-year enlistment)

Kicker authority up to $400 per month for critical skills

Basic benefit paid by Veterans' Administration on a pay-as-you-go basis

Kickers (and Reserve program) funded by Department of Defense on accrual basis

Participants' pay is reduced by $100 per month for first 12 months; service member is in program unless opts out

Reserve and Guard personnel

Applicable to all who enlist, reenlist, or extend an enlistment in a reserve component from July 1, 1985, to June 30, 1988

Entitlement of $140 per month for 36 months in exchange for a six-year commitment in the Selected Reserve

No member contribution required

Funded by DOD on an accrual basis

H.R. 1085

H.R. 1085 would make the new G.I. Bill permanent law with no changes in current program

H.R. 1085 would name the program the Montgomery GI Bill Act

Mr. MONTGOMERY. Mr. Speaker, I thank the gentlewoman from Maryland for her kind remarks and for her support in bringing this legislation out of the Committee on Armed Services.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Tennessee [Mrs. Lloyd].

Mrs. LLOYD. I thank the gentleman for yielding.

Mr. Speaker, I rise in full support of H.R. 1085, the measure which would make the new GI bill a permanent program. I congratulate the gentleman from Mississippi [Mr. Montgomery] for bringing this bill to the floor. It is only just that this bill is called the Montgomery GI bill. The men and women in our Armed Forces will long remember his name in connection with this worthy effort.

When Mr. Montgomery asked me to cosponsor this bill, I was honored to put my name on this legislation. The test program proved such a success in several aspects. Hundreds of thousands of young people, who otherwise might not have been able to afford postsecondary training, can now go to college or pursue additional education after leaving the service. I felt those who choose to serve their country in the Armed Forces deserve their country's help in their pursuit of higher education. It is certainly the least we can do.

The new GI bill was shown to be the single largest factor in gaining new recruits. Additionally, the Armed Forces are now recruiting with the GI bill the bright, committed people we need to operate our increasingly more complex defense systems. If Congress is going to spend the kind of money it does on defense, we surely need high quality people to be responsible for those systems. The new GI bill helps to recruit those kind of people.

Second, the new GI bill will assist in the readjustment of veterans to civilian life following military service. The education assistance in the bill will offer the veteran many more opportunities than would have been previously possible. Many veterans pay back in taxes after they finish their education much more than they received in assistance under the bill.

I am confident the permanent new GI bill will be the cornerstone to success in maintaining our All-Volunteer Force.

Mr. MONTGOMERY. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. Penny], a member of the committee.

Mr. PENNY. Mr. Speaker, I rise in strong and enthusiastic support of H.R. 1085, the bill to make permanent the GI bill. Our committee has watched the implementation of this program over the last couple of years and are tremendously excited about the success of the program. With this legislation we have attracted high quality enlistees to our various Armed Forces. This is the kind of investment that will guarantee that the Volunteer Armed Forces can continue to be a success for our country. At the same time, it is a strong investment in the future of our country because of the educational benefits that these young men and women will receive. It will train them for the jobs of tomorrow, and in that sense it is an investment in the future.

Mr. Speaker, I urge adoption of this legislation.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to an outstanding Member, the former ranking member of the Committee on Veterans' Affairs, the gentleman from Arkansas, Mr. John Paul Hammerschmidt.

Mr. HAMMERSCHMIDT. Mr. Speaker, after our hearings on the new GI bill and after our trip to military facilities to obtain firsthand information about how the new GI bill is working, the arrival of this day for final House approval of H.R. 1085 is almost anticlimactic.

Today, thanks in large part to Chairman Montgomery, we are reaffirming the congressional commitment we have made in the form of readjustment benefits to our Nation's veterans.

These readjustment benefits have helped countless veterans make a smooth transition to the civilian world. In a small way these readjusment benefits make up for educational, business, and other opportunities lost to our veterans while in service to their country.

The results of the test program have met the highest expectations and participation rates are still climbing.

The new GI bill will help ensure adequate numbers of personnel for our national defense needs.

The recruitment climate is currently fragile and will continue to be, due to the improving national employment situation and the constantly shrinking pool of young people from which our services must recruit.

The new GI bill has proven to be among the most effective recruiting programs since the advent of the All-Volunteer Force.

GI education benefit programs have helped educate over 18 million veterans since 1944, when the first legislative package was adopted to ease the adjustment to civilian life of World War II veterans. The dividends this country has already reaped from past GI bills are so vast as to be incalculable. I do not know of a more sensible or cost-effective means of building America's future than by helping our service men and women to further their educations or vocational training.

It is time to make the new GI bill permanent.

Several members of the committee have contributed greatly to H.R. 1085. Special thanks should be given to the chairman of the Subcommittee on Education, Training and Employment, Wayne Dowdy, and the ranking member of the subcommittee, Chris Smith. Jerry Solomon, ranking member of the full committee also deserves special thanks, and, of course, the whole new GI bill program stands as a monument to the vision and wisdom of the chairman of our full committee, Sonny Montgomery.

It is only befitting that this important legislation be named the Montgomery GI bill, and this legislation would rename the permanent new bill the Montgomery GI bill. This is not an honor Mr. Montgomery sought or even knew was to be bestowed upon him at the committee markup of H.R. 1085. But all of the members of the committee strongly felt that Mr. Montgomery should have special recognition and voted accordingly.

In conclusion, I would like to point out that during the 20 years I have been a Member of this great body I have never witnessed an event as occurred recently before the Subcommittee on Education, Training, and Employment. A Speaker of the House had never in anyone's memory come before our committee to testify on behalf of legislation.

I was surprised and pleased when our friend and colleague, Speaker Jim Wright, made an appearance before us a few weeks ago to praise the GI bills as "the best financial investment this country has ever made." His statement reflects his strong support for this legislation, and his unprecedented testimony reflects the great respect he and all of us have for our distinguished chairman, Mr. Montgomery.

The permanent new GI bill, henceforth to be known as the Montgomery GI bill, deserves the vote of every Member of the House.

□ 1230

The SPEAKER pro tempore (Mr. Bonior of Michigan). The Chair would point out to our colleagues that recognition by the Chair of Members will be rotated in the following manner: The gentleman from Mississippi [Mr. Montgomery]; the gentlewoman from Maryland [Mrs. Byron]; the gentleman from New York [Mr. Solomon]; and the gentleman from Virginia [Mr. Bateman].

Mr. BATEMAN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Nebraska [Mrs. Smith].

Mrs. SMITH of Nebraska. Mr. Speaker, I rise in strong support of H.R. 1085, which would make the new GI bill a permanent program.

The new GI bill was established in 1984 for a 3-year test period and, under current law, is due to sunset in 1988. The legislation we are considering today will allow the new GI bill to continue past the sunset date.

Under the new GI bill, recruits who first enter active military service on or after July 1, 1985, can be entitled to up to $300 per month in educational benefits for a maximum of 36 months.

This is how the program works: Recruits who elect to participate in the new GI bill program have $100 deducted from their pay each month for their first year of service, for a total of $1,200.

Recruits who serve 3 years on active duty—or 2 years on active duty and 4 years in the Reserves—are then entitled to educational assistance benefits of $300 per month for 36 months, for a total of $10,800 in benefits. And those who serve 2 years on active duty receive $250 per month for 36 months, for a total of $9,000.

In addition to these basic benefits, qualified recruits who enlist for certain hard-to-fill specialities may receive additional benefits, or "kickers," which are funded by DOD.

The Congress originally enacted the new GI bill as an educational benefit, but it has been enormously successful as a recruitment tool as well. According to the most recent statistics, 84 percent of all new Army recruits, 54 percent of new navy recruits, 64 percent of new Marine recruits, and 44 percent of Air Force recruits are participating in the program.

The new GI bill also has helped to attract more high-quality recruits to the All-Volunteer Force. For instance, the Army reports that it has increased its high-quality recruits by 10 percent during the first 12 months of the new GI bill. And the Army's high school graduate recruits increased by 9 percent during the same period.

Mr. Speaker, the new GI bill helps to keep our Armed Forces strong and stable by recruiting high-quality, bright men and women and provides an important tool to help our servicemen and women adjust to civilian life after serving their country.

It is obvious that we want the highest caliber people possible in our armed services. But if we want to attract the best people, we need to give them decent incentives to join up. I think the new GI bill has proven to be one of the best incentives we have—and its's one of the best investments this country can make.

There's no doubt that the new GI bill and similar incentive programs have made all the difference in making the All-Volunteer Force successful.

As a personal aside, I want to express my congratulations to the chairman of the Veterans' Affairs Committee, Mr. Montgomery. The legislation we discuss today would rename the new GI bill as the "Montgomery GI bill." I think this is a fitting tribute to the chairman, who has done so very much for this Nation's veterans.

Mr. MONTGOMERY. Mr. Speaker, I certainly want to thank the gentlewoman from Nebraska for her kind remarks, and I thank as well the gentleman from Arkansas [Mr. Hammerschmidt] for this remarks in his earlier statement.

Mr. Speaker, I yield 2 minutes to the gentlewoman from South Carolina [Mrs. Patterson].

Mrs. PATTERSON. Mr. Speaker, today we have an historic opportunity. We cannot only show our support for a strong defense, but for education as well.

There is no doubt that the increasing complexity of modern weapons systems calls for an intelligent and highly motivated soldier or that to get the best jobs in civilian life calls for more education. Today we can meet both demands with a single solution. The new GI bill.

For the past 3 years the Armed Forces have been conducting an extremely successful test of the new GI bill and the results are astounding. The Army alone now boasts an 81.5 percent participation rate among it's new recruits. In the program's first year a 10-percent increase in the number of high-quality recruits and a 9-percent increase in high school graduates was reported. The Department of the Army has conducted a study which shows that the increased number of high school graduates have produced savings of $200 million annually, through lower attrition rates. A higher quality recruit is more easily trained and performs better and we need these kind of recruits if we are to maintain a technical and sophisticated defense.

In my home State of South Carolina, we have a fine history of military service. In my district alone, one out of every nine persons is a veteran. Statewide we, traditionally, have the finest National Guard in the country and in the last 3 years over 1,000 of our reservists and National Guardsmen have taken advantage of the new GI bill to go to college. These are proud figures, but ones which cannot continue unless this bill is made permanent.

Our young people want and need a good education, an education which many cannot afford. The new GI bill gives them the opportunity to get that education. Nationwide, there are now over 290,000 members of our military who are taking advantage of this program. Every branch of the Armed Forces is calling for the program's continuation and with good reason. Recent studies have shown education benefits to be a stronger incentive for high quality, college oriented recruits, than higher pay.

To quote our Veterans' Affairs Committee chairman, the Honorable Mr. Montgomery:

> The New GI bill has played a major role in saving the All-Volunteer Force and is allowing all branches of the military service to compete in the marketplace for quality personnel.

And so today I urge the House to vote in favor of a strong military. To vote in favor of well-educated people. To vote for a more secure America.

And this can be accomplished by simply voting "yes" on H.R. 1085, the new GI bill. The Montgomery GI bill.

Mrs. BYRON. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. Ray].

Mr. RAY. Mr. Speaker, today, this body will consider a landmark piece of legislation—the Montgomery GI bill. This new GI bill, which was unanimously approved by both the House Committee on Veterans' Affairs and the House Armed Services Committee, has been aptly titled to honor the man whose perseverance and commitment is the reason we are considering the bill today.

Congressman Sonny Montgomery recognized that if this Nation is to be defended by a volunteer force, then we need incentives which will encourage intelligent and able young men and women to serve in the military.

Congressman Montgomery also realized that if our Nation is to continue as a world leader and not lose our position on the cutting edge of technology, then education of our younger generations must be a top priority.

The Montgomery GI bill addresses both of these national concerns—and with proven success. For example, Mr. Speaker, in 1986 the Army, the service which traditionally has the greatest difficulty in recruiting, recruited 91 percent of high school graduates. This compares to 54 percent in 1980, when the services did not have the GI bill as an incentive.

The GI bill benefits everyone involved—the services get the highest quality recruits, making training easier and more cost-effective; the service men and women who go in under this program are able to get a college education, as well as a chance to serve their country. The American taxpayer probably gets the greatest benefit of all—for this relatively small piece of the budget pie, our country is defended by a military which has a higher average mental ability than our populace and an increasingly larger percent of our Nation is able to get a college education.

Mr. Speaker, I don't know of any program put in place by the Congress which is more effective than this one and I urge my colleagues to join me today in making it a unanimous vote of approval for the Montgomery GI bill.

□ 1240

Mrs. BYRON. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. Skelton].

Mr. SKELTON. Mr. Speaker, when the military history of our country is written years from now and we reflect on the readiness of today and the ability to maintain peace in the world, the name of the gentleman from Mississippi [Mr. Montgomery] will be very prominent in that history, not only because of his interest in Reserve and Guard affairs but because of his effort in instituting, with a great deal of difficulty initially, the GI bill.

We know that the United States of America, as a result of the GI bill after World War II and thereafter, was benefited, and the GI bill helped change the economic condition of our country. It kept us on a military-ready basis, and today this bill is doing the same.

I compliment the distinguished gentleman from Mississippi for his initiative and for following through on the test program which has become a resounding success.

This legislation, Mr. Speaker, will provide the Armed Forces with a tool to attract high quality young people and to give those same young people a chance for higher education that otherwise would not be available. Furthermore, it is these same young people who are coming into our military who will in great numbers decide to make a career of the military because of the GI bill.

I was with my friend, the gentleman from Mississippi, when we went to a recruiting center at Baltimore a few months ago. We had an opportunity there to talk with the young men and young women who were coming through, and they were stating that the GI bill was a reason for their interest.

The SPEAKER pro tempore (Mr. Bonior of Michigan). The time of the gentleman from Missouri [Mr. Skelton] has expired.

Mr. MONTGOMERY. Mr. Speaker, I yield 1 additional minute to the gentleman from Missouri [Mr. Skelton].

Mr. Speaker, if the gentleman will yield, I would also like to point out to our colleagues here today that 2 years ago the GI bill was bogged down in the Armed Services Committee, and the gentleman from Missouri came up with a compromise which is in effect today. That is what we are now trying to make permanent in the legislation.

There are many other Members, Mr. Speaker, who played a great part in allowing the GI bill to come forward and become a part of the military. So while I appreciate the kind remarks that have been made on my behalf today, I would like to say that if it had not been for Members like the gentleman from Missouri, Mr. Ike Skelton, and others, we would not be talking about making this permanent legislation.

Mr. SKELTON. If I may make one last comment, Mr. Speaker, because of the work of the gentleman from Mississippi, I think it is very fitting and very proper that this bill be named in perpetuity as the Montgomery GI bill. I compliment all those Members who have had a part in bringing this bill forward and extend a special word of thanks to the gentlewoman from Maryland [Mrs. Byron] who steered this legislation through the subcommittee and helped to bring it to the point of being heard today.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to a new Member of the House, the gentleman from Illinois, [Mr. Davis], who is also a new member of the Committee on Veterans' Affairs and has already proven to be a very valuable member of that committee.

Mr. DAVIS of Illinois. Mr. Speaker, it is a real privilege and an honor just to serve in this great body, and I have been twice blessed, as I was selected on my side to serve both on the Armed Services Committee and on the Veterans' Affairs Committee, where I quickly learned that one can learn a great deal from the gentleman from Mississippi [Mr. MONTGOMERY], from the gentleman from New York [Mr. SOLOMON], as well as the chairman of the Personnel Subcommittee, the gentlewoman from Maryland [Mrs. BYRON], and the gentleman from Virginia, [Mr. BATEMAN], I have learned a lot about personnel from them.

During those hearings of the Subcommittee on Personnel of the Committee on Armed Services, for instance, Mr. Speaker, we heard the threat that ran through the hearings from every general or officer that came before us on the Personnel Subcommittee that the GI bill was the single largest quality recruiting device that the services had to rely on for the last 3 years. The experiment was a resounding success, and if for no other reason, this bill should for that reason receive not one single dissenting vote on the rollcall that surely will follow this debate today.

Mr. Speaker, for all those millions and millions of GI's who have taken advantage of the GI bill from World War II forward, who were grateful to their country for living up to the commitment made to them when they made their great commitment to their country, I simply say to them that there is a corollary benefit we do not talk about by bringing forth the GI bill. If all other financial aid in this country to postsecondary student education failed, the GI bill should, obviously, live on, because what we are giving to the young men and the young women who are now participating as a recruitment tool for the GI bill is the opportunity to make a commitment to their country, a commitment that will live in their breasts when that military band goes by forever, a commitment to the defense and to the greatness of this country that is certainly just as psychologically great to them as the ability to perform in the next generation of leaders, yes, in this House and in the other body.

Mr. Speaker, I thank the gentleman for yielding me these 2 minutes.

Mr. BATEMAN. Mr. Speaker, I yield 2 minutes to a new colleague, the very able gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Speaker, I thank the gentleman for yielding this time to me.

I came here today, Mr. Speaker, prepared to engage in debate on this issue, and I find there is no debate because apparently no one is opposed to the legislation. I hope that is the case.

Mr. Speaker, I rise today in support of H.R. 1085, to make permanent the new GI bill. This bill would carry on a program tested for the past 3 years, that allows for educational benefits for qualified military personnel.

The benefits of this program should be obvious. It is the cornerstone of our success with the All-Volunteer Force and it has enabled us to maintain and nurture a high quality group of military recruits. In fact, during the first year of the new GI bill, one category of recruits increased 28 percent in comparison to the previous year. The GI benefits were a major factor in this increase.

In further support of the success of this program are the statements of 43 percent of the high quality recruits who said they never would have joined the Army if it weren't for the educational assistance benefits available under the new GI bill. GI benefits work.

My congressional district, the Fifth of Colorado, is particularly interested in the affairs of military personnel. With over 42,000 active and retired military personnel in my district alone, we are anxious to see a strong, eager base of recruits carry the tremendously important burden of defending our country. It is a priority in my district and should be a priority for all of us.

In addition to a potent incentive for recruitment, this bill also provides assistance in the readjustment of veterans to civilian life—a service that has proved vital to a great many.

After carefully reviewing all of the provisions contained in H.R. 1085, it is apparent to me that this bill takes very little—and gives a great deal, in terms of both defense for our country and educational benefits for the deserving. I hope you will all join me in approving this measure.

Mr. MONTGOMERY. Mr. Speaker, I yield 2 minutes to a member of the Committee on Veterans' Affairs, the gentleman from Ohio [Mr. APPLEGATE], who is also chairman of the Subcommittee on Compensation, Pension, and Insurance.

Mr. APPLEGATE. Mr. Speaker, the SONNY MONTGOMERY GI bill represents one of the very best investments that our Nation could ever consider making. H.R. 1085 will permit us to continue, indefinitely, the successes that we've witnessed with the new GI bill program over the past few years. This is truly one of the very few things that we can readily point to and proclaim as being a 100-percent success. SONNY MONTGOMERY's service on both the House Veterans' Affairs and the Armed Services Committees has made it possible to combine into this one measure the concerns of the Veterans' Administration in wanting to secure essential educational benefits for veterans, and the concerns of the Department of Defense in continuing to be able to attract some of the very best recruits that have ever entered peacetime military service in our Nation's history. And it has worked.

I have always admired SONNY MONTGOMERY's direction and leadership as chairman of the Veterans' Affairs Committee, and the legislation before us today demonstrates that Chairman MONTGOMERY not only thinks of our servicemen after they've completed their tours of duty in defense of our Nation and become the veterans of America, but, just as equally, SONNY MONTGOMERY has always sought to also secure the kinds of incentives and benefits for the servicemen and women of America while they serve our Nation. So that these young Americans can feel assured while serving that their future educational needs will be fulfilled after leaving the military.

Let me just add that, while there has been a major emphasis placed on the need for expanding the size of our Navy, for acquiring the very best and fastest planes for our Air Force, and for purchasing the latest in high-technology hardware and sophisticated weapons for our troops, let no one ever overlook the fact that we will always need to recruit the very best young men and women for positions of responsibility in our military in order to guarantee that America's defenses of today and of tomorrow will always remain the important safeguards of our freedoms and liberties. The MONTGOMERY GI bill will make what will probably be a major difference in whether or not we will continue to be the strong Nation that we must continue to be in order to defend our shores as well as the lands of our allies throughout the free world.

Mr. Speaker, the MONTGOMERY GI bill represents one of the best measures yet of America's commitment to her defenses and to those individuals who protect our Nation. Most of all, the MONTGOMERY GI bill also signifies our never ending support of all veterans of America who have given their time in service. We shall never forget what we owe them, just as our veterans never lost sight of what they sought to do—and have done—for us and for America. If you like good long-term investments—you'll love this bill.

□ 1250

Mrs. BYRON. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ORTIZ].

Mr. ORTIZ. Mr. Speaker, I rise in strong support of our distinguished chairman of the House Committee on Veterans' Affairs, the Honorable G.V. (SONNY) MONTGOMERY, and passage of H.R. 1085, a measure to amend title

38, United States Code, to make permanent the new GI bill educational assistance programs established by chapter 30 of title 38, as well as the amendment of title 10, United States Code. Through the personal efforts of Chairman MONTGOMERY, the Honorable GERALD B.H. SOLOMON, ranking minority member of the House Committee on Veterans' Affairs, the gentlewoman from Maryland [Mrs. BYRON], many of my colleagues, and the commanders and recruiting personnel of the various branches and the components of the Armed Forces, this 3-year test program of the new GI bill has been proven a success.

At this time, it is most fitting that we cease the test program and pass into law this new GI bill for our All-Volunteer Force. As many of you recall, title VII of the Department of Defense Authorization Act, 1985—Public Law 98-525—established for the first time, a new GI bill for the All-Volunteer Force. This bill, H.R. 1085, makes permanent the provisions of title VII which provided a new educational assistance program to assist in the readjustment of members of the Armed Forces to civilian life after separation from military service and which assisted the active and reserve components in the recruitment and retention of high quality young people.

It is most interesting to note that the latest statistics show that approximately 84 percent of all new Army recruits, 54 percent of Navy recruits, 64 percent of Marine recruits, and 44 percent of Air Force recruits are participating in this program, to which they contribute $100 monthly from their pay. For active component personnel, a total of a $1,200 nonrefundable contribution is made over the initial 12-month period. Interestingly enough, it is estimated that enactment of this legislation will, over the next 5 years, result in a net reduction of outlays of approximately $365 million, because contributions from service members would exceed benefits paid during this same period. Most important is the fact that hundreds of thousands of young people who otherwise would not have been able to afford a college education or pursue additional educational goals after leaving the service can now obtain this education—an education which will enable them to more significantly contribute to the development of our Nation's great natural and personal resources. By passing this legislation we are investing in America, and I can think of no better investment.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to an outstanding veteran member of the Committee on Veterans' Affairs, the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Speaker, I rise today in strong support of legislation before us to make permanent the new GI bill. Not often is the record so crystal clear on the success and popularity of a program designed to enhance the Nation's armed services as the new Montgomery GI bill. I commend Chairman MONTGOMERY for his superb leadership in bringing this legislation before us today, and I urge my colleagues to join in resounding approval of this important measure.

Last month I had the unique opportunity to observe firsthand the presentation and evaluation of the new GI bill when I visited a number of basic training sites with Chairman MONTGOMERY and other members of this distinguished committee. I need no statistics showing the effectiveness of this new program, undoubtedly the most popular educational assistance program since the Vietnam-era GI bill was closed to new entrants. Indeed, a significant number of the men and women I spoke with on this trip cited the educational benefits of the GI bill as their principal reasons for enlisting. Moreover, recruiters at these bases have reported highly favorable reactions among parents, teachers, and high school counselors to the enormous benefits of the new GI bill.

But for those without the good fortune of firsthand observation of the new GI bill in action, the statistics clearly support the rhetoric. According to the Army, 35 percent of today's recruits cite the educational benefits of the GI bill as the most influential factor in their decision to enlist. Army high quality contracts increased 10 percent during the first 12 months of the new GI bill. High quality recruits in the Army reserve components increased 24 percent the first 12 months of the new GI bill, and high school graduate recruits increased 9 percent while 6-year enlistments increased 28 percent.

Perhaps the most compelling justification for continuing this program on a permanent basis is the declining 18-year-old population. The committee has reported current demographic trends will necessitate the recruitment of 1 out of every 2 eligible noncollege males by the early 1990's. In light of this, the new GI bill is crucial to preserve the all volunteer nature of our armed services and to ensure that young men and women are recruited from the untapped market of college oriented young people as well as potential recruits who are employment oriented.

In this era of budget uncertainties which threaten the many benefits we offer our veterans, it is imperative now more than ever that we arm our recruiters with the necessary incentives to attract the best and the brightest to serve our great country. Making the Montgomery GI bill a permanent part of the benefits we offer will bring us one step closer to meeting the defense manpower needs of the next decade. I urge my colleagues to give this bill their full suppport and send a positive and encouraging message to potential recruits that a decision to serve our Armed Forces will be the decision for their future and the future of their country.

Mr. BATEMAN. Mr. Speaker, I yield 2 minutes to a member of the Committee on Veterans' Affairs, the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, I rise in strong support of the O'Montgomery bill, and thank "Paddy" SOLOMON, a distinguished Representative from New York, for all of his strong support in making this a bipartisan effort. I look forward to a unanimous vote in the House.

Mr. Speaker, last night in Los Angeles I had a chance to see an advance screening of the film called "The Hanoi Hilton." It is an accurate historical film done about as well as a theatrical film can be done on one of the most painful episodes in American history. How you cover a period of captivity for Americans—enlisted men and officers—that reached 9 years in the case of one Army lieutenant colonel is a phenomenal thing to even attempt. I think that the producer, Lionel Chetwynd, who wrote and directed this super film, came as close as anybody ever will.

This film brought home to me, because I knew that we would be discussing this bill this morning, the incredible debt of gratitude that this Nation owes to its young men and now its young women who serve this country in every horrible situation, clime, and weather situation all over this shrinking planet of ours.

I know that I availed myself of my Korean bill rights. When I had 5 children under 10 years of age there was no way that I could have continued any education without the GI bill.

I feel very badly for that gap that the gentleman from Mississippi [Mr. MONTGOMERY] fought to have not happen. Thank heavens, it did not exist for too many years.

I think that it is a fitting tribute to America's military serving men and women that we say that this bill is now going to be in effect until this Congress in its wisdom decides otherwise. We all know and have heard over and over here this morning that it is the No. 1 recruiting tool in peacetime, which we hope will stay forever, to get young men and women to serve their country. I could not have thought of a better day to give this to our young men than this great St. Patrick's Day.

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent for an additional 12 minutes, to be equally divided among the four chairmen and ranking members of the subcommittees.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. The 12 additional minutes shall be divided among the four Members, with 3 minutes apiece controlled by each Member.

Mr. MONTGOMERY. Mr. Speaker, I yield 1 minute to the gentleman from New Mexico [Mr. RICHARDSON].

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Mr. RICHARDSON. Mr. Speaker, I join the many Members of this body to pay tribute to the gentleman from Mississippi [Mr. MONTGOMERY], the gentleman from New York [Mr. SOLOMON], the gentleman from Mississippi [Mr. DOWDY], for this outstanding piece of legislation.

This legislation shows that education is a commitment that is going to pay in very positive future investments. A strong defense is weapons, is recruitment, is a number of financial commitments to defense. But a strong commitment to a national defense is also education. This bill does both.

The GI bill was the best investment the Nation ever made, both in getting dollars back and in training those young men that made this country greater after World War II.

So I join the authors of this bill and commend them for the continuation of one of the best investments this country has ever made.

Mrs. BYRON. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. MCCLOSKEY]

Mr. McCLOSKEY. Mr. Speaker, if there is one type of program that has maximized benefits to the recipients as well as return to the taxpayers, it is the GI bills that have been passed since World War II.

About 19 million Americans have more skillfully contributed to the benefit of their country through the World War II, Korea and Vietnam era, post-Korea GI bills.

It is altogether fitting that with the need for quality recruiting in an increasingly technical Defense Establisment and better education generally in an increasingly competitive world that we should be considering this legislation today.

It is also altogether fitting that this most productive and now permanent program should be called "The Montgomery GI Bill Act of 1984."

No person has been more devoted to the welfare of our American service personnel than the distinguished gentleman from Mississippi.

Although the Pentagon has feared this bill as a budget buster, initial reports as to improved quality of recruits indicates it as an overall budget savings. The Army, for example, has estimated a savings of $234 million yearly—the cost of recruiting and training a division's worth of manpower.

These numbers are dwarfed by future savings to our military and domestic economies.

My colleagues, I urge your strong support for making permanent the Montgomery GI Bill Act of 1984.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. SMITH], a long-time member of the Veterans' Affairs Committee and the senior ranking member of the Education Training and Employment Subcommittee that, with the help of the gentleman from New Jersey and the gentleman from Mississippi [Mr. DOWDY], has had so much to do with pushing this legislation along.

Mr. SMITH of New Jersey. Mr. Speaker, as the ranking minority member of the Education, Training and Employment Subcommittee, I am very pleased that H.R. 1085—to make the new GI bill permanent—has had strong bipartisan support and I'm very proud to be an original sponsor of this legislation.

Mr. Speaker, on February 18, our subcommittee held a hearing on H.R. 1085 and heard from a wide range of interested parties: our distinguished Chairman SONNY MONTGOMERY as well as officials from the VA, each of the Armed Forces, the Army National Guard and the Air National Guard. Testimony was also gathered from representatives of higher education institutions, associations of the Armed Forces, and various veterans groups. The message of all those who testified could be summed up in a phrase: present the GI bill. On February 26, our subcommittee unanimously recommended H.R. 1085 to the full committee which, in turn, unanimously ordered the bill reported.

Mr. Speaker, H.R. 1085 provides for the continuation of the new GI bill beyond the June 30, 1988 expiration date. As Members know the new GI program requires a decision by the entering recruit to contribute $100 per month for 12 months. It will return a basic benefit to the soldier of $9,000 after 2 years of service and $10,800 for 3 years active duty service. Reduced benefits are provided for individuals enlisting or reenlisting in the Selected Reserve or National Guard. In addition, through programs such as the Army college fund, a recruit may earn "kickers" for enlisting in the hard-to-recruit skills the services need.

I believe that the new GI test program has proven itself, first, as an important readjustment benefit and second as a needed recruitment and retention incentive.

Mr. Speaker, as these dedicated men and women leave military service after giving 2 or more years of service to their country, they face an increasingly competitive work force. The GI bill to the veteran is both a reward for service and vital tool to prepare him or her for the future. Since its inception in 1944, the primary purpose of the GI bill has been to assist the veteran in a smooth transition from military to civilian life. It is for this reason that the Veterans' Administration has consistently administered and funded the GI bill.

The cost effectiveness of the GI bill as a readjustment benefit alone has been amply demonstrated over the years in terms of additional taxes resulting from increased earnings by veterans who otherwise would not have attended college.

In addition, the new GI bill has established itself as a major recruitment and retention tool. The participation rates in the five branches of the military and the Reserves give a very good indication of the value enlistees place on the GI program. During the month of November 1986, 84 percent of all new Army recruits signed up for the GI program; 54 percent of the Navy; 64 percent of the Marine Corps; and 44 percent of the Air Force. Through the end of January 1987, almost 46,000 members of the Selected Reserve had already initiated training under the new GI bill.

Moreover, Mr. Speaker, the new GI bill has proven to attract high-quality, college-oriented youths. Since 1980, the percentage of recruits scoring in the upper half of the Armed Forces qualification test [AFQT] dramatically increased from 26 to 63 percent. Additional statistics indicate that 37 percent of high quality, high school graduates rated educational benefits as the single most important reason for enlisting. And, in fact, 43 percent of the high-quality recruits would not have joined without the GI bill.

The Army Recruiting Command, in fact, reports that education benefits increase the pool of potential applicants by 500,000 high-quality young people.

The increase in high-quality recruits reduce attrition and greatly enhance performance. The Army estimates that these high-quality recruits have saved taxpayers the expense of recruiting and training a division's worth of manpower each year. This results in an annual savings of $234 million for the Army.

Mr. Speaker, dollar for dollar, the new GI bill is the most cost effective means of recruitment now in existence. The benefits of this program to the Nation and to the individual veteran are incalculable. I would urge my colleagues to adopt H.R. 1085 and make the GI bill a permanent program.

A special thanks should be reserved for the role of our chairman, Mr. MONTGOMERY, as the "father of the new GI bill." Without his leadership and the work of Mr. Solomon, the ranking member of the committee, and Mr. Dowdy, the chairman of our subcommittee, it would not have happened.

Mr. BATEMAN. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from New York [Mr. Gilman].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in strong support of the Montgomery GI Bill Act of 1984, H.R. 1085, legislation to make permanent the new GI bill education assistance program and I want to take this opportunity to thank the gentleman from Mississippi [Mr. Montgomery], the distinguished chairman of the House Veterans Committee, and the ranking minority member, the gentleman from New York [Mr. Solomon], for guiding this bill through committee and bringing it before us today. I am also pleased that we will be able to provide our new recruits and future enlistees with the marvelous benefits associated with the new GI bill and that we will be able to extend the same educational opportunities that were afforded prior generations upon their separation from service. In listening to today's debate on this measure, it is a tribute to the program to note that so many of our congressional Members, including myself, received some or all of the education with the help of the GI bill of rights.

In accordance with Public Law 98-525, the VEAP Program was established to enhance our recruitment and reenlistment efforts. With funding from both the Veterans' Administration and the Department of Defense, basic grants are provided to eligible military personnel of $300 per month for up to 36 months. To be eligible servicemen and servicewomen must have a high school diploma or its equivalent; have been honorably discharged from the service; and have served either a minimum of 3 years in active duty or 2 years in active duty and 4 years in the selective service. The current demonstration program covers personnel who will enlist between July 1, 1985, and June 30, 1988. All reports tell us that the new educational benefits program is a tremendous success—it is both an effective recruitment and retention incentive for the armed services. By making the GI program permanent Congress will be insuring that we are recruiting the best and the brightest to serve in our Armed Forces.

This legislation, H.R. 1085, removes the enlistment deadline of June 30, 1988, for eligibility for the new veterans educational benefit program. To be eligible, personnel must have enlisted after June 30, 1985, and must have the requisite number of years. I am especially pleased that the committee saw fit in its wisdom to rename the program the Montgomery GI bill. In the brief time allocated to me, it is impossible to list Chairman Montgomery's many contributions to protecting and improving veterans' benefits. By naming this bill the Montgomery GI bill this Congress will be formally acknowledging what every Member of this body and every veteran already knows, that Sonny Montgomery is one of the greatest champions of veterans that this body has ever produced.

Accordingly, I urge my colleagues to offer their full and strong support for H.R. 1085, to make the Montgomery GI bill permanent.

Mr. MONTGOMERY. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. Gray], a member of the committee.

Mr. GRAY of Illinois. Mr. Speaker, I rise in strong support of H.R. 1085 to make permanent the Montgomery GI bill.

Mr. Speaker, I first want to commend my dear friend and the chairman of our Veterans' Affairs Committee, Sonny Montgomery for his wise authorship and leadership in putting this great legislation on the law books.

Mr. Speaker, brain power is like a bank account. If you don't put it in, you can't draw it out. This legislation on the GI bill will allow that brain power to come out for the betterment of our country and our service personnel.

Today, more than 90 percent of Army recruits are high school graduates compared to 54 percent in 1980. The very best financial investment our country ever made was the passage of the previous GI bills. We have sent an entire generation of Americans to college, and we have now demonstrated our commitment to send the next generation.

In closing I again want to commend my friend Chairman Sonny Montgomery for his dedicated leadership and urge my colleagues to support H.R. 1085.

Mrs. BYRON. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. Darden], a member of the Committee on Armed Services.

Mr. DARDEN. Mr. Speaker, I rise today in strong support of the Montgomery GI Bill Act, H.R. 1085, which grants permanent status to the GI bill. I want to commend the gentleman from Mississippi, Chairman Montgomery, for his tenacity in taking the necessary legislative steps to maintain the morale and quality of our soliders and sailors serving the Nation so effectively. In my visit to American military installations throughout this country, not only do commanding generals revere the chairman, but he is known by the soldier in the field as an individual in Congress who is dedicated to fighting for the rights of the common soldier and the worthy veteran.

It is estimated that 33 percent of 18-year-old high school graduates enroll in college. This compares to 84 percent of army recruits who are utilizing the provisions of the GI bill. Mr. Speaker, this is a program that is working.

There are hundreds of programs started by the Government each year. Few of them ever prove successful, yet we continue to fund and promote them. Mr. Speaker, the GI bill is a program that needs no champion. It is proving worthy of our support, and it would be a serious mistake to discontinue this valid educational and recruitment tool by refusing passage of this legislation.

As a member of the Committee on Armed Services, I have heard statement after statement by the Secretary of Defense, the Joint Chiefs of Staff, the Service Secretaries and others concerning the quality of young men and women now entering our Armed Forces. In fiscal year 1986, 92 percent of recruits were high school graduates. Mr. Speaker, we are recruiting top people and the GI bill has been an instrumental factor.

America's greatest successes on the battlefield have not been due to high technology weapons, superior numbers, or political decisions, although these have played a significant role. America's military successes have been primarily due to the quality and bravery of the individuals fighting the battle. I urge the passage of the Montgomery GI Bill Act as one contributing factor for continuing the American military success story.

Mr. SOLOMON. Mr. Speaker, I reserve the balance of my time.

Mr. BATEMAN. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Connecticut [Mr. Rowland], a member of both the Veterans' Affairs and Armed Services Committees.

Mr. ROWLAND of Connecticut. Mr. Speaker, I want to pay tribute to the chairman of the Committee on Veterans' Affairs, who has worked so long and so hard on this issue.

I was fortunate enough, several weeks ago, to be a member of the committee that went over to visit with some of the military installations throughout the United States, an opportunity to get into the field and actually talk to some of the new GI's; some of the young men and women that had really only been on service duty for some 2 or 3 days.

This gave us an opportunity to talk to these young men and women. We asked them: Why did you join the Army? Why did you join the Navy? Why did you join the Air Force? Why did you join the Marines?

The overwhelming response from all four sectors of the service, from all of these young men and women, was that they wanted to increase their education; they wanted to increase their training. Yes, some said they wanted to see the world; many, many were dedicated to serving their Nation, but the overwhelming response was a furthering of their education.

We found that in each and every one of the services. They understood the very complex nature of the GI bill; they understood that for every dollar that they invested in the GI bill, they would get back eight times that in actual education benefits.

We are going to discuss, hopefully in the future on the Veterans' Committee and other committees, the possibility of transferring those benefits, the possibility of refunding those benefits, the possibility of spreading those payments out; but we cannot address any of those issues until we make sure that we have got a good, permanent GI bill in place.

I cannot tell you enough just how strongly these young men and women felt about the GI bill and what an incentive and recruitment measure it is.

As a side note I would like to add, Mr. Speaker, that I was tremendously impressed by these young men and women. We have all read the horror stories, and we have heard about the problems and the accusations that we are getting the bottom of the barrel of the young men and women who are now serving in our services.

Well, from my experience, and I think from the experiences of my colleagues on both sides of the aisle, we can tell you, we have got the best of the barrel; and they are going to be even better with our help.

Mr. MONTGOMERY. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. de la Garza].

Mr. de la GARZA. Mr. Speaker, I thank my distinguished colleague, and I appreciate all the effort that he and this committee have done in this behalf.

Mr. MONTGOMERY. Mr. Speaker, we are not through debating, but I want to take this opportunity to thank the Chair for his fairness, and to point out to my colleagues that the Chair is a Vietnam veteran and he was educated under the Vietnam-GI bill.

Mr. Speaker, I yield 1 minute to the gentleman from South Dakota [Mr. Johnson], a member of the Committee on Veterans' Affairs.

Mr. JOHNSON of South Dakota. Mr. Speaker, we are considering a measure that is absolutely essential to our Nation's defense and economic well-being. This is a bill to make the new GI program, the Montgomery GI bill program, permanent.

I am particularly proud to be a cosponsor of this legislation, and I congratulate the chairman of the Committee on Veterans' Affairs, Congressman Sonny Montgomery, for his unswerving leadership.

Mr. Speaker, the Montgomery GI bill is far more than an acknowledgment of a good Federal program. This bill will ensure that the most critical element in our Armed Forces—the people—will continue to be the best the United States can offer.

It will attract the kind of recruits we want in the armed services and help them to become better citizens after they have completed their tour of duty by providing educational assistance to prepare them for continued service as private citizens.

I urge my colleagues in the strongest terms to support this important measure.

Mrs. BYRON. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. Pickett].

Mr. PICKETT. Mr. Speaker, I rise in strong support of H.R. 1085, legislation to preserve the new GI bill as our Nation's principal means of attracting the best and brightest young people into military service.

When Congress established the new GI bill 2 years ago, the Nation's All-Volunteer Force faced harsh critics. Americans were told that the quality of recruits was below par and that there were insufficient incentives to keep highly skilled, experienced veterans in the service.

By any yardstick, the new GI bill has gone far toward addressing these concerns. The Army reports that in the first 12 months of the program, the number of high-quality recruits jumped 12 percent; for the Army Reserve, the increase was 24 percent. And in every branch of the service, young recruits once again are citing educational benefits as a principal reason for enlisting.

These figures are welcome news for a national defense establishment where the increasing sophistication of weaponry requires servicemembers who are well-trained, intelligent, and motivated.

But the benefits of this program are not limited to national defense. Through the new GI bill, thousands of mature, disciplined young people will realize the dream of a college education and a brighter future. The benefits to our economy of their training will extend into America's next century.

I commend the distinguished chairman of the Veterans' Affairs Committee, Mr. Montgomery, for his tireless work on this program. His name has rightfully become synonymous with the new GI bill, which is the latest in a long series of his contributions to veterans and to those on active duty.

Mr. Speaker, I urge unanimous support of this bill.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. Montgomery], and the gentleman from Virginia [Mr. Bateman] has, I understand, been good enough to yield 3 minutes of his time to the gentleman from Mississippi [Mr. Montgomery] for him to allocate as he sees fit. That is a total of 5 minutes

Mr. MONTGOMERY. Mr. Speaker, I want to thank the gentleman for yielding the time, and I think that will give us the opportunity to permit all Members that wanted to speak on this legislation to have that chance.

Mr. Speaker, I yield 1½ minutes to the gentleman from North Carolina [Mr. Valentine].

Mr. VALENTINE. Mr. Speaker, I rise in strong support of H.R. 1085.

This bill is important for two reasons. First, by renaming the new GI bill the Montgomery GI bill we recognize, in a uniquely appropriate fashion, the decades of service to American veterans rendered by the distinguished chairman of the House Veterans' Affairs Committee, Sonny Montgomery. Veterans have never had a better friend, or a more able and effective friend, than Sonny Montgomery.

As chairman of the Veterans' Affairs Committee, he has consistently defended the legitimate interests of veterans. He has never let the Congress or the Nation forget the large debt we owe to those who haven given up the comforts of civilian life and often risked their lives to protect their fellow citizens. I hope that every American who receives educational assistance under the Montgomery GI bill will be reminded of Sonny Montgomery's untiring dedication to our veterans and our Nation.

Second, by making this program permanent, we are repaying, at least in part, our obligation to those who volunteer for military service. This program works—it works both for individual service men and women and for our entire Nation.

The GI bill enables individuals to develop their skills and thus reach their full potential in civilian careers. At the same time, the GI bill provides an important incentive for recruitment in both the Active Duty and Reserve Forces. Without a military draft, eduational incentives are among our most effective recruiting tools.

The Montgomery GI bill will also contribute to the solution of a major national problem—declining American competitiveness in the international economy. By helping American workers obtain more training and advanced skills, we will help all of American business adapt to a world of unprecedented technological change. The Montgomery GI bill is a proven, cost-effective program that will help America stay competitive.

Mr. Speaker, I believe that the first GI bill was among the most important Federal programs of the 20th century. It allowed millions of American families to move permanently into the middle classs.

The new Montgomery GI bill can be just as significant. It has already been approved unanimously by two committees, and I urge my colleagues to pass it in the full House. American veterans have earned this benefit, and SONNY MONTGOMERY has earned this recognition.

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Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. VALENTINE. I yield to the chairman from Mississippi.

Mr. MONTGOMERY. I thank the gentleman for yielding.

Mr. Speaker, I do not wear a hat, so probably I will not have to worry about that. But I do appreciate the wonderful, kind things that have been said here today. It is really not me, it has been a team effort totally. A number of Members of Congress have been involved in this situation. We are going to pass this bill today, I believe, out of the House. We are going to have to do some work in the other body. But I think after this show of enthusiasm, and what has been said here today, I think, and I hope, it will have a good effect on the Senate and we will have an opportunity to pass the bill and send it to the President of the United States.

Mr. VALENTINE. I might say to the gentleman that I had mentioned to some of our colleagues that I intended to say something about other Members who worked so hard on this effort, besides SONNY MONTGOMERY, but I knew that I would leave out some appropriate person. So, Mr. Speaker, I salute the gentleman from Mississippi for what he is and for what he symbolizes.

Mr. MONTGOMERY. I thank the gentleman. Now we have to get this passed in the Senate. That is our next big step.

Mrs. BYRON. Mr. Speaker, I yield 2 minutes to the gentleman from Maine [Mr. BRENNAN], a member of the committee.

Mr. BRENNAN. Mr. Speaker, as a member of the Committee on Armed Services, I rise today in strong support of the Sonny Montgomery GI bill. I am pleased to have been an original cosponsor.

President Reagan, in his State of the Union Address earlier this year, stated that "the very best financial investment this country ever made was the GI bill of rights at the end of World War II. It sent an entire generation of Americans to college," and what a difference that made in America. Present participation rates confirm the new GI bill's value to the young people volunteering to serve in our country's Armed Forces.

The new GI bill serves two major purposes. First it is providing education assistance for tens of thousands of young men and women who otherwise might not be able to go to college or pursue other postsecondary training. And second, it has proven to be an important recruitment and retention tool for all branches of the military, especially the Army.

The newest GI bill is the latest to carry out our national obligation to assist members and former members of the Armed Forces in their efforts to achieve their maximum potential as individuals. Since the enactment of the first GI bill in 1944, over 18 million veterans and service personnel including myself have received educational assistance under three GI bills.

The approval of this legislation will help our military forces to continue attracting top caliber personnel to meet the sophisticated needs of today's military. I believe that we owe at least these benefits to those who serve in the defense of this Nation.

I urge my colleagues to join me in a strong vote of approval for the SONNY MONTGOMERY new GI bill.

The SPEAKER pro tempore (Mr. BONIOR of Michigan). The Chair would point out that the gentleman from New York [Mr. SOLOMON] has 2 minutes remaining, the gentlewoman from Maryland [Mrs. BYRON] has 2 minutes remaining, the gentleman from Virginia [Mr. BATEMAN] has 2 minutes remaining, and the chairman, the gentleman from Mississippi [Mr. MONTGOMERY] has 5 minutes remaining.

Mr. MONTGOMERY. Mr. Speaker, I yield 1½ minutes to the gentleman from Georgia [Mr. ROWLAND] who is also a member of the Veterans' Affairs Committee.

Mr. ROWLAND of Georgia. Mr. Speaker, on October 19, 1984, a bill officially known as the Department of Defense Authorization Act, and more commonly referred to as the new GI bill for the All-Volunteer Force, was signed into law.

Today, we are proposing to give the legislation an even more appropriate name—the Montgomery GI Bill Act of 1984.

Mr. Speaker, if a hall of fame is ever established for Members of Congress then Congressman G.V. "SONNY" MONTGOMERY should be among those selected. Few people in the history of the country have done more for our veterans and their families than the gentleman from Mississippi. Because of his outstanding leadership the country is stronger and more secure than it otherwise might have been.

Certainly, no one contributed more to the development and enactment of the new GI bill than Congressman MONTGOMERY. It was his concept; he nurtured it and brought it to the point where it had the support of just about everyone concerned, including Congress and the Pentagon, educators throughout the country, and especially the recruits and their families who have benefited from the opportunities this bill provides.

This bill is unquestionably doing the job. It is helping attract and retain the kind of young men and women we need in military service. It is providing an education for hundreds of thousands of Americans and is helping them fulfill their potential as citizens when they return to civilian life. As has often been pointed out, it is a wonderful investment for the country.

It is important that we make the Montgomery GI bill a permanent program and it is fitting that we name it for our esteemed colleague who has done so much to make it a reality.

Mr. MONTGOMERY. I thank the gentleman from Georgia, who is a valuable member of our committee, for his kind remarks.

Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. JONTZ], a new member of our Committee on Veterans' Affairs.

Mr. JONTZ. Mr. Speaker, I would like to take a few moments to thank the chairman, Mr. MONTGOMERY, for his superb leadership of the Veterans' Affairs Committee. The chairman has done an outstanding job of authoring and steering the new GI bill through the committee and onto the floor. I'm pleased to join the chairman as an original cosponsor of this legislation.

The bill we are considering today is necessary because the 3-year test period for this highly successful education assistance program known as the GI bill is scheduled to expire in June 1988. H.R. 1085 would make it permanent.

Over the past years our armed services have helped send over 9 million men and women to college. These programs have paid for themselves many times over by increasing economic productivity, and thus returning more revenues to Government. The new GI bill has made vital contributions to strenghening our national security, in addition to providing opportunities for postsecondary education which are essential to the successful transition of the members of our Armed Forces to civilian life. Mr. Speaker, the new GI bill has been a tremendous success. This legislation to make the new GI bill permanent deserves everyone's support.

H.R. 1085 has been a top priority for the higher education community because it will make college education more accessible to young men and women. With the marked decline in the purchasing power of student financial aid as measured against full costs of college attendance compounded by the rising costs of tuition, an increasing number of high school graduates are likely to turn to the new GI bill as their surest path to a college education. This Nation's economic success can in part be attributed to previous GI bills. I'm sure that some would not even hold seats in Congress if not for the education received from the GI bill.

American national security is also strengthened with the rise in the educational level of entering recruits. During the 3-year test period, the Army has reported a 9-percent increase in the number of high school graduate recruits. They also reported a 10-percent increase in high-quality active-duty contracts during the first 12 months of the new GI bill as compared to the final 12 months of the previous education assistance program. High-quality recruits in the Army Reserve components increased by 24 percent during this same period.

With an 85-percent participation rate in the new bill, the armed services are attracting educationally oriented, intelligent and motivated recruits. With weapon systems becoming increasingly sophisticated, the rise in the educational level of the soldiers using such weapons can only enhance the effectiveness of our forces.

Finally, the new GI bill has played a major role in saving the All-Volunteer Force. Since the number of eligible young recruits is falling fast, we must have a means of attracting men and women to the military services who are bright, disciplined and goal oriented. The new GI bill will help the armed services meet their recruitment goals.

Just as the original post-World War II GI bill sparked a broadening of opportunities which changed American higher education dramatically, the new GI bill promises to significantly assist research, industry and the military services to obtain the talent they need to maintain America's security and international competitiveness. I urge every one to vote in favor of the new GI bill and hope the Senate will move forward on the bill in the coming days.

Mr. BATEMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, if I may I will take only a moment of my remaining 2 minutes and do that to point out that when this body acts in a clearly nonpartisan manner as we clearly are acting today on this Montgomery GI bill of rights, it is almost always the case that the gentleman from Mississippi [Mr. MONTGOMERY] is identified with that nonpartisan effort.

Mr. Speaker, I commend the gentleman from Mississippi, I commend the leadership of those committees who have brought this bill to the floor and call upon all of my colleagues in a nonpartisan or bipartisan manner to give their support to this measure.

Mr. MONTGOMERY. Mr. Speaker, I yield 1 minute to one of our subcommittee chairmen, the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Speaker, I am extremely pleased to support the passage of H.R. 1085 which will make permanent the new veterans' GI bill. This highly successful education program is a testament to the hard work and dedication given by the chairman and members of the Veterans' Affairs Committee on behalf of this Nation's veterans. It is indeed fitting that this latest version of the GI bill should be entitled the "Sonny Montgomery GI bill". We're proud with him today.

During the 40-year history of veterans' education programs, over 18 million veterans have gone to school on GI bill benefits. Over 400 students enrolled at the University of Toledo in my district are there with the assistance of numerous veterans' education programs. Undoubtedly, the new GI bill will play a major role in the educational aspirations of hundreds of students in my community and throughout the country.

Thanks to the new GI bill, our armed services are attracting impressive numbers of high-quality recruits and over 250,000 of these recruits have signed up for this program. Already, over 43,000 Selective Reserve personnel have applied for their new GI bill benefits. Those numbers are expected to swell in the years ahead. And the beauty of the GI bill is that the recruits are setting aside money every month to help pay for it.

Education is one of this Nation's strongest lines of defense. By developing a strong volunteer armed services and providing educational opportunity for thousands of Americans, the Montgomery GI bill serves the interests of both.

Mr. Speaker, let's pass this bill.

Mr. PANETTA. Mr. Speaker, the GI bill of rights has been called the most comprehensive piece of legislation ever passed by Congress. In the over 40 years since its passage, 18.2 million veterans have gained 59 billion dollars' worth of education and training, in every field from aeronautics to zoology, from electrical engineering to plumbing, from auto mechanics to truck driving.

The GI bill remained in force for more than 30 years before Congress ended it in 1976. Almost everyone who served in the military between 1939 and 1976 was eligible for GI bill benefits. Initially, it was meant to ease the transition of World War II veterans into society. Later, it was used to compensate those veterans whose lives had been interrupted by the peacetime draft or who had been called to serve in Korea or Vietnam. By the mid-seventies, when the draft itself had been abolished, Congress felt that it was no longer necessary to provide the program.

Clearly, however, there were problems with the new, voluntary military service. Retention was not high and the quality of the recruits was sometimes in question. Something was needed to attract more men and women to the service. In 1984, therefore, Congress took up the issue of a new GI bill. The aim of the new bill was "to aid in the recruitment and retention of highly qualified personnel."

The new GI bill was passed in October 1984 and provided for educational assistance for the men and women in the armed services and Selected Reserves of the United States through June 30, 1988. Time has proven that the New GI bill has been successful in both attracting recruits to military service and providing the opportunity for a college education to a growing number of young people. Continuation of this program is vital to our national defense, as well as to the continuing need for higher education.

Having served in the U.S. Army myself, I am deeply concerned about the impact of recent cuts in tuition assistance on the morale of service personnel. While expenditures on weapon systems are necessary to ensure our Nation's security, I have always felt that we must give first priority to our military people. In my view, we ought to be providing benefits which not only ensure their recruitment and retention, but will also give them the means of improving their quality of life.

Another reason I support making the new GI bill permanent is my strong interest in youth service. I have long felt that this Nation needs a national youth service program with an educational component. Toward this end, I have introduced legislation, the Voluntary National Youth Service Act, in this and the previous Congress which would authorize matching grants to State and local governments operating voluntary youth service programs. There are numerous youth service programs already in existence across the country, and this act would aid such programs and stimulate the creation of new ones. The programs the act is intended to help would encourage young people ages 17–24 to serve in local nonprofit, social service or governmental organizations meeting important human, social, or environmental needs. State and local governments receiving Federal assistance would provide participants with stipends, housing or other in-kind assistance.

In- and post-service educational provisions are also an integral part of the Voluntary National Youth Service Act. Plans submitted to determine eligibility for grants under the act would have to include provisions whereby:

Any participants in youth service who are not high school graduates could take part in an education program in which they could earn a high school diploma or equivalent; and

All participants could arrange to receive academic credit in recognition of learning and skills obtained from their service.

The total compensation for youth service programs would be equal in value to between 80 and 160 percent of the Federal minimum wage. Of this amount, it is the intent of the bill that a significant proportion would be earmarked for postservice education and employment benefits. State and local governments sponsoring youth service programs under the act would also have to submit an annual report including a selection on postservice educational and occupational experiences of the participants.

I of course believe that youth service has considerable integral value in and of itself in providing valuable training, experience and direction to participants. However, the service is all the more valuable to the participants, and society, if it includes provisions for the participants to continue their education and training after serving. In this way, as with the Armed Forces, participants could build on the valuable skills and knowledge acquired in service to develop rewarding and fulfilling careers. In conclusion, I strongly feel that the new GI bill should be made permanent and that any national youth service programs should include a postservice education component similar to that in the GI bill. Postservice education provisions, whether in military or civilian service programs, help ensure the quality of recruits and give participants the opportunity to greatly extend what they gain out of service through higher education.

Mr. FAZIO. Mr. Speaker, as a cosponsor of H.R. 1085, I rise today in strong support of the Montgomery GI Bill Act of 1984. Since its inception, the GI bill has proven to be extremely successful. As the population rate declines, the armed services will be competing with a wide range of industries for the skills of young people. The need for recruitment and retention programs that offer our youths the opportunity to pursue further education are vital to our services and our Nation.

Historically, Federal support of education for our soldiers has been a positive experience. Four GI education programs have helped educate more than 18 million veterans since 1944, when the first package was adopted to ease the readjustment to civilian life of World War II veterans.

Now, the 3-year test of the new GI bill has yielded impressive statistics. More than 250,000 active-duty recruits in all branches of the Armed Forces participated during the first 18 months of the program. In addition, more than 43,000 members of the Guard and Reserve applied to the Veterans Administration for benefits during this period. New recruits across the country cite that educational benefits are their principal reason for enlisting. Eighty-four percent of all new Army recruits are signing up for the program. The Navy is signing 54 percent of its recruits for the GI bill; the Marine Corps is signing up 64 percent and the Air Force is signing up 44 percent.

The GI bill is an outstanding incentive for our young people. This program allows recruits to learn marketable skills that will aid them in the increasingly competitive civilian workplace. If they chose to stay in the military, the services benefit by retaining high-quality professional soldier and leaders.

The GI bill is extemely cost effective. Studies by the Department of Army show that the lower attrition rates attributed to the GI bill resulted in a savings of 13,000 personnel and a cost savings of approximately $200,000 a year.

As a member of the Subcommittee on Military Construction of the House Appropriations Committee, I am well aware that the personnel and quality of life programs, essential to high retention rates, have been subject to significant cuts over the years. This new GI bill would make permanent a proven program that will attract and retain high quality recruits. This would benefit both the Armed Forces and the Nation.

Mr. CONTE. Mr. Speaker, I heartily endorse the recommendation of the members of the Armed Services and Veterans' Affairs Committees to make permanent the policy contained in the new GI bill.

Since 1940 the GI bill of rights has been the cornerstone of our commitment to our Nation's service men and women. Now more than ever we need the benefits which we are making permanent in the new GI bill. Our All-Volunteer Force is as dependent upon the benefits of this bill as is each individual service man and woman. The beauty of this legislation is that it is a two-way street in which both parties, the Government and our servicemen, benefit from the permanent enactment of the new GI bill.

It is said that the primary purpose of the new GI bill is to provide educational assistance benefits in order to facilitate the readjustment of veterans to civilian life. I say that this bill not only helps our servicemen and women to "adjust," but it gives them the opportunity to "excel" in civilian life. We are recruiting brighter and more capable people than we ever have before. Most of these individuals need the educational assistance which is available in the new GI bill in order to achieve the potential they offer.

As one who was educated under the World War II GI bill, I can tell you that this bill provides the opportunity to excel which, for many, might not otherwise be available. For that we owe the Armed Services and Veteran's Affairs Committees a great debt of gratitude and pleased that it will be named in honor of my good friend Sonny Montgomery of Mississippi and for that we can all be thankful.

Mr. EVANS. Mr. Speaker, the new GI bill is an overwhelming success. With the new GI bill, our active duty forces are attracting high quality recruits. As a direct result, our national defense is enhanced. Our military recruits, young men and women numbering in the thousands, now have a better opportunity to pursue their education. The education they receive will benefit each of them individually and our society as a whole.

The new GI bill is in the best tradition of America. It provides our citizens with an opportunity to reach their full potential through their own hard work and dedication. If it wasn't for the GI bill, which helped me afford college and law school after my Marine Corps service, I wouldn't be standing in the well of the House today.

During full committee consideration of this bill, I offered an amendment to honor the distinguished chairman of our committee whose vision, courage and leadership are responsible for the new GI bill's success. My amendment was adopted, and the legislation which first established the new GI bill is now known as the Montgomery GI Bill Act of 1984.

It is altogether fitting and appropriate for this landmark legislation to bear the name of our distinguished chairman, Sonny Montgomery. Without his foresight, courage and leadership, there would be no new GI bill. I ask my colleagues to join with us today in making this excellent program permanent. It will help keep our armed services strong and provide opportunity for millions of Americans at the same time. I can't think of a better investment in our Nation than the passage of H.R. 1085.

Mr. MOAKLEY. Mr. Speaker, today the House is considering legislation which will make permanent the new GI bill. As one who personally benefitted from the original GI bill, I want to express my strong support for this critical program as well as my congratulations to Chairman Sonny Montgomery for his work on this bill.

The GI bill has enabled literally millions of veterans to achieve college diplomas in a variety of fields, when most would not have been able to pay for a higher education and college was a far off dream. When President Roosevelt signed the GI bill into law he said,

> This is a well-rounded program of special veterans' benefits which is nearly completed. It gives emphatic notice to the men and women in our Armed Forces that the American people do not intend to let them down.

Since that time, the GI bill has been amended and extended, and has transformed the American dream into something as solid as a house on a piece of land which they can call their own. Forty years later the GI bill is still making an impact on the academic, economic, government entertainment, sports, social, and cultural scene in America.

If the past 40 years is a reflection on how much this bill has helped the veterans of this country, I can only hope that an additional 11 million veterans will have the chance to benefit from this legislation. The GI bill has been good for veterans as well as America, it has been a way of life for millions of veterans and it promises to be a way to help secure their dreams of the future. Thank you.

Mr. McEWEN. Mr. Speaker, I rise in strong support of H.R. 1085, the Montgomery GI Bill Act of 1987. As an original cosponsor of this particular legislation, I believe this proposal will accomplish our country's mission to maintain its volunteer armed services program. In addition, the new GI bill has demonstrated its designed capacity to attract and retain high quality recruits. In my view, this effort has been and will continue to be an overwhelming success.

Mr. Speaker, during my time on the Veterans' Affairs Committee, it has been my purpose, and the purpose of many others, to do all that we can to strengthen the veterans programs of our Nation by the passage of responsible legislation. I believe that the record is clear that we have been more than successful in that regard. That is why the chairman of the Veterans' Affairs Committee, Sonny Montgomery, has proposed to make the new GI bill a permanent program. This is the right action to take to enhance recruitment and retention, and to provide meaningful readjustment benefits to the men and women who are choosing to serve America.

Mr. Speaker, this program has been the work of many Members of the Congress. However, the leading force in this legislation has been the distinguish chairman of the House Veterans' Affairs Committee, Sonny Montgomery. His thoughtfulness, his vision and his personal commitment to this noble effort have guided us to this goal. During this time, several members of the House Veterans' Affairs Committee have supported this program. Congressman John Paul Hammerschmidt, our vice chairman, Jerry Solomon have join us in this effort. I urge all Members of the House to vote for H.R. 1085 today, and to continue our commitment to those men and women who keep America and our allies safe and secure.

Mr. CLINGER. Mr. Speaker, I rise today in strong support of H.R. 1085, to make the GI bill permanent.

Since the end of the Second World War, our Nation has had a proud tradition of educating those who served and sacrificed for our country. Since 1944, over 18 million veterans have taken advantage of various GI bills and gone on to further their knowledge in institutions of higher learning. It is a proud achievement for the United States that we have been able to help our finest in such a manner, and it is a tradition that should continue. By passing H.R. 1085, we will ensure that the young men and women who choose to serve their country will have an opportunity to pursue their dreams by attending college.

In 1984, when this legislation was first enacted, recruitment for the armed services was down and increasing numbers of Vietnam-era veterans were leaving the service and moving to civilian life. Our all volunteer military needed more recruits to keep the services strong. We needed an incentive and what better incentive than helping recruits pay for their education at the conclusion of their military service.

Over the past 2 years, the program has worked brilliantly. So far, more than 260,000 new recruits have signed up to participate and more than 43,000 people from the military's Selective Reserve have applied for educational benefits.

Besides making the GI bill permanent, this legislation would rename the bill the Montgomery GI bill after the distinguished chairman of the Committee on Veterans' Affairs, SONNY MONTGOMERY. He has fought hard to make sure that people across this Nation understand the importance of the program as a readjustment benefit for veterans, its significance in recruiting, and the educational assistance it provides to thousands of young men and women who otherwise could not afford college training.

Once again, I state my strong support for this legislation and urge my colleagues to also support it.

Mr. SHUMWAY. Mr. Speaker, today I rise in support of the Montgomery GI bill which will make permanent the Veterans Educational Assistance Program initiated in 1985.

With a national debt of over $2 trillion, all Federal expenditures must be subject to strict scrutiny. However, in our efforts to rein in runaway Government spending, we must not overlook our national security interests which remain a primary responsibility of the Federal Government.

The new GI bill was created in 1984 to provide educational benefits to the new All Volunteer Force. By January of this year, over 265,000 active duty recruits and more than 46,000 members of the National Guard and Selected Reserve had chosen to participate in the program.

These educational benefits provide an important incentive for recruitment and reenlistment. Today the All Volunteer Force is attracting dedicated, highly motivated men and women who make up the finest Armed Forces in the world. In addition, the program makes it possible for individuals who have served their country to obtain higher education and additional training which might not otherwise be available to them.

I urge my colleagues to support this important piece of legislation as an investment in a highly qualified All Volunteer Force and the security of the United States.

Mr. BONER of Tennessee. Mr. Speaker, as an original cosponsor of H.R. 1085, I am pleased to join my colleagues today in recommending passage of this bill. In addition, I am proud that the House has agreed to rename this program after our distinguished chairman of the House Veterans' Affairs Committee, Representative SONNY MONTGOMERY.

I served with Chairman MONTGOMERY as a member of the House Veterans' Affairs Committee during my first 4 years as a Member of Congress. Few Members in the history of the House have worked harder on behalf of our Nation's veterans than Chairman MONTGOMERY. His leadership in the area of educational assistance for veterans is second to none and it is fitting that Congress rename the new GI bill in his honor.

The new GI bill is the latest measure Congress has enacted to carry out our national obligation to assist members of the armed services in their efforts to achieve maximum potential as individuals and citizens. Providing educational assistance facilitates the readjustment of these veterans to civilian life following completion of military service.

Since enactment of the first GI bill in 1944, over 18 million veterans and service personnel have received educational assistance under four GI bills. These measures are widely recognized as the best investment our Nation has ever made. As Speaker WRIGHT said in his January 27, 1987, address, "The very best financial investment this country ever made was the GI bill of rights at the end of World War II. It sent an entire generation of Americans to college. And our country has been reaping the dividends ever since."

Similar dividends flowed from the Korean conflict GI bill, the Vietnam-era/post-Korean GI bill, and the current 3-year GI bill, which expires in 1988. As many of my other colleagues have already stated, many millions of young men and women have been assisted in the transition to civilian life by taking advantage of the education and training benefits our country has provided through these programs.

The success of the current GI bill can also be measured by its positive effect on the recruitment and retention of high-quality individuals for the Armed Forces. As a component of the recruitment package the Armed Forces use, the current GI bill is attracting high-quality youth to military service in record numbers. When our country enacted the All-Volunteer Force, it recognized that the Armed Forces needed motivated and dedicated youth. It toyed with several recruitment tools to reach those youth but none of those tools compared in success with the current GI bill.

The legislation pending before us today makes the current 3-year GI bill for the All-Volunteer Force permanent. Experience amply demonstrates that so long as our Nation relies on an All-Volunteer Force, it must provide the Armed Forces with the tools necessary to ensure high-quality recruits. And, so long as we ask our young men and women to participate in the defense of our Nation, we must provide the readjustment benefits necessary for them to return to civilian life to enjoy the freedoms for which they served.

As the committee report states in quoting a first century philosopher, "Only the educated are free." Similarly, as we move into the third century of our Nation's birth and the uncertainties of the 21st century, we must reaffirm our responsibility to those who have protected our freedoms and enable them to pursue their personal goals through education and training.

The new GI bill—to be known hereafter as the Montgomery GI bill—accomplished this important commitment to our Nation's present and future Armed Forces personnel. I urge my colleagues to support H.R. 1085.

Mr. COLEMAN of Texas. Mr. Speaker, the House today will consider legislation to make permanent the program known as the new GI bill, a program essential to the future health of our Nation's Armed Forces.

The new GI bill, program of educational assistance was established by the 1985 Defense Authorization Act to help service personnel readjust to civilian life and to help recruitment efforts and retention of personnel by the Armed Forces. It replaced the Veterans Educational Assistance Program, under which participants contributed up to $2,700 from their pay, which the Veterans' Administration matched on a 2-to-1 basis. Unfortunately, the participation rate was less than 20 percent, taking into account those who requested refunds of their contributions.

Under the new GI bill, individuals entering the service between July 1, 1985, and June 30, 1988, are entitled to basic educational benefits unless the person specifically declines to participate. Participants have $100 deducted from their monthly pay for 12 months, for a total nonrefundable contribution of $1,200. Individuals who then serve 3 years on active duty, or 2 years on active duty and 4 years in the Reserves, are entitled to educational benefits of $300 per month for 36 months, for a total of $10,800. There are other benefit levels, and qualified recruits who enlist in hard-to-fill specialties may receive additional benefits that are funded by the individual services but administered by the Veterans' Administration.

Mr. Speaker, the latest statistics show that 84 percent of all new Army recruits, 54 percent of Navy recruits, 64 percent of Marine recruits, and 44 percent of Air Force recruits are participating in the program. This high level of involvement demonstrates to me that the educational benefits of the new GI bill are instrumental in maintaining our current high level of recruiting standards and in meeting the manpower needs of the Armed Forces.

All of the individual Armed Forces enthusiastically support the continuance of this program. The recruiting market has expanded significantly, and college-oriented youth who would not have contemplated military service are now joining the Armed Forces because of this assistance. Without the new GI bill, however, the services would be forced to compete with an expanding job market and educational institutions in order to attract a larger percentage of high-quality youth from a shrinking pool of eligible recruits.

The new GI bill is an important component of the recruitment and retention package available for use by the Armed Forces, and I urge speedy adoption of this legislation by my colleagues.

Mr. KYL. Mr. Speaker, as a member of the Military Personnel and Compensation Subcommittee of the House Armed Services Committee, I rise today in strong support of H.R. 1085 to make the new GI bill permanent. I commend the gentleman from Mississippi [Mr. MONTGOMERY], for whom this bill will be named, and the gentleman from New York [Mr. SOLOMON], for their leadership on this important legislation, which I cosponsored.

Because of the new GI bill, recruitment of better educated and highly motivated men and women into the Armed Forces is occurring. A high-quality recruit translates into savings for this country. High-quality recruits are more disciplined, learn better, retain more, and are more likely to stay in the service for their full obligation.

There are great costs associated with recruiting and training a soldier. With defense dollars in short supply we want to be spending money to recruit and train people on whom we can count to meet their commitment. We also want recruits who are best able to effectively and efficiently use the high-technology weapons systems that we field. Simply, a better recruit makes a better soldier; and a better soldier results in greater national security—more bang for the buck.

The new GI bill, established in the fiscal year 1985 DOD authorization for a 3-year test period, has passed the test. Since it became effective in July 1985, it has shown that it is a major recruitment and retention tool for high-quality men and women. We need this kind of tool if we are to maintain a quality All-Volunteer Force. I urge unanimous approval of this bill for our veterans, for a high-quality Armed Forces, and for a stronger America.

Mr. ARMEY. Mr. Speaker, I rise in support of this legislation, and I'd like to take a moment of my colleagues' time to commend Mr. MONTGOMERY, the gentleman from Mississippi, for his leadership on this issue. No one has done more for the cause of the American serviceman than SONNY MONTGOMERY. In his time as a distinguished member of the Armed Services Committee, he has had to make many tough decisions but he has made them wisely and fairly with the best interests of our men and women in uniform always in mind. America's soldiers, sailors, airmen, and marines have a fine advocate in SONNY MONTGOMERY.

Mr. DE LA GARZA. Mr. Speaker, in each of our lives there are certain rare privileges we enjoy. For me one such privilege is to be a cosponsor of legislation to make the new GI bill a permanent program. I am referring specifically to H.R. 1085, the Montgomery GI Bill Act. To be associated with this effort is something of which I am truly proud and to work with the esteemed chairman of the House Veterans' Affairs Committee after whom the legislation is named is something of which I am even prouder.

The area which I represent—the 15th District of Texas—has an ever burgeoning veterans population. For them this legislation is a godsend as it is for veterans across the Nation.

The newest members of our Nation's Armed Forces are intelligent, ambitious, and eager men and women anxious to serve their country. One of the foremost reasons they have for entering the military is to get an education, and it is the present GI bill which expires next year that has been a major factor in attracting their numbers as well as their quality for our Active and Reserve Forces. It is one of the most effective programs available, attracting the bright young men and women our Nation needs to operate the sophisticated weapons and equipment of tomorrow's military.

The Montgomery GI bill will allow this program to extend beyond its June 30, 1988, expiration date. That its effects are certainly far reaching there is no question, and I feel this is indeed one of the most important bills before us in this Congress due to the program's value as a readjustment benefit for veterans, its recruiting power, and the education assistance it provides to thousands of recruits who otherwise could not afford college or technical training.

Obviously, I am quite enthusiastic about this piece of legislation and cannot sing its praises too highly. I feel this way because this is truly history in the making—history of which I am glad to be a part.

Mr. BUNNING. Mr. Speaker, I rise in support of H.R. 1085.

So often, when we talk about the strength of our national defense, we end up talking about major weapons systems. Too often, we tend to forget the human element involved—the fact that the most sophisticated tank or airplane or ship in the world adds nothing to our national defense unless it is manned with well-trained, qualified, competent people.

When you get to the bottom line, quality personnel is the cornerstone of a strong defense. This bill we are considering today recognizes this fact because it makes permanent a program which has proven itself to be one of the strongest incentives we have to recruit and retain good people for our military services.

The new GI bill is working and it is being used. The participation rates prove that the young people coming into our Armed Forces want the educational benefits offered by the program. And the statistics prove that this incentive is improving the quality of our service personnel. We are getting substantially more high school graduate recruits, higher quality recruits, and more 6-year enlistments since the new GI bill went into place. So, it is working.

In Kentucky, we say, "if it ain't broke, don't fix it." The new GI bill "ain't broke." It's working just fine. We don't need to fix it. We just need to make it permanent.

Mr. KENNEDY. Mr. Speaker, as a new member of the House Veterans Committee, which is chaired by the gentleman whose name this bill may bear, I had the opportunity to travel with SONNY MONTGOMERY in February to visit many of the recruits affected by this bill. Wherever we went we heard nothing but praise for the new GI bill, both from the military departments and from the recruits affected by it.

The statistics compiled by the Armed Forces illustrate dramatically the effectiveness of the new GI bill. Since the program began in 1985, more than 76 percent of eligible active duty soldiers have elected to participate. Monthly participation rates have risen steadily. Enrollment in the GI bill educational benefits program is nearly double that of its predecessor program.

The concept of education for GI's has had a long and inspiring history, 7.8 million servicemen received benefits under the first GI program after World War II, and another 2.4 million under the Korean conflict GI bill. More than 8 million benefited from the Vietnam-era GI bill.

A few years ago Charles Moskos, a noted military sociologist at Northwestern University, produced a study that makes some startling conclusions. By the early 1990's, the military will need to recruit one out of every two eligible 18- to 20-year-olds in order to maintain necessary military personnel strength levels. In 1984, a Brookings Institute study put that figure at two out of every three. It is imperative to the national defense of this country that we have programs like those that exist under the new GI bill, and that we create further recruitment enticements.

From Congressmen and Government officials to leaders in business and education, many veterans got started as productive, concerned citizens with the help of the GI bill. The new GI bill is continuing this tradition of excellence. Let it stand as a tribute to Chairman MONTGOMERY, the driving force who brought it to the House floor today.

□ 1330

Mr. MONTGOMERY. Mr. Speaker, again I want to thank the gentleman from Mississippi [Mr. DOWDY], the gentlewoman from Maryland [Mrs. BYRON], the gentleman from New York [Mr. SOLOMON] and the gentleman from Virginia [Mr. BATEMAN] for the way they have handled the time today. They have been able to get a number of Members who sponsored this legislation to speak in behalf of it.

Mr. Speaker, I want to point out that I appreciate the kindness and the compliments that have been shown to me in this debate. But I want to still say that there are many, many Members of the House of Representatives and other laymen who have participated and made the bill possible. It is not one individual's efforts. As I keep repeating, it has been a team effort all the way.

We have to keep it going now, Mr. Speaker. We will get it through the House, but certainly we have to point out to the other body the importance of making this permanent legislation.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing out our time, let me just say that on our trip to the four basic training installations, we did see a cross-section of America like I have never seen before in the armed services. They represented every race, every creed, every color, just a total cross-section of this country.

I have never been so proud in my life to see those young men and women serving this country.

One of the things that the GI bill does here today is to permanentize those benefits so that these young people serving today will know that 5 or 10 or 15 or 20 years from now, those credits that they have earned toward their GI bill will be there because they are being guaranteed to them by this action we are taking today in permantizing the peacetime GI bill.

I want to take off my hat to the gentleman from Mississippi [Mr. MONTGOMERY] because without his outstanding leadership, this bill would not be before us today.

Because we never call for votes on the veterans' bills that come before this House because they always pass overwhelmingly, the gentleman and I are going to call for one today because this is a historical event, and we want everybody to be on record. We want the other body to see the kind of support that we have here and I hope that it is going to be unanimous on a rollcall vote.

Mrs. BYRON. Mr. Speaker, let me say in closing a debate that was supposed to be a very short and very quick one, but so many people wished to participate that it had to be extended, I cannot really say that this has been a debate, because it really has not been. We are still waiting for those in opposition to show up and ask for time.

I think you must say it has been more of a love-in. First, for a chance to talk about the Committee on Veterans' Affairs chairman, the gentleman from Mississippi [Mr. MONTGOMERY], who, I think, we have to say is the father of this new GI bill, but more important, for the future of the next generation with educational opportunities.

As a new chairman of the Subcommittee on Compensation, Pension and Insurance of the Committee on Armed Services, nothing has given me more pleasure than the first bill to come out of that subcommittee, to come out of the Committee on Armed Services this year than the new GI bill. I am glad to say it happened on my watch.

Mr. BATEMAN. Mr. Speaker, I yield back any time I have remaining.

Mr. MONTGOMERY. Mr. Speaker, I yield back the balance of my time.

The **SPEAKER** pro tempore (Mr. BONIOR of Michigan). The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 1085, as amended.

The question was taken.

Mr. SOLOMON. Mr. Speaker, I demand a recorded vote.

The **SPEAKER** pro tempore. Does the gentleman ask for the yeas and nays?

Mr. SOLOMON. Yes, Mr. Speaker, on that I demand the yeas and nays.

The **SPEAKER** pro tempore. Pursuant to the provisions of clause 5 of rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

FARM DISASTER ASSISTANCE ACT OF 1987

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1157) to provide for an acreage diversion pilot program applicable to the wheat program for the 1987 and 1988 crops, as amended.

The Clerk read as follows:

H.R. 1157

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Farm Disaster Assistance Act of 1987".

WINTER WHEAT ACREAGE DIVERSION

SEC. 2. Effective only for the 1987 crop of wheat, section 107D(c)(1)(C) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(c)(1)(C)) is amended by—

(1) in clause (i)—

(A) inserting ", or all of such permitted acreage (as provided in the second sentence of clause (ii))," after "permitted wheat acreage of the farm for the crop"; and

(B) in subclause (I) thereof, inserting "(or all)" after "such portion";

(2) in clause (ii)—

(A) inserting "the following sentence and" before "clauses (iii) and (vii)"; and

(B) adding at the end thereof the following: "Effective for the 1987 crop, producers of winter wheat will not be subject to the 50 per centum planting requirement and such producers on a farm may devote all or any portion of the farm's 1987 winter wheat permitted acreage to conservation uses (or other uses as provided in subparagraph (K)) under the program under this subparagraph.";

(3) in clause (iv)—

(A) inserting "(or all)" after "such portion"; and

(B) inserting "under this subparagraph" after "subparagraph (K))".

FEED GRAIN ACREAGE DIVERSION

SEC. 3. Effective only for the 1987 crop of feed grains, section 105C(c)(1)(B) of the Agricultural Act of 1949 (7 U.S.C. 1444e(c)(1)(B)) is amended by—

(1) in clause (i)—

(A) inserting ", or all of such permitted acreage (as provided in the second sentence of clause (ii))," after "permitted feed grain acreage of the farm for the crop"; and

(B) in subclause (I) thereof, inserting "(or all)" after "such portion";

(2) in clause (ii)—

(A) inserting "the following sentence and" before "clause (iii)"; and

(B) adding at the end thereof the following: "Effective for the 1987 crop, producers on a farm will not be subject to the 50 per centum planting requirement and may devote all or any portion of the farm's 1987 feed grain permitted acreage to conservation uses (or other uses as provided in subparagraph (I)) under the program under this subparagraph if the producers on the farm are prevented from planting such acreage, if intended for feed grains, to feed grains for harvest in 1987 because of a natural disaster in 1986 and the farm is located in a county in which producers were eligible to receive disaster emergency loans under section 321 of the Consolidated Farm and Rural Development Act as a result of such disaster."; and

(3) in clause (iv)—

(A) inserting "(or all)" after "such portion"; and

(B) inserting "under this subparagraph" after "subparagraph (I))".

FULL PAYMENTS FOR DISASTER LOSSES

SEC. 4. Notwithstanding any other provision of law, the Secretary of Agriculture shall make full payment in the form of generic negotiable commodity certificates to eligible producers, using funds, facilities, and authorities of the Commodity Credit Corporation, on all qualifying claims for assistance under section 633(B) of the Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in section 101(a) of Public Laws 99-500 and 99-591, and as amended by section 5 of this Act, to the extent provided in advance in an appropriation Act. To the extent that partial payment on any such claim has been made prior to the date of enactment of this Act, the Secretary shall provide a supplemental payment to the producer under this section, as soon as practicable after the date of enactment of this Act, to cover the difference between the partial payment and the amount of the full claim.

DISASTER PAYMENTS

SEC. 5. Section 633(B) of the Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in section 101(a) of Public Laws 99-500 and 99-591, is amended by—

(1) in paragraph (1) of subsection (c), inserting "(including hay and straw that was harvested in 1986, stored on a field, and removed from the field by a flood)" after "commercial crops";

(2) inserting before the period at the end of paragraph (2) of subsection (d) the following: ", except that applications for payments with respect to hay and straw referred to in subsection (c)(1), or crops of apples damaged by freezing, must be filed on or before April 15, 1987";

(3) adding at the end of subsection (e) the following:

"(3) With respect to losses of hay and straw referred to in subsection (c)(1)—

"(A) payments may be made to producers only to the extent payments under this section are provided for in advance in an appropriation Act, as authorized under section 4 of the Farm Disaster Assistance Act of 1987;

"(B) the total amount of payments made to all producers may not exceed $1,000,000; and

"(C) the total amount of payments made to an individual producer may not exceed $20,000.

"(4) With respect to losses of apple crops under subsection (b), payments may be made to producers only to the extent payments under this section are provided for in advance in an appropriation Act, as authorized under section 4 of the Farm Disaster Assistance Act of 1987."; and

(4)(A) in paragraph (1) of subsection (b), inserting "and (with respect to apple crops) freeze," after "excessive moisture,";

(B) in paragraph (2)(A) of subsection (b) inserting "or (with respect to apple crops) freeze," after "excessive moisture,"; and

(C) in paragraph (1)(B) of subsection (c), inserting "freeze" after "excessive moisture".

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **MARLENEE.** Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes and the gentleman from Montana [Mr. MARLENEE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. **DE LA GARZA.** Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 1157, the Farm Disaster Assistance Act of 1987.

Simply put, this legislation is needed to fulfill the commitment Congress made in the continuing appropriations act for fiscal year 1987 to assist those of our Nation's farmers who were victims of catastrophic natural disasters in 1986.

H.R. 1157 will ensure that all farmers who suffered severe losses in 1986 will be treated equitably and that farmers will obtain assistance at the levels intended by Congress in the appropriations act. At the same time, the bill will have the effect of taking substantial amounts of wheat acreage out of production in 1987, thereby reducing wheat program costs.

The bill does contain an authorization for additional appropriations to cover costs involved in fully implementing the 1986 disaster assistance program; but I would point out the Committee on Agriculture has made clear, in its report, that the additional appropriations should be forthcoming only if funds can be found within the constraints imposed by the budget process.

The bill is innovative and cost-saving with respect to the winter wheat problem; it is compassionate within the constraints of the budget with regard to the 1986 disaster assistance program. It is worthy of approval by the House today.

As to the specifics of the bill, I first note that the 1986 Disaster Assistance Program established in the fiscal year 1987 appropriations act inadvertently excluded producers of 1987-crop winter wheat, although the intent of the legislation was to cover all farmers adversely affected by natural disasters in 1986.

To be eligible for the 1986 Disaster Program, a producer has to have sustained an economic loss caused by natural disaster in 1986. This was the case with 1987-crop winter wheat producers throughout the Midwest who were prevented from planting because of the unusually severe flooding and rainfall during the fall of 1986.

The problem lies in that the program terms also specify that assistance will be provided only to producers whose crop is harvested in 1986. This does not account for the normal crop cycle of winter wheat, which is sowed in the fall of 1 year and harvested in the spring and summer of the following calendar year, and causes these winter wheat producers to be excluded from assistance under the program. However, the economic losses the winter wheat farmers suffered as a result of 1986 flooding were no less damaging to them than the disaster losses suffered by other farmers in 1986.

The bill will overcome this omission in order to preserve the intent of the appropriation legislation, and, at the same time, will result in a net savings to the Federal Treasury.

The bill will accomplish these goals by authorizing a land set-aside option this spring to winter wheat producers who were victims of the flooding—approximately 4 million acres in Kansas, Oklahoma, and Missouri primarily.

This option will allow the winter wheat producer to elect to set aside his entire wheat acreage and still collect 92 percent of the Federal wheat program deficiency payments. This will provide needed disaster relief to these producers, many of whom have suffered at least two successive crop failures, including 1986. In addition, it is projected to result in a new savings of approximately $30 million in farm program costs in fiscal year 1988. The savings result because the outlays for these deficiency payments are $30 million less than the projected outlays for Commodity Credit Corporation loans and storage costs involved if these farmers produced alternative crops.

The bill contains a feed-grain provision provision somewhat similar to the winter wheat provision. The feed-grain provision is designed to address a localized problem affecting relatively few feed-grain producers. Some producers with land adjacent to the Mississippi and the Missouri Rivers suffered damage to private levees as a result of the severe weather in 1986.

Some of these levees will not provide flood protection in 1987, and these producers face the high probability of flooding during the 1987 crop year. The bill contains a provision to provide these producers the option to put all of their 1987 feed-grain acreage into conserving uses under the same sort of program the bill will provide for winter wheat farmers.

With respect to the authorization in the bill for the 1986 Disaster Assistance Program, I note that the program was intended to respond to catastrophic weather conditions in 1986 that severely damaged several rural areas of the United States. While farmers in some of the larger agricultural producing areas were unaffected, thousands of other farmers were devastated by drought, hot weather, or flooding.

For example, the drought and heat wave last summer devastated agriculture across the South and the Middle Atlantic States. According to the Department of Agriculture, the drought that afflicted the Southeast was the worst since recordkeeping was initiated over 100 years ago.

As another example, in 1986, Michigan suffered its worst natural disaster when floods ravaged nearly the entire State in September. That flooding destroyed thousands of acres of crops that were maturing in the fields and ready for harvest. Crop losses in Michigan were in excess of $300 million.

Congress responded to the disasters with the inclusion of the program in the continuing appropriations act. This much-needed assistance allocated $400 million to cover the costs involved in providing payment-in-kind certificates—redeemable in surplus commodities owned by the Commodity Credit Corporation—to hard-pressed farmers in disaster areas. Further, the conferees on the legislation noted in the conference report that should "the $400,000,000 made available for payments be insufficient to carry out the program a request for a supplemental appropriation should be submitted to the Congress or additional funds transferred from the disaster loan account."

Notwithstanding the substantial limitation on benefits—farmers receive payments on one-half their losses—the $400 million allocated for the program in the appropriation act has proved simply to be insufficient to cover applications for assistance. So as it stands now, farmers who are eligible for aid will receive approximately only 34 cents' worth of commodities on the dollar for their losses as opposed to the 50 cents that Congress indicated it would make available.

Therefore, H.R. 1157 contains a provision to authorize additional funding to cover costs of continuing the program until all applications for assistance are met. The bill does not make the additional outlays, but will pave the way for additional appropriations to meet the program's needs if funds can be found within the constraints imposed by the budget process.

The bill also will revise the terms of the 1986 Disaster Program to clarify the eligibility of certain hay and straw producers. Any funds for hay and straw producers must be made available through further appropriations. The bill also contains a provision not in the bill, as reported, to ensure that apple producers who lost their 1986 crop to a late freeze in the spring last year are covered by the program.

Without the authority for additional funding for the 1986 Disaster Assistance Program provided by H.R. 1157, the commitment of support made to our Nation's farmers last year cannot be fulfilled. To be sure, further action by Congress to appropriate the funds authorized—if the budget will permit—will be necessary to complete the job. But, H.R. 1157 is an important preliminary step toward meeting our commitment.

I yield such time as he may consume to the gentleman from Kansas [Mr. GLICKMAN], the distinguished chairman of the subcommittee which approved this legislation.

Mr. GLICKMAN. Mr. Speaker, I thank the gentleman for yielding time to me and also for moving this bill so quickly. Our farmers throughout this country, particularly winter wheat producers, are very appreciative of the gentleman's efforts, as well as the efforts of others, including the gentleman from Oklahoma [Mr. ENGLISH], the prime sponsor of this bill, the gentleman from Kansas [Mr. WHITTAKER], the gentleman from Kansas [Mr. ROBERTS] and others who were so instrumental in moving this process along.

Mr. Speaker, H.R. 1157 fulfills a commitment Congress made to our Nation's farmers last fall. It was then that, after one of the worst droughts ever recorded in many areas of the country and as unprecedented rainfall and flooding were striking other areas, the Congress acted and provided a modest amount of aid to those producers. In many cases, it was the promise of equitable Federal treatment which kept many of those family farmers on the land. Unfortunately, the treatment was not evenhanded and across-the-board nor was it within the levels needed to meet the need. The bill we have before us will rectify those problems and I urge my colleagues' support.

Because of a technicality in the way the bill was written, one important class of producers were denied even applying for consideration. Winter wheat producers sow their crops in the fall, and last fall farmers throughout Oklahoma, Missouri, Kansas, and elsewhere attempted to do just that. They were, however, stopped. Flooding prevented them from getting in the fields and prevented them from planting the crop they were counting on for this year so they could meet their bills. For many, this was the second or third consecutive crop failure. Unfortunately, they were not allowed to ask for consideration in spite of the fact that the Congress had just passed a law saying the Federal Government would do what it could within reasonable budgetary guidelines to help those farmers. That law failed to take into account the unique crop cycle of winter wheat; it is planted one year and harvested the next. These producers suffered an economic loss no less real than those who saw their crops burn in the field last summer but because of this technical glitch, the Government said no. H.R. 1157 will correct that problem; it will live up to the commitment we made to them; and this portion of the bill will save the Government some $30 million compared to no action.

H.R. 1157 will amend the 1987 wheat program and give those producers who were flooded out another option, popularly known as 0/92, after the term applied to the administration's budgetary recommendations, with whom the subcommittee worked very closely on developing this bill. These producers will be allowed to idle their wheat acreage this year and yet remain eligible for 92 percent of the program benefits given other wheat producers.

While not as lucrative as other options a farmer might elect, it will make sense for those farmers who were flooded and if they chose to exercise it, they will save the Government money. They will save funds by not producing other crops which are already in surplus, crops which would either command full Federal payments or which would displace other commodities already in surplus, thus causing other CCC outlays.

On an extremely limited basis, this bill will also give some feed-grains producers this option.

The bill contains one other section of importance in relation to the natural disasters which wreaked havoc upon American agriculture last year. The program we passed last fall was modest—we knew that then and the conference report contemplated what we are considering today, a moderate increase in compensation in the form of certificates redeemable for CCC-held surpluses. By the measure of the witnesses which came before my subcommittee when we were examining this problem, the 1986 program was not modest, it was out and out stingy.

Under that program, farmers had to suffer one-half of their damages before even being eligible to apply—and keep in mind that in many cases, these were farmers who were counting on those crops and last year's harvests for just enough money to last another season. When they did apply, they found that we were right in questioning whether the amount appropriated was adequate: Farmers received only three-fourths of what they requested which, because of the 50-percent loss threshhold, amounted to 34 cents on each dollar of damages.

Unfortunately, the USDA did not take steps to reprogram money or ask for new funds, as Congress directed in the conference report. So it is that today we consider this bill which gives the Secretary appropriate authority to make further payments in kind available to these producers should Congress decide to make available in another action the appropriations to do so. This bill does not mandate that spending, it simply gives the necessary legal authority which must precede a later decision on whether to appropriate the money to facilitate the use of commodity certificates—redeemable for surplus CCC stocks—to make sure that farmers get at least as much as Congress said they would.

Mr. Speaker, I urge swift House approval of this bill. The Senate has already approved one form of legislation needed to ensure that Congress fulfills its commitment. The farmers who need to receive this aid are at the end of their ropes and I hope we can act with all possible haste.

I urge my colleagues' support.

□ 1340

Mr. MARLENEE. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, I am happy to support the measure which is before us today, and would urge its speedy passage. The bill authorizes a one-time only payment to farm producers who had enrolled in the program for 1987 winter wheat, but were prevented from planting the crop in late 1986 by excessive moisture or flooding. Let me make it clear from the outset that these same farmers would have received an even larger payment under the wheat program if they had merely been able to plant the crop, and they would have additionally been able to receive a nonrecourse loan on any amount of wheat they actually harvested. So I would say to my colleagues that this measure will not exceed the budget levels which Congress had already authorized for operation of the wheat program in 1987. In fact we will spend less money than we would have if there had been an opportunity for these producers to actually get the seed into the ground.

Mr. Speaker, I would point out that some people are referring to this remedy as a so-called 0-92 option, similar to the changes which have been suggested by the administration. To my way of thinking, there is really very little similarity except for the fact that we are allowing these wheat farmers to receive 92 percent of the amount they would otherwise have gotten for planting their crop. Under the administration's proposal, farmers would have an option on future crops as to whether they want to plant or not. In the instance addressed by this bill, Mother Nature made the decision and the farmer had no choice.

I can easily support the bill before us today as a very minor measure which will provide many growers with sufficient cash-flow to pay a portion of their indebtedness, and hold on for another year. But I do think that it is far to early to make any final decisions regarding the true 0-92 program which has been outlined by the Department of Agriculture.

I am not yet satisfied that an honest assessment of the overall situation has been made. In idling an additional 3½ to 4 million acres of wheat, corn, cotton, rice, and other program-crop farmland, I think we must very carefully consider the impacts which would occur in other sectors of the rural economy. As of today, nobody has projected the costs to the Treasury due to loss of tax revenue derived from agribusiness concerns which provide seed, fertilizer, diesel fuel, farm chemicals, transportation, processing, and storage. We have yet to see the additional costs which would result from the increase in unemployment benefits, food stamps, and other welfare benefits that those put out of jobs would be entitled to receive. We have not been told how heavily the proposal will impact upon local county and city governments as their tax base is further eroded due to the dramatic decline in agribusiness activity.

So, Mr. Speaker, again I urge my colleagues to pass this measure in rapid order today. But I equally stress the need for extreme caution when we later consider the more expansive proposal of the administration.

Now, there are three other minor elements of this bill which I will deal with in short order. First, it odders the same protection to a very small number of feed-grain producers who will in all likelihood be flooded this spring because the Army Corps of Engineers has not yet rebuilt some river levees along the Mississippi and Missouri Rivers. No matter what some of the farmers in the lowest-lying river bottomlands do, they are going to be flooded. This bill simply gives them the same treatment we are providing for the winter wheat farmers.

Second, the bill restates instructions which Congress gave the Department of Agriculture last year in regard to funding for the severe drought disaster which affected the Southeastern United States. We had told USDA to transfer more available funds within its budget or request a supplemental appropriation if the original $400 million provided for payments to farmers was insufficient. Total claims under the program came to about $535 million, but the Department has chosen—as they seem to do far too often—to totally ignore the instructions of Congress in making additional funds available. Thus, the bill contains a section which authorizes the Appropriations Committees of the House and Senate to provide the additional $135 million as they so desire.

Finally, there is a last provision which would earmark up to $12 million of any additionally appropriated funds to pay losses incurred to farmers who lost hay or straw which had already been harvested, but which was subsequently washed away or destroyed by flood waters. No individual producers could receive a payment exceeding $20,000 and this money would have to be provided in an additional appropriation under the original 1986 disaster program.

So, Mr. Speaker, in closing I want to commend the able leadership of our subcommittee chairman, the gentleman from Kansas [Mr. GLICKMAN], and the contributions made to the process by Mr. SCHUETTE with his language on funding the additional claims under the 1986 program, Mr. VOLKMER for so carefully ensuring that we offered equal treatment of the grain farmers who will almost certainly be flooded, Mr. JOHNSON for the hay and straw damage provision, and to Mr. STENHOLM for his successful efforts which helped the committee reserve the right to give greater scrutiny to the so-called 0-92 proposal offered by the administration.

Mr. Speaker, I reserve the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Oklahoma [Mr. ENGLISH], one of the prime sponsors of this legislation.

Mr. ENGLISH. Mr. Speaker, the bill before us today is really a very straightforward measure that will fill a gaping hole in the Disaster Relief Program adopted by Congress last fall to help the farmers who lost more than half of their 1986 crops to record droughts and floods.

If you will recall, the continuing resolution Public Law 99-591, provided $400 million, in the form of generic certificates exchangeable for Government-owned surplus commodities, in payments to farmers who were adversely affected by severe weather conditions. Despite an agreement that was struck in conference, the U.S. Department of Agriculture has now determined that winter wheat producers who could not plant their 1987 crop because of these same weather disasters would not be eligible for these disaster payments.

Rather than delaying payments on the more than 200,000 disaster claims that have been filed in 39 States, we are proposing in this legislation to expand an existing farm program known as the 50-92 acreage diversion to provide relief for winter wheat producers without adding any additional cost to the taxpayer. Under the 50-92 provision, wheat farmers can plant as little as 50 percent of their permitted acreage and receive 92 percent of their deficiency payment.

H.R. 1157 will expand this program to 0-92, allowing producers who were prevented from planting their 1987 wheat crop to plant no crop at all and still receive 92 percent of their deficiency payment. An added bonus of this streamlined assistance package is that it will not create any new expenditures, but will actually result in budget savings from fewer CCC loan forfeitures and lower storage costs on surplus crops that would have normally been planted on these acres. CBO estimates that this 0-92 provision could save roughly $30 million based on the 3 million acres reported as prevented planting in a recent USDA survey.

Another key section of the bill would provide similar 0-92 deficiency payments to a limited number of feed grain producers who are unable to plant the 1987 crop because of a carryover effect of the weather disaster that occurred in 1986.

The bill also authorizes additional funding to make supplemental payments to producers who received only partial payments under the $400 million Disaster Relief Program. USDA has testified before the House Agriculture Committee that claims filed with the Department totaled almost $535 million, resulting in prorated payments equaling approximately 74 cents on the dollar. This bill directs the Secretary of Agriculture—subject to an appropriation—to cover this shortfall in previously approved disaster payments.

All of us recognize the difficulties facing family farmers today. There is no question these continuing problems have been greatly compounded by record crop losses. I am pleased to say that the administration joins us in supporting this 0-92 diversion approach to compensating our family farmers who were flooded out while also strengthening market prices through supply reductions—not to mention savings to the taxpayer.

I urge your full support for this measure to fulfill the commitment we have already made to our disaster-stricken farmers, while providing relief to the taxpayer.

□ 1350

Mr. MARLENEE. Mr. Speaker, I yield such time as he may consume to my colleague, the gentleman from Oregon [Mr. ROBERT F. SMITH].

Mr. ROBERT F. SMITH. Mr. Speaker, I find it slightly ironic that the words "haying and grazing"—two activities which are totally alien to the paved-over metropolis inside the Washington Beltway—are immediate cause for debate when they're mentioned here. But, now that they've been mentioned, I want to reinforce the reality of them: haying and grazing are businesses, too.

With the development of huge grain surpluses, the Federal Government has devised multiple land set-aside and diversion programs to decrease the amount of acreage planted to program crops. That leaves affected farmers facing the question of what to do with land that they've set aside. Their most common answer is to dedicate it to some type of income-producing haying and grazing.

Under the 1985 farm bill, State ASCS offices were granted authority to allow haying and grazing on as much as half of the land enrolled in paid diversion programs. With enactment of H.R. 1157, the opportunity would double to allow haying and grazing on 100 percent, with the approval of the State ASCS committees and the Secretary of Agriculture.

I offered an amendment before the Agriculture Committee which would have prevented the expanded opportunity for haying and grazing. Later, on the firm assurance of the Department of Agriculture that they would not approve any 100 percent haying and grazing permits, I withdrew that amendment.

I'd like very much to record that assurance as part of today's debate on this bill. And because we all know that agencies search for intent as well as words, I'd like the record to show that the intent of Congress in passing this legislation was not to open the door to 100 percent haying and grazing on set-aside lands. The Department of Agriculture is on record with its promise to refuse requests for such a practice.

It's an important distinction, Mr. Speaker. Paying a farmer to stop production of one commodity only to allow him to compete with neighbors in another commodity on the same land is inherently unfair. It amounts to a Government-sponsored double-dip for some producers, to the detriment of others.

And those others can least afford the intrusion of Government in their already bad business today. Grassland rental prices are today at a 10-year low due to reduced cattle numbers. Grassland which rented for $60 per head from May to September 3 years ago is now only worth $35. Despite massive hay give-aways to drought stricken regions of the Southeast last summer, reduction in herd size and the Dairy Termination Program have combined to cripple the hay producers in America.

By way of example, almost half of the hay producers in the Christmas Valley of Oregon, in my own congressional district, will go out of business next year alone, eliminating 20 to 25 percent of the cash hay crop in the State, specifically because of haying and grazing on set-aside acres.

I realize there's confusion between the traditional grazing of winter wheat lands and grazing 0-92 set-asides. Wheat grazing takes place in winter to early spring when cattle are switched to grass or placed on feed according to weight.

It's important to note, however, that this practice is limited in scope. That legislated haying and grazing of 0-92 lands would lead to establishment of additional herds. As devastating as that possibility is to the cattle industry, it would put even more pressure on commercial grass and hay markets.

Mr. Speaker, this Government has its hand in enough businesses—too many in most opinions—to want to cause problems for yet another by doubling the haying and grazing opportunities for set-aside acres.

I think it's important to establish with today's passage of this needed legislation to enter into the record the USDA and congressional agreement to limit haying and grazing only as permitted by the 1985 farm bill.

Mr. MARLENEE. Mr. Speaker, I yield 2 minutes to my colleague, the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker, I thank my friend and colleague for yielding. I want to give special credit to my colleague from the Fifth District, the gentleman from Kansas [Mr. WHITTAKER] and to my subcommittee chairman and my friend from the Fourth District, the gentleman from Kansas [Mr. GLICKMAN].

Mr. Speaker, I rise in support of H.R. 1157. This legislation is vital to many farmers in Kansas who were prevented from planting their 1987 winter wheat. H.R. 1157 will provide some necessary income protection to these farmers and at the same time, save money for the Federal Government as well.

While I support this legislation, I am concerned that there are other areas in farm country that are suffering problems of a different sort. During work on this bill in committee, I introduced an amendment that would prevent the penalizing of farmers who are using the sound conservation technique of crop rotation.

I remain a strong supporter of a sound, commonsense conservation program. Unfortunately, under the current program, some of the teeth that make the conservation provisions effective are counterproductive to producers who have been farming their land using proven conservation practices.

Mr. Speaker, I would ask my colleague, the gentleman from Kansas [Mr. GLICKMAN] if he would engage in a colloquy with me.

Mr. Speaker, as the subcommittee chairman understands, I tried to amend this bill in the committee with a provision to the "Sod Buster" law that would allow farmers to practice normal cropping operations and not be penalized. Due to opposition by the USDA and some mixed signals at that particular time, it is my understanding that the USDA is now for the provision that I introduced, but we were told that we should withdraw that amendment for the time being. However, as a matter of fact, this very provision is an amendment to the amendment that I introduced in committee over in the Senate.

I would simply ask my colleague, should we obtain that progress in the Senate, certainly it would be my hope that in conference we could work this out.

Mr. GLICKMAN. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I am delighted to yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Speaker, as the gentleman knows, I support the provision of the amendment that my colleague offered, which had to do with alfalfa and other crops which are normally rotated historically, not jeopardizing somebody in connection with the Sod Buster Program. I support that amendment and will try to see that it is a part of any final package that we come back with on this bill or any other bill.

Mr. ROBERTS. Mr. Speaker, I thank my friend and the subcommittee chairman.

Mr. DE LA GARZA. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. VOLKMER], who is also one of the authors of the legislation.

Mr. VOLKMER. Mr. Speaker, I wish to commend the chairman and also the subcommittee chairman and others, including the gentleman from Oklahoma [Mr. ENGLISH], the gentleman from Kansas [Mr. ROBERTS], and the gentleman from Montana [Mr. MARLENEE], who have worked on this legislation.

To me it shows how the Congress can respond when we meet the situations that were not anticipated back when the 1985 farm bill was passed and also when the overall bill was passed last year for the disasters in the continuing resolution appropriation bill.

I feel that Members should vote unanimously for this legislation because it cures some problems that have arisen since last fall in the farming community. Even though to many it may be a minor piece of legislation, to those farmers out there, including many in my district, it is a major piece of legislation, something to help tide them over. This year because in the wheat areas they were not able to plant their wheat last year and many in the river bottom areas of Mississippi and the Missouri River, they very well may not be able to plant their feed grain crops this year; so Mr.

Speaker, I urge everyone to vote for the legislation.

Mr. MARLENEE. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. SCHUETTE].

Mr. SCHUETTE. Mr. Speaker, Chairman DE LA GARZA, Mr. MARLENEE, my colleagues on the Agriculture Committee, thank you for the opportunity to express my strong support for the passage of this much-needed bill. As prior speakers have so eloquently mentioned, H.R. 1157 establishes a pilot program for winter wheat farmers who were unable to plant their 1987 crop because of natural disasters. I want to comment specifically on my amendment to H.R. 1157, requiring full disaster assistance payments to eligible producers, which the Agriculture Committee adopted on March 5, 1987. The thrust of the amendment is to fulfill Congress' commitment to provide dollar-for-dollar compensation to farm families in disaster areas.

For those Members from areas unaffected by last year's natural disasters, some background is necessary. In the fall of 1986, Michigan suffered its worst natural disaster when floods ravaged the entire State from shore to shore; from Lake Huron to Lake Michigan. Michigan was under water. Normal September rainfall averages 3.2 inches. However, from September 9 to 30, mid-Michigan's most agriculturally productive areas received rainfall from a low of 18 inches to a high of 26 inches. The resulting unprecedented flooding destroyed thousands of acres of crops which were ready for harvest. Crop losses in Michigan alone were in excess of $300 million. The economic losses were not exclusive to crop or property loss, but this catastrophy deeply affected the local communities, farmland values, and most importantly, farmers and their families.

But, these natural disasters were not limited solely to Michigan's rich farmlands. Our Nation's Southeastern States were also devastated with the worst heatwave in recorded weather during the summer of 1986. As my colleagues representing those areas can verify, the blistering drought destroyed a substantial portion of the seven-State area's crops and livestock. The floods in Michigan and our Nation's breadbasket, and the drought in the Southeast literally devastated the livelihoods of thousands of farmers. In effect, through no fault of their own, agriculture production was shut down in the disaster areas from flooding or drought.

Congress responded to the losses of our Nation's farmers with the enactment of the Emergency Disaster Assistance Program as part of the continuing resolution. This much-needed assistance provided $400 million for drought- and flood-affected farmers in designated disaster areas nationwide. The conferees provided report language to direct the Secretary of Agriculture to request a supplemental or to reprogram funds if the initial $400 million was found to be insufficient to cover all eligible claims. It was clearly the intent of Congress that USDA provide full disaster assistance payments if the initial moneys proved insufficient. Over $535 million in disaster claims have been processed by USDA, with eligible farmers receiving only approximately 73.9 cents on the dollar for their eligible losses. This leaves a $135 million shortfall in our commitment to provide dollar-for-dollar payments to disaster-stricken farmers.

The amendment I offered in the Agriculture Committee and which was accepted by the full committee simply directs the Secretary of Agriculture to make full payments to farmers eligible for disaster assistance as established in Public Law 99-500, as Congress intended. This amendment, which is subject to an appropriations measure, merely implements the intent of Congress.

This disaster assistance bill is an important measure for the wheat farmer in Kansas, the dry bean farmer in Michigan, and the peanut and soybean farmer in the Southeast. I urge my colleagues to support H.R. 1157 and fulfill our commitment to farmers across the Nation.

□ 1400

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. SCHUETTE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, I have a concern about section 4 of the bill, under the title "Full Payments for Disaster Losses," where it says, "Notwithstanding any other provision of law," and then goes on and says that the Secretary of Agriculture shall make full payments.

Can the gentleman give me some assurance that that particular provision is not a provision which would have the effect of waiving the budget law?

Mr. SCHUETTE. Correct. In this provision, the language "Notwithstanding any other provision" would not waive the Budget Act. The authorization language does not increase budget authority under the Budget Act until spending occurs. Since the provision in section 4 of H.R. 1157 is subject to advance appropriations, the CBO does not score it as an outlay until later appropriations would be made.

So in answer to the gentleman's question, "No, it does not waive the Budget Act."

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. SCHUETTE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, it is not the intention of the committee with this language to give the Committee on Appropriations some signal that we are, in purposes of authorization here, waiving provisions of the Budget Act for future appropriations?

Mr. SCHUETTE. The gentleman states it correctly. We are not waiving any provisions of the Budget Act for future appropriations.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. SCHUETTE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, could the gentleman perhaps yield to the gentleman from Kansas [Mr. GLICKMAN] so that we could have his assurance that that is also his understanding of the situation that is before the House?

Mr. SCHUETTE. Certainly. Our distinguished subcommittee chairman, the gentleman from Kansas [Mr. GLICKMAN], and I have discussed this at length, and also with officials from the Congressional Budget Office.

Mr. GLICKMAN. Mr. Speaker, will the gentleman yield?

Mr. SCHUETTE. I yield to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Speaker, the characterization of the gentleman from Pennsylvania [Mr. WALKER] is correct. That language, the "notwithstanding" language, was to ensure that payments could be made out of the Commodity Credit Corporation, but it was in no way to give the Committee on Appropriations a carte blanche authority to exceed their allocations under the Budget Act, and it was never our intent to speak to that whatsoever at all.

As far as we are concerned, this provision in no way changes the status of what it was before the bill comes to the floor, and that is, they are subject to all of the same requirements under the Budget Act notwithstanding the provision of this bill, this particular amendment. That is our interpretation of what we have done.

Mr. SCHUETTE. Mr. Speaker, I think that we have heard from both sides of the aisle and demonstrated that our intention is not to waive any aspects of the Budget Act.

Mr. DE LA GARZA. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Mr. Speaker, I rise in support of H.R. 1157, the Emergency Farm Disaster Assistance Act of 1987.

Mr. Speaker, due to extremely wet weather, many farmers in the eastern one-third of Kansas and in surrounding States were prevented from planting their 1987 winter wheat crop.

The scope of this problem in Kansas was well documented in hearings before the Agriculture Subcommittee on Wheat, Feed Grains, and Soybeans. In the 13 counties that I represent, at least 2,500 prevented planting applications have been filed. In some counties, ASCS directors estimate that as few as 20 percent of wheat acres were actually planted last fall.

These farmers will not only lose their 1987 wheat crop, but also farm program benefits which are, at this time, an extremely important component of farm income.

H.R. 1157 is a carefully crafted, responsible legislative response to this problem, This legislation does not reopen the 1985 farm bill. The 0-to-92 option provided in this bill would allow farmers to collect 92 percent of the deficiency payment benefits that would have been available had they been able to plant. The bill authorizes 0 to 92 only for the 1987 crop of winter wheat.

Clearly, this legislation will help improve the income of producers who were prevented from planting. According to the Congressional Budget Office, it will also save money. Compared to current law, this bill will save $30 million in fiscal year 1988.

In summary, Mr. Speaker, H.R. 1157 is a responsible, well-defined response to prevented planting problems. It does not do everything that could be done to help these producers. But it is a supportable compromise and I strongly urge its adoption.

Mr. Speaker, I commend the chairman of the full committee, and my distinguished colleagues, the chairman of the subcommittee, the gentleman from Kansas [Mr. GLICKMAN], the gentleman from Kansas [Mr. ROBERTS], and the gentleman from Kansas [Mr. WHITTAKER], for their help on this effort also.

Mr. MARLENEE. Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Kansas [Mr. WHITTAKER].

Mr. WHITTAKER. Mr. Speaker, I want to commend the gentleman from Kansas [Mr. GLICKMAN], the chairman of the Subcommittee on Wheat, Soybeans and Feed Grains, for bringing this important legislation to the floor today. I also want to thank the ranking minority member, the gentleman from Montana [Mr. MARLENEE], as well as my colleague, the gentleman from Kansas [Mr. ROBERTS] for their work on this important bill.

Mr. Speaker, I support the legislation which is before us today to assist winter wheat producers who, because of severe weather last fall, have been unable to plant their 1987 wheat crop. This problem was particularly acute in my congressional district in southeast Kansas. Damages and losses due to flooding last October were so severe that without some type of assistance, my producers will face a severe economic squeeze this year. This legislation will provide modest income protection for these producers, and I urge its favorable approval.

If I could, at this time, I would like to enter into a colloquy with the chairman of the Subcommittee on Wheat, Soybeans and Feed Grains to discuss an upcoming deadline which might impact producers who would like to avail themselves of this program and its benefits.

As I understand it, the signup deadline for 1987 program crops is March 30, 1987. Even with the expeditious consideration of this issue by this body, and assuming the Senate acts in a similar fashion, producers will find themselves with very little time to make their management decisions.

I was wondering, therefore, if the gentleman from Texas would give us some indication on how USDA should manage this program. That is, does he believe that the Department should extend the signup deadline so producers will have a fair chance to understand the program and make their decisions.

Mr. GLICKMAN. Mr. Speaker, will the gentleman yield?

Mr. WHITTAKER. I am pleased to yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Speaker, I agree with the gentleman. I think that the Department ought to extend the deadline. It does expire at the end of this month, and the USDA as of the present time has not indicated that it will extend it to accommodate the producers that the gentleman is talking about. I believe that the Department ought to make the decision to extend the deadline, and I believe that we will do whatever we can individually and jointly. The gentleman has my assurance that we will pressure the Department to accommodate these producers.

Mr. WHITTAKER. I thank the gentleman.

Mr. MARLENEE. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding time to me.

Mr. Speaker, I do notice that under the Budget Act compliance section of the committee report that it was indicated by the committee, based upon Congressional Budget Committee estimates, that section 2 and 3 of the bill are estimated to cost $2 million in fiscal year 1987, which means that in terms of the fiscal year that we are now in that that is a $2 million expenditure over and above that which the House has perviously agreed to.

Also, under section 4 of the bill and section 5 of the bill, we are talking about $135 million more under section 4, and $1 million more in section 5, so that the overall impact of this bill is somewhere in the vicinity of $138 million in the current fiscal year.

I think that the House needs to be aware of the fact that even though these are moneys that are subject to appropriation, the authorization that we are now putting forward in terms of fiscal year 1987 impact is something on the order of $138 million.

I bring that to the House's attention because we have experienced a rather significant increase in the amount of farm payments that we have under the present budget. This will give some additional problems in that area of our budgeting, and I think that we need to be aware of that as we proceed ahead with the legislation.

Mr. GLICKMAN. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Kansas.

Mr. GLICKMAN. I thank the gentleman for yielding.

Mr. Speaker, in the first place, to set the record straight, that is offset by a savings of about $30 million in connection with section 2 of the wheat program, which provides a savings because of the "0-92 option."

Mr. WALKER. Mr. Speaker, as I understand it, the savings come in fiscal year 1988. I made it very clear in my presentation here that we are talking about fiscal year 1987, the budget that we are presently operating under.

☐ 1410

There are, indeed, indicated in this section of your report savings in 1988. But I am talking strictly here about the 1987 situation, and it appears very clear from the language of the report that we are talking about 138 million, dollars' worth of additional expenditures in the fiscal year 1987.

Mr. GLICKMAN. If the gentleman will yield, two things. No. 1 is again this was an amendment offered by the gentleman from Michigan [Mr. SCHUETTE]. It replicates the language that we included in the statement of managers in the continuing appropriations bill last year to require the Department to spend what money was needed to pay producers who suffered disaster losses. It is subject to appropriations.

This program, by the way, was created by the Appropriations Committee to begin with, and we are just providing that authorization if they choose to go ahead with the appropriation process. They may not.

Mr. WALKER. I certainly agree with the gentleman. I made that statement, that we are subjecting this to appropriation. I have no doubt about that.

But the bottom line is that the House should understand that in terms of the budget impact for fiscal year 1987 of the language we have before us, according to the committee's own report, it is about $138 million for this particular fiscal year.

Mr. TRAXLER. Mr. Speaker, I rise in support of H.R. 1157, a bill to make further amendments in the Disaster Assistance Payment Program. This measure provides assistance to some farmers who were affected by a 1986 disaster, but whose crops happen to be harvested this year as opposed to last year.

It has been my argument and intention throughout every effort in establishing this disaster program that farmers should be treated alike. The type of crop grown should not make a difference, nor should whether or not a farmer participated in price support programs for program crops. Unfortunately, the U.S. Department of Agriculture has not agreed.

The bill before us today moves toward that equalization by providing coverage for wheat and other feed grain producers who were unable to plant their crops last fall for harvest this spring because of the adverse weather. It provides this assistance in the form of deficiency payments on 92 percent of the acreage that would have been planted had it not been for the weather.

This program is offered to farmers who agree to not plant any other salable commodity on their acreage this spring. It is a voluntary program, so that each farmer can make his or her decision based upon what is best for that farm.

The program will not cost any additional money because USDA had already predicted the payment of these deficiency payments as part of the price support program. In fact, the analysis done so far indicates that the entire proposal may actually save money compared with the other expenditures that may have to be made if we do not act now.

Most importantly, the bill provides assistance in a fashion similar to what we as a Congress started on last fall with the passage of Public Law 99–500.

I must say that I still intend to continue to press for certain other changes in the disaster assistance program which limit assistance to producers of sugar beets and soybeans to the amount of acreage planted in 1985. There were very good business reasons why there may have been changes in the amount of planted acreage, and some of these reasons were certainly beyond the control of the producer. USDA has refused to acknowledge this point, leaving us no alternative but additional legislation.

As the ranking majority member of the Subcommittee on Agriculture of the House Appropriations Committee, let me also say that I personally appreciate the endorsement of dollar-for-dollar disaster assistance to affected farmers.

When we approved the disaster payment assistance program last fall, we did not know that exact dollar amount that would be necessary to complete payments. For this very reason, we told the Department in the conference report that the Secretary should either transfer additional funds from other programs or request a supplemental appropriation in order to make full disaster payments. The Secretary has refused to take this action.

I know that the Appropriations Committee would have responded to the Secretary's failure to seek the necessary funding, and my subcommittee chaired by Mr. WHITTEN has in fact already approved the additional $135 million. The language in the bill today directing the Secretary to seek the additional funds is a welcome endorsement of our intent, and our action.

Mr. Speaker, I encourage all of our colleagues to vote "yes" on this very important bill. Let's complete the assistance we so humanely began last fall.

Mr. MARLENEE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 1157, as amended.

The question was taken.

Mr. WALKER. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER pro tempore. Those in favor of taking this vote by the yeas and nays will stand.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

PARLIAMENTARY INQUIRIES

Mr. SOLOMON. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. SOLOMON. Mr. Speaker, there was some confusion when I asked for a recorded vote on the Montgomery peacetime GI bill, and I just wondered if that vote was going to be an automatic rollcall vote, or whether or not we have to go through a procedure of asking again?

The SPEAKER pro tempore. The Chair is going to protect the gentleman's rights.

Mr. SOLOMON. I kind of thought the Chair would have an interest.

Thank you, Mr. Speaker.

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WALKER. Mr. Speaker, if somehow I could get the name "Montgomery" in my presentation, could I be assured of an automatic vote on mine, too?

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. WISE). Debate has been concluded on both motions to suspend the rules.

Pursuant to clause 5, rule I, the Chair will now put the question on each motion on which further proceedings were postponed in the order in which the motion was entertained.

Votes will be taken in the following order:

H.R. 1085, de novo; and

H.R. 1157, de novo.

The Chair will reduce to 5 minutes the time for the second electronic vote.

MAKING THE NEW GI BILL PERMANENT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 1085, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 1085, as amended.

The question was taken.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 401, nays 2, not voting 30, as follows:

[Roll No. 31]

YEAS—401

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bliley
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Dannemeyer
Darden
Davis (IL)
Davis (MI)
de la Garza
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison

Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Mack
MacKay
Madigan
Markey
Marlenee

Martin (IL)
Martin (NY)
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Nelson
Nichols
Nielson
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki

Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Stump
Sundquist
Sweeney
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron

NAYS—2

Frenzel

Moody

NOT VOTING—30

Biaggi
Bilirakis
Boner (TN)
Bosco
Collins
Conyers
Crockett
Daniel
Daub
DeFazio

Dingell
Fields
Ford (TN)
Gephardt
Jacobs
Kemp
Kolbe
Lungren
Manton
Mavroules

McKinney
Neal
Oakar
Roemer
Savage
Stratton
Swindall
Waxman
Young (AK)
Young (FL)

□ 1430

Mr. HOWARD and Mr. BEILENSON changed their votes from "nay" to "yea."

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE.

The SPEAKER pro tempore (Mr. HALL of Ohio). Pursuant to the provisions of clause 5, rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the second motion to suspend the rules on which the Chair has postponed further proceedings.

FARM DISASTER ASSISTANCE ACT OF 1987

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 1157, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 1157, as amended.

The question was taken.

Mr. WALKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 304, nays 100, not voting 29, as follows:

[Roll No. 32]

YEAS—304

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Barton
Bateman
Beilenson
Bennett
Bereuter
Berman

Bevill
Bilbray
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner

Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Cooper
Darden

Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hutto
Inhofe
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)

Jontz
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Madigan
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Nelson
Nichols
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Rahall

Rangel
Ravenel
Ray
Richardson
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sawyer
Schroeder
Schuette
Schulze
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Studds
Sweeney
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Visclosky
Volkmer
Walgren
Watkins
Weber
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—100

Anderson
Archer
Armey
Badham
Bartlett
Bates
Bentley
Bliley
Bunning
Burton

Chandler
Cheney
Clinger
Conte
Coughlin
Courter
Coyne
Craig
Crane
Dannemeyer

Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Fawell
Frenzel

Gallegly
Gekas
Gingrich
Gradison
Gregg
Hansen
Hastert
Hefley
Hopkins
Hughes
Hunter
Hyde
Ireland
Johnson (CT)
Kasich
Kolter
Konnyu
Kyl
Lagomarsino
Latta
Leath (TX)
Lent
Lowery (CA)
Lukens, Donald
Mack
McCandless
McCollum
McGrath
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (CT)
Nielson
Owens (UT)
Oxley
Packard
Petri
Quillen
Regula
Rhodes
Ridge
Rinaldo
Ritter
Rowland (CT)
Saxton
Schaefer
Scheuer
Schneider
Schumer
Sensenbrenner
Shaw
Shumway
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stark
Stump
Sundquist
Tauke
Vento
Vucanovich
Walker
Weldon
Wolf
Wortley
Wylie

NOT VOTING—29

Biaggi
Bilirakis
Boner (TN)
Bosco
Collins
Conyers
Crockett
Daniel
Daub
Dingell
Fields
Ford (TN)
Jacobs
Kemp
Kennedy
Kolbe
Lungren
Manton
Mavroules
McKinney
Neal
Oakar
Roemer
Savage
Stratton
Swindall
Waxman
Young (AK)
Young (FL)

Mr. TAUKE changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to provide for an acreage diversion program applicable to producers of the crop of winter wheat harvested in 1987, and otherwise to extend assistance to farmers adversely affected by natural disasters in 1986."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Kansas?

There was no objection.

□ 1450

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1001

Mrs. BOGGS. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill, H.R. 1001.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentlewoman from Louisiana?

There was no objection.

AMERICAN AMBASSADORS CHAMPION HUMAN RIGHTS IN PARAGUAY

(Mr. KOSTMAYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOSTMAYER. Mr. Speaker, last month the American Ambassador to Paraguay, Mr. Clyde Taylor, acted in a fashion which eloquently and simply demonstrates America's commitment to human rights in a nation still ruled by a dictator.

Ambassador Taylor has spoken out against the rule of President Alfredo Stroessner and has met with, and indeed encouraged, human rights activists in Paraguay.

About 300 Paraguayans held a rally in support of the American Ambassador at a private home outside the capital city of Asuncion recently.

When our Ambassador entered the house, Stroessner's police prevented about 300 people from joining him, and then, when the crowd began to sing a patriotic protest song, the police turned tear gas on them.

American marines escorted Ambassador Taylor back to the Embassy, although he was hardly in need of protection.

Ambassador Taylor, like his predecessor in Asuncion, former Ambassador Arthur Davis, has made it clear by his actions and his words that despite the overall disappointing record of the Reagan administration on human rights, he will be outspoken on the subject.

When General Stroessner falls, as inevitably he must, the people of Paraguay will remember such Ambassadors as Arthur Davis and Clyde Taylor and they will remember that the representatives of the American people sustained the people of Paraguay in their struggle against repression.

LIABILITY CRISIS TACKLES ANOTHER INDUSTRY

(Mr. PORTER asked and was given permission to address the House for 1 minute.)

Mr. PORTER. Mr. Speaker, if you enjoy football, you might want to note what is happening to the Bike Helmet Co.

The company is for sale because 50 percent of its revenues go for liability insurance coverage. There are about 25 serious head and neck injuries a year in football. No one promised a helmet would prevent all of these, but helmet makers are routinely sued. As the unpredictability of awards has skyrocketed during the last 5 years, some 16 companies have left the business. Today, only two still produce helmets. And it's hard to raise prices to cover premiums when most helmet sales are made to high schools with tight budgets and their own liability problems.

But don't worry Mr. Speaker, the Southwest Conference won't switch to two-hand touch. The prognosis is that demand for American football helmets will be met by the Japanese. And, as the head of the Sports Manufacturers said recently, good luck trying to sue them. So, Mr. Speaker, as we write the new trade bill, let's not forget the role the liability crisis is playing in moving U.S. jobs overseas.

INS REGULATIONS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, the regulations announced by the Immigration and Naturalization Service to implement the Simpson-Rodino Immigration Act are in direct contravention of this Act and violate the spirit and intent of the Congress.

These regulations are onerous, restrictive, and potentially fraught with discrimination. In addition, the budget request to implement the law suggests that the administration is trying to starve the act to death.

The twin components of this legislation, employer sanctions and legalization, cannot work unless they are properly enforced, and as far as legalization is concerned, generously applied.

Most glaring in these initial regulations are the following: Extremely high $185-per-worker processing fee, the absence of any mechanisms to enforce antidiscrimination provisions, the burden placed on farmworkers and growers to participate, the onerous requirements of documentation and continuous residence, and the huge recordkeeping burdens placed on businesses—not to mention the unlimited access INS has to search business and employer records without a search warrant.

Mr. Speaker, despite deep misgivings, I voted for Simpson-Rodino because we had to do something and there was no alternative. The bureaucracy's response in implementing this act, however, is of great concern. I call on the Congress to correct these unfortunate first steps by the INS to implement immigration legislation.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 2, SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT OF 1987

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill, H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987.

I might say further, Mr. Speaker, that this request has been cleared by the minority.

The SPEAKER pro tempore (Mr. HALL of Ohio). Is there objection to the request of the gentleman from Illinois?

There was no objection.

LISTEN TO THE PEOPLE, VOTE "YES" TO ALLOW STATES THE RIGHT TO 65 MILES PER HOUR

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, I am one lawmaker who is listening to my constituents. Texans write and tell me every time they travel long distances on rural or noncongested interstates, they break the law. They are routinely driving over 55 miles per hour on Texas interstates. They are using their gas pedals to tell you and me the 1974 national speed limit is not practical.

I support maintaining 55 on all congested roads, but on noncongested roads like those found most in my congressional district, citizens should be allowed to legally save valuable time and money by driving 65. This is especially true since rural interstates were designed and engineered to accommodate traffic up to 70 miles per hour. I have two such interstates in my district, I45 and I35.

The Senate, the President, and even the Texas Legislature have all endorsed giving State governments the option to set their own speed limits up to 65.

Honest citizens should not be forced to break the law. States should not have to risk losing important highway dollars due to noncompliance.

It's time to listen to the people and to vote for a national policy that reflects different driving conditions across our Nation. Times have changed and so should our laws.

UNCOVERING THE REAL JOBLESS RATE: AID TO DISCOURAGED WORKERS

(Mr. COYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. COYNE. Mr. Speaker, today I am introducing legislation that is designed to correct a serious imbalance in the way the Federal Government goes about the business of counting the unemployed. This legislation seeks to do more than simply correct a technical deficiency in the reporting system used by the Bureau of Labor Statistics. The goal of my bill is to make available to Congress, the administration, and the business community the clearest picture possible of the country's overall jobless situation.

The administration would have us believe that they have turned the corner on unemployment. Nothing could be farther from the truth. If you want to believe the so-called official figures issued recently by the BLS, then, indeed, the picture does look a lot better than it has in a long time.

But those official figures are deceiving and mask a much deeper and more fundamental issue of unemployment—the issue of the hidden unemployed. These people are men and women who want to work and need a job but have become so frustrated about their prospects for finding a new job under the current economic conditions, that they have stopped looking for work altogether.

These are discouraged workers. There are approximately 1.2 million of these jobless today, and that number has barely budged since 1983.

We need to ensure that Congress, the administration, and the business community have the best information available if we are to make the kinds of decisions that will put Americans back to work and if we are to restore our competitive edge in work markets. I urge my colleagues to support this important piece of legislation.

UNCOVERING THE REAL JOBLESS RATE: AID TO DISCOURAGED WORKERS

Mr. Speaker, there is never any bright side to unemployment. The number of Americans still out of work is sobering, especially in light of the pace of economic growth during the past several years. And although the latest Government statistics show a slight dip in the unemployment rate and a small rise in the number of people with jobs, those numbers are distressingly deceptive.

Officially, says the Bureau of Labor Statistics, there are about 8 million Americans unemployed, roughly 6.7 percent of the total labor force. But when you add in certain categories of parttime workers and the often overlooked group known as discouraged workers, then the unofficial unemployment rate, or more accurately, the real jobless rate, soars to more than 10.5 percent.

Discouraged workers simply defined are those men and women who have had jobs previously, but who have just stopped looking for new work because they honestly believe there are no longer any jobs that are available to them. It is a sad indictment of how our economy has changed when able-bodied men and women, who desperately want to work and need a job, have thrown in the towel. These are America's hidden unemployed.

There are currently 1.2 million of these hidden unemployed. What is perhaps most disturbing is the fact that this number has not budged in 4 years.

Today I am introducing legislation that is designed to take this category of workers out of the statistical shadows it now occupies at the BLS. This bill will simply require the BLS to expand its reporting of the discouraged worker category to a monthly basis and provide a more detailed analysis on the State and local economic impacts of this real jobless rate.

Currently, the BLS counts the number of discouraged workers on a quarterly basis and provides only a national figure. Discouraged workers are not considered as either part of the labor force or as part of the unemployed.

By instructing the BLS to develop a more realistic picture of national, State, and local unemployment, Congress should then have a more reliable guide for developing, implementing, and monitoring vital job training and other employment-related programs. This change in the unemployment figures will also give us a stronger measure of the successes and failures of existing Federal programs such as the Job Training Partnership Act, urban development action grants, emergency food and shelter programs, and various public works programs.

The importance of making this change in the way we look at unemployment was clearly and concisely set forth in a report last year issued by the House Government Operations Committee. That report concluded that the failure to include data on discouraged workers and people working part-time on an involuntary basis, seriously understates the true level of unemployment around the Nation. Certainly I am convinced this situation is true in my district and in other areas of Pennsylvania. For example, while the official unemployment rate for Pittsburgh is currently listed at around 7 percent, the real jobless rate probably runs more than 10.5 percent.

The committee's report warned of damaging economic consequences for communities with a high jobless rate, but an officially, and artificially, low unemployment rate. Since the official unemployment rate is one of the key factors used in funding decisions for job programs, the administration should not cite unreliable statistics as a "reason to cut programs intended to help jobless people," the report said.

Another concern about underestimating the unemployment rate is the potentially devastating impact on economic development in distressed communities. Underestimating unemployment acts as a deterrent and discourages prospective employers from expanding or building new businesses in an area if the employer perceives a lack of available workers for new jobs.

I do not offer this legislation to the House for its consideration absent a sincere and genuine effort to find an administrative solution to this problem. Last October I sent a letter, which was cosigned by 38 of my distinguished colleagues, at Janet Norwood, Commissioner of the Bureau of Labor Statistics. We sought to persuade Commissioner Norwood by our arguments to take immediate steps to revamp the agency's procedures for counting discouraged workers. Unfortunately, Commissioner Norwood responded that the BLS would be unable to make the requested changes in the agency's sampling practices.

Furthermore, it is my belief that the BLS would have very little trouble collecting and analyzing this data, and perhaps would have on its own initiative had the agency not been victimized by deep budget cuts over the past several years. The administration's budget belt-tightening has stripped the BLS of its ability to gauge the full picture of unemployment. The agency is even reduced to stating on its own reports that it has had to omit reporting unemployment rates for 25 metropolitan statistical areas because of budget cuts.

It is abundantly clear to me, as it was last year to the House Government Operations Committee, that we are obscuring our understanding about the scope of joblessness in America, and only because of a technical limitation in the BLS reporting system. This seems to me to be an inordinately high price for us to pay for something so important. How can we fairly and adequately address the problems of the jobless, especially those jobless who want to work, when we are missing an important link in our understanding of this issue. It seems to me we cannot until we have a fuller, better picture of the problem from the BLS.

I would encourage my colleagues to support this legislation and hope they would add their names as cosponsors to this vital bill.

I would like to include at this time a copy of the bill and a section-by-section analysis:

H.R. 1639

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) the number of unemployed workers in the United States is at an unacceptable level;

(2) the Committee on Government Operations of the House of Representatives concluded, in report number 99-661, that the actual rate of unemployed individuals was much higher than the official unemployment rate, if discouraged workers were included;

(3) the report states "The U-7 unemployment rate more accurately represents the hardship which is felt as a result of economic and labor market fluctuations . . ." and that ". . . The problems of discouraged workers . . . are serious and growing, and probably are directly related to the same underlying problems which are the causes of unemployment."; and

(4) a more accurate representation of the number of the Nation's jobless individuals will assist the Federal Government in developing a more effective economic policy.

SEC. 2. REPORTS CONCERNING THE NATION'S JOBLESS WORKERS.

(a) Responsibility of the Bureau of Labor Statistics to Collect Data on Numbers of Jobless Workers.—The Bureau of Labor Statistics of the Department of Labor shall collect data, on a monthly basis, concerning the number of jobless workers in the United States. Such data shall be categorized according to national, State, and metropolitan statistical area jobless worker rates.

(b) Reports.—(1) The Bureau shall include information concerning the national jobless worker rate and the number of jobless workers (collected under subsection (a)) as part of its regular monthly report on national unemployment.

(2) The Bureau shall include information concerning the jobless worker rate and the number of jobless workers as part of its regular monthly report on State and metropolitan statistical area employment and unemployment.

(3) The Bureau shall emphasize and explain the significance of information concerning the jobless worker rate reported under paragraphs (1) and (2) in each such monthly report.

(c) Definitions.—For purposes of this Act—

(1) the term "jobless workers" means—

(A) unemployed individuals, as defined in section 4(25) of the Job Training and Partnership Act (29 U.S.C. 1503(25)); and

(B) individuals who do not look for work because they believe that no jobs are available in the area or that no jobs were available for which they were qualified (hereinafter referred to as discouraged workers); and

(2) the term "jobless worker rate" means—

(A) the sum of the number of unemployed individuals and the number of discouraged workers, divided by

(B) the sum of the number of individuals comprising the civilian labor force and the number of discouraged workers.

(d) Effective Date.—This Act shall take effect 6 months after the date of its enactment.

Section-by-Section Summary of the Major Provisions of H.R. 1639, a Bill Requiring an Actual Account of Jobless Workers

GENERAL PROVISIONS

Purpose

To require the Bureau of Labor Statistics of the United States Department of Labor (BLS) to collect, report on, and disseminate data that give an actual account of jobless workers in the United States.

Implementation

As part of its monthly labor market analysis "The Employment Situation," BLS is to report the number and rate of jobless workers in the United States. The same data are to be reported for each State and metropolitan statistical area in the Bureau's monthly report "State and Metropolitan Area Employment and Unemployment." The jobless worker group is more comprehensive than the unemployed worker group. Jobless workers include those who are unemployed (as currently defined by BLS) plus those who want to work but are not looking for work (one of the criteria for being counted as unemployed) because they believe they cannot find a job. The second group is the discouraged worker group currently reported quarterly by BLS. In its monthly report on the employment situation, BLS is to emphasize and explain the significance of the jobless worker rate.

SECTION-BY-SECTION SUMMARY

Section 1—Findings

States that (1) the number of unemployed Americans is at an unacceptable level; (2) the House Committee on Government Operations has determined that the rate of unemployment would be much higher if discouraged workers were included in the count; (3) the Committee concluded that the U-7 unemployment rate [1] more accurately represents the hardship resulting from economic and labor market fluctuations and that the problems of discouraged workers are directly related to those that are causing unemployment; and (4) a more accurate count of jobless individuals as defined by this Act would assist the Federal Government in developing appropriate and effective economic policy.

Section 2—Reports concerning the Nation's jobless workers

(a) Responsibility of the Bureau of Labor Statistics

The Bureau of Labor Statistics at the U.S. Department of Labor (BLS) is required to collect data on a monthly basis on the number and rate of jobless workers (as defined in subsection c) in the Nation, each State, and each metropolitan statistical area.

(b) Reports

Data on the level and rate of jobless workers in the Nation are to be reported monthly in "The Employment Situation" release and in State and local areas in the "State and Metropolitan Area Employment and Unemployment" release. In each release BLS is to emphasize and explain the significance of the data; i.e., BLS cannot just report the data without some analysis.

(c) Definition of "jobless workers"

Jobless workers are those that are counted as unemployed as defined in section 4 (25) of the Job Training and Partnership Act (19 U.S.C. 1503(25)) plus individuals who do not look for work because they believe that no jobs are available in their area or that no jobs are available for which they could qualify (discouraged workers). Generally, an unemployed worker is one who did not work during the survey week, was available for work (except for temporary illness), and made some specific effort to find a job sometime during the prior 4 weeks. The jobless worker rate would be the number of jobless workers as defined above as a percent of the civilian labor force plus the number of discouraged workers.

(d) Effective date

The Act is to take effect 6 months after the date of its enactment.

TRIBUTE TO THE LATE HONORABLE STERLING COLE

(Mr. HOUGHTON asked and was given permission to address the House for 1 minute.)

Mr. HOUGHTON. Mr. Speaker, last Sunday a great American died. Sterling Cole, a former Member of this body, was 86. He died of that most fearful of all diseases—cancer.

Mr. Cole, as I always called him, was an old time politician. He looked the part. He had flowing silver white hair, wore a bow tie, and talked with a deep voice. He looked and acted the part of a distinguished public servant, which of course he was. He was the first Congressman I ever knew. He remains to this day my ideal.

I suppose Mr. Cole's most distinguishing characteristic was his absolute bed rock integrity. He never cut the sharp corner, never scratched the wrong back, never winked at those standards which he represented at home, for the short term political advantage here in Washington.

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[1] U-7 is an alternative unemployment rate defined as the total number of fulltime jobseekers plus ½ the number of part-time jobseekers plus ½ the total number of persons working part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus the number of discouraged workers less ½ of the part-time labor force.

In short, Mr. Speaker, Sterling Cole was a whole man, a decent man, one of whom this Nation should be proud. It was my honor to have lived during part of his long and rich life. His family has lost forever its beloved leader. This Nation has regained the legend of a great Congressman a great human being—for one time.

INTRODUCTION OF LEGISLATION TO UPGRADE NURSING HOME AND HOSPITAL CARE FOR VETERANS

(Mr. PENNY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENNY. Mr. Speaker, today I am introducing a bill that will increase the per diem reimbursement rate to State veterans' nursing homes, hospitals and domiciliaries. The bill affirms our commitment to the century-long partnership between the States and the Federal Government in providing care for those who have served our Nation in military service. This increase in the per diem rates is the first since 1984 and will keep the VA portion of the cost of operating State nursing home beds at 25 percent.

Currently, 49 State veterans homes and 3 annexes operate in 35 States. These State facilities provide cost-effective, quality care and are increasingly being relied upon to meet the long-term care needs of our aging veterans. The Veterans' Administration policy has recently changed to expect that 30 percent of the need for long-term care beds should be met by State veterans homes. This increased reliance on State homes cannot be achieved at the current per diem rates.

For the past 3 years State home per diems have been $17.05 for nursing home patients. This bill raises that payment to $20.35, still far below the average daily cost to the Federal Government in 1986 of $118.24 to maintain that same veteran in a VA nursing home or the $64.13 paid by the VA for a veteran's care in a community nursing home. In these tight budgetary times it makes good sense to put additional resources into programs that allow us to serve the most veterans at the lowest cost.

This legislation has the support of the House Veterans' Affairs Committee, which included the per diem increase in its report to the House Budget Committee. I am pleased to be joined in introducing this measure by the chairman of the House Veterans' Affairs Committee, Mr. Montgomery, by our ranking member, Mr. Solomon, by hospitals and health care ranking member, Mr. Hammerschmidt, and by Mr. AuCoin of Oregon.

□ 1500

HOORAY FOR PROTECTING THE DEFENSE INDUSTRIAL BASE

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, today's Baltimore Sun carries a story date-lined Washington that Commerce Secretary Malcolm Baldrige and Defense Secretary Caspar Weinberger protested the sale of Fairchild Semiconductor Corp. to a Japanese firm, Fujitsu Ltd., and that the sale has been stopped.

Hooray! While our own semiconductor businesses have been in a slump, the Japanese industry has been growing and taking American market share. Fairchild has been a supplier of strategic semiconductors to the military and has a broad-based commercial distribution and marketing system which Secretary Baldrige feared would represent a major inroad by Japan into an important segment of the American high-technology business field.

Lest this seem too protectionist a position, remember how many markets remain closed to American industry in Japan. As a matter of fact, no United States company can enter business in Japan without a Japanese firm gaining part of the action and along the way take over a great deal of the proprietory and manufacturing information about the product.

No American firm could open up an automobile plant as has been done by Toyota in the State of Kentucky completely without ties to any American corporation, let alone having the Japanese Government encourage it by tax incentives as our Government granted Toyota to come in.

Thank God we are beginning to recognize the value of our onshore industry. I hope this is merely the beginning of assessing our losses before they occur.

MONTGOMERY GI BILL AN IMPORTANT STEP

(Mr. PRICE of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE of North Carolina. Mr. Speaker, I am proud to be a cosponsor of H.R. 1085, the Montgomery GI bill, a bill that embodies the commitment of this 100th Congress to our veterans, to education, and to getting the most for our taxpayers' dollars.

This bill will allow many veterans to acquire a college education that they could not attain otherwise. I cannot think of a better reward for those who serve our country in the armed services than such an opportunity to advance their education and careers.

Furthermore, according to analyses from the U.S. Army Recruiting Command, the inducement of educational assistance is the most cost-effective means of getting high-quality recruits. By attracting more high-quality recruits, this bill will enable us to reduce discipline problems and training expenses—costs which impair our military strength.

Mr. Speaker, the Montgomery GI bill makes permanent a program that has proven its effectiveness and its worth as a national investment. The GI bill has opened the doors of educational opportunity to 7,800,000 World War II veterans, 2,391,000 Korean War veterans and 11,846,000 Vietnam warera veterans. Today's veterans need and deserve no less, and it is heartening to see such a broad coalition of support within the Congress for the important step we are taking today.

NATIONAL ORGAN AND TISSUE DONOR AWARENESS WEEK, APRIL 26 THROUGH MAY 2, 1987

(Mr. MORRISON of Washington asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORRISON of Washington. Mr. Speaker, I am again privileged to introduce a joint resolution authorizing and requesting the President to issue a proclamation designating April 26 through May 2, 1987, as "National Organ and Tissue Donor Awareness Week." I am happy to be joined by over 80 of my colleagues as original cosponsors, many of whom have joined me in successfully sponsoring this resolution for the past 5 years.

I am particularly pleased to have Senator Jake Garn introducing companion legislation in the Senate. As you may recall, just 6 months ago Senator Garn underwent surgery to donate a kidney to his 26-year-old daughter, Susan Garn Horne, who had lost most of her renal function due to a long-term diabetic condition. As Senator Garn discovered:

> Too many people are either fearful of the prospects or ignorant of the process of freely giving an organ to someone else. As a result, many people are dying, or at the very best, continuing to suffer every day because of failure to obtain a needed organ for transplant. I can't help but believe that if people understood the need for organ donors, enough of them would voluntarily sign authorization cards and get "donor" stamped on their driver's licenses so that there would be an adequate supply of organs for those in need. People need to understand that they literally can give someone the "gift of life."

Consider for a moment the transplant success story: Last year over 1,300 heart transplants, 900 liver transplants, 28,000 cornea transplants, 1,100 bone marrow transplants, 45 heart and lung transplants and an astounding 8,500 kidney transplants were performed successfully in our country. For many folks, receiving a transplant represents a second chance at life. For others—the children—it provides an opportunity to begin living.

But for evey major organ transplant performed, there are three more people in need—and that number grows dramatically when we include the need for tissue transplants. We, in Congress, have been reminded of this need far too many times. We have all received letters describing the pain and frustration endured by our own constituents in the pursuit of suitable organs and tissues for transplantation. Through organ donation, those who care may give the priceless "gift of life" to someone in need.

So that we may again draw public attention to the need and opportunity for organ and tissue donation, I encourage my colleagues to join me in sponsoring "National Organ and Tissue Donor Awareness Week."

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1178

Mr. BARNARD. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill, H.R. 1178.

The Speaker pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Georgia?

There was no objection.

MODIFY THE 55-MILE-PER-HOUR SPEED LIMIT

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, tomorrow the House will vote on an amendment that would give States the option to raise the maximum speed limit to 65 miles per hour on rural interstate highways.

Rural interstates carry 19 percent of all travel on highways posted at 55 miles per hour, but account for only 9 percent of the fatalities on those roadways.

The vote tomorrow is not on repeal of the 55-mile-per-hour national speed limit. It would simply give States the option to raise that limit to 65 on certain rural interstates. These highways have been built to the highest safety standards. They have multiple lanes, wide medians, and controlled access.

In its lead editorial this morning, the newspaper USA Today recommends that the Federal Government "experiment to see if speed limits can be tailored to the diverse needs of motorists and the diverse driving conditions from Wyoming to New Jersey, Florida to North Dakota."

That is all we are trying to do, Mr. Speaker. Fifty-five was itself an experiment. Where it has been successful, it should and will be retained. Where it can safely be modified to meet regional needs, we should do so. Under the amendment, the speed limit will not be raised in urban areas. It will not be raised on any noninterstate roads. It could only be raised to 65 on rural interstate highways in States that choose to exercise the option.

I believe this approach best meets the varying needs of all Americans, and I urge its adoption.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 535

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 535.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

LIBERTY MUST BE EARNED, NOT BOUGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, on February 25, I wrote to Secretary of the Interior Donald Hodel, urging that the $1 admission fee to the Statue of Liberty be rescinded. I pointed out to Secretary Hodel that the Statue of Liberty-Ellis Island Commemorative Coin Act—Public Law 99-61—which I authorized, provided for the sale of coins to raise funds to restore and renovate the Statue of Liberty and the immigration facilities at Ellis Island, and to establish an endowment to ensure the continued upkeep and maintenance of these monuments.

Last year the U.S. Mint sold over 15 million coins, raising over $81 million, which was provided to the Statue of Liberty-Ellis Island Foundation pursuant to the act.

Millions of Americans bought coins to keep Lady Liberty alive, and the restoration program did not cost the National Park Service a penny. It is unfair to charge Americans a fee to visit America's most valued symbol of liberty and freedom. These are the same men, women, and children who felt so strongly about what the Statue of Liberty stands for that they gave their hard earned money to keep the torch lit for future generations.

We have learned that liberty is priceless. Liberty must be earned, not bought.

Mr. Speaker, I join in supporting H.R. 1557, legislation prohibiting the National Park Service from charging an admission fee to the Statue of Liberty or Ellis Island, and I urge my colleagues to support this legislation.

THE CAPTIVES IN LEBANON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN of California. Mr. Speaker, I just wanted to take this opportunity to point out to the House that a tragic landmark has passed in American history. An American citizen, Mr. Terry Anderson, the distinguished head of one of our news agencies, the Associated Press bureau for the Middle East has been a captive in Beirut, which was once a lovely capital described as the Geneva or Zurich of the Middle East for 2 years.

He awoke this morning 2 years ago on St. Patrick's Day to a nightmare, and that nightmare has persisted for 2 years to this day.

Now we all are aware of the constant trouble that the White House has been in because it overextended itself and did something that neither I nor a single Member of this or the other body ever recommended that they do, and that is that they went further than they probably should have to try to secure the safety and release of our hostages in the Middle East.

Mr. Anderson was followed in captivity shortly by a gentleman from Orange County, CA, which I represent, and that gentleman has been released, Mr. Jacobsen.

Also, on June 9, we will hit the 2-year anniversary this year of the captivity on the airport road, less than 20 minutes in the country, of one of the American University faculty who had just arrived, Tom Sutherland. He had come to head up the Agriculture Department at the university, the American University, in Beirut.

Mr. Speaker, I do not know where we are going with this hostage crisis, except that I know that the person in the world who extended himself the furtherest, the church worker, Mr. Terry Waite, the personal representative of Robert Runcie, the Archbishop of Canterbury, in trying to do everything that he could to help these hostages, has now found himself also a hostage, since January 21 of this year.

When Mr. Waite was last in Washington, DC, I met with him. He asked if he could see me further up in New York City, and I went up and had lunch with my wife, Sally, and the Episcopalian bishop of the Diocese of New York and Mr. Waite. Mr. Waite in person was everything that he appeared to be to us in America and in England and the free world through the television, a giant of a man who was truly in every sense of the world a gentle man. He was following the orders of his great religious leader, Archbishop Runcie, to do what he could, not only for the British citizen who at that time was captive—and it eventually turned out to be two Englishmen—but also for the young Irish newsman who was taken captive last year, and for at that time four Americans, one of whom was released. However, five more were taken captive. Now we are up to eight, which was the highwater figure over 2½ years ago for Americans held in captivity.

I had recommended more than 2 years ago that the President must extend himself as far as he would for one American citizen as he did for all the passengers on TWA flight 847. When it came down to just 32 Americans off that flight after they had released the women and had thrown the body of a young naval petty officer, Bob Stethem, out of the front door of the airplane. Before tossing his body to the turmac, the terrorists brutally jumped up and down on his chest with their full weight, breaking all his ribs, and then shot him in the face. After we were down to 32, 4 of them who had Germanic-sounding surnames, which they thought to be Jewish surnames—three of them were in fact Jewish-American citizens—4 of them were peeled off and given to the Shiite Hizballah family that now at this point still holds several Americans.

All of the negotiations began to break down around the July 1, 1985, and the Speaker of the Assembly, the Parliament, in Iran, Mr. Rafsanjani, Ali Rafsanjani, flew all the way to Damascus to demand, with whatever power that they have—and it is considerable—of this Hizballah family that they release all of the Americans, the four that were then known to be alive.

We suspected that William Buckley, our CIA station chief, then just described as a political officer, had been beaten to death horribly over months, and had rendered up a 400-page confession, which was tearing up the intelligence agencies in this country. We wonder what they had gotten out of him under severe torture.

They asked that all of the hostages be released. The young kidnapers, the terrorists in Hizballah, said, "Well, we'll give you back the four from TWA 847" bringing the number back up to 32—"but you're not going to get the four that we kidnaped and kept alive." And that is where all of it broke down again and led the White House off to do things that we thought that they should not have done in dealing with terrorists and terrorist-supporting governments.

Well, now I ask the other side of the aisle, and even a handful on my side that have criticized the President—precious few over here, thank God—to come up with some solution. My suggestion to the President was that he should act as though 1 were 30, that 1 were 100, that 1 was the whole group of 220 marines, 7 sailors, and 4 Army-attached members who were murdered in the blowing up of our Marine headquarters barracks in Beirut.

I suggeested that the President put the Sixth Fleet along the Levant, the coastline, on the eastern Mediterranean, blocking everything that moves by sea in and out of Syria and Lebanon, and tell them that the airports would be next.

That was harsh advice. The President did not take it, but if he had taken my advise instead of following the course of some others in the NSC, then he would not be under tremendous criticism from the other side of the aisle, and by the liberal segments of the news media in this country.

Maybe my suggestion was not right, certainly the President's course was not right, but my colleagues on the other side of the aisle simply must come up with a course on St. Patrick's Day, 2 years and 1 day after our first and longest held American was taken captive. They should not just carp and criticize, but tell us what they think that we should do as if every one of those hostages held there was one of their own brothers or own fathers.

Let us work on this hostage crisis, and I will pass out bracelets again to everyone on both sides of the aisle with Terry Waite's name on it and see if we can match the efforts of this great churchman of England who now finds himself in brutal captivity by terrorists in the Middle East.

UNDERUTILIZED BANK BILL

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. MFUME] is recognized for 5 minutes.

Mr. MFUME. Mr. Speaker, I am pleased to introduce today, along with 16 of my colleagues, a bill to expand the use of underutilized banks by Federal agencies.

This bill would allow for expansion of the use of underutilized banks through deposits of Federal funds in the nature of demand deposits or otherwise, and as depositories or financial agents of the United States, consistent with effective cash management, and at no cost to the Federal Government. The bill defines "underutilized banks" as any bank at least 51 percent of which is owned by one or more socially and economically disadvantaged individuals, and whose management and daily business operations are controlled by one or more of such individuals. The term "bank" would include any bank, credit union, savings or thrift institution, which is chartered and supervised under Federal or State law. The bill would also require the Secretary of Treasury to report to the Congress annually on program activities and recommendations for legislative and executive actions.

While very little attention has been given to the problems and prospects of minority-owned commercial banks and other financial institutions in recent years, most statistical studies have indicated that their operating performance equals and in some instances surpasses that of majority owned banks. Additionally, minority-owned financial institutions perform a vital and unique service in their respective urban communities, providing employment opportunities, entrepreneurial capital, and urban development.

Examples of the critical need for minority-owned financial institutions are numerous indeed. A recently released study conducted by a New York based consumer advocacy group revealed that from 1977 to 1984, many majority-owned commercial banks closed their branch offices located in the inner city. The findings clearly indicated that these increased instances of branch closings disproportionately occurred in lower-income neighborhoods and neighborhoods where black and Hispanics are in the majority. The report goes on to state that as a result of the 130 majority-owned bank branch closings in New York City alone during the same 7-year period, hundreds of thousands of mostly low- and moderate-income New Yorkers have been deprived of access to basic banking services. Moreover, as these bank branches close, employment opportunities within the minority community are diminished.

Historically, banking has been one of the country's leading growth industries and is likely to continue to provide numerous employment opportunities for minorities in the future. Not only do minority-owned financial institutions provide incomes and careers for many—minority and women-owned commercial banks alone currently employ some 4,732 persons—but those minorities who do enter banking management ranks have the potential for influencing industry investment decisions.

With respect to business investment, it is important to note that when a prospective minority entrepreneur approaches a majority-owned commercial bank for financial assistance, he or she immediately faces major and often insurmountable obstacles which include traditional credit prerequisites such as equity financing, management experience and collateral. Without these prerequisites, financing options for prospective minority entrepreneurs are reduced to the Small Business Administration's 7(a) Business Loan Program, SBA's Economic Opportunity Loan [EOL] Program, or minority-owned and community-based financial institutions. Under the President's fiscal year 1988 SBA budget proposal, direct loans to minorities (estimated at $24 million in 1987) will be totally eliminated, and the EOL Program along with other subcategory loan programs providing handicapped and energy loans will be consolidated in the general 7(a) loan program. These proposals along with others including a proposal to double SBA's guarantee fee charged to small business borrowers under the guarantee-lending program, limit financing opportunities for the minority business community even further. Without the minority-owned institution's contribution to entrepreneurial capital, prospective minority entrepreneurs would be prohibited from participating in the American free enterprise system.

While many minority-owned financial institutions are not in a financial position to greatly influence the redevelopment of urban communities during the early years of their existence, many nevertheless can and do contribute directly to this effort. The accounts which support this assertion are too numerous to detail with specifics, but suffice it to say, given the proper resource capital base, these minority-owned financial institutions will play an even larger role in community development and therefore lessen the financial burden of the Federal Government in this crucial area.

To match the employment opportunities in inner city minority communities, entrepreneurial capital, and urban development that result from this no-cost program alone would require tens of millions of dollars of Federal economic development grants to State and local bureaucracies. The deposit program embodied in this bill to insure continuation of the unique services provided by minority-owned financial institutions is by far the most productive use of capital of any program currently undertaken by the Federal Government.

Mr. Speaker, for these reasons and many others, I am introducing the Underutilized Bank bill to codify the Minority Bank Deposit Program [MBDP], which is an outgrowth of Executive Order 11458 issued by President Nixon on March 4, 1969. This Executive order was issued in recognition of the necessity of Federal Government efforts to provide the opportunity for socially and economically disadvantaged persons to fully participate in and improve the functioning of our national economy. To this end, I would encourage my colleagues to join me in this effort to affirm this Nation's commitment to economic and social justice.

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CONFERENCE REPORT ON H.R. 2

Mr. **HOWARD** submitted the following conference report and statement on the bill (H.R. 2) to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes:

CONFERENCE REPORT (H. REPT. 100-27)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2) to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Surface Transportation and Uniform Relocation Assistance Act of 1987".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Secretary defined.

TITLE I—FEDERAL-AID HIGHWAY ACT OF 1987

Sec. 101. Short title.
Sec. 102. Approval of interstate cost estimate and extension of interstate program.
Sec. 103. Approval of cost estimate and authorization of appropriations for interstate substitute projects.
Sec. 104. Authorization of appropriations for interstate system construction.
Sec. 105. Obligation ceiling.
Sec. 106. Authorization of appropriations.
Sec. 107. Federal-aid primary formula.
Sec. 108. Elimination of roadside obstacles.
Sec. 109. Emergency call boxes.
Sec. 110. Vending machines and State police barracks.
Sec. 111. Contracts.
Sec. 112. Convict produced materials.
Sec. 113. Advance construction.
Sec. 114. Interstate discretionary funds.
Sec. 115. Flexibility of use of highway funds.
Sec. 116. Interstate 4R program.
Sec. 117. Federal share.
Sec. 118. Emergency relief.
Sec. 119. Vehicle weight.
Sec. 120. Toll facilities.
Sec. 121. Railway-highway crossings.
Sec. 122. Indian employment and contracting.
Sec. 123. Bridge program.
Sec. 124. Minimum allocation.
Sec. 125. National bridge inspection program.
Sec. 126. Income from airspace rights-of-way.
Sec. 127. Funding for bicycle projects.
Sec. 128. Strategic highway research program.
Sec. 129. Highway planning and research.
Sec. 130. Wildflowers.
Sec. 131. National Highway Institute.
Sec. 132. Prohibition against disclosure and admission as evidence of State reports and surveys.
Sec. 133. Highway technical amendments.
Sec. 134. Forest highways.
Sec. 135. Regulation of tolls.
Sec. 136. Implementation of certain orders.
Sec. 137. Combined road plan demonstration program.
Sec. 138. Project eligibility.
Sec. 139. Eligibility of park and ride facilities.
Sec. 140. Planning, design, and construction.
Sec. 141. Transfer of interstate lanes.
Sec. 142. Substitute transit project in Oregon.
Sec. 143. Payback of right-of-way expenses.
Sec. 144. Georgia State route 400.
Sec. 145. Exemption from right-of-way restriction.
Sec. 146. Right-of-way donation.
Sec. 147. Shirley Highway traffic restrictions.
Sec. 148. Railroad relocation and demonstration program.
Sec. 149. Demonstration and priority projects.
Sec. 150. Cumberland Gap National Historical Park, Virginia.
Sec. 151. Delaware River bridges.
Sec. 152. Prohibition on widening certain routes through historic district.
Sec. 153. Urban high density program.
Sec. 154. Signs identifying funding sources.
Sec. 155. Salvage operation.
Sec. 156. Release of condition relating to conveyance of a certain highway.
Sec. 157. Maryland interstate transfer.
Sec. 158. Motor vehicle study.
Sec. 159. Rail-highway crossings study.
Sec. 160. Study of highway bridges which cross rail lines.
Sec. 161. Parking for handicapped persons.
Sec. 162. Bridge management study.
Sec. 163. State maintenance program study.
Sec. 164. Feasibility study of using highway electrification systems.
Sec. 165. Cost effectiveness study of highway upgrading.
Sec. 166. Highway feasibility study.
Sec. 167. California feasibility study.
Sec. 168. New York feasibility study.
Sec. 169. Florida feasibility study.
Sec. 170. Virgin Islands feasibility study.
Sec. 171. Study of ferry boat service.
Sec. 172. Review of reports on United States route 13 relief route.
Sec. 173. Use of rock salt on highways.

TITLE II—HIGHWAY SAFETY ACT OF 1987

Sec. 201. Short title.
Sec. 202. Highway safety.
Sec. 203. Alcohol traffic safety programs.
Sec. 204. Schoolbus safety measures.
Sec. 205. Standards for splash and spray suppressant devices.
Sec. 206. Highway safety program amendments.
Sec. 207. Highway safety education and information.
Sec. 208. Older driver study.
Sec. 209. Rescission of contract authority.

TITLE III—FEDERAL MASS TRANSPORTATION ACT OF 1987

Sec. 301. Short title.
Sec. 302. Letters of intent.
Sec. 303. Criteria for new starts.
Sec. 304. Report on funding levels and allocations of funds.
Sec. 305. Allocation of section 3 funds.
Sec. 306. Advance construction.
Sec. 307. Section 4(h)(1) reports.
Sec. 308. Leased property.
Sec. 309. Bus remanufacturing and overhauling of rolling stock.
Sec. 310. Long-term financial planning.
Sec. 311. Use of lapsed section 9A and section 9 funds.
Sec. 312. Block grant program amendments.
Sec. 313. Section 9B program.
Sec. 314. University transportation centers.
Sec. 315. Sole source procurements.
Sec. 316. Contracting for engineering and design services.
Sec. 317. Bus testing.

Sec. 318. Rulemaking.
Sec. 319. Preaward and postdelivery audit of bus purchases.
Sec. 320. Removal of limitation on the source of funding for innovative management grants.
Sec. 321. Federal share for elderly and handicapped projects.
Sec. 322. Rural transportation equity.
Sec. 323. Rural transit assistance program.
Sec. 324. Project management oversight.
Sec. 325. Crime prevention and security.
Sec. 326. Bicycle facilities.
Sec. 327. Transit technical amendments.
Sec. 328. Authorizations.
Sec. 329. Increased operating assistance during construction of interstate project.
Sec. 330. Bus service deterioration.
Sec. 331. BART study.
Sec. 332. Tactile mobility aids.
Sec. 333. Feasibility study of electric bus line.
Sec. 334. Feasibility study of abandoned trolley service.
Sec. 335. Comprehensive transit plan for the Virgin Islands.
Sec. 336. Transfer of section 9 funds.
Sec. 337. Buy America.
Sec. 338. Multi-year contract for Metro Rail Project.
Sec. 339. Bus carrier certificates for recipients of governmental assistance.
Sec. 340. Utilization requirement for certificates authorizing intrastate bus operations.

TITLE IV—UNIFORM RELOCATION ACT AMENDMENTS OF 1987

Sec. 401. Short title.
Sec. 402. Definitions.
Sec. 403. Certification.
Sec. 404. Declaration of findings and policy.
Sec. 405. Moving and related expenses.
Sec. 406. Replacement housing for homeowner.
Sec. 407. Replacement housing for tenants and certain others.
Sec. 408. Relocation planning, assistance coordination, and advisory services.
Sec. 409. Housing replacement by Federal agency as last resort.
Sec. 410. Assurances.
Sec. 411. Federal share of costs.
Sec. 412. Duties of lead agency.
Sec. 413. Payments under other laws.
Sec. 414. Transfer of surplus property.
Sec. 415. Repeals.
Sec. 416. Uniform policy on real property acquisition practices.
Sec. 417. Assurances.
Sec. 418. Effective date.

TITLE V—HIGHWAY REVENUE ACT OF 1987

Sec. 501. Short title.
Sec. 502. 5-year extension of Highway Trust Fund taxes and related exemptions.
Sec. 503. 5-year extension of Highway Trust Fund.
Sec. 504. Certain transfers from Highway Trust Fund to be made proportionately from Mass Transit Account.
Sec. 505. Treatment of long-term lessors of heavy trucks and trailers.
Sec. 506. Determination of price where tax paid by manufacturer.
Sec. 507. Imposition of highway use tax on all motor vehicles operating in United States.
Sec. 508. Application of certain revenue rulings.

SEC. 2. SECRETARY DEFINED.

As used in this Act, the term "Secretary" means the Secretary of Transportation.

TITLE I—FEDERAL-AID HIGHWAY ACT OF 1987

SEC. 101. SHORT TITLE.

This title may be cited as the "Federal-Aid Highway Act of 1987".

SEC. 102. APPROVAL OF INTERSTATE COST ESTIMATE AND EXTENSION OF INTERSTATE PROGRAM.

(a) FISCAL YEAR 1988.—The Secretary shall apportion for fiscal year 1988 the sums authorized to be appropriated for such year by section 108(b) of the Federal-Aid Highway Act of 1956 for expenditure on the National System of Interstate and Defense Highways, using the apportionment factors contained in revised table 5 of the committee print numbered 100-5 of the Committee on Public Works and Transportation of the House of Representatives.

(b) EXTENSION OF INTERSTATE PROGRAM THROUGH FISCAL YEAR 1993.—

(1) EXTENSION OF ICE APPROVAL PROCESS.—Section 104(b)(5)(A) of title 23, United States Code, is amended by inserting after "September 30, 1990." the following: "The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1989. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal years 1991 and 1992. The Secretary shall make a revised estimate of the cost of completing the then designated Interstate System after taking into account all previous apportionments made under this section in the same manner as stated above, and transmit the same to the Senate and the House of Representatives within ten days subsequent to January 2, 1991. Upon the approval by Congress, the Secretary shall use the Federal share of such approved estimates in making apportionments for the fiscal year 1993.".

(2) ADMINISTRATIVE ADJUSTMENT OF ICE; EXCESS APPORTIONMENTS.—Such section 104(b)(5)(A) is further amended by adding at the end the following: "On October 1 of each fiscal years 1988, 1989, 1990, and 1991, whenever Congress has not approved a cost estimate under this subparagraph, the Secretary shall make the apportionment required by this subparagraph using the Federal share of the last estimate submitted to Congress, adjusted to reflect (i) all previous credits, apportionments of interstate construction funds and lapses of previous apportionments of interstate construction funds, (ii) previous withdrawals of interstate segments, (iii) previous allocations of interstate discretionary funds, and (iv) transfers of interstate construction funds. If, before apportionment of funds under this subparagraph for any fiscal year, the Secretary and a State highway department agree that a portion of the apportionment to such State is not needed for such fiscal year, the amount of such portion shall be made available under section 118(b)(2) of this title.".

(3) CONFORMING AMENDMENT.—The second paragraph of section 101(b) of such title is amended—

(A) by striking out "thirty-four years'" and inserting in lieu thereof "thirty-seven years' "; and

(B) by striking out "1990" and inserting in lieu thereof "1993".

(c) MINIMUM APPORTIONMENT.—For any fiscal year beginning after September 30, 1987, no State, including the State of Alaska, shall receive less than 1/2 of 1 percent of the total apportionment for the Interstate System under section 104(b)(5)(A) of title 23, United States Code. Whenever amounts made available under this subsection for the Interstate System in any State exceed the estimated cost of completing that State's portion of the Interstate System, and exceed the estimated cost of necessary resurfacing, restoration, rehabilitation, and reconstruction of the Interstate System within such State, the excess amount shall be eligible for expenditure for those purposes for which funds apportioned under paragraphs (1), (2), and (6) of such section 104(b) may be expended and shall also be available for expenditure to carry out section 152 of title 23, United States Code.

SEC. 103. APPROVAL OF COST ESTIMATE AND AUTHORIZATION OF APPROPRIATIONS FOR INTERSTATE SUBSTITUTE PROJECTS.

(a) FISCAL YEAR 1987.—The Secretary shall apportion for fiscal year 1987 the sums to be apportioned for such year under section 103(e)(4) of title 23, United States Code, for expenditure on substitute highway and transit projects, using the apportionment factors contained in the committee print numbered 100-6 of the Committee on Public Works and Transportation of the House of Representatives.

(b) AUTHORIZATION OF APPROPRIATIONS; PERIOD OF AVAILABILITY OF APPORTIONED FUNDS; EXTENSION OF SUBSTITUTE ICE APPROVAL PROCESS.—Section 103(e)(4) of title 23, United States Code, is amended to read as follows:

"(4) INTERSTATE SUBSTITUTE PROGRAM.—

"(A) WITHDRAWAL OF APPROVAL.—Upon the joint request of a State Governor and the local governments concerned, the Secretary may withdraw approval of any route or portion thereof on the Interstate System which was selected and approved in accordance with this title, if the Secretary determines that such route or portion thereof is not essential to completion of a unified and connected Interstate System and if the Secretary receives assurances that the State does not intend to construct a toll road in the traffic corridor which would be served by the route or portion thereof.

"(B) SUBSTITUTE PROJECTS.—When the Secretary withdraws approval under this paragraph, a sum equal to the Federal share of the cost to complete the withdrawn route or portion thereof, as that cost is included in the latest Interstate System cost estimate approved by Congress, or up to and including the 1983 interstate cost estimate, whichever is earlier, subject to increase or decrease, as determined by the Secretary based on changes in construction costs of the withdrawn route or portion thereof as of the date of approval of each substitute project under this paragraph, or the date of approval of the 1983 interstate cost estimate, whichever is earlier, shall be available to the Secretary to incur obligations for the Federal share of either public mass transit projects involving the construction of fixed rail facilities or the purchase of passenger equipment including rolling stock, for any mode of mass transit, or both, or highway construction projects on any public road, or both, which will serve the area or areas from which the interstate route or portion thereof was withdrawn, which are selected by the responsible local *officials of the area or areas to be served, and which are selected by the Governor or the Governors of the State or the States in which the withdrawn route was located if the withdrawn route was not within an urbanized area or did not pass through and connect urbanized areas, and which are submitted by the Governors of the States in which the withdrawn route was located. Each project constructed under this paragraph on a Federal-aid system shall be subject to the provisions of this title applicable to such system. Each project constructed under this paragraph not on a Federal-aid system shall be subject to the provisions of this title applicable to projects on the Federal-aid secondary system.*

"(C) Deadline for withdrawal.—The Secretary shall not approve any withdrawal of a route under this paragraph after September 30, 1983—

"(i) except that with respect to any route which on November 6, 1978, is under judicial injunction prohibiting its construction the Secretary may approve withdrawals until September 30, 1986, and

"(ii) except that with respect to any route which on May 12, 1982, is under judicial injunction prohibiting its construction, the Secretary may approve withdrawals on such route until September 30, 1985.

"(D) Project approval; federal share.—Approval by the Secretary of the plans, specifications, and estimates for a substitute project shall be deemed to be a contractual obligation of the Federal Government. The Federal share of each substitute project shall not exceed 85 percent of the cost thereof.

"(E) Availability of funds for substitute projects.—

"(i) Time period.—The sums apportioned and the sums allocated under this paragraph for public mass transit projects and for highway construction projects in a State shall remain available for obligation in such State for the fiscal year for which apportioned or allocated, as the case may be, and for the succeeding fiscal year.

"(ii) Reapportionment or reallocation.—Any sums which are apportioned or allocated to a State and are unobligated (other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a substitute project which has been submitted by the State to the Secretary for approval) at the end of the period of availability established by clause (i) shall be apportioned or allocated, as the case may be, among those States which have obligated all sums (other than such an amount) apportioned or allocated, as the case may be, to them. Such reapportionments shall be in accordance with the latest approved or adjusted estimate of the cost of completing substitute projects, and such reallocations shall be at the discretion of the Secretary.

"(F) Administration of transit funds.—The sums obligated for mass transit projects under this paragraph shall become part of, and be administered through, the Urban Mass Transportation Fund.

"(G) Authorization of appropriations for highway projects.—For the fiscal year ending September 30, 1983, $257,000,000 shall be available out of the Highway Trust Fund for expenditure at the discretion of the Secretary for projects under highway assistance programs. There shall be available, out of the Highway Trust Fund (other than the Mass Transit Account), to the Secretary for expenditure under this paragraph for projects under highway assistance programs $700,000,000 per fiscal year for each of fiscal years 1984 and 1985, $693,825,000 for fiscal year 1986, and $740,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

"(H) Distribution of substitute highway funds.—

"(i) Between discretionary and apportioned programs.—Subject to section 149(d) of the Federal-Aid Highway Act of 1987, 25 percent of the funds made available by subparagraph (G) for each of fiscal years 1984, 1985, 1986, 1987, 1988, 1989, 1990, and 1991 for substitute highway projects under this paragraph shall be distributed at the discretion of the Secretary. The remaining 75 percent of such funds shall be apportioned in accordance with cost estimates approved by Congress or adjusted by the Secretary.

"(ii) FY 1985, 1986, and 1987 apportionments.—The Secretary shall make a revised estimate of the cost of completing substitute highway projects under this paragraph and transmit the same to the Senate and the House of Representatives within 10 days subsequent to January 2, 1984, and upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute highway projects for fiscal years 1985, 1986, and 1987.

"(iii) FY 1988, 1989, 1990, and 1991 apportionments.—The Secretary shall make a revised estimate of the cost of completing substitute highway projects under this paragraph and transmit the same to the Senate and the House of Representatives as soon as practicable after the date of the enactment of the Federal-Aid Highway Act of 1987. Upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute highway projects for fiscal year 1988. If such estimate is not approved by Congress by September 30, 1987, the Secretary shall adjust such estimate in accordance with this clause and use the Federal share of the adjusted estimate in making apportionments for fiscal year 1988. The Secretary shall adjust such estimate annually thereafter in accordance with this clause and shall use the Federal share of such adjusted estimate in making apportionments for substitute highway projects for fiscal years 1989, 1990, and 1991. The adjustments required by this clause shall reflect previous withdrawals of Interstate segments, changes in State estimates in the division of funds between substitute highway and transit projects, amounts made available in prior fiscal years, and the availability and reapportionment of funds under subparagraph (E).

"(I) Authorization of appropriations for transit projects.—There are authorized to be appropriated for liquidation of obligations incurred for substitute transit projects under this paragraph the sums provided in section 4(g) of the Urban Mass Transportation Act of 1964.

"(J) Distribution of substitute transit funds.—

"(i) Between discretionary and apportioned programs.—Fifty percent of the funds appropriated for each fiscal year beginning after September 30, 1983, for carrying out substitute transit projects under this paragraph shall be distributed at the discretion of the Secretary. The remaining 50 percent of such funds shall be apportioned in accordance with cost estimates approved by Congress or adjusted by the Secretary.

"(ii) FY 1985, 1986, and 1987 apportionments.—The Secretary shall make a revised estimate of the cost of completing substitute transit projects under this paragraph and transmit the same to the Senate and the House of Representatives within 10 days subsequent to January 2, 1984, and upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute transit projects for fiscal years 1985, 1986, and 1987.

"(iii) FY 1988, 1989, 1990, and 1991 apportionments.—The Secretary shall make a revised estimate of the cost of completing substitute transit projects under this paragraph and transmit the same to the Senate and the House of Representatives as soon as practicable after the date of the enactment of the Federal-Aid Highway Act of 1987. Upon approval by Congress, the Secretary shall use the Federal share of such approved estimate in making apportionments for substitute transit projects for fiscal year 1988. If such estimate is not approved by Congress by September 30, 1987, the Secretary shall adjust such estimate in accordance with this clause and use the Federal share of the adjusted estimate in making apportionments for fiscal year 1988. The Secretary shall adjust such estimate annually thereafter in accordance with this clause and shall use the Federal share of such adjusted estimate in making apportionments for substitute transit projects for fiscal years 1989, 1990, and 1991. The adjustments required by this clause shall reflect previous withdrawals of Interstate segments, changes in State estimates in the division of funds between substitute highway and transit projects, amounts made available in prior fiscal years, and the availability and reapportionment of funds under subparagraph (E).

"(K) Reduction of interstate apportionment.—

"(i) In general.—Unobligated apportionments for the Interstate System in any State where a withdrawal is approved under this paragraph shall, on the date of such approval, be reduced in the proportion that the Federal share of the cost of the withdrawn route or portion thereof bears to the Federal share of the total cost of all interstate routes in that State as reflected in the latest cost estimate approved by the Congress.

"(ii) Exception.—In any State where the withdrawal of an interstate route or portion thereof has been approved under this section prior to the date of the enactment of the Federal-Aid Highway Act of 1976, the unobligated apportionments for the Interstate System in that State on such date of enactment shall be reduced in the proportion that the Federal share of the cost to complete such route or portion thereof, as shown in the latest cost estimate approved by Congress prior to such approval of withdrawal, bears to the Federal share of the cost of all interstate routes in that State, as shown in such cost estimate; except that the amount of such proportional reduction shall be credited with the amount of any reduction in such State's Interstate apportionment which was attributable to the Federal share of any substitute project approved under this paragraph before such date of enactment.

"(L) Applicability of UMTA.—

"(i) Supplementary funds.—Funds available for expenditure to carry out the purposes of this paragraph shall be supplementary to and not in substitution for funds authorized and available for obligation pursuant to the Urban Mass Transportation Act of 1964.

"(ii) Labor protection.—The provisions of section 3(e)(4) of the Urban Mass Transportation Act of 1964 shall apply in carrying out this paragraph.

"(M) LIMITATION ON INTERSTATE DESIGNATIONS.—After the date of the enactment of the Federal-Aid Highway Act of 1978, the Secretary may not designate any mileage as part of the Interstate System pursuant to this paragraph or under any other provision of law. The preceding sentence shall not apply to a designation made under section 139 of this title.

"(N) OPEN TO TRAFFIC REQUIREMENT.—After September 30, 1979, the Secretary shall not withdraw his approval under this paragraph of any route or portion thereof on the Interstate System open to traffic before the date of the proposed withdrawal. Any withdrawal of approval of any such route or portion thereof before September 30, 1979, is hereby determined to be authorized by this paragraph.

"(O) LIMITATION ON SUBSTITUTION FOR STATUTORILY DESIGNATED ROUTES.—Any route or segment which was statutorily designated after March 7, 1978, to be on the Interstate System shall not be eligible for withdrawal or substitution under this subsection.

"(P) RIGHT-OF-WAY PAYBACK.—

"(i) ENFORCEMENT.—Of sums apportioned or allocated under this paragraph to a State, the Secretary shall not obligate for projects in such State an amount equal to the amount of Federal funds expended to purchase the right-of-way for any withdrawn route or portion thereof if the right-of-way is not first disposed of (or applied to a project in accordance with paragraph (5)(B), (6)(B), or (7)) by the State.

"(ii) LIMITATION ON APPLICABILITY.—Clause (i) shall not apply to sums apportioned or allocated under this paragraph to a State for a fiscal year if the projected total amount of funds to be apportioned and allocated under this paragraph to such State in succeeding fiscal years exceeds the amount of Federal funds expended to purchase the right-of-way.

"(iii) RELEASE OF FUNDS.—The Secretary may obligate for projects in a State under this paragraph any funds withheld from obligation in such State if the State repays an equivalent amount in accordance with paragraph (5)(B), (6)(B), or (7), as the case may be, or if the Secretary determines that such repayment is not required under such paragraph.".

(c) SUBSTITUTE TRANSIT PROJECTS.—

(1) INCREASE IN COST TO COMPLETE.—The cost of completing substitute transit projects under section 103(e)(4)(B) of title 23, United States Code, is increased by $100,000,000.

(2) APPORTIONMENT FACTORS.—Notwithstanding section 103(e)(4) of such title, funds appropriated to carry out projects as a result of enactment of paragraph (1) shall be made available in accordance with the apportionment factors contained in the committee print numbered 100-2 of the Committee on Public Works and Transportation of the House of Representatives.

(d) CONTRACT DEADLINE FOR SUBSTITUTE PROJECTS.—

(1) ELIMINATION.—Subsection (e) of section 107 of the Federal-Aid Highway Act of 1978 (23 U.S.C. 103 note) is amended—

(A) in the first sentence by striking out "and all Interstate substitute projects pursuant to subsection (e)(4) of section 103 of title 23, United States Code (for which the Secretary finds that sufficient Federal funds are available)"; and

(B) in the second sentence by striking out "and in the case" and all that follows through the period at the end of such subsection and inserting in lieu thereof a period.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect September 29, 1986.

(e) INCLUSION OF CERTAIN COSTS AS NON-FEDERAL SHARE.—If the State of Oregon completes construction of a segment of an east-west highway which segment connects 158th Avenue and Cornelius Pass Road in Washington County, Oregon, with funds made available under section 103(e)(4) of title 23, United States Code, the Secretary shall include as part of the non-Federal share of the cost of construction of such segment all funds expended by private land developers after January 1, 1980, on construction of such segment.

(f) CONFORMING AMENDMENTS.—(1) Section 103(e) of title 23, United States Code, is amended—

(A) by inserting "INTERSTATE SYSTEM.—" before "(1) The Interstate";

(B) in paragraph (1) by inserting "DESIGNATION; MILEAGE LIMITATION.—" before "The Interstate";

(C) in paragraph (2) by inserting "MODIFICATIONS.—" before "In addition";

(D) in paragraph (3) by inserting "ADDITIONAL MILEAGE FOR IMPROVED EFFICIENCY.—" before "In addition";

(E) in paragraph (5) by inserting "LIMITATION ON REFUNDS FOR WITHDRAWALS BEFORE NOVEMBER 6, 1978.—" before "Notwithstanding" and by striking out "; and" at the end of such paragraph and inserting in lieu thereof a period;

(F) in paragraph (6) by inserting "LIMITATION ON REFUNDS FOR WITHDRAWALS ON AND AFTER NOVEMBER 6, 1978.—" before "Notwithstanding" and by striking out the semicolon at the end of such paragraph and inserting in lieu thereof a period;

(G) in paragraph (7) by inserting "ADDITIONAL LIMITATION ON REFUNDS.—" before "In any" and by striking out "; and" at the end of such paragraph and inserting in lieu thereof a period;

(H) in paragraph (8) by inserting "PROTECTION OF PROPERTY RIGHTS.—" before "Nothing";

(I) in paragraph (9) by inserting "LIMITATION ON FUNDING OF MODIFIED MILEAGE PROJECTS.—" before "Interstate mileage";

(J) by indenting paragraph (1) and aligning such paragraph and paragraphs (2), (3), (5), (6), (7), (8), and (9) with paragraph (4) of such section, as amended by subsection (b) of this section; and

(K) by aligning subparagraphs (A) and (B) of paragraphs (5) and (6) with subparagraph (A) of such paragraph (4).

(2) Section 107(c)(2) of the Highway Improvement Act of 1982 (23 U.S.C. 103 note) is amended—

(A) by striking out "the second sentence" and inserting in lieu thereof "subparagraph (B)"; and

(B) by striking out "such sentence" and inserting in lieu thereof "such subparagraph".

SEC. 104. AUTHORIZATION OF APPROPRIATIONS FOR INTERSTATE SYSTEM CONSTRUCTION.

The first sentence of subsection (b) of section 108 of the Federal-Aid Highway Act of 1956 is amended by striking out "and" after "September 30, 1987," and all that follows through the period at the end of such sentence and inserting in lieu thereof the following: "the additional sum of $3,000,000,000 for the fiscal year ending September 30, 1988, the additional sum of $3,150,000,000 for the fiscal year ending September 30, 1989, the additional sum of $3,150,000,000 for the fiscal year ending September 30, 1990, the additional sum of $3,150,000,000 for the fiscal year ending September 30, 1991, the additional sum of $3,150,000,000 for the fiscal year ending September 30, 1992, and the additional sum of $1,400,000,000 for the fiscal year ending September 30, 1993.".

SEC. 105. OBLIGATION CEILING.

(a) GENERAL LIMITATION.—Notwithstanding any other provision of law (other than subsection (f) of this section), the total of all obligations for Federal-aid highways and highway safety construction programs shall not exceed—

(1) $12,350,000,000 for fiscal year 1987;

(2) $12,350,000,000 for fiscal year 1988;

(3) $12,350,000,000 for fiscal year 1989;

(4) $12,350,000,000 for fiscal year 1990; and

(5) $12,350,000,000 for fiscal year 1991.

(b) EXCEPTIONS.—The limitations under subsection (a) shall not apply to obligations—

(1) under section 125 of title 23, United States Code;

(2) under section 157 of such title;

(3) under section 320 of such title;

(4) under section 147 of the Surface Transportation Assistance Act of 1978;

(5) under section 9 of the Federal-Aid Highway Act of 1981;

(6) under sections 131(b) and 131(j) of the Surface Transportation Assistance Act of 1982;

(7) under section 118 of the National Visitor Center Facilities Act of 1968; and

(8) under section 404 of the Surface Transportation Assistance Act of 1982.

Such limitations shall also not apply to obligations of funds made available by subsections (b) and (c) of section 149 of this Act.

(c) DISTRIBUTION OF OBLIGATION AUTHORITY.—For each of fiscal years 1987, 1988, 1989, 1990, and 1991 the Secretary shall distribute the limitation imposed by subsection (a) by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to each State for such fiscal year bears to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to all the States for such fiscal year.

(d) LIMITATION ON OBLIGATION AUTHORITY.—During the period October 1 through December 31 of each of fiscal years 1987, 1988, 1989, 1990, and 1991, no State shall obligate more than 35 percent of the amount distributed to such State under subsection (c) for such fiscal year, and the total of all State obligations during such period shall not exceed 25 percent of the total amount distributed to all States under such subsection for such fiscal year.

(e) REDISTRIBUTION OF UNUSED OBLIGATION AUTHORITY.—Notwithstanding subsections (c) and (d), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction which have been apportioned or allocated to a State, except in those instances in which a State indicates its intention to lapse sums apportioned under section 104(b)(5)(A) of title 23, United States Code;

(2) after August 1 of each of fiscal years 1987, 1988, 1989, 1990, and 1991, revise a distribution of the funds made available under subsection (c) for such fiscal year if a State will not obligate the amount distributed during such fiscal year and redistribute suf-

ficient amounts to those States able to obligate amounts in addition to those previously distributed during such fiscal year giving priority to those States having large unobligated balances of funds apportioned under section 104 of title 23, United States Code, and giving priority to those States which, because of statutory changes made by the Surface Transportation Assistance Act of 1982 and the Federal-Aid Highway Act of 1981, have experienced substantial proportional reductions in their apportionments and allocations; and

(3) not distribute amounts authorized for administrative expenses, studies under sections 159, 164, 165, and 167 of this Act, Federal lands highways programs, and the strategic highway research program and amounts made available under section 149(d) of this Act.

(f) Additional Obligation Authority.—

(1) In general.—Subject to paragraph (2), a State which after August 1 and on or before September 30 of fiscal year 1987, 1988, 1989, 1990, or 1991 obligates the amount distributed to such State in such fiscal year under subsections (c) and (e) may obligate for Federal-aid highways and highway safety construction on or before September 30 of such fiscal year an additional amount not to exceed 5 percent of the aggregate amount of funds apportioned or allocated to such State—

(A) under sections 104, 130, 144, and 152 of title 23, United States Code, and

(B) for highway assistance projects under section 103(e)(4) of such title,

which are not obligated on the date such State completes obligation of the amount so distributed.

(2) Limitation on additional obligation authority.—During the period August 2 through September 30 of each of fiscal years 1987, 1988, 1989, 1990, and 1991, the aggregate amount which may be obligated by all States pursuant to paragraph (1) shall not exceed 2.5 percent of the aggregate amount of funds apportioned or allocated to all States—

(A) under sections 104, 130, 144, and 152 of title 23, United States Code, and

(B) for highway assistance projects under section 103(e)(4) of such title,

which would not be obligated in such fiscal year if the total amount of obligational authority provided by subsection (a) for such fiscal year were utilized.

(3) Limitation on applicability.—Paragraph (1) shall not apply to any State which on or after August 1 of fiscal year 1987, 1988, 1989, 1990, or 1991, as the case may be, has the amount distributed to such State under subsection (c) for such fiscal year reduced under subsection (e)(2).

(g) Obligation Ceiling for Highway Safety Programs.—Notwithstanding any other provision of law, the total of all obligations for highway safety programs carried out by the Federal Highway Administration under section 402 of title 23, United States Code, shall not exceed $10,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(h) Conforming Amendment.—Section 157(b) of title 23, United States Code, is amended by striking out the period at the end of the last sentence and inserting in lieu thereof "and section 105(c) of the Federal-Aid Highway Act of 1987.".

SEC. 106. AUTHORIZATION OF APPROPRIATIONS.

(a) From the Highway Trust Fund.—For the purpose of carrying out the provisions of title 23, United States Code, the following sums are hereby authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account):

(1) Interstate 4R program.—For resurfacing, restoring, rehabilitating, and reconstructing the National System of Interstate and Defense Highways $2,815,000,000 per fiscal year for each of fiscal years 1988, 1989, 1990, 1991, and 1992.

(2) Federal-aid primary system.—For the Federal-aid primary system in rural areas, including the extensions of the Federal-aid primary system in urban areas, and the priority primary routes $2,325,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(3) Federal-aid secondary system.—For the Federal-aid secondary system in rural areas $600,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(4) Federal-aid urban system.—For the Federal-aid urban system $750,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(5) Bridge replacement and rehabilitation.—For bridge replacement and rehabilitation under section 144, $1,630,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(6) Elimination of hazards.—For projects for elimination of hazards under section 152, $170,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(7) Indian reservation roads.—For Indian reservation roads $80,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(8) Forest highways.—For forest highways $55,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(9) Public lands highways.—For public lands highways $40,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(10) Parkways and park highways.—For parkways and park highways $60,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(11) FHWA highway safety programs.—For carrying out section 402 by the Federal Highway Administration $10,000,000 for fiscal years 1987, 1988, 1989, 1990, and 1991.

(12) FHWA highway safety research and development.—For carrying out sections 307(a) and 403 by the Federal Highway Administration $10,000,000 per fiscal year for fiscal years 1987, 1988, 1989, 1990, and 1991.

(13) Railroad-highway crossings.—For carrying out projects for the elimination of railway-highway crossings on any public road, $160,000,000 for each of fiscal years 1987, 1988, 1989, 1990, and 1991.

(b) Transportation of Certain Nuclear Waste.—There is authorized to be appropriated for fiscal years beginning after September 30, 1986, $58,000,000, to remain available until expended, for the upgrading of certain highways in the State of New Mexico for the transportation of nuclear waste generated during defense-related activities.

(c) Disadvantaged Business Enterprises.—

(1) General rule.—Except to the extent that the Secretary determines otherwise, not less than 10 percent of the amounts authorized to be appropriated under titles I and III of this Act or obligated under titles I, II, and III (other than section 203) of the Surface Transportation Assistance Act of 1982 after the date of the enactment of this Act shall be expended with small business concerns owned and controlled by socially and economically disadvantaged individuals.

(2) Definitions.—For purposes of this subsection—

(A) Small business concern.—The term "small business concern" has the meaning such term has under section 3 of the Small Business Act (15 U.S.C. 632); except that such term shall not include any concern or group of concerns controlled by the same socially and economically disadvantaged individual or individuals which has average annual gross receipts over the preceding 3 fiscal years in excess of $14,000,000, as adjusted by the Secretary for inflation.

(B) Socially and economically disadvantaged individuals.—The term "socially and economically disadvantaged individuals" has the meaning such term has under section 8(d) of the Small Business Act (15 U.S.C. 637(d)) and relevant subcontracting regulations promulgated pursuant thereto; except that women shall be presumed to be socially and economically disadvantaged individuals for purposes of this subsection.

(3) Annual listing of disadvantaged business enterprises.—Each State shall annually survey and compile a list of the small business concerns referred to in paragraph (1) and the location of such concerns in the State.

(4) Uniform certification.—The Secretary shall establish minimum uniform criteria for State governments to use in certifying whether a concern qualifies for purposes of this subsection. Such minimum uniform criteria shall include but not be limited to on-site visits, personal interviews, licenses, analysis of stock ownership, listing of equipment, analysis of bonding capacity, listing of work completed, rèsumè of principal owners, financial capacity, and type of work preferred.

(5) Applicability.—Section 105(f) of the Surface Transportation Assistance Act of 1982 shall not apply to amounts authorized under such Act and obligated after the date of the enactment of this Act.

SEC. 107. FEDERAL-AID PRIMARY FORMULA.

Section 108 of the Highway Improvement Act of 1982 (23 U.S.C. 104 note) is amended by striking out "and 1986" each place it appears and inserting in lieu thereof "1986, 1987, 1988, 1989, 1990, and 1991".

SEC. 108. ELIMINATION OF ROADSIDE OBSTACLES.

The second undesignated paragraph of section 101(a) of title 23, United States Code, relating to the definition of construction, is amended by inserting after "grade crossings," the following: "elimination of roadside obstacles,".

SEC. 109. EMERGENCY CALL BOXES.

The tenth undesignated paragraph of section 101(a) of title 23, United States Code, relating to the definition of highway safety improvement project, is amended by inserting after "pavement marking," the following: "installs or replaces emergency motorist-aid call boxes,".

SEC. 110. VENDING MACHINES AND STATE POLICE BARRACKS.

(a) Vending Machines.—Section 111 of title 23, United States Code, is amended by inserting "(a) In General.—" before "All agreements" and by adding at the end thereof the following new subsection:

"(b) Vending Machines.—Notwithstanding subsection (a), any State may permit the placement of vending machines in rest and recreation areas, and in safety rest areas, constructed or located on rights-of-way of the Interstate System in such State. Such vending machines may only dispense such food, drink, and other articles as the State highway department determines are appropriate and desirable. Such vending machines may only be operated by the State. In permitting the placement of vending machines, the State shall give priority to vend-

ing machines which are operated through the State licensing agency designated pursuant to section 2(a)(5) of the Act of June 20, 1936, commonly known as the 'Randolph-Sheppard Act' (20 U.S.C. 107a(a)(5)). The costs of installation, operation, and maintenance of vending machines shall not be eligible for Federal assistance under this title.".

(b) State Police Barracks.—Notwithstanding any provision of section 111 of title 23, United States Code, the Commonwealth of Massachusetts is authorized to construct a State Police Barracks, including customary access and egress, on State owned property at the intersection of I-93 and Route 3, in Quincy, Massachusetts.

SEC. 111. CONTRACTS.

(a) Letting of Contracts.—Section 112(b) of title 23, United States Code, is amended by inserting "or that an emergency exists" before the period at the end of the first sentence.

(b) Contracting for Engineering and Design Services.—Section 112(b) of such title is further amended by striking out "Construction" and inserting in lieu thereof "(1) In general.—Subject to paragraph (2), construction" and by adding at the end thereof the following new paragraph:

"(2) Contracting for engineering and design services.—

"(A) General rule.—Each contract for program management, construction management, feasibility studies, preliminary engineering, design, engineering, surveying, mapping, or architectural related services with respect to a project subject to the provisions of subsection (a) of this section shall be awarded in the same manner as a contract for architectural and engineering services is negotiated under title IX of the Federal Property and Administrative Services Act of 1949 or equivalent State qualifications-based requirements.

"(B) Applicability.—

"(i) In a complying state.—If, on the date of the enactment of this paragraph, the services described in subparagraph (A) may be awarded in a State in the manner described in subparagraph (A), subparagraph (A) shall apply in such State beginning on such date of enactment, except to the extent that such State adopts by statute a formal procedure for the procurement of such services.

"(ii) In a noncomplying state.—In the case of any other State, subparagraph (A) shall apply in such State beginning on the earlier of (I) August 1, 1989, or (II) the 10th day following the close of the 1st regular session of the legislature of a State which begins after the date of the enactment of this paragraph, except to the extent that such State adopts or has adopted by statute a formal procedure for the procurement of the services described in subparagraph (A).".

(c) Standardized Contract Clause Concerning Site Conditions.—Section 112 of such title is amended by redesignating subsection (e), and any references thereto, as subsection (f), and by inserting after subsection (d) the following new subsection:

"(e) Standardized Contract Clause Concerning Site Conditions.—

"(1) General rule.—The Secretary shall issue regulations establishing and requiring, for inclusion in each contract entered into with respect to any project approved under section 106 of this title a contract clause, developed in accordance with guidelines established by the Secretary, which equitably addresses each of the following:

"(A) Site conditions.

"(B) Suspensions of work ordered by the State (other than a suspension of work caused by the fault of the contractor or by weather).

"(C) Material changes in the scope of work specified in the contract.

The guidelines established by the Secretary shall not require arbitration.

"(2) Limitation on applicability.—Paragraph (1) shall apply in a State except to the extent that such State adopts or has adopted by statute a formal procedure for the development of a contract clause described in paragraph (1) or adopts or has adopted a statute which does not permit inclusion of such a contract clause.".

(d) Conforming Amendments.—Section 112(b) of such title is further amended—

(1) by inserting "Bidding Requirements.—" after "(b)"; and

(2) by indenting paragraph (1), as designated by subsection (a) of this section, and aligning such paragraph with paragraph (2), as added by such subsection.

SEC. 112. CONVICT PRODUCED MATERIALS.

(a) In General.—Subsection (b) of section 114 of title 23, United States Code, is amended to read as follows:

"(b) Convict Labor and Convict Produced Materials.—

"(1) Limitation on convict labor.—Convict labor shall not be used in construction of highways or portions of highways located on a Federal-aid system unless it is labor performed by convicts who are on parole, supervised release, or probation.

"(2) Limitation on convict produced materials.—Materials produced by convict labor may only be used in such construction—

"(A) if such materials are produced by convicts who are on parole, supervised release, or probation from a prison; or

"(B) if such materials are produced by convicts in a qualified prison facility and the amount of such materials produced in such facility for use in such construction during any 12-month period does not exceed the amount of such materials produced in such facility for use in such construction during the 12-month period ending July 1, 1987.

"(3) Qualified prison facility defined.—As used in this subsection, 'qualified prison facility' means any prison facility in which convicts, during the 12-month period ending July 1, 1987, produced materials for use in construction of highways or portions of highways located on a Federal-aid system.".

(b) Conforming Amendments.—(1) Subsection (a) of such section is amended by inserting "Construction Work In General.—" before "The construction of".

(2) Section 202 of the Departments of Commerce, Justice, State, the Judiciary, and Related Agencies Appropriation Act, 1985 is repealed.

(3) Section 1761(d) of title 18, United States Code, is repealed.

SEC. 113. ADVANCE CONSTRUCTION.

(a) Substitute, Urban, Secondary, Bridge, Planning, Research, and Safety Construction Projects.—Subsection (a) of section 115 of title 23, United States Code, is amended to read as follows:

"(a) Substitute, Urban, Secondary, Bridge, Planning, Research, and Safety Construction Projects.—

"(1) General rule.—Subject to paragraph (2), when a State—

"(A)(i) has obligated all funds apportioned or allocated to it under section 103(e)(4)(H), section 104(b)(2), section 104(b)(6), section 104(f), section 130, section 144, section 152, or section 307 of this title, or

"(ii) has used or demonstrates that it will use all obligation authority allocated to it for Federal-aid highways and highway safety construction, and

"(B) proceeds with a project funded under such an apportionment or allocation without the aid of Federal funds in accordance with all procedures and all requirements applicable to such a project, except insofar as such procedures and requirements limit the State to implementation of projects with the aid of Federal funds previously apportioned or allocated to it or limit a State to implementation of a project with obligation authority previously allocated to it for Federal-aid highways and highway safety construction, the Secretary, upon approval of an application of the State, is authorized to pay to the State the Federal share of the cost of the project when additional funds are apportioned or allocated to the State under such section or when additional obligation authority is allocated to it.

"(2) Plans, specifications, and applicable standards.—The Secretary may only make payments to a State with respect to a project if—

"(A) prior to commencement of the project the Secretary approves the plans and specifications therefor in the same manner as other projects, and

"(B) the project conforms to the applicable standards under this title.

"(3) Limitation with respect to currently authorized funds.—The Secretary may not approve an application under this section unless an authorization for section 103(e)(4), 104, 130, 144, 152, or 307 of this title, as the case may be, is in effect for the fiscal year for which the application is sought beyond the currently authorized funds for such State. No application may be approved which will exceed the State's expected apportionment of such authorizations. This paragraph shall have no effect during the period beginning January 1, 1987, and ending September 30, 1990.".

(b) Primary Projects.—Subsection (b)(1) of such section is amended to read as follows:

"(b) Interstate and Primary Projects.—

"(1) In general.—When a State proceeds to construct any project on the Federal-aid primary system or the Interstate System without the aid of Federal funds in accordance with all procedures and all requirements applicable to such a project, except insofar as such procedures and requirements limit the State to the construction of projects with the aid of Federal funds previously apportioned to it, the Secretary, upon approval of application of the State, is authorized to pay to the State the Federal share of the cost of construction of the project when additional funds are apportioned to the State under section 104(b)(1) or 104(b)(5), as the case may be, if—

"(A) prior to the construction of the project the Secretary approves the plans and specifications therefor in the same manner as other projects, and

"(B) the project conforms to the applicable standards under section 109 of this title.".

(c) Limitation for Fiscal Years 1987-1990.—Such section 115 is further amended by adding at the end the following new subsection:

"(d) Limitation on Advanced Funding for Fiscal Years 1987-1990.—The Secretary may not approve an application of a State under this section with respect to a project with funds apportioned, or currently authorized to be apportioned, under section 103(e)(4)(H), 104, 130, 144, 152, or 307 if the amount of approved applications with respect to such projects exceeds the total of un-

obligated funds apportioned or allocated to the State under such section, plus such State's expected apportionment under such section from existing authorizations plus an amount equal to such State's expected apportionment under such section (other than section 104(b)(5)(A)) for one additional fiscal year. This subsection shall only be effective during the period beginning January 1, 1987, and ending September 30, 1990.".

(d) Conforming Amendments.—(1) Such section 115 is amended—

(A) by striking out the heading for such section and inserting in lieu thereof the following:

"§115. Advance construction";

(B) in subsection (b)(2) by inserting "Bond interest for projects under construction on January 1, 1983.—" after "(2)";

(C) in subsection (b)(3) by inserting "Bond interest.—" after "(3)"; and

(D) in subsection (b) by aligning paragraphs (2) and (3) with paragraph (1), as amended by subsection (b) of this section;

(E) in subsection (c) by inserting "Completion of Projects.—" after "(c)"; and

(F) in subsection (c) by striking out "or 144" and inserting in lieu thereof "134, 144, 152, or 307".

(2) The analysis for chapter 1 of such title 23 is amended by striking out the item relating to section 115 and inserting in lieu thereof the following:

"115. Advance construction.".

SEC. 114. INTERSTATE DISCRETIONARY FUNDS.

(a) Construction Funds; Additional Priority Project.—Paragraph (2) of section 118(b) of title 23, United States Code, is amended to read as follows:

"(2) Interstate construction funds.—

"(A) Period of availability.—

"(i) Apportionments before October 1, 1989.—Except as otherwise provided in this subsection, sums apportioned before October 1, 1989, for the Interstate System in any State shall remain available for expenditure in the State until the end of the fiscal year for which authorized. Upon request of the State, the Secretary shall reduce the period of availability of such sums by one fiscal year.

"(ii) Apportionments thereafter.—Sums apportioned on or after October 1, 1989, for the Interstate System in any State shall remain available for expenditure in the State until expended.

"(B) Discretionary projects.—Sums not obligated within the time period prescribed by subparagraph (A)(i) shall lapse and, subject to section 149(d) of the Federal-Aid Highway Act of 1987, be made available by the Secretary for projects on the Interstate System (other than projects for which sums are apportioned under section 104(b)(5)(B)) in accordance with the following priorities:

"(i) First, for—

"(I) high cost projects which directly contribute to the completion of a segment of the Interstate System which is not open to traffic; and

"(II) high cost projects for construction of high occupancy vehicle lanes and other lanes on any highway in Los Angeles County, California, designated as a part of the Interstate System by section 140 of the Federal-Aid Highway Act of 1978 and the costs of construction of which are included in the interstate cost estimate for 1985.

"(ii) Second, for projects of high cost in relation to a State's apportionment.

"(iii) Third, for projects with respect to which the Secretary may make payments under section 115 of this title.

"(C) Limitation on states eligible for discretionary funds.—Sums may only be made available under this paragraph in any State in a fiscal year if—

"(i)(I) the Secretary determines that the State has obligated all of its apportionments under section 104(b)(5)(A) of this title other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a project on the Interstate System which has been submitted by the State to the Secretary for approval; or

"(II) the State certifies to the Secretary that the State will obligate before August 1 of the fiscal year all of its apportionments under section 104(b)(5)(A) other than such an insufficient amount; and

"(ii) the applicant for a project with respect to which the Secretary may not make payments under section 115 of this title is willing and able to—

"(I) apply the funds to a ready-to-commence project, and

"(II) in the case of construction work, begin work within 90 days of obligation.

"(D) Exception to limitation.—The Secretary may make funds available to the State of California for construction of high occupancy vehicle and other lanes described in subparagraph (B)(i)(II) whether or not such State has met the requirements of clause (i) of subparagraph (C). Nothing in this subparagraph shall be construed to give construction of such lanes priority over projects described in subparagraph (B)(i)(I).

"(E) Limitation on secretary's discretion.—If, within 365 days after any sums become available for obligation under this paragraph, the Secretary does not make such sums available for first priority projects under subparagraph (B)(i) of this paragraph, the Secretary shall make such sums available for carrying out second and third priority projects under subparagraph (B).

"(F) Period of availability of discretionary funds.—Sums made available pursuant to this paragraph shall remain available until expended.".

(b) Set Aside of 4R Funds for 4R Discretionary Projects.—Section 118(c) of such title is amended by inserting "Set Asides for Interstate Discretionary Projects.—" after "(c)", by inserting "(1) Set aside for construction projects.—" before "Before", and by adding at the end thereof the following new paragraph:

"(2) Set aside for 4R projects.—Before any apportionment is made under section 104(b)(5)(B) of this title, the Secretary shall set aside $200,000,000 for obligation by the Secretary in accordance with subsection (b)(3) of this section and subject to section 149(d) of the Federal-Aid Highway Act of 1987.".

(c) Limitations on States and Projects Eligible for 4R Discretionary Funds.—Paragraph (3) of section 118(b) of such title is amended to read as follows:

"(3) Interstate 4R funds.—

"(A) Period of availability.—Any amount apportioned to a State for the Interstate System under section 104(b)(5)(B) of this title shall continue to be available for expenditure in the State for a period of 1 year after the close of the fiscal year for which such sums are authorized.

"(B) Discretionary projects.—Sums not obligated within the time period prescribed by subparagraph (A) shall lapse and, subject to section 149(d) of the Federal-Aid Highway Act of 1987, be made available by the Secretary for projects for resurfacing, restoring, rehabilitating, and reconstructing any route or portion thereof on the Interstate System (other than any highway designated as a part of the Interstate System under section 139 and any toll road on the Interstate System not subject to an agreement under section 119(e) of this title). Such funds shall be made available by the Secretary to any other State applying for such funds, if the Secretary determines that—

"(i) the State has obligated all of its apportionments under section 104(b)(5)(B) other than an amount which, by itself, is insufficient to pay the Federal share of the cost of a project for resurfacing, restoring, rehabilitating, and reconstructing the Interstate System which has been submitted by such State to the Secretary for approval; and

"(ii) the applicant is willing and able to (I) obligate the funds within one year of the date the funds are made available, (II) apply them to a ready-to-commence project, and (III) in the case of construction work, begin work within 90 days of obligation.

"(C) Priority consideration for certain projects.—In selecting projects to fund under subparagraph (B), the Secretary shall give priority consideration to any project the cost of which exceeds $10,000,000 on any high volume route in an urban area or a high truck-volume route in a rural area.

"(D) Period of availability of discretionary funds.—Sums made available pursuant to this paragraph shall remain available until expended.".

(d) Credit for Certain Unused Right-of-Way.—Notwithstanding any other provision of law, the value of unused right-of-way acquired under section 104(b)(5)(A) of title 23, United States Code, or section 118(b)(2) of such title in the State of Arizona may be credited to the unobligated balance of funds apportioned to the State under section 104(b)(5)(B) of such title if requested by the State and approved by the Secretary.

(e) Conforming Amendments.—(1) The matter preceding the first colon in section 104(b) of title 23, United States Code, is amended by inserting after "subsection (a) of this section" the following: "and the set asides authorized by subsection (f) of this section and sections 118(c) and 307(d) of this title".

(2) Section 118 of such title is amended by striking out the heading for such section and inserting in lieu thereof the following:

"§ 118. Availability of funds".

(3) Section 118(b) of such title is amended—

(A) in paragraph (1) by inserting "Periods of Availability of Funds; Discretionary Projects.—" before "(1)";

(B) in paragraph (1) by inserting "Period of availability of non-interstate funds.—" before "Sums";

(C) in paragraph (4) by inserting "Obligation as equivalent to expenditures; effect of release of funds.—" before "Sums"; and

(D) by indenting paragraph (1) and aligning such paragraph and paragraph (4) with paragraph (2), as amended by subsection (a) of this section.

(4) Section 118(c) of such title is further amended—

(A) by indenting paragraph (1), as designated by subsection (b) of this section, and aligning such paragraph with paragraph (2), as added by such subsection (b); and

(B) by striking out "Such amount" and inserting in lieu thereof "Subject to section 149(d) of the Federal-Aid Highway Act of 1987, such amount".

(5) The analysis for chapter 1 of such title is amended by striking out the item relating

to section 118 and inserting in lieu thereof the following:

"118. Availability of funds.".

SEC. 115. FLEXIBILITY OF USE OF HIGHWAY FUNDS.

Section 118(f) of title 23, United States Code, relating to availability of sums apportioned to the State of Alaska, is amended by inserting "and the Commonwealth of Puerto Rico" after "the State of Alaska".

SEC. 116. INTERSTATE 4R PROGRAM.

(a) Transfer of Interstate Construction Apportionments.—Section 119(d) of title 23, United States Code, is amended to read as follows:

"(d) Transfer of Interstate Construction Apportionments.—Upon application by a State (other than the State of Massachusetts) and approval by the Secretary, the Secretary may transfer to the apportionments to such State under section 104(b)(1) or 104(b)(5)(B) any amount of the funds apportioned to such State for any fiscal year under section 104(b)(5)(A) if such amount does not exceed the Federal share of the costs of construction of segments of the Interstate System open to traffic in such State (other than high occupancy vehicle lanes) included in the most recent interstate cost estimate. Upon transfer of such amount, the construction on which such amount is based on open-to-traffic segments of the Interstate System in such State as included in the latest interstate cost estimate shall be ineligible and shall not be included in future interstate cost estimates approved or adjusted under section 104(b)(5)(A).".

(b) Toll Road Agreements.—Section 119 of title 23, United States Code, is amended by adding at the end thereof the following new subsections:

"(e) Toll Road Agreements.—

"(1) Requirement.—The Secretary may approve a project pursuant to subsection (a) on a toll road only if an agreement satisfactory to the Secretary has been reached with the State highway department and each public authority with jurisdiction over such toll road prior to the approval of such project that the toll road will become free to the public upon the collection of tolls sufficient to liquidate the cost of the toll road or any bonds outstanding at the time constituting a valid lien against it, and the cost of maintenance and operation and debt service during the period of toll collections.

"(2) Terms.—An agreement under this subsection shall contain—

"(A) a provision requiring that if, for any reason, a toll road receiving Federal assistance under this section does not become free to the public upon collection of sufficient tolls as specified in paragraph (1) of this subsection, Federal funds used for projects on such toll road pursuant to this subsection shall be repaid to the Federal Treasury, and

"(B) a provision requiring that if such repayment does not equal or exceed Federal funds apportioned to a State by reason of including mileage on such toll road in an apportionment formula, the apportionment to the State shall be reduced by the amount needed to make the repayment equal the amount of such Federal apportionment.

"(3) Treatment of section 105 agreements.—Any agreement entered into under section 105 of the Federal-Aid Highway Act of 1978 before the date of the enactment of this subsection shall be treated as an agreement entered into under this subsection.

"(f) Transfer of Funds for Primary System Projects.—

"(1) Upon certification acceptance.—If a State certifies to the Secretary that any part of the sums apportioned to the State under section 104(b)(5)(B) of this title are in excess of the needs of the State for resurfacing, restoring, rehabilitating, or reconstructing Interstate System routes and the Secretary accepts such certification, the State may transfer such excess part to its apportionment under section 104(b)(1).

"(2) Unconditional.—Notwithstanding paragraph (1), a State may transfer to its apportionment under section 104(b)(1) of this title—

"(A) in fiscal year 1987, an amount not to exceed 20 percent of the funds apportioned to the State under section 104(b)(5)(B) which are not obligated at the time of the transfer; and

"(B) in any fiscal year thereafter, an amount equal to 20 percent of the funds apportioned to the State under section 104(b)(5)(B) for such fiscal year.".

(c) Conforming Amendments.—(1) Section 119(a) of such title is amended by striking out "section 105 of the Federal-Aid Highway Act of 1978" and inserting in lieu thereof "subsection (e)".

(2) Section 105 of the Federal-Aid Highway Act of 1978 is amended by striking out all that follows the first sentence.

SEC. 117. FEDERAL SHARE.

(a) Certain Highway Safety Construction Projects.—Section 120(d) of title 23, United States Code, is amended by inserting after "vanpooling" the following: "or for installation of traffic signs, highway lights, guardrails, or impact attenuators".

(b) Priority Primary Projects.—Section 120 of such title is amended by redesignating the second subsection (i) and subsections (j) and (k) (and any reference thereto) as subsections (j), (k), and (l), respectively, and in subsection (k) as so redesignated by striking out "97-61" and inserting in lieu thereof "100-3".

(c) Emergency Relief.—

(1) In general.—The first sentence of subsection (f) of such section is amended to read as follows: "Emergency Relief.—The Federal share payable on account of any repair or reconstruction provided for by funds made available under section 125 of this title on account of any project on a Federal-aid highway system, including the Interstate System, shall not exceed the Federal share payable on a project on such system as provided in subsections (a) and (c) of this section; except that (1) the Federal share payable for eligible emergency repairs to minimize damage, protect facilities, or restore essential traffic accomplished within 90 days after the actual occurrence of the natural disaster or catastrophic failure may amount to 100 percent of the costs thereof; and (2) the Federal share payable on account of any repair or reconstruction of forest highways, forest development roads and trails, park roads and trails, parkways, public lands highways, public lands development roads and trails, and Indian reservation roads may amount to 100 percent of the cost thereof.".

(2) Applicability.—The amendment made by paragraph (1) shall apply to all natural disasters and catastrophic failures which occur after the date of the enactment of this Act.

(d) Great River Road.—Such section 120 is amended—

(1) in subsection (k), as redesignated by subsection (b), by striking out ", 148, and 155," and inserting in lieu thereof "and 155"; and

(2) by adding at the end thereof the following new subsection:

"(m) Great River Road Projects.—Notwithstanding any other provision of this section, this title, or any other law, in any case where a State elects to use funds apportioned to it for any Federal-aid system for any project under section 148 of this title, the Federal share payable on account of such project shall be 95 percent of the cost thereof; except that if a State requests that the Federal share payable on account of such project be a percentage of the cost of such project which is less than 95 percent but not less than 75 percent, such percentage shall be the Federal share payable on account of such project.".

(e) Increased Non-Federal Share.—Such section 120 is further amended by adding at the end the following new subsection:

"(n) Increased Non-Federal Share.—Notwithstanding any other provision of this title and subject to such criteria as the Secretary may establish, a State may contribute an amount in excess of the non-Federal share of a project under this title so as to decrease the Federal share payable on such project."

(f) Incentive Program for the Use of Coal Ash.—Notwithstanding sections 119, 120, and 144 of title 23, United States Code, in each of fiscal years 1987, 1988, 1989, 1990, and 1991, the percentage specified in such sections as the Federal share of the cost payable on account of any highway or bridge construction project in which materials produced from coal ash are used in significant amounts shall be increased by adding 5 percent to such percentage; except that in no case shall the Federal share payable on account of any project exceed 95 percent of the cost of such project as a result of increasing such Federal share under this subsection.

SEC. 118. EMERGENCY RELIEF.

(a) Obligation Ceiling.—

(1) General rule.—Section 125(b) of title 23, United States Code, is amended by striking out "shall not exceed $30,000,000" and all that follows through "1985) in any State." and inserting in lieu thereof "in a State shall not exceed $100,000,000.".

(2) Retroactive applicability.—The amendment made by paragraph (1) shall apply with respect to natural disasters and catastrophic failures occurring after December 31, 1985.

(b) Territories.—

(1) Treated as states.—Section 125 of such title is amended by adding at the end thereof the following new subsection:

"(d) Treatment of Territories.—For purposes of this section, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands shall be considered to be States and parts of the United States, and the chief executive officer of each such territory shall be considered to be a Governor of a State.".

(2) Limitation on obligations.—The first sentence of subsection (b) of such section 125 is amended by inserting "(1)" before "obligations" and by inserting before the period at the end the following: ", and (2) the total obligations for projects under this section in any fiscal year in the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands shall not exceed $5,000,000".

(3) Effective date.—The amendments made by paragraphs (1) and (2) shall take effect on the date of the enactment of this Act.

SEC. 119. VEHICLE WEIGHT.

(a) Exception to General Vehicle Weight Rule.—The second sentence of subsection (a)

of section 127 of title 23, United States Code (relating to vehicle weight limitations for the Interstate system), is amended—

(1) by inserting "(1)" before "is thirty-six feet or more";

(2) by inserting after "thirty-six feet or more" the following: ", or (2) in the case of a motor vehicle hauling any tank trailer, dump trailer, or ocean transport container before September 1, 1988, is 30 feet or more"; and

(3) by inserting after "except in the case of the overall gross weight of any group of two or more consecutive axles" the following: "on any vehicle (other than a vehicle comprised of a motor vehicle hauling any tank trailer, dump trailer, or ocean transport container on or after September 1, 1988)".

(b) Withholding of Funds.—Subsection (a) of such section 127 is amended by striking out "lapse." and inserting in lieu thereof the following: "lapse if not released and obligated within the availability period specified in section 118(b)(1) of this title.".

(c) Ocean Transport Container Defined.—Such section 127 is amended by adding at the end thereof the following new subsection:

"(c) Ocean Transport Container Defined.—For purposes of this section, the term 'ocean transport container' has the meaning given the term 'freight container' by the International Standards Organization in Series 1, Freight Containers, 3rd Edition (reference number IS0668-1979(E)) as in effect on the date of the enactment of this subsection.".

(d) Conforming Amendments.—Such section is further amended—

(1) in subsection (a) by inserting "In General.—" before "No funds"; and

(2) in subsection (b) by inserting "Reasonable Access.—" before "No State".

SEC. 120. TOLL FACILITIES.

(a) Pilot Program.—Section 129 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(j) Pilot Program.—

"(1) Authorization for federal participation.—Subject to the provisions of this subsection, the Secretary shall establish a pilot program which permits Federal participation in 7 toll facilities on the same basis and in the same manner as in the construction of free highways under this chapter.

"(2) Limitation on types of facilities.—The Secretary may only permit Federal participation under this subsection in the following type of facilities:

"(A) The construction of a new toll highway, bridge, or tunnel (other than a highway on the Interstate System).

"(B) The reconstruction of an existing highway, bridge, or tunnel to expand its capacity (other than a highway, bridge, or tunnel on the Interstate System).

"(3) Limitation on number of facilities.—The Secretary may only permit Federal participation under this subsection in 7 facilities. One of such facilities shall be carried out in each of the following: Orange County, California, the State of Texas, the State of Pennsylvania, the State of Florida, and the State of South Carolina. The locations of the other 2 facilities shall be at the discretion of the Secretary; except that not more than 2 facilities carried out under this subsection may be located in a State. The Governor of the State of Pennsylvania shall select the facility to be carried out in such State.

"(4) Limitation on federal share.—Notwithstanding any other provision of law, the Federal share payable for the construction or reconstruction of a toll highway, bridge, or tunnel under this subsection shall not exceed 35 percent.

"(5) Public ownership requirement.—Each highway, bridge, tunnel, or approach thereto under this subsection must be publicly owned and operated; except that, under this subsection, Federal funds may participate in the approaches to a toll highway, toll bridge, or toll tunnel whether the highway, bridge, or tunnel is to be or has been constructed by a State or other public authority.

"(6) Limitations on use of revenues.—Before the Secretary may permit Federal participation under this subsection in a State, the State highway department must enter into an agreement with the Secretary which provides that all toll revenues received from operation of the tolled facility constructed or reconstructed under this subsection will be used only on the tolled facility, and only for construction or reconstruction costs, or for the costs necessary for the proper operation, maintenance, and debt service of the tolled facility, including resurfacing, reconstruction, rehabilitation, and restoration.

"(7) Limitation on federal participation to original construction.—Except for reconstruction to expand capacity, toll facilities may receive Federal participation under this chapter only once for the original construction or reconstruction of the facility.

"(8) Effect on apportionment.—Toll mileage constructed or reconstructed under this subsection shall not be used to increase a State's apportionment under any apportionment formula.

"(9) New toll highway defined.—For purposes of this subsection, the term 'new toll highway, bridge, or tunnel' shall mean initial construction of a highway, bridge, or tunnel on a new location at any time before it is open to traffic and shall not include any improvements to a toll highway, bridge, or tunnel after it is open to traffic.".

(b) Biennial Certification.—Such section 129 is amended by adding at the end the following new subsection:

"(k) Biennial Certification.—

"(1) To governor.—Each operator of toll roads, toll tunnels, toll ferries, and toll bridges (other than an international toll facility or toll facility subject to an agreement under this section or section 119(e) of this title) on a Federal-aid system in a State shall biennially certify to the Governor of the State that such facilities are adequately maintained and that the operator of such toll facility has the ability to fund the replacement or repair of any such facilities that are not adequately maintained without using Federal-aid highway funds. Failure to certify shall preclude Federal funding out of the Highway Trust Fund of any facilities owned or operated by the operator of such toll facility.

"(2) Report to secretary.—The Governor of each State shall report biennially to the Secretary on the toll facilities subject to paragraph (1) of this subsection with respect to which a certification has been made in accordance with paragraph (1) and those with respect to which such a certification has not been made. If funds from the Highway Trust Fund are used to repair or replace toll facilities with respect to which such a certification has or has not been made, the apportionments to such State for the following fiscal year under section 104 of this title shall be reduced by the amount of Highway Trust Fund moneys expended on such facilities; except that such reduction shall not be made if the State has executed under this section or section 119(e) of this title an agreement with the Secretary covering such toll facilities.".

(c) Voiding of Certain Agreements.—

(1) West virginia and kansas turnpikes and fort mc henry tunnel.—Upon the request of the appropriate State highway department of the West Virginia Turnpike (I-77 in the State of West Virginia), the Fort McHenry Tunnel, Maryland, and the Kansas Turnpike, Kansas, and upon such department entering into an agreement with the Secretary that toll revenues from operation of the tolled facility will be used only on such facility for construction and reconstruction costs and for the costs necessary for the proper operation and debt service of such facility (including resurfacing, reconstruction, rehabilitation, and restoration), the Secretary may void any agreement entered into with such department with respect to such facility before the date of the enactment of this subsection under section 129(a), 129(d), or 129(e) of title 23, United States Code.

(2) Newburgh-beacon bridge.—Upon the request of the New York State Bridge Authority with respect to the Newburgh-Beacon Bridge and upon such Authority entering into an agreement with the Secretary that toll revenues from operation of such bridge will be used only on facilities subject to the jurisdiction of such Authority for construction and reconstruction costs and the costs necessary for the proper operation and debt service of such bridge (including resurfacing, reconstruction, rehabilitation, and restoration), the Secretary may void any agreement entered into with such operator with respect to such bridge before the date of the enactment of this subsection under section 129(a), 129(d), or 129(e) of title 23, United States Code.

(d) Extension of Tolls To Finance Certain Ineligible Construction Expenses.—Notwithstanding section 129(e) of title 23, United States Code, upon request of the State of Florida, the Secretary shall modify the agreement entered into with the highway department of such State under such section to permit the collection of tolls to liquidate such indebtedness as may be incurred to finance any cost associated with a feature of a project on the toll road which is subject to such agreement if such feature is a feature which the Secretary does not permit Federal participation with funds apportioned under section 104(b)(5)(A) of such title and which is recommended to be included as a part of the project by the final environmental impact statement with respect to such project.

SEC. 121. RAILWAY-HIGHWAY CROSSINGS.

(a) In General.—Section 130 of title 23, United States Code, is amended by adding at the end the following new subsections:

"(d) Survey and Schedule of Projects.—Each State shall conduct and systematically maintain a survey of all highways to identify those railroad crossings which may require separation, relocation, or protective devices, and establish and implement a schedule of projects for this purpose. At a minimum, such a schedule shall provide signs for all railway-highway crossings.

"(e) Funds for Protective Devices.—At least ½ of the funds authorized for and expended under this section shall be available for the installation of protective devices at railway-highway crossings. Sums authorized to be appropriated to carry out this section shall be available for obligation in the same manner as funds apportioned under section 104(b)(1) of this title.

"(f) APPORTIONMENT.—25 percent of the funds authorized to be appropriated to carry out this section shall be apportioned to the States in the same manner as sums are apportioned under section 104(b)(2) of this title, 25 percent of such funds shall be apportioned to the States in the same manner as sums are apportioned under section 104(b)(6) of this title, and 50 percent of such funds shall be apportioned to the States in the ratio that total railway-highway crossings in each State bears to the total of such crossings in all States. The Federal share payable on account of any project financed with funds authorized to be appropriated to carry out this section shall be 90 percent of the cost thereof.

"(g) ANNUAL REPORT.—Each State shall report to the Secretary not later than December 30 of each year on the progress being made to implement the railway-highway crossings program authorized by this section and the effectiveness of such improvements. Each State report shall contain an assessment of the costs of the various treatments employed and subsequent accident experience at improved locations. The Secretary shall submit a report to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives not later than April 1 of each year, on the progress being made by the State in implementing projects to improve railway-highway crossings. The report shall include, but not be limited to, the number of projects undertaken, their distribution by cost range, road system, nature of treatment, and subsequent accident experience at improved locations. In addition, the Secretary's report shall analyze and evaluate each State program, identify any State found not to be in compliance with the schedule of improvements required by subsection (d) and include recommendations for future implementation of the railroad highway crossings program.

"(h) USE OF FUNDS FOR MATCHING.—Funds authorized to be appropriated to carry out this section may be used to provide a local government with funds to be used on a matching basis when State funds are available which may only be spent when the local government produces matching funds for the improvement of railway-highway crossings.".

(b) CONFORMING AMENDMENT.—Section 203 of the Highway Safety Act of 1973 is repealed.

SEC. 122. INDIAN EMPLOYMENT AND CONTRACTING.

Section 140 of title 23, United States Code, is amended by adding at the end the following:

"(d) INDIAN EMPLOYMENT AND CONTRACTING.—Consistent with section 703(i) of the Civil Rights Act of 1964 (42 U.S.C. 2000e-2(i)), nothing in this section shall preclude the preferential employment of Indians living on or near a reservation on projects and contracts on Indian reservation roads. The Secretary shall cooperate with Indian tribal governments and the States to implement this subsection.".

SEC. 123. BRIDGE PROGRAM.

(a) DISCRETIONARY PROGRAM.—Section 144(g) of title 23, United States Code, is amended to read as follows:

"(g) SET ASIDES.—

"(1) DISCRETIONARY BRIDGE PROGRAM.—Of the amount authorized per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991 by section 106(a)(5) of the Federal-Aid Highway Act of 1987, all but $225,000,000 per fiscal year shall be apportioned as provided in subsection (e) of this section. $225,000,000 per fiscal year of the amount authorized for each of such fiscal years shall be available for obligation on the date of each such apportionment in the same manner and to the same extent as the sums apportioned on such date, except that the obligation of such $225,000,000 shall, subject to section 149(d) of the Federal-Aid Highway Act of 1987, be at the discretion of the Secretary.

"(2) ELIGIBLE DISCRETIONARY PROJECTS.—Subject to section 149(d) of the Federal-Aid Highway Act of 1987, amounts made available by paragraph (1) for obligation at the discretion of the Secretary may be obligated only—

"(A) for a project for a highway bridge the replacement or rehabilitation cost of which is more than $10,000,000, and

"(B) for a project for a highway bridge the replacement or rehabilitation cost of which is less than $10,000,000 if such cost is at least twice the amount apportioned to the State in which such bridge is located under subsection (e) for the fiscal year in which application is made for a grant for such bridge.

"(3) OFF-SYSTEM BRIDGES.—Not less than 15 percent nor more than 35 percent of the amount apportioned to each State in each of fiscal years 1987, 1988, 1989, 1990, and 1991, shall be expended for projects to replace or rehabilitate highway bridges located on public roads, other than those on a Federal-aid system. The Secretary after consultation with the State and local officials may, with respect to a State, reduce the requirement for expenditure for bridges not on a Federal-aid system when the Secretary determines that such State has inadequate needs to justify such expenditure.".

(b) APPLICABILITY OF THE GENERAL BRIDGE ACT OF 1948.— Section 144(h) of such title is amended—

(1) by striking out "which are not subject to the ebb and flow of the tide, and" and inserting in lieu thereof "(1)"; and

(2) by striking out the period at the end thereof and inserting in lieu thereof ", and (2) which are (a) not tidal, or (b) if tidal, used only by recreational boating, fishing, and other small vessels less than 21 feet in length.".

(c) INVENTORIES AND REPORTS.—Section 144(i) of such title is amended to read as follows:

"(i) INVENTORIES AND REPORTS.—The Secretary shall—

"(1) report to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives on projects approved under this section;

"(2) annually revise the current inventories authorized by subsections (b) and (c) of this section;

"(3) report to such committees on such inventories; and

"(4) report to such committees such recommendations as the Secretary may have for improvements of the program authorized by this section.

Such reports shall be submitted to such committees biennially at the same time as the report required by section 307(e) of this title is submitted to Congress.".

(d) BRIDGES TO REPLACE DESTROYED BRIDGES AND FERRYBOAT SERVICE.—

(1) IN GENERAL.—Section 144 of such title is amended by redesignating subsection (m), and any references thereto, as subsection (p) and by inserting after subsection (l) the following new subsection:

"(m) REPLACEMENT OF DESTROYED BRIDGES AND FERRYBOAT SERVICE.—

"(1) GENERAL RULE.—Notwithstanding any other provision of this section or of any other provision of law, a State may utilize any of the funds provided under this section to construct any bridge which—

"(A) replaces any low water crossing (regardless of the length of such low water crossing),

"(B) replaces any bridge which was destroyed prior to 1965,

"(C) replaces any ferry which was in existence on January 1, 1984, or

"(D) replaces any road bridges rendered obsolete as a result of United States Corps of Engineers flood control or channelization projects and not rebuilt with funds from the United States Corps of Engineers.

"(2) FEDERAL SHARE.—The Federal share payable on any bridge construction carried out under paragraph (1) shall be 80 percent of the cost of such construction.".

(2) APPLICABILITY.—The amendment made by subsection (a) shall apply to funds apportioned to the States under section 144 of title 23, United States Code, after September 30, 1986.

(3) CONFORMING MODIFICATION OF APPORTIONMENT FORMULA.—Subsection (e) of such section is amended by inserting after the third sentence the following new sentence: "For purposes of the preceding sentence, the total cost of deficient bridges in a State and in all States shall be reduced by the total cost of any highway bridges constructed under subsection (m) in such State, relating to replacement of destroyed bridges and ferryboat services.".

(e) OFF-SYSTEM BRIDGE PROGRAM.—Such section 144 is further amended by inserting after subsection (l) the following new subsection:

"(n) OFF-SYSTEM BRIDGE PROGRAM.—Notwithstanding any other provision of law, with respect to any project not on a Federal-aid system for the replacement of a bridge or rehabilitation of a bridge which is wholly funded from State and local sources, is eligible for Federal funds under this section, is noncontroversial, is certified by the State to have been carried out in accordance with all standards applicable to such projects under this section, and is determined by the Secretary upon completion to be no longer a deficient bridge, any amount expended after the date of the enactment of this subsection from State and local sources for such project in excess of 20 percent of the cost of construction thereof may be credited to the non-Federal share of the cost of the projects in such State which are eligible for Federal funds under this section. Such crediting shall be in accordance with such procedures as the Secretary may establish.".

(f) HISTORIC BRIDGES.—

(1) FINDINGS.—Congress hereby finds and declares it to be in the national interest to encourage the rehabilitation, reuse and preservation of bridges significant in American history, architecture, engineering and culture. Historic bridges are important links to our past, serve as safe and vital transportation routes in the present, and can represent significant resources for the future.

(2) PROGRAM.—Such section 144 is further amended by inserting after subsection (l) the following new subsection:

"(o) HISTORIC BRIDGE PROGRAM.—

"(1) COORDINATION.—The Secretary shall, in cooperation with the States, implement the programs described in this section in a manner that encourages the inventory, re-

tention, rehabilitation, adaptive reuse, and future study of historic bridges.

"(2) STATE INVENTORY.—The Secretary shall require each State to complete an inventory of all bridges on and off the Federal-aid system to determine their historic significance.

"(3) ELIGIBILITY.—Reasonable costs associated with actions to preserve, or reduce the impact of a project under this chapter on, the historic integrity of historic bridges shall be eligible as reimbursable project costs under this title (including this section) if the load capacity and safety features of the bridge are adequate to serve the intended use for the life of the bridge; except that in the case of a bridge which is no longer used for motorized vehicular traffic, the costs eligible as reimbursable project costs pursuant to this subsection shall not exceed the estimated cost of demolition of such bridge.

"(4) PRESERVATION.—Any State which proposes to demolish a historic bridge for a replacement project with funds made available to carry out this section shall first make the bridge available for donation to a State, locality, or responsible private entity if such State, locality, or responsible entity enters into an agreement to—

"(A) maintain the bridge and the features that give it its historic significance; and

"(B) assume all future legal and financial responsibility for the bridge, which may include an agreement to hold the State highway agency harmless in any liability action.

Costs incurred by the State to preserve the historic bridge, including funds made available to the State, locality, or private entity to enable it to accept the bridge, shall be eligible as reimbursable project costs under this chapter up to an amount not to exceed the cost of demolition. Any bridge preserved pursuant to this paragraph shall thereafter not be eligible for any other funds authorized pursuant to title.

"(5) HISTORIC BRIDGE DEFINED.—As used in this subsection, 'historic bridge' means any bridge that is listed on, or eligible for listing on, the National Register of Historic Places.".

(3) STUDY.—

(A) TRANSPORTATION RESEARCH BOARD.—The Secretary shall make appropriate arrangements with the Transportation Research Board of the National Academy of Sciences to carry out a study on the effects of the bridge program conducted under section 144 of title 23, United States Code, on the preservation and rehabilitation of historic bridges. The Transportation Research Board shall also develop recommendations of specific standards which shall apply only to the rehabilitation of historic bridges, and shall provide an analysis of any other factors which would serve to enhance the rehabilitation of historic bridges.

(B) REPORT.—Not later than 1 year after entering into appropriate arrangements under subparagraph (A), the Transportation Research Board shall submit to the Secretary and the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the results of the study conducted under subparagraph (A) and on the recommendations developed pursuant to subparagraph (A).

(g) STATE MATCHING SHARE.—The State or local governmental matching share for the Calder Bridge project being constructed under title 23, United States Code, across the St. Joe River, 19 miles east of St. Maries, Idaho, including approaches—

(1) may be credited by the fair market value of land incorporated into the project if the land is in addition to existing public right-of-way and is donated to the State or local government;

(2) may be credited by the fair market value of construction on the project performed by or donated to the State or local government; and

(3) may be credited by the fair market value of preliminary engineering and the preparation of an environmental impact statement performed by or donated to the State or local government;

before, on, or after the date of the enactment of this Act.

(h) DISCRETIONARY BRIDGE CRITERIA.—Section 161 of the Highway Improvement Act of 1982 (23 U.S.C. 144 note) is amended by inserting before the period at the end of the second sentence ", including a bridge replacement of which was partially funded under the Supplemental Appropriations Act, 1983 (97 Stat. 341)".

(i) JAMESTOWN BRIDGE.—Federal-aid highway funds may be expended on the Jamestown Bridge project connecting the mainland of Rhode Island with the Island of Jamestown only—

(1) if the bridge meets all requirements and standards of title 23, United States Code, and any other applicable Federal law; and

(2) if the railing of the bridge—

(A) is designed to provide motorists with a view of the surrounding natural areas comparable to the view provided by the Newport Bridge in Rhode Island;

(B) has been proven to be crash worthy through full scale testing in accordance with currently accepted test criteria.

SEC. 124. MINIMUM ALLOCATION.

(a) PLANNING AS A FUNDABLE ITEM; TREATMENT OF WITHHELD APPORTIONMENTS.—Section 157 of title 23, United States Code, is amended by redesignating subsection (c), and any references thereto, as subsection (e) and by inserting after subsection (b) the following new subsections:

"(c) LIMITATION ON PLANNING EXPENDITURES.—One-half of 1 percent of amounts allocated to each State under this section in any fiscal year may be available for expenditure for the purpose of carrying out the requirements of section 134 of this title (relating to transportation planning). 1 and ½ percent of the amounts allocated to each State under this section in any fiscal year may be available for expenditure for the purpose of carrying out activities referred to in subsection (c) of section 307 of this title (relating to transportation planning and research).

"(d) TREATMENT OF WITHHELD APPORTIONMENTS.—For purposes of subsection (a), any funds which, but for section 154(f) or 158(a) of this title or any other provision of law under which Federal-aid highway funds are withheld from apportionment, would be apportioned to a State in a fiscal year under a section referred to in subsection (a) shall be treated as being apportioned in such year.".

(b) PROGRAM FOR FISCAL YEARS 1987 AND THEREAFTER.—Section 157(a) of title 23, United States Code, is amended by inserting "(1) FISCAL YEARS 1984-1987.—" before "In the fiscal year" and by adding at the end thereof the following new paragraphs:

"(2) FISCAL YEARS 1987 AND 1988.—In fiscal years 1987 and 1988, on October 1, or as soon as possible thereafter, the Secretary shall allocate among the States amounts sufficient to ensure that a State's percentage of the total apportionments in each such fiscal year and allocations for the prior fiscal year for Federal-aid highway programs (except allocations for emergency relief in accordance with section 125 of this title, the Interstate construction discretionary program in accordance with section 118(b)(2) of this title, forest highways, Indian reservation roads, and parkways and park roads in accordance with section 202 of this title, highway related safety grants authorized by section 402 of this title, nonconstruction safety grants authorized by sections 402, 406, and 408 of this title, and Bureau of Motor Carrier Safety Grants authorized by section 404 of the Surface Transportation Assistance Act of 1982) shall not be less than 85 percent of the percentage of estimated tax payments attributable to highway users in the State paid into the Highway Trust Fund, other than the Mass Transit Account, in the latest fiscal year for which data are available.

"(3) THEREAFTER.—

"(A) GENERAL RULE.—In fiscal year 1989 and each fiscal year thereafter, on October 1, or as soon as possible thereafter, the Secretary shall allocate among the States amounts sufficient to ensure that a State's percentage of the total apportionments in each such fiscal year and allocations for the prior fiscal year for Federal-aid highway programs (except allocations for forest highways, Indian reservation roads, and parkways and park roads in accordance with section 202 of this title, highway related safety grants authorized by section 402 of this title, nonconstruction safety grants authorized by sections 402, 406, and 408 of this title, and Bureau of Motor Carrier Safety Grants authorized by section 404 of the Surface Transportation Assistance Act of 1982) shall not be less than 85 percent of the percentage of estimated tax payments attributable to highway users in the State paid into the Highway Trust Fund, other than the Mass Transit Account, in the latest fiscal year for which data are available.

"(B) EXCEPTION FOR FISCAL YEAR 1989.—Notwithstanding subparagraph (A), the amount allocated to the State of California under this paragraph in fiscal year 1989 shall be the amount which would be allocated to such State under this subsection if paragraph (2) were in effect for such fiscal year.".

(d) AUTHORIZATION OF APPROPRIATIONS.—Subsection (e) of such section 157, as redesignated by subsection (a) of this section, is amended by striking out "September 30, 1983, September 30, 1984, September 30, 1985, and September 30, 1986" and inserting in lieu thereof "on or after September 30, 1983".

(e) CONFORMING AMENDMENTS.—Subsection (a) of such section 157 is amended—

(1) by indenting and aligning paragraph (1), as designated by subsection (b) of this section, with paragraphs (2) and (3), as added by such subsection (b); and

(2) by inserting "GENERAL RULES.—" after "(a)".

SEC. 125. NATIONAL BRIDGE INSPECTION PROGRAM.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code, is amended by striking out section 151 (relating to pavement marking demonstration program) and inserting in lieu thereof the following:

"§ 151. National bridge inspection program

"(a) NATIONAL BRIDGE INSPECTION STANDARDS.—The Secretary, in consultation with the State highway departments and interested and knowledgeable private organizations and individuals, shall establish national bridge inspection standards for the proper

safety inspection and evaluation of all highway bridges.

"(b) Minimum Requirements of Inspection Standards.—The standards established under subsection (a) shall, at a minimum—

"(1) specify, in detail, the method by which such inspections shall be carried out by the States;

"(2) establish the maximum time period between inspections;

"(3) establish the qualification for those charged with carrying out the inspections;

"(4) require each State to maintain and make available to the Secretary upon request—

"(A) written reports on the results of highway bridge inspections together with notations of any action taken pursuant to the findings of such inspections; and

"(B) current inventory data for all highway bridges reflecting the findings of the most recent highway bridge inspections conducted; and

"(5) establish a procedure for national certification of highway bridge inspectors.

"(c) Training Program for Bridge Inspectors.—The Secretary, in cooperation with the State highway departments, shall establish a program designed to train appropriate governmental employees to carry out highway bridge inspections. Such training program shall be revised from time to time to take into account new and improved techniques.

"(d) Availability of Funds.—To carry out this section, the Secretary may use funds made available pursuant to the provisions of section 104(a), section 307(a), and section 144 of this title.".

(b) Conforming Amendments.—(1) The analysis for chapter 1 of such title is amended by striking out the item relating to section 151 and inserting in lieu thereof the following:

"151. National bridge inspection program.".

(2) Section 116 of such title (relating to highway maintenance) is amended by striking out subsections (d) and (e).

SEC. 126. INCOME FROM AIRSPACE RIGHTS-OF-WAY.

(a) Requirement.—Chapter 1 of title 23, United States Code, is amended by striking out section 156 (relating to highways crossing Federal projects) and inserting in lieu thereof the following:

"§ 156. Income from airspace rights-of-way

"States shall charge, as a minimum, fair market value, with exceptions granted at the discretion of the Secretary for social, environmental, and economic mitigation purposes, for the sale, use, lease, or lease renewals (other than for utility use and occupancy or for transportation projects eligible for assistance under this title) of right-of-way airspace acquired as a result of a project funded in whole or in part with Federal assistance made available from the Highway Trust Fund (other than the Mass Transit Account). This section applies to new airspace usage proposals, renewals of prior agreements, arrangements, or leases entered into by the State after the date of the enactment of the Federal-Aid Highway Act of 1987. The Federal share of net income from the revenues obtained by the State for sales, uses, or leases (including lease renewals) under this section shall be used by the State for projects eligible under this title.".

(b) Conforming Amendment.—The analysis for such chapter is amended by striking out the item relating to section 156 and inserting in lieu thereof the following:

"156. Income from airspace rights-of-way.".

SEC. 127. FUNDING FOR BICYCLE PROJECTS.

The second sentence of section 217(b)(1) of title 23, United States Code, is amended by inserting "and sums apportioned or allocated for highway substitute projects in accordance with section 103(e)(4) of this title" after "title".

SEC. 128. STRATEGIC HIGHWAY RESEARCH PROGRAM.

Section 307 of title 23, United States Code (relating to research and planning), is amended by redesignating subsections (d) and (e) (and any references thereto) as subsections (e) and (f), respectively, and by inserting after subsection (c) the following new subsection:

"(d) Strategic Highway Research Program.—

"(1) Establishment.—The Secretary, in consultation with the American Association of State Highway and Transportation Officials, shall carry out such research, development, and technology transfer activities as the Secretary determines to be strategically important to the national highway transportation system.

"(2) Cooperative agreements.—The Secretary may make grants to, and enter into cooperative agreements with, the American Association of State Highway and Transportation Officials and the National Academy of Sciences to carry out such activities under this subsection as the Secretary determines are appropriate. Advance payments may be made as necessary to carry out the program under this subsection.

"(3) Period of availability.—Funds set aside to carry out this subsection shall remain available for the fiscal year in which such funds are made available and the three succeeding fiscal years.

"(4) Set aside.—As soon as practicable after the date of the enactment of the Federal-Aid Highway Act of 1987 in fiscal year 1987 and on October 1 of each of fiscal years 1988, 1989, 1990, and 1991, the Secretary shall set aside to carry out this subsection not to exceed one-quarter of 1 percent of the funds authorized to be appropriated for such fiscal year for the Federal-aid systems, for highway assistance programs under section 103(e)(4) of this title, for bridge replacement and rehabilitation under section 144 of this title, for elimination of hazards under section 152 of this title, and for elimination of hazards of railway-highway crossings under section 130 of this title. In the case of funds authorized for apportionment on the Interstate System, the Secretary shall set aside that portion of such funds (subject to the overall limitation of one-quarter of 1 percent) in the year next preceding the fiscal year for which such funds are authorized for such System.

"(5) Annual report.—The Secretary shall transmit a report annually beginning on January 1, 1988, to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives which provides information on the progress and research findings the program conducted under this subsection.

"(6) Limitation of remedies.—

"(A) Same remedy as if United States.—The remedy against the United States provided by sections 1346(b) and 2672 of title 28, United States Code, for injury, loss of property, personal injury, or death shall apply to any claim against the National Academy of Sciences for money damages for injury, loss of property, personal injury, or death caused by any negligent or wrongful act or omission arising from activities conducted under or in connection with this subsection. Any such claim shall be subject to the limitations and exceptions which would be applicable to such claim if such claim were against the United States. With respect to any such claim, the Secretary shall be treated as the head of the appropriate Federal agency for purposes of sections 2672 and 2675 of such title.

"(B) Exclusiveness of remedy.—The remedy referred to in subparagraph (A) shall be exclusive of any other civil action or proceeding for the purpose of determining liability arising from any such act or omission without regard to when the act or omission occurred.

"(C) Treatment.—Employees of the National Academy of Sciences and other individuals appointed by the President of the National Academy of Sciences and acting on its behalf in connection with activities carried out under this subsection shall be treated as if they are employees of the Federal Government under section 2671 of title 28, United States Code, for purposes of a civil action or proceeding with respect to a claim described in subparagraph (A); and the civil action or proceeding shall proceed in the same manner as any proceeding under chapter 171 of such title, or any proceeding under chapter 171 of such title or action against the United States filed pursuant to section 1346(b) of such title, and shall be subject to the limitations and exceptions applicable to such a proceeding or action.

"(D) Removal.—Upon certification by the Attorney General that a civil action or proceeding with respect to a claim described in subparagraph (A) is being brought in a State court, such civil action or proceeding shall be removed from the State court without bond at any time before trial by the Attorney General to the district court of the United States for the district and division embracing the place wherein it is pending and the proceeding shall be deemed a tort action brought against the United States under the provisions of title 28, United States Code. For purposes of removal, the certification of the Attorney General under this subparagraph shall be conclusive.

"(E) Sources of payments.—Payment of any award, compromise, or settlement of a civil action or proceeding with respect to a claim described in subparagraph (A) shall be paid first out of insurance maintained by the National Academy of Sciences, second from funds made available to carry out this subsection, and then from sums made available under section 1304 of title 31, United States Code. For purposes of such section, such an award, compromise, or settlement shall be deemed to be a judgment, award, or settlement payable under section 2414 or 2672 of title 28, United States Code. The Secretary may establish a reserve of funds made available to carry out this subsection for making payments under this paragraph.".

SEC. 129. HIGHWAY PLANNING AND RESEARCH.

Section 307(c)(1) of title 23, United States Code, is amended by inserting after "section 104 of this title" the following: "and for highway projects under section 103(e)(4)".

SEC. 130. WILDFLOWERS.

Section 319 of title 23, United States Code, is amended by inserting "(a) Landscape and Roadside Development.—" before "The Secretary" and by adding at the end thereof the following new subsection:

"(b) Planting of Wildflowers.—

"(1) General rule.—The Secretary shall require the planting of native wildflower seeds or seedlings, or both, as part of any land-

scaping project under this section. At least ¼ of 1 percent of the funds expended for such landscaping project shall be used for such plantings.

"(2) Waiver.—The requirements of this subsection may be waived by the Secretary if a State certifies that native wildflowers or seedlings cannot be grown satisfactorily or planting areas are limited or otherwise used for agricultural purposes.

"(3) Gifts.—Nothing in this subsection shall be construed to prohibit the acceptance of native wildflower seeds or seedlings donated by civic organizations or other organizations and individuals to be used in landscaping projects.".

SEC. 131. NATIONAL HIGHWAY INSTITUTE.

Subsections (b) and (c) of section 321 of title 23, United States Code, are amended to read as follows:

"(b) Set Aside.—Not to exceed ¼ of 1 percent of all apportioned to a State under sections 104(b)(1) and 104(b)(5) of this title shall be available for expenditure by the State highway department, subject to approval by the Secretary, for payment of not to exceed 75 percent of the cost of tuition and direct educational expenses (but not travel, subsistence, or salaries) in connection with the education and training of State and local highway department employees as provided in this section.

"(c) Federal Responsibility.—Education and training of Federal, State, and local highway employees authorized by this section shall be provided—

"(1) by the Secretary at no cost to the States and local governments for those subject areas which are a Federal program responsibility; or

"(2) in any case where such education and training are to be paid for under subsection (b) of this section, by the State, subject to the approval of the Secretary, through grants and contracts with public and private agencies, institutions, individuals, and the Institute.".

SEC. 132. PROHIBITION AGAINST DISCLOSURE AND ADMISSION AS EVIDENCE OF STATE REPORTS AND SURVEYS.

(a) In General.—Chapter 4 of title 23, United States Code, is amended by adding at the end the following new section:

"§ 409. Admission as evidence of certain reports and surveys

"Notwithstanding any other provision of law, reports, surveys, schedules, lists, or data compiled for the purpose of identifying, evaluating, or planning the safety enhancement of potential accident sites, hazardous roadway conditions, or railway-highway crossings, pursuant to sections 130, 144, and 152 of this title or for the purpose of developing any highway safety construction improvement project which may be implemented utilizing Federal-aid highway funds shall not be admitted into evidence in Federal or State court or considered for other purposes in any action for damages arising from any occurrence at a location mentioned or addressed in such reports, surveys, schedules, lists, or data.".

(b) Conforming Amendment.—The analysis for chapter 4 of such title is amended by adding at the end the following:

"409. Admission as evidence of certain reports and surveys.".

SEC. 133. HIGHWAY TECHNICAL AMENDMENTS.

(a) Surface Transportation Assistance Act of 1982.—(1) The third sentence of section 108(d) of the Surface Transportation Assistance Act of 1982 is amended by striking out "this title," and inserting in lieu thereof "title 23, United States Code,".

(2) The second section 126 of such Act (relating to bicycle transportation) is amended by striking out "Sec. 126." and inserting in lieu thereof "Sec. 126A.".

(3) Section 133 of such Act is amended by striking out "(a)" the first place it appears.

(4) The first sentence of section 163 of such Act is amended to read as follows: "Notwithstanding any other provision of this Act or any other law, no funds apportioned or allocated to a State for Federal-aid highways shall be obligated for a project for constructing, resurfacing, restoring, rehabilitating, or reconstructing a Federal-aid highway which has a lane designated as a carpool lane unless the use of such lane includes use by motorcycles.".

(5) The second sentence of section 163 of such Act is amended by striking out the comma and inserting in lieu thereof "and acceptance of such certification by the Secretary,".

(6) Section 165(b) of such Act is amended by inserting "or" after the semicolon at the end of clause (3).

(7) Section 411(d) of such Act (relating to length limitations) is amended by inserting "and boat" after "automobile".

(b) Title 23.—(1) The analysis for chapter 1 of title 23, United States Code, is amended—

(A) in the item relating to section 127 by striking out "and width", and

(B) by striking out the item relating to section 146 and inserting in lieu thereof:

"146. Carpool and vanpool projects.".

(2) The fifth undesignated paragraph of section 101(a) of such title is amended by striking out "forest or trail" and inserting in lieu thereof "forest road or trail".

(3) Section 101(a) of such title is amended by striking out the thirteenth undesignated paragraph (relating to the definition of "park road") and inserting in lieu thereof the following:

"The term 'park road' means a public road that is located within, or provides access to, an area in the national park system with title and maintenance responsibilities vested in the United States.".

(4) Section 106(c) of such title is amended by striking out "10 per centum" and inserting in lieu thereof "15 percent" and by striking out the second sentence.

(5) Section 113 of such title is amended by striking out "August 30, 1935" and inserting in lieu thereof "March 3, 1931" and by striking out "267a" and inserting in lieu thereof "276a".

(6) Section 121(d) of such title is amended by striking out "10 per centum" and inserting in lieu thereof "15 percent" and by striking out the third sentence.

(7) The first sentence of section 122 of such title is amended by inserting "or for substitute highway projects approved under section 103(e)(4) of this title" before "and the retirement".

(8) Section 123(a) of such title is amended by striking out "the Federal-aid primary or secondary" and all that follows through "urban areas," and inserting in lieu thereof "any Federal-aid system,".

(9)(A) Subsection (b) of section 125 of such title is amended by striking out "the Interstate System, the Primary System, and on any routes functionally classified as arterials or major collectors" each place it appears and inserting in lieu thereof "the Federal-aid highway systems, including the Interstate System".

(B) Subsection (c) of such section is amended by striking out "routes functionally classified as arterials or major collectors" and inserting in lieu thereof "on any of the Federal-aid highway systems".

(10) The third sentence of section 138 of such title is amended by inserting before "which requires" the following: "(other than any project for a park road or parkway under section 204 of this title)".

(11) Section 144(e) of such title is amended by adding at the end thereof the following: "Funds apportioned under this section shall be available for expenditure for the same period as funds apportioned for projects on the Federal-aid primary system under this title. Any funds not obligated at the expiration of such period shall be reapportioned by the Secretary to the other States in accordance with this subsection.".

(12) Section 152(g) of such title is amended by striking out "the Congress" and inserting in lieu thereof "the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives".

(13) The second sentence of section 204(b) of such title is amended by inserting "the Secretary or" before "the Secretary of the Interior".

(14) Section 204(e) of such title is amended by striking out "of 1975".

(15) Section 210(g) of such title is amended by striking out "Commerce" and inserting in lieu thereof "Transportation".

(16) The first sentence of section 215(a) of such title is amended by striking out "and American Samoa" and inserting in lieu thereof "American Samoa, and the Commonwealth of the Northern Mariana Islands".

(17) Section 307(f) of such title, as redesignated by section 128 of this Act, is amended by striking out "the Congress" and inserting in lieu thereof "the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives".

(18) Section 315 of such title is amended by striking out "204(d), 205(a), 207(b), and 208(c)" and inserting in lieu thereof "204(f) and 205(a)".

(19) Section 401 of such title is amended by striking out "and American Samoa." and inserting in lieu thereof "American Samoa, and the Commonwealth of the Northern Mariana Islands.".

(20) Section 402(c) of such title is amended—

(A) by striking out "For the fiscal years ending June 30, 1967, June 30, 1968, and June 30, 1969, such funds shall be apportioned 75 per centum on the basis of population and 25 per centum as the Secretary in his administrative discretion may deem appropriate and thereafter such" and inserting in lieu thereof "Such",

(B) by striking out "and American Samoa" and inserting in lieu thereof "American Samoa, and the Commonwealth of the Northern Mariana Islands"; and

(C) by striking out "After December 31, 1969, the" and inserting in lieu thereof "The".

(c) Miscellaneous.—(1) Section 104(i)(4)(D) of the Marine Protection, Research, and Sanctuaries Act of 1972, as added by section 424 of the Surface Transportation Assistance Act of 1982, is amended by inserting "to " after "grant a permit".

(2) Section 12019(5) of the Commercial Motor Vehicle Safety Act of 1986 is amended—

(A) by striking out "and"; and

(B) by inserting "or" before "semitrailer operated".

(3) Section 163(o) of the Federal-Aid Highway Act of 1973 is amended to read as follows:

"(o) REPORTS.—The Secretary of Transportation shall make biennial reports and a final report to the President, the Committee on Environment and Public Works of the Senate, and the Committee on Public Works and Transportation of the House of Representatives with respect to activities pursuant to this section."

(4) Section 123(c) of the Federal-Aid Highway Act of 1978 is amended by striking "Congress" and inserting in lieu thereof "the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives".

(d) PARK ROADS.—Section 303(c) of title 49, United States Code, is amended by inserting before "requiring the use" the following: "(other than any project for a park road or parkway under section 204 of title 23)".

(e) REPEAL OF OUTDATED PROVISIONS.—

(1) TITLE 23.—The following sections of title 23, United States Code, and the items in the analysis for chapters 2 and 3 of such title relating to such sections are repealed: 211 (relating to timber access road hearings), 213 (relating to Rama Road), 219 (relating to safer off-system roads), and 322 (relating to demonstration project—rail crossings).

(2) OTHER HIGHWAY LAWS.—Section 119 of the Federal-Aid Highway Amendments of 1974 (relating to bikeway demonstration program) and section 141 of the Federal-Aid Highway Act of 1978 (relating to bicycle program) are repealed.

(f) ALTERNATIVE ROUTE.—The authorization of that portion of the Interstate System in Mobile County, Alabama, designated as I-210, connecting I-65 and I-10 in the vicinity of Prichard-Mobile, Alabama, authorized by the Department of Transportation and Related Agencies Appropriation Act, 1981, shall include, as an alternative, authorization to construct an interstate spur commencing at I-65 in the area of Prichard, Alabama, and terminating in the vicinity of downtown Mobile, Alabama. The total mileage of such spur shall not exceed 6.25 miles. In no case shall the eligible cost of construction of the spur exceed the eligible cost of the originally authorized route if it had been constructed.

SEC. 134. FOREST HIGHWAYS.

Notwithstanding section 202(a) of title 23, United States Code, the Secretary shall, after making the transfer provided by section 204(g) of such title, as soon as practicable after the date of the enactment of this Act in fiscal year 1987 and on October 1 of each of fiscal years 1988, 1989, and 1990, allocate 66 percent of the remainder of the authorization for forest highways provided for such fiscal year by this Act in the same percentage as the amounts allocated for expenditure in each State and the Commonwealth of Puerto Rico from funds authorized for forest highways for the fiscal year ending June 30, 1958, adjusted (1) to eliminate the 0.003,243,547 percent for the State of Iowa to the State by deed executed May 26, 1964, and (2) to redistribute the percentage formerly apportioned to the State of Iowa to other participating States on a proportional basis. The remaining funds authorized to be appropriated for forest highways for such fiscal year shall be allocated pursuant to section 202(a) of such title.

SEC. 135. REGULATION OF TOLLS.

(a) Section 4 of the Act of March 23, 1906 (34 Stat. 85; 33 U.S.C. 494), commonly known as the "Bridge Act of 1906", is amended by striking out the last sentence.

(b) Section 17 of the Act of June 10, 1930 (46 Stat. 552; 33 U.S.C. 498a), is repealed.

(c) The Act entitled "An Act to provide for the regulations of tolls over certain bridges", approved June 27, 1930 (46 Stat. 821; 33 U.S.C. 498b), is repealed.

(d) Sections 1 through 5 of the Act of August 21, 1935 (49 Stat. 670; 33 U.S.C. 503-507) are repealed.

(e) Sections 503 and 506 of the General Bridge Act of 1946 (60 Stat. 847, 848; 33 U.S.C. 526, 529) are repealed.

(f) Section 133 of Public Law 93-87 (87 Stat. 267; 33 U.S.C. 526a) is repealed.

(g) Section 6 of the International Bridge Act of 1972 (86 Stat. 732; 33 U.S.C. 535d) is repealed.

(h) Section 6(g)(4) of the Department of Transportation Act (80 Stat. 937; 49 U.S.C. App. 1655(g)(4)) is repealed.

(i) Tolls for passage or transit over any bridge constructed under the authority of the Act of March 23, 1906 (34 Stat. 84; 33 U.S.C. 491-498), commonly known as the "Bridge Act of 1906", the General Bridge Act of 1946, and the International Bridge Act of 1972 shall be just and reasonable.

SEC. 136. IMPLEMENTATION OF CERTAIN ORDERS.

In implementing any order issued by the President which provides for or requires a percentage reduction in new budget authority, unobligated balances, obligated balances, new loan guarantee commitments, new direct loan obligations, spending authority, or obligation limitations for the Federal-aid highway, mass transit and highway safety programs and with respect to which the budget account activity as identified in the program and financing schedule contained in the Appendix to the Budget of the United States Government for such programs includes more than one specific highway, mass transit, or highway safety program or project for which budget authority is provided by this Act or an amendment made by this Act, the Secretary shall apply the percentage reduction equally to each such specific program or project.

SEC. 137. COMBINED ROAD PLAN DEMONSTRATION PROGRAM.

(a) PROGRAM.—The Secretary, in cooperation with up to 5 States, shall conduct a combined road plan demonstration to test the feasibility of approaches for combining, streamlining, and increasing the flexibility in the administration of the Federal-aid secondary program, Federal-aid urban program, and the off-system bridge, urban bridge, and secondary bridge programs. The demonstration shall place as much responsibility as feasible with State and local governments. Notwithstanding any provision of title 23, United States Code, the Secretary may—

(1) grant design exceptions and permit construction without final inspection; and

(2) permit the use of Federal-aid secondary, Federal-aid urban, and bridge funds for Federal-aid secondary projects, Federal-aid urban projects, and bridge projects on the secondary and urban systems and off-system bridge projects.

(b) REPORT.—The Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives—

(1) an interim report on the program being carried out under this section within 3 years after the date of the enactment of this Act; and

(2) a final report evaluating the effectiveness of the demonstration program and making needed recommendations as soon as practicable after completion of the demonstration under this section.

SEC. 138. PROJECT ELIGIBILITY.

Section 108(b) of the Federal-Aid Highway Act of 1956 is amended by adding at the end thereof the following: "Notwithstanding the fifth sentence of this subsection, the costs of a project which will upgrade an interstate route and will complete a gap on the Interstate System providing access to an international airport and which was described as the preferred alternative in a final environmental impact statement submitted to the Secretary of Transportation on September 30, 1983, shall be eligible for funds authorized by this subsection as if such costs were included in the 1981 interstate cost estimate and shall be included as eligible costs in any future interstate cost estimate, except that (1) such costs may be further developed in the design and environmental process under normal Federal-aid interstate procedures, and (2) the amount of such costs shall not include the portion of the project between High Street and Causeway Street.".

SEC. 139. ELIGIBILITY OF PARK AND RIDE FACILITIES.

(a) ELIGIBILITY FOR INTERSTATE CONSTRUCTION FUNDS.—Notwithstanding any other provision of law, policy, and regulation and any interpretation thereof, construction in the vicinity of Fort Lauderdale, Florida, of 4 park and ride facilities and direct access connectors between such facilities and high occupancy vehicle lanes being constructed on a north-south interstate route which connects Miami and Jacksonville, Florida, shall be eligible for funds (not to exceed $84,000,000) authorized under section 108(b) of the Federal-Aid Highway Act of 1956 and is included as an eligible project in the 1985 interstate cost estimate, and the cost of such construction not to exceed $84,000,000 shall be included in any future interstate cost estimate. The Secretary shall enter into project agreements consistent with the provisions of title 23 of the United States Code for construction of such facilities and connectors.

(b) SIZE OF FACILITIES.—The size of each park and ride facility constructed pursuant to subsection (a) shall be sufficient to accommodate commuter demand anticipated 20 years after the date on which construction of such facility is approved.

(c) ELIGIBILITY FOR 4R FUNDING.—Notwithstanding any other provision of law, if construction of the facilities and direct access connectors described in subsection (a) costs more than $84,000,000, the State of Florida may use funds apportioned to it under section 104(b)(5)(B) of title 23, United States Code, to complete construction of such facilities and connectors.

SEC. 140. PLANNING, DESIGN, AND CONSTRUCTION.

Notwithstanding any other provision of law, the State of Arkansas may use funds apportioned to it under section 104(b)(5)(A) of title 23, United States Code, for the planning, design, and construction from Interstate Route I-40 to the boundary between Arkansas and Missouri of a two-lane north-south highway which is on the Federal-aid primary system in Arkansas and passes through an urbanized area.

SEC. 141. TRANSFER OF INTERSTATE LANES.

(a) ELIGIBILITY OF INTERSTATE LANE PROJECT.—Any project to construct eligible interstate lanes, as defined in subsection (f), shall be eligible for funds authorized under section 108(b) of the Federal-Aid Highway Act of 1956 and shall be included as an eligi-

ble project in any future interstate cost estimate unless the costs of such project are made not eligible for such funds by subsection (c).

(b) APPROVAL OF SUBSTITUTE TRANSIT PROJECT.—Notwithstanding any other provision of law, upon the joint request of the Governor of the State of California and the local governments concerned, the Secretary may approve a substitute transit project for construction of a fixed guideway system in lieu of construction of any eligible interstate lanes if such substitute project is in or adjacent to the proposed right-of-way for such lanes.

(c) ELIGIBILITY FOR FEDERAL ASSISTANCE.—Upon approval of any substitute transit project under subsection (b), the costs of construction of the eligible interstate lanes for which such project is substituted shall not be eligible for funds authorized under section 108(b) of the Federal-Aid Highway Act of 1956 and a sum equal to the Federal share of such costs, as included in the latest interstate cost estimate approved by Congress, shall be available to the Secretary to incur obligations under section 103(e)(4) of title 23, United States Code, for the Federal share of the costs of such substitute project.

(d) LIMITATION ON ELIGIBILITY.—By September 30, 1989, any substitute transit project approved under subsection (b) (for which the Secretary finds that sufficient Federal funds are available) must be under contract for construction or construction must have commenced. If any such substitute transit project is not under contract for construction or construction has not commenced by such date, then immediately after such date, the Secretary shall withdraw approval of such project and no funds shall be appropriated under the authority of section 103(e)(4) of title 23, United States Code, for any such project.

(e) ADMINISTRATIVE PROVISIONS.—

(1) STATUS OF SUBSTITUTE PROJECT.—A substitute transit project approved under subsection (b) shall be deemed to be a substitute transit project for purposes of section 103(e)(4) of title 23, United States Code (other than subparagraphs (C) and (O)).

(2) REDUCTION OF UNOBLIGATED INTERSTATE APPORTIONMENTS.—Unobligated apportionments for the Interstate System in the State of California shall, on the date of approval of a substitute transit project under subsection (b), be reduced in the proportion that the Federal share of the costs of the construction of the eligible interstate lanes for which such project is substituted bears to the Federal share of the total cost of all interstate routes in such State as reflected in the latest cost estimate approved by Congress.

(3) ADMINISTRATION THROUGH FHWA.—The Secretary shall administer this section through the Federal Highway Administration.

(f) ELIGIBLE INTERSTATE LANES DEFINED.—For purposes of this section, the term "eligible interstate lanes" means any high occupancy vehicle lanes and other lanes—

(1) which are to be constructed on any highway in Los Angeles County, California, designated as a part of the National System of Interstate and Defense Highways by section 140 of the Federal-Aid Highway Act of 1978, and

(2) the costs of construction of which are included in the interstate cost estimate for 1985.

SEC. 142. SUBSTITUTE TRANSIT PROJECT IN OREGON.

(a) APPROVAL OF PROJECT.—Notwithstanding any other provision of law, upon the joint request of the Governor of the State of Oregon and the local governments concerned, the Secretary may approve a substitute transit project for construction of a light rail transit system in lieu of construction of any eligible interstate lanes if such substitute project is in or adjacent to the proposed right-of-way for such lanes.

(b) ELIGIBILITY FOR FEDERAL ASSISTANCE.—Upon approval of any substitute transit project under subsection (a), the costs of construction of the eligible interstate lanes for which such project is substituted shall not be eligible for funds authorized under section 108(b) of the Federal-Aid Highway Act of 1956 and a sum equal to the Federal share of such costs, as included in the latest interstate cost estimate approved by Congress, shall be available to the Secretary to incur obligations under section 103(e)(4) of title 23, United States Code, for the Federal share of the costs of such substitute project.

(c) LIMITATION ON ELIGIBILITY.—By September 30, 1989, any substitute transit project approved under subsection (a) (for which the Secretary finds that sufficient Federal funds are available) must be under contract for construction or construction must have commenced. If any such substitute transit project is not under contract for construction or construction has not commenced by such date, then immediately after such date, the Secretary shall withdraw approval of such project and no funds shall be appropriated under the authority of section 103(e)(4) of title 23, United States Code, for such project.

(d) ADMINISTRATIVE PROVISIONS.—

(1) STATUS OF SUBSTITUTE PROJECT.—A substitute transit project approved under subsection (a) shall be deemed to be a substitute transit project for purposes of section 103(e)(4) of title 23, United States Code (other than subparagraphs (C) and (O)).

(2) REDUCTION OF UNOBLIGATED INTERSTATE APPORTIONMENT.—Unobligated apportionments for the Interstate System in the State of Oregon shall, on the date of approval of a substitute transit project under subsection (a), be reduced in the proportion that the Federal share of the costs of the construction of the eligible interstate lanes for which such project is substituted bears to the Federal share of the total cost of all interstate routes in such State as reflected in the latest cost estimate approved by Congress.

(3) ADMINISTRATION THROUGH FHWA.—The Secretary shall administer this section through the Federal Highway Administration.

(e) ELIGIBLE INTERSTATE LANES DEFINED.—For purposes of this section, the term "eligible interstate lanes" means any bus lanes which are to be constructed on Interstate Route I-205 in Oregon.

SEC. 143. PAYBACK OF RIGHT-OF-WAY EXPENSES.

(a) EFFECT OF REPAYMENT.—Upon repayment by the State of New York to the Treasurer of the United States of an amount as determined by the Secretary to be equal to the amount of Federal funds expended to acquire property for the portion of I-478 which was withdrawn from the Interstate System in accordance with the provisions of section 103(e)(4) of title 23, United States Code, less any amount not required to be repaid with respect to such property under section 103(e)(7) of such title, the State of New York shall be absolved of any further responsibility for repayment and will be deemed to have met all of the repayment requirements of section 103(e)(7) of such title.

(b) USE OF REPAID FUNDS.—The amount repaid to the United States under this section shall be deposited to the credit of the appropriation for "Federal-Aid Highway (Trust Fund)". Such repayment shall be credited to the unprogrammed balance of funds apportioned to the State of New York in accordance with section 104(b)(1) of title 23, United States Code. The amount so credited shall be in addition to all other funds then apportioned to such State and shall be available for expenditure in accordance with the provisions of such title.

SEC. 144. GEORGIA STATE ROUTE 400.

(a) CREDIT AND USE OF FEDERAL FUNDS.—The amount of all Federal-aid highway funds paid to the State of Georgia on account of the section of State Route 400, a 6-lane, limited access major arterial highway connecting Interstate Route I-285 and Interstate Route I-85 in Fulton County, Georgia, may be repaid to the Treasurer of the United States. The amount so repaid shall be deposited to the credit of the appropriation for "Federal Aid Highways (Trust Fund)". Such repayment shall be credited to the unobligated balance of Federal-aid highway funds of the same class last appropriated to the State of Georgia. The amount so credited shall be in addition to all other funds then apportioned or allocated to such State during the fiscal year for which the credit was received and shall be available for expenditure in accordance with the provisions of title 23, United States Code.

(b) APPLICABILITY OF TOLL RESTRICTIONS.—As provided in subsection (a) of this section, upon the repayment of Federal-aid highway funds, and removal from the Federal-aid highway programs, such sections of State Route 400 shall be free of any and all restrictions contained in title 23, United States Code, or in any regulations issued thereunder, with respect to the imposition and collection of tolls or other charges thereon or for the use thereof.

SEC. 145. EXEMPTION FROM RIGHT-OF-WAY RESTRICTION.

A facility located in part on the right-of-way of Interstate Route I-94 in Michigan and in the vicinity of the interchange of I-94 and Michigan State Route 25 is hereby exempt from the restrictions contained in section 111 of title 23, United States Code, prohibiting certain commercial establishments on rights-of-way of the Interstate System. Such exemption shall be for the purpose of permitting the Michigan Department of Transportation to enter into a lease agreement allowing the use of such facility for the sale of only those articles which are for export and for consumption outside the United States.

SEC. 146. RIGHT-OF-WAY DONATION.

(a) CREDIT FOR DONATED LANDS AND DONATION PROCEDURES.—Section 323 of title 23, United States Code, is amended—

(1) by inserting "(a) DONATIONS OF PROPERTY BEING ACQUIRED.—" before "Nothing"; and

(2) by adding at the end the following new subsections:

"(b) CREDIT FOR DONATED LANDS.—

"(1) GENERAL RULE.—Notwithstanding any provision of this title, the State matching share for a project with respect to which Federal assistance is provided out of the Highway Trust Fund (other than the Mass Transit Account) may be credited by the fair market value of land incorporated into the project and lawfully donated to the State after the date of the enactment of this subsection.

"(2) ESTABLISHMENT OF FAIR MARKET VALUE.—The fair market value of the donated

land shall be established as determined by the Secretary. Fair market value shall not include increases and decreases in the value of donated property caused by the project. For purposes of this subsection, the fair market value of donated land shall be established as of the date the donation becomes effective or when equitable title to the land vests in the State, whichever is earlier.

"(3) Limitation on applicability.—This subsection shall not apply to donations made by an agency of a Federal, State, or local government.

"(4) Limitation on amount of credit.—The credit received by a State pursuant to this subsection may not exceed the State's matching share for the project to which the donation is applied.

"(c) Procedures.—A gift or donation in accordance with subsection (a) may be made at any time during the development of a project. Any document executed as part of such donation prior to the approval of an environmental document prepared pursuant to the National Environmental Policy Act of 1969 shall clearly indicate that—

"(1) all alternatives to a proposed alignment will be studied and considered pursuant to such Act;

"(2) acquisition of property under this section shall not influence the environmental assessment of a project including the decision relative to the need to construct the project or the selection of a specific location; and

"(3) any property acquired by gift or donation shall be revested in the grantor or successors in interest if such property is not required for the alignment chosen after public hearings, if required, and completion of the environmental document.".

(b) Donated Lands in California.—

(1) Treatment as project cost.—Notwithstanding any other provision of law, the fair market value of any lands which have been or in the future are donated or dedicated to the State of California necessary for the right-of-way for relocation and construction of California State Route 73 in Orange County, California, from its interchange with Interstate Route I-405 to its interchange with Interstate Route I-5 shall be included as a part of the cost of such relocation and construction project and shall be credited first toward payment of the non-Federal share of the cost of such relocation and construction project.

(2) Credit.—The fair market value of lands referred to in paragraph (1) shall be established by the Secretary. If such fair market value exceeds the non-Federal share of the relocation and construction project referred to in paragraph (1), then the excess amount, upon the request of the State of California, shall be credited toward the non-Federal share of the cost of any other project on the Federal-aid system in Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties, California.

(3) Treatment of irrevocable offer.—To further the purposes of this section and section 323 of title 23, United States Code, any recorded irrevocable offer of dedication or donation of property within the right-of-way for the project referred to in paragraph (1) shall be considered as part of the State right-of-way acquisition for purposes of this subsection if such offer is irrevocable and effective no later than such time as the State of California requests final reimbursement for the Federal share.

(4) Limitation.—In no case shall the amount of Federal-aid reimbursement to the State of California on account of the relocation and construction project referred to in paragraph (1) exceed the actual cost to the State for such project.

SEC. 147. SHIRLEY HIGHWAY TRAFFIC RESTRICTIONS.

(a) Express Lanes.—

(1) Rush hour restrictions.—Except in the case of an emergency as determined by the State of Virginia or the District of Columbia, the State of Virginia and the District of Columbia shall prohibit the use of the Shirley Highway express lanes by a vehicle other than a bus, an emergency vehicle, a vehicle carrying 4 or more persons, and a motorcycle—

(A) on northbound lanes, during the hours of 6 o'clock ante meridiem to 9 o'clock ante meridiem on Monday through Friday, exclusive of holidays, and

(B) on southbound lanes, during the hours of 3:30 o'clock post meridiem to 6 o'clock post meridiem on Monday through Friday, exclusive of holidays.

The State of Virginia and the District of Columbia may not prohibit the use of such lanes during such hours by a bus, an emergency vehicle, or a vehicle carrying 4 or more persons.

(2) Use of express lanes at other times.—The State of Virginia and the District of Columbia may not prohibit the use of the Shirley Highway express lanes during hours other than the hours described in paragraph (1) by a vehicle which is not also prohibited from using the other lanes of the Shirley Highway.

(b) Definitions.—For purposes of this section—

(1) Emergency vehicle.—The term "emergency vehicle" includes a public utility vehicle on legitimate emergency business.

(2) Motorcycle.—The term "motorcycle" means a motor vehicle designed to travel on not more than 3 wheels in contact with the ground.

(3) Shirley highway express lanes.—The term "Shirley Highway express lanes" means the high occupancy vehicle lanes on Interstate Route I-395 in the District of Columbia and Virginia and on Interstate Route I-95 from its intersection with Interstate Route I-395 to Woodbridge, Virginia.

(c) Enforcement.—The Secretary shall withhold 1 percent of the amount required to be apportioned to the State of Virginia or to the District of Columbia under sections 104 and 144 of title 23, United States Code, on the first day of the fiscal year succeeding any fiscal year in which the State of Virginia or the District of Columbia, as the case may be, is in violation of any provision of this section.

SEC. 148. RAILROAD RELOCATION AND DEMONSTRATION PROGRAM.

(a) Federal Share.—Section 163(n) of the Federal-Aid Highway Act of 1973 (23 U.S.C. 130 note) is amended by striking out "95 per centum of the cost." and inserting in lieu thereof "the Federal share provided in section 120(a) of title 23, United States Code.".

(b) Authorization.—Section 163(p) of such Act is amended by inserting after "September 30, 1986," the following: "and $15,000,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991,".

SEC. 149. DEMONSTRATION AND PRIORITY PROJECTS.

(a) Project Descriptions.—

(1) Passaic county, new jersey.—The Secretary shall utilize the procedures adopted to carry out the demonstration project under section 141 of the Federal-Aid Highway Act of 1976 and the methods for processing highway projects required to be established by section 129 of the Surface Transportation Assistance Act of 1982 to accelerate design and construction of a highway project which completes a gap on the Federal-aid primary system in an urban area along the Passaic River in Passaic County, New Jersey, and for which most of the right-of-way has been acquired.

(2) Brick township, new jersey.—The Secretary shall carry out a highway project to demonstrate methods of improving traffic operations and reducing accidents (A) at a high-volume rotary intersection in Brick Township, New Jersey, and (B) on a route connecting such intersection with another high-volume rotary intersection in Wall Township, New Jersey.

(3) Johnstown, pennsylvania.—The Secretary shall carry out a demonstration project in the vicinity of Johnstown, Pennsylvania, for the purpose of demonstrating methods by which a highway construction project on a segment of the Federal-aid primary system will enhance highway safety and economic development in an area of high unemployment.

(4) Fort smith, arkansas.—The Secretary shall carry out a highway project to demonstrate the economic growth and development benefits of widening a segment of the Federal-aid urban system connecting a community college and a large commercial center in the vicinity of Fort Smith, Arkansas, and of improving traffic signalization on such segment.

(5) Minnesota.—The Secretary shall carry out a demonstration project on the Federal-aid urban system for the purpose of demonstrating the economic and safety benefits—

(A) of constructing (i) a grade separation between a railroad line and a highway, and (ii) a half diamond interchange, in the vicinity of Moorhead, Minnesota; and

(B) of reconstructing 2 deteriorated segments of a major east-west highway on the Federal-aid primary system in the vicinities of Fosston and Bagley, Minnesota.

(6) Loysburg, pennsylvania.—The Secretary shall carry out a highway project to construct a 2-lane bypass around Loysburg in Bedford County, Pennsylvania, for the purpose of demonstrating methods of accelerating project construction and resolving environmental concerns among Federal and State agencies.

(7) San bernardino county, california.—The Secretary shall carry out a demonstration project in the vicinity of the Ontario International Airport in San Bernardino County, California, for the purpose of demonstrating methods of improving highway access to an airport which is projected to incur a substantial increase in air service.

(8) Altoona, pennsylvania.—The Secretary shall carry out a highway project to close a gap of approximately 12 miles in a multilane limited access road connecting the city of Altoona to the borough of Tyrone in Blair County, Pennsylvania, for the purpose of demonstrating state of the art delineation technology. For comparison purposes, the highway section to be constructed shall connect a highway section constructed with current delineation technology and an older highway section constructed with traditional delineation technology. The project shall demonstrate the latest horizontal and vertical delineation techniques and utilize innovative techniques in highway delineation treatments to improve traffic control and highway safety. All delineation elements shall be designed to provide the optimum life-cycle costs, thereby maximizing the highway safety benefits and minimizing future maintenance costs. The Secretary shall pro-

vide necessary technical assistance in the design and construction of the project. Upon completion of the project, the highway shall be added to the Federal-aid primary system.

(9) Louisiana.—

(A) Lafayette.—The Secretary is authorized to carry out a highway project to demonstrate the benefits to traffic flow and transportation of labor and materials by construction of a highway to provide limited continuous access between an interstate route and a highway on the Federal-aid primary system in Lafayette, Louisiana.

(B) Shreveport.—The Secretary is authorized to carry out a highway project which will demonstrate methods of reducing traffic congestion in the central business district of Shreveport, Louisiana, improving access to such district, providing highway continuity, and satisfying national defense requirements by connecting an interstate route with another interstate route which serves as a bypass around such city.

(10) Miami, Florida.—The Secretary is authorized to carry out a highway project which will demonstrate the most cost effective method of improving interstate motor vehicle access for passengers and cargo moving to and from the port of Miami, Florida.

(11) Arkansas-Missouri.—

(A) Bella Vista, Arkansas.—The Secretary is authorized to carry out a highway project in the State of Arkansas on a segment of a north-south highway on the Federal-aid primary system from the vicinity of the junction of Interstate Routes I-40 and I-540 to the boundary between the States of Arkansas and Missouri in the vicinity of Bella Vista, Arkansas, for the purpose of demonstrating methods of improving highway safety and of accelerating highway construction. Such project shall increase the number of lanes on such segment from two to four.

(B) Carthage, Missouri.—The Secretary is authorized to carry out a highway project on a segment of a north-south highway on the Federal-aid primary system from the vicinity of Carthage, Missouri, to the boundary between the States of Arkansas and Missouri in the vicinity of Noel, Missouri, for the purpose of demonstrating methods of improving highway safety and accelerating highway construction. Such project shall increase the number of lanes on such segment from two to four.

(C) Design features; technical assistance.—The projects authorized by subparagraphs (A) and (B) of this paragraph shall also demonstrate the latest high-type geometric design features and new advances in highway traffic control and safety hardware. All design elements, including the highway pavement, shall be designed to provide the best life-cycle costs, thereby minimizing future maintenance costs. The Secretary shall provide necessary technical assistance in the design and construction of such projects.

(12) Sanford, Florida.—The Secretary shall carry out a highway project to demonstrate methods of reducing costs and expediting construction of an interchange in the vicinity of Sanford, Florida, and the intersection of Route 46A and an interstate route by contracting with a private business to design and construct such project.

(13) San Jose, California.—The Secretary is authorized to carry out a demonstration project in the vicinity of San Jose and Santa Clara, California, for the purpose of demonstrating a unified method of reducing traffic congestion on a Federal-aid urban highway which is the result of the intersection of such highway with two other Federal-aid urban highways and a railroad crossing in a one-quarter mile segment of such highway.

(14) District of Columbia.—

(A) Project description.—The Secretary shall carry out a demonstration project in the vicinity of the C&O Canal in the District of Columbia for the purpose of substantially improving motor vehicle access at a major traffic generator without decreasing the efficiency of a Federal-aid primary highway. The Secretary shall enter into such arrangements as may be necessary to carry out such project with the Secretary of the Interior.

(B) Limitation.—No Federal assistance shall be provided to carry out the demonstration project under this paragraph until private sources dedicate at least 2.5 acres of land as a scenic easement for project purposes.

(15) Compton, California.—The Secretary shall carry out a highway project for construction of a grade separation on a route on the Federal-aid urban system in Compton, California, for the purpose of demonstrating methods of relieving traffic congestion and enhancing economic development.

(16) Modesto, California.—The Secretary shall carry out a highway project to demonstrate methods by which construction of a grade separation for a railroad crossing of a highway on the Federal-aid primary system enhances urban redevelopment and the effectiveness of a planned transportation center in Modesto, California.

(17) Columbia, Missouri.—The Secretary shall carry out a highway project for construction of two additional lanes on a two-lane 106-mile highway on the Federal-aid primary system which begins in the vicinity of Columbia, Missouri, and ends in the vicinity of Lancaster, Missouri, for the purpose of demonstrating methods of improving highway safety, reducing traffic congestion, and encouraging economic development.

(18) East Milton, Massachusetts.—The Secretary is authorized to carry out a highway project to demonstrate the advantages of joint development and use of air rights in the construction of a deck over a depressed portion of an interstate route in East Milton, Massachusetts.

(19) Fairhope, Alabama.—The Secretary, in cooperation with the State of Alabama, shall carry out a highway project in the vicinity of Fairhope and Foley, Alabama, to demonstrate methods of accelerating the widening of a highway traffic segment of highway on the Federal-aid primary system necessary for the rapid evacuation of individuals during emergency weather conditions.

(20) Wilder, Kentucky.—The Secretary shall carry out a highway project in the vicinity of Wilder in Campbell County, Kentucky, to demonstrate the economic benefits to a port facility, industrial complex, and foreign trade zone and methods of enhancing highway safety by reconstruction of a segment of a highway on the Federal-aid urban system which connects an interstate route with a port facility. Such project shall increase the number of lanes on such highway from two to four and may include realignment of such highway.

(21) Jo Daviess, Illinois.—The Secretary shall carry out a highway project to demonstrate the safety benefits of providing additional and improved vehicular passing opportunities on, adding truck climbing lanes to, and straightening, a 50-mile segment of an east-west highway on the Federal-aid primary system which carries a high volume of traffic in Jo Daviess and Stephenson Counties, Illinois.

(22) Allentown, Pennsylvania.—The Secretary is authorized to carry out a highway project in the city of Allentown, Pennsylvania, for the purpose of demonstrating methods of accelerating construction to eliminate a major rail-highway crossing at grade, reducing traffic delays for both rail and motor vehicle traffic, and minimizing the impact on the surrounding urban environment.

(23) Riverside, California.—The Secretary shall carry out a highway project to demonstrate methods of improving safety on a highway on the Federal-aid primary system in Riverside, California, which is designated as a priority primary route under section 147 of title 23, United States Code, by committee print numbered 100-3 of the Committee on Public Works and Transportation of the House of Representatives.

(24) Buffalo, New York.—The Secretary shall carry out a highway project in Buffalo, New York, for the purpose of demonstrating methods of facilitating redevelopment of a waterfront area by construction of a connector off a highway on the Federal-aid primary system. Upon completion of the project, the connector shall be added to the Federal-aid urban system.

(25) Cleveland, Ohio.—The Secretary shall carry out a highway project to replace a ramp which provides access to an industrial area of Cleveland, Ohio, for the purpose of demonstrating the relationship between infrastructure improvement and economic vitality.

(26) Patton Island, Alabama.—The Secretary shall carry out a highway project to construct a bridge to cross the Tennessee River in Lauderdale and Colbert Counties, Alabama, in the vicinity of Patton Island, Alabama, for the purpose of demonstrating methods of improving highway transportation and enhancing economic development.

(27) Wood County, Ohio.—The Secretary shall carry out a highway project to construct an interchange connecting Interstate Route I-75 and a 4-lane, east-west highway in Perrysburg Township in Wood County, Ohio, for the purpose of demonstrating methods of reducing traffic congestion, improving traffic flow, and enhancing economic development.

(28) Chicago, Illinois.—The Secretary shall carry out the following highway projects in Chicago, Illinois:

(A) A highway project to rehabilitate a drawbridge over the north branch of the Chicago River and realign an adjacent intersection which will demonstrate the use of the latest innovative bridge repair techniques on a bascule bridge.

(B) A highway project to remove and replace an existing bridge on Lake Shore Drive in the Jackson Park Historic Landscape District and the Midway Plaissance with a new bridge in the same location and to widen the approach road to such bridge which will demonstrate the historic recreation of a national register bridge and replacement of a deteriorated bridge.

(C) A highway project between Chicago Avenue and Claybourn Avenue to disinvest a bridge over Goose Island which will demonstrate methods of reducing municipal and Federal burdens for rehabilitation and maintenance of a surplus highway facility.

(29) Wayne County, Michigan.—The Secretary shall carry out two road improvement projects in Wayne County, Michigan, to demonstrate the benefits of enhancing safety

and improving economic vitality of a depressed area.

(30) COOK COUNTY, ILLINOIS.—

(A) CHICAGO.—The Secretary shall carry out a highway project which demonstrates methods of utilizing a low cost alternative to reconstruction of a 1 mile segment of an east-west road between Nagle and Oak Park Avenues, Chicago, Illinois, which is deficient due to soil conditions.

(B) SOUTHWEST CHICAGO.—The Secretary shall carry out a highway project to construct three parking facilities adjacent to the Rock Island commuter rail lines in Southwest Chicago, Illinois, which will demonstrate the effectiveness of construction of parking facilities in relieving on-street parking congestion and unsafe parking practices.

(C) OAK LAWN.—The Secretary shall carry out a highway project in Oak Lawn, Illinois, which demonstrates methods of improving highway safety by widening and resurfacing a four-lane major arterial with lane widths which are less than minimum State and Federal standards.

(D) CALUMET PARK.—The Secretary shall carry out a highway project which demonstrates methods of improving highway safety and access to a segment of the Interstate System by reconstruction of a congested major arterial in Calumet Park and Blue Island, Illinois.

(E) CUMBERLAND STATION.—The Secretary shall carry out a highway project to construct the first level of a two level addition to an existing park and ride facility in the vicinity of Cumberland Station on the O'Hare Rapid Transit Line, Chicago, Illinois, which will demonstrate methods of reducing commuter traffic and traffic congestion and increasing utilization of available capacity on a rapid transit line.

(F) ELEVATED ROAD.—The Secretary shall carry out a highway project to demonstrate the benefits of utilizing precast, prefabricated concrete structural segments in the reconstruction of an elevated road on a major artery in the southwestern portion of Chicago, Illinois, in order to minimize traffic disruption during the reconstruction.

(G) PARKING FACILITIES.—The Secretary shall carry out a demonstration project for the construction of two parking lots at sites (i) where future stations are to be located on the Southwest Rapid Transit Line in Chicago, Illinois, and (ii) to which buses now provide mass transit service. Such project shall be carried out before the beginning of service on such rapid transit line in order to demonstrate methods of facilitating the transfer of passengers between different modes of transportation and of establishing ridership before the opening of a rapid transit line.

(31) KANSAS CITY, MISSOURI.—The Secretary shall carry out a highway project on a north-south route on the Federal-aid primary system in Kansas City, Missouri, to demonstrate methods by which construction of the first and southern-most phase of a 5-phase highway project will facilitate construction of the full 5-phase project. Construction of the 5-phase project—

(A) will connect the northern terminus of another route on the Federal-aid primary system and an east-west interstate route,

(B) will demonstrate the interrelationship between construction of a major urban transportation artery and economic development initiatives in facilitating reinvestment in an urban area experiencing economic decay, and

(C) will demonstrate methods of reducing traffic congestion through construction of a roadway that is compatible with adjacent residential neighborhoods and commercial areas.

(32) MOUNT VERNON, KENTUCKY.—The Secretary is authorized to carry out a highway project on a segment of the Federal-aid primary system which connects Interstate Route I-75 in the vicinity of Mount Vernon, Kentucky, with Kentucky State Route 80 in the vicinity of Shopville, Kentucky, for the purposes of demonstrating methods of improving highway safety and traffic flow and improving access to a national river and recreation area.

(33) PINE CITY, MINNESOTA.—The Secretary is authorized to carry out a highway project in Pine City, Minnesota, to demonstrate methods of enhancing economic development and improving highway safety and traffic flow by construction of an interchange between a highway on the Interstate System and a county State-aid highway.

(34) PASO ROBLES, CALIFORNIA.—The Secretary is authorized to carry out a highway project in the city of Paso Robles, California, to construct a two-lane, east-west bridge which will span the Salinas River, a highway, and a railroad line and will be located south of the existing bridges spanning such river in such city, for the purposes of demonstrating methods of improving highway safety and traffic flow and enhancing economic development.

(35) SUFFOLK COUNTY, NEW YORK.—The Secretary is authorized to carry out a highway project from Wheeler Road to Veterans Memorial Highway in the town of Islip, Suffolk County, New York, for the purpose of demonstrating construction techniques to accelerate upgrading of an existing highway to freeway standards with minimum disruption of traffic.

(36) CONNECTICUT.—

(A) SOUTHINGTON.—The Secretary shall carry out a highway project to demonstrate the latest construction techniques in reconstructing a north-south segment of highway on the Federal-aid urban system in the vicinity of Southington, Connecticut.

(B) KENT CENTER.—The Secretary shall carry out a highway project to change horizontal and vertical alignment of a north-south highway on the Federal-aid primary system south of Kent Center, Connecticut, to demonstrate methods of solving safety and flooding problems.

(37) DOVER TOWNSHIP, NEW JERSEY.—The Secretary is authorized to carry out a highway project to construct a bridge across the Toms River in the township of Dover, New Jersey, for the purpose of demonstrating methods of reducing traffic congestion on an existing bridge and facilitating the redevelopment of the central business district of such township.

(38) LOS ANGELES COUNTY, CALIFORNIA.—The Secretary is authorized to carry out a highway project in Los Angeles County, California, for the purpose of demonstrating methods of improving vehicular circulation related to the intermodal transportation of port-related traffic and alleviating congestion caused by increased port activities.

(39) GREATER PITTSBURGH INTERNATIONAL AIRPORT.—The Secretary shall carry out in the vicinity of the Greater Pittsburgh International Airport a highway project for construction of a highway which is designated as a priority primary route under section 147 of title 23, United States Code, by committee print numbered 100-3 of the Committee on Public Works and Transportation of the House of Representatives to demonstrate methods of improving economic development and airport terminal placement.

(40) STEUBEN COUNTY, NEW YORK.—The Secretary shall carry out a highway project in Steuben County, New York, for the purpose of demonstrating the extent to which the economy of an industrialized high unemployment area can be improved by completion of key elements of a modern, grade-separated access controlled highway which serves such area.

(41) SONOMA AND MARIN COUNTIES, CALIFORNIA.—

(A) SANTA ROSA.—The Secretary shall carry out a highway project for the purpose of demonstrating the extent to which traffic congestion is relieved by reconstruction of a north-south arterial which (i) connects Santa Rosa, California, and Petaluma, California, (ii) is parallel to a major north-south segment of the Federal-aid primary system, and (iii) serves as an alternative for traffic between such cities.

(B) HEALDSBURG.—The Secretary shall carry out a highway project for the purpose of demonstrating the extent to which traffic congestion is relieved on the major north-south segment of the Federal-aid primary system described in subparagraph (A) by construction of high occupancy vehicle lanes along a right-of-way which is parallel to such segment and connects San Rafael, California, and Healdsburg, California.

(42) VOYAGEURS NATIONAL PARK, MINNESOTA.—The Secretary shall carry out a highway project which demonstrates methods of enhancing use of a national park and reducing traffic congestion by reconstruction of an access road to Voyageurs National Park, Minnesota.

(43) SAVANNAH, GEORGIA.—The Secretary, in cooperation with the State of Georgia, shall carry out a highway project for replacing an existing functionally obsolete bridge across the Savannah River in Savannah, Georgia, with a modern, high-level structure for the purpose of demonstrating methods of improving safety and the free flow of both vehicular and waterborne traffic including traffic related to national defense.

(44) NEW SEWICKLY, PENNSYLVANIA.—The Secretary shall carry out a highway project to construct a 2-lane highway between the township of New Sewickly, Pennsylvania, and the borough of Conway, Pennsylvania, for the purpose of demonstrating methods of accommodating increasing truck traffic and improving highway safety.

(45) CROYLE TOWNSHIP, PENNSYLVANIA.—The Secretary shall carry out a highway project to upgrade a 1.3 mile access road to the Johnstown Flood National Memorial in the vicinity of Croyle Township, Pennsylvania, for the purpose of demonstrating methods of improving public access to a flood memorial.

(46) LAWRENCE, MASSACHUSETTS.—The Secretary shall carry out in Lawrence, Massachusetts, a highway project to demonstrate methods of enhancing the benefits of an economic rehabilitation project under construction by construction of a service road which provides access between Massachusetts Avenue and Merrimack Street substantially along an alignment located between the Shawsheen River and an interstate route.

(47) LOUISIANA.—

(A) The Secretary shall carry out a highway project on the west bank of the Mississippi River in the vicinity of Port Allen, Louisiana, for the purpose of demonstrating methods by which—

(i) the inclusion of a diamond interchange on the Interstate System, including ingress and egress ramps with an overpass, located

between the existing Mississippi River Bridge access and an existing rural interchange; and

(ii) the connection and improvement of access to the Interstate System by means of approaches from a 2-lane highway and a parish road to such diamond interchange;

will eliminate safety hazards and reduce heavy truck traffic congestion from the Mississippi River Bridge exit ramp on the Interstate System and the City of Port Allen and the Texas-Pacific Railroad crossing and improve conditions for access to the Port of Greater Baton Rouge and the Intracoastal Canal.

(B) The Secretary shall carry out a highway project in the vicinity of Baton Rouge, Louisiana, for the purpose of demonstrating the benefits of reducing traffic congestion in the immediate vicinity of a split-diamond interchange which connects an east-west highway on the Interstate System, 2 4-lane highways not on such System, and a 2-lane highway not on such System by providing—

(i) a direct exit lane from the westbound lanes of the highway on such System to one of such 4-lane highways;

(ii) a direct access ramp and acceleration lane from such 4-lane highway to the eastbound lanes of the highway on such System; and

(iii) a direct exit lane from the eastbound lanes of the highway on such System to the other of such 4-lane highways.

(C) The Secretary shall carry out a highway project in the vicinity of northeast Baton Rouge, Louisiana, for the purpose of demonstrating the efficacy of reducing traffic congestion and improving traffic flow in the immediate vicinity of a highway on the Interstate System to connect such highway to a metropolitan airport terminal access road by construction of a direct access off-ramp link.

(48) Minden, Louisiana.—The Secretary shall carry out a highway project for the purpose of demonstrating methods of enhancing economic development by construction of a frontage road which provides Minden, Louisiana, alternative access to a highway immediately connecting to a highway on the Interstate System.

(49) Anaheim, California.—The Secretary shall carry out a project for research, development, and implementation of a computerized transportation management system to assist the city of Anaheim, California, and adjoining jurisdictions in managing highway traffic congestion caused in part by an interstate route passing through an area of concentrated population and commercial development for the purpose of demonstrating the usefulness of such a system in reducing traffic congestion.

(50) Pine Bluff, Arkansas.—The Secretary shall carry out a highway bridge project at Lock and Dam 4 near Pine Bluff, Arkansas.

(51) Clarksville, Tennessee.—The Secretary shall carry out a highway project to demonstrate methods of improving highway safety by making improvements to a road providing direct access from the Fort Campbell Military Reservation to the city of Clarksville, Tennessee.

(52) Clarinda, Iowa.—The Secretary shall carry out a highway project to reconstruct and rehabilitate a highway between Shenandoah and Clarinda, Iowa, for the purpose of demonstrating methods by which improved highway transportation in an economically depressed rural area will increase economic activity in such area.

(53) San Diego County, California.—The Secretary shall carry out a highway project to expand a highway which connects an interstate route in the vicinity of Oceanside, California, with another interstate route in the vicinity of Escondido, California for the purpose of demonstrating methods of reducing traffic congestion and accidents.

(54) St. Charles County, Missouri.—The Secretary shall carry out a highway project to construct a bypass highway to connect an east-west interstate route in St. Charles County, Missouri, with the interstate beltway around St. Louis, Missouri, for the purpose of demonstrating methods of alleviating traffic congestion, especially commuter traffic congestion.

(55) Jonesboro, Arkansas.—The Secretary shall carry out a highway project for construction of four grade separations on a four-lane bypass route in the vicinity of Jonesboro, Arkansas, for the purpose of demonstrating methods of improving highway safety.

(56) Illinois.—

(A) Mt. Vernon.—The Secretary is authorized to carry out a highway project to reconstruct a segment of approximately 1.4 miles of a State route connecting to an interstate route in the vicinity of Mt. Vernon, Illinois, for the purpose of demonstrating methods of improving highway safety.

(B) Evansville.—The Secretary is authorized to carry out a highway project to upgrade a principal route through the village of Evansville, Illinois, for the purpose of demonstrating methods of improving traffic flow.

(C) Union County.—The Secretary is authorized to carry out a highway project to improve a road leading to a landmark in the vicinity of the city of Alto Pass, Union County, Illinois, for the purpose of demonstrating methods of improving access to such a landmark and of enhancing tourism.

(57) Concord, California.—The Secretary shall carry out a highway project between Concord, California, and West Pittsburg, California, for the purpose of demonstrating methods of improving highway safety and traffic flow by lowering the grade of, realigning, and widening an existing highway on the Federal-aid primary system.

(58) Georgia.—The Secretary shall carry out a highway project which demonstrates methods of improving highway safety and reducing traffic accidents by reconstruction of a 3.8 mile segment of highway between Interstate Route I-285 and the fork of Georgia State Route 141 as a 6-lane controlled access freeway with one-way frontage roads in each direction.

(59) Pike County, Kentucky.—The Secretary shall carry out a highway project to reconstruct a highway on the Federal-aid primary system between Open Fork Road and Road Fork of Big Creek Road in Pike County, Kentucky, for the purpose of demonstrating methods of improving highway safety in a mountainous area.

(60) Madison County, Illinois.—The Secretary shall carry out a highway project to demonstrate the economic growth and development benefits of reconstructing a segment of road in Madison County, Illinois, which serves a high-growth industrial area.

(61) Erwin, Tennessee.—The Secretary shall carry out a highway project to extend, approximately 15 miles, a highway on the Appalachian development highway system between River View in Erwin, Tennessee, and Sam's Gap on the North Carolina-Tennessee border for the purpose of demonstrating methods of improving transportation in a mountainous area.

(62) New River, West Virginia.—The Secretary is authorized to carry out a demonstration project to construct a parkway connecting to an interstate route, in accordance with the recommendations of the New River Parkway Authority, in the vicinity of the New River, West Virginia, for the purpose of demonstrating benefits to recreation, tourism, and industrial, economic, and community development.

(63) Kittanning-Brookville, Pennsylvania.—The Secretary is authorized to carry out a project for reconstruction of approximately 30 miles of a two-lane road on the Federal-aid primary system between Kittanning and Brookville, Pennsylvania, for the purpose of demonstrating cost-effective methods of improving rural highways to accommodate wider and longer trucks.

(64) Aurora-Hoyt Lakes, Minnesota.—The Secretary is authorized to carry out a project for construction of a highway connecting Aurora-Hoyt Lakes and Silver Bay, Minnesota, for the purpose of demonstrating methods of reducing traffic congestion in and around a recreational area.

(65) Kanawha County, West Virginia.—The Secretary shall carry out a highway project which demonstrates methods of improving traffic flow in a rural area by reconstruction of the Chelyan Bridge in Kanawha County, West Virginia.

(66) Roanoke Sound, North Carolina.—The Secretary shall carry out a highway project which demonstrates methods of improving tourism, commercial enterprise, and water and highway transportation by construction of a bridge on an east-west Federal-aid primary route which connects Manteo and Whalebone, North Carolina, and traverses Roanoke Sound.

(67) Lincoln, Illinois.—The Secretary shall carry out a highway project which demonstrates methods of improving highway safety and reducing traffic congestion by construction of a controlled access freeway which connects Interstate Route I-55 in the vicinity of Lincoln, Illinois, and Interstate Route I-74 in the vicinity of Morton, Illinois.

(68) Sparks, Nevada.—The Secretary shall carry out a highway project which demonstrates methods of improving economic development and diversification, and eliminating traffic and highway safety hazards by construction in the city of Sparks, Nevada, of an interchange which connects Interstate Route I-80 and Sparks Boulevard.

(69) Burbank-Glendale-Pasadena Airport, California.—The Secretary shall carry out a highway project which demonstrates methods of coordinating construction of ground access to an airport and construction of terminal and parking facilities at such airport. The Secretary shall carry out such project at the Burbank-Glendale-Pasadena Airport, California, by making a grant for construction of such ground access to the airport authority for such airport.

(70) El Segundo, California.—The Secretary shall carry out a highway project to increase the capacity of a tunnel in the vicinity of an airport serving El Segundo, California, which will demonstrate methods of mitigating increased traffic congestion which is projected to result from completion of a segment of the Interstate System.

(71) Alameda Island, California.—The Secretary shall carry out a highway project to demonstrate methods of improving access to, and alleviating congestion on, a north-south route designated as part of the Interstate System under section 139 of title 23, United States Code, and its access roads, including access roads from Oakland Interna-

tional Airport and Alameda Island, California, to such interstate route.

(72) DOUGLAS COUNTY, KANSAS.—The Secretary shall carry out a highway project in Douglas County, Kansas, to demonstrate methods of reducing traffic congestion and facilitating the usage by motorists on the Interstate System of recreational facilities by construction of a north-south limited access trafficway of approximately 4 miles in length which will connect an east-west interstate route to a reservoir and a university research park.

(73) CHADVILLE, PENNSYLVANIA.—The Secretary shall carry out a highway project to relocate and reconstruct to 4 lanes a 3.5-mile north-south segment of the Federal-aid primary system from the vicinity of Uniontown Bypass at Chadville, Pennsylvania, to Pennsylvania Legislative Route 26082 in the vicinity of Fairchance, Pennsylvania, which will demonstrate methods of enhancing the development of a major industrial site.

(74) CHAMBERSBURG, PENNSYLVANIA.—The Secretary shall carry out a highway project which demonstrates how construction of an interchange on a north-south interstate route will provide access to Chambersburg, Pennsylvania, and relieve traffic congestion on an existing interchange on such interstate route.

(75) BEAUMONT, TEXAS.—The Secretary shall carry out a highway project which demonstrates how construction of an overpass over an interstate route in the vicinity of the city of Beaumont, Texas, will relieve traffic congestion on such interstate route and provide direct access between the central business district of such city and another part of such city.

(76) ST. LOUIS COUNTY, MINNESOTA.—The Secretary shall carry out a highway project for the construction of an access road from County Road 413 in St. Louis County, Minnesota, to a recreational complex on the Bois Forte Chippewa Reservation (Vermilion Sector) to demonstrate methods of providing jobs and enhancing economic development in a severely and chronically depressed area.

(77) GLOUCESTER COUNTY, VIRGINIA.—The Secretary, in consultation with the Governor of Virginia, the Secretary of Defense, and the Secretary of the Interior, shall carry out site selection and environmental studies and design and engineering for replacement or expansion of a bridge connecting Gloucester County with York County and the cities of Newport News and Hampton, Virginia, for the purpose of demonstrating methods of facilitating the resolution of Federal intra-governmental conflicts.

(78) BRAZORIA COUNTY, TEXAS.—The Secretary shall carry out a highway project in Brazoria County, Texas, to demonstrate how the extension of a State highway to connect with another State highway can relieve traffic congestion in Fort Bend County, Texas.

(79) HAMMOND, INDIANA.—The Secretary shall enter into such arrangements as may be necessary to carry out a demonstration project in Hammond, Indiana, for the relocation of railroad lines for the purpose of eliminating railroad-highway grade crossings. If the city of Hammond, Indiana, elects to carry out all or any portion of the demonstration project authorized by this paragraph before the funds authorized to be appropriated to carry out this paragraph are made available, the Secretary shall reimburse with such funds the city for the costs of carrying out such project or portion.

(80) ERIE COUNTY, NEW YORK.—The Secretary is authorized to carry out a highway project in Erie County, New York, to demonstrate methods of enhancing safety and reducing traffic congestion and delays at the terminus of an interstate route by relocating the terminus of such route.

(81) TAMPA, FLORIDA.—The Secretary is authorized to carry out the remaining design work for a highway project for construction of a grade separation on a route on the Federal-aid primary system in the vicinity of Tampa, Florida, for the purpose of demonstrating methods of improving motor vehicle access between rapidly growing urban areas as well as relieving motor vehicle congestion resulting from the transportation of freight to and from areas for the transshipment of waterborne commerce.

(82) POST FALLS, IDAHO.—The Secretary is authorized to carry out a project to reconstruct Seltice Way (former U.S. Route 10) to a multilane facility through the City of Post Falls, Idaho, beginning at Pleasant View Road and ending at Huetter Road.

(83) BOISE, IDAHO.—The Secretary is authorized to carry out a project to construct a multi-lane highway of 6.5 miles, in Boise, Idaho, from the Curtis Road interchange to Broadway Avenue, including interchanges, intersections, bridges, elevated structures, and the Orchard Street connection to Chinden Boulevard.

(84) LAFAYETTE-WEST LAFAYETTE, INDIANA.—The Secretary is authorized to carry out—

(A) acquisition of right-of-way, grading, and construction of ramps and a double span bridge to carry State Road 26 over the Wabash River connecting the cities of Lafayette and West Lafayette, Indiana;

(B) acquisition of right-of-way, grading, construction of a 2.6 mile single track rail corridor, construction of a second rail span at the Wabash Avenue Overpass and transfer of Amtrak passenger services to a relocated depot facility at Second and Main Streets; and

(C) acquisition of right-of-way, grading, construction of ramps and two rail corridor overpasses and associated replacement street work to reconstruct the vehicular approach to the east end of Harrison Bridge which carries U.S. Route 231 over the Wabash River connecting the Cities of Lafayette and West Lafayette.

(85) DUBUQUE-DEWITT, IOWA.—The Secretary is authorized to carry out a project which replaces the route from the intersection of U.S. Route 61 and Grandview Avenue in Dubuque, Iowa, extending northerly to a point near East 14th Street, and to improve the service level of the remaining connection from Interstate Route I-80 to Dubuque extending from U.S. Route 30 at Dewitt to Grandview Avenue in Dubuque.

(86) OLATHE, KANSAS.—The Secretary is authorized to carry out a project to construct an interchange at 119th Street and Interstate Route I-35 in the City of Olathe, Kansas.

(87) WEST CALCASIEU PARISH, LOUISIANA.—The Secretary is authorized to carry out a project to provide for an access road which parallels Interstate Route I-10 at Sulphur, Louisiana, in West Calcasieu Parish, in order to provide access to and from the Interstate System and access from Louisiana Highway 108 to Louisiana Highway 3077.

(88) SOUTHEAST BATON ROUGE, LOUISIANA.—The Secretary is authorized to carry out a project in southeast Baton Rouge, Louisiana, to widen off- and on-ramps of an interstate route interchange; to widen and improve approaches on both sides of the Interstate System of a two-lane highway, including access ramps and turnouts; to construct a schoolbus loading area adjacent thereto; and to coordinate a partial relocation of a 2-lane highway not on such system.

(89) EAST LAFAYETTE, LOUISIANA.—The Secretary is authorized to carry out a project to construct an access road to Interstate Route I-10 from Louisiana Highway 354 in East Lafayette, Louisiana.

(90) EAST LAFAYETTE, LOUISIANA.—The Secretary is authorized to carry out a project to construct a full-diamond interchange to connect Louisiana Avenue to Interstate Route I-10 in East Lafayette, Louisiana.

(91) BRUNSWICK, MAINE.—The Secretary is authorized to carry out a project to construct the Brunswick-Topsham Bypass in Maine. The bypass will be a new limited access highway which will run from the vicinity of the interchange of Interstate Route I-95 and State Route 196 in Topsham, cross the Androscoggin River, and connect with U.S. Route 1 in Brunswick, Maine.

(92) U.S. ROUTE 48, MARYLAND.—The Secretary is authorized to carry out a project on U.S. Route 48 in Washington County, Maryland, to construct an eastbound ramp to U.S. Route 40 and a westbound access road from Mountain Road.

(93) MARYLAND ROUTE 162.—The Secretary is authorized to carry out a project to realign an intersection to tie Maryland Route 162 directly into Poplar Avenue. Such project includes—

(A) construction of additional lanes at the intersection to allow northbound Maryland Route 162 to westbound Poplar Avenue to become a through movement;

(B) widening 2 miles of Maryland 162 from Poplar Avenue to Maryland 176 to 4 lanes; and

(C) widening 1/2 mile of Poplar Avenue from Maryland 170 to Maryland 162 to 4 lanes.

(94) ROUTE 4, MARYLAND.—The Secretary is authorized to carry out a project to replace a bridge carrying Maryland Route 4 over the Patuxent River.

(95) ROUTE 3, MARYLAND.—The Secretary is authorized to carry out a project to construct an interchange to connect Maryland Route 3 and Belair Drive.

(96) ROUTE 197, MARYLAND.—The Secretary is authorized to carry out a project to construct a four lane divided highway to bypass Bowie, Maryland, from Rustic Hill Drive to south of the Amtrak line in Prince Georges County.

(97) MARYLAND ROUTE 115.—The Secretary is authorized to carry out a project to relocate Maryland Route 115 from Montgomery Village Avenue to Shady Grove Road, Montgomery County. This project involves the construction of a 4 lane divided highway.

(98) MARYLAND ROUTE 213.—The Secretary is authorized to carry out a project to rehabilitate the Chester River Bridge on Maryland Route 213 at Chestertown, Maryland.

(99) MARYLAND ROUTE 838.—The Secretary is authorized to carry out a project to replace a bridge connecting Maryland Route 838 to the Wye Island natural resources management area.

(100) BELCHERTOWN, MASSACHUSETTS.—The Secretary is authorized to carry out a project to construct a road of approximately 3,600 feet between Liberty Street and Massachusetts Route 21 in Belchertown, Massachusetts.

(101) MICHIGAN.—The Secretary is authorized to carry out—

(A) a project for construction of the U.S. Route 31 freeway in Mason County, Michi-

gan, from the south county line northward 11.1 miles to U.S. Route 10;

(B) improvements, including road widening and resurfacing to existing U.S. Routes 10 and 31 from the U.S. Route 10-U.S. Route 31 interchange east to Scotville, Michigan; and

(C) improvements on U.S. Route 31 from Scotville north 17 miles to Preuss Road in Manistee County, Michigan.

(102) Bloomington, Minnesota.—The Secretary is authorized to carry out a project for the design and site location for the replacement of the Bloomington Ferry Bridge, located in Hennepin and Scott Counties, Minnesota.

(103) New Augusta, Mississippi.—The Secretary is authorized to carry out a project to widen 14.7 miles of U.S. Highway 98 from 1.5 miles east of U.S. Highway 49 in Forrest County, east to State Route 29 in New Augusta, Mississippi.

(104) Highway 30, Nebraska.—The Secretary is authorized to carry out a project to replace the bridge that carries Highway 30 over the Missouri River between Blair, Nebraska and Missouri Valley, Iowa.

(105) Las Vegas, Nevada.—The Secretary is authorized to carry out a project to construct an interchange at Sahara Avenue and Interstate Route I-15, in the city of Las Vegas, Nevada.

(106) Henderson, Nevada.—The Secretary is authorized to carry out a project to improve the Boulder Highway in Henderson, Nevada. The project involves 6.36 miles along U.S. Route 93/95 from the intersection of Sunset Road to the intersection of Horizon Drive.

(107) Los Alamos-Santa Fe, New Mexico.—The Secretary is authorized to carry out a project for a new route from Los Alamos, New Mexico to Santa Fe, New Mexico.

(108) Long Island Expressway, New York.—The Secretary is authorized to carry out a study to examine the feasibility of adding a fourth lane in each direction on Interstate Route I-495 in New York.

(109) Nassau Expressway, New York.—The Secretary is authorized to carry out a project to extend the Nassau Expressway from Burnside Avenue to Broadway in New York.

(110) Westchester Parkway, New York.—The Secretary is authorized to carry out a project on the Westchester Parkway, New York, to widen the segment between the Hawthorne Interchange and Washburn Road, reconstruct the southbound lanes in the vicinity of Pleasantville Road, and reconstruct the Pleasantville Road Interchange.

(111) North Dakota.—The Secretary is authorized to carry out the following projects on access highways to public recreation areas on certain lakes and State parks in North Dakota in order to accommodate present and projected traffic density:

(A) Morton county.—The Secretary is authorized to carry out a project for bridge replacement and access road to Sweetbriar and Crown Butte Lakes, North Dakota.

(B) Mercer county.—The Secretary is authorized to carry out a project to construct an access road in Mercer County, County FAS Route 2927 from 4 miles north of Hazen, North Dakota north 8 miles to Hazen Bay, Lake Sakakawea.

(C) Ransom county.—The Secretary is authorized to carry out a project to construct an access road in Ransom County, County FAS Route 3705 from State Highway 46, south 17 miles to State Highway 27 and a 1 mile spur to Fort Ransom State Park.

(D) Benson and Ramsey counties.—The Secretary is authorized to carry out a project to construct an access road in Benson and Ramsey Counties FAS Route 0322 from U.S. Route 281 at Minnewaukan, east to Tri-County Park, north to State Highway 19.

(E) Mountrail county.—The Secretary is authorized to carry out a project to construct an access road in Mountrail County from Parshall west 10 miles to Parshall Bay on Lake Sakakawea.

(F) Emmons county.—The Secretary is authorized to carry out a project to construct an access road in Emmons County FAS Route 1503 from Beaver Bay 13 miles west of Linton, south 23 miles to the South Dakota state line.

(G) McKenzie county.—The Secretary is authorized to carry out a project to construct an access road in McKenzie County from Charleson south and east 8 miles to Lake Sakakawea.

(H) Grand Forks county.—The Secretary is authorized to carry out a project to construct an access road in Grand Forks County from 1 mile east of Larimore, north 5 miles to Larimore Dam recreation area.

(I) Grand Forks county.—The Secretary is authorized to carry out a project to construct an access road in Grand Forks County from County Road 19 4 miles south of Fordville, east and south 9 miles to Fordville Dam recreation area.

(J) Steele county.—The Secretary is authorized to carry out a project to construct an access road in Steele County State Highway 200, 9 miles east of Finley, north 9 miles to the Golden Lake recreation area.

(K) McKenzie county.—The Secretary is authorized to carry out a project to construct an access road in McKenzie County from U.S. Route 85 south of Williston, east 4.2 miles to several bays on Lake Sakakawea.

(L) Bottineau and Renville counties.—The Secretary is authorized to carry out a project to construct an access road in Bottineau and Renville Counties, FAS Routes 3828 and 0526 from Lake Darling 1 mile west of Grano, east 10 miles.

(M) Mountrail county.—The Secretary is authorized to carry out a project to construct an access road in Mountrail County, FAS Route 3123 from State Highway 23, 6 miles east of Newtown, south 2.5 miles to Van Hook Bay on Lake Sakakawea.

(112) Gladstone, North Dakota.—The Secretary is authorized to carry out a project to improve access to a regional grain elevator, FAS Routes 2117 and 4531 from State Highway 21 at Regent, north 34 miles to Gladstone and Interstate Route I-94, Gladstone, North Dakota.

(113) Eugene, Oregon.—The Secretary is authorized to carry out a preliminary engineering study to plan and design alternatives to the Ferry Street Bridge in Eugene, Oregon.

(114) Providence, Rhode Island.—The Secretary is authorized to carry out a project for United States Route 1 in Providence, Rhode Island, to make improvements on Allens Avenue and Eddy Street to add a center turning lane, widen the road, provide for shoulders, and improve safety on approximately 3 miles of road.

(115) West Warwick, Rhode Island.—The Secretary is authorized to carry out a project on Wakefield Street in West Warwick, Rhode Island, to improve pavement surfaces, curbs, and sidewalks, to add drainage facilities, and to widen approximately 3.5 miles of such street.

(116) Myrtle beach, South Carolina.—The Secretary is authorized to carry out a project to construct a new controlled access road from Interstate Route I-95 at Florence, South Carolina to U.S. Route 17, north of Myrtle Beach, South Carolina, including a connector from northwest of Conway, South Carolina, to U.S. Route 17, south of Myrtle Beach.

(117) Keystone, South Dakota.—The Secretary is authorized to carry out a project to construct an additional lane on South Dakota Route 244 from Mount Rushmore National Memorial to the vicinity of Keystone.

(118) West Todd county, South Dakota.—The Secretary is authorized to carry out a project for grading and interim surfacing of United States Route 18 in South Dakota from the West Todd County line, east.

(119) Iroquois-DeSmet, South Dakota.—The Secretary is authorized to carry out a project for grading and resurfacing United States Route 14 in South Dakota from Iroquois to DeSmet.

(120) Dallas, Texas.—The Secretary is authorized to carry out a project to construct and upgrade 8.1 miles from Beltline Road in Dallas County to SR-121 in Collin County.

(121) Blue Ridge Parkway, Virginia.—The Secretary is authorized to carry out a 10-mile extension of the Blue Ridge Parkway to the Explore Project (a tourist destination located in the Roanoke Valley in western Virginia to be designed and built by the National Park Service and to be transferred to and maintained by the Blue Ridge Parkway portion of the National Park Service).

(c) Authorization of Appropriations From Highway Trust Fund.—There is authorized to be appropriated, out of the Highway Trust Fund (other than the Mass Transit Account) per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991 to carry out—

(1) subsection (a)(1) $5,000,000;

(2) subsection (a)(2) $2,000,000;

(3) subsection (a)(3) $1,100,000;

(4) subsection (a)(4) $850,000;

(5) subsection (a)(5) $500,000;

(6) subsection (a)(6) $550,000;

(7) subsection (a)(7) $2,900,000;

(8) subsection (a)(8) $9,000,000;

(9) preliminary engineering and design under subsection (a)(9) $600,000;

(10) preliminary engineering and design under subsection (a)(10) $1,030,000;

(11)(A) preliminary engineering and design, utility relocation, land acquisition, and initial construction under subsection (a)(11)(A) $4,500,000; and

(B) preliminary engineering and design, utility relocation, land acquisition, and initial construction under subsection (a)(11)(B) $4,500,000;

(12) subsection (a)(12) $1,400,000;

(13) subsection (a)(13) $2,900,000;

(14) subsection (a)(14) $800,000;

(15) subsection (a)(15) $750,000;

(16) subsection (a)(16) $1,300,000;

(17) preliminary engineering and design, utility relocation, land acquisition, and initial construction under subsection (a)(17) $1,100,000;

(18) subsection (a)(18) $350,000;

(19) subsection (a)(19) $2,100,000;

(20) subsection (a)(20) $900,000;

(21) subsection (a)(21) $300,000;

(22) subsection (a)(22) $600,000;

(23) subsection (a)(23) $800,000;

(24) subsection (a)(24) $1,250,000;

(25) subsection (a)(25) $800,000;

(26) subsection (a)(26) $1,500,000;

(27) subsection (a)(27) $2,000,000;

(28) subsection (a)(28) $1,200,000;
(29) subsection (a)(29) $220,000;
(30) subsection (a)(30) $1,208,000;
(31) subsection (a)(31) $1,500,000;
(32) subsection (a)(32) $1,400,000;
(33) subsection (a)(33) $260,000;
(34) subsection (a)(34) $310,000;
(35) subsection (a)(35) $975,000;
(36) subsection (a)(36) $385,000;
(37) subsection (a)(37) $200,000;
(38) subsection (a)(38) $7,400,000;
(39) preliminary engineering and design under subsection (a)(39) $550,000;
(40) subsection (a)(40) $800,000;
(41)(A) subsection (a)(41) $1,050,000; and
(B) land acquisition under subsection (a)(41)(B) $2,400,000;
(42) subsection (a)(42) $453,000;
(43) subsection (a)(43) $6,650,000;
(44) subsection (a)(44) $1,340,000;
(45) subsection (a)(45) $72,000;
(46) subsection (a)(46) $400,000;
(47) subsection (a)(47) $1,080,000;
(48) subsection (a)(48) $75,000;
(49) subsection (a)(49) $90,000;
(50) subsection (a)(50) $200,000;
(51) subsection (a)(51) $500,000;
(52) subsection (a)(52) $900,000;
(53) subsection (a)(53) $1,880,000;
(54) preliminary engineering and design under subsection (a)(54) $1,300,000;
(55) subsection (a)(55) $1,230,000;
(56) subsection (a)(56) $195,800;
(57) land acquisition under subsection (a)(57) $400,000;
(58) subsection (a)(58) $2,500,000;
(59) subsection (a)(59) $1,500,000;
(60) subsection (a)(60) $220,000;
(61) subsection (a)(61) $2,000,000;
(62) subsection (a)(62) $1,760,000;
(63) subsection (a)(63) $1,000,000;
(64) preliminary engineering and design under subsection (a)(64) $150,000;
(65) preliminary engineering and design under subsection (a)(65) $200,000;
(66) subsection (a)(66) $1,800,000;
(67) subsection (a)(67) $3,400,000;
(68) subsection (a)(68) $1,170,000;
(69) subsection (a)(69) $600,000;
(70) preliminary engineering and design under subsection (a)(70) $300,000;
(71) preliminary engineering and design, environmental analysis, and implementation of environmental mitigation measures under subsection (a)(71) $800,000;
(72) subsection (a)(72) $900,000;
(73) subsection (a)(73) $900,000;
(74) subsection (a)(74) $500,000;
(75) subsection (a)(75) $600,000;
(76) subsection (a)(76) $100,000;
(77) subsection (a)(77) $400,000;
(78) subsection (a)(78) $300,000;
(79) subsection (a)(79) $563,000;
(80) subsection (a)(80) $800,000;
(81) subsection (a)(81) $1,370,000;
(82) subsection (a)(82) $1,800,000;
(83) subsection (a)(83) $500,000;
(84) subsection (a)(84) $4,000,000;
(85) subsection (a)(85) $4,000,000;
(86) subsection (a)(86) $2,600,000;
(87) subsection (a)(87) $590,000;
(88) subsection (a)(88) $520,000;
(89) subsection (a)(89) $250,000;
(90) subsection (a)(90) $250,000;
(91) subsection (a)(91) $3,000,000;
(92) subsection (a)(92) $56,000;
(93) subsection (a)(93) $310,000;
(94) subsection (a)(94) $258,000;
(95) subsection (a)(95) $862,000;
(96) subsection (a)(96) $540,000;
(97) subsection (a)(97) $856,000;
(98) subsection (a)(98) $398,000;
(99) subsection (a)(99) $260,000;
(100) subsection (a)(100) $100,000;
(101) subsection (a)(101) $4,000,000;
(102) subsection (a)(102) $3,240,000;
(103) subsection (a)(103) $2,058,000;
(104) subsection (a)(104) $540,000;
(105) subsection (a)(105) $900,000;
(106) subsection (a)(106) $600,000;
(107) subsection (a)(107) $4,000,000;
(108) subsection (a)(108) $200,000;
(109) subsection (a)(109) $600,000;
(110) subsection (a)(110) $800,000;
(111)(A) subsection (a)(111)(A) $180,000;
(B) subsection (a)(111)(B) $120,000;
(C) subsection (a)(111)(C) $300,000;
(D) subsection (a)(111)(D) $370,000;
(E) subsection (a)(111)(E) $280,000;
(F) subsection (a)(111)(F) $590,000;
(G) subsection (a)(111)(G) $80,000;
(H) subsection (a)(111)(H) $80,000;
(I) subsection (a)(111)(I) $100,000;
(J) subsection (a)(111)(J) $160,000;
(K) subsection (a)(111)(K) $80,000;
(L) subsection (a)(111)(L) $160,000; and
(M) subsection (a)(111)(M) $60,000;
(112) subsection (a)(112) $810,000;
(113) subsection (a)(113) $250,000;
(114) subsection (a)(114) $400,000;
(115) subsection (a)(115) $380,000;
(116) subsection (a)(116) $4,000,000;
(117) subsection (a)(117) $300,000;
(118) subsection (a)(118) $930,000;
(119) subsection (a)(119) $754,000;
(120) subsection (a)(120) $4,000,000; and
(121) subsection (a)(121) $1,500,000.

(c) Minimum Allocation.—

(1) In general.—If the total amount authorized for projects in a State in a fiscal year under subsection (b) is less than $829,060, the Secretary shall allocate an additional amount to such State for such fiscal year. The additional amount shall be an amount which, when added to the total amount authorized for projects in such State for such fiscal year under subsection (b), equals $829,060.

(2) Use of funds.—Subject to subsections (d) and (e), amounts allocated under paragraph (1) shall be available to a State to carry out any project on a Federal-aid system.

(3) Authorization of appropriations.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) $12,200,000 per fiscal year for each of fiscal years 1987, 1988, 1989, 1990, and 1991 to carry out this subsection.

(d) Amounts Available From Discretionary Funds.—

(1) Determination of amount for each project.—For each project authorized by subsection (a), the Secretary shall make available in any fiscal year an amount equal to 60 percent of the amount authorized for such project for such fiscal year by subsection (b). For each project constructed by a State with funds allocated under subsection (c), the Secretary shall make available to such State for such project an amount equal to 60 percent of the amount of such funds used for such project.

(2) Amounts derived from discretionary funds.—The amounts required to carry out paragraph (1) shall be derived from the discretionary funds described in paragraph (3). For each of fiscal years 1987, 1988, 1989, 1990, and 1991, the Secretary shall reserve from each such discretionary fund an amount equal to—

(A) the total required to carry out paragraph (1) for such fiscal year, multiplied by

(B) a fraction, the numerator of which is the amount available to be distributed at the discretion of the Secretary for such fiscal year from such discretionary fund, and the denominator of which is the amount available to be distributed at the discretion of the Secretary for such fiscal year from all such discretionary funds.

(3) Discretionary funds.—The discretionary funds referred to in paragraph (2) are the funds available to be distributed at the discretion of the Secretary under—

(A) section 103(e)(4) of title 23, United States Code, for highway assistance projects;

(B) section 118(b) of such title;

(C) section 118(c) of such title; and

(D) section 144(g) of such title;

except that such discretionary funds shall not include the funds available under section 118(b) of such title in fiscal year 1987.

(4) Applicability of certain provisions.—A provision of title 23, United States Code, shall only apply to amounts to be obligated under this subsection to the extent that the Secretary determines that application of such provision is consistent with this section.

(e) State Share.—

(1) General rule.—A State in which a project authorized by subsection (a) is located, or which constructs a project with funds received under an allocation under subsection (c), shall provide for such project an amount equal to 40 percent of the amount authorized for such project or the amount provided for such project from such allocation. Such amount shall be provided from non-Federal sources.

(2) Local government option.—Any portion of the State share under this subsection and subsection (f) may be provided by a political subdivision of the State, at the election of such political subdivision.

(f) Additional Funds.—

(1) General rule.—If amounts provided under subsections (b), (c), (d), and (e) of this section are not sufficient to complete a project authorized by subsection (a), a State may use any funds apportioned or allocated to the State for Federal-aid highways (other than interstate construction, highway-railway crossings, and hazard elimination funds) and any State funds to complete such project.

(2) Federal share.—If Federal-aid highway funds are used to complete a project pursuant to this subsection, the use of such funds shall be subject to the appropriate Federal share applicable with respect to such class of funds under title 23, United States Code.

(g) Delegation to States.—Subject to the provisions of title 23, United States Code, the Secretary shall delegate responsibility for construction of a project or projects under this section (other than subsection (k)) to the State in which such project or projects are located upon request of such State.

(h) Advance Construction.—When a State which has been delegated responsibility for construction of a project under this section (other than subsection (k))—

(1) has obligated all funds allocated under this section for construction of such project; and

(2) proceeds to construct such project without the aid of Federal funds in accordance with all procedures and all requirements applicable to such project, except insofar as such procedures and requirements limit the State to the construction of projects with the aid of Federal funds previously allocated to it;

the Secretary, upon the approval of the application of a State, shall pay to the State the Federal share of the cost of construction *of the project when additional funds are allocated for such project under this section.*

(i) APPLICABILITY OF TITLE 23.—Funds authorized by this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of any project under this section shall be determined in accordance with this section and such funds shall remain available until expended. Funds authorized by subsections (b) and (c) shall not be subject to any obligation limitation.

(j) REPORTS.—

(1) STATUS REPORTS.—Not later than January 31 of calendar years 1988, 1989, 1990, and 1991, the Secretary shall submit to Congress a report on the status of the projects authorized by this section.

(2) PASSAIC COUNTY, NEW JERSEY.—Not later than 180 days after completion of the demonstration project under subsection (a)(1), the Secretary shall submit a report to Congress on the results of such project (including the timesavings), along with a description of the procedures used to accelerate design and construction of such project, a summary of the manner in which the techniques used in carrying out such project in an urban area differed from the techniques used in the demonstration project carried out under section 141 of the Federal-Aid Highway Act of 1976 in a rural area, and an analysis of the costs and benefits of the accelerated completion of the project conducted under such paragraph (1).

(3) ALTOONA, PENNSYLVANIA.—Not later than 1 year, 6 years, and 11 years after the completion of the state of the art delineation technology project under subsection (a)(8), the Secretary shall submit reports to the Congress, including but not limited to the results of such project, the effects of using the best delineation technology on safety and other considerations, recommendations for applying the results to other highway projects, and any changes that may be necessary by law to permit further use of such delineation techniques.

(4) ARKANSAS-MISSOURI.—Not later than 1 year, 6 years, and 11 years after the completion of the projects under subsection (a)(11), the Secretary shall submit reports to the Congress, including but not limited to the results of such projects, the effects of using design features and advances described in such paragraph on safety and other considerations, recommendations for applying the results to other highway projects, and any changes that may be necessary by law to permit further use of such features and advances.

(5) LIMITATION ON FUNDING.—The cost of any reports required by this subsection (other than status reports under paragraph (1) with respect to a project) shall be paid for with funds made available under subsection (b) of this section for such project.

(k) PRIORITY PROJECTS.

(1) PROJECT DESCRIPTIONS.—

(A) DRY RIDGE, KENTUCKY.—The Secretary is authorized to carry out a highway project to demonstrate methods of improving traffic flow and safety on a portion of a Kentucky State highway which connects an interstate route in the vicinity of Dry Ridge, Kentucky, with a highway on the Federal-aid primary system in the vicinity of Owenton, Kentucky.

(B) ISLE OF PALMS, SOUTH CAROLINA.—The Secretary is authorized to carry out a highway project connecting the Isle of Palms, South Carolina, to the mainland for the purpose of demonstrating the reduction in traffic congestion, improved emergency preparedness, and increased accessibility to a sea island by construction of a high-level fixed span bridge over a high-volume intracoastal waterway segment.

(C) IDAHO FALLS, IDAHO.—The Secretary is authorized to carry out the United States-20/26 Highway Project, located on United States-20/26 and United States-20 between the Idaho National Engineering Laboratory site and the city of Idaho Falls, Idaho;

(D) LAS CRUCES, NEW MEXICO.—The Secretary is authorized to carry out work on United States 70 in the State of New Mexico from Las Cruces, New Mexico to Texico, New Mexico.

(E) LAWRENCE, KANSAS.—The Secretary is authorized to carry out, in Lawrence, Kansas, a bypass project which is a model for its cost-sharing arrangement and economic development goals.

(F) WICHITA, KANSAS.—The Secretary is authorized to carry out, in Wichita, Kansas, the replacement of a conventional intersection of 2 heavily-travelled streets at Kellogg and Oliver with a new low-cost European fly-over design for the interchange.

(G) EMPORIA, KANSAS.—The Secretary is authorized to construct, in Emporia, Kansas, a new Prairie Street overpass to overcome existing flood conditions.

(H) SOUTH CAROLINA.—The Secretary is authorized to construct the South Carolina portion of the Bobby Jones Expressway bypass from I-20 near North Augusta, South Carolina, south across the Savannah River into Georgia, where it connects with I-520.

(I) FORT WORTH, TEXAS.—The Secretary is authorized to carry out reconstruction and widening of a critical interchange ("West Leg") involving major, heavily traveled East-West and North-South interstate highways (I-30 and I-35, respectively), Fort Worth, Texas.

(J) EBSENBERG, PENNSYLVANIA.—The Secretary is authorized to carry out and construct the Ebsenberg Pennsylvania bypass to divert traffic from Route 219 in Ebsenberg, Pennsylvania, to a 5.1 mile relocated segment.

(K) ST. LOUIS, MISSOURI.—The Secretary is authorized to carry out the restoration of the Martin Luther King bridge connecting the metro east area in Illinois and St. Louis, Missouri.

(L) IOWA.—The Secretary is authorized to carry out the construction of a bridge on United States Route 30 in Iowa to replace a 56-year old structure which is too narrow to be utilized by motor carriers.

(M) EAST CHICAGO, INDIANA.—The Secretary is authorized to construct the Cline Avenue—I-94 Interchange in East Chicago, Indiana.

(N) EAST CHICAGO, INDIANA.—The Secretary is authorized to carry out the Cline Avenue Interchange improvement project in East Chicago, Indiana, for the reconstruction of an intersection of Cline Avenue and the Borman Expressway.

(O) TEXARKANA, TEXAS.—The Secretary is authorized to carry out a highway project in the United States 59 highway corridor in Texas, from Texarkana to Houston to Beeville.

(P) SOMERSET, PENNSYLVANIA.—The Secretary is authorized to carry out a study to determine the feasibility of constructing a 4-lane highway out of a 2-lane segment of Route 219 between Somerset, Pennsylvania, and the border of the State of Maryland.

(Q) JOHNSTOWN, PENNSYLVANIA.—The Secretary is authorized to carry out a study to determine the feasibility of constructing a 4-lane highway out of a 2-lane segment that connects Route 56, near Johnstown, Pennsylvania, to Route 22.

(R) PITTSBURGH, PENNSYLVANIA.—The Secretary is authorized to carry out a study to determine the feasibility of making Route 22 between Ebensburg and Pittsburgh, Pennsylvania, completely 4-lane.

(S) EXTON, PENNSYLVANIA.—The Secretary is authorized to carry out a project to construct a bypass of approximately 4.9 miles parallel to Route 30, to divert motor traffic around the city of Exton, Pennsylvania.

(T) BELLA VISTA, ARKANSAS.—The Secretary is authorized to carry out a highway project in the State of Arkansas on a segment of a north-south highway on the Federal-aid primary system from the vicinity of the junction of Interstate Routes I-40 and I-540 to the boundary between the States of Arkansas and Missouri in the vicinity of Bella Vista, Arkansas, for the purpose of demonstrating methods of improving highway safety and of accelerating highway construction. Such project shall increase the number of lanes on such segment from two to four.

(2) FUNDING.—A State may use any amount apportioned for fiscal year 1987, 1988, 1989, 1990, or 1991 under section 104 (other than 104(b)(5)(A)) or section 144 of title 23, United States Code, to pay the Federal share of the cost of a project under this subsection.

(3) FEDERAL SHARE.—If Federal-aid highway funds are used to complete a project pursuant to this subsection, the use of such funds shall be subject to the appropriate Federal share applicable with respect to such class of funds under title 23, United States Code.

SEC. 150. CUMBERLAND GAP NATIONAL HISTORICAL PARK, VIRGINIA.

(a) AVAILABILITY OF PARKWAY FUNDS.—Section 160(a) of the Federal-Aid Highway Act of 1973 (87 Stat. 278) is amended by adding at the end the following new sentences: "After completion of the reconstruction and relocation of Route 25E through the Cumberland Gap National Historical Park (including construction of a tunnel and the approaches thereto), funds available for parkways, notwithstanding the definition of parkways in section 101(a) of title 23, United States Code, shall be available to finance the cost of upgrading from 2 lanes to 4 lanes a highway providing access from such route through that portion of the Cumberland Gap National Historical Park which lies within the State of Virginia. The project referred to in the preceding sentence, including preparation of any environmental impact statements with respect to such project, shall not delay or affect in any way the reconstruction and relocation of Route 25E (including construction of a tunnel and approaches thereto).".

(b) INCLUSION OF APPROACHES.—Subsection (b) of section 160 of such Act is amended by inserting after "rights-of-way" the following: ", including approaches in the State of Virginia,".

SEC. 151. DELAWARE RIVER BRIDGES.

(a) REPAYMENT OF FEDERAL FUNDS INVESTED ON I-80 BRIDGE.—

(1) IN GENERAL.—The Delaware River Joint Toll Bridge Commission (hereinafter in this section referred to as the "Commission"), in conjunction with the State highway agencies of the States of Pennsylvania and New Jersey, shall enter into an agreement with the Secretary to repay to the Treasury of the United States any Federal funds which previously have been obligated or otherwise ex-

pended by the Federal Government with respect to the Delaware Water Gap Bridge on I-80. Such repayment shall be credited to the Highway Trust Fund.

(2) EFFECT OF REPAYMENT.—Upon such repayment, such States and the Commission shall be free of all restrictions contained in title 23, United States Code, and any regulation or agreement thereunder, with respect to the collection or imposition of tolls or other charges for such bridge or the use thereof.

(b) AGREEMENT TO CONSTRUCT I-78 TOLL BRIDGE.—If the State of Pennsylvania, the State of New Jersey, and the Commission determine to operate the uncompleted bridge under construction in the vicinity of Easton, Pennsylvania, and Phillipsburg, New Jersey, on I-78 as a toll bridge, such States, the Commission, and the Secretary shall enter into an agreement with respect to such I-78 bridge project as provided in section 129 of title 23, United States Code, notwithstanding the requirements of section 301 of such title or any existing agreement.

(c) RIGHT OF REVIEW BY FEDERAL AGENCIES.—The Commission's authority to fix, charge or collect any fees, rentals, tolls, or other charges shall be as provided in its compact and supplements thereto (including the supplemental agreement described in subsection (e)); except that paragraph (c) of such supplemental agreement shall not be construed to eliminate the necessity for review and approval by any Federal agency, as may be required under applicable Federal law, to determine that the tolls charged by the Commission are reasonable and just consistent with the Commission's responsibilities under such compact and supplements thereto.

(d) LIMITATIONS.—

(1) NO TOLLS ON EXISTING NONTOLL BRIDGES.—Nothing in this section shall be construed to grant congressional consent to the imposition of tolls by the Commission on any existing and operating bridge under the Commission's jurisdiction on which tolls were not charged and collected on January 1, 1986.

(2) NONAPPLICABILITY TO I-895 CORRIDOR.—Nothing in this section shall constitute congressional approval to construct any additional toll bridge in the previously designated I-895 corridor.

(e) SUPPLEMENTAL AGREEMENT.—

(1) CONSENT OF CONGRESS.—The consent of the Congress is hereby given to the supplemental agreement, described in paragraph (2), concerning the Delaware River Joint Toll Bridge Commission, which agreement has been enacted by the State of Pennsylvania on December 18, 1984, as Act 206, laws of 1984, and by the State of New Jersey on October 21, 1985, as Public Law 1985, chapter 342.

(2) DESCRIPTION OF AGREEMENT.—The agreement referred to in paragraph (1) reads substantially as follows:

"SUPPLEMENTAL AGREEMENT BETWEEN THE COMMONWEALTH OF PENNSYLVANIA AND THE STATE OF NEW JERSEY

"SUPPLEMENTING THE COMPACT OR AGREEMENT ENTITLED 'AGREEMENT BETWEEN THE COMMONWEALTH OF PENNSYLVANIA AND THE STATE OF NEW JERSEY CREATING THE DELAWARE RIVER JOINT TOLL BRIDGE COMMISSION AS A BODY CORPORATE AND POLITIC AND DEFINING ITS POWERS AND DUTIES, AS HERETOFORE AMENDED AND SUPPLEMENTED, TO ESTABLISH THE PURPOSES FOR WHICH THE COMMISSION MAY FIX, CHARGE, AND COLLECT TOLLS, RATES, RENTS, AND OTHER CHARGES FOR THE USE OF COMMISSION FACILITIES AND PROPERTIES'

"The Commonwealth of Pennsylvania and the State of New Jersey do solemnly covenant and agree, each with the other, as follows:

"(a)(1) Notwithstanding any other provision of the compact hereby supplemented, or any provision of law, State or Federal to the contrary, as soon as the existing outstanding bonded indebtedness of the commission shall be refunded, defeased, retired, or otherwise satisfied and thereafter, the commission may fix, charge, and collect tolls, rates, rents, and other charges for the use of any commission facility or property and in addition to any purpose now or heretofore or hereafter authorized for which the revenues from such tolls, rates, rents, or other charges may be applied, the commission is authorized to apply or expend any such revenue for the management, operation, maintenance, betterment, reconstruction, or replacement (A) of the existing non-toll bridges, formerly toll or otherwise, over the Delaware River between the State of New Jersey and the Commonwealth of Pennsylvania heretofore acquired by the commission pursuant to the provisions of the act of the State of New Jersey approved April 1, 1912 (Chapter 297), and all supplements and amendments thereto, and the act of the Commonwealth of Pennsylvania approved May 8, 1919 (Pamphlet Laws 148), and all supplements and amendments thereto, and (B) of all other bridges within the commission's jurisdiction and control. Betterment shall include but not be limited to parking areas for public transportation services and all facilities appurtenant to approved projects.

"(2) The commission may borrow money or otherwise incur indebtedness and provide from time to time for the issuance of its bonds or other obligations for one or more of the purposes authorized in this supplemental agreement. The commission is authorized to pledge its tolls, rates, rents, and other revenues, or any part thereof, as security for the repayment, with interest, of any moneys borrowed by it or advanced to it for any of its authorized purposes, and as security for the satisfaction of any other obligation assumed by it in connection with such loan or advances.

"(3) The authority of the commission to fix, charge, and collect fees, rentals, tolls or any other charges on the bridges within its jurisdiction, including the bridge at the Delaware Water Gap, is confirmed.

"(4) The covenants of the State of New Jersey and the Commonwealth of Pennsylvania as set forth in Article VI of the compact to which this is a supplemental agreement shall be fully applicable to any bonds or other obligations issued or undertaken by the commission. Notwithstanding Article VI or any other provision of the compact, the State of New Jersey and the Commonwealth of Pennsylvania may construct a bridge across the Delaware River in the vicinity of Easton, Pennsylvania, and Phillipsburg, New Jersey, within 10 miles of the existing toll bridge at that location. All the rest and remainder of the compact, as amended or supplemented, shall be in full force and effect except to the extent it is inconsistent with this supplemental agreement.

"(b) The commission is authorized to fix, charge, or collect fees, rentals, tolls, or any other charges on the proposed bridge to be constructed in the vicinity of Easton, Pennsylvania, and Phillipsburg, New Jersey, in the same manner and to the same extent that it can do so for other toll bridges under its jurisdiction and control: Provided, That the United States Government has approved the bridge to be a part of the National System of Interstate and Defense Highways with 90 percent of the cost of construction to be contributed by the United States Government: And provided further, That the non-Federal share of such bridge project is contributed by the commission. The commission is further authorized in the same manner and to the same extent that it can do so for all the other toll bridges under its jurisdiction and control to fix, charge, and collect fees, rentals, tolls or any other charges on any other bridge within its jurisdiction and control if such bridge has been constructed in part with Federal funds.

"(c) The consent of Congress to this compact shall constitute Federal approval of the powers herein vested in the commission and shall also constitute authority to the United States Department of Transportation or any successor agency and the intent of Congress to grant and Federal approvals required hereunder to permit the commission to fix, charge, and collect fees, rentals, tolls, or any other charges on the bridges within its jurisdiction to the extent provided in subsections (a) and (b) and this subsection and the compact.

"(d) Notwithstanding the above provisions, the commission shall not fix, charge, or collect fees, rentals, tolls, or any other charges on any of the various bridges formerly toll or otherwise over the Delaware River between the State of New Jersey and the Commonwealth of Pennsylvania heretofore acquired by the commission pursuant to the provisions of the act of the State of New Jersey approved April 1, 1912 (chapter 297), and all supplements and amendments thereto, and the act of the Commonwealth of Pennsylvania approved May 8, 1919 (Pamphlet Laws 148), and all supplements and amendments thereto.

"(e) At any time that the commission shall be free of all outstanding indebtedness, the State of New Jersey and the Commonwealth of Pennsylvania may, by the enactment of substantially similar acts, require the elimination of all tolls, rates, rents, and other charges on all bridges within the commission's jurisdiction and control and, thereafter, all costs and charges in connection with the construction, management, operation, maintenance, and betterment of bridges within the jurisdiction and control of the commission shall be the financial responsibility of the States as provided by law.".

SEC. 152. PROHIBITION ON WIDENING CERTAIN ROUTES THROUGH HISTORIC DISTRICT.

None of the funds authorized by this Act or any other Act or any amendment made by this Act may be obligated for a project to widen any State route through the historic district of the village of Hudson, Ohio, or for a project to construct an alternative or bypass route for such a route within 1 mile *of such historic district, unless specifically approved by the village council of the village of Hudson, Ohio.*

SEC. 153. URBAN HIGH DENSITY PROGRAM.

Of amounts available under the urban high density program, $2,806,675 is rescinded. $2,806,675 shall be made available out of the Highway Trust Fund by the Secretary for reconstruction of an interchange on an urban high density project designated in the State of Indiana in accordance with section 146 of title 23, United States Code (as such section was in effect on August 13, 1973).

SEC. 154. SIGNS IDENTIFYING FUNDING SOURCES.

If a State has a practice of erecting on projects under actual construction without Federal-aid highway assistance signs which indicate the source or sources of any funds used to carry out such projects, such State shall erect on all projects under actual construction with any funds made available out of the Highway Trust Fund (other than the Mass Transit Account) signs which are visible to highway users and which indicate each governmental source of funds being used to carry out such federally assisted projects and the amount of funds being made available by each such source.

SEC. 155. SALVAGE OPERATION.

Notwithstanding any other provision of law, the State of Massachusetts is required—

(1) to assist and coordinate the salvaging of the foundation and associated structures of the historic Great House in City Square, Charlestown, Massachusetts;

(2) to store the salvaged material during the depression and reconstruction of an interstate highway in Charlestown, Massachusetts; and

(3) to assist and coordinate the incorporation of the Great House's foundation and related structures into the reconstruction of City Square at Charlestown, Massachusetts.

SEC. 156. RELEASE OF CONDITION RELATING TO CONVEYANCE OF A CERTAIN HIGHWAY.

Notwithstanding paragraph (1) of subsection (b) of section 146 of the Federal-Aid Highway Act of 1970 (84 Stat. 1739) and any agreement entered into under such subsection, no conveyance of any road or portion thereof shall be required to be made under such paragraph or agreement to the State of Maryland and the State of Maryland shall not be required to accept conveyance of any such road or portion. Funds authorized by such section may be obligated and expended without regard to any requirement of such paragraph or agreement that such conveyance be made.

SEC. 157. MARYLAND INTERSTATE TRANSFER.

Section 7 of the Act entitled "An Act to apportion certain funds for construction of the National System of Interstate and Defense Highways for fiscal year 1985 and to increase the amount authorized to be expended for emergency relief under title 23, United States Code, and for other purposes", approved March 9, 1984 (98 Stat. 55-56), is amended—

(1) in the first sentence by inserting "not to exceed" before "$100,000,000";

(2) in the second sentence by striking out "$100,000,000" and inserting in lieu thereof "an amount equal to the amount of such funds"; and

(3) in the third sentence by striking out "$100,000,000" and inserting in lieu thereof "an amount equal to the amount of funds transferred under this section".

SEC. 158. MOTOR VEHICLE STUDY.

(a) Study.—The Secretary shall enter into appropriate arrangements with the Transportation Research Board of the National Academy of Sciences (hereinafter in this section referred to as the "Board") to conduct a study of those motor vehicle issues set forth in subsection (b) of this section. The Board shall consult with the Department of Transportation, the State highway administrations, the motor carrier industry, highway safety groups, and any other appropriate entities.

(b) Items Included.—The study shall include an analysis of the impacts of the various positions that have been put forth with respect to each issue. The final report shall include best estimates of the effects on pavement, bridges, highway revenue and cost responsibility, and highway safety, and the changes in transportation costs and other measures of productivity for various segments of the trucking industry resulting from adoption of each of the positions identified and analyzed. Related issues of permitting, weight enforcement, and data availability and reliability shall be addressed as appropriate. The issues to be addressed shall include but not be limited to the following:

(1) Elimination of existing, grandfather provisions of section 127, title 23, United States Code, which allow higher axle loads and gross vehicle weights than the 20,000-pound single axle load limit, 34,000-pound tandem axle load limit, and 80,000-pound gross vehicle weight limit maximums authorized by the Federal-Aid Highway Amendments of 1974 (Public Law 93-643), including permits for divisible loads and statutory provisions providing higher weights by formula, tolerance or statutory specification.

(2) Analysis of alternative methods of determining a gross vehicle weight limit and axle loadings for all types of motor carrier vehicles.

(3) Analysis of the bridge formula contained in section 127 of such title 23 in view of current vehicle configurations, pavement and bridge stresses in accord with 1986 design and construction practices, and existing bridges on and off the Interstate System.

(4) Establishment of a nationwide policy regarding the provisions of "reasonable access" to the National Network for combination vehicles established pursuant to the Surface Transportation Assistance Act of 1982.

(5) Recommendation of appropriate treatment for specialized hauling vehicles which do not comply with the existing Federal bridge formula.

(c) Report.—The Board shall submit a final report to the Secretary and the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives on the results of the study conducted under this section, not later than 30 months after appropriate arrangements are entered into under subsection (a). Appropriate arrangements shall be concluded within 6 months after the date of the enactment of this Act.

(d) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section, out of the Highway Trust Fund (other than the Mass Transit Account), $500,000 per fiscal year for each of fiscal years 1987 and 1988. Funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, and shall remain available until expended.

SEC. 159. RAIL-HIGHWAY CROSSINGS STUDY.

(a) Study.—The Secretary shall conduct a study of national highway-railroad crossing improvement and maintenance needs. The Secretary shall consult with the State highway administrations, the Association of American Railroads, highway safety groups, and any other appropriate entities in carrying out this study.

(b) Items Included.—The issues to be addressed by the study described in subsection (a) shall include, but not be limited to, the following:

(1) An examination of any correlation which may exist between existing conditions at highway-railroad crossings and accident data at such crossings.

(2) An examination of existing hazards to motorists and railroad personnel and community impacts resulting from mobility and capacity constraints at such crossings including delays of police, fire, and emergency medical services.

(3) An analysis of the most cost effective methods of protecting the public at crossings including a review of the impact of Federal funds expended at crossings; division of cost of improvements and maintenance between Federal, State, local governments and railroads; cost effectiveness of the railroad relocation demonstration program conducted under section 163 of the Federal-Aid Highways Act of 1973 as compared to the railroad-highway crossings program conducted under section 130 of title 23, United States Code; and the cost of upgrading existing equipment at crossings to the latest technology.

(4) An examination of driver behavior at such crossings and what technologies are most effective in changing behavior and preventing accidents.

(5) An examination of what effect the shift in rail traffic patterns, including abandonments, mergers, and increased demand in certain corridors) has on railroad-highway crossing needs.

(6) A review of any other potential costs associated with such crossings, including accident liability, increased truck size and weight, and maintenance responsibilities.

(7) An examination of railroad and highway needs relating to crossing safety, capacity, and mobility and the needs of communities affected by railroad-highway crossings.

(8) An examination of the feasibility of addressing these needs on a corridor or system basis.

(9) An examination of the responsibility of rail and highway authorities in addressing these needs.

(c) Report.—Not later than 24 months after the date of the enactment of this Act, the Secretary shall submit a final report to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives on the results of the study conducted under this section along with recommendations of how crossing needs can be addressed in a cost effective manner.

(d) Authorization of Appropriations.—There is authorized to be appropriated to carry out of this section, out of the Highway Trust Fund (other than the Mass Transit Account), $600,000 for 1987. Funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, and shall remain available until expended.

SEC. 160. STUDY OF HIGHWAY BRIDGES WHICH CROSS RAIL LINES.

(a) Needs Investigation.—The Secretary shall conduct a comprehensive study and investigation of improvement and maintenance needs for highway bridges which cross rail lines and whose ownership has been disputed. Such study and investigation shall assess—

(1) railroad and highway needs relating to safety, capacity, and mobility and the needs of communities affected by such bridges;

(2) the feasibility of addressing these needs on a comprehensive, national basis; and

(3) the responsibility of railroad and highway authorities in addressing these needs.

(b) Report.—Not later than 30 months after the date of the enactment of this Act, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the Secretary's study and investigation along with recommendations on how the bridge needs referred to in subsection (a) may best be addressed on a long term basis in a cost effective manner.

SEC. 161. PARKING FOR HANDICAPPED PERSONS.

(a) Study.—The Secretary shall conduct a study for the purpose of determining—

(1) any problems encountered by handicapped persons in parking motor vehicles; and

(2) whether or not each State should establish parking privileges for handicapped persons and grant to nonresidents of the State the same parking privileges as are granted to residents.

(b) Report.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the results of the study conducted under subsection (a).

(c) Development of Proposed Uniform State Law.—

(1) Requirement.—If the Secretary determines under subsection (a) that each State should establish parking privileges for handicapped persons and grant to nonresidents of the State the same parking privileges as are granted to residents, the Secretary shall develop a proposed uniform State law with respect to parking privileges for handicapped persons and submit a copy of the proposed uniform State law to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives and each State.

(2) Factors to consider.—In developing the proposed uniform State law, the Secretary shall consult with the States and shall consider any advantages—

(A) of ensuring that parking privileges for handicapped persons may be utilized whether a handicapped person is a passenger or a driver;

(B) of the use of the international symbol of access as the exclusive symbol identifying parking zones for handicapped persons and identifying vehicles that may park in such parking zones;

(C) of displaying the international symbol of access on license plates or license plate decals and on identification placards; and

(D) of designing any identification placard so that the placard is easily visible when placed in the interior of any vehicle.

(3) Report.—If a proposed uniform State law with respect to parking privileges for handicapped persons is developed and submitted to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives under paragraph (1), within 12 months after the date of such submission and each year thereafter, the Secretary shall report to such committees on the extent to which each State has adopted the proposed uniform State law.

SEC. 162. BRIDGE MANAGEMENT STUDY.

(a) Investigation and Study.—The Secretary shall make a full and complete investigation and study of State bridge management programs for the purpose of determining whether or not States participating in the Federal bridge replacement and rehabilitation program under section 144 of title 23, United States Code, need to establish a comprehensive bridge management program.

(b) Report.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the results of the investigation and study conducted under subsection (a) together with recommendations (including legislative and administrative recommendations) concerning State establishment of comprehensive bridge management programs and any minimum requirements of such programs which the Secretary considers appropriate based on the findings of such investigation and study.

SEC. 163. STATE MAINTENANCE PROGRAM STUDY.

(a) Investigation and Study.—The Secretary shall enter into appropriate arrangements with the National Academy of Sciences to conduct a complete investigation of the appropriateness of establishing minimum Federal guidelines for maintenance of the Federal-aid primary, secondary, and urban systems.

(b) Report.—Not later than 18 months after entering into appropriate arrangements under subsection (a), the National Academy of Sciences shall submit to the Secretary and the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the results of the investigation and study conducted under subsection (a) together with recommendations (including legislative and administrative recommendations) concerning establishment of minimum Federal guidelines for maintenance of the Federal-aid primary, secondary, and urban systems.

SEC. 164. FEASIBILITY STUDY OF USING HIGHWAY ELECTRIFICATION SYSTEMS.

(a) Grant Purpose.—The Secretary shall make a grant to the California Department of Transportation for the purpose of determining the feasibility and applicability of utilizing a highway electrification system as a source of energy for highway vehicles. Such grant shall cover the costs of activities necessary to make such determination, including (but not limited to) necessary land acquisition, construction of a test facility, research, planning, analysis, and engineering.

(b) Grant Conditions.—A grant may only be made under this section if the California Department of Transportation agrees—

(1) to conduct, through the test facility to be constructed under such grant, a study to determine the feasibility and applicability of using a highway electrification system as a source of energy for highway vehicles, and

(2) to submit to the Secretary a report on the results of such study not later than three years after the date such construction is completed.

(c) Authorization of Appropriations.—There is authorized to be appropriated to carry out subsection (a) of this section, out of the Highway Trust Fund (other than the Mass Transit Account), $970,000 per fiscal year for each of fiscal years 1987, 1988, and 1989.

(d) Funding and Applicability of Title 23.—Except as provided in subsection (e), funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, and such funds shall remain available until expended.

(e) Federal Share.—The Federal share of the cost of conducting the study under this section shall not exceed 65 percent.

SEC. 165. COST EFFECTIVENESS STUDY OF HIGHWAY UPGRADING.

(a) Study.—The Secretary shall conduct a study—

(1) to determine the cost-effectiveness of carrying out a project to upgrade Route 219—

(A) between its intersection with Interstate Route I-80 near Dubois, Pennsylvania, and its intersection with the boundary between New York and Pennsylvania near Bradford, Pennsylvania; and

(B) between its intersection with New York Route 242 near Ellicottville, New York, and its intersection with New York Route 17 (Southern Tier Expressway) in Salamanca, New York;

to the geometric and construction standards adopted for the National System of Interstate and Defense Highways;

(2) to determine the feasibility of partially financing such project with toll revenues, of using reclaimed strip mining lands for right-of-way for such project, and of avoiding encroachment upon national and State forests and State game lands in carrying out such project; and

(3) to determine the alignment on which such project should be carried out.

(b) Report.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives on the results of the study conducted under this section together with any recommendations the Secretary may have concerning the project described in subsection (a).

(c) Authorization of Appropriations.—There is authorized to be appropriated, out of the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $650,000 for fiscal year 1987.

(d) Funding and Applicability of Title 23.—Funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of conducting the study under this section shall not exceed 65 percent and such funds shall remain available until expended.

SEC. 166. HIGHWAY FEASIBILITY STUDY.

(a) Study.—The Secretary, in cooperation with the States of Louisiana, Arkansas, and Missouri, shall study the feasibility and necessity of constructing to appropriate standards a proposed highway along a route from Shreveport, Louisiana, to Texarkana, Fort Smith, and Fayetteville, Arkansas, and

Carthage and Kansas City, Missouri. Such study shall update the feasibility study conducted under section 143(6) of the Federal-Aid Highway Act of 1973.

(b) FEDERAL SHARE.—The Federal share of the cost of conducting the study under this section shall be 65 percent.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the results of the study conducted under this section.

SEC. 167. CALIFORNIA FEASIBILITY STUDY.

(a) STUDY.—The Secretary shall study the feasibility and necessity of constructing a bypass highway around the city of Sebastopol, California.

(b) REPORT.—Not later than 9 months after the date of the enactment of this Act, the Secretary shall transmit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the results of the study conducted under this section. Such report shall compare the costs and benefits of constructing the highway referred to in subsection (a) and shall include the recommendations of the Secretary concerning the location of such highway and appropriate design standards for such highway.

(c) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated, out of the Highway Trust Fund (other than the Mass Transit Account), to carry out this section $100,000 for fiscal year 1987.

(d) FUNDING AND APPLICABILITY OF TITLE 23.—Funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of conducting the study under this section shall not exceed 65 percent and such funds shall remain available until expended.

SEC. 168. NEW YORK FEASIBILITY STUDY.

(a) STUDY.—The Secretary shall study the feasibility and necessity of constructing a major highway on an inland route as an alternative to New York Route 5 from the central business district of Buffalo, New York, to the towns immediately south of Buffalo, New York.

(b) FEDERAL SHARE.—The Federal share of the cost of conducting the study under this section shall be 65 percent.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives on the results of the study conducted under this section together with any recommendations the Secretary may have concerning the project described in subsection (a).

SEC. 169. FLORIDA FEASIBILITY STUDY.

(a) STUDY.—The Secretary, in cooperation with the State of Florida, shall conduct a study of the feasibility and necessity of constructing, to appropriate standards, a tunnel of not less than 6 lanes (including approaches thereto) under the Intracoastal Waterway in the vicinity of, and north of, the Port Everglades Seaport in Fort Lauderdale, Florida, to replace a bridge on a State highway system and designated as part of the Federal-aid urban system.

(b) MATTERS INCLUDED.—The study conducted under this section shall include—

(1) an analysis of the need to reduce the congestion on the bridge referred to in subsection (a);

(2) an analysis of the extent to which the tunnel described in subsection (a) would reduce such congestion;

(3) an analysis of the extent to which such tunnel would improve navigation and the flow of vessels on the Intracoastal Waterway;

(4) an analysis of the extent to which such tunnel would improve safety and emergency services, including emergency evacuation programs;

(5) if appropriate, an analysis of alternative transportation facilities which would relieve the congestion on such bridge; and

(6) an analysis of feasible proposals for financing the construction of such tunnel and, if appropriate, each such alternative transportation facility, including cost estimates, recommendations as to the sharing of cost responsibilities, and other pertinent matters.

(c) FEDERAL SHARE.—The Federal share of the cost of conducting the study under this section shall be 65 percent.

(d) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report on the results of the study conducted under this section together with recommendations, including specific recommendations on the best method or methods of relieving the congestion on the bridge referred to in subsection (a).

(e) CONSULTATION.—In carrying out each phase of the study under this section, the Secretary shall consult with local officials, representatives of local civic organizations, representatives of the port, representatives of local businesses, and other interested parties.

SEC. 170. VIRGIN ISLANDS FEASIBILITY STUDY.

(a) REVIEW.—The Secretary, in cooperation with the Virgin Islands Department of Public Works, shall review existing studies relating to traffic congestion in and around Charlotte Amalie, Virgin Islands, for the purpose of determining feasible alternatives to construction of any highway which extends eastward from the vicinity of the Windward Passage Hotel on the western fringe of Charlotte Amalie and a segment of which parallels the existing Charlotte Amalie waterfront and requires extensive landfill along the waterfront. Such alternatives must reduce traffic congestion in and around Charlotte Amalie.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall report to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives on the results of the review under this subsection.

SEC. 171. STUDY OF FERRY BOAT SERVICE.

(a) STUDY.—The Secretary, in consultation with the highway departments of the States of Nebraska and South Dakota, shall conduct a study to determine the feasibility and cost of establishing public ferry boat service on the Missouri River which connects a Federal-aid highway in the vicinity of Niobrara, Nebraska, with a Federal-aid highway in the vicinity of Springfield, South Dakota, and which meets the requirements of section 129(g) of title 23, United States Code.

(b) FEDERAL SHARE.—The Federal share of the cost of conducting the study under this section shall be 65 percent.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit a report to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives on the results of the study conducted under this section together with any recommendations the Secretary may have concerning the establishment of the ferry boat service described in subsection (a).

SEC. 172. REVIEW OF REPORTS ON UNITED STATES ROUTE 13 RELIEF ROUTE.

The Congress requests the Board of Engineers for Rivers and Harbors of the United States Army Corps of Engineers to review—

(1) the report of the State of Delaware and the Federal Highway Administration for the United States Route 13 Relief Route; Project No. F-1001(16), Contract #83-110-01,

(2) the report of the Chief of Engineers on the Inland Waterway from the Delaware River to Chesapeake Bay, Delaware and Maryland, printed as House Document Number 63-196, and

(3) other subsequent reports pertinent to the reports referred to in paragraphs (1) and (2),

for the purpose of determining how to best modify the existing canal project to provide a new structure for the selected alignment of the United States Route 13 relief route.

SEC. 173. USE OF ROCK SALT ON HIGHWAYS.

It is the sense of Congress—

(1) that, to enhance environmental protection, and mitigate potential damages to highways and vehicles, Congress encourages efforts to advance the research and development of alternative chemical de-icers to rock salt;

(2) that Congress encourages research on alternative chemical de-icers to rock salt under the strategic highway research program under section 307(d) of title 23, United States Code; and

(3) that once alternative de-icers are commercially available, the full cost of all deicing materials, including damages to highways, vehicles, and the environment, should be considered by State and local governments in determining their snow and ice control strategies.

TITLE II—HIGHWAY SAFETY ACT OF 1987

SEC. 201. SHORT TITLE.

This title may be cited as the "Highway Safety Act of 1987".

SEC. 202. HIGHWAY SAFETY.

(a) AUTHORIZATIONS OF APPROPRIATIONS.—The following sums are authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account):

(1) NHTSA HIGHWAY SAFETY PROGRAMS.—For carrying out section 402 of title 23, United States Code, by the National Highway Traffic Safety Administration $126,000,000 for fiscal years 1988, 1989, 1990, and 1991.

(2) NHTSA HIGHWAY SAFETY RESEARCH AND DEVELOPMENT.—For carrying out section 403 of such title by the National Highway Traffic Safety Administration $33,000,000 for fiscal years 1987, 1988, 1989, 1990, and 1991.

(b) EXTENSION OF NHTSA HIGHWAY SAFETY PROGRAMS FOR FISCAL YEAR 1987.—Section 203(a) of the Surface Transportation Assistance Act of 1982 is amended—

(1) in paragraph (1) by striking out "and" and by inserting before the period at the end

of such paragraph ", and \$126,000,000 for the fiscal year ending September 30, 1987";

(2) in paragraph (2) by striking out "and" and by inserting "and September 30, 1987" after "1986,"; and

(3) in paragraph (4)(B) by striking out "and September 30, 1986," and inserting in lieu thereof "September 30, 1986, and September 30, 1987,".

(c) MINIMUM OBLIGATIONS OF NHTSA HIGHWAY SAFETY AUTHORIZATIONS.—

(1) ENFORCEMENT OF SPEED LIMIT.—Out of the funds authorized to be appropriated under subsection (a)(3) of this section for each of fiscal years 1988, 1989, 1990, and 1991, not less than \$20,000,000 per fiscal year shall be obligated under section 402 of title 23, United States Code, for the purpose of enforcing the speed limit established by section 154 of such title.

(2) SAFETY BELT PROGRAMS.—Each State shall expend in each fiscal year not less than 2 percent of the amount apportioned to it for such fiscal year of the sums authorized by subsection (a)(3) of this section, for programs to encourage the use of safety belts by drivers of, and passengers in, motor vehicles.

(d) OBLIGATION CEILING FOR HIGHWAY SAFETY PROGRAMS.—Notwithstanding any other provision of law, the total of all obligations for highway safety programs carried out by the National Highway Traffic Safety Administration under section 402 of title 23, United States Code, shall not exceed \$121,000,000 for fiscal year 1987 and \$126,000,000 per fiscal year for each of fiscal years 1988, 1989, 1990, and 1991.

SEC. 203. ALCOHOL TRAFFIC SAFETY PROGRAMS.

(a) PERIOD OF ELIGIBILITY.—Section 408(c) of title 23, United States Code, is amended—

(1) in the first sentence by striking out "three" and inserting in lieu thereof "5"; and

(2) in the second sentence by striking out "third fiscal year" and inserting in lieu thereof "third, fourth, and fifth fiscal years".

(b) AVAILABILITY OF FUNDS.—Section 408(g) of title 23, United States Code, is amended by inserting before the period at the end of the second sentence the following: "and except that sums authorized by this subsection shall remain available until expended".

(c) DEMONSTRATION OF CERTAIN DRUG AND ALCOHOL TESTING TECHNOLOGY.—

(1) IN GENERAL.—The Secretary is authorized—

(A) to test a new drug and alcohol testing technology which measures corneal retinal potential as exhibited in the brain function wave form; and

(B) to test the application of ignition interlock devices that prohibit the operation of motor vehicles by intoxicated individuals;

to determine the potential for applying such technology and devices in preventing drug and alcohol related traffic deaths.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall report to Congress on the effectiveness and the potential for application of the technology and devices described in paragraph (1).

SEC. 204. SCHOOLBUS SAFETY MEASURES.

(a) STUDY.—

(1) NATIONAL ACADEMY OF SCIENCES.—Not later than 30 days after the date of the enactment of this Act, the Secretary shall undertake to enter into appropriate arrangements with the National Academy of Sciences to conduct a comprehensive study and investigation of the principal causes of fatalities and injuries to schoolchildren riding in schoolbuses and of the use of seatbelts in schoolbuses and other measures that may improve the safety of schoolbus transportation. The purpose of the study and investigation is to determine those safety measures that are the most effective in protecting the safety of schoolchildren while boarding, leaving, and riding in schoolbuses.

(2) REPORT.—In entering into any arrangements with the National Academy of Sciences for conducting the study and investigation under this subsection, the Secretary shall request the National Academy of Sciences to submit, not later than 18 months after the date on which such arrangements are completed, to Congress and the Secretary a report on the results of such study and investigation. The report shall contain a list of those safety measures determined by the Academy to be most effective in protecting the safety of schoolchildren while boarding, leaving, and riding in schoolbuses.

(3) REVIEW OF REPORT.—Upon receipt of the report under paragraph (2), the Secretary shall review such report for the purpose of determining those safety measures that are the most effective in protecting the safety of schoolchildren while boarding, leaving, and riding in schoolbuses. Not later than 2 months after the date of receipt of such report, the Secretary shall publish in the Federal Register a list of those safety measures which the Secretary determines are the most effective in protecting the safety of such children.

(4) INFORMATION.—Upon request of the National Academy of Sciences, the Secretary shall furnish to the Academy any information which the Academy deems necessary for the purpose of conducting the study and investigation under this subsection.

(b) SCHOOLBUS SAFETY GRANT PROGRAM.—

(1) SET-ASIDE.—Before apportioning any funds made available to carry out section 402 of title 23, United States Code, for each of fiscal years 1989, 1990, and 1991, the Secretary may set aside an amount not to exceed \$5,000,000 for making grants to States to implement those schoolbus safety measures published by the Secretary under subsection (a).

(2) APPLICATION.—Any State interested in receiving under this subsection a grant to implement schoolbus safety measures in fiscal year 1989, 1990, or 1991 shall submit to the Secretary an application for such grant. Applications under this subsection shall be submitted at such time and in such form and contain such information as the Secretary may require by regulation.

(3) LIMITATION.—No State shall receive more than 30 percent of the funds set aside pursuant to this subsection for any fiscal year in grants under this subsection.

SEC. 205. SPLASH AND SPRAY SUPPRESSANT DEVICES.

Section 414(b) of the Surface Transportation Assistance Act of 1982 (49 U.S.C. 2314(b)) is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) within one year after the date of the enactment of the Highway Safety Act of 1987, establish final minimum standards with respect to the performance and installation of splash and spray suppression devices for use on truck tractors, semitrailers, and trailers unless the Secretary has determined that there is no available technology which—

"(A) can significantly reduce splash and spray from truck tractors, semitrailers, and trailers, and

"(B) can significantly improve visibility of drivers, as demonstrated during testing on highways, at test facilities, and in laboratories to take into account possible wind and rain conditions;".

SEC. 206. HIGHWAY SAFETY PROGRAM AMENDMENTS.

(a) GUIDELINES.—Section 402 of title 23, United States Code, is amended by striking out "standard" and "standards" each place they appear and inserting in lieu thereof "guideline" and "guidelines", respectively.

(b) WAIVERS FOR EXPERIMENTAL PROGRAMS.—Subsection (a) of such section is amended by striking out the last sentence.

(c) ELIMINATION OF CERTAIN CONDITION.—Subsection (b)(1) of such section is amended by striking out subparagraph (D), relating to comprehensive driver training programs, and by redesignating subparagraphs (E) and (F) (and any references thereto) as subparagraphs (D) and (E), respectively.

(d) RULEMAKING PROCESS.—Subsection (j) of such section is amended to read as follows:

"(j) RULEMAKING PROCESS.—The Secretary shall, not later than September 1, 1987, begin a rulemaking process to determine those programs most effective in reducing accidents, injuries, and deaths. Not later than April 1, 1988, the Secretary shall promulgate a final rule establishing those programs determined to be most effective in reducing accidents, injuries, and deaths. If such rule is promulgated by April 1, 1988, then it shall take effect October 1, 1988. If such rule is not promulgated by April 1, 1988, it shall take effect October 1, 1989. After a rule is promulgated in accordance with this subsection, the Secretary may from time to time thereafter revise such rule under a rulemaking process described in the first sentence of this subsection. Any rule under this subsection shall be promulgated taking into account consideration of the States having a major role in establishing programs described in the first sentence of this subsection. When a rule promulgated in accordance with this subsection takes effect, only those programs established by such rule as most effective in reducing accidents, injuries, and deaths shall be eligible to receive Federal financial assistance under this section.".

SEC. 207. HIGHWAY SAFETY EDUCATION AND INFORMATION.

(a) NATIONAL HIGHWAY SAFETY CAMPAIGN.—Subsection (d) of section 209 of the Highway Safety Act of 1978 is amended to read as follows:

"(d) NATIONAL HIGHWAY SAFETY CAMPAIGN.—Utilizing those techniques, methods, and practices determined most effective under subsection (b), the Secretary of Transportation shall conduct a national highway safety campaign utilizing the local and national television and radio to educate and inform the public of techniques, methods, and practices to reduce the number and severity of highway accidents. Not later than the 180th day after the date of submission of the first report to Congress required by subsection (b) of this section, the Secretary shall commence the conduct of such campaign.".

(b) LIMITATION ON OBLIGATIONS.—Subsection (h) of such section is amended by adding at the end thereof the following: "None of the amounts authorized by this subsection shall be available for obligation for any education or information program conducted in connection with the implementation of Federal Motor Vehicle Safety Standard 208 (49 C.F.R. 571.208).".

(c) OBLIGATION CEILING.—Subsection (i) of such section is amended by inserting before the period at the end the following: "and except that the funds authorized to be appropriated to carry out this section shall not be subject to any obligation limitation".

SEC. 208. OLDER DRIVER STUDY.

(a) CONTRACT.—Not later than 30 months after the date of the enactment of this Act, the Secretary shall undertake to enter into appropriate arrangements with the National Academy of Sciences to conduct a comprehensive study and investigation of (1) problems which may inhibit the safety and mobility of older drivers using the Nation's roads, and (2) means of addressing these problems.

(b) REPORT.—In entering into any arrangement with the National Academy of Sciences for conducting such study and investigation, the Secretary shall request the National Academy of Sciences to report to the Secretary and Congress not later than 24 months after the date of the enactment of this Act on the results of such study and investigation, together with its recommendations.

(c) AVAILABILITY OF INFORMATION.—The Secretary shall furnish to such Academy at its request any information which the Academy deems necessary for the purpose of conducting the investigation and study authorized by this section.

(d) PILOT PROGRAM.—

(1) DEVELOPMENT OF PROGRAM.—The Secretary shall develop, in conjunction with the study carried out under this section, a pilot program of highway safety improvements to enhance the safety and mobility of older drivers. The program shall be designed to apply known technology at sites in rural and urban areas and on different types of highways and to determine the daytime and nighttime effectiveness of such technology.

(2) STATES ENCOURAGED TO CARRY OUT PROGRAM.—The Secretary shall encourage the States to carry out the pilot program developed under paragraph (1) with funds available for highway safety improvement projects. In particular, the Secretary shall encourage States with a high percentage of older drivers to give high priority to carrying out the pilot program.

(3) EVALUATION AND REPORT.—Not later than 3 years after the date of the enactment of this Act, the Secretary shall evaluate the pilot program under this subsection and shall report to Congress on the effectiveness of such program in improving the safety and mobility of older drivers.

SEC. 209. RESCISSION OF CONTRACT AUTHORITY.

$148,000,000 of unobligated contract authority available for airport development and planning pursuant to section 505(a) of the Airport and Airway Improvement Act of 1982 is rescinded. This rescission does not reduce the balance in the Airport and Airway Trust Fund.

TITLE III—FEDERAL MASS TRANSPORTATION ACT OF 1987

SEC. 301. SHORT TITLE.

This title may be cited as the "Federal Mass Transportation Act of 1987".

SEC. 302. LETTERS OF INTENT.

Section 3(a)(4) of the Urban Mass Transportation Act of 1964 is amended by striking out "provided in an appropriation Act" and by striking out "specified in an appropriations Act." and inserting in lieu thereof "specified in law.".

SEC. 303. CRITERIA FOR NEW STARTS.

(a) GENERAL RULE.—Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(i) CRITERIA FOR NEW STARTS.—No grant or loan for construction of a new fixed guideway system or extension of any fixed guideway system may be made under this section unless the Secretary determines that the proposed project—

"(1) is based on the results of an alternatives analysis and preliminary engineering,

"(2) is cost-effective, and

"(3) is supported by an acceptable degree of local financial commitment, including evidence of stable and dependable funding sources to construct, maintain, and operate the system or extension.

In making grants and loans under this section, the Secretary may also consider such other factors as the Secretary deems appropriate. The Secretary shall issue guidelines that set forth the means by which the Secretary will evaluate cost-effectiveness, results of alternatives analysis, and degree of local financial commitment.".

(b) LIMITATION ON APPLICABILITY.—The amendment made by subsection (a) of this section shall not apply to any project—

(1) for which a letter of intent or full funding contract has been issued under section 3(a)(4) of the Urban Mass Transportation Act of 1964 before the date of enactment of this Act; or

(2) which was in the preliminary engineering, final design, or construction stage as of January 1, 1987.

SEC. 304. REPORT ON FUNDING LEVELS AND ALLOCATIONS OF FUNDS.

Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(j) REPORT ON FUNDING LEVELS AND ALLOCATIONS OF FUNDS.—Not later than 30 days after the date of enactment of this subsection and each January 20 thereafter, the Secretary shall prepare and transmit to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate—

"(1) a proposal of the total amount of funds which should be made available in accordance with subsection (k)(1)(D) of this section to finance for the fiscal year beginning on October 1 of such year grants and loans for each of the following:

"(A) the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities,

"(B) rail modernization, and

"(C) construction of new fixed guideway systems and extensions to fixed guideway systems; and

"(2) a proposal of the allocation of the funds to be made available to finance grants and loans for the construction of new fixed guideway systems and extensions to fixed guideway systems among applicants for such assistance.".

SEC. 305. ALLOCATION OF SECTION 3 FUNDS.

Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"(k) ALLOCATIONS.—

"(1) IN GENERAL.—Of the amounts available for grants and loans under this section for fiscal years 1987, 1988, 1989, 1990, and 1991—

"(A) 40 percent shall be available for rail modernization;

"(B) 40 percent shall be available for construction of new fixed guideway systems and extensions to fixed guideway systems;

"(C) 10 percent shall be available for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities; and

"(D) 10 percent shall be available for the purposes described in subparagraphs (A) through (C), as determined by the Secretary.

"(2) ELIGIBILITY.—(A) The receipt of, or application for, assistance for a project described in subparagraph (A), (B), or (C) of paragraph (1) shall not preclude eligibility for assistance for a project described in any other such subparagraph.

"(B) Prior to the expiration of the 2-year period beginning on the date of enactment of this subsection, the Secretary may not change program administration regarding eligibility for assistance for rail modernization.".

SEC. 306. ADVANCE CONSTRUCTION.

(a) DISCRETIONARY GRANT PROGRAM.—Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(l) ADVANCE CONSTRUCTION.—

"(1) APPROVED PROJECT.—Upon application of a State or local public body which carries out a project described in this section or a substitute transit project described in section 103(e)(4) of title 23, United States Code, or portion of such a project without the aid of Federal funds in accordance with all procedures and requirements applicable to such a project and upon the Secretary's approval of such application, the Secretary may pay to such applicant the Federal share of the net project costs if, prior to carrying out such project or portion, the Secretary approves the plans and specifications therefor in the same manner as other projects under this section or such section 103(e)(4), as the case may be.

"(2) BOND INTEREST.—

"(A) ELIGIBLE COST.—Subject to the provisions of this paragraph, the cost of carrying out a project or portion thereof, the Federal share of which the Secretary is authorized to pay under this subsection, shall include the amount of any interest earned and payable on bonds issued by the State or local public body to the extent that the proceeds of such bonds have actually been expended in carrying out such project or portion.

"(B) LIMITATION ON AMOUNT.—In no event shall the amount of interest considered as a cost of carrying out a project or portion thereof under subparagraph (A) be greater than the excess of—

"(i) the amount which would be the estimated cost of carrying out the project or portion if the project or portion were to be carried out at the time the project or portion is converted to a regularly funded project, over

"(ii) the actual cost of carrying out such project or portion (not including such interest).

"(C) CHANGES IN CONSTRUCTION COST INDICES.—The Secretary shall consider changes in construction cost indices in determining the amount under subparagraph (B)(i).".

(b) BLOCK GRANT PROGRAM.—Section 9 of such Act is amended by adding at the end thereof the following new subsection:

"(p) ADVANCE CONSTRUCTION.—

"(1) APPROVED PROJECT.—When a recipient has obligated all funds apportioned to it under this section and proceeds to carry out any project described in this section (other than a project for operating expenses) or portion of such a project without the aid of Federal funds in accordance with all procedures and all requirements applicable to such a project, except insofar as such procedures and requirements limit a State to car-

rying out projects with the aid of Federal funds previously apportioned to it, the Secretary, upon application by such recipient and his approval of such application, is authorized to pay to such recipient the Federal share of the costs of carrying out such project or portion when additional funds are apportioned to such recipient under this section if, prior to carrying out such project or portion, the Secretary approves the plans and specifications therefor in the same manner as other projects under this section.

"(2) Limitation on projects.—The Secretary may not approve an application under this subsection unless an authorization for this section is in effect for the fiscal year for which the application is sought beyond the currently authorized funds for such recipient. No application may be approved under this subsection which will exceed—

"(A) the recipient's expected apportionment under this section if the total amount of funds authorized to be appropriated to carry out this section for such fiscal year were so appropriated, less

"(B) the maximum amount of such apportionment which could be made available for projects for operating expenses under this section.

"(3) Bond interest.—

"(A) Eligible cost.—Subject to the provisions of this paragraph, the cost of carrying out a project or portion thereof, the Federal share of which the Secretary is authorized to pay under this subsection, shall include the amount of any interest earned and payable on bonds issued by the recipient to the extent that the proceeds of such bonds have actually been expended in carrying out such project or portion.

"(B) Limitation on amount.—In no event shall the amount of interest considered as a cost of carrying out a project or portion under subparagraph (A) be greater than the excess of—

"(i) the amount which would be the estimated cost of carrying out the project or portion if the project or portion were to be carried out at the time the project or portion is converted to a regularly funded project, over

"(ii) the actual cost of carrying out such project or portion (not including such interest).

"(C) Changes in construction cost indices.—The Secretary shall consider changes in construction cost indices in determining the amount under subparagraph (B)(i).".

SEC. 307. SECTION 4(h)(1) REPORTS.

Section 4(h)(1) of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"(h) Quarterly Reports.—(1) Not later than 30 days after the last day of each calendar quarter, the Secretary shall transmit to the Committee on Public Works and Transportation and the Committee on Appropriations of the House of Representatives and to the Committee on Banking, Housing, and Urban Affairs and the Committee on Appropriations of the Senate a report on—

"(A) obligations, commitments, and reservations by State, designated recipient, and applicant, made under authority of this Act during that quarter;

"(B) the balance as of the last day of that quarter of the unobligated, uncommitted, and unreserved apportionments made under this Act;

"(C) the balance of unobligated, uncommitted, and unreserved sums available for expenditure at the discretion of the Secretary under this Act as of the close of that quarter;

"(D) a listing of letters of intent issued during that quarter;

"(E) a status report on all letters of intent outstanding as of the close of that quarter; and

"(F) a status report on the execution of grant contracts and the establishment of a letter of credit or other reimbursement authority for sums already obligated for each State, designated recipient, and applicant.".

SEC. 308. LEASED PROPERTY.

Section 9(j) of the Urban Mass Transportation Act of 1964 is amended by inserting after the first sentence the following: "Grants for construction projects under this section shall also be available to finance the leasing of facilities and equipment for use in mass transportation service, subject to regulations limiting such grants to leasing arrangements which are more cost effective than acquisition or construction. The Secretary shall publish regulations under the preceding sentence in proposed form in the Federal Register for public comment not later than 60 days after the date of enactment of this sentence, and shall promulgate such regulations in final form not later than 240 days after such date of enactment.".

SEC. 309. BUS REMANUFACTURING AND OVERHAULING OF ROLLING STOCK.

(a) Inclusion in Definition of Construction.—Section 12(c)(1) of the Urban Mass Transportation Act of 1964 is amended by inserting "(A)" after "such term also means" and by inserting before the semicolon at the end thereof the following: ", (B) any bus remanufacturing project which extends the economic life of the bus 8 years or more, and (C) any project for the overhaul of rail rolling stock (whether or not such overhaul increases the useful life of the rolling stock)".

(b) Expansion of Associated Capital Maintenance Items.—Section 9(j) of the Urban Mass Transportation Act of 1964 is amended—

(1) in the last sentence, by striking out "and materials" and inserting in lieu thereof ", tires, tubes, and materials";

(2) in the last sentence, by striking out "1 per centum" and inserting in lieu thereof "one-half of 1 per centum".

(3) by inserting "(1)" before "Grants"; and

(4) by adding at the end thereof the following:

"(2) A project for the reconstruction (whether by employees of the grant recipient or by contract) of any equipment and materials each of which, after reconstruction, will have a fair market value no less than one-half of 1 percent of the current fair market value of rolling stock comparable to the rolling stock for which the equipment and materials are to be used shall be considered a project for construction of an associated capital maintenance item under this section.".

(c) Federal Share.—The first sentence of section 9(k)(1) of such Act is amended by striking out "shall not exceed" the first place it appears and inserting in lieu thereof "shall be".

(d) Local Match.—The first sentence of section 9(k)(1) of such Act is further amended by striking out "such project" and inserting in lieu thereof "such project; however, a recipient is permitted to provide additional local match at its option".

(e) Maintenance Requirement.—Section 3(a)(2)(A) of such Act is amended to read as follows:

"(2)(A) No grant or loan shall be provided under this section unless the Secretary determines that the applicant—

"(i) has or will have the legal, financial, and technical capacity to carry out the proposed project;

"(ii) has or will have satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and the equipment; and

"(iii) has or will have sufficient capability to maintain the facilities and equipment, and will maintain, such facilities and equipment.".

(f) Conforming Amendment.—The first sentence of section 9(k)(1) of such Act is further amended by striking out "(including capital maintenance items)" and inserting in lieu thereof "(including any project for the acquisition or construction of an associated capital maintenance item)".

SEC. 310. LONG-TERM FINANCIAL PLANNING.

Section 8(a) of the Urban Mass Transportation Act of 1964 is amended by inserting before the period at the end of the third sentence the following: "and development of long-term financial plans for regional urban mass transit improvements and the revenue available from current and potential sources to implement such improvements".

SEC. 311. USE OF LAPSED SECTION 9A AND SECTION 9 FUNDS.

Section 9(o) of the Urban Mass Transportation Act of 1964 is amended by striking out the period at the end of the second sentence and inserting "not later than 30 days after the end of such period.".

SEC. 312. BLOCK GRANT PROGRAM AMENDMENTS.

(a) Funding of Partial Programs of Projects.—Section 9(e)(2) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new sentence: "A grant may be made under this section to carry out, in whole or in part, a program of projects.".

(b) Transit Advertising Revenues.—

(1) Exclusion from operating revenues.—Section 9(k)(1) of such Act is amended by inserting after the third sentence the following new sentence: "For purposes of the preceding sentence, 'revenues from the operation of a public mass transportation system' shall not include the amount of any revenues derived by such system from the sale of advertising and concessions which is in excess of the amount of such revenues derived by such system from the sale of advertising and concessions in fiscal year 1985.".

(2) Annual report.—Section 9(e) of such Act is amended by adding at the end thereof the following new paragraph:

"(4) Each recipient (including any person receiving funds from a Governor under this section) shall submit to the Secretary annually a report on the revenues such recipient derives from the sale of advertising and concessions.".

(c) Operating Assistance Limitation for Small Urbanized Areas.—Section 9(k)(2) of such Act is amended—

(1) by inserting "(A)" after "(2)";

(2) by striking out the last sentence and inserting in lieu thereof the following: "Notwithstanding the preceding sentence, an urbanized area that first became an urbanized area under the 1980 census or thereafter may use each fiscal year for operating assistance not to exceed an amount equal to ⅔ of its apportionment during the first full year it received funds under this section."; and

(3) by adding at the end thereof the following:

"(B) Beginning on October 1, 1988, the amount of funds apportioned under this section that may be used for operating assist-

ance by urbanized areas of less than 200,000 population shall be increased on October 1 of each year by an amount determined by multiplying the amount applicable to each such urbanized area as determined under subparagraph (A) (excluding any increases under this subparagraph) by the percentage of the increase (if any) in the Consumer Price Index during the most recent calendar year. The amount of funds apportioned under this section that each urbanized area of less than 200,000 population that was a recipient of funds under this section during fiscal year 1987 may use for operating assistance shall be increased by 32.2 percent on October 1, 1987. The increases provided for by this subparagraph shall be cumulative.

"(C) As used in subparagraph (B), the term 'Consumer Price Index' means the Consumer Price Index for all-urban consumers published by the Department of Labor.".

(d) Transfers of Apportionments.—Section 9(n)(1) of such Act is amended—

(1) by striking out "with populations of 300,000 or less" in the first sentence; and

(2) by inserting after the third sentence the following: "Any amounts of a State's apportionment that remain available for obligation at the beginning of the 90-day period before the expiration of the period of availability of such amounts shall be available to the Governor for use throughout the State.".

(e) Date of Apportionment.—Section 9 of such Act is further amended by adding at the end thereof the following new subsection:

"(q) Date of Apportionment.—The Secretary shall apportion funds appropriated to carry out this section for any fiscal year in accordance with the provisions of this section not later than the tenth day following the date on which such funds are appropriated or October 1 of such fiscal year, whichever is later. The Secretary shall publish apportionments of such appropriated funds, including amounts attributable to each urbanized area above 50,000 population as well as the amount attributable to each State of the multistate urbanized area, on the apportionment date established by the preceding sentence.".

(f) Technical Amendments.—(1) Section 9(e) of such Act is amended by adding at the end thereof the following new paragraph:

"(5) No grant shall be made under this section to any recipient in any fiscal year unless the Secretary has accepted a certification for such fiscal year submitted by such person pursuant to this subsection.".

(2) Section 9(g) of such Act is amended by striking out paragraph (4).

(3) Section 9(l) of such Act is repealed.

SEC. 313. SECTION 9B PROGRAM.

The Urban Mass Transportation Act of 1964 is amended by inserting after section 9A the following:

"MASS TRANSIT ACCOUNT BLOCK GRANTS

"Sec. 9B. (a) Apportionment and Administration.—The amount made available by subsections (b) and (c) of section 21 of this Act to carry out this section shall be made available in accordance with the provisions of subsections (a) through (j), (m), and (n) of section 9 of this Act.

"(b) Availability for Construction Projects.—Grants under this section shall be available only for the purpose of construction projects (including capital maintenance items) and shall be subject to the limitations contained in section 9(k) of this Act applicable to such projects.

"(c) Use of Unobligated Amounts.—Sums apportioned under this section shall be available for obligation by the recipient for a period of 3 years following the close of the fiscal year for which such sums are apportioned. Any amounts so apportioned remaining unobligated at the end of such period shall be added to the amount available for apportionment under this section for the succeeding fiscal year not later than 30 days after the end of such period.".

SEC. 314. UNIVERSITY TRANSPORTATION CENTERS.

(a) Grant Program; National Advisory Council.—Section 11(b) of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"(b) University Transportation Centers.—

"(1) Grants for establishment and operation.—In addition to grants authorized by subsection (a) of this section, the Secretary shall make grants to one or more nonprofit institutions of higher learning to establish and operate one regional transportation center in each of the ten Federal regions which comprise the Standard Federal Regional Boundary System.

"(2) Responsibilities.—The responsibilities of each transportation center established under this subsection shall include, but not be limited to, the conduct of infrastructure research concerning transportation and research and training concerning transportation of passengers and property and the interpretation, publication, and dissemination of the results of such research. The responsibilities of one of such centers may include research on the testing of new model buses. The program of research at all research centers should cover more than one mode of transportation, and should take into consideration the proportion of funding for this subsection from funding available to carry out urban mass transportation projects under this Act and from the Highway Trust Fund.

"(3) Application.—Any nonprofit institution of higher learning interested in receiving a grant under this subsection shall submit to the Secretary an application in such form and containing such information as the Secretary may require by regulation.

"(4) Selection criteria.—The Secretary shall select recipients of grants under this subsection on the basis of the following criteria:

"(A) The regional transportation center shall be located in a State which is representative of the needs of the Federal region for improved transportation services and facilities.

"(B) The demonstrated research and extension resources available to the grant recipient for carrying out this subsection.

"(C) The capability of the grant recipient to provide leadership in making national and regional contributions to the solution of both long-range and immediate transportation problems.

"(D) The grant recipient shall have an established transportation program or programs encompassing several modes of transportation.

"(E) The grant recipient shall have a demonstrated commitment to supporting ongoing transportation research programs with regularly budgeted institutional funds of at least $200,000 per year.

"(F) The grant recipient shall have a demonstrated ability to disseminate results of transportation research and educational programs through a statewide or regionwide continuing education program.

"(G) The projects which the grant recipient proposes to carry out under the grant.

"(5) Maintenance of effort.—No grant may be made under this section in any fiscal year unless the recipient of such grant enters into such agreements with the Secretary as the Secretary may require to ensure that such recipient will maintain its aggregate expenditures from all other sources for establishing and operating a regional transportation center and related research activities at or above the average level of such expenditures in its two fiscal years preceding the date of enactment of this subsection.

"(6) Federal share.—The Federal share of a grant under this subsection shall be 50 percent of the costs of establishing and operating the regional transportation center and related research activities carried out by the grant recipient.

"(7) National advisory council.—

"(A) Establishment; functions.—The Secretary shall establish in the Department of Transportation a national advisory council to coordinate the research and training to be carried out by the grant recipients, to disseminate the results of such research, to act as a clearinghouse between such centers and the transportation industry, and to review and evaluate programs carried out by such centers.

"(B) Members.—The council shall be composed of the directors of the regional transportation centers and 19 other members appointed by the Secretary as follows:

"(i) Six officers of the Department of Transportation one of whom represents the Office of the Secretary, one of whom represents the Federal Highway Administration, one of whom represents the Urban Mass Transportation Administration, one of whom represents the National Highway Traffic Safety Administration, one of whom represents the Research and Special Programs Administration, and one of whom represents the Federal Railroad Administration.

"(ii) Five representatives of State and local governments.

"(iii) Eight representatives of the transportation industry, including private providers of public transportation services, and organizations of employees in such industry.

A vacancy in the membership of the council shall be filled in the manner in which the original appointment was made.

"(C) Term of office; pay; chairman.—Each of the members appointed by the Secretary shall serve without pay. The chairman of the council shall be designated by the Secretary.

"(D) Meetings.—The council shall meet at least annually and at such other times as the chairman may designate.

"(E) Agency information.—Subject to subchapter II of chapter 5 of title 5, United States Code, the council may secure directly from any department or agency of the United States information necessary to enable it to carry out this subsection. Upon request of the chairman of the council, the head of such department or agency shall furnish such information to the council.

"(F) Termination date inapplicable.—Section 14 of the Federal Advisory Committee Act shall not apply to the council.

"(8) Administration through office of secretary.—Administrative responsibility for carrying out this subsection shall be in the Office of the Secretary.

"(9) Allocation of funds.—The Secretary shall allocate funds made available to carry out this subsection equitably among the Federal regions.

"(10) Technology transfer set-aside.—Not less than 5 percent of the funds made available to carry out this subsection for

any fiscal year shall be available to carry out technology transfer activities.".

(b) Conforming Amendment.—Section 11(a) of such Act is amended by inserting "Grant Program.—" before "The Secretary".

SEC. 315. SOLE SOURCE PROCUREMENTS.

(a) General Rule.—Section 12(b) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new paragraph:

"(3) Sole source procurement contracts.—Any recipient of a grant under section 9 of this Act who is procuring an associated capital maintenance item under section 9(j) of this Act may, without receiving prior approval of the Secretary, contract directly with the original manufacturer or supplier of the item to be replaced if such recipient first certifies in writing to the Secretary—

"(A) that such manufacturer or supplier is the only source for such item; and

"(B) that the price of such item is no higher than the price paid for such item by like customers.".

(b) Conforming Amendments.—Such section is further amended—

(1) by inserting "Contract Requirements.—" before "(1) All contracts";

(2) by inserting "Noncompetitive bid contracts.—" before "All contracts";

(3) by inserting "Rolling stock acquisition contracts.—" before "In lieu of"; and

(4) by indenting paragraph (1) and aligning paragraphs (1) and (2) with paragraph (3), as added by subsection (a) of this section.

SEC. 316. CONTRACTING FOR ENGINEERING AND DESIGN SERVICES.

Section 12(b) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new paragraph:

"(4) Contracting for engineering and design services.—Each contract for program management, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping or related services with respect to a project for which a loan or grant is made under this Act shall be awarded in the same manner as a contract for architectural and engineering services is negotiated under title IX of the Federal Property and Administrative Services Act of 1949 or equivalent State qualifications-based requirement. This paragraph shall apply except to the extent any State adopts or has adopted by statute a formal procedure for the procurement of such services.".

SEC. 317. BUS TESTING.

(a) Requirement.—Section 12 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(h) Bus Testing.—

"(1) Requirement.—No funds appropriated or made available pursuant to this Act after September 30, 1989, may be obligated or expended for the acquisition of a new bus model unless a bus of such model has been tested at a facility established under section 317(b) of the Federal Mass Transportation Act of 1987.

"(2) New bus model defined.—As used in this subsection, the term 'new bus model' means a bus model which has not been used in mass transportation service in the United States before the date of production of such model or a bus model which has been used in such service but which is being produced with a major change in configuration or components.".

(b) Bus Testing Facility.—

(1) Establishment.—The Secretary shall establish a facility for testing new bus models for maintainability, reliability, safety, performance, structural integrity, fuel economy, and noise. Such facility shall be established by renovation of a facility constructed with Federal assistance for the purpose of training rail personnel.

(2) Operation.—The Secretary shall enter into a contract with a qualified person to operate and maintain the facility established under paragraph (1) for testing new bus models for maintainability, reliability, safety, performance, structural integrity, fuel economy, and noise. Such contract may provide for the testing of rail cars and other vehicles at such facility.

(3) Collection of fees.—Under the contract entered into under paragraph (2), the person operating and maintaining the facility shall establish and collect fees for the testing of vehicles at the facility. Such fees shall be subject to the approval of the Secretary.

(4) New bus model defined.—For purposes of this subsection, the term "new bus model" has the meaning such term has under section 12(h)(2) of the Urban Mass Transportation Act of 1964.

(5) Funding.—There shall be available to the Secretary out of the Mass Transit Account of the Highway Trust Fund for establishment of the facility under paragraph (1) $200,000 for fiscal year 1987 and $3,000,000 for fiscal year 1988. Funds made available by this paragraph shall remain available until expended and shall not be subject to any obligation limitation.

SEC. 318. RULEMAKING.

(a) In General.—Section 12 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"(i) Rulemaking Procedures.—

"(1) Procedures.—The Secretary shall prepare an agenda listing all areas in which the Secretary intends to propose rules governing activities under this Act within the following 12-month period. The Secretary shall publish the proposed agenda in the Federal Register as part of the Secretary's semi-annual rulemaking agenda which lists rulemaking activities of the Urban Mass Transportation Administration. The Secretary shall also transmit the agenda required by the first sentence of this paragraph to the Committee on Public Works and Transportation and the Committee on Appropriations of the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs and the Committee on Appropriations of the Senate on the day that the Secretary's semi-annual rulemaking agenda is published in the Federal Register.

"(2) Views.—Except for emergency rules, the Secretary shall give interested parties not less than 60 days to participate in any rulemaking under this Act through submission of written data views, or arguments with or without the opportunity for oral presentation, except when the Secretary for good cause finds that public notice and comment are unnecessary due to the routine nature or matter of insignificant impact of the rule, or that an emergency rule should be promulgated. The Secretary may extend the 60-day period if the Secretary determines that such period is insufficient to permit diligent persons to prepare comments or that other circumstances justify an extension of such period. An emergency rule shall terminate 120 days after the date on which it is promulgated.".

(b) Definitions.—Section 12(c) of such Act is amended—

(1) by striking out "and" at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following:

"(12) the term 'rule' means the whole or part of the Secretary's statement of general or particular applicability designed to implement, interpret, or prescribe law or policy in carrying out provisions of this Act; and

"(13) the term 'emergency rule' means a rule which is temporarily effective prior to the expiration of the otherwise specified periods of time for public notice and comment under this section and which was promulgated by the Secretary pursuant to a finding that a delay in the effective date thereof would (A) seriously injure an important public interest, (B) substantially frustrate legislative policy and intent, or (C) seriously damage a person or class of persons without serving any important public interest.".

SEC. 319. PREAWARD AND POSTDELIVERY AUDIT OF BUS PURCHASES.

Section 12 of the Urban Mass Transportation Act of 1964 is further amended by adding at the end thereof the following new subsection:

"(j) Preaward and Postdelivery Audit of Bus Purchases.—For the purpose of assuring compliance with Federal motor vehicle safety requirements, the requirements of section 165 of the Surface Transportation Assistance Act of 1982 (relating to purchases of American products), and bid specifications requirements of recipients of grants under this Act, the Secretary shall issue regulations requiring a preaward and postdelivery audit with respect to any grant under this Act for the purchase of buses and other rolling stock. For the purposes of such audit, manufacturer certification shall not be sufficient, and independent inspections and auditing shall be required.".

SEC. 320. REMOVAL OF LIMITATION ON THE SOURCE OF FUNDING FOR INNOVATIVE MANAGEMENT GRANTS.

Section 4(i) of the Urban Mass Transportation Act of 1964 is amended by striking out ", using sums available pursuant to section 4(c)(3)(A) of this section,".

SEC. 321. FEDERAL SHARE FOR ELDERLY AND HANDICAPPED PROJECTS.

Section 16 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new subsection:

"(e) Increased Federal Share of Certain Nonrequired Projects.—Notwithstanding any other provision of this Act, the Federal share under sections 3, 9, and 18 of this Act for each capital improvement project which enhances the accessibility for elderly and handicapped persons to public transportation service and which is not required by Federal law (including any other provision of this Act) shall be 95 percent of the net project cost of such project.".

SEC. 322. RURAL TRANSPORTATION EQUITY.

Section 18(c) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following: "A State administering a program of operating assistance under this section may not limit the level or extent of use of the Federal share for the payment of operating expenses except as provided in this section.".

SEC. 323. RURAL TRANSIT ASSISTANCE PROGRAM.

Section 18 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"(h) Rural Transit Assistance Program.—The Secretary shall establish and carry out a rural transit assistance program in nonur-

banized areas. In carrying out this subsection, the Secretary is authorized to make grants and to enter into direct contracts for transit research, technical assistance, training, and related support services in nonurbanized areas.".

SEC. 324. PROJECT MANAGEMENT OVERSIGHT.

(a) IN GENERAL.—The Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following:

"PROJECT MANAGEMENT OVERSIGHT

"SEC. 23. (a) AUTHORITY TO USE FUNDS.—Beginning October 1, 1987, the Secretary may use not to exceed ½ of 1 percent of—

"(1) the funds made available for any fiscal year by section 21(a)(2)(C) to carry out section 3 to contract with any person to oversee the construction of any major project under section 3;

"(2) the funds appropriated for any fiscal year pursuant to section 21(a)(1) to carry out section 9 to contract with any person to oversee the construction of any major project under section 9;

"(3) the funds appropriated for any fiscal year pursuant to section 21(a)(1) to carry out section 18 to contract with any person to oversee the construction of any major project under section 18;

"(4) the funds appropriated for any fiscal year pursuant to section 4(g) to contract with any person to oversee the construction of any major public transportation project substituted for an Interstate segment withdrawn under section 103(e)(4) of title 23, United States Code; and

"(5) the funds appropriated for any fiscal year pursuant to section 14(b) of the National Capital Transportation Act of 1969 to contract with any person to oversee the construction of any major project under such Act.

"(b) FEDERAL SHARE.—Any contract entered into under this subsection shall provide for the payment by the Secretary of 100 percent of the cost of carrying out the contract.

"(c) ACCESS TO SITES AND RECORDS.—Each recipient of assistance under this Act or section 14(b) of the National Capital Transportation Act of 1969 shall provide the Secretary and a contractor chosen by the Secretary in accordance with subsection (a) such access to its construction sites and records as may be reasonably required.

"(d) REQUIREMENT FOR PLAN.—As a condition of Federal financial assistance for a major capital project under this Act or the National Capital Transportation Act of 1969, the Secretary shall require the recipient to prepare, and, after approval by the Secretary, implement a project management plan which meets the requirements of subsection (e).

"(e) CONTENTS OF PLAN.—A project management plan shall, as required in each case by the Secretary, provide for—

"(1) adequate recipient staff organization complete with well-defined reporting relationships, statements of functional responsibilities, job descriptions, and job qualifications;

"(2) a budget covering the project management organization, appropriate consultants, property acquisition, utility relocation, systems demonstration staff, audits, and such miscellaneous payments as the recipient may be prepared to justify;

"(3) a construction schedule;

"(4) a document control procedure and recordkeeping system;

"(5) a change order procedure which includes a documented, systematic approach to the handling of construction change orders;

"(6) organizational structures, management skills, and staffing levels required throughout the construction phase;

"(7) quality control and quality assurance functions, procedures, and responsibilities for construction and for system installation and integration of system components;

"(8) materials testing policies and procedures;

"(9) internal plan implementation and reporting requirements;

"(10) criteria and procedures to be used for testing the operational system or its major components;

"(11) periodic updates of the plan, especially with respect to such items as project budget and project schedule, financing, ridership estimates, and where applicable, the status of local efforts to enhance ridership in cases where ridership estimates are contingent, in part, upon the success of such efforts; and

"(12) the recipient's commitment to make monthly submissions of project budget and project schedule to the Secretary.

"(f) REGULATIONS.—The Secretary shall promulgate such regulations as may be necessary to implement the provisions of this section. Such regulations shall be published in proposed form for comment in the Federal Register and shall be submitted for review to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate not later than 60 days after the date of enactment of this section, and shall be promulgated in final form not later than 180 days after the date of enactment of this section. Such regulations shall, at a minimum, include the following:

"(1) A definition of the term 'major capital project' for the purpose of subsection (a). Such definition shall exclude projects for the acquisition of vehicles or other rolling stock, or for the performance of vehicle maintenance or rehabilitation.

"(2) A requirement that, in order to maximize the transportation benefits and cost savings associated with project management oversight, such oversight shall begin during the preliminary engineering stage of a project. The requirement of this paragraph shall not apply if the Secretary finds that it is more appropriate to initiate such oversight during another stage of the project.

"(g) APPROVAL.—The Secretary shall approve a plan submitted pursuant to subsection (d) within 60 days following its submittal. In the event that approval cannot be completed within 60 days, the Secretary shall notify the recipient that approval cannot be completed within 60 days, explain the reasons for the delay, and estimate how much additional time will be required for completion. If a plan is disapproved, the Secretary shall inform the recipient of the reasons.".

SEC. 325. CRIME PREVENTION AND SECURITY.

The Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new section:

"CRIME PREVENTION AND SECURITY

"SEC. 24. From funds made available pursuant to section 21 of this Act, the Secretary is authorized to make capital grants to public mass transit systems for crime prevention and security. None of the provisions of this Act may be construed to prohibit the financing of projects under this section where law enforcement responsibilities are vested in a local public body other than the grant applicant.".

SEC. 326. BICYCLE FACILITIES.

The Urban Mass Transportation Act of 1964 is further amended by adding at the end thereof the following new section:

"BICYCLE FACILITIES

"SEC. 25. (a) ELIGIBILITY.—For purposes of this Act, a project to provide access for bicycles to mass transportation facilities, to provide shelters and parking facilities for bicycles in or around mass transportation facilities, or to install racks or other equipment for transporting bicycles on mass transportation vehicles shall be deemed to be a construction project eligible for assistance under sections 3, 9, and 18 of this Act.

"(b) FEDERAL SHARE.—Notwithstanding sections 4(a), 9(k), and 18(e), the Federal share under this Act for any project to provide access for bicycles to mass transportation facilities, to provide shelters and parking facilities for bicycles in or around mass transportation facilities, or to install racks or other equipment for transporting bicycles on mass transportation vehicles shall be 90 percent of the cost of such project.".

SEC. 327. TRANSIT TECHNICAL AMENDMENTS.

(a) URBAN MASS TRANSPORTATION ACT.—(1) Section 5(h)(1) of the Urban Mass Transportation Act of 1964 is amended by striking out "approach" and inserting in lieu thereof "approval".

(2) Section 5(j)(1) of such Act is amended by striking out "action" and inserting in lieu thereof "section".

(3) Section 5(n)(2) of such Act is amended by inserting "and section 9" after "this section".

(4) Section 16 of such Act is amended by redesignating the second subsection (c) as subsection (d).

(5) Section 17(d)(4) of such Act is amended by striking out "; and".

(b) SURFACE TRANSPORTATION ASSISTANCE ACT OF 1982.—Section 303 of the Surface Transportation Assistance Act of 1982 is amended by striking out "(a)" the first place it appears.

SEC. 328. AUTHORIZATIONS.

Section 21 of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"AUTHORIZATIONS

"SEC. 21. (a) SECTIONS 9 AND 18.—(1) There are hereby authorized to be appropriated to carry out the provisions of sections 9 and 18 of this Act not to exceed $2,000,000,000 for fiscal year 1987, and not to exceed $2,100,000,000 for each of fiscal years 1988 through 1991. Any funds so appropriated shall remain available until expended.

"(2) There shall be available from the Mass Transit Account of the Highway Trust Fund only to carry out sections 3, 4(i), 8, and 16(b) of this Act $1,097,000,000 for the fiscal year 1987, and $1,000,000,000 for each of fiscal years 1988 through 1991, to remain available until expended.

"(b) SECTIONS 3 AND 9B.—In addition to the amounts set forth in subsection (a)(2), to carry out sections 3 and 9B of this Act, there shall be available from the Mass Transit Account of the Highway Trust Fund for each of fiscal years 1988 through 1991—

"(1) $200,000,000 for fiscal year 1988;

"(2) $250,000,000 for fiscal year 1989;

"(3) $300,000,000 for fiscal year 1990; and

"(4) $400,000,000 for fiscal year 1991;

to remain available until expended.

"(c) TREATMENT OF CERTAIN SECTION 3 AND SECTION 9B FUNDS.—(1) Of the amounts made available by subsection (b), 50 percent shall be available for capital grants under *section 3, and 50 per centum shall be available for grants under section 9B. If an obligation ceiling in effect for any fiscal year is less than the sum of the new budget authority authorized by subsections (a)(2) and (b), the ceiling shall first be applied to the budget authority provided by subsection (b).*

"(2) Notwithstanding any other provision of law, approval by the Secretary of a grant with funds made available under subsections (a)(2) and (b) of this section shall be deemed a contractual obligation of the United States for payment of the Federal share of the cost of the project.

"(d) INTERSTATE TRANSFER.—For substitute mass transportation projects under section 103(e)(4) of title 23, United States Code, there are authorized to be appropriated $200,000,000 for each of fiscal years 1987 through 1991.

"(e) RURAL PROGRAM.—For each of fiscal years 1987 through 1991, 2.93 percent of the aggregate funds made available for sections 9 and 18 and section 9B under subsections (a)(1) and (b) of this section shall be available to carry out section 18. All amounts made available for section 18 shall be from funds appropriated under subsection (a).

"(f) PLANNING.—From the funds made available under subsection (a)(2) of this section, not to exceed $45,000,000 shall be available for the purposes of section 8 in each of fiscal years 1987 through 1991. Nothing herein shall prevent the use of additional funds available under this subsection for planning purposes.

"(g) SECTIONS 4(i) AND 16(b).—(1) From the funds made available under subsection (a)(2) of this section, not to exceed $35,000,000 shall be available for the purposes of sections 4(i) and 16(b) in each of fiscal years 1988 through 1991.

"(2) From the funds provided for section 4(i) for fiscal year 1987, $5,000,000 shall be available to carry out section 18(h).

"(h) SECTIONS 6, 10, 11(a), 12(a), 18(h), AND 20.—There are hereby authorized to be appropriated to carry out sections 6, 10, 11(a), 12(a), 18(h), and 20 of this Act—

"(1) not to exceed such sums as may be appropriated for fiscal year 1987; and

"(2) not to exceed $50,000,000 for each of fiscal years 1988 through 1991, of which 10 percent shall be available only for section 18(h).

Any funds appropriated pursuant to this subsection for financing projects funded under section 6 of this Act shall remain available until expended.

"(i) SECTION 11(b).—(1) From the funds made available under subsection (a)(2), $5,000,000 shall be available for the purposes of section 11(b) for each of fiscal years 1988 through 1991.

"(2) From the Highway Trust Fund (other than from the Mass Transit Account), $5,000,000 shall be available for the purposes of section 11(b) for each of the fiscal years 1988 through 1991.".

SEC. 329. INCREASED OPERATING ASSISTANCE DURING CONSTRUCTION OF INTERSTATE PROJECT.

Upon request of the State of Florida and the designated recipients under section 9 of the Urban Mass Transportation Act of 1964 for the urbanized areas of Fort Lauderdale and Miami, Florida, the amount of funds apportioned after September 30, 1987, under such section with respect to such urbanized areas which may otherwise be used for operating assistance under such section shall be increased by $4,400,000 for each fiscal year in which major onsite construction is being carried out on a 40-mile segment of Interstate Route I-95 in Dade, Broward, and Palm Beach Counties, Florida. The increased operating assistance may only be used for commuter rail service provided as a maintenance-of-traffic measure during the period in which the construction is being carried out.

SEC. 330. BUS SERVICE DETERIORATION.

The Congress finds and declares that there has been a serious problem involving the deterioration of bus service for people residing in the small communities and rural areas of the several States, and recognizes the need to consider the best ways and means to remedy such problem.

SEC. 331. BART STUDY.

(a) STUDY.—The Secretary, in cooperation with the San Francisco Bay Area Rapid Transit District and the Metropolitan Transportation Commission, shall undertake a comprehensive study of the future of the Bay Area Rapid Transit System. The study shall focus on the development of financing alternatives for the first phase rail extensions identified in the Regional Transportation Plan.

(b) REPORT.—Not later than one year after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study described in subsection (a).

SEC. 332. TACTILE MOBILITY AIDS.

(a) STUDY.—The Secretary shall conduct a study of the feasibility of developing and implementing standards for the use, in transportation facilities and equipment constructed or acquired with assistance under the Urban Mass Transportation Act of 1964, title 23, United States Code, or other laws administered by the Department of Transportation, of tactile mobility aids in order to facilitate the safe access to and use of such facilities and equipment by visually impaired and legally blind persons.

(b) REPORT.—Not later than six months after the date of enactment of this Act, the Secretary shall transmit a report to the Congress on the results of such study, including such recommendations for legislation as may be necessary to implement such standards.

SEC. 333. FEASIBILITY STUDY OF ELECTRIC BUS LINE.

Section 314(a) of the Surface Transportation Assistance Act of 1982 is amended to read as follows:

"SEC. 314. (a) Upon request of a local public body eligible to receive a grant under the Urban Mass Transportation Act of 1964, the Secretary of Transportation shall make a grant to such public body to conduct a feasibility study to examine the possibility of constructing and operating an electric bus line with the advanced and environmentally sound electric bus technology that is being developed in the State of California for the Santa Barbara transit system.".

SEC. 334. FEASIBILITY STUDY OF ABANDONED TROLLEY SERVICE.

(a) STUDY.—The Secretary, in cooperation with the city of Philadelphia, Pennsylvania, shall conduct a study of the feasibility of restoring trolley service to corridors on which trolley service has been abandoned in such city.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a).

SEC. 335. COMPREHENSIVE TRANSIT PLAN FOR THE VIRGIN ISLANDS.

(a) STUDY.—The Secretary, in cooperation with the Virgin Islands Department of Public Works, shall study and analyze the mass transportation needs of the Virgin Islands for the purpose of developing a comprehensive mass transportation plan for the Virgin Islands.

(b) REPORT AND PLAN.—Not later than 1 year after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study and analysis conducted under subsection (a) together with a copy of the mass transportation plan which the Secretary recommends for the Virgin Islands.

SEC. 336. TRANSFER OF SECTION 9 FUNDS.

The Governor of Nevada, after consultation with all urbanized areas within Nevada, may transfer not to exceed $10,000,000 of unused apportionments under sections 9A and 9 of the Urban Mass Transportation Act of 1964 for use for urban mass transportation purposes in Santa Clara County, California.

SEC. 337. BUY AMERICA.

(a) PERCENTAGE COST LIMITATION.—(1)(A) Effective October 1, 1989, section 165(b)(3) of the Surface Transportation Assistance Act of 1982 is amended by striking out "50" and inserting in lieu thereof "55".

(B) Effective October 1, 1991, section 165(b)(3) of the Surface Transportation Assistance Act of 1982 is amended by striking out "55" and inserting in lieu thereof "60".

(2)(A) Except as provided in subparagraph (B), the amendments made by subparagraphs (A) and (B) of paragraph (1) shall apply only to contracts entered into on or after their respective effective dates.

(B) The amendments made by paragraph (1) shall not apply with respect to any supplier or contractor or any successor in interest or assignee which qualified under the provisions of section 165(b)(3) of the Surface Transportation Assistance Act of 1982 prior to the date of enactment of this Act under a contract entered into prior to April 1, 1992.

(b) SUBCOMPONENTS.—Section 165(b)(3) of the Surface Transportation Assistance Act of 1982 is amended by inserting "and subcomponents" after "components".

(c) INCREASE IN PROJECT COST EXCEPTION.—Paragraph (4) of section 165(b) of the Surface Transportation Assistance Act of 1982 is amended by striking out "10 per centum" and all that follows through the period at the end of such section and inserting in lieu thereof "25 percent.".

(d) EXEMPTION TO SUBSECTIONS (b) AND (c).—The amendments made by subsections (b) and (c) of this section shall not apply to any contract awarded pursuant to bids which were outstanding on the date of enactment of this Act.

SEC. 338. MULTI-YEAR CONTRACT FOR METRO RAIL PROJECT.

(a) SUPPLEMENTAL EIS.—Not later than 10 days after the date of the enactment of this Act and in accordance with the National Environmental Policy Act of 1969, the Secretary shall begin the preparation of a supplemental environmental impact statement necessary as a result of alignment changes within the Minimum Operable Segment-2 portion of the Downtown Los Angeles to San Fernando Valley Metro Rail Project. The Secretary shall publish a notice of the completion of the final supplemental environmental impact statement in the Federal Register. If the Secretary has not published such notice within 5 months after the date of the enactment of this Act, the Secretary shall report to the Committee on Public Works and Transportation of the House of Representatives and the Committee on Banking,

Housing, and Urban Affairs of the Senate on the status of the completion of such final supplemental environmental impact statement. The Secretary shall continue to report to those committees every 30 days on the status of the completion of the final supplemental environmental impact statement, including any proposed revisions to the statement, until a notice of the completion of such statement is published in the Federal Register.

(b) AMENDMENT TO EXISTING CONTRACT.—Notwithstanding any other provision of law, not later than 30 days after the publication of a notice of completion of a final supplemental environmental impact statement under subsection (a), the Secretary shall—

(1) issue a record of decision which approves the construction of the locally preferred Minimum Operable Segment-2 alternative, and

(2) execute an amendment to the existing full-funding contract under section 3 of the Urban Mass Transportation Act of 1964 with the Southern California Rapid Transit District (or its successor) for the construction of Minimum Operable Segment-1 of such project, in order to include the construction of such Minimum Operable Segment-2 alternative in such contract.

(c) PAYMENT OF FEDERAL SHARE.—

(1) FEDERAL SHARE.—The amended contract under subsection (b) shall provide that the Federal share of the cost of construction of the Minimum Operable Segment-1 portion of the Downtown Los Angeles to San Fernando Valley Metro Rail Project shall be $605,300,000 and that the Federal share of the cost of construction of the Minimum Operable Segment-2 portion of such project shall be $667,000,000.

(2) PAYMENT.—The amended contract under subsection (b) shall provide that the Federal share of the cost of such project shall be paid by the Secretary from amounts provided under section 3 of the Urban Mass Transportation Act of 1964 for construction of new fixed guideway systems and extensions to fixed guideway systems, as follows:

(A) not to exceed $107,900,000 for fiscal year 1987;

(B) not to exceed $300,000,000 for fiscal years 1987 and 1988;

(C) not to exceed $490,000,000 for fiscal years 1987, 1988, and 1989;

(D) not to exceed $680,000,000 for fiscal years 1987, 1988, 1989 and 1990; and

(E) not to exceed $870,000,000 for fiscal years 1987, 1988, 1989, 1990, and 1991.

(d) ADVANCE CONSTRUCTION.—

(1) UNDER THE CONTRACT.—The amended contract under subsection (b) shall provide that the Southern California Rapid Transit District (or successor) may construct any portion of the Downtown Los Angeles to San Fernando Valley Metro Rail Project in accordance with section 3(l) of the Urban Mass Transportation Act of 1964, except that such district (or successor) shall not be required to apply to and receive approval of the Secretary before carrying out any such construction.

(2) ON MOS-1 BEFORE EXECUTION OF CONTRACT.—At any time after the date of the enactment of this section, the Southern California Rapid Transit District (or successor) may construct any portion of the Minimum Operable Segment-1 portion of such project in accordance with section 3(l) of the Urban Mass Transportation Act of 1964, except that such district (or successor) shall not be required to apply to and receive approval of the Secretary before carrying out any such construction.

(3) REIMBURSEMENT SCHEDULE.—The amended contract under subsection (b) shall provide that the Secretary shall reimburse the Southern California Rapid Transit District (or successor), from any amounts provided under section 3 of the Urban Mass Transportation Act of 1964 for fiscal years 1992 through 1994, for the Federal share of the net project costs incurred by such district (or successor) under paragraphs (1) and (2) (including the amount of any interest earned and payable on bonds as provided in section 3(l)(2) of the Urban Mass Transportation Act of 1964), as follows:

(A) not later than September 30, 1992, the Secretary shall reimburse such district (or successor) a total of $467,100,000 (plus such interest), less amounts provided under subsection (c)(2) for fiscal years 1988 through 1990;

(B) not later than September 30, 1993, the Secretary shall reimburse such district (or successor) a total of $622,100,000 (plus such interest), less amounts provided under subsection (c)(2) for fiscal years 1988 through 1991; and

(C) not later than September 30, 1994, the Secretary shall reimburse such district (or successor) a total of $762,100,000 (plus such interest), less amounts provided under subsection (c)(2) for fiscal years 1988 through 1991.

(4) DELAYS IN PUBLICATION OF NOTICE OF SUPPLEMENTAL EIS.—If the Secretary does not publish a notice of the completion of the final supplemental environmental impact statement in the Federal Register under subsection (a) on or before September 30, 1988, each date or year listed in paragraph (3) of this subsection shall be delayed one year. For each full year after such date in which such notice is not published, each such date or year shall be delayed one more year.

SEC. 339. BUS CARRIER CERTIFICATES FOR RECIPIENTS OF GOVERNMENTAL ASSISTANCE.

(a) GENERAL RULE FOR NEW ENTRANTS.—Section 10922(c)(1) of title 49, United States Code, is amended to read as follows:

"(c) MOTOR COMMON CARRIERS OF PASSENGERS.—

"(1) INTERSTATE TRANSPORTATION.—

"(A) REGULAR-ROUTE TRANSPORTATION.—The Commission shall issue a certificate to a person (including any private recipient of governmental assistance) authorizing that person to provide regular-route transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of passengers if the Commission finds that the person is fit, willing, and able to provide the transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commission, unless the Commission finds, on the basis of evidence presented by any person objecting to the issuance of the certificate, that the transportation to be authorized by the certificate is not consistent with the public interest.

"(B) SPECIAL AND CHARTER TRANSPORTATION.—

"(i) PRIVATE RECIPIENTS OF ASSISTANCE.—The Commission shall issue a certificate to a private recipient of governmental assistance authorizing that recipient to provide special or charter transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of passengers if the Commission finds that the recipient is fit, willing, and able to provide the transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commission, unless the Commission finds, on the basis of evidence presented by any person objecting to the issuance of the certificate, that the transportation to be authorized by the certificate is not consistent with the public interest.

"(ii) OTHER PERSONS.—The Commission shall issue a certificate to a person (other than a private recipient of governmental assistance) authorizing that person to provide special or charter transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of passengers if the Commission finds that the person is fit, willing, and able to provide the transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commission.

"(C) PUBLIC RECIPIENTS FOR CHARTER TRANSPORTATION.—The Commission shall issue a certificate to a public recipient of governmental assistance authorizing that recipient to provide special or charter transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of passengers if the Commission finds that—

"(i) the recipient is fit, willing, and able to provide the transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commission; and

"(ii)(I) no motor common carrier of passengers (other than a motor common carrier of passengers which is a public recipient of governmental assistance) is providing, or is willing and able to provide, the transportation to be authorized by the certificate; or

"(II) the transportation to be authorized by the certificate is to be provided entirely in the area in which the public recipient provides regularly scheduled mass transportation services.

"(D) PUBLIC RECIPIENTS FOR REGULAR-ROUTE TRANSPORTATION.—The Commission shall issue a certificate to a public recipient of governmental assistance authorizing that recipient to provide regular-route transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title as a motor common carrier of passengers if the Commission finds that the recipient is fit, willing, and able to provide the transportation to be authorized by the certificate and to comply with this subtitle and regulations of the Commission, unless the Commission finds, on the basis of evidence presented by any person objecting to the issuance of the certificate, that the transportation to be authorized by the certificate is not consistent with the public interest.

"(E) TREATMENT OF CERTAIN PUBLIC RECIPIENTS.—Subject to provisions of section 12(f) of the Urban Mass Transportation Act of 1964, any public recipient of governmental assistance which is providing or seeking to provide transportation of passengers subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title shall, for purposes of this subtitle, be treated as a person which is providing or seeking to provide transportation of passengers subject to such jurisdiction.

"(F) DEFINITIONS.—In this subsection—

"(i) PUBLIC RECIPIENT OF GOVERNMENTAL ASSISTANCE.—The term 'public recipient of governmental assistance' means—

"(I) any State,

"(II) any municipality or other political subdivision of a State,

"(III) any public agency or instrumentality of one or more States and municipalities and political subdivisions of a State,

"(IV) any Indian tribe,

"(V) any corporation, board, or other person owned or controlled by any entity described in subclause (I), (II), (III), or (IV), and

"(VI) any corporation, board, or other person owned by, controlled by, or under common control with, any entity described in subclause (I), (II), (III), (IV), or (V),

which before, on, or after the date of the enactment of this paragraph received governmental financial assistance for the purchase or operation of any bus.

"(ii) PRIVATE RECIPIENT OF GOVERNMENTAL ASSISTANCE.—The term 'private recipient of governmental assistance' means any person (other than a person described in clause (i)) who before, on, or after the date of the enactment of this paragraph received governmental financial assistance in the form of a subsidy for the purchase, lease, or operation of any bus.".

(b) PUBLIC INTEREST FINDING.—Section 10922(c)(3) of title 49, United States Code, is amended by striking out "and" at the end of subparagraph (C), by striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; and", and by adding at the end thereof the following:

"(E) the amount and extent of governmental financial assistance which the applicant for the certificate received before, on, or after the date of the enactment of this subparagraph for the purchase or operation of buses.

In addition, in making any finding relating to public interest under paragraph (1)(D) of this subsection, the Commission shall consider whether or not the person objecting to issuance of the certificate is a motor common carrier of passengers which is providing, or is willing and able to provide, the transportation to be authorized by the certificate.".

(c) CONFORMING AMENDMENT.—Section 10922(c)(3) of title 49, United States Code, is amended by striking out "(1)(A)" and inserting in lieu thereof "(1)".

SEC. 340. UTILIZATION REQUIREMENT FOR CERTIFICATES AUTHORIZING INTRASTATE BUS OPERATIONS.

(a) GENERAL RULE.—Section 10922(c)(2) of title 49, United States Code, is amended by adding at the end thereof the following new subparagraph:

"(J) LIMITATION ON INTRASTATE CERTIFICATES.—Each certificate issued under this paragraph to provide intrastate transportation of passengers on any route shall be subject to a condition which limits the authority of the carrier to provide intrastate transportation service under the certificate only if the carrier provides regularly scheduled interstate transportation service on the route.".

(b) RETROACTIVE APPLICABILITY.—The amendment made by subsection (a) shall apply to any certificate issued under section 10922(c)(2) of title 49, United States Code, before, on, or after the date of the enactment of this Act.

TITLE IV—UNIFORM RELOCATION ACT AMENDMENTS OF 1987

SEC. 401. SHORT TITLE.

This title may be cited as the "Uniform Relocation Act Amendments of 1987".

SEC. 402. DEFINITIONS.

(a) FEDERAL AGENCY DEFINED.—Section 101(1) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (hereinafter in this title referred to as the "Uniform Act") (42 U.S.C. 4601(1)) is amended to read as follows:

"(1) The term 'Federal agency' means any department, agency, or instrumentality in the executive branch of the Government, any wholly owned Government corporation, the Architect of the Capitol, the Federal Reserve banks and branches thereof, and any person who has the authority to acquire property by eminent domain under Federal law.".

(b) STATE AGENCY DEFINED.—Section 101(3) of the Uniform Act (42 U.S.C. 4601(3)) is amended to read as follows:

"(3) The term 'State agency' means any department, agency, or instrumentality of a State or of a political subdivision of a State, any department, agency, or instrumentality of two or more States or of two or more political subdivisions of a State or States, and any person who has the authority to acquire property by eminent domain under State law.".

(c) INTEREST REDUCTION PAYMENTS AS FEDERAL FINANCIAL ASSISTANCE.—Section 101(4) of the Uniform Act (42 U.S.C. 4601(4)) is amended by inserting ", any interest reduction payment to an individual in connection with the purchase and occupancy of a residence by that individual," after "insurance".

(d) DISPLACED PERSON DEFINED.—Section 101(6) of the Uniform Act (42 U.S.C. 4601(6)) is amended to read as follows:

"(6)(A) The term 'displaced person' means, except as provided in subparagraph (B)—

"(i) any person who moves from real property, or moves his personal property from real property—

"(I) as a direct result of a written notice of intent to acquire or the acquisition of such real property in whole or in part for a program or project undertaken by a Federal agency or with Federal financial assistance; or

"(II) on which such person is a residential tenant or conducts a small business, a farm operation, or a business defined in section 101(7)(D), as a direct result of rehabilitation, demolition, or such other displacing activity as the lead agency may prescribe, under a program or project undertaken by a Federal agency or with Federal financial assistance in any case in which the head of the displacing agency determines that such displacement is permanent; and

"(ii) solely for the purposes of sections 202 (a) and (b) and 205 of this title, any person who moves from real property, or moves his personal property from real property—

"(I) as a direct result of a written notice of intent to acquire or the acquisition of other real property, in whole or in part, on which such person conducts a business or farm operation, for a program or project undertaken by a Federal agency or with Federal financial assistance; or

"(II) as a direct result of rehabilitation, demolition, or such other displacing activity as the lead agency may prescribe, of other real property on which such person conducts a business or a farm operation, under a program or project undertaken by a Federal agency or with Federal financial assistance where the head of the displacing agency determines that such displacement is permanent.

"(B) The term 'displaced person' does not include—

"(i) a person who has been determined, according to criteria established by the head of the lead agency, to be either in unlawful occupancy of the displacement dwelling or to have occupied such dwelling for the purpose of obtaining assistance under this Act;

"(ii) in any case in which the displacing agency acquires property for a program or project, any person (other than a person who was an occupant of such property at the time it was acquired) who occupies such property on a rental basis for a short term or a period subject to termination when the property is needed for the program or project.".

(e) COMPARABLE REPLACEMENT DWELLING, DISPLACING AGENCY, LEAD AGENCY, AND APPRAISAL DEFINED.—Section 101 of the Uniform Act (42 U.S.C. 4601) is amended by adding at the end thereof the following new paragraphs:

"(10) The term 'comparable replacement dwelling' means any dwelling that is (A) decent, safe, and sanitary; (B) adequate in size to accommodate the occupants; (C) within the financial means of the displaced person; (D) functionally equivalent; (E) in an area not subject to unreasonable adverse environmental conditions; and (F) in a location generally not less desirable than the location of the displaced person's dwelling with respect to public utilities, facilities, services, and the displaced person's place of employment.

"(11) The term 'displacing agency' means any Federal agency carrying out a program or project, and any State, State agency, or person carrying out a program or project with Federal financial assistance, which causes a person to be a displaced person.

"(12) The term 'lead agency' means the Department of Transportation.

"(13) The term 'appraisal' means a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.".

(f) CONFORMING AMENDMENT.—Section 101(7)(D) of the Uniform Act (42 U.S.C. 4601(7)(D)) is amended by striking out "(a)" after "202".

SEC. 403. CERTIFICATION.

Title I of the Uniform Act is amended by adding at the end thereof the following new section:

"CERTIFICATION

"SEC. 103. (a) Notwithstanding sections 210 and 305 of this Act, the head of a Federal agency may discharge any of his responsibilities under this Act by accepting a certification by a State agency that it will carry out such responsibility, if the head of the lead agency determines that such responsibility will be carried out in accordance with State laws which will accomplish the purpose and effect of this Act.

"(b)(1) The head of the lead agency shall issue regulations to carry out this section.

"(2) The head of the lead agency shall, in coordination with other Federal agencies, monitor from time to time, and report biennially to the Congress on, State agency implementation of this section. A State agency shall make available any information required for such purpose.

"(3) Before making a determination regarding any State law under subsection (a) of this section, the head of the lead agency shall provide interested parties with an opportunity for public review and comment. In particular, the head of the lead agency shall consult with interested local general purpose governments within the State on the effects of such State law on the ability of local governments to carry out their responsibilities under this Act.

"(c)(1) The head of a Federal agency may withhold his approval of any Federal financial assistance to or contract or cooperative agreement with any displacing agency found by the Federal agency to have failed to comply with the laws described in subsection (a) of this section.

"(2) After consultation with the head of the lead agency, the head of a Federal agency may rescind his acceptance of any certification under this section, in whole or in part, if the State agency fails to comply with such certification or with State law.".

SEC. 404. DECLARATION OF FINDINGS AND POLICY.

Section 201 of the Uniform Act (42 U.S.C 4621) is amended to read as follows:

"DECLARATION OF FINDINGS AND POLICY

"SEC. 201. (a) The Congress finds and declares that—

"(1) displacement as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance is caused by a number of activities, including rehabilitation, demolition, code enforcement, and acquisition;

"(2) relocation assistance policies must provide for fair, uniform, and equitable treatment of all affected persons;

"(3) the displacement of businesses often results in their closure;

"(4) minimizing the adverse impact of displacement is essential to maintaining the economic and social well-being of communities; and

"(5) implementation of this Act has resulted in burdensome, inefficient, and inconsistent compliance requirements and procedures which will be improved by establishing a lead agency and allowing for State certification and implementation.

"(b) This title establishes a uniform policy for the fair and equitable treatment of persons displaced as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance. The primary purpose of this title is to ensure that such persons shall not suffer disproportionate injuries as a result of programs and projects designed for the benefit of the public as a whole and to minimize the hardship of displacement on such persons.

"(c) It is the intent of Congress that—

"(1) Federal agencies shall carry out this title in a manner which minimizes waste, fraud, and mismanagement and reduces unnecessary administrative costs borne by States and State agencies in providing relocation assistance;

"(2) uniform procedures for the administration of relocation assistance shall, to the maximum extent feasible, assure that the unique circumstances of any displaced person are taken into account and that persons in essentially similar circumstances are accorded equal treatment under this Act;

"(3) the improvement of housing conditions of economically disadvantaged persons under this title shall be undertaken, to the maximum extent feasible, in coordination with existing Federal, State, and local governmental programs for accomplishing such goals; and

"(4) the policies and procedures of this Act will be administered in a manner which is consistent with fair housing requirements and which assures all persons their rights under title VIII of the Act of April 11, 1968 (P.L. 90-284), commonly known as the Civil Rights Act of 1968, and title VI of the Civil Rights Act of 1964.".

SEC. 405. MOVING AND RELATED EXPENSES.

(a) BUSINESS REESTABLISHMENT EXPENSES.—Section 202(a) of the Uniform Act (42 U.S.C. 4622(a)) is amended—

(1) by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

"(a) Whenever a program or project to be undertaken by a displacing agency will result in the displacement of any person, the head of the displacing agency shall provide for the payment to the displaced person of—";

(2) by striking out "and" at the end of paragraph (2);

(3) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(4) by adding at the end thereof the following:

"(4) actual reasonable expenses necessary to reestablish a displaced farm, nonprofit organization, or small business at its new site, but not to exceed $10,000.".

(b) ALTERNATIVE RESIDENTIAL ALLOWANCE.—Section 202(b) of the Uniform Act (42 U.S.C. 4622(b)) is amended by striking out all that follows "may receive" and inserting in lieu thereof "an expense and dislocation allowance, which shall be determined according to a schedule established by the head of the lead agency.".

(c) ALTERNATIVE BUSINESS ALLOWANCE.—Section 202(c) of the Uniform Act (42 U.S.C. 4622(c)) is amended to read as follows:

"(c) Any displaced person eligible for payments under subsection (a) of this section who is displaced from the person's place of business or farm operation and who is eligible under criteria established by the head of the lead agency may elect to accept the payment authorized by this subsection in lieu of the payment authorized by subsection (a) of this section. Such payment shall consist of a fixed payment in an amount to be determined according to criteria established by the head of the lead agency, except that such payment shall not be less than $1,000 nor more than $20,000. A person whose sole business at the displacement dwelling is the rental of such property to others shall not qualify for a payment under this subsection.".

(d) CERTAIN UTILITY RELOCATION EXPENSES.—Section 202 of the Uniform Act (42 U.S.C. 4622) is amended by adding at the end thereof the following new subsection:

"(d)(1) Except as otherwise provided by Federal law—

"(A) if a program or project (i) which is undertaken by a displacing agency, and (ii) the purpose of which is not to relocate or reconstruct any utility facility, results in the relocation of a utility facility;

"(B) if the owner of the utility facility which is being relocated under such program or project has entered into, with the State or local government on whose property, easement, or right-of-way such facility is located, a franchise or similar agreement with respect to the use of such property, easement, or right-of-way; and

"(C) if the relocation of such facility results in such owner incurring an extraordinary cost in connection with such relocation;

the displacing agency may, in accordance with such regulations as the head of the lead agency may issue, provide to such owner a relocation payment which may not exceed the amount of such extraordinary cost (less any increase in the value of the new utility facility above the value of the old utility facility and less any salvage value derived from the old utility facility).

"(2) For purposes of this subsection, the term—

"(A) 'extraordinary cost in connection with a relocation' means any cost incurred by the owner of a utility facility in connection with relocation of such facility which is determined by the head of the displacing agency, under such regulations as the head of the lead agency shall issue—

"(i) to be a non-routine relocation expense;

"(ii) to be a cost such owner ordinarily does not include in its annual budget as an expense of operation; and

"(iii) to meet such other requirements as the lead agency may prescribe in such regulations; and

"(B) 'utility facility' means—

"(i) any electric, gas, water, steam power, or materials transmission or distribution system;

"(ii) any transportation system;

"(iii) any communications system (including cable television); and

"(iv) any fixtures, equipment, or other property associated with the operation, maintenance, or repair of any such system;

located on property which is owned by a State or local government or over which a State or local government has an easement or right-of-way. A utility facility may be publicly, privately, or cooperatively owned.".

SEC. 406. REPLACEMENT HOUSING FOR HOMEOWNER.

Section 203(a) of the Uniform Act (42 U.S.C. 4623(a)) is amended—

(1) by striking out "Federal" in the portion of paragraph (1) preceding subparagraph (A) and inserting in lieu thereof "displacing";

(2) by striking out "$15,000" and inserting in lieu thereof "$22,500";

(3) by striking out "acquired by" and all that follows through "the additional payment." in paragraph (1)(A) and inserting in lieu thereof "acquired by the displacing agency, equals the reasonable cost of a comparable replacement dwelling.";

(4) by striking out paragraph (1)(B) and inserting in lieu thereof the following:

"(B) The amount, if any, which will compensate such displaced person for any increased interest costs and other debt service costs which such person is required to pay for financing the acquisition of any such comparable replacement dwelling. Such amount shall be paid only if the dwelling acquired by the displacing agency was encumbered by a bona fide mortgage which was a valid lien on such dwelling for not less than 180 days immediately prior to the initiation of negotiations for the acquisition of such dwelling."; and

(5) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) The additional payment authorized by this section shall be made only to a displaced person who purchases and occupies a decent, safe, and sanitary replacement dwelling within one year after the date on which such person receives final payment from the displacing agency for the acquired dwelling or the date on which the displacing agency's obligation under section 205(c)(3) of this Act is met, whichever is later, except that the displacing agency may extend such period for good cause. If such period is extended, the payment under this section shall be based on the costs of relocating the person to a comparable replacement dwelling within one year of such date.".

SEC. 407. REPLACEMENT HOUSING FOR TENANTS AND CERTAIN OTHERS.

Section 204 of the Uniform Act (42 U.S.C. 4624) is amended to read as follows:

"REPLACEMENT HOUSING FOR TENANTS AND CERTAIN OTHERS

"SEC. 204. (a) In addition to amounts otherwise authorized by this title, the head of a displacing agency shall make a payment to or for any displaced person displaced from any dwelling not eligible to receive a payment under section 203 which dwelling was actually and lawfully occupied by such displaced person for not less than ninety days immediately prior to (1) the initiation of negotiations for acquisition of such dwelling, or (2) in any case in which displacement is not a direct result of acquisition, such other event as the head of the lead agency shall prescribe. Such payment shall consist of the amount necessary to enable such person to lease or rent for a period not to exceed 42 months, a comparable replacement dwelling, but not to exceed $5,250. At the discretion of the head of the displacing agency, a payment under this subsection may be made in periodic installments. Computation of a payment under this subsection to a low-income displaced person for a comparable replacement dwelling shall take into account such person's income.

"(b) Any person eligible for a payment under subsection (a) of this section may elect to apply such payment to a down payment on, and other incidental expenses pursuant to, the purchase of a decent, safe, and sanitary replacement dwelling. Any such person may, at the discretion of the head of the displacing agency, be eligible under this subsection for the maximum payment allowed under subsection (a), except that, in the case of a displaced homeowner who has owned and occupied the displacement dwelling for at least 90 days but not more than 180 days immediately prior to the initiation of negotiations for the acquisition of such dwelling, such payment shall not exceed the payment such person would otherwise have received under section 203(a) of this Act had the person owned and occupied the displacement dwelling 180 days immediately prior to the initiation of such negotiations.".

SEC. 408. RELOCATION PLANNING, ASSISTANCE COORDINATION, AND ADVISORY SERVICES.

Section 205 of the Uniform Act (42 U.S.C. 4625) is amended to read as follows:

"RELOCATION PLANNING, ASSISTANCE COORDINATION, AND ADVISORY SERVICES

"SEC. 205. (a) Programs or projects undertaken by a Federal agency or with Federal financial assistance shall be planned in a manner that (1) recognizes, at an early stage in the planning of such programs or projects and before the commencement of any actions which will cause displacements, the problems associated with the displacement of individuals, families, businesses, and farm operations, and (2) provides for the resolution of such problems in order to minimize adverse impacts on displaced persons and to expedite program or project advancement and completion.

"(b) The head of any displacing agency shall ensure that the relocation assistance advisory services described in subsection (c) of this section are made available to all persons displaced by such agency. If such agency head determines that any person occupying property immediately adjacent to the property where the displacing activity occurs is caused substantial economic injury as a result thereof, the agency head may make available to such person such advisory services.

"(c) Each relocation assistance advisory program required by subsection (b) of this section shall include such measures, facilities, or services as may be necessary or appropriate in order to—

"(1) determine, and make timely recommendations on, the needs and preferences, if any, of displaced persons for relocation assistance;

"(2) provide current and continuing information on the availability, sales prices, and rental charges of comparable replacement dwellings for displaced homeowners and tenants and suitable locations for businesses and farm operations;

"(3) assure that a person shall not be required to move from a dwelling unless the person has had a reasonable opportunity to relocate to a comparable replacement dwelling, except in the case of—

"(A) a major disaster as defined in section 102(2) of the Disaster Relief Act of 1974;

"(B) a national emergency declared by the President; or

"(C) any other emergency which requires the person to move immediately from the dwelling because continued occupancy of such dwelling by such person constitutes a substantial danger to the health or safety of such person;

"(4) assist a person displaced from a business or farm operation in obtaining and becoming established in a suitable replacement location;

"(5) supply (A) information concerning other Federal and State programs which may be of assistance to displaced persons, and (B) technical assistance to such persons in applying for assistance under such programs; and

"(6) provide other advisory services to displaced persons in order to minimize hardships to such persons in adjusting to relocation.

"(d) The head of a displacing agency shall coordinate the relocation activities performed by such agency with other Federal, State, or local governmental actions in the community which could affect the efficient and effective delivery of relocation assistance and related services.

"(e) Whenever two or more Federal agencies provide financial assistance to a displacing agency other than a Federal agency, to implement functionally or geographically related activities which will result in the displacement of a person, the heads of such Federal agencies may agree that the procedures of one of such agencies shall be utilized to implement this title with respect to such activities. If such agreement cannot be reached, then the head of the lead agency shall designate one of such agencies as the agency whose procedures shall be utilized to implement this title with respect to such activities. Such related activities shall constitute a single program or project for purposes of this Act.

"(f) Notwithstanding section 101(6) of this Act, in any case in which a displacing agency acquires property for a program or project, any person who occupies such property on a rental basis for a short term or a period subject to termination when the property is needed for the program or project shall be eligible for advisory services to the extent determined by the displacing agency.".

SEC. 409. HOUSING REPLACEMENT BY FEDERAL AGENCY AS LAST RESORT.

Section 206 of the Uniform Act (42 U.S.C. 4626) is amended to read as follows:

"HOUSING REPLACEMENT BY FEDERAL AGENCY AS LAST RESORT

"SEC. 206. (a) If a program or project undertaken by a Federal agency or with Federal financial assistance cannot proceed on a timely basis because comparable replacement dwellings are not available, and the head of the displacing agency determines that such dwellings cannot otherwise be made available, the head of the displacing agency may take such action as is necessary or appropriate to provide such dwellings by use of funds authorized for such project. The head of the displacing agency may use this section to exceed the maximum amounts which may be paid under sections 203 and 204 on a case-by-case basis for good cause as determined in accordance with such regulations as the head of the lead agency shall issue.

"(b) No person shall be required to move from his dwelling on account of any program or project undertaken by a Federal agency or with Federal financial assistance, unless the head of the displacing agency is satisfied that comparable replacement housing is available to such person.".

SEC. 410. ASSURANCES.

Section 210 of the Uniform Act (42 U.S.C. 4630) is amended by striking out "State agency" the first place it appears and inserting in lieu thereof "displacing agency (other than a Federal agency)"; by striking out "State agency" the second place it appears and inserting in lieu thereof "displacing agency"; and by striking out "decent, safe, and sanitary" in paragraph (3) and inserting in lieu thereof "comparable".

SEC. 411. FEDERAL SHARE OF COSTS.

(a) GENERAL RULE.—Section 211(a) of the Uniform Act (42 U.S.C. 4631(a)) is amended to read as follows:

"(a) The cost to a displacing agency of providing payments and assistance under this title and title III of this Act shall be included as part of the cost of a program or project undertaken by a Federal agency or with Federal financial assistance. A displacing agency, other than a Federal agency, shall be eligible for Federal financial assistance with respect to such payments and assistance in the same manner and to the same extent as other program or project costs.".

(b) LIMITATION.—Section 211(b) of the Uniform Act (42 U.S.C. 4631(b)) is amended to read as follows:

"(b) No payment or assistance under this title or title III of this Act shall be required to be made to any person or included as a program or project cost under this section, if such person receives a payment required by Federal, State, or local law which is determined by the head of the Federal agency to have substantially the same purpose and effect as such payment under this section.".

SEC. 412. DUTIES OF LEAD AGENCY.

Section 213 of the Uniform Act (42 U.S.C. 4633) is amended to read as follows:

"DUTIES OF LEAD AGENCY

"SEC. 213. (a) The head of the lead agency shall—

"(1) develop, publish, and issue, with the active participation of the Secretary of Housing and Urban Development and the heads of other Federal agencies responsible for funding relocation and acquisition actions, and in coordination with State and local governments, such regulations as may be necessary to carry out this Act;

"(2) ensure that relocation assistance activities under this Act are coordinated with low-income housing assistance programs or projects by a Federal agency or a State or State agency with Federal financial assistance;

"(3) monitor, in coordination with other Federal agencies, the implementation and

enforcement of this Act and report to the Congress, as appropriate, on any major issues or problems with respect to any policy or other provision of this Act; and

"(4) perform such other duties as may be necessary to carry out this Act.

"(b) The head of the lead agency is authorized to issue such regulations and establish such procedures as he may determine to be necessary to assure—

"(1) that the payments and assistance authorized by this Act shall be administered in a manner which is fair and reasonable and as uniform as practicable;

"(2) that a displaced person who makes proper application for a payment authorized for such person by this title shall be paid promptly after a move or, in hardship cases, be paid in advance; and

"(3) that any aggrieved person may have his application reviewed by the head of the Federal agency having authority over the applicable program or project or, in the case of a program or project receiving Federal financial assistance, by the State agency having authority over such program or project or the Federal agency having authority over such program or project if there is no such State agency.

"(c) The regulations and procedures issued pursuant to this section shall apply to the Tennessee Valley Authority only with respect to relocation assistance under this title and title I.".

SEC. 413. PAYMENTS UNDER OTHER LAWS.

Section 216 of the Uniform Act (42 U.S.C. 4636) is amended by inserting after "Federal law" the following: "(except for any Federal law providing low-income housing assistance)".

SEC. 414. TRANSFER OF SURPLUS PROPERTY.

Section 218 of the Uniform Act (42 U.S.C. 4638) is amended by inserting "net" after "all".

SEC. 415. REPEALS.

Sections 214, 217, and 219 of the Uniform Act (42 U.S.C. 4634 and 4637) are hereby repealed.

SEC. 416. UNIFORM POLICY ON REAL PROPERTY ACQUISITION PRACTICES.

(a) Waiver of Appraisal.—Section 301(2) of the Uniform Act (42 U.S.C. 4651(2)) is amended by inserting before the period at the end thereof the following: ", except that the head of the lead agency may prescribe a procedure to waive the appraisal in cases involving the acquisition by sale or donation of property with a low fair market value".

(b) Acquisition of Uneconomic Remnant.—Section 301(9) of the Uniform Act (42 U.S.C. 4651 (9)) is amended to read as follows:

"(9) If the acquisition of only a portion of a property would leave the owner with an uneconomic remnant, the head of the Federal agency concerned shall offer to acquire that remnant. For the purposes of this Act, an uneconomic remnant is a parcel of real property in which the owner is left with an interest after the partial acquisition of the owner's property and which the head of the Federal agency concerned has determined has little or no value or utility to the owner.".

(c) Donations.—Section 301 of the Uniform Act (42 U.S.C. 4651) is amended by adding at the end thereof the following new paragraph:

"(10) A person whose real property is being acquired in accordance with this title may, after the person has been fully informed of his right to receive just compensation for such property, donate such property, and part thereof, any interest therein, or any compensation paid therefor to a Federal agency, as such person shall determine.".

SEC. 417. ASSURANCES.

Section 305 of the Uniform Act (42 U.S.C. 4655) is amended by inserting "(a)" after "Sec. 305.", by striking out "a State agency" the first place it appears and inserting in lieu thereof "an acquiring agency", by striking out "State agency" the second place it appears and inserting in lieu thereof "acquiring agency", and by adding at the end thereof the following new subsection:

"(b) For purposes of this section, the term 'acquiring agency' means—

"(1) a State agency (as defined in section 101(3)) which has the authority to acquire property by eminent domain under State law, and

"(2) a State agency or person which does not have such authority, to the extent provided by the head of the lead agency by regulation.".

SEC. 418. EFFECTIVE DATE.

The amendment made by section 412 of this title (to the extent such amendment prescribes authority to develop, publish, and issue regulations) shall take effect on the date of the enactment of this title. This title and the amendments made by this title (other than the amendment made by section 412 to such extent) shall take effect on the effective date provided in such regulations but not later than 2 years after such date of enactment.

TITLE V—HIGHWAY REVENUE ACT OF 1987

SEC. 501. SHORT TITLE.

This title may be cited as the "Highway Revenue Act of 1987".

SEC. 502. 5-YEAR EXTENSION OF HIGHWAY TRUST FUND TAXES AND RELATED EXEMPTIONS.

(a) Extension of Taxes.—The following provisions of the Internal Revenue Code of 1986 are each amended by striking out "1988" each place it appears and inserting in lieu thereof "1993":

(1) Section 4041(a)(3) (relating to special fuels tax).

(2) Section 4051(c) (relating to tax on heavy trucks and trailers sold at retail).

(3) Section 4071(d) (relating to tax on tires and tread rubber).

(4) Section 4081(e)(1) (as amended by the Tax Reform Act of 1986 and section 521(a)(1)(B) of the Superfund Revenue Act of 1986).

(5) Sections 4481(e), 4482(c)(4), and 4482(d) (relating to highway use tax).

(b) Extension of Exemptions, Etc.—The following provisions of the Internal Revenue Code of 1986 are each amended by striking out "1988" each place it appears and inserting in lieu thereof "1993":

(1) Section 4041(b)(2)(C) (relating to qualified methanol and ethanol fuel).

(2) Section 4041(f)(3) (relating to exemption for farm use).

(3) Section 4041(g) (relating to other exemptions).

(4) Section 4221(a) (relating to certain tax-free sales).

(5) Section 4483(f) (relating to termination of exemptions for highway use tax).

(6) Section 6420(h) (relating to gasoline used on farms).

(7) Section 6421(h) (relating to tax on gasoline used for certain nonhighway purposes or by local transit systems) (as in effect before its redesignation by section 1703(c) of the Tax Reform Act of 1986).

(8) Section 6427(g)(5) (relating to advance repayment of increased diesel fuel tax).

(9) Section 6427(m) (relating to fuels not used for taxable purposes) (as in effect before its redesignation by section 1703(e)(1) of the Tax Reform Act of 1986).

(c) Extension of Reduced Rates of Tax on Fuels Containing Alcohol.—

(1) Paragraph (3) of section 4041(k) of such Code (relating to fuels containing alcohol) is amended by striking out "December 31, 1992" and inserting in lieu thereof "September 30, 1993".

(2) Paragraph (4) of section 4081(c) of such Code (relating to gasoline mixed with alcohol), as amended by the Tax Reform Act of 1986, is amended by striking out "December 31, 1992" and inserting in lieu thereof "September 30, 1993".

(d) Other Provisions.—

(1) Floor stocks refunds.—Paragraph (1) of section 6412(a) of such Code (relating to floor stocks refunds) is amended—

(A) by striking out "1988" each place it appears and inserting in lieu thereof "1993", and

(B) by striking out "1989" each place it appears and inserting in lieu thereof "1994".

(2) Installment payments of highway use tax.—Paragraph (2) of section 6156(e) of such Code (relating to installment payments of tax on use of highway motor vehicles) is amended by striking out "1988" and inserting in lieu thereof "1993".

SEC. 503. 5-YEAR EXTENSION OF HIGHWAY TRUST FUND.

(a) In General.—Subsections (b), (c), and (e) of section 9503 of the Internal Revenue Code of 1986 (relating to Highway Trust Fund) are each amended—

(1) by striking out "1988" each place it appears and inserting in lieu thereof "1993", and

(2) by striking out "1989" each place it appears and inserting in lieu thereof "1994".

(b) Expenditures From Highway Trust Fund.—Paragraph (1) of section 9503(c) of such Code (relating to expenditures from Highway Trust Fund) is amended by striking out "or" at the end of subparagraph (B) and by striking out subparagraph (C) and inserting in lieu thereof the following:

"(C) authorized to be paid out of the Highway Trust Fund under the Surface Transportation and Uniform Relocation Assistance Act of 1987, or

"(D) hereafter authorized by a law which does not authorize the expenditure out of the Highway Trust Fund of any amount for a general purpose not covered by subparagraph (A), (B), or (C) as in effect on the date of the enactment of the Surface Transportation and Uniform Relocation Assistance Act of 1987."

(c) Conforming Amendments to Land and Water Conservation Fund.—Subsection (b) of section 201 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–11) is amended—

(1) by striking out "1988" and inserting in lieu thereof "1993", and

(2) by striking out "1989" each place it appears and inserting in lieu thereof "1994".

SEC. 504. CERTAIN TRANSFERS FROM HIGHWAY TRUST FUND TO BE MADE PROPORTIONATELY FROM MASS TRANSIT ACCOUNT.

Subsection (e) of section 9503 of the Internal Revenue Code of 1986 (relating to establishment of Mass Transit Account) is amended by adding at the end thereof the following new paragraph:

"(5) Portion of certain transfers to be made from account.—

"(A) In general.—Transfers under paragraphs (2), (3), and (4) of subsection (c) shall be borne by the Highway Account and the Mass Transit Account in proportion to the

respective revenues transferred under this section to the Highway Account (after the application of paragraph (2)) and the Mass Transit Account; except that any such transfers to the extent attributable to section 6427(g) shall be borne only by the Highway Account.

"(B) Highway account.—For purposes of subparagraph (A), the term 'Highway Account' means the portion of the Highway Trust Fund which is not the Mass Transit Account."

SEC. 505. TREATMENT OF LONG-TERM LESSORS OF HEAVY TRUCKS AND TRAILERS.

(a) Initial Tax Not Imposed on Sale to Long-Term Lessors.—Paragraph (1) of section 4052(a) of the Internal Revenue Code of 1986 (defining first retail sale) is amended by striking out "other than for resale" and inserting in lieu thereof "other than for resale or leasing in a long-term lease".

(b) Constructive Sales Price in the Case of Long-Term Lease.—Subsection (b) of section 4052 of such Code (defining price) is amended by adding at the end thereof the following new paragraph:

"(3) Long-term lease.—

"(A) In general.—In the case of any long-term lease of an article which is treated as the first retail sale of such article, the tax under this subchapter shall be computed on a price equal to—

"(i) the sum of—

"(I) the price (determined under this subchapter but without regard to paragraph (4)) at which such article was sold to the lessor, and

"(II) the cost of any parts and accessories installed by the lessor on such article before the first use by the lessee or leased in connection with such long-term lease, plus

"(ii) an amount equal to the presumed markup percentage of the sum described in clause (i).

"(B) Presumed markup percentage.—For purposes of subparagraph (A), the term 'presumed markup percentage' means the average markup percentage of retailers of articles of the type involved, as determined by the Secretary.

"(C) Exceptions under regulations.—To the extent provided in regulations prescribed by the Secretary, subparagraph (A) shall not apply to specified types of leases where its application is not necessary to carry out the purposes of this subsection."

(c) Long-Term Lease Defined.—Section 4052 of such Code is amended by adding at the end thereof the following new subsection:

"(f) Long-Term Lease.—For purposes of this section, the term 'long-term lease' means any lease with a term of 1 year or more. In determining a lease term for purposes of the preceding sentence, the rules of section 168(i)(3)(A) shall apply."

(d) Effective Date.—The amendments made by this section shall apply with respect to articles sold by the manufacturer, producer, or importer on or after the 1st day of the 1st calendar quarter which begins more than 90 days after the date of the enactment of this Act.

SEC. 506. DETERMINATION OF PRICE WHERE TAX PAID BY MANUFACTURER.

(a) In General.—Subsection (b) of section 4052 of the Internal Revenue Code of 1986 (defining price) is amended by adding at the end thereof the following new paragraph:

"(4) Special rule where tax paid by manufacturer, producer, or importer.—

"(A) In general.—In any case where the manufacturer, producer, or importer of any article (or a related person) is liable for tax imposed by this subchapter with respect to such article, the tax under this subchapter shall be computed on a price equal to the sum of—

"(i) the price which would (but for this paragraph) be determined under this subchapter, plus

"(ii) the product of the price referred to in clause (i) and the presumed markup percentage determined under paragraph (3)(B).

"(B) Related person.—For purposes of this paragraph—

"(i) In general.—Except as provided in clause (ii), the term 'related person' means any person who is a member of the same controlled group (within the meaning of section 5061(e)(3)) as the manufacturer, producer, or importer.

"(ii) Exception for retail establishment.—To the extent provided in regulations prescribed by the Secretary, a person shall not be treated as a related person with respect to the sale of any article if such article is sold through a permanent retail establishment in the normal course of the trade or business of being a retailer."

(b) Effective Date.—The amendment made by this section shall apply with respect to articles sold by the manufacturer, producer, or importer on or after the 1st day of the 1st calendar quarter which begins more than 90 days after the date of the enactment of this Act.

SEC. 507. IMPOSITION OF HIGHWAY USE TAX ON ALL MOTOR VEHICLES OPERATING IN UNITED STATES.

(a) In General.—Subsection (b) of section 4481 of the Internal Revenue Code of 1986 (relating to tax paid by whom) is amended by inserting "or contiguous foreign country" after "State".

(b) Reduction in Tax for Trucks Base-Plated in a Contiguous Foreign Country.—Section 4483 of such Code (relating to exemptions) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) Reduction in Tax for Trucks Base-Plated in a Contiguous Foreign Country.—If the base for registration purposes of any highway motor vehicle is in a contiguous foreign country for any taxable period, the tax imposed by section 4481 for such period shall be 75 percent of the tax which would (but for this subsection) be imposed by section 4481 for such period."

(c) Regulations Required Within 120 Days.—The Secretary of the Treasury or the delegate of the Secretary shall within 120 days after the date of the enactment of this section prescribe regulations governing payment of the tax imposed by section 4481 of the Internal Revenue Code of 1986 on any highway motor vehicle operated by a motor carrier domiciled in any contiguous foreign country or owned or controlled by persons of any contiguous foreign country. Such regulations shall include a procedure by which the operator of such motor vehicle shall evidence that such operator has paid such tax at the time such motor vehicle enters the United States. In the event of the failure to provide evidence of payment, such regulations may provide for denial of entry of such motor vehicle into the United States.

(d) Effective Date.—The amendments made by subsections (a) and (b) shall take effect on July 1, 1987.

SEC. 508. APPLICATION OF CERTAIN REVENUE RULINGS.

Revenue Rulings 85-196 and 86-43 shall not apply to any vehicle acquired by a retail dealer before January 1, 1986, continuously held in such dealer's inventory through September 30, 1986, and sold by such dealer after September 30, 1986.

And the Senate agree to the same.

For consideration of all provisions except Title V of the House bill and Title II of the Senate amendment:

James J. Howard,
Glenn M. Anderson,
Robert A. Roe,
John Paul
Hammerschmidt,
Bud Shuster,

As exclusive conferees on Title V of the House bill and Title II of the Senate amendment:

Dan Rostenkowski,
J.J. Pickle,
Ed Jenkins,
Frank Guarini,
Robert T. Matsui,
Beryl Anthony, Jr.,
Ronnie G. Flippo,
John J. Duncan,
Bill Frenzel,
Dick Schulze,
Wm. Thomas,
Managers on the Part of the House.

From the Committee on Environment and Public Works, for Title I of the Senate amendment and Title I of H.R. 2, and for sec. 203, 55-mph speed limit; sec. 202(a)(1), bridge replacement and rehabilitation programs authorizations; (a)(2), elimination of hazards authorization; (a)(5), FHWA highway safety construction authorization; (a)(6), FHWA highway safety research and development authorization; sec. 202(d), obligation ceiling for highway safety programs; sec. 207, use of certain reports as evidence; sec. 208, emergency call boxes; sec. 209, railroad-highway crossings, authorization; and sec. 213, railroad highway crossing needs:

D.P. Moynihan,
Quentin N. Burdick,
George Mitchell,
John Breaux,
Robert T. Stafford,
Steve Symms,
John Chafee,

From the Committee on Finance, for Title II of the Senate amendment and Title V of H.R. 2, extending the Highway Trust Fund:

Lloyd Bentsen,
Spark M. Matsunaga,
D.P. Moynihan,
Bob Dole,
Bill Roth,

From the Committee on Banking, Housing, and Urban Affairs, for provisions dealing with urban mass transportation (including Title IV of the Senate amendment, the Urban Mass Transportation Authorization Act of 1987, and Title III of H.R. 2):

Bill Proxmire,
Alan Cranston,
Don Riegle,
Alan J. Dixon,
John Heinz,
Alfonse D'Amato,

From the Committee on Commerce, Science, and Transportation, for provisions dealing with highway safety (including Title II of H.R. 2, except for sec. 202(a)(1), bridge replacement and rehabilitation programs authorizations, (a)(2) elimination of hazards authorization, (a)(5) FHWA highway safety construction authorization, (a)(6) FHWA highway safety research and development authorization; sec. 207, use of certain reports as evidence; sec. 208, emergency call boxes; sec. 209, railroad-highway crossings authorization; and sec. 213, railroad-highway crossing needs):

FRITZ HOLLINGS,
ALBERT GORE, Jr.,
JOHN C. DANFORTH,

From the Committee on Governmental Affairs, for provisions dealing with the Uniform Relocation Act:

JIM SASSER,
CARL LEVIN,
JOHN HEINZ,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2) to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

Title I—Federal-Aid Highway Act of 1987

SHORT TITLE

House bill

Provides that title I may be cited as the "Federal-Aid Highway Act of 1987".

Senate amendment

Provides that the Senate Amendment may be cited as the "Federal-Aid Highway Act of 1987".

Conference substitute

Same as House bill.

APPROVAL OF INTERSTATE COST ESTIMATE AND EXTENSION OF INTERSTATE PROGRAM

House bill

Approves the use of the apportionment factors contained in revised table 5 of the Committee Print 100-1 of the House Committee on Public Works and Transportation to apportion the Interstate construction funds authorized for fiscal year 1988 and requires the Secretary of Transportation to transmit an estimate of the remaining cost to complete the Interstate system within ten days subsequent to January 2, 1989, to the Congress to apportion Interstate construction funds authorized for fiscal years 1991, 1992 and 1993.

Senate amendment

Provides a formula for the new Interstate-primary program which apportions $3.0 billion based on an administratively adjusted Interstate Cost Estimate, $2.8 billion based on the existing Interstate 4R formula and $2.35 billion based on the existing primary formula.

Conference substitute

Approves the use of the apportionment factors contained in revised table 5 of Committee Print 100-5 of the House Committee on Public Works and Transportation for fiscal year 1988 and requires the Secretary to transmit a revised cost estimate in 1989 to apportion Interstate construction funds authorized for fiscal years 1991 and 1992 and a revised cost estimate in 1991 to apportion Interstate construction funds authorized for fiscal year 1993. If an Interstate Cost Estimate has not been enacted into law for the fiscal years 1989, 1990, 1991, and 1992 then the Secretary is required to adjust the last Estimate submitted to Congress and use that as the basis for making a timely release of the Interstate Construction funds.

The Conference agreement includes a Senate provision to continue the one-half per cent minimum allocation of Interstate Construction funds and extends the deadline for completing the Interstate System. The conference substitute also provides that the Secretary and a State highway department may agree that a State does not need a portion of its Interstate Construction apportionment for a fiscal year. Under such an agreement the funds would not be apportioned, a State would not receive an allocation of obligation authority for the funds not apportioned, and the funds would be available for allocation from the Interstate Discretionary Fund.

INTERSTATE SUBSTITUTE PROGRAM

House bill

Directs the Secretary to apportion funds authorized for highway and transit projects substituted for withdrawn Interstate System projects under section 103(e)(4) of title 23, United States Code, for fiscal year 1987 on the basis of factors contained in Committee Print 100-2.

Amends section 103(e)(4) of title 23, United States Code, to increase the period of availability for Interstate substitute funds from two years to four years and requires the Secretary to transmit to the Congress as soon as is practicable proposed apportionment factors for highway and transit substitute projects, to apportion 75 percent of authorizations in the case of highways and 50 percent in the case of transit for the fiscal years 1988, 1989, 1990 and 1991.

The distribution of substitute highway and transit funds is continued through fiscal year 1991 with twenty-five percent of the funds available in a fiscal year for substitute highway projects allocated at the discretion of the Secretary. The remaining seventy-five percent of the substitute highway funds are apportioned on the basis of estimates of the cost to complete substitute highway projects prepared by the Secretary and approved by the Congress.

The distribution of substitute transit funds provides for fifty percent of the funds available in a fiscal year for substitute transit projects to be allocated at the discretion of the Secretary. The remaining fifty percent of the substitute transit funds are apportioned on the basis of the estimates of the cost to complete substitute transit projects prepared by the Secretary and approved by the Congress.

The Secretary would use the apportionment factors contained in Committee Print 100-2 of the House Committee on Public Works and Transportation to apportion funds made available for Interstate substitute projects for fiscal year 1987. A revised cost estimate would be submitted to the Congress as soon as is practicable for approval by the Congress to apportion Interstate substitute project funds made available for fiscal years 1988, 1989, 1990 and 1991 subject to changes in state estimates in the division of funds between substitute highway and transit projects, subject to amounts made available in prior fiscal years and subject to reapportionment of funds for one year of funds which lapse after three years.

Provides authorization levels for the Interstate transfer highway and transit program. Funds authorized under this program for transit projects are appropriated, an action which is required for non-contract authority programs. For Interstate transfer highway projects, the House bill authorizes $825 million, out of the Highway Trust Fund (other than the Mass Transit Account), for each of the fiscal years 1986 through 1991.

Would add $100 million to the unobligated balance of current state entitlements under the Interstate transfer transit program as a one-time compromise measure to help offset anticipated future inflation in transit construction costs. To avoid biasing future decisions with respect to the withdrawl of any Interstate route and with respect to state changes in the division of funds between substitute highway and transit projects, these additional sums are intended solely for the benefit of current state transit transfer programs as they are contained in Committee Print 100-2 and in the amounts derived by application of the apportionment factors therein. These amounts would remain unaffected by future adjustments to Committee Print 100-2 as authorized by the amendments under subsection (b).

Would also eliminate the deadline in current law for having substitute projects under construction or under contract for construction and treats certain non-Federal expenditures in the past on a substitute highway in Portland, Oregon, as the non-Federal share of highway transfer funds that may be spent on that highway in the future.

Makes a series of technical conforming amendments to section 103(3) of title 23, United States Code.

Senate amendment

Amends section 103(e)(4) of title 23, the Interstate Substitute Program. The amendments to section 103(e)(4) are a simple recodification except as follows.

Section 103(e)(4)(A) makes highway construction projects on any public road eligible, as highway substitution projects, expanding the current eligibility from projects authorized under any highway assistance program under section 103 of title 23 and deletes the deadline for project approval.

Section 103(e)(4)(C) makes substitution funds available in a state for 2 years. Funds not obligated in the 2 year period shall be reallocated or reapportioned as the case may be.

Authorizations for highway substitution projects for the fiscal years 1987, 1988, 1989, and 1990 of $650 million per fiscal year are provided in an authorization section separate from 103(e)(4).

Section 103(e)(4)(E)(ii) provides for the administrative adjustment of the last Interstate Substitute Cost Estimate (ISCE) approved to make substitution apportionments for highways and transit after fiscal year 1986.

Section 103(e)(4)(I) directs the Secretary to reserve, in a State's account under section 103(e)(4) of title 23, United States Code, an amount equal to that expended on right-of-way for a withdrawn route or segment of the Interstate where the right-of-way has not been disposed of. Such sum shall be released to the State upon partial or full repayment of funds in accordance with section 103(e)(7) of this title or upon the determination by the Secretary that under section 103(e)(5)(B) or (6)(B) repayment is not required.

Conference substitute

The Conference substitute includes provisions from both the House bill and the Senate amendment. The substitute recodifies section 103(e)(4) and amends it.

The Secretary is directed to apportion funds authorized for highway and transit projects substituted for withdrawn Interstate System projects under section 103(e)(4) of title 23, United States Code, for fiscal year 1987 on the basis of factors contained in Committee Print 100-6.

The substitute makes highway construction projects on any public road eligible, as highway substitution projects, expanding the current eligibility from projects authorized under any highway assistance program under section 103 of title 23.

The substitute also deletes the requirement for concept plan approval. This deletion is intended to permit States such as Rhode Island, Maryland, Connecticut, and Massachusetts to construct different highway and transit projects with substitute funds including substitute projects described in Section 136 of the House bill.

The substitute adopts the Senate approach and makes substitution funds available in a State for 2 years. Funds not obligated in the 2 year period shall be reallocated or reapportioned as the case may be.

The substitute provides authorizations for highway substitution projects for the fiscal years 1987, 1988, 1989, 1990, and 1991.

The distribution of substitute highway and transit funds is continued through fiscal year 1991 with substitute highway project funds distributed with twenty-five percent of the funds available in a fiscal year for substitute highway projects allocated at the discretion of the Secretary. The remaining seventy-five percent of the substitute highway funds is apportioned on the basis of estimates of the cost to complete substitute highway projects prepared by the Secretary and approved by the Congress. The substitute provides for the administrative adjustment of the last Interstate Substitute Cost Estimate (ISCE) approved to make substitution apportionments for highways for fiscal year 1988 if the Estimate has not been enacted by September 30, 1987. The Secretary then adjusts the last estimate for each year through and including 1991.

The distribution of substitute transit funds in section 103(e) provides for fifty percent of the funds available in a fiscal year for substitute transit projects to be allocated at the discretion of the Secretary. The remaining fifty percent of the substitute transit funds are apportioned on the basis of the estimates of the cost to complete substitute transit projects prepared by the Secretary. If Congress has not approved the 1988 Estimate by September 30, 1987, the Estimate provides for the automatic approval of the Estimate. The Secretary uses the last estimate and adjusts it for years after 1988.

The Conference substitute would add $100 million to the unobligated balance of current State entitlements under the Interstate transfer transit program as a one-time compromise measure to help offset anticipated future inflation in transit construction costs. To avoid biasing future decisions with respect to State changes in the division of funds between substitute highway and transit projects, these additional sums are intended solely for the benefit of current State transit transfer programs derived by application of the apportionment factors in committee print 100-2.

The substitute directs the Secretary to reserve, in a State's account under section 103(e)(4) of title 23, United States Code, an amount equal to that expended on right-of-way for a withdrawn route or segment of the Interstate where the right-of-way has not been disposed of. Such sum shall be released to the State upon partial or full repayment of funds in accordance with section 103(e)(7) of title 23 or upon the determination by the Secretary that under section 103(e)(5)(B), (6)(B), or (7) repayment is not required because the right-of-way has been applied to the purposes described therein.

It is the intention of the conferees that the Secretary would withhold the amount not available for release by adjusting the final drawdowns. Until the State reached the point that the only funds left were the funds necessary to cover the release, the annual apportionments would not be affected.

The conference agreement would also eliminate the deadline in current law for having substitute projects under construction or under contract for construction and treats certain non-Federal expenditures in the past on a substitute highway in Portland, Oregon, as the non-Federal share of highway transfer funds that may be spent on that highway in the future.

The substitute makes a series of technical conforming amendments to section 103(e) of title 23, United States Code.

INTERSTATE AUTHORIZATIONS

House bill

Reduces and extends the authorizations for Interstate construction to $3.0 billion in fiscal year 1988 and $3.3 billion for each of the fiscal years 1989 through 1992 and authorizes $2.0 billion for fiscal year 1993. Interstate construction funds are available for obligation one year prior to the fiscal year for which authorized. The Interstate construction funds are authorized through fiscal year 1993 at levels which will provide the states sufficient funds to complete the System.

Senate amendment

Provides authorization for the new Interstate-primary program of $8.15 billion for each fiscal year 1987 through 1990.

Conference substitute

The Conference substitute is essentially the House provision. The substitute would authorize $3 billion for fiscal year 1988; $3.15 billion for fiscal years 1989, 1990, 1991, and 1992; and $1.4 billion for fiscal year 1993.

OBLIGATION LIMITATION

House bill

Subsection (a) of the House section provides a limitation of $12.6 billion for each of the fiscal years 1988 through 1991 on obligations for Federal-aid highway and highway safety construction programs.

Subsection (b) provides for the exclusion of obligation constraints for emergency relief projects; for minimum allocations; for bridge projects on Federal dams; for bridge projects under section 147 of the Surface Transportation Assistance Act of 1978, as amended; for the Woodrow Wilson Bridge located in the District of Columbia, Maryland, and Virginia; for a demonstration project in Altoona, Pennsylvania on Route 220; for a demonstration project in Illinois demonstrating the benefits of constructing usable segments of high-volume facilities; for Union Station; for a railroad-highway relocation project in Carbondale, Illinois; for motor carrier safety grants under section 404 of the Surface Transportation Assistance Act of 1982; for grants to states providing systematic inspection and service of protection devices at ConRail crossings; for highway demonstration projects provided in the Federal-Aid Highway Act of 1986; for a study of the bridge formula; for a feasibility study in California utilizing a highway electrification system as a source of energy for highway vehicles; for a study to determine the cost-effectiveness of upgrading Route 219 in Pennsylvania and New York to Interstate standards; and for a feasibility study for constructing a bypass highway around Sebastopol, California.

Subsection (c) would distribute obligational authority among the states each fiscal year on the relative basis of each state's share of apportioned and allocated Federal-aid highway and highway safety construction programs for the fiscal year.

Subsection (d) limits the total first quarter obligations for all States to twenty-five percent and limits each state's first quarter obligations to thirty-five percent of its share of the annual obligation limitation for fiscal years 1987 through 1991.

Subsection (e) continues the priorities in existing law for the August 1 redistribution of unused obligation authority for fiscal years 1987 through 1991 with equal priority being given on the one hand to those states with large unobligated balances and on the other to those states which are receiving reduced apportionments as a result of the Federal-Aid Highway Act of 1981, or the STAA of 1982.

Subsection (f) is intended to address the problem of the states which have accumulated a significant backlog of unobligated apportionments or allocations for a variety of reasons, and are unable to eliminate that backlog by virtue of the fact that obligational authority is distributed to a state each year on the basis of funds apportioned or allocated to that state in that year; in essence, with obligational authority being distributed only on the basis of new funding, the backlog is perpetuated. Subsection (f) would allow each state that uses up its obligational authority in a fiscal year as well as any obligational authority redistributed to it on August 1, to obligate an additional 10 percent of its backlogged Federal-aid funds, provided that the total of such additional amounts nationwide does not exceed 5 percent of all backlogged funds.

Subsection (g) is a conforming amendment to assure that funds allocated under the minimum allocation program do not affect the distribution of annual obligational authority.

Senate amendment

This section establishes an obligation limitation of $12.35 billion for fiscal year 1987, $12.35 billion for fiscal year 1988, $12.35 billion for fiscal year 1989 and $12.35 billion for fiscal year 1990. The Emergency Relief and Minimum Allocation funds are not subject to the obligation limitation.

Conference substitute

The Conference substitute adopts the House approach, with fewer exceptions to the obligation limitation, as proposed by the Senate amendment.

Subsection (a) of the section provides a limitation of $12.35 billion for each of the fiscal years 1987 through 1991.

Subsection (b) provides for exceptions to the obligation limitation.

Subsection (c) would distribute obligational authority among the States each fiscal year on the relative basis of each State's share of apportioned and allocated Federal-aid highway and highway construction programs for the fiscal year.

Subsection (d) limits the total first quarter obligations to twenty-five percent and limits each State's first quarter obligations to thirty-five percent of its share of the annual obligation limitation for fiscal years 1987 through 1991.

Subsection (e) continues the priorities in existing law for the August 1 redistribution of unused obligation authority for fiscal years 1987 through 1991 with equal priority being given on the one hand to those States with large unobligated balances and on the other to those States which are receiving reduced apportionments as a result of the Federal-Aid Highway Act of 1981, or the STAA of 1982.

This subsection also directs the Secretary not to distribute obligational authority necessary to cover the full costs of administrative expenses, certain studies, the Federal lands highways program, the strategic highway research program, and amounts made available from discretionary funds for demonstration projects and ½% States under Section 149.

Subsection (f) is intended to address the problem of the States which have accumulated a significant backlog of unobligated apportionments or allocations for a variety of reasons, and are unable to eliminate that backlog by virtue of the fact that obligational authority is distributed to a State each year on the basis of funds apportioned or allocated to that State in that year; in essence, with obligational authority being distributed only on the basis of new funding, the backlog is perpetuated. Subsection (f) would allow each State that uses up its obligational authority in a fiscal year as well as any obligational authority redistributed to it on August 1, to obligate an additional 5 percent of its backlogged Federal-aid funds provided that the total of such additional amounts nationwide does not exceed 2.5 percent of all backlogged funds.

Subsection (g) provides an obligation ceiling for highway safety programs under 23 U.S.C. 402 carried out by the Federal Highway Administration.

Subsection (h) is a conforming amendment to assure that funds allocated under the minimum allocation program do not affect the distribution of annual obligation authority.

AUTHORIZATIONS

House bill

Provides authorizations to be made available in fiscal years 1987, 1988, 1989, 1990, and 1991 for various Federal-aid highway programs out of the Highway Trust Fund (other than the Mass Transit Account).

For the Interstate 4R program $2.8225 billion for fiscal year 1988, $2.830 billion per fiscal year for each of the fiscal years 1989, 1990, 1991 and 1992.

For the primary system $2.2975 billion for fiscal year 1987 and $2.305 billion per fiscal year for each of the fiscal years 1988, 1989, 1990 and 1991.

For the secondary system $600 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

For the urban system $750 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

For Indian reservation roads $90 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

For forest highways $57.5 million for each of the fiscal years 1987 and 1988, $57.185 million for each of the fiscal years 1989 and 1990 and $60 million for fiscal year 1991.

For public lands highways $20 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990, and 1991.

The House bill authorizes $45 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990, and 1991 for parkways and park highways. The entire cost of any parkway or park highway on the Federal-aid system shall be paid out of the Highway Trust Fund. Any parkway or park highway not on the Federal-aid system shall be paid from the general funds of the Treasury. The annual authorization is limited to $45 million regardless of the source of the funds.

The House bill in Title II provides authorizations for appropriations out of the Highway Trust Fund for bridge replacement and rehabilitation of $1.755 billion per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991 and provides authorizations for appropriations out of the Highway Trust Fund for projects for the elimination of hazards under section 152 of title 23, United States Code, of $170 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

The bill provides authorizations for appropriations out of the Highway Trust Fund for carrying out the highway safety programs under section 402, title 23, United States Code, by the Federal Highway Administration in the amount of $10 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991 and provides authorizations for appropriations out of the Highway Trust Fund for carrying out the highway safety research and development programs under sections 307(a) and 403 of title 23, United States Code, by the Federal Highway Administration in the amount of $10 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990, and 1991.

The bill also provides authorizations of $140 million per year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991 to carry out projects for the elimination of hazards of railroad-highway crossings under section 203 of the Federal-Aid Highway Act of 1973.

Senate amendment

Authorizes the appropriation of sums from the Highway Trust Fund, other than the Mass Transit Account, for the Federal-aid programs for fiscal years 1987 through 1990.

Provides authorizations for the Interstate-primary program of $8.15 billion for each fiscal year 1987 through 1990.

Provides authorizations for the Federal-aid urban system of $750 million for each fiscal year 1987 through 1990.

Provides authorizations for the Federal-aid secondary system of $600 million for each fiscal year 1987 through 1990.

Provides authorizations for the bridge replacement and rehabilitation program of $1.5 billion for each fiscal year 1987 through 1990. A total of $200 million per year shall be set aside for the bridge discretionary fund.

Provides annual authorizations for each of the components of the Federal lands highway program for fiscal years 1987 through 1990 as follows: forest highways $50 million, public lands highways $50 million, Indian reservation road $75 million, and park roads and parkways $75 million.

Provides each of the territories (the Virgin Islands, Guam, American Samoa, and the Northern Marianas) with an annual authorization under the Territorial Highway Program for fiscal years 1987 through 1990 of $5 million, $5 million, $1 million, and $1 million, respectively.

Provides annual authorizations for highway related safety construction grants by FHWA for the fiscal years 1987 through 1990 of $10 million.

Provides annual authorizations for highway construction safety research and development grants by FHWA for the fiscal years 1987 through 1990 of $10 million.

Provides annual authorizations for hazard elimination for fiscal years 1987 through 1990 of $175 million.

Provides annual authorizations for railhighway crossings for fiscal years 1987 through 1990 of $175 million.

The Senate amendment also authorizes $58 million out of the general funds in the Treasury for the upgrading of roads in the vicinity of the Waste Isolation Pilot Project (WIPP) in New Mexico.

Conference substitute

Provides authorizations to be made available in fiscal years 1987, 1988, 1990, and 1991 for various Federal-aid highway programs out of the Highway Trust Fund (other than the Mass Transit Account).

For the Interstate 4R program $2.815 billion per fiscal year for each of the fiscal years 1988, 1989, 1990, 1991, and 1992.

For the primary system $2.325 billion per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

For the secondary system $600 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

For the urban system $750 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

For Indian reservation roads $80 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

For forest highways $55 million for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

For public lands highways $40 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

The substitute authorizes $60 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991 for parkways and park highways.

The substitue provides authorizations out of the Highway Trust Fund for bridge replacement and rehibilitation of $1.63 billion per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

Provides authorizations out of the Highway Trust Fund for projects for the elimination of hazards under section 152 of title 23, United States Code, of $170 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

Provides authorizations out of the Highway Trust Fund for carrying out the highway safety programs under section 402, title 23, United States Code, by the Federal Highway Administration in the amount of $10 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

Provides authorizations out of the Highway Trust Fund for carrying out the highway safety research and development programs under section 307(a) and 403 of title

23, United States Code, by the Federal Highway Administration in the amount of $10 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991.

Provides authorizations of $160 million per year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991 to carry out projects for the elimination of hazards of railroad-highway crossings under section 203 of the Federal-Aid Highway Act of 1973.

The conferees believe that this program has been, and continues to be, an effective measure in the reduction of fatalities and injuries at railroad crossings.

However, the conferees recognize that protective devices cannot, in all cases, prevent accidents from occurring at railroad crossings where the public may ignore warning signals and other devices designed to protect them. (For example, a train, because of its size, appears to be moving slower than it really is, and motorists on occasion will attempt to cross, despite active warning devices, into the path of the oncoming train. This generally results in a fatal encounter for the motorist.)

The conferees, therefore, direct the Secretary to up to $250,000 from funds made available under Section 130, for a public information program which the Secretary deems will be effective in educating the public as to the hazards posed at railroad crossings and the importance of heeding warning signals and nay other information the Secretary deems relevant to diminish railroad crossing accidents.

The substitute also authorizes $58 million out of the general funds in the Treasury for the upgrading of roads in the vicinity of the Waste Isolation Pilot Project (WIPP) in New Mexico.

The substitute continues authorizations for Federal-aid secondary and urban system roads. A concern has been expressed that States are not providing their communities with an equitable share of the secondary and urban system funds. The conferees believe that the State should consult closely with local government officials in determining the manner in which these funds are allocated, and that in developing the process for the allocation of these funds, the needs of those roads which are part of the Federal-aid secondary and urban systems and under the control of local governments should be given fair consideration.

DISADVANTAGED BUSINESS ENTERPRISE PROGRAM

House bill

The House bill provides for the continuation of the Disadvantaged Business Enterprise Program for fiscal years 1987, 1988, 1989, 1990, and 1991, extends the definition of "socially and economically disadvantaged individuals" to include women, and requires States to compile a list of disadvantaged business enterprises each year.

Senate amendment

The Senate amendment authorizes a Disadvantaged Business Enterprise (DBE) program which establishes goals to encourage the participation of disadvantaged business enterprises.

Subsection (a) requires States to expend 10 percent of Federal aid highway contracts with DBEs unless the Secretary determines otherwise.

Subsection (b) defines a disadvantaged business enterprise. The definition includes a small business owned and controlled by socially and economically disadvantaged individuals provided that annual average gross receipts do not exceed $10 million. Women are also included in the rebuttable presumption of being disadvantaged.

Subsection (c) would allow costs incurred by State and local governments and prime contractors in assisting disadvantaged businesses in meeting the goals. These costs cannot be used to meet more than 10 percent of the DBE contract.

Subsection (d) would require the Secretary to establish minimum uniform criteria for State governments to use in certifying whether a concern is a disadvantaged business enterprise for the purpose of this section.

Subsection (e) requires that a DBE subcontractor perform at least 30 percent of the subcontract work with its own organization in order for the work to count toward a State's DBE goal. Certain exceptions can be made to the 30 percent requirement.

Subsection (f) provides that States must contract part of their DBE goal directly with DBE firms beginning in 1988.

Conference substitute

The Conference substitute adopts the House language with the Senate provision requiring the Secretary to establish minimum uniform certification criteria for each State to use. Such minimum uniform criteria shall include but not be limited to on-site visits, personal interviews, licenses, analysis of stock ownership, listing of equipment, analysis of bonding capacity, listing of work completed, résumé of principal owners, financial capacity, and type of work preferred.

It is the intention of the conferees that firms owned and controlled by women (WBEs) be included, as a presumptive group, within the definition of Disadvantaged Business Enterprise (DBE).

The conferees intend that contractors bidding on Federal-aid highway projects will now be able to make best efforts to meet DBE contract goals using DBE's (as they were defined prior to this Act), WBEs, or combinations thereof. Additionally, the conferees intend that the Department of Transportation and the states no longer should require contractors bidding on Federal-aid highway projects to meet separate contract goals for DBEs (as defined prior to this Act) and WBEs.

In establishing regulations to implement this section, the Secretary should not increase the overall 10 percent DBE requirement set by this section as a result of the inclusion of WBE's as a presumptive group. Some states may wish to establish a DBE goal which exceeds the minimum goal set by this section, and they are permitted to do so.

The conferees believe that the participation of minorities and women should be equitably distributed throughout the highway construction industry and the implementation of the DBE program should not fall disproportionately on any one segment of the industry.

In promulgating regulations to carry out this section, the Secretary is encouraged to re-examine the existing waiver provisions and revise them to permit any State to more readily adjust its goal from the 10% requirement, if this percentage does not reflect a reasonable goal in that State.

INDIAN EMPLOYMENT AND CONTRACTING

House bill

No provision.

Senate amendment

The Senate amendment brings the anti-discrimination provision of section 140 of title 23, United States Code, into conformity with title VII of the 1964 Civil Rights Act on the issue of Indian preference in employment and contracting for certain Federal-aid highway projects.

Conference substitute

Adopts the Senate amendment.

APPORTIONMENT

House bill

The House bill changes the Interstate 4R formula from one which apportions funds 55 percent of the basis of Interstate lane miles and 45 percent on the basis of Interstate vehicle miles traveled (with no state receiving less than ½ percent of the total amounts apportioned) to a formula which apportions funds 50 percent on the basis of Interstate vehicle miles traveled, 25 percent on the basis of gasoline consumption, and 25 percent on the basis of diesel fuel consumption.

The House bill also continues through 1991 the formula in existing law for distribution of Federal-aid primary funds.

Senate amendment

The Senate amendment amends section 104 of title 23 as follows:

Subsection (a) makes technical and conforming amendments.

Subsection (b) adds a new subsection to set aside funds for the Strategic Highway Research Program from Federal-aid Interstate-primary, Urban, Secondary, Bridge Highway Substitution, Railway-Highway Crossings and Hazard Elimination authorizations.

Subsection (c) repeals transfer provisions which do not conform with the creation of a new Federal-aid Interstate-primary program.

Subsection (d) provides apportionment formulas for the Federal-aid Interstate-primary formula, the Secondary System and the Urban System. The Secondary and Urban formulas are unchanged. The Federal-aid Interstate-primary formula replaces existing Interstate construction, Interstate 4R, and primary program formulas which are unchanged. Those programs are consolidated by this Act into one program.

Paragraph (A) provides a formula for the new Interstate-primary program which apportions $3.0 billion based on an administratively adjusted Interstate Cost Estimate, $2.8 billion based on the existing Interstate 4R formula and $2.35 billion based on the existing primary formula.

Subsections (e), (f) and (g) make technical and conforming amendments.

Subsection (h) permits a State to transfer up to 50 percent of its apportionment between the Urban and Secondary Systems. Urban System funds allocated to an urbanized area under section 150 of title 23 cannot be transferred without the approval of the local officials of the area.

Conference substitute

Retains the current 4R Formula and the current separate Interstate and Primary programs. The Conference substitute continues the current formula for the primary program through 1991.

ELIMINATION OF ROADSIDE OBSTACLES

House bill

The House bill amends the definition of construction as used in title 23 to include the removal of roadside obstacles. Under existing law, obstacle removal is generally authorized in connection with, or as an ancillary feature of, general highway construction. This amendment would allow states to use Federal-aid funds to remove roadside obstacles as a discrete Federal-aid project. This change is not intended to affect the application of section 123 of title 23, United States Code, regarding the relocation of utility facilities. However, where a state elects to carry out a discrete project for the removal of metal or plastic pipelines, relocation of adjoining pipe and appurtenances, to the extent necessary for continued pipeline utilization, should be considered within the purview of this definition.

Senate amendment

No similar provision.

Conference substitute

Adopts the House provision.

The conferees are also concerned that in many areas of the country, roadside mailboxes have been installed that present a clear hazard to the motoring public. Tests have shown that some single and multiple mailbox installations are not safe. It is the committee's belief that the United States Postal Service should work with the Secretary and the states to address this serious problem. The American Association of State Highway and Transportation Officials has published a guide on erecting mailboxes on highways which offers great promise in addressing this roadside obstacle problem.

In addition, the conferees acknowledge the growing concern about traffic safety on private property where the public is invited to travel for purposes of business. Research indicates the accidents and fatalities on private property have risen in conjunction with the increase in the volume of business-related traffic on such property and these accidents and fatalities are attributable, in part, to the lack of uniform traffic control devices.

The Uniform Vehicle Code addresses this problem and section 15-117 states "no person shall erect or maintain in any area of private property where the public is invited to travel any sign, signal, marking or other device intended to regulate, warn, or guide traffic unless it conforms with the State manual and specifications adopted under section 15-104." Business owners should be aware that they may incur additional responsibility for public safety when they own property on which the public is invited to travel for the purpose of business. The erection of uniform traffic control devices will reduce the business owner's liability if a traffic accident occurs on his or her property.

The conferees encourage the State Departments of Transportation and interested private parties to inform business owners about the public safety concerns and liability problems associated with a lack of uniform traffic control devices.

EMERGENCY CALL BOXES

House bill

The bill authorizes the use of hazard elimination funds under 23 U.S.C. 52 for the installation or replacement of emergency call boxes.

Senate amendment

No provision.

Conference substitute

Adopts the House bill provision.

VENDING MACHINES AND STATE POLICE BARRACKS

House bill

Permits the placement of vending machines in rest and recreation areas and safety rest areas on Interstate rights-of-way and permits the construction of a State Police Barracks at the intersection of I-93 and route 3 in Quincy, Massachusetts.

Senate amendment

No provision.

Conference substitute

Adopts the House provision.

LETTING OF CONTRACTS

House bill

No provision.

Senate amendment

The Senate amendment amends section 112(b) of title 23 to permit the Secretary to waive competitive bidding on a reconstruction contract where an emergency situation such as an emergency relief project exists.

Conference substitute

Adopts the Senate provision.

CONTRACTING FOR ENGINEERING AND DESIGN SERVICES

House bill

The House bill brings procurement of engineering and design services for Federal-aid highway projects into conformity with Title IX of the Federal Property and Administrative Services Act of 1949, which requires qualifications-based selection of these services when they are procured by Federal agencies for any project except Federal-aid highway projects, as they are not direct Federal procurements. Under the bill, the Federal selection procedures or equivalent state qualifications-based selection requirements for selecting firms for programs management, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping, or related services, shall apply to such contracts awarded or administered by recipients of funds.

Senate amendment

No similar provision.

Conference substitute

Adopts the House bill with a proviso that it shall not apply in a state that adopts or has adopted by statute any formal proceddure for procurement of engineering and related design services. For states which do not use the federal selection procedures or equivalent state qualifications-based requirements, the provision shall become effective beginning on the earlier of August 1, 1989 or the 10th day following the close of the first regular session of the legislature of a state which begins after the date of enactment of the bill unless a state adopts or has adopted by statute any formal procedure for the procurement of engineering and related design services.

STANDARDIZED CONTRACT CLAUSE CONCERNING SITE CONDITIONS

House bill

The bill would amend section 112 of title 23, United States Code, to direct the Secretary of Transportation to issue regulations establishing and requiring a standardized contract clause in all Federal-aid highway contracts. The standardized contract clause would provide for the equitable adjustment of contract terms in each of the following situations:

(1) In situations where site conditions differ from those specified in the contract.

(2) In situations where work has been suspended by order of the state (other than a suspension of work caused by the fault of the contractor or by weather).

(3) In situations where there are material changes in the scope of work specified in the contract.

Senate amendment

No similar provision.

Conference substitute

Adopts the House bill provision with a limitation that the provision does not apply in a State that adopts or has adopted by statute a formal procedure for the development of such a contract clause or adopts or has adopted a statute which does not permit inclusion of such a contract clause. Also, the substitute would not allow the Secretary to require that disputes be submitted for arbitration.

CONVICT PRODUCED MATERIALS

House bill

The bill amends section 114(b) of title 23, United States Code, which prohibits the use of convict labor on highway construction projects, to permit the use of materials produced by convict labor only at prison facilities producing convict-made materials for Federal-aid construction projects prior to July 1, 1985. A qualified prison facility is limited to the production levels for Federal-aid construction projects during the 12-month period prior to July 1, 1985.

The bill also provides several technical and conforming amendments to other provisions of law to limit convict produced materials on Federal-aid highway construction projects.

Senate amendment

No similar provision.

Conference substitute

Adopts the House provision, but changes the date to July 1, 1987.

ADVANCE CONSTRUCTION

House bill

The bill deletes a restriction in section 115 of title 23, United States Code, which limits Federal payment for interest on bonds issued in connection with any advance construction Interstate project under construction on January 1, 1983, and substitutes in lieu thereof a provision to permit Federal reimbursement for bond interest in connection with any advance construction Interstate or primary project on which the proceeds of bonds were used or will be used, subject to certain limitations. The bill also allows states to secure approval of advance construction primary projects without having exhausted all primary apportionments.

Currently, the dollar value of advance construction projects that may be approved for the various categories of assistance is limited to a state's unobligated balances and anticipated apportionments for the individual categories. The bill would increase this dollar volume for the individual categories by an amount equivalent to a state's current year apportionment. Advance construction approvals create no obligation of the Federal government.

Senate amendment

The Senate amendment section on Advance Construction gives the states additional flexibility for using the Advance Construction Program effective January 1, 1987.

Conference substitute

The substitute expands the use of advance construction to Metropolitan planning projects, planning and research projects, hazard elimination projects and projects for the elimination of hazards at railroad-highway crossings. To advance these types of projects and highway substitute, urban, secondary and bridge projects, a State must be out of apportionments or demonstrate that it will use all of its obligation authority. During the period January 1, 1987 and ending September 30, 1990 the Secretary may approve advance construction projects that have no existing authorizations.

Interstate and primary projects may be advanced without being out of apportionments or obligation authority.

The conferees made the amendments effective January 1, 1987. It is the intent of the conferees that projects which meet the qualifying requirements advanced between January 1, 1987 and the date of enactment of the amendments under the Interim Procedures detailed in a memorandum dated February 3, 1987, from the Executive Director of the Federal Highway Administration to Regional Federal Highway Administrators, shall be eligible for Federal funding. The projects advanced shall comply with all applicable Federal requirements.

INTERSTATE DISCRETIONARY FUNDS

House bill

The bill amends section 118(b)(2) of title 23, United States Code, to revise the priority for the availability of Interstate construction discretionary funds. The Secretary shall prioritize the allocation of these funds first, for high cost projects which are on segments not open to traffic and to high cost projects for construction of high occupancy vehicle (HOV) lanes and other lanes on the Harbor Freeway in Los Angeles County, California; second, for projects which are high cost in relation to a state's apportionment; and third, for conversion of advance construction Interstate projects. The State of California would be eligible for the receipt of Interstate construction discretionary funds for the construction of high occupancy vehicle and other lanes on the Harbor Freeway, although the state may not have obligated all of its Interstate construction apportionments.

Under existing law, Interstate construction apportionments are available for obligation for two years, after which time any unobligated funds lapse to the discretionary fund. Subsection (a) would allow a state to reduce the period of availability of its apportioned Interstate construction funds from two years to one year.

The bill amends the Interstate 4R discretionary program by setting aside $200 million annually from the Interstate 4R authorization for discretionary projects. In selecting projects for funding, the Secretary shall give priority consideration to projects costing more than $10 million on high-volume urban routes or high truck-volume rural routes. The Secretary is also directed to consider how a state has used its apportioned Interstate 4R funds in the past to determine to what extent the state merits discretionary funding currently in that the Secretary should not look too favorably upon the request of a state that has used excessive amounts of the Interstate 4R funds to construct new routes which have been designated under 139(b) of title 23, United States Code. However, the Secretary is directed not to consider whether a state has used or intends to use any of its apportioned Interstate 4R funds on routes designated under section 139(a) of title 23, United States Code, or whether it intends to exercise its unconditional right to transfer 20 percent of its 4R funds to primary as authorized by the reported bill.

Under existing law, Interstate 4R apportionments are available for obligation for four years, after which time any unobligated funds lapse to the Interstate 4R discretionary fund. Subsection (c) would reduce this period of availability from four years to three years.

Senate amendment

No similar provision.

Conference substitute

The Conference substitute adopts the House approach, with an amendment. The bill amends section 118(b)(2) of title 23, United States Code, to revise the priority for the availability of Interstate construction discretionary funds. The Secretary shall prioritize the allocation of these funds first, for high cost projects which are on segments not open to traffic or for the Harbor Freeway; second, for projects which are high cost in relation to a State's apportionment; and third, for conversion of advance construction Interstate projects. The Harbor Freeway shall receive the same priority as other first priority projects.

Under existing law, Interstate construction apportionments are available for obligation for two years, after which time any unobligated funds lapse to the discretionary fund. Subsection (a) would allow a State to reduce the period of availability of its apportioned Interstate construction funds from two years to one year. The conference substitute would also amend section 118(b)(2) to provide that any apportionments which are made on or after October 1, 1989, shall be made available until expended.

The bill amends the Interstate 4R discretionary program by setting aside $200 million annually from the Interstate 4R authorization for discretionary projects.

In selecting projects for funding, the Secretary shall give priority consideration to projects costing more than $10 million on high-volume urban routes or high truck-volume routes in rural areas. Other criteria included in the House provision were deleted.

Under existing law, Interstate 4R apportionments are available for obligation for four years, after which time any unobligated funds lapse to the Interstate 4R discretionary fund. The provision would reduce this period of availability from four years to three years.

FLEXIBILITY

House bill

This provision will grant Puerto Rico a similar degree of flexibility as that accorded the State of Alaska. This flexibility will allow Puerto Rico to use funds from the different program categories to suit its particular highway needs and priorities, allowing the Commonwealth of Puerto Rico to expand and upgrade its infrastructure in order to attain stateside levels. This type of flexibility would permit Puerto Rico to advance such projects as the new access road in San Lorenzo.

Senate amendment

No provision.

Conference substitute

Adopts the House provision. The conferees adopt the language in the House Report.

INTERSTATE-PRIMARY PROGRAM

House bill

Present law, under section 105 of the Surface Transportation Assistance Act of 1978, permits a state to transfer any part of its Interstate 4R apportionment to its primary apportionment if a state certifies and the Secretary accepts the state's certification that the amounts to be transferred are in excess of the state's Interstate 4R needs. Many states desiring such a transfer have experienced difficulty showing that the amounts to be transferred are in excess of the state's Interstate 4R needs; and thus, the transfers have not occurred.

The Committee believes the enactment of policies which will require the states to invest sufficient funds for the preservation and improvement of the 42,500-mile National System of Interstate and Defense Highways is absolutely essential. However, the Committee also understands the needs in many states for new construction and reconstruction of primary highways, particularly important connectors to the Interstate System. Thus, the Committee bill includes a provision to permit states to transfer up to 20 percent of their Interstate 4R funds each year to primary projects unconditionally. The provision also permits these funds to be used at the same 90 percent Federal matching share as for Interstate projects, except where law provides for a higher matching share. Any state desiring to transfer more than 20 percent, however, must continue to justify the transfer as under existing law. The Committee believes the additional flexibility authorized by this section will permit states to make important investments on priority projects such as the Fall Line Freeway connecting Columbus, Macon and Augusta, Georgia, the Florence to Myrtle Beach connector in South Carolina, the Rice Road Interchange access road on Route 219 in New York, and the FAP 410 corridor in southern Illinois.

The bill also codifies and makes technical amendments to a provision in existing law authorizing a state to use Interstate 4R funds on Interstate toll roads if it signs an agreement that the road will become free to the public upon the collection of sufficient tolls to liquidate the outstanding debt at the time the agreement was signed and establish a sinking fund for operations and maintenance. If the road is not freed in accordance with the agreement, all Federal funds spent on the road must be repaid to the Treasury.

Senate amendment

The bill incorporates the toll provisions of section 105 of the Federal-Aid Highway Act of 1978 into section 129 of title 23 and clarifies a provision of section 105 concerning the repayment of Federal funds.

The bill also makes technical and conforming amendments to section 119 of title 23 and amends provisions that require a reduction of a state's Interstate apportionments by 10 percent for failure to maintain the Interstate System adequately to require a reduction of not more than 10 percent of a state's Interstate portion of the Interstate-primary apportionment at the discretion of the Secretary.

The bill also amends title 23 to establish the Federal-Aid Interstate-primary Program. The Interstate-primary program will emphasize bringing all elements of the Primary System to acceptable standards of operation and safety. The program will consist of both new construction and 4R work on the Primary System and the Interstate System (including additions thereto under section 139). The Interstate-primary program will include traditional primary program projects, Interstate construction projects, and Interstate resufacing, restoration, rehabilitation and reconstruction projects.

The designated Interstate System in all states will receive attention in maintaining its high level of serviceability. At the same time, there is sufficient flexibility to allow States to concentrate on neglected primary routes and other primary routes which have developed into significant Interstate traffic carriers.

The bill also makes amendments to sections 139(a), (b), and (c) of title 23 to conform with the new Interstate-primary category and provides that routes designated by section 139 are eligible for any of the funds provided by the Interstate-primary program.

Conference substitute

The Conference agreement contains elements of the House bill and the Senate amendments.

The bill incorporates the toll provisions of section 105 of the Federal-Aid Highway Act of 1978 into section 129 of title 23 and clarifies a provision of section 105 concerning the repayment of Federal funds.

The Conference substitute includes a provision from the House bill to permit States to transfer up to 20 percent of their Interstate 4R funds each year to primary projects unconditionally. These funds would be used at the same Federal matching share as other primary funds, i.e., 75-25. Any State desiring to transfer more than 20 percent must continue to justify the transfer as under existing law.

The bill also codifies and makes technical amendments to a provision in existing law authorizing a State to use Interstate 4R funds on Interstate toll roads if it signs an agreement that the road will become free to the public upon the collection of sufficient tolls to liquidate the outstanding debt at the time the agreement was signed and establish a sinking fund for operations and maintenance.

The conferees believe that the additional flexibility authorized will permit states to make important investments on priority projects such as the Fall Line Freeway connecting Columbus, Macon and Augusta, Georgia, the Florence to Myrtle Beach connector in South Carolina, the Rice Road Interchange access road on Route 219 in New York, the FAP 410 corridor in Southern Illinois, the pedestrian walkway on Route 63 in Pavilion, New York, two sets of soundwalls along the Artesia Freeway in California from Atlantic Avenue to Cherry Avenue and from Paramount Boulevard to Lakewood Boulevard, soundwalls on U.S. Highway 50 between Howe Avenue and Watt Avenue in Sacramento, California, the Highway 156 Hollister bypass in California and the Highway 101 Prunedale bypass.

FEDERAL SHARE PAYABLE

House bill

This section of the House bill would amend section 1209(d) of title 23, United States Code, adding to the projects and activities eligible for 100 percent Federal financing of the cost of construction to include the installation of traffic signs, highway lights, guardrails, and impact attenuators. These devices are reported by the Federal Highway Administration to be among the most safety cost-effective improvements that may be made to a highway. The Committee believes this preferential match will lead to greater safety on the Nation's highways.

The Committee strongly urges the Secretary to include Federal Highway Administration's Highway Safety Program Standard 13, and resultant FHWA procedures, as safety priorities in traffic control device programs undertaken in conjunction with the states and their political subdivisions. This program, which calls for each state and its political subdivision to have a traffic control devices program, includes an inventory and periodic review of existing devices, as well as a maintenance schedule adequate to ensure proper operations and timely repair of control devices. Such a schedule would require daytime and nighttime inspections.

AASHTO's "Highway Design and Operational Practices Related to Highway Safety" provides additional support for Standard 13, because it emphasizes the benefits to be derived from a good traffic control operational review to detect problems as they develop, as well as the need to maintain a high level of service on the highway facility.

In addition, the Federal Highway Administration's "Traffic Control Devices Handbook" recommends an inventory and dating procedure that complies with the standard established when the Committee wrote the National Highway Safety Act of 1966.

The Committee requests that the Secretary make the inventory results available to the Committee in order that the Committee may properly assess the need for future legislation regarding traffic control devices.

The FHWA issues an Annual Report on Highway Safety Improvement Programs which includes a listing of highway safety equipment that has proved to be particularly cost-effective. Impact attenuators are among the type of equipment that has consistently demonstrated a high benefit/cost ratio and so they have consequently been added to the items eligible for 100 percent Federal funding under section 120(d) of title 23. The Committee intends the term "impact attenuator" to mean crash cushions that have been accepted by the Federal Highway Administration.

Subsection (b) amends the listing of priority primary routes which are eligible for a Federal funding match of at least 95 percent (rather than the 75 percent applicable to conventional primary projects), if a state elects to use its primary funds on such routes. The listing of priority primary routes appears in Committee Print 100-3.

Subsection (c) amends section 120 of title 23, United States Code, to allow a state to set the Federal match for Federal-aid projects on the Great River Road at not greater than 95 percent, but not less than 75 percent.

Subsection (d) is intended to provide incentives to the states to use coal ash in their highway construction projects. The ash produced by coal-burning electric generating plants and other users of coal has a well-established record of successful use in highway construction. Fly ash has been used in pozzolanic and cement stabilized roadbases, cement stabilized subbases, as a mineral filler in asphalt paving, in grouting and for soil stabilization. Bottom ash and/or boiler slag (collectively termed power plant aggregates) have been used in pozzolanic and cement stabilized roadbases and as aggregate in asphalt paving. Ample data exists supporting the technical feasibility of using coal ash in paving applications.

The utility industry produces tens of millions of tons of ash each year. Only about 20 percent is used at present. The remainder is disposed of as a waste.

Thus, promoting the reuse of power plant ash will conserve energy and reduce costs. The production of power plant ash requires essentially no energy—it is a by-product of the generation of electricity. In addition to reducing energy costs, the use of coal ash in transportation construction projects around the country appears, from comparative bid prices, to yield significant cost savings. Moreover, increased use of coal ash will reduce disposal costs for utilities generating ash and thereby produce cost savings for consumers as well.

Senate amendment

This section from the Senate amendment amends section 120 of title 23 making technical and conforming changes and also provides a Federal share for Interstate-primary funds used on the Primary System (other than the Interstate) of not to exceed 75 percent of the cost of construction. These percentages may be increased under the sliding scale provision of current law.

Interstate projects would have a Federal share of not to exceed 90 percent. Routes designated as Interstate under section 139(a) and 139(b) of title 23 prior to March 9, 1984, and under section 139(c) of title 23 would be able to improve at a 90-percent Federal share. These percentages may be increased in certain circumstances under current law.

This section provides that the Federal share payable for a highway emergency relief project shall be the same as for a regular Federal-aid highway project on the system in question except that the Federal share payable may be 100 percent only for emergency work done in the first 30 days after the occurrence of the event that triggers emergency relief.

This section also provides that states may contribute amounts in excess of the normal state share on all title 23 projects.

Conference substitute

The Conference substitute would amend section 120(d) of title 23, United States Code, adding to the projects and activities eligible for 100 percent Federal financing of the cost of construction to include the installation of traffic signs, highway lights guardrails, and impact attenuators. These devices are reported by the Federal Highway Administration to be among the most safety cost-effective improvements that may be made to a highway.

Subsection (b) amends the listing of priority primary routes which are eligible for a Federal funding match of at least 95 percent (rather than the 75 percent applicable to conventional primary projects), if a State elects to use its primary funds on such routes. The listing of priority primary routes appears in Committee Print 100-3.

The substitute amends section 120 of title 23, United States Code, to allow a State to set the Federal match for Federal-aid projects on the Great River Road at not greater than 95 percent, but not less than 75 percent.

The Conference substitute provides that the Federal share payable for a highway emergency relief project shall be the same as for a regular Federal-aid highway project on the system in question except that the Federal share payable may be 100 percent only for emergency work done in the first 90 days after the occurrence of the event that triggers emergency relief. The Federal share payable for a highway emergency relief project relating to natural disasters or catastrophic failures occurring before the date of enactment of this Act shall be 100 percent.

This section also provides that States may contribute amounts in excess of the normal State share on all title 23 projects. The Conferees direct the Secretary to issue criteria for the States to use so that poorer areas of a State do not lose projects because wealthier areas are willing to provide a higher local match to obtain Federal-aid highway funds. A State may establish uniform guidelines for excess match, according to the merit of the project, but the guidelines should not discriminate against areas.

A preferential match is provided for the use of coal as products.

EMERGENCY RELIEF

House bill

The bill adds a new subsection (d) to section 125 of title 23 which makes the territories eligible for emergency relief assistance. Subsection (b) imposes a $5 million annual limitation on emergency relief funding for the territories. The amendments are made retroactive to April 15, 1983, to cover a recent disaster.

The bill also increases the limit on emergency relief grants for each state for each disaster from $30 million to $50 million and increases the limit to $100 million for each state for each disaster occurring in calendar 1986. The bill would also allow the Secretary to reimburse the State of Utah from emergency relief funds to compensate for its use of Interstate 4R funds to repair I-80 which was damaged by flooding of the Great Salt Lake in 1983 in an amount not to exceed $30 million. The reimbursed funds would only be available for Interstate 4R projects.

Senate amendment

This amendment amends section 125 of title 23 to make the territories eligible for emergency relief with a $5 million cap on obligations during any one fiscal year.

The bill also replaces the Emergency Relief program cap of $30 million per year with a cap of $100 million per year.

Conference substitute

The Conference substitute increases the limit on emergency relief grants for each State for each disaster from $30 million to $100 million, retroactive to disasters occurring after December 31, 1985. Otherwise, the substitute generally adopts the House provision except that it does not adopt the Salt Lake provision and does not make the territories retroactively eligible for funds.

VEHICLE WEIGHTS LIMITATIONS

House bill

The bill provides a temporary modification of the bridge formula contained in section 127 of title 23, United States Code, for two classes of vehicles. The bridge formula prescribes limitations on axle loadings to prevent undue concentration of weight within overall gross vehicle weight limitations, thus preventing harm to bridges on the Interstate System.

Existing law provides that two consecutive sets of tandem axles may carry a gross load of 34,000 pounds each, providing the overall distance between the first and last axles of such consecutive sets of tandem axles is 36 feet or more. This in effect requires 36 feet between the second and fifth axles on the conventional 18-wheel, five-axle, tractor-semitrailer combination common to the trucking industry. Because of ambiguities in interpretation of the bridge formula since its enactment in the mid-1970's, tank trucks have been acquired and placed in service which, while complying with overall gross vehicle weights, inadvertently would trigger the bridge formula prohibitions when loaded to capacity.

This situation was called to the Committee's attention because of tighter enforcement policies which have been pursued by the Federal Highway Administration. In view of the relatively small number of such vehicles, the Committee believes a temporary modification of this requirement—terminating on September 1, 1988—to provide for 30 feet between the axles in question is altogether reasonable. Much of the same can be said of freight containers widely used in intermodal transport by truck and ocean-going vehicles. Shorter containers, which occasion the use of vehicles with lesser spacing between the second and fifth axles of five axle vehicles, are in widespread use but are in the process of being phased out in favor of longer containers which will occasion the use of longer trailers which eventually will meet the bridge formula requirements. The Committee has concluded that fairness dictates the inclusion of these vehicles as well.

The bill also provides the definition of ocean container incorporated by reference in the statutory language:

An article of transport of equipment:

(a) of a permanent character and accordingly strong enough to be suitable for repeated use;

(b) specially designed to facilitate the carriage of goods by one or more modes of transport, without intermediate reloading;

(c) fitted with the devices permitting its ready handling, particularly its transfer from one mode of transport to another;

(d) so designed as to be easy to fill and empty;

(e) having an internal volume of 35.3 ft ^{3} or more.

The term "freight container" includes neither vehicles nor conventional packing.

Senate amendment

The bill amends section 127(a) of title 23 to provide for the withholding of the Interstate construction portion of Federal-aid Interstate-primary funds, in lieu of withholding Interstate construction funds, for violations of section 127. The change is needed as Interstate construction funds would be unavailable to withhold. The current penalty provision in section 127(a) is revised to provide that any withheld funds do not lapse if they are subsequently released and obligated within the normal four year availability period.

Conference substitute

The current penalty provision in section 127(a) is revised to provide that any withheld funds do not lapse if they are subsequently released and obligated within the normal four year availability period.

The House provision concerning tandem axles is adopted by the Conferees. It is the Conferees' intention that tank trailers, dump trailers, and ocean transport containers on two sets of tandem axles not acquire any "grandfather rights" beyond September 1, 1988, because of this amendment. While the amendment would allow owners to recover some of their costs for current vehicles, it should not become a means to allow these types of vehicles under these loads to continue to use the Interstate highways after September 1, 1988.

TOLLS

House bill

The House bill amends section 129(e) of title 23, United States Code, to permit the collection of tolls on Interstate 75, Alligator Alley, in the State of Florida, to be used for repayment of costs incurred by the state and liquidation of indebtedness incurred to finance any cost associated with a feature of the project as recommended by the final environmental impact statement or any revision thereof which the Secretary determines is ineligible for Interstate construction funding.

Senate amendment

The bill contains a provision similar to the House bill. The bill also requires toll authorities to certify to the Governor of their State that sufficient reserves are available to cover the construction, operation, maintenance, and repair or replacement of the toll facilities not eligible for Federal-aid highway funds. The Governor is to transmit this information to the Secretary who will transmit it to Congress. If funds from the Highway Trust Fund are spent on these toll facilities, an equal amount will be deducted from the state's Federal-aid highway apportionments the following year. This provision does not apply to international toll facilities and those toll facilities coverd by a section 105 or section 129 agreement.

The amendment also permits Federal-aid financing for new toll highways other than Interstate and permits Federal-aid financing for any toll highway, other than Interstate, to expand capacity with a Federal share payable of 35 percent of Federal funds expended on toll roads, bridges or tunnels.

Conference substitute

The substitute permits Federal-aid financing of toll highways for seven facilities as a pilot program and permits the renegotiation of certain toll agreements entered into by four States.

A State must agree that toll revenues from (1) operation of the toll facility constructed or reconstructed under the pilot program or from (2) the toll facility for which a toll agreement is renegotiated under this section will only be used on the tolled facility and only for construction or reconstruction costs, or for the costs necessary for proper operation, maintenance, and debt service of the tolled facility including resurfacing, reconstruction, rehabilitation and restoration. While there is no requirement that tolls be removed from the tolled facility, tolls shall not be charged that are excess to the needs of the facility for the stated purposes.

In allowing the New York State Bridge Authority (NYSBA) to renegotiate the Section 129 Agreement for the Newburgh-Beacon Bridge, the conferees have agreed to allow toll receipts from that bridge to be spent on other bridges operated by NYSBA.

In doing so, the conferees have recognized that since the original agreement was signed in 1973, circumstances have changed in the Hudson Valley. First, traffic volumes have exceeded all expectations due to unexpected population growth. Second, the expected completion of a Federal-aid project in New Jersey (I-287) promises to elevate traffic volumes further by providing a truck route to New England which bypasses the metro New York area.

This combination of unforeseen growth and the effects of a Federal-aid project, coupled with the impending requirement to remove tolls under the existing Section 129 Agreement, was necessary to convince the conferees that tolls collected from the Newburgh-Beacon Bridge should be allowed to be continued and spent on other NYSBA bridges.

The substitute adopts the Senate Amendment provision concerning Biennial Certification, and adopts the Alligator Alley provision from the House Bill.

This provision permits the continued collection of tolls on Interstate 75, Alligator Alley, in the State of Florida, to be used for repayment of costs incurred by the State and liquidation of indebtedness incurred to finance any cost associated with a feature of the project as recommended by the final environmental impact statement or any revision thereof which the Secretary determines is ineligible for Interstate construction funding.

The conferees intend that the pilot program project in Orange County, California be selected by the Orange County Transportation Commission.

RAILWAY-HIGHWAY CROSSINGS

House bill

No provision.

Senate amendment

This section incorporates the provisions of section 203 of the Highway Safety Act of 1973 into section 130 of title 23 and makes technical and conforming amendments.

Conference substitute

Adopts the Senate amendment provision.

INDIAN EMPLOYMENT AND CONTRACTING

House bill

No provision.

Senate amendment

The Senate amendment brings the antidiscrimination provision of section 140 of title 23, United States Code, into conformity with title VII of the 1964 Civil Rights Act on the issue of Indian preference in employment and contracting for certain Federal-aid highway projects.

Conference substitute

Adopts the Senate amendment.

BRIDGE PROGRAM

House bill

The House bill increases the amounts set aside for the discretionary bridge program through fiscal year 1991, to carry out section 144(g)(2) of title 23, United States Code, from $200 million to $250 million.

Also, the bill would amend section 144(h) of title 23, United States Code, by eliminating from applicability of the General Bridge Act the requirement of Coast Guard Bridge permits for bridges over waters which are navigable waters of the United States solely because they are subject to tidal influence. The amendment would exclude applicability of the General Bridge Act for those bridges over waters which are used by recreational boating, fishing, and other small vessels with a length of 21 feet or less.

The bill would modify the requirement for the Secretary to submit a bridge report to the Congress each year and substitute a requirement that it be submitted biennially along with the Highway Conditions and Performance Report.

The bill amends section 144 of title 23, United States Code, to allow the State of Arkansas to apply for assistance for construction of a highway bridge to replace ferryboat service being provided for motor vehicles. The Federal share payable for the construction of any such project is to be 80 percent. The remaining total costs of deficient bridges in the State of Arkansas will be reduced by the total cost of any highway bridges constructed in the state for replacement of ferryboat service. This adjustment is necessary to preclude diversion of bridge funds from other states.

The provision of law which set in place investment criteria for administering discretionary bridge funds, section 161 of the Surface Transportation Assistance Act of 1982, also contained a provision grandfathering discretionary bridges already eligible for funding under the discretionary program. The Committee intended, as reflected in the Committee's report accompanying the House-passed version of the 1982 Act, that the Acosta Bridge in Jacksonville, Florida, was one such grandfathered bridge. Unfortunately, the Administration has taken a different view.

The bill clarifies that the Acosta Bridge is to be treated as a grandfathered bridge and shall be funded to completion using discretionary bridge funds.

Senate amendment

The Senate amendment provides that $200 million for each of the fiscal years 1987, 1988, 1989 and 1990 shall be set aside for the bridge discretionary fund and that the minimum off-system bridge provision of 23 U.S.C. 144(g)(2) shall be continued.

The amendment establishes an off-system bridge program which permits a state to credit state-only financed off-system bridge replacement and rehabilitation projects toward the state share of the cost of other Federal-aid bridge projects. Off-system bridges that are eligible for section 144 funds, are noncontroversial, and certified by the state to have been carried out in accordance with all standards applicable under section 144 of title 23 are eligible for this program.

The amendment, like the House bill, amends 23 U.S.C. 144 to permit Arkansas to use bridge funds to construct a bridge to replace ferry boat service being provided for motor vehicles.

Conference substitute

The Conference substitute adopts the provisions of the House bill with the following exceptions: the amount set aside for the Discretionary Bridge Fund is reduced from $250 million per year to $225 million per year. The Conference substitute also adopts a Senate provision which establishes an off-system bridge program to permit a State to credit State-only financed off-system bridge replacement and rehabilitation projects toward the State share of the cost of other Federal-aid bridge projects. Off-system bridges that are eligible for section 144 funds, are noncontroversial, and certified by the State to have been carried out in accordance with all standards applicable under section 144 of title 23 are eligible for this program.

The substitute adopts a provision concerning bridges to replace destroyed bridges and Ferryboat service.

The replacement for the South Michigan Avenue Bridge in Buffalo, New York is eligible for funds under Section 144.

The substitute contains a provision requiring that motorists be able to see over or through the bridge railing on the new Jamestown Bridge in Rhode Island.

STATE MATCHING SHARE

House bill

No provision.

Senate amendment

The amendment allows the State of Idaho to credit the value of donated land and construction work to the state matching share of the Calder bridge project in north Idaho.

Conference substitute

Adopts the Senate amendment provision.

HISTORIC BRIDGES

House bill

No provision.

Senate amendment

This section encourages the preservation of historic bridges. Subsection (a) establishes that it is in the national interest to preserve historic bridges.

Subsection (b) directs the Secretary to cooperate with the states in implementing section 144 of title 23 in a manner which promotes the preservation of historic bridges.

Subsection (c) requires states to identify historic bridges on the National Bridge Inventory.

Subsection (d) clarifies that any reasonable costs associated with mitigating harm to an historic bridge would be eligible for Federal-aid bridge funds if the bridge remains part of the highway system.

Subsection (e) permits states to use bridge funds equal to the cost of demolition for preserving an historic bridge eligible for demolition if they, or any other responsible entity, sign an agreement taking future legal and financial responsibility for the bridge.

Subsection (f) defines an historic bridge as any bridge that is listed on, or eligible for listing on, the National Register of Historic Places.

Subsection (g) requires the Transportation Research Board to review the rehabilitation of historic bridges and develop recommendations for specific standards for the rehabilitation of historic bridges.

Conference substitute

Adopts the Senate amendment provision.

MINIMUM ALLOCATION

House bill

The bill allows states to expend one and one-half percent of their minimum allocation funds (section 157) on transportation planning in urban areas (section 134) and allows states to expend one and one-half percent of their minimum allocation funds (section 157) on research and planning (section 307). The bill also provides that any Federal-aid highway funds withheld for noncompliance of the national maximum speed limit or for noncompliance of the national minimum drinking age laws or any other provision of law shall be treated as having been apportioned in such year to the states in order to determine the amounts allocated under section 157 of title 23, United States Code (minimum allocation), and extends the life of the minimum allocation program permanently.

Senate Amendment

This section amends section 157 to title 23 to add allocations as well as apportionments to the calculation of the 85 percent minimum funds and makes the provision permanent law. This will provide donor states a return closer to 85 percent of the amount contributed to the Highway Trust Fund by these states. Currently, in calculating the return of 85 percent minimum to the states, only apportioned programs are considered. Major categories which are added include Interstate discretionary, Interstate transfer discretionary, bridge discretionary and emergency relief. Several small Highway Trust Fund categories shall also be included.

Subsection (b) makes the provisions of subsection (a) effective October 1, 1986.

Subsection (c) provides authorizations for the minimum allocation for fiscal years 1987, 1988, 1989, and 1990.

Conference substitute

The Conference substitute adopts the provision of the House bill. The substitute also adopts the provision of the Senate Amendment which adds allocations to the calculation of the 85 percent minimum funds effective upon enactment for the fiscal year 1987 and thereafter. The minimum allocation calculation for fiscal years 1987 and 1988 will be in accord with the Senate amendment except that allocations for highway emergency relief under 23 U.S.C. 125 and allocation from the Interstate Construction Discretionary Fund under 23 U.S.C. 118(b)(2) will not be considered. The minimum allocation calculation for California in fiscal year 1989 will be based on the same method of calculations as in fiscal year 1988.

NATIONAL BRIDGE INSPECTION PROGRAM

House bill

The bill amends chapter 1 of title 23, United States Code, to replace an outdated section and add a new section 151 (National Bridge Inspection Program). The Secretary, in consultation with state highway departments and knowledgeable private organizations and individuals, is required to establish national bridge inspection standards for the proper safety inspection and evaluation of all highway bridges. The Secretary shall establish inspection standards that at a minimum specify the method by which inspections shall be carried out, establish a maximum time period between inspections, establish bridge inspector qualifications, require written bridge inspection reports and inventories for all highway bridges, and establish a national certification procedure for highway bridges inspectors. In cooperation with the state highway departments, the Secretary shall develop a training program to provide assistance to government highway bridge inspectors. The training program shall be revised periodically to take into account new and improved bridge inspection techniques. Federal-aid highway funds under section 104(a), section 307(a) and section 144 of title 23, United States Code, may be used to carry out the national bridge inspection program.

The National Society of Professional Engineers through its National Institute for Certification in Engineering Technologies (NICET) has in place six certification programs for highway engineering technicians that were developed in cooperation with FHWA and AASHTO. A new NICET certification program entitled, "Bridge Safety Inspection," which is in the final stages of development, could serve as a valuable foundation for public and private sector initiatives.

This NICET Bridge Safety Inspection certification is job task specific and nationally applicable with a significant written examination component that can be used to determine specific training needs.

The bill also provides two conforming amendments to chapter 1 of title 23, United States Code, to add section 151 to the analysis for chapter 1 of such title and to amend section 116 to shift requirements under the new bridge inspection program to this section.

Senate amendment

The Senate Report has language concerning bridge inspections as follows:

> The National Society of Professional Engineers through its National Institute for Certification in Engineering Technologies (NICET) has in place six certification programs for highway engineering technicians that were developed in cooperation with FHWA and AASHTO. One of the six is a new certification program entitled "Bridge Safety Inspection." This NICET Bridge Safety Inspection certification is job task specific and nationally applicable with a written examination that can be used to determine specific training needs.
>
> State highway agencies are encouraged to evaluate the NICET certification program and determine its usefulness in training and certifying State bridge inspectors. FHWA is also encouraged to review the adequacy of the NICET Bridge Safety Inspection course. States should continue their emphasis on identifying deficient bridges and assuring effective inspection programs.
>
> Again this year requests were submitted to establish legislative history making specific bridges eligible for discretionary bridge funds. Including specific bridges in legislative history has, in the past, created expectations beyond the funding capability of the discretionary bridge program. The selection criteria established under section 161 of the STAA of 1982 should be continued as the mechanism to select bridges for these discretionary funds. FHWA Is directed to rely upon the criteria established by the Secretary in setting priorities.

Conference substitute

Adopts the House bill provision.

INCOME FROM RIGHTS-OF-WAY

House bill

This section provides that the net income a state receives after September 30, 1987, from the use, lease, or sale of right-of-way airspace acquired using Federal assistance from the Highway Trust Fund (other than the Mass Transit Account) shall be used for projects under chapter 1 of title 23, United States Code.

Senate amendment

This section provides that the net income a State receives from the use, lease, or sale of right-of-way airspace acquired as a result of a project under title 23 shall be used for projects under chapter 1 of title 23. Certain exceptions are provided. This section requires that the States obtain at least the fair market value for permitted non-highway uses of highway right-of-way airspace. This section also requires that any net revenues, after deducting the cost of sale or cost of issuing and maintaining the joint use agreements, obtained by a State or political subdivision for the use of the airspace of right-of-way of a Federal-aid project by non-highway facilities shall be applied to highway projects eligible under the provisions of title 23. The term "right-of-way airspace" would include space, both above and below ground. The charges and disposition of fees for utility use and occupancy of right-of-way will continue to be governed by 23 C.F.R. 645. The term "utility" includes publicly, privately, and cooperatively owned utilities. This section permits the Secretary to grant exceptions to these requirements for social, environmental, and economic mitigation purposes. This section is not intended to interfere with any court proceedings or consent decrees issued for I-95 and I-676 in Philadelphia.

Conference substitute

Adopts the Senate amendment provision except that charges are not required for highway and transit uses that could receive funding under Chapter 1 of Title 23. The conferees do not intend that this section interfere with any court proceedings or consent decrees issued for I-95 and I-676 in Philadelphia.

The conferees agree that the installation of fiber optics telecommunication cables within Interstate highway rights-of-way presents States with important economic development opportunities. While unlimited access to Interstate rights-of-way by every utility is not desirable, it appears that benefits might be able to be obtained by accommodating fiber optic cables without a negative effect on traffic or safety. Unless it can be demonstrated that installing of fiber optics facilities will have a negative effect upon traffic or safety, the Secretary should approve applications for longitudinal installation of fiber optics facilities.

BICYCLE PROJECT ELIGIBILITY

House bill

No provision.

Senate amendment

This section permits states to use Federal-aid highway funds apportioned or allocated for a highway substitute project for the purpose of designing and constructing bicycle facilities.

Conference substitute

Adopts the Senate amendment provision.

STRATEGIC HIGHWAY RESEARCH PROGRAM

House bill

The House bill amends section 307 of title 23, United States Code, to establish a strategic highway research program. The Secretary, in consultation with state highway and transportation officials, shall establish a program to carry out research development and technology transfer activities strategically important to the national highway transportation system. The Secretary shall make grants, enter into cooperative agreements, and make advance payments to carry out the strategic highway research program. Federal-aid highway funds are set-aside for fiscal years 1987 through 1991, not to exceed ¼ of one percent of the funds authorized for the Federal-aid highway systems, and the Interstate highway transfer program, the bridge replacement and rehabilitation program, the elimination of hazards of railroad-highway crossings under section 203 of the Highway Safety Act of 1973, and the elimination of hazards under section 152 of title 23, United States Code. Interstate construction and 4R funds set aside for the strategic highway research program are available on October 1 of the fiscal year proceding the fiscal year for which such sums are authorized. The strategic highway research program funds are available for the fiscal year in which they are made available and a period of three years following the fiscal year for which funds are made available.

Senate amendment

This section adds a provision for SHRP to title 23, United States Code. SHRP will be funded by deducting one-quarter of one percent from funds authorized for the programs specified in subsection 104(c) of title 23, United States Code. The Secretary will carry out SHRP in cooperation with state highway departments and will set standards for the use of the funds to conduct research, development and technology transfer activities determined to be strategically important to the national highway transportation system. The Secretary may provide grants to and enter into compensation agreements with the American Association of State Highway and Transportation Officials and the National Academy of Sciences to conduct appropriate portions of SHRP. Advance payments may be made under such agreements. No state matching share in required for SHRP and the funds will remain available for four years. This section also provides that the National Academy of Sciences will have the defenses of a federal agency in the case of any litigation which may result from the implementation of SHRP.

Conference substitute

Adopts the House provision with technical amendments and adds the Senate provision to provide for an annual report and to limit the liability of the National Academy of Sciences, with an amendment.

The Conference substitute provides that the activities undertaken by the National Academy of Sciences to carry out the SHRP are covered by the Federal Tort Claims Act. It would also make available the uniform procedures of the Act to handle any claims. The Conference substitute provides that payment of any award, compromise or settlement which exceeds the limits of liability coverage maintained by the Academy shall be made first from sums made available for the SHRP from the Highway Account of the Highway Trust Fund. The Secretary of Transportation is authorized to establish a reserve from amounts available for the SHRP to make payments resulting from litigation if the Secretary believes that a reserve is necessary.

It is expected that the Academy and the Department will agree upon specific insurance coverages to be maintained by the Academy, to the extent that such insurance coverage is reasonably available within the commercial insurance market, in connection with and as part of the cost of the SHRP program. Any liability in excess of or not covered by such insurance coverage shall not be a liability of the National Academy of Sciences, its employees, or other individuals appointed by the President of the National Academy of Sciences and acting on its behalf in connection with SHRP. To the extent that payments of awards, compromises or settlements exceed the limitations of such insurance coverage, the Secretary would make payments from SHRP funds. If such funds have been fully expended, then and only then would payments be made from the judgment fund administered by the Department of Justice.

HIGHWAY PLANNING AND RESEARCH

House bill

No provision

Senate amendment

This section permits a State to use one and one-half percent of apportioned Interstate Highway Transfer funds for highway planning and research activities. Transfer funds that are allocated are not included.

Conference substitute

Adopts the Senate amendment provision.

WILDFLOWERS

House bill

This section would require that not less than one-fourth of one percent of Federal-aid funds expended by a state in any fiscal year for landscaping be expended for the planting of native wildflower seeds and seedlings. The requirements of this section may be waived if wildflowers cannot be grown satisfactorily or planting areas are limited.

Senate amendment

This section requires that one-quarter percent of Federal-aid highway funds expended for landscaping on a project be for the planting of wildflowers or seedlings. The requirement can be waived if a state certifies that the planting of such wildflowers is not feasible because of conditions with respect to the particular project on which landscaping funds are expended. Public donations of wildflowers or seedlings are allowed.

Conference amendment

Adopts the Senate amendment provision.

NATIONAL HIGHWAY INSTITUTE

House bill

No provision.

Senate amendment

This section modifies section 321 of title 23 to direct the Secretary to provide training at no cost to states and local governments for subject areas which are a Federal program responsibility and to allow the states to use Federal-aid funds to pay 75 percent of the cost of education and training purchases from any source including the National Highway Institute.

Conference substitute

Adopts the Senate provision with a technical amendment.

USE OF REPORTS AS EVIDENCE

House bill

Similar to Senate amendment.

Senate amendment

This section amends title 23 to provide that no report, survey, schedule, list, or data compiled for the purpose of complying with any requirement of section 130, 144, and 152 of title 23, United States Code, or for developing any highway safety construction improvement project which may be implemented with Federal-aid highway funds shall be required to be admitted into evidence or used in any action for damages arising from matters mentioned or addressed in such documents.

Conference substitute

Adopts the Senate amendment provision.

TECHNICAL AMENDMENTS

House bill

Subsection (a) of this section contains a series of purely technical amendments to the Surface Transportation Assistance Act of 1982 (STAA). Paragraph (1) corrects a reference to title 23 in the Surface Transportation Assistance Act of 1982. Paragraph (2) changes the second section 126 of the STAA (Bicycle Transportation) to section 126A to avoid having duplicative section numbers. Paragraph (3) strikes out "(a)" the first place it appears in section 133 of the STAA (Vehicle Weight, Length, and Width Limitations) as there is no subsection (b) to section 133. Paragraph (4) corrects the reading of section 163 of the STAA (Use of High Occupancy Vehicle Lanes). Paragraph (5) is a technical amendment to section 165 of the STAA. Paragraph (6) treats boat haulers and automobile carriers equally under section 411(d) of the STAA.

Subsection (b) contains a series of purely technical amendments to title 23, United States Code. Paragraph (1) updates the analysis for chapter 1 of title 23 relating to sections 127 (Vehicle Weight Limitations) and 146 (Carpool and Vanpool Projects). Paragraph (2) is a technical amendment to correct a phrase and properly reference the definition for a "forest road or trail" under section 101(a). Paragraph (3) strikes out a redundant provision of section 120(f) of title 23 providing a 100% Federal match for emergency relief projects on Federal lands highways. Paragraph (4) contains a change to the first sentence of section 122 of title 23 (Payments to States for bond retirement) to conform to a change in the same sentence made by the STAA. Paragraph (5) amends section 125 of title 23 (Emergency relief) to eliminate inappropriate references to a Federal-aid program structure contained in the Senate-passed version of the STAA which was dropped in conference. Paragraph (6) adds language to section 144 of title 23 (Bridge replacement and rehabilitation) restoring provisions inadvertently omitted to provide a normal 4-year period of availability for apportioned bridge funds with provision for reapportionment of funds not obligated within the period of availability. Paragraph (7) amends section 204(b) of title 23 (Federal lands highways program) to add mention of the Secretary of Transportation inadvertently omitted in the second sentence.

Subsection (c) amends section 104 of the Marine Protection, Research and Sanctuarite Act of 1972 (as added by section 424 of the STAA) to add the phrase "to ", which was inadvertently omitted.

Subsection (d) would codify section 111 of the STAA (Vending machines) in title 23 and eliminate a cutoff date of October 1, 1983, inadvertently included in section 111 which imposes a time restriction on the placement of vending machines in rest and recreation areas on rights-of-way of the Interstate System.

Subsection (e) would amend Pub. L. 98-229 to permit the State of Maryland to transfer up to $100 million of its Interstate construction funds to rehabilitate the Jones-Fall Expressway in Baltimore, subject to certain conditions, rather than exactly $100 million as provided by existing law.

Subsection (f) is a technical amendment to exempt the construction of park roads or parkways from the application of section 303(c) of title 49 and section 138 of title 23, United States Code.

Subsection (g) repeals several outdated provisions of title 23, including section 211 (relating to timber access road hearings), 213 (relating to Rama Road), 219 (relating to safer off-system roads), and 322 (relating to demonstration project-rail crossings), and two other provisions of law, section 119 of the Federal-Aid Highway Amendments of 1974 (relating to bikeway demonstration program) and section 141 of the Federal-Aid Highway Act of 1978 (relating to bicycle program).

Subsection (h) updates references of the Federal-aid highway systems in section 123 of title 23, United States Code.

Subsection (i) permits the construction of a State Police Barracks in Massachusetts.

Senate amendment

This section makes needed technical and conforming amendments.

This section also conforms the provisions of the Uniform Minimum Drinking Age Act of 1984 (Pub. L. 98-363), as amended by the Budget Reconciliation Act for fiscal year 1986, to the changes made in Interstate and primary highway construction funding contained in the bill. The bill makes no changes to the Uniform Minimum Drinking Age Act and its intent to withhold a portion of Federal-aid highway assistance from those states which fail to adopt a legal minimum age of 21 by October 1, 1986, as specified in Federal regulations.

Conference substitute

Makes needed technical amendments.

Makes a technical change to the terminals of I-210 in Mobile, Alabama. The conferees expect that this may reduce the cost to complete this segment of the Interstate.

The Conferees expect that this alternative will result in a cost reduction in construction of the route. The Conferees also understand that construction of the spur route will essentially be in the location of the preferred alternative in the approved environmental impact statement.

FOREST HIGHWAYS

House bill

No provision.

Senate amendment

This section provides that two-thirds of the Forest Highway funds are allocated according to the formula used prior to the STAA of 1982 and one-third is allocated to section 202(a) of title 23.

Conference substitute

Adopts the Senate amendment provision.

REGULATION OF TOLLS

House bill

No provision.

Senate amendment

This section removes Federal regulation and review of toll increases on certain toll bridges. Toll increases on these deregulated facilities must be just and reasonable but will not be subject to review by DOT.

Conference substitute

Adopts the Senate amendment provision. This just and reasonable requirement is not intended to interfere with or in any way restrict existing authority granted to multimodal transportation agencies, such as the Port Authority of New York and New Jersey, that operate bridges along with other facilities to use bridge toll revenues for non-bridge purposes or the pooling or combination of the revenues from all of their facilities.

IMPLEMENTATION OF CERTAIN ORDERS

House bill

This section provides that in implementing any sequestration order issued by the President (pursuant to Pub. L. 99-177) which specifies a percentage reduction in funding for the Federal-aid highway, mass transit and highway safety programs, the Secretary of Transportation shall apply such percentage reduction equally to each highway, mass transit and highway safety program or project for which budget authority is provided by this Act or amendment, notwithstanding the identification in the program and financing schedule contained in Appendix to the Budget of the United States Government.

Senate amendment

No provision.

Conference substitute

Adopts House provision.

COMBINED ROAD PLAN DEMONSTRATION PROGRAM

House bill

No provision.

Senate amendment

This section authorizes the Secretary to conduct a combined road demonstration program to permit up to ten states to participate in a block grant program for Federal-aid secondary, Federal-aid urban, and off-system, urban and secondary bridge projects.

This block grant problem authorized in this section will help to demonstrate the feasibility of turning over greater responsibility to state officials for administering the highway program. The categories included in this initiative serve state and local highway and bridge needs and these needs can perhaps be met more effectively if greater flexibilty is extended to the states.

In carrying out the block grant program, the Secretary may extend to state officials certain responsibilities, currently carried out by FHWA. However, all environmental requirements currently delegated to FHWA will continue to be the responsibility of FHWA.

The State of Rhode Island has expressed interest in the concept of an enhanced role for the states in administering the highway program, and it is appropriate that Rhode Island should be among these states given priority consideration for participation in the combined road demonstration program.

Conference substitute

Adopts the Senate provision for five states. The Secretary is given the authority to allow states to pool funds.

Local government should play a major role in testing the feasibility of this new approach to the distribution of Federal-aid highway and bridge funds. In formulating the demonstration program in each of the five states, state highway departments should consult and work very closely with local governments in determining how the block grant program will be administered and how the funds will be allocated or spent.

The conferees intend that Minnesota, Rhode Island, Virginia and New York be included in the five states selected for the demonstration program.

PROJECT ELIGIBILITY

House bill

Subsection (a) provides that a project on the Interstate System in Boston, Massachusetts, for the depression of the Central Artery and construction of the Third Harbor Tunnel consisting of four lanes is deemed to be eligible for construction with Interstate construction funds. The costs to complete such project shall be included in the 1985 Interstate Cost Estimate and any other ICE submitted to the Congress by the Secretary.

Subsection (b) provides that prior to the apportionment of Interstate construction funds in fiscal year 1987, 1988, and 1989, the Governor of Massachusetts and the Secretary may mutually agree on an obligation schedule for the project and transfer the balance of funds that would otherwise be apportioned to Massachusetts to Interstate construction discretionary fund.

Senate amendment

No provision.

Conference substitute

This section provides that work on the preferred alternative in a final environmental impact statement submitted to FHWA on September 30, 1983, found necessary for the completion of I-93 and I-90 for a four-lane tunnel to Logan Airport and for the north and south approaches to the depressed Central Artery may be approved for construction with funds available from Section 108(b) of the Federal-Aid Highway Act of 1956. The language also anticipates refinements to the design described in the final environmental impact statement that may prove to be necessary and appropriate as the project progresses to construction. The obligation of such funds is limited to the construction found necessary for a four-lane I-90 tunnel with access roads and ramps as appropriate and for the north and south approaches to the depressed I-93 facility as described in the final environmental impact statement. The eligible work includes the work north of Causeway Street including the Leverett Circle connections and all of the work south of High Street including the relocation of I-93 northbound; however, the HOV lanes, local streets and ramps, and the exact parameters of the Interstate participation on the Leverett Circle connections and I-93 northbound relocation will be determined by Interstate construction fund participation limits established under normal Federal-aid project procedures. The above cost limitations do not include the cost of the depressed central section between High and Causeway Streets.

PARK AND RIDE LOTS

House bill

This section authorizes Federal participation in the construction of four park and ride facilities and direct access connectors between such facilities and HOV lanes being constructed on Interstate 95 in the vacinity of Fort Lauderdale, Florida. Federal participation in the cost of the park and ride and related facilities would be limited to $84 million, which is a reduction of about $20 million in the estimated Federal cost of the facilities as reflected in the approved 1985 Interstate Cost Estimate. This reduced cost of $84 million would be included in any further ICE. The State of Florida is authorized to use Interstate 4R funds to cover any cost of the facilities in excess of $84 million.

Senate amendment

No similar provision.

Conference substitute

Adopts the House bill provision.

PLANNING DESIGN AND CONSTRUCTION

House bill

This section provides that the State of Arkansas may use Interstate System funds apportioned to it for the planning, design and construction of U.S. 71 in Arkansas from I-40 to the Missouri line as a four-lane facility. Since Arkansas is one of several states to have received the minimum one-half of one percent of Interstate System authorizations provided by law, the effect of this provision is to place this project on an equal footing with Interstate 4R work in use of the State's apportionment.

Senate amendment

No similar provision.

Conference substitute

Adopts the House bill provision.

TRANSFER OF INTERSTATE LANES

House bill

Subsection (a) provides that the costs included in the 1985 Interstate Cost Estimate for high occupancy vehicle (HOV) lanes on the Harbor Freeway in Los Angeles County, California, are to remain eligible for Interstate construction funds that the cost to complete such HOV lanes are to be included in any future Interstate Cost Estimate (ICE) unless such lanes are transferred under subsection (c).

Subsection (b) authorizes the transfer of amounts included in the Interstate Cost Estimate for HOV lanes on the Harbor Freeway to a substitute transit project for construction of a fixed guideway system on or adjacent to the Harbor Freeway.

Subsection (c) provides that upon the approval of any substitute transit project, funding for such fixed guideway project shall come from general revenues of the Treasury in a sum equal to the Federal share included in the latest ICE approved by Congress for the HOV lanes on the Harbor Freeway.

Subsection (d) extends the deadline of September 30, 1986, for substitute projects to be under construction or under contract for construction three years in the case of a transfer of the HOV lanes authorized under subsection (b). In order to comply with the required deadline extension, sufficient Federal funds must be available for the substitute transit project.

Subsection (e) requires the administration of the transfer of the HOV lanes on the Harbor Freeway under the provision of section 103(e)(4) of title 23, United States Code, except that the requirement of Secretarial approval of any withdrawals and substitute projects by September 30, 1983, do not apply, the prohibition against withdrawal of certain statutory designated segments do not apply, and the Federal Highway Administration is required to administer this section. The Federal share of the substitute project shall be as provided by section 120(c) of title 23, United States Code.

Subsection (f) defines the eligible Interstate lands subject to transfer under this section.

Senate amendment

Subsection (a) provides that on the joint request of the Governor of Oregon and the concerned local governments, the Secretary of Transportation may approve a substitute project for the construction of a light rail transit system. Such a rail system would be in lieu of construction of any eligible interstate bus lane or busway project, if such a substitute rail project is in or adjacent to the proposed right-of-way for such bus lanes.

Subsection (b) states that upon the approval of any such substitute transit project, the cost of the construction of the eligible interstate bus lanes for which the project is substituted shall not be eligible for funds authorized under section 1908(b) of the Federal-Aid Highway Act of 1956 and a sum equal to the Federal share of such costs shall be available to the Secretary to incur obligations for the Federal share of the costs of the substitute project.

The language of subsection (c) requires that by September 30, 1989, any approved substitute transit project (for which the Secretary determines that sufficient Federal funds are available) must be under contract for construction or construction must have commenced. If any substitute project is not under contract for construction or construction has not begun by that date, the Secretary shall withdraw approval of such project and no funds shall be appropriated for any such project.

Subsection (d)(1) provides that a substitute transit project approved under subsection (a) shall be considered a substitute transit project under the Federal-aid system statutory language, at section 103(e)(4) of title 23, United States Code. Subsection (d)(2) states that unobligated apportionments for the Interstate System in Orgon, shall, on the approval date of a substitute transit project under subsection (a), be reduced in the proportion that the Federal share of the costs of the construction of the eligible interstate lanes for which such project is substituted bears to the Federal share of the total costs of all interstate routes in Oregon, as reflected in the latest cost estimate approved by Congress. Subsection (d)(3) requires that the Secretary shall administer the provisions of this section through the Federal Highway Administration.

Subsection (e) provides that for the purposes of this section, the term "eligible interstate lanes" means any bus lanes which are to be constructed on Interstate Route 205 in Oregon.

Conference substitute

Adopts the Senate amendment and adopts the House bill provision with a modification to the Federal matching requirement.

PAYBACK

House bill

Under section 103(e)(7) of title 23, United States Code, in any case where the withdrawal of an Interstate route under section 103(e)(4) of title 23 occurred after November 6, 1978, the state under certain circumstances is required to pay back to the Federal government an amount equivalent to the amount of Federal funds expended on the route for right-of-way acquisition. The amount paid back is then recredited to the unobligated balance of the state's Interstate construction apportionment.

With the withdrawal of I-478 in New York, commonly known as the Westway project, the State of New York zeroed out its costs to complete the Interstate System. Section 138 provides that any amounts repaid on account of I-478 expenditures are to be recredited to the state's primary apportionment, rather than its Interstate construction apportionment which the state by law would be prohibited from using and which eventually would lapse.

Senate amendment

The amendment adds a new section 103(e)(10)(A) to title 23 which permits states flexibility in crediting funds expended on withdrawn Interstate routes. Section 103(e)(7), of title 23, requires payback of the costs of construction items, materials, and right-of-way acquired for highway projects on segments withdrawn from the Interstate System on or after November 6, 1978, unless the state gives assurance acceptable to the Secretary that such items, materials and rights-of-way (i.e., property acquired for highway projects) have been or will be applied to a transportation project within ten years from the date of approval of withdrawal of the Interstate segment. Preliminary FHWA estimates indicate that $94,097,583 in Federal funds were expended for such costs in connection with the construction of Westway (I-478).

The final rule on use and disposition of property previously acquired by States for withdrawn Interstate segments (effective May 30, 1986) specifies that in the event of such payback, an amount equivalent to the funds paid back will be credited to the repaying state's unobligated balance of the same class of fund which were used to acquire the property. This section enables a state to credit its payback to its unobligated balance of combined Interstate-primary and Interstate 4R and primary projects.

Under this section, New York shall fully repay the United States Treasury for the amount of Federal funds expended for the costs of construction items, materials and rights-of-way associated with the withdrawn Westway Project. Under the present rules, such action would result in a sizable increase in funds which would be available only for Interstate completion for New York. However, New York already has adequate funds to complete its remaining uncompleted portions of the Interstate System. This section provides the state with the flexibility to credit other accounts where funds can be better used.

Conference substitute

Adopts the House bill provision, except that New York shall not be required to pay back the funds to the extent not required by 23 U.S.C. 103(e)(7).

STATE ROUTE 400, GEORGIA

House bill

No provision.

Senate amendment

Makes special provision for a Federal-aid highway project on Route 400 in Atlanta, Georgia.

Conference substitute

Adopts the Senate amendment provision.

EXEMPTION FROM RIGHT-OF-WAY RESTRICTION

House bill

This section authorizes the continued operation of a duty-free liquor store currently owned by Can-Am Warehouse Company, located in part on the right-of-way of Interstate Route 94 in Michigan and in the vicinity of the interchange of I-94 and Michigan State Route 25, in Port Huron area. Expansion and renovation of the Blue Water Bridge Plaza have brought the facility under the provisions of section 111 of title 23, United States Code, which prohibits certain commercial establishments on right-of-way on the Interstate System, creating the need for this amendment to permit continued operation of the facility. This provision does not affect any lease arrangement between the Can-Am Warehouse Company and the Michigan Department of Transportation. In addition, should the Can-Am Warehouse Company vacate the facility for any reason, this waiver of the provisions of section 111 of title 23 would stay vested with the specific building site for commercial purposes.

Senate amendment

No similar provision.

Conference substitute

Adopts the House bill provision.

DONATION OF LANDS

House bill

This section provides that the value of any lands that are donated or dedicated to the State of California for the construction or relocation of State Route 73 between I-405 and I-5 in Orange County shall be credited toward the non-Federal share of such project. The remainder shall be credited to the non-Federal share of other projects in five California counties.

It is anticipated that the Route 73 realignment and extension may be constructed in phases. It is therefore the intent of the Committee that any excess credit accumulated as result of the donation of the right-of-way for initial phases of the project be applied to other projects in the region only after determination by the California Transportation Commission that the value of the right-of-way donation satisfies the non-Federal share of the full Route 73 project.

A project such as this one can have considerable impact on the municipalities benefitting from the transportation improvements provided. The Committee therefore believes that such municipalities, including certain cities located along the coast line, should have their views with respect to project alignment and design taken into account through the environmental assessment process, consistent with the fundamental objectives of the highway project.

Senate amendment

The amendment allows 100 percent of a private contribution of right-of-way to be credited, according to its fair market value at the time of donation, to the state's matching share for the project if the donation is made to the state. A state would receive no credit for the excess of a donation which exceeded the state matching share for the project.

It also amends title 23 to provide that land may be donated in advance of the environmental and planning process for a prospective highway project. The donation will in no way affect the required planning process for the location and environmental review of the decision with respect to alignment. If during the alignment study and environmental analysis, the route for which the land was donated is determined not to be feasible, the donation of right-of-way would be cancelled and the land revested in the grantor or successors in interest.

It amends title 42 to permit donations of right-of-way and financial contributions to a state or other political subdivision. The provision also encourages the promotion of such joint projects wherein private citizens and governmental entities participate in the cost of projects as consistent with Federal policy.

It also allows the fair market value of lands donated or dedicated to California for the relocation and construction of State Route 73 in Orange County from I-405 to I-5 to be credited to the state's matching share of the project and any excess value to be credited toward the state's share of the cost of any other Federal-aid project. Any recorded irrevocable offer of dedication for donation effective prior to the state's request for final reimbursement on the project shall be considered a part of the state right-of-way acquisition. The Federal-aid reimbursement may not exceed the actual cost to the state for the project.

Conference substitute

Adopts the Senate amendment without the amendment to title 42.

The conferees are concerned that utilization of this provision could in some instances result in the skewing of state programming decisions away from projects that might otherwise be constructed. While the private donation of right-of-way can result in reduced project costs, a worthwhile objective, such donation should not override the general public interest in determining the use of Federal assistance under this title.

The conferees encourage the Secretary to issue criteria for the states to use to help assure that the public interest is served in utilizing this provision.

SHIRLEY HIGHWAY TRAFFIC RESTRICTIONS

House bill

This provision continues the demonstration project authorized in Public Law 98-205, as it concerns Shirley Highway by continuing the HOV restrictions from the hours of 6-9 a.m. Northbound, and 3:30-6:00 p.m., Southbound, Monday through Friday. Further, this provision mandates the use of these HOV lanes at all times by motorcycles.

Senate amendment

No similar provision

Conference substitute

The House provision except that the mandate to use the HOV lanes at all times by motorcycles is omitted.

RAILROAD RELOCATION DEMONSTRATION PROGRAM

House bill

This section extends the authorizations for railroad-highway crossing demonstration projects for fiscal years 1987 through 1991 with "such sums as may be necessary." Also, there is made available out of the Highway Trust Fund (other than the Mass Transit Account) contract authority not to exceed $5 million for fiscal year 1987, for acquisition of rights-of-way, construction of a temporary bypass, the initial construction to depress rail lines for the railroad relocation demonstration project in Carbondale, Illinois. The funds made available for this project shall remain available until expended and shall not be subject to any obligation ceiling.

Senate amendment

No provision.

Conference substitute

The substitute reduces the Federal share for projects under this program from 95% to the applicable Federal share for primary system projects, and authorizes to be appropriated $15 million per fiscal year for each of the fiscal years 1987, 1988, 1989, 1990 and 1991 for the program.

The Conference Report continues authorization of the Rail-Highway Demonstration Program without change to the projects' scope or design.

The conferees do not object to an administrative requirement that funds for these projects be obligated only in amounts adequate to complete independently useful segments. However, any such independently useful segment need not, in and of itself, include grade separation features as long as grade separation will be completed as part of the whole rail relocation project.

PROJECTS

House bill

Subsection (a) describes projects authorized under this section.

Paragraph (1) authorizes the demonstration of the manner in which design and construction of a highway project in Passaic County, New Jersey, can be accelerated using procedures adopted to carry out section 141 of the Federal-Aid Highway Act of 1976 and established pursuant to section 129 of the Surface Transportation Assistance Act of 1982. The Committee intends that this project be carried out on Route 21 in Passaic County, New Jersey. The final report on the project should explain the time savings, give a description of the procedures used to accelerate design and construction, indicate how the techniques differed from those used on the project authorized by section 141 of the Federal-Aid Highway Act of 1976, and provide an analysis of the costs and benefits of the accelerated completion.

The Committee intends and expects the project to be completed within a construction schedule which will result in cost and time savings. In order to insure the immediate construction of this badly-needed project, this project need not comply with Federal-aid highway project procedures which have been established administratively. Also, in order to accomplish the objectives of the demonstration project, all procedures and regulations not founded on statutory requirements are subject to waiver if considered to be in the public interest. In line with the Council on Environmental Quality (CEQ) guidelines and in an effort to streamline the environmental processing, a short and concise EIS shall be developed with the assistance of Federal Highway Administration environmental specialists.

Paragraph (2) authorizes a highway project in Brick Township, New Jersey, to demonstrate methods of improving traffic operations and reducing accidents at a high volume rotary intersection and a highway project on a route connecting to another rotary intersection in Wall Township, New Jersey.

Paragraph (3) authorizes a highway project on Route 219 in the vicinity of Johnstown, Pennsylvania, to demonstrate methods by which such project enhances highway safety and economic development in an area of high unemployment. Additional authorizations are provided under subsection (d).

Paragraph (4) authorizes a highway project to demonstrate the economic growth and development benefits of widening and improving traffic signalization of a heavily traveled segment of the Federal-aid urban system connecting a community college and a large commercial center in the City of Fort Smith, Arkansas.

Paragraph (5) authorizes a project to demonstrate the economic and safety benefits of constructing a grade separation between a railroad line and a highway at 21st Street in Moorhead, Minnesota, and of reconstructing two deteriorated segments of Route 2, where it passed through Fosston and Bagley, Minnesota.

Paragraph (6) authorizes a project to demonstrate methods of improving traffic flow on State Highway 22 between Interstate Route 75 and U.S. Route 127 in Northern Kentucky.

Paragraph (7) authorizes a demonstration project in the vicinity of the Ontario International Airport in San Bernadino County, California, to demonstrate methods of improving highway access to an airport projected to incur a substantial increase in traffic.

Paragraph (8) authorizes a project to allow for the comparison of various advanced delineation techniques to close a gap on Route 220, which runs between Altoona and Tyrone Borough in Blair County, Pennsylvania.

Paragraph (9) authorizes preliminary engineering, design, and initial right-of-way acquisition and relocation activities for a 3-mile extensions of limited access highways connecting to the northern and southern termini of I-49 in Lafayette and Shreveport, Louisiana.

Paragraph (10) authorizes preliminary engineering and design of a highway project to demonstrate the most cost-effective method of improving Interstate access for passengers and cargo moving to and from the Port of Miami, Florida.

Paragraph (11)(A) authorizes preliminary engineering, design, right-of-way acquisition, relocation activities and initial construction in connection with a project to demonstrate methods of improving highway safety and accelerating reconstruction of a two-lane segment of U.S. 71 between its junction with I-40 and I-540 in the vicinity of Fort Smith, Arkansas, and the boundary between the States of Arkansas and Missouri as a four-lane facility.

Paragraph (11)(B) authorizes preliminary engineering, design, right-of-way acquisition, relocation activities and initial construction in connection with a project to demonstrate methods of improving highway safety and accelerating reconstruction of a two-lane segment of U.S. 71 between the boundary of the States of Arkansas and Missouri and the vicinity of Carthage, Missouri, as a four-lane facility.

Paragraph (12) authorizes a highway project in the vicinity of Sanford, Florida, to demonstrate methods of reducing costs and expediting construction of an interchange in the vicinity of Route 46A and an

Interstate route by contracting with a private business to design and construct the project.

Paragraph (13) authorizes a project in the vicinity of San Jose and Santa Clara, California, to demonstrate a unified method of reducing traffic congestion where a highway intersects with two other highways in a railroad crossing in a one-quarter-mile segment.

Paragraph (14) authorizes a demonstration project in the vicinity of the C&O Canal in the District of Columbia for the purpose of substantially improving vehicle access at a major traffic generator without decreasing the efficiency of a Federal-aid primary highway. Georgetown University would dedicate at least 2.5 acres of land as a scenic easement.

Paragraph (15) authorizes a highway grade separation project on a route on the Federal-aid urban system in the vicinity of Compton, California to demonstrate methods of relieving traffic congestion and enhancing economic development.

Paragraph (16) authorizes a highway project to demonstrate methods by which construction of a grade separation for a railroad crossing of a primary highway, enhances urban redevelopment and the effectiveness of a planned transportation center in Modesto, California.

Paragraph (17) authorizes the Secretary to provide for preliminary engineering, design, utility relocation, land acquisition and initial construction in connection with a highway project for construction of two additional lanes on a two-lane, 106-mile highway on the Federal-aid primary system which begins in the vicinity of Columbia, Missouri, and ends in the vicinity of Lancaster, Missouri. This project will demonstrate methods of improving highway safety, reducing traffic congestion and encouraging economic development.

Paragraph (18) authorizes a highway project to demonstrate the advantages of joint development and use of air rights in the construction of a deck over a depressed portion of I-93 in East Milton, Massachusetts.

Paragraph (19) authorizes a highway project in the vicinity of Fairhope and Foley, Alabama, to demonstrate methods of accelerating the widening of a high volume segment of a primary highway necessary for rapid evacuation of individuals during emergency weather conditions.

Paragraph (20) authorizes a highway project in Campbell County, Kentucky, to demonstrate the economic benefits to a port facility, industrial complex, and foreign trade zone, and methods of enhancing highway safety, by reconstruction of a two-lane segment of Kentucky Route 9 connecting Interstate 75 with a port facility as a four-lane highway.

Paragraph (21) authorizes a highway project to demonstrate the safety benefits of providing additional and improved vehicular passing opportunities on, adding truck climbing lanes to, and straightening a 50-mile segment to Route 20, in Jo Daviess and Stephenson Counties, Illinois.

Paragraph (22) authorizes a highway project to eliminate an at-grade rail-highway crossing on Basin Street in Allentown, Pennsylvania, and to replace it with a separate crossing. Currently, 26 trains a day cross Basin Street, a major thoroughfare traveled by over 20,000 cars daily. The project shall be carried out in such a way as to reduce traffic delays for both rail and motor vehicle traffic and to minimize the impact on the surrounding urban environment.

Paragraph (23) authorizes a highway project to demonstrate methods of improving safety on Highway 86 in Riverside County, California, designated as a priority primary route.

Paragraph (24) authorizes improvements to Fuhrman Boulevard, as access road which parallels Lake Erie along the outer harbor in the City of Buffalo. This project is designed to demonstrate methods of stimulating the reuse of Buffalo's waterfront by construction of a new connector of Buffalo's central business district and will foster new regional recreational, residential and commercial development.

Paragraph (25) authorizes a highway project to replace a ramp which provides access to an industrial area in Cleveland, Ohio, to demonstrate the relationship between infrastructure improvement and economic vitality.

Paragraph (26) directs the Secretary to carry out a project for the construction of a bridge to cross the Tennessee River in Lauderdale and Colbert Counties, Alabama, in the vicinity of Patton Island between O'Neal Bridge and Wilson Dam, for the purpose of demonstrating methods of improving highway transportation and enhancing economic development.

Paragraph (27) authorizes a highway project to upgrade an east-west state route between Port Clinton and Toledo, Ohio, for the purpose of demonstrating methods of improving traffic flow between a recreational area and a metropolitan area.

Paragraph (28) authorizes three highway projects in Chicago, Illinois: (A) to rehabilitate a drawbridge over the north branch of the Chicago River and realign an adjacent intersection which will demonstrate the latest innovative bridge repair techniques on a bascule bridge; (B) to remove and replace an existing bridge on Lake Shore Drive in the Jackson Park Historic District and the Midway Plaissance with a new bridge in the same location and to widen the approach road to such bridge which will demonstrate the historic recreation of a national register bridge and replacement of a deteriorated bridge; and (C) to carry out a highway project between Chicago Avenue and Clayburn Avenue to divest a bridge over Goose Island which will demonstrate methods of reducing municipal and Federal burdens for rehabilitation and maintenance of a surplus highway facility.

Paragraph (29) directs the Secretary to carry out two highway projects for the widening and resurfacing of Northline Road and Ecorse Road in Wayne County, Michigan, to demonstrate the contributions which such improvements can provide in terms of safety and economic vitality in a depressed area characterized by both industrial and residential activity.

Paragraph (30) authorizes seven highway projects in Cook County, Illinois: (A) to carry out a highway project which demonstrates methods of utilizing a low cost alternative to reconstruction of a one-mile segment of an east-west road between Nagel and Oak Park Avenues, Chicago, Illinois, which is deficient due to soil conditions; (B) to construct three parking facilities adjacent to the Rock Island commuter rail lines in Southwest Chicago, Illinois, which will demonstrate the effectiveness of construction of parking facilities in relieving on street parking congestion and unsafe parking practices; (C) to carry out a highway project in Oak Lawn, Illinois, which demonstrates methods of improving highway safety by widening and resurfacing a four-lane major arterial with lane widths which are less than minimum state and Federal standards; (D) to carry out a highway project which demonstrates methods of improving highway safety and access to a segment of the Interstate System by reconstruction of a congested major arterial in Calumet Park and Blue Island, Illinois; (E) to construct the first level of a two level addition to an existing park and ride facility in the vicinity of Cumberland Station on the O'Hare Rapid Transit Line, Chicago, Illinois, which will demonstrate methods of reducing commuter traffic and traffic congestion and increasing utilization of available capacity on a rapid transit line; (F) to carry out a highway project to demonstrate the benefits of utilizing precast, prefabricated concrete structural segments in the reconstruction of an elevated road on Western Boulevard in the southwestern portion of Chicago, Illinois, in order to minimize traffic disruption during the reconstruction; and (G) to carry out a highway project for the construction of two park/ride lots at sites where future stations are to be located on the Southwest Rapid Transit Line in Chicago, Illinois, and to which buses now provide mass transit service. Such project shall be carried out before the beginning of service on such rapid transit line in order to demonstrate methods of facilitating the transfer of passengers between different modes of transportation and of establishing ridership before the opening of a rapid transit line.

Paragraph (31) authorizes a highway project on a north-south route on the Federal-aid primary system in Kansas City, Missouri, to demonstrate methods by which construction of the first and southern-most phase of a 5-phase highway project will facilitate construction of the full 5-phase project.

Paragraph (32) authorizes the upgrading of a two-land primary highway in Kentucky, Route 461, as a major access highway to South Fork River and Recreation Area and to upgrade the existing traffic corridor which includes Interstate 75 and Route 27. This project will demonstrate methods of improving highway safety and traffic congestion problems and methods of improving access to a natural river and recreation area.

Paragraph (33) authorizes the construction of an interchange between a highway on the Interstate System, I-35, and a county highway in the vicinity of Pine City, Minnesota, to demonstrate methods of enhancing economic development and improving highway safety and traffic flow.

Paragraph (34) authorizes the reconstruction of a two-lane bridge across the Salinas River in Paso Robles, California, to demonstrate methods of enhancing highway safety and economic development.

Paragraph (35) authorizes the widening and renovation of the Sunrise Highway from Wheeler Road to Veterans Memorial Highway in the Town of Islip, Suffolk County, New York, to demonstrate techniques to accelerate upgrading of an existing highway to freeway standards with minimum disruption of traffic.

Paragraph (36) authorizes the construction of two highway projects in the State of Connecticut. The state shall use the latest construction techniques in reconstructing Old Turnpike Road in the vicinity of Southington and modify the horizontal and vertical alignment of Main Street south of Kent Center to demonstrate methods of solving safety and flooding problems.

Paragraph (37) authorizes a highway project to construct a bridge across the Toms River in the Township of Dover, New Jersey, to demonstrate methods of reducing traffic congestion on an existing bridge and facilitating the redevelopment of the central business district in the Township of Dover, New Jersey.

Paragraph (38) authorizes a highway project in Los Angeles County, California, to demonstrate methods of improving vehicular circulation related to the intermodal transportation of port related traffic and to alleviate congestion caused by increased port activities.

Paragraph (39) authorizes preliminary engineering and design for a highway project on the Southern Expressway in Allegheny County, Pennsylvania, to demonstrate methods of improving economic development and airport terminal placement.

Paragraph (40) authorizes a highway project in Steuben County, New York, to demonstrate the extent to which the economy of an industrialized high unemployment area can be improved by completion of key elements of a modern, grade-separated access controlled highway which serves the area.

Paragraph (41)(A) authorizes a highway project in Sonoma County, California, to demonstrate the extent to which traffic congestion is relieved by reconstruction of State Route 12 between Santa Rosa and Petaluma.

Paragraph (41)(B) authorizes the acquisition of right-of-way for the construction of high occupancy vehicle lanes adjacent to State Route 101 between San Rafeal and Healdsburg, California, to demonstrate the extent to which traffic congestion is relieved on State Route 101.

Paragraph (42) authorizes the reconstruction of an access road to Voyageurs National Park, Minnesota, to demonstrate methods of enhancing use of a national park and reducing traffic congestion.

Paragraph (43) authorizes a highway project for replacing an existing functionally obsolete bridge across the Savannah River in Savannah, Georgia, with a modern, high-level structure to demonstrate methods of improving safety and the free flow of both vehicular and waterborne traffic, including traffic related to national defense.

Paragraph (44) authorizes a highway project to construct a two-lane highway between the Township of New Sewickly, Pennsylvania, and the Borough of Conway, Pennsylvania, to demonstrate methods of accommodating increasing truck traffic and improving highway safety.

Paragraph (45) authorizes a highway project to upgrade a 1.3 mile access road to the Johnstown Flood National Memorial in the vicinity of Croyle Township, Pennsylvania, to demonstrate methods of improving public access to a flood memorial.

Paragraph (46) authorizes a highway project in Lawrence, Massachusetts, for the construction of a service road which provides access between Massachusetts Avenue and Merrimack Street substantially along an alignment located between the Shawsheen River and an Interstate route to demonstrate methods of enhancing the benefits of an economic rehabilitation project under construction by construction of a service road.

Paragraph (47) authorizes four highway projects in Baton Rouge, Louisiana: (A) to demonstrate the benefits of reducing traffic in the immediate vicinity of a split-diamond interchange which connects an east-west highway on the Interstate System, two 4-lane highways not on the Interstate System, and a 2-lane highway not on the Interstate System by providing a direct exit lane from the Interstate System; (B) to demonstrate the benefits of reducing traffic congestion in the immediate vicinity of a convergence of an east-west highway and a north-south highway on the Interstate System by construction of an additional lane; (C) to study the most cost-effective methods of reducing traffic congestion in the immediate vicinity of (i) a diamond interchange which connects an east-west highway on the Interstate System and 4-lane highway not on the Interstate System, and (ii) a nearby intersection of such 4-lane highway and a 2-lane service road; (D) to demonstrate the efficacy of reducing traffic congestion and improving traffic flow in the immediate vicinity of a highway on the Interstate System to connect such highway to a metropolitan airport terminal access road by construction of a direct access off-ramp link.

Paragraph (48) authorizes a highway project in Minden, Louisiana, to demonstrate methods of enhancing economic development by construction of a frontage road which provides Minden, Louisiana, alternative access to a highway immediately connecting to a highway on the Interstate System.

Paragraph (49) authorizes a project for research, development and implementation of a computerized transportation management system to assist the City of Anaheim, California, and adjoining jurisdictions in managing highway traffic congestion caused in part by an Interstate route passing through an area of concentrated population and commercial development to demonstrate the usefulness of such a system in reducing traffic congestion.

Paragraph (50) authorizes a highway project connecting the Isle of Palms, South Carolina, to the mainland to demonstrate the reduction in traffic congestion, improved emergency preparedness, and increased accessibility to a sea island by construction of a high-level fixed span bridge over a high-volume intracoastal waterway segment.

Paragraph (51) authorizes a highway project to demonstrate methods of improving highway safety by making improvements to a road providing direct access from the Fort Campbell Military Reservation to the City of Clarksville, Tennessee.

Paragraph (52) authorizes a highway project to reconstruction and rehabilitate a highway between Shenandoah and Clarinda, Iowa, to demonstrate methods by which improved highway transportation in an economically depressed rural area will increase economic activity in the rural area.

Paragraph (53) authorizes a highway project to expand a highway which connects with an Interstate route in the vicinity of Oceanside, California, with another interstate route in the vicinity of Escondido, California, to demonstrate methods of reducing traffic congestion and accidents.

Paragraph (54) authorizes a highway project for preliminary engineering and design to construct a bypass highway to connect an east-west Interstate route in St. Charles County, Missouri, with the Interstate beltway around St. Louis, Missouri, to demonstrate methods of alleviating traffic congestion, especially commuter traffic congestion.

Paragraph (55) authorizes a highway project for construction of four grade separations on a four-lane bypass route in the vicinity of Jonesboro, Arkansas, to demonstrate methods of improving highway safety.

Paragraph (56) authorizes the construction of three highway projects in Illinois: (A) to reconstruct a segment of approximately 1.4 miles of a state route connecting to an Interstate route in the vicinity of Mt. Vernon, Illinois, to demonstrate methods of improving highway safety; (B) to upgrade a principal route through the village of Evansville, Illinois, to demonstrate methods of improving traffic flow; and (C) to improve a road leading to landmark in the vicinity of Alto Pass, Union County, Illinois, to demonstrate the methods of improving access to such a landmark and of enhancing tourism.

Paragraph (57) authorizes a highway project between Concord, California, and West Pittsburgh, California, to demonstrate methods of improving highway safety and traffic flow by lowering the grade of, realigning, and widening an existing highway on the Federal-aid primary system.

Paragraph (58) authorizes a highway project in Atlanta, Georgia, to demonstrate methods of improving highway safety and reducing traffic accidents by reconstruction of a 3.8 mile segment of Peachtree Industrial Boulevard between Interstate Route I-285 and the fork of Georgia State Route 141 as a 6-lane controlled access freeway with one-way frontage roads in each direction.

Paragraph (59) authorizes a highway project to reconstruct a highway on the Federal-aid primary system between Open Fork Road and Road Fork of Big Creek Road in Pike County, Kentucky, to demonstrate methods of improving highway safety in a mountainous area.

Paragraph (60) authorizes a highway project to demonstrate the economic growth and development benefits of reconstructing a segment of road in Madison County, Illinois, which serves a high-growth industrial area.

Paragraph (61) authorizes a highway project to extend a highway on the Appalachian development highway system between River View in Erwin, Tennessee, and Sam's Gap on the North Carolina-Tennessee border to demonstrate methods of improving transportation in a mountainous area.

Paragraph (62) authorizes a highway project for the construction of a parkway connecting to an Interstate route, in accordance with the recommendations to the New River Parkway Authority, in the vicinity of New River, West Virginia, to demonstrate the benefits to recreation, tourism, and industrial, economic and community development.

Paragraph (63) authorizes a highway project for the construction of approximately 30 miles of a two-lane road on the Federal-aid primary system between Kittanning and Brookville, Pennsylvania, to demonstrate cost-effective methods of improving rural highways to accommodate wider and longer trucks.

Paragraph (64) authorizes preliminary engineering and design for the construction of a highway connecting Aurora-Hoyt Lakes and Silver Bay, Minnesota, to demonstrate methods of reducing traffic congestion in and around a recreational area.

Paragraph (65) authorizes preliminary engineering and design for the reconstruction of the Chelyan Bridge in Kanawha County, West Virginia, to demonstrate methods of improving traffic flow in a rural area.

Paragraph (66) authorizes the construction of a road on an east-west Federal-aid primary route which connects Manteo and Whalebone, North Carolina, and traverses Roanoke Sound to demonstrate methods of improving tourism, commercial enterprise, and water and highway transportation.

Paragraph (67) authorizes the construction of a controlled access freeway which connects Interstate Route I-55 in the vicinity of Lincoln, Illinois, and Interstate Route I-74 in the vicinity of Morton, Illinois, to demonstrate methods of improving highway safety and reducing traffic congestion.

Paragraph (68) authorizes the construction of an interchange which connects Interstate route I-80 and Sparks Boulevard in the city of Sparks, Nevada, to demonstrate methods of improving economic development and diversification, and eliminating traffic and highway safety hazards.

Paragraph (69) authorizes the Secretary to make a grant for construction of a ground access highway project to the Burbank-Glendale-Pasadena airport, California, to the airport authority to demonstrate methods of coordinating construction of ground access to an airport and construction of terminal and parking facilities at such airport.

Paragraph (70) authorizes preliminary engineering and design for a highway project to increase the capacity of a tunnel in the vicinity of an airport serving El Segundo, California, to demonstrate methods of mitigating increased traffic congestion which is projected to result from completion of a segment of the Interstate System.

Paragraph (71) authorizes preliminary engineering and design, environmental analysis, and implementation of environmental mitigation measures for a highway project to demonstrate methods of improving access to, and alleviating congestion on the Nimitz Freeway and its access roads, including access roads from Oakland International Airport and Alameda Island, California.

Paragraph (72) authorizes the construction of a north-south limited access trafficway of approximately 4 miles in length which will connect an east-west Interstate route to a reservoir and a university research park to demonstrate methods of reducing traffic congestion and facilitating the usage by motorists on the Interstate System of recreational facilities.

Paragraph (73) authorizes a highway project to relocate and reconstruction a 3.5-mile segment of U.S. traffic route 119 from the vicinity of the Uniontown Bypass at Chadville, Pennsylvania, to Pennsylvania Legislative Route 26082 in the vicinity of Fairchance, Pennsylvania, to demonstrate methods of enhancing the development of a major industrial site.

Paragraph (74) authorizes the construction of an interchange on an Interstate route which will provide access to Chambersburg, Pennsylvania, to demonstrate improved access and traffic congestion relief in the area.

Paragraph (75) authorizes the construction of an overpass over Interstate 10 in the vicinity of Beaumont, Texas, which will relieve traffic congestion on I-10 and provide direct access between the central business district and the west section of the City.

Paragraph (76) authorizes a highway project for construction of an access road from County Road 413 in St. Louis County, Minnesota, to a recreational complex on the Bois Forte Chippewa Reservation to demonstrate methods of providing jobs and enhancing economic development in a severely and chronically depressed area.

Paragraph (77) authorizes site selection, environmental studies, design and engineering for replacement or expansion of a bridge connecting Gloucester County with York County and the cities of Newport News and Hampton, Virginia, for the purpose of demonstrating methods of facilitating the resolution of Federal intra-govermental conflicts.

Paragraph (78) authorizes a highway project in Arcola, Texas, to demonstrate methods by which construction of a grade separation project between the intersection of two highways, State Highway 6 and Farm-to-Market Road 521, and a railroad crossing Missouri Pacific Railroad, improves traffic flow and highway safety at the intersection of these two important hurricane evacuation routes.

Paragraph (79) authorizes the completion of the construction of a previously authorized railroad-highway relocation project in Hammond, Indiana, to demonstrate methods of eliminating railroad-highway grade crossings. The Secretary shall reimburse the City of Hammond, Indiana, for any non-Federal funds used to advance any part of the railroad highway relocation project prior to the receipt of Federal funds.

Paragraph (80) authorizes a project for the relocation of the terminus of the Lockport Expressway (I-990) two miles from its present location at North French Road and construct an interchange at its new terminus at Millersport Highway in Erie County, New York, to demonstrate methods of enhancing highway safety and reducing traffic congestion and delays at the terminus of an Interstate route.

Paragraph (81) authorizes the remaining design work for a highway project for construction of a grade separation on a route on the Federal-aid primary system in the vicinity of Tampa, Florida, to demonstrate methods of relieving motor vehicle congestion resulting from the transportation of freight to and from areas for the transshipment of waterborne commerce.

Subsection (b) requires the Secretary to furnish Congress reports on the projects carried out under this section.

Subsection (c) provides authorizations for the demonstration projects contained in section 146.

Subsection (d) authorizes an additional $16 million in fiscal year 1987 through 1991 out of the general funds of the Treasury, to carry out the highway project on Route 219 in Johnstown, Pennsylvania, authorized by subsection (a)(3) to demonstrate methods of enhancing safety and economic development in areas of high unemployment.

Subsection (e) provides contract authority for the projects authorized in section 146 (except for subsection (d)) and also provides that the Federal share of project costs shall be 100 percent.

Senate amendment

No provision.

Conference substitute

The conference substitute establishes a combined Federal and State funding level for demonstration projects of $356 million per year for five years with 50% ($178 million) provided in new Federal funds outside the obligation limit, 30% ($107 million) provided as reallocations of Federal funds provided from discretionary programs (with obligational authority reserved) and the remaining 20% ($71 million) to be provided by state or local funds. Local governments cannot be required to contribute funds to the project. The projects include projects from both the House and Senate.

The provision also includes a guarantee for each state that it will receive at least ½ of 1% of the new funds provided.

The $107 million is drawn down from the Interstate construction discretionary program, the Interstate 4R discretionary program, the Interstate transfer discretionary program, and the discretionary portion of the bridge program. Each discretionary program will provide funds on a pro rata basis. Funds drawn from the discretionary programs would not be subject to the requirements of the discretionary programs, but would instead be subject to the requirements that are necessary for these projects.

The Secretary is required to provide a brief annual status report to Congress beginning in 1988 on all of the projects. The Secretary is also required to report to Congress after the completion of the projects in Passaic County, New Jersey, Altoona, Pennsylvania, and Arkansas-Missouri and the reports are to be funded from individual project authorizations.

Subsection (5) of Section 149 authorizes a grade separation (and related half-diamond interchange) construction project in Moorhead, Minnesota and a reconstruction project in the vicinities of Fosston and Bagley, Minnesota. Not less than 3/5ths of the funds provided in this Act for the Section 149(5) projects shall be made available for the Moorhead grade separation project.

PRIORITY PROJECTS

House bill

No provision.

Senate amendment

This provision establishes that priority projects designated in the bill be funded from states' regular apportionments at the specific request of a state to the Secretary. No new Federal funds are authorized by this section. These priority projects must be on the Federal-aid system and must meet all the requirements of title 23. Additional flexibility is provided to states by permitting them to use any funding category with the applicable match to build such a designated priority project.

Conference substitute

The conferees adopted the Senate provision, except that Interstate construction and safety construction funds may not be used for designated priority projects; in addition, the concept was expanded to additional projects.

CUMBERLAND GAP NATIONAL HISTORICAL PARK, VIRGINIA

House bill

This section provides that parkway funds shall be available to upgrade from 2 lanes to 4 lanes a highway providing access to the Cumberland Gap National Historical Park in Virginia.

Senate amendment

The amendment is substantially the same as the House bill.

Conference amendment

Adopts the House bill provision with technical changes from the Senate amendment. The Cumberland Gap project is eligible for parkway funds under this provision. Funding is not, however, required.

DELAWARE RIVER BRIDGES

House bill

This section incorporates the provisions of H.R. 4408, as introduced March 26, 1986, with changes to subsection (c). This section would allow the Delaware River Joint Toll

Bridge Commission (Commission) to continue tolls on the existing Delaware Water Gap Bridge on I-80 and to impose tolls on the uncompleted bridge under construction on I-78. The section also would amend the Interstate Compact between the States of New Jersey and Pennsylvania to allow the Commission to use the tolls collected on its toll bridges for expenses of any of the bridges under its jurisdiction.

It is the Committee's intent that the provisions of this section be construed consistently with the interpretations in the letter of the Department of Transportation dated June 18, 1986. Most importantly, if there is any conflict between the language in the first four subsection and the language in the last subsection dealing with the changes to the Interstate Compact, the provisions in the first four subsections control.

Subsection (c) was revised from the language in H.R. 4408 to emphasize that nothing in the section is intended to give the Commission a special status under the General Bridge Act of 1906, the Act of August 21, 1935, and the General Bridge Act of 1046 (see generally, 33 United States Code Secs. 491-533). Specifically, 33 United States Code 526 provides that the Secretary of Transportation may prescribe "reasonable rates" for passage over bridges between states. As long as this provision applies generally to other Interstate bridges, it is the Committee's intent that it apply to the Commission's bridges as well. This subsection is not, however, intended to create a new or independent role of review and approval by any Federal agency. If the general review statutes were modified, this section should be read consistently with those other revisions.

Senate amendment

This section allows the Delaware River Joint Toll Bridge Commission to continue tolls on the existing Delaware Water Gap Bridge on I-80 and to impose tolls on the uncompleted bridge under construction on I-78. The section also amends the Interstate Compact between the State of New Jersey and the Commonwealth of Pennsylvania to allow the Commission to use the tolls collected on its toll bridges for expenses of any of the bridges under its jurisdiction.

The provisions of this section are to be construed consistently with the interpretations in the letter of the Department of Transportation dated July 21, 1986. The provisions in the first four subsections control if there is any conflict between the language in the first four subsections and the language in the last subsection regarding the changes to the Interstate Compact.

Conference substitute

Adopts a Delaware River Bridge provision using the House provision with the quoted material from the Senate amendment. The provisions are to be construed consistently with the Department of Transportation's letter.

PROHIBITION ON WIDENING CERTAIN ROUTES THROUGH HISTORIC DISTRICT

House bill

This section prohibits the use of Federal funds for a highway project in or near the historic district in Hudson, Ohio, unless approved by the village council of Hudson, Ohio.

Senate amendment

No similar provision.

Conference substitute

Adopts the House provision.

URBAN HIGH DENSITY PROGRAM

House bill

Authorizes an urban high density highway project in Indiana.

Senate amendment

No similar provision.

Conference substitute

House provision.

SIGNS IDENTIFYING FUNDING SOURCES

House bill

The bill requires states that erect signs on projects without direct Federal funding showing the source of funding to erect signs on all Federal-aid projects displaying the source and amounts of funds. The section is intended to require those states that have adopted innovative funding strategies using a mixture of funds to provide the public with a factual statement of the funding sources. It is not intended to require those states that do not have a practice of erecting signs at construction sites to begin such a practice.

Senate amendment

No similar provision.

Conference substitute

Adopts the House bill provision.

SALVAGE OPERATION

House bill

Title IV of the House bill provides that Massachusetts shall assist in salvaging the historic Great House in City Square, Charlestown, Massachusetts.

Senate amendment

No provision.

Conference substitute

Adopts the House bill provision.

RELEASE OF CONDITION RELATING TO CONVEYANCE OF A CERTAIN HIGHWAY

House bill

No provision.

Senate bill

Frees the State of Maryland from a requirement of section 146 of the Federal-Aid Highway Act of 1970.

Conference substitute

Adopts the Senate amendment provision.

MARYLAND INTERSTATE TRANSFER

House bill

The bill would amend Pub. L. 98-229 to permit the State of Maryland to transfer up to $100 million of its Interstate construction funds to rehabilitate the Jones-Fall Expressway in Baltimore, subject to certain conditions, rather than exactly $100 million as provided by existing law.

Senate amendment

No provision.

Conference substitute

Adopts the House bill provision.

BRIDGE FORMULA AND MOTOR VEHICLE STUDY

House bill

This section requires the Transportation Research Board of the National Academy of Sciences to submit to Congress a report on the effects of the bridge formula contained in section 127 of title 23, United States Code, specifying axle loading and axle spacings necessary to protect Interstate highway bridges within the overall gross vehicle weight prescribed by law. The report is to include assessment of costs and benefits of existing law as well as alternative means of achieving the same purposes, in terms of costs and benefits to business, governments and the general public. The Committee intends that the study focus particularly on the problems of compliance associated with short-wheelbase vehicles used for heavy hauling in such industries as construction and solid waste collection; this is a transportation activity in which configuration of longer vehicles with additional axles does not appear feasible in view of the need for vehicles to maneuver through relatively narrow streets. The study also should take into account the types, and their load-bearing characteristics, of most bridges found on the Interstate System. This provision does not modify either the bridge formula in existing law or the provision of section 127 grandfathering in all axle loadings on groups of two or more consecutive axles which states determine to have been lawful on the date of enactment of the Federal-Aid Highway Amendments of 1974.

Senate amendment

During hearings, witnesses expressed concerns about larger and heavier trucks. This section directs the Secretary to make arrangements with the Transportation Research Board of the National Research Council to conduct a study of the motor carrier industry.

Among the subjects for analysis are: existing grandfather clauses which allow for higher axle loads and gross vehicle weights; the current bridge formula and its relationship to trucks and existing bridges; special truck permits and the circumstances for which they are issued; appropriate treatment for motor vehicles unable to comply with the current bridge formula; and associated costs and benefits.

TRB shall consult with DOT, state highway and transportation agencies, the motor carrier industry, highway safety groups, and other interested parties throughout the course of the study and shall submit a final report to the Secretary, to be transmitted to the Senate Environment and Public Works Committee and the House Public Works and Transportation Committee of the Congress. A total of $500,000 for fiscal year 1987 and the same amount for fiscal year 1988 is authorized to be appropriated out of the Highway Account of the Highway Trust Fund for the study. The final report is due no later than 30 months after enactment of this legislation.

Conference substitute

Adopts the Senate amendment provision.

RAILROAD-HIGHWAY CROSSING NEEDS

House bill

Title II authorizes the Secretary, in consultation with the Association of American Railroads and the American Association of State Highway and Transportation Officials, to conduct a comprehensive study and investigation of national railroad-highway crossing improvement and maintenance needs. Not later than 30 months after the date of enactment, the Secretary shall submit a report to Congress on the results of the study along with recommendations on how those needs can best be addressed on a long-term and continuing basis in a cost effective manner.

Senate amendment

The most recent major assessment of rail-highway crossings needs was done in the early 1970's. A report was made to Congress at that time, leading in turn to passage of section 203 of the Highway Safety Act of 1973. Since then, there has been a large investment of Federal-aid highway funds to improve safety conditions at crossings.

The earlier sutdy focused on crossing problems for both railroad and highway traffic. The major recommendation was for approximately 30,000 active warning devices to be installed. It is appropriate for a new study to be undertaken of developments in the last 20-25 years. In particular, the Committee is interested in an evaluation of the present program; a study of needs and of responsibilities, including those for maintenance, abandoned bridges, and ConRail crossings; an analysis of driver behavior; and a review of the effectiveness of the rail-highway demonstration program. It is intended that the new, broader report address safety, mobility, and capacity issues as they relate to improvement and maintenance needs.

A total of $600,000 out of the Highway Account of the Highway Trust Fund is authorized for the purpose of performing the study. The Secretary is directed to conduct the study and report findings to the Senate Environment and Public Works Committee and House Public Works and Transportation Committee of the Congress no later than 24 months after enactment of this legislation.

Conference substitute

Adopts the Senate amendment provision.

STUDY OF HIGHWAY BRIDGES WHICH CROSS RAIL LINES

House bill

This section requires the Secretary of Transportation to conduct a comprehensive study and investigation of improvement and maintenance needs for highway bridges which cross Amtrak rail lines, principally in the Northeast corridor, and determine who is responsible for the repair and maintenance of the so-called "orphan" highway bridges. There are approximately 213 bridges for which neither Amtrak nor the states claim responsibility. Not later than two years after the date of enactment, the Secretary shall submit a report to Congress on the results of the study along with recommendations on how these needs can be addressed on a long-term and continuing basis in a cost-effective manner.

Senate amendment

No similar provision.

Conference substitute

Adopts the House provision.

PARKING FOR HANDICAPPED PERSONS

House bill

The Committee finds that handicapped motorists have experienced enormous difficulty in traveling among the states. Handicapped motorist who are allowed by law to use specially designated handicapped parking spaces in the state in which they reside are sometimes denied the same privilege in other states. The refusal of certain states to recognize the handicapped parking symbols of other states often results in large fines for handicapped motorists traveling outside of their state of residence.

The problems of non-reciprocity of handicapped parking symbols is particularly acute in states which experience a large influx of senior citizens in winter. Handicapped motorists who live near the border of a state also find it difficult to go to work, to the store, or to other places of business without serious difficulty. The Committee believes that if an individual is considered handicapped in one state, the person should also be considered handicapped in any other state.

This section requires the Secretary of Transportation to study any problems encountered by handicapped persons in parking motor vehicles and whether or not each state should establish parking privileges for handicapped persons and grant to nonresidents of the state the same such parking privileges as are granted to residents. The Secretary is required to complete the study within 180 days of the enactment of this Act and report to Congress the results of the study on this matter.

If the Secretary determines that states should establish parking privileges for handicapped persons and grant to nonresidents of the state the same parking privileges as are granted to residents, the Secretary would be required to develop a model state law that would solve the deficiencies of current state handicapped parking laws.

In developing the uniform state law, the Secretary is required to consider the advantages of our commonly-found elements of handicapped parking laws which, if used in a uniform state law, would make it easier to ensure handicapped parking privileges reciprocity.

To encourage states to enact handicapped parking laws similar or identical to the uniform law drafted by the Secretary, the Secretary shall provide a copy of the uniform state law to each state and to Congress.

The Secretary shall annually report to Congress on the extent to which each state has adopted the proposed uniform state law. If state efforts to adopt the uniform state law are inadequate, the Committee may consider additional actions to resolve the inadequacies in state handicapped parking laws.

Senate amendment

No similar provision.

Conference substitute

Adopts the House provision.

BRIDGE MANAGEMENT STUDY

House bill

This section directs the Secretary to conduct an investigation and study to determine whether the states should be required to establish comprehensive bridge management programs to assist in the development of priorities for bridge improvements. With the capability to establish priorities and anticipate workload, a state can effectively plan and budget for its bridge program. The Secretary shall submit a report to Congress on the results of the bridge management study together with any recommendations, not later than 180 days after the date of enactment of this Act.

Senate amendment

No similar provision.

Conference substitute

Adopts the House provision.

STATE MAINTENANCE PROGRAM STUDY

House bill

This section directs the Secretary to enter into appropriate arrangements with the National Academy of Sciences to conduct a complete investigation of the appropriateness of establishing minimum Federal guidelines for maintenance of the Federal-aid primary, secondary, and urban systems similar to those established for the Interstate System. The Secretary shall report to Congress the results of the investigation and study along with any recommendations, not later than 180 days after the date of the enactment of this Act.

Senate amendment

No similar provision.

Conference substitute

Adopts the House bill provision except that the report is due 18 months after arrangements are made with the National Academy of Sciences.

FEASIBILITY STUDY OF USING HIGHWAY ELECTRIFICATION SYSTEMS

House bill

Since 1979, the Committee has followed the development work ongoing on Santa Barbara, California's Electric Bus Project. The Committee notes with approval the cooperation and funding that Santa Barbara, the California Department of Transportation (Caltrans), and UMTA have each provided this project, which to date has focused only on the transit application of roadway powered electrification.

In order to complement and build upon this existing program, this section directs the Secretary to participate in an effort coordinated by Caltrans to determine if a stronger automobile/highway orientation to this technology exists. Funding of $2,910,000 is provided for this effort.

Given the significant local contribution provided to date by both Santa Barbara and the State of California, and, given the broad, national benefit of this research effort, the Committee directs the Secretary to refrain from any and all efforts aimed at either requiring additional local matching funds for the activities listed in subsection (a) or imposing any grant conditions other than those contained in subsection (b). While the Committee has chosen not to require a local match, it firmly believes that the funding authorized under subsection (c) will serve as a nucleus of funding for a larger, overall program attracting contributions from other public agencies and the private sector.

It is the Committee's intent that the activities funded under this section extend from highway electrification to the related technology of highway automation. In addition to the construction of test facilities and land acquisition, funds authorized under this section may be used for engineering, design, development, testing, research, planning and economic studies.

(Caltrans), as the designated recipient, will have lead responsibility on this effort. In making such a designation, the Committee assumes that (Caltrans) will collaborate with various other public and private sector representatives which have been participating in this development effort to date. The Committee expects (Caltrans) to take maximum advantage of this prior work, which continues under funding through the Santa Barbara project, by contracting with public and private agencies with expertise in these technologies for execution of the principal parts of this research and development effort. In view of current plans to utilize the Institute of Transportation Studies, University of California (UC/ITS), in developing the test facility and completing the Santa Barbara project, the Committee urges that collaboration with (UC/ITS) to be continued in execution of these efforts.

The Committee intends that the report on the results of this research effort called for under subsection (b)(2), include an examination of the long-term social and economic impact of highway electrification and automation technologies as applies on a large scale. Such an examination focusing on the Southern California region, prepared by the Southern California Association of Governments (SCAG), would be responsive to this requirement.

Senate amendment

No similar provision.

Conference substitute

Adopts the House provision with a requirement for a federal share not to exceed 65 percent.

COST EFFECTIVENESS STUDY OF HIGHWAY UPGRADING

House bill

This section authorizes $1 million for a study to determine the cost-effectiveness of upgrading Route 219 in Pennsylvania and the 28-mile segment from Springville to Salamanca in New York to interstate standards, the feasibility of partial financing with toll revenues, of using reclaimed strip mining lands for the projects, and avoiding encroachment on sensitive environmental areas. The Secretary is directed to submit a report to Congress on the results of the study along with any recommendations within one year of the date of enactment.

Senate amendment

No similar provision.

Conference substitute

Adopts the House provision with a reduced authorization of $650,000 and a requirement for a Federal share not to exceed 65 percent.

HIGHWAY FEASIBILITY STUDY

House bill

This section authorizes the Secretary to carry out a study of the feasibility and necessity for constructing to appropriate standards a proposed highway along a route from Shreveport, Louisiana, to Texarkana, Fort Smith, and Fayetteville, Arkansas, and Carthage and Kansas City, Missouri. The results of the study shall be submitted to Congress not later than one year after the date of enactment of this Act and the study shall update the previous feasibility study conducted under section 143(b) of the Federal-Aid Highway Act of 1973.

Senate amendment

Similar to the House bill.

Conference substitute

Adopts the provision with a Federal share of 65 percent.

CALIFORNIA FEASIBILITY STUDY

House bill

This section directs the Secretary to study the feasibility and necessity of constructing a bypass highway around Sebestopol, California. The results of such study shall be submitted to Congress within 9 months and shall contain the Secretary's recommendations with respect to the location and design of such highway.

Senate amendment

No similar provision.

Conference substitute

Adopts the provision with a Federal share of 65 percent.

NEW YORK FEASIBILITY STUDY

House bill

This section directs the Secretary to study the feasibility and necessity of constructing a major inland highway route or alternative to New York Route 5 to connect Buffalo's central business district with the Southtowns. The Secretary is directed to submit a report to Congress on the results of the study along with any recommendations within one year of the date of enactment.

Senate amendment

No similar provision.

Conference substitute

Adopts the provision with a Federal share of 65 percent.

EXPENDITURE OF FUNDS IN VIRGIN ISLANDS

House bill

This section would prohibit the expenditure of Federal highway funds under project agreements approved after January 1, 1986, for the planning, design and construction of a highway in Charlotte Amalie, Virgin Islands, extending eastward from the Windward Passage Hotel paralleling the existing waterfront and requiring extensive landfill along the waterfront.

Subsection (b) requires the Secretary, in cooperation with the Virgin Island Department of Public Works, to review existing studies to determine the most feasible alternatives to the construction of the highway and report to Congress within 180 days on the results of the review.

Senate amendment

No similar provision.

Conference substitute

The substitute provides for a Virgin Islands Feasibility Study.

FERRY BOAT SERVICE

House bill

Authorizes a ferry boat service study to study the feasibility of service on the Missouri River between Springfield, South Dakota, and Niobrara, Nebraska.

Senate amendment

Substantially the same as the House bill.

Conference substitute

Adopts the House provision with a Federal share of 65 percent.

REVIEW OF REPORTS ON UNITED STATES ROUTE 13 RELIEF ROUTE

House bill

No provision.

Senate amendment

The amendment asks the Board of Engineers for Rivers and Harbors of the United States Army Corps of Engineers to review reports to determine how best to modify a canal project to accommodate a structure to align the United States Route 13 Relief Route

Conference substitute

Adopts the Senate amendment provision.

USE OF ROCK SALT ON HIGHWAYS

House bill

No provision.

Senate amendment

The amendment states that it is the sense of the Congress that states and local governments should consider the full costs of the rock salt they use and not just the immediate cost.

Conference substitute

Adopts the Senate amendment provision without the findings.

Further development of de-icers as alternatives to rock salt would be a valuable research activity under the Strategic Highway Research Program.

The conferees are aware of a preventative measure which should reduce the cost of replacing and rehabilitating the Nation's bridges and thereby increase their safety. Cathodic protection has proven to be the only technique that can stop corrosion in salt-contaiminated bridge decks, regardless of the chloride content of the concrete. We understand that the Federal Highway Administration believes cathodic protection to be a valuable weapon in the battle against bridge deck deterioration and strongly recommend consideation given to the use of cathodic protection for both safety and economic reasons.

HIGHWAY DESIGNATION

House bill

The bill designates a portion of Oklahoma State Route 99 as "United States Highway 377".

Senate amendment

No provision.

Conference substitute

The Conferees agree that Oklahoma State Route 99 should be named "United States Highway 377".

BRIDGE NAMING

House bill

This section requires that the bridge crossing the Mississippi River on I-80 near Le Clare, Iowa, be designated as the "Fred Schwengel Bridge." Any reference to the bridge in law, map, regulation, document or record of the United States shall be referenced as the "Fred Schwengel Bridge."

Senate amendment

No similar provision.

Conference substitute

The conferees ask that the State of Iowa name the bridge "the Fred Schwengel Bridge".

55 MPH SPEED LIMIT LAW

House bill

See section 203 of House bill (Title II).

Senate amendment

The Senate amendment allowing the states the authority to raise the speed limit from 55 mph to 65 mph on rural Interstate routes outside of urbanized areas of 50,000 population or more is described in the Statements of Managers Under Title II.

Conference substitute

Agrees that the House will vote on the Senate provision. The provision would be voted separately by the Senate if the House approves it.

HIGHWAY BEAUTIFICATION

House bill

The Bill retains the just compensation requirements of existing law. States may fund this from a ¼% draw down on their I-4R and primary allocation. Section 122 would change the penalty for non-compliance of the Highway Beautification statutes by making the penalty a mandatory 5 to 10%, as opposed to 10% in current law, which the Secretary could waive.

The House bill further requires states to have the capability to inventory and identify unlawful signs every year. It would also prohibit vegetation removal on highway right-of-way for the purpose of improving sign visibility, except under conditions specified by the Secretary of Transportation.

The House version establishes a freeze on the number of signs allowed in commercial and industrial areas along Interstates and primary roads. It does allow for a company or owner of a billboard if he foregoes just compensation to petition the state to construct another sign should a non-conforming sign be removed. The freeze would begin July 1, 1987. Additionally, it requires the expeditious removal of illegal signs and nonconforming signs for which compensation has been paid. That is for illegal signs, the day after they become illegal, or October 1, 1988, whichever is later, and for those entitled to compensation, 90 days after compensation is made.

Finally, the House provision would prevent the modification of a sign to improve its visibility or extend its useful life, while allowing the performance of routine maintenance, and prevents a situation where a state pays for a billboard, and the owner uses the salvage material to build another billboard.

Senate amendment

No provision.

Conference substitute

No provision.

TITLE II—HIGHWAY SAFETY ACT OF 1986

SHORT TITLE

House bill

This section provides that this title may be cited as the "Highway Safety Act of 1986."

Senate amendment

No comparable provision.

Conference substitute

House provision.

HIGHWAY SAFETY

House bill

This section provides authorizations for appropriations out of the Highway Trust Fund for highway safety activities administered by the National Highway Traffic Safety Administration.

Subsection (a)(3) provides authorizations for carrying out the highway safety programs under section 402 of title 23, United States Code, by the National Highway Traffic Safety Administration, in the amount of $123 million annually for FY 1988-1991.

Subsection (a)(4) provides authorizations for carrying out section 403 of title 23, United States Code, by the National Highway Traffic Safety Administration, in the amount of $33 million annually for FY 1987-1991.

Subsection (b) provides authorizations for carrying out section 402 of title 23, United States Code, by the National Highway Traffic Safety Administration, in the amount of $123 million for FY 1987; requires the obligation of not less than $20 million or such authorizations for the purpose of enforcing the national maximum speed limit; and extends until September 30, 1987 the requirement that each State spend not less than 8 percent of the amount apportioned to it, for programs concerning the use of child restraint systems in motor vehicles.

Subsection (c)(1) requires the obligation of not less than $20 million annually out of the funds authorized for section 402 of title 23, United States Code, for FY 1988-1991, for the purpose of enforcing the national maximum speed limit.

Subsection (c)(2) requires each State to expend not less than 2 percent of the amount apportioned to it under section 402 of title 23, United States Code, for FY 1988-1991, for programs to encourage the use of safety belts by occupants of motor vehicles.

Subsection (d) limits the obligations for highway safety programs carried out by the National Highway Traffic Safety Administration under section 402 of title 23, United States Code, to $126,000,000 for each of fiscal years 1987-1991, and the obligations for highway safety programs carried out by the Federal Highway Administration under such section to $10 million for each of fiscal years 1987-1991.

Senate bill

There are no provisions comparable to the House authorizations for programs administered by the National Highway Traffic Safety Administration.

Conference substitute

House provision, except that authorizations for section 402 programs administered by the National Highway Traffic Safety Administration are increased to $126 million annually. Obligation ceilings are reduced to $121 million for fiscal year 1987 but remain at $126 million for each of the fiscal years 1988-1991.

COMMERCIAL MOTOR VEHICLE SAFETY GRANTS

House bill

This section extends the authorizations contained in section 404 of the Surface Transportation Assistance Act of 1982 and creates contract authority for one-year grants to the States for the development or implementation of programs to enforce commercial motor vehicle safety laws and regulations. The section provides authorizations for appropriations out of the Highway Trust Fund in the amount of $50 million per fiscal year for each of fiscal years 1987-1991. Such funds are available for obligation in the year for which authorized and the three succeeding fiscal years.

Senate amendment

No comparable provision.

Conference substitute

No comparable provision.

55 MPH SPEED LIMIT

House bill

Subsection (a)(1) amends section 154(f) of title 23, United States Code, to establish a weighted formula for determining the compliance of the states with the national maximum speed limit. The formula assigns a weight to the percentage of vehicles in a state travelling in three speed ranges—above 55 but not above 60 mph, above 60 but not above 65 mph, and above 65 mph. It further distinguishes between limited access highways and other 55 mph highways by assigning a higher weight to the percentages of vehicles exceeding 55 mph on the other highways. The compliance score for a state is determined by adding the weighted value for limited access highways to the weighted value for other highways and dividing by 100.

The subsection further provides that if a State's compliance score exceeds 625, the Secretary shall reduce the State's apportionment of Federal-aid highway funds under each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of title 23 in an aggregate amount of not less than 2.5 percent but not more than 5 percent of the amount to be apportioned for the following fiscal year, and not less than 5 percent but not more than 10 percent in the case of subsequent fiscal years.

The subsection further amends section 154(f) to define "55 mph highway" to include any undivided highway with a speed limit of 50 mph on the Federal-aid primary system in a State in which the statutory State maximum speed limit is 50 mph.

Subsection (3) provides that the amendments to section 154(f) apply with respect to compliance data collected after September 30, 1985, and reductions in apportionments based on such data.

Subsection (4) provides that in the case of any State for which apportionments are or have been withheld on the basis of data collected before the effective date of the amendments, the Secretary shall make the apportionment if data collected during the first fiscal year after the amendments are in effect show that the State is in compliance with section 154(f). The subsection further provides that the program shall be administered through the National Highway Traffic Safety Administration and that the amendments shall take effect not later than October 1, 1987.

Senate amendment

This section amends section 154(a) of title 23 by permitting a maximum speed limit of 65 mph on those portions of the Interstate System located outside urbanized areas of fifty thousand population or more. The maximum speed limit permitted on all other highways remains at 55 mph.

Conference substitute

The Senate amendment will be subject to a separate vote in the House. If the Senate amendment carries in the House, it will then be subject to a separate vote in the Senate. If it passes the Senate, it will be added to the conference report on H.R. 2.

ALCOHOL TRAFFIC SAFETY PROGRAMS

House bill

This section amends the eligibility requirements for an alcohol traffic safety grant under section 408 of title 23, United States Code, to permit states which do not meet the full criteria for basic grants to obtain modified basic grants under certain circumstances.

Subsection (a) adds two new subsections to section 408(e). Under new subsection (4), a State which is unable to suspend licenses with sufficient promptness would be eligible for a modified grant if the Secretary determines that the State is suspending licenses within 120 days of the citation and is making reasonable progress in further reducing the time before suspension. Under new subsection (5), a State which does not in all cases suspend a driver's license for intoxication, and which would therefore not qualify for a basic grant, may receive a modified grant if the Secretary determines that the State permits such drivers to retain their licenses only upon a showing of hardship, only to the degree necessary to relieve the hardship, and only in numbers not exceeding 20 percent of first offenders and 15 percent of repeat offenders.

Subsection (b) limits the amount of such modified grant to 20 percent of the amount apportioned to an eligible State for Fiscal Year 1983 under section 402 of title 23, United States Code.

Subsection (c) provides that the sums authorized for the Alcohol Traffic Safety Program shall be available until expended.

Subsection (d) provides for a series of conforming amendments.

Subsection (e) provides for a demonstration of certain drug and alcohol testing technology.

Senate amendment

No comparable provision.

Conference substitute

House provision, except subsections (a) and (b) are deleted, corresponding changes are made in subsection (d) conforming amendments, and subsection (e) is amended to authorize testing of ignition interlock devices to assess their potential for preventing drug and alcohol related deaths. The substitute also allows a state to receive a section 408 grant in five years, instead of three years in current law.

SCHOOL BUS SAFETY MEASURES

This section directs the Secretary to commission the National Academy of Sciences to conduct a study to determine the most effective means of protecting children who are transported in school buses and to report its findings and recommendations to the Secretary and to the Congress.

Five million dollars is authorized to be set aside, at the Secretary's discretion, for each of fiscal years 1989, 1990, and 1991 for grants to States that implement the school bus safety measures found by the Secretary, upon review of the Academy's findings and recommendations, to be the most effective in protecting the safety of children in or around school buses.

Senate amendment

No comparable provision.

Conference substitute

House provision.

STANDARDS FOR SPLASH AND SPRAY SUPPRESSION DEVICES

House bill

This section amends section 404 of the Surface Transportation Assistance Act of 1982 by providing that the Secretary shall not issue regulations on the performance and installation of splash and spray suppressant devices until the Secretary determines, after testing, that available technology can substantially improve the visibility of drivers and that the standards will protect the public from an unreasonable risk of death or injury caused by splash and spray from trucks.

The section also requires that the Secretary determine that there exist three or more unaffiliated manufacturers of devices meeting the standards to be established.

Senate amendment

No comparable provision.

Conference substitute

Modified House provision.

NATIONAL DRIVER REGISTER AMENDMENTS

House bill

Subsection (a) of this section provides for a twelve-month extension for the Secretary to promulgate procedures for the orderly transition from the currently used recordkeeping system of motor vehicle driving records of individuals to the National Driver Register system. The Secretary is required to publish a notice of a proposed rulemaking six months prior to promulgation of the final rule.

Subsection (b) amends section 207 of the National Driver Register Act of 1982. It extends the implementation of the pilot test program by twelve months, requires the pilot program to be in operation within sixteen months after the pilot states are selected, and requires a report to the Congress on the pilot test program within six months after the end of the program. The final report on the program, documenting the extent and level of participation in the Register and reporting on its effectiveness, shall be submitted not later than three years after the establishment of a fully electronic Register system.

Senate amendment

No comparable provision.

Conference substitute

No comparable provision.

HIGHWAY SAFETY PROGRAM AMENDMENTS

House bill

This section amends section 402 of title 23, United States Code, in several respects. Subsection (a) changes "standards" to "guidelines" to allow more flexibility in State highway safety programs.

Subsection (b) deletes a provision for the waiver of standards.

Subsection (c) deletes paragraph (b)(1)(D), thereby eliminating the requirement that a State have a comprehensive driver training program as a condition for a grant under section 402.

Subsection (d) amends subsection (j) to direct the Secretary, through rulemaking and in consultation with the States, to determine those programs most effective in reducing accidents, injuries, and deaths. Only those programs meeting the criteria established under the rulemaking would be eligible to receive Federal funds under the section.

Senate amendment

No comparable provision.

Conference substitute.

House provision.

HIGHWAY SAFETY EDUCATION AND INFORMATION

House bill

This section amends section 209 of the Highway Safety Act of 1978 to direct the Secretary to conduct a national media campaign to inform the public of techniques, methods, and practices to reduce the number and severity of highway accidents. The Secretary is to begin this campaign not later than 180 days after the submission of reports on the pilot projects carried out under subsection (b) of section 209.

The section further provides that funds authorized by section 209 are not subject to obligation limitations and that such funds may not be used for any program conducted as part of the implementation of Federal Motor Vehicle Safety Standard No. 208.

Senate amendment

No comparable provision.

Conference substitute.

House provision.

OLDER DRIVER STUDY

House bill

This section directs the Secretary to commission the National Academy of Sciences to conduct a comprehensive study and investigation of problems which may lessen the safety and mobility of older drivers and to examine means of addressing these problems. The Academy is to report its findings to the Secretary and the Congress not later than 24 months after the date of enactment of the Act.

Subsection (d) directs the Secretay to develop a pilot program of highway safety improvements to enhance the safety and mobility of older drivers, and instructs the Secretary to encourage the States to carry out the pilot program with highway safety improvement funds. The Secretary shall report to Congress on the effectiveness of such program not later than three years after the date of enactment of the Act.

Senate amendment

No comparable provision.

Conference substitute.

House provision.

RECISSION OF CONTRACT AUTHORITY

House bill

This section provides that effective October 1, 1986, $148 million of unobligated contract authority available for airport development and planning pursuant to section 505(a) of the Airport and Airway Improvement Act of 1982 is rescinded. This recission does not reduce the balance in the Airport and Airway Trust Fund.

Senate amendment

No comparable provision.

Conference substitute.

House provision.

TITLE III—FEDERAL MASS TRANSPORTATION ACT OF 1987

SHORT TITLE

House bill

This section provides that this title may be cited as the "Federal Mass Transportation Act of 1987".

Senate amendment

This section states that the Act may be cited as the "Urban Mass Transportation Authorization Act of 1987".

Conference substitute

Substitute provides that the Act may be cited as the "Federal Mass Transportation Act of 1987".

AUTHORIZATIONS

House bill

Section 320 would provide authorizations through fiscal year 1991 to carry out various provisions of the Urban Mass Transportation Act. In addition, this section would provide limitations on the available contract authority for specific activities within the section 3 discretionary grant program as well as limitations for section 8 planning activities, section 16(b) activities to meet the special transportation needs of elderly and handicapped person, and section 4(i) activities to implement innovative methods and techniques.

Section 320(a) would provide authorizations from the general fund, to carry out sections 9 and 18, of $2,100 million for fiscal year 1987, $2,150 million for fiscal year 1988, $2,200 million for fiscal 1989, $2,250 million for fiscal year 1990, and $2,300 million for fiscal year 1991.

For fiscal year 1987, section 320(b) would make available a minimum of $100,000,000 for section 3 bus and bus-related activities; $405,000,000 for section 3 rail modernization projects; $405,000,000 for section 3 new start and extension projects; $100,000,000 for general section 3 activities; $45,000,000 for section 8 planning activities; and a total of $35,000,000 for section 16(b) and section 4(i) activities. For each of the fiscal years 1988, 1989, 1990 and 1991, section 320(b) would make available a minimum of $170,000,000 for section 3 bus and bus-related activities; $680,000,000 for section 3 rail modernization projects; $680,000,000 for section 3 new start and extension projects; $170,000,000 for general section 3 activities; $50,000,000 for section 8 planning activities; and a total of $40,000,000 for section 16(b) and section 4(i) activities. These authorizations would be funded from the Mass Transit Account of the Highway Trust Fund. It is the Committee's intent that the amount of contract authority provided for the authorizations contained in this subsection not exceed the amounts specified for each fiscal year.

Section 320(c) would stipulate that funds made available from the Mass Transit Account would remain available until expended. It would also stipulate that the maximum amount of contract authority obligated by the Secretary from the Mass Transit Account, except for obligations under sections 9A and 11(b), cannot exceed $995 million for FY 1987 and $1,795 million for each of the fiscal years 1988, 1989, 1990 and 1991. The maximum limitation set forth in section 320(c) would exceed the minimum level set forth in section 320(b) by $5,000,000 in each fiscal year 1988, 1989, 1990 and 1991. The difference between the amounts would enable the Secretary to draw down on current unobligated balances.

For research, training and administration, section 320(d) would authorize from the general fund $50 million for each fiscal year 1987, 1988, 1989, 1990 and 1991.

Sections 320(e) and (f) provide technical and conforming amendments.

Senate amendment

Section 402 would amend section 21 of the UMT Act to provide authorizations through fiscal year 1990 to carry out various provisions of the UMT Act. This section would continue current Federal support for public transportation by freezing urban mass transit funding essentially at fiscal year 1987 levels through fiscal year 1990.

Authorizations for fiscal year 1988 through 1990 would be $14.3 million per year below the amounts appropriated for the current fiscal year. This section would also create a new "blending" mechanism to make resources in the Mass Transit Account of the Highway Trust Fund available for both discretionary and formula grants. Under existing law, the Section 3 discretionary capital grant program is funded solely out of gas tax revenues, and the Section 9 formula grant program is funded solely out of general revenues.

This section would provide authorization for the Section 9 discretionary grant and Section 18 rural transit programs at an annual total of $2 billion for fiscal years 1987 through 1990. It would authorize use of $1.0025 billion from the Mass Transit Account in fiscal year 1987 for the Section 3 discretionary grant program and $1 billion in each of fiscal years 1988 through 1990. In addition, the section would authorize use of the Mass Transit Account funds up to the lesser of (1) $2.5 million or (2) the actual gas tax revenue in excess of $1 billion—allocating 70 percent to the Section 9 formula grant program and 30 percent to the Section 3 discretionary grant program. It further provides that this 70/30 allocation would be waived if appropriations of general revenues for Sections 9 and 18 should fall below $2 billion, in which case 100 percent would go to Sections 9 and 18 until the $2 billion level is reached.

The section also would authorize the Interstate Transfer-transit program at $200 million annually for fiscal years 1987 through 1990. It would authorize such sums as may be necessary for fiscal year 1987 and $50 million in each of fiscal years 1988 through 1990 to carry out the purposes of Sections 6, 10, 11(a), 12(a), and 20 of the Urban Mass Transportation Act of 1964. Section 402(a) would require that the Secretary allocate to each State an amount equal to at least 80 percent of the estimated tax payments attributable to highway users in the State paid into the Mass Transit Account in the latest fiscal year for which data are available. This minimum allocation provision would not apply to any State that receives one dollar or more from the Highway Trust Fund for every dollar in receipts to the Highway Trust Fund attributable to that State nor to any State that receives one dollar or more in overall Federal spending for every dollar in Federal receipts collected that are attributable to that State.

Section 403 would establish an allocation of Section 3 discretionary grants among three major categories in a ratio that reflects recent practice: (1) rail modernization—45 percent, (2) new starts—40 percent, and (3) bus projects—15 percent. Past appropriations acts have specified allocations of Section 3 funding among these categories and the Department of Transportation has in effect apportioned available funds similarly. By including this allocation in law, the Committee intends to provide communities with useful guidance on funding levels that are likely to be available for particular types of projects. The Committee also intends to ensure that no one category of projects commands a disproportionate share of Section 3 resources.

Section 410 provides that gas tax funds allocated to Section 9 will be available for capital grants only but will otherwise be available under the same terms and conditions as other Section 9 funds.

Conference substitute

The substitute provides contract authorization levels for the Mass Transit Account of the Highway Trust Fund of $1.096 for fiscal year 1987, $1.2 billion for fiscal year 1988, $1.25 billion for fiscal years 1989, $1.3 billion for fiscal year 1990, and $1.4 billion for fiscal year 1991.

Of those amounts, the following amounts would be authorized in each fiscal year for various programs: $45 million for the section 8 planning program, $35 million for sections 4(i) and 16(b), and $5 million for University Transportation Centers.

These amounts are authorized "off the top" of the section 3 program. The remaining section 3 discretionary program authorization is allocated forty percent for the new starts program, forty percent for rail modernization, ten percent for bus needs, and ten percent to be allocated on a discretionary basis.

The Conferees view with some concern efforts to restrict eligibility for certain transit systems to receive section 3 rail modernization and new start funds. The Conferees clarify that recipients of section 3 funds may be eligible for all section 3 categories and require UMTA not to change rail modernization eligibility policy for two years.

Mass Transit Account authorizations above $1 billion would be made available half to the section 3 discretionary program (using the same percentages for the four categories discussed above) and half to a new section 9B formula program.

General Fund authorizations for the formula programs are $2 billion in fiscal year 1987, and $2.1 billion in each fiscal year, 1988 through 1991. In addition, $50 million in General Fund authorizations are authorized in each of fiscal years 1988 through 1991 for sections 6, 10, 11(a), 12(a), 18(h), and 20, of which ten percent shall be available for section 18(h). There are authorized to be appropriated for such programs not to exceed such sums as may be appropriated for fiscal year 1987.

For substitute mass transportation projects under section 103(e)(4) of title 23, United States Code, there are authorized to be appropriated from the General Fund $200 million for each of the fiscal years 1987 through 1991.

LETTERS OF INTENT; MULTI-YEAR CONTRACTS

House bill

Section 302(a) would amend section 3(a)(4) of the UMT Act to provide multi-year contract authority for certain long-term projects. The existing "letter of intent" concept would be deleted and replaced by a "multi-year contract" concept, but the procedural process would remain essentially the same as under current law. Thirty days advance notice of any such contract to the Committee on Public Works and Transportation of the House and the Committee on Banking, Housing, and Urban affairs of the Senate would continue to be required. Moreover, as under existing law, the amount stipulated in a multi-year contract to carry out a fixed guideway project must be sufficient to complete an operable segment. As under current law, an operable segment for the purpose of this section may be greater or lesser than a minimal operable segment defined in a project Environmental Impact Statement drafted pursuant to the National Environmental Policy Act. Should additional funds become available for a project, it may be committed as an addition to an operable segment. In addition, the amounts that may be made subject to a multi-year contract by the Secretary under this section for projects authorized by section 21(a)(2)(C)(i), (ii), (iii) or (iv) cannot exceed the total available authorizations made available therein, less in amount reasonably estimated by the Secretary to be necessary for grants under section 3 which are not covered by multi-year contracts or letters of intent which have been entered into before October 1, 1986. Other commitments for funding which have been made prior to May 9, 1984, contingent upon subsequent, and as of that date, unmet preconditions, shall not be considered as committing funds when the Secretary determines under this section the amounts available for multi-year contracts.

The significant change under this section is that the Secretary would be able to enter into mulit-year contracts that would obligate funds for fiscal year 1987, subject to the requirements specified herein and the obligation limitation contained in section 320(c), and take the first step in obligating funds from future year authorizations, subject to further Congressional review and approval, and subject to the amount so specified under section 320(b) for each fiscal year. Obligation of funds for fiscal year 1988 and future fiscal years is subject to annual Congressional review and approval of the Secretary's actions under section 303. Such a contract shall not be subject to any future availability of funds (except for the limitation relating to the amounts necessary to cover projects other than those covered by multi-year contracts, approved allocations under section 303 for fiscal year 1987 and subsequent fiscal years, the anti-deficiency provision in the Transit Account of the Highway Trust Fund, or any obligation limitation other than as set forth in section 21(a)(2)(F)).

In years other than FY 1987, funds are not available to finance grants and loans until the process provided for under section 3(i)(3) is completed with the enactment of a public law. Annually, it is the clear intent of the Committee regarding multi-year contracts that funds can be obligated for a fiscal year only to the extent authorized for such fiscal year.

Section 302(b) provides for a series of conforming amendments to section 3(a) of the Urban Mass Transportation Act.

Section 302(c) would provide that this section shall take effect October 1, 1986, and shall not affect any letter of intent issued before that date.

Senate amendment

No provision.

Conference substitute

Has no provision on multi-year contracts. Section 302 makes a technical change to section 3(a)(4), revising outmoded language about the appropriations process. This change is necessary because the section 3 discretionary program no longer is funded from General Fund appropriations, but is funded through authorizing legislation from the Mass Transit Account of the Highway Trust Fund.

ANNUAL CONGRESSIONAL APPROVAL

House bill

Section 303 provides for an annual process that, except for FY 1987, must be undertaken before certain funds authorized by section 3 of the UMT Act may be made available. Within 30 days of enactment, and by January 20 of each year therafter, the Secretary shall submit to the House Committee on Public Works and Transportation and the Senate Committee on Banking, Housing, and Urban Affairs a proposal recommending the amount under section 21(a)(2)(C)(iv) that should be made available for use and bus-related activities, rail modernization, and the construction and extention of fixed guideway systems. Included in this transmittal shall be recommendations on amounts to be distributed among applicants for rail modernizations and fixed guideway construction and extention projects. The Secretary's transmittal must reflect any multi-year contracts entered into under section 3(a)(4) of the UMT Act and, for new starts and extensions, must be consistent with criteria established by section 305.

No funds may be made available under section 3 unless Congress acts upon, and the President approves, legislation relating to the Secretary's proposal. The legislation may allocate funds in a manner identical to that recommended by the Secretary, or may revise in any manner the distribution which was submitted.

Upon approval by law of the funding allocation passed by Congress, the Secretary shall make the legislated amounts available for the fiscal year approved and in a manner consistent with such law.

Senate amendment

No provision.

Conference substitute

Conference substitute does not require congressional approval of section 3 funding plans, but does require the Secretary to submit overall funding plans for the new starts, rail modernization, bus, and discretionary categories to Congress on an annual basis together with a more detailed plan for new starts and system extensions which reflects outstanding and planned letters of intent and full funding contracts.

ADVANCE CONSTRUCTION

House bill

Section 304 would provide advance construction approval authority to the construction under sections 3 and 9 of the UMT Act and section 103(e)(4) of title 23 United States Code. This would be similar to the advance construction authority now available under the Federal highway program. Currently, applicants for UMTA capital assistance cannot be reimbursed by the Department for costs incurred on a project before the project is approved by the Secretary or before the Secretary permits the recipient to incur costs.

Section 304(a) would amend section 3 of the UMT Act to permit applicants to be reimbursed for the Federal share of costs incurred locally on a project if the Secretary approves the project before costs are incurred and the project complies with all relevant Federal requirements. In addition, eligible costs may include interest earned and payable on local bonds if the proceeds of such issuances were applied to the project. To be eligible for reimbursement, such interest costs may not exceed the excess of the cost of the project at the time Federal reimbursement is sought over the project's actual costs.

Under section 304(a), the Secretary's advance construction approval does not mean that Federal funds must eventually be applied against the project. Rather, it means that local costs incurred remain eligible for Federal reimbursement if the Secretary decides to fund the project.

Section 304(b) would provide similar advance construction approval authority to the Secretary for the section 9 formula grant program. Under this section, the recipient must first have obligated all of its section 9 apportioned funds before it may seek advance construction approval for capital projects. In addition, the Secretary may grant construction approval only if an authorization is in effect for the future fiscal year at issue, and the advance construction authority granted may not exceed the recipient's expected apportionment under that future fiscal year. Costs eligible for reimbursement under the section include bond interest costs incurred in connection with the project, subject to the same limitations applicable under section 3 provisions.

Senate amendment

No provision.

Conference substitute

Same as the House provision.

NEW FIXED GUIDEWAY CRITERIA

House bill

Section 305 amends section 3 of the UMT Act by addding a new subsection (k) relating to new fixed guideway or new extension projects.

Requests for Federal funding for new fixed guideway projects—or new extensions to existing systems—will be subject to careful evaluation by the Secretary and the Congress. Because it is expected that requests for funding of such projects will greatly surpass amounts available, it is essential that reasonable criteria be utilized to evaluate which of the projects are most deserving of Federal investment. Once determined, those projects should receive funding. Those new fixed guideways or extensions which are recommended for funding should be those, based on the results of alternative analysis and preliminary engineering, which best contribute to the achievement of program goals, are cost-effective relative to other projects, and are supported by an acceptable degree of financial commitment from sources other than the UMT Act, including evidence of stable and dependable funding sources to construct, maintain and operate the proposed project, together with the remainder of the tranisit system in the urbanized area.

In determining a project's transportation cost-effective, effective measures should include but need not be limited to both the potential to attract new transit riders and the potential for reducing the travel time of existing riders. Moreover, a project's cost should include reasonable estimates of operating and maintenance costs in addition to total capital expenditures. Cost-effectiveness should be measured with respect to a future base condition. That base condition should correspond to the optional utilization of existing transit and highway facilities through reasonable and practical low-cost transit service, traffic engineering and other improvements.

The Committee believes that the projects evaulation process should encourage maximum contributions from State and local as well as private sources. The Committee believes that the utilization of benefit assessment districts should be encouraged by these criteria, as such districts provide an assured base on private capital. The Committee also acknowledges the benefits of incorporating existing infrastructure as a technique of reducing costs and improving the cost-effectiveness of section 3 capital investments.

The Committee recognizes that a project is developed essentially in five sequential phases: system planning, alternatives analysis, preliminary engineering, final design and construction. With respect to commitments of section 3 funds, a project should be reviewed under the new starts criteria and may be selected for advancement at the conclusion of alternative analysis. The Committee expects that a low-rated project will not be advanced into preliminary engineering through a commitment of Section 3 funds, although preliminary engineering may be carried out with Section 9, or other funds at local discretion. All projects will be reviewed and rated according to the criteria at the completion of preliminary engineering. A decision to allow an agency to proceed with preliminary engineering does not indicate any commitment by the Federal Government with respect to construction. It is possible that an area may spend Federal funds or other funds for preliminary engineering and yet not be chosen for a final funding commitment due to their low rating compared to other projects or the limited availability of funding.

The Committee directs UMTA not to approve multi-year contracts or grants for fixed guideway projects when the Federal share of project would exceed the uncommitted balance under the new start portion of the discretionary program. The uncommitted balance is considered that amount of funding current authorized, less existing letters of intent, full-funding contracts, multi-year contracts and grant obligations. Any such commitment which has been predicated upon some subsequent and as yet unmet conditions shall not be considered as a commitment of funds when determining the amounts available for grant or multi-year contract purposes. At such time as the recipient has come into compliance with the preconditions, the commitment should be honored by UMTA when practicable.

With respect to the degree of non-Federal financing, the Committee recognizes that a number of cities will be competing for a limited amount of funding. Thus, the willingness of an area to request a smaller share of the cost of a project under this section may be taken into consideration. In addition, to differentiate among closely competing projects, the Department should consider factors relating to an area's ability to have stable and reliable sources of funds to maintain and operate the proposed system once it is built.

The guidelines developed by the Secretary should directly take into account the economic development effects of the project and the opportunity for joint development of project components, a concept the Committee believes Federal policy should encourage. They should also take into account other factors, such as the degree of community and local government support, participation of disadvantaged business enterprises, and other specific program and related social goals.

Senate amendment

No provision.

Conference substitute

Same as the House provision except that certain projects would not be subject to the provision. Specifically, any project that is at the preliminary engineering, final design, or construction stage as of January 1, 1987, as well as those covered by a letter of intent or full funding contract as of the date of enactment of this Act would not be subject to this provision.

AUTHORIZATION OF APPROPRIATIONS FOR INTERSTATE SUBSTITUTION PROGRAM

House bill

Section 306 would provide authorization levels for the Interstate transfer-transit program. Once funds under this program are appropriated, an action which is required for this non-contract authority program, half are made available on the basis of a formula and half are available at the discretion of the Secretary. The formula funds may be made available only after Congress has approved the Interstate substitute cost estimate. This section would extend the program for fiscal years 1987, 1988, 1989, 1990 and 1991, and authorizes appropriations of "such sums as may be necessary" in order to accommodate funding level changes that may occur with respect to future decisions to withdraw an Interstate route and state changes in the divisions of funds between substitute highway and transit projects.

Senate bill

Section 402(a) would provide authorizations for this program from the General Fund at a level of $200,000,000 annually for fiscal years 1987 through 1990.

Conference substitute

Substitute is same as the Senate provision but through fiscal year 1991.

RATES FOR ELDERLY AND HANDICAPPED PERSONS

House bill

Section 307 would permit New York City to continue to use its preferential fare system for elderly and handicapped persons which incorporates a free return ride upon payment of a generally applicable full fare in lieu of complying with the half-fare requirement in section 5(m) of the UMT Act, provided such system is available for use by all elderly and handicapped persons after 120 days after enactment.

Senate amendment

No provision.

Conference substitute

No provision. The Conferees recognize that the New York Metropolitan Transportation Authority has adopted a procedure whereby all holders of Medicare cards are eligible for reduced fares. Moreover, the Conferees understand that UMTA's Chief Counsel has ruled that the New York procedure whereby eligible riders pay a round-trip fare equal to the normal one-way fare at their point of entry satisfies the half-fare requirement. In light of this, no legislation is necessary.

FINANCIAL PLANNING

House bill

Section 308 amends Section 8(a) of the UMT Act by providing that the local planning process shall include an analysis and development of long-term financial plans for regional urban mass transit improvements and the revenue available from current and potential sources to implement such improvements.

Senate amendment

No provision.

Conference substitute

Adopts the House provision.

4(H)(1) REPORTS

House bill

No provision.

Senate bill

Section 404 would require that various progress reports under section 4(h)(1) of the Urban Mass Transportation Act be submitted 30 days after the end of the quarter covered by the report instead of 20 days after the start of such quarter. The section would clarify that each report is to be submitted to the Committee on Public Works and Transportation and the Appropriations Committee of the House of Representatives as well as to the Committee on Banking, Housing and Urban Affairs, and the Committee on Appropriations of the Senate. The section would require the Secretary to submit a new report on the execution of grant contracts and Letters of Credit or other reimbursement authority for sums obligated for each State, designated recipient and applicant.

Conference substitute

Adopts the Senate provision with clarifying amendments. It is the intent of the Conferees that the report will be made for the quarter that has just closed.

BLOCK GRANT PROGRAM AMENDMENTS

House bill

Section 309(a) provides for added flexibility in the UMTA grant submittal and approval process, consistent with the original intent of the Section 9 program to facilitate the flow of formula funds. Specific language is added to section 9(e) which explicitly allows for the approval of grants for a partial program of projects.

The Committee recognizes that various types of transit capital projects as well as operating assistance projects may not necessarily be developed and finalized for submission simultaneously in a single grant request. The Committee wishes to ensure that funding for projects that are otherwise ready to proceed will not be delayed because another project contained in the required program of projects may not be ready for approval.

Section 309(b) permits the use of the additional amounts above the fiscal year 1985 levels of revenues generated from the sale of advertising and concessions by mass transportation properties to be credited toward the non-federal share for capital or operating assistance. Each recipient of funds under Section 9 shall submit an annual report to the Secretary on the revenues derived from the sale of advertising and concessions.

Section 309(c) permits small urbanized areas with populations of two hundred thousand or less to use capital assistance funds apportioned under section 9 for operating assistance. In other words, no operating assistance cap would be applicable to these areas. This new flexibility for small urbanized areas is effective in fiscal years beginning after September 30, 1986.

Section 309(d) would extend through fiscal year 1991 the provision authorized under section 9(1) of the UMT Act, which permits section 9 recipients to trade-in 3 dollars of that portion of their section 9 apportionment that can only be used for capital expenses for 2 dollars of operating assistance.

Section 309(d)(1) would amend section 9(1) to restrict the ability of a recipient to use the trade-in provision in any fiscal year in which it receives a section 3 discretionary capital grant. Under section 309(d)(1), a recipient which receives a section 3 grant could only carry out a section 9(1) transfer if the section 3 grant was for emergency repairs, made pursuant to a letter of intent or full funding contract which predates the enactment of section 309(d)(1), or is for a project which has a high priority on the plan prepared by the Secretary for allocation of section 3 funds in the year the transfer occurs. Section 309(d)(1) provides further that any recipient of funds which carried out such a transfer of funds in fiscal year 1983, and which received Federal assistance under section 1139(b) of the Omnibus Budget Reconciliation Act of 1981, which provided transition assistance for operators of commuter rail operations previously provided by the Consolidated Rail Corporation, shall continue to be eligible to transfer under this section. Such a recipient would be restricted in the percentage of the total available section 3 funds it may receive in any year in which it utilizes the transfer, to the percentage it received in fiscal year 1983.

Section 309(d)(2) would extend the transfer option through fiscal year 1991 and amend the existing requirement for recipients which avail themselves of the trade-in provision to certify that they will not need to use and will not use capital assistance for operating assistance in fiscal year 1985. Under section 309(d)(2) recipients would certify that they would not need to use capital assistance for operating assistance after fiscal year 1991.

Section 309(d)(3) would limit the uses of the discretionary funds that the Secretary receives as a result of the trade-in provision to capital bus and bus-related activities.

Similarly, section 309(d)(4) would amend section 3(a) of the UMT Act to restrict a recipient's ability to receive a section 3 grant in a fiscal year in which it carries out a transfer under section 9(1). If a recipient has carried out a section 9(1) transfer, it could only receive a section 3 grant for emergency repairs, made pursuant to a letter of intent or full funding contract which predates the enactment of section 309(d)(4), or for a project which has a high priority on the plan prepared by the Secretary for allocation of section 3 funds in the year the transfer occurs. Any recipient which utilizes the transfer and remains eligible for section 3 funding in the same year for a project which the secretary deems to be of high priority, must agree that the Federal share of the project for which section 3 funding is received shall be reduced by the amount of capital assistance transferred under section 309 of this Act.

Section 309(e) expands the flexibility of the program by allowing a governor to transfer amounts appropriated for urbanized areas of less than 200,000, to any urbanized or non-urbanized area in the State upon approval of responsible local elected officials and publicly owned operators of mass transportation services in each area to which the funding was originally appropriated. However, this subsection permits a transfer without the approval of such officials and operators if no approvable grant application is pending within 90 days of the time such amounts would lapse.

Section 309(f) includes a requirement that formal notice of the apportionment of section 9 and section 18 formula funds be published by UMTA not later than 10 days following the start of each fiscal year, subject to the enactment of appropriations. The new timing requirement is being included to provide UMTA grantees with as much notice as is possible regarding funding levels in order to facilitate budgeting and programming, and, ultimately, to improve the flow of UMTA funds.

Section 309(g) and (h) provide technical and conforming amendments.

Senate amendment

Sections 405, 406, 407, 408, 409, and 411 of the Senate bill would make additional changes to the Section 9 block grant program.

Section 405 would permit Section 9 formula grant funds to be used for leasing arrangements if the leasing alternative is more cost-effective than acquisition or construction. The section would direct the Secretary of Transportation to publish regulations governing the use of such funds for leasing in the Federal Register within 60 days of enactment and to issue such regulations within 120 days of enactment.

Section 406 would expand the coverage of the term "associated capital maintenance items" under Section 9 for rolling stock by: (1) adding tires and tubes to the definition of items covered, (2) reducing the minimum value of associated capital maintenance items from one percent under existing law to one-half of one percent of current fair market value of the bus or transit vehicle for which the items are to be used, and (3) including any project for the reconstruction (either by a grantee directly or by contract) of any equipment and materials that would after reconstruction otherwise qualify as an "associated capital maintenance item". Equipment and materials eligible under this section include such items as: tires and tubes for vehicles, evaporator units on rail coaches, freon compressors, motor alternators, double-ended blowers, fan gear units on locomotives, air compressors on certain locomotives, blower motors, and coupler-draft gears. The section would set the Section 9 matching ratio for capital grants at 80 percent Federal share and 20 percent non-Federal share, but allows transit grantees to increase the non-Federal match if they desire.

Section 407 would affect urbanized areas that had received assistance under the Section 18 rural transit program but, as a result of the 1980 Census, now receive assistance under the Section 9 formula grant program for cities with populations above 50,000. Such urbanized areas would be able to use their Federal transit assistance for operating assistance at the level they used for operating assistance in fiscal year 1985.

Section 408 would require that any reallocation of lapsed funds shall occur within 30 days after the end of the fiscal year in which they lapse. Under existing law, Section 9 funds are available to the recipient in the year they are apportioned and for three additional years after which they lapse.

Section 409 would require the Secretary of Transportation to apportion funds for the Section 9 formula program within 10 days of enactment of the appropriations act that provides the funds. It would require the Secretary to publish the apportionments, including the individual apportionments for each urbanized area with a population of 50,000 or more, and the amounts attributable to each State of a multi-state urbanized area.

Section 411 would require each recipient of a formula grant to certify within two years after the funds are made available that the funds will be obligated within the four-year period of availability. If that certification is not made, the funds will become eligible for reallocation in the third year.

Conference substitute

Substitute adopts subsections (a) and (b) of the House provision. The Conferees reached a compromise on the level of operating assistance for urbanized areas that became urbanized areas since the 1980 census. Any such area may use for operating assistance up to two-thirds of its section 9 apportionment during the first full year it received funds under section 9. The cap applicable to other urbanized areas of less than 200,000 in population shall be increased by a one-time adjustment for inflation of 32.2 percent effective October 1, 1987. Beginning on October 1, 1988, the operating assistance cap for both newly urbanized areas and the other areas of less than 200,000 in population shall be increased by the percentage increase in the latest available calendar year Consumer Price Index. Any such increase shall be based on a level of operating assistance that does not include the 32.2 percent lump sum adjustment. Further, the substitute follows the House provision that deletes the requirement that the Governor cannot transfer funds to an area of more than 300,000 in population. The substitute also adopts the portion of subsection (e) of the House provision that allows the Governor to use any remaining unobligated funds of the State's apportionment anywhere in the State regardless of the size of the recipient's area, and without the consultation with the areas that otherwise is required, if the period of availability under subsection (o) of the funds proposed to be transferred will end within 90 days. Subsection (e), date of apportionment, adopts the House approach of requiring the Secretary to publish apportionments of appropriated funds within 10 days of the date of appropriation or of October 1, whichever is later. The substitute also requires that the apportionments published by the Secretary include amounts attributable to each urbanized area above fifty thousand in population as well as the amount attributable to each State of a multistate urbanized area. Subsection (f) of the substitute is the same as subsection 309(g) of the House bill. Finally, the substitute deletes the three for two trade-in provision at section 9(1).

The substitute also adopts a number of the Senate provisions, as explained further in the "Bus Remanufacturing and Overhauling of Rolling Stock" section.

UNIVERSITY TRANSPORTATION CENTERS

House bill

Section 310 would create contract authority to fund the university transportation centers program authorized under section 11(b) of the Urban Mass Transportation Act. For each fiscal year from fiscal year 1987 through fiscal year 1991, section 310 would provide $5,000,000 from the Mass Transit Account of the Highway Trust Fund and $5,000,000 from the Highway Trust Fund other than from the Mass Transit Account. These amounts would not be subject to any obligation limitations.

Section 310 also amends section 11(b) to provide more explicit criteria which a recipient of funds must meet. Further, it establishes a national advisory council to coordinate research carried out by grant recipients, to disseminate results of the research, to act as a clearing-house between grant recipients and the transportation industry, and to review and evaluate programs carried out by grant recipients.

Senate amendment

No provision.

Conference substitute

The Conference substitute is the same as section 310 of the House bill, except that the substitute specifies that the industry representatives of the National Advisory Council must include private providers of public transportation. It is the intent of the Conferees that the research activities should take into consideration the proportion of funding provided from the transit and highway programs.

SOLE SOURCE PROCUREMENTS

House bill

Section 311 is intended to enhance the ability of section 9 grant recipients to operate in an efficient manner by permitting the procurement of associated capital maintenance items by contracting directly with the original manufacturer or supplier of the item to be replaced without prior Secretarial approval if the recipient first certifies to the Secretary that the manufacturer or supplier is the only source of the item, and that the price is no higher than that paid for such item by like customers.

Senate amendment

No provision.

Conference substitutes

Substitute provision is the same as the House provision.

RULEMAKING

House bill

No Provision.

Senate amendment

Section 412 would require the Secretary of Transportation to prepare an annual agenda listing all rulemaking activities that are proposed for the following twelve-month period. It requires that the agenda be (1) submitted to the House Committee on Public Works and Transportation, the House Committee on Appropriations, the Senate Committee on Banking, Housing, and Urban Affairs and the Senate Committee on Appropriations and (2) simultaneously published in the *Federal Register.* This section requires that, with the exception of emergency rules, the Secretary shall give interested parties at least 60 days to comment on proposed rules before they go into effect. The Secretary is exempted from providing the 60 day comment period only if the Secretary finds for good cause that the rule is of a routine nature, is a matter of insignificant impact, or is required by emergency. An emergency rule would take immediate effect but expire after 120 days.

Conference substitute

The substitute modifies the Senate provision by requiring the Secretary to publish the required rulemaking agenda as part of the Secretary's Semi-Annual Rulemaking Agenda. The period to be covered by the agenda is twelve months. Also, the substitute amends the definition of rule to clarify that the provision is only meant to cover major statements of policy, not routine managerial and program issues. The Conferees do not intend that the Secretary publish all of the Urban Mass Transportation Administration grant application circulars as rules, nor do they intend the provision to preclude the Secretary from issuing legal opinions or letters of interpretation in response to inquiries from Members of Congress or the public.

PROCUREMENT OF ENGINEERING AND DESIGN SERVICE

House bill

Section 312 brings procurement of engineering and design services for mass transit projects into conformity with Title IX of the Federal Property and Administrative Services Act of 1949, which requires qualifications-based selection of these services when they are procured by Federal agencies for any project except grant-in-aid projects, as they are not direct Federal procurements. Under the new section, the Federal selection procedures or equivalent State qualifications-based selection requirements for selecting firms for program management, construction management, feasibility studies preliminary engineering, design, architectural, engineering, surveying, mapping, or related services, shall apply to such contracts awarded or administered by recipients of funds authorized by this Act.

Senate amendment

Section 413 would amend section 12(b) of the Urban Mass Transportation Act of 1964 to require recipients of UMTA assistance to award contracts for engineering and design services on a qualifications-based system rather than a low-bid system. The provision would permit procedures similar to those presently required under Title IX of the Federal Property and Administrative Services Act of 1949 or an equivalent State requirement. The provision would not apply to the extent that a State adopts or has adopted by statute a formal procedure for procuring such services.

Conference substitute

Same as the Senate provision.

LIMITATIONS REGARDING SOUTH AFRICA

House bill

Section 313 amends section 12(b) of the Urban Mass Transportation Act of 1964, relating to limitations on contract awards. This amendment will allow for the establishment of limitations on the awarding of contracts concerning South Africa under specific conditions.

Senate amendment

No provision.

Conference substitute

No provision.

BUS REMANUFACTURING AND OVERHAULING OF ROLLING STOCK

House bill

Section 314(a) amends the definition of construction in section 12(c) of the UMT Act to make clear that a bus remanufacturing project which extends the economic life of a bus eight years or more is eligible for capital assistance under the UMT Act.

Section 314(a) also amends the definition of construction in section 12(c) of the UMT Act to clarify that overhauls of transit rolling stock are eligible for capital assistance under the UMT Act, including the section 3 and section 9 programs, even though the overhauls do not extend the useful life of the rolling stock.

Section 314(b) expands the coverage of "associated capital maintenance items" under section 9 for rolling stock by reducing the minimum value of related equipment and materials from 1 percent to ½ percent of the current fair market value of the rolling stock for which the equipment and materials are to be used. The definition is also expanded to include a project for the construction (by the grant recipient's employers or by contract) of any equipment and materials that would otherwise qualify as an "associated capital maintenance item" after construction.

Section 314(c) would mandate an 80 percent Federal match for any capital project carried out under section 9.

Section 314(d) brings the maintenance requirements of section 3 into line with the stronger mandatory maintenance requirements of section 9.

Section 314(e) provides technical and conforming amendments.

Senate amendment

Section 406, discussed above, has provisions similar to the House bill on bus remanufacturing and bus overhaul, as well as on the expansion of "associated capital maintenance items."

Section 414 would include within the definition of "construction", which is contained in Section 12(c) of the Urban Mass Transportation Act of 1944, (1) bus remanufacturing projects discretion. That is, recipients of section 9 funds may contribute amounts in excess of the normal non-Federal share. The Conferees direct the Secretary to issue criteria for urbanized areas to use so that poorer areas of an urbanized area do not lose projects because wealthier areas are willing to provide a higher local match to obtain funds. An urbanized area may establish uniform guidelines for excess match, according to the merit of the project, but the guidelines should not discriminate against areas. Subsection (e) is the same as subsection 314(d) of the House bill. Subsection (f) is the same subsection 314(e)(2) of the House bill.

LIMITATION ON PRIVATE ENTERPRISE PARTICIPATION

House bill

Section 315 clarifies that the UMT Act is not to be interpreted in a manner to allow the Secretary to impose specific requirements on grant recipients and transit service providers respecting levels of competitive bidding or private enterprise participation they must achieve in the provision of mass transit services and functions. This section also clarifies that the UMT Act shall not be construed in a manner to infringe on the rights of recipients to determine the extent and amount of mass transit services and functions to be carried out by private enterprise. Local decision makers and not the Secretary shall decide who the service or function provider will be and the extent and amount of mass transit services and functions that will be carried out by the private sector. While grant applicants are expected to involve the private sector in the development of their programs and projects, the Committee believes such decisions are best made at the State and local level and should not be influenced or determined by specific Federal requirements.

The Committee intends that the private sector will retain the opportunity that continues in force under sections 3, 8, and 9 of the UMT Act to participate "to the maximum extent feasible."

Senate amendment

No provision.

Conference substitute

The Conferees believe the House provision is unnecessary given the actions the Urban Mass Transportation Administration has taken since this issue first arose. The Conferees continue to believe that UMTA does not have the authority to require specific levels of private enterprise participation as a condition of receiving grant assistance.

BUS TESTING FACILITY

House bill

The Committee believes that when Federal funds are used in the procurement of a bus, the bus model should have first been tested to ensure that it will be able to withstand the rigors of transit service.

Only new model buses must be tested. A new model bus is meant to mean the first ten buses off the production line that are built for delivery to a U.S. transit authority and: (1) are of a new design that has not been used in transit service before, or (2) a modified bus, i.e., one which has been used in transit service in the U.S., but is now being produced with a distinctly different component or components.

The Committee believes that a bus testing facility shall be established by renovating a facility in Altoona, Pennsylvania which was constructed, in part with Federal funds, to train rail personnel.

The Secretary shall enter into a contract with a qualified person to operate and maintain the facility. The person operating the facility will collect fees to operate and maintain the facility with the Secretary approving the rates charged.

The Urban Mass Transportation Administration shall establish guidelines for the facility using the Urban Mass Transportation Administration report "UMTA-IT-06-0219-09-1-First Article Transit Bus Testing Plan" as their guideline.

Senate amendment

No provision.

Conference substitute

Substitute is same as the House provision. Such guidelines shall be promulgated through the formal Federal regulatory process. It is the intent of the Conferees that the affected transit industry groups and representatives participate in the development of the final guidelines and program to be employed in the required testing performed at the facility.

AUDITS OF BUS PURCHASES

House bill

This section would amend section 12 to require an independent pre-award and post delivery audit for any grant for the purchase of transit rolling stock use to carry passengers in revenue service to assure compliance with Federal motor vehicle safety standards, Buy American requirements, and adherence to bid specifications requirements.

In providing for independent pre-award audit of a vehicle's compliance with safety requirements, Buy American and bid specifications, it is the Committee's intent that rolling stock produced for other transit agencies and records of transactions involving that rolling stock be sufficient for these audits.

Senate amendment

No provision.

Conference substitute

Substitute is the same as the House provision, except that the reference to the Administrator is changed to the Secretary to conform with other sections of the bill. It is the intent of the Conferees that any paperwork requirements imposed by this provision will not create a significant cost burden.

PROTECTION OF PRIVATE CONTRACTING RIGHTS

House bill

Section 318 of the House bill is a clarifying amendment to section 13(c) of the UMT Act. It provides that the labor protection arrangements under section 13(c) may not restrict or limit the rights of the recipient of UMTA assistance to enter into a contract or other arrangements for the provision of mass transportation services by private entities.

Senate amendment

No provision.

Conference substitute

The Conference substitute makes no change in existing law. The Conferees intend to monitor closely the activities of the DOT/DOL task force reviewing section 13(c) issues.

RURAL TRANSPORTATION EQUITY

House bill

No provision.

Senate amendment

Section 415 would prohibit a State administering a section 18 operating assistance program from limiting the level or extent of use of the Federal share for the payment of operating expenses except as provided in section 18.

Conference substitute

Substitute adopts modified Senate provision.

FEDERAL SHARE FOR ELDERLY AND HANDICAPPED PROJECTS

House bill

The Committee continues to believe that recipients should be encouraged to provide service that is accessible to the elderly and the handicapped. This section provides for a 95 percent Federal share for those capital projects funded with Federal assistance under Sections 3, 9, or 18, which are not required by Federal law.

Senate amendment

No provision.

Conference substitute

Substitute adopts House provision.

PROJECT MANAGEMENT OVERSIGHT

House bill

Section 321 authorizes up to one-half of one percent of the annual authorizations for section 3 discretionary programs, section 9 and section 18 formula funds, and funds appropriated to construct major public transportation projects substituted for Interstate segments pursuant to section 103(e)(4) of title 23, United States Code, to be made available to UMTA to contract directly with independent consultants to provide construction management oversight on project construction.

This section would allow the Secretary to use grant program funds to contract directly for construction management oversight on these major capital projects. Such contracts could be for individual projects or for groups of projects, as the Secretary deems appropriate. They would be funded out of a set-aside of funds made available under the Act, with a 100-percent Federal share. In addition to having a direct reporting relationship with the consultant performing construction management oversight as under the current arrangement, UMTA would have a direct contractual relationship with the consultant. This should allay fears that the construction management oversight process may be compromised by involving the recipient.

Senate amendment

Section 416 would create mechanisms which will improve the management of major capital projects and strengthen the Department of Transportation's ability to monitor those projects.

Subsection (a) would permit the Secretary of Transportation to use up to one-half of one percent of the funds made available for major capital projects in each fiscal year to contract for project management oversight services. The Secretary would pay 100 percent of the cost of carrying out such contracts. Each grant recipient would be required to give the Secretary and the management oversight contractor reasonable access to its construction sites and records.

Subsection (b) would require, as a condition of Federal financial assistance for major capital projects, that each grant recipient prepare and implement a project management plan.

Subsection (c) provides that, as required in each case by the Secretary, a project management plan shall specify (1) an adequate staff organization for the grant recipient, (2) a budget for the project management organization, (3) a construction schedule, (4) a document control and recordkeeping system, (5) a change order control procedure, (6) organizational and skill requirements for the construction phase, (7) a quality control system, (8) materials testing policies and procedure, (9) internal plan implementation and reporting requirements, (10) criteria and procedures for testing the operational system, (11) periodic updates of the plan, and (12) the grant recipient's commitment to submit to the Secretary monthly reports on the project budget and schedule.

Subsection (d) would require the Secretary to publish and submit for the review of the House Committee on Public Works and Transportation and the Senate Committee on Banking, Housing, and Urban Affairs proposed regulations to carry out this Section within 60 days after the date of enactment. Such regulations would be promulgated in final form not later than 120 days after enactment of this Section. The regulations would, at a minimum, define the term "major capital project" and require oversight to begin during a project's preliminary engineering stage unless the Secretary finds it more appropriate to initiate oversight at another state.

Subsection (e) would require the Secretary to approve a project management plan within 60 days of its submittal unless the Secretary informs the recipient that a longer time is needed. If a plan is disapproved, the Secretary would be required to inform the grant recipient of the reasons for disapproval.

Conference substitute

Substitute adopts House language for authority to use funds for Project Management Oversight, except that it adds projects under the National Capital Transportation Act of 1969, as under the Senate bill. The substitute also adopts the House language regarding Federal share. The rest of the substitute is the same as subsections (a)(2) through (e) of the Senate provision.

CRIME PREVENTION AND SECURITY

House bill

No provision.

Senate amendment

Section 417 would authorize the Secretary of Transportation to make capital grants to public mass transit systems for equipment and facilities related to crime prevention and security. Such grants would be permitted where law enforcement responsibilities are vested in a local public body other than the grant recipient.

Conference substitute

Substitute is the same as the Senate provision.

ADDITIONAL AMOUNT FOR SUBSTITUTE TRANSIT PROJECT COST TO COMPLETE ESTIMATE

House bill

Section 107(c) would add $100 million to the unfunded balance of the Interstate Transfer-transit Program as a one-time adjustment to the cost estimate for completing that program. This provision does not authorize additional appropriations for the program.

Senate bill

Section 418 would require the Secretary of Transportation to make a one-time adjustment in the cost-to-complete estimate for the Interstate Transfer-transit Program to offset inflation in the 1982 through 1990 period. Since 1982, the inflation adjustment for the program has been capped. The inflation adjustment would add $100 million to the cost-to-complete estimate, which would be distributed pro-rata among all users of the program. The provision would not change annual authorizations for the Interstate Transfer-transit Program.

Conference substitute

A modified version of the Senate provision is included under Title I of the surface transportation reauthorization.

BICYCLE FACILITIES

House bill

Section 322 provides for a 90 percent Federal share for those transit projects funded under Section 4, 9, or 18 of the UMT Act which are used to provide access for bicycles to mass transit facilities, provide shelters and parking facilities for bicycles in or around mass transit facilities, or to install racks or other equipment for transporting bicycles on mass transit vehicles.

Senate amendment

No provision.

Conference substitute

Substitute is the same as the House provision.

TRANSIT TECHNICAL AMENDMENTS

House bill

Section 323 would make several technical amendments to the Urban Mass Transportation Act and the Surface Transportation Assistance Act of 1982.

Section 323(a)(1) would correct a typographical error by substituting "approval" for "approach" in section 5(h)(1) of the UMT Act.

Section 323(a)(2) would correct another typographical error by substituting "section" for "action" in section 5(j)(1) of the UMT Act.

Section 323(a)(3) extends a provision applicable to section 5 funds to section 9 funds.

Section 323(a)(4) would correct section 9(l)(3) of the UMT Act by substituting "1984" for "1983", and thereby removing a requirement for the Secretary to consider a non-existent apportionment under section 9.

Section 323(a)(5) would redesignate a second section 16(c) in the UMT Act as section 16(d).

Section 323(a)(6) would remove an unnecessary "; and" in section 17(d) of the UMT Act.

Finally, section 323(b) would remove an unnecessary "(a)" in section 303 in the Surface Transportation Assistance Act of 1982.

Senate amendment

No provision.

Conference substitute

Substitute is the same as the House provision, except that paragraph (4) is deleted.

LOS ANGELES METRO RAIL PROJECT

House bill

This section would direct the Secretary to enter into a multi-year contract with the Southern California Rapid Transit District for funding to completion, the Minimum Operable Segment-1, and to complete the locally preferred Minimum Operable Segment-2 alternative of the Downtown Los Angeles to the San Fernando Valley Metro Rail Project. The contract shall include at least $110 million in fiscal year 1987 and at least $190 million in each of fiscal years 1988, 1989, 1990 and 1991. It is the Committee's intent that this section, in and of itself, does not provide contract authority in excess of the amounts specified in section 320(b), and further, that effective for fiscal year 1988, the obligation of funds in any fiscal year is contingent upon their approval each year under section 303 of this Act.

Senate amendment

Section 419 would require the Secretary of Transportation, after publication in the Federal Register of an approved supplemental environmental impact statement, prepared in accordance with the National Environmental Policy Act, to enter into a contract to complete the first two segments of the San Fernando Valley to Downtown Los Angeles Metro Rail Project.

Conference substitute

Requires the Secretary of Transportation to begin preparation of a supplemental environmental impact statement necessary as a result of alignment changes within the Minimal Operable Segment-2 (MOS-2) portion of the Downtown Los Angeles to San Fernando Valley Metro Rail Project (Metro Rail). A precedure is instituted with the intent that the environmental process be completed within five months from the date of enactment, leading within 30 days to an amendment of the existing full funding contract for Metro Rail. The amended contract will establish a Federal share for MOS-1 of $605.3 million, an increase of $203.6 million above the existing contract, and establish a Federal share of MOS-2 of $667 million.

The amended contract provides that the Federal share of the cost of Metro Rail be paid by the Secretary out of amounts provided for Section 3 that are available for the construction of new fixed guideway systems and extensions fixed guideway systems in amounts not to exceed $107.9 million in FY '87, $300 million for fiscal years 1987 and 1988, $490 million for fiscal years 1987, 1988, and 1989, $680 million for the fiscal years 1987, 1988, 1989, and 1990, and $870,000 for fiscal years 1987, 1988, 1989, 1990, and 1991. These amounts are cumulative over the years so that any shortfall in funds made available in a fiscal year may result in additional funds being made available, up to the cumulative amount specified, in subsequent years.

Upon enactment of the legislation, the Southern California Rapid Transit District (SCRTD), or its successor agency, may construct any portion of MOS-1, in accordance with Section 3(1) of the UMT Act, pertaining to advance construction. If the SCRTD elects to proceed in this manner, they are assured of being reimbursed an amount up to $203 million plus interest, as provided for in Section 3(1) except that they need not apply to the Secretary, the Secretarial approval is not required.

The amended contract shall also provide that SCRTD may elect to construct MOS-2 under the general terms of Section 3(1) except that they need not apply to the Secretary nor receive Secretarial approval before carrying out such construction.

If the SCRTD proceeds under Section 3(1), which may be done without application to or approval of the Secretary, they shall be reimbursed with Section 3 funds, not later than September 30, 1992, a total of $467.1 million plus interest, less amounts received in fiscal years 1988, 1989 and 1990. Not later than September 30, 1993, they shall be reimbursed a total of $622.1 million plus interest, less amounts received in fiscal years 1988-1991, and not later than September 30, 1994, they shall be reimbursed a total of $762.1 million plus interest, less amounts received in fiscal years 1988-1991.

If the Secretary does not publish a notice of completion of a supplemental environmental impact statement on or before September 30, 1988, each date in the preceding paragraph will be delayed one year. For each subsequent full year that the notice is delayed, each date will be delayed an additional year.

TRANSIT BRIDGE LANES PROJECT

House bill

This section would direct the Secretary to enter into a multi-year contract with the Mississippi River Bridge Authority of the Louisiana Department of Transportation and Development for funding to completion transit lanes on the Greater New Orleans Bridge No. 2. The contract shall include $18,750,000 in fiscal year 1988. It is the Committee's intent that this section, in and of itself, does not provide contract authority in excess of the amounts specified in section 320(b), and further, that effective for fiscal year 1988, the obligation of funds is contingent upon their approval under Section 303 of this Act.

Senate amendment

No provision.

Conference substitute

No provision. The Conferees urge the Administrator of the Urban Mass Transportation Administration to provide funding to the Mississippi River Bridge Authority of the Louisiana Department of Transportation and Development in the amount of $18.75 million in fiscal year 1988 to assist with completion of construction of the mass transit lanes on the Greater New Orleans Bridge Number 2. The Conferees note that UMTA has provided funds for transit lane construction on the Greater New Orleans Bridge Number 2 previously. Additional funds, however, have not been provided by UMTA for several years for transit lane construction on the bridge.

The Conferees call on the Administrator of UMTA to work with and cooperate with the Mississippi River Bridge Authority of the Louisiana Department of Transportation and Development in making the funds available to assist with completion of bridge transit lane construction.

The Conferees also urge that any funding provided for the Greater New Orleans Bridge Number 2 transit lane construction project not prejudice other applications for transit projects in Louisiana and the Greater New Orleans area which are pending or approved or which the Administrator of UMTA has committed to fund but has not yet released the funds.

INCREASED OPERATING ASSISTANCE DURING CONSTRUCTION OF INTERSTATE PROJECT

House bill

Section 326 allows the Fort Lauderdale and Miami, Florida, urbanized areas to exceed the amount of the Section 9 apportionments which they would otherwise be entitled to use for operating assistance by a total of $4.4 million annually during those fiscal years in which onsite construction is being carried out on I-95 in Dade, Broward and Palm Beach Counties. This increased operating assistance may only be used to operate commuter rail service, the need for which will be enhanced during periods of construction on the Interstate segment.

Senate amendment

No provision.

Conference substitute

Substitute is the same as the House provision, except applicability of the provision is limited to fiscal years in which major construction is being carried out on I-95.

FEASIBILITY STUDY

House bill

This section authorizes the Secretary to make a grant to study the feasibility of constructing and operating an electric trolley bus line using technology being developed for the Santa Barbara transit system.

Senate amendment

No provision.

Conference substitute

Substitute is the same as the House provision.

FEASIBILITY STUDY—ABANDONED TROLLEY SERVICE

House bill

This section directs the Secretary to conduct a study, in cooperation with the City of Philadelphia, on the feasibility of restoring light rail trolley service to corridors on which that service had previously been provided but subsequently abandoned. The feasibility study shall be completed within one year from the date of enactment.

Senate bill

No provision.

Conference substitute

Substitute is the same as the House provision.

COMPREHENSIVE TRANSIT PLAN

House bill

This section directs the Secretary, in cooperation with the Virgin Islands Department of Public Works, to analyze and study the mass transit needs of the Virgin Islands and develop a comprehensive mass transit plan which is to be transmitted to the Congress not later than one year after date of enactment of the Act.

Senate bill

No provision.

Conference substitute

Substitute is the same as the House provision.

BAY AREA RAPID TRANSIT STUDY

House bill

No provision.

Senate amendment

Section 420 would require the Secretary of Transportation, in cooperation with the San Francisco Bay Area Rapid Transit District, to study financing alternatives for the rail system extensions identified in the regional transportation plan. The study would have to be completed within one year of the date of enactment of this section.

Conference substitute

Substitute is the same as the Senate provision.

TRANSFER OF SECTION 9 FUNDS

House bill

No provision.

Senate amendment

Section 421 would permit the Governor of Nevada to transfer up to $10 million of unused Section 9 and 9A apportionments to Santa Clara County, California after consultation with all urbanized areas in Nevada.

Conference substitute

Substitute adopts Senate provision. The Conferees believe that any funds received by the appropriate Nevada authorities as part of the transfer will be used for transportation purposes.

BUS SERVICE DETERIORATION

House bill

No provision.

Senate amendment

Section 422 recognizes the loss of bus service between small communities and congressional intent to address the problem.

Conference substitute

Substitute is the same as the Senate provision.

TACTILE MOBILITY AIDS

House bill

No provision.

Senate bill

Section 423 would direct the Secretary of Transportation to conduct a study of the feasibility of developing and implementing standards for the use of tactile mobility aids in mass transit projects. Use of such aids would facilitate the safe access to and use of federally funded transit facilities and equipment by visually impaired and legally blind persons.

Conference substitute

Substitute is the same as the Senate provision.

RURAL TRANSIT ASSISTANCE PROGRAM

House bill

No provision.

Senate amendment

Section 424 would authorize the establishment of a Rural Transit Assistance Program. The provision is necessary to ensure that the Urban Mass Transportation Administration has the necessary enabling legislation to implement a broad and flexible program of assistance to rural transit systems as envisioned by the Appropriations Commitee when it funded RTAP in fiscal year 1987. Section 424 would authorize continued funding for the program begun by the Appropriations Committee and would authorize UMTA to make grants and to enter into direct contracts with independent contractors and others for the purpose of implementing this program.

Conference substitute

Substitute is the same as the Senate provision, except that it changes the source of funding from section 4(i) of the Act to section 21 in fiscal year 1988 and thereafter. The substitute makes a related technical change under the heading "Removal of Limitation on the Source of Funding for Innovative Management Grants." This change conforms to the change in funding for the section 4(i) program.

BUS CARRIER CERTIFICATES FOR RECIPIENTS OF GOVERNMENTAL ASSISTANCE

House bill

Section 330 amends subsections 10922(c)(1) and (3) of Title 49, United States Code. The intent is to clarify entry policy for interstate motor carriers of passengers.

Subsection 330(a) amends subsection 10922(c)(1) by revising that subsection so as to clarify the entry tests to be used by the Interstate Commerce Commission (Commission) for interstate motor carriers of passengers. The tests are set forth in subparagraphs (A) through (D) of section 10922(c)(1).

Section 10922(c)(1)(A) establishes the entry test for regular route operations for persons (as defined in title 49), including private recipients of governmental assistance (as defined in subsection 10922(c)(1)(F)(ii)). The entry test is that the person or private recipients must be fit and that issuance of the certificate is consistent with the public interest.

Section 10922(c)(1)(B)(i) establishes the entry test for charter and special operations for private recipients of governmental assistance. The test is identical to the test in subsection (c)(1)(A).

Section 10922(c)(1)(B)(ii) establishes the entry test for charter and special operations for persons other than private recipients of governmental assistance. The test is fitness, only. The burden of proof for fitness is upon the applicant.

Section 10922(c)(1)(C) establishes the entry test for charter and special operations for public recipients of governmental assistance (as defined in section 10922 (c)(1)(F)(i)). There are two entry tests. One is for interstate service within the area in which mass transportation services are provided. Here, the test is fitness only. The burden of proof for fitness is on the applicant. The second test is for interstate service beyond the area in which mass transportation services are provided. The second test is a two-prong test. First, the applicant must be fit, willing and able. And second there must not be any persons who are providing or who are willing and able to provide the service sought to be performed by the public recipient. The new test for public recipients of governmental assistance is meant to preclude them from acquiring interstate charter rights beyond the areas in which they provide mass transportation services. Under the new test, they will be able to secure charter authority only if no person or private recipient is providing the service or is willing and able to provide the proposed service. In almost every circumstance, this will preclude the public recipient from securing new interstate charter authority. This provision in no way alters any requirements imposed upon a public recipient by the Urban Mass Transportation Act or any regulations issued pursuant thereto.

Section 10922(c)(1)(D) establishes the entry test for public recipients of governmental assistance for regular route authority. The test is fitness and that issuance of the certificate is consistent with the public interest. The burden of proof for fitness is on the applicant. The burden of proof on the public interest test is on the person objecting to the issuance of the certificate.

Section 10922(c)(1)(E) defines a public recipient as a person. This is done to assure that where States and municipalities operate or seek to operate a bus service they are covered by the necessary provisions of Title 49. Although it is clear that most public boards and public corporations are subject to the pertinent provision of Title 49, there is some question as to whether States or subdivisions thereof are. This is meant to resolve the issue.

It should be noted here that subsection 12(f) of the Urban Mass Transportation Act provides a process whereby a State or subdivision thereof may be granted an exemption from regulation by the Interstate Commerce Commission for mass transportation services. The new entry provisions do not change the availability of that exemption.

Section 10922(c)(1)(F) denies private recipients and public recipients of governmental assistance.

Section 330(b) amends section 10922(c)(3) of title 49, United States Code. It does so in two ways. First, it adds a new subparagraph (E) to section 10922(c)(3). Subparagraph (E) requires the Commission to consider a new criterion in reaching a determination of public interest. This criterion is the amount and extent of governmental financial assistance that has been given or will be given to the applicant for the purchase or operation of buses. It is, of course, only relevant where a public interest determination is required to be made by the Commission, and its major use will be where an applicant is a private recipient of governmental assistance.

The new provision simply adds another factor to the public interest criteria which must be considered by the Commission in conjunction with other public interest criteria already mandated.

Subsection (b) also adds language that pertains solely to applications by public recipients of governmental financial assistance for interstate regular route service pursuant to new subparagraph (D) of section 10922(c)(1). This permits the Commission to consider the status of a protestant in this type of application proceeding. It is meant to afford such protestants extra consideration where a public recipient's proposed operation will competitively infringe upon the existing operations of a person or private recipient of governmental assistance. Here again, it is only one factor for consideration, and it, in and of itself, should not be determinative of the outcome of the aplicaiton proceeding.

Subsection (c) is a conforming amendment.

Senate amendment

No provision.

Conference substitute

Substitute adopts House provision.

UTILIZATION REQUIREMENT FOR CERTIFICATES AUTHORIZING INTERSTATE BUS OPERATIONS

House bill

Section 331 amends section 10922(c)(2) of title 49, United States Code. This amendment requires that a condition be attached to all certificates that are issued by the Interstate Commerce Commission (Commission) which authorize intrastate regular route bus operations. The condition limits the authority of the bus carrier to provide intrastate service on only those routes over which the bus carrier is conducting interstate operations.

The Bus Regulatory Reform Act of 1982 conferred authority upon the Commission to issue intrastate operation rights for regular route service to interstate bus carriers, provided the service was to be provided on the bus carrier's authorized interstate regular routes. The purpose of conferring that authority upon the Commission was to eliminate State "closed door" policies and to prevent any reimposition of those policies. The "closed door" policy imposed costly restrictions upon the carriers and impaired service to bus patrons. Plainly, it was not in the public interest.

The power conferred upon the Commission is limited, that is, the Commission may not grant intrastate operating authority where there is no interstate nexus. Consequently, it can only be used to allow intrastate operations on an interstate route on which the carriers have or will have authority to provide interstate service. Moreover, the interstate service must be a substantial bona fide interstate service and it must involve actual service in more than one State.

Thus, it should now be clear to the Commission that its authority to grant intrastate operating rights is restricted to those stations where the bus carrier has or intends to provide substantial interstate service. Where a carrier has already acquired intrastate authority, it must be conducting actual interstate service on the route. Any carrier that does not provide interstate service on the route in question should not be able to retain the Commission-conferred intrastate authority, but it should be required to obtain the intrastate authority from the appropriate State.

The Commission in determining whether or not the new condition is met must find that there is in fact substantial interstate service on the route; however, the interstate and intrastate service need not be identical nor must they be provided in the same vehicle. Finally, there must be actual interstate service in more than one State.

The preemptive authority in the Bus Regulatory Reform Act was given to the Commission so as to eliminate existing wasteful restrictions imposed upon the carriers and the public. If a carrier desires to provide any interstate service on a route, it must seek that authority from the appropriate State. If a carrier is providing only intrastate service on a route, it must hold the requisite authority from the State in which the route in question is located.

Finally, the Committee with this amendment intends to clarify the intent of section 10922(c)(2) as enacted. The Commission does have the power to grant intrastate authority and it should continue to do so, but it should do so only where it is consistent with Congressional intent. Moreover, it should be noted that section 10922(c)(2)(F) of existing law provides that intrastate transportation authorized by issuance of a certificate by the Commission shall remain subject to the jurisdiction of the Commission; thus, any proceedings involving the clarifying condition imposed herein shall be subject to the jurisdiction of the Commission.

Senate bill

No provision.

Conference substitute

Substitute adopts House provision.

BUY AMERICA

House bill

Section 130(b) of the House bill would increase the domestic content requirement for rolling stock purchased with Federal funds under the UMT Act from the current 50 percent to 85 percent. In addition, the project cost price differential exception would be increased from its current 10 percent to 25 percent.

Senate amendment

No provision.

Conference substitute

The substitute phases in an increase in the domestic content requirement for buses and rail rolling stock. It would rise from the current 50 percent to 55 percent for contracts entered into on or after October 1, 1989, and to 60 percent for contracts entered into on or after October 1, 1991. Any company that has met the existing Buy America requirement (or its successors in interest or assigns) would be exempted from the increases for all contracts entered into before April 1, 1992.

The substitute also adds the term "subcomponents" to the Buy America provision and increases the project cost price differential exception to 25%. Bids outstanding as of the date of enactment of the bill would be exempt from these changes.

By including the term subcomponents, the conferees intend that major components, systems, or assemblies of buses and rail rolling stock be counted towards meeting the Buy America domestic content standard if the components, systems, or assemblies themselves would meet the domestic content requirement. For the grandfathered companies, for example, this would mean that U.S. sourced subcomponents will be deemed to be 100% U.S. content for Buy America purposes if they are 50% or higher domestic content by value.

The conferees also intend that American subcomponents incorporated into foreign components should be counted towards meeting the domestic content requirement. For example, a domestic lighting system incorporated into a car shell abroad, which is then brought to the U.S. for final assembly, should be considered as domestic content for Buy America purposes.

Major components, systems, or assemblies of buses include, but are not limited to, items such as engines, transmissions, front axle assemblies, rear axle assemblies, drive shaft assemblies, front suspension assemblies, rear suspension assemblies, air compressor and pneumatic systems, generator/alternator and electrical systems, steering system assemblies, front and rear air brake assemblies, air conditioning compressor assemblies, air conditioning evaporator/condenser assemblies, heating systems, passenger seats, driver's seat assemblies, window assemblies, entrance and exit door assemblies, door control systems, destination sign assemblies, interior lighting assemblies, front and rear end cap assemblies, front and rear bumper assemblies, specialty steel (structural steel tubing, etc.), aluminum extrusions, aluminum, steel or fiberglass exterior panels, and interior trim, flooring, and floor coverings.

Major components, systems, or assemblies of rail rolling stock include, but are not limited to, items such as car shells, main transformers, pantographs, traction motors, propulsion gear boxes, interior linings, acceleration and braking resistors, propulsion controls, low voltage auxiliary power supplies, air conditioning equipment, air brake compressors, brake controls, foundation brake equipment, articulation assemblies, train control systems, window assemblies, communication equipment, lighting, seating, doors, door actuators and controls, couplers and draft gear, trucks, journal bearings, axles, diagnostic equipment, and third rail pick-up equipment.

In the case of both rail cars and buses, the conferees intend to cover only subcomponents that are one step removed from the major components, systems, or assemblies, such as those listed above, and which are clearly recognized as primary subcomponents in the industry.

In developing the concept of including subcomponents in Buy America requirements, the conferees found that the terms subcomponents, systems, and subsystems are used interchangably throughout the industry.

TITLE IV—UNIFORM RELOCATION ACT AMENDMENTS OF 1987

SHORT TITLE

House bill

Provides this title may be cited as the "Uniform Relocation Act Amendments of 1987."

Senate amendment

Provides that this Act may be cited as the "Uniform Relocation Act Amendments of 1987."

Conference substitute

House provision.

DEFINITIONS

402(a)

House bill

Eliminates references in the definition of a Federal agency to the National Capital Housing Authority and the District of Columbia Redevelopment Land Agency. These entities are included in the new definition of "State Agency", as having power of eminent domain. The definition is also amended to include any person with the Federal power of eminent domain.

Senate amendment

Eliminates reference to the Act to the National Capital Housing Authority and the District of Columbia Redevelopment Land Agency. These entities are included in the new definition of "State Agency", as having power of eminent domain.

Conference substitute

Same as House provision.

402(b)

House bill

Adds to the definition of "State Agency" any entity that has State power of eminent domain. This brings under the Act the displacing activities of private development corporations and public utilities where displacement occurs as a result of a Federally-funded program or project.

Senate amendment

Substitutes a new definition of "State Agency" as any entity that has State power of eminent domain.

Conference substitute

Same as House provision.

402(c)

House bill

Limits the applicability of the Act by defining the term "Federal financial assistance" to exclude programs involving a mortgage interest subsidy to a person which is used to purchase a private residence.

Senate amendment

Limits the applicability of the Act by defining the term "Federal financial assistance" to exclude programs involving a mortgage interest subsidy to a person.

Conference substitute

Same as House provision. It is the intent of the Conferees, for example, that the term "Federal financial assistance" would not include a subsidy provided through a secondary market purchase of mortgages, such as GNMA "Tandem" program, where the effect of the subsidy is to provide a below-market mortgage interest rate to an individual for the purchase of a private residence.

402(d)

House bill

Amends the definition of a "displaced person" to include certain persons, businesses and farm operations displaced by activities other than acquisition—namely rehabilitation, demolition and other displacing activities prescribed by the Lead Agency, which would entitle such persons to major benefits under the Act.

Senate amendment

Similar to the House bill, except that persons displaced by demolition of rehabilitation activities other than acquisition would be entitled only to moving expenses and advisory services. Persons displaced by other non-acquisition activities determined by the displacing agency would be entitled to moving expenses and such other benefits under the Act the displacing agency prescribes. The definition also covers the displacement of utility facilities, such as transmission lines, from public property.

Conference substitute

Same as House bill with a technical change to retain existing coverage inadvertently omitted by both bills.

The Conferees intend that the lead agency regulation define permanent displacement as a direct result of an activity subject to the Act. In certain cases where a property owner voluntarily agrees to sell his or her property and moves from the property in connection with the sale, the move should not be considered to be permanent displacement as a direct result of the project and that person should not be eligible for relocation assistance under the Act. For example, such cases may include a person selling property to an entity that does not have the authority to acquire that property under the power of eminent domain. Another example is the sale of property to a Federal or State agency in response to a public invitation or solicitation for offers by an agency which makes it clear that it will not purchase the property unless a mutually satisfactory agreement between the two parties can be reached. Of course, the permanent displacement of a bonafide tenant in connection with any of the aforementioned activities is subject to the Act.

COMPARABLE REPLACEMENT DWELLING

402(e)

House bill

"Comparable replacement dwelling" means any dwelling that is decent, safe and sanitary; adequate in size to accommodate the occupants; functionally equivalent and substantially the same as the acquired dwelling with respect to the number of rooms and living space; within the financial means of the displaced person; in an area not subject to unreasonable adverse conditions; and in a location generally not less desirable than the displaced person's dwelling with respect to public utilities, facilities, services and the displaced person's place of employment.

Senate amendment

Same as the House provision, except the Senate amendment would require that the replacement dwelling be functionally similar to the acquired dwelling and adequate in size to accommodate the occupants (rather than functionally equivalent and substantially the same as the acquired dwelling with respect to number of rooms and living space).

Conference substitute

Same as the House bill, except for the rigid requirement that every replacement dwelling must contain the same number of rooms and living space.

The Conferees intend that the term "functionally equivalent" as applied to a comparable replacement dwelling mean a replacement living unit which, when compared with the acquired dwelling, performs the same function, provides the same utility, possesses like amenities and is capable of contributing to a comparable style of living. This entitlement requires that the principal features of the acquired dwelling be present in the replacement dwelling, if the displaced person so chooses. For example, if the acquired dwelling includes two "extra" bedrooms, which are used as a guest room and study, the comparable replacement dwelling must also contain rooms to serve a similar purpose at the displaced person's election.

At the same time, the Conferees recognize that strict and absolute adherence to an exhaustive, detailed, feature-by-feature comparison can result in rigidities. These can constitute a substantial administrative burden and can lead to excessive cost if the law requires—or is interpreted as requiring—the replacement dwelling to possess every feature of the acquired dwelling as an absolute minimum. It is quite possible that the only available replacement unit having those features would have others in addition which would represent a bonus in terms of extra amenities not present in the acquired dwelling.

The Conferees intend therefore that determinations of functional equivalency, which inevitably must be made on a case-by-case basis, be calculated with sufficient flexibility to permit trade-offs in comparison of features so that the consequences of the more mechanistic approach followed under existing law may be avoided. For example, if the acquired dwelling was built in an era when pantries were standard features and a similar dwelling is not available in a given market today, a replacement dwelling with ample kitchen cupboards should be acceptable. Insulated and heat space in a large garage might well prove an adequate substitute for basement workshop space. A dining area can often substitute for a separate dining room. Under some circumstances, attic space could substitute for basement space for storage purposes, and vice versa. The displacing agency should have reasonable discretion to take into account these and similar trade-offs between features in determining overall comparability between acquired and replacement dwellings.

This does not mean, however, that the agencies should attempt to interject subjective judgments based on the current use of all principal features of the acquired dwelling. Functional equivalency is a more objective standard, reflecting the range of purposes for which the various features of a dwelling may physically be used.

In addition to the aforementioned, the Conferees can conceive of only a limited number of circumstances in which the replacement dwelling would provide fewer rooms and less living space than the acquired dwelling. Such could arise in cases involving the requirement, in both existing law and in this legislation, that the replacement dwelling be "decent, safe and sanitary." This requires that a person moved from substandard housing be more than made whole as a result of the displacement and in fact be relocated into better housing than the acquired dwelling. Functional equivalency does not mean that a person displaced from a run-down dwelling with a large number of large rooms but failing to meet the test of decent, safe and sanitary, would necessarily receive the same number of rooms and amount of space in a replacement dwelling meeting that test. Such might result in excessive cost. At the same time, the Conferees would point out that the statute also preserves the requirement that decent, safe and sanitary dwellings be "adequate to accommodate" the displaced persons.

DISPLACING AGENCY

402(e)

House bill

"Displacing agency" includes Federal and state agencies with the power of eminent domain. The definition also covers projects advanced by private parties without the power of eminent domain if the project is undertaken pursuant to a Federal or Federally-assisted program or project and results in a person's permanent displacement.

Senate amendment

Same effect as House provision with stylistic differences.

Conference substitute

Same as House provision.

LEAD AGENCY

402(e)

House bill

The Department of Transportation is the agency designated to promulgate uniform rules implementing the Act that every Federal agency must follow.

Senate amendment

The lead agency would be designated by the President.

Conference substitute

Same as the House provision.

APPRAISAL

402(e)

House bill

"Appraisal" is defined to mean a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of value of an adequately described property as to a certain date, supported by relevant market information.

Senate amendment

Same as House bill.

Conference substitute

Same as House bill and Senate amendment.

BUSINESS

101(7)(D)

House bill

Corrects a technical oversight to insure that all displaced businesses, to include outdoor advertising displays, may receive the additional moving or relocation benefits authorized by this bill under section 202 of the Act.

Senate amendment

No comparable provision.

Conference substitute

House bill.

CERTIFICATION

House bill

Allows heads of Federal agencies to discharge their responsibilities under the Act by accepting a certification from a state agency that it will perform such responsibilities in accordance with State laws, regulations, directives and standards which will accomplish the purpose and effect of the Act and regulations issued thereunder. Prior to accepting a certification, the Federal agency must provide interested parties with an opportunity for public review and comment and consult with interested local governments. Further, the head of the lead agency, in coordination with the other Federal agencies whose programs are subject to the Act, is required to monitor and review the enforcement and compliance of any state agency certification accepted under this section and to report to Congress thereon on a biennial basis.

Paragraph (4) authorizes the Federal agency to withdraw its approval of the state certification, in whole or in part, if the state agency fails to comply with its certification or state law.

Senate amendment

Similar to the House provision, except the Senate amendment contains (1) two certification provisions—one for relocation requirements, another for property acquisition requirements; (2) a provision to require certification of state laws only that will achieve the policies and objectives of the Act and the purpose and effect of certain provisions; and (3) a provision limiting Federal sanctions to total withdrawal of a certificate for a state's failure to comply with its certification or state law.

Conference substitute

Reflects a compromise between the House and Senate provisions. Adopts the technical approach of the House with respect to including one certification provision applying to the entire Act, instead of the Senate's approach of having separate provision covering the first two titles and title III. Requires that state laws achieve the purpose and effect of the Act, particularly with respect to the definition of a displaced person, the categories of assistance required, and the levels of assistance provided to such persons in such categories. Adopts the House provision permitting the head of a Federal agency to withdraw a certification in whole or in part for a state's failure to comply with its certification or state law.

FINDINGS AND POLICY

House bill

Provisions of existing law which establish the Act's policy to provide for fair and equitable treatment for persons displaced as a result of Federal or Federally-assisted programs or projects so that they don't suffer disproportionate injuries or hardship is retained essentially unchanged. The bill adds a subsection of congressional findings declaring that displacement can be caused by a number of activities, including rehabilitation, demolition, code enforcement as well as acquisition; that relocation policies must assure fair, uniform and equitable treatment by Federal, state and local agencies of all affected persons and assure equal treatment of persons in essentially similar circumstances; and that minimizing the adverse impact displacements have on businesses is essential to maintaining the social and economic well-being of communities. The bill includes additional policy statements promoting minimization of waste, fraud and mismanagement and a reduction in unnecessary administrative costs borne by states and state agencies. Also, the bill intends that activities under the Act to improve the conditions of the poor be coordinated with existing housing programs.

Senate amendment

Similar to the House bill.

Conference substitute

Same as the House bill with the addition of a new provision specifically requiring that the Act be administered in a manner consistent with fair housing requirements and applicable civil rights laws. The Conferees want to stress, however, that this provision should not be interpreted as a requirement that an agency provide a person a larger payment than is necessary to enable relocation to a comparable replacement dwelling.

MOVING AND RELATED EXPENSES

House bill

The House bill makes four changes in section 202. First, the bill adds a new provision to provide additional compensation for reasonable expenses, up to $10,000, necessary to reestablish a farm operation, non-profit organization or small business at its new site.

Second, the bill eliminates the specific fixed moving costs schedule for tenants and homeowners (up to $300 moving cost, $200 dislocation allowance to cover incidental moving expenses) which could be chosen in lieu of actual documented moving expenses, and substitutes an unspecified moving expense and dislocation allowance to be determined according to a schedule established by the lead agency.

Third, the bill raises the $10,000 ceiling in existing law on the amount a displaced business, non-profit organization or farm operation may receive in lieu of itemized expenses for moving and other expenses (property loss and searching expenses) to $20,000, and the minimum amount is lowered from $2,500 to $1,000.

Finally, the bill deletes the requirement that the amount paid in lieu of itemized expenses under this section must be equal to the average annual net earning of a business or farm operation in favor of criteria to be established in lead agency regulations subject to the same limits. Also eliminated is the prohibition against payment if relocation can occur without loss of patronage or if they are part of an enterprise having at least one other business establishment not being acquired.

Senate amendment

Same as the House bill, except farm operations are excluded from the new $10,000 relocation benefit under subsection (a), and persons whose sole business is renting displacement property to others would not qualify for a payment under subsection (c). In addition, the Senate amendment authorizes the head of a displacing agency, under certain conditions, to provide a payment to a utility whose transmission lines are displaced from property under the ownership or control of a public agency.

Conference substitute

The Conference substitute adopts the House bill and the Senate amendment with respect to identical provisions, the House provision that includes farm operations under the new $10,000 relocation benefit, a modified Senate provision denying eligibility to a person whose sole business at the displacement dwelling is the rental of the property to others, and a modified Senate provision authorizing payments to utilities displaced from public property.

Section 202(d) resolves House concerns with the utility relocation language of S. 387, which it was feared would produce nonuniform and potentially excessive relocation payments. S. 387 would have permitted state law or contracts to determine the amount of such substitute payments in the majority of cases. In contrast, the Conference language gives discretion to the agency head, acting under uniform regulations. The managers expressly intend that the adopted language not be construed to supersede 23 U.S.C. 123 or any other Federal law.

The managers recognize that the Federal Highway Administration's long term experience under 23 U.S.C. 123 has resulted in the development of utility reimbursement practices and procedures which are considered to result in reasonable and fair payment for utility relocation costs. It is envisioned that these sound business practices will be utilized by the lead agency in developing regulations under this section and will be used as a guide in establishing eligible costs, credits, payment standards, and liabilities of the parties under this section.

The managers intend the term "extraordinary relocation costs" to distinguish financial responsibility for the non-routine displacements caused by Federally-assisted programs or projects from the traditional obligation of the utility to pay the reasonably predictable local expenses of its occupancy of rights-of-way. The disruptions produced by the typical Federally-assisted program are massive and unexpected when compared with utility relocations to accommodate re-routing or widening of streets or other such recurring local events.

The result is that utilities would continue to pay those ordinary relocation costs within their reasonable contemplation as occupants of local right-of-way while being reimbursed, at the discretion of the displacing agency, for extraordinary expenses incurred in making way for Federally-assisted programs. The managers believe, however, that relocation costs for such programs should not be deemed extraordinary if reimbursement of them is expressly forbidden by State statute or if the parties explicitly and knowingly have agreed by contract that the utility will bear those costs itself. Of course, a state's costs would not come under consideration unless incurred in accordance with state law.

Under section 202(d)(1)(B), a precondition to eligibility for reimbursement is that the utility have a "franchise or similar agreement" covering its use of the public property, easement or right-of-way from which it is being displaced. The managers do not intend to exclude utilities operating in states, such as California, that provide by statute what amounts to a master franchise for certain types of utilities.

Where a utility facility as described by this section is located on other than public right-of-way and qualifies as a "displaced person," it is envisioned that the utility relocation payment procedures established by the lead agency would be similar to those established under this section.

REPLACEMENT HOUSING FOR HOMEOWNERS

House bill

Raises the ceiling of relocation payments for comparable replacement housing from $15,000 to $22,500 and changes the formula to be used to compute the mortgage interest differential payment. The provision would also require that the displaced person purchase and occupy a new dwelling within one year after final payment for the acquired dwelling or the date on which he was provided referrals to replacement housing, whichever is later.

Senate amendment

Same as the House bill, except the displaced person would be entitled to a payment for a "suitable replacement dwelling."

Conference substitute

House bill with a technical correction.

REPLACEMENT HOUSING FOR TENANTS AND CERTAIN OTHERS

House bill

Increases the current $4,000 payment ceiling to $6,000 for comparable rental units and maintains the period of rental subsidy at four years. In addition, the bill explicitly requires that a payment to a low-income displaced person take into account that person's income. Further, the displacing agency may make a rental subsidy available in monthly installment payments. Finally, the bill eliminates the requirements to match any amount of rental subsidy over $2,000 applied to a downpayment on a replacement dwelling and restricts the amount of the payment to what an owner occupant could have received if he had qualified as a displaced homeowner under section 203.

Senate amendment

Same as the House bill, except it increases the current $4,000 payment ceiling to $4,500 for displaced persons whose incomes are above 50 percent of the median income for the area, eliminates the ceiling for displaced persons whose incomes fall below this standard, but reduce the period of rental subsidy from four years to three years. (Also, see Senate amendment under "PAYMENTS UNDER OTHER LAWS".)

Conference substitute

With respect to identical provisions, adopts the House bill and the Senate amendment with a technical change. The substitute compromise increases the payment ceiling from $4,000 to $5,250 but reduces the period of rental subsidy from 4 to 3½ years.

RELOCATION PLANNING, ASSISTANCE COORDINATION AND ADVISORY SERVICES

House bill

Requires the displacing agency to prepare a relocation analysis at an early stage in the planning of a program or project in order to recognize and resolve problems associated with displacement. The relocation plan should be designed to minimize the adverse impacts on displaced persons as well as to expedite program or project advancement and completion.

Existing law is amended to include farm operations among the businesses for which information on alternative locations must be provided; to require that an agency provide a displaced person with a reasonable opportunity to relocate to a comparable replacement dwelling except in the case of a disaster or emergency; and to provide technical assistance to persons applying for assistance under other Federal or state programs.

Subsection (e) would require that when two or more Federal agencies are providing assistance to a geographically or functionally related activity, the agencies agree on a cognizant agency whose procedures will apply to such activities. If the agencies cannot agree, then the lead agency shall designate a cognizant agency.

Subsection (f) authorizes advisory services for re-renters excluded from the definition of a "displaced person" under section 101(6).

Senate amendment

Contains provisions similar or identical to the House bill, except it contains no provision comparable to the House relocation planning provision or the provision authorizing advisory services for re-renters excluded from the definition of a "displaced person." The Senate amendment also contains provisions requiring the Secretary of Housing and Urban Development to assign high priority for assistance to displaced persons who receive public housing assistance instead of a cash payment under the Act.

Conference substitute

Same as the House bill and the Senate amendment with respect to identical provisions; same as the House bill with respect to other provisions, except for a modified relocation planning provision which requires that programs or projects be planned in a manner that recognizes relocation problems at an early stage in the planning of those programs or projects and provides for their resolution so that adverse impacts on displaced persons are minimized and the programs or projects are expedited.

LAST RESORT HOUSING

House bill

The bill amends 206(a) to require that the lead agency shall promulgate a regulation to the effect that this section may not be used to exceed the new payment ceilings under sections 203 and 204, except on a case-by-case basis, for good cause.

The bill retains essentially unchanged the assurance that a person shall not be required to move from his dwelling unless comparable replacement housing is available to that person.

Senate amendment

Similar to the House bill, except that it does not retain assurances in existing law that a person should not be required to move from his dwelling unless comparable replacement housing is available. In addition, the Senate amendment would allow a displacing agency to satisfy the requirement to provide replacement housing under this section by making available other assistance such as a Section 8 housing certificate.

Conference substitute

Same as the House bill.

ASSURANCES

House bill

Section 210 of existing law, which prohibits Federal payments for a project unless the recipient provides adequate assurances of compliance with the Act, is amended to conform to the use of the newly defined term "displacing agency."

Senate amendment

Repeals section 210 and substitutes certification language (see CERTIFICATION).

Conference substitute

Same as the House bill.

FEDERAL SHARE OF COSTS

House bill

Section 211(a) is amended to delete outdated language establishing coverage under the Act for projects undertaken before July 1972. "State Agency" is amended to read "displacing agency" to conform with the amendment made under 101(11).

Section 211(b) is an amendment to expand the present prohibition on duplication of compensation occurring when a displaced person receives payments under state law which serve essentially the same purpose as those provided under the Act.

Senate amendment

Same effect as the House provision with stylistic differences.

Conference substitute

House provision with one technical change and one substantive change.

The Conferees extended the coverage of the duplication provision to Federal payments since payments under other Federal programs also may duplicate payments under the Uniform Act. For example, under the Department of Health and Human Services' block grant for low-income energy assistance, a payment could be made for increased utility costs at a replacement dwelling. Those same increased utility costs, under certain circumstances, could be compensated as a part of a replacement housing payment under the Uniform Act. If both payments were made without adjustment the government would pay twice for the same increase in utility costs. This would provide the displaced person with a windfall not intended by the Conference agreement.

The Federal Emergency Management Agency's Flood Insurance program provides another example. If flood damage and displacement occurred at a site, duplicate Federal payments might result as follows: A major flood severely damages numerous homes in a small community. It is determined that rebuilding many of these homes is impractical and uneconomic and that acquisition of the homes and permanent relocation of their residents is necessary. For a variety of reasons, including the fact that many affected homeowners have no flood insurance, FEMA has adopted a policy for this project of valuating the flood damaged homes at their pre-flood fair market value.

A typical house with a pre-flood value of $50,000 suffers $25,000 in damage. However, this homeowner has FEMA flood insurance. He applies to FEMA and collects $25,000 as a flood insurance payment. FEMA then acquires his house for $50,000 and relocates him. He has now received $75,000 plus moving and relocation benefits from the government for a house where fair market value before the flood was $50,000, a $25,000 overpayment. In such a situation, the Conferees believe the $50,000 acquisition payment duplicates the flood insurance payment in the amount of $25,000 and that only $25,000 should be paid under the Uniform Act for acquisition.

DUTIES OF LEAD AGENCY

House bill

Requires the lead agency to: 1) issue uniform, government-wide regulations for use by all Federal agencies in administering the Act; 2) coordinate, with the assistance of other Federal agencies, relocation activities under Title II of the Act with Federal and Federally-assisted housing programs; 3) monitor, in coordination with other Federal agencies, the implementation and enforcement of the Act, and report to Congress on any major issues or problems associated with the Act; and 4) perform other duties that pertain to the purposes of the Act.

The bill retains with some modification a feature of existing law authorizing an appeals procedure for a person aggrieved by a determination as to his eligibility, the amount of a payment, or other factors under this Act.

Senate amendment

Similar to the House bill, except for the following: 1) the President would designate the lead agency; 2) the Tennessee Valley Authority would not have to follow lead agency rules promulgated to carry out property acquisition requirements of Title III of the Act; and 3) the amendment repeals provisions of existing law authorizing the promulgation of regulations to assure (i) fair, reasonable and uniform payments and assistance, (ii) prompt payments, and, in hardship cases, advance payments, and (iii) the establishment of an appeals procedure for persons aggrieved by a determination under the Act.

Conference substitute

House provision with a technical change and the Senate provision on the Tennessee Valley Authority.

PAYMENTS UNDER OTHER LAWS

House bill

Provides that a relocation payment received under this Act shall count in determining a person's eligibility under any Federal law providing low-income housing assistance.

Senate amendment

Any person eligible for a relocation payment under section 204 may elect to receive in lieu thereof low-income housing assistance if such person is otherwise eligible for such assistance. Failure to accept low-income housing assistance would be considered when evaluating the person's eligibility for low-income housing assistance during the three years following acceptance of a relocation payment.

Conference substitute

House provision.

TRANSFER OF SURPLUS PROPERTY

House bill

Provides that the amount to be paid to GSA by a state after it disposes of surplus property transferred to the state by the Federal Government for the purpose of providing replacement housing required by this Title will reflect only the net amounts received for such property, rather than all amounts as is currently the case.

Senate amendment

Same as House bill.

Conference substitute

Same as House bill and Senate amendment.

REPEALS

House bill

Sections 214, 217, and 219 of the Act are repealed.

Senate amendment

Sections 214, 215, 217, and 219 of the Act are repealed.

Conference substitute

House provision is adopted. Retains authority for a Federal agency to make loans to non-profit organizations for planning relocation assistance activities.

REAL PROPERTY ACQUISITION

House bill

Incorporates a new provision under section 301(2) requiring the head of the lead agency to promulgate procedures under which acquiring agencies may forego an appraisal for acquisition or the donation of low-value property.

Further amends section 301 to define an uneconomic remnant of property as one with little or no value or utility to the owner which is left after the partial acquisition of his property for a Federal or Federally-assisted project. The bill maintains the requirement that the head of the agency offer to acquire such an uneconomic remnant so that the owner or occupant would be eligible for the full benefits under the Act.

Adds a new paragraph (10) to section 301, to allow donations under the Act.

Senate amendment

Similar to the House provision.

Conference substitute

House provision.

ASSURANCES

House bill

Makes a conforming amendment to section 305 substituting the terms "acquiring agency" for the term "State Agency". An "acquiring agency" is defined as an agency with state eminent domain authority and a state agency or person who does not have such authority to the extent provided by the lead agency by regulation.

Senate amendment

Repeals section 305 and substitutes certification language.

Conference substitute

House provision.

EFFECTIVE DATE

House bill

Section 209 of the Act regarding the duties of the lead agency takes effect on the date of enactment of this Act, and the remainder of the Act takes effect 24 months from the date of enactment.

Senate amendment

Similar to the House bill, except the certification provision may take effect sooner than 24 months from the date of enactment when a state makes provision under state law.

Conference substitute

Similar to the House bill and Senate amendment, except that all provisions (other than section 209) take effect as provided in the lead agency regulations, but no later than two years after the date of enactment of this Act.

TITLE V—HIGHWAY REVENUE PROVISIONS

A. HIGHWAY EXCISE TAXES

1. Extension of taxes

Present law

Excise taxes are imposed on gasoline and special motor fuels (9 cents per gallon), diesel fuel (15 cents per gallon), trucks and truck trailers (12 percent of retail price), heavy tires (graduated rates for highway tires over 40 pounds), and heavy vehicles (graduated rates for highway vehicles over 55,000 pounds gross vehicle weight, "GVW"). These highway excise taxes are scheduled to expire after September 30, 1988.

(Revenues from these highway excise taxes are transferred to the Highway Trust Fund, as indicated in B., below.)

House bill

The House bill extends the current highway excise taxes for five years, through September 30, 1993.

Senate amendment

The Senate amendment extends the current highway excise taxes for four years, through September 30, 1992.

Conference agreement

The conference agreement follows the House bill

2. Extension of exemptions

a. General

Present law

Exemptions are provided from the highway excise taxes for articles used by State and local governments and by tax-exempt educational organizations, and for exported articles. Also, exemptions are provided from the fuels taxes for fuels used on a farm for farming purposes, for off-highway business use (other than boating and non-commercial aviation use, which are subject to special trust fund taxes), and for fuels used in certain intercity buses. These exemptions are scheduled to expire after September 30, 1988 (when the taxes expire).

There is also a partial exemption (4 cents per gallon) for fuels used by qualified taxicabs, which expires after September 30, 1988.

House bill

The House bill extends the general exemptions from the highway excise taxes for five years, through September 30, 1993. The partial exemption for taxicab fuels is not extended.

Senate amendment

The Senate amendment extends the general exemptions from the highway excise taxes for four years, through September 30, 1992. The partial exemption for taxicab fuels is not extended.

Conference agreement

The confence agreement follows the House bill.

b. Fuels containing alcohol

Present law

Motor fuels containing at least 10 percent alcohol ("gasohol") receive a 6-cents-per-gallon exemption from the 9-cents-per-gallon taxes on gasoline and special motor fuels and from the 15-cents-per-gallon tax on diesel fuel. These exemptions are scheduled to expire after December 31, 1992.

House bill

The House bill extends the gasohol exemptions through September 30, 1993.

Senate amendment

The Senate amendment retains the present-law fuels tax exemptions for gasohol fuels through December 31, 1992.

Conference agreement

The conference agreement follows the House bill.

3. Application of retail truck excise tax to leased trucks and trailers

Present law

The 12-percent retail excise tax applies to trucks with gross vehicle weight (GVW) over 33,000 pounds and to truck trailers over 26,000 pounds. GVW generally is the maximum loaded weight at which the taxable vehicle is capable of operating.

The excise tax on trucks and trailers was changed from a manufacturers tax to a retail tax (12 percent) on April 1, 1983. In April 1983, Treasury adopted temporary regulations providing, in the case of certain long-term leases, that the tax was to be imposed at the time the initial lease was entered into (i.e., the lease was to be treated as the first retail sale).

In September 1985, Treasury amended its regulations to provide that, in the case of leased vehicles, the tax would be imposed on the earlier sale by the manufacturer to the lessor (Treas. Reg. sec. 145.4052-1(a)(1)).

House bill

Heavy vehicles sold to lessors to be leased for a period of one year or more generally are treated as though sold to retail dealers, with tax being imposed when the initial lease is entered into. In the case of long-term leases, the tax is determined under a special presumptive retail sales price rule provided in the House bill.

If tax is imposed on the sale to the lessor, and the vehicle is later leased (pursuant to a long-term lease) or sold within one year of the sale to the lessor, a "backup" tax is imposed at the regular 12-percent rate.

The provision is effective on the date of enactment.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill with several modifications and clarifications.

Extension of presumptive retail sales price rule to all sales on which manufacturers collect tax

The conference agreement extends the special presumptive retail sales price rule provided under the House bill for sales to long-term lessors to all sales on which manufacturers or importers collect the truck and trailer retail excise tax. Thus, unless the purchaser of the taxable vehicle certifies (in a manner prescribed by the Secretary) that the purchase vehicle is to be resold or leased pursuant to a long-term lease, manufacturers and importers will be required to collect tax determined by applying the 12-percent rate to a presumptive retail sales price, rather than to their actual price. Similarly, the special presumptive retail sales price rule will apply to all vehicles leased directly by truck and trailer manufacturers or importers.

As part of this extension, the special back up tax contained in the House bill is deleted since there is no potential for payment of tax on a lower tax base through leases or direct transactions with manufacturers or importers of taxable vehicles.

Clarifications of presumptive retail sales price rule

The House bill provides that Treasury is to establish a presumptive mark-up which is then to be applied to the taxable price of a vehicle. This presumptive mark-up is to reflect the mark-up for articles "of the type involved." The conferees recognize that different articles customarily may involve different profit margins. For example, a fuel tanker trailer may produce a higher profit margin than a box-trailer for handling other types of freight. The conferees intend that, in establishing presumptive mark-ups, Treasury examine the appropriateness of establishing different rates to reflect actual profit margins for different categories of taxable vehicles rather than, e.g., establishing a single presumptive mark-up for all taxable trailers.

As provided in the House bill, the presumptive retail sales price rule is not to apply in situations identified in Treasury Deprtment regulations where such a presumptive price is unnecessary to carry out the purpose of imposing tax based upon a retail, as opposed to wholesale or otherwise discounted, price. The conferees understand that certain sales of taxable vehicles are accomplished through the use of finance leases which reflect true retail sales prices. For example, a retail dealer may sell a taxable vehicle to a financing company who then leases the vehicle to the dealer, with the dealer entering into another lease with the ultimate user of the vehicle. The conferees do not intend that the Treasury Department apply the new presumptive retail sales price rule to such transactions if the lessor/seller establishes that the price to the ultimate user of the vehicle represents an arm's-length retail sales price.

The conferees further are aware that the retail excise tax on trucks and trailers does not apply to the cost of tires (not including a rim or base) sold as part of a taxable vehicle. A separate excise tax is imposed on tires for heavy vehicles. The conference agreement, by adopting the definition of price contained in the present excise tax rules, continues the exclusion from the tax base of costs attributable to tires subject to that separate tax.

Clarification of six-month anti-avoidance rule

Present law includes a special rule under which tax is imposed on parts and accessories, other than replacements, installed on a taxable vehicle not later than six months after a vehicle is first placed in service. The conferees wish to emphasize that, as under present law, when tax is collected by a manufacturer or importer and the taxable vehicle subsequently is leased or re-sold, the six-month period ends on the date six months after the property is placed in service by a lessee or purchaser. All improvements prior to that date are taken into account for purposes of applying the tax.

No inference for other purposes

The conference agreement provides that a sale is taxable as a first retail sale only if it is neither (1) for resale nor (2) for leasing pursuant to a long-term lease. The conferees, in amending the definition of first retail sale, do not intend any inference for purposes other than the retail truck and trailer excise tax (e.g., depreciation or various State law rules) as to the appropriate treatment of such long-term leases.

Effective date

The conference agreement provides that these amendments to the retail excise tax on trucks and trailers are effective on the first day of the first calendar quarter beginning more than 90 days after enactment.

4. Application of heavy vehicle use tax to foreign truck operators

Present law

An annual use tax applies to highway motor vehicles having a gross vehicle weight (GVW) of more than 55,000 pounds, and using the public roads for 5,000 miles or more during a taxable period (July 1-June 30). For vehicles 55,000-75,000 pounds GVW, the tax is $100 per year, plus $22 per 1,000 pounds over 55,000 pounds; the tax is $550 per year for vehicles over 75,000 pounds.

As a result of agreements between certain U.S. States and Canadian provinces, most Canadian trucks are not required to register under the laws of U.S. States. Thus, operators of these trucks are not liable for the use tax. Treasury Regulations (beginning July 1, 1985) have exempted Canadian trucks from provinces having agreements providing for proportional registration of their trucks in U.S. States from the use tax (Treas. Reg. sec. 41-4481(a)(2)).

The Tax Reform Act of 1984 requires a Department of Transportation study, in consultation with the Treasury Department, to determine the impact of the use tax on trans-border trucking operations. The report is due by October 1, 1987.

House bill

No provision.

Senate amendment

Trucks with base registration in Canada or Mexico are to be subject to the heavy vehicle use tax in the same manner as domestically based trucks, whether or not the foreign trucks are required to be registered in a U.S. State. If proof of payment of the use tax is not made, such trucks may be denied entry into the U.S.

This provision is effective on July 1, 1987.

Conference agreement

The conference agreement follows the Senate amendment, with a modification providing that the rate of tax imposed on Canadian and Mexican trucks shall be 75 percent of the rate applicable to U.S. trucks. The conferees are aware that the Department of Transportation study on trans-border trucking operations will be completed in the near future, and expect that Congress will duly consider the recommendations in that study when it becomes available.

5. Determination of gross vehicle weight of certain trucks and trailers

Present law

IRS has ruled that additions by retail dealers of readily attachable parts (such as tires and axles) that reduce GVW below the taxable weight thresholds (see item 3, above) are ignored in determining tax liability for such vehicles sold after September 30, 1986 (Rev. Rul. 85-196 and Rev. Rul. 86-43).

House bill

Rev. Rul. 85-196 and 86-43 are not to apply in determining GVW for first retail sales of trucks and trailers acquired in inventory by a retail dealer before January 1, 1986, continuously held in such dealer's inventory through September 30, 1986, and sold by such dealer after September 30, 1986.

The provision is effective on the date of enactment.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill.

B. Highway Trust Fund

1. Transfer of Highway Excise Tax Revenues to the Trust Fund

Present law

Revenues equivalent to the current highway excise taxes (see A.1., above) are transferred (appropriated) to the Highway Trust Fund for amounts received from these taxes through September 30, 1988. (Amounts received attributable to pre-October 1, 1988 highway excise tax liabilities are to be transferred to the Trust Fund through June 30, 1989.)

House bill

The House bill extends the transfer of highway excise tax revenues to the Highway Trust Fund for five years.

Senate amendment

The Senate amendment extends the transfer of highway excise tax revenues to the Highway Trust Fund for four years.

Conference agreement

The conference agreement follows the House bill.

2. Expenditures From the Trust Fund

a. Extension of expenditure authority

Present law

Amounts in the Highway Trust Fund are available, as provided by appropriation Acts, for making expenditures authorized by law through September 30, 1988, for Federal-aid highway programs and certain mass transit programs.

House bill

The House bill extends the Highway Trust Fund expenditure authority for five years (through September 30, 1993).

Senate amendment

The Senate Extends the Highway Trust Fund expenditure authority for four years (through September 30, 1992).

Conference agreement

The conference agreement updates the Highway Trust Fund expenditure purposes to reflect the 1987 Act, and follows the House bill.

b. Authorized expenditures

Present law

Expenditures are authorized from the Highway Trust Fund for (1) the Federal-aid highway programs (from the Highway Account) under the Surface Transportation Assistance Act of 1982 or for purposes for which expenditures were authorized by certain prior Acts and (2) capital expenditures (from the Mass Transit Account) in accordance with section 21(a)(2) of the Urban Mass Transportation Act of 1964.

In the past, amounts authorized to be spent for billboard removal and university transportation research centers have been from general funds.

House bill

The House bill authorizes expenditures from the Highway Trust Fund to include the expenditure purposes under the 1987 Act as passed by the House, which includes billboard removal costs (costs $5 million per year) and certain university transportation research centers ($5 million per year from the Highway Account and $5 million per year from the Mass Transit Account).

Senate amendment

The Senate amendment also updates the Highway Trust Fund expenditure purposes to reflect the 1987 Act under the Senate amendment (which does not include billboard removal or transportation research centers).

Conference agreement

The conference agreement updates the Highway Trust fund expenditure purposes to reflect the 1987 Act, and follows the Senate amendment with respect to billboard removal and the House bill with respect to transportation research centers.

For consideration of all provisions except Title V of the House bill and Title II of the Senate amendment:

James J. Howard,
Glenn M. Anderson,
Robert A. Roe,
John Paul
Hammerschmidt,
Bud Shuster,

As exclusive conferees on Title V of the House bill and Title II of the Senate amendment:

Dan Rostenkowski,
J.J. Pickle,
Ed Jenkins,
Frank J. Guarini,
Robert T. Matsui,
Beryl Anthony, Jr.,
Ronnie G. Flippo,
John J. Duncan,
Bill Frenzel,
Dick Schulze,
Wm. Thomas,

Managers on the Part of the House.

From the Committee on Environment and Public Works, for Title I of the Senate amendment and Title I of H.R. 2, and for sec. 203, 55-mph speed limit; sec. 202(a)(1), bridge replacement and rehabilitation programs authorizations; (a)(2), elimination of hazards authorization; (a)(5), FHWA highway safety construction authorization; (a)(6), FHWA highway safety research and development authorization; sec. 202(d), obligation ceiling for highway safety programs; sec. 207, use of certain reports as evidence; sec. 208, emergency call boxes; sec. 209, railroad-highway crossings, authorization; and sec. 213, railroad highway crossing needs:

D.P. Moynihan,
Quentin N. Burdick,
George Mitchell,
John Breaux,
Robert T. Stafford,
Steve Symms,
John Chafee,

From the Committee on Finance, for Title II of the Senate amendment and Title V of H.R. 2, extending the Highway Trust Fund:

Lloyd Bentsen,
Spark M. Matsunaga,
D.P. Moynihan,
Bob Dole,
Bill Roth,

From the Committee on Banking, Housing, and Urban Affairs, for provisions dealing with urban mass transportation (including Title IV of the Senate amendment, the Urban Mass Transportation Authorization Act of 1987, and Title III of H.R. 2):

Bill Proxmire,
Alan Cranston,
Don Riegle,
Alan J. Dixon,
John Heinz,
Alfonse D'Amato,

From the Committee on Commerce, Science, and Transportation, for provisions dealing with highway safety (including Title II of H.R. 2, except for sec. 202(a)(1), bridge replacement and rehabilitation programs authorizations, (a)(2) elimination of hazards authorization, (a)(5) FHWA highway safety construction authorization, (a)(6) FHWA highway safety research and development authorization; sec. 207, use of certain reports as evidence; sec. 208, emergency call boxes; sec. 209, railroad-highway crossings authorization; and sec. 213, railroad-highway crossing needs):

Fritz Hollings,
Albert Gore, Jr.,
John C. Danforth,

From the Committee on Governmental Affairs, for provisions dealing with the Uniform Relocation Act:

Jim Sasser,
Carl Levin,
John Heinz,

Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. Collins (at the request of Mr. Foley), for today through March 24, on account of a death in the family.

Mr. Bilirakis at the request of Mr. Michel), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. Bentley) to revise and extend their remarks and include extraneous material:)

Mr. Lungren, for 5 minutes, on March 19.

Mr. Dornan of California, for 5 minutes, today.

(The following Members (at the request of Mr. Mfume) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Mfume, for 5 minutes, today.

Mr. Richardson, for 5 minutes, today.

Mr. Gonzalez, for 60 minutes, today.

Mr. Gonzalez, for 60 minutes, on March 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. Bentley) and to include extraneous matter:)

Mr. Gilman in two instances.
Mr. Fish.
Mr. Shumway.
Mr. Clinger.
Mr. Saxton.
Mr. Roth.
Mr. Coble.
Mr. Packard.
Mr. Tauke.
Mr. Gradison.
Mr. Edwards of California.
Mr. Daub.
Mr. Davis of Michigan.
Mr. Gallo.
Mr. Buechner.
Mr. Porter.
Ms. Snowe.
Mrs. Bentley.
Mr. Young of Alaska.

(The following Members (at the request of Mr. Mfume) and to include extraneous matter.)

Mr. Aspin in two instances.
Mr. Guarini.
Mr. Roe.
Mr. Leland.
Mr. Solarz.
Mr. Donnelly in two instances.
Mr. Edwards of California.
Mr. Yatron.
Mr. Skelton.
Mr. Hochbrueckner.
Mr. Lipinski.
Mr. Lantos in two instances.
Mr. Florio.

Mr. MATSUI in three instances.
Mr. HALL of Ohio.
Mr. SMITH of Florida.
Mr. BATES.
Mr. SCHUMER.
Mr. ST GERMAIN.
Mr. COLEMAN of Texas.
Mr. BORSKI.
Mr. DORGAN of North Dakota.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 24. Concurrent resolution supporting the initiative of Central American heads of state, meeting in San Jose, Costa Rica, in formulating a regional proposal for bringing about an end to the armed conflict in Central America, and for other purposes; to the Committee on Foreign Affairs.

ADJOURNMENT

Mr. MFUME. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 25 minutes p.m.) the House adjourned until tomorrow, Wednesday, March 18, 1987, at 2 p.m.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1986 TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION,
Washington, DC, March 13, 1987.

Hon. JIM WRIGHT,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In accordance with Section 4(a) of Public Law 85-804 (50 U.S.C. 1431-35), I am herewith reporting to the House of Representatives on all calendar year 1986 actions taken by the National Aeronautics and Space Administration under authority of that Act which involve actual or potential cost to the United States in excess of $50,000.

During calendar year 1986, the NASA Contract Adjustment Board did not grant any request for extraordinary contractual relief under P.L. 85-804.

On January 19, 1983, the Administrator made a decision to provide indemnification to certain NASA Space Transportation System contractors for specified risks arising out of contract performance directly related to NASA space activities. The authority of that decision was extended on September 26, 1984, from September 30, 1984, through September 30, 1989. These risks are considered unusually hazardous solely in the sense that if, because of an unlikely event, the Space Transportation System, its cargo, or other elements or services used in NASA's space activities malfunctioned causing an accident, the potential liabilities could be in excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain considering the availability, cost, and terms and conditions of such insurance. On October 29, 1986, I signed an additional Memorandum Decision applicable to a FLTSATCOM launch aboard an expendable launch vehicle. The risks in this regard are similar to those of the Space Transportation System. Copies of the Memoranda of Decision are enclosed.

During calendar year 1986, NASA prime contractors performing under contracts were indemnified under the Memoranda of Decision for the risks set forth therein. A summary description of each contract is also enclosed.

Sincerely,

JAMES C. FLETCHER,
Administrator.

ENCLOSURE 1

NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION,
Washington, DC.

MEMORANDUM DECISION UNDER PUBLIC LAW 85-804

Authority for National Aeronautics and Space Administration Contracting Officers to indemnify certain NASA contractors and subcontractors involved in NASA space activities.

1. On July 4, 1982, the Space Transportation System (hereinafter STS) completed its design, development, test and evaluation phase and was declared an operational system of the United States for the transportation of payloads into and out of outer space for governmental and commercial purposes. With the commencement of these space operations, the STS will conduct launch, in orbit and landing activities on a repetitive basis and at an increasing frequency.

2. The initiation of scheduled STS operations at an increasing frequency has dictated a reexamination of the risks in repetitive space activities of the STS and the present availability of adequate insurance at reasonable premiums to manufacturers and operators of the system. While NASA's STS space activities are designed to be safe, and have been proven to be safe, there exists the remote and low statistical probability that a malfunction of either hardware, software or operator error could occur resulting in an accident. This low probability of occurrence, albeit remote, cannot be totally removed. In the event that such a malfunction or operator error led to an accident, the potential liability arising from such an accident could be substantially in excess of the insurance coverage NASA contractors could reasonably be expected to acquire and maintain considering the availability, cost and potential terms and conditions of such insurance at the present time.

3. Pursuant to the authority of Public Law 85-804 and Executive Order 10789, as amended, and notwithstanding any other provisions of the contracts to which this determination may apply, I therefore authorize that certain NASA contractors, as further defined in paragraphs 4 and 5 below, be held harmless and indemnified against certain risks as specifically set forth herein. Accordingly, and subject to the limitations hereinafter stated, cognizant NASA Contracting Officers are authorized to include in prime contracts, described in paragraphs 4 and 5 below, contract provisions for the indemnification of the contractors and their subcontractors at any tier, against claims or losses, as defined in paragraph 1A of E.O. 10789, as amended, arising out of contract performance directly related to NASA's space activities.

4. This authorization is limited to prime contracts, which have an effective date before October 1, 1984, by or for NASA for:

a. Provision of Space Transportation System and cargo flight elements or components thereof;

b. Provision of Space Transportation System and cargo ground support equipment or components thereof;

c. Provision of Space Transportation System and cargo ground control facilities and services for their operation; and

d. Repair, modification, overhaul support and services and other support and services directly relating to the Space Transportation System, its cargo and other elements used in NASA's space activities.

5. This authorization is further limited solely to claims or losses resulting from or arising out of the use of performance of the products or services described in paragraph 4 in NASA's space activities. For this purpose, the use or performance of such products or services in NASA's space activities begins solely when such products or services are provided to the U.S. Government at a U.S. Government installation for or in connection with one or more Shuttle launches and are actually used or performed in NASA's space activities.

6. The risks for which indemnification is authorized are the risks arising under the contracts described in paragraphs 4 and 5 causing personal injury or death, or loss of or damage to property, or loss of use of property. These risks are considered unusually hazardous risks solely in the sense that if, in the unlikely event, the Space Transportation System, its cargo or other elements or services used in NASA's space activities malfunctioned causing an accident, the potential liabilities could be in excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain, considering the availability, cost and terms and conditions of such insurance. In no other sense are the Space Transportation System, its cargo or other elements or services used in NASA's space activities unusually hazardous.

7. a. This authorization may be applied prospectively without additional consideration to existing prime contracts and subcontracts and in new prime contracts and subcontracts which otherwise meet the conditions of this memorandum.

b. Indemnification of prime contractors and subcontractors may be provided under this authorization only when the Government will receive the benefit of all cost savings, if any, to the prime contractor and its subcontractors at every tier.

8. All contract indemnification clauses shall comply with applicable provisions of NASA PR Part 10. The applicable requirements of NASA PR, Part 17 shall be complied with.

9. This authorization is given upon condition that each prime contractor is approved by me and that such contractor maintains financial protection of such type and in such amounts as may be determined by me in writing to be appropriate under the circumstances. Each prime contractor shall provide a statement of applicable financial protection through the cognizant NASA contracting officer for my review and determination. In making this determination, I shall take into account such factors as the availability, cost and terms of private insurance, self-insurance and other proof of fi-

nancial responsibility and workman's compensation insurance.

10. When indemnification provisions are included in a prime contract pursuant to the authority of this decision, the cognizant Contracting Officer shall immediately submit directly to the Contract Adjustment Board a report referencing this decision and containing the following information: (i) name and address of the contractor, (ii) cognizant NASA installation (iii) contract number and date, and (iv) a brief description of the supplies or services procured under the contract.

11. The actual or potential cost, if any, of the actions hereby authorized is impossible to estimate since it is contingent upon the remote possibility of an occurrence and extent of loss resulting from certain space activities which malfunction. Such an occurrence may never occur; in the event of a major incident, millions of dollars of damage could occur.

12. I find that this action will facilitate the national defense. In the remote event that the Space Transportation System, its cargo or other elements or services used in NASA's space activities malfunctioned causing damage in excess of insurance maintained by contractors and subcontractors, the resulting excess liability could place the contractors and subcontractors continued existence in jeopardy, making those contractors and subcontractors unavailable to continue to support space activities and the Department of Defense. I note that for purposes of the Defense Production Act of 1950, the term national defense is defined as "programs for . . . space, and directly related activity." (50 U.S.C. App. 2152(d)).

JAMES M. BEGGS,
Administrator.

Date: January 19, 1983.

ENCLOSURE 2

NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION,
Washington, DC.

MEMORANDUM DECISION UNDER PUBLIC LAW 85-804

Authority for National Aeronautics and Space Administration Contracting Officers to indemnify certain NASA contractors and subcontractors involved in NASA space activities.

1. On July 4, 1982, the Space Transportation System (hereinafter STS) completed its design, development, test and evaluation phase and was declared an operational system of the United States for the transportation of payloads into and out of outer space for governmental and commercial purposes. With the commencement of these space operations, the STS has conducted and will continue to conduct launch, in orbit and landing activities on a repetitive basis and at an increasing frequency.

2. Scheduled STS operations at an increasing frequency has dictated a continuing examination of the risks in repetitive space activities of the STS and the present availability of adequate insurance at reasonable premiums to manufacturers and operators of the system. While NASA's STS space activities are designed to be safe, and have been proven to be safe, there exists the remote and low statistical probability that a malfunction of either hardware, software or operator error could occur resulting in an accident. This low probability of occurrence, albeit remote, cannot be totally removed. In the event that such a malfunction or operator error led to an accident, the potential liability arising from such an accident could be substantially in excess of the insurance coverage NASA contractors could reasonably be expected to acquire and maintain considering the availability, cost and potential terms and conditions of such insurance at the present time.

3. Pursuant to the authority of Public Law 85-804 and Executive Order 10789, as amended, and notwithstanding any other provisions of the contracts to which this determination may apply, I therefore authorize that certain NASA contractors, as further defined in paragraphs 4 and 5 below, be held harmless and indemnified against certain risks as specifically set forth herein. Accordingly, and subject to the limitations hereinafter stated, cognizant NASA contracting Officers are authorized to include in prime contracts, described in paragraphs 4 and 5 below, contract provisions for the indemnification of the contractors and their subcontractors at any tier, against claims or losses, as defined in paragraph 1A of E.O. 10789, as amended, arising out of contract performance directly related to NASA's space activities.

4. This authorization is limited to prime contracts which have an effective date before October 1, 1989, by or for NASA for:

a. Provision of Space Transportation System and cargo flight elements or components thereof;

b. Provision of Space Transportation System and cargo ground support equipment or components thereof;

c. Provision of Space Transportation System and cargo ground control facilities and services for their operation; and

d. Repair, modification, overhaul support and services and other support and services directly relating to the Space Transportation System, its cargo and other elements used in NASA's space activities.

5. This authorization is further limited solely to claims or losses resulting from or arising out of the use or performance of the products or services described in paragraph 4 in NASA's space activities. For this purpose, the use or performance of such products or services in NASA's space activities begins solely when such products or services are provided to the U.S. Government at a U.S. Government installation for or in connection with one or more Space Transportation System launches and are actually used or performed in NASA's space activities.

6. The risks for which indemnification is authorized are the risks arising under the contracts described in paragraph 4 and 5 causing personal injury or death, or loss of or damage to property, or loss of use of property. These risks are considered unusually hazardous risks solely in the sense that if, in the unlikely event, the Space Transportation System, its cargo or other elements or services used in the NASA's space activities malfunctioned causing an accident, the potential liability could be in excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain, considering the availability, cost and terms and conditions of such insurance. In no other sense are the Space Transportation System, its cargo or other elements or services used in NASA's space activities unusually hazardous.

7. a. This authorization may be applied prospectively, without additional consideration, to existing prime contracts and subcontracts and in new prime contracts and subcontracts which otherwise meet the conditions of this memorandum.

b. Indemnification of prime contractors and subcontractors may be provided under this authorization only when the Government will receive the benefit of all cost savings, if any, to the prime contractor and its subcontractors at every tier.

8. All contract indemnification clauses shall comply with applicable provisions of Federal Acquisition Regulation 50.4 as modified by the NASA FAR Supplement 18-50.4.

9. This authorization is given upon condition that each prime contractor is approved by me and that such contractor maintains financial protection of such type and in such amounts as may be determined by me in writing to be appropriate under the circumstances. Each prime contractor shall provide a statement of applicable financial protection through the cognizant NASA contracting officer for my review and determination. In making this determination, I shall take into account such factors as the availability, cost and terms of private insurance, self-insurance and other proof of financial responsibility and workman's compensation insurance.

10. When indemnification provisions are included in a prime contract pursuant to the authority of this decision, the cognizant Contracting Officer shall immediately submit directly to the Contract Adjustment Board a report referencing this decision and containing the information required by NASA/FAR Supplement 18-50.403-70—Reporting and records requirements.

11. The actual or potential cost, if any, of the actions hereby authorized is impossible to estimate since it is contingent upon the remote possibility of an occurrence and extent of loss resulting from certain space activities which malfunction. Such an event may never occur; however, should a major incident occur, millions of dollars of damage could result.

12. I find that this action will facilitate the national defense. In the remote event that the Space Transportation System, its cargo or other elements or services used in NASA's space activities malfunctioned causing damage in excess of insurance maintained by contractors and subcontractors, the resulting excess liability could place the contractors and subcontractors continued existence in jeopardy, making those contractors and subcontractors unavailable to continue to support space activities and the Department of Defense. I note that for purposes of the Defense Production Act of 1950, the term national defense is defined as "programs for . . . space, and directly related activity." (50 U.S.C. App. 2152(d)).

JAMES M. BEGGS,
Administrator.

Date: September 26, 1984.

ENCLOSURE 3

NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION,
Washington, DC.

MEMORANDUM DECISION AND APPROVAL UNDER PUBLIC LAW 85-804

This is the authority and approval for a National Aeronautics and Space Administration contracting officer to indemnify General Dynamics Corporation, Space Systems Division (hereinafter referred to as GDC-SSD) with respect to an Atlas/Centaur launch associated with NASA's space activities.

1. The Atlas/Centaur is an operational high-energy, expendable launch vehicle system designed to place various payloads into low earth orbits, synchronous transfer orbits, or interplanetary transfer orbits

above the earth. The system has been fully operational since the mid-1960's. Atlas/Centaur was designed to be a safe flight vehicle. However, there exists the remote and low statistical probability that a malfunction of either hardware or software or operator error could occur resulting in an accident. This low probability of occurrence, albeit remote, cannot be totally eliminated. In the event that such a malfunction or operator error led to an accident, the potential liability arising from such an accident could be substantially in excess of the insurance coverage GDC-SSD as a NASA prime contractor could reasonably be expected to acquire and maintain considering the presently available cost and terms and conditions of such insurance.

2. The actual or potential cost, if any, resulting from any loss related to the launch of an Atlas/Centaur is impossible to estimate since it is contingent upon the remote possibility of an occurrence and extent of loss resulting from the malfunctioning of the Atlas/Centaur or operator error related to the Atlas/Centaur launch activities. Such an event may never occur; however, should a major incident occur, millions of dollars of damage to persons or property could result.

3. Based on this assessment and pursuant to the authority of Public Laws 85-804 and Executive Order 10789, as amended, and notwithstanding any other provision of contract NAS3-23325 with GDC-SSD, I hereby authorize that GDC-SSD, be held harmless and indemnified against unusually hazardous risks as defined in paragraph 4 below, to the extent those risks result in claims or losses above the insurance limits specified in paragraph 6 below. This authority permits the cognizant NASA contracting officer to include in contract NAS3-23325 provisions for the indemnification of GDC-SSD against claims or losses, as defined in paragraph 1A of Executive Order 10789, as amended, arising out of contract performance directly related to NAS3-23325. This authority to hold harmless and indemnify shall apply only to an accident which occurs after the cognizant contracting officer includes in contract NAS3-23325 the applicable provisions described in paragraph 7, below.

4. This authorization to indemnify is limited to claims or losses resulting from unusually hazardous risks. Unusually hazardous risks are risks, beginning on the intenttional ignition of the Atlas/Centaur launch vehicle on the launch pad, which result from or in connection with (i) the burning, explosion or detonation of the Atlas/Centaur launch vehicle and (ii) the impact on Earth of the Atlas/Centaur launch vehicle or its components or fragments.

5. The unusually hazardous risks for which indemnification is authorized are the risks arising under contract NAS3-23325 which cause personal injury or death, or loss of or damage to property, or loss of use of property. These risks, as defined in paragraph 4, above, are considered unusually hazardous risks solely in the sense that if in the unlikely event the Atlas-Centaur malfunctioned or an operator error occurred during the period defined in paragraph 4, above, causing an accident, the potential liability could be in excess of the insurance coverage that GDC-SSD would reasonably be expected to purchase and maintain. In no other sense is the Atlas-Centaur or related services provided under contract NAS3-23325 unusually hazardous.

6. I have reviewed the financial protection program to be maintained by GDC-SSD. A current summary and outline of the program was forwarded by Mr. J. H. Edwards, Manager of Contracts, by letter dated October 14, 1986, (Re: 711-11-86-669) with enclosures and as amended by Mr. R. M. Grunewald, Director of Contracts, by letter dated October 20, 1986, (Re: 711-11-86-718) with enclosures and as amended by Mr. J. H. Edwards, Manager of Contracts, by letter dated October 22, 1986, (Re: 711-11-86-722) with no enclosures. Based on my review of the insurance policies GDC-SSD's financial protection program appears to be adequate. This decision and approval is granted on condition that GDC-SSD maintains this financial protection program for Atlas-Centaur launch services provided pursuant to the performance of contract NAS3-23325 with one exception. Based on the information provided by GDC-SSD, I hereby authorize the indemnification of GDC-SSD from the first dollar of liability that may incur arising out of NASA's space activities under contract NAS3-23325.

7. Pursuant to this authority, the contracting officer may include in contract NAS3-23325 applicable provisions of the Federal Acquisition Regulation Part 50.4 and NASA FAR Supplement Part 18-50.4 and the definition of unusually hazardous risks from paragraph 4, above.

8. Upon inclusion of the applicable provisions in contract NAS-323325, the contracting officer shall immediately submit directly to the Contract Adjustment Board a report referencing this decision and approval and containing the information required by NASA FAR Supplement Part 18-50.403-70—Reporting and records requirements.

9. I find that this action will facilitate the national defense. In the remote event that the Atlas-Centaur malfunctioned or should an operator error occur causing damage in excess of insurance maintained by GDC-SSD, the resulting excess liability could place GDC-SSD's continued existence in jeopardy, making GDC-SSD unavailable to continue to support NASA's space activities and the programs of the Department of Defense. I note that for purposes of the Defense Production Act of 1950, the term national defense is defined as ". . . programs for . . . space, and directly related activity." (50 U.S.C. App. 2152(d)).

JAMES C. FLETCHER,
National Aeronautics and Space Administration.

Date: October 29, 1986.

ENCLOSURE 4

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
Washington, DC, February 20, 1987.

Name of contractor: Rockwell International Corporation; memorandum decision date, July 2, 1986, contractor financial protection plan requirement: contractor property, $500 millions, and third party liability, zero.

Affected NASA Contracts:

Because this coverage is time-limited, the listed contracts are extensions of previously approved coverage.

NAS9-14000—Support of Shuttle Orbiter vehicle and integration of all elements thereof.

NAS1-15309—Graphite/Polymide and Graphite/Epoxy mechanical properties experiment for LDEF—Phaes I and II.

NAS8-27980—Space Shuttle Main Engine Design.

NAS8-36700—Shuttle System Integration effort for Marshall Space Flight Center, Alabama.

NAS9-17244—Advanced Orbiter Flight Experiment.

NAS9-18000—Space Transportation System Operations.

NAS8-35140—Space Shuttle Integration Support.

NAS8-33711—Research and Development monodisperse Latex Reactor "A" System.

NAS8-36131—Space Shuttle Orbiter Integration.

NAS9-16577—OSTA-3 Payload Integration.

NAS9-17104—Launch Support Expertise Liaison with Shuttle Processing Contractor, John F. Kennedy Space Center, Florida.

NAS10-9100—Shuttle Orbiter Site Activation and Space Shuttle Main Engine Flights Tests.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

906. A letter from the Assistant Secretary (Acquisition & Logistics), Department of Defense, transmitting the report of independent research and development and bid and proposal costs; detailed company information not included, however it will be made available for review, pursuant to 10 U.S.C. 2358 nt.; to the Committee on Armed Services.

907. A letter from the Assistant Secretary (Acquisition & Logistics), Department of Defense, transmitting the detailed data, from which the report was prepared, referred to in the earlier report on independent research and development and bid and proposal costs, pursuant to 10 U.S.C. 2358 nt.; to the Committee on Armed Services.

908. A letter from the Secretary of the Army, transmitting a follow-up report on the February, 1987, notification that the AH-64 [Apache] program had exceeded a baseline unit cost by more than 15 percent, pursuant to 10 U.S.C. 2431(b)(3)(A); to the Committee on Armed Services.

909. A letter from the General Counsel, Federal Emergency Management Agency, transmitting a draft of proposed legislation to authorize appropriations for civil defense programs for fiscal years 1988 and 1989, and for other purposes, pursuant to 31 U.S.C. 1110; to the Committee on Armed Services.

910. A letter from the Executive Director, District of Columbia Retirement Board, transmitting the Board's report on the disability retirement rate for police officers and firemen for calendar year 1986, pursuant to Public Law 96-122, section 145(b)(1) (97 Stat. 727); to the Committee on the District of Columbia.

911. A letter from the Secretary of Education, transmitting a copy of notice of final funding priorities—National Institute on Disability and Rehabilitation Research—research fellowships, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

912. A letter from the Secretary of Education, transmitting a copy of notice of final funding priorities—Handicapped Special Studies Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

913. A letter from the Secretary of Energy, transmitting the report of the actions taken under the Powerplant and In-

dustrial Fuel Use Act during calendar year 1986, pursuant to 42 U.S.C. 8482 Public Law 95-920, sections 806 and 711(c) (95 Stat. 615); to the Committee on Energy and Commerce.

914. A letter from the Secretary, Interstate Commerce Commission, transmitting notification that the Commission has extended the time period for serving a final decision by an additional 45 days to April 17, 1987, in Docket No. 40074, *United Transportation Union* v. *Burlington Northern Railroad Company and Houston Belt & Terminal Railway Company*, pursuant to 49 U.S.C. 10327(k)(2); to the Committee on Energy and Commerce.

915. A letter from the Administrator, General Services Administration, transmitting the agency's annual report on actions taken to increase competition for contracts during fiscal year 1986, pursuant to 41 U.S.C. 419; to the Committee on Government Operations.

916. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report that during calendar year 1986, the NASA Contract Adjustment Board did not grant any request for extraordinary contractual relief under Public Law 85-804, pursuant to 50 U.S.C. 1434; to the Committee on Government Operations.

917. A letter from the Chief Justice of the United States, Judicial Conference of the United States, transmitting a certification that consideration of impeachment against a Federal judge may be warranted, pursuant to 28 U.S.C. 372(c)(8); to the Committee on the Judiciary.

918. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the Endangered Species Act of 1973, as amended, to reauthorize appropriations for carrying out the act during fiscal years 1988, 1989, 1990, and for other purposes, pursuant to 3 U.S.C. 1110; to the Committee on Merchant Marine and Fisheries.

919. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the act creating the Saint Lawrence Seaway Development Corporation to eliminate the transfer of the Corporation's toll revenues to the harbor maintenance trust fund, and for other purposes; to the Committee on Public Works and Transportation.

920. A letter from the Acting Secretary of Agriculture, transmitting to amend the Land and Water Conservation Fund Act of 1965, as amended, and for other purposes; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

921. A letter from the Secretary of State, transmitting a copy of his determination that Peru has been sufficiently responsive to U.S. concerns regarding drug control and legal coca requirements and that the added expenditures of funds is in the national interest of the United States pursuant to Public Law 99-190, section 537 (99 Stat. 1308); Public Law 99-83, section 612(a)(1) (99 Stat. 237); jointly, to the Committees on Appropriations and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MOAKLEY: Committee on Rules. House Resolution 124. Resolution waiving points of order against the conference report on the bill (H.R. 2) to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes, and against the consideration of such conference report, and providing for the consideration of the concurrent resolution (H. Con. Res. 77) to make a correction, relating to the maximum speed limit, in the enrollment of the bill H.R. 2 (Rept. 100-26). Referred to the House Calendar.

Mr. HOWARD: Committee of conference. Conference report on H.R. 2 (Rept. 100-27). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FAUNTROY:

H.R. 1629. A bill to adopt a District of Columbia Statehood Constitution for the State of New Columbia; to the Committee on the District of Columbia.

By Mr. FASCELL (for himself, and Mr. Broomfield) (by request):

H.R. 1630. A bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize additional development and security assistance programs for fiscal year 1988, and for other purposes; to the Committee on Foreign Affairs.

By Mr. YOUNG of Alaska:

H.R. 1631. A bill to accept the findings and implement the recommendations of the Commission on Wartime and Internment of Civilians with respect to the Aleut people; to the Committee on the Judiciary.

By Mr. JONES of North Carolina (for himself, Mr. Davis of Michigan, Mr. Studds, Mr. Biaggi, Mr. Hutto, Mr. Young of Alaska, Mr. Lent, Mr. Hughes, Mr. Lowry of Washington, Mr. Foglietta, Mr. Lipinski, Mr. Carper, Mr. Thomas of Georgia, Mr. Ortiz, Mr. Bennett, Mr. Hochbrueckner, and Miss Schneider):

H.R. 1632. A bill to provide a comprehensive system of liability and compensation for oil spill damage and removal costs, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Public Works and Transportation.

By Mr. ANDREWS (for himself, Mr. Barton of Texas, Mr. Hall of Texas, Mr. Chapman, Mr. Mineta, Mrs. Morella, Mr. Gordon, Mr. McMillen of Maryland, Mr. Perkins, Mr. Bustamante, Mr. Mrazek, Mr. Barnard, Mr. Brooks, Mr. Torricelli, Mr. Coleman of Texas, Mr. Roe, Mr. Frost, and Mr. Lewis of Florida):

H.R. 1633. A bill to establish a National Space Grant College and Fellowship Program; to the Committee on Science, Space, and Technology.

By Mr. AuCOIN (for himself, Mr. Foley, Mr. Coelho, Mr. Martinez, Mr. Stark, Mr. Badham, Mr. Dornan of California, Mr. Edwards of California, Mr. Dannemeyer, Mr. Roybal, Mr. Levine of California, Mr. Torres, Mr. Owens of Utah, Mr. Richardson, Mr. Skaggs, Mr. Bates, Mr. Bosco, Mr. Fazio, Mr. Berman, Mrs. Schroeder, Mr. Lowery of California, Mr. Bryant, Mr. Kolbe, Mr. Mineta, Mr. Konnyu, Mr. DeFazio, Mr. Miller of Washington, Mr. Chandler, Mr. Lehman of California, Mr. Stallings, Mr. Dicks, Mr. Swift, Mr. Morrison of Washington, Mr. Matsui, Mr. Anderson, Mr. Miller of California, Mr. Udall, Mr. Thomas of California, Mr. Craig, Mr. Williams, Mr. Dixon, Mr. Lowry of Washington, and Mr. Hawkins):

H.R. 1634. A bill to amend the Export Administration Act of 1979 to require the establishment and operation of a western regional export licensing office; to the Committee on Foreign Affairs.

By Mrs. BOXER (for herself, Mr. Morrison of Connecticut, Mr. Akaka, Mr. Atkins, Mr. Boland, Mr. Moakley, Mr. Bustamante, Mr. Conyers, Mr. Studds, Mr. Smith of Florida, Mr. Mrazek, Mr. Mavroules, Mr. Rose, Mr. Solarz, Mr. Boucher, Mr. Nowak, Mr. Downey of New York, Mr. Feighan, Mr. DeFazio, Mr. Edwards of California, Mr. Ackerman, Mr. Richardson, Mr. Hyde, Mr. Kostmayer, Mr. McKinney, Mr. Hayes of Illinois, Mr. Lowry of Washington, Mr. Russo, Mr. St Germain, Mr. Lewis of Georgia, Mr. Stark, Mr. Wilson, Mr. Walgren, Mr. Roe, Mrs. Kennelly, Mr. Brown of California, Mr. Frank, Mr. Gallo, Mr. Mineta, Mr. Dixon, Mr. Howard, Mr. Anderson, Mr. Jacobs, Mr. Yatron, Mr. Bonior of Michigan, Mr. Donnelly, and Mr. Williams):

H.R. 1635. A bill to provide for the modernization of testing of consumer products which contain hazardous or toxic substances; to the Committee on Energy and Commerce.

By Mrs. BOXER (for herself, Mr. Edwards of California, Mr. Kastenmeier, Mr. Frank, Mr. Crockett, Mr. Owens of New York, Mr. Clay, Mr. Espy, Mr. Leland, Mr. Evans, Mr. Yates, Mrs. Boggs, Mr. Solarz, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Coyne, Mrs. Collins, Mr. Frost, Mr. Savage, Mr. Towns, Ms. Kaptur, Mr. Akaka, and Mr. Dymally):

H.R. 1636. A bill to establish a Federal Council on Women; to the Committee on Government Operations.

By Mr. BRYANT:

H.R. 1637. A bill to amend title 18, United States Code, to provide penalties for the corrupt offering or giving of financial inducements to athletes to participate in intercollegiate athletic competition, and to amend the Higher Education Act of 1965 to terminate financial assistance to institutions of higher education that aid or abet such conduct; jointly, to the Committees on the Judiciary and Education and Labor.

By Mr. CLAY (for himself, Mr. Wise, Mr. Murphy, Mr. Williams, Mr. Roe, Mr. Rinaldo, Mr. Frank, Mr. Levin of Michigan, Mr. Pepper, Mr. Rahall, Mr. Stokes, Mr. Vento, and Mr. Kanjorski):

H.R. 1638. A bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes; to the Committee on Education and Labor.

By Mr. COYNE (for himself, Mr. Lantos, Mr. Frank, Mr. Kanjorski, Mr. Hayes of Illinois, Mr. Murphy, Mr. Atkins, Mr. Walgren, Mr. Ackerman, Mr. Borski, Mr. Kolter, and Mr. Visclosky):

H.R. 1639. A bill to require the Bureau of Labor Statistics of the Department of Labor to collect, report on, and disseminate data necessary for an actual account of individuals who are out of work in the United States; to the Committee on Education and Labor.

By Mr. DAVIS of Michigan (for himself, Mr. Jones of North Carolina, Mr. Hutto, Mr. Bateman, Mr. Coble, Mr. Hertel, Mr. Ortiz, Mr. Pickett, Mr. Sweeney, Mr. Dyson, Mr. Young of Alaska, and Mr. Biaggi):

H.R. 1640. A bill to provide for the end strength for the Coast Guard Selected Reserve for fiscal years 1988 and 1989, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DONNELLY:

H.R. 1641. A bill to delay for 1 year the changes made by the Tax Reform Act of 1986 in the taxable years of certain entities, and for other purposes; to the Committee on Ways and Means.

By Mr. EDWARDS of Oklahoma:

H.R. 1642. A bill to amend the Internal Revenue Code of 1954 to increase the depletion allowance for oil and natural gas; to the Committee on Ways and Means.

By Mr. ERDREICH:

H.R. 1643. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. GLICKMAN (for himself and Mr. English):

H.R. 1644. A bill to expand and improve the optional acreage diversion program for the 1987 and 1988 crops of wheat and feed grains; to the Committee on Agriculture.

By Mr. GRAY of Pennsylvania:

H.R. 1645. A bill to recognize the organization known as the Montford Point Marine Association, Inc.; to the Committee on the Judiciary.

By Mr. GREEN:

H.R. 1646. A bill to amend the Hazardous Materials Transportation Act to restrict the transportation of radioactive materials through high-density metropolitan areas; to the Committee on Public Works and Transportation.

By Mr. GREGG:

H.R. 1647. A bill to redesignate May 30 of each year as Memorial Day; to the Committee on Post Office and Civil Service.

By Mr. GUARINI:

H.R. 1648. A bill to provide for the temporary suspension of duty on tamoxifen citrate for a 3-year period; to the Committee on Ways and Means.

By Mr. GUNDERSON:

H.R. 1649. A bill to establish a requirement that no person may offer any high-level radioactive waste for transportation in interstate commerce unless licensed for such offering by the Nuclear Regulatory Commission, and for other purposes; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, and Public Works and Transportation.

By Mr. JEFFORDS:

H.R. 1650. A bill to establish a trade development investment trust fund to provide funds for efforts to improve the U.S. competitiveness in international trade, and for other purposes; jointly, to the Committees on Education and Labor; Ways and Means; and Science, Space, and Technology.

By Mr. KASTENMEIER:

H.R. 1651. A bill to amend title 17, United States Code, to improve international copyright protection, and to amend title 35, United States Code, to improve international patent and trademark protection; jointly, to the Committees on the Judiciary and Ways and Means.

By Mrs. KENNELLY:

H.R. 1652. A bill to direct the President to enter into negotiations with foreign governments on the discipline of defense and commercial offsets; to the Committee on Foreign Affairs.

By Mr. LEWIS of Florida:

H.R. 1653. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide States with assistance to establish or expand clearinghouses to locate missing children; to the Committee on Education and Labor.

By Mr. MATSUI:

H.R. 1654. A bill to amend the Tax Reform Act of 1986 to clarify the study of source rules for sales of inventory property and to provide additional time to complete the study; to the Committee on Ways and Means.

H.R. 1655. A bill to amend the Internal Revenue Code of 1986 to provide cost-of-living adjustments to the limitations applicable to certain deferred compensation plans; to the Committee on Ways and Means.

By Mr. MFUME (for himself, Mr. Bustamante, Mr. Clay, Mr. Conyers, Mr. Crockett, Mr. Dellums, Mr. Dixon, Mr. Dynally, Mr. Espy, Mr. Flake, Mr. Frank, Mr. Garcia, Mr. Hawkins, Mr. Hayes of Illinois, Mr. Leland, Mr. Lewis of Georgia, Mr. Owens of New York, Mr. Savage, Mr. Stokes, and Mr. Towns):

H.R. 1656. A bill to require the Secretary of the Treasury to develop a program to expand the use of underutilized banks by Federal agencies; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

By Mr. MONTGOMERY (for himself and Mr. Gilman):

H.R. 1657. A bill to amend title 38, United States Code, to make permanent the new GI bill educational assistance programs established by chapter 30 of such title, and for other purposes; jointly, to the Committees on Armed Services and Veterans' Affairs.

By Mr. ORTIZ:

H.R. 1658. A bill to amend the Endangered Species Act of 1973 to direct the Secretary of the Treasury to ban importation of shrimp and products from shrimp from certain countries whose shrimping activities result in the incidental taking of threatened or endangered species; jointly, to the Committees on Merchant Marine and Fisheries and Ways and Means.

By Mr. PENNY (for himself, Mr. Montgomery, Mr. Solomon, Mr. Hammerschmidt, and Mr. AuCoin):

H.R. 1659. A bill to amend title 38, United States Code, to increase the per diem rates for payments by the Veterans' Administration to States for domiciliary care and nursing home care provided to veterans in State homes, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ROWLAND of Connecticut (for himself, Mr. Scheuer, Mr. Murphy, Mr. Martinez, Mr. Kleczka, Mr. Fish, Mr. Towns, and Mr. Rinaldo):

H.R. 1660. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to improve the protection and delivery of benefits provided under private retirement health plans; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. ST GERMAIN (for himself and Mr. LaFalce):

H.R. 1661. A bill to amend certain provisions of the Bank Holding Company Act of 1956 relating to export trading companies; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SHUMWAY (for himself, Mr. Pashayan, Mr. Robert F. Smith, Mr. Horton, Mr. Bosco, Mr. Oberstar, Mr. Olin, Mr. Wilson, Mr. Emerson, Mr. Montgomery, Mr. Denny Smith, Mr. Coelho, Mr. Williams, Mr. Clinger, Mr. Schuette, Mr. Lehman of California, Mr. Staggers, Mr. Grant, Mr. Bevill, Mr. Nichols, Mr. Craig, Mr. Flippo, Mr. Roemer, Mr. Herger, Mr. Hansen, Mr. Boucher, Mr. Stallings, Mr. Dellums, and Mr. Dannemeyer):

H.R. 1662. A bill to provide for a clarification of the receipt-sharing of amounts received from the National Forest System, geothermal leasing, mineral lands leasing, and oil and gas royalties; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

By Mr. SKELTON (for himself and Mr. Mavroules):

H.R. 1663. A bill to amend chapter 39 of title 31, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes; to the Committee on Government Operations.

By Mr. SOLOMON:

H.R. 1664. A bill to amend the Clean Air Act to protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes; to the Committee on Energy and Commerce.

H.R. 1665. A bill to impose an embargo on trade between the United States and Nicaragua; jointly, to the Committees on Ways and Means and Foreign Affairs.

By Mr. TAUKE:

H.R. 1666. A bill to establish the Social Security Administration as an independent agency, to establish a Social Security court to review decisions relating to entitlement of benefits under the Social Security Act, and to improve procedures for administrative review of disability determinations under such act; to the Committee on Ways and Means.

By Mr. WATKINS:

H.R. 1667. A bill to require the Secretary of Agriculture to take steps to cause the exportation, at competitive world prices, of basic agricultural commodities produced in the United States; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. GONZALEZ:

H.J. Res. 187. Joint resolution proposing an amendment to the Constitution of the United States to repeal the 25th amendment to that Constitution; to the Committee on the Judiciary.

By Mr. LEVIN of Michigan (for himself, Mr. Broomfield, Mr. Fascell, Mr. Ackerman, Mr. Akaka, Mr.

Aspin, Mr. Atkins, Mr. Bateman, Mr. Bonior of Michigan, Mr. Burton of Indiana, Mr. Bustamante, Mr. Campbell, Mr. Carper, Mr. Chappell, Mr. Conte, Mr. Conyers, Mr. Coughlin, Mr. DeFazio, Mr. Dorgan of North Dakota, Mr. Dreier of California, Mr. Fazio, Mr. Frank, Mr. Frenzel, Mr. Gejdenson, Mr. Gephardt, Mr. Gray of Illinois, Mr. Gray of Pennsylvania, Mr. Green, Mr. Hall of Ohio, Mr. Hertel, Mr. Horton, Mr. Hoyer, Mr. Jeffords, Mrs. Kennelly, Mr. Kildee, Mr. Lagomarsino, Mr. Levine of California, Mr. Lipinski, Mr. Lowry of Washington, Mr. McMillen of Maryland, Mr. Martinez, Mr. Miller of Washington, Mr. Moody, Mr. Morrison of Connecticut, Ms. Oakar, Mr. Ortiz, Mr. Owens of Utah, Mr. Parris, Mr. Ritter, Mr. Robinson, Mr. Scheuer, Mr. Schuette, Ms. Slaughter of New York, Mr. Smith of New Hampshire, Mr. Stallings, Mr. Towns, Mr. Valentine, Mr. Whittaker, Mr. Wilson, Mr. Wolpe, Mr. Wortley, Mr. Young of Florida, Mr. Young of Alaska, Mrs. Bentley, Mr. Bilirakis, Mr. Clinger, Mr. Courter, Mr. Craig, Mr. Dannemeyer, Mr. DeLay, Mr. DeWine, Mr. DioGuardi, Mr. Dornan of California, Mr. Gallo, Mr. Gunderson, Mr. Kolter, Mr. Lewis of Florida, Mr. Livingston, Mr. McDade, Mr. Porter, Mr. Shumway, Mr. Smith of New Jersey, Mr. Denny Smith, Mr. Solomon, Mr. Upton, Mr. Wylie, Mr. Andrews, Mr. Cardin, Mr. Chapman, Mr. Feighan, Mr. Garcia, Mr. Lewis of Georgia, Mr. Perkins, Mr. Slattery, Mr. Solarz, and Mr. Torricelli):

H.J. Res. 188. Joint resolution to designate March 21, 1987, as "Afghanistan Day"; to the Committee on Post Office and Civil Service.

By Mr. MORRISON of Washington (for himself, Mr. Akaka, Mr. Barnard, Mr. Bennett, Mrs. Bentley, Mr. Berman, Mr. Bevill, Mr. Bliley, Mr. Borski, Mr. Boucher, Mr. Broomfield, Mr. Bryant, Mr. Burton of Indiana, Mr. Callahan, Mr. Carper, Mr. Chandler, Mr. Chappell, Mr. Coats, Mr. Coelho, Mrs. Collins, Mr. Courter, Mr. Daniel, Mr. Dicks, Mr. English, Mr. Fauntroy, Mr. Fawell, Mr. Fazio, Mr. Flippo, Mr. Foley, Mr. Fuster, Mr. Gilman, Mr. Gray of Illinois, Mr. Gunderson, Mr. Hayes of Illinois, Mr. Hefner, Mr. Horton, Mr. Howard, Mr. Hubbard, Mr. Jones of North Carolina, Mr. Latta, Mr. Lehman of Florida, Mr. Lent, Mr. Lewis of California, Mrs. Lloyd, Mr. Lowry of Washington, Mr. McDade, Mr. McEwen, Mr. Martin of New York, Mr. Miller of Washington, Mr. Moakley, Mr. Montgomery, Mr. Moody, Mr. Mrazek, Mr. Murphy, Mr. Murtha, Mr. Neal, Mr. Nelson of Florida, Mr. Nichols, Mr. Ortiz, Mr. Ravenel, Mr. Richardson, Mr. Robinson, Mr. Rodino, Mr. Roe, Mrs. Roukema, Mr. Rowland of Georgia, Mr. Schuette, Mr. Smith of Florida, Mr. Spratt, Mr. Stokes, Mr. Tallon, Mr. Tauke, Mr. Thomas of Georgia, Mr. Traficant, Mr. Traxler, Mr. Udall, Mr. Vander Jagt, Mr. Walgren, Mr. Waxman, Mr. Whittaker, Mr. Wortley, and Mr. Yatron):

H.J. Res. 189. Joint resolution to authorize and request the President to issue a proclamation designating April 26 through May 2, 1987, as "National Organ and Tissue Donor Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. SKELTON:

H. Res. 122. Resolution expressing the sense of the House of Representatives that May 22, 1987, be observed by the people of the United States as a day to commemorate the Truman Doctrine and to honor the shared achievements and common commitment to democracy of the Greek, Turkish, and American peoples; jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BILBRAY:

H.R. 1668. A bill for the relief of Peter J. Montagnoli; to the Committee on the Judiciary.

By Mr. DUNCAN:

H.R. 1669. A bill for the relief of John W. Ruth, Sr.; to the Committee on the Judiciary.

H.R. 1670. A bill for the relief of Gregory E. Walters; to the Committee on the Judiciary.

By Mr. OXLEY:

H.R. 1671. A bill for the relief of the estate of Commodore Perry Miller; to the Committee on the Judiciary.

By Mr. PORTER:

H.R. 1672. A bill for the relief of Elizabeth Palansky Surak; to the Committee on the Judiciary.

By Mr. VANDER JAGT:

H.R. 1673. A bill for the relief of Clive Francis Harrison; to the Committee on the Judiciary.

By Mr. DUNCAN:

H. Res. 123. Resolution to refer the bill (H.R. 1669) for the relief of John W. Ruth, Sr., to the chief judge of the U.S. Claims Court; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 5: Mr. Espy and Mr. Mineta.

H.R. 17: Mr. Leach of Iowa.

H.R. 25: Mr. Levine of California, Mr. Swift, Mr. Lancaster, and Mr. Espy.

H.R. 39: Mr. Crockett.

H.R. 130: Mr. Ritter, Mr. Jones of North Carolina, Mr. Roe, Mr. Fazio, and Mr. Dornan of California.

H.R. 280: Mr. Feighan, Ms. Oakar, and Mr. Kolter.

H.R. 308: Mr. Fish.

H.R. 309: Mr. Frost, Mr. Livingston, Mr. Inhofe, Mr. Watkins, and Mr. Weber.

H.R. 310: Mr. Frost, Mr. English, and Mr. Inhofe.

H.R. 372: Mr. Daub, Mr. Lightfoot, Mr. Rahall, Mr. Bevill, and Mr. Robinson.

H.R. 378: Mr. Russo.

H.R. 379: Mr. Ritter and Mr. Nielson of Utah.

H.R. 457: Mr. Foley and Mr. Lewis of Georgia.

H.R. 509: Mr. Valentine.

H.R. 592: Mr. Borski and Mr. Coble.

H.R. 593: Mr. Traxler, Mr. Dyson, Mr. Dicks, Mr. Lancaster, Mr. Chandler, and Mr. Schaefer.

H.R. 606: Mr. Applegate, Mr. Hayes of Illinois, and Mr. Inhofe.

H.R. 607: Mr. Sunia, Mr. Lantos, and Mr. Jontz.

H.R. 612: Mr. Madigan, Mr. Solarz, Mr. Espy, Mr. Bryant, Mr. Mrazek, Mr. Atkins, Mr. Pursell, Mr. Mfume, Mr. Kostmayer, Mr. Chandler, Mr. Erdreich, Mr. Young of Alaska, Mr. Beilenson, Mr. Frank, Mr. Savage, and Mr. Lantos.

H.R. 615: Mr. Wise.

H.R. 621: Mr. Atkins, Mr. Burton of Indiana, Mr. Hayes of Illinois, Mr. Levine of California, Mr. Roe, and Mr. Sikorski.

H.R. 637: Mr. Mfume.

H.R. 722: Mr. Hochbrueckner.

H.R. 738: Mr. Anderson, Mr. Downey of New York, Mr. Durbin, Mr. Fish, Mr. Flake, Mr. Frank, Mr. Gray of Pennsylvania, Mr. Hoyer, and Mr. Lancaster.

H.R. 799: Mr. Savage, Mr. Olin, Mr. Rose, Mr. Sawyer, Mr. Tallon, Mr. Solarz, Mr. Bruce, Mr. Moakley, Mr. Tauzin, Mr. Bryant, and Mr. Espy.

H.R. 896: Mr. Martinez.

H.R. 907: Mr. DeFazio, Mr. Levin of Michigan, Mr. Hughes, Mr. Kolter, and Mr. Dwyer of New Jersey.

H.R. 926: Mr. Mfume.

H.R. 943: Mr. Gonzalez and Mr. Nielson of Utah.

H.R. 950: Mr. McGrath, Mr. Mfume, Mr. Lehman of Florida, Mr. Perkins, Mr. Sunia, Mr. Torres, Mr. Espy, Mr. Smith of Florida, Mr. Edwards of California, Mr. St Germain, Mr. Boland, Mr. Biaggi, Mr. Frank, Mr. Boucher, Mr. Gray of Illinois, Mr. Mavroules, Mr. Bosco, Mr. Miller of California, Miss Schneider, Mrs. Saiki, Mr. Boner of Tennessee, Mr. Chapman, Mr. Leland, Mrs. Byron, Mr. Dymally, Mr. Foglietta, Mr. Grant, Mr. Fazio, Mr. Roe, Mrs. Kennelly, Mr. Vento, Mr. Bonker, Mrs. Johnson of Connecticut, Mr. Levin of Michigan, Mr. Stokes, Mr. de la Garza, Mr. Levine of California, Mr. Coyne, Mr. Mineta, Mr. Anderson, Mr. Traxler, Mr. Bevill, Mr. Rahall, Mr. Dellums, Ms. Oakar, Mr. Frost, Mr. Sawyer, and Mr. Dwyer of New Jersey.

H.R. 957: Mr. Henry, Mr. Vento, Mr. Manton, Mr. Carper, Mr. Dyson, Mr. Gejdenson, Mr. Ackerman, Mr. Green, Mr. Hall of Ohio, Mr. Hughes, and Mr. Mrazek.

H.R. 1018: Mr. Gordon, Mr. Durbin, and Mr. Levine of California.

H.R. 1052: Mr. Frost, Mr. Gray of Illinois, Mr. Smith of Florida, Mr. Dannemeyer, Mr. Solarz, Mr. Roe, Mr. Ackerman, Mr. Towns, Mrs. Bentley, Mr. Lantos, Mr. Owens of New York, Mr. Martinez, Mr. Bonior of Michigan, Mr. Hertel, and Mr. Eckart.

H.R. 1063: Mr. Andrews, Mr. Archer, and Mr. Robinson.

H.R. 1103: Mr. Kostmayer and Mr. Price of Illinois.

H.R. 1130: Mr. Clinger and Mr. Wise.

H.R. 1141: Mr. Martinez, Mr. Howard, and Mr. McMillen of Maryland.

H.R. 1154: Mr. Bonior of Michigan, Mr. Bruce, Mr. Carper, Mrs. Collins, Mr. Dixon, Mr. Gephardt, Mr. Miller of Ohio, Mr. Mollohan, Mr. Oberstar, Mr. Parris, Mr. Tauzin, Mr. Vento, and Mr. Wise.

H.R. 1155: Mr. Boehlert.

H.R. 1170: Mr. Rangel, Mr. Neal, Mr. Hayes of Illinois, and Mr. Jeffords.

H.R. 1198: Mr. Murphy, Mr. Frank, Mrs. Vucanovich, Mr. Dowdy of Mississippi, Mr. de la Garza, Mr. Gray of Illinois, Mr. Hayes of Illinois, Mr. SAWYER, Mr. ESPY, Mrs. BOXER, and Mr. LIPINSKI.

H.R. 1209: Mr. ACKERMAN, Mr. COYNE, Mr. DELLUMS, Mr. DOWNEY of New York, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. FAUNTROY, Mr. FEIGHAN, Mr. GRAY of Illinois, Mr. MARTINEZ, Mr. SAVAGE, and Mr. TORRES.

H.R. 1228: Mr. FIELDS, Mr. ATKINS, Mr. WORTLEY, Mr. NOWAK, Mr. HOYER, Mr. DWYER of New Jersey, Mr. SCHAEFER, Mr. HAYES of Illinois, Mr. BRYANT, Mr. DORNAN of California, Mr. FLIPPO, Mr. TRAXLER, Mrs. BOXER, Mr. STALLINGS, Mr. VOLKMER, Mr. SMITH of Florida, Mr. BORSKI, Mr. FROST, Mr. FAZIO, Mr. KASTENMEIER, Mr. BARTON of Texas, Mr. PASHAYAN, Mr. MCDADE, and Mr. DOWDY of Mississippi.

H.R. 1245: Mr. ROBERTS, Mr. MYERS of Indiana, Mr. WORTLEY, and Mr. SMITH of New Jersey.

H.R. 1271: Mrs. MARTIN of Illinois and Mr. ROTH.

H.R. 1280: Mr. STANGELAND, Mr. LELAND, Mr. HUCKABY, Mr. TORRES, Mr. BOUCHER, Mr. DAVIS of Michigan, Mr. LEWIS of Georgia, Mr. TOWNS, Mr. ROE, Mrs. COLLINS, Mr. PRICE of Illinois, Mr. RODINO, Mr. BUSTAMANTE, Mr. KASTENMEIER, Mr. MCCLOSKEY, Mr. PERKINS, Mr. UPTON, Mr. WILSON, Mr. HAYES of Illinois, Mrs. VUCANOVICH, Mr. GILMAN, and Mr. ROBINSON.

H.R. 1328: Mr. BRYANT.

H.R. 1337: Mr. HUTTO, Mr. BEVILL, Mr. MURTHA, Mr. DORNAN of California, Mr. SWINDALL, Mr. HOPKINS, Mr. MRAZEK, Mr. BATEMAN, Mr. HILER, Mr. VOLKMER, Mr. MILLER of Washington, Mr. GRAY of Illinois, Mr. BEREUTER, Mr. DARDEN, Mr. BURTON of Indiana, Mr. MONTGOMERY, and Mr. COURTER.

H.R. 1347: Mr. UPTON, Mr. COBLE, Mr. LAGOMARSINO, Mr. DORNAN of California, Mr. ROE, Mr. DE LA GARZA, Mr. SMITH of New Hampshire, Mr. DANIEL, Mr. COELHO, Mr. HORTON, Mr. FEIGHAN, Mr. INHOFE, and Mr. EMERSON.

H.R. 1351: Mr. QUILLEN.

H.R. 1371: Mr. APPLEGATE, Mr. GRAY of Illinois, Mr. TOWNS, Mr. OBERSTAR, Mr. FRANK, Mr. BATES, Mr. ATKINS, Mr. MFUME, Mr. WILLIAMS, and Mr. SMITH of Florida.

H.R. 1450: Mr. LIVINGSTON.

H.R. 1488: Mr. FROST, Mr. FUSTER, Mr. DYMALLY, Mr. FOGLIETTA, Mr. HORTON, Mr. MURPHY, Mr. ACKERMAN, Mr. LIPINSKI, Mr. WALGREN, Mr. OWENS of New York, Mr. FAUNTROY, Ms. KAPTUR, Mr. COELHO, and Mr. HUTTO.

H.R. 1530: Mr. KYL.

H.R. 1531: Mr. GIBBONS, Mr. PORTER, Mr. INHOFE, and Mr. WILSON.

H.R. 1550: Mr. MOODY.

H.R. 1559: Mr. LEWIS of Georgia, Mr. ARMEY, Mr. FAWELL, and Mr. WEBER.

H.R. 1566: Mr. WISE.

H.J. Res. 90: Mr. STUDDS, Mr. FASCELL, Mr. RANGEL, Mr. MRAZEK, Mr. WILLIAMS, and Mr. STANGELAND.

H.J. Res. 98: Mr. BROOKS, Mr. PERKINS, Mr. WEISS, and Mr. EDWARDS of Oklahoma.

H.J. Res. 128: Mr. NIELSON of Utah.

H.J. Res. 144: Mr. LUNGREN, Mr. BRENNAN, Mr. FROST, Mr. HAYES of Illinois, Mr. HOYER, Mr. BONIOR of Michigan, Mr. DORNAN of California, Mrs. BOXER, Mr. DEWINE, Mr. RANGEL, Mr. SKAGGS, Mr. DWYER of New Jersey, Mr. CARDIN, Mr. HOCHBRUECKNER, Mr. DEFAZIO, Mr. RICHARDSON, Mr. VOLKMER, Mr. FISH, Mr. BORSKI, Mr. HUGHES, Mr. MOAKLEY, Mrs. BENTLEY, and Mr. DYSON.

H.J. Res. 148: Mrs. BOXER, Mr. HUGHES, Mr. FRANK, Mr. GRAY of Illinois, Mr. WOLPE, Mr. SMITH of Florida, Mr. BEILENSON, Mr. MCHUGH, Mr. SOLARZ, Mr. LEHMAN of Florida, Mr. SCHEUER, Mr. HORTON, Mr. UDALL, Mr. BUSTAMANTE, Mr. BRENNAN, Mr. MARTINEZ, Mr. ATKINS, Mr. WILSON, Mr. RANGEL, Mr. CROCKETT, Mr. GRAY of Pennsylvania, Mr. ROSE, Mr. DEFAZIO, Mr. FISH, Mr. CARPER, Mr. MCMILLEN of Maryland, Mr. THOMAS of Georgia, Mr. HEFNER, Mr. KOSTMAYER, Mr. GEPHARDT, Mr. LEWIS of California, Mr. TORRICELLI, Mr. GARCIA, Mr. GEJDENSON, Mr. FEIGHAN, Mr. GUNDERSON, Mr. LEVIN of Michigan, and Mr. CHAPPELL.

H.J. Res. 152: Mr. BORSKI, Mr. LAGOMARSINO, Mr. FEIGHAN, Mr. BONIOR of Michigan, Mr. MOODY, Mr. RANGEL, Mr. CROCKETT, and Mr. STOKES.

H.J. Res. 154: Mr. RAHALL, Mr. WHITTEN, Mrs. BOXER, Mr. DEWINE, Mr. BIAGGI, Mr. BROOMFIELD, Mr. HASTERT, Mr. RITTER, Mr. STALLINGS, Mr. KEMP, Mr. DE LUGO, Mr. MANTON, Mr. UDALL, Mr. JOHNSON of South Dakota, Mr. LOTT, Mr. MOLLOHAN, Mr. VISCLOSKY, Mr. TRAXLER, Mr. FEIGHAN, Mr. ANTHONY, Mr. ROWLAND of Georgia, Mr. DWYER of New Jersey, Mr. BALLENGER, Mr. RINALDO, Mr. PARRIS, Mr. BORSKI, Ms. OAKAR, Mr. TAUZIN, Mr. WOLF, Mr. HUTTO, Mr. CARDIN, Mr. FROST, Mr. LEWIS of Georgia, Mr. CROCKETT, Mrs. JOHNSON of Connecticut, Mr. MONTGOMERY, Mr. ROGERS, Mr. KOLBE, Mr. STENHOLM, Mr. WALGREN, Mr. BATEMAN, Mr. COATS, Mr. FISH, Mr. MCCLOSKEY, Mr. MAZZOLI, Mr. MADIGAN, Mr. SHAW, Mr. HOLLOWAY, Mr. BILIRAKIS, Ms. SNOWE, Mr. COLEMAN of Missouri, and Mr. MOAKLEY.

H.J. Res. 155: Mr. DWYER of New Jersey, Mr. BEVILL, Mrs. BOXER, Mr. ENGLISH, Mr. CHAPMAN, Mr. DICKS, Mr. MOODY, Mr. DIOGUARDI, Mr. CLARKE, Mr. COLEMAN of Texas, Mr. DARDEN, Mr. DEWINE, Mr. WELDON, Mr. CLINGER, Mr. BONIOR of Michigan, Mrs. PATTERSON, Mr. BEREUTER, Mrs. BYRON, Mr. CALLAHAN, Mr. SHAW, Mr. MCGRATH, Mr. BUNNING, and Mr. DORNAN of California.

H.J. Res. 180: Mr. LIPINSKI, Mr. ANNUNZIO, Mr. HENRY, Mr. SCHULZE, Mr. TRAXLER, Mr. WORTLEY, and Mr. KEMP.

H. Con. Res. 5: Mr. GUNDERSON.

H. Con. Res. 47: Mr. RITTER, Mr. APPLEGATE, Mr. COYNE, Mr. BORSKI, Mr. FOGLIETTA, Mr. SYNAR, Mr. FLAKE, Mr. GLICKMAN, Mr. OWENS of New York, Mr. VOLKMER, Mr. YATRON, Mr. DURBIN, Mr. CROCKETT, Mr. PENNY, Mr. MATSUI, Mr. BUSTAMANTE, Mr. GUARINI, Mr. VENTO, Mr. WEISS, Mr. TAUZIN, Mr. WHEAT, Mr. MURTHA, Mr. ROBINSON, Mr. DORNAN of California, Mr. ACKERMAN, Mr. LEWIS of Georgia, Mr. SAVAGE, Mr. CLAY, and Mr. CARPER.

H. Con. Res. 51: Mr. SHARP, Mr. HEFNER, Mr. FEIGHAN, Mr. DERRICK, Mr. THOMAS of California, Mr. VALENTINE, Mr. SMITH of Florida, Mr. SLATTERY, Mr. GRAY of Illinois, Mr. ROBINSON, and Mr. FAWELL.

H. Con. Res. 63: Mr. JEFFORDS, Mr. BENNETT, Mr. LEVINE of California, Mr. MCCURDY, Mr. GRAY of Illinois, Mr. LELAND, Mr. GREEN, and Mr. FAUNTROY.

H. Con. Res. 70: Mr. BONIOR of Michigan.

H. Res. 62: Mr. CLINGER, Mr. BRYANT, Mr. JEFFORDS, Mr. VOLKMER, Mr. DORNAN of California, Mr. RINALDO, and Mr. FISH.

H. Res. 68: Mr. DEFAZIO, Mr. JEFFORDS, Mr. WHITTAKER, Mr. DAVIS of Michigan, Mr. JONTZ, Mr. ROWLAND of Georgia, Mr. SCHUETTE, Mr. STUMP, and Mr. LEWIS of Florida.

H. Res. 71: Mr. RICHARDSON, Mr. MARTINEZ, and Mr. KANJORSKI.

H. Res. 74: Mr. STALLINGS, Mr. PRICE of Illinois, Mr. JEFFORDS, Mr. KOLTER, Mr. LIPINSKI, Mr. BRUCE, Mr. HORTON, Mr. HAYES of Illinois, Mr. GARCIA, Mr. SHARP, Mr. RANGEL, Mr. EVANS, Mr. DYSON, Mr. GRAY of Illinois, and Mrs. SMITH of Nebraska.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 535: Mrs. BENTLEY.

H.R. 782: Mr. CRAIG.

H.R. 1001: Mrs. BOGGS.

H.R. 1178: Mr. BARNARD.

SENATE—*Tuesday, March 17, 1987*

The Senate met at 2:30 p.m. and was called to order by the Honorable Albert Gore, Jr., a Senator from the State of Tennessee.

The **PRESIDING OFFICER.** Our prayer today will be offered by Bishop Smallwood Williams of the Bible Way Church of Our Lord Jesus Christ World Wide, Inc., in the District of Columbia. Bishop Williams is sponsored by Senator Hatch.

PRAYER

Shall we bow our heads, please.

Eternal, invisible, all wise God, we are privileged to come to Thee at this prophetic hour in this historic place. Thou hath invited us saying, "Come unto Me all ye that labor and are heavy laden, and I will give thee rest," and "Blessed be they that cometh in the name of the Lord." Therefore, in the name of Jesus Christ, we are thankful for this great Nation that was founded 200 years ago. Destined to be the leader of the free world, demonstrating to the world the feasibility of a social order of human freedom, dignity, and prosperity.

We thank Thee for a national recognition of the prophetic structure of the universe and its moral requirements that we have visibly engraved on our currency "In God We Trust." May this inscription be a supreme reality regardless of all difficulties and challenges therein involved. In spite of the turbulent difficulties of our time, may the upward curve of our historic progress continue.

We thank Thee for the privilege of our preaching ministry of 60 years in this great city and attaining the age of fourscore years. Fifty years ago, we voluntarily prayed on the granite steps of this building for inclusive social justice. Today, we are honored to pray from the podium of this august body interpreting our presence here as a progress report of this Nation's advance in the area of human dignity and brotherhood.

May the waves thereof touch the shores of all nations of the world to heal the hurt and hurting, inspiring new hope for a better tomorrow "When the day break and the shadow shall flee away."

In His name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER.** The clerk will please read a communication to the Senate from the President pro tempore (Mr. Stennis).

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, March 17, 1987.

To the Senate:

Under the provisions of Rule I, Section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Albert Gore, Jr., a Senator from the State of Tennessee, to perform the duties of the Chair.

John C. Stennis,
President pro tempore.

Mr. GORE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The **ACTING PRESIDENT** pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

DISAPPROVAL RESOLUTION OF ADDITIONAL ASSISTANCE TO NICARAGUAN DEMOCRATIC RESISTANCE

Mr. BYRD. Mr. President, the distinguished Republican leader and I have discussed the calling up of Senate Joint Resolution 81, introduced by Mr. Weicker. Under the law, there is no debate on the motion to proceed to the consideration of Senate Joint Resolution 81. Mr. Dole and I have determined that there will be no request for the yeas and nays on that motion to proceed. Therefore, I ask unanimous consent that at no later than the hour of 3:30 p.m. today the Senate proceed to the consideration of Senate Joint Resolution 81.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. BYRD. I thank the distinguished Republican leader. That being the case, I see no need for any rollcall votes today. I think I can so state to the Members.

Now, the distinguished Republican leader and I have also discussed the possibility of reaching a time agreement as to an hour for the final vote on Senate Joint Resolution 81 tomorrow, and I will be interested in any suggestions thereon that the Republican leader may have during the day. I hope that, before the day is out, we can announce to our colleagues on both sides of the aisle the hour for the vote on tomorrow on the disapproval resolution.

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. BYRD. Yes, I will be happy to yield.

Mr. DOLE. We are certainly willing to work out a satisfactory time tomorrow for the vote, perhaps sometime around 4 o'clock or whenever we can work it out with the majority leader.

Mr. BYRD. Very well. Mr. President, I thank the Republican leader.

Now, I have some time under the standing order, Mr. President. I ask unanimous consent that I may reserve my time for later in the afternoon.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

The distinguished Republican leader is recognized.

Mr. DOLE. Mr. President, I thank the Presiding Officer. Let me indicate again to the majority leader we will certainly try to work out a time that is satisfactory. I will consult with the author of the disapproval resolution, Senator Weicker. We hope to have some agreement yet this afternoon.

CRUZ RESIGNATION/CENTRAL AMERICANS UNDERSTAND THREAT

Mr. DOLE. Mr. President, over the past few days I have commented on a number of aspects of the situation in Central America. And I have inserted material in the Record relevant to our upcoming vote on Contra aid. Today, I want to put two more related items into the Record.

KIRKPATRICK OP-ED ON CRUZ RESIGNATION

The first is an op-ed piece which appeared in last Sunday's Washington Post, written by former United Nations Ambassador Jeane Kirkpatrick. I ask consent that the text of this op-ed be included in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Cruz Resignation

(By Jeane Kirkpatrick)

Opponents understood they did not have the votes to block payment of the last $40 million of the $100 million in contra assistance approved by Congress last year. So, by voting a resolution to delay payments, they hoped to send the Reagan administration the message that no new aid would be forthcoming from this Congress. But the margin of the vote (230 to 196), the timing and surrounding circumstances indicate instead that a maximum effort could indeed

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

produce new assistance for the contras this year.

The voter followed a pattern that has become familiar since the struggle over military aid to El Salvador in the early 1980s: belated administration efforts, harsh Democratic attacks and predictions of inevitable defeat, new unsubstantiated charges of human rights violations. This time, however, the issue had also become entangled in the Iran scandal and a highly publicized struggle among the contra leadership that reached its climax when, two days before the vote, Arturo Cruz resigned from the organized resistance with a scathing attack on his erstwhile colleagues.

Instantly, congressmen who never saw Cruz' leadership role as a reason to support the contras seized upon his departure as an additional reason to oppose them. Administration spokesmen, especially those in the State Department who had consistently backed Cruz, were visibly shocked by the fact, the manner and especially the timing of his leaving.

Cruz' fellow Nicaraguans were less surprised. They already knew him to be a man of mercurial temperament. Cruz had lived outside Nicaragua for 20 years before he returned to work for the Sandinistas in July 1979. It seemed to many Nicaraguans that he was never comfortable working in the framework of Nicaraguan politics.

In fact, Arturo Cruz is intelligent, articulate, but not a political man. He is a technocrat—and technocrats usually believe there is one answer to a question and that they have it. Cruz broke with the Sandinistas when they disappointed him and now has broken with the anti-Sandinista resistance. First he fought to have Adolfo Calero eliminated from the directorate of the United Nicaraguan Opposition. After he succeeded, he turned on his erstwhile collaborator, Alfonso Robelo; the publisher of Nicaragua's last independent newspaper, Pedro Joaquin Chamorro; and the whole Nicaraguan assembly-in-exile, which comprises representatives of all of Nicaragua's democratic political parties, trade unions and private enterprises.

Cruz says his former colleagues were inadequately devoted to reform. They say Cruz cannot stand it when he does not get his own way. In their view, Cruz' conception of reform consists of giving him full power.

Cruz has long seemed to evoke more intense admiration among North Americans than Nicaraguans. UNO, the organization of which Cruz was a part, was created in Washington by a handful of liberal Democrats who persuaded Lt. Col. Oliver North and certain State Department officials that there would be a better chance of winning congressional support for the contras if they were part of a "civilian" political structure headed by "Social Democrats." Cruz became one of UNO's three directors, along with Robelo and Calero.

The existence of UNO may, in fact, have helped in winning enough Democratic votes to provide $100 million in contra aid in the last Congress. But it should be remembered that the vote took place against a background of growing Sandinista repression and ever-clearer ties to the Soviet Union.

During the past year, Cruz and his band of American supporters moved to take personal control of the contra fighting forces by eliminating Calero from the directorate. However, there were serious problems with their plan.

The contras, who risk life and limb in their war against the Sandinistas, had no confidence in Cruz or his proposed chief of military operations. Neither did the Nicaraguan assembly, nor Cruz's colleagues in the UNO directorate. After losing two votes, Cruz resigned.

His resignation on the eve of the congressional vote seemed to some Cruz detractors proof that he had never been a reliable supporter of the Nicaraguan democratic resistance. Some even thought Cruz and his supporters had sought control over the contras in order to negotiate their surrender to Managua. We will never know.

By week's end, there was wide agreement among Nicaragua's exiles in Central America and Miami that every effort should be made to strengthen the assembly and expand the elected directorate. Chastened, State Department officials seemed to agree.

Nicaraguan politics have never been easy for outsiders to follow. Like France's Radical Socialist Party, which was neither radical nor socialist, Nicaragua's conservative party was not conservative, and its liberal party was wholly controlled by Somoza.

The tradition of semantic confusion has been maintained since the overthrow of the Somoza regime. The Sandinistas do not follow the nationalist principles of Sandino, the Coordinadora is not coordinated, and the United Nicaraguan Opposition has never been united. Some would say it is not even Nicaraguan. If Nicaraguan politics are difficult for us to understand, however, think what America's politics—typified by Congress' complicated posturing last week—must look like to Nicaraguan exiles.

Mr. DOLE. Last fall I was able to persuade Jeane Kirkpatrick to become a member of the Central American Commission established in the same legislation providing aid to the Contras. I picked Ambassador Kirkpatrick because I felt the issues at stake in Central America were so important to American national security that the Commission ought to be made up of absolutely topnotch people. I might also note that Ambassador Kirkpatrick agreed despite rather heavy burdens on her time, precisely because she agreed with me on the overriding importance of the issues involved.

The op-ed I want to put in the RECORD is one more indication of the creative and precise thought Ambassador Kirkpatrick brings to her consideration of Central American issues. The op-ed deals with the recent resignation of Arturo Cruz from the leadership of the UNO and, contrary to much of the other commentary one sees on that subject, Jeane's comments are: One, based on facts; and, two, show real insight into the nature of the UNO and its relationship to the struggle going on over the future of Nicaragua.

As Ambassador Kirkpatrick points out, the Cruz resignation is neither so unexpected nor so damaging to the Contra effort, as some would have you believe. Her article reminds us of the real bottom line here: It is not who heads up UNO, but what happens to Nicaragua and to American security interests in Central America. I urge all Senators who have not already done so to read and give careful consideration to Ambassador Kirkpatrick's comments.

CENTRAL AMERICANS SUPPORT AID TO CONTRAS

The other item I want to put in the RECORD is a set of tables outlining the results of recent public polling undertaken in Central America by USIA.

We hear a great deal about what the people of Central America want or think. A good bit of what we hear is hogwash, based on nothing more than the point of view of the person doing the talking. These polls represent one of the few efforts to find out what the Central American people really want or think—by actually asking them.

I would particularly like to point out the responses to two of the questions asked. When asked whether they supported U.S. military aid to the Contras, the people of Central America overwhelmingly said yes. In Costa Rica, 70 percent supported aiding the Contras; in Honduras, 81 percent; in El Salvador, 69 percent; and in Guatemala, 68 percent. I hope all of us will keep these results in mind, the next time we hear claims about how our friends in Central America oppose our policies there.

The other question I would point out is whether or not the Central American people believe their own governments ought to aid the Contras. Again, the answer, overwhelmingly, was yes. In Costa Rica, 61 percent of the respondents said the Central American democracies, themselves, ought to aid the Contras. In Honduras, the figure was 74 percent; in El Salvador, 63 percent; and in Guatemala, 54 percent.

Mr. President, it is not for us to speak for the people of Central America. But it is for us to listen to them. And to take into account their views of the kind of threat they face from the Sandinistas, and the kind of response we ought to make.

I ask unanimous consent that the full results of the poll I have cited be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE 1.—SANDINISTA TREATMENT OF NICARAGUAN PEOPLE

"How justly does the government of Nicaragua treat the people—very justly, somewhat justly, with little justice, or not justly at all?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Very justly	3	6	4	5
Somewhat justly	5	13	15	19
Subtotal, justly	8	19	19	24
With little justice	29	31	39	40
No justice at all	56	40	23	27
Subtotal, unjustly	85	71	62	67
No opinion, no answer	7	10	19	9

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Totals	100	100	100	100

TABLE 2.—OPINIONS OF THE SANDINISTA GOVERNMENT

(a) Representativeness

"Would you say the government of Nicaragua represents the majority of the people or that it represents a minority?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Represents majority	11	14	18	27
Represents minority	79	75	64	64
No opinion, don't know	10	11	18	9
Totals	100	100	100	100

(b) Popular support

"Which side in the conflict do you think the majority of the people of Nicaragua support—does the majority favor the Sandinista government forces, or favor the Contra opposition forces?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Majority supports:				
Sandinista forces	12	14	20	23
Contra forces	72	75	46	60
No opinion, don't know	16	11	34	17
Totals	100	100	100	100

TABLE 3.—PROBABILITY OF ATTACK ON OWN COUNTRY

"Now a question about the future. Some people say that our country will probably be attacked militarily by another country in the next two or three years. Other people say that while this is possible, it is not likely (probable). What do you think—would you say that an attack on our country in the next two or three years is very likely, fairly likely, not very likely, or not at all likely?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Very likely	9	19	6	3
Fairly likely	29	33	15	17
Subtotal, likely	38	52	21	20
Not very (little) likely	31	30	43	32
Not at all likely	30	16	33	42
Subtotal, unlikely	61	46	76	74
No opinion, don't know	1	2	3	6
Totals	100	100	100	100

If answered very or fairly likely in preceding question, ask: "Which country is the one that would attack?" "Any other?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Nicaragua	38	50	17	12
Cuba	3	3	9	5
Soviet Union	1	1	1	4
All others	2	7	2	5
No opinion	3	2	2	......
Not asked	62	48	79	80

Note.—Totals exceed 100 percent due to multiple answers.

TABLE 4.—IF ATTACKED, COUNTRIES THAT WOULD HELP

(a) "Which country, if any, would come to our aid immediately if we were attacked?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
United States	86	88	80	70
Panama	22	(*)	2	1
Venezuela	15	(*)	5	(*)
Others (including other Central American countries)	9	10	35	39
No answer, don't know	8	9	12	8

Note.—(*) signifies less than 0.5 percent. Figures may add to more than 100% due to multiple responses.

(b) "In your opinion, can the U.S. be relied upon to help us defend our country in case of future military attack?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Yes	91	88	84	88
No	4	5	7	8
Don't know	5	7	9	4
Totals	100	100	100	100

TABLE 5.—TREATMENT BY COMBATANTS OF PEOPLE IN WAR ZONES

"There are people living in the area of Nicaragua where there is armed conflict between the Sandinista government forces and the Contra opposition forces. Which of these two forces generally treats the people with more consideration?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Sandinista government forces	6	6	10	18
Contra forces	72	74	46	60
No opinion, don't know	22	20	44	22
Totals	100	100	100	100

TABLE 6.—OPINION OF U.S. AID TO CONTRA FORCES IN NICARAGUA

(a) "As you may know, the United States is giving military aid to the opposition forces known as 'Contras.' What is your opinion of this?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Approve strongly	40	37	35	24
Approve somewhat	30	44	34	44
Subtotal, approval	70	81	69	68
Disapprove somewhat	10	5	11	18
Disapprove strongly	11	4	12	10
Subtotal, disapproval	24	9	23	28
No opinion, don't know	9	10	8	4
Totals	100	100	100	100

(b) "The U.S. also gives nonmilitary aid to the Contra forces. What is your opinion of this?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Approve strongly	51	40	39	32
Approve somewhat	26	42	37	42
Subtotal, approval	77	82	76	74
Disapprove somewhat	7	6	9	14
Disapprove strongly	7	3	8	7
Subtotal, disapproval	14	9	17	21
No opinion, don't know	9	9	7	5
Totals	100	100	100	100

TABLE 7.—VIEWS ON OTHER CENTRAL AMERICAN COUNTRIES GIVING AID TO CONTRAS

"Do you agree or disagree that other Central American governments should give aid to the Contra forces?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Agree	61	74	63	54
Disagree	29	17	27	38
No opinion, don't know	10	9	10	8
Totals	100	100	100	100

TABLE 8.—COUNTRIES NAMED AS SUPPLYING ARMS TO SANDINISTA GOVERNMENT

"Which countries give military aid to the Sandinista government forces in Nicaragua?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Cuba	66	75	87	56
U.S.S.R.	66	64	78	49
Libya	4	6	12	2
All others	12	12	26	21
Don't know	23	19	8	21

Note.—Figures will add to more than 100 percent due to multiple answers.

TABLE 9.—OPINION OF MILITARY AID TO SANDINISTA GOVERNMENT

"What is your opinion about provision of (this) military aid to the Sandinista government in Nicaragua—do you approve strongly, approve somewhat, disapprove somewhat, or disapprove strongly?"

[In percent]

	Costa Rica	Honduras	El Salvador	Guatemala
Approve strongly	6	8	4	5
Approve somewhat	3	4	6	9
Subtotal, approve	9	12	10	14
Disapprove somewhat	9	13	23	26
Disapprove strongly	59	52	54	37
Subtotal, disapprove	68	65	77	63
No opinion, don't know	23	23	13	23
Totals	100	100	100	100

UNHAPPY ANNIVERSARY

Mr. DOLE. Mr. President, anniversaries are supposed to be happy affairs—celebrations. But yesterday, the family of Terry Anderson noted an anniversary that is a sad one for them personally—and for the entire Nation. For it was on March 16, 1985, that Anderson was taken captive in Lebanon. And he now bears the unfortunate distinction of being the longest held American hostage in that war-torn land.

Anderson was the Associated Press' Chief Middle East correspondent when he was taken prisoner. At a news conference held yesterday, the president and general manager of AP, Louis D. Boccardi, said:

> We owe him two pledges: First, that we will serve, as ably as we can, the high ideals his sacrifice evokes; and second, that we will not rest until he is once again with us, turning that bright mind and caring heart once more toward spreading the truth, as best as an honest reporter can know it.

On Sunday, Baptist congregations across America sponsored a "National Day of Prayer for the Hostages." Father Lawrence Jenco, who, himself, was held hostage in Lebanon, wrote a letter to Anderson, in which he said:

> There are so many things I want to talk to you about. Although I am free, I frequently find myself in the same room with you. I am sure I told you that when I was in the closed closet, just knowing you were outside my door gave me comfort.

Mr. President, I ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks, an article from the Los Angeles Times, describing Father Jenco's letter.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. Mr. President, 26 foreigners, including Anglican Envoy Terry Waite, and 7 Americans in addition to Terry Anderson, remain held against their will in Lebanon.

Our hearts go out to them, and to their intrepid families who daily cope with fear and uncertainty. And we give our pledge, as well, that we will not forget them.

EXHIBIT 1

EX-HOSTAGE REMEMBERS COMPANION—JENCO SHARES LETTER TO LEBANON AT L.A. EVENT

(By Lynn O'Shaughnessy)

Lawrence Martin Jenco, a former hostage in Lebanon, wrote a letter to a cherished friend last week that he knows will not be delivered.

It was written to Terry A. Anderson to observe an ugly anniversary. Two years ago today, Anderson, Associated Press Middle East chief correspondent, was kidnaped by armed men who pushed him into a green Mercedes-Benz that disappeared down a Beirut street. The 39-year-old has been imprisoned longer than any of the other eight Americans still held hostage in Lebanon.

On Sunday morning, Father Jenco shared the letter with 250 worshipers, wearing yellow ribbons, who had gathered at First Baptist Church in the Wilshire district to participate in a "National Day of Prayer for the Hostages" sponsored by Baptist congregations.

In the letter, Jenco recalled moments he shared with Anderson and expressed hope that the ordeal would soon be over for all the hostages.

"There are so many things I want to talk to you about," the soft-spoken Catholic priest wrote." Although I am free I frequently find myself in the same room with you. I am sure I told you that when I was in the closed closet, just knowing you were outside my door gave me comfort.

"Living with you for a year, in a very strange way, was a blessing," continued Jenco, who noted that he has become a compulsive radio listener in hopes that he will hear good news from the Middle East.

Jenco's letter was prompted by a call from the Associated Press, which wanted to observe the anniversary of Anderson's kidnaping. The AP asked Jenco and two other former American hostages, the Rev. Benjamin Weir and David P. Jacobsen, to write about their former companion. Jenco's was the only one in letter form.

Jacobsen wrote an article that recalled that he and Anderson were cell mates for 16 months. When they first met in a chilly room lit by a green, 25-watt light bulb, they stretched as far as they could in their shackles so they could shake hands.

While their political, economic and social philosophies were different, a bond was struck. To kill time, the two played chess with pieces made from foil wrappers and played hearts with a homemade deck of cards. Jacobsen said he had never met anyone better read or more articulate.

Jacobsen recalled that Anderson, the father of two girls, was "frustrated that the American public really wasn't listening to what he was reporting. He wanted America to be informed as to the symptoms and the causes of terrorism.

"He risked his life to inform you," Jacobsen said, "Were you listening? Did you care?"

Weir recalled Anderson as an energetic, spirited man who found confinement difficult after a whirlwind life as a foreign correspondent and a Marine in Vietnam. To keep busy, Anderson exercised more than the rest and began learning Arabic.

"I remember Terry not only for what he did, but for the creative, insightful, adventurous, caring companion he was," Weir wrote.

When the church service ended Sunday, Jenco largely declined to answer questions about political aspects of the hostage situation.

Jenco discounted a suggestion that the Iran-*contra* scandal, which has racked the Reagan Administration, has hindered the remaining hostages' chances for freedom.

"I have a suspicion there is a process they are following in releasing these men," he said. "I don't think it makes a difference."

He condemned the Reagan Administration's past policy of trading arms to Iran in exchange for hostages.

"I think I've mentioned a thousand times I don't agree with that," said Jenco, who now lives in Buena Park.

After hundreds of handshakes, hugs and good words from the congregation, Jenco stood on the steps of the church and wondered aloud about the value of his letter and the other letters that have never reached the hiding places of the American hostages.

"You wonder if they have any benefit," he said quietly.

WASHBURN ADVANCES TO NAIA CHAMPIONSHIP GAME

Mr. DOLE. Mr. President, I know that this is the time of year when we all are very proud of what may be happening to those teams in our States which represent us in the various finals of basketball.

This week there has been wall-to-wall coverage of the NCAA basketball tournament. The final 16 teams have emerged from the opening field of 64, and I am proud to say that the University of Kansas is one of them.

(Applause in the gallery.)

Mr. BYRD. Mr. President, may we have order in the galleries?

The **ACTING PRESIDENT** pro tempore. The Chair reminds the galleries that there will not be approval or disapproval of statements made on the floor.

Mr. DOLE. But there has also been another round of playoffs going on, just as exciting and just as important. It is the National Association of Intercolleagiate Athletics men's basketball tournament, now celebrating its 50th anniversary in Kansas City. And I am equally proud to say that Washburn University of Topeka has made it to the championship game after its thrilling 65-to-63 victory last night over a tough Central Washington squad.

Mr. President, it just so happens that this Senator received his law degree from Washburn University. Now, I might say to the distinguished majority leader, that I have great affection for his home State, but in tonight's NAIA championship game between the Washburn Ichabods and the West Virginia State Yellowjackets, there is no doubt as to which team I will be rooting for.

I congratulate Coach Bob Chipman and his outstanding basketball team, and wish them all the best tonight. Win or lose, they have made 1987 an unforgettable year in Washburn University history.

RECOGNITION OF SENATOR LEAHY

The ACTING PRESIDENT pro tempore. The Senator from Vermont is now recognized for not to exceed 5 minutes.

SENATOR DOLE'S VISIT TO VERMONT

Mr. LEAHY. Mr. President, I wish the distinguished Senator from West Virginia [Mr. BYRD], the majority leader, a happy St. Patrick's Day.

I wish the same to the distinguished Republican leader, Mr. DOLE, who was greeted, I think, with great hospitality in my State of Vermont over the weekend. The State is abuzz with his visit.

I say to the distinguished Senator from Kansas that we are delighted that he was able to come to Vermont, and I wish to note for the record that he was extremely well received in our State.

A SECOND CONSTITUTIONAL CONVENTION

Mr. LEAHY. Mr. President, for 200 years, our system of government has separated America from the rest of the world. This year, in every 1 of the 50 States—if not in every city in the Nation—Americans will be commemorating the bicentennial of the U.S. Constitution. All across the land we will be cultivating a greater appreciation for the unique government structure that we, the people, have established.

In the midst of this great celebration, there are those who seek to hold a convention to see if we can improve upon the plan produced by our Founding Fathers.

Personally, I find this an amazing irony. Those who seek a convention to rewrite the Constitution invite enormous risks. They tempt challenges both to the integrity of the Constitution and to the values the Americans across the land hold dear.

No matter what the proponents of such a convention say to allay our fears, once assembled, such a convention would be able to take on any issue they want, consider any proposal. Every one of our cherished liberties and rights would be up for grabs.

Nothing—not our first amendment rights of freedom of speech, freedom of religion, not our rights against search and seizure—none of the rights in the Constitution would be off limits. They all would be susceptible to revision. And I fear that the rights we take for granted could be the first to go.

I mention this, Mr. President, because, time after time, studies are undertaken in which people are read provisions of the Constitution that we all take for granted. Those studies usually find that only a minority support even the most fundamental provisions as they are spelled out in the Constitution.

So we must understand, that if we have a second constitutional convention, all rights, including the rights that each one of us may hold personally as the most important, are suddenly up for grabs. There is no doubt that many Americans would keep a careful watch on the big ticket items: Due process and equal protection, first amendment freedoms and fifth amendment privileges. But who is going to keep watch over those provisions that, while less conspicuous, are no less critical to our time-tested system of government.

Just imagine the delicate backroom negotiations. I can already hear the delegates—whomever they are and however they are appointed—taking on their responsibilities and asking these questions: What do you think of the commerce clause? To what extent should the Senate be able to advise and consent on Presidential appointments? Why don't we put some limits on the terms of offices for Justices of the Supreme Court? If not that, maybe courts of appeals or the district courts?

Now, I have every reason to believe that the proponents of a second constitutional convention are well-intended. But I am also concerned that there is no way to limit the scope of a convention once it gets started. And if the "establishment clause" of the first amendment goes on the trading block, the second amendment's "right to keep and bear arms" is sure to follow. Who will be the voice for those of us who think those provisions should remain just the way they are?

Mr. President, one issue that such a constitutional convention would undoubtedly confront is a proposal to require a balanced Federal budget. As chairman of the Agriculture Committee, I cannot help but observe that if a balanced budget requirement were inflicted on American farmers this year, they would face a disaster the likes of which they have never experienced.

Last month I brought the Agriculture Committee to distressed communities in the Farm Belt so that we could learn more about the situation there. Anyone who has visited Underwood, IA or Garretson, SD knows the desperation our committee witnessed.

The primary factor preventing that economic devastation from spreading and probably the only hope for reversing the decline in rural communities is Federal support for American farmers.

The distinguished independent economic forecasting firm, Data Resources, Inc., projects that if our Constitution required a balanced Federal budget, Federal spending would have to be cut by more than $400 billion. According to DRI, besides uncontrollable spending on defense, Social Security and interest on the Federal debt, there is only $427 billion in Federal funds left to cut.

Federal assistance to American farmers would not be spared, but, in fact, would probably be eliminated altogether if the Constitution demanded a balanced Federal budget this year.

No more Farmers Home loans.

No more extension programs to teach farmers new techniques.

No more animal and plant inspection to protect consumers.

No more soil conservation programs to turn back the irreparable damage done by erosion.

The buzz word this year in Washington is competitiveness. If the Constitution required a balanced budget, we could forget about competitiveness in agriculture. The Targetted Export Assistance Program—a program which has increased American farm exports by more than $2 for every $1 invested—would be eliminated. The Export Enhancement Program would be gone. EEP is our best weapon for combatting unfair competition in agricultural trade.

Mr. President, the chairman of the Senate Agriculture Committee and the American farmers are concerned about the Federal budget deficit. The deficit was largely to blame for the high interest rates that drove many farmers to the brink. The deficit continues to diminish the competitiveness of American agricultural commodities and products.

But any farmer who thinks that a constitutional amendment to balance the Federal budget is the answer ought to think twice. Specifically, he or she ought to think about how the end of all Federal assistance to farmers would affect them and their neighbors, and the future of their family farms.

Congress has it within its power right now to balance the Federal budget. In fact, Mr. President, last year we passed the Gramm-Rudman-Hollings Balanced Budget and Deficit Reduction Act to balance the Federal budget by 1991. I supported Gramm-Rudman-Hollings and the new law is working. According to the Congressional Budget Office, Congress reduced the deficit by nearly $50 billion last year.

Our work is by no means done. Some very tough decisions lie ahead, if we are to keep our promise to the American people to balance the budget by 1991. But, we have the discipline in place.

Unlike the balanced budget amendment, it is a discipline that allows Congress to make sound economic choices. Why risk all the progress we have made toward balancing the Federal budget for an inflexible and economically disruptive scheme which promises the elimination of all agricultural, educational and health programs, not to mention vital programs implemented by the FBI, the Drug Enforcement Administration and other law enforcement entities?

Mr. President, each one of us can find a section of the Constitution that we might want to write a little differently. Each one of us can find a Supreme Court decision that we would like to overturn with the stroke of a pen. Thankfully, the people of this Nation established a form of government in which no one of us can do that. Instead, we chose an elaborate system that permits change only after an exacting process through which the great majority conclude that change is necessary.

It is a careful process, a cautious process, a difficult process, but made that way by the founders of this country, in their infinite wisdom, so that the Constitution is not amended unless a consensus is developed throughout the country. Then, and only then, do we amend this Constitution, this precious underpinning of a 200-year-old democracy.

This Senator was disappointed when the American people decided against ratifying certain proposed amendments to the Constitution. Nonetheless, I think our system of government, and the process through which we amend the supreme law of the land, works the way it should. And as many wise men and women from my home State of Vermont have observed before, "if it ain't broke don't fix it."

RECOGNITION OF SENATOR PROXMIRE

The **ACTING PRESIDENT** pro tempore. Under the previous order, the Senator from Wisconsin, [Mr. Proxmire] is recognized for not to exceed 5 minutes.

THE SENATE SHOULD PASS BIDEN LEGISLATION ON ABM

Mr. PROXMIRE. Mr. President, this Senator commends Senator Joseph Biden for the legislation he has introduced to declare that the Anti-Ballistic Missile Treaty that was ratified by an 89 to 2 vote by this body in 1972 cannot be reinterpreted without the consent of the Senate. Senator Sam Nunn deserves great credit for the devestating case he has made against the "broad" interpretation of the treaty by the administration. As one of the Senators who was involved in the vote on that treaty, I plead with my colleagues not to stand by while the administration unilaterally amends this critical arms control treaty to destroy it. There is an honest and straightforward way to nullify this treaty. The treaty provides that either party can renounce it by simply providing 6 months notice. Of course, the administration is also free to renegotiate the treaty with the Soviet Union. This Senator would oppose either of those initiatives. I firmly believe the treaty is emphatically in our national security interest.

Just last year three former Defense Secretaries—MacNamara, Schlesinger and Brown—testified to the Senate Appropriations Committee that mutal observance of the treaty will save this country a trillion dollars (the cost of producing and deploying star wars). Former Secretary Brown told the committee that the annual cost of maintaining, operating and modernizing SDI—which would be the ultimate purpose for renouncing the ABM Treaty—will cost this country $150 billion every year in perpetuity. Of course, the kind of reinterpretation of the treaty being proposed by the administration would put the word of this country in serious jeopardy in any future treaty of any kind.

This is particularly true, Mr. President, because the ABM Treaty was conceived by this country. It was vigorously negotiated by two Presidents—one a Democrat, President Lyndon Johnson, one a Republican, President Richard Nixon. For years the Soviets resisted. Then they reluctantly agreed to this treaty drafted and championed so strongly by our Government. The 89 to 2 ratification vote also signaled the overwhelming bipartisan support for the ABM Treaty. Conservatives enthusiastically supported the treaty. So did liberals. The State Department was all for it. The Defense Department hailed the treaty as vital to our national security. Those who recognized the immense burden imposed by modern arms on our economy were out in front among the most enthusiastically in favor of the treaty. They recognized that the ABM Treaty would save this country billions. Now we know it would save more, much more.

The issue here is blunt and simple. If we abide by the treaty, we give arms control a fighting chance. If we violate the treaty—especially if we violate it by "reinterpreting" the treaty, we deal arms control a terrible set-back, maybe a fatal set-back. The fact is that the ABM Treaty is the one and only major arms control treaty that still lives between the two superpowers. SALT II is dead. There is today no restraint on nuclear weapons testing. So there is no restraint on the offensive nuclear arms race. With the death of the ABM Treaty there is no restraint on the defensive arms race. It is worse. With the ABM Treaty dead, there would be the strongest incentive for an all-out offensive nuclear arms race. We force our superpower adversary, the Soviets, to spend a small fraction of what we spend on SDI so the Soviets could overcome SDI. We force them to increase the number of Soviet missiles, and to proliferate their nuclear warheads. They will be compelled to increase their nuclear weapons carrying submarines and bombers.

The Soviet Union is now reported to have roughly 10,000 strategic nuclear warheads. At a relatively small cost they could produce 50,000 or 100,000. If just 100 of these Soviet warheads should strike American cities, just 100, the National Academy of Science tells us that we would instantly have between 35 and 50 million dead Americans. Our country would be in shambles. Sure we would devastate the Soviet Union in retaliation. It would be a double knockout. Before such a war were over mankind might be totally exterminated. And what would we be fighting for? Freedom would be dead. Can any sane person believe that the Soviets could not build a nuclear arsenal that would succeed in penetrating our SDI defense with at least 100 and almost certainly with thousands of nulcear warheads?

As I have pointed out on this floor repeatedly, our most eminent scientists overwhelmingly believe SDI will not defend our country. So think of it if we repudiate our solemn promise to abide by the ABM Treaty. And we do so, so that we can spend a trillion dollars to build a system that our experts tell us could not possibly defend our country.

So, Mr. President, the Biden legislation is right on target. Senator Nunn's analysis of the clear meaning of the treaty is convincing. We should not shyster our way out of the ABM Treaty by unilateral reinterpretation. Our freedom lies in keeping our word. Our security lies in abiding by the Anti-Ballistic Missile Treaty.

MILWAUKEE JOURNAL CALLS FOR INCREASE IN THE MINIMUM WAGE

Mr. PROXMIRE. Mr. President, I ask unanimous consent that an excellent editorial from the Milwaukee Journal calling on the Congress to increase the minimum wage be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Milwaukee Journal Mar. 15, 1987]

MINIMUM WAGE A WELFARE TRAP

Anyone who is serious about welfare reform—as most politicians nowadays claim to be—should objectively consider the case for increasing the minimum wage. As a means of escaping poverty and welfare dependency, the state minimum of $3.25 an hour and the federal minimum of $3.35 are sadly out of date.

Both figures have been frozen for more than six years. But the cost of living certainly has not been frozen. It rose 27.9% between January, 1981, and January, 1987.

Neglecting the minimums is unfair, in that it asks the poorest of the working poor to sacrifice in order that others may prosper. It's also foolish public policy. It means that the working poor have less incentive to stay off welfare, and that people now on welfare have less incentive to get off. Meager as welfare benefits are, they're often a better deal than the minimum wage. Furthermore, welfare benefits are accompanied by Medicaid, whereas minimum-wage jobs commonly offer no health insurance or other fringe benefits.

To the extent that this unsatisfactory state of affairs keeps people on welfare, or necessitates food-stamp subsidies to underpaid workers, it means that low-wage employers are shifting part of their cost burden to taxpayers. In short, it's welfare for corporations.

Yes, we are aware of this argument that Wisconsin should avoid setting a wage floor higher than the federal minimum. Although the federal government certainly should take the lead, we are not persuaded that Wisconsin would harm itself by moving ahead in the absence of federal action.

Regardless of opponents' claims, a modest increase in the state minimum—such as the state's Minimum Wage Advisory Council has proposed—would cause Wisconsin to stand out nationally as a bad place to do business. (The state minimum would rise next Jan. 1. to $3.55 an hour for adult jobs now covered by the federal law and $3.45 for adult jobs covered by state rules alone; youth minimums would continue to be 35 cents less.) The minimums of 17 states (in all regions of the country) and the District of Columbia are now higher than Wisconsin's. At least two of those states plan to boost their minimums this year, and half a dozen others are considering increases.

We have not ignored claims that higher minimums would unacceptably aggravate inflation, destroy numerous job opportunities or handicap US manufacturers in world markets. But we find the arguments inadequate.

While inflation must be fought, a policy that keeps people in poverty or on welfare isn't a proper weapon. There are much fairer methods, starting with a responsible federal fiscal policy.

True, some marginal jobs might not survive a boost in the minimum, although the important youth differential in the state would remain, a factor that should minimize the potential job loss. Meanwhile other jobs presumably would be generated by the increase in purchasing power that many low-wage workers would enjoy.

We concede that a higher national minimum, in the absence of other forces, might tend to raise the general wage level, perhaps even to the point of making US products less competitive overseas. The solution, however, is to exert other forces—such as greater plant modernization, restraint on excessive wages, and better marketing techniques.

Those who work for poverty-level wages have carried the burden of others too long. Policy-makers in Washington and Madison should come to their aid. In the process, that would help pave the way for workable welfare reform.

RECOGNITION OF SENATOR REID

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Nevada [Mr. Reid] is recognized for not to exceed 5 minutes.

Mr. REID. Thank you, Mr. President.

TAXPAYERS' BILL OF RIGHTS

Mr. REID. Mr. President, Mortimer Caplan, Director of the Internal Revenue Service under President Kennedy said "there is one difference between a tax collector and a taxidermist—the taxidermist leaves the hide."

Mr. Caplan is a funny man. But the abusive, discourteous and possibly illegal behavior Americans often experience at the hands of the IRS is not a laughing matter. The omnibus taxpayers' bill of rights, a bill Senators Pryor, Grassley, and I introduced on February 26, will provide a legislative remedy to IRS abuses, place law abiding taxpayers on equal footing with the tax collector, and in effect, give taxpayers basic fairness.

When I first came to Congress in 1983, I knew only of the problems taxpayers were having with the IRS district office in Las Vegas. For over 30 years, the IRS had been concerned with underreporting of tips by casino dealers, but had little success in increasing compliance. Finally, in 1981, after reviewing estimates showing under 15 percent of total tips received by dealers were reported as income, the IRS district office launched a comprehensive tip compliance program (popularly known as amnesty) in an effort to produce greater compliance with the tax law. Most of the 25,000 dealers in the Las Vegas area agreed to participate in the program, including meeting past tax liabilities.

It seemed for a time the IRS and the dealers had made an agreement benefiting all parties. The Federal Government would increase its revenues; the dealers were given the opportunity to comply with the law without fear of prosecution; and the public perception of dealers as tax cheats would be put to rest.

Well, the public perception of dealers did change: from one of tax cheats to one of tax victims. After that amnesty period expired, the IRS came after dealers with a vengeance. Due to inconsistent and unfair assessments made by the IRS, many dealers were improperly subjected to levy and seizure and driven out of Nevada. At one time it was estimated that 90 percent of foreclosed homes in Las Vegas belonged to dealers who had lost cases with the IRS. This abusive behavior, violating a compact made in good faith, shook taxpayer—not to mention dealer—confidence of the IRS in southern Nevada.

After sharing this anecdote with my colleagues in the House, I soon realized they too had similar stories to tell. It became clear to me that these stories were more than mere anecdotes. Rather, it became clear to me the problems Nevadans were having with the IRS were problems taxpayers were experiencing in every State. Therefore, during the 99th Congress I introduced my first taxpayers' bill of rights in the House, H.R. 831, to address the problem of IRS abuse. Due to the focusing of national attention upon the Tax Reform Act of 1986, my bill received very little public attention, although it did receive the attention of nearly 50 House Members who cosponsored my bill.

My conviction that legislation is necessary to protect taxpayers from IRS abuses has been reinforced since I began publicizing my intention to offer a taxpayers' bill of rights early in the 100th Congress. From all across the Nation I have received literally hundreds of letters and calls from disgruntled and angry taxpayers relating their own, personal horror stories of IRS abuses, and encouraging me in my efforts to tighten the legal reins on the IRS.

Now I am urging you, my colleagues, to join me and the American people in support of the Omnibus Taxpayers' Bill of Rights, S. 604. This bill represents a cooperative effort between myself, Senator Pryor, and Senator Grassley, to extend the protections of individual liberties found in the first 10 amendments of the Constitution to taxpayers. I cannot think of a more appropriate way to celebrate the bicentennial of the Constitution than through passage of this bill. Support S. 604 and help the American tax payer.

I yield the balance of my time, Mr. President.

RECOGNITION OF SENATOR BINGAMAN

The PRESIDING OFFICER (Mr. Adams). Under the previous order, the Senator from New Mexico [Mr. Bingaman] is recognized for a period not to exceed 5 minutes.

The Senator from New Mexico.

Mr. BINGAMAN. Thank you very much, Mr. President.

ENERGY PRESERVATION ACT

Mr. BINGAMAN. Mr. President, I send a bill to the desk and ask that it be referred to the appropriate committee.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. BINGAMAN. Mr. President, I rise today on behalf of Senator Boren, Senator Domenici, and myself to introduce the Energy Preservation Act. My legislation provides a strategy for helping to preserve our domestic oil and gas industry.

I recently chaired oversight hearings of the Energy and Natural Resources Committee in New Mexico which attracted over 2,000 of the State's citizens. These hearings brought testimony from major and independent producers, local and State government officials, industry associations, the Chamber of Commerce, business owners and local citizens, all of whom made clear that we are in danger of losing one of our most important and strategic domestic industries. These citizens expect the administration and Congress to act responsibly and quickly to revive a level of drilling and exploration activity that can meet the domestic needs of our Nation.

I am deeply concerned that our country is headed toward a true energy crisis. We are moving quickly down a track with vulnerability as our companion and high prices as our destination.

STATEMENT OF PROBLEM

The problem is clear. We are becoming increasingly dependent on imports to meet our domestic needs. The level of imports is now at 40 percent and is projected to increase to 50 percent as soon as 1990 or 1995. This increasing dependence has economic and natural security ramifications. Supply shortages in the future could easily plague our economy again as they did in the 1970's and bring with them increased vulnerability as we become more dependent on imported crude and petroleum products. Inflation could shoot up quickly again as oil prices rise. With the future depreciation of the U.S. dollar, we have a formula for economic disaster. We already see the indicators of the coming crisis: Industry cutbacks, loss of employment, weakened industry infrastructure, reduced drilling activity, shut-in stripper wells, and little exploration.

New Mexicans have certainly borne more than their fair share of this burden. Just in New Mexico, revenues generated by the industry showed a 25-percent drop in 1986. The total value of New Mexico's oil and gas activity has dropped 46 percent in the past year. Employment in the industry dropped from a low of 13,200 in 1985 to 9,000 in October 1986. The number of drilling rigs are down to an average of 29 compared with 71 last year. And of bankruptcies in the State, estimated at 2,500 for 1986, one fourth occurred in the counties where most of the State's oil and gas is produced. These statistics do not begin to address the impact of this decline on the infrastructure of the industry, and on the local communities and businesses that depend on the continued viability of the oil and gas industry.

CORRECTING THE PROBLEM

How do we correct this situation and preserve our industry?

It is clear that the American people cannot depend on this administration to do what needs to be done to protect our energy security interests. We have waited months for the comprehensive energy security study that was just released today. I regret that this highly publicized document is, at best, only an acknowledgement of a problem we all know exists. What we need now is a strategy for dealing with it. The report offers no solutions and no plan for action.

Congress must take the lead in protecting our energy security interests. There have already been several bills introduced to assist the industry, including the repeal of the Fuel Use Act, repeal of the Windfall Profits Act, imposition of an import fee on crude and product and repeal of tax provisions in order to stimulate drilling and exploration. I strongly support these efforts. However, there are other initiatives that must also be taken.

I have proposed a four-part strategy to help us revive and preserve the industry. This strategy includes the following actions:

First. Decontrol of natural gas when existing contracts expire or are renegotiated;

Second. Requiring the Federal Energy Regulatory Commission to establish pipeline rates for imports of natural gas that are comparable to pipeline rates for domestically produced gas;

Third. Providing a limited exemption to independent producers to allow them to create and operate cooperatives to market crude oil and natural gas;

Fourth. Requiring the Secretary of Energy to seek a new agreement with the International Energy Agency [IEA] Governing Board to revise the current "Minimum Safeguard Price" for crude oil.

DISCUSSION OF LEGISLATION

My legislation is entitled "The Energy Preservation Act of 1987." Sections 2, 3, and 4 of the bill would decontrol natural gas subject to new, renegotiated or expiring contracts. This provision will make available additional volumes of natural gas that would otherwise be shut-in or lost forever. This legislation does not abrogate any existing contracts, but will gradually provide for the deregulation of all remaining natural gas. We have seen that decontrol does work and does not lead to substantial price increases, as many had feared. In fact, partial deregulation has led to lower prices in many areas due to increased competition.

Section 5 requires the Federal Energy Regulatory Commission to establish pipeline rates for imports of natural gas that are comparable to pipeline rates for domestically produced natural gas. The FERC took this action in December for imports of Canadian gas. However, it affected only one pipeline. This legislation would ensure that the Commission's decision is not rescinded and will apply to all pipelines. This section will remove the disparities that have existed in the rate designs for gas produced domestically and imported.

Section 6 would update the action taken by the International Energy Agency in 1976 to adopt a minimum sale price for crude oil. The IEA action is needed to establish a price floor to preclude the elimination of marginal production in IEA countries and the swing toward complete vulnerability on OPEC and the Persian Gulf. This section requires the Secretary to take action necessary to update the 1976 agreement to a level of $20 per barrel. The 1976 agreement of $7 per barrel Minimum Safeguard Price [MSP] for oil imports is still in effect. Each member nation would take whatever action they thought appropriate to ensure that oil would not be sold in their domestic market at a price less than the new MSP. This provision of my bill assures that efforts to ensure a floor price would be taken multilaterally rather than unilaterally—an important step toward seeking price stability.

Section 7 of my bill would provide small independent producers of natural gas with an exemption from antitrust laws to allow them to develop cooperative associations to market their gas. The legislation will free small producers, as defined by U.S. Internal Revenue Code, from an extra burden when they try to market their produce. By exempting cooperative associations from antitrust violations, producers can pool small volumes of individual well production to make the "take" more attractive to a buyer, whether a pipeline or an industrial user. With many small producers unable to find buyers for small volumes of production, enactment of this exemption would help move this gas more efficiently.

CONCLUSION

I believe my legislation, taken with the other legislative measures already introduced, provides an important and strategic response to the impending crisis facing the Nation. There are additional areas where we must take action. These include revising the Tax Code to bring back the incentives necessary to allow a sufficient level of drilling and exploration to meet our domestic needs.

In conclusion, I urge my colleagues to support my legislation to preserve the domestic oil and gas industry. Our future in this Nation depends on our ability to act expeditiously in the 100th Congress to ensure our energy security.

Mr. President, I ask unanimous consent that the section-by-section summary and the text of the bill I have introduced be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Section-by-Section Summary

Sec. 1. Short title.

Sec. 2. Amends the Natural Gas Policy Act of 1978 ("NGPA") to provide for deregulation of natural gas subject to new, renegotiated, and expiring contracts.

Sec. 3. Technical amendment to the NGPA.

Sec. 4. Amends the NGPA to repeal the authority for Congress to reimpose natural gas price controls under special procedures.

Sec. 5. Amends the Natural Gas act to require the Federal Energy Regulatory Commission to establish pipeline rates for imports of natural gas that are comparable to pipeline rates for domestically produced natural gas.

Sec. 6. Requires the Secretary of Energy to take action necessary to cause the International Energy Agency Governing Board to update a 1976 agreement pertaining to oil imports. The 1976 agreement established a $7 per barrel Minimum Safeguard Price ("MSP") for oil imports. It committed IEA members to taking whatever steps they deemed appropriate to ensure that oil would not be sold in their domestic market at a price less that the MSP. The new MSP would be $20. The Secretary must take action to initiate the review by the IEA Governing Board at its next meeting in April, 1987, and must report back to Congress on the results of his action in 90 days.

Sec. 7. Provides a limited antitrust exemption for the creation or operation of independent producer cooperatives to carry out any voluntary agreement or plan of action to market crude oil or natural gas. It would make available to independent producers a defense to any civil or criminal action brought against them under the Federal antitrust laws, or similar state laws, provided that such actions are necessary to market crude oil or natural gas, and that such actions are not taken for the purpose of reducing competition.

S. 751

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be referred to as the "Energy Preservation Act".

Sec. 2. Section 121 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3331) is amended by deleting the words "Subject to the reimposition of price controls as provided in section 122, the" and inserting in lieu thereof "The", and by adding new subsection (f) to read as follows:

"(f) New, Renegotiated, or Expiring Contracts.—The provisions of subtitle A shall not apply to—

"(1) natural gas subject to any contract for the first sale of natural gas that was executed after the date of enactment of this subsection;

"(2) natural gas subject to any contract for the first sale of natural gas that was renegotiated after the date of enactment of this subsection if such renegotiated contract expressly provides that the provisions of subtitle A shall not apply;

"(3) natural gas subject to any contract for the first sale of natural gas that will expire, lapse, or terminate pursuant to its own terms after the date of enactment of this subsection at such time as that contract expires, lapses, or terminates pursuant to its own terms; or

"(4) natural gas subject to any contract for the first sale of natural gas that expired, lapsed, or terminated pursuant to its own terms."

Sec. 3 Section 601(a)(1)(B) of the Natural Gas Policy Act of 1978 (15 U.S.C. 33431(a)(1)(B)) is amended by striking "or" at the end of clause (ii), by replacing the "." at the end of clause (iii) with "; or " and by adding a new clause (iv) to read as follows:

"(iv) natural gas exempted from the operation of subtitle A of title I pursuant to section 121(f).".

Sec. 4.(a) Sections 122, 123, and 507 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3332, 3333, and 3417) are repealed.

(b) The table of contents of the Natural Gas Policy Act of 1978 (15 U.S.C. 3301 note) is amended by striking the items relating to sections 122, 123, and 507.

Sec. 5. Section 4 of the Natural Gas Act (15 U.S.C. 717c) is amended by adding a new subsection (f) to read as follows:

"(f) To the extent that a rate for the sale of natural gas for resale involves the sale of imported natural gas in whole or in part, the Commission shall allocate the price charged for such gas at the border to the demand charge component on the same basis that it would allocate costs to the demand charge for a natural gas company subject to the jurisdiction of the Commission.".

Sec. 6. (a) The Secretary of Energy shall take action to initiate a review and update by the Governing Board of the International Energy Agency at its next meeting in April, 1987, of the Minimum Safeguard Price Decision adopted January 30, 1976.

(b) The Secretary's action shall be designated to—

(1) Invoke the provisions of the Long-Term Cooperation Program of the International Energy Agency Governing Board, adopted January 30, 1978, whereby any Participating Country may request a review of the 1976 Minimum Safeguard price for imported oil of $7.00 per barrel (U.S.); and

(2) Encourage the Governing Board of the International Energy Agency to establish a new Minimum Safeguard Price for crude oil and oil products to ensure that imported oil is not sold in their domestic markets below a price corresponding to $20.00 a barrel.

(c) The Secretary of Energy shall report back to Congress on actions taken pursuant to this section within 90 days.

Sec. 7. There shall be available as a defense to any civil or criminal action brought under the Federal antitrust laws as that term is defined in section 2(37) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3302), or any similar State law, with respect to actions taken to develop cooperative associations of independent producers or actions taken by such cooperative associations to carry out any voluntary agreement or plan of action to market crude oil or natural gas provided that—

(1) such action is necessary to market crude oil or natural gas, and

(2) such action is not taken for the purpose of reducing competition.

(b) For purposes of this section, the term "independent producer" has the same meaning as that term is defined in section 4992(b) of the Internal Revenue Code of 1954.

Mr. BINGAMAN. Mr. President, I yield the floor.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the time under the control of Mr. Armstrong be transferred to Mr. Pryor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I also ask unanimous consent that the time that was under the control of Mr. Wilson be transferred to Mr. Melcher.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arkansas is recognized.

Mr. PRYOR. Mr. President, I thank the majority leader.

ANDY BOLTON'S SPINAL CORD OPERATION

Mr. PRYOR. Mr. President, as I arrived at the Little Rock Airport on Sunday to board a flight back to Washington, I noticed a large group of people at the boarding gate. I inquired about this delegation, wondering if they had gathered to welcome some celebrity.

I found that they had come from the small community of Plainview, AR, to see off their favorite son, 10-year-old Andy Bolton.

Andy was in his wheelchair, a lifelong victim of cerebral palsy. His friends had come to wish him well as he traveled to New York, where he is today at this very moment undergoing spinal cord stimulation, an operation that can help cerebral palsy victims regain the use of their limbs.

Andy and his parents learned of this procedure only in December and it was only a few weeks ago that they were informed that he was an excellent candidate for the procedure. They were overjoyed at this prospect until they learned that the operation would cost more than $16,000 and that their insurance would not cover the expenses because the operation was still considered experimental.

Somehow, the Boltons hoped, there must be a way.

Mr. President, in many small towns that dot America's landscape, one family's challenge often becomes the local community's crusade. Such was the case in Plainview, AR—population 750.

Andy's grandfather and grandmother, who have taken regular walks for therapy since his grandfather had a heart bypass operation, one day began collecting aluminum cans during a walk in hopes of helping to raise money for the operation.

A neighbor learned of this effort and went down to the local public school to encourage the school children to save cans, also. Word soon spread, prompting a group of local residents to meet at the school and decide to hold various fundraising events. News of the effort spread across Yell County and soon it seemed like all 16,000 people in that county were involved.

An oldtimers basketball game held along with a pie auction raised about $3,000. The Yell County Mounted

Patrol set up a road block and raised another $1,500. A bluegrass festival, in which seven of the State's bluegrass bands donated their performances, raised another $1,500 as recently as last Saturday.

The local CB radio club made a donation, while the VFW post held a chicken lunch. A sorority at nearby Arkansas Tech University raised money, as did a 4-H club in the neighboring town of Danville and the Yell County Horsemen's Association.

Meanwhile, a fourth-grade class donated the money they would have spent on a soft drink for 1 day and then went door-to-door to raise another $500. Andy's class in school sold buttons that read: "There's a lot of love behind this button."

The fundraisers wrote American Airlines to see if they could get a reduction in fare for Andy's trip to New York. The airline responded that Andy could have the tickets for free. And the local newspapers published stories on the effort and helped keep the interest alive.

Mr. President, when it was all said and done, this tiny community had raised $27,000 for Andy's operation. Folks there told me that what makes it even more remarkable is the fact that 90 percent of this money came from within Yell County itself and that no single donation was greater than $500.

John Clement, a banker in Plainview who was a part of this effort, explained the response by saying: "It just captured everyone's attention. There was a lot of love and a lot of sacrifice and we think the miracle's not over yet."

Mr. President, I chair a subcommittee here in the Senate that has been overseeing the plans for the 1990 census. I just wish that, in this next census, there could be a line which registers not just numbers and statistics, but the caring and compassion of places like Plainview.

Our hearts today are with Andy in St. Barnabas Hospital in the Bronx, where he underwent surgery this morning. But they are also with the loving, caring residents of Plainview and Yell County who made it possible for Andy to have a chance for a new life—and who have reminded those of us who often get caught up in the frantic pace of Washington that there is a real America out there where people care and do for one another.

Mr. President, I yield back the remainder of my time.

The **PRESIDING OFFICER.** The Senator has yielded back the remainder of his time.

RECOGNITION OF SENATOR MELCHER

The **PRESIDING OFFICER.** The Chair recognizes the Senator from Montana under the previous order for not to exceed 5 minutes.

COWBOYS I HAVE KNOWN—NONE RESEMBLE LIEUTENANT COLONEL NORTH

Mr. **MELCHER.** Mr. President, it is mighty degrading to the cowboy profession to call plotting, peddling global arms dealers "cowboys."

Nowadays some people might envision "cowboys" as either rodeo riders or John Wayne. But the cowboy profession is rooted in hands-on work with cattle, a high degree of proficiency on horseback with a lariat, long hours, solitude, low pay, enduring the forces of nature.

Cowboys—real ones, that is—learned their profession by on-the-job training—usually from childhood. They developed pride from a sense of singular accomplishment—one on one with a bucking horse or part of the team effort in rounding up and trailing cattle. It takes skill and confidence for their lariat to become more than just a length of rope and their horse more than just a mode of transportation.

Before veterinary medicine took me into different tasks, I rode with cowboys on the plains of western South Dakota. Later, as a practicing veterinarian in Montana, I again renewed my experience of working with them as I treated their cattle and horses.

When I was 15 I roped a coyote—pure luck—and was bucked onto cactus three times in 1 day. But I never attained the distinction of being a real hand or cowboy. That achievement comes only from years of developing a mastery of horse and lariat.

Of the hundreds of cowboys that I have known, four come to mind who typify the profession—that was the term my friend, Red, stressed when speaking of mastering the art of horsemanship, roping and husbandry of cattle. The other one, Ray, I still see in my mind's eye as he gathered straggling cattle a quarter of a mile distant dragging an old dishpan tied to the end of his lariat, just for the hell of it, to liven up the cattle and the day. And Shorty, I see all 120 pounds of him swinging a saddle half his weight onto a jittery horse to which he addressed his usual commands to pay attention to his orders. And another Ray showed me he could put his loop on the hind feet of a calf—even at dusk's dim light—as easily as I can butter a piece of bread.

All four in the saddle were as one with the horse, tough as leather, quick to react, ready for whatever obstacles came, and confident of completing their work, no matter how long the day.

These real cowboys would assess the escapades of North, Secord and others in the Iranian-Contra connection as "politics." And surely, they would, with courtesy, disassociate their profession from those activities.

So do I. They deserve more respect. The cowboy profession is not dead—it lives and thrives. Pickups and 18-wheelers have become the chuck wagons and movers of equipment and cattle, but the one on one with horse and lariat is still necessary, still done. The cattle grazing the range are still to be tended and gathered in roundups to move them from the plains and mountains, and the cowboys do it.

I am proud of them. North's tasks were something else—tasks that were secret and perhaps illegal. Whatever, it was not cowboy work and should not be compared to the respected and admirable profession we call "cowboy."

Mr. President, I yield the floor.

RECOGNITION OF SENATOR BENTSEN

The **PRESIDING OFFICER.** Under the previous order, the Chair recognizes the Senator from Texas [Mr. BENTSEN] for not to exceed 5 minutes.

SPACE GRANT COLLEGE AND FELLOWSHIP ACT

Mr. **BENTSEN.** Mr. President, today I am introducing the Space Grant College and Fellowship Act in order to help secure American leadership in space science.

This bill would set up two programs within the National Aeronautics and Space Agency [NASA]: A Space Grant Fellowship Program open to graduate students in fields related to space, and a Space Grant College Program under which educational institutions and regional consortia can be designated space grant institutions and can then apply for project grants and contracts.

These programs are needed to strengthen NASA's ongoing research efforts by providing special emphasis in its fellowship programs and by helping to build a critical mass of research in designated institutions.

Last year, the National Commission on Space specifically recommended creation of a fellowship program as part of its space goals for 21st century America. The Commission said:

> The long-term vitality of the space program depends on the infusion of new talent, ideas, and innovation through the participation of young graduate students in the relevant disciplines.

It noted, however, that:

> The provision of fellowships to graduate students studying in fields related to space science and engineering has been intermittent.

Accordingly, the Commission recommended that:

> Congress authorize NASA to create a fellowship program in space science and engineering. This will help attract the best students to pursue careers in these disciplines and permit access to space careers by highly

qualified young people regardless of their financial situation.

NASA has a Graduate Research Program today which provides funds for about 80 new scholars each year. In the 1960's, by contrast, NASA supported an average of 500 doctoral students per year and thus created a national intellectual resource on which we have drawn ever since.

Those scholars trained in the 1960's are aging, however, and a vigorous effort must be made to guarantee an adequate number of high-quality successors, More than 56 percent of NASA's scientists and engineers, for example, are over the age of 45. If we are to be the leaders in space, we will have to renew our investments in talented men and women who will be the successor generation to these older scientists and engineers. Space grant fellowships are a key component of a strong, long-term national space program.

The second major feature of this legislation is the creation of a program for space grant colleges and regional consortia. While NASA is already beginning to develop new research activities such as centers of excellence and centers for the commercial development of space, I believe we can also draw upon the successful model of land grant and sea grant colleges.

The Land Grant College Program begun in 1862 broadened our higher educational system and made it directly relevant to the needs of our citizens. Two decades ago, Congress created the Sea Grant College Program, which has been a model for multidisciplinary research and for cooperation among industry, universities, and the Government. By its special emphasis on marine sciences, this program has contributed to the competitiveness of our marine economy, to the pool of skilled manpower, to scientific achievement and to technology transfer. Application of this proven model to space research should provide similar benefits to our Nation.

Endorsement of this approach for space research came last year in the report of the Business-Higher Education Forum, cochaired by Robert Anderson, chairman and chief executive officer of Rockwell International, and Marvin L. Goldberger, president of California Institute of Technology. The forum's report, "Space: America's New Competitive Frontier," says:

> It is being proposed that the pattern of academic-government-industry relationships developed by these [land grant] programs be applied to space, combining the technological needs of industry with the knowledge available from the research activities of colleges and universities.

The forum report says:

> The space-grant program would support the establishment of a small number of highly qualified interdisciplinary university centers to: Undertake basic and applied research in the full range of space endeavors; provide graduate education and training in space-related disciplines; provide for cooperative research with NASA and other agencies and institutions; and provide advisory services to government and industry.

This legislation has special provisions to encourage regional cooperation and private sector support. For example, except in extraordinary cases, it limits project grants to colleges and consortia to two-thirds of the anticipated costs, thus leaving the remainder to come from other matching funds.

Joint initiatives of this sort can increase the impact of Government research programs and can make them more likely to generate results that are commercially useful. After all, successful competition in advanced scientific areas requires that technology be transferred from the laboratory to the marketplace.

This bill is a slightly modified version of one introduced a year ago—before the reports of the National Commission on Space and the Business-Higher Education Forum. Dr. Fletcher's staff has cooperated fully in trying to fashion a bill which would enhance and strengthen NASA's ongoing research programs. This legislation has been modified to respond to NASA's concerns and suggestions, including greater administrative flexibility and a higher level of funding for fellowships.

For each of the first 2 years, this bill would authorize $10 million, up to half of which could go for space grant fellowships while the remaining share would be for space grant colleges and consortia. In subsequent years, the program would grow to $15 million.

These are modest sums to launch a program with enormous potential. In conjunction with other activities, this could help to stimulate scholarship in the space sciences and could focus intellectual energies in designated institutions enough to achieve major breakthroughs. It could also help America to secure leadership in space, with all of the attendant benefits that can bring to our security, diplomacy, and economy.

I think this will be a major contribution in giving us the kind of resources we need to continue to fight our way into space and meet the competition. I think in turn, that will keep us out on the technological edge of what has taken place in space and help us meet the competitors that we see on the horizon.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 752

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Space Grant College and Fellowship Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) the vitality of the Nation and the quality of life of the citizens of the Nation depend increasingly on the understanding, assessment, development, and utilization of space resources;

(2) research and development of space science, space technology, and space commercialization will contribute to the quality of life, national security, and the enhancement of commerce;

(3) the understanding and development of the space frontiers require a broad commitment and an intense involvement on the part of the Federal Government in partnership with State and local governments, private industry, universities, organizations, and individuals concerned with the exploration and utilization of space;

(4) the National Aeronautics and Space Administration, through the national space grant college and fellowship program, offers the most suitable means for such commitment and involvement through the promotion of activities that will result in greater understanding, assessment, development, and utilization; and

(5) Federal support of the establishment, development, and operation of programs and projects by space grant colleges, space grant regional consortia, institutions of higher education, institutes, laboratories, and other appropriate public and private entities is the most cost-effective way to promote such activities.

PURPOSES

SEC. 3. The purposes of this Act are to—

(1) increase the understanding, assessment, development, and utilization of space resources by promoting a strong educational base, responsive research and training activities, and broad and prompt dissemination of knowledge and techniques;

(2) utilize the capabilities and talents of the universities of the Nation to support and contribute to the exploration and development of the resources and opportunities afforded by the space environment;

(3) encourage and support the existence of interdisciplinary and multidisciplinary programs of space research within the university community of the Nation, to engage in integrated activities of training, research and public service, to have cooperative programs with industry, and to be coordinated with the overall program of the National Aeronautics and Space Administration;

(4) encourage and support the existence of consortia, made up of university and industry members, to advance the exploration and development of space resources in cases in which national objectives can be better fulfilled than through the programs of single universities;

(5) encourage and support Federal funding for graduate fellowships in fields related to space; and

(6) support activities in colleges and universities generally for the purpose of creating and operating a network of institutional programs that will enhance achievements resulting from efforts under this Act.

DEFINITIONS

SEC. 4. As used in this Act—

(1) the term "Administration" means the National Aeronautics and Space Administration;

(2) the term "Administrator" means the Administrator of the National Aeronautics and Space Administration;

(3) the term "aeronautical and space activities" has the same meaning as such term is defined pursuant to section 103(1) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2452(1));

(4) the term "field related to space" means any academic discipline or field of study (including the physical, natural, and biological sciences, and engineering, space technology, education, economics, sociology, communications, planning, law, international affairs, and public administration) which is concerned with or likely to improve the understanding, assessment, development, and utilization of space;

(5) the term "panel" means the space grant review panel established pursuant to section 10 of this Act;

(6) the term "person" means any individual; any public or private corporation, partnership, or other association or entity (including any space grant college, space grant regional consortium, institution of higher education, institute, or laboratory); or any State, political subdivision of a State, or agency or officer thereof;

(7) the term "space environment" means the environment beyond the sensible atmosphere of the Earth;

(8) the term "space grant college" means any public or private institution of higher education which is designated as such by the Administrator pursuant to section 8 of this Act;

(9) the term "space grant program" means any program which—

(A) is administered by any space grant college, space grant regional consortium, institution of higher education, institute, laboratory, or State or local agency; and

(B) includes two or more projects involving education and one or more of the following activities in fields related to space:

(i) research,

(ii) training, or

(iii) advisory services;

(10) the term "space grant regional consortium" means any association or other alliance which is designated as such by the Administrator pursuant to section 8 of this Act;

(11) the term "space resource" means any tangible or intangible benefit which can only be realized from—

(A) aeronautical and space activities; or

(B) advancements in any field related to space; and

(12) the term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Mariana Islands, or any other territory or possession of the United States.

ESTABLISHMENT AND ADMINISTRATION OF PROGRAM

SEC. 5. (a) The Administrator shall establish and maintain, within the Administration, a program to be known as the national space grant college and fellowship program. The national space grant college and fellowship program shall consist of the financial assistance and other activities provided for in this Act. The Administrator shall establish long-range planning guidelines and priorities, and adequately evaluate the program.

(b) Within the Administration, the program shall—

(1) apply the long-range planning guidelines and the priorities established by the Administrator under subsection (a) of this section;

(2) advise the Administrator with respect to the expertise and capabilities which are available through the national space grant college and fellowship program, and make such expertise available to the Administration as directed by the Administrator;

(3) evaluate activities conducted under grants and contracts awarded pursuant to sections 6 and 7 of this Act to assure that the purpose set forth in section 3 of this Act is implemented;

(4) encourage other Federal departments, agencies, and instrumentalities to use and take advantage of the expertise and capabilities which are available through the national space grant college and fellowship program, on a cooperative or other basis;

(5) encourage cooperation and coordination with other Federal programs concerned with the development of space resources and fields related to space;

(6) advise the Administrator on the designation of recipients supported by the national space grant college and fellowship program and, in appropriate cases on the termination or suspension of any such designation; and

(7) encourage the formation and growth of space grant and fellowship programs.

(c) To carry out the provisions of this Act, the Administrator may—

(1) accept conditional or unconditional gifts or donations of services, money, or property, real, personal or mixed, tangible or intangible;

(2) accept and use funds from other Federal departments, agencies, and instrumentalities to pay for fellowships, grants, contracts, and other transactions; and

(3) issues such rules and regulations as may be necessary and appropriate.

PROGRAM OR PROJECT GRANTS AND CONTRACTS

SEC. 6. (a) The Administrator may make grants and enter into contracts or other transactions under this subsection to assist any space grant and fellowship program or project if the Administrator finds that such program or project will carry out the purposes set forth in section 3 of this Act. The total amount paid pursuant to any such grant or contract may equal 66 percent, or any lesser percent, of the total cost of the space grant and fellowship program or project involved, except that this limitation shall not apply in the case of grants or contracts paid for with funds accepted by the Administrator pursuant to section 5(c)(2) of this Act.

(b) The Administrator may make special grants under this subsection to carry out the purpose set forth in section 3 of this Act. The amount of any such grant may equal 100 percent, or any lesser percent, of the total cost of the project involved. No grant may be made under this subsection, unless the Administrator finds that—

(1) no reasonable means is available through which the applicant can meet the matching requirement for a grant under subsection (a) of this section;

(2) the probable benefit of such project outweighs the public interest in such matching requirement; and

(3) the same or equivalent benefit cannot be obtained through the award of a contract or grant under subsection (a) of this section or section 7 of this Act.

(c) Any person may apply to the Administrator for a grant or contract under this section. Application shall be made in such form and manner, and with such content and other submissions, as the Administrator shall by regulation prescribe.

(d)(1) Any grant made, or contract entered into, under this section shall be subject to the limitations and provisions set forth in paragraphs (2) and (3) and to such other terms, conditions, and requirements as the Administrator deems necessary or appropriate.

(2) No payment under any grant or contract under this section may be applied to—

(A) the purchase of any land;

(B) the purchase, construction, preservation, or repair of any building; or

(C) the purchase or construction of any launch facility or launch vehicle.

(3) Notwithstanding paragraph (2), the items in subparagraphs (A), (B), and (C) of such paragraph may be leased upon written approval of the Administrator.

(4) Any person who receives or utilizes any proceeds of any grant or contract under this section shall keep such records as the Administrator shall by regulation prescribe as being necessary and appropriate to facilitate effective audit and evaluation, including records which fully disclose the amount and disposition by such recipient of such proceeds, the total cost of the program or project in connection with which such proceeds were used, and the amount, if any, of such cost which was provided through other sources. Such records shall be maintained for three years after the completion of such a program or project. The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access, for the purpose of audit and evaluation, to any books, documents, papers, and records of receipts which, in the opinion of the Administrator or of the Comptroller General, may be related or pertinent to such grants and contracts.

NATIONAL PROJECT GRANTS OR CONTRACTS

SEC. 7. (a) The Administrator shall identify specific national needs and problems relating to space. The Administrator may make grants or enter into contracts under this section with respect to such needs or problems. The amount of any such grant or contract may equal 100 percent, or any lesser percent, of the total cost of the project involved.

(b) Any person may apply to the Administrator for a grant or contract under this section. In addition, the Administrator may invite applications with respect to specific national needs or problems identified under subsection (a) of this section. Application shall be made in such form and manner, and with such content and other submissions, as the Administrator shall by regulation prescribe. Any grant made, or contract entered into, under this section shall be subject to the limitations and provisions set forth in section 6(d) (2) and (4) of this Act and to such other terms, conditions, and requirements as the Administrator deems necessary or appropriate.

DESIGNATION OF SPACE GRANT COLLEGES AND SPACE GRANT REGIONAL CONSORTIA

SEC. 8. (a)(1) The Administrator may designate—

(A) any institution of higher education as a space grant college; and

(B) any association or other alliance of two or more persons, other than individuals, as a space grant regional consortium.

(2) No institution of higher education may be designated as a space grant college, unless the Administrator finds that such institution—

(A) is maintaining a balanced program of research, education, training, and advisory services in fields related to space;

(B) will act in accordance with such guidelines as are prescribed under subsection (b)(2) of this section; and

(C) meets such other qualifications as the Administrator deems necessary or appropriate.

(3) No association or other alliance of two or more persons may be designated as a space grant regional consortium, unless the Administrator finds that such association or alliance—

(A) is established for the purpose of sharing expertise, research, educational facilities, or training facilities, and other capabilities in order to facilitate research, education, training, and advisory services, in any field related to space;

(B) will encourage and follow a regional approach to solving problems or meeting needs relating to space, in cooperation with appropriate space grant colleges, space grant programs, and other persons in the region;

(C) will act in accordance with such guidelines as are prescribed under subsection (b)(2) of this section; and

(D) meets such other qualifications as the Administrator deems necessary or appropriate.

(b) The Administrator shall by regulation prescribe—

(1) the qualifications required to be met under paragraphs (2)(C) and (3)(D) of subsection (a) of this section; and

(2) guidelines relating to the activities and responsibilities of space grant colleges and space grant regional consortia.

(c) The Administrator may, for cause and after an opportunity for hearing, suspend or terminate any designation under subsection (a) of this section.

SPACE GRANT FELLOWSHIP PROGRAM

SEC. 9. (a) The Administrator shall support a space grant fellowship program to provide educational and training assistance to qualified individuals at the graduate level of education in fields related to space. Such fellowships shall be awarded pursuant to guidelines established by the Administrator. Space grant fellowships shall be awarded to individuals at space grant colleges, space grant regional consortia, other colleges and institutions of higher education, professional associations and institutes n such a manner as to assure wide geographic and institutional diversity in the pursuit of research under the fellowship program.

(b) The total amount which may be provided for grants under the space grant fellowship program during any fiscal year shall not exceed an amount equal to 50 percent of the total funds appropriated for such year pursuant to this Act.

(c) Nothing in this section may be construed to prohibit the Administrator from sponsoring any research fellowship program, including any special emphasis program, which is established under an authority other than this Act.

SPACE GRANT AND FELLOWSHIP REVIEW PANEL

SEC. 10. (a) The Administrator shall establish an independent committee known as the space grant review panel, which shall not be subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App. 2; Public Law 92-463).

(b) The panel shall take such steps as may be necessary to review, and shall advise the Administrator with respect to—

(1) applications or proposals for, and performance under, grants and contracts awarded pursuant to sections 6 and 7 of this Act;

(2) the space grant fellowship program;

(3) the designation and operation of space grant colleges and space grant regional consortia, and the operation of space grant and fellowship programs;

(4) the formulation and application of the planning guidelines and priorities pursuant to section 5 (a) and (b)(1) of this Act; and

(5) such other matters as the Administrator refers to the panel for review and advice.

(c) The Administrator shall make available to the panel any information, personnel, and administrative services and assistance which is reasonable to carry out the duties of the panel.

(d)(1) The Administrator shall appoint the voting members of the panel. A majority of the voting members shall be individuals who, by reason of knowledge, experience, or training, are especially qualified in one or more of the disciplines and fields related to space. The other voting members shall be individuals who, by reason of knowledge, experience, or training, are especially qualified in, or representative of, education, extension services, State government, industry, economics, planning, or any other activity related to efforts to enhance the understanding, assessment, development, or utilization of space resources. The Administrator shall consider the potential conflict of interest of any individual in making appointments to the panel.

(2) The Administrator shall select one voting member to serve as the Chairman and another voting member to serve as the Vice Chairman. The Vice Chairman shall act as Chairman in the absence or incapacity of the Chairman.

(3) Voting members of the panel who are not Federal employees shall be reimbursed for actual and reasonable expenses incurred in the performance of such duties.

(4) The panel shall meet on a biannual basis and, at any other time, at the call of the Chairman or upon the request of a majority of the voting members or of the Administrator.

(5) The panel may exercise such powers as are reasonably necessary in order to carry out the duties enumerated in subsection (b) of this section.

INTERAGENCY COOPERATION

SEC. 11. Each department, agency, or other instrumentality of the Federal Government which is engaged in or concerned with, or which has authority over, matters relating to space—

(1) may, upon a written request from the Administrator, make available, on a reimbursable basis or otherwise any personnel (with their consent and without prejudice to their position and rating), service, or facility which the Administrator deems necessary to carry out any provision of this Act;

(2) shall, upon a written request from the Administrator, furnish any available data or other information which the Administrator deems necessary to carry out any provision of this Act; and

(3) shall cooperate with the Administration.

BIENNIAL REPORT AND EVALUATION

SEC. 12. (a) The Administrator shall submit to the Congress and the President, not later than January 1, 1989, and not later than February 15 of every odd-numbered year thereafter, a report on the activities of the national space grant and fellowship program.

(b) The Director of the Office of Management and Budget and the Director of the Office of Science and Technology Policy in the Executive Office of the President, shall have the opportunity to review each report prepared pursuant to subsection (a) of this section. Such Directors may submit, for inclusion in such report, comments and recommendations and an independent evaluation of the national space grant college and fellowship program. Such comments and recommendations shall be submitted to the Administrator not later than ninety days before such a report is submitted pursuant to subsection (a) and the Administrator shall include such comments and recommendations as a separate section in such report.

AUTHORIZATION OF APPROPRIATIONS

SEC. 13. (a) There are authorized to be appropriated for the purposes of carrying out the provisions of this Act sums not to exceed—

(1) $10,000,000 for each of fiscal years 1988 and 1989; and

(2) $15,000,000 for each of fiscal years 1990 and 1991.

(b) Such sums as may be appropriated under this section shall remain available until expended.

SPACE GRANT COLLEGE ACT

● Mr. HEFLIN. Mr. President, it gives me great pleasure to join with my colleague from Texas [Mr. BENTSEN], in introducing what I consider to be a vital and important piece of legislation, the Space Grant College Act. With a few modifications, this bill is similar to one which Senator BENTSEN introduced and I cosponsored last year during the 99th Congress.

The bill would set up two programs within NASA. It would set up a Space Grant Fellowship Program which will be open to graduate students in fields related to space and space research. Also, it would set up a Space Grant College Program under which educational institutions, such as colleges and universities and regional consortia can be designated as space grant institutions and could receive financial and other assistance to perform space-related projects.

Mr. President, in the mid-1800's, the research frontier in our Nation was in agriculture. In order to address the needs and opportunities of that research, the Land Grant College Act was passed in the 1860's creating the land grant college system. There is no doubt that this act was one of the wisest and most far reaching pieces of legislation ever passed and signed into law.

In order to respond to the need for more highly developed national research in the area of marine resources, the Sea Grant College Program was created.

Now, more than ever before, the world's research frontier is in space. This legislation sets up a parallel program called the Space Grant College Program. The program will coordinate the national needs and the research needs of our colleges and universities.

Space research is the most exciting and important research of our time. In order for the United States to maintain its leadership in space technology and basic space research, it will take a coordinated effort between Government, academia, and industry. All three parties are essential—Government must provide incentives for basic research, which this bill does; universities are the source of America's greatest research potential; and industry must ultimately translate that research into productive innovation and utilization. Mr. President, this legislation gets the ball rolling.

In my own home State of Alabama, three universities in particular, the University of Alabama in Huntsville [UAH], the University of Alabama in Birmingham [UAB], and Auburn University, are currently conducting a great amount of space related research. This legislation could assist them in their efforts and greatly enhance their research.

In recent years, UAH, UAB, and Auburn University have been recognized for their expertise in space research. In 1985, two of these institutions, UAH and Auburn, were selected to head two consortia by the Strategic Defense Initiative Organization to conduct work in high speed computing using optical signal processing. The free world's only research totally dedicated to the generation of huge amounts of electrical power in space is currently ongoing at the Space Power Institute which is located at Auburn University. Also, UAH and UAB were two of only five institutions chosen nationwide to participate in two microgravity research projects to conduct investigations on concepts and techniques of space-based materials processing, an area which I have advocated for several years now.

Already, this research has reaped great benefits. Among these, scientists working on a program which is managed by the Marshall Space Flight Center in Huntsville, AL, in conjuction with UAB successfully conducted crystallography experiments aboard the space shuttle that could eventually result in powerful new drugs which can be used to fight cancer.

As I have said, the Space Grant College Program could significantly enhance and intensify this and other such space-related research which utilizes the vast amounts of potential research talent which exists in our Nation's colleges and universities.

Mr. President, I urge my colleagues to support this important legislation.●

THE SPACE GRANT COLLEGE BILL

● Mr. GORE. Mr. President, I wish to join the distinguished senior Senator from Texas, in support of the space grant college bill.

The National Aeronautics and Space Administration, for nearly 30 years a source of pride and inspiration, has recently undergone one of its most difficult periods. NASA is rebuilding so that it will again be the agency who's triumphs coined the phrase "the right stuff."

Yet, in the path of revitalization are obstacles. Many potential students, once looking toward space research for future careers, are shifting their goals elsewhere.

The space grant college bill is an attempt to reverse this trend. At a time when "competitiveness" is the issue of the day, we need to recognize that a rapidly developing handful of countries are becoming competitive in space.

This legislation looks at this developing challenge and reaffirms our Nation's commitment to strengthen its basic foundation in science education. It establishes a Grant Fellowship Program open to graduate students in fields related to space and develops a College Grant Program where educational institutions, with regional cooperation and private sector support, can apply for grants and contracts. Thus, this bill recognizes the potential strength of a university, industry, and Federal Government team.

Only with strong bipartisan support to enhance basic research, educate new scientists and engineers, and invest in our research facilities can America maintain a position of leadership in space.●

● Mr. KERRY. Mr. President, today I join with Senator BENTSEN as an original cosponsor of legislation to establish a National Space Grant College Program. Senator BENTSEN is to be commended for his leadership in this area. His work with other Senators, leaders in the fields of space and education, and with NASA has produced a bill which he feels is an improvement on S. 2098 which was introduced in the 99th Congress. Those changes do make this an even better piece of legislation and I am pleased to join him in introducing it today.

This Space Grant College Program is modeled after two successful experiences: Federal support for research and development in a specific field. It combined the highly successful Sea Grant College Program which has been instrumental in helping develop national marine resources with the very successful basic research programs NASA administered through the sixties until the end of our historic Apollo Program.

The Space Grant College Program will set up two programs within NASA: a Space Grant Fellowship Program open to graduate students in fields related to space, and a Space Grant College Program under which educational institutions and regional consortia can be designated as space grant institutions and can then apply for project grants and contracts to an independent Space Grant Review Panel. This combination of institutional expertise and individual enterprise is the combination of commitment and energy which made America first in space.

This is a critical time for Congress to demonstrate the support for this Nation's space program which the American people feel. Our link to the positive energy of America's space program is more than the pride we feel about landing a person on the Moon and bringing him safely back to Earth. It is our view of the future.

It is the excitement and commitment demonstrated by children across the country who dream of going into space themselves despite the *Challenger* tragedy and the loss of "their teacher," Christa McCauliff. It is also the drive of our young, talented scientists who want to stay in the space sciences and related fields, who want to keep this country in the forefront of the world's space science programs and its commercial potential. It is the universities who know the opportunities before us in the development of space and look to joining with local resources of industry and research to move forward toward attainable goals. The space grant college bill will help to make all of those views real.

In January 1986 this Nation rode the crest of a seemingly endless wave of space successes. We neither anticipated nor planned for the interruptions recent failures brought to NASA programs and commercial ventures. But, there need be only brief delays in the inevitable movement of opening space. The President's Commission on Space and the Business-Higher Education Forum have enunciated clear action courses for this Nation in their outstanding 1986 reports. And the reports keep coming. Educators, scientists and industry leaders call upon us to increase our commitment to academic leadership in space fields.

This legislation will set us back on the course of special support in this field so critical to our competitive superiority and national security.●

Mr. BENTSEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Illinois seek recognition?

Mr. DIXON. Not at this point, Mr. President.

PRIVILEGE OF THE FLOOR

The PRESIDING OFFICER. Does the Senator from Connecticut seek recognition?

Mr. WEICKER. Yes, Mr. President. I ask unanimous consent that Kim Elliott and Meredith Fauls of my staff be permitted the privilege of the floor during pendency of Senate Joint Resolution 81.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business not to extend beyond 3:30 p.m. and that Senators may be permitted to speak therein up to 1 minute each.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONTROL OF TIME ON SENATE JOINT RESOLUTION 81

Mr. BYRD. Mr. President, I make a parliamentary inquiry.

The PRESIDING OFFICER. The majority leader will state it.

Mr. BYRD. Mr. President, under the law, who controls time on a disapproval resolution?

The PRESIDING OFFICER. The time is divided equally between the proponents and the opponents of the joint resolution.

Mr. BYRD. In that case, I assume that the majority and minority leaders would control the time, or their designees.

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. Mr. President, I designate the chairman of the Appropriations Committee, Mr. STENNIS, which is the committee out of which the resolution was reported, as controller of the time on this side of the aisle. It is my understanding that the distinguished Senator from Mississippi—I do not know what his position is on the joint resolution, but as chairman of the committee, he may control time on this side of the aisle. I so designate him.

Mr. STENNIS. Mr. President, I thank the leader.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DIXON. I wish to ask the distinguished majority leader a question.

Would the majority leader be kind enough to inform the Senator from Illinois about the time limit? I did not know there was a time limit, I say to the majority leader.

Mr. BYRD. Mr. President, I am happy to respond to my friend.

The time limit on this joint resolution is 10 hours. No amendment will be in order, no motion to recommit, no motion to reconsider.

Mr. DIXON. I thank the majority leader. That is equally divided between the proponents and the opponents?

Mr. BYRD. Yes, it is, Mr. President.

Mr. DIXON. I thank the majority leader.

BICENTENNIAL MINUTE

MARCH 17, 1947: FIRST ISSUE OF THE CONGRESSIONAL RECORD'S DAILY DIGEST

Mr. DOLE. Mr. President, today marks the 40th anniversary of an important feature within the CONGRESSIONAL RECORD. On March 17, 1947, the Daily Digest was born.

As the CONGRESSIONAL RECORD expanded during the years of the New Deal and World War II, its readers found it increasingly more difficult to use. Several commerical firms set out to provide legislative monitoring services. As early as 1926, David Lawrence, who later founded U.S. News & World Report, established the United States Daily "to inform the public about its Government and what it is doing." In 1943, the U.S. Chamber of Commerce hired a young political scientist named Floyd Riddick to edit its new publication, the Legislative Daily. Distributed to every Member of Congress, this service quickly became an indispensable source.

Three years later, Congress included in the Legislative Reorganization Act of 1946 a provision for publication within the CONGRESSIONAL RECORD of a daily digest of legislative activities. Not surprisingly, the Secretary of the Senate hired Dr. Riddick to edit the Senate edition of the Daily Digest. Based on his 8 years of experience with similar publications, Riddick established a format that remains virtually intact today. He later recalled that the most difficult part of setting up the Digest was obtaining cooperation from committee clerks, the only source for consistent reports of committee activity. Most of those clerks initially did not want to be bothered with keeping notes for the Digest staff.

Dr. Riddick remained as Digest editor until 1951, when he became the Senate's Assistant Parliamentarian. To him, and to the fine staffs that labored on this publication during the past 40 years, we owe a special tribute for its usefulness and its reliability.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask that morning business be closed.

The PRESIDING OFFICER. If there is no further morning business, it is declared that morning business is closed.

DISAPPROVAL OF CERTAIN ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

The PRESIDING OFFICER. The clerk will report Senate Joint Resolution 81.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 81) disapproving the provision of additional assistance to the Nicaraguan democratic resistance pursuant to title II of the Military Construction Appropriations Act of 1987.

The Senate proceeded to consider the joint resolution.

Mr. BYRD. Mr. President, while the managers are reaching their designated places on the floor, I ask unanimous consent that the time for a quorum call be equally charged against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, earlier I indicated that the distinguished Republican leader and I had talked about having a set hour for the vote on the disapproval resolution tomorrow. Mr. DOLE has authorized me now to put the request before the Senate for its consideration. The two managers are aware of the time that Mr. DOLE has suggested. Mr. WEICKER, I believe, is aware of the time. I, therefore, ask unanimous consent that the vote on the disapproval resolution occur tomorrow at the hour of 4 o'clock p.m. and that paragraph 4 of rule XII be waived.

The PRESIDING OFFICER. Is there objection?

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, the matter the majority leader has placed before the body has been cleared on the Republican side.

The PRESIDING OFFICER. Then it is the understanding of the Chair that the unanimous-consent request is that the vote on Senate Joint Resolution 81 will occur at 4 o'clock p.m. tomorrow.

Mr. BYRD. 4 o'clock p.m. tomorrow. That is correct.

The PRESIDING OFFICER. 4 o'clock p.m. Is there objection? The Chair hears none. It is so ordered.

Mr. BYRD. I thank the Chair and I thank the Republican leader and thank all Senators.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. WEICKER. Mr. President, I yield the floor.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I think all that needs to be stated now is that this measure was referred to the Appropriations Committee of the Senate and was considered to some degree by the membership. But by common consent there was no actual vote taken on it and it came to the floor of the Senate for consideration. The floor leaders have entered into an agreement that has been adopted by the body to vote tomorrow at 4 o'clock.

Now, this consists of a special resolution that was referred to the Appropriations Committee of the Senate concerning the trouble in Nicaragua.

This fund, the $40 million which is placed in question, as I recall, was more money of the type that has been given during the last years for a certain group in Nicaragua that is in opposition to those in power.

That money has been appropriated in the regular way, and this $40 million that I mention has also been appropriated.

The question comes up now on the joint resolution concerning whether or not it has been carried out the way it was supposed to have been, and matters related to it. It is ordinarily called a resolution of disapproval.

So that is the joint resolution that is now on the floor of the Senate. It was introduced by the Senator from Connecticut.

I yield to the Senator from Oregon.

The PRESIDING OFFICER. The Senator form Oregon is recognized, and the time of the minority leader will be allocated to the Senator from Oregon, as manager of the bill.

Mr. HATFIELD. Mr. President, the minority leader had indicated, by message, that I would handle the time on the proponents' side of the Weicker joint resolution, and I am happy to do that.

Our chairman has made an opening statement outlining the basic issue we have before us at this time. I will be very brief in my further comment on that, because I really want to support the Weicker joint resolution in the strongest possible way, and I will address the substance of the matter a little later.

Needless to say, I am obviously opposed to military assistance to the Contras, and I voted against such aid in the past and intend to do so again by voting for this joint resolution.

Mr. President, I think it is very important to put this joint resolution into context. It is an appropriation measure, and I think it should be put into the context that last year $100 million of military assistance to the Contras was provided in H.R. 5052, known as the Military Construction Appropriations Act of 1987. The House passed the measure on June 25, and it was reported by our Appropriations Committee in the Senate on August 5, and was passed by this body on August 13.

No conference was ever held on that bill, however, and as a result, it was included in its entirety in House Joint Resolution 738, the continuing resolution for fiscal year 1987 (Public Law 99-591). The $100 million was to be made available in three installments: The first installment of $40 million to be made available upon enactment; the second installment of $20 million no earlier than October 15, 1986—the continuing resolution was not signed into law until October 17—and the final installment of $40 million to be made available no earlier than February 15, 1987. The second and third installments were subject to certain Presidential findings and reports, and the third could be withheld upon the enactment of a joint resolution of disapproval. That is the joint resolution we are considering today.

The procedures under which we may consider this joint resolution are very strict. They are very similar to those established for consideration of the MX resolution 2 years ago in the Department of Defense Appropriations Act for 1985 (Public Law 98-473), with some exceptions. The resolution was referred to the Appropriations Committee on March 10, and automatically discharged 5 days later. All points of order against the resolution and against consideration of the resolution are waived. The motion to proceed is privileged and is not debatable. The motion to proceed is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the joint resolution is agreed to or not agreed to is not in order. And, once we are on the resolution, it shall remain the unfinished business of the Senate until disposed of. Debate is limited to 10 hours, equally divided between the opponents and the proponents, and can be reduced by a nondebatable motion.

Mr. President, I thought it was important to set forth the parliamentary situation as I see it and as our chairman has indicated. We are here today jointly managing this bill, in controlling the time only. Of course, as I indicated, I will seek an allotment of time, and I will be generous with my request to myself and will speak to the substance of the issue a little later.

If it is all right with the chairman at this time—and I have spoken to the staff of the majority party—I suggest that we have the yeas and nays established, so that we may then send out a hotline on the time certain of tomorrow at 4 o'clock for vote.

Therefore, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DIXON. Mr. President, a point of inquiry.

The PRESIDING OFFICER. Does the Senator from Oregon yield for that purpose?

Mr. HATFIELD. I yield to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for a point of inquiry.

Mr. DIXON. I ask the Senator from Oregon who is controlling the time for the oppostion. It has been suggested by the majority leader that the distinguished chairman of the Appropriations Committee will control the time for the proponents, and the Senator from Oregon has now suggested that he has the same assignment from the minority leader.

For those of us who oppose the joint resolution, I wonder if there is someone we can go to, with hat in hand, for assignment of time.

Mr. HATFIELD. Not really. [Laughter.]

Mr. President, I think there is a slight misunderstanding. The distinguished chairman, the Senator from Mississippi [Mr. STENNIS] will be controlling the time for the opponents of the joint resolution.

Mr. DIXON. I apologize. That was not what the majority leader said earlier.

Mr. HATFIELD. As the ranking minority member of the committee, the minority leader has suggested that I control the time for the proponents of the Weicker joint resolution.

Mr. DIXON. I thank the Senator.

Mr. HATFIELD. Mr. President, with that clarification, I yield such time as he may require to the author, the initiator, of this resolution, the Senator from Connecticut [Mr. WEICKER].

The PRESIDING OFFICER. The Senator from Connecticut [Mr. WEICKER] is recognized.

Mr. WEICKER. I thank my distinguished colleague from Oregon for his courtesy. I also recognize his position on this matter with a great deal of joy; that one as distinguished as he would rise in support of this resolution. I am deeply honored.

Mr. President, tomorrow afternoon, at 4 o'clock, it is time to stand up and get counted. A lot of fingerpointing is now going on with respect to scandals associated with Iran and the Contra affair. Yet at this juncture, the decision to be made about the Contra policy will be made on the floor of the Senate. Today, it is not the President's problem, nor that of the House of Representatives. Today, it is not Oliver North's problem or that of John Poindexter, Caspar Weinberger or George Shultz.

The decision on this policy resides with 100 U.S. Senators. And regardless of how anyone voted in the past on the issue of Contra aid, he or she can now vote with a far greater knowledge of the facts than has been the case up to this point.

I have placed on every desk in the U.S. Senate—and I would like to read to my colleagues—a letter from the Episcopal bishop of Honduras.

This letter is written on the letterhead of the Missionary Diocese of Honduras. It is written by the bishop of Honduras, the Rt. Rev. Leopold Frade. The letter was received here in Washington on February 27, 1987.

To: People interested in the Central American situation.

From: The Rt. Rev. Leo Frade, Bishop of Honduras.

Reference: The Contras in Honduras.

After 3 years in Honduras I have been faced with social and political problems that I could have never imagined that existed. One of them has been the Civil War taking place inside Nicaragua that constantly spills over the country of Honduras that forms my Diocese.

One of the forces of this war has been the Contra army that opposes the Sandinista regime of Managua. In the past I have been supportive of their pleas, hoping that with enough help and supervision they were going to be able to improve their dealings with the civilian population of Nicaragua and eventually bring their freedom.

I am writing this letter now in the midst of the congressional debate to stop the aid to the Contras. I sincerely feel that I can not back this group anymore. We must stop the help to the Contra army. If not we are going to be partly responsible for the incontinuous disregard for human rights. They also have shown very poor accountability of the monies given them and there continues to exist a disregard for their forces from the refugees because of their inability to win any victories, their reluctance to fight and the control of the Somoza followers in the armed branch of the Contra organization.

I write this letter with fear because of the ruthless tactics in dealing with people that criticize them. But I must speak out in order to alleviate the killings and suffering that is due to this conflict engulfing us and that is financed in part by the American tax dollar.

By making this statement, I am not conceding to the Sandinistas. They are still engaged in a very long list of human right abuses and coercion of the basic freedoms of their countrymen. But the solution to this problem is not of financing a group of people as ruthless as them. We need to back the persons that will guarantee the democratic process in the future. Even if Contadora is not a perfect means to find a solution they are at least making a sincere attempt that is worthy to be backed.

I ask your prayers for us in Honduras and others in the area in order that God will continue giving us the courage to speak up and will help to preserve our freedoms. We also ask your prayers so that our Lord will also protect us from dangers and the attacks that will come from those who have chosen to bless evil and destruction.

Ever in our Lord,

Rt. Rev. LEOPOLD FRADE,
Bishop of Honduras.

These are the observations of one man of God, delivered at considerable personal peril and I encourage my colleagues to take them to heart. I only intend to take a few minutes this afternoon to speak to the resolution that I have proposed to the U.S. Senate, I intend to speak at greater length tomorrow, but I would like to take this opportunity broadly outline some of the points I intend to make during remainder of this debate.

First of all, let me address the political ramifications, the political circumstances that attend this happening on the floor of the U.S. Senate.

On the Republican side, there are those who feel that this is hardly the time to knock the President, This Contra policy has been an official policy of the administration. It has been backed, in the main, by my Republican colleagues, and most believe that this is not the time, in a political sense, to back off previous actions.

Well, I too am sympathetic to the present difficulties of the President. But the present difficulties have been brought to pass, to a large extent, by what has been a bad policy. And, speaking as a Republican, I think the best thing I can do—again, in a political sense—vis-a-vis my own party is to get on to the right track and off of the wrong one. No one is doing the President any favors by going along with a policy that day after day after day after day has proved to be even more erroneous than when it was initiated.

On the Democratic side, there is indecision as to whether this is the time to confront the President of the United States. The thought appears to be, "If we approve this resolution of disapproval, and if something goes wrong in Central America, then, come 1988, we the Democrats will be blamed."

My response to this train of thought is: What if something goes wrong? What if? I do not see how it can go—excuse the language—wronger.

And so, on the one hand, the party, whose initiative this was, in the first instance, is afraid to say "we are wrong," and on the other hand, the other party seems to be saying that it is afraid to challenge the President due to the fear of political ramifications down the road, depending on the situation as we get closer to 1988. And so nobody speaks up in a political sense about this policy. There is no debate. There is no challenge as to its validity. There are no justifications presented, be it from Republicans or Democrats.

It seems to me at that juncture the Democrats forfeit all right to their criticisms of the President, either now or when the national elections occur.

And, as far as Republicans are concerned, they are stuck with a bad decision made several years ago. And maybe my own party could feign some form of ignorance about the ramifications of this policy at some juncture, but not now when the Senate has the fact, and the American people have the facts about the Contra policy and its details.

And that is why I say, in a political sense, regardless of how votes were cast in the past, most of the facts are before us and demand new thinking and new voting.

Point No. 2 is that I do not believe that this vote should be "a test of patriotism."

There are those who feel that, if the Senate votes to withdraw the U.S. presence from Central America by cutting off funds to the Contras, we are caving in to communism. Others, myself included, believe that by continued funding of the Contras, we are encouraging communism. So, regardless of deeply held feelings on both sides, I suggest that we lay the flag aside and acknowledge that there is equal patriotism on both sides of this issue.

Rather, I would suggest that the criteria we should apply to this policy are not that of conservative or liberal, Democratic or Republican philosophy. The correct criteria, centers in what has the policy accomplished? What, has it accomplished? That is the subject to which I will also address myself in the hours ahead.

(Mr. CONRAD assumed the chair.)

Point No. 3, after all the rhetoric is finished, after all the speeches on Nicaragua and the Contras are concluded, I suggest we look at the budget to determine what the national policy actually is. What we are voting on is whether or not to spend $40 million. If the Senate votes for $40 million, then the Senate is saying that the policy is worth it; that is what the tax dollar ought to be spent on. Or we can say no. We, the Senate, can say that this is not a proper expenditure of public money. The dollars and cents on which we will vote are in effect a statement of the policy of the United States of America.

Fourth, for those who do not subscribe to the arming of Contras to overthrow a government that is recognized by the United States, what is the alternative—that the United States abandon Central America, South America, the Caribbean to the tender mercies of the Communists?

That is not the choice. Long before the Ronald Reagans of this world initiated a Contra policy, there were Democrats and Republicans that advocated an activist role for the United States in that part of the world. But somehow it never caught fire among the people of this country nor from one administration to the next.

So we have ended up with a classic textbook case of neglect, and all the circumstances that breed the incursion of communism—illiteracy, disease, hunger, and homelessness. I will suggest in the hours ahead that the alternatives are not the Contra policy, or nothing at all. Rather the choice can be a very active role for the United States in terms of the Peace Corps, and other agencies of Government which convey the ideals of this Nation in a positive way throughout the world.

Last, Mr. President, the bleakness which engulfs this Nation at the present time is not the result of the pursuit of any idealistic policy or the establishment of goals throughout the world to do honor to the flag of the United States. This is a sleazy policy, and it will always be attended by sleazy details. So it should come as no shock to anyone as to what happens to these moneys. It should come as no shock to this body that Swiss bank accounts were involved; that funds have been diverted; that officers of the United States armed services are taking the fifth amendment; that the administration of a very decent and honorable man, Ronald Reagan, is in grave difficulty. What could come as a surprise is that his political opponents do not have the courage to stand up and confront the President because they want to see which way the political wind is blowing. And everything attendant falls into the same description I have given the basic policy. It is a sleazy foreign policy that has resulted in sleazy politics, sleazy budgets, and the sleazy execution of details.

As I said, there was a time when many—and as the days went on, it became fewer and fewer—could plead ignorance about the issue now before this body. But no longer. There is not going to be any great political ploy that will either extricate my Republican friends from this policy, or enable the Democrats to gain the mantle of leadership, unless it is that either or both of those parties stand up and say no. And in saying no, establish once again the decency and effectiveness of American foreign policy, establish once again what is in the hearts and souls of the people of this Nation.

It lies within the power of this body, as much as it lies with the President of the United States or any commission, to pull the plug. And if we choose not to do so, then, believe me, our guilt is as great as that of anyone else, including those at whom thousands of fingers are being pointed at this very moment.

The world is looking for what this Nation has to offer. Nobody excels better than the United States of America in delivering a quality of life that is the desire of every human being on Earth. The great educational institutions of this country, the agricultural expertise, the wisdom in science, the ability to put a roof over one's head—this is the war against communism that should be waged all over the world; it is the war that should be waged against any totalitarian philosophy. And nobody provides these basic human needs better than the United States, and nobody is doing less than the United States. So the policies of totalitarianism, in whatever form they take, seems palatable indeed to the suffering.

Right now the vote count on this issue would seem to be 51 against the resolution of disapproval, therefore approving the Contra policy, to 49 who want to disapprove of the continuation of giving this tainted money to the Contras. There are about 24 hours before we vote. And I hope, No. 1, that my colleagues will stop and think and take a look at the record. And No. 2, I would hope the people of this Nation will speak out to their representatives.

In a recent edition of Time magazine, an article entitled "Congress Showed Some Patience," contains a poll. The question is asked, "Should Congress vote additional military aid to the Contras?" Those favoring additional assistance represent 26 percent; those who would cut off all support, represent 52 percent; those who are not sure, represent 22 percent. So a majority of Americans feel quite deeply relative to this policy and whether or not it should be financed.

The next question contained in the poll is: "Will U.S. troops end up fighting in Nicaragua?" Very likely, 23 percent; somewhat likely, 39 percent; not likely, 29 percent.

If the United States continues to go down the road on which it has started in Nicaragua, it will not be long before we can no longer indirectly achieve what we are trying to achieve by way of this Contra policy. Right now nobody has had to pay for it directly with their taxes—so they think—although this is part of the budget.

None of our sons and daughters are directly involved. It is somebody else's sons and daughters that are dying. The price of this policy has not been cheap in terms of our politics, which are a shambles, nor has the price been cheap as to the stature of the United States of America in the eyes of the world.

So in the final analysis there will be no cheap price insofar as trying to overthrow this government that we recognize by indirect means.

How much more I would admire each one of us on this floor if we had before us a resolution of a declaration of war because then everybody in this country would understand the consequences should we vote for it.

Because of the way we have indirectly approached this policy, there is a prevailing attitude that, indeed, no price has to be paid. I am afraid we have already paid too great a price in the intangibles to pursue this Contra policy, and the price we will start paying in the tangible matters will be even greater. Our resources and our children will go down the chute with our ideals.

I yield the floor.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I yield 20 minutes to the Senator from Illinois.

I might state, Mr. President, that 20 minutes may be more than is required.

I yield 20 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIXON. Mr. President, I thank my friend from Mississippi.

FREEDOM OF THE BALLOT BOX IN NICARAGUA

Mr. DIXON. Mr. President, I suspect it may be too late for us in Nicaragua. For almost 7 years, the Congress has battled back and forth with the President on the question of Contra assistance. We have turned the spigot on and off, again and again—banning assistance, and then releasing assistance, while the Contra forces fight and die in the jungles of Nicaragua.

The administration has made mistakes in its policy toward Nicaragua.

The CIA mined the harbors.

Eugene Hasenfus was shot down over the country during a Contra supply mission.

The administration failed to ensure respect for human rights among segments of the Contra organization. The administration failed to maintain a healthy political leadership within the united Nicaraguan opposition.

The greatest mistake, Mr. President, is one that I believe may doom the Contra forces. By engaging in the diversion of funds to the Nicaraguan resistance without the knowledge of the Congress, the administration has squandered support for Contra assistance.

However, the strategic situation in Nicaragua and Central America has not changed, Mr. President. The need to contain the development of a major Soviet client state in Central America continues. I fear the administration has destroyed its credibility on this issue, and with it the chances for a reasonable settlement with the Sandinistas.

Make no mistake about this, Mr. President, the Sandinistas will only settle if they are forced into it!

The administration has also been ineffective in characterizing the Sandinista government for what it is:

A very small group of Marxist-Leninists who have monopolized the political decisionmaking process in Nicaragua;

A minority government which has alienated its democratic counterparts in the revolution; and

An Eastern bloc ally in Central America which has invited Soviet and Cuban military and security personnel into Nicaragua and embarked on a military buildup of immense proportions.

At home, the Sandinista government continues to deny fundamental political liberties to its population—utilizing Soviet, and Cuban, style methods of domestic police surveillance.

According to the permanent Commission on Human Rights in Managua, Nicaragua, an organization formerly dedicated to protesting violations under Somoza, 140 new cases of Sandinista violations occur each month!

These are human rights violations committed by a leftist government in Central America, Mr. President. I believe that the disrespect of the Ortega regime for basic human rights is as bad or worse than the violations from the right we so often hear about.

I am surprised that we hear so little of these Sandinista human rights violations, Mr. President. There is ample evidence to suggest that the Sandinistas have committed gross violations against a wide cross section of the Nicaraguan people.

According to a report from the Puebla Institute, an independent Catholic laymen's group, the Sandinistas engage in the practice of killing and driving out of a region all those whose farms are viewed as a potential food source for the Nicaraguan resistance. Some of the refugees interviewed identified friends and neighbors, including young children, whom they found dead from Sandinista attacks. Also destroyed by the Sandinistas were homes, schools and churches.

The report also noted that Sandinista armed forces made no distinction between civilian and combatants as targets, but rather fired indiscriminatly on men, women and children.

Another report, Mr. President, is from a former Sandinista interior ministry official named Alvaro Jose Baldizon Aviles. He served as a special investigator to Tomas Borge, the interior minister. Baldizon describes, in great detail, the systematic murdering of hundreds of peasants, prisoners, indians, businessmen and other opponents of the regime, all carried out by government soldiers or police. This former Sandinista official cites the specific dates, names and locations of these killings, and I ask unanimous consent that the article on this subject by Fred Barnes of the New Republic be inserted into the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SANDINISTA LOBBY

(By Fred Barnes)

Last July 1 a man named Alvaro Jose Baldizon Aviles slipped across the border from Nicaragua into Honduras. He was no ordinary refugee. Baldizon was chief of the special investigations commission of Nicaragua's Ministry of Interior. He worked for Tomas Borge, the interior minister and a powerful figure in the Sandinista government. Baldizone has an eye-popping story to tell of massive human rights abuses by the Sandinistas. In September and October, under the guidance of the U.S. State Department, he told it all over Washington.

Citing specific names, dates, and locations, Baldizone disclosed hundreds of murders of peasants, prisoners, Indians, businessmen, and opponents of the Sandinista regime, all of them carried out by Nicaraguan government soldiers or police. Borge personally ordered some killings and whitewashed others, Baldizon said. In 1981 Borge allegedly standardized the practice of murdering political foes by issuing a secret order allowing "special measures," the euphemism for assassinations. He institutionalized the deception of visiting foreigners, appearing before Christian groups in an office with a crucifix, a statue of Jesus Christ, and a Bible. His real office is adorned with pictures of Marx, Engels, and Lenin, and copies of The Communist Manifesto and Das Kapital. Moreover, Borge was involved in cocaine trafficking, put former criminals in police jobs, and installed Cuban advisers in operational posts. Baldizon also said the Sandinistas were training Costa Rican guerrillas and using mobs of young Sandinistas to break up gatherings of political opponents.

Even by Latin American standards, this was quite an indictment, exactly the kind of firsthand account likely to trigger outrage by groups monitoring human rights in Central America. And maybe even spark an aggressive investigation or two. But not by the Washington Office on Latin America, which says it "monitors human rights practices and political developments in Central and South America . . . [and promotes] a foreign policy that advances human rights, peace, and democracy in the hemisphere." Joseph T. Eldridge, the Methodist minister and former missionary in Chile who is WOLA's director, was invited along with other human rights activists to a session with Baldizon at the State Department on October 3. Eldridge didn't show. He did call to ask about a private session with Baldizon, and State Department officials agreed to so long as one of their staff aides was present. Later, Eldridge cancelled the meeting because of a schedule conflict. He insists he's still trying to meet with Baldizon. But Janice Barbieri of the State Department's office of public diplomacy says Eldridge isn't trying very hard; he hasn't even called back to set up a new time. Whatever the case, it's been months, and Eldridge has yet to meet with Baldizon.

This indifference to Baldizon and his evidence of systematic abuses of human rights was not a lapse. On the contrary, it reflects the selective moral indignation of a phalanx of organizations in Washington that regularly criticizes the Reagan administration's policy toward Central America and, in particular, Nicaragua. The ostensible aims of these groups are high-minded: peace, protection of human rights, free elections, an end to domination of politics by oligarchies, etc. And they tirelessly point out how Guatemala, El Salvador, Honduras, and Panama—all allies of the United States—come up short. But Nicaragua, with its increasingly repressive Sandinista regime, is another story. What criticism these organizations have of Nicaragua is soft-hitting in the extreme. Mostly they explain away or ignore abuses by the Sandinistas.

These organizations and their leaders refer to themselves as "the community." But they've been accused of being something quite different. A Heritage Foundation paper labeled them "The Left's Latin American Lobby." A book by the Council for Inter-American Security attacks them as "The Revolution Lobby." Bruce Cameron, a former lobbyist for Americans for Democratic Action, says WOLA at least is a "shill for the Sandinistas." Naturally, WOLA and other groups disagree. "There is an attitude in [Washington] that equates opposition to the administration's Central American policy with support for the Sandinista government," says Eldridge. "This is an unfortunate and lamentable conclusion."

Maybe so, but WOLA and other organizations haven't exactly gone out of their way to show that they don't apply a double standard—tough on right-wing governments and U.S. allies, soft on left-wing regimes. A good place to start would have been with Baldizon. Juan Mendez of America's Watch, a human rights monitoring group, went to the trouble of taking Baldizon to lunch, where they could confer without State Department interference. But America's Watch seems more interested in countering Reagan's attacks on Nicaragua than checking out Baldizon's evidence. Last July it put out a report evaluating Nicaragua's human rights record. The logical yardstick was the Sandinista promise of political pluralism and a mixed economy. Had the Sandinistas delivered on these? But that wasn't the question asked. Rather, America's Watch found the one human rights standard that the Sandinistas can meet: Is their human rights record as bad as Reagan says? Nope, America's Watch concluded.

WOLA doesn't pretend to be anything but an advocacy organization. It advocates friendly, tolerant relations with Nicaragua. But similar questions arise in the case of legal groups, whose nominal concern is not policy but the rule of law. Susan Benda of the American Civil Liberties Union says her only concern is blocking U.S. involvement in the covert war waged by the contras. "We're opposed to this covert war regardless of what the Sandinistas do," she says. "We don't care if they close down the press. What the Sandinistas do doesn't affect our opinion on the war."

But at least one legal group is now taking care to avoid the appearance of a double standard. Amy Young, the director of the International Human Rights Law Group, now admits that her organization's study of contra abuses last year should also have looked at Sandinista conduct. In a new investigation early in 1986—another vote on contra aid comes in March—both sides will be examined, she says. Larry Garber, IHRLG's project director, characterizes the soft-on-the-Sandinistas approach of some groups as "avoidance tactics." Although they recognize there are human rights problems in Nicaragua, "they won't go down and investigate," he says. Why not? "It's no secret some organizations in town were excited about what happened in Nicaragua and are still hopeful it will be a revolution that brings lasting peace and stability. They've been willing to forgive things that have gone on during a time of transition. That time is over."

Practically no one is more forgiving than the Coalition for a New Foreign and Military Policy, the umbrella group of "the community." Its 50-odd members include WOLA, the Council on Hemispheric Affairs, the Washington office of the Presbyterian Church (USA), the American Friends Service Committee, and the YWCA. The coalition, along with the Commission on U.S.-Central American Relations, published what it called a "basic information" book on Central America. According to the book, the Sandinistas have done little wrong, and when they have, it was only because the United States forced them to.

Take the massive Sandinista arms buildup. It began in 1979, at a time when the U.S. government was reasonably friendly, and has gone on unabated. Nicaragua now has by far the largest military force in Central America. Yet the "basic information" book attributes the Sandinista buildup to fear of a U.S. invasion. "In short, the Nicaraguans want to raise the military, and thereby the political, cost of a U.S.-sponsored invasion," it says. Nor do the Nicaraguans threaten their neighbors. "Despite the difficulty in distinguishing between offensive and defensive weapons, it is clear that the military strengthening that Nicaragua has undergone in the last few years is primarily defensive, not offensive." Even MIGs from the Soviets, the book says, wouldn't give Nicaragua "a credible offensive force capable of invading any country in the region."

The book is vague about the political leanings of the Sandinista directorate, vague in a way that misleads. Borge, the interior minister, is described as "a poet and a writer [who] has studied law at the National University." This is the fellow who confided to Playboy magazine in 1983: "I told [my mother] that I would not be blackmailed by her gentleness and her naivete and that I was a Communist." Humberto Ortega, the defense minister and brother of Nicaraguan president Daniel Ortega, is described simply as an author. Yet Ortega doesn't mince words about his ideology. "Marxism-Leninism is the scientific doctrine that guides our revolution," he said in 1981. "Our moral strength is Sandinismo and our doctrine is that of Marxism-Leninism."

As the Sandinistas are legitimized by "the community," the contras are demonized. Dissenting opinions are not tolerated on this point. When Bruce Cameron decided that support for the contras would promote human rights in Nicaragua, he was no longer welcome in "the community."

The acceptable line on the contras is that they are old Somoza hands who have generated no popular support for their insurgency. "Nicaraguans," wrote Reggie Norton of WOLA in the coalition's book, "are justifiably concerned that far from representing a promise to improve their lives, the contras represent a return to the type of repression that characterized the Somoza regime." This may have been true five years ago, but since then the contras have been transformed from a small band of ex-National Guardsmen to a 15,000-man force that has won the support of such anti-Somoza leaders as Alfonzo Robelo and Arturo Cruz. Mass defections to the contras, plus their ability to operate in large areas of Nicaragua, are palpable signs of a surge in popularity, and evidence of growing disenchantment with the Sandinistas.

On the subject of elections, Eldridge of WOLA talks scornfully about the recent election in Guatemala, which saw a once-exiled dissident win the presidency. After all, Eldridge says, "elections are one note in the symphony of democracy. . . . The gist is it [the Guatemalan election] was technically flawless. Hats off. The question is whether this will wean the military away from its monopoly of power. A lot of people are skeptical." But the Nicaraguan election in 1984 was "a political opening," concluded a report by WOLA and IHRLG. Serious impediments to free choice by the voters were minimized in the report. There was censorship, but the parties were permitted "to communicate to the Nicaraguan people" their "vision for the future" and "to criticize freely the performance of the government." Repeated "incidents of harassment and intimidation" occurred—Sandinista mobs broke up opposition rallies—but they didn't affect much. The chief opposition party, the Coordinator, which dropped out charging that the election wasn't free or fair, acted for "political reasons."

Eldridge says that half the leaders of the Coordinator would rather have an invasion by U.S. Marines than participate in an election. If so, then why did the Coordinator accept the Sandinista condition that the contras be asked to lay down their arms for the election? In fact, the Coordinator's candidates, Arturo Cruz, negotiated feverishly for a postponed election in which the opposition would take part. At the key moment, though, the Sandinista backed out.

The Sandinista sympathizers continue to insist that political pluralism is the general rule in Nicaragua. America's Watch proclaimed in July 1985 that "while prior censorship has been imposed by emergency legislation, debate on major social and political questions is robust, outspoken, even often strident" in Nicaragua. In fact, just as under Somoza's regime, debate is allowed only so long as it doesn't threaten the authorities.

The America's Watch report claims that the group does "not take a position on the U.S. geopolitical strategy in Central America," then goes on to do exactly that. There have been abuses of human rights by the Sandinistas, it says, but "some notable reductions in abuses have occurred in Nicaragua since 1982, despite the pressure caused by escalating external attacks." This is exactly what the Sandinistas say. Baldizon, who was in a position to know, tells a strikingly different story. So do Protestant preachers who have been arrested recently in Nicaragua. And last October the Sandinistas suspended what few civil liberties had been allowed.

One organization that has gone to great lengths to explain away this new state of emergency is the Central American Historical Institute at Georgetown University. Tossing out civil liberties "does not violate the U.N. International Civil and Political Rights Amendment," the institute said in 1984. And the state of emergency doesn't take away the right to life or justify torture or slavery, or block "freedom of thought, conscience, or religion," the institute said. "Nor is it applied in a discriminatory fashion," it added, suggesting that political repression is less troubling if it is evenhanded.

The institute points out the impressive turnout of 75 percent for the election, despite efforts by the Coordinator to discourage voting. "This, and the fact that opposition parties won one-third of the valid votes, contradicts the accusation that the election was merely a rubber stamp for the [Sandinistas]." Last May, in its publication Update, the institute went to great lengths to knock down an article in La Prensa, the frequently censored opposition paper in Nicaragua. Jaime Chamorro, the paper's co-director, charged that the Sandinistas added 400,000 votes to their tally. The same month the institute said in another Update that opposition parties are alive and "kicking" in Nicaragua's National Assembly. The Sandinistas like "a give and take dynamic to prevail so as to not alienate what amounts to a 'loyal' opposition."

The institute frequently attacks the contras, but is squeamish about Sandinista abuses. In a rundown of contra leaders, it lists Lucia Cardenal de Salazar as "widow of Jorge Salazar, wealthy coffee grower killed in a November 1980 dispute with Nicaraguan police." Shirley Christian of the New York Times reports in her book Nicaragua that Jorge Salazar was assassinated by Sandinista security forces. Baldizon confirmed that Sandinista leaders were involved in plotting and carrying out Salazar's death.

The biggest splash made by "the community" has been with its well-timed reports of contra abuses. The most famous of these was written by Reed Brody, a New York lawyer. He charged that the contras attack purely civilian targets, and he cited instances of killings of unarmed women and children, rapes, beatings, kidnappings, forced recruitment of new troops, disruption of harvests, and intimidation of people joining government programs. With a congressional vote on aid to the contras a few weeks away last spring, the Brody report got big play in the press. But it was, at best, open to question. A Reagan administration examination of the report found that six incidents cited by Brody had been carried out by a contra officer later executed for murdering civilians and that four incidents occurred before the contras were constituted as an organized force. Brody blames the contras for killing a French doctor with mortar fire, but the contras say they had no mortars in that incident and that Sandinista fire killed him. Moreover, the administration says 48 rifles and 11,500 rounds of ammunition were seized from what Brody describes as merely a farm, and that a "deeply religious" couple killed by contras were actually agents of Sandinista state security. Brody was candid enough to disclose that the idea for the report came from Reichler & Applebaum, the Washington law firm that represents the Nicaraguan government. And he also revealed that in Nicaragua he was housed and given office space by the Sandinistas. The government even directed him to witnesses. Still, Brody said, his investigation was "independent." He made no attempt to probe Sandinista abuses.

A recent Sandinista defector has described Brody's close relationship with the Nicaraguan government. Mario Jose Guerrero was director of the National Commission for the Promotion and Protection of Human Rights. The commission, Guerrero said, was ordered to give full support to Brody. Besides office and lodging, it paid all his bills and arranged interviews. Another defector, Bayardo de Jesus Payan, was the chief budget officer of the commission. He described Brody in action to a House subcommittee:

"I . . . notice that many times he showed a photograph in which he was hugging Commander Daniel Ortega and also that he was constantly calling on the telephone to the foreign ministry and visiting it. He also made propaganda for the [Sandinistas] and urged the employees of the institution to vote for Daniel Ortega, since he was a great supporter of the Sandinistas. Also, he always spoke badly about the policy of the government of the United States and of President Ronald Reagan."

WOLA and the International Human Rights Law Group found Brody's evidence compelling, but they were worried that his connection with the Sandinistas would deprive the report of credibility. They dispatched two lawyers, one an outspoken critic of administration policy, to Nicaragua to check on contra abuses. These representatives also neglected to examine abuses by the Nicaraguan government. But they managed to corroborate some of the Brody report, and they declared their support for it. America's Watch supplied a report of its own, which dealt with both sides. It concluded that Sandinista abuses were mainly in 1981 and 1982, and directed against the Miskito Indians. Since then, there had been a "sharp decline" in Sandinista abuses, America's Watch said. Baldizon, for one, would quarrel with that.

"The community" does make some efforts to demonstrate evenhandedness. WOLA, Eldridge says, has been "steadfastly encouraging dialogue in Nicaragua, as in El Salvador." Indeed, WOLA sponsored a visit to the United States by leaders of El Salvador's guerrilla forces. But the contra leaders in Nicaragua are out of bounds. Eldridge is for a dialogue between Duarte and his Communist opposition, but not for one between the Sandinistas and the contras. The dialogue he wants would pit only the erratic Eden Pastora, once a Sandinista commander, and perhaps Arturo Cruz against the Sandinistas. Cruz could be there only as an individual, not as a leader of the contras, says Eldridge. Which means that the main political and military opposition to the Sandinistas would be excluded, and the Sandinistas be under little pressure in the talks to make concessions to democracy. Some dialogue.

Mr. DIXON. Mr. President, I am not satisfied that Sandinista human rights violations receive the necessary attention in this body. The atrocities committed by the Ortega government to gain control of the people of Nicaragua are alarming. Unfortunately, those who monitor human rights in Central America are conspicuously silent on the matter of the gross violations of this Marxist Sandinista government.

Last year, the Congress granted $100 million to the Nicaraguan resistance. For the first time, the Contra forces secured the funding they needed to develop the type of guerrilla military organization that could meet the Soviet-backed Sandinista army with some degree of confidence.

Today, Mr. President, we are asked to rescind the final $40 million of that commitment. I am not prepared to do this. I am not prepared to renege on a commitment I made in August 1986 to send $100 million to the Contra forces.

The credibility of the U.S. Congress is on the line.

A Contra force of 15,000 to 20,000 men has staked its future on the development of a democratic Nicaragua. A Nicaragua true to the democratic coalition which overthrew Somoza. I am not prepared to turn my back on the democratic resistance and the American financial commitment which, in large measure, has allowed them to function and grow.

I believe it is a matter of American credibility.

Mr. President, for these reasons, I rise in opposition to this resolution of disapproval.

A great deal of discussion has occurred on the question of this final, $40 million installment to the Contras.

We have heard that the Contras stand little or no chance of any significant military advancements in Nicaragua.

We have heard that the political leadership of the United Nicaraguan Opposition is in vast disarray.

We have heard that misused and unaccounted moneys given to the rebels means that we should freeze all assistance until proper accounting has occurred.

Finally, Mr. President, we have heard of the Arias proposal—a peace plan that the Contras and Sandinistas may accept.

I would like to deal with each of these points individually, Mr. President.

First, the question of the military viability of the FDN as a fighting force:

I do not accept the reasoning that the Contras have no potential for military victories. As a member of the Senate's Armed Services Committee, I heard testimony earlier this year on precisely this question from General Galvin, currently commander of the U.S. Southern Command in Panama, and General Gorman, his predecessor.

These two men believe that the Contras do indeed have the potential for military victories. Asserting that the Contras can win, Galvin told the committee he was satisfied with the current strength of the FDN force of 15,000 to 20,000 men.

Mr. President, I am as pessimistic as the next Senator about the potential of the Contras to march into Managua and force the Sandinista leadership from a provisional government and schedule elections in Nicaragua.

This is not what we should expect from the Contras. Generals Galvin and Gorman do not expect outright military victory from the Contras.

The Democratic Resistance, however, has never been given a fighting chance by Congress to pressure the Sandinistas into allowing free elections. That is the role they are suited for. I am also convinced that the Contra forces in the north of Nicaragua pose a threat significant enough to force Daniel Ortega and others to think twice before engaging in subversive activity throughout Central America.

I will not vote to pull the rug out from under the Contras.

General Gorman, formerly the commander of the U.S. Southern Command, had the following to say about the current state of affairs in Central America:

> Far more is at stake in Central America than the fate of the Nicaraguan rebels: the neighbors of Nicaragua, in Honduras, Costa Rica, and El Salvador are watching anxiously to see whether Congress supports the Democratic Resistance as an acid test of the U.S. national will to support democracy in Central America.

The general continues:

> All the democratic governments there are threatened, all are dependent upon continued U.S. support, and all have good reason to regard the Marxist government in Managua as inimical to peaceful resolution of the region's economic, social, and political problems.

Mr. President, I ask unanimous consent that General Gorman's statement be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DIXON. Mr. President, these generals believe it is too early to pass judgment on the ability of the Nicaraguan resistance to score military victories against the Soviet-backed Nicaraguan Army.

I agree.

How can the U.S. Congress possibly expect FDN forces to achieve any measure of territorial control in Nicaragua when it refuses to give them a fair chance?

Mr. President, it has been said that the United Nicaraguan Opposition is in such disarray that Congress should cut off our assistance to that organization until harmony is established within the ranks. However, I would suggest that the organizational structure of the United Nicaraguan Opposition may never be ideal. It may never be to the liking of a majority in this body. Surely no one believes that Arturo Cruz, by leaving the UNO leadership in disagreement with Adolfo Calero, has washed his hands of the Contra movement. He remains as committed to a democratic, pluralistic and peaceful Nicaragua as the soldiers fighting the Soviet-backed Sandinista Army.

Mr. President, the House of Representatives wants to freeze all Contra assistance until a full accounting has been made. I do not disagree with the House's assessment of the manner in which the Reagan administration failed in its obligations to adhere to the law in administering Contra aid. The administration has committed grave errors in formulating these policies.

May I suggest, however, that the Contras fighting the Sandinista regime today care little about Col. Oliver North's fund raising activities. They are committed instead to a civil war, a war against a Marxist government and a vastly superior military force.

This entire Iran-Contra affair, Mr. President, has dealt a severe setback to the credibility of administration policy in Central America. The House vote demonstrated this very clearly. Yet the strategic situation we face in Central America has not changed one iota, and I suggest it is becoming worse as the Sandinista regime continues to consolidate.

Mr. President, last week, the Senate endorsed a resolution which generally supports the Arias plan, put forth by the president of Costa Rica. The Arias plan calls for negotiations between the Contras and the Sandinistas. Ortega has indicated the plan is something Nicaragua may consider.

Why is the Sandinista leadership looking positively at this plan? Because the FDN forces are more than simply a disorganized band of guerrilla fighters who lack capability and promise. The Sandinista leadership takes the Contras very seriously—seriously enough to consider a peace proposal which would mean sharing power with democratic elements of Nicaraguan society.

Mr. President, the United States has a commitment to keep with nations facing Communist subversion that began with an American President I greatly respect—President Harry Truman.

I wonder what President Truman would do today?

I firmly believe he would not have allowed 130 Soviet tanks and dozens of Soviet attack helicopters into Nicaragua in the first place. In justifying a large package of United States assistance to the besieged nation of Greece in 1947, when that nation faced a formidable Communist insurrection, President Truman said:

> I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by Armed minorities or by outside pressure * * *.

Mr. President, the Sandinistas do not represent a majority in Nicaragua. The Ortega government does not claim legitimacy through traditional, democratic means such as consent of the people and free elections. Sandinista authority rests on repression of the press, repression of political expression and, finally, heavy reliance on Soviet and Cuban military advisers and technicians.

Last week we noted the 40th anniversary of Harry Truman's historic address outlining what is known as the Truman doctrine. That doctrine, Mr. President, was designed in 1947 to meet a growing Soviet threat in the world. At this point, I ask unanimous consent that an article written by Charles Krauthammer in the Chicago Sun-Times be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. DIXON. Mr. President, Mr. Krauthammer argues that the Truman doctrine, and the assistance it offered to beleaguered democratic elements in war-torn Greece, saved that nation from communism.

Mr. President, I agree with what President Truman did in 1947. I honestly believe that if he were voting in the Senate today, he would oppose this resolution of disapproval with all his powers of persuasion.

Self determination was denied the Nicaraguan people for decades at the hands of Somoza. Today, dictators of another shade deny political freedom to that nation. This Sandinista Marxist regime is persecuting the Nicaraguan people from the left, Mr. President, just as they were persecuted from the right for over 40 years. There has been a changing of the guard in Nicaragua. Tragically, from the point of view of the Nicaraguan people, there has been little change.

Mr. President, for a very, very short period of time, in 1979, the National Revolutionary Front which toppled Somoza promised democratic rule and a legitimate political process to 3.7 million Nicaraguans. The Sandinista Junta stole this revolution through the application of force and Soviet-style controls throughout society.

I believe the Contra forces are fighting for what is right in Nicaragua. I believe it is a serious mistake to renege on a commitment we made to Nicaragua last year. Not once has a Soviet-backed, Marxist-Leninist regime fallen to forces of democracy once that regime has become entrenched. Insurgencies backed by the Soviets, however, have successfully advanced the cause of communism in Asia, Africa, and the Caribbean. I fear this will happen in Nicaragua without a firm American commitment.

Mr. President, for many years the United States has held itself responsible for the fate of nations around the world facing Communist insurgencies. We have not abandoned this obligation in Afghanistan and we must not abandon this obligation in Nicaragua.

I believe the current administration policy of assisting the Nicaraguan democratic resistance suffers because United States goals are not clear and our policy is not firm. Many American people believe the administration is trying to overthrow the Nicaraguan Government, and many believe that United States personnel will eventually become embroiled in a conflict in Central America. Shifting rationales for aiding the democratic resistance have blurred the focus and purpose of American policy toward Nicaragua.

Mr. President, in supporting Contra assistance, our goal is not to overthrow the Sandinista regime. We do not wish to force the Sandinistas out of Nicaragua. We do not wish to remove them from the political process.

Instead, the United States must be committed to force the Sandinistas to share political power in a democratic manner, and to accept the legitimacy of the ballot box in Nicaragua.

The American goal in Nicaragua, as it is in any nation facing Communist aggression, is freedom of choice, plain, and simple. I believe it is the duty of this country to come to the aid of nations where freedom of choice has been taken, by force, with outside assistance.

Nicaragua faces this today.

If Daniel Ortega and the Sandinista junta gain legitimate power in Nicaragua through a fair election, then I will accept the result—we all must. But let him give the Nicaraguan people a choice, Mr. President.

I believe that this must be the message behind American policy toward Nicaragua: The United States is willing to accept anyone as Nicaragua's leader, as long as that individual arrives in power through a just, fair, forthright, and open election

The obligation of the United States in Nicaragua is not an obligation to a specific political group, Mr. President. It is an obligation to defend a democratic political process in that country. It is an obligation to ensure that the Nicaraguan people are given a choice.

We fought for the democratic process 200 years ago. We fought for it in two world wars. We are fighting for it today in Afghanistan.

Unfortunately, Mr. President, I do not believe the administration has adequately defined this American commitment in Central America, and our policy has suffered for it.

I vote against this resolution of disapproval as a Harry Truman Democrat. I support assistance to the Contras in Nicaragua as a member of the Democratic Party which, for as long as I can remember, has been the party of opportunity, the party of strength, and the party committed to the legitimacy of the ballot box at home and abroad.

Mr. President, giving people the opportunity for freedom lies at the soul of the Democratic Party, and I will not walk away from this. We are defending the ballot box in Nicaragua, and from the ballot box stems everything we hold dear in a democratic society:

Freedom of the press; freedom of religion; freedom of speech; freedom to organize independent labor unions; freedom to assemble; and, freedom to vote for anyone, Democrat, Republican, Communist, Socialist, Libertarian.

The U.S. Communist Party fields a full ticket in most Presidential elections in my home State of Illinois. Throughout Europe, Communist Parties participate in the electoral process. Today we are asking the Sandinistas to do the same.

Mr. President, a Soviet client state as strong as Nicaragua in Central America places the entire region at risk. If Ortega can consolidate his dictatorship, and if the Sandinistas can own Nicaragua, then I believe this regime will look elsewhere.

Democratic institutions in many of the nations in Central America are fragile. Conditions in nations such as Costa Rica and Mexico would represent fertile ground to a strong, consolidated Marxist government like Nicaragua.

To the south, Daniel Ortega would find the tiny democratic nation of Costa Rica. Costa Rica does not even maintain a standing army. Mr. President, it does not surprise me that President Arias is pressing the Sandinistas to examine his peace proposal. He faces the largest army in Central America.

To the north, Mr. President, the Sandinistas would look toward Mexico, with its long undefended border to our south. National government in Mexico is pervaded by corruption. The democratic process is shot through with corruption. Presidents of Mexico leave office with millions of dollars, and build mansions high on the hills overlooking Mexico City, while millions of Mexicans face poverty and unemployment. Our neighbor to the south is saddled with overwhelming foreign debt. Its devalued currency is a symptom of the highest inflation in memory.

I am seriously concerned, Mr. President, that democracy in Latin America faces a grave, calculated threat from the Soviet-backed Nicaraguan regime. This threat will worsen immeasurably if the Sandinistas are allowed to defeat the Nicaraguan resistance and consolidate their domestic position.

Mr. President, if we fail the Contras by refusing to shore up their defenses against this Marxist regime, and if we fail to keep up the pressure against the Sandinistas, then free, aboveboard elections will never take place in that country.

When Ortega controls Nicaragua absolutely, with his Soviet Army and his Soviet Air Force, he will rule Central America. He is the lion who will lie down wherever he pleases, Mr. President.

Today, we already face a threat from the Soviet client state of Cuba. If Daniel Ortega becomes the powerful leader of a forcibly united Nicaragua, Mr. President, then I believe we will see Sandinista expansionism and eventual Soviet involvement in the domestic affairs of additional democratic states in that region.

For each of these obvious reasons, this Congress must follow through on its previous commitment to the democratic resistance.

We must continue to pressure the Sandinista regime.

I believe the Sandinistas take seriously the challenge posed by the Nicaraguan resistance. I believe a strong resistance with a solid American commitment can bring the Sandinistas to the negotiating table. If the Contra forces receive some sustained political and financial support from Congress, I believe they have a chance to push the Ortega government toward negotiations.

For these reasons, Mr. President, I urge the Senate to vote against this resolution of disapproval.

EXHIBIT 1

February 15, 1987.

Subject: Observations in Central America.

At the invitation to USCINCSO, this past week I revisited Honduras and Panama for the first time since I left command there in February, 1985. It was a most useful update for me. I agree with General Galvin that the Nicaraguan rebels of the FDN now have a fighting chance to present to the Nicaraguan people an alternative to the oppressions and militarism of the government in Managua. While a concerted effort to launch a wide-spread guerrilla compaign within Nicaragua did not get underway until after the aid authorized by Congress began to reach them in late October, they have accomplished much in a short while. The training their key tactical leaders have received, while abbreviated, was directed at the right learning objectives, and should stand them in good stead in the months of fighting which lie ahead. Fighting there will be, for nearly 10,000 FDN guerrillas, armed and organized for an extended unconventional warfare campaign, are now operating inside Nicaragua, and a significant number of these have penetrated beyond the strategic Rama Road, deep into the southeast. Their overall campaign plan seems sound, and their successful infiltration of fresh units through and around the government forces massed along the Honduran border to prevent their reentry, is one dramatic indication of what they have learned since 1985, when last I tracked their operations through the intelligence available to me in USSOUTHCOM.

It is much too early to form judgments concerning their prospects. Over the next year, we will have to watch carefully to discern whether the troops of the FDN:

a. Earn the support of the people, for this will be the most important measure of their success.

b. Link their military operations with political initiative, minimally through linking their actions afield to media campaigns directed at informing the Nicaraguan people of their struggle for a free nation, optimally through the former plus political cooperation with the numerous parties trying to bring the government in Managua to accept a test of ballots rather than bullets, and to settle for free, supervised elections.

c. Pursue a campaign which avoids engagement with major formations of the governement's army, and extends and exposes the government's military force, and inhibits its control over land and people.

Concerning the approval for the $40 million remainder of the $100 million approved by Congress, I believe that members of Congress ought to vote conscious of the fact that some 10,000 Nicaraguans are now engaged in a civil war against the Marxist-Leninist government there, committed, largely at our insistence, to a life-death struggle to win freedom for their countrymen. They are quite dependent upon logistics which only the United States Congress can assure them, and the promised additional aid is vital to their continuing their struggle.

But far more is at stake than the fate of the Nicaraguan rebels: the neighbors of Nicaragua, in Honduras, in Costa Rica, in Guatemala, and in El Salvador, are watching anxiously to see whether Congress supports the democratic resistance as an acid test of the U.S. national will to support democracy in Central America. All the democratic governments there are threatened, all are dependent upon continued U.S. support, and all have good reason to regard the Marxist government in Managua as inimical to peaceful resolution of the region's economic, social, and political problems. The tragedy of the present circumstance is that the hubris of a handful of men handling U.S. policy re Iran is likely to undercut Congressional support for a Central American policy which overall has achieved a number of striking successes. Five years ago the following would have seemed quite unattainable:

Democracy is accepted as the wave of the future in Central America, and the U.S. is its proponent and protector. Where once we were perceived as the prime support for authoritarianism, today we are seen as the main hope for economic and social progress, and as the shield of freedom.

The U.S. now has a regional military strategy with both offensive and defensive aspects, a strategy which makes possible defense in depth of U.S. vital interests with minimal forces, underwrites our concept of helping others help themselves, enheartens the advocates of democracies, and dismays and deters authoritarians of both the right and the left.

El Salvador has not only adopted reformist democracy, but has, with substantial Congressional support, substantially reduced the numbers of insurgents, and reasserted control over most of its people and productive land. Not since Magsaysay's campaign in the Philippines has a U.S. supported government been similarly successful against guerrillas.

Honduras has been induced to extraordinary generosity toward its former enemy, El Salvador, in training Salvadoran troops in Honduras, and in policing its border areas where Salvadoran insurgents have sought sanctuary. Its long-standing border dispute with El Salvador is now being adjudicated in The Hague. Honduras, moreover, assumed grave risk by harboring the "contras", and accepted an unprecedented U.S. military presence on its soil. It has nonetheless continued its land reform and other evolution toward pluralistic democracy.

Costa Rica's investments from abroad are up two thirds this year, and despite recent publicity over President Arias' refusal to allow use of his territory for support of the Nicaraguan rebels, military cooperation with the U.S. is the closest it has been since 1948.

Guatemala's military leaders have adopted exceptionally enlightened policies providing for support by the armed forces of the constitutional, elected government of President Cerezo and for respect for human rights.

Central Americans therefore are likely to see continued U.S. support for the "contras" as an affirmation that the U.S. will help them to cope internally with staggering debt-servicing problems, stagnated economies, and grave threats to security, as well as externally with the menacing Marxist militarists in Managua. As far as the Sandinistas are concerned the best hope for a negotiated settlement lies in their perceiving the U.S. Congress as committed to Central America for the long haul, including and especially continued support for the UNO and the FDN in Nicaragua.

Conversely, should Congress abrogate its commitment to the Nicaraguan rebels, governments of the four democracies in Central America are likely to be shaken. This is no "domino theory", but a realistic assessment of the fragility of those governments:

Duarte in El Salvador, pressed now not only by the continuing war, but by a devastating earthquake, would surely have to contend with a reinvigorated Left and a reassertive Right, and his base of power, already eroded, would probably disintegrate.

With the U.S. wavering, Azcona in Honduras would find it more difficult to restrain further his powerful and restive military, within which are venal, nationalist, rightist individuals who question continuing cooperation with the U.S.; men fully capable of seeking an accommodation with Managua, to insure against the return of FDN troops to Honduran soil, to seek respite from threatened insurgency within Honduras, and to free Honduran forces to face the Salvadorans, whom they regard as the main threat.

The Costa Rican government of President Arias would also be likely to adopt a stance less critical of Managua, conceivably at the cost of military collaboration with the U.S., but businessmen and democratic politicians alike would loose confidence, and internal security, already precarious, would be impaired.

In Guatemala, the military, already sceptical of U.S. persistence and concerned over their obdurate insurgents, would be impelled to regress.

But if the government in Managua is likely to emerge from a negative Congressional vote on aid for Nicaraguan rebels with net gain, that turn-down is quite likely to doom efforts to negotiate an end to the civil war. The civil war will continue, even intensify, as the Sandinistas throw in their reserves seeking a final victory. Some portions of the FDN force may try to reenter Honduras, and, if so, there is a possibility that the Hondurans will fight to keep them out, or to disarm them—in which case Central Americans would have to deal with one U.S. supported force fighting another. In the short run there will be human costs in casualties among the rebels and the migration of their families, and political costs in terms of lost U.S. credibility. And in the longer run the collapse of the democratic resistance in Nicargua could precipitate a return to authoritarianism in most of Central America, and by unfettering the Sandinistas for new mischief in the region, bring warfare to Honduras and Costa Rica as well as Guatemala and El Salvador.

It is my considered judgement that additional aid for the Nicaraguan democratic resistance is a small price to pay for preserving the gains realized in recent years by those we support in Central America, and for keeping open the prospect of negotiated settlement. I also believe that denying that aid would jeoparadize all we have achieved in recent years, a risk wholly disproportionate to the expenditure involved.

[From the Chicago Sun-Times, Mar. 12, 1987]

EXHIBIT 2

TRUMAN DOCTRINE 40 YEARS OLD TODAY

Forty years ago today, Harry Truman made a speech and the United States became a superpower. Of course, at the end of World War II the United States *was* a superpower, and with a nuclear monopoly, *the* superpower. But with the enunciation of the Truman Doctrine on March 12, 1947, the United States finally accepted the role.

There could be no more pretending that the peace would be kept by others. In fact, the Truman Doctrine was precipitated by two British notes sent on Feb. 21, 1947, to Secretary of State George Marshall. Britain, Europe's perennial balancer-of-power, informed the United States that it could balance no more. It would stop aid to Greece and Turkey on April 1.

Greece and Turkey were near collapse, Greece, fighting a civil war against communist guerrillas, was near bankruptcy. Turkey, subject to repeated demands by Stalin for bases and for rights to the Dardanelles, would be the next domino to fall. (The sound of dominoes emanating from Eastern Europe was loud in 1947.) An exhausted Britain could no longer carry the burden. Truman had five weeks to act.

Within 19 days, he had remade American foreign policy. He asked Congress for $400 million in economic and military aid for Greece and Turkey, an astonishing and unprecedented step for peacetime America. But Truman did not stop there. He declared it the policy of the United States "to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures." This universalization of America's role was immediately called the Truman Doctrine. With it, "containment" was born. The Monroe Doctrine had pledged the United States to keep foreign powers out of the Western Hemisphere. The Truman Doctrine pledged the United States to contain Soviet power and preserve freedom wherever it could around the world.

When the speech ended, said a witness, Congress' "applause had a bewildered quality about it." Initial reviews were not all favorable. In the end, however, Truman won. By May 15, the aid was approved by both houses of Congress. The Truman Doctrine saved Greece and Turkey. And coupled on June 5 with the Marshall Plan, it saved the rest of Western Europe.

The Truman Doctrine was the guiding principle of U.S. foreign policy for a generation, until the consensus for containment disintegrated with Vietnam. Several stopgaps were immediately offered as replacements. First was the Nixon Doctrine: relying on friendly regimes to police their regions on our behalf. The great model was the shah. The Nixon Doctrine fell with him.

Then, after the invasion of Afghanistan, the Carter Doctrine promised unilateral American action to defend Western interests in the Persian Gulf. This doctrine died quickly for lack of credibility. The Rapid Deployment Force, sword of the Carter Doctrine, is hardly an instrument for repelling Iranian mullahs, let alone the Soviet Army.

If regional powers prove unstable, and projected American power unreliable, what then? As Joshua Muravchik points out in the winter issue of Foreign Affairs, global containment—the idea of resisting the Soviets everywhere—collapses, and gives way to a new American policy vis-a-vis the Soviet Union: selective containment. Some countries the United States will support against Soviet-backed forces. Others not. In the late '70s, for example, we said no to Angola and yes to El Salvador.

There is one problem with selective containment. Alone, it is a policy of continual retreat. If the Soviets gain a foothold in, say, Angola, they keep it. The Brezhnev Doctrine, enforced by Moscow, pledges that Soviet advances will not be reversed. Selective containment plus the Brezhnev Doctrine means: What's theirs is theirs and what's ours is up for grabs. The fight is always on Western terrain.

The strategic response to this asymmetry has come to be called the Reagan Doctrine. It says that recent Soviet acquisitions at the periphery of empire—Angola, Afghanistan, Nicaragua—are not permanent. They are open to challenge. And we support the challenge. The Reagan Doctrine declares overt (Oliver North take note: overt) American support for anti-communist resistance movements. By declaring Soviet gains reversible, the Reagan Doctrine saves selective containment from being a policy of gradual, but inexorable, retreat. It thus reestablishes an equilibrium—a dynamic equilibrium—in the strategic equation between the United States and the Soviet Union.

American foreign policy is routinely criticized for its reactive quality, for its air of ad hoc pragmatism. Hence the demand for initiative, strategy, some larger vision of how to deal with the world and with the Soviet challenge. Containment and the Truman Doctrine met that demand exactly 40 years ago. Selective containment and the Reagan Doctrine meet it today.

The Reagan Doctrine may, nonetheless, be undone by the Iran affair, by the zealotry of those who acted secretly and perhaps illegally just months before Congress had come to open military support for the major anti-communist insurgencies. Congress, it seems, will have its revenge. If so, those about to defund the Reagan Doctrine might inform us of their alternative strategy for dealing with Soviet advances around the world. Or shall we be content with a policy of gradual retreat? Harry Truman didn't think so.

Mr. STENNIS. Mr. President, we have learned that requests are coming in for time which we had not known about and had not allowed for. The Senator from Oregon and I have agreed that we should reduce the time allowed now to 12 minutes.

Mr. HATFIELD. Mr. President, the chairman is correct. We are developing a long list of people who have requested to be heard, and I think what the chairman has suggested of limiting them at this point in time to 12 minutes and then having a second round, if there is time left after we have completed the list of those who have asked to be heard, is appropriate. I would certainly be willing to ask Senators on my side to subscribe to that policy.

Mr. President, I now allocate myself 12 minutes.

Mr. President, we are going to spend a lot of time in the next 10 hours talking about covert supply lines, bank accounts in Geneva, and sultans from places most of us cannot even find on the map.

But in the end this vote has little to do with Eugene Hasenfus or Oliver

North. Of course, we are offended, as an institution, by the bad judgment of so many of the bizarre administration policies which have captured headlines in these past months. We will give great speeches on the institutional integrity and tell our constituents that laws are made to be upheld, but in the end the issue is Contra aid. Nothing more, nothing less. We either believe in it or we do not. Mr. President, I do not. I do not believe in Contra aid. I keep hearing about how we want peace and stability in Nicaragua. But if we wanted peace and stability, we would never turn out backs on the Contadora process or efforts like those of Costa Rica's President Arias. Despite all the rhetoric about support for the "peace process", the truth is that our allegiance has been with the war process.

Let me read to you from the section in last year's continuing resolution under which the President's certification comes to us today. Let me tell you exactly what it is that the President is certifying to us:

> 1. The Central American countries have not concluded a comprehensive and effective agreement based on the Contadora document of objectives.
>
> 2. The government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease fire and an effective end to the constraints of freedom of speech, freedom of assembly, freedom of religion, and political activity leading to regularly scheduled free and fair elections and the establishment of democratic institutions.
>
> 3. There is no reasonable prospect of achieving such agreement, dialogue, cease fire, and an end to constraints described in paragraphs 1 and 2 through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance.

That third point is really what is at issue here today and let me read it to you again.

> There is no reasonable prospect of achieving such agreement, dialogue, cease fire, and an end to constraints described in paragraphs 1 and 2 through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance.

"Reasonable prospect," that is the key phrase. Now, how does the President exactly determine that phrase and the definition, "reasonable prospect"?

Maybe it is the accepted judicial standard of reasonable. That presents a problem because the potential of the Contadora and Arias proposal does suggest a reasonable prospect under that standard. Certainly it does if one envisions a situation in which the will and energy of the government stood behind the efforts of those individuals and nations who are struggling to avert a regional conflagration.

Now, Mr. President, if we were really being honest about this policy, that third point would have been written differently. Let me tell you how it would have been written. It would have said, "There is no reasonable prospect of achieving an overthrow of the Sandinista government without additional assistance to the Nicaraguan democratic resistance." Underneath all the polite words and elaborate certifications, that is what this policy is all about. That is what the administration is trying to achieve. And by voting for this money, by supporting Contra aid, that goal becomes our goal—not agreement, not dialog, not cease fire, an overthrow of the Sandinista government.

Let us be honest about it. The truth is that there is nothing reasonable about any part of this policy. There is nothing reasonable about thinking we can win the hearts and minds of the Nicaraguan people with land mines and bullets. There is nothing reasonable about thinking that a brutal band of former National Guard officers, thrown together by the CIA, can rise up, take Managua, and install a true blue democracy in Nicaragua. There is nothing reasonable about thinking that we are supporting democracy by engaging in a war that undermines the integrity of our own laws.

The truth is that we do not have the political will to do what the administration wants—overthrow the Sandinista government. We do not have the moral will to do what we should, which is to become a leader in the effort to bring peace to Nicaragua. So we have settled into this never-never land which will accomplish neither of these goals.

By accepting this certification, we are accepting a standard for "reasonable" that would not stand up in any court. We are hiding behind some nice sounding words, words like "peace" and "stability" and "dialog." We are admitting that we are as cowardly as the administration when we do not have the nerve to take a reasonable risk for peace and call it what it is, and that is a simple policy leading to the overthrow, and nothing less, of the Sandinista government.

Mr. STENNIS. Mr. President, the Senator from North Carolina is next on my list. I yield him 12 minutes.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I ask the manager of the bill if I might come in next in line for the opponents of the joint resolution. The Senator from Colorado has a commitment. Will the Senator move him ahead of me and let him go now, and I will wait?

Mr. STENNIS. If that is what the Senator wishes to do.

Mr. HELMS. Mr. President, I yield to the distinguished Senator from Colorado, and I will follow the next proponent.

Mr. STENNIS. I yield the Senator from Colorado 12 minutes.

Mr. HELMS. I thank the distinguished Senator.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ARMSTRONG. I thank the distinguished manager, and I thank the Senator from North Carolina for his courtesy.

Mr. President, I appreciate the opportunity to address the Senate on this issue.

It is very hard for me to imagine how, if we had deliberately done so, we could have conceived a more disastrously misguided, chaotic policy than that which the United States has pursued in North America over the last 10 years or so. The kind of policy we have is not surprising. It has contributed to the general atmosphere of political chaos and instability that has undermined the United States in the region and throughout the world and comprised the potential for human freedom in Central America.

Within this decade, we have been in support of the Somoza regime and have been opposed to the Somoza regime. We have sent aid, comfort, and moral support to the Sandinista regime; and we have opposed the Sandinista regime and have criticized it at some length.

We have repeatedly held out aid and support for the resistance in Nicaragua, and we have cut off that aid once it has gone into effect.

It is hard to recall any instance of U.S. foreign policy in which there has been such an on again, off-again, contradictory flip-flop.

Mr. President, to keep things in perspective, let me recall for my colleagues what we have done in recent years in Nicaragua.

In 1979, the Carter administration formally terminated assistance to the Somoza government.

In July 1979, the Carter administration organized an emergency airlift of food and medical supplies to the Sandinistas and later that year requested $75 million in economic support funds for the Sandinistas.

By the end of December 1979, a total of $48 million in U.S. aid had been provided to the Sandinista regime. But less than a year later, the Carter administration determined that it was time to cut off aid to the Sandinistas.

A few months later, President Reagan came to the White House and in January 1981, decided it was time to resume aid as a good will gesture, in the hope of improving our relationship with the Sandinista regime. But in 1981, he decided it was time to cut off aid to the Sandinistas.

In November 1981, we had cut off aid to the Sandinistas and decided it was time to get on the other side.

In November 1981, we began to covert U.S. assistance to the Contras. But in December 1982, Congress passed a prohibition cutting off aid to groups trying to overthrow the Sandinistas or provoke hostilities between Honduras and the Contras. Mr. Reagan entered a finding that that was not the purpose of the Contras, who were interdicting arms from Nicaragua to El Salvador.

In December 1983, Congress voted to provide covert aid to the Contras in the amount of $24 million, but in October 1984, we prohibited further aid to the Contras.

In August 1985, we provided $27 million in humanitarian aid to the Contras.

In October 1986, we passed a $100 million aid package to the Contras, and in March of this year, the House of Representatives voted to cut it off again.

Is it any wonder that the people of this country are absolutely dumbfounded to determine what is our policy in Central America, where we are going, what it is that the United States stands for in this region of the world?

The Senator from Connecticut says it is time to stand up and be counted, and I say he is right. It is time for us to stand up and be counted and decide what it is that America cares about in Central America and the world.

The Senator from Connecticut is also correct, in my judgment, in saying that this is not a test of patriotism.

The issue, in my opinion, is simple: What is it that America stands for in Central America?

A long time ago, a distinguished journalist wrote that leaders are the custodians of a nation's ideals. So I hope my colleagues will ask themselves, as we consider this issue, what are the ideals we are supporting. What are the hopes, aspirations, and beliefs of our country that we are going to support in our action on this joint resolution?

There are strategic considerations, and I do not have the time nor the desire today to address those. There are considerations of geopolitics and diplomacy, and I do not want to address those.

I want to address the underlying issue of American idealism. What is it that our hearts tell us? What is it that the best traditions of our country tell us?

I am convinced that the Senator from Illinois [Mr. DIXON] was absolutely right when he quoted President Truman. The issue is human freedom. That is the issue. Freedom for elections, freedom of transportation, freedom of the press, freedom of worship, free enterprise, freedom from terrorism.

On January 27 of this year, the Nicaraguan democratic resistance reaffirmed its support for democratic principles by issuing a "Charter of the Democratic Commitment of the Nicaraguan Resistance." This charter commits the resistance to political pluralism; a republic with separation of powers and a system of checks and balances; freedom of speech, press, association, and religion; recognition of the rights of labor; full observance of human rights, social justice and the legal equality of all citizens; respect for the rights of private property; respect for cultural and political rights of minority ethnic groups; abolition of the secret police, party army, and repressive party instruments; abolition of the death penalty; demilitarization and reduction of armed forces; academic freedom; priorities of government resources for health, education, housing; rehabilitation of war damage.

The record of the Sandinista government has been in stark and malevolent contrast to what it is that the democratic resistance in Nicaragua proclaim.

As Marxist-Leninists, the Sandinistas [FSLN] are committed to consolidating one-party rule.

After coming to power with broad popular support for a program which included political pluralism, free elections, a mixed economy, and a nonaligned foreign policy, the FSLN began breaking these promises for their own political ends.

In April 1980, the Sandinistas increased FSLN representation in the Council of State in order to gain control, causing the two non-Sandinista members to leave the Junta.

The Sandinistas instituted censorship, arbitrary confiscation of property, arbitrary detentions, the outlawing of strikes, and created special tribunals to try political cases outside the established legal system.

The Sandinistas refused to allow conditions for free elections in 1984.

Bayardo Arce's "secret speech" in 1984 explained the Sandinistas' view of elections as a facade, to be used for the purpose of unity among Marxist-Leninist groups. He further stated:

> Democracy as they call it, bourgeois democracy, has an element we can manage and even derive advantages from.

On October 15, 1985, when the Sandinistas again suspended civil liberties, the church, political parties, labor unions, and the press were faced with increased censorship and persecution. Opposition figures were interrogated, harassed, and threatened. This intimidation included Nicaraguan employees of the U.S. Embassy.

In June 1986, the Sandinista Government closed the Catholic radio station, shut down the church newspaper, and ended the longstanding policy of not drafting seminarians. Priests were arrested and interrogated and Cardinal Bravo was accused of being a traitor.

The regime broke off reconciliation talks with the Miskito Indians.

Confiscation of private property has increased.

In June and July of 1986, the Sandinistas intensified their crackdown: La Prensa was closed; Bishop Vega was expelled, and Monsignor Carballo denied reentry into Nicaragua; and opposition political party members were arrested and interrogated.

On January 9 of this year, just 3 hours after a new constitution went into effect, a state of emergency was again declared.

Mr. President, these are the issues we ought to keep in mind as we vote on this question. I would recall the words of Herman Melville, a great American author, who pointed out the solemn nature of the responsibility our Nation bears in such matters. Herman Melville wrote that Americans are a chosen people. Just as the ancient Jews were chosen to bear the Ark of the Covenant, so God has chosen Americans to be the bearers of the ark of human freedom in the 20th century. There is no other country which can do so. If we go down, there is no other nation strong enough, with strong enough ideals, to protect human freedom in Central America.

In my judgment, a vote for this joint resolution is a vote to compromise human freedom in Central America. A vote against it enhances the prospect—not the certainty, just the prospect—of free institutions, free elections, free press, and freedom of worship in Central America.

I hope my colleagues vote against this joint resolution, not by a narrow margin, but, indeed, I hope by a decisive margin.

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD. Mr. President, I yield 12 minutes to the Senator from the State of Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. ADAMS. I thank the Senator from Oregon.

Mr. President, when we vote on this joint resolution, it will be my first opportunity to vote against the expenditure of United States taxpayer dollars to finance war in Nicaragua. I will vote in favor of this joint resolution today to express my disapproval on behalf of the people of Washington State for continued military aid to the Contras. I will do so because the facts dictate that I do so—and also because the sentiment of the people dictates that I do so.

I have just finished a hard-fought campaign. One of the strong messages I received throughout that campaign from voters in Washington State was that they wanted a Senator who would come to the Senate and vote against

United States support for war in Nicaragua. The events since November regarding diversion of Iran arms sale funds and the revelations regarding the privatization of United States foreign policy have reinforced this message.

Let us look at the facts—the situation in Nicaragua and what the $40 million payment would support.

I. THE MILITARY OPERATION

The Contras cannot win a military victory in Nicaragua. Even those who favor the Contras have indicated both today in debate and elsewhere that the marching into Managua by the Contras is not to be expected. Respected U.S. military experts have also stated this. Therefore, the very premise which underlies the appropriation of these military funds for some type of military victory is faulty.

II. THE NEGOTIATING POSITION

If we rely on the Contras to do our negotiating, we cannot win a political victory in Nicaragua either. The Contras are in disarray. The United Nicaraguan Opposition [UNO] which constitutes the political leadership of the Contras is crumbling. Two of their leaders have resigned. Aldolfo Calero, head of the FDN, which controls the military arm of the Contras, has resigned from the UNO directorate. Arturo Cruz, the Contra leader who has been committed to the idea of a democratic Nicaragua has also resigned.

III. SUPPORT OF THE POPULATION

The Contras do not have the support of the Nicaraguan people. Their violent acts against the civilian population have undermined their credibility with the people. Americas Watch has found a consistent and escalating pattern of Contra violence against civilians since 1981. They have concluded that the Contras have taken no steps to investigate and punish the abusers. A recent story in the March 7 Washington Post tells of how the Contras needlessly burned a health clinic in a small rural village. This is on top of seven other rural health clinics that the Contras destroyed last year.

IV. THE USE OF THE $40 MILLION

Providing another $40 million to the Contras will only exacerbate the needless killing and confusion within Nicaragua today. The only acceptable alternative is pursuit of diplomatic efforts aimed at putting in place a permanent peace.

I can only conclude from this that continued military aid to the Contras is a dead end policy bankrupt of hope for the people of Central America and contrary to the long-term interests of the United States in the region.

The reason we are having this debate today over release of this last $40 million is because last year the Congress was so concerned when it appropriated the $100 million for the Contras, it included a provision in law which required that the President certify several things to the Congress before this money could be released.

One of the required certifications is that there is no reasonable prospect of achieving a peace agreement, dialog, cease-fire, and end to constraints on freedom of speech, assembly, religion, and political activity in Nicaragua through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan Democratic Resistance.

The President has now made his certification. He has asked us to accept his opinion and permit the release of the final $40 million of military assistance. For Congress to do so, however, would be to ignore the fundamental reality that there is a reasonable prospect of achieving an agreement to end the Nicaraguan conflict.

THE ARIAS INITIATIVE

In January, President Arias of Costa Rica launched a regional peace initiative. Since then, it has gained the support of Honduras, Guatemala, El Salvador, and recently gained a strong showing of support in the United States Senate. It contains 10 points, which include a national reconciliation and cease-fire in Nicaragua. It is aimed at the democratization of Nicaragua. The Sandinistas have now indicated their willingness to participate in discussions of this peace initiative.

The prospect that the Arias initiative might succeed should not be ignored by the United States. We will ignore it at our own peril. To release more military assistance to the Contras in light of this encouraging development is like pouring gasoline on a burning fire instead of starting to bring it under control. The gasoline will cause the fire to begin raging again.

President Reagan is entitled to his opinion. But as we have all learned from the disturbing events of the last few months, opinions which are not based on fact and good judgment will erode our standing at home and in the world.

And so we ask: Where has this aid been spent? A General Accounting Office audit of the $27 million in humanitarian assistance appropriated to the Contras concluded that while the State Department maintains that intelligence reports show that the goods and services purchased under this program have reached the intended beneficiaries, the Department did not provide us evidence to support this assertion. As far as we could determine, most transactions could not be fully tracked or verified.

In addition, millions of dollars of aid reportedly diverted from the Iranian arms sale to the Contras has yet to be tracked. The millions from the Sultan of Brunei, the Saudi Royal family, and the private contributions raised by Colonel North have yet to be tracked. Given this, we would be penny wise and pound foolish to channel more money in this direction without knowing how this is being used.

CONCLUSION

In summary, the events since the passage of this law make the arguments in favor of affirmative Senate action on this resolution of disapproval persuasive.

First. The Contras are not winning in Nicaragua.

Second. Increasingly, the Nicaraguan people do not support their tactics.

Third. There is hope for a diplomatic settlement of this conflict with the Costa Rican initiative recently launched by President Arias.

Fourth. Without the facts regarding the expenditure of U.S. Contra funds which have been sent before, why should we agree to release more now?

In the final analysis, the conflict in Central America must be resolved by the nations of Central America. Neither the United States, nor the Soviet Union for that matter, can impose a solution on these nations. We do have important security concerns in the region which must be addressed in any peace settlement. And we have a fundamental goal of promoting democracy in the region. But these are objectives which must be secured at the negotiating table and cannot be won on a battlefield.

If we learned anything at all from our experience in Vietnam, it is the utter futility of trying to substitute our concerns for those of the indigenous people by military might. Continuing to fund a military approach in Nicaragua is a mistake which carries with it the highest consequences for our future leadership in Central America and the whole Western Hemisphere.

I urge adoption of the joint resolution.

I yield the balance of my time back to the manager of the bill.

The PRESIDING OFFICER. Who yields time?

Mr. HELMS addressed the Chair.

Mr. STENNIS. I yield the Senator 12 minutes, Mr. President. If we have any time at the last, we can take it up.

Mr. HELMS. That would be fine.

I thank my good friend. I understand I have 12 minutes beginning now.

The PRESIDING OFFICER. The Senator is correct.

The Senator from North Carolina.

Mr. HELMS. Mr. President, this issue is so simple in my judgment that it defies comprehension to hear so much debate about it. If the flickering light of freedom goes out in this hemisphere in our front yard in Central America, it will have been blown out not in Nicaragua but in Washington, DC, and specifically in the Congress of the United States.

The President of the United States has made clear that he does not want history to record that he was responsible for the sellout of freedom in this hemisphere. This Senator joins the President in that. That is the issue. If we fail to stand up to freedom now, freedom will lose.

I hear all of the conversations about disarray among the freedom fighters. I do not like the word Contra and I do not use it. But look at the situation from the standpoint of the freedom fighters. Suppose you were fighting for freedom in your land, Mr. President, and the friend that you had counted on for sustenance, support, and help, jerked the rug out from under you. How would you feel about it? Of course, there is bound to be some confusion. But I will tell you regardless of what this Congress does, the freedom fighters in Nicaragua, in Angola, and in Afghanistan will continue to fight. They may lose, but they will continue to fight, and the shame will be upon us for having failed to support freedom.

I hear about negotiated settlements with the Communists in Nicaragua. I want one Senator to specify one time in history when freedom has been served by negotiating with the Communists. Did it happen in Poland? Did it happen in Vietnam, Cambodia, or Laos? Go down the list. When you negotiate with the Communists you lose.

Mr. President, a couple of years ago Fidel Castro, at a moment of typical boastfulness, declared that soon he would be "eating breakfast in Managua, eating lunch in San Salvador and eating dinner in Guatemala."

Well, they are asking Fidel Castro in Managua how he likes his eggs because the Communists are in control there.

(Ms. **MIKULSKI** assumed the chair.)

Mr. **HELMS**. I reflect upon the day in this U.S. Senate when the majority of Senators voted to send by the first vote $75 million to the Communist Sandinistas. I voted against it. I spoke against it. I fought it as hard as I could.

I was amazed at the naivete of the U.S. Senate on that occasion. We actually stood here and voted as a body, with this Senator and others dissenting, to help those Marxists-Leninists who had come to Washington and conned Members of the U.S. Senate. They said, "We are going to have free elections; we are going to have this; we are going to have that." And it never happened. It never happens, Madam President, when the Communists promise something, whether it be in Managua, or Warsaw, or Vietnam, or anywhere else.

So we are talking about the survival of freedom. No wonder Fidel Castro is boasting, because he knows he is winning. And he knows who is his greatest accomplice, and it is the Congress of the United States.

Castro's comrade in Nicaragua, Interior Minister Tomas Borge, in July 1981, said, and let me quote him: "This revolution goes beyond our borders. Our revolution was always internationalist from the moment Sandino fought."

That is right. Today, thanks to the Nicaraguan freedom fighters, Castro is not dining in El Salvador or Guatemala, and to this moment, the Sandinistas have not been able to extend their revolution outside of Nicaragua. But we are opening the door now simply by hesitating to support the freedom fighters.

So the question before us I think is simple. Will the Congress assist the Nicaraguan freedom fighters or will the United States Congress allow a Soviet takeover of Central America?

Madam President, in recent months I heard a lot of statements from a lot of Senators about not wanting a Soviet base in this hemisphere and about not sympathizing with the Sandinista regime. It is pure rhetoric because by voting to cut off $40 million to the freedom fighters, that is exactly what will happen. An already-existing Soviet base will be entrenched. If that is not sympathizing with the Sandinista regime, I am unable to identify what is.

It is no longer a question of whether or not there will be a Soviet base in Central America. Nicaragua is already a Soviet base. I hope Senators will wake up and smell the coffee. The Communist Sandinistas turned Nicaragua into a totalitarian repressive police state from the moment they took charge. If you think that is not so, ask them what happened to those free elections that they promised years ago when they conned the U.S. Senate into sending them $75 million.

Let me illustrate my point.

The Nicaraguan Marxists, the Sandinistas, now have an active duty army of 75,000 people and another 60,000 in the reserves and in the militia. Back in the Somoza days, the army never totaled more than 14,000 men.

Neighboring Honduras has something like 22,000 men in its army. Costa Rica has no army at all. So you see, Madam President, Nicaragua has more military personnel and equipment than all other Central American countries combined. They have 150 tanks, and more than 200 other armored vehicles.

No wonder they are winning. No wonder. Because nobody ever says a mumbling word about the support that is pouring into Nicaragua from the Soviet Union. All we hear are the platitudes about peace and negotiations.

So while the Congress continues to debate a few million dollars in assistance to the freedom fighters month after month, and it goes on like a brook, the Soviet bloc countries have poured in more than 2 billion dollars' worth of military aid alone to the Sandinista regime. Since 1980 Cuban construction crews have helped the Communists in Nicaragua build more than 40 new military bases. The new military airfield at Punta Huete, built by Cuban workers and soldiers, is already operational and is capable of accommodating any aircraft in the Soviet inventory. Anything that the Soviets have to fly can be accommodated on this airstrip.

Moscow has already delivered MI-24 helicopters to the Sandinistas. But that is never mentioned.

We talk about peace. The Soviets are talking about takeover, and they are smirking and laughing as we stand here and talk about negotiating.

If we have not learned about negotiating with the Communists by now, I wonder if we ever will.

In 1986 alone, the Soviet bloc delivered more than $600 million in military assistance to their comrades, the Sandinistas, in Nicaragua. They sent them T-55 medium battle tanks and PT-76 light amphibious tanks, HIND helicopter gunships and HIP helicopters, antiaircraft guns, patrol boats, and on and on and on. You never hear a word about that.

If this does not constitute a Soviet military base in our front yard in Central America, specifically in Nicaragua, then what does?

Not only are the Soviets aiding the Communists in Nicaragua, they have also instructed their allies, the Cubans, to do likewise. There are now more than 6,500 Cubans in Nicaragua and most of them are military and intelligence advisers. Cuban pilots, Fidel Castro's boys, you know, fly helicopters in support of Sandinista military operations. Sandinista pilots are in Cuba receiving military training. Several hundred Cuban police from the DGI work in all levels of the Ministry of the Interior. Worst of all, Cubans are serving as prison guards and torturers in the Sandinista gulag, Madam President.

Fidel Castro is now the largest single economic assistance donor to the Marxist-Leninists in Managua. In 1985 he rewarded his friends, the Sandinistas, with almost $100 million in economic aid. And that is Cuba. It does not count the Soviet Union and other Soviet bloc countries.

Yet we hesitate, we debate, we argue about a piddling little bit of help to the freedom fighters who had the temerity to count on us in the defense of freedom.

The Sandinistas tell us that Cuban teachers are now able to indoctrinate, politically, more than 3,000 Nicaraguan young people each year in their schools. I can spend the rest of this debate amplifying on the assistance given the Communists in Nicaragua by the Communists world over, but I think I have given some evidence that Nicaragua is already a Soviet base.

Many of my colleagues opposed to aiding freedom fighters anywhere in the world would have us ignore the bold facts about life under a repressive Communist regime. Opponents of aid to freedom fighters would rather tie up the debate with groundless accusations about alleged atrocities committed by the Nicaraguan resistance. But is there really, Madam President, any doubt remaining that the terrorists are Communists who have turned Nicaragua into a police state?

I read poll after poll, Madam President, saying that the majority of American people do not favor aid to the Contras. I do not know whether the polls are accurate or not. I generally doubt the accuracy of polls. But whatever, I would say to the American people who have any doubts about standing up for freedom whether it be in Central America or in Africa or in Asia, you better think again, before it is too late.

The **PRESIDING OFFICER.** The time of the Senator from North Carolina has expired.

Mr. **HELMS.** I thank the Chair.

Mr. **HATFIELD.** Madam President, I yield the floor to the distinguished Senator from Massachusetts.

Mr. **KENNEDY.** Madam President, I believe that President Reagan's policy in Nicaragua has been immoral, illegal, and inconsistent with fundamental American values: innocent civilians—women and children, nurses, teachers, and doctors—have been butchered and brutalized; the World Court has declared U.S. policy of aid to the Contras to be in violation of international law; and, contrary to our own best traditions and values, the United States has aggressively sought to overthrow the government of another sovereign nation. Standing alone, those reasons are sufficient cause to call a halt to the Contra program.

But more than that, the President's policy has been self-defeating and counterproductive. Rather than reducing Soviet and Cuban influence inside Nicaragua, the President's policy has made Nicaragua ever more dependent and ever more reliant upon their Communist allies. Rather than reducing the danger of Sandinista expansionism, the President's policy has created an army inside Nicaragua second to none in the region, much more of a threat to its neighbors than ever before. And, rather than improving the prospects of freedom and democracy inside Nicaragua, the President's policy has given the Sandinistas a pretext to impose a state of emergency that suppresses free speech, curtails free press and free association, and persecutes the Catholic Church. Standing alone, the results of the President's policy are sufficient to call a halt to the Contra program.

But even more, the President's policy—on its own terms—has been a bundle of miscalculations and mistakes. By any measure, the policy has been seriously mishandled and mismanaged. Even the most ardent supporters of the Contras' war must now concede that the administration has made a mess of it. As one example of the many mistakes the administration has made in implementing its own policy, I call your attention to an article that appeared in the Wall Street Journal detailing the gross mismanagement of the Indians' opposition to Sandinista rule in the Atlantic coast region of Nicaragua. I ask unanimous consent that this article by Frederick Kempe and Clifford Krauss be included at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. POLICY ON INDIANS IN NICARAGUA DAMAGES ANTI-SANDINISTA EFFORT

CIA STRESSES CONTROL, UNITY AT EXPENSE OF WINNING SUPPORT OF LOCAL POPULACE

IMPEDING WEAPONS DELIVERY

(By Frederick Kempe and Clifford Krauss)

MANAGUA, NICARAGUA.—Only three years ago, more than 100,000 Miskito, Sumo and Rama Indians on Nicaragua's Caribbean coast were rebelling against the government, offering the U.S. its most promising anti-Sandinista front.

Today, whole units of Indian warriors are giving up the fight. Indian leaders blame the U.S. for undermining their struggle. They charge that the Central Intelligence Agency supported only those leaders that it could control and forced them to unite with the U.S.-backed Contra rebels, who are hostile toward the Indians' traditional aspirations. Many Indian fighters have defected and are being armed and paid by the Sandinistas to fight the Contras; others sit despondently in Honduran and Costa Rican refugee camps.

"It would have been a totally different situation now if the United States had been wiser," says Capt. Ricardo Wheelock, the chief of Sandinista army intelligence. "The U.S. mistake was militarily pursuing a Miskito policy without understanding Miskito politics."

A BIGGER THREAT

The Sandinistas once considered the Indians a threat, but now, "the police in New York have bigger confrontations than we have with the Miskito Indians," Capt. Wheelock says.

Washington's handling of the Caribbean coast Indian war is one of the big failures of the U.S. policy of backing the Contras. CIA and other government operatives—including some who are involved in the Iran-Contra arms transfer scandal—stressed Contra unity and overall CIA control at the cost of winning political backing within the country behind popular leaders. The CIA also didn't fully recognize that the Indians were struggling for autonomy for their region—something that both the Sandinistas and many Contra leaders oppose.

"Even though they are fighting each other, the Contras and Sandinistas agree on the suppression of Indian rights," says Bernard Neitschmann of the University of California at Berkeley, a leading U.S. expert on the Nicaraguan Indians and an adviser to one Indian political faction. "Indians are not about to fight for goals that are against Indian interests."

The breakdown of the Indian war effort is a serious blow to the anti-Sandinista cause. The Indians were the first to take up arms against the Marxist regime in Managua in 1981, and their home base in the isolated pine savannas on the east coast would be the easiest spot for anti-Sandinista forces to hold territory and form a provisional government.

STRATEGICALLY IMPORTANT

The region is also strategically important. Nicaragua's most important supplies of lumber, minerals and fish are there. The vital supply line with Cuba crosses the region as well. Defending such resources against a serious military challenge would disperse the Sandinista army, but that hasn't been necessary.

Inhabitants of the Caribbean coast, which was settled by the British in the 1600s and was unified with the rest of Nicaragua less than a century ago, have long felt animosity toward those they call "the Spaniards" of the Pacific coast. The Indian area's English past has left its people with a religion, traditions, features and names distinct from other Nicaraguans. For example, the two most popular Indian leaders are named Brooklyn Rivera and Steadman Fagoth. The Indians took virtually no part in the Sandinista insurrection that overthrew the dictatorship of Anastasio Somoza, and they were among the most resistant to the revolution's changes. Relations turned particularly bitter when Sandinista troops forced thousands of Indians to migrate from the strategic Coco River in 1982.

MOST POPULAR

Yet senior U.S. officials say that the CIA early on drummed out the most popular Indian leader, Mr. Rivera, because of his willingness at one time to negotiate with Managua and his refusal to give up his codes and communciations network and work only through CIA-created channels. A senior administration official says that even after Congress provided for Mr. Rivera's organization, Misurasata, to get $5 million in U.S. assistance last year, the CIA impeded the delivery of weapons to him. (CIA officials declined to be interviewed for this article.)

"The Indians want to fight—but freely, not under the leadership of any other organization," says Mr. Rivera, who is waiting in Costa Rica for a promised U.S. policy change that will bring him back into the active struggle. "The CIA cowboys want us to be their little Indians."

One of the officials responsible for U.S. policy toward the Indians concedes that "we have made mistakes," but he says that "now we are going to be smarter than we've been in the past." He says that the administration plans to support any Indian group that is willing to fight instead of just the faction that the CIA helped create in 1985.

But the change may be too late. The Sandinistas have done much to improve their treatment of the Indians. They have helped to rebuild villages they earlier destroyed, and they have begun social programs. These measures—along with military intimidation like the recent aerial bombing of several still-resistant areas—have convinced many Indians that peace with the Sandinistas is a better alternative than fighting for bad leaders who are leading poorly disciplined and badly supplied men.

Indians charge that one of the CIA's major blunders was to set up an Indian group, called Kisan, that excluded Messrs. Rivera and Fagoth, the Indian leaders with the largest following. The CIA hoped to marry Kisan with the major Contra group, the Nicaraguan Democratic Front, but the relationship has been marred by fights over arms and money. In addition, without strong leaders Kisan hasn't been able to build a popular following. As a result, the Indian opposition force has withered.

Setting up Kisan "was a direct maneuver of the CIA to create an obedient Miskito group," says Jimmy Emery Hodgson, an Indian political chief and former Rivera ally who in January surrendered to the Sandinistas.

Marc Rangel, a native of Nicaragua's Indian region and the publisher of a newsletter on the Miskitos, says the CIA's operatives "didn't know what they were doing, so they botched it." He explains that "Indians have always been a cohesive people who tended to trust their leaders. This is the first time they have had a divided message from above," he says, and he mainly blames the CIA.

VIETNAM VETERANS

Administration officials say that the CIA fielded more than 200 agents and contract workers to support the anti-Sandinista war. Many of them had military experience in Vietnam but lacked political savvy.

"These CIA men who failed in Vietnam, what can they do for us?" Mr. Fagoth complains. "They wouldn't leave us in peace to fight. The Sandinistas have consolidated their power thanks to the CIA. It's been a disaster. The CIA smelled of defeat: they were men of Vietnam."

Mr. Fagoth himself, however, accounted for some of the agency's problems. Early architects of the Contra policy latched on to him because of his daring, charisma and willingness to ally himself with the former Somoza National Guardsmen who took up arms against the Sandinistas in 1981. Between 1982 and 1984, most U.S. aid to the Indians was channeled through him.

But according to Indian leader Roger Hermann, a former Fagoth ally, the U.S. made "a great mistake" forming such an exclusive alliance. No other Indian leader, for example, had access to the CIA station in Honduras. "This caused much friction." Mr. Hermann remembers, "because there were people, especially the young, who didn't want so much concentration of power in the hands of one man."

Mr. Fagoth's ruthless consolidation of power also created problems and cost him political support in Washington. In 1984, for instance, he shocked two U.S. Senate staff members on a fact-finding trip to the Caribbean coast by showing them a "death list" of 12 Indian leaders who were opposing him. He claimed to have finished off five of them already, Mr. Fagoth confirms this story.

RUMORS ABOUT FAGOTH

"Despite the rumors that I am a psychopath, a killer and a kidnapper, I'm the leader the people follow," Mr. Fagoth, 33 years old, said during a recent interview in Miami.

Mr. Fagoth says he consented to work with the CIA in 1982 because his Indian fighters needed arms, supplies and instructors. "When [the CIA] said, 'Accept our control,' I said, 'No, I am the boss.' They said my soldiers would die of hunger in that case."

His problems didn't stop then, he contends. In March 1982 the CIA asked him to sign a receipt saying that he was receiving 1,800 modern Belgian FAL assault rifles. Instead, he says, he received 30-year-old M-1 carbines. He also complained that the CIA wanted his men to fight a conventional war from bases in Honduras rather than the guerrilla war he wanted to fight inside Nicaragua.

But he says that he kept working with the agency because "they need me like I need them."

Mr. Rivera, the other major Indian leader, took a different course. He wants Indian independence, and he will team up with whoever appears to advance that goal. This has made him an unreliable ally for both sides. He supported the Sandinista revolution but switched to the resistance after concluding that the new regime wouldn't support Indian autonomy. Then he worked with the U.S. but refused to agree to the CIA terms Mr. Fagoth accepted.

In 1984 he began negotiations with the Sandinista government for regional Indian autonomy. After about six months, the negotiations broke down. The Sandinistas said that Mr. Rivera was demanding too much independence for a region that covers nearly half of Nicaragua and that he wanted too much of a leadership role for himself.

A. THREE-DAY MEETING

Mr. Rivera then decided to rejoin the resistance. In May 1985, Fagoth and Rivera forces met for three days in Miami and forged an alliance called Asla, which means "together" in the Miskito language. They planned a general assembly in Honduras.

But Asla was short-lived. Robert Owen, an aide to Lt. Col. Oliver North, the National Security Council staff member who was fired for his role in the Iran arms-Contra financing scandal, was in Miami to keep tabs on the meeting. According to Alejo Teofilo, a former Fagoth ally, Mr. Owen told Fagoth followers that they would lose U.S. support if they brought Mr. Rivera into the fold, Mr. Fagoth says that Mr. Owen told him that he considered Mr. Rivera "dangerous," and a CIA agent known as "Jorge" later told Mr. Fagoth that Mr. Rivera would be kept out of Honduras.

Mr. Fagoth says that Jorge then gave him the equivalent of $20,000 for his campaign to gain leadership of Kisan, the new Indian organization that the CIA was preparing to set up at an assembly in Rus Rus, Honduras, in September 1985. A CIA operative in Costa Rica named Max Morgan dispersed travel expenses to at least three anti-Rivera Indian leaders, while 10 leaders loyal to Mr. Rivera were denied funds, according to Mr. Hodgson.

But Mr. Fagoth's efforts to consolidate power apparently went too far for the agency. He was arrested by the Honduran army shortly before the meeting for kidnapping 12 of his opponents. He denies the charges and claims that he was taken at the instruction of the CIA. Whatever the case the assembly to create Kisan was left without its two most popular leaders.

Some officials in the State Department, which has taken control of Contra policy, charge that the CIA discredited Mr. Rivera in order to protect its own chain of command.

Mr. Rivera has some support in Congress as a nationalist, and the State Department says that it wants to work with him. But Mr. Rivera is skeptical. "There is still a chance to reverse things, but not if the agency keeps pushing the same policy," he says. "We have been spending more of our time defending ourselves against the agency's actions than fighting against the Sandinistas. I am so sad because it is our people who suffer."

Mr. KENNEDY. Madam President, the policy is wrong morally, it is wrong politically, it is wrong militarily. And the time has come to end it once and for all. I urge the Senate to vote "No" on more aid to the Contras and to vote "Yes" in support of the resolution of disapproval.

Last October, the 99th Congress approved $100 million in aid to the Contras. And now, the 100th Congress must decide whether it will carry this futile policy forward and give its approval for the final installment of $40 million. Last year, the Senate supported aid to the Contras by a vote of 53 to 47. Much has happened since that vote. A simple review of the developments of the last 4 months should now persuade the Senate to support this resolution of disapproval:

First, the political leadership of the Contras has totally disintegrated. The effort to create a legitimate, democratic, broad-based, civilian leadership for the Contra forces has collapsed. The dream of reform is dead.

Second, the most recent reports from human rights groups and U.S. journalists confirm that the Contra forces continue to commit atrocities against the civilian population of Nicaragua, despite the administration's best efforts to civilize the Contras' conduct.

Third, the leaders of the four democracies in Central America met in San Jose, Costa Rica, and developed the Arias plan, which holds out new hope for a revived Contadora process and for a negotiated solution to the conflicts in Central America.

Fourth, U.S. military experts have testified that the Sandinistas "do not regard the Contras as a serious threat," that the Sandinistas have "got the situation under control," that "the money spent last year is not going to do it," and that the money Congress will be asked to spend this year "is not going to do it." Congress and the American people have been given fair warning: the objectives of this policy cannot be achieved without the use of American troops.

Fifth, the administration has been unable to account for millions of U.S. taxpayers' dollars as well as other funds diverted to the Contras from private citizens and third countries.

Sixth, U.S. officials in charge of the Contra program in the White House face criminal prosecution for systematic circumvention of the law prohibiting aid to the Contras.

Seventh, and there is no disputing the fact that President Reagan's policy of support for the Contras was overwhelmingly repudiated by the American people in the elections last November. The President went to the people and asked them to send back pro-Contra Congressmen and Senators. The people said, "No." According to the most recent opinion polls, the American people continue to oppose aid to the Contras by an overwhelming majority.

These developments should cause Congress finally to conclude that the President's policy has failed, that it cannot and should not be revived, that the American people do not support it, and that it is time to call a halt.

Over the past 4 months, the fundamental flaw in President Reagan's policy has emerged with startling clarity. In 1981, within a few weeks after taking office, the President directed the Central Intelligence Agency to provide covert and clandestine support for a group of Nicaraguans who sought to overthrow the newly installed Sandinista government in Managua. Because this group was led by former members of Somoza's National Guard, and because this group was so closely associated with the hated Somoza regime, the group was widely perceived to be undemocratic. This did not deter the Reagan administration, however. So long as the Contras opposed the Sandinistas, U.S. policymakers were willing to support the Contras. This was a catastrophic miscalculation that has led to failure after failure. Because of their association with the Somoza dictatorship, the Contras have been unable to develop widespread popular support inside Nicaragua. Today, their efforts to replace the Sandinistas in the hearts and minds of the Nicaraguan people have absolutely no chance of success.

Many elements of Nicaraguan society are opposed to the Sandinistas and desire nothing more than to see them replaced by more democratic forces. But the only viable alternative that has been presented to them has been the Contras—led by Somocistas and financed by the Central Intelligence Agency. Although the Sandinistas' popularity has declined dramatically over the past 5 years, the mere existence of the Contras has made it difficult if not impossible for other elements of the democratic opposition to develop a credible and effective base of political support inside Nicaragua. Not only is the administration's policy futile, it is damaging the ability of other elements of the democratic opposition to martial public support inside Nicaragua.

Aware of this problem, the administration has made strenuous efforts to rehabilitate the Contras. The administration has sweated and strained to put together a political leadership that can command the respect of democratic forces inside Nicaragua. But, after 3 years of efforts to manipulate Nicaraguan politicians to make the Contras respectable, this effort has failed. Just last week, we learned that Arturo Cruz resigned his position as one of the leaders of the United Nicaraguan Opposition. Why did Cruz resign? Because he discovered that he could not remove the Somocistas from the leadership of the Contras and that he could not establish genuine democratic civilian control over the Contra military forces.

There has also been a continuing and terrible history of human rights abuses by the Contras. Rather than winning the hearts and minds of the Nicaraguan people with a strong and popular political program, the Contras have systematically alienated the Nicaraguan people with their brutal and indiscriminate tactics. The human rights record of the Contras has been abysmal. The Senate has expressed its concern about the Contras' human rights record many times in the past, not only because of the importance of human rights to the values and ideals of the American people, but also because repeated human rights abuses by the Contras have further narrowed their political base within Nicaragua.

Just as the administration tried to cover for the political failures of the Contras, it has also worked to gloss over the Contras' human rights record. But, like the administration's effort to remake the political image of the Contras, the most recent reports reveal that efforts to change the conduct of the Contra military has failed.

I ask unanimous consent that the most recent report from Americas Watch be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KENNEDY. Last week, Robin Lloyd of NBC News reported that the anti-Sandinista independent farmers and ranchers of the North have turned on the Contras because of the Contras' repeated and continuous attacks on civilian targets. That same message was repeated on the front page of the New York Times last week where Steven Kinzer, no friend of the Sandinistas, provided graphic descriptions of a series of human rights violations by the Contra forces. As Kinzer reports:

> In this part of Nicaragua, the Sandinista Government is widely unpopular. Contra forces arriving here from bases in Honduras hoped to build a military and political base, according to diplomats. Yet in many towns . . . residents have vivid stories to tell of atrocities they say have been committed by Contra forces in recent months.

Kinzer went on to describe incidents in which a 9-month-old infant was bayoneted to death and in which two elderly women were shot dead after being forced to lie on the dirt floor of their home. According to Kinzer—

> Also killed in the raid were two men cut down as they ran toward their homes and a pregnant woman who, villagers said, was shot in the stomach.

Based on his trip through the region. Kinzer concluded:

> Contra units operating here have not significantly changed their tactics despite strong pressure on them to do so.

The point here is basic: The administration picked a bad bunch of people to carry the banner of freedom and democracy inside Nicaragua. They do not represent what America stands for and they are unable to attract the support of the Nicaraguan people. Despite the best efforts of the administration, this sow's ear cannot be transformed into a silk purse. The Contras remain unreformed; they cannot be transformed; they will never be reformed; and it makes no sense to give them one more dollar of assistance.

Finally, for the past 4 months, the American people have seen how steadfast pursuit of an unpopular and secret war can undermine our most cherished democratic institutions. There are those who say that the revelations of the Iran-Contra scandal should not be used in the Contra debate, that the policy should be judged on its merits, not on this peripheral scandal. But the administration's decision systematically to circumvent the law by raising private funds to finance the Contras and to petition third countries to provide assistance to the Contras symbolizes the danger to the United States of continuing this policy. No foreign policy can succeed without the support of the American people, and no policy that is inconsistent with America's best values and ideals will ever receive that support. The American people have never liked President Reagan's policy. Congress has never liked this policy. Even those who support the Contras and speak for the Contras and work for the Contras are embarrassed by the way in which this policy has been carried out.

To end this policy today would be a mercy killing, a mercy killing that will save hundreds if not thousands of lives. Let us move on—from acrimonious debates about war, bloodshed, and destruction to the more fruitful path of negotiations, peace, and reconciliation. Now is the time to rebuild. Now is the time, and this is the vote. I urge adoption of the resolution.

EXHIBIT 1

[From Human Rights in Nicaragua 1986]

(An Americas Watch Report, February 1987)

II. VIOLATIONS OF THE LAWS OF WAR: CONTRAS

During 1986, a major human rights problem in Nicaragua was widespread and continuing violation of the laws of war regarding treatment of civilians by the contra forces. The leadership of the contra organizations has taken no meaningful steps to investigate and punish these abuses, which range from indiscriminate and often fatal attacks on civilians, to selective murder, mistreatment, and kidnapping. A significant number of kidnap victims are children.

A pattern of contra violence against civilians has been evident since 1981, as documented in earlier reports by Americas Watch and in the reports of other organizations including the Washington Office on Latin America, Amnesty International and Witness for Peace. In 1985, the leadership of the Union Nicaragüense de Oposición (UNO, the umbrella organization which serves as the conduit for U.S. government funding to the contra forces) established a human rights office with the stated purpose of investigating reports of contra abuses. But the escalating brutality of contra practices—combined with the human rights office's failure to carry out adequate investigations—leads Americas Watch to conclude that disregard for the rights of civilians has become a de facto policy of the contra forces.

Contra violence against civilians has indeed been so systematic as to alter public feeling toward the rebel forces in some areas formerly sympathetic to them. Americas Watch investigators who traveled to the Rio Coco in November 1986 discovered that the area's Miskito Indians now fear and distrust the Miskito contra force KISAN due to its practices of forced recruitment (kidnapping) and other forms of coercion. Many Miskitos on the Rio Coco now consider KISAN, not the Nicaraguan government, to be the greater threat to their safety and livelihoods. A Newsweek magazine account of Atlantic Coast conditions is consistent with these findings.

The following cases are representative of contra practices during the period under review.

A. ATTACKS AGAINST NON-COMBATANTS

Information gathered by Americas Watch indicates that the contras continue to violate the applicable laws of war, both during military operations where they have indiscriminately attacked civilians, and in targeted attacks against those civilians presumed to be supporters of the Sandinista government or activists in Sandinista organizations.

1. Selective killings

Contra forces engage in selective assassination of civilians whom they regard as linked to the Nicaraguan government. Their definition of these links is very broad, as the three following cases demonstrate. The first case description is drawn from testimony gathered by Americas Watch. The second is drawn from information provided by Dr. Gustavo Parajón, executive director of Provadenic (the health care program of the Baptist Convention of Nicaragua) and President of the Evangelical Committee for Aid and Development (CEPAD), who told Americas Watch that there have been a number of contra attacks on health care workers and medical clinics. That incident is also described in a Washington Post article. The details of the third incident were provided by staff members of Witness for Peace, who were able to interview witnesses to the attack.

San José de la Mula, Matagalpa: On the night of July 31, 1986, Néstor Antonio Castelblanco, director of the Baptist-operated clinic; Daniel Castelblanco, a clinic board-member; Filemón Castelblanco, a CEPAD agricultural worker; and Jesús Barrera, a Roman Catholic social worker, were taken from their homes by a group of armed and uniformed men. According to witnesses, the armed men left with the victims at around 3:00 am, shouting, "Long live the National Guard". The bodies of the four men were found the following day by a search party. They had been stabbed; two were mutilated.

Their possessions were stolen, one house was burned, the Provadenic health clinic was ransacked and its medicines stolen. The families of the victims plus some 50 other residents fled the community, fearful that the attackers would return.

El Juste, Chontales: On September 22, 1986, four civilians (two of them volunteer police officers and one a teacher) were killed by a contra force in El Juste, seven miles northeast of Juigalpa, Chontalas. Efraín Martínez Requener, Bernarda Martínez Requener, Nelly López Martínez, and Absalón Pérez Martínez were killed in an ambush as they were heading toward Juigalpa. Nelly López, a teacher and in the seventh month of pregnancy, was raped and then shot in the stomach. Her nine year-old daughter witnessed the attack. Efrain Martínez Requener, chief of the Volunteer Police and member of a cooperative, was decapitated with a bayonet.

In the El Juste case, we do not know the type of vehicle in which the victims were traveling, or whether anyone in the vehicle was armed. The presence of a child and an obviously pregnant woman, however, placed the attackers under obligation to ensure, as far as possible, the safety of these civilians. That Nelly López was raped before she was killed makes clear that the contras did not shoot at the vehicle from a distance but executed its passengers, or some of them, in cold blood. Moreover, the rape itself, like the bayoneting of Efrain Raquener, was gratuitous brutality.

Witness for Peace provided the following information. (A local priest's account of this incident also appeared in El Nuevo Diario, the pro-government newspaper, on December 10, 1986):

Muelle de los Bueyes, Zelaya: On December 2, 1986 at 8:00 p.m. the contras kidnapped Zacarias Garza, a Delegate of the World, from his home in Las Pavas. Two days later his body was found, two and a half miles south of Muelle de los Bueves. His throat had been slit.

2. Indiscriminate attacks

During the period under review for his report—February to December 1986—contra forces frequently launched indiscriminate attacks against civilians, including roadside ambushes, the mining of roads, and attacks on cooperatives. There were also attacks against military targets in the course of which the contras made no attempt to minimize harm to civilians.

The contra leadership maintains that civilian deaths resulting from ambushes are the responsibility of the Nicaraguan government for allowing civilians to travel in conflicted zones. Where there is dispute over the presence of armed personnel aboard civilian vehicles or civilians traveling in military vehicles, the contras have claimed that civilians are legitimate targets.

That position is not legally sustainable, however. The presence of armed personnel in a vehicle does not necessarily make civilian passengers legitimate targets for attack. In cases where civilians are intermingled with military, the attackers are obligated to take precautions to minimize harm to civilians, insofar as possible. In this regard, the stated policy of the contra leadership, as well as the practice of its troops in the field, is in violation of this important obligation.

The following incident, an ambush which resulted in seven civilian deaths, was investigated separately by Americas Watch, Witness for Peace and a Miami Herald reporter. It may fall into the category of selective killings, since one victim was a well known Sandinista activist, but our information on that point is not conclusive. What is clear is that the ambush involved indiscriminate tactics against civilians.

Early in the morning of November 7, 1986, Alfonso Núñez, a leader of the pro-Sandinista small farmers' association, UNAG, and six other civilian passengers in a military-style jeep were ambushed as they drove from Comalapa to Juigalpa. A contra force of about 80 combatants reportedly attacked from both sides of the road. Núñez, the only passenger who was armed, threw himself out of the jeep and was killed running along the road. The unarmed civilians remaining in the jeep were riddled with gunfire, which also ignited the jeep's gasoline tank so that they were burned. Of these six, four died at the time of the attack, and two died later from their wounds.

An Americas Watch representative interviewed witnesses to, and victims of, the following contra attach, which illustrates indiscriminate tactics:

El Níspero, Zelaya Sur: On November 9, 1986, at 2:00 a.m., about forty contras attacked the militia command post in a village about 15 minutes' drive north of Nueva Guinea. Two militiamen were killed, but so were three women—two of them elderly—and two infants. Two women and an infant were kidnapped.

Some of the civilian casualties occurred during the attack on the command post: in a house attached to the post, lived a family of which the mother was shot and later died, a one-year-old boy was shot and killed, and a three-year-old girl was wounded. The one year-old boy's throat was slit. Several houses not attached to the command post were attacked with automatic gunfire. The other civilian casualties resulted from contra fire on two houses situated at some distance from the command post: two elderly women were killed, along with a one-year-old, all relatives of a militiaman were also killed. The contras remained in the town for several hours, and then took away with them two other women and a four-month-old boy from the house where the elderly woman died.

The Miami Herald article on El Níspero, which we quoted above with regard to EPS conduct in this case, describes the contras' tactics as follows.

When contra rebels withdrew, triumphant, after briefly conquering this crossroads village, they left behind two dead soldiers and five other vanquished enemies: two elderly sisters, a young mother, a pair of infants, one with his throat slashed.

With them, the rebels hauled away war booty that included eight rifles, a record player complete with some old 45 rpms, a radio and a purloined watch. As prisoners, they led off a young mother, a babe in arms, and the infant's grandmother . . .

Villagers said several dozen contras attacked El Nispero at 2 a.m. on Nov. 9, after the last waltz at a drunken village dance. The reason is murky, although Sandinista police, operating on tips from village informants, have rounded up scores of accused contras in the area and rebels may have been settling scores.

The rebels fired automatic rifles from a wooded meadow across the main road into the command post of the Sandinista militia.

Inside were Nazario González, a conscript in the Sandinista army; Germán Saballos, 33, a militia member; Saballos' 24-year-old compañera Juana González; Saballos' daughter Reyna, 3, and son Arlen Javier, 1; and two other soldiers.

The soldiers returned fire for the better part of an hour, villagers said, then fled.

Nazario González was killed. Saballos escaped, along with the two other soldiers, who were wounded, villagers said. Juana González died in flight, carrying her 3-year-old, whose arm was broken by bullets.

One-year-old, Arlen Javier was left behind as the contras stormed the command post. Villagers found his body next morning, lying in a shallow ditch just out the back door. His throat had been slit, according to Germán's sister Leonarda Saballos, 25, and other villagers who saw the body.

Gunfire at another house wounded another 1-year-old, Reina López. She died later at a hospital.

The contras surrounded the mud-floored home of Ramona Lazo, 45, mother of a Sandinista militiaman and a woman known for giving food and shelter to the army, villagers said.

In Lazo's house were her 15-year-old daughter, Miladerma Rubio Lazo and her 5-month-old baby. Also lodged inside, according to villagers, were military reservist Bartolo Catón Tenorio, about 35; his mother Ignacia Tenorio, said to have been about 50; and his elderly aunt Justa.

The contras and the reservist opened fire on each other. When the shooting stopped, the reservist was dead. So were the two old women.

Bursting inside, the rebels seized Lazo, her daughter and the baby and led them away—barefoot. according to villagers, Lazo's 27-year-old son, Abran, member of the local militia, said he has heard nothing from his mother or sister since their seizure.

The command post was a legitimate military target, but the town itself was not, The method of attack was indiscriminate: a large number of houses were riddled with bullet holes; one woman was shot while fleeing from her house; and the kidnappings of two women and an infant clearly indicate disregard for the rights of these civilians.

Another important aspect of indiscriminate attacks on civilians concerns the use of mines. Americas Watch has gathered numerous accounts of contra mining of major transportation routes in the southern part of Jinotega. In most cases the contras have targeted access roads which are indispensable to the civilian population. According to the government's human rights commission (CNPPDH) there were 49 civilian deaths due to mines in 1986. The number of civilian deaths is consistent with the number reported by foreign journalists. Americas Watch has recently published a separate report on mining by all sides to the conflicts in El Salvador and Nicaragua. In that report, we noted: "There is no real debate as to who is laying the mines that are killing and injuring civilians in Nicaragua: it is the anti-Sandinista rebel forces, or contras . . . These mines have been well inside the areas under government control, and do not perform a defensive function for any contra activities or controlled zones in Nicaragua." As we also noted in that report, UNO spokesmen deny the contra use of mines. Nonetheless, the evidence we have gathered indicates that "mining that causes civilian casualities inside Nicaragua is attributable to the contras." The mining report presents case studies of contra mining practices, indicating that the contras make no effort to warn civilians of the placement of mines, although the mines are routinely placed on roads used more frequently by civilians than by military vehicles.

In a number of cases the contras have attacked economic enterprises such as cooperatives. In farms in areas where there is a pattern of contra attacks, workers have armed themselves as a means of self-defense. Despite their arms, it does not follow that in these circumstances workers become ipso jure legitimate targets of attack. Otherwise peasants are left with the harsh choice of being killed in an illegitimate attack or legitimizing it by arming themselves. One important distinction can be made on the basis of whether an economic enterprise is protected by a standing professional military force; another can be made on the basis of whether the buildings attacked are used for military purposes.

In this regard, it is important to take account of how the contra conduct their military campaign. Contra engagements with the EPS are relatively rare; more frequent and typical are the kinds of attacks described below. If, during such attacks, the contras made a regular practice of seeking to avoid civilian casualties, one could say that communities which form militias assume a risk. Since the contras do not seek to avoid civilian casualties, it would be folly for cooperatives and other such communities not to be prepared.

Under the applicable international humanitarian laws, the Nicaraguan farms and cooperatives attacked by contra forces in 1986 were, in most cases, not legitimate military targets; that is, they do not provide an effective contribution to the war effort, and their buildings and structures (such as schools and clinics) are used for non-military purposes. The following cases—three reported in The Washington Post, and three others investigated by Americas Watch—are illustrative of contra attacks where civilian farming enterprises have been the primary targets.

The Washington Post reported the following attack on the cattle cooperative known as the Panamérica, in Camoapa, Chontales. The article stated:

Two children were killed in their beds and six were injured when anti-Sandinista rebels hurled a hand grenade into their home during the crossfire of an attack on a cooperative here last week, witnesses said.

Carmen Ortega, age 44, and mother of the victims, recalled that after the shooting died down at dawn on Friday, the guerrillas demanded that she find matches for them amid the wreckage inside her house. They used the matches to burn the house to the ground, the mother said at a wake Saturday in this hill town 105 miles east of Managua. Five family members died. In addition to the twelve year-old and five year-old daughters killed in bed, the woman's husband, Angel Ortega, 65, was killed defending against the attack. A grown daughter was shot to death and another died in the grenade explosion, relatives said. The couple had 16 children. The contras burned four other houses in the cooperative and a shack containing cattle medicine and tools, witnesses said. The group marched away with five residents, aged 13 to 50, in what their relatives described as a kidnapping.

State Department spokesman Charles Redman discussed the killings at Camoapa at a press briefing on July 1. He said:

. . . it is not the policy of the resistance to attack civilian targets. However the allegation that the resistance attacks civilians is a consistent propaganda theme of the Sandinista government. These cooperatives, this was what was attacked in Nicaragua, often have a dual military-economic purpose and are part of the Sandinistas' strategy of population control designed to keep the resistance away from its supporters. To that end, most of these cooperatives are located in conflictive or potentially conflictive areas. The inhabitants of the cooperatives are armed and receive regular military training. Unfortunately, due to the intermingling of civilian and military functions, there are sometimes civilian casualties.

On the facts of Camoapa, the State Department has no case. Its spokesman was either misinformed or mendacious. The dead included a twelve year-old girl and a five year-old girl; one of those injured was a nine month-old baby. The suggestion that cooperatives located in "potentially conflictive" areas are, for that reason, legitimate targets, could serve as a rationalization for brutal attacks on any civilian settlement anywhere in Nicaragua. As to the law, there is also no case. The claim that a cooperative farm has "a dual military-economic purpose," even if true, would not provide an unlimited license to kill its civilian residents. In circumstances in which a cooperative is undefended by a full-time, autonomous military force, lacks military fortification, is neither used to store military equipment or to launch military operations, and clearly serves as the home for civilians, such indiscriminate attacks violate the laws of war. The presence of an organized self-defense militia formed voluntarily—even if encouraged and assisted by the government—does not alter this. The armed guards could be legitimately attacked, but that would not justify going after homes, food storage, school buildings and the civilians themselves.

Such attacks, moreover, are frequent and widespread enough to constitute a clear contra practice and, by implication, policy. The same article from The Washington Post, for example, reported that a May 8, 1986 ambush in the village of El Almendro, Río San Juan, left eight civilians dead, and a May 11, 1986 contra attack in Los Santos, southern Zelaya, left six civilians dead, including a woman and her ten year-old son.

An Americans Watch representative obtained testimony on two attacks on armed cooperatives.

Jalisco, Boaco: On November 7, 1986, at roughly 9:00 a.m., a band of contras attacked Jalisco, an armed self-defense cooperative in Boaco. There were no injuries because everyone was gone at the time. The main house, where the cooperativists lived, was burned to the ground and the nearby corral was burned although not destroyed.

Ubaldo Mejía Luna, Boaco: On November 8, 1986, at 2:00 a.m. the contras attacked Ubaldo Mejía Luna, a newly-formed armed self-defense cooperative. The contras were detected by two militiamen standing guard, who had time to give a brief warning before the contras opened fire. In the indiscriminate shooting directed at a civilian house the contras killed four members of the Tinoco family: Santiago Tinoco, Angel Tinoco (a sick miliciano), Olga Tinoco, 14 years old, and Jesús Tinoco, eight years old.

According to witnesses at the cooperative, three Tinoco family members were killed by a grenade thrown at the house. The fourth (the sick militiaman called Angel), was killed by a bullet before he could even get up out of his hammock.

The wife of the president of the cooperative was in her small hut directly behind the Tinoco house. With her were their four children. When she took one step outside the hut, she was shot and killed.

There were four civilians and one militiaman wounded, all in and around the Tinoco house.

Leopoldo López Pérez, a 14 year-old armed militiaman, who was scared and ran in the wrong direction, into the arms of the contras, was kidnapped by them, according to his father.

In the Ubaldo Mejía Luna cooperative, the contras clearly made no effort to distinguish between the civilians and the militia but shot at everything and everybody. In this case, the main civilian house took the worst beating: the area where the milicianos slept, about a hundred yards up the hill, was barely touched and the milicianos sleeping there were not injured or killed.

The following case, a contra attack on the Daniel Teller cooperative, was investigated by an Americas Watch representative who visited the cooperative and interviewed a number of witnesses to the attack.

Yalí, Jinotega: On May 31, 1986, at about 4:45 a.m., the contras attacked the Daniel Teller cooperative with mortars and grenade launchers. From their positions on the hills the militia shot back. The contras destroyed a lookout post of the militia and the school, killing 15 militiamen defending those two locations. Most of the women and children hid near the houses in two shelters dug into the earth for that purpose. Some could not move quickly enough to get to the nearby shelters. When the fighting began Beatriz Ortiz, age 45, and her two daughters—Xiomara Flores Ortiz, age 8, and Ana Julia Flores Ortiz, age 19—fled next door to their neighbors' house. They were in the kitchen of that house when a mortar fell onto the porch a few meters from the kitchen and sprayed shrapnel. Xiomara Flores lost her thumb in that blast, and Ana Julia Flores was wounded by shrapnel in her head, hand and foot. Immediately after the mortar there was more shooting; a bullet entered one side of Xiomara Flores' chest and exited the other, killing the child.

The Americas Watch representative spoke at random, separately to two other women who had hidden in a house together with a third woman and five children. The two women told the same story. As soon as the shooting stopped, about 7:00 a.m., those remaining in the house saw that the "Guardia" (as they call the contras) were in town and were shooting into some houses and setting fire to others. (The cooperative consisted of three rows of twelve houses each, plus a school and outlying farm buildings such as a chicken coop.) The women and children came out of the house, begging for their lives. They talked to about three contra combatants standing nearby. The contras said that they would not hurt women and children.

These women, however, saw contras throw two grenades at the mouth of the shelter closest to the houses. They protested that there were only women and children in the shelter and that they should be spared. The contras said that there were soldiers in there, and that was why they were hitting it. The women continued to plead, insisting that there were only women and children. A contra took one of the protesting women aside and told her to tell the women and children to come out, and that if any armed men came out she would be shot on the spot, for lying to him. She called and about four families came out, all women and children. Some of them had been wounded by the grenades. One woman was bleeding badly from the leg, on the inside of the left calf, and at the time of our interviews [August 9, 1986] her wounds had not completely healed. The contras then ordered the four families from the shelter, together with the three women and five children who had hidden in the house, to go over to the far side of the school. There the women saw the dead bodies of the men who had been shot in battle. They also saw the contras setting fire to the row of twelve houses farthest from the entrance to the cooperative. All the contents of the houses were burned as well, including stores of beans and corn and all the personal possessions of the families, including dishes, pots and pans, and clothing. The contras then set fire to the school, and the heat was so intense that the women ran to a nearby gully to hide. They then heard shots coming from the entrance to the coop. The contras, apparently thinking that the shots meant the army was arriving with reinforcements, withdrew, leaving the houses and school in flames. It was not the army but the rest of the militia that arrived on this scene of destruction.

This cooperative was not a proper military target, for a number of reasons. The nature and primary purpose of this community is agricultural, not military. It is not fortified and its only means of protection are a lookout post and the militia stationed on the hills during the night. It does not serve as a base for the EPS. There is no military outpost there. The closest military base or post occupied by full-time members of the army is an hour away over a bad road. According to the male residents interviewed by Americas Watch, the men who serve in the militia are at most part-time combatants; they are engaged in agricultural production in the cooperative's 1450 manzanas, not in military maneuvers. The function of the militia is to provide self-defense for the cooperative, in the event of just such a contra attack. At the time of our unannounced visit, in the middle of the day, the men were not wearing or carrying arms as they went about their tasks at the cooperative.

The armed men and the guard post were arguably proper military targets, but they were not the sole objective of the attack. The attack was also aimed at the houses, where it could be expected that non-armed people would be found, especially at 4:45 a.m.—and they were. Although the shelters were close by, there was too much mortaring and shooting for several of the women and children to chance even that short a trip. The contras advanced on the lookout post and captured it, killing four combatants. (The other 11 were killed defending the school.) That was not an illegitimate action. They then advanced on the school, defended by men in trenches outside the school. For the moment, because there were armed men outside, that location was a legitimate target. When they ran out of military targets, they started burning civilian homes and the school building, which is in violation of the rules of war.

B. FORCED RECRUITMENT AND KIDNAPPING

On December 6, the Americas Watch delegation visited the Hacienda San José in the jurisdiction of Acoyapa, Chontales, four hours by car south of Managua. San José is an unidad de producción estatal (UPE) or state-owned farm. We talked to Rufino Hurtado, the manager of this multi-purpose agricultural unit, and several of the workers who were on duty guarding the property as milicias. The workers live with their families in the land owned by the UPE, but in outlying areas. All of them are integrated into the defensive scheme known as the milicia, and take turns guarding the farm against attack.

Hurtado described a series of incidents involving contra kidnapping and forcible recruitment, as well as murder:

Hacienda San José Chontales: On November 27, ten days before our visit, the farm was attacked by a contra contingent of about 100 men that apparently entered from Costa Rica and has operated in the area for more than one year. The insurgents came to a house about a mile across the fields from the farm headquarters, and ordered a woman to give them food. Then they left, taking her husband and one daughter, and went to six houses nearby. There they forced nine other persons to go with them, and as they left, they burned down all six houses. Most of the eleven persons kidnapped were part of the milicia but they were not armed at the time; they included one 13-year-old girl, whose father was among those we interviewed.

Rufino Hurtado told us that the contra group fled toward the west, and escaped detection by the rest of the workers, who were supported by helicopters of the EPS. In the following week, according to Hurtado, they attacked other farms and villages nearby. On November 28 they attacked El Cóbano, where they killed three persons by slitting their throats; on November 29, in San Felipe, they encountered three armed agronomists who worked for MIDINRA, the state agency dealing with land reform. According to Hurtado, one was killed, another one was wounded, and the third was kidnapped. Finally, in San Rafael, the contras were reported to have kidnapped six other persons, and burned down a large hacienda similar to the one in San José. We were not able to visit these other places to verify Mr. Hurtado's account.

That account is, however, consistent with other testimony gathered by Americas Watch during 1986. One victim described to an Americas Watch representative a July 1986 incident in which he was targeted by a member of the contras, a relative by marriage, whom he had known for most of his life. Some details of the testimony have been modified at the witness's request, for reasons of security.

Jinotega: Carlos Hernández has lived on the family farm in Jinotega all his life. He comes from a large family and is married, with a one-month-old son. Four of Hernández's brothers are in the army. Hernández and his wife were visting his mother-in-law in a town in Jinotega, on July 28, 1986, when he was sought out and kidnapped from the farm house by the contras. He was shot in the back of the head and left for dead the same night by one of the contras, Jose Galván (name changed), whom he has known since childhood. He miraculously survived.

Hernández had been afraid about going to his mother-in-law's farm, which is two hours by horse from his farm, because the contras are active in the area. He was also anxious about his own safety because he has learned from a friend that the contras had been looking for him in 1985. In that instance, his friend, who had been forcibly recruited by the contras, dissuaded Jose Galván from seeking Hernández out for kidnapping.

The events of July 28, 1986 occurred as follows: at about 7:30 p.m. three men came to the door of the farmhouse and demanded to come in. One was Jose Galván. When he saw Galván, Hernández initially thought that he had come for some purpose other than kidnapping. As it turned out, however, Galván had apparently recognized Hernández's horse outside the door, and took the opportunity to capture a man whom he regarded as his enemy. Hernández is a Delegate of the Word; he has been exempted from the draft for that reason. He does not want to bear arms, and if anyone asks him, he tells them not to, either.

Galván tied up Hernández, saying "At last, I have you in my hands." He accused him of being a member of State Security, with Hernández denied. Outside the farmhouse there was a group of contras waiting for them, about 30 in all, uninformed and armed. Some were uniformed in camouflage, some in olive green, and most were bearded. They took personal possessions from him, including his comb, his wallet, his keys, and his belt.

Hernández stated that at this same time, the contras also took about 25 other young men from that area, in what amounted to a forced recruitment drive. They went from house to house, knocking on doors and taking out the young men they found there. They took no women captive. According to Hernández, he and the other captured men were then marched in the dark, up and down the hilly countryside, over ravines, rocky places and gulleys. About 11:00 pm Galván and three others took Hernández aside and shot him in the back of the head with Galván's Browning revolver. The bullet apparently did not enter his head, but he bled profusely. Hernández fell face down, his hands still tied behind him. Galván then struck him in the back of the head with the butt of his gun or rifle. Galván then untied Hernández's hands, and told him he was going to die. Sensing that Galván was going for something else, perhaps a knife (which all the contras were carrying), Hernández made a dash for it and Galván did not pursue him. He heard the others tell Galván that he would not live long, that he was hard hit. They left him for dead.

He stayed where he was, a few yards from where he was shot, and when he felt slightly recovered he walked toward the house of a women catechist he knew. She tended to his wounds and took him to a nearby clinic. From there he was taken by ambulance to the hospital in Jinotega.

Two individuals who were forcibly recruited by the contras in Jinotega gave the following testimony to Americas Watch.

Jinotega: On October 25, 1985, the contras entered a village in Jinotega, north of Pantasma, and kidnapped 18 men and one woman, marching them 25 days to Honduras. In the course of that journey one man who tried to escape was kicked in the face and mouth (breaking his teeth), beaten in the ribs with the contras' FAL rifles, and threatened with death; his shoes were taken and he was forced to walk the remainder of the way—eighteen days—barefoot.

The two interviewed by Americas Watch spent about six months in Honduras, some of that time in training; then were sent back with an FDN unit to an area near where they had been kidnapped. At that point they were able to escape. They stated that during their period with the contras, they had witnessed various forms of harsh disciplinary treatment of recruits: one recalcitrant recruit was thrown in a rocky stream of dirty water full of what they described as white worms; others were subjected to forced feeding of chili followed by forced drinking of two canteens of water; there was forced marches in circles for hours weighed down with a backpack full of rocks, and prolonged headstands for those who balked at training.

It was reported in the Honduran press that in late October 1986, six Nicaraguans from the Jacaleapa refugee camp, accused by the FDN of launching an attack on a home in Las Lomas de Guijarro in August, entered the Mexican Embassy where they sought and obtained asylum. The refugees in the Embassy were youths who reportedly had been abducted by the FDN from the Teupasenti camp in early October 1986. An Americas Watch representative in Honduras interviewed a reliable source in Teupasenti. According to this source, the refugees after their capture were taken in the direction of Tegucigalpa in a van belonging to the DNI (Dirección Nacional de Investigaciones, a branch of FUSEP, the Honduran police). While in custody of the Honduran police, the youths say they were harshly interrogated and accused of collaborating with the Sandinistas. After two months in the Embassy, these refugees were given safe passage to Mexico by the Honduran government in December 1986. They claim that their persecution is the result of their refusal to join the FDN.

The Comision Permanente de Derechos Humanos (CPDH), a non-governmental Nicaraguan group which receives some U.S. funding, has reported the following cases in its May 1986 and July 1986 reports, respectively:

On May 3, 1986 Teresa Gonzalez Talavera—age 23, a rural school teacher and resident of Esteli—was kidnapped when she was teaching classes to children in Comarco Quibuto, in Rio Coco, in the Madriz Department. According to Amelia Melgara, the owner of the house where Teresa Gonzalez was at the time, the kidnappers were dressed in blue shirts and they identified themselves as members of the FDN. CPDH also reported that in conjunction with the ICRC and the UNHCR, it is making attempts to locate her.

On July 9, 1986, Eligio Yamil Rios Pichardo—age 23, mechanic, and resident of Managua—who was working for the Construction Ministry (MICONS) in the region of northern Zelaya, was abducted by a group of armed insurgents. According to his mother, Maria Pichardo de Rios, her son's fellow workers said that he has been abducted while he was working.

KISAN, the Miskito-based force that is affiliated with UNO and, through that channel, receives support from the United States government, has engaged in open and undisguised forced recruitment of Miskitos, both in Honduras among refugees, and in Nicaragua in areas near the Rio Coco, where Miskitos have been trying to resettle. Brooklyn Rivera, the leader of the rival armed group, MISURASATA, accused KISAN of such actions in a press conference in Washington on September 12, 1986. A recent article by Newsweek reporter Scott Wallace, who visited on the Atlantic Coast in November, refers to "complaints of kidnapping, robbery and murder" involving KISAN.

Americas Watch representatives visited the Atlantic Coast, including several villages near the Rio Coco, in November 1986. The information they gathered form many different villagers is consistent with the Newsweek article, as well as with the information given to us be church sources in Managua.

In this connection, it is now evident that the flight of at least 8,000 Rio Coco Miskitos into Honduras, at Easter of 1986, was much more involuntary than we first reported. Our initial investigations revealed that KISAN had planned an exodus of all Miskitos from the area, and had spread rumors about imminent Sandinista repression to induce residents to leave. The program of the UN High Commissioner for Refugees (UNHCR) in Honduras registered 7,700 new arrivals in April 1986, attributable to KISAN's campaign. UNHCR representatives estaimate that 3,500 to 4,000 of the refugees returned spontaneously to Nicaragua in the following months, in addition to 1,700 who repatriated during 1986 through the UNHCR. It is now reported by reliable sources that many more are willing to repatriate, but KISAN has prohibited their direct return since at least July 1986, so that they can only go back to Nicaragua under the auspices of the UNHCR. Many of those interviewed by Americas Watch in November—in the Leon, Nicaragua UNHCR reception center, in Puerto Cabezas and at the Rio Coco—told us that when they fled into Honduras in March, they had been forced to go by KISAN.

This action by KISAN, the relocation of 8,000 refugees at one blow, was clearly a propaganda effort, and has since hardened into a policy hampering voluntary repatriation. To the degree that this was a coercive mass movement of the civilian population for no other reason than to create a stir in international public opinion it was a gross violation of the laws of war, which require either safety reasons or "imperative military reasons" for such mass movement to be legitimate.

Forced recruitment by KISAN has created terror and disruption of Indian village life elsewhere as well. Apparently a drive was started in early November 1986 forcibly to recruit men between 14 and 45 years old from the communities downriver from Waspam, where there is no EPS presence. Witnesses told us that when the warning goes out that KISAN is arriving, the men dash out to the bush to hide, followed by children carrying hastily-packed food, while mothers and wives anxiously stand watch. Conditions in the jungle are particularly bad, but when some of the men return to town, their mothers and wives send them back into the bush for fear that KISAN is still present. Some have spent up to eight days in the rain and insect-infested jungle. Others have tired to running and have moved to Puerto Cabezas. Two community workers, both of Miskito origin and sympathetic to the Indian cause, told us that they had narrowly escaped kidnapping by KISAN in separate incidents in the second half of 1986. In both cases, they had to plead for hours to be allowed to stay on the Rio Coco instead of being forced to go to Honduras.

In recent months contra groups operating in the Mosquitia region of Honduras have intensified their efforts to recruit members forcibly into their ranks. This practice, combined with targeted kidnappings of civilians, appears to have intensified after Congressional approval of $100 million in aid for the rebel forces.

An Americas Watch representative went to Honduras to investigate a well-publicized incident involving the May 24, 1986 kidnapping of 26 Sumo Indians by a group led by an FDN officer. Ten of those captured escaped, twelve were released and five remain unaccounted for. The circumstances surrounding their capture will be the subject of further research by Americas Watch.

C. OTHER ABUSES BY KISAN

KISAN has harassed refugees in camps in Honduras, when those refugees have opposed KISAN presence in the camps. A Washington Post article described one incident of such harassment:

In mid-June three Miskito women in a camp at Layasikas [Honduras] were bound and beaten by KISAN guerrillas, relief workers reported. The women had tried to block the rebels from proselytizing in the camp.

Also, officials estimated that about 50 Indians who asked to be escorted back to their homes in Nicaragua by UN workers later gave up the idea after pressure from KISAN.

Reports from refugee workers and others indicate that the Honduran army has on occasion collaborated with KISAN. This cooperation may take the form of training: The Washington post reported in August 1986 that "At least 38 Indian guerrillas had received training since February with the Honduran Fifth Battalion near the village of Mocorón by Honduran Special Forces instructors, according to soldiers and to one KISAN fighter." Or cooperation may extend to assisting KISAN to intimidate refugees. A September 10, 1986 article in the Honduran paper El Tiempo reported one such incident:

. . . on August 28, Roger Herman and Samuel Kittler, both representatives of the political commission of KISAN, convoked a meeting of 160 refugee coordinators, saying that the meeting would be with the UNHCR [United Nations High Commissioner for Refugees]. Instead the soldiers of the [Honduran] 5th battalion arrived and captured the 100 refugees who had gathered for the meeting.

According to the article, prisoners were forced to deny accusations made in a letter they had sent to President Reagan denouncing KISAN for the misappropriation of funds and violations of human rights. Their denials were taped and all were released but one, Maximo Panting, who has disappeared. The article also stated that at least eleven refugees have been executed by KISAN. Further, that representatives of the UNHCR assigned to the department of Gracias a Diós, where the camp is located, received death threats for opposing forced recruitment in the camps.

In the unriver community of Krasa, on the Nicaraguan side of the border, KISAN combatants murdered two civilians on the same day in September 1986, according to an account repeated by many villagers. One was a man who protested the rape of his two daughters by two KISAN commanders. His name was Morlan Powell, a man in his late 30's, and he was shot on the spot. The other victim was Ivan Peters, a man in his early 40's who was an invalid, according to the account, because he had been jailed and tourtured by the Sandinistas for supporting Misura, the predecessor of KISAN. He had been granted the amnesty in 1983. He and his wife were accused by KISAN of being Sandinista informers because she had a sewing machine provided by the government. When his wife was roughly interrogated by KISAN, Peters threatened the KISAN combatants with his machete. They took it from him and cut his throat with it. The perpetrators of these killings are allegedly commanders in KISAN, both from San Carlos. One has the first name of Maser and the nickname "Carimalo." Their superiors are thought to be Silvino Coleman and Eduardo Saballos, the latter a member of KISAN's estado Mayor (high command). Americas Watch has not been able to verify this story with direct eyewitnesses, but we heard it from many different sources. We believe there are enough details, and the allegations are serious enough, to merit an investigation by the new human rights unit supported by U.S. government funds, since KISAN is a recipient of U.S. aid.

In Honduras, KISAN has engaged in the brutal mistreatment of refugees, particularly those who refuse to join its ranks. Many of the repatriated refugees told us of cruelty which they saw KISAN inflict in Honduras. One woman told us of seeing KISAN force a young man to drink from a creek until his stomach swelled out and became very distended; water came out of his nose, ears and mouth. This treatment was meted out in the presence of women and children. Similar incidents were reported by other Miskito refugees repatriating to Nicaragua.

KISAN has also economically disrupted Indian communities along the Rio Coco in Nicaragua. For example, KISAN stole eight of the eleven outboard motors given to communities by the Nicaraguan government for use in public transportation up and down the Rio Coco, the only means of transport for communities beyond the reach of roads. Some of these thefts took place before the Easter evacuation, and some later. As a result, many communities have been cut off from commerce and supplies, and are highly dependent on relief assistance.

D. EFFORTS TO CURB CONTRA ABUSES

In 1985, UNO established a human rights office in Costa Rica at the urging of the Reagan Administration and operating with U.S. funds. In August 1986, that office—UNO-CDH—was dissolved by FDN leader Enrique Bermúdez. The office has spent $175,000 of U.S. funds; at closing it owed staff, $65,000 in back salaries, which Bermúdez refused to pay.

In February 1986, the State Department Country Reports stated that UNO-CDH had complied information on 21 cases that it recommended for prosecution, of which 19 had led to convictions. Of these convictions, eight—described as involving murder, sexual abuse, and in two cases, abuse of civilians—related to human rights violations, according to the Country Reports.

In March 1986, a member of the Americas Watch executive committee met with the director of UNO-CDH In Costa Rica to discuss cases of contra abuse on which Americas Watch had collected information. The director of UNO-CDH reported that the office had made no progress in investigating those cases. He provided, however, a list of cases in which contras had been convicted. The list contained further details on the same cases referred to in the Country Reports, minus five cases of insubordination; a total of 14 convictions. Those cases were as follows: eight involved abuses by contras against other contras; one involved growing marijuana; one involved a property crime against a Honduran; three involved property crimes against Nicaraguans; and one involved multiple rape against Nicaraguans.

As the list showed, most of the crimes prosecuted after investigation by UNO-CDH involved either common crimes or abuses against other contras. Only one—the multiple rape—involved physical abuse of Nicaraguan civilians. As of March 1986, therefore, UNO-CDH investigations had led to the prosecution and conviction of only one contra for violent crimes against Nicaraguan civilians. According to a White House certification document, there were no further prosecutions in the five months before the UNO-CDH was closed in August.

In October and November, a new group opened offices in Costa Rica and Honduras—the Asociación Nicaraguense Pro Derechos Humanos (ANPDH). According to its Washington representative, lawyer José Antonio Tijerino Medrano, the office is to receive $3 million of the $100 million appropriated to the contras by Congress. (ANPDH is therefore the second-best funded human rights organization in the world, after Amnesty International, which in 1986 monitored 128 countries.) Dr. Tijerino maintained, in a meeting with an Americas Watch representative in December 1986, that the new office is not a successor to UNO-CDH, and that it is not tied to UNO or any political group. In January 1987, another Americas Watch representative met in San José, Costa Rica with Messrs. Jaime Pasquier, the local representative of ANPDH, and Alberto Gámez, legal counsel, both of whom made the same point. This description of the Asociación's nature is at odds with comments made to Americas Watch in September 1986 by a State Department official, who took it as given that the new office would be established precisely as a successor to UNO-CDH.

The new office has made some personnel changes, in particular by hiring as its director Marta Patricia Baltodano, formerly acting director of CPDH. On the other hand, it has retained two staff members of UNO-CDH, Dr. Gámez and Mateo Guerrero.

Ms. Baltodano is based in Tegucigalpa, and the Honduras branch of ANPDH has an additional office in the contra base camp at Yamale, Honduras. Ms. Baltodano told an Americas Watch representative in January that ANPDH, in addition to investigating cases of contra human rights abuse, had been asked by Bermúdez to investigate breaches of internal contra discipline. The Asociación also plans, according to Baltodano and its Costa Rican representatives, to train selected contra combatants as human rights monitors within their fighting units.

In his December meeting with the Americas Watch representative, Dr. Tijerino stated that all complaints currently under investigation by the new office are against contras. He offered the preliminary results of the office's inquiries into one well-known case, the contra attack on El Níspero in which women and children were killed and kidnapped. ANPDH also later issued a press release on this investigation, which Dr. Tijerino made available to us. For his part, Dr. Gámez told us in January that the statement was based on interviews with two contra chiefs and with four civilians from El Níspero. He did not indicate where these witnesses were interviewed, nor who questioned them for ANPDH. Ms. Baltodano told us, however, that one of the sources is a refugee in Costa Rica.

The ANPDH account states that El Níspero was taken for about four hours by a contra contingent. At the moment of the attack, several civilian "activists in the CDS [Comité de Defensa Sandinista]" were present at the government's military post, including Mrs. Juana González and her infant son Arlen Javier Ceballos González, wife and child of one of the Saninista soldiers, according to the ANPDH release (Dr. Tijerino had told us that Mrs. González was in uniform, though that act is not stated in the ANPDH release). The ANPDH statement does not say what happened to the woman, but it indicates that the infant was among several persons who "died in the action" and whose corpses were later mutilated by special EPS troops called Cazadores Ligeros and Tropas Pablo Ubeda (TPU) of the MINT. According to the ANPDH report, those troops arrived after the contras left, sealed off the town and proceeded to multilate and behead the corpses, including that of the infant, with the purpose of blaming the deed on the contras. (The statement quotes Lt. Alvaro Baldizón, a defector from the Sandinista regime, on the fact that special troops have these tasks assigned to them. Our March 1986 report dealt with Mr. Baldizón's allegations, including the one referred to by ANPDH, which was first made several months after Mr. Baldizón had made other sensational allegations against the Nicaraguan government. In the course of many investigations Americas Watch has conducted in Nicaragua, we have obtained no evidence that would tend to confirm either the existence of those special troops or the performance of such tasks by anyone else).

The ANPDH report thus exonerates the contras of any wrongdoing. Marta Baltodano explained alleged EPS mutilation of corpses as an effort to generate bad publicity about the contras. The incident was given minimal coverage in the Nicaraguan progovernment press, however. It became well-known only after U.S. journalists conducted independent investigations and reported their findings in The Miami Herald and The Washington Post.

An Americas Watch investigator and two U.S. journalists separately gathered testimony from witnesses in El Níspero, and those witnesses presented a very different account. In Section I we discuss a serious violation of the laws of war by Sandinista troops, following on the El Níspero attack. But as to contra actions, we are disappointed that this first publicized investigation by the new Associatión Nicaraguense Pro Derechos Humanos has yielded results which tend to rationalize contra behavior—and deny abuses—rather than to seek the perpetrators of the murders and kidnappings.

Information gathered by Americas Watch in El Níspero only a few days after the attack shows that three women and two children died in the attack, whereas the ANPDH report discusses only two deaths. Neighbors found the woman, Juana González, bleeding from her wounds but alive, and took her to their house, where she died shortly thereafter. The witnesses interviewed by Americas Watch said nothing of a uniform; they said she was the wife of a miliciano, and no one even suggested that she might have been in uniform. The witnesses were very clear about who was a miliciano or miliciana and who was not, and we believe they would have told us if the dead woman had been in uniform. A three-year-old daughter of Mrs. González was wounded in the attack, but she survived. Arlen Javier, the one-year-old, died. His father, Germán Saballos [ANPDH spells the name "Ceballos"], who is a miliciano, told Americas Watch that the baby's body was found in the back of the house (not the same place where his mother was found), with his throat cut. Witnesses interviewed by the U.S. journalists confirmed this. No witnesses interviewed by Americas Watch, or separately by journalists, mentioned beheading of the body or any multilation by EPS troops. In addition, the contras opened fire against many houses in the village, not only against the command post, and those houses were mostly inhabited by women and children.

Americas Watch interviewed many witnesses in El Níspero, and nobody mentioned any "sealing off" of the town, though many referred to the arrival of the EPS reinforcements—hours after the contras had withdrawn—and some referred to the murder of the wounded contra found in the village. There was a meeting of the military at El Níspero that took place for several hours behind closed doors, after which the body of the now-dead contra was dragged through the streets, presumably as an example of what happens to the contras.

The accounts by Julia Preston in The Washington Post and by Sam Dillon in The Miami Herald are consistent with our information, even though they conducted their research at different times and interviewed different witnesses.

We do not wish to pre-judge the new office. It could serve a significant purpose if its investigations were impartial and independent. We will review its performance in our next report on Nicaragua.

Mr. KENNEDY. Madam President, I reserve the remainder of the time I have not used. I yield it back to the floor manager.

The PRESIDING OFFICER. The Senator from Massachusetts has 4 minutes remaining.

Who yields time to the Senator from New Hampshire?

Mr. STENNIS. Madam President, I yield 12 minutes to the Senator from New Hampshire.

The PRESIDING OFFICER. The Senator from New Hampshire may proceed.

Mr. HUMPHREY. Madam President, I thank the Presiding Officer and the Senator from Mississippi.

I have not heard all the debate on this subject, but some of what I heard recently amounts to historical revisionism—revision of history. It is said that we in the United States, that our policies forced the Sandinistas into the arms of the Soviets. Nothing could be further from the truth, for during the first 18 months of the Sandinista regime, no government was more friendly toward that regime than that of the United States. Indeed, Congress was persuaded by some fast talking on the part of Mr. Ortega—I should properly call him Comrade Ortega—to extend some $75 million in foreign aid, American foreign aid to the government, the Sandinista Government of Nicaragua. This was during its first 18 months of existence; that is in 1979 and 1980.

So to suggest that it was the United States that pushed Ortega into the arms of international communism is nothing but poppycock, and the record proves it. In fact, the Sandinista government, the Comunista governm ernas we should more properly callcall rescinded its own statute on the rights and guarantees of Nicaragua citizens—its bill of rights, if you will—which it propounded when it was seeking to overthrow the Somoza regime and on the promise of which the people of Nicaragua embraced the Sandinistas. When Mr. Ortega got in power, it did not take him more then a couple of months to rescind the statute on rights and guarantees and declare a state of economic and social emergency, as they called it—a state of emergency which rescinded all of the rights which the Nicaraguan people had been promised, rights which included, among other things, according to title I of the statute on rights and guarantees of Nicaraguans, the right to free and full self-determination; among other things, the right that all persons are equal before the law and entitled to equal protection; the stipulation that the right to life is inviolable; that no one would be subject to arbitrary arrest or imprisonment. I point out parenthetically, there are some 10,000 political prisoners in Nicaragua today. These are all the things which the Comunistas promised the people of Nicaragua and which they rescinded, and many, many more.

Freedom of information is another one, freedom of speech and the press. All these were rescinded by Comrade Ortega and his fellow Communists within months of ascending to power. So it was not the United States at all which pushed Nicaragua into the arms of international communism. That objective was obtained long before the U.S. aid reached Nicaragua. They are indeed Marxists. They are Communists. Statements of their own leaders are quite clear and frank on that point.

I cite a statement of Thomas Borge, the Minister of Interior, who in 1983 stated that "you cannot be a true revolutionary in Latin America without being a Marxist-Leninist." Commadante, and indeed comrade, Bayardo Arce, in an interview stated that "The Nicaraguan people are for Marxism-Leninism," to use his words. And as for Danny Ortega's brother, Umberto, the Minister of Defense, quoting from an August 25, 1981 statement, he said, "Our doctrine is Marxism." So we ought to drop this term "Sandinista" because among other reasons Americans really do not know what they are or stand for. Let us use an honest term. Let us use a term Americans can understand. Let us substitute "Comunista" for "Sandinista" because they are equal and indeed in the remainder of my remarks, I am going to call them "Comunistas" and not "Sandinistas."

On that score I have a little photograph here, taken from a news magazine—I do not know what it was—of Comrade Ortega being sworn in on Janaury 10, 1985, following a fraudulent election, which matter I will address in a moment. Following a fraudulent election, there he is with his expensive New York City sunglasses, with his right fist raised in a Marxist salute. And who is there with him, 3 feet away? Comrade Fidel, the only head of a nation in the entire world to attend the so-called inauguration of Comrade Ortega—Fidel Castro—clapping his hands, I might add, not surprisingly. I can imagine he takes a good deal of satisfication in having to a large extent installed the Comunistas in Nicaragua, and that brings up the important point we ought to bear in mind in this debate. The Comunistas in Nicaragua have made it clear that they are Communists; they call their revolution a revolution without borders. That means they are going to do the same throughout Central America as Comrade Fidel has done in the Caribbean and in Central America. They are going to do their darndest to install more Communist governments, more repressive governments, and make more and more trouble for democratic nations throughout our hemisphere.

The Comunistas, the Sandinistas, promised free elections. Not surprisingly, when they came to power, they instituted a state of emergency and postponed the elections for, I guess it was, about 5 years. Ultimately, they were shamed into calling elections, but those elections turned out to be a sham. Arturo Cruz, one of the credible candidates who had planned to run for President, ultimately withdrew because of intimidation and because of what was obviously the rigging of an election both in terms of the campaign and counting of votes.

I had this picture mentioned. There was not a leader from a democratic country in the world who attended the innauguration of Daniel Ortega following this fraudulent election. Why? Because there is not a democratic leader in the world who believes that it was a free election. Indeed, it was not.

Communists are liars. They excel in deceit. They are so skilled in deceit that they have deceived over and over again the Congress of the United States. They have deceived over and over again people around the world. I say it is time to recognize deceit for what it is, time to face the facts, to call a Communist a Communist, and to do something to aid the anti-Communists in Nicaragua. That is what President Reagan seeks to do. That is what he has been seeking to do for years.

Interestingly enough, the Congress on an off and on basis has gone along with the President. Over the last 5 or 6 years we have provided about $150 million in assistance to the anti-Communist forces in Nicaragua. The President is proposing to release another $40 million. That is what this debate is about. The joint resolution before us would block the President from releasing that $40 million.

If we release this $40 million, that will bring U.S. aid to the anti-Communists to $189 million in total. Do you know how much the Soviet bloc countries have provided the Comunistas of Nicaragua, Madam President? Not $40 million, not $189 million, $2.6 billion since 1979. I am not suggesting that $40 million is inconsequential, but when you put it against $2.6 billion contributed to the Communists of Nicaragua by the Soviet bloc, it kind of brings things into focus. While we are here babbling about negotiations, while we are here insisting that the anti-Communists conduct a textbook-perfect operation, even while our own revolution against the British could hardly be so described, even while we are holding the anti-Communists in Nicaragua to standards far higher than even our own American freedom fighters of 200 years ago achieved, the Soviets are pouring billions of dollars of military equipment and economic assistance into the coffers of the Comunistas of Managua.

What a pack of fools we are. The facts are so very overwhelming. The swift current of events is so apparent and yet we play around with the eddies at the edge of the stream.

It is a pay-me-now or pay-me-later situation, Madam President. Does anyone believe that negotiations are going to lead to democracy in Central America, to democracy in Nicaragua? Does anyone believe that for the first time in history Communists are going to surrender power and hold free elections? They have not so far. They have promised them over and over. They have hinted. They have pulled us along like mice following a piece of cheese on the end of a string. And they have kept this process going, kept the United States from actively helping the anti-Communist forces with the mere promise of negotiations and, indeed, as they drag that little piece of cheese through this Senate Chamber today, a long line of Senators trot off in that direction.

How disgraceful. It is pay me now or pay me later. The Communistas of Nicaragua are Communists. They are armed to the teeth by the Soviets. Their armaments grow daily as the Soviets pump billions of dollars into Nicaragua. They have already said it is a revolution without borders. They are already interfering in democratic El Salvador, where a government was elected lawfully and democratically by the observation of virtually every credible party in the world. And that is going to continue until we address this problem realistically. Shall we wait until the problem has infected Mexico as well as Nicaragua? I hope not. It is pay me now or pay me later, and if it is pay me later, my colleagues, the payment will be in American blood.

My time has expired.

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD. Madam President, I yield 12 minutes to the distinguished majority whip from California [Mr. CRANSTON].

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. I thank the Senator from Oregon very much for his leadership on this issue.

Madam President, the issue before us is an up and down vote on the question of rescinding the $40 million in Contra aid the Congress approved last year.

In that sense it looks to the past. It asks the question, "Should we have done otherwise?"

I want to talk today, however, about the future, about the future of U.S. policy toward Central America, for I believe that it is in considering what lies ahead that one can find perhaps the strongest case for voting to adopt the resolution of disapproval and signal an end to Senate support for Contra funding.

One of the canards put forward by champions of Contra aid is that opponents of taxpayer funding for the Contra terrorists somehow have no constructive alternative.

"You are isolationists!" Contra champions proclaim. "You ignore the dangers in the region and have no plan for protecting American interests.

This is, of course, untrue. Yet, the charge has been repeated so many times it bears close examination.

There are three major proposals for revising Central American policy which are now before this body. All three are affirmative programs making clear what Contra opponents are for.

The first is a measure which I introduced to support the administration request for $300 million in economic aid to the Central American democracies—a request which many Contra supporters oppose.

The second is a measure advanced by the Senators from Connecticut, Senators DODD and WEICKER, which provides a similar aid package.

The third is the excellent joint resolution of Senator SANFORD, which puts the United States on record fully behind regional peace efforts.

Here, then, are the elements of a more promising program:

Provide aid to the struggling democracies in Honduras, Costa Rica, Guatemala, and El Salvador;

Enhance their ability to repeal any mischief made by the Sandinistas;

Wholeheartedly endorse and work toward the success of a regional peace plan;

End the futile Contra Aid Program, which has utterly failed;

Make clear that we will act militarily if Nicaragua makes concerted efforts to export violent revolution or to deploy provocative Mig aircraft; and

Accept the fact that while we deplore the Marxists of Managua, it is not the United States mission to thunder about the globe remaking governments in our own image—a proposition that would keep us perpetually at war.

Madam President, the time will soon come when Members of this body must work together, in a bipartisan spirit, to provide for a post-Contra aid transition.

I recognize that we do not have the votes to override a veto of the resolution before us today.

But proponents of Contra aid should be equally realistic in recognizing that taxpayer funding for Contra war efforts is coming to an end this fall—if not in this body, in the other body. At that time, there will be no issue of a veto override. It will take only a majority both in this body or in the other body to cut off Contra aid.

What will be the administration's request next fall when Congress refuses to provide the Contras any more money?

What will be the U.S. obligation to the 9,000 jungle fighters we have trained, armed, manipulated and endorsed?

I, for one, am not eager to see us welcome some of these gentlemen into the United States. And I know for a fact that Central American leaders do not want to provide a haven to many of these people—who have been engaged in systematic atrocities against peasants, women, and children.

What will be Contra supporters' requests then?

We would do well to consider that today.

And we would do well to make clear with our votes today that an end to Contra aid funding is coming, and coming very soon.

I find it hard to understand the present American policy of backing people who engage in terrorist activities seeking to overthrow the government of another nation, a government that we happen to recognize and maintain diplomatic relations with, even though none of us approves of that government. It is contrary to all American-avowed principles and purposes, and I hope contrary basically to our traditions to try to overthrow governments we do not like.

We can try to influence them. We can have limited relations with them. We can seek to isolate them. But to try to overthrow them is another matter. It is a violation of international law. More than that, if that is to be our policy—to start overthrowing governments we do not like—we will have our hands full. There are many governments we do not like. If we start to overthrow them we are going to have more wars on our hands than we can handle.

If this government posed a direct, clear, and immediate danger to our country, that would perhaps be another matter, but there is no evidence that that is the case.

The concern is that this government, the Sandinistas, might try to infiltrate and overthrow democratic neighbors and produce Communist regimes in those countries. The concern is that that might spread to our border with Mexico. That would be a problem. We would have to resist that, by force if necessary, but we have not been given evidence by the administration, despite their assertion that any such serious threat exists.

The first step, of course, if it did exist, would be to interdict, by whatever forces were required, military moves against democracies, against neighbors, infiltration of those countries, with military arms. That would be a responsible position for us to take. But to take on the task of overthrowing a government simply because we do not like it, a government that poses no clear or direct danger to the United States, is contrary to what the United States should stand for; and that is why I will vote for the resolution of disapproval of aid to the Contras.

Mr. STENNIS. Madam President, I yield 12 minutes to the Senator from South Dakota [Mr. PRESSLER].

Mr. PRESSLER. Madam President, many of us on this vote are in a very painful and difficult situation. This Nicaraguan Contra aid cutoff is perhaps one of the more difficult and close votes, in my mind. Yet, I shall vote reluctantly against blocking the $40 million for the Contras which was appropriated by Congress late last year.

I am very much aware of the arguments against further military assistance: the view that the Contras cannot accomplish their goal of winning the Nicaraguan soul away from the Sandinista dictatorship; the questions about possibly illegal diversion of funds to the Contras; the difficulty in accounting for all funds previously appropriated; the complaints of Contra abuses against civilian bystanders in Nicaragua.

Yet, I am also aware of the lessons of Vietnam, where I served as a second lieutenant in the United States Army: the very real threats to Central American peace represented by Sandinista policies and alliances, and the potential for a negotiated settlement of conflicts in that region—but represented by the Arias plan.

Our Nation has witnessed a most effective propaganda campaign on behalf of the Nicaraguan Sandinista dictatorship in recent years. Every conceivable angle has been covered in a sophisticated campaign to convince Americans that the Sandinistas are really good guys in white hats. Uncle Sam is portrayed as the gringo to the north, the wanton imperialist, who wants to restore the Somoza crowd to power. Yankee greed and thirst for power are the alleged sources of Central American poverty and repression and the justification for Sandinista suspension of civil rights and liberties.

Madam President, I do not buy this propaganda.

While some progress has been achieved in Nicaragua under the Sandinistas on the socioeconomic front, there also have been economic disasters, as well as the usual tragedies of dictatorship: no elections and no respect for the basic freedoms we take for granted.

I mentioned that I have had the unpleasant experience of serving in the United States Army in Vietnam during that period of time and I hope that to some extent I have been a student at least of that type of situation since.

Some have argued that the guerrilla conflicts of Central America are the same as that conflict. They really are not the same in many respects. Perhaps the most important difference is that vital, long-term U.S. interests more obviously are at stake in Central America. We cannot tolerate the proliferation of more Soviet-sponsored Castroite regimes in this hemisphere, in our own backyard. Neither can Nicaragua's neighbors, all of whom are terrified at the prospect of a consolidation of the Sandinista regime's power. One lesson we can take from Vietnam is that more lives and more money are lost in the long run if we fail to take a firm stand against Communist establishments which masquerade as saviors of the people. Too little, too late is not the epitaph I wish to see written on democracy's tombstone in Central America. We should avoid direct military intervention, and that is our country's policy. We should be prepared to support those indigenous groups who are fighting for true freedom in their own nations. If we do not, nobody else will, and we shall eventually find ourselves encircled by hostile dictatorships.

Nicaragua's Sandinistas threaten their neighbors. Democratic Costa Rica has no armed forces.

Madam President, I recall meeting with the past President of Costa Rica, and he told me how much he was concerned about the expansionistic designs of the Nicaraguans, and I think that is something for us to remember.

There are now four democracies functioning very well in that region of the world, and I dare say that my colleagues who have visited the region all report their fear that if the Nicaraguans were allowed to do anything they wanted, they would be expanding militarily as they attempted to do in Grenada.

Honduras, Guatemala, and El Salvador have reaffirmed democracy in recent years. Each of these four Central American democracies is caught between a rock and a hard place. On the one hand, they possess nothing like the raw military power enjoyed by the Sandinistas, courtesy of the Soviet, Cuban, and Eastern European dictatorships.

And let us not fool ourselves. The personnel and the assistance they have received from the Eastern European dictatorships and the Soviets and the Cubans are substantial.

On the other hand, the popularity of radical Marxist revolutionary appeals is apparent in these poor nations.

Indeed, there must be reform. Sometimes those advocating the Marxist approach have been more effective in putting their philosophy forward than those who advocate democratic reforms, but let us align ourselves with those who are committed to democratic reforms and ideals.

Their desire is to reach some accommodation with the forces of aggression and dictatorship. They with to protect their own people from the loss of human rights experienced in Nicaragua. It is to the credit of these democracies that these four neighbors of Nicaragua have proposed a verifiable plan for peace in Central America based on a cease fire, free elections and vigorous political competition. The Senate endorsed that plan by a vote of 97 to 1 last week. Nicaragua, under Sandinista control, refuses to participate in this peaceful reconciliation effort.

Where does this leave us, Madam President? I believe we must give the 15,000 to 20,000 Contras—perhaps 10 times the number of Sandinistas who seized power from the Somoza dictatorship a few years ago—the military assistance promised last year by Congress. They might not be an effective team in some respects, and certainly they have made mistakes. Yet, we cannot change U.S. policy every few months. Our word and honor are not respected if we do. Let us give the Contras what we promised, let us see if they can further the goal of establishing a democratic system in Nicaragua, and let us continue to support the efforts of President Arias of Costa Rica, backed by three other Central American democracies, to draw the Sandinistas to negotiations for a peaceful resolution of this problem.

Compared to 10 years ago, there are 10 more Latin American democracies. Only five dictatorships or military regimes remain in power in the Western Hemisphere. One of these in Nicaragua. If we do not oppose dictatorship now, more lives and more money will be sacrificed in the long run.

So, Madam President, in conclusion, let me say that this Congress made a major decision last year, and we are now considering a change in our policy. It would be very inconsistent to do so. There were many in this body who disagreed with that policy last year. But the United States made a decision.

We are committed. It is my feeling that to change policy this quickly would be very destructive and would not only undercut our friends who are freedom fighters in Nicaragua and elsewhere, but would also hurt our credibility in the entire region.

Madam President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Madam President, I yield 12 minutes to the Senator from Florida, Senator GRAHAM.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Madam President, this resolution for disapproval concerns more than one country and one conflict. Our vote will serve to assert either an outmoded cycle of episodic engagement and neglect in our relations with Central America—or a new beginning of sustained economic growth and democratic cooperation in this hemisphere.

Democracy in the Americas can only rest solidly on:

Economic develoment,

An outreach to the next generation of leadership,

Resolution of the widespread debt crisis,

Respect for the individual national identity and pride of each separate nation in the region,

And the common embrace, by all nations, of the same and measured call for diplomacy by statesmen such as President Oscar Arias of Costa Rica.

I oppose this joint resolution because I believe that to vote for it would signal abandonment of our commitment to the Contra forces.

As a result of that commitment, freely undertaken by the majority of this body, decisions have been made, resources allocated—lives placed at risk, people are depending on us.

Military pressure on the Sandinistas increases the chance for constructive, diplomatic negotiations and free elections in Nicaragua.

But an agenda limited to containment and military pressure cannot be our long range approach to Central America, clearly it is time to address the spectrum of very real problems and opportunities in our hemisphere and to be a unified force for positive change in the region. We should take the coming months to build a bipartisan consensus for a pragmatic and comprehensive regional foreign policy.

Recent events have turned this into a subject no one is anxious to deal with but we cannot back away from the problems—and the possibilities—of the region. We in Florida know well that what happens in Central America affects the United States in very real human terms. There are nearly 10,000 Nicaraguan schoolchildren enrolled in Dade County public schools. The difficulties of developing nations in Central America are unique in commanding our attention because they are so close to us, so close culturally as well as geographically.

If our vision is to encompass a full partnership of the Americas we have to ask the right questions.

Questions such as:

"What is our vision for our neighbors in this hemisphere by the end of the century?"

"What steps does our Government have to take to assist in the realization of that vision?"

"How do we build a basis of public support for a rational hemispheric foreign policy among our colleagues, among our citizens and among all the nations involved?"

We have a fortuitous opportunity now to ask those questions and to implement the answers.

For the first time we have four democratic, freely elected governments in Central America.

El Salvador, Guatemala, Honduras, and Costa Rica are evidence of a hopeful progression toward peace and prosperity and hemispheric cooperation. I agree with the words of President Arias:

"In Central America, there won't be a durable peace unless there is democracy."

My vision is to have economically prosperous democracies led by enlightened leadership; leaders who are committed to the quality of life for their citizens, and a network of regular and valued trading partners.

To nurture these fledgling democracies, and the broader movement toward democracy in the Caribbean Basin and South America, we must work together to achieve economic stability and growth.

The $300 million economic package we will vote on in the near future is tangible evidence of our dedication to stable, democratic societies in this hemisphere. The Caribbean Basin initiative is worthy of our strong support.

The debt crisis in Central America and neighboring island nations is as potentially destabilizing as in any

Latin American nation. Those smaller nations have greater difficulty negotiating more generous repayment terms than do the larger, more economically diverse countries. At the same time they are more vulnerable to unfavorable shifts in world trade and economic conditions.

The Kissinger Commission's recommendation to increase scholarships to developing nations in our region is a practical one. Our outreach to the next generation of leadership can be significantly enhanced by an ambitious program of scholarships and shared educational resources. Students trained in a democratic society absorb the fundamental commitment to liberty and freedom of speech and thought we espouse. The Soviet Union and its satellite nations have understood the importance of student training for years.

To embrace these initiatives underscores the value of a realistic, balanced and forward-looking policy. With such a policy we stand a much better chance of demonstrating to our friends around the world that it is the Sandinistas, not ourselves, who are out of step with history. We can dedicate the months from now, until we must, again, face the issue of renewing Contra funding to building a bipartisan consensus for a Central American policy, working with the administration to effectively execute that policy.

As of today, the administration has failed to define and communicate a clear policy for Central America. While support for the military resistance in one country may be an appropriate component of a regional strategy—it is hardly an adequate foreign policy for an area so vitally important to us—and so closely tied to us.

Mr. President, there are many of us who want to have a strong, consistent, constructive relationship between this Nation and our neighbors to the south.

That must be a relationship based upon goals that transcend our temporary occupancy of political offices.

Our goals must be bipartisan, our goals must be well understood by the American people, our goals must speak to the values that we as Americans revere, if they meet those criteria then they will have a sustaining base of support and influence.

Only through popular understanding and support can a foreign policy be maintained and therefore have believability in the countries which are our regional partners.

We cannot afford to use the coming months as a time to line up behind old divisions. We must use this time to create a new consensus that will unite this country in its long term interests in the peace and prosperity and freedom of our hemisphere.

The PRESIDING OFFICER (Mr. BREAUX). Who yields time?

Mr. STENNIS. Mr. President, I suggest the absence of a quorum with the request that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will please call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I yield 5 minutes to the distinguished chairman of the Foreign Relations Committee to speak for the resolution?

Mr. PELL. That is correct.

I thank you very much, indeed, Senator HATFIELD.

The PRESIDING OFFICER. The Senator may proceed.

CONTRA FUNDING: HOPEFULLY THE LAST CHAPTER

Mr. PELL. Mr. President, as we once again brace for yet another go-around on the administration's policy of aid to the Contras, it would be useful to look at the policy thus far. What I see is an all too familiar scene of an ill-conceived, ill-advised bankrupt policy administered by zealots who are willing to take our Nation to the brink of military intervention in the name of freedom and patriotism. Events of the past months have brought all this out before the American people in large, bold print. I believe that the vast majority of Americans are ready to call an end to the funding of the Contras, "our terrorists," and get on with the very challenging task of redirecting the policy toward supporting a regional political/diplomatic settlement. As Winston Churchill once said, "Jaw-jaw is a lot better than war-war."

I have a sense of idealism but, because it is tempered by a sense of realism, I know what we are up against in the Senate at this time. After all is said and done in these next hours in this Chamber, $40 million more will be on its way to the Contras. Whether it will get there is another story and that is why the House last week voted to place a moratorium on this funding until the administration provides an accounting for previously approved moneys, including those diverted from the Iran arms sales. That is what we really should be dealing with today. Like the House did last week, we should be moving to hold the funds back until we know what happened with the earlier funding.

The American people, Republican and Democrat alike, have a right to know and want to know where their money has gone. But that is not going to happen today. After all our talking, more millions will be sent to the Contra forces whose semblance of democratic leadership left with Arturo Cruz. More money will be sent to terrorists, our terrorists led by Somoza's officers, who continue to wage a mean war against their own people. We need no more vivid example of this than the incident last month when the Contras burned down a church-sponsored health clinic during an attack on a military outpost in Matagalpa province. In this area where it is said that the Contras have support among the people, these terrorists, funded by our money, burned down a health facility run by the Baptist Convention of Nicaragua. This clinic was partially funded by a health care program sponsored by U.S. Protestant organizations.

Through this heavy mist of a bad policy, I see a ray of light. I am hopeful that we may be seeing the beginning of the end of this tragic episode in our history. There are strong indications that previous supporters of the administration's policy are now seeing the gravity of the situation and will not be willing to agree to further funding after this $40 million is expended. I am also bolstered by the fact that the Senate last Thursday, in an overwhelmingly bipartisan manner, voted to support the regional peace process now underway in Central America within the framework of Contadora. Let us get this matter of the $40 million out of the way and begin to work in a united way for a negotiated political/diplomatic settlement in Central America.

I yield the floor.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum, and ask unanimous consent it be charged equally to both sides.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I yield 10 minutes to the Senator from Alaska [Mr. MURKOWSKI].

The PRESIDING OFFICER. The Senator from Alaska is recognized for 10 minutes.

Mr. MURKOWSKI. Mr. President, I thank my friend for yielding. I very much appreciate the opportunity to address the body on this difficult dilemma that is before us with regard to the disapproval of the remaining Contra aid.

It is not because of disagreement over the nature of the regime in Nicaragua. I think we are all well aware of whom we are dealing with down there. We have watched as the Sandinistas replaced the old right-wing dictatorship of Somoza with the new dictatorship of the left. The question is: How bad is the Sandinista government and what should we do about it?

I know my colleagues have spent a good deal of time on this. It has been dealt with with deep and genuine divisions over the wisdom of Contra aid on the one hand and the alternatives on the other. Much of my colleagues' difficulty in this regard I share.

It is not the question of the $40 million that is the real issue. It is the need for a clear and consistent underlying policy toward Central America. As a consequence of that, Mr. President, I have grave reservations as to how we are going to turn around our policy in such a way as to be convinced that our assistance will be significant in addressing the issue of genuine support from the American people with regard to the direction in Central America. The American public, I think, is used to a quick resolve. Our South American neighbors are perhaps more patient.

In retrospect, I voted for aid to the Contras in 1986 for one simple reason: I supported the negotiations. I recently cosponsored Senator SANFORD's resolution welcoming and supporting the latest peace initiative by the Central Americans themselves, the Arias plan. I think it is important. I think we have to give it firm support. But in order to work, negotiations must be backed by pressure.

I voted for aid because I believed then and I believe now that without it, the Sandinistas will have no incentive to take the negotiations seriously.

Mr. President, we made a commitment with that previous vote. Therefore, with some reluctance, I am going to vote against this resolution of disapproval of the $40 million which remains from that decision. We have gone back and forth on this issue too many times. We simply cannot treat our presence in Central America, our assistance to the Contras, like a yoyo. But unless there is a real change in policy, Mr. President, this is the last vote I shall cast for Contra aid.

In 1986, I voted for a two-track policy for a vigorous diplomatic effort to negotiate a settlement and limited military aid to back it up. I have seen the aid; I just have not seen the diplomatic efforts to put it to the use intended.

Mr. President, I think it is time to take a new approach to the region. The worst thing we can do in Central America is to proceed by unpredictable starts and unpredictable stops.We do not need a series of narrow votes and Presidential vetoes. We need a consistent policy based on a sustainable consensus. That means we must clarify our fundamental goals.

Mr. President, what is our ultimate objective? Are we trying to force the Nicaraguan Government to negotiate? Are we trying to overthrow it? Or are we trying to do all of the above, to try to prevent a further Soviet military beachhead on the mainland of Central America?

We need to clarify our basic policy. That is why I intend to introduce a joint resolution after we vote on the Weicker resolution. I would have offered it earlier as an amendment to Senator WEICKER's joint resolution, but the rules that we are operating under do not permit amendments.

My joint resolution would make two very simple basic points. I hope that both opponents and supporters of assistance could agree on them and that they might contribute to helping reach a new consensus on the issue. The first point is that any aid to the Contras which we do provide should go only in support of a genuine two-track policy involving pressure and the vigorous pursuit of diplomatic efforts at negotiation. The second deals with our objective. It says that this kind of aid should cease as soon as the Soviets and their Cuban allies end their military aid to Nicaragua and withdraw completely.

Mr. President, I stress that such a withdrawal would have to be carefully monitored, carefully verified. I am talking about a genuine withdrawal, one that would include destabilizing weapons that would begin the entire process of getting Nicaragua's internal conflict out of the East-West superpower conflict.

Of course, we are all uncomfortable about the choice which we face in Nicaragua. There are no easy answers. But one thing stands out clearly. It is the Soviet military intervention which transforms that conflict into one directly involving threats to our security. Our fundamental objective should not be to overthrow the Nicaraguan Government; it should be to get the Soviets and the Cuban influence out.

For a century and a half the Monroe Doctrine has made it clear that the United States will not tolerate outside military interference in this hemisphere. It may be that we can reach some kind of accommodation with the Nicaraguan revolution short of the overthrow of the Sandinistas. I do not know. I do know that if the Soviet get out of Nicaragua, I am willing to give it a try.

Mr. President, this approach does not resolve all the problems with this issue. But I believe it makes a start. It would be my intention to work with other of my colleagues who share my concerns about this policy to try to redefine the terms of this debate in a way which lets us figure out exactly where it is that we are headed—rather than where it appears we are heading today; that is, a policy without a clearcut consensus in support of the American people.

Mr. President, I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The time of the Senator from Alaska has expired.

Who yields time?

Mr. STENNIS. Mr. President, I suggest the absence of a quorum, with the time equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The absence of a quorum is noted. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I request that you dispense with further proceedings under the quorum call.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I yield 10 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 10 minutes.

Mr. McCAIN. I thank the Chair.

I rise in opposition to the motion of disapproval for the remaining $40 million which Congress voted for assistance to the Contras or freedom fighters in Nicaragua just a few short months ago.

Mr. President, all of us grow weary of the debates on this issue. They seem to take place all too frequently and consume so much of the time and energy of the Members of both bodies.

I also regret that all too often during these debates the patriotism, the dedication and love of country are sometimes brought into question. I fully respect and appreciate the integrity and patriotism of those who are on a different side of the issue than I.

Mr. President, there is a Hebrew word, "chutzpah." Chutzpah is very difficult to define, but I think we all recognize an act of chutzpah when we see it. Recently, those opposed to Contra aid told the President that the administration would have to come up with an alternate policy to continue aid for the freedom fighters in Nicaragua. If there was ever a dramatic example of chutzpah, that is it.

If the opponents of aid to the Contras want a different policy they, in my opinion, are the ones who are responsible for coming up with it. They cannot expect to destroy administration policy and then ask the administration to provide the alternative, because ultimately the responsibility for the success or failure of freedom and democracy in Central America will rest with those who either support the present administration policy or come up with a viable option.

Let me run down a few of the factors that many of us are familiar with and have been discussed in previous debates on this floor. I think it is important to bring up a few of the arguments of those opposed to aid:

"The Contras cannot win." Indeed, the Contras may not be able to win. It is important to remember that despite the words of the distinguished majority leader that the Contras have received sufficient assistance, the fact is that they have recently received some $60 million in assistance; $27 million in humanitarian aid before that; and for a 2-year period prior to that, no aid was extended to the Contras.

At the same time, approximately $1.4 billion worth of Soviet-Cuban equipment poured into Nicaragua, making it the largest single military establishment in the history of Central America, and larger militarily than all its neighbors combined.

We have seen the Hind helicopter introduced, a sophisticated piece of equipment that does a very fine job of killing freedom fighters, and innocent civilians, in Afghanistan as well as Nicaragua.

We have seen the latest, most up-to-date equipment introduced into Nicaragua. We have seen as many as 7,000 Cuban advisers who are now advising most of the military, assisting the Sandinistas in their efforts to put down Contra efforts. We have seen Cubans, Soviets, East Germans, Bulgarians, and PLO guerrillas.

Mr. President, Managua looks like the bar scene in "Star Wars." If there is a Communist or a fringe or a radical element somewhere in the world, look in Managua and you will find elements of it.

There is the argument that "the Contras are composed simply of ex-somocistas," who supported a dictator whom none of us appreciates and that the people of Nicaragua were fully justified in removing from office.

Mr. President, there are 12,000 to 15,000 young men, most of them aged 16, 17, 18, and 19, who are fighting inside Nicaragua today who never even heard of Mr. Somoza. Yes, indeed, there are individuals who fought and served in the Somoza government. But to make that argument about all those young men who are living under incredibly difficult conditions in the jungles and fighting for the things they believe in, namely the fulfillment of the promises made to them when the Sandinista came to power, is pure sophistry. There also are people fighting with the Mujahidin in Afghanistan who served in previous governments there as well. I do not hear similar criticism leveled at them.

As to human rights violations, we all abhor and condemn human rights violations in Nicaragua. The most horrifying of the many horrifying aspects of warfare is human rights violations. I think the case can be made that those human rights violations are being addressed under UNO. There are human rights offices being set up. But let us make no mistake: In guerrilla warfare, human rights violations and terrible tragedies will take place.

Human rights violations are taking place in El Salvador today. I remember for instance, when I and others visited El Salvador at the time of their elections, and the rebel FMLN radio stated: "Vote today and die tomorrow."

I have seen, as many others have, evidence of orchestrated and organized oppression and repression of the people of Nicaragua, in the form of the closing down of La Prensa, oppression of the church, and many other activities. Those actions are a clear indication that we have a totally oppressive Marxist government which, in its own words—not mine—is involved in "a revolution without borders."

It would be illuminating to read the words of Cardinal Obando Y Bravo, a much revered and respected man inside and outside Nicaragua, as he chronicled the terrible ordeals which the Catholic Church is undergoing, under the Communist regime.

I could go on with the arguments concerning what the Contras are about and their chances for success or failure but it will boil down to whether this body and the people of the United States support, in the long run, the effort we are making there. If we are going to ask for that judgment by the American people, I think it is very important for us to tell them what the alternatives are if we offer aid to the freedom fighters in Central America. In my mind, there are two: One is containment, and the other is the injection of U.S. troops.

I do not think there is any doubt that there is a Marxist government in Nicaragua, and that that government is bent on expansion beyond its borders. The evidence is clear of their efforts in Costa Rica, El Salvador, Honduras, and Guatemala.

What then, will be required to contain a Marxist government bent on the intimidation, destabilization, and overthrow of its neighbors? It would require billions of dollars—not millions or tens of millions or hundreds of millions—in continuing economic and military aid to the neighboring countries of Nicaragua so that they might have the opportunity to resist the incursions and intimidation of the Sandinista government.

Does this Congress and the American people have the wherewithal to provide those kinds of funds? In my opinion, it is very clear that they do not. I understand clearly why they are not prepared to make such mammoth investments in trying to contain threats to peace and stability in Central America.

The other option we may be faced with eventually is sending U.S. troops into Central America.

Mr. President, the shadow of Vietnam hangs over this debate. There is hardly a time, as this debate goes on, that we do not hear of the lessons of Vietnam. I believe that one of the major lessons of the Vietnam war is that we should not have sent American boys to do what Vietnamese boys should have done, just as we cannot send American boys to do what Nicaraguan boys should be doing.

The PRESIDING OFFICER. The Chair notes that the 10 minutes have expired.

Mr. McCAIN. I ask for 2 additional minutes.

Mr. STENNIS. I yield 2 additional minutes to the Senator.

Mr. McCAIN. I thank the distinguished Senator from Mississippi [Mr. STENNIS] for his indulgence.

Mr. President, sending U.S. troops is the last option. Sending American boys to fight and die in the jungles of Nicaragua is an alternative none of us would support and one we must avoid.

The only way we can avoid being faced with those alternatives is to continue to support the freedom promised to the people of Nicaragua by the Sandinista government when it was put into power by the Organization of American States, freedom which we seek for people throughout the world, whether in Afghanistan, Angola, or Nicaragua.

I yield the floor, and I appreciate the indulgence of the Senator from Mississippi.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Are we still on the Weicker resolution?

The PRESIDING OFFICER. The Senate is still considering that matter.

Mr. HUMPHREY. I ask the Senator from Mississippi if he will yield me 1 minute.

Mr. STENNIS. I am glad to yield to the Senator from New Hampshire 1 minute.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, earlier this evening, incredibly enough, one of the opponents of the assistance to the freedom fighters of Nicaragua quoted Winston Churchill, suggesting that we should opt exclusively for negotiation and cut off the assistance to the Contras.

I would like to use my own quote from Winston Churchill which seems to me far more appropriate to the situation. It is this:

> If we will not help others fight for the right when it can be won without our own bloodshed, if we will not help them when victory is possible and not too costly, we may come to the moment when we will have to fight ourselves with all odds against us and only a precarious chance of victory.

I think that is a far more appropriate Churchill quote for the present debate than that cited earlier for the proponents on this assistance.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Who yields time for a quorum call?

Mr. BYRD. Mr. President, does the distinguished Senator yield the floor?

Mr. HUMPHREY. I thought I had.

If there is any time remaining to the Senator from New Hampshire I yield that back and I yield the floor.

ROUTINE MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there now be a period for morning business not to extend beyond 15 minutes and that Senators may be permitted to speak therein for not to exceed 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

AFGHANISTAN DAY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of Senate Joint Resolution 63, to designate March 21, 1987, as Afghanistan Day, that the Senate proceed to its immediate consideration and that no amendments be in order, no motions to recommit be in order, and that there be a time limitation thereon for debate not to exceed 20 minutes to be equally divided between Mr. HUMPHREY and Mr. BRADLEY.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. HUMPHREY. Mr. President, reserving the right to object, we need an explanation, if Senators will forbear. This is the annual Afghanistan Day joint resolution. I leave it to my colleague from New Jersey to explain that in detail, as it is his resolution.

My feeling is, frankly, with all due respect to the Senator from New Jersey, who has been faithful to and active in the cause of Afghanistan, that this resolution is far too weak. I note there are no less than 14 "whereas" clauses in the resolution, consuming two full pages on legislative-sized paper, 14 "whereas" clauses. That is a mighty powerful windup. You would think the pitcher was able to deliver a baseball, but instead, the resolution delivers, indeed lobs, a marshmallow.

After 14 whereas clauses, what does the Senate resolve?

Resolved, that the President is authorized and requested to issue a proclamation designating March 21 as Afghanistan Day and calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

I wonder what appropriate ceremonies and activities are anticipated here.

Are we going to have parades? Are we going to have protests down at the Soviet Embassy about the rape of Afghanistan? I doubt it.

This is just a lot of hoo-ha. This is an irresolute joint resolution. It is pitifully weak.

I had wished to and intended to modify it with some stronger language to make a real joint resolution out of it, one that is commensurate with the crimes that the Soviets are getting away with in Afghanistan, the daily rape, brutalizing, and bludgeoning of that nation.

But because the chairman of the Foreign Relations Committee has objected to my language and objected and has asked the majority leader to seek discharge from the Judiciary Committee only on the condition that no amendments be in order, I will therefore be blocked from offering the amendment.

But just let me very briefly read it because I do not know why anyone would object to it. I think the chairman of the Foreign Relations Committee might want to explain why he would object to something as sensible and necessary as the amendment I intended to offer, which is that we have a new resolve clause, to wit:

> The Congress hereby strongly urges the President to convey to the Government of the Soviet Union that the United States supports a negotiated political settlement to the Afghanistan conflict that:
>
> (A) Has the broad support of the Afghan people.

I cannot imagine why the chairman of the Foreign Relations Committee would object to that.

> (B) Provides for self-determination of the Afghan people free from outside interference or coercion.

I cannot imagine why Senator PELL would object to that.

> (C) Provides for the prompt, complete, and irrevocable withdrawal of all Soviet troops from Afghanistan, based on logistical criteria for such withdrawal;
>
> (D) Provides for the return of all Afghan refugees with safety and honor; and
>
> (E) Provides for the restoration of the independent and nonaligned status of Afghanistan.

That is the sum and substance of the amendment which I intended to offer, which would have sensibly toughened the joint resolution before us now, and the offering of which has been blocked by the chairman of the Senate Foreign Relations Committee, as I understand it. I regret that.

I think it is time for something more than the declaration of Afghanistan Day, when we know full well that it is hardly more than the signature of the President of the United States on a piece of paper. It has almost no weight. It is certainly worth doing, but there is far more we could be doing and should be doing commensurate with the crimes in Afghanistan. And shame on us if we are not doing it.

I intend to pursue this further on other legislation, Mr. President.

Mr. President, I withdraw my objection to the unanimous consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the joint resolution.

The legislative clerk read as follows:

> A joint resolution (S.J. Res. 63) to designate March 21, 1987, as Afghanistan Day.

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. Who yields time?

Mr. BRADLEY. Mr. President, this is a joint resolution. It authorizes and requests the President to issue a proclamation designating March 21, 1987, as Afghanistan Day. It calls on the American people to observe that day in solidarity with the Afghan freedom fighters. This joint resolution is cosponsored by 51 U.S. Senators.

This is the sixth time that we have issued such a proclamation. The Senator from New Hampshire has been in the lead in other years on this kind of proclamation. I hope that it is the last time that we will have to do so.

I hope the Soviet Union will withdraw the 115,000 troops that are deployed there and will permit full self-determination for the Afghan people. I hope they will do so soon.

The Afghan people have suffered too long and too much. In the words of the United Nations Human Rights Commission, the continuation of a military occupation of Afghanistan will "lead inevitably to a situation approaching genocide." Already over 1½ million people have died; 4½ million refugees have fled to Pakistan and Iran. Those who remain suffer intolerable hardships.

The Soviet invasion has serious geopolitical implications as well. Soviet aircraft have repeatedly violated Pakistan's airspace. Soviet-inspired terrorist attacks have taken place inside Pakistan's borders. The invasion threatens the peace and stability of Southeast Asia.

Discussions for a negotiated settlement are underway. But the only credible implication of a Soviet commitment to a negotiated settlement in Afghanistan will be their agreement to a prompt and complete withdrawal of all their troops and full self-determination for the Afghan people.

I hope that agreement is within reach. But until the Soviet troops are withdrawn and the Afghan people have full self-determination, Americans everywhere declare their solidarity with Afghanistan's struggle and Afghanistan's sorrow.

Mr. President, we are on a very tight time schedule here, because the 21st is Saturday. So if the Senate acts today, and hopefully, the House will be able to act tomorrow, the President will be able to sign it on Friday and the 21st will indeed be Afghanistan Day.

I know that the distinguished Senator from New Hampshire felt very strongly about the additional language that he would like to add. I know there will be other opportunities when he will have a chance to do that.

And I applaud him for seeing the importance of moving ahead so we can at least have a day in which we can celebrate the freedom fighters in Afghanistan with heroic effort against Soviet genocide.

Mr. HUMPHREY. Mr. President, having expressed my reservations with the joint resolution as it stands and its shortcoming, I nonetheless ask for unanimous consent that my name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AFGHANISTAN DAY, 1987

Mr. HUMPHREY. Mr. President, it is critical that the Senate take time to express our solidarity with the courageous people of Afghanistan. We cannot be too familiar with what the Soviets are doing in that innocent nation. For more than 7 years troops of the Soviet Union have viciously attacked the civil population of Afghanistan, killing more than 1 million people. One million people have died as a result of this Soviet invasion and occupation. How many is that? It is one-fifth of the Afghan population. How many is that? If you apply the same proportion to our own population in the United States, it is 16 million dead Americans. That is how many it is. That is the magnitude of the Soviet crimes.

In addition to attacking and killing innocent civilians for the most part the Soviets have driven fully one-third of the Afghan nation into foreign exile. How many is that? It is about 80-something million Americans driven into foreign exile. Indeed, the Afghan refugees today constitute the world's largest body of refugees.

Mr. President, the massive violations of human rights have been thoroughly documented by such organizations as Helsinki Watch and Amnesty International. On December 4, 1986, the U.N. General Assembly overwhelmingly adopted a resolution expressing grave concern for the situation of human rights in Afghanistan.

Several weeks ago, the United Nations Special Rapporteur on Human Rights issued yet another grisley account of the mass violations of human rights taking place today in Afghanistan. This report clearly documents virtually every conceivable violation of human rights—as the Soviets pursue their effort to terrorize the civilian population into submission.

Yet, as the atrocities mount, and the death tolls increase, the Soviets continue to offend the conscience of civilized nations with their talk of troop withdrawals from Afghanistan. Last week, the most recent round of United Nations sponsored negotiations concluded in Geneva. This week, Under Secretary of State Michael Armacost flew to Moscow to discuss this matter with the Soviets. I am deeply concerned that the recent flurry of diplomatic activity will take on a life of its own. As former National Security Adviser Zbigniew Brzezinski recently pointed out, there are those who confuse diplomacy for foreign policy.

The Senate must very closely scrutinize these negotiations to prevent any settlement that realizes a Communist front government in Afghanistan. In other words, we must be very much on our guard that these diplomats do not agree to a sellout at the negotiating table.

Instead, Mr. President, we should insist, and we in the Senate should insist, that the principal criteria for a just settlement as set out by President Reagan are embodied in any agreements which come out of these negotiations.

These are the points which I cited earlier: First, that a settlement must have the broad support of the Afghan people;

Second, provides for self-determination of the Afghan people free from outside interference or coercion;

Third, provides for the prompt, complete, and irrevocable withdrawal of all Soviet troops from Afghanistan, based on logistical criteria for such withdrawal;

Fourth, provides for the return of all Afghan refugees with safety and honor;

Fifth, provides for the restoration of the independent and nonaligned status of Afghanistan.

Anything short of these criteria will be a travesty and will represent a tragedy in the sense of 7 years of unspeakable suffering on the part of the Afghan people having been thrown away by the diplomats.

Mr. President, if there is any time remaining on this side, I yield it back.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER (Mr. DODD). The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I yield back the remainder of my time and move passage of the joint resolution.

The joint resolution (S.J. Res. 63) was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

S.J. RES. 63

Whereas more than seven years have passed since the unprovoked Soviet invasion of the nonaligned country of Afghanistan;

Whereas close to one hundred and fifteen thousand Soviet troops are continuing a brutal attempt to crush the nationwide Afghan resistance to the Soviets and the Marxist regime they installed;

Whereas indiscriminate air and artillery bombardments, deliberate attempts to generate refugees, and the destruction of livestock, crops, and property remain a key instrument of Soviet and Kabul regime policy;

Whereas Soviet and Kabul regime actions in Afghanistan violate the following international covenants: the 1949 Geneva Conventions and Customary International Law; article 7 of the International Covenant on Civil and Political Rights; and the 1954 Hague Convention;

Whereas the military operations of the Soviet and their Afghan surrogates have driven almost three million refugees into Pakistan, placing an almost intolerable burden on its economy, social service system, and ecology;

Whereas the United Nations General Assembly has in right resolutions called for the "immediate withdrawal of foreign troops from Afghanistan", and a recent United Nations Human Rights Commission report concludes that the continuation of a military solution in Afghanistan will "lead inevitably to a situation approaching genocide";

Whereas, the twentieth semiannual report of the United States Department of State on the implementation of the Helsinki Final Act observes that Soviet policies in Afghanistan are: "in direct and willful violation of the general principles set forth in the Helsinki Final Act, including respect of the inviolability of frontiers, territorial integrity of states, and self-determination of peoples";

Whereas, in June 1986, the European Parliament overwhemingly adopted a resolution on the situation in Afghanistan which condemns; "The deaths of some one and a half million Afghans since the beginning of the Soviet intervention, out of the total population of fifteen million, while four and a half million refugees have had to flee to Pakistan and Iran and a million Afghans are surviving in extremely difficult conditions within the country itself";

Whereas Soviet and Kabul regime aircraft have violated Pakistan's airspace seven hundred and fifty-seven times during 1986, killing forty-six innocent people and wounding seventy-seven;

Whereas over two hundred and thirty-three Soviet and Kabul-inspired terrorist incidents took place in Pakistan during 1986, often in circumstances calculated to cause the deaths of innocent civilians;

Whereas recent developments such as the deceptive withdrawal of six Soviet regiments, a "national reconciliation" scheme which leaves a regime opposed by an overwhelming majority of the Afghan people, and a ceasefire proposal with no provision for the withdrawal of Soviet forces suggest no change in the Soviet goal in Afghanistan;

Whereas the only credible indicator of Soviet commitment to negotiated political settlement in Afghanistan will be their agreement at the Geneva negotiations to a prompt and complete withdrawal of all their troops and full self-determination for the Afghan people;

Whereas, since the Soviet invasion of Afghanistan, the Congress has in numerous resolutions declared the solidarity of the American people with the struggle of the Afghan people against the Soviet invaders; and

Whereas the people of Afghanistan observe March 21 as the traditional start of their new year and as a symbol of their nation's rebirth: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating March 21, 1987, as Afghanistan Day, and calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

Mr. BRADLEY. Mr. President, I move to reconsider the vote by which the joint resolution was passed and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

ORDER FOR STAR PRINT—S. 710

Mr. BYRD. Mr. President, on behalf of Mr. CHILES, I ask unanimous consent that there be a star print of S. 710 to correct an error in the original printing of the measure.

Mr. HATFIELD. Mr. President, that matter has been cleared on our side and there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL PLACED ON CALENDAR—H.R. 1505

Mr. BYRD. Mr. President, there is a House message at the desk, H.R. 1505, making technical corrections relating to the Federal Employees Retirement System.

I ask unanimous consent that the bill be placed on the calendar.

Mr. HATFIELD. Mr. President, there is no objection on our side.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS TO THE FOOD SECURITY ACT OF 1985

Mr. McCLURE. Mr. President, I rise today to discuss a serious problem which has been troubling me for some months. The issue was brought to the forefront by recent actions in the Senate and House Agriculture Committees. This issue is the intent and implementation of subtitle B—the highly erodible land conservation section of title XII, the conservation title of the Food Security Act of 1985.

Now I must state that I voted for this program and was in favor of this program until I realized that it was not what it at first appeared to be. I voted for this title because I believed that it would put an end to the breaking out of virgin lands solely for the purpose of placing this land into production under Government payment programs. This was happening with increasing frequency in States like Colorado where thousands of acres of land were being brought under the plow, planted to commodity program crops for the Federal subsidies with little or no regard for the erosion it was causing on these fragile lands.

What I did not realize was that the real intent of this title was to deal with all lands that were determined to be "highly erodible" under the land classification system of the Soil Conservation Service. In dealing with these lands this title will in effect, cause farmers to modify their farming practices to conform to Government edict or to become ineligible for Federal Government payments. In better times on the farm, this would bother me less, but in today's hard pressed times on the farm, we cannot expect the farmer to pay the entire expense of clean water which will benefit all.

My concern is varied. I supported Senator ZORINSKY's bill, S. 515 which would have modified subtitle B of the conservation title to include alfalfa, multiyear grasses and legumes under the exemptions of section 1212 in a manner consistent with other commodities. It would have allowed the alfalfa, legume, and bluegrass growers of Idaho the same exemption enjoyed by corn, cotton, wheat, and other commodities. The exemption allows these producers until 1990 to complete their conservation plans and until 1995 to implement them. As the law is now written and being interpreted, the alfalfa growers and bluegrass growers, who, in their normal course of rotation, take alfalfa or bluegrass out of one field and move it onto another will be in violation of the sodbuster provision because alfalfa and bluegrass do not fit the USDA definition of cultivated crops or commodities.

I find this extremely unfair. In my State bluegrass growers produce a valuable commodity—seed. Alfalfa growers raise both seed and hay crops which are very valuable to our State. These are commodities, just not "commodities" under a bureaucratic definition of commodities. For openers this needs to be changed. At a minimum these producers should be allowed the exemption to allow them time to plan and change.

If alfalfa and other multiyear grasses and legumes in an approved rotation are considered agricultural commodities for the sodbuster or are considered cultivated crops for the sodbuster, it will only allow those fields to be "grandfathered". If an agricultural commodity is grown on that land, and if it is determined highly erodible, an approved conservation plan still must be approved by 1990 to remain eligible for USDA program benefits.

The sodbuster provisions, as presently written, do not allow fair consideration to those producers who have a alfalfa or bluegrass rotation. If the established rotation resulted in one of the years from 1981 through 1985 as being a year in which a row crop was produced, that field is grandfathered. If the established rotation existed in the years 1981-85 as the years when the field was in alfalfa or bluegrass, that results in a "sodbuster" situation which requires a conservation plan before an agricultural commodity can be produced, assuming that the land was highly erodible.

In any case, this is only the issue of the moment. My long run concerns are for the farmers who must try to conform to this title. There are lands in north Idaho and southeast Idaho which have been farmed for generations. Some of these farms have lands which will never meet the current standards for soil loss. It may be that they should never have been broken out of sod and farmed, but in past years it was done and even encouraged. These farmers have capitalized costs in these farms which were established based upon the productive capability of crops such as wheat, barley, oats, alfalfa, bluegrass, and potatoes. If these farmers cannot meet the soil loss tolerance levels established under the sodbuster provisions they will lose all Government support and in effect the Federal Government will force them into bankruptcy.

I say this in all honesty. Some have challenged this statement but I have here a spread sheet which is done every year for me by the Bank of Troy in Troy, ID. It shows the expenses and income of 24 farm operations in 1986-87. It goes on to show the total income from crops after expenses less the Government payments received by those farmers. Of the 24 farmers listed only 3 showed a net profit after Government payments are withdrawn. If farmers have to choose between conservation practices which they cannot afford or which lessens the value of their farm and continuing to receive Government payments which keep them solvent, Congress will in effect have blackmailed them.

Many people would say that this is good incentive, reduce soil loss from your farm or get out of business. I do not. Farmers as a whole believe in conservation measures and voluntarily have spent billions to put in terraces, grass water ways, tree shelter belts, use minimum till and no-till practices, long before it was a popular "environmentally" sexy thing to do. Long before the conservation fund, Audubon Society or the Wilderness Society and most Americans became conservation minded, farmers were aware that if they did not treat the soil well it would wash or blow away and be gone, leaving them with no way to earn a living.

I contend that most farmers are more concerned about the soil than anyone. That is why they are now so upset. They are being told that by following, what had been accepted soil conservation measures in the past, they are now criminal "sodbusters". If I were in their place I would be mad too.

Soil conservation plans are necessary for farmers to have on their farms. Some farmers need more education on the benefits of soil conservation measures, some need encouragement to implement conservation plans. I encourage both. What disturbs me is the heavyhanded way in which Congress is now educating farmers. Change or go broke is not incentive in its finest form.

We used to encourage farmers to implement good conservation measures by cost sharing programs on major soil conservation projects like dams, terraces, shelter belts, and grass water ways. The funds are being cut not just for these programs but for the technical assistance from the Soil Conservation Service. The SCS technicians time is all being utilized to implement the sodbuster provision, CRP and cross compliance. We have turned from the carrot to the stick approach under the conservation title.

I am not, as some will say, against soil conservation. My family has an interest in a farming operation. I am concerned that the land be productive for the next generation of farmers in my family. I hope that they will be able to keep the farm in production under these provisions. I am in favor of providing flexibility under the conservation title. I am in favor of amending the title if changes cannot be made administratively. I approached the administration last October with the bluegrass problem but saw no change either in implementation or regulation. That is why I not only supported the Zorinsky amendment, but will actively work toward changes in this provision in the future.

I do not intend to sit by as farmers are blackmailed into changes which they cannot afford or are unreasonable to expect in a short timeframe. Farming is a long-term effort. Farmers make conservation changes to enhance the long-term viability of their lands. These do not come at no cost. If all the Nation wants to continue to receive the benefits of low-cost food and have clean water too, they had better expect to foot the bill in one way or another.

Some will point to the Conservation Reserve Program [CRP] and say that the average American is paying a share of the demands for clean water. Unfortunately, the CRP is not the answer for all farmers. It will be the answer for some. Do we then ask the balance of the farmers who are not in the CRP and cannot meet the tolerance levels of the conservation title to "just leave" agriculture? I do not accept this.

I propose to look closely at the provisions of the conservation title. I would like to see hearings held on this so that the farmers who are being asked to conform to this law be able to tell the committee first hand what they have to do to meet the tolerance levels. I hope that the committee will hold a series of State hearings and I offer my State of Idaho as an excellent place to start.

In addition, I must insist that the cultivated grasses produced for seed be included in the language of S. 410. To allow alfalfa to be exempt and not grasses such as bluegrass is to ignore the needs of an industry which has long led the way in soil conservation practices. I urge my colleagues to maintain the original committee language of S. 410.

I ask unanimous consent that the spread sheet prepared by the First Bank of Troy be printed in the RECORD.

There being no objection, the spread sheet was ordered to be printed in the RECORD, as follows:

FIRST BANK OF TROY

[Cost per acre averages 1986–87 crop year]

	Average 1,157 acres	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre
Growing expenses:													
Seed	11.74	9.41	10.86	13.46	12.65	13.11	14.13	11.80	10.52	14.28	9.35	10.87	14.67
Fertilizer	20.83	13.13	34.29	20.39	24.12	19.67	19.13	13.80	25.57	25.52	17.12	23.57	12.41
Chemicals	15.46	12.04	15.43	5.23	19.42	13.11	13.66	8.00	25.10	14.00	16.46	25.96	18.38
Gas and oil	9.25	13.13	9.14	5.23	8.77	9.29	9.56	5.00	8.87	8.25	5.92	12.30	7.26
Repairs	10.18	8.75	9.14	9.15	5.12	10.93	8.74	4.00	9.90	9.71	4.94	4.84	13.62
Labor	6.41	5.47	9.14	1.05		12.02	10.93	2.00	9.28	3.43	11.85	.84	14.52
Custom hire	3.74	4.38	5.71	3.92	2.63	17.49	2.19	2.80	4.18	3.93	2.30	6.54	4.08
Cash rent	11.70	25.15		2.71		54.10			1.88	29.63	9.87	1.51	30.41
Crop insurance	3.55	5.25	1.37	3.01	3.65	6.01	1.64	3.00	3.09	5.54	3.98	9.46	2.65
Supplies	1.27	5.47	.74		2.92	2.19				1.19			2.72
Feed	1.81					1.09					.59		1.82
Veterinarian	.63					1.09					.26		.45
Total growing expense	96.56	102.18	95.82	64.15	79.28	160.10	79.98	50.40	98.39	115.48	82.64	95.89	122.99
Nongrowing expenses:													
Living expenses	15.42	31.51	19.20		14.62	10.93	6.56	24.00	21.03	9.96	8.89	11.99	10.89
Operating line interest	9.06	6.42	2.59	6.98	12.17	9.36	16.00	7.36	10.47	14.58	6.70	7.54	9.38
Real estate payments	25.49	8.75	30.29	13.60	11.31	9.18	32.18	11.60	34.22	39.15	28.51	5.05	4.61
Equipment payments	13.92	15.61	25.61	6.77		13.83	28.42	12.43		4.35	10.24	15.77	27.28
Utilities	1.04	2.19				1.31	.98		1.36	2.88	2.37		1.82
Property taxes	3.89	3.06	2.06	3.14	2.19	6.67	7.10	1.20	5.22	3.46	2.63	1.80	1.89
Income taxes	1.62	3.28		1.31	2.92	5.46	1.64		.72		.99	3.68	2.27
Other insurance	4.16	2.63	2.06	2.48	7.44	4.49	2.19	2.20	3.40	5.98	4.21	3.26	613
Total nongrowing expense	74.59	73.45	81.81	34.28	50.65	61.23	95.07	58.79	76.42	80.36	64.54	49.09	64.27
Other expenses: Capital purchases	.67												5.22
Total expense	171.83	175.63	177.63	98.43	129.93	221.33	175.05	109.19	174.81	195.84	147.18	144.98	192.48
Crop income	126.07	209.12	86.83	128.37	101.18	158.45	141.93	96.88	125.35	185.25	128.78	112.17	125.43
Government payments	47.27	47.54	51.42	26.14	45.28	34.20	28.96	18.00	80.15	85.55	48.29	39.73	71.78
Other farm income	14.88				15.64	34.09	4.75		2.57				3.40
Total farm income	188.22	256.66	138.25	154.51	162.10	226.74	175.64	114.88	208.07	270.80	177.07	151.90	200.61
Current year margin	16.39	81.03	−39.38	56.08	32.17	5.41	.059	5.69	33.26	74.96	29.89	6.92	8.13
Less Government payment	47.27	47.54	51.42	26.14	45.28	34.20	28.96	18.00	80.15	85.55	48.29	39.73	71.78
Net profit or loss (excluding Government payment)	−30.88	33.49	−90.80	29.94	−13.11	−28.79	−28.37	−12.31	−46.89	−10.59	−18.40	−32.81	−63.65

	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre	Cost per acre
Growing expenses:												
Seed	12.09	13.27	8.52	12.74	7.57	13.30	19.83	13.64	9.52	11.14	5.36	9.66
Fertilizer	19.25	22.24	16.26	21.66	23.15	38.25	17.34	17.07	21.43	15.92	13.80	24.91
Chemicals	11.55	16.59	16.26	13.45	13.96	21.25	11.13	17.94	11.90	8.49	25.53	16.11
Gas & Oil	7.70	12.20	5.42	19.12	7.12	20.03	8.55	9.40	5.48	10.61	8.24	5.30
Repairs	10.78	8.29	13.55	27.72	4.45	34.00	6.71	8.62	7.14	10.61	3.30	10.33
Labor	13.86	5.85	1.08		2.67	5.84	.30	10.69	15.48	7.43	.99	9.14
Custom hire	7.30			3.03			6.29	3.45	4.05	2.65	1.32	1.40
Cash rent	14.09	25.66		9.03	13.13	49.22	.40			.13	12.69	1.12
Crop insurance	2.54	7.32	2.30	2.31	3.56	.55	4.06	4.40	3.10	4.24		2.09
Supplies	2.31	1.17	2.71		3.12	2.55	2.05		1.43			
Feed	1.85	2.34				34.00		1.72				
Veterinarian	1.54	.49			1.34	7.20		2.59		.27		
Total growing expense	104.86	115.42	66.10	109.06	80.07	226.19	76.66	89.52	79.53	71.49	71.23	80.06
Nongrowing expenses:												
Living expenses	15.40	7.02	16.26	29.16	16.03	17.00	14.57	31.03	14.29	10.61	16.48	12.56
Operating line interest	8.76	11.55	8.60	12.81	6.52	19.34	4.68	14.09	6.64	1.20	7.27	6.43
Real estate payments	19.98	28.93	27.91	68.48	49.06	57.72	15.89	48.07	16.67	0.00	34.00	16.53
Equipment payments	16.33	4.88		19.99		41.87	12.58	5.64	6.55	12.52	30.90	22.54
Utilities	.92					2.68	.86	1.55	4.76	1.27		
Property taxes	2.69	4.00	5.11	8.24	4.27	6.83	1.21	6.03	1.43	.42	10.55	2.16
Income taxes		.98	5.42			1.70	.00		4.76	1.59		2.09
Other insurance	5.00	1.95	5.49	3.82	2.14	5.29	2.15	5.87	1.19	2.12	16.48	1.95
Total nongrowing expense	69.08	59.31	68.79	142.50	78.02	152.43	51.94	112.28	56.29	29.73	115.68	64.26
Other expenses: Capital purchases		5.85				2.12	.50		2.38			
Total expense	173.94	180.58	134.89	251.56	158.09	380.74	129.10	201.80	138.20	101.22	186.91	144.32
Crop income	101.33	152.03	85.09	134.38	93.68	176.31	108.68	156.42	95.04	102.49	146.07	74.34
Government payments	42.34	11.71	49.89	52.83	65.00	58.57	36.55	53.76	33.33	34.96	60.60	57.85
Other farm income	31.75	10.14	12.18		7.92	185.18	2.81	15.27	9.04	5.51	6.58	10.32
Total farm income	175.42	173.88	147.16	187.21	166.60	420.06	148.04	225.45	137.41	142.96	213.25	142.51
Current year margin	1.48	−6.70	12.27	−64.35	8.51	39.32	18.94	23.65	−.79	41.74	26.34	−1.81
Less Government payment	42.34	11.71	49.89	52.83	65.00	58.57	36.55	53.76	33.33	a34.96	60.60	57.85
Net profit or loss (excluding Gov't payment)	−40.86	−18.41	−37.62	−117.18	−56.49	−19.25	−17.61	−30.11	−34.12	6.78	−34.26	−59.66

TWENTIETH SENATE ANNIVERSARY FOR RICHARD D. GRUNDY

Mr. McCLURE. Mr. President, it is with great pleasure that I rise today to extend my sincere congratulations to a staff member of the Energy and Natural Resources Committee, Richard D. Grundy, on the occasion of his 20th anniversary as an employee of the U.S. Senate. Richard, who now serves as the senior professional staff member for the minority for all energy matters under the committee's jurisdiction, began his service to the Senate on March 16, 1967, as a professional staff member of the Committee on Public Works.

Coming to the Senate as a commander in the U.S. Public Health Service, where he served as a sanitary engineer in the Bureau of Radiological Health from 1959 through 1967, Richard went to work under our colleagues, former Senator Ed Muskie, on the Air and Water Pollution Subcommittee. His work on the health and safety aspects of nuclear power—including duty with our Nuclear Weapons Testing Program—while with the Public Health Service made Richard a superior choice to assist the Public Works Committee with its work on the Federal Water Pollution Control Act and on the Clean Air Act. Later, in 1971 then Public Works Committee Chairman Jennings Randolph asked Richard to represent the Public Works Committee on the Senate National Fuels and Energy Policy Study, which was being established as a multicommittee study group under the Interior and Insular Affairs Committee. Here Richard served as professional staff and executive secretary.

When the Senate reorganized in January 1977, then chairman Henry Jackson asked Richard to join the staff of the Energy and Natural Resources Committee. It was during the latter half of the 1970's that this Nation was embroiled in what we refer to as the "energy crisis," and it was during this period that Richard's technical expertise and legislative abilities confirmed his reputation as one of the few, true energy experts on Capitol Hill. Among other important issues, Richard was one of the principal professional staff members responsible for the five bills commonly known as the National Energy Act bills—the Natural Gas Policy Act of 1978, the Public Utility Regulatory Policies Act of 1978, the National Energy Conservation Policy Act, the Powerplant and Industrial Fuel Use Act of 1978, and the Energy Tax Act of 1978. Following shortly on the heels of this important legislation, came his work on the development and passage of the Energy Security Act, particularly those portions dealing with the Synthetic Fuels Corporation and the strategic petroleum reserve.

Richard's acknowledged expertise in the energy field was enough to convince me to ask him to stay with the majority staff of the Energy and Natural Resources Committee when the Senate leadership changed in 1981. Besides his continued fine work in the energy field, however, I was also pleased to find that he was—and is today—among the true budget gurus within the Senate. His technical abilities continue to help guide the committee through the myriad of budget reconciliation and appropriations battles that seem to take so much of our time these days.

Although Richard has lived in the Washington, DC, area for well over 20 years, he came east from the town of San Bruno, CA. There he attended Capuchino High School and then graduated from Stanford University with a bachelor of science degree in electrical engineering. While working for the Public Health Service in 1963, he received his master's degree in public health from the University of California at Berkeley. Shortly after joining the Energy and Natural Resources Committee in 1977, Richard married Ms. Claudia Copeland. In the few waking hours they are not hard at work—Claudia is a specialist in Environmental Policy for the Congressional Research Service—Richard and Claudia turn their talents to the garden. Principal among their considerable gardening interests is the breeding of orchids, for which they have won several awards.

Mr. President, it should come as no surprise to any of us that quality staff like Richard Grundy help make each of us look better and, indeed, make the institution of the U.S. Senate a better place to work. I am proud to have an individual like Richard, who has worked in a bipartisan way for so many over the years, as a member of my staff, and look forward to many more productive years together.

THE HOBSON CASE

Mr. McCLURE. Mr. President, in July 1976, attorneys filed in U.S. District Court, Washington, DC, a complaint on behalf of civil rights and antiwar activists. Defendants were some members of the Metropolitan Police Department and present and retired agents of the FBI. An amended complaint in 1977 included almost 30 additional FBI agents whose identities had been obtained through discovery procedures.

The case went to trial in November 1981, at which time the number of agent defendants was reduced to five—one current agent, Gerould W. Pangburn, and four former agents, Charles D. Brennan, Gerald T. Grimaldi, Courtland J. Jones, and George C. Moore. (Note that by 1981, 9 agents were never located for service, 5 had died, and 20 had their cases dismissed.)

Most of the evidence introduced at the trial came from 1975–76 Senate hearings of the Church committee and from material released by the FBI under the Freedom of Information Act. The bulk of the evidence presented concerned programs formulated, directed, and supervised at FBI Headquarters. Despite this, the court refused to rule on defense motions that the agents acted in good faith. The two headquarters agents testified that actions taken on these programs were sent to the FBI director's office for approval. The three field office agents testified that their actions were taken on headquarters instructions. The court left the question of good faith up to the jury, which found it not a valid defense.

The trial lasted 17 days and the jury deliberated for 5 days. The jury found the FBI defendants personally liable and assessed compensatory and punitive damages in the amount of $262,500. The jury also found the Metropolitan Police Officers liable and assessed additional penalties against them. Plaintiffs' attorneys filed a claim for $550,000 in attorneys' fees, but the court reduced this to $300,000 to be divided among all defendants.

On June 8, 1984, the court of appeals held the Metropolitan Police Officers should not be liable, since there was no showing of their involvement in a conspiracy. It dismissed the awards to three of the plaintiffs, saying the statute of limitations had run. It approved the findings of the lower court regarding the five FBI defendants. In referring the case back to the lower court for disposition, it was intimated that the damages assessed were too high.

On behalf of FBI defendants, the case was appealed to the Supreme Court, but on March 25, 1985, certiorari was denied.

On October 22, 1986, U.S. District Court Judge Louis F. Oberdorfer ordered the four former agents to pay approximately $51,000 in damages. A request for a jury trial was granted current agent Pangburn.

Subsequently, a settlement of $46,000 was reached and with the approval of the Attorney General, this sum was paid from FBI appropriations on January 12, 1987. At the same time, current agent Pangburn's case was dismissed.

The settlement of damages does not end the claims for attorney's fees. This issue remains to be settled either by negotiation or litigated further.

Mr. President this Senator appreciate Attorney General's action in approving payment of these damages. But the basic problem still exists. All government employees and specifically government law enforcement representatives will still be required to go through long periods of mental suffering before knowing whether or not they must come up with large sums of money to pay for acts they took years ago in the good faith belief that they were doing their job properly.

Bills have been introduced in prior sessions of Congress to amend the Federal Torts Claims Act by substituting the government as defendant in those cases where it could be established that the employee was operating in good faith. It has been 15 years since the Bivens ruling and more than 12,000 cases have been instigated. Only a few have resulted in money damages. There are still 4,000 to 5,000 cases pending governmentwide and so long as we have a Freedom of Information Act, which allows extensive information to be obtained, these cases will continue because the statute of limitations starts only upon a person learning his constitutional rights may have been violated.

The real loser in connection with these cases is the American people. Over $3½ million has been spent for independent counsel to represent government employees. More important from a law enforcement standpoint, is the chilling effect these cases have had. Officers in some instances are afraid to take appropriate action because they might be sued individually years later.

Bivens cases have caused a governmentwide problem and should be corrected by amending the Federal Tort Claims Act. Unfortunately, the Attorney General's fine action in indemnifying Justice Department employees will not decrease the number of these cases, but rather could lend encouragement to some individuals and groups to take advantage of his indemnification policy.

Mr. President, on behalf of the Society of Former Special Agents of the FBI, I wanted to bring this matter to the attention of the Senate. I hope that the Committee on the Judiciary will take appropriate action to end this nightmare which for so long has plaqued our dedicated law enforcement personnel.

A SYSTEM GONE AWRY

Mr. McCLURE. Mr. President, on March 27, 1987, President Carter signed the Redwood National Park Expansion Act. The act added approximately 48,000 acres to Redwoods National Park which was established in 1968, to make a total park area of some 106,000 acres. The original park area and the expansion was carved out of lands in northern California owned primarily by timber companies in the business of harvesting and processing redwood trees into lumber and other products.

Redwood National Park was the first major park established from basically private lands as compared to most other National Parks which were primarily established by redesignating public lands. The major difference is told in the cost to the taxpayer.

Mr. President, the Congress chose a different path to establish Redwoods National Park and the additions. Instead of providing the Secretary of the Interior with the usual authority to acquire and subsequently provide appropriations, a legislative taking occurred in 1968 in Public Law 90-545 and again in 1978 in Public Law 95-250. Title passed immediately to the United States and the only question that remained was the amount of compensation due the landowners. Public Law 95-250 did some interesting things in providing compensation for timber workers, counties, former State employees and others who had kind thoughts about the Redwoods, but that is another story.

TRUER WORDS WERE NEVER SPOKEN

The spending issue was best explained in the Senate Committee on Appropriations' Report 95-578 which stated in part,

"Although it is reporting the bill without recommendation, the committee feels it should bring to the attention of the Senate the nature and extent of the obligation that enactment of S. 1976 will incur. A legislative taking, as noted earlier, vests 'all right, title, and interest in, and the right to immediate possession of,' all lands covered by the bill. Section 8 of the bill further provides:

> The Congress further acknowledges and directs that the full faith and credit of the United States is pledged to the prompt payment of just compensation as provided by the fifth amendment to the Constitution of the United States for those lands and properties taken by this act, through utilization of funds deposited in the Land and Water Conservation Fund Account.

> Immediate possession of private property, backed by the full faith and credit of the United States creates, as the committee sees it, a full and immediate obligation for just compensation. Funds subsequently provided

> by the Congress will serve only to liquidate that obligation.
>
> The estimate of the Department of the Interior that acquisition will cost $359 million is not based on appraisals and can be considered preliminary at best. The processes of claims adjudication coupled with inflation are, in the committee's judgment, likely to increase costs well beyond that figure.
>
> It should be noted here that the original Redwood National Park Act of 1968 was also a legislative taking. The estimate then was that the acquisition of some 58,000 acres—even with 30,000 acres of it donated by the State of California—would cost $92 million. So far, these costs have exceeded $170 million, and an additional $100 million in claims are still pending.
>
> There will be no effective congressional control of the costs of the proposed expansion under a legislative taking because of the guarantees of the fifth amendment to the Constitution. Thus, any funding limitation written into the bill would have no real force. This point also has been demonstrated in the 1968 legislative taking which carried a $92 million limitation. Congress cannot realistically pledge the full faith and credit of the United States on the one hand and limit appropriations on the other. Only through a modification of the legislative taking provision at the outset could Congress reduce the overall obligation.
>
> It should be noted further that the bill provides for acquisition costs to be borne by moneys deposited to the Land and Water Conservation Fund. This fund, financed primarily by oil and gas receipts from Outer Continental Shelf leases, currently finances the bulk of Federal Recreation land acquisition as well as providing assistance to the States for recreation development. The Redwood National Park Expansion, then, will substantially encumber the fund and disrupt normal spending priorities.

Mr. President, two things should be remembered from this prophetic report. The first is that DOI estimated the cost of acquiring the lands for the addition at $359 million. The second is that under the Senate reported bill the costs be borne by the Land and Water Conservation Fund account. Subsequent Senate action amended the bill to have the costs come from the general treasury instead of the Land and Water Conservation Fund.

WHY THE HISTORY LESSON

Mr. President, one may ask why I have taken the Senate down the path through the Redwoods? My response is to inform the Senate and others that on January 26, 1987, the U.S. District Court in Northern California affirmed three valuation trial reports and two interest rate reports from the following remaining claimants in Redwood National Park. The total of the awards are as follows:

Total awards	$689,527,050
Total government deposit to date	353,303,500
Total deficiency	336,223,550
Company breakdown as follows:	
Louisiana Pacific:	
Total award	363,950,050
Total deposit	224,932,712
Total deficiency	139,017,338
Arcata:	
Total award	275,731,000
Total deposit	110,531,385
Total deficiency	165,199,615
Simpson:	
Total award	49,846,000
Total deposit	17,829,403
Total deficiency	32,016,597

Congress has appropriated $353,303,500 which is on deposit over the last 8 years since 1978. Interest is due on the award starting from 1978. We paid over $200 million for the original park in 1968. The estimate for acquisition was $92 million.

Depending on appeals, interest calculations, date of final payment and other factors, the taxpayer has the potential of paying up to $2 billion and possibly more for that National Park. Indeed, it is a system gone awry.

THE STATE DEPARTMENT'S LATEST "SOLUTION" FOR THE MIDDLE EAST

Mr. HELMS. Mr. President, I have reached the conclusion that the State Department supports foreign aid so enthusiastically largely to justify its telling other countries how to run their affairs. Unfortunately, the State Department's advice too often runs counter to America's interests.

For example, some people in the State Department are now telling Israel how to achieve peace in the Middle East: To hear the State Department tell it, Israel should agree to the convening of an international peace conference which would include Soviet participation.

Indeed, during Prime Minister Shamir's recent visit to the United States, Secretary Shultz echoed this State Department "solution," using the buzzwords that Israel should explore "all possible approaches" to bringing about direct negotiations between Israel and a joint Jordanian-Palestinian delegation. "All possible approaches," of course, means acceding to Jordanian demands that direct negotiations be preceded by an international conference with Soviet participation.

Mr. President, such a conference would be diametrically opposed to America's interest in the Middle East. It would simply feed Soviet expansionist plans, isolate Israel, and work to the detriment of achieving lasting peace in the region.

Inviting the Soviets to participate in a Middle East conference would serve only to increase the Soviet's prestige in the world community, gratuitously make them equal players with the United States in the region, and legitimize the positions taken by their radical client states. Those in the State Department who have decided that the Soviets can help solve problems in the Middle East should be made aware that the Soviets are a big part of the problem.

Every time we see the Soviets at work in the Middle East, it has been for purposes counter to peace. Most recently, they have been behind Syria's historic arms build up. This should come as no surprise. It's part of the Soviet doctrine of supporting regimes of suppression, no matter where they may exist.

An international conference would fit squarely into the Soviet agenda to destroy American influence in the region by fatally weakening our most strategic asset in the region, Israel. With the State Department always reluctant to confront the Soviets, but eager to use every bit of leverage we have against our friends, Israel would be isolated, and pressured into negotiating away territory.

This idea of "exchanging territories for peace" seems always to resurface from those who abide by the Nevile Chamberlain school of diplomacy. However, as history has proven time and time again, there is no piece of paper sufficiently strong to uphold regional arrangements that do not make common sense. Peace results only when there is a practical equilibrium in military force and the natural conditions of geography.

The fact remains that the animosity of Arab countries toward Israel does not spring from concern for the present inhabitants of Judea and Samaria, or the fact that Israel exercises administrative and military control over that territory. The animosity springs from the fact that Israel proper exists. Concessions on Judea and Samaria would only whet the appetite of animosity, not appease it.

Such concessions would fit squarely into the Soviet game plan for regional domination. Israel cannot continue to be a strategic asset to the United States—or even a viable nation—if it is made strategically vulnerable. Without control of the mountain ridges of Judea and Samaria—which overlook 80 percent of Israel's population and 60 percent of her industrial infrastructure—Israel will be lucky just to survive.

With hostile, or potentially hostile forces posed in this territory, Israel would no longer be able to serve as a bulwark and deterrent against proSoviet forces in the area. However, this could well be where an international conference would lead events.

Mr. President, an international "peace" conference with Soviet participation can only work to weaken our Nation. It would be so detrimental to American interests, and I cannot imagine President Reagan's wanting to pressure Israel into agreeing to such a conference. It is to be hoped that the efforts to concoct such a conference will not in fact become American policy.

DOLE CALLS ON GORBACHEV TO PROVE COMMITMENT TO "GLASNOST"

Mr. DOLE. Mr. President, this morning in my office I received a phone call from Moscow. The call was made by a Soviet citizen, Yevgeny Yakir, who has been trying for the past 14 years to emigrate to Israel, with his wife Rima, and son Alexander.

The Yakirs have been "adopted" by a Kansas City Synagogue, Temple B'nai Jehudah. Members from the congregation, along with others from Kansas and Missouri, were present when Yevgeny called. They have worked long and hard to lend the Yakirs moral support, and made a special trip to Washington to lobby on behalf of Soviet Jewry.

I told Mr. Yakir that I would write General Secretary Gorbachev today, asking for his help in obtaining exit visas for the Yakirs.

In that letter I wrote:

> We in the West are well aware of and heartened by the new spirit of "Glasnost," which you have instituted. But we hope for further signs. Proof of your commitment to the principles of openness would be granting emigration visas to the Yakirs, and the many others who wish to be reunited with families in the West or settle in Israel, their spiritual homeland.

I would like to insert a copy of the letter to Secretary Gorbachev at this point in the RECORD.

Mr. President, the Yakirs are only one family. There are close to 400,000 Soviet Jews who would, if they could, leave the Soviet Union. For Glasnost to become more than just a catchword, the Soviet Government must grant its citizens basic human rights. And none is more basic than the right to live where one chooses.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, DC, March 17, 1987.

MIKHAIL GORBACHEV,
General Secretary of CPSU Central Committee, The Kremlin, Moscow, U.S.S.R.

DEAR GENERAL SECRETARY GORBACHEV: Earlier today I spoke by phone with Yevgeny Yakir, a Soviet Jew who has been trying to emigrate to Israel with his wife and son for the past fourteen years.

The Yakirs have waited much longer than most for permission to leave. There is no apparent reason for the denial of their application.

I assured Yevgeny that I would not forget his family and would do everything in my power to push for the granting of emigration visas. That is why I am writing.

We in the West are well aware of and heartened by the new spirit of "glasnost," which you have instituted. But we hope for further signs. Proof of your commitment to the principles of openness would be granting emigration visas to the Yakirs, and the many others who wish to be reunited with families in the West or settle in Israel, their spiritual homeland.

I appreciate your interest in this important matter.

Sincerely,

BOB DOLE,
Senate Republican Leader.

FRIENDS OF IRELAND—1987 ST. PATRICK'S DAY STATEMENT

Mr. KENNEDY. Mr. President, today all Americans have a special reason to celebrate St. Patrick's Day. For the first time in over a decade, there is real hope for progress toward peace and reconciliation in Northern Ireland.

Last year marked the first year of the historic Anglo-Irish Agreement and the establishment of a concrete framework for the British and Irish Governments to address the critical problems at the root of the 18-year-long crisis between the Nationalist and Unionist traditions in Ireland; 1986 laid the basis for real peace; let us do all we can to ensure that 1987 builds on that peace.

Each year a bipartisan group of Members of the Senate and the House of Representatives issues a statement outlining our views on recent events in Ireland and Northern Ireland and our hopes for peace in that troubled region. I am especially pleased that a record number of my colleagues have joined the Friends of Ireland in our 1987 St. Patrick's Day Statement—a total of 36 Senators and 124 Representatives.

I ask unanimous consent that the text of this year's statement may printed in the RECORD.

ST. PATRICK'S DAY STATEMENT: FRIENDS OF IRELAND, U.S. SENATE AND HOUSE OF REPRESENTATIVES, MARCH 17, 1987

As Friends of Ireland in the United States Congress, we join today with Irish Americans everywhere to honor Ireland, to welcome the past year's progress toward peace in Northern Ireland, and to commit ourselves to building on this progress in the future.

1986 marked the first year of the historic Anglo-Irish Agreement, signed on November 15, 1985, which established a framework for reconciliation between the Nationalist and Unionist communities in Northern Ireland. We regard the Agreement as the best hope to end the long and bitter conflict that has wracked the province and taken over 2,500 lives in the past eighteen years.

We congratulate the new Taioseach, Charles J. Haughey, on his election by the Dail last week, and we look forward to working once again with his government to achieve peace and stability in Northern Ireland. We also commend the outgoing Taioseach, Garret FitzGerald, and Prime Minister Margaret Thatcher of Great Britain, for their skillful statesmanship in negotiating the Anglo-Irish Agreement.

We applaud all those in the Republic of Ireland, Northern Ireland, and Great Britain who have worked hard to achieve and maintain the Agreement. It provides an unprecedented but realistic role for the Irish government in representing the interests of the Nationalist community in the North, influencing the day-to-day affairs of Northern Ireland, and reducing tensions between the two communities.

We also commend the establishment under the Agreement of a framework to address the complex causes and festering problems at the heart of the Northern Ireland conflict. The Joint Secretariat, established in Belfast and composed of Irish and British officials, serves as a daily avenue for both routine and "hot-line" communications between the two governments on matters affecting Northern Ireland.

An Intergovernmental Conference, chaired jointly by the Irish Foreign Minister and the British Secretary of State, has also been established under the Agreement, to consider specific grievances of the two communities in Northern Ireland.

In the 16 months since the Agreement was signed, thirteen meetings of the Conference have been held at the ministerial level to consider essential issues such as relations between the Northern Ireland security forces and the Nationalist community, a code of conduct for the police and a police complaints procedure, a more balanced representation within the judiciary, permission for the Nationalist community to display Irish flags and emblems, a proposed Bill of Rights for Northern Ireland, equality of opportunity in employment, voting rights, cross-border security cooperation, and a range of economic, social and cultural issues.

We believe the United States can and should continue to play an effective role in facilitating a peaceful solution in Northern Ireland that respects the human rights of all citizens and recognizes the legitimate aspirations of both the Nationalist and Unionist communities.

We renew our unequivocal condemnation of those in Ireland and Northern Ireland—and in the United States—who condone, support, advocate or engage in violence in any form, by words, or deeds, or dollars. We deplore terrorist acts in Northern Ireland on both sides.

Those who use violence to achieve political change or to preserve the status quo and those who dishonor the rule of law deserve no support. Those who resort to the bomb and the bullet are no friends of Ireland. Their tactics will not succeed, because violence and terrorism are not the answer to the crisis in Northern Ireland. We continue to believe that the most important contribution by the United States to peace in Northern Ireland is to make clear, in no uncertain terms, that men and women of violence have no support in the United States.

It is not enough, however, for the United States simply to speak against the violence. The Congress in 1986 authorized $120 million over the next three years for the International Fund for Ireland, under the auspices of the Anglo-Irish Agreement, to promote reconstruction, development, and employment on a non-discriminatory basis in the areas of Ireland and Northern Ireland which have suffered most from conflict.

The Friends of Ireland deplore violence and we must act for peace. This was the premise of the first St. Patrick's Day statement issued ten years ago on March 17, 1977. We recall the commitment of President Carter to the search for peace when he said, "* * * the people of Northern Ireland should know that they have our complete support in their quest for a peaceful and just society."

We also commend, as we have in the past, this Administration's strong backing of the Anglo-Irish Agreement and its support for the International Fund for Ireland. All of us welcome President Reagan's deep personal interest in Ireland and his eloquent opposition to the violence and terror in Ireland.

We are pleased that young Irish men and women continue to see the U.S. as a place of opportunity and learning as did so many of their forebears. Under last years's Immigration Reform Act this important opportunity was enhanced and remains available, and both our countries will continue to be the beneficiaries of this long and valued relationship.

Finally, we pledge ourselves once again to the great goal of Irish unity. We invite all who seek an end to the violence to join us in actively encouraging the process of reconciliation, peace and justice. The foundation for a brighter future has been well laid in 1986. As Friends of Ireland, we intend to build upon it in 1987, so that true peace may finally come to this beautiful but troubled corner of the world.

FRIENDS OF IRELAND, 1987 ST. PATRICK'S DAY STATEMENT SIGNATORIES

UNITED STATES SENATE (36)

Edward M. Kennedy, Daniel Patrick Moynihan, Brock Adams, Max Baucus, Joseph R. Biden, Jr., Jeff Bingaman, Bill Bradley, Alan Cranston, Alan J. Dixon, Christopher J. Dodd, Pete Domenici, David Durenberger, Thomas F. Eagleton, John Glenn, Albert Gore, Tom Harkin, Orrin G. Hatch, John Heinz,

Ernest F. Hollings, John F. Kerry, Patrick J. Leahy, Carl Levin, John Melcher, Barbara Mikulski, George J. Mitchell, Claiborne Pell, William Proxmire, Donald W. Riegle, Jr., Terry Sanford, Paul S. Sarbanes, Richard Shelby, Paul Simon, Robert T. Stafford, Ted Stevens, Lowell P. Weicker, Timothy Wirth.

HOUSE OF REPRESENTATIVES (124)

Jim Wright, Thomas S. Foley, Robert Michel, Brian J. Donnelly, Joseph M. McDade, Edward P. Boland, Gary L. Ackerman, Daniel K. Akaka, Bill Alexander, Frank Annunzio, Les Aspin, Chester G. Atkins, Les AuCoin, Jim Bates, Howard L. Berman, Tom Bevill,

Lindy Boggs, David E. Bonior, Don Bunker, Rick Boucher, Joseph E. Brennan, William S. Broomfield, John Bryant, Thomas R. Carper, Rod Chandler, Tony Coelho, Silvio O. Conte, Lawrence Coughlin, William J. Coyne, Peter A. DeFazio, Ronald V. Dellums, Ron de Lugo,

Butler Derrick, Norman D. Dicks, Thomas J. Downey, Bernard J. Dwyer, Joseph D. Early, Dennis E. Eckart, Don Edwards, Lane Evans, Dante B. Fascell, Walter E. Fauntroy, Vic Fazio, Edward F. Feighan, William D. Ford, Barney Frank, Sam Gejdenson, Kenneth J. Gray,

Bill Green, Lee H. Hamilton, Charles A. Hayes, Dennis M. Hertel, Frank Horton, James Howard, Steny H. Hoyer, Carroll Hubbard, Jr., William J. Hughes, Ed Jones, Paul E. Kanjorski, Marcy Kaptur, Joseph P. Kennedy II, Barbara B. Kennelly, Gerald D. Kleczka, Joe Kolter,

Peter H. Kostmayer, John J. LaFalce, Tom Lantos, William Lehman, Mickey Leland, Bill Lowery, Dan Lungren, Frank McCloskey, Matthew F. McHugh, Stewart B. McKinney, C. Thomas McMillen, Edward R. Madigan, Thomas J. Manton, Edward J. Markey, Lynn Martin,

Robert T. Matsui, Nicholas Mavroules, George Miller, John R. Miller, Norman Mineta, Joe Moakley, Alan B. Mollohan, Bruce A. Morrison, Sid Morrison, Austin J. Murphy, Robert J. Mrazek, John P. Murtha, Henry J. Nowak, Mary Rose Oakar,

Jim Olin, Leon E. Panetta, Claude Pepper, David E. Price, Nick Joe Rahall II, Bill Richardson, Peter W. Rodino, Jr., Marty Russo, Martin Olav Sabo, James H. Scheuer, Patricia Schroeder, Bill Schuette, Philip R. Sharp, E. Clay Shaw, Norman Sisisky,

Jim Slattery, Lawrence J. Smith, John M. Spratt, Jr., Harley O. Staggers, Jr., Fortney H. (Pete) Stark, Gerry E. Studds, Al Swift, Robert G. Torricelli, Bob Traxler, Morris K. Udall, Doug Walgren, Henry A. Waxman, Pat Williams, Robert E. Wise, Jr., George C. Wortley, Ron Wyden.

TRIBUTE TO THE LATE SENATOR FROM NEBRASKA, EDWARD ZORINSKY

Mr. LAUTENBERG. Mr. President, it was with deep regret that I learned last Friday of the untimely death of a respected colleague, Senator Edward Zorinsky.

Ed had a long and distinguished career of service to Nebraska and the Nation. He served in the U.S. Army and attended the University of Nebraska and Harvard University. His political career began as a member of the Omaha Public Power District Board, where he quickly earned a reputation for his fiscal responsibility. Prior to his election to the U.S. Senate, he served for 4 years as the popular mayor of Omaha.

Ed Zorinsky left an important legacy of work in the Senate, particularly his outstanding contribution as a member of the Senate Agriculture Committee. He played a major role in the development of legislation to aid the American farmer. Ed possessed keen insight into the problems and challenges facing his Nebraska constituents. He was never afraid to speak with an independent voice nor to fight for the interests of his constituents.

Mr. President, my wife, Lois, joins me in sending our profound sympathies to Mrs. Zorinsky and the children. Our thoughts are with them during this most difficult time.

TRIBUTE TO SENATOR EDWARD ZORINSKY

Mr. DIXON. Mr. President, I rise today to pay tribute to a great public servant, our colleague, and our friend, Senator Edward Zorinsky. He was greatly beloved and respected in his home State of Nebraska, as well as in the U.S. Senate. But more than that, I was pleased to call Ed Zorinsky my friend.

It was my honor to serve with Ed on the Senate Agriculture Committee throughout my first term in the U.S. Senate. As members of the committee, we spent many long hours debating agricultural policy. Ed Zorinsky believed in American agriculture. He believed in the family farmer. He fought to preserve a decent living for the family farmer.

Ed became ranking member of the Agriculture Committee in 1985, as the committee began its difficult work on the 1985 farm bill. He was one of a few dedicated Senators who sat day after day—hour after hour—in that committee room arguing about the intricacies of farm policy. I never heard him complain about the amount of time we spent crafting that bill, though our sessions were often long and tedious. Ed was always on time and ready to work. He was willing to go that extra mile to ensure that Senators on both sides of the aisle had the opportunity to speak and express their views on issues of importance to agriculture.

Ed will always be remembered for his dedication to American agriculture. He was committed to his role as a U.S. Senator and as a friend. We regret that his distinguished legislative career was shortened and his time in the U.S. Senate was incomplete. The U.S. Senate and American agriculture have, indeed, suffered a great loss.

My wife Jody, and I would like to extend our deepest sympathy to Cece and the entire Zorinsky family.

A TRIBUTE TO SENATOR ED ZORINSKY

Mr. PELL. Mr. President, the Foreign Relations Committee has lost a most respected and dedicated member. As previous chairman of the Western Hemisphere Subcommittee and in more recent years as ranking minority member Ed Zorinsky assumed the leadership on some of the most difficult issues facing our Nation today. He was at the forefront of the struggle to shape a viable and effective United States policy toward Latin America and the Caribbean. In his staunchly independent and persevering way, he fought, challenged, and questioned the conduct of our policy in the region, especially in Central America. Time and again he argued against the military approach and the aid to the Contras in favor of a regional political/diplomatic solution in Central America. I know that he was looking down on us in favor last Thursday when we overwhelmingly voted for the Sanford resolution in support of the Costa Rican peace proposal.

He stubbornly fought for what he believed was right for this Nation and its people. That was his motivation. He always sought the hub of a problem. We have heard a lot in these past days about Ed Zorinsky's fiscal conservatism but it goes far beyond that. Ed Zorinsky was against misuse of the taxpayers' dollar. He dedicated himself to curbing wasteful spending on foreign aid and other State Department projects. On another State Department matter, Senator Zorinsky exposed security problems in the Embassy Construction Program and was instrumental in enacting legislation tightening procedures in dealing with foreign contractors.

The U.S. Information Agency was of special interest to Senator Zorinsky and he became a most persistent watchdog of USIA's policies and administration.

I will always remember his tireless work to turn the Radio Marti proposal into a vehicle far from the exile propaganda radio station that the administration would have preferred. Thanks to his contribution, the Marti Program is within the Voice of America and United States broadcasters are not being blasted off the air by Cuban radio retaliation.

Ed Zorinsky was taken from us at a terribly inopportune moment. He had been very enthusiastic about his chairmanship of our new Terrorism, Narcotics, and International Communications Subcommittee and was making plans to launch a vigorous and dynamic set of hearings to delve into the evils of narcotics trafficking because of his deep concern for the threat it poses to the very heart of our society.

I will miss Ed Zorinsky's independence, courage, dedication, tenacity, devotion, pragmatism, and commonsense approach. The Foreign Relations Committee, the U.S. Senate, the people of Nebraska, and most of all, the people of the United States have lost a trusted and faithful public servant.

Cece Zorinsky had a most serious and personal interest in Ed's work on the Foreign Relations Committee and was very supportive. I extend my heartfelt sympathy to her and to the Zorinsky family for their loss.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on March 17, 1987, during the adjournment of the Senate, received a message from the President of the United States transmitting a nomination; which was referred to the Committee on Commerce, Science, and Transportation.

(The nomination received on March 17, 1987, is printed at the end of the Senate.)

MESSAGES FROM THE HOUSE

At 2:46 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that pursuant to the provisions of section 4355(a) of title 10 of the United States Code, the Speaker appoints as members of the Board of Visitors to the U.S. Military Academy the following Members on the part of the House: Mr. HEFNER, Mr. PICKETT, Mr. FISH, and Mr. LOWERY of California.

MEASURES PLACED ON THE CALENDAR

The following bill, which was being held at the desk by unanimous consent, was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1505. An act making technical corrections relating to the Federal Employees Retirement System.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-740. A communication from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, a report on Competition Advocacy; to the Committee on Governmental Affairs.

EC-741. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report on Competition Advocacy; to the Committee on Governmental Affairs.

EC-742. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, an evaluation of the system of internal accounting and administrative control of the Export-Import Bank in effect during the year ended December 31, 1986; to the Committee on Governmental Affairs.

EC-743. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a review of receipts and disbursements of the Public Service Commission's Agency Fund; to the Committee on Governmental Affairs.

EC-744. A communication from the Assistant Secretary for Administration, U.S. Department of Transportation, transmitting, pursuant to law, a program report; to the Committee on Governmental Affairs.

EC-745. A communication from the Administrator, U.S. Small Business Administration, transmitting, pursuant to law, a report regarding the Administration's plans for enhanced competition and reduced sole source contracts in fiscal year 1987; to the Committee on Governmental Affairs.

EC-746. A communication from the Chairman of the Federal Maritime Commission, transmitting, pursuant to law, a report regarding the experience of the Commission under the Freedom of Information Act during calendar year 1986; to the Committee on the Judiciary.

EC-747. A communication from the Director of Administration, Department of Energy, transmitting, pursuant to law, the 1986 annual report on the administration of the Freedom of Information Act; to the Committee on the Judiciary.

EC-748. A communication from the Associate Director, Office of Management and Budget, transmitting, pursuant to law, ACTION's report for calendar year 1986; to the Committee on the Judiciary.

EC-749. A communication from the General Counsel to the President, office of the United States Trade Representative, transmitting, pursuant to law, a report regarding document requests, referrals received, and appeals filed during the calendar year 1986; to the Committee on the Judiciary.

EC-750. A communication from the Administrator of the Veterans Administration, transmitting, pursuant to law, a report covering the administration of the Freedom of Information Act in the Veterans Administration for the year ending December 31, 1986; to the Committee on the Judiciary.

EC-751. A communication from the Deputy Administrator of the United States Small Business Administration, transmitting, pursuant to law, the administration's Freedom of Information Act Annual Report for 1986; to the Committee on the Judiciary.

EC-752. A communication from the President and Chairman of the Export-Import Bank of the United States transmitting, pursuant to law, a report on the Freedom of Information Act for calendar year 1986; to the Committee on the Judiciary.

EC-753. A communication from the Director of the Administrative Office of the United States Courts transmitting, pursuant to law, a draft bill to eliminate the Federal courts' jurisdiction over civil actions grounded solely on diversity of citizenship; to the Committee on the Judiciary.

EC-754. A communication from the Director, Office of Legislative Affairs of the Agency for International Development transmitting, pursuant to law, a report on the activities under the Freedom of Information Act for calendar year 1986; to the Committee on the Judiciary.

EC-755. A communication from the Postmaster General, United States Postal Service, transmitting, pursuant to law, a report on the activities of the Service under the Freedom of Information Act for calendar year 1986; to the Committee on the Judiciary.

EC-756. A communication from the Chief Justice of the Supreme Court of the United States transmitting, pursuant to law, various amendments to the Federal Rules of Criminal Procedure which have been adopted by the Supreme Court; to the Committee on the Judiciary.

EC-757. A communication from the Director of the Peace Corps transmitting, pursuant to law, a report on the activities of the Peace Corps under the Freedom of Information Act; to the Committee on the Judiciary.

EC-758. A communication from the Congressional Advisory Board transmitting, pursuant to law, a report concerning the progress of negotiations in a labor dispute between the Long Island Rail Road Company and certain of its employees; to the Committee on Labor and Human Resources.

EC-759. A communication from the Commissioner of the Rehabilitation Services Administration, United States Department of Education, transmitting, pursuant to law, a comprehensive evaluation of the client assistance program; to the Committee on Labor and Human Resources.

EC-760. A communication from the Secretary of the United States Department of Education, transmitting, pursuant to law, proposed legislation authorizing additional appropriations for the Howard University endowment program; to the Committee on Labor and Human Resources.

EC-761. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report regarding the characteristics and outcomes of Job

Training Partnership Act title III dislocated worker projects operating nationwide; to the Committee on Labor and Human Resources.

EC-762. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, twenty-four recommendations for legislative action; to the Committee on Rules and Administration.

EC-763. A communication from the Executive Secretary of the Secretary, United States Department of Defense, transmitting, pursuant to law, a report on Department of Defense procurement from small and other business forms for October 1986; to the Committee on Small Business.

EC-764. A communication from the Administrator of the United States Environmental Protection Agency, transmitting, pursuant to law, the annual report regarding the total number of applications for conditional registration that were filed during the previous fiscal year; to the Committee on Agriculture, Nutrition, and Forestry.

EC-765. A communication from the Secretary of the United States Department of Agriculture, transmitting, pursuant to law, proposed legislation amending the Federal Crop Insurance Act; to the Committee on Agriculture, Nutrition, and Forestry.

EC-766. A communication from the Director for the Executive Office of the President, Office of Management and Budget, transmitting, pursuant to law, a cumulative report on rescissions, and deferrals of special messages; to the Committee on Budget and Appropriations.

EC-767. A communication from the Secretary of the United States Department of Transportation, and the President, National Railroad Passenger Corporation, transmitting, pursuant to law, a report on progress achieved and work in progress with respect to the completion of the Northeast Corridor Improvement Project; to the Committee on Commerce, Science, and Transportation.

EC-768. A communication from the Secretary of the United States Department of Transportation, transmitting, pursuant to law, a bill to amend the Federal Aviation Act of 1958 to advance the scheduled termination date of the Essential Air Service Program, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-769. A communication from the Secretary of the United States Department of Commerce, transmitting, pursuant to law, copies of a draft bill to authorize appropriations for carrying out the National Climate Program for fiscal years 1988 and 1989; to the Committee on Commerce, Science, and Transportation.

EC-770. A communication from the General Counsel to the Federal Emergency Management Agency, transmitting, pursuant to law, draft legislation to authorize appropriations for the Earthquake Hazards Reduction Act of 1977 for fiscal years 1988 and 1989; to the Committee on Commerce, Science, and Transportation.

EC-771. A communication from the Secretary of the United States Department of the Interior, transmitting, pursuant to law, draft legislation on the Proposed Final Oil and Gas Leasing Program for areas offshore California; to the Committee on Energy and Natural Resources.

EC-772. A communication from the Secretary of the United States Department of Energy, transmitting, pursuant to law, a report on the Strategic Petroleum Reserve; to the Committee on Energy and Natural Resources.

EC-773. A communication from the Secretary of Energy transmitting, pursuant to law, the annual report on methane transportation research for FY 1986; to the Committee on Energy and Natural Resources.

EC-774. A communication from the Administrator of the Energy Information Administration transmitting, pursuant to law, the Administration's 1986 Annual Report; to the Committee on Energy and Natural Resources.

EC-775. A communication from the Assistant Secretary of the Army transmitting a draft of proposed legislation to authorize imposition of certain recreational user fees at water resources development areas; to the Committee on Environment and Public Works.

EC-776. A communication from the Administrator of the General Services Administration transmitting, pursuant to law, an amended lease prospectus for acquisition of space for the Nuclear Regulatory Commission in Philadelphia, Pa.; to the Committee on Environment and Public Works.

EC-777. A communication from the General Counsel of the Federal Emergency Management Agency transmitting a draft of proposed legislation to authorize appropriations under the Disaster Relief Act; to the Committee on Environment and Public Works.

EC-778. A communication from the General Counsel of the Department of the Treasury transmitting a draft of proposed legislation to provide for the collection of fees for rulings, opinions, and determinations made by IRS; to the Committee on Finance.

EC-779. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to extend social security coverage to railroad employment; to the Committee on Finance.

EC-780. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on the provision to Chad of foreign military assistance; to the Committee on Foreign Relations.

EC-781. A communication from the President of the United States transmitting, pursuant to law, a report on the extension of agreements for cooperation with EURATOM until March 10, 1988; to the Committee on Foreign Relations.

EC-782. A communication from the President of the United States transmitting, pursuant to law, classified and unclassified reports on Soviet noncompliance with arms control agreements; to the Committee on Foreign Relations.

EC-783. A communication from the Chairman of the Board of the Tennessee Valley Authority transmitting, pursuant to law, TVA's 1986 Government in the Sunshine report; to the Committee on Governmental Affairs.

EC-784. A communication from the Assistant Secretary of the Interior transmitting a draft of proposed legislation to add a representative of Indian tribal governments to the membership of the Advisory Commission on Intergovernmental Relations; to the Committee on Governmental Affairs.

EC-785. A communication from the Acting Assistant Attorney General of the U.S. transmitting, pursuant to law, a report on a modified Privacy Act system of records; to the Committee on Governmental Affairs.

EC-786. A communication from the Chairman of the National Historical Publications and Records Commission transmitting, pursuant to law, a report on the Congressional Papers Project; to the Committee on Governmental Affairs.

EC-787. A communication from the Acting Archivist of the U.S. transmitting, pursuant to law, the 1986 Freedom of Information report; to the Committee on the Judiciary.

EC-788. A communication from the Chairman of the Commodity Futures Trading Commission transmitting, pursuant to law, the Commission's 1986 Freedom of Information report; to the Committee on the Judiciary.

EC-789. A communication from the Chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, the Commission's 1986 Freedom of Information report; to the Committee on the Judiciary.

EC-790. A communication from the Comptroller General of the U.S. transmitting, pursuant to law, a report and recommendation for the relief of liability of an individual for repayment of certain relocation expenses erroneously paid to him by the Department of the Navy; to the Committee on the Judiciary.

EC-791. A communication from the Chairman of the U.S. International Trade Commission transmitting, pursuant to law, the Commission's 1986 Freedom of Information report; to the Committee on the Judiciary.

EC-792. A communication from the Director of the U.S.I.A. transmitting, pursuant to law, the Agency's 1986 Freedom of Information report; to the Committee on the Judiciary.

EC-793. A communication from the Secretary of Labor transmitting, pursuant to law, the Department's 1984-85 training and employment report; to the Committee on Labor and Human Resources.

EC-794. A communication from the Secretary of Education transmitting, pursuant to law, final funding priorities for research in education of the handicapped; to the Committee on Labor and Human Resources.

EC-795. A communication from the Secretary of Education transmitting a draft of proposed legislation to make certain technical corrections, clarifications, and conforming amendments to the Higher Education Act; to the Committee on Labor and Human Resources.

EC-796. A communication from the Secretary of Health and Human Services transmitting pursuant to law, the first biennial report of the Director of the National Institutes of Health; to the Committee on Labor and Human Resources.

EC-797. A communication from the Administrator of Veterans Affairs transmitting a draft of proposed legislation to authorize a headstone allowance, and for other purposes, at Wood, Wisconsin; to the Committee on Veterans Affairs.

EC-798. A communication from the Administrator of Veterans Affairs transmitting a draft of proposed legislation to limit certain types of disciplinary actions; to the Committee on Veterans Affairs.

EC-799. A communication from the Administrator of Veterans Affairs transmitting a draft of proposed legislation to exclude residents and interns from coverage under the Federal Labor-Management Relations statute; to the Committee on Veterans Affairs.

EC-800. A communication from the Administrator of Veterans Affairs transmitting a draft of proposed legislation to clarify procedures for removal for cause of certain employees, and for other purposes, to the Committee on Veterans Affairs.

EC-801. A communication from the Acting Secretary of Agriculture transmitting a draft of proposed legislation to amend the maximum payment limitation; to the Committee on Agriculture, Nutrition, and Forestry.

EC-802. A communication from the Acting Secretary of Agriculture transmitting a draft of proposed legislation to reduce authorizations for certain farm loans for FY 1988; to the Committee on Agriculture, Nutrition, and Forestry.

EC-803. A communication from the Acting Secretary of Agriculture transmitting a draft of proposed legislation to authorize planning and construction funds to provide laboratories at the National Seed Storage Laboratory, Fort Collins, Colorado; to the Committee on Agriculture, Nutrition, and Forestry.

EC-804. A communication from the Secretary of Defense transmitting, pursuant to law, a report on five violations of law involving overobligation of appropriated funds; to the Committee on Appropriations.

EC-805. A communication from the Assistant Secretary of State transmitting, pursuant to law, a report on the status of physical security of the Panama Canal with respect to the threat of international terrorism; to the Committee on Armed Services.

EC-806. A communication from the Assistant Secretaary of Defense transmitting, pursuant to law, a report on manpower requirements of DOD for fiscal year 1988; to the Committee on Armed Services.

EC-807. A communication from the General Counsel of the Department of the Treasury transmitting a draft of proposed legislation authorizing appropriations for the U.S. Mint for fiscal year 1988 and 1989; to the Committee on Banking, Housing, and Urban Affairs.

EC-808. A communication from the Secretary of Housing and Urban Affairs transmitting a draft of proposed legislation to authorize funds for HUD-FHA programs, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

EC-809. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to provide for fish propagation facilities in the Columbia River Basin; to the Committee on Commerce, Science, and Transportation.

EC-810. A communication from the Deputy Associate Director of the Minerals Management Service, transmitting, pursuant to law, a report on 2 refunds of excess oil and gas royalties; to the Committee on Energy and Natural Resources.

EC-811. A communication from the Deputy Associate Director of the Minerals Management Service transmitting, pursuant to law, a report on refunds of excess oil and gas royalty payments to 23 corporations; to the Committee on Energy and Natural Resources.

EC-812. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to limit the Federal share of costs of foster care and adoption assistance programs; to the Committee on Finance.

EC-813. A communication from the Director of the U.S.I.A. transmitting a draft of proposed legislation to authorize appropriations for the U.S.I.A. for fiscal year 1988 and 1989; to the Committee on Foreign Relations.

EC-814. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the United States within the 69 days previous to March 11, 1987; to the Committee on Foreign Relations.

EC-815. A communication from the Secretary of State transmitting, for the information of the Senate, a copy of a report entitled "Democracy in Latin America and the Caribbean: The Promise and the Challenge"; to the Committee on Foreign Relations.

EC-816. A communication from the D.C. Auditor transmitting, pursuant to law, a report on a contract with Government Vending Management Services, Inc.; to the Committee on Governmental Affairs.

EC-817. A communication from the D.C. Auditor transmitting, pursuant to law, a report on Advisory Neighborhood Commissions; to the Committee on Governmental Affairs.

EC-818. A communication from the Chairman of the U.S. International Trade Commission transmitting, pursuant to law, a report on its competition in contracting practices in fiscal year 1986; to the Committee on Governmental Affairs.

EC-819. A communication from the Director of the Office of Personnel Management transmitting a draft of proposed legislation to ensure application of pay limitations to all Federal employees; to the Committee on Governmental Affairs.

EC-820. A communication from the Special Counsel, Merit Systems Protection Board, transmitting, pursuant to law, a report of the Secretary of the Army on his investigation into allegations of fraudulent time and attendance practices and improper use of incentive awards by officials of the Moore Army Airfield, Ft. Devens, MA; to the Committee on Governmental Affairs.

EC-821. A communication from the Assistant Secretary of Commerce transmitting, pursuant to law, the Department's freedom of information report for 1986; to the Committee on the Judiciary.

EC-822. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation authorizing programs under the Developmental Disabilities Assistance and Bill of Rights Act; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CRANSTON, from the Committee on Veterans Affairs, with an amendment in the nature of a substitute:

S. 12. A bill to amend title 38, United States Code, to remove the expiration date for eligibility for the educational assistance programs for veterans of the All-Volunteer Force; and for other purposes (Rept. No. 100-13).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. JOHNSTON (for himself, Mr. McClure, and Mr. Domenici):

S. 748. A bill to amend the Atomic Energy Act of 1954, as amended, to establish a comprehensive, equitable, reliable, and efficient mechanism for full compensation of the public in the event of an accident resulting from activities undertaken under contract with the Department of Energy; to the Committee on Energy and Natural Resources.

By Mr. MITCHELL (for himself and Mr. Heinz):

S. 749. A bill to make changes in the Trade Adjustment Assistance Program; to the Committee on Finance.

By Mr. BRADLEY (for himself and Mr. Matsunaga):

S. 750. A bill to amend the Foreign Assistance act of 1961 to authorize appropriations for the Child Survival Fund; to the Committee on Foreign Relations.

By Mr. BINGAMAN (for himself, Mr. Boren, and Mr. Domenici):

S. 751. A bill to amend the Natural Gas Policy Act of 1978 to provide for the deregulation of natural gas subject to a new, renegotiated, or expiring contract, and to repeal the provisions allowing reimposition of price controls and a report to Congress; to amend the Natural Gas Act to require pipeline rates for the sale of imported natural gas to be determined on the same basis as rates for domestic production; and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BENTSEN (for himself, Mr. Hollings, Mr. Riegle, Mr. Gore, Mr. Rockfeller, Mr. Kerry, Mr. Adams, Mr. Wilson, Mr. McCain, Mr. Heflin, Mr. Shelby, Mr. Sanford, Mr. Glenn, Mr. Ford, Mr. Matsunaga, Mr. Bingaman, Mr. Johnston, Mr. Inouye, and Mr. Breaux):

S. 752. A bill to establish a National Space Grant College and Fellowship Program; to the Committee on Commerce, Science, and Transportation.

By Mr. COHEN (for himself and Mr. Levin):

S. 753. A bill to amend the Ethics in Government Act of 1978 to provide a permanent authorization to the independent counsel and for other purposes; to the Committee on Governmental Affairs.

By Mr. DOLE (for himself, Mr. Danforth, Mr. Domenici, Mr. Durenberger, and Mr. Chafee):

S. 754. A bill to amend part B title XVIII of the Social Security Act to provide for catastrophic illness coverage under the medicare program, and for other purposes; to the Committee on Finance.

By Mr. BOSCHWITZ:

S. 755. A bill to amend the Agricultural Act of 1949 to suspend the minimum planting requirement for the 1987 crop of certain agricultural commodities, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. LAUTENBERG (for himself, Mr. Bradley, Mr. Moynihan, Mr. Heinz, Mr. Specter, Mr. Burdick, Mr. Heflin, Mr. Melcher, Mr. Gore, Mr. Kennedy, and Ms. Mikulski):

S. 756. A bill to ensure the amounts paid for home improvements to mitigate indoor air contaminants such as radon gas qualify for the tax deduction for medical care expenses; to the Committee on Finance.

By Mr. LAUTENBERG:

S. 757. A bill to require each commercial air carrier engaged in the transportation of passengers to report its on-time performance record to the Secretary of Transportation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BENTSEN:

S. 758. A bill for the relief of Doctor Oscar Raul Espinoza Madariaga, his wife Maria

Inez, his son, Filipe Andres, and daughter Claudia Paola; to the Committee on the Judiciary.

By Mr. BUMPERS:

S. 759. A bill to amend the direct and guaranteed student loan programs under the Higher Education Act of 1965 to publicize the current loan deferral program for full-time volunteers with the Peace Corps, VISTA, and tax-exempt organizations, and for other purposes; to the Committee on Labor and Human Resources.

S. 760. A bill to amend the direct student loan program under the Higher Education Act of 1965 to provide for partial loan cancellation for full-time volunteer service with a tax-exempt organization, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HARKIN (for himself and Mr. Grassley):

S. 761. A bill to provide for the establishment of a Western Historic Trails Center in the State of Iowa, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. PELL:

S. 762. A bill to provide for a Voluntary National Service and Education Demonstration Program, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LUGAR (for himself, Mr. Weicker, Mr. Boschwitz, Mr. Warner, Mr. Chafee, Mr. Bond, Mr. Humphrey, Mr. Armstrong, Mr. Durenberger, Mr. Wilson, Mr. Cochran, Mr. Nickles, Mr. Murkowski, Mr. Garn, Mr. Cohen, Mr. Danforth, Mr. Heinz, Mr. Trible, Mr. D'Amato, Mr. Grassley, Mr. Hatch, Mr. Kasten, Mr. Bradley, Mr. Johnston, Mr. Hollings, Mr. Reid, Mr. Shelby, Mr. DeConcini, Mr. Stennis, Mr. Adams, Mr. Burdick, Mr. Lautenberg, Mr. Levin, Mr. Matsunaga, Mr. Sasser, Mr. Gore, Mr. Glenn, Mr. Moynihan, Mr. Nunn, Ms. Mikulski, Mr. Conrad, Mr. Ford, Mr. Dixon, Mr. Kerry, Mr. Pryor, Mr. Riegle, Mr. Chiles, Mr. Cranston, Mr. Boren, Mr. Metzenbaum, and Mr. Breaux):

S.J. Res. 84. A joint resolution to designate October 1987 as "National Down Syndrome Month."; to the Committee on the Judiciary.

By Mr. LUGAR (for himself, Mr. Quayle, Mr. Kennedy, Mr. Weicker, Mr. Boschwitz, Mr. Warner, Mr. Chafee, Mr. Bond, Mr. Humphrey, Mr. Armstrong, Mr. Durenberger, Mr. Stafford, Mr. Wilson, Mr. Cochran, Mr. Nickles, Mr. Murkowski, Mr. Garn, Mr. Cohen, Mr. Heinz, Mr. Symms, Mr. Trible, Mr. D'Amato, Mr. Grassley, Mr. Helms, Mr. Pressler, Mr. Hatch, Mr. Kasten, Mr. Bradley, Mr. Johnston, Mr. Hollings, Mr. Reid, Mr. Shelby, Mr. DeConcini, Mr. Stennis, Mr. Rockefeller, Mr. Kerry, Mr. Adams, Mr. Burdick, Mr. Lautenberg, Mr. Levin, Mr. Matsunaga, Mr. Sasser, Mr. Gore, Mr. Glenn, Mr. Moynihan, Mr. Chiles, Mr. Nunn, Mr. Inouye, Ms. Mikulski, Mr. Conrad, Mr. Ford, Mr. Dixon, Mr. Leahy, Mr. Pryor, Mr. Riegle, Mr. Metzenbaum, Mr. Sanford, Mr. Cranston, Mr. Boren, and Mr. Breaux):

S.J. Res. 85. A joint resolution to designate the period commercing on August 2, 1987, and ending on August 8, 1987, as "International Special Olympics Week", and to designate August 3, 1987, as "International Special Olympics Day"; to the Committee on the Judiciary.

By Mr. DeCONCINI (for himself, Mr. McClure, Mr. Grassley, Mr. Moynihan, Mr. Inouye, Mr. Heflin, Mr. Leahy, Mr. Thurmond, Mr. Boschwitz, Mr. D'Amato, Mr. Simon, Mr. Specter, Mr. Sarbanes, Mr. Burdick, Mr. Simpson, Mr. Metzenbaum, Mr. Nunn, Mr. Matsunaga, Mr. Bumpers, Mr. Kerry, Mr. Kennedy, Mr. Durenberger, Mr. Pell, Mr. Levin, Mr. Wilson, Mr. Dodd, Mr. Symms, Mr. Cochran, and Mr. Glenn):

S.J. Res. 86. A joint resolution to designate October 28, 1987, as "National Immigrants Day"; to the Committee on the Judiciary.

By Mr. RIEGLE:

S.J. Res. 87. A joint resolution to designate November 17, 1987, as "National Community Education Day"; to the Committee on the Judiciary.

By Mr. BRADLEY (for himself and Mr. Stafford):

S.J. Res. 88. A joint resolution to designate the period commencing November 15, 1987, and ending November 21, 1987, as Geography Awareness Week"; to the Committee on the Judiciary.

By Mr. GARN (for himself, Mr. Adams, Mr. Baucus, Mr. Bond, Mr. Boschwitz, Mr. Bradley, Mr. Bumpers, Mr. Burdick, Mr. Chafee, Mr. Chiles, Mr. Cochran, Mr. Cohen, Mr. Conrad, Mr. Cranston, Mr. D'Amato, Mr. Danforth, Mr. DeConcini, Mr. Dodd, Mr. Dole, Mr. Domenici, Mr. Durenberger, Mr. Evans, Mr. Glenn, Mr. Gore, Mr. Hatch, Mr. Heinz, Mr. Helms, Mr. Hollings, Mr. Humphrey, Mr. Inouye, Mr. Johnston, Mrs. Kassebaum, Mr. Leahy, Mr. Levin, Mr. Lugar, Mr. Matsunaga, Mr. McCain, Mr. McClure, Mr. Metzenbaum, Mr. Mitchell, Mr. Moynihan, Mr. Murkowski, Mr. Nickles, Mr. Nunn, Mr. Reid, Mr. Riegle, Mr. Roth, Mr. Sanford, Mr. Sasser, Mr. Simon, Mr. Stafford, Mr. Stennis, Mr. Stevens, Mr. Symms, Mr. Trible, Mr. Thurmond, Mr. Wallop, Mr. Warner, Mr. Wilson, and Mr. Wirth):

S.J. Res. 89. A joint resolution to authorize and request the President to issue a proclamation designating April 26, through May 2, 1987 as "National Organ and Tissue Donor Awareness Week"; to the Committee on the Judiciary.

By Mr. KERRY (for himself, Mr. Helms, Mr. McConnell, and Mr. Wilson):

S.J. Res. 90. A joint resolution disapproving the certification by the President under section 481(h) of the Foreign Assistance Act of 1961; to the Committee on Foreign Relations.

By Mr. KERRY (for himself, Mr. Helms, Mr. McConnell, Mr. D'Amato, and Mr. Wilson):

S.J. Res. 91. A joint resolution disapproving the certification by the President under section 481(h) of the Foreign Assistance Act of 1961; to the Committee on Foreign Relations.

By Mr. HELMS (for himself, Mr. Kerry, Mr. D'Amato, and Mr. Wilson):

S.J. Res. 92. A joint resolution disapproving the certification by the President under section 481(h) of the Foreign Assistance Act of 1961; to the Committee on Foreign Relations.

By Mr. HELMS (for himself, Mr. Kerry, Mr. D'Amato, and Mr. Wilson):

S.J. Res. 93. A joint resolution disapproving the certification by the President under section 802(b) of the Trade Act of 1974; to the Committee on Finance.

By Mr. KERRY (for himself, Mr. Helms, Mr. McConnell, and Mr. Wilson):

S.J. Res. 94. A joint resolution disapproving the certification by the President under section 802(b) of the Foreign Assistance Act of 1974; to the Committee on Finance.

By Mr. KERRY (for himself, Mr. Helms, Mr. McConnell, Mr. D'Amato, and Mr. Wilson):

S.J. Res. 95. A joint resolution disapproving the certification by the President under section 802(b) of the Foreign Assistance Act of 1974; to the Committee on Finance.

By Mr. HOLLINGS (for himself, Mr. Adams, Mr. Bentsen, Mr. Bond, Mr. Boren, Mr. Boschwitz, Mr. Breaux, Mr. Bumpers, Mr. Burdick, Mr. Chiles, Mr. Cohen, Mr. Danforth, Mr. Dixon, Mr. Dole, Mr. Domenici, Mr. Exon, Mr. Fowler, Mr. Gore, Mr. Grassley, Mr. Hecht, Mr. Heinz, Mr. Heflin, Mr. Johnston, Mrs. Kassebaum, Mr. Kasten, Mr. Kerry, Mr. Lautenberg, Mr. Leahy, Mr. Levin, Mr. Matsunaga, Mr. McCain, Mr. Melcher, Ms. Mikulski, Mr. Moynihan, Mr. Nickles, Mr. Nunn, Mr. Pell, Mr. Pressler, Mr. Reid, Mr. Riegle, Mr. Rockefeller, Mr. Sanford, Mr. Sarbanes, Mr. Sasser, Mr. Stafford, Mr. Stennis, Mr. Stevens, Mr. Symms, Mr. Thurmond, Mr. Trible, and Mr. Wilson):

S.J. Res. 96. A joint resolution designating April 3, 1987, "Interstate Commerce Commission Day'" to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. GRASSLEY (for himself and Mr. DeConcini):

S. Con. Res. 32. A concurrent resolution to express the sense of Congress that volunteer work should be taken into account by employers in the consideration of applications for employment and that provision should be made for a listing and description of volunteer work on employment application forms; to the Committee on Labor and Human Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JOHNSTON (for himself, Mr. McClure, and Mr. Domenici):

S. 748. A bill to amend the Atomic Energy Act of 1954, as amended, to establish a comprehensive, equitable, reliable, and efficient mechanism for full compensation of the public in the event of an accident resulting from activities undertaken under contract with the Department of Energy involving nuclear materials; to the Committee on Energy and Natural Resources.

PRICE-ANDERSON ACT AMENDMENTS

Mr. JOHNSTON. Mr. President, this bill will amend the Atomic Energy Act of 1954, as amended, to extend the Price-Anderson system for compensation of the public in the event of an accident resulting from activities undertaken under contract with the Department of Energy. The Price-Anderson Act, first enacted in 1957, sets up a comprehensive, compensation-oriented system of liability insurance for DOE contractors and for Nuclear Regulatory Commission licensees. The Price-Anderson system assures the public of compensation in the case of a nuclear accident while maintaining a predictable limit on liability.

The act will expire on August 1, 1987, so there is an immediate need for action on this legislation to extend the act. If the act expires, the Nation's existing nuclear power reactors will be covered under the current system for the term of their operating licenses. However, contractors to the Department of Energy—those involved in atomic energy defense, uranium fuel preparation, and nuclear waste disposal—would be without the comprehensive liability insurance system provided by Price-Anderson. Congress must act quickly to preserve the ability of the Federal Government to undertake these essential activities. It is for that reason that I am introducing this bill that will extend the portion of the act that relates to contractors to the Department of Energy. This bill will increase the overall limit on liability from the current level of $500 million to $6 billion.

● Mr. McCLURE. Mr. President, I am pleased to join my colleagues today in cosponsorship of legislation to amend and extend the provisions of the Price-Anderson Act with respect to liability coverage for nuclear incidents arising from activities undertaken under contract with the Department of Energy.

I would remind my colleagues that considerable time was spent last year on a similar, but broader, piece of legislation that would have extended the Price-Anderson authorization not only for Department of Energy contractor activities, but also for commercial nuclear powerplants and other reactors licensed by the Nuclear Regulatory Commission. In spite of the many hours of effort put forth by many Members of Congress in crafting a truly comprehensive piece of legislation, that effort crumbled during the last days of the 99th Congress.

Meanwhile, the expiration date of August 1, 1987, that is, date of expiration of the Government's authority to indemnify new NRC licensees or new DOE contractors under the provisions of Price-Anderson, draws nearer, as we begin the whole legislative process all over again in the 100th Congress. This causes me great concern, as I look to the work that needs to be accomplished in a little less than 5 months.

This unavoidable and impending deadline encourages great practicality and thrift in the approach that one might take in the crafting of Price-Anderson legislation. This deadline forces one to consider an approach that simply and effectively accomplishes our most immediate needs on a "lowest common denominator" basis. Thus, the old saying, "If it isn't broke, don't fix it," is an important consideration in the interest of expediency.

I have stated on more than one occasion in past discussions on Price-Anderson that commercial nuclear powerplants are covered, and will continue to be covered, under the current Price-Anderson law, and therefore, extension of Price-Anderson with respect to these plants is not essential. In fact, Price-Anderson extension only becomes an issue when new reactor plants are ordered, a condition that even the NRC and the utilities admit is not likely to occur any time soon.

So in the final analysis, the real driving force behind Price-Anderson renewal lies not with the commercial nuclear industry, but rather, with the Department of Energy nuclear research activities. These activities are carried out by contract with some 100 prime contractors and thousands of subcontractors. Typically, these contracts are of limited duration and must be renewed on a periodic basis—most often every 5 years. There are two major contracts that come to mind that will expire, and therefore have to be renewed, shortly after the August 1 deadline: one at the Hanford, WA laboratory site, and one with the University of California, which operates Lawrence Livermore, Lawrence Berkley, and Los Alamos Laboratories.

Mr. President, if we fail to renew Price-Anderson, the Department of Energy will not have the authority to indemnify these contractors for liability arising from a nuclear accident at these DOE facilities. And without such liability coverage, potential contractors will not be able to perform work for DOE, for they would not be able to assume the potentially huge risks associated with liability claims—especially in this day and age, when the Tort Law System and the liability claims experiences in a number of high-risk industries are totally out of control. Any other liability coverage that the Department of Energy could offer would certainly be less than adequate, both from a contractor coverage standpoint and from a victim's compensation standpoint. In one of the worst-case scenarios I can imagine, where no one is interested in contracting work with DOE, Federal employees would be forced to perform the work themselves, in which case plaintiffs could only file claims under the Federal Tort Claims Act. This would make it extremely difficult and time-consuming for victims to obtain any kind of compensation, especially as compared to the Price-Anderson system. And carrying this scenario to its worst case, it is possible that the work now undertaken by DOE—in vital areas of nuclear research and weapons development—would come to an abrupt halt, a situation which I find totally unacceptable from a national security standpoint alone.

And so in the final analysis, we find ourselves in a situation where extension of the Price-Anderson authorization for DOE contractor activities is vital. Hence, the bill being introduced today will accomplish that goal, and will do so in a way in which potential victims will be assured of adequate and comprehensive compensation for injuries arising from any nuclear incident arising from such activities.

Under this bill, the compensation system is substantially augmented in a number of ways. First, the amount of funds immediately available for compensation is increased from the current $500 million per incident to a level of $6 billion per incident. Second, if damage exceeds this amount, an expedited procedure for obtaining additional funds is provided. And third, accidents arising from activities associated with the transportation, storage, and disposal of nuclear wastes are explicitly covered under the bill.

In structuring this legislation, my colleagues and I have painstakingly considered alternative options, and we have attempted to factor in the concerns of all interested and affected parties. The results of these efforts is the bill being introduced today. It is my hope that this bill will serve as the framework within which the 100th Congress will be able to deal with the issue of DOE contractor liability coverage in a manner that offers an equitable, efficient, reliable, and comprehensive system for public compensation in the event of a nuclear incident at a DOE facility.●

By Mr. MITCHELL (for himeslf and Mr. HEINZ):

S. 749. A bill to make changes in the Trade Adjustment Assistance Program; to the Committee on Finance.

MODIFICATIONS TO THE TRADE ADJUSTMENT ASSISTANCE PROGRAM

Mr. MITCHELL. Mr. President, I am today introducing legislation making a number of changes in the Trade Adjustment Assistance Program to more effectively cover workers who lose their jobs due to imports.

A cornerstone of any nation's trade policy should be an effective and comprehensive program to provide adjustment benefits to workers who have been forced to sacrifice their livelihood for the larger interests the nation has in increased trade.

No nation, and no industry within that nation, can be completely protected from international trade. As technologies change, new products are developed and demographic patterns shift, domestic manufacturing firms must adapt their output to new demands. Often that means the loss of jobs due to imports. Although a nation as a whole may prosper from changing trade flows that increase export trade along with imports, individual workers within industries are often hurt. Meaningful government programs should be available to provide transition relief to support workers and their families and enable them to be retrained for new and more competitive jobs.

The Trade Adjustment Assistance Program is not only an assistance program to trade impacted workers. It is also an assistance program to the economy, increasing international competitiveness by training the work force to adapt to a changing world economy.

Unfortunately, the current Trade Adjustment Assistance Program is deficient in many respects. It does not provide the necessary adjustment measures to thousands of workers who have lost their jobs due to increasing imports.

It is my hope that the Senate will agree to expand and reorient the Trade Adjustment Assistance Program as part of comprehensive trade legislation to be considered later this year. The legislation I am introducing today includes a number of changes which I would like to see incorporated in the trade bill. I have also cosponsored other trade adjustment assistance legislation which has been incorporated into the omnibus trade bill now before the Finance Committee.

The first change in my bill deals with the statutory requirements that must be met for an individual to qualify for benefits. The issue is whether an affected workers's eligibility period is based on that individual's first separation from employment following the date the firm was certified as impacted by imports or the last separation from employment before application for program benefits.

Under the Trade Adjustment Assistance Program an individual is eligible for benefits only during a certain period that relates to the individual's unemployment insurance period and the date that the employing firm has been certified as impacted by imports. Thus, a crucial factor in determining an individual's eligibility for trade adjustment benefits is when that individual is considered to have been separated from his or her job for purposes of establishing an unemployment insurance period.

As a result of a 1981 statutory change, this question of separation from employment is being interpreted in such a way as to deny many workers the benefits to which they should be entitled by congressional intent. For many other workers, this technicality has resulted in a reduction of the benefits to which they are otherwise entitled.

In the 1981 budget reconciliation bill, a number of changes were made in the Trade Adjustment Assistance Program to reduce the cost of the program by restricting eligibility for benefits. Among the many changes in the program was the removal of the word "last" from the section defining a worker's eligibility for trade adjustment allowances after such worker's total or partial separation from employment.

Although there is no legislative history as to why this change was made in the statute, the Department of Labor has been interpreting it in such a way as to relate an individual's benefit eligibility period to his or her first separation from employment as opposed to his or her final or last separation. For many individuals this creates a premature running of the eligibility period which results in the total or partial loss of benefits.

This problem occurs in industries which lay off workers for temporary and sporadic periods during which the plant is certified under the Trade Adjustment Assistance Program. As the production needs of the plant increase, many workers may be rehired for temporary periods before being finally laid off. The Department of Labor interpretation causes the eligibility period for these workers to begin to run from their first separation from employment even through they may have been rehired. Then, when they have finally and irrevocably lost their jobs, they have also lost much, if not all, of their trade adjustment assistance benefits. This has been a particular problem in the apparel and footwear industry in Maine over the last few years.

This interpretation is unfair to workers. By a technicality, many workers now lose most or all of their eligibility for benefits while they are still employed at the trade impacted firm. I do not believe that was the intent of Congress.

The bill I am introducing today clarifies the statute so that the eligibility period for trade adjustment benefits begins to run only if and after the individual is finally laid off from work.

Other provisions in the bill I am introducing today deal with restrictions in trade adjustment assistance training benefits.

Under current law, the additional 26 weeks of trade adjustment benefits provided to persons in retraining programs must be collected in a 26-consecutive-week period. The effect of this restriction on the time during which the benefits must be collected is to deprive many individuals of their full entitlement to benefits.

This is a problem where individuals begin training by enrolling in a remedial program in preparation for a more specific training program. If there is a gap between the two programs, the 26-consecutive-week period nevertheless continues to run and the individual is deprived of the full benefits intended in the law.

To remedy this situation, the bill I am introducing provides that the 26 weeks of adjustment assistance benefits can be collected over a 52-week period. This change would not increase the number of weeks of benefits, it would simply increase the number of weeks over which those benefits are payable.

Another provision in this legislation deals with the problem of short semester breaks or vacations. The Department of Labor interprets current law to prevent the payment of benefits during periods an individual is enrolled in a training program but is on semester break or vacation. This unfairly penalizes individuals who cannot possibly obtain alternative employment during short-term breaks in training programs. In this legislation, I provide for the continuation of benefits where the break in training does not exceed 2 weeks. Like the prior provision, this does not increase the number of weeks of benefits, it simply provides for a more flexible payment period.

Another provision in the bill would permit training programs to be as long as is reasonably necessary to train a worker for suitable employment. Although there is not now a statutory limit on the length of training, the Secretary of Labor has placed a 104-week limit on the duration of eligible training programs in the regulations.

Oftentimes, this is not a sufficient time period to train a worker for employment in substantially equivalent jobs. The effect is to prevent many displaced workers in highly skilled occupations from acquiring the level of training that can equip them for new jobs comparable to the job that was lost to imports.

Again, I do not propose to increase the level of training benefits, the payment of which would still be limited to 104 weeks. Those payments would be permitted, however, to cover longer training programs.

Finally, I have included provisions in this bill which extend trade adjustment assistance benefits to workers producing component parts and essential parts or services directly to trade impacted firms eligible for assistance. Under current law, only workers in firms that produce goods which are directly competitive with the increased imports are eligible for assistance. There is no sound policy rationale for such a distinction.

The trade adjustment assistance program is designed to provide special benefits to smooth the economic dislocations caused by increasing imports. It makes no sense to distinguish between workers producing goods displaced directly by imports and similar workers who lose their jobs producing component parts for the same goods.

In the last 4 years, workers in 66 firms in Maine have been certified for trade adjustment benefits, mostly in the footwear industry. During that time period, workers in many more firms producing component parts for the 66 firms have been refused certification because they failed to meet the "like or directly competitive" standard of current law. These workers cannot understand why they are not eligible for benefits and indeed there is no good answer. Both types of workers have been equally impacted by imports—they have lost their jobs and are in need of assistance.

The provisions in this bill extending trade adjustment assistance to workers in supplier firms were approved by the Finance Committee in 1985 and have been included in legislation introduced this year by Senators MOYNIHAN and ROTH as well as in the omnibus trade bill introduced by Senator BENTSEN. I understand the House Ways and Means Trade Subcommittee has approved similar provisions already this year. By including these provisions in my legislation, I hope to give further support to the expansion of assistance to workers in supplier firms.

I ask unanimous consent that a copy of my bill be reproduced in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 749

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIGIBILITY OF WORKERS AND FIRMS FOR TRADE ADJUSTMENT ASSISTANCE.

(a) WORKERS.—Section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended to read as follows:

"SEC. 222. GROUP ELIGIBILITY REQUIREMENTS.

"(a) The Secretary shall certify a group of workers (including workers in any agricultural firm or subdivision of an agricultural firm) as eligible to apply for adjustment assistance under this chapter if the Secretary determines that—

"(1) a significant number or proportion of the workers in such workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated,

"(2) sales or production, or both, of such firm or subdivision have decreased absolutely, and

"(3) increases of imports of articles like or directly competitive with articles—

"(A) which are produced by such workers' firm or appropriate subdivision thereof, or

"(B) to which such workers' firm, or appropriate subdivision thereof, provides essential parts or essential services,

contributed importantly to such total or partial separation or threat thereof, and to such decline in sales or production.

"(b) For purposes of subsection (a)(3), the term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.".

(b) FIRMS.—Subsection (c) of section 251 of the Trade Act of 1974 (19 U.S.C. 2341(C)) is amended to read as follows:

"(c)(1) The Secretary shall certify a firm (including any agricultural firm) as eligible to apply for adjustment assistance under this chapter if the Secretary determines—

"(A) that a significant number or proportion of the workers in such firm have become totally or partially separated, or are threatened to become totally or partially separated,

"(B) that—

"(i) sales or production, or both, of such firm have decreased absolutely, or

"(ii) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and

"(C) increases of imports of articles like or directly competitive with articles—

"(i) which are produced by such firm, or

"(ii) to which such firm provides essential parts or essential services,

contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.

"(2) For purposes of paragraph (1)(C), the term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.".

SEC. 2. EXTENSION OF PERIOD IN WHICH ADDITIONAL TRADE READJUSTMENT ALLOWANCES MAY BE PAID FOR TRAINING.

Paragraph (3) of section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)(3)) is amended by striking out "26-week period" each place it appears and inserting in lieu thereof "52-week period".

SEC. 3. TRAINING PROGRAMS.

(a) BREAKS IN TRAINING PROGRAMS.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended by adding at the end thereof the following new subsection:

"(g) For purposes of this chapter, a worker shall be treated as participating in training during any week which is part of a 2-week break in training if—

"(1) the worker was participating in a training program approved under subsection (a) before the beginning of such break in training, and

"(2) either—

"(A) the break is provided under such training program, or

"(B) the worker provides such assurances as the Secretary may require that the worker will, at the close of the break, be participating in another training program approved under subsection (a).".

(b) LENGTH OF TRAINING PERIOD.—Subsection (a) of section 236 of the Trade Act of 1974 (19 U.S.C. 2296(a)) is amended by adding at the end thereof the following new paragraph:

"(5) For purposes of making determinations of whether to approve training programs under paragraph (1), the Secretary may not establish an absolute limitation on the length of training or on the period of time over which all training programs are to be completed, but the Secretary shall consider, on a program-by-program basis, whether the training provided under each program is of suitable duration to achieve the desired skill level within a reasonable period of time.".

SEC. 4. CLARIFYING AMENDMENTS RELATING TO SEPARATION FROM EMPLOYMENT.

Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended—

(1) by striking out "that he" in paragraph (6) and inserting in lieu thereof "the most recent incident in which the individual", and

(2) by inserting "most recent" after "means the" in paragraph (11).

By Mr. BRADLEY (for himself and Mr. MATSUNAGA):

S. 750 A bill to amend the Foreign Assistance Act of 1961 to authorize appropriations for the Child Survival Fund; to the Committee on Foreign Relations.

CHILD SURVIVAL FUND

● Mr. BRADLEY. Mr. President, last year I introduced the Universal Child Immunization Act in an effort to raise our commitment to assuring universal access to child immunization by 1990. I am pleased to report that last year's bill, which was cosponsored by 60 other Senators, was signed into law on October 24, 1986. The bill that I am introducing today continues this commitment by authorizing funding for this valuable program through 1989. The bill authorizes $75 million in 1988 and $78 million in 1989 for the child survival fund. While no specific earmark is provided in the bill for immunization, it is clearly intended that $50 million of the funding is aimed at worldwide child immunization efforts.

Each year, Mr. President, 3.5 million children die needlessly because they have not been vaccinated against 6 major childhood diseases: polio, measles, whooping cough, diphtheria, tetanus, and tuberculosis. An equal number of children who survive these diseases suffer permanent physical and mental handicaps or are so severly weakened that they succumb more readily to the ravages of malnutrition and diarrhea. This legislation is urgently needed by the world's children. Each day that we delay, 10,000 children will perish from these preventable diseases.

The technology is available to thwart this daily tragedy. The immunization of young and defenseless children to shield them from agonizing death and lifelong disability is the foremost of humanitarian goals. All civilized nations must refuse to accept this magnitude of preventable child deaths. The six childhood diseases that take such a toll on children in the developed world are virtually unknown in industrialized societies. From our comfortable vantage point, we have difficulty conceiving of these diseases as real killers. Yet, in 1985, 2 million children died from measles alone. On any given day, over 5,000 mothers and fathers in developing countries must watch helplessly as their children suffer agonizingly painful deaths from measles.

I am pleased to say that the efforts now underway are bearing fruit. Just a few years ago, immunization coverage in developing countries was less than 5 percent; today, the average in AID-assisted countries is over 30 percent and, in some, is reaching 80 percent. And, according to AID, countries are now beginning to see actual reductions in cases of fatal and debilitating childhood diseases.

While these figures are sobering, unless immunizations remain at current levels the toll on children will be significant. More than 2.5 million children will be permanently paralyzed by polio; 20 million children will die needlessly from measles, a disease that is preventable with a single injection.

Achieving universal access to immunization will require a continued commitment on the part of all the world's nations. The United States is not taking sole responsibility. Approximately 80 percent of the needed resources to carry out vaccination programs are provided by developing nations. This legislation continues the commitment of the United States to contribute to the worldwide immunization effort by assisting developing nations with the delivery, distribution, and use of vaccines and by helping countries develop local delivery systems capable of immunizing their own children.

The human suffering that will be avoided with universal childhood immunization is immeasurable. In addition, a commitment to universal immunization is a cost-effective strategy. The international campaign to eradicate smallpox is a case in point. In 1967, smallpox killed an estimated 2 million people. Ten years later, the world recorded the last case of smallpox. With the eradication of smallpox, the United States discontinued the routine smallpox vaccinations that most of us grew up with and dismantled public health procedures to protect our citizens against this plague. Each year, the United States saves $120 million in today's dollars—thereby achieving a savings every few months of the $32 million invested in the eradication program. For every dollar spent on immunization in developing countries, $20 will be saved in medical and rehabilitation costs.

The United States spends $50 million each year in our own country on measles vaccinations and surveillance measures. We must continue to do so as long as measles pose a threat to our children. This legislation means, quite simply, that the United States' yearly contribution to vaccinating all the world's children against the six preventable killing diseases will continue to be equal to what we currently spend to protect our children from measles alone. With the worldwide eradication of measles, vaccinations in our country would no longer be needed.

The American people are a generous and caring people. A volcanic eruption in Colombia, a chemical leak in Bhopal, and the famine in Ethiopia are catastrophic events that have mobilized an outpouring of aid from Americans. At the same time we must not forget about the catastrophe that kills 10,000 children each day with little public notice but with equal significance in terms of human suffering. Sadly, this daily human suffering is preventable. The world has the technology to disarm the threat of polio, measles, whooping cough, diphtheria, tetanus, and tuberculosis. What is needed is the continued will to translate this capacity into a reality for the world's children.

Mr. President, I ask unanimous consent that a copy of the bill be inserted into the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 750

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 104(c)(2)(B) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(B) In addition to funds otherwise available for such purposes, there are authorized to be appropriated to the President, $75,000,000 for fiscal year 1988 and $78,000,000 for the fiscal year 1989 for use in carrying out this paragraph. Amounts appropriated under this subparagraph are authorized to remain available until expended. Except as provided in this section, assistance provided under this paragraph may be made available notwithstanding any other provision of this or any other Act.".●

By Mr. COHEN (for himself and Mr. LEVIN):

S. 753. A bill to amend the Ethics in Government Act of 1978 to provide a permanent authorization to the independent counsel and for other purposes; to the Committee on Governmental Affairs.

INDEPENDENT COUNSEL AMENDMENTS ACT

● Mr. COHEN. Mr. President, today on behalf of myself and Senator LEVIN, I am introducing legislation to provide a permanent authorization for the independent counsel provisions of the Ethics in Government Act of 1978 and to correct some deficiencies in the current law.

Unless reauthorized, the independent counsel provisions of the Ethics Act will expire in January of next year. As my colleagues know, the independent counsel process was established by the Congress in 1978—and reauthorized in 1982—as necessary to ensure that investigations and prosecutions of top-level executive branch officials are conducted fully and fairly. By providing for a judicially appointed independent counsel to handle such cases in limited circumstances, the process established by the Ethics Act helps assure the public that criminal wrongdoing by top-level government officials will not be buried or tolerated, and that top-level officials will not be treated as if they are above the law.

The independent counsel process should not be viewed as an affront to the integrity of any one Department of Justice or administration. Conflict of interest problems are not unique to any one administration or political party. Scandals involving high-ranking government officials date far back into our Nation's history and transcend party lines. I strongly believe that an institutional mechanism, such as the independent counsel law, will always be necessary to guard against inherent conflicts of interest that occur whenever the executive branch is called upon to investigate itself. Not only does such a statutory process enhance public confidence in the handling of prosecutions involving officials, but it also helps the officials themselves who have been cleared by such a process, by removing the suspicion that the official was "let off easy" by his or her own administration.

Because these conflict-of-interest problems will always be with us, legislation is necessary to remove the sunset date now imposed on the independent counsel law and to provide a permanent authorization to this process.

In addition to permanently establishing the independent counsel provisions, my legislation would correct problems in the current law that have come to light since its last reauthorization. In 1982, the Subcommittee on Oversight of Government Management, which I then chaired, conducted an extensive investigation and held several hearings on how well the independent counsel process was working. At that time, we were faced with the problems that the law triggered too easily, that the coverage of officials by the law was too extensive, and that the law at times treated public officials unfairly. Legislation proposed by the subcommittee in 1982 and signed into law corrected those flaws in the law. Now, 5 years later, we are faced with a different set of problems that are addressed in the bill I am introducing today.

First, the law would further specify when the Attorney General is required to conduct a preliminary investigation under the act. While I believe that the current law is sufficiently clear that an Attorney General must conduct a preliminary investigation whenever he receives information sufficient to constitute grounds to investigate that a covered official has engaged in criminal wrongdoing, there are concerns that the Department of Justice has interpreted this standard too broadly, and has conducted extensive inquiries before triggering the law even when the statutory standard has been met. Conducting extensive inquiries outside the context of a preliminary investigation, as defined by the law, can undermine the entire independent counsel process itself, by allowing the Attorney General to exercise too much discretion in deciding when the law must be used and removing accountability of the Attorney General's decision. The legislation I am introducing today would help correct this problem by amending the threshold triggering a preliminary investigation.

This legislation would also clarify an ambiguity in the current law regarding the court's ability to expand the jurisdiction of an existing independent counsel. Under the law, an independent counsel can ask the Attorney General or the court to refer additional matters to him or her for investigation or prosecution. The law does not clearly specify, however, who has final authority to decide whether the jurisdiction can be expanded if the Attorney General decides not to honor the independent counsel's request.

My legislation would establish a mechanism to handle these requests by the independent counsel in a means that would be consistent with the constitutional principle of separation of powers and which would treat such requests for expanded jurisdiction as new allegations triggering the law. The bill specifies that whenever the independent counsel, during the course of his or her ongoing probe, receives information that an additional person or matter not covered in his or her original jurisdiction involves a violation of criminal law, he or she must submit this information to the Attorney General as specific and credible information that requires investigation under the act. The Attorney General would then conduct an expedited preliminary investigation, as prescribed by the law, and report to the court on whether an independent counsel is required for this new allegation. If an independent counsel is recommended by the Attorney General, the court must refer the matter to the independent counsel. If not, the court would have no authority to refer the matter. Checks on abuses by the Attorney General would exist through the fact that these filings can be revealed to the public or the Congress by the court. I believe that this approach will ensure accountability of the Attorney General's decision not to honor the request of an independent counsel while remaining within constitutional limitations.

The bill I am introducing would address other problems that have arisen in the implementation of the law over the past few years, such as the need for mandatory refusal from the preliminary investigation by the Attorney General when the allegation of criminal wrongdoing involves the Attorney General himself or a person with whom he has a personal or financial interest. In such cases, the bill requires the Deputy Attorney General to conduct the preliminary investigation and to file with the court under the act.

Mr. President, the Subcommittee on Oversight of Government Management, chaired by Senator Levin and on which I serve as ranking member, will hold oversight hearings on the independent counsel provisions this Thursday and Friday. These hearings will provide a good opportunity to discuss fully the continued need for the independent counsel process and means by which it can be improved. The legislation we are introducing today proposes some solutions to the problems that have arisen in the implementation of the Ethics Act. I remain open to other means on how to improve the act so that it remains constitutionally sound and is effective in preventing conflicts of interest. I look forward to working with Senator Levin and my colleagues in crafting legislation that reaffirms and strengthens this important law. I ask unanimous consent that the full text of the Independent Counsel Amendments Act of 1987 be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 753

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Independent Counsel Amendment Act of 1987".

SEC. 2. PERMANENT AUTHORIZATION

(a) Elimination of Limited Authorization.—Chapter 39 of title 28, United States Code, is amended by striking out section 598.

(b) Conforming Amendment.—The table of sections for chapter 39 of title 28, United States Code, is amended by striking the item for section 598.

SEC. 3. SUFFICIENCY OF INFORMATION CONSTITUTING GROUNDS TO INVESTIGATE

(a) Section 591(a).—Section 591(a) of title 28, United States Code, is amended by striking "has committed a violation" and inserting "may have committed a violation".

(b) Section 591(c).—Section 591(c) of title 28, United States Code, is amended by striking "has committed a violation" and inserting "may have committed a violation".

(c) Section 592(a)(1).—The first sentence of section 592(a)(1) of title 28, United States Code, is amended by striking "has engaged in conduct" and inserting "may have engaged in conduct".

SEC. 4. PROCEDURES FOR EXPANSION OF INDEPENDENT COUNSEL JURISDICTION

Subsection (e) of section 594 of title 28, United States Code, is amended by—

(1) striking the first sentence;

(2) designating the second and third sentences as paragraph (2); and

(3) inserting before paragraph (2) the following new paragraph:

"(1)(A) If the independent counsel discovers or receives information that an additional person or matter not covered in the prosecutorial jurisdiction of the independent counsel defined by the division of the court under section 593(b) of this title, may involve the violation of law as provided in section 591 of this title, the independent counsel shall submit such information about such additional person or matter to the Attorney General. The Attorney General shall then conduct a preliminary investigation of the new information in accordance with the provisions of section 592 of this title, except that such preliminary investigation shall not exceed 30 days.

"(B) If the Attorney General decides under this paragraph that no independent counsel investigation of the person or the matter is warranted, the court shall have no authority to expand the jurisdiction of the independent counsel. If the Attorney General requests an independent counsel investigation of such person or matter, the court shall expand the jurisdiction of the independent counsel or appoint a new independent counsel. The Attorney General shall notify the court in accordance with section 592 of this title, of any decision made under this paragraph.".

SEC. 5. REIMBURSEMENT OF REASONABLE ATTORNEY'S FEES

Section 593(g) of title 28, United States Code, is amended by striking "attorney's fees" and inserting "reasonable attorney's fees".

SEC. 6. RECUSAL OF THE ATTORNEY GENERAL

Section 592 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(g) Any determinations or applications required to be made under this section by the Attorney General shall be made by the Deputy Attorney General if the information or allegations involve the Attorney General or any person who has a personal or financial relationship with the Attorney General. The Attorney General shall promulgate guidelines for the determination required by this subsection.".

SEC. 7. TECHNICAL AMENDMENTS

(a) An Independent Counsel.—Chapter 39 of title 28, United States Code, including section captions and chapter analysis, is amended by—

(1) striking "a independent counsel" each place it appears and inserting "an independent counsel";

(2) striking "A independent counsel" each place it appears and inserting "An independent counsel";

(3) striking "a independent counsel's" each place it appears and inserting "an independent counsel's"; and

(4) striking "A independent counsel's" each place it appears and inserting "An independent counsel's".

(b) Section 591(c).—Section 591(c) of title 28, United States Code, is amended by striking "constituting a petty offense" and inserting "constituting a Class B or C misdemeanor or an infraction".

(c) Section 593(b).—The third sentence of section 593(b) of title 28, United States

Code, is amended by striking "prosecutor" and inserting "independent counsel".●

● Mr. LEVIN. Mr. President, I am pleased to join my friend and colleague, Senator COHEN, in cosponsoring this bill to reauthorize the independent counsel statute. Senator COHEN serves as the ranking Republican on the Subcommittee on Oversight of Government Management, which I chair and which has jurisdiction over this reauthorization. In fact we will be having 2 days of hearings on the independent counsel statute this Thursday and Friday, March 19 and 20.

I am cosponsoring this bill at this time, as the starting point for discussions on several important provisions that should be addressed. I anticipate that I, with Senator COHEN's cosponsorship, will be introducing a bill, following the hearings and the subcommittee's investigation, in the following weeks which the subcommittee will mark up for reporting to the full Governmental Affairs Committee and the Senate.

Senator COHEN has been a longtime leader on the Ethics in Government Act and the independent counsel provisions in particular. From his service on the House Watergate Committee to his former chairmanship of the Oversight Subcommittee, he has been in the forefront on the issues affecting this statute, and has served as the guardian of independence and ethical conduct in the politically charged criminal investigations and prosecutions which are the subject of this statute. I look forward to working with him as we and our subcommittee members fashion a final reauthorization bill for the independent counsel statute this spring.●

By Mr. DOLE (for himself, Mr. DANFORTH, Mr. DOMENICI, Mr. DURENBERGER, and Mr. CHAFEE):

S. 754. A bill to amend part B of title XVIII of the Social Security Act to provide for catastrophic illness coverage under the Medicare Program, and for other purposes; to the Committee on Finance.

MEDICARE CATASTROPHIC ILLNESS COVERAGE ACT

Mr. DOLE. Mr. President, today I am introducing S. 754, the Medicare Catastrophic Illness Amendments. I introduced my first catastrophic health insurance bill with Senators DANFORTH and DOMENICI in 1979, which was known as the triple D bill. Today, I am pleased to note that we are joined by our distinguished colleagues Senators DURENBERGER and CHAFEE in the introduction of this bill. It is our hope that the bill will help to protect those elderly who are unfortunate enough to suffer the financial burden and devastation that frequently accompanies major, unexpected illness or trauma.

The administration's bill which I introduced on February 26, 1987, reflected much of the work we did in 1979, and was certainly a step in the right direction. The bill we are introducing today modifies and adds to this proposal by dealing with some additional concerns of the elderly. However, I should note at the outset that the bill does not attempt to address, the problem with the financing of long-term care. We hope to be able to address this issue in the months ahead.

OVERVIEW

Our proposal establishes an $1,800 out-of-pocket limit for Medicare covered expenses and a limit of one hospital deductible in any year. In the future there will be no copayments for inpatient hospital services or skilled nursing facility care and the lifetime limit on inpatient hospital days will be eliminated.

A difference between the administration's bill and ours is that we modify the home health care benefit to permit up to 21 days of continuous care. This removes the uncertainty being experienced by some because of the debate over the definition of intermittent.

Let me note that it is not our intention to change the acute care nature of the home health benefit. We believe, however, that given the increasing acuity of patients being served in this setting, adjustments should be made that permit some needed flexibility. While our proposal in this area is a rather simplistic and modest attempt to address a complicated problem, it is the hope of this Senator that we can over time, come to some better understanding of what additional changes might be necessary so that appropriate and cost effective use of home care can be encouraged.

In addition to this change we also propose to eliminate the current Medicare deductible required for the first two units of blood.

DRUG BENEFIT

We took a hard look at a drug benefit as it is clear that a large portion of the out-of-pocket costs incurred by the elderly can be the expenses generated by the purchase of necessary prescription medications. As my colleagues are well aware, there are many illnesses, both acute and chronic, that require long-term drug therapy. Over time this can be an enormous drain on an individual's resources. Under current law the only outpatient drugs which we finance are the immunosuppressant drugs used by transplant patients.

However, while we understand and appreciate that the purchase of drugs contribute to high out-of-pocket costs, it is doubtful that the Medicare trust fund could or that it should support the direct cost of these expenditures. There might also be some difficulty in preparing a specific list of drugs that are used by the chronically ill—or that are so costly as to be a burden.

Therefore, we have directed that the Secretary of Health and Human Services to request the institute of medicine to perform a study to determine which drugs used by the elderly, that are available by prescription only, might appropriately be included in a list of drugs the purchase cost of which would count toward an individual's out-of-pocket expenditure limit. We have requested this study to be reported back in 12 months.

So while we are unable to foresee the ability to finance drugs directly, except in very limited circumstances like those surrounding the decision to pay for immunosuppressant drugs, we do recognize that in measuring whether a person has incurred catastrophic costs, drug costs should be acknowledged.

FINANCING

As the administration has suggested, the program improvements proposed will be financed by an increase in the part B premium. Given the way the premium is calculated, one important provision in our bill is language that will insure that an increase in the premium in future years will never result in a reduction in someone's Social Security check.

The Congressional Budget Office has informed us that the President's proposal would cost approximately $6.40 per month instead of the reported $4.92 estimate. CBO advises us that if the $6.40 per month figure is used as a reliable base, then this bill would result in a monthly premium of approximately $8.70.

THE FUTURE

While we acknowledge this proposal's focus is clearly on those over the age of 65, we wish to make it clear that this is only the first step in addressing the need for protection against the costs of a catastrophic illness. We will continue to fully explore the options for financing long-term care services for the elderly and acute and long-term care services for those under age 65. Because of changing demographics, financing of long-term care services is a particular concern.

While I have no desire to undo the efforts of the 99th Congress to reduce the deficit and to restrain expenditures, we cannot ignore the need for additional legislation which addresses this very important issue.

However, we must keep in mind that the financing of these services are not just the task of Government, but also include the private sector. At present, private insurance and Medicare together do not cover even 10 percent of the cost of nursing home care. Some have suggested the creation of long-term care IRA's or some other method which encourages individuals to anticipate their financial needs. I would also hope to see some interest by the private insurance industry in making long-term care insurance available for purchase.

Finally, as I noted earlier, there are a great many uninsured or underinsured individuals in the United States today. Many do not have insurance available at a cost they can afford because of a prior or preexisting medical condition. Others have difficulty obtaining coverage because their employers do not offer coverage at a group rate and individual coverage is too costly. Still others have no job, cannot afford private coverage at the present time, and do not qualify for Medicaid.

Our 1979 bill proposed that a series of mandates be placed on employers, that residual pools be established, and that the Medicaid Program be expanded. Given our current fiscal crisis it is not clear what makes sense today. Although the solution to these gaps in coverage are not obvious or easy, be assured we will continue to search for answers.

CONCLUSION

The Senator from Kansas believes that as a result of the leadership taken by the President on the issue of catastrophic health insurance for those who qualify for Medicare, we may well find that a consensus can be achieved in this area this year and I look forward to working with my colleagues in this important endeavor. I further hope that some of the other areas I have mentioned can also be addressed by the Congress. I think all would agree that no one should be faced with the fear of povertization as a result of an illness.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 754

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT.

(a) Short Title.—This Act may be cited as the "Medicare Catastrophic Illness Coverage Act of 1987".

(b) Amendments to the Social Security Act.—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Social Security Act.

SEC. 2. CATASTROPHIC ILLNESS BENEFITS.

(a) Scope of Benefits.—Section 1832(a) (42 U.S.C. 1395k(a)) is amended—

(1) by striking "and" at the end of paragraph (1),

(2) by striking the period at the end of paragraph (2) and inserting in lieu thereof "; and", and

(3) by adding at the end the following:

"(3) entitlement to have payment made—

"(A) on his behalf for—

"(i) inpatient hospital services furnished to him during a spell of illness for days for which payment may not be made under part A by reason of the limitation imposed by subsections (a)(1) and (b)(1) of section 1812,

"(ii) the second and any subsequent inpatient hospital deductible imposed pursuant to the first sentence of section 1813(a)(1) for inpatient hospital services furnished to him for days occurring during the same calendar year,

"(iii) the coinsurance amounts imposed pursuant to the second sentence of section 1813(a)(1) for inpatient hospital services furnished to him,

"(iv) the deduction imposed pursuant to section 1813(a)(2) for whole blood (or equivalent quantities of packed red blood cells) furnished to him as a part of inpatient hospital services, and

"(v) the coinsurance amounts imposed pursuant to section 1813(a)(3) (or section 1861(y)(3)) for post-hospital extended care services furnished to him for which payment may be made under part A; and

"(B) to him or on his behalf (subject to the provisions of this part) for any beneficiary cost sharing amounts (as defined in section 1861(ff)(1)) incurred by him during a calendar year after his out-of-pocket medical expenses (as defined in section 1861(ff)(2)) for that year exceed the medical expense limitation for that year (as determined under subsection (m)).".

(b) Payment of Benefits.—

(1) Section 1833(a) (42 U.S.C. 1395l(a)) is amended—

(A) by striking "and" at the end of paragraph (3),

(B) by striking the period at the end of paragraph (4) and inserting in lieu thereof "; and", and

(C) by adding at the end the following:

"(5) in the case of—

"(A) inpatient hospital services described in clause (i) of section 1832(a)(3)(A), 100 percent of the amount that would be payable with respect to such services under part A if such services were furnished after the first day of a spell of illness and before the sixty-first day of such spell,

"(B) a deductible, coinsurance amount, or deduction described in clause (ii), (iii), (iv), or (v) of section 1832(a)(3)(A), 100 percent of the amount of the deductible, coinsurance amount, or deduction, and

"(C) beneficiary cost sharing amounts described in section 1832(a)(3)(B), 100 percent of such amounts.".

(2) Section 1833(b) is amended—

(A) in the first sentence—

(i) by striking "and" at the end of clause (3), and

(ii) by inserting before the period the following: ", (5) such deductible shall be included in beneficiary cost sharing amounts, and (6) such deductible shall not apply with respect to the benefits described in section 1832(a)(3)", and

(B) by striking the second sentence.

(3) Section 1833(d) (42 U.S.C. 1395l(d)) is amended by inserting "(except as provided by subsection (a)(5))" before the period.

(4) Section 1833 (42 U.S.C. 1395l) is amended by inserting after subsection (e) the following new subsection:

"(f) In applying subsection (a)(5)(C) in the case of an organization receiving payment under clause (A) of subsection (a)(1) or under a reasonable cost reimbursement contract under section 1876 or in the case of a renal dialysis facility —

"(1) the Secretary shall provide for an appropriate adjustment in the payment amounts otherwise made to reflect, in the aggregate, the aggregate increase in payments that would otherwise be made with respect to enrollees in the organization if payments were made other than under such clause or such a contract or with respect to individuals furnished services through the facility if payments were to be made on an individual-by-individual basis, and

"(2) the organization or facility shall provide assurances satisfactory to the Secretary that the organization or facility will not undertake to charge an individual during a year for which payments may be made under this part after the individual has incurred (whether through the organization or facility or otherwise) out-of-pocket medical expenses (as defined in section 1861(ff)(2)) for that year in an amount equal to the medical expense limitation determined under subsection (m) for that year.".

(c) Establishment of Ceiling.—

(1) Section 1833 (42 U.S.C. 1395l) is further amended by adding at the end the following:

"(m) The Secretary shall, during September of 1988 and of each year thereafter, determine and promulgate the medical expense limitation (as defined in section 1861(ff)(3)) for the succeeding calendar year.".

(2) Section 1861 (42 U.S.C. 1395x) is amended by adding at the end thereof the following:

"(ff)(1) The term 'beneficiary cost sharing amounts' means the amounts of expenses that an individual who is covered under the insurance program established by part B incurs that are—

"(A) amounts specified in the first two sentences of section 1866(a)(2)(A) (excluding those amounts for which payment may be made under section 1833(a)(5)(B)), and in the case of an individual who is not also covered under the insurance program established by part A, including only those amounts for items and services covered under part B), and

"(B) amounts equal to the differences between the total amounts that constitute payment in full under part B when a physician or other entity that is not a provider of services accepts (or would accept) assignment (or otherwise agrees to accept a specified amount) and the amounts payable from the Federal Supplementary Medical Insurance Trust Fund for those items and services (other than under section 1833(a)(5)(C)).

"(2) The term 'out-of-pocket medical expenses' means the amounts expended by an individual who is covered under the insurance program established under part B that are—

"(A) beneficiary cost sharing amounts, and

"(B) amounts expended by an individual described in subsection (s)(2)(J) for immunosuppressive drugs furnished after the 1-year period specified in such subsection (in amounts not to exceed the reasonable charges for such drugs).

"(3) The term 'medical expense limitation' means—

"(A) for 1988, $1800, and

"(B) for 1989 and later years, $1800 increased (or decreased) by the percentage increase (or decrease) in the Consumer Price Index (as prepared by the Department of Labor) for the first quarter of the preceding year over that component for the first quarter of 1987 (but, if not a multiple of $10, rounded to the nearest multiple, or, if midway between two multiples, rounded to the next higher).".

(3) Section 1866(a)(2)(A) (42 U.S.C. 1395cc(a)(2)(A)) is amended by adding at the end the following: "A provider of services may not impose a charge under this subparagraph to the extent payment is made to the provider of services under section 1833(a)(5).".

SEC. 3. INCREASE IN SUPPLEMENTARY MEDICAL INSURANCE PREMIUM.

(a) In General.—Section 1839(a) (42 U.S.C. 1395r(a)) is amended—

(1) in paragraph (1) by striking all after "(a)(1)" and inserting in lieu thereof the following: "(A) The Secretary shall, during September of 1987 and of each year thereafter, determine the monthly actuarial basic rate and the monthly actuarial catastrophic illness rate for enrollees age 65 and over which shall be applicable for the succeeding calendar year.

"(B) The monthly actuarial basic rate determined under this paragraph for a calendar year shall be the amount the Secretary estimates to be necessary so that the aggregate amount for the calendar year with respect to those enrollees age 65 and over will equal one-half of the total of the benefits and administrative costs which he estimates will be payable from the Federal Supplementary Medical Insurance Trust Fund for services performed and related administrative costs incurred in such calendar year with respect to such enrollees (excluding benefits payable under section 1833(a)(5)).

"(C) The monthly actuarial catastrophic illness rate determined under this paragraph for a calendar year shall be equal to the sum of—

"(i) the amount the Secretary estimates to be necessary so that the aggregate amount for the calendar year with respect to those enrollees age 65 and over will equal the total of the benefits and administrative costs which he estimates will be payable from the Federal Supplementary Medical Insurance Trust Fund for services performed and related administrative services costs incurred in such calendar year with respect to such enrollees under section 1833(a)(5), and

"(ii) the amount (if any) that the Secretary estimates to be necessary to offset any amounts—

"(I) by which the monthly premiums otherwise payable under this section with respect to such enrollees for such calendar year (disregarding subsections (b) and (f)) are reduced by reason of the limitation imposed by subsection (f), and

"(II) that are attributable (as determined by the Secretary) to the portion of such monthly premiums that is determined under paragraph (3)(A).

"(D) In calculating the monthly actuarial rates under this paragraph, the Secretary shall include appropriate amounts for a contingency margin.",

(2) in paragraph (2) by striking "1983" and inserting in lieu thereof "1987",

(3) in paragraph (3)—

(A) by striking "1983" in the first sentence and inserting in lieu thereof "1987", and

(B) by striking the second sentence and inserting in lieu thereof the following: "The monthly premium shall (except as otherwise provided in subsection (e)) be equal to the sum of—

"(A) a weighted average of the monthly actuarial catastrophic illness rate for enrollees age 65 and over, determined under paragraph (1) of this subsection, and that rate for disabled enrollees under age 65, determined under paragraph (4) of this subsection, for that calendar year, and

"(B) the smaller of—

"(i) the monthly actuarial basic rate for enrollees age 65 and over, determined according to paragraph (1) of this subsection, for that calendar year, or

"(ii) the monthly payment rate most recently promulgated by the Secretary under this paragraph, increased by a percentage determined as follows: The Secretary shall ascertain the primary insurance amount computed under section 215(a)(1), based upon average indexed monthly earnings of $900, that applied to individuals who became eligible for and entitled to old-age insurance benefits on November 1 of the year before the year of the promulgation. He shall increase the monthly premium rate by the same percentage by which that primary insurance amount is increased when, by reason of the law in effect at the time the promulgation is made, it is so computed to apply to those individuals for the following November 1.", and

(C) by striking "amount of an adequate actuarial rate for enrollees age 65 and over as provided in paragraph (1)" in the third sentence and inserting in lieu thereof "amounts of adequate actuarial rates for enrollees as provided in paragraphs (1) and (4)", and

(4) by striking paragraph (4) and inserting in lieu thereof the following:

"(4)(A) The Secretary shall also, during September of 1987 and of each year thereafter, determine the monthly actuarial basic rate and the monthly actuarial catastrophic illness rate for disabled enrollees under age 65 which shall be applicable for the succeeding calendar year.

"(B) The monthly actuarial basic rate determined under this paragraph for a calendar year shall be the amount the Secretary estimates to be necessary so that the aggregate amount for the calendar year with respect to disabled enrollees under age 65 will equal one-half of the total of the benefits and administrative costs which he estimates will be payable from the Federal Supplementary Medical Insurance Trust Fund for services performed and related administrative costs incurred in such calendar year with respect to such enrollees (excluding benefits payable under section 1833(a)(5)).

"(C) The monthly actuarial catastrophic illness rate determined under this paragraph for a calendar year shall be equal to the sum of—

"(i) the amount the Secretary estimates to be necessary so that the aggregate amount for the calendar year with respect to disabled enrollees under age 65 will equal the total of the benefits and administrative costs which he estimates will be payable from the Federal Supplementary Medical Insurance Trust Fund for services performed and related administrative services costs incurred in such calendar year with respect to such enrollees under section 1833(a)(5), and

"(ii) the amount (if any) that the Secretary estimates to be necessary to offset any amounts—

"(I) by which the monthly premiums otherwise payable under this section with respect to such enrollees for such calendar year (disregarding subsections (b) and (f)) are reduced by reason of the limitation imposed by subsection (f), and

"(II) that are attributable to the portion of such monthly premiums that is determined under paragraph (3)(A) (as determined by the Secretary).

"(D) In calculating the monthly actuarial rates under this paragraph, the Secretary shall include appropriate amounts for a contingency margin.".

(b) Conforming Changes.—

(1) Section 1839(e)(1) (42 U.S.C. 1395r(e)(1)) is amended—

(A) by striking "monthly premium" and inserting in lieu thereof "portion of the monthly premium otherwise determined under subsection (a)(3)(B)", and

(B) by inserting "basic" after "actuarial".

(2) Section 1839(f)(1) (42 U.S.C. 1395r(f)(1)) is amended by striking "1985, 1986, or 1987" and inserting in lieu thereof "1987".

(3) Section 1839(f)(2) (42 U.S.C. 1395r(f)(2)) is amended by striking "1986, 1987, or" in the matter preceding subparagraph (A).

(4) Subsections (a)(1)(A)(i) and (a)(1)(B)(i) of section 1844 (42 U.S.C. 1395w) are each amended by striking "twice the dollar amount of the actuarially adequate rate" and inserting in lieu thereof "the sum of the dollar amount of the actuarially adequate catastrophic illness rate and twice the dollar amount of the actuarially adequate basic rate".

(5) Section 1876(a)(5) (42 U.S.C. 1395mm(a)(5)) is amended—

(A) in the matter preceding subparagraph (A), by striking "200 percent of", and

(B) in subparagraphs (A)(ii) and (B)(ii), by striking "monthly actuarial rate" and inserting in lieu thereof "the sum of the monthly actuarial catastrophic illness rate and twice the monthly actuarial basic rate".

SEC. 4. MEDICARE COVERAGE OF HOME HEALTH SERVICES ON A DAILY BASIS.

(a) In General.—Section 1861(m) (42 U.S.C. 1395x(m)) is amended by adding at the end the following new sentence: "For purposes of paragraphs (1) and (4), nursing care and home health aide services may be provided under such paragraphs on a daily basis (with one or more visits per day) for a period of up to 21 days with a physician's certification of the need for such care and services on such a basis.".

(b) Effective Date.—The amendment made by subsection (a) shall apply to services furnished on or after October 1, 1987.

SEC. 5. STUDY OF INCLUSION OF ADDITIONAL PRESCRIPTION DRUGS IN "OUT-OF-POCKET MEDICAL EXPENSES".

(a) Study Required.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall request the National Academy of Sciences, acting through the Institute of Medicine (in this section referred to as the "Academy" and the "Institute", respectively), to enter into a contract under which the Institute, in consultation with representatives of appropriate research and health-care organizations, will conduct a study to identify additional drugs, available by prescription only, the expenditures for which might appropriately be treated as out-of-pocket medical expenses for purposes of sections 1832(a)(3)(B) and 1861(ff)(2) of the Social Security Act (as added by section 2 of this Act).

(b) Study Expenses.—The Secretary shall enter into appropriate arrangements with the Academy under which the Secretary shall be responsible for expenses incurred by the Academy in connection with the study required by subsection (a).

(c) Reports.—

(1) Not later than six months after the date of the enactment of this Act, the Institute shall submit to the Secretary and the

appropriate committees of the Congress an interim report with respect to the study required by subsection (a). The report shall describe the manner in which the study is being conducted and may include tentative findings and recommendations based upon the study.

(2) Not later than twelve months after the date of the enactment of this Act, the Institute shall submit to the Secretary and the appropriate committees of the Congress a final report with respect to the study required by subsection (a). The report shall include specific findings and recommendations based upon the study.

SEC. 6. MODEL STANDARDS FOR MEDICARE SUPPLEMENTAL HEALTH INSURANCE POLICIES.

Section 1882 (42 U.S.C. 1395ss) is amended—

(1) in subsection (a) by striking "Such certification" and inserting in lieu thereof "Subject to subsection (k)(3), such certification",

(2) in subsection (b) by striking "(for so long as" and inserting in lieu thereof "(subject to subsection (k)(3), for so long as", and

(3) by adding at the end thereof the following new subsection:

"(k)(1)(A) If, within the period specified in subparagraph (B), the National Association of Insurance Commissioners (in this subsection referred to as the 'Association') amends the NAIC Model Regulation adopted on June 6, 1979 (as it relates to medicare supplemental policies) to reflect the changes in law made by the Medicare Catastrophic Illness Coverage Act of 1987, subsection (g)(2)(A) shall be applied, effective on and after the date specified in subparagraph (C), as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the Model Regulation as amended by the Association in accordance with this paragraph (in this subsection referred to as the 'amended NAIC Model Regulation').

"(B) The period specified in this subparagraph is the the period beginning on the date of the enactment of the Medicare Catastrophic Illness Coverage Act of 1987 and ending on the ninetieth day after such date.

"(C) The date specified in this subparagraph is the date that is 365 days after the date (within the period specified in subparagraph (B)) on which the National Association of Insurance Commissioners announces the adoption of the amendments referred to in subparagraph (A).

"(2)(A) If the Association does not amend the NAIC Model Regulation referred to in subsection (g)(2)(A) during the period specified in paragraph (1)(B), the Secretary shall issue Federal model standards (in this subsection referred to as 'Federal model standards') for medicare supplemental policies not later than 90 days after the last day of such period. Federal model standards issued by the Secretary pursuant to this subparagraph shall reflect the changes in law made by the Medicare Catastrophic Illness Coverage Act of 1987.

"(B) Effective on and after the date that is 365 days after the date on which the Secretary issues Federal model standards pursuant to subparagraph (A), this section shall be applied as if any reference to NAIC Model Standards were a reference to the Federal model standards.

"(3) Notwithstanding any other provision of this section, on and after the date specified in paragraph (1)(C) or the date specified in paragraph (2)(B) (as the case may be)—

"(A) no medicare supplemental policy may be certified by the Secretary pursuant to subsection (a),

"(B) no certification made pursuant to subsection (a) shall remain in effect, and

"(C) no State regulatory program shall be found to meet (or to continue to meet) the requirements of subsection (b)(1),

unless such policy meets (or such program provides for the application of standards equal to or more stringent than) the standards set forth in the amended NAIC Model Regulation or the Federal model standards (as the case may be).".

SEC. 7. SPELL OF ILLNESS.

(a) In General.—Section 1861(a)) (42 U.S.C. 1395x(a)) is amended by adding at the end the following: "An individual may not be treated as an inpatient of a skilled nursing facility, for purposes of paragraph (2), for any day on which the individual is an inpatient of such a facility but does not require the degree of care and treatment that a skilled nursing facility is designed to provide.".

(b) Application.—The amendment made by subsection (a) shall apply to spell of illness determinations made on or after January 1, 1988.

SEC. 8. EFFECTIVE DATE.

Except as otherwise provided in this Act (or in the amendments made by this Act), this Act (and the amendments made by this Act) shall apply to items and services furnished after, and premiums for months after, 1987.

● Mr. DANFORTH. Mr. President, I am pleased to join my colleagues in offering what I believe is a solution to one part of the catastrophic problem by expanding Medicare to provide acute care protection for our Nation's 30 million elderly. Although the percentage of Americans stricken with a lingering, incapacitating illness is small, the impact on those people and their families is nothing short of devastating. The impact is devastating—both emotionally and financially. Though there is very little the Government can do to relieve the emotional strain. The Government can and must provide some measure of relief against the financial strain of a prolonged illness or disease. We should provide affordable health insurance protection so that victims of a catastrophic illness won't have to impoverish themselves and their families to pay the medical bills.

My interest in the issue goes back some time. As I traveled around my State of Missouri and the country since I began public life, I have had the opportunity to talk to many people. Many elderly Missourians and elderly Americans are worried that their nest eggs will be gobbled up by the expenses of an acute prolonged illness such as cancer or stroke. They are also worried that such an illness will impoverish their families. What is even more troubling is that many of our elderly—about 80 percent according to a study by the AARP—mistakenly believe that they have insurance protection either through Medicare or private insurance. The reality is that most do not. This realization typically comes too late to make appropriate financial plans.

Because of my concern for these people, I joined with Senators Dole and Domenici in introducing a catastrophic health insurance bill back in 1979. That bill was truly comprehensive and would have provided catastrophic protection for the elderly and nonelderly. While the legislation was not passed at that time, the debate began then. The issue has now ripened, and I believe that a catastrophic insurance package for the Medicare population, with the President's strong leadership, will become law this year.

The Department of Health and Human Services' study of catastrophic illness that was directed by President Reagan identifies three components to the catastrophic illness problem. The first component involves catastrophic expenses associated with acute or hospital care for the elderly. The second involves catastrophic expenses associated with chronic or long-term care for the elderly. The third component involves catastrophic expenses that the nonelderly population face because of inadequate private health insurance.

The bill that I, along with Senators Dole and Domenici, proposed nearly 8 years ago was very ambitious in that it attempted to address all three components of the problem with one comprehensive bill. While that was good because it stimulated thought and debate on the issue, it was too much to swallow at once. What we are proposing today—which is modeled after one part of the legislation offered back in 1979—can, I believe, become law this year.

The bill that we are offering today makes affordable acute care catastrophic insurance available to the elderly. It will provide the 30 million elderly Americans with a measure of security. They will have the peace of mind of knowing that for a nominal increase in their Medicare part B premium, their out-of-pocket expenses associated with a long-hospital stay will be covered by Medicare. The bill also makes changes in Medicare to ensure that out-of-pocket hospital expenses never reach catastrophic levels. Currently, many elderly with severe illnesses must be readmitted to the hospital for treatment within a year. Now, they must pay an out-of-pocket deductible of $520 for each admission. This bill limits the deductible to one per year.

The bill recognizes that the expenses of certain prescription drugs can reach catastrophic levels. The Federal Government already pays for the first year of immunosuppressive drugs for renal patients. This bill will allow the costs of immunosuppressives for the second year to count toward the cap. We do not yet have adequate information with respect to what drugs other than immunosuppressives represent a catastrophic expenditure. We, therefore, direct the Institute of Medicine to study this question and make recommendations to us. There are other provisions that will provide beneficiaries with prolonged illness with a greater measure of protection.

Some people around here seem to have forgotten about our Nation's deficit. I cannot accept that the deficit will magically go away and believe that anything we do in this area should not substantially increase the Federal deficit. The strength of this proposal is that it will not increase the deficit because the additional benefits under Medicare are financed by an actuarily sound yet nominal monthly premium.

There is a pressing need to address the problem of prolonged chronic illness such as Alzheimer's disease [ALS], commonly known as Lou Gehrig's disease. The costs of long-term care for these people is indeed devastating. For chronically ill people who must enter a nursing home, the average annual cost is about $22,000, which can easily wipe out the lifetime savings of most of our elderly. There is very little protection by the Government or the private sector for this kind of catastrophic care. We must resolve to address this more awesome component of the problem in this Congress. I believe that this acute catastrophic bill will play an important role in beginning this process by stimulating the private insurance industry to create and design affordable plans to cover chronic long-term care. I understand that Blue Cross of Washington and Alaska has begun marketing an affordable and viable long-term plan called "Lasting Care." Other health insurers should test and market such plans.

While this bill does not solve all components of the catastrophic problem at once, it is a good start and is achievable in this Congress. I hope my colleagues will study this proposal and give it their support.●

● Mr. DURENBERGER. Mr. President, I am pleased to join my colleagues in introducing this important bill which represents another stepdown the road to protecting the elderly and the disabled, especially patients with kidney failure, from devastating acute health care costs. As former chairman of the Senate Finance Committee's Health Subcommittee and now ranking minority member, I have been struck by the number of revolutionary changes Congress has made in the financing and organization of the health system. But I am deeply concerned about how many problems remain. One of those—the lack of coverage for catastrophic illness under Medicare for the elderly and the disabled—affects a small number of people in any given year. But for those individuals and their families, catastrophic illness and the high out-of-pocket costs often cause personal and family crises at the very time they most need help, not more worries. I know how terrible this can be because I hear about the pain and frustrations from constituents in Minnesota.

But unlike some health financing policy problems where the definition of the problem and the range of sensible solutions are less clear, I am convinced this is a problem that is too manageable for a great nation to leave unsolved. Further, this acute care catastrophic protection will relieve the fears at least of a long hospitalization for all 33-plus million Medicare beneficiaries.

In the past few weeks, there has been a flurry of activity around the President's proposal for filling in a narrow gap in Medicare's benefits, a bill which Senator DOLE, I, and others introduced as well. That bill has some good elements and we're glad to build on some of their concepts. But most significantly, the President and Dr. Bowen have shown leadership and kept the ball rolling and we welcome their involvement.

Congress has shown interest in these issues for years. In that area, I have been in the company of Senate leaders such as Senators BOB DOLE, LLOYD BENTSEN, PETE DOMENICI, JOHN DANFORTH, and JOHN CHAFEE in supporting different proposals to provide catastrophic illness coverage for a number of years. We may not all yet agree on the details of the solution, but there is broad bipartisan interest in solving this problem. I am proud to be a part of these activities and this most recent bill, which has some new key elements, such as allowing the costs of immunosuppressive drugs after the first year to be counted under the catastrophic cap.

This additional coverage through Medicare will not eliminate the market for medigap for those who want coverage for all of the copayments and deductibles, and other uncovered services but it will protect people from the most frightening eventuality under acute care—a financially devastating hospitalization. When we've filled this small gap, we can move on to other health financing problems, such as long-term care and catastrophic protection for everyone.●

● Mr. CHAFEE. Mr. President, I am pleased to be a sponsor of this legislation. However, I also wish to make it clear that the legislation we are introducing today is simply a first step toward addressing the problem of catastrophic health care expenses. In fact, it is a very small first step.

This legislation would place a cap on the amount of out-of-pocket expenses that the elderly are responsible for under the Medicare Program. Once a beneficiary reaches that cap amount, he or she will not longer be responsible for additional expenditures. In addition, the legislation will limit the number of first day deductibles in the hospital to every calendar year and will eliminate hospital and skilled nursing facility copayments.

These changes are needed, however they fall short of providing comprehensive protection for individuals facing catastrophic health care expenses.

This proposal does not address the cost of long-term care services, prescription drugs or balance billing by physicians. Nor does it address the need for an enhancement of the benefits currently available through the Medicare Program. Just as important, the proposal does not address individuals and families under the age of 65 who face catastrophic health care expenses.

I have cosponsored this legislation because it is an important starting point for the debate on catastrophic health care expenses. I am willing to work with others to expand the benefits and to consider methods other than a premium to finance them.

As the debate on this issue progresses, I believe we must develop a guiding definition of a catastrophic illness expense. In my opinion, any health-related crisis which has the potential of forcing an individual or family into or near poverty is catastrophic.

While it is true that between 3 and 4 percent of Medicare beneficiaries face out-of-pocket expenses of over $2,000 each year, about 5 percent of all elderly individuals are in nursing homes at any one point in time and the lifetime risk of entering a nursing home is about 20 percent. The average cost of 1 year in a nursing home is approximately $22,000.

For most of the elderly, the risk of needing long-term care and entering a nursing home is their most paralyzing fear. They have good reason to be concerned. One-half of all nursing home payments are out-of-pocket expenditures by the elderly and almost all the rest are paid by the Medicaid Program. Approximately one-half of all Medicaid recipients in nursing homes were not initially poor, but spent their income and resources on long-term care before becoming eligible for Medicaid.

No elderly individual or couple should be forced into poverty before assistance will be provided for long-term care for a chronic illness or debilitating condition like Alzheimer's disease.

I am working on proposals which will address the two most important health-related problems the elderly face today: the need for posthospital care, and most critical, the need for a variety of long-term care services.

We must also remember that the need for protection from catastrophic illness is not limited to the elderly. Those under 65 are also at risk, and the needs of younger families and children with chronic illnesses or disabilities must be addressed.

In the near future I will be introducing legislation to address the needs of these individuals through allowing them to purchase Medicaid protection. I have requested information on the cost of this approach from the Congressional Budget Office and will introduce this legislation when the cost estimate is available.

We have our work cut out for us in the Senate this year if we are to solve even a fraction of the catastrophic illness problem. The issues are broad and complicated, and real solutions may be expensive. I look forward to working with my colleagues this year to resolve these troubling problems.●

By Mr. BOSCHWITZ:

S. 755. A bill to amend the Agricultural Act of 1949 to suspend the minimum planting requirement for the 1987 crop of certain agricultural commodities, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

ELIMINATION OF MINIMUM PLANTING REQUIREMENT FOR CERTAIN 1987 CROPS

● Mr. BOSCHWITZ. Mr. President, today I am introducing legislation popularly known as 0-92 for the 1987 crops of wheat, freegrain, and rice.

This legislation will give farmers an additional option when making their planting decisions. Simply stated, producers would no longer be forced to plant crops that may be in surplus just to receive their income support payments.

Farmers often ask me why they are forced to plant crops which the taxpayer then has to, in many cases, purchase and/or pay storage and interest on. I have not had a good answer to that question.

My 0-92 legislation makes sense for farmers and makes sense for taxpayers. Farmers who have high costs of production and/or low yield could simply take their income support payments while trying to reorganize their affairs.

It makes sense for taxpayers because 0-92 could save $200 to $400 million. However, every day we delay, our dollar savings decline. This is because producers are rapidly approaching planting time and in some southern states have already begun planting.

The immediacy of the situation means that we must use whatever vehicle comes before the Senate to move 0-92 for the 1987 crops. Failure to do so means that farmers who would benefit from 0-92 as well as taxpayer lose out.

This legislation has been called farm program "decoupling" by some. It is not.

In 1985 when Senator BOREN and I introduced the Boschwitz-Boren farm bill, our plan was now known as decoupling per se. Since that time, decoupling has become the buzzword for our concepts. It has also become the buzzword for some other ideas that are really decoupling in the true sense.

As originally envisioned in the Boschwitz-Boren farm bill of 1985, decoupling means that we fundamentally change agricultural policy. No longer would farmers have any of their planting decisions made by the Government. Total decoupling would mean that farmers would produce crops solely according to market signals while still receiving income support from the Government.

Several conditions must be met before the planting decision becomes neutral.

First. The income support payments—transition payments—must be made relative to a historic measure of base and yield or some other fair standard. New farms created by clearing land or splitting up farms to avoid a payment limit would not be able to receive payments.

Second. The payment must be independent of what is planted in the current year. The farmer can grow whatever he wants—or nothing at all—and still get his or her payments.

Third. The amount of the payment must be known in advance so that the farmer can make plans. It cannot be, for instance, like a deficiency payment which gets smaller as the market price rises above the loan rate. If the payment is not reduced, the farmer will benefit from the "upside of the market" as the price rises above the loan rate.

Fourth. The loan rates must be low enough so that they have no influence on planting decisions. This means they must be set near the variable cost of production. The market price and the production capabilities of each farm should be the only factors which dictate the decision of what to plant.

Fifth. There must be no acreage reduction requirements as a condition for getting the payments. Currently, various crops have acreage reduction requirements ranging from 0-35 percent. Therefore, planting decisions are skewed toward the crop with the lowest set-aside.

If these conditions are met, it would be straightforward and justifiable to phase down—and perhaps eliminate—the Government's involvement in agriculture. The income support payments could be reduced on a set schedule over a period of time. The payments would be predictable to the farmer so he could plan his operations with certainty. They would also be predictable from the standpoint of the taxpayer because the Government's cost would decline year to year. The overall effect from decoupling the income support in this way would be to eliminate the production incentive that currently comes from Government programs. What I have just described is a "pure" decoupling.

The administration has also come forth with what is known as 0-92 option. Under this option producers would not be forced to plant just so they can get their loans and deficiency payments regardless of whether or not it makes sense for them to plant. Tuesday I had a Minnesota farmer call my office in support of 0-92. He said that last spring farmers were axle deep in mud just trying to run the planter across the field in order to get program benefits. It made absolutely no sense for them to be in the field. This is a disaster case, but other farmers who have been in to see me the past few weeks are supporting 0-92 because their variable costs of production are high and they would be better off to take the deficiency payments and put their land to conserving uses.

Originally, I did not support the administration's 0-92 proposal because I did not believe it went far enough. It decoupled planting from payments, but did not make transition payments or allow producers to plant whatever crop made sense. It also maintained land diversion programs.

However, I have notified Senators on the Agriculture Committee that I intend to modify the administration's proposal so that it more closely resembles true decoupling. Of course I know we cannot obtain complete decoupling in 1987, but we can at least move in that direction.

I understand the reluctance on the part of Members of Congress to make major changes in the farm bill. In fact, earlier this year I wrote a "Dear Colleague" urging Senators to "stay the course" with the 1985 farm bill. There was absolutely no sense in talking about a rewrite before the bill even had a chance to take effect. Though farmers may not have liked the 1985 farm bill when it was signed, they were also sick and tired of trying to second guess what Congress might do with the programs.

Now, a year later, I am surprised by how many farm group representatives tell me that we ought to leave the 1985 farm bill alone. They reckon that the farm bill is not so bad after all. I generally agree—but that does not mean we should stop talking about farm policy or that we should refrain from making some improvements within the framework of the 1985 bill.

I see a modified 0-92 not as some kind of farm bill rewrite, but as an improvement on a fairly minor section of the 1985 legislation called 50-92.

I have talked to several farm group leaders who are scared by 0-92. Many of these concerns are legitimate and should be taken into consideration. My 0-92 option would take care of most of these problems. Let me explain.

The major fears as I see them are as follows:

First. Producers would not have a guaranteed payment and therefore would risk having those payments reduced if market prices rise.

My proposal would take care of this by guaranteeing the payment based on USDA's estimated deficiency payment at the time of signup. Producers would know their return when they sign up.

Second. Tenants might be discriminated against by landlords who want to enter the program.

My proposal would require the Department to use the same tenant protection provisions that have been used successfully in the past for such programs as the 1983 PIK program and current farm programs.

Third. Producers of nonprogram crops, including cattle, would be put at a disadvantage if 0-92 farmers were allowed to plant any crop they wanted.

Although I believe we ought to work toward free planting in the future, I realize that minor crops could face difficulty if large acreages were opened up to compete against them. For that reason, my proposal would require that producers put 0-92 land to conservation uses only.

As far as cattle producers are concerned, I realize that there are differences of opinion among cattlemen regarding haying and grazing provisions depending on where they are located.

For 1987, no haying and grazing would be permitted on the new 50 percent of the 0-92 underplanted acreage which would be opened up for payment by my proposal. In other words, current law would remain the same with regard to haying and grazing on 50-92 and ARP acres.

For instance, if the State requests and the Secretary grants grazing during any 5-month period, producers in that State would be able to graze their ARP land regardless of 0-92 participation. However, they would not be able to hay or graze on 0 to 50 percent of their underplantings.

As a practical matter, this means that no more area could be put to haying and grazing uses than is allowed under current law.

Fourth. Agribusiness would be hurt if too many acres are put in the program.

This too is a legitimate concern. Language will be included in my proposal requiring the Secretary to limit participation in counties where the local economy might be damaged by participation in 0-92. As you know, participation in the conservation reserve was limited so that local economies would not be damaged.

Fifth. In a similar vein, there is concern that 0-92 is a huge acreage diversion in disguise.

Anyone who has followed my activities in agricultural policy knows that my goal is to do away with acreage diversions completely. We give away our export markets and transfer our comparative advantage in agricultural production, transportation, and processing to other countries when we try to force the price up with acreage diversion programs.

0-92 will not result in massive acres going out of production. In fact, analysis by USDA and private agricultural consulting firms indicate that the regular program is still more profitable than 0-92 for producers with average variable cost of production and yield.

It only becomes a viable option if a producer has high variable costs of production or low yields. Frankly, most of our production comes from operations that have neither problem.

I have just outlined some of the more controversial issues that have been brought to my attention regarding 0-92 and hope you see that these concerns can be taken care of with carefully constructed legislation.

Now I would like to outline, briefly, why we should move ahead with a limited decoupling in the manner I have just described.

First, and most important, it is good policy—it makes common sense. Why in the world should we tell a farmer that he or she must plant to get payments when such a farmer would be better off just to leave the land idle? We have a situation today where we are trying everything under the Sun to get our exports moving again. We are spending enormous amounts to reduce surpluses that have been created in large part by our high loan rates and subsequent high setasides which prevent us from selling what we can produce.

Does it makes sense to, on the one hand, spend billions to make our products competitive while supporting farm income and on the other hand force farmers to keep producing the stuff when they may voluntarily quit if given the option? I say no and bet that most farmers would too. An outsider to agriculture would wonder how we came up with such a convoluted system.

Second, if we try 0-92 in 1987 and it is received favorably out in the countryside, maybe it could lead to a more complete decoupling of income supports from agricultural business decisions. After all, our efforts the past 50 years to mesh income supports for rural families with agricultural production and pricing is one of the major reasons farm policy does not work today.

Third, USDA estimates that 0-92 will save approximately $400 million. Looking down the road it seems clear to me that deficit reductions this year will require a contribution from the agriculture committees. If we take the opportunity now to save this money it will be $400 million less we have to save later.

I emphasize now because if we do not act quickly it will be too late for farmers to take advantage of the program. Planting has already begun in some parts of the country. If we delay more than a couple of weeks the opportunity will be lost. Personally, I would much rather take some savings now by offering 0-92 than having to come back and explain to farmers why their target prices or something else had to be cut later on.

In addition, most Senators know that the Farm Credit System is bound to need an infusion of capital at some point. Any money that we provide will be over and above that provided in the budget baseline.

Mr. President, it is my hope that Senators, especially those from rural States will see the wisdom in this legislation and help me move it as quickly as possible.●

By Mr. LAUTENBERG (for himself, Mr. BRADLEY, Mr. MOYNIHAN, Mr. HEINZ, Mr. SPECTER, Mr. BURDICK, Mr. HEFLIN, Mr. MELCHER, Mr. GORE, Mr. KENNEDY, and Ms. MIKULSKI):

S. 756. A bill to ensure that amounts paid for home improvements to mitigate indoor contaminants such as radon gas qualify for the tax deduction for medical care expenses; to the Committee on Finance.

RADON MITIGATION CLARIFICATION ACT

● Mr. LAUTENBERG. Mr. President, today I am introducing legislation—the Radon Mitigation Clarification Act of 1987—to clarify the law on deductibility of medical care expenses. I am pleased to be joined in introducing this legislation today by Senators BRADLEY, MOYNIHAN, HEINZ, HEFLIN, GORE, SPECTER, BURDICK, MELCHER, KENNEDY, and MIKULSKI.

This bill is identical to S. 2577, which I introduced last session. This bill addresses a serious problem—radon contamination of homes. Over the last several years, radon has emerged as a major national public health issue. Virtually no State is unaffected by radon. The Environmental Protection Agency states that as many as 20,000 deaths annually could be attributable to radon. It is thought to be the second leading cause of lung cancer in this country, trailing only cigarette smoking. The EPA estimates that at least 1 million homes nationally could be affected by threatening levels of radon.

In my State, New Jersey, roughly 40 percent of homes tested to date have high levels. The northern half of the State is felt to be at risk of radon contamination.

Last year, I worked with my colleagues on the Environment and Public Works Committee to attach a provision to the Superfund reauthorization bill on radon. This provision, which is title IV of the bill, authorized the EPA to conduct a comprehensive radon program. It directed EPA to identify problem areas, provide the public with much-needed information on the problem, conduct health research, and develop and improve mitigation techniques.

In spite of the administration's opposition to efforts to address the radon problem, significant progress has been made. Testing of homes has increased markedly. With funding I sponsored in the Appropriations Committee, the EPA is conducting a mitigation demonstration project in Clinton, NJ. The results of this work are promising. Mitigation techniques that are being developed in Clinton will be available for application to homes throughout the country in the near future. With those techniques, many Americans with identified high levels of radon in their homes will seek remediation.

Such remediation can be costly. One of the goals of EPA's mitigation demonstration project is to make remediation low cost. In many cases, sealing of cracks and spaces is sufficient to alleviate the problem. In others, reasonable measures to increase ventilation are adequate. But in some cases, simple measures won't be possible. Severe situations may require major structural modifications of a home to protect the residents' health. Expenses could run into the thousands of dollars.

It is those cases this bill would address. A family should not be put in the position of choosing between its health and its financial stability. The expense of radon mitigation, undertaken to protect the health of residents, should be eligible for the existing medical deduction.

The Internal Revenue Service has expressed some doubt as to whether it would allow such deductions. There should be no question. The IRS has allowed deductions for swimming pools built for individuals with back ailments. Various other capital improvement costs, incurred for health-related causes, have been eligible for deduction. The threat of radon is clear. The need to remove that threat from a home is clear. The eligibility of radon mitigation costs for the medical care deduction should also be made clear. That is the intent of this legislation.

Last session, the Congress passed sweeping tax reform. I supported those reforms. Senator BRADLEY, a cosponsor of the legislation I am introducing today, was a chief architect of that reform.

The Radon Mitigation Clarification Act would do nothing to undermine that reform. It does not reopen a loophole that was closed. It does not provide a new credit. It simply provides clarification of the law.

Mr. President, this legislation addresses an important national issue. I urge my colleagues to support it. I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks. I also ask unanimous consent that statements by Senators BURDICK and MELCHER also be inserted in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 756

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Radon Mitigation Clarification Act of 1987".

SEC. 2. FINDINGS.

The Congress finds that—

(1) indoor air contamination has become the focus of increasing concern among public health officials in the United States,

(2) radon gas is a major component of indoor air contamination,

(3) the problem of indoor air randon gas contamination has been found in areas throughout the United States and has been estimated by the federal Environmental Protection Agency to be responsible for as many as 5,000 to 20,000 lung cancer deaths annually in the United States,

(4) mitigation of indoor radon gas exposure is necessary to protect the health of residents,

(5) mitigation of indoor randon gas exposure presents increased risk of lung cancer,

(6) mitigation of indoor radon gas exposure can be costly, imposing excessive financial burdens on homeowners.

SEC. 3. HOME IMPROVEMENTS TO MITIGATE HARMFUL LEVELS OF RADON GAS EXPOSURE QUALIFY FOR MEDICAL CARE EXPENSE TAX DEDUCTION.

(a) IN GENERAL.—For purposes of section 213(d)(1) of the Internal Revenue Code of 1986 (defining medical care) amounts paid for necessary home improvements to mitigate measured harmful levels of radon gas exposure shall be treated—

(1) as expenses paid for medical care, and

(2) in the same manner amounts paid for other home improvements which qualify as expenses paid for medical care.

(b) EFFECTIVE DATE.—Subsection (a) shall apply to taxable years beginning after December 31, 1986.●

● Mr. BURDICK. Mr. President, today I am pleased to join with Senator LAUTENBERG to introduce the Radon Mitigation Clarification Act of 1987. This legislation would provide a tax credit—as a medical care expense—to homeowners in order to defray a portion of the costs incurred in reducing indoor radon levels.

Researchers today believe indoor air pollution adds billions to the Nation's health care bill, and the most worrisome indoor air pollutant, because it threatens all of us, is radon—a radioactive gas that results from the natural decay of underground uranium deposits.

Traces of radon are found naturally in soils and rocks. It can, however, occur in high concentrations in the material used for making bricks and concrete, in the soil under a home, or in the water brought into a home. Ventilation through a home or air pockets under a home may also encourage the gas to concentrate, and thus cause serious buildups of the gas indoors. Cracks in foundations apparently also result in the seepage of radon indoors.

Of all in-home pollutants, radon has drawn the most attention because the level of risk for even average exposures is unusually high. The Environmental Protection Agency [EPA] estimates that radon may account for as many as 5,000 to 20,000 lung cancer deaths in this country each year. To illustrate the dangers of this pollutant, the total number of lung cancer deaths in the country is about 100,000.

Studies have revealed that high radon levels occur in ordinary homes in many parts of the country. High levels have been found in the States of Maine, New Jersey, Montana, Washington, and North Dakota.

Fortunately, for fiscal year 1987 EPA requested and received increased funds for its Radon Action Program. This program will investigate low-cost mitigation techniques to reduce radon in homes, techniques such as sealing radon-emitters in use, sealing foundation cracks, using fans to draw fumes away from below-ground air pockets, using filters, or increasing ventilation with air free of radon. But such research takes time, and, in the interim, the costs of remedial work can range from a few hundred dollars to $20,000 per home.

For this reason, I agreed to cosponsor this bill which would provide a tax credit for homeowners who decide to remove radon gas from their homes. This is important legislation, as currently no State or Federal funds are available to assist homeowners in the costs of reducing radon gas concentration in their homes. EPA is also not authorized to provide financial assistance for radon cleanup to homeowners. In addition, many private insurance carriers will not compensate homeowners for such costs; since the substance occurs naturally, no company or agency can be sued for damages. The proposed tax credit would be the only means of providing homeowners financial assistance for the cleanup of radon in their homes.

Join me in support of this worthwhile, sensible and necessary legislation.●

● Mr. MELCHER. Mr. President, I am very pleased to cosponsor the Radon Mitigation Act of 1987.

The pioneering work in measuring radon gas inside homes and buildings actually was begun in Butte, MT, over 9 years ago in an effort which involved the local community, funding from the State legislature, and Federal funds. Nine years ago, controversy surrounded radon. No one was sure how to measure it; where it comes from; whether or not the existence of radon in Butte, MT, resulted from mining activity; what the health effects of radon were; or if the effects of indoor radon gas could be mitigated.

However, we now have more information about radon gas. We know radon levels pose the terrible threat of lung cancer; we have identified some of the main environmental conditions associated with radon contamination; and, most importantly, we know that homes can be renovated to remedy radon contamination and remove the health threat.

The Environmental Protection Agency has identified over 40,000 homes in the United States that have serious levels of radon contamination. At least 250 of these homes are in Montana. The owners of these homes are faced with costly home repairs to avoid the health risk of the radon contamination. These health-related costs should qualify as a deductible medical expense. But as the tax laws stand now this is not deductible. There should be no doubt that if swimming pools can be deducted by people with bad backs, then tax deductions should be allowed for homeowners who protect their families from a health-threatening buildup of radon gas.

I hope that my colleagues in the Senate will support this legislation, which is so critical for the families and homeowners in this Nation who are faced with the danger of radon gas.●

By Mr. LAUTENBERG:

S. 757. A bill to require each commercial air carrier engaged in the transportation of passengers to report its ontime performance record to the Secretary of Transportation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AIR CARRIER ON-TIME REPORTING ACT

● Mr. LAUTENBERG. Mr. President, today I am introducing a bill—the Air Carrier Ontime Reporting Act of 1987—that addresses a problem of growing concern to air travelers throughout our country: airline delays.

Last year, we saw a tremendous increase in delays at our airports. Nationally, there were 367,000 airline delays in 1986, representing a 25 percent increase from the previous year. The trend is a disturbing one. It must be stopped before it rises even higher.

In my State, airport delays have become an unwelcome way of life. Newark International Airport, which has undergone explosive growth in recent years, also leads the Nation in delays. In 1986, 138 of every 1,000 flights at Newark experienced a delay of 15 minutes or more. That means that if you were a passenger at Newark, you stood a 1 in 7 chance of being delayed—1 in 7—those kind of odds may be great if you're playing the lottery, but not if you're trying to get to a meeting out of town.

Absent some positive action, the prospects for the future do not look much better. Air traffic in the New York/New Jersey area continues to reach record levels. In 1986, 79 million passengers used Newark, Kennedy, and La Guardia Airports. Newark International, carrying 29.6 million passengers, is the seventh busiest airport in the world. Kennedy ranks ninth, transporting 28.9 million. And La Guardia, with 20.5 million passengers, is the world's 10th largest airport. In the future, these numbers are expected to continue to grow.

But Newark is not alone. Over the last year, papers throughout the country have carried reports of appalling delays. As chairman of the Transportation Appropriations Subcommittee, I have heard horror stories of passengers spending hours waiting in airport terminals for a flight to takeoff. As a frequent flier, I've run into my share of problems. And I know many of my colleagues have been subjected to delays.

The question is, What can be done about delays? Secretary of Transportation Dole has given antitrust immunity to airlines to discuss delay problems at several airports, and is considering granting that authority for other airports, including Newark International.

The reasons for delays are numerous. Our air traffic control system has not recovered from the loss of 11,000 controllers, and is unable to meet the demands of today's traveling public. Deregulation of the airline industry has made air travel accessible to millions who otherwise would never have flown. Commutation by air is not only possible, but practical.

Needed improvements at our airports have not been made. The Airport and Airways Trust Fund continues to compile surpluses. Without adequate spending of trust fund moneys—which are collected for this purpose—many airports will never be able to adequately accommodate the increased passenger volume.

On any given day, weather can play a part in delays, as can mechanical problems.

And there is another factor. Today, many airlines schedule flights, knowing that they won't be able to get them off the ground on time. But the lure of low fares attracts passengers, and the lack of oversight of these airlines reduces the compulsion to provide reliable, ontime service.

The bill I am introducing today addresses this issue. It requires the Secretary of Transportation to issue, within 6 months, regulations requiring air carriers to report ontime performance records. Those records will be route-specific, and contain information on the average length of delays, and the number of cancellations on specific routes. These ontime reports will be made available to the public on a quarterly basis.

Airline passengers are consumers. As consumers, they have a right to expect a certain level of service, and to know who can provide that service. Armed with that knowledge, they can make informed decisions about which carriers they choose to patronize.

The problem of airline delays is a major one. It disrupts personal schedules. It costs businesses time and money. It must be dealt with. This bill is a step in the right direction.

Mr. President, I ask unanimous consent that the text of this bill be included in the record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 757

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Air Carrier On-Time Reporting Act of 1987".

REPORT

SEC. 2. (a) On or before the expiration of the 180-day period following the date of the enactment of this Act, the Secretary of Transportation (hereinafter referred to as the "Secretary") shall, by regulation, require each commercial air carrier engaged in the transportation of passengers to report, at least four times a year, to the Secretary the on-time performance record of such carrier for the period covered by such report. Each such report shall be route specific and sufficiently detailed so as to accurately reflect such record, including information on the average length of delays for such route, and the number of cancellations with respect to such route, for the period covered by such report.

(b) In promulgating such regulation, the Secretary shall assure standardized reporting requirements pursuant to this Act for air carriers, including a definition of the phrase "on-time".

SEC. 3. Each air carrier reporting its on-time performance record pursuant to this Act shall, at such time and in such manner and form as the Secretary shall by regulation prescribe, make available to the public, upon request, the information contained in the reports required by this Act.●

By Mr. BUMPERS:

S. 759. A bill to amend the direct and guaranteed student loan programs under the Higher Education Act of

1965 to publicize the Current Loan Deferral Program for full-time volunteers with the Peace Corps, VISTA, and tax-exempt organizations, and for other purposes; to the Committee on Labor and Human Resources.

S. 760. A bill to amend the Direct Student Loan Program under the Higher Education Act of 1965 to provide for partial loan cancellation for full-time volunteer service with a tax-exempt organization, and for other purposes; to the Committee on Labor and Human Resources.

● Mr. **BUMPERS.** Mr. President, I am introducing two bills today to amend the Higher Education Act to encourage graduates of our colleges and universities to devote up to 3 years of their lives to public and community service upon graduation. Both bills provide some relief to these graduates from the student loan obligations they have incurred during school, obligations which may lead many of these students to feel that they cannot afford to serve their community upon graduation because they must immediately begin repaying their student loans.

The first of these bills simply presses the Department of Education to promote utilization of an existing provision of the Higher Education Act which permits graduates to defer repayment of any loan obligations while they are serving as a full-time employee at a minimum pay level with a nonprofit charitable organization. Service with a nonprofit organization already is included among the grounds for deferring repayment of student loans, but very few graduates utilize the provision and few nonprofit organizations utilize this provision for recruiting employees. Because this bill would simply promote an existing program, no new authorization or appropriation is necessary.

The second bill would partially forgive repayment of the loan obligations of a student when that student serves in this same capacity with a nonprofit charitable organization. The Higher Education Act of 1986 provides for partial loan forgiveness for Peace Corps and VISTA volunteers and my bill would extend this same principle to volunteers with nonprofit charitable organizations. This clearly would require additional appropriations, but the new program only applies to students now entering college and, therefore, could have no budget impact until they graduate.

I am introducing these two bills because I am concerned that public service, whether in the Government or the community, seems not to interest our young people today as much as it has in the past. This situation has generated considerable debate about whether the "baby boom" generation is acquisitive, greedy, and self-centered or whether it is simply responding to the economic pressures of the last decade. Columnist Robert J. Samuelson has argued that the baby boom generation has a "natural reaction, in a society that considers upward mobility a birthright, to tougher times. People haven't changed so much as economic conditions." "Selfishness and Sobriety," Newsweek—April 8, 1985, at 63.

The Joint Economic Committee has confirmed Mr. Samuelson's observations about the economic climate and has reported that the young middle class people have "experienced a dramatic decline in their ability to pursue the conventional American dream: A home, financial security and education for their children." "The Economic Future of the Baby Boom," Joint Economic Committee—December 5, 1985.

In terms of the current student population, many college and university administrators are concerned that today's students are "hypnotized by apprehension over the job market." Dr. Donald Kennedy, "A Renewal of Enthusiasm for Public Service," Stanford Magazine, winter 1983). A recent poll of college freshmen conducted by the American Council on Education at 345 schools found that "getting a better job" was the single most important reason for the students deciding to enroll in college.

I would fault some current political leaders and public servants for encouraging this "get yours" attitude. The question about whether "you are better off today" is legitimate and important but it is not the only question that people should ask. It is also important to know whether the country and the community is better off both economically and spiritually. The purpose of public service is not to enhance your prospects for reaping financial rewards when you return to the private sector, as so many of this administration's appointees seem to feel.

Despite the concerns that have been raised, I believe that young people today are more public-spirited than they are given credit for and, with some encouragement and opportunity to become involved in public and community service, they will respond. and the bills I have introduced today provide this encouragement and opportunity.

It has even been argued that we shortly may witness the "coming of the 'we' decade." Certainly there is something missing when the principal slogan is "get the Government off our backs" rather than "the Government needs your help." I believe Americans want to participate, to be charitable, to be helpful to the less fortunate. We have seen Farm Aid, Hands Across America, and a host of other dramatic demonstrations of the generosity of Americans.

Promoting the Current Loan Repayment Deferral Program and supplementing it with a Partial Loan Forgiveness Program for students who decide on their own to serve their community are modest steps. In terms of repayment deferral, all the Government is doing is eliminating an impediment for students who wish to serve their country and their community upon graduation.

The cost of the Current Loan Deferment Program for full-time volunteers is astonishingly low. The Department of Education estimates that it costs $80 per year per $1,000 in loans in deferment status. Studies indicate that the average bachelor of arts graduate accumulates between $4,900 and $6,100 in loans by graduation. Thus, to permit this graduate to defer repayment of these loans for 1 year while he or she serves with a nonprofit charitable organization costs the Government between $392 and $488 per year.

Medical students, law school students, Ph.D. students and business school students tend to accumulate more loans during school and, using the same rule-of-thumb, it costs the Government between $792 and $1,960 to defer repayment of their loans during 1 year of public and community service.

I cannot imagine a better investment on the part of our Government than to encourage a medical school graduate to spend a year providing health services to the poor, especially when the Government's investment is only $1,960 for that year of service. At a time of severe budget pressures, this is an unbelievable bargain.

Supplementing this deferment with partial loan forgiveness would provide some financial assistance to these same graduates. The loan forgiveness provision adopted last year for Peace Corps and VISTA volunteers cancel's 15 percent of their loan obligation for the first or second year of service and 20 percent for the third or fourth year of service and my bill would apply this formula to service with nonprofit charitable organizations.

With respect to both proposals, the student now qualifies for the deferred repayment and would qualify under my bill for the partial loan forgiveness if he or she worked full-time, was paid at a level comparable to that of a Peace Corps or VISTA volunteer—minimum wage—and the nonprofit organization was involved in service comparable to that performed by the Peace Corps and VISTA.

In its efforts to encourage public and community service, it is vital that the Government be sensitive lest it diminish the civic spirit of volunteers and public servants. One of the great virtues of this country is the volunteer spirit of private citizens. There is, however, little danger that partial loan forgiveness will become a primary factor in motivating graduates to perform public and community service when to qualify for loan forgiveness the graduate may be paid no more than Peace Corps or VISTA volunteers.

At the same time, the Government should recognize that its costs and obligations are diminished when private organizations perform charitable and community service. It is in the Government's financial, as well as in its policy, interest to encourage those willing to serve their community.

I want to emphasize that my proposals would not require anyone to serve as a volunteer. These proposals would not penalize anyone for not serving his or her community upon graduation or condition the availability of student loans on a commitment to perform community service, as was proposed recently in a report of the Carnegie Foundation for the Advancement of Teaching. These bills have nothing to do with the debate over the military draft or any mandatory national service requirement.

Student college loan debt burdens are becoming an increasingly important factor for student's plans upon graduation and 5.5 million students this year receive Federal grants or federally subsidized loans. A recent study of the Joint Economic Committee has found that today's college graduates are increasingly burdened with debt. Student borrowing to finance college costs has grown dramatically. Students are borrowing more than they used to borrow and more students take out education loans. "Student Loans: Are They Overburdening a Generation?" Joint Economic Committee, December 1986. My two bills may be modest but they are directed at a real barrier to students engaging in public and community service upon graduation.

Unless we take action this increasing student debt burden can crush the public and community service of a whole generation of graduates. If we really want these graduates to provide some service to the community, the least the Government can do is stand out of the way and permit the student to defer repayment of his or her student loans. If we want to actively promote public and community service by these graduates, we can also partially forgive their obligations to repay these loans.

There has never been more need for our young citizens to help their country and their community. We need no compulsion to find volunteers. We need only to encourage them and stand out-of-the-way. That is what I propose.

I ask unanimous consent that a detailed explanation of the Current Repayment Deferral Program and the new Partial Loan Forgiveness Program be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Student Loan Repayment: Deferral and Forgiveness

There are two provisions of the Higher Education Act which provide some relief to college graduates in the repayment of their student loans when they serve as full-time, low-paid volunteers for certain organizations. Since the early 1960's, graduates who serve as volunteers with the Peace Corps and Vista, have been able to defer repayment of their student loans until the completion of up to three years of service. Since 1980 this same Deferred Repayment Program has been available to volunteers with non-profit organizations "comparable" to the Peace Corps and Vista. In addition, the Higher Education Act Amendments of 1986 provided for the first time that a part of the loan obligations of graduates who serve as Peace Corps and Vista volunteers is cancelled for each year of service. This Loan Forgiveness Program does not apply to volunteers with nonprofit organizations comparable to the Peace Corps and Vista.

LOAN REPAYMENT DEFERRAL AND FORGIVENESS

The Loan Repayment Deferral Program is regularly utilized by Peace Corps and Vista volunteers but it is little utilized by volunteers with nonprofit organizations. Following is a discussion of the terms of the Repayment Deferral Program, its utilization and cost, and the causes of its underutilization for volunteers with nonprofit organizations.

A. HISTORY AND TERMS OF REPAYMENT DEFERRAL PROGRAM

When the Peace Corps was established in 1961, the original authorizing legislation provided that repayment of student loans under the National Defense Education Act of 1958 would be deferred for "not in excess of three years during which the borrower is in service as a volunteer under the National Defense Education Act of 1958 would be deferred for "not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act . . ." section 20 of Public Law 87-293, 75 stat. 612, September 22, 1961.

When the Congress established the volunteers in service to America (vista) in 1964, it initially failed to provide for deferred repayment of student loans, but in the Economic Opportunity Act amendments of 1966, the deferment authority was included. Section 1101 of Public Law 89-794, 80 stat. 1476, November 8, 1966.

In 1980 the Congress amended the repayment deferral provisions of the Higher Education Act to permit repayment deferral for volunteers in service "comparable" to the Peace Corps and Vista. Specifically, under section 444(A)(2) of the education amendments of 1980, students who have received guaranteed or national defense student loans or plus loans may defer repayment for up to three years while they are "in service, comparable to the service (as a Peace Corps or Vista volunteer), as a full-time volunteer for a (tax-exempt) organization." 20 U.S.C. 1087DD(C)(2)(A)(V), 94 stat. 1441, Public Law 96-374 (October 3, 1980).

This provision initially was incorporated in the bill reported by the House Education and Labor Committee, H.R. 5192. See House Report 96-520, at 36. The provision apparently was suggested to the committee by Mr. Mathew R. Paratore, executive director of the International Liaison, Inc., U.S. Catholic Coordinating Center for Law Volunteer Ministries, in testimony at the May 30, 1979, hearing of the Committee on Amendments to the Higher Education Act. "Reauthorization of the Higher Education Act and Related Measures," part 6, hearings before the Subcommittee on Postsecondary Education, House Education and Labor Committee, at 157-294.

Mr. Paratore submitted several proposed amendments to the subcommittee, all of which extended the loan deferral provision to volunteers with tax-exempt organizations. He argued that this amendment would "be an important recruiting tool for private groups . . ." id. at 157. He stressed that "the benefits of these amendments would by no means be limited to religious volunteer projects," such as those sponsored by the coordinating center and its members. Both Mr. Paratore and Congressman Ford agreed that the loan deferment would not violate the constitutional separation of church and state simply because the volunteer project was sponsored by a religious institution, as long as the project itself involved secular services. id. at 162 and 292. See Americans United for the Separation of Church and State versus Blanton, 433 F. Supp. 97 (M.D., TENN.), affirmed without opinion, 434 U.S. 803 (1977).

With respect to the 1980 amendment, under regulations issued by the Department of Education implementing this law, a series of limitations are presented for the deferment in addition to those specified in the legislation itself. The regulations provide that the volunteer service provided by the student borrower should be "to low-income persons and their communities to assist them in eliminating poverty and poverty-related human, social, and environmental conditions." 34 C.F.R. 674.34A(B)(4)(II)(N.D.S.L.); 682.508(D)(2)(G.S.L.); and 683.58(D) (plus). This language was taken from the authorizing provisions of the Domestic Volunteer Service Act, which subsequently was amended to include a broader purpose. The Department of Education regulations have not, however, been amended to reflect this development so this limitation is narrower than that which now applies to Vista volunteers.

In addition, the Department regulations provide that the student may receive compensation from the tax-exempt organization which does not "exceed the compensation received by a full-time volunteer in the Peace Corps or in a program administered by the action agency." For this purpose, "compensation includes an allowance for subsistence, necessary travel expenses and stipends." 34 C.F.R. 674A(B)(4)(III); 682.508(D)(3); and 683.58(D)(3). It is clear that the student borrower may be compensated by the nonprofit organization and still qualify for deferred repayment. Thus, it might be more accurate to say that the student borrower may be employed by the nonprofit organization, and need not serve as an unpaid volunteer to qualify for repayment deferral.

The student borrower is required to "serve on a full-time basis for a term of at least one year." 34 C.F.R. 674A(B)(4)(V); 682.508(D)(5); and 683.58(D)(5).

Finally, the borrow may not, as a part of his or her duties, "give religious instruction, conduct worship services, engage in religious proselytizing, or engage in fundraising to support religious activities." 34 C.F.R. 674A(B)(4)(V); 682.508(D)(5); and 683.58(D)(5).

Of these several limitations, the most significant may be the limitation on compensation. While the Department of Education has not published any compensation guidelines for this program, the Department's Acting Assistant Secretary for Postsecondary Education has indicated that compensation for Vista volunteers "is presently $424 per month (average), and may not exceed the minimum wage, which works out to a maximum of $536 per month." (Letter to Senator DALE BUMPERS of March 18, 1986). On an annual basis the average subsistence allowance amounts of a salary of $5088 and the minimum wage amounts to $6432.

Vista volunteers currently are paid a subsistence allowance which ranges from a low of $385 in Kentucky to a high of $732 in Northern Alaska. In addition to the subsistence allowance, volunteers receive a monthly stipend of $75 per month, which is held in an account for the volunteer and is intended to help the volunteer readjust after completion of his or her term of service. Vista volunteers may also receive assistance from their sponsoring organization for transportation necessary for performance of their duties, and Vista itself may provide some funding to the volunteer for this purpose as well.

It may be appropriate to set the level of permissible compensation for a volunteer with a nonprofit organization at the same level as that for a Vista volunteer in the same community. If this is the case, the permissible annual compensation could range from $4620 in Kentucky to $9684 in Alaska. If the $75 monthly Vista stipend is included, these figures rise by $900 each to $5,520 and $10,584 respectively.

Should there be any adjustment in the subsistence allowance or stipend for Vista volunteers, it would be appropriate to adjust the guidelines for permissible compensation for a volunteer with a nonprofit organization. And it certainly would be helpful for the Department of Education to provide detailed information on the issue of compensation to students considering volunteering with nonprofit organizations and to the managers of these organizations.

B. UTILIZATION OF REPAYMENT DEFERRAL PROGRAMS

Precise information on utilization of the repayment deferral programs for Peace Corp and Vista volunteers and volunteers with nonprofit organizations is not available. It is, therefore, not possible to determine the precise cost of these deferments. It is possible, however, to make rough estimates both on utilization and cost.

The Department of Education has stated that "(S)tatistics on the number of students utilizing deferments and separate breakouts by category of deferment do not exist." (Letter to Senator DALE BUMPERS, supra.) However, in the same letter the Department did report that the total amount of loans in deferment status, which for Guaranteed Student Loans was $700 million in 1983 (9.4% of the total) and $1.2 billion in 1984 (10.9% of the total).

In considering these statistics, it is important to recognize that there are many different grounds for deferred repayment of a student loan. The most important of these is the deferral which is given when the student chooses to undertake additional schooling upon completion of the course of study for which the loans was given. Under both the G.S.L. and Plus Loan Programs, students may obtain a deferment during such time as they are engaged in "full-time study" at a college, university or vocational school or "study under an eligible fellowship program." 34 C.F.R. 682.508(B)(1) and 683.58(B)(1). Under the N.D.S.L. Program, this deferment is available for students who are enrolled at a college or university on "at least a half-time basis." 34 C.F.R. 674.34(A). The overwhelming bulk of the loans in deferment status fall within this one category, but deferments are also available for students serving in the armed services, students who are unemployed and students who are temporarily totally disabled.

Using statistics on the average size of the loans which these students owe, it is possible to estimate how many students have G.S.L. loans in deferment status. The estimated loan value per student in 1983 was approximately $4,000, so approximately 175,000 students had loans in deferred repayment status that year. In 1984 the estimated loan value per student rose to $4,410, meaning that approximately 271,000 students were deferring repayment.

With respect to national direct student loans, the Department does, in fact, have statistics regarding both the amount and number of students in deferral status. For 1983 there were 94,770 N.D.S.L. students in deferral status with loans totaling $32,909,073. In 1984, there were 105,677 students in deferral status and the total amount of loans being deferred was $34,640,172. In this latter year there were 2,069,418 individuals repaying $4.5 billion in loans, so the percentage of N.D.S.L. students in deferment status was only 5.11% of the total.

The Department has also compiled statistics on the use of deferments under the N.D.S.L. Program by State. These statistics indicate that the States with the largest amount of loans in deferment status are Massachusetts (3,734 students with $3.8 million in deferred loans), New York (13,826 students with $2.5 million in loans), Arizona (2.757 students with $2.48 million in loans), Texas (3,371 students with $2.06 million in loans) and California (8,130 students with $1.68 million in loans). Arkansas ranks 20th in the amount of loans in deferral with 1,131 students with $557,000 in loans. The States with the largest number of students in deferment status are New York, California, Minnesota (5,034; $1.11 million), Pennsylvania (4,826 students; $987,000); and Ohio (4,688 students; $1.23 million).

There is no data on how many loans in deferment status are ones where the student borrower is a volunteer. A contractor of the Department of Education estimates that "as little as one percent" of the total deferment claims come from students serving with the Peace Corps, Vista or a nonprofit organization. (Letter of Steven M. Knowles, Wachovia Services, Inc. of November 25, 1985, to Senator BUMPERS' staff). If this is true, then less than 1,000 students with N.D.S.L. loans in 1984 were deferring repayment due to service as a volunteer. This would translate into 37 students in Massachusetts and 138 in New York. For G.S.L. loans the number might be 2,710 students.

It would be costly and burdensome to obtain more detailed historical information on utilization of any of these deferment programs. The Department has said that any survey on this subject would have to be directed at the lenders, not the education institutions, and that it would prove "costly and burdensome to lenders, since a substantial portion of the lenders do not have fully automated information on specific types of deferment on their management information systems." (Letter to Senator BUMPERS, supra.) It would be unfair and burdensome to require these lenders to review their records to compile this information.

The G.S.L., N.D.S.L. and Plus Loan Programs are administered by the lender, which receives a certification from the student borrower and the organization for which he or she will work regarding eligibility for the deferment. The lender is responsible for reviewing and acting on the deferment request and the Department conducts periodic reviews of lender operations, at which time spot checks of deferment requests can be made. This decentralized decision making process accounts for the lack of detailed statistics on utilization of the various deferment programs.

For this reason detailed information also is not available on the types or identity of the tax-exempt organizations for which students in deferment status are working. There apparently is no list of the specific organizations which the lenders have found to meet the criteria in the Department regulations or which have been found not to meet these criteria. The Department has stated that it is not aware of "any significant problems in implementation" of this program and none of the managers at the Department contacted could recall any controversies about which nonprofit organizations are appropriate.

In terms of the cost of the deferment programs to the Government, the Government must pay the lender interest on any loan in deferment status and must pay the lender until the student defement ends and the student begins to repay the loan. With respect to the G.S.L. Program the Department has estimated that the Department in 1985 paid "almost $1.9 billion in interest benefits to lenders on behalf of G.S.L. borrowers who were in school or deferment status (of which) approximately $116 million of this total can be attributed to deferments." (Letter to Senator BUMPERS, supra.)

This estimate is derived by taking the average balance of loans in deferment and the deferment percentage and multiplying this by the interest rate on these deferments, which was eight percent. According to the Department "(F) or every $1,000 in loans deferred, the Federal Government pays $80 per year (8 percent interest)." (Letter to Senator BUMPERS, supra.)

If only one percent of the G.S.L. loans in deferment status are for full-time volunteers, the cost of this program to the Government in 1985 was only $1.16 million.

Using this same formula for the N.D.S.L. Program, the cost of all deferments would be approximately $260 million and the cost of the deferment for full-time volunteers would be $2.6 million.

The cost of the Volunteer Deferment Program compares with the budget for the Peace Corps of $125 million and for Action of over $130 million.

In terms of the cost per individual volunteer, there are studies on the average amount of the loans which students accumulate during their course of study. A 1985 study by the National Association of Student Financial Aid Administrators indicates that the average bachelor of arts student with loans accumulates $6,100 in loans by graduation. A 1984 study in California indicates that the average total there runs to about $4,900. If one takes the Government's rule-of-thumb of $80 per thousand dollars deferred per year, then the total cost per year of deferment for the average college graduate serving as a full-time volunteer would be between $392 and $488.

Similarly, these two studies found that medical students accumulate loans totaling $24,500, law students $14,700, PHD students

$13,700 and business school graduates $9,900. Using the rule-of-thumb, it would cost the Government $1,960, $1,160, $1,096, and $792 per year to encourage these graduates to work in local communities applying their considerable skills to the pressing problems of the day.

It costs the Government at least thirty times this amount to hire a doctor to work in the poor sections of the Government. By encouraging graduates of our colleges and universities to serve as full-time volunteers, and by paying so little to do so, the Government can hardly help but save money.

C. UNDERUTILIZATION OF THE DEFERMENT PROGRAM

There are a variety of reasons why this deferment program appears to be underutilized. The Department's policies provide a partial explanation but it is also true that neither the universities nor the nonprofit institutions promote the program. If the terms of the program were made clearer by the Department and if the program were promoted with students, it would be possible to determine whether more accurately how many students are willing to serve as full-time volunteers at a low rate of compensation.

The Department provides virtually no publicity about the Deferment Program, especially as it relates to tax-exempt, nonprofit organizations. In its student guide to Federal Financial Aid Programs—the principal source of information for most student borrowers—the Department refers to this deferral program as follows:

"You may defer repayment for up to 3 years while you are—a Peace Corps volunteer, a volunteer in Action programs such as Vista, or a volunteer in service the Department of Education has determined is comparable to that of the Peace Corps or Action."

This bare reference to the Deferment Program for full-time volunteers is both inadequate and confusing.

As mentioned above, it would be more accurate to refer to the position as that of an "employee" than as a volunteer. It should be made clear that the employee may be paid by the organization without violating the deferment rules. The guide could state that the amount of compensation could be as much as a given figure or could be as much as an annualized minimum wage. There is not reason why the Department cannot state in this guide that the Department has determined that service with a tax-exempt, nonprofit organizations has been determined to be camparable to Peace Corps service. The Department might even list certain nonprofit organizations, such as the Red Cross or Boy Scouts, which normally qualify.

The Department might even publish a separate pamphlet describing various Government programs which encourage or promote public service. This Deferment Program on student loans is but one of many programs with this objective. It would be helpful if high-ranking Government officials spoke out about public and community service and specifically about the Deferment Program.

The Department could work with nonprofit organizations to promote the program. It could ensure that all nonprofit organizations are well aware of the Deferment Program and help to organize coalitions of nonprofit organizations to utilize the volunteers who might come forward under the program. It may well be more important for nonprofit organizations to focus on how to utilize the volunteers than for the colleges and universities to encourage students to volunteer. In short, underutilization of the Deferment Program may be as much of a demand problem as it is a supply problem.

The Department could encourage lenders and colleges to provide full notice to students of the Deferment Program. For example, it could send out a "dear colleague" letter to the education institutions which participate in Federal Student Loan Programs bringing this Deferment Program to their attention and perhaps requiring that the students specifically be apprised of the existence of the program in their "exit interviews" when they leave school.

It would not be burdensome or costly for lenders to begin to collect detailed statistics on the utilization of the various deferment programs. The fiscal-operations report and application to participate [FISAP] report could include a break-out on the separate deferment grounds.

When all of these steps are taken, it will be possible to see if utilization rises. Certainly the existence of the Deferment Program will never be the most important factor in the decision of a graduating student to devote 1 or more years of his or her life to public service upon graduation. But, these steps may make a difference over a period of time. The potential impact of the program cannot be gauged as it is currently admininstered.

With the experience gained from active implementation of the Deferment Program, it will be possible to determine the need for a Loan Forgiveness Program. It may be that active promotion of the Deferment Program is sufficient or that at Loan Forgiveness Program should be targeted at only certain types of volunteer activities.

D. LOAN FORGIVENESS PROGRAM

In 1986 the 25 year program for deferments for Peace Corps and VISTA Volunteers was supplemented with an amendment which partially forgives repayment of a student loan by such volunteers. This amendment applies only to Peace Corps and VISTA Volunteers and does not extent to volunteers with tax-exempt organizations.

This amendment originated in the Senate version of the Higher Education Act Amendments of 1986 and the sponsor of the proposal was Senator Chris Dodd, who had served as a Peace Corps volunteer. See section 176 of S. 1965 and Senate Report 99-296. Under the terms of this provision, the amount of the loan which is canceled is 15 percent per year for the first or second year of service and 20 percent for the third or fourth year of service.

This loan cancellation provision is directly parallel to provisions which partially cancel loans for students who serve as full-time teachers in disadvantaged neighborhoods, as full-time staff members in a preschool Head Start Program, as full-time teachers of handicapped children, or as a member of the Armed Forces. See section 465(A)(2) (A), (B), (C), and (D) of the Higher Education Act.

Under the terms of this amendment, the loan cancellation applies only to direct student loans, not to guaranteed loans, and the Secretary is authorized to reimburse the institution for the amount of the loan is canceled. This new provision applies only to loans which begin "on or after July 1, 1987, to individuals who are new borrowers on that date." See section 468(B). This means that the provision will apply only when these students graduate or leave school, which in most cases will be in June 1991.

DESCRIPTION OF LEGISLATION

The two bills take different approaches to the issue of student loans and public service. The first bill presses are Department of Education and the higher education institutions to fully implement the current Deferment Program, especially with respect to service with a tax-exempt organization. The second bill would supplement this program—and build on the current Loan Forgiveness Program for Peace Corps and VISTA Volunteers—by providing for partial loan forgiveness for service with tax-exempt organizations.

The first bill regarding deferred repayment contains two parallel provisions. The first calls on the Secretary of Education, directly or by contract or other arrangement, to disseminate the terms and conditions of the current deferment and loan forgiveness programs. The second calls on the institutions of higher education to notify students of the terms and conditions of the current loan deferment and loan forgiveness programs. Neither provision changes the current program in any way and neither would require any expenditure of funds by the Secretary.

The second bill would expand the Loan Forgiveness Program to apply it to volunteers with tax-exempt organizations. The terms of this new Loan Forgiveness Program are exactly the same as those which now apply to Peace Corps and VISTA Volunteers.

If both bills are adopted, it would be appropriate to conform them to one another, so that the first bill presses for utilizations of the new program authorized by the second bill. While these bills stand on their own, clearly they seek to achieve the same objective and they are complementary to one another.●

By Mr. HARKIN (for himself and Mr. GRASSLEY):

S. 761. A bill to provide for the establishment of a Western Historic Trails Center in the State of Iowa, and for other purposes; to the Committee on Energy and Natural Resources.

HISTORIC TRAILS CENTER

Mr. HARKIN. Mr. President, the challenge, the mystery and the opportunity that await in the conquest of new frontiers have always sparked the American spirit and inspired great achievement. Pioneers imbued with patriotism, courage, vision, and a strong sense of adventure led this Nation, perhaps beyond their own dreams, to greater promise.

The 19th century westward push of explorers, traders, and pioneers is one of the most exciting eras of our Nation's history. The hearty and daring souls of two centuries ago who set forth to settle the unchartered territory of a young America hold a special place in our history and our hearts. I am very proud of the fact that Council Bluffs, IA, played an important role in the struggles and accomplishments of those pioneers and in this Nation's development.

Council Bluffs is the only city in this country where three historic trails intersect: the Lewis and Clark Trail, the Mormon Pioneer Trail, and the

Oregon Trail. More people passed through Council Bluffs on their way west than through any other place in this country.

Because of its ideal location on the banks of the Missouri River, Council Bluffs was recognized by Lewis and Clark, Maximilian and Bodmer, the Latter-day Saints, and thousands of nameless travelers along the Oregon Trail as a natural stopping point for over half a century. As a result, Council Bluffs became a significant historical and cultural crossroads.

Because few Americans are aware of the historical relevance of this site, Senator GRASSLEY and I are today introducing legislation to establish a National Western Historic Trails Center to be located in Council Bluffs, IA, as a unit of the National Park System.

This bill instructs the Secretary of the Interior to establish an advisory commission, composed of nine members, for the purpose of developing a draft management plan and providing oversight of the implementation of the management plan for the Center.

The bill further authorizes the Secretary of the Interior to acquire artifacts, or land within the boundaries specified by the bill, in order to fulfill the purposes of the Center.

The establishment of the Western Historic Trails Center will promote understanding and research of our pathways of westward movement. Much of the appeal of the Center will be its ability to attract, inspire, and educate visitors who previously had little or no understanding of the Nation's historic trails. Also benefiting will be scholars and researchers with a directed interest in this country's trails.

Americans share an admiration for the resourcefulness and resilience of our ancestors. But to turn this admiration of vague images to a true understanding of their historic significance, Americans need a means by which to research, interpret, and experience the highways of our past. I believe this Center will help meet this important goal and I urge my colleagues to support this important measure.

I yield to my colleague from Iowa.

Mr. GRASSLEY. Mr. President, today Senator HARKIN and I would like to introduce legislation to establish a National Western Historic Trails Center on the Missouri River in Council Bluffs, IA. This Center will not only serve to commemorate the heritage of the western trails but it will also be used to educate its visitors on the hardships and sufferings faced by our forefathers who blazed these trails and expanded this Nation to the Pacific Ocean.

Before the turn of the 19th century, the land west of the Mississippi River was rugged and uncharted. Thus in 1803, President Thomas Jefferson commissioned an expedition led by Lewis and Clark to explore this unknown land. The findings from their 2-year, 8,000-mile journey prompted others to explore this promised land. The Prussian naturalist, Prince Maximilian, and the Latter-day Saints were soon to follow. In the 1850's thousands of pioneers and gold seekers made the trek westward in hopes of beginning a new life in a new land. These journeys were long and laborious. Many lives were lost on the way. Despite these hardships, the pioneers traveled on, opening the trails to future travelers.

Many of these trails passed through the city of Council Bluffs, making it an appropriate site for the Center. Because of its ideal location in the plains region on the Missouri River, the city became a stopping point for travelers seeking protection against the weather or food for their children. Lewis and Clark, Prince Maximilian, and thousands of other pioneers passed through Council Bluffs on their journey west. In fact, available information proves that more people passed through Council Bluffs on their way west than through any other place in the country.

Today the city is even more accessible to travelers and tourists. The site chosen for the Western Historic Trails Center is situated between Interstates 80 and 29, providing an ideal location for tourists interested in the travels of the early settlers.

The National Western Historic Trails Center will offer visitors a unique opportunity to discover the forging of the Nation west of the Mississippi River. Although the westward travels of explorers, miners, traders, and people fleeing religious persecution are well documented, these volumes are scattered throughout the country and in Europe. Thus, a central information center is sorely needed. The Center will be committed to bringing any available information on the western trails together in one place. In this way, Americans will have the means to research and experience this vital period in our Nation's past and by understanding the obstacles that our forefathers had to overcome, we can learn how to face the challenges that await us in the future. It is our hope that Congress will approve this bill to preserve an important part of our American heritage.

By Mr. PELL:

S. 762. A bill to provide for a Voluntary National Service and Education Demonstration Program, and for other purposes; to the Committee on Labor and Human Resources.

VOLUNTARY NATIONAL SERVICE AND EDUCATION DEMONSTRATION PROGRAM ACT

Mr. PELL. Mr. President, I am introducing today, the Voluntary National Service and Education Demonstration Act. It would test the idea of community service as an integral part of national service, and would also provide an educational benefit linked to the successful completion of either civilian or military service.

The introduction of this legislation comes as a followup to the proposal which I made last week during ceremonies to inaugurate the Center for Public Service at Brown University.

My own personal belief is that the United States should have a system of mandatory national service that would apply to everyone. It would involve either military or civilian service and would apply to man and woman alike. While I am strongly committed to this idea, I am also a realist. I understand that while public opinion may be moving in this direction, we are a long way from achieving that goal.

We are, however, at a point where I believe we should test the idea of voluntary national service. We should test it with respect to military and civilian service, and we should also test it by tying the completion of successful service to an educational benefit. It is a test in which the institutions of higher learning throughout America must play a leadership role, for I believe as the late Hubert Humphrey once said:

> Our great universities and colleges need to become active participants in community life, not meadows of meditation or islands of retreat.

It is upon that foundation that I am submitting this legislation. The bill would have two major provisions.

Title I, which I call the Service and Education title, would carry an annual authorization of $30 million. It would be a 5-year program that would extend through fiscal 1993.

Under the provisions of this title, the Secretary of Education would make grants to State higher education agencies to implement a program of civilian community service. In addition, those State agencies would also administer a program of educational assistance for individuals who successfully completed civilian service, as well as for those who selected and successfully completed military service under the terms of this act.

If a person selects military service, our program would actually begin once that person has completed his or her military obligation. Upon successful completion of that service, they would be entitled to receive educational benefits of $250 a month plus tuition for 18 months of full-time attendance at an institution of higher education or for enrollment in an approved apprenticeship and training program. Total assistance, however, could not exceed $7,200 a year. This would be in addition to the educational benefits the person would normally receive after military service.

The monthly educational payment could be used to pay for tuition, room and board, books and fees, and other costs that students incur in attending school on a full-time basis.

The provisions with respect to civilian service, however, are somewhat more detailed. A central system of community service obviously does not exist in parallel form to military service. Further, I am strongly of the mind that the Federal Government should not create a new bureaucracy. Rather, we should tap existing successful programs.

Thus, in applying for a grant from the Secretary of Education, a State higher education agency would have to describe the community service programs that would be eligible to participate in the program. I have in mind, for example, programs that are already eligible for VISTA participation, as well as State work-study programs where they exist.

Students would be eligible to participate in the program if they were between the ages of 16 and 25, were U.S. citizens or aliens legally admitted to the country, and had graduated from high school. Additional criteria for selecting participants would be delineated in the applications the State higher education agencies would submit to the Secretary of Education. This would apply to both civilian and military participants.

For those interested in military service, however, the selection process would involve eligibility for the post service educational benefit. It would, of course, be left up to the respective armed service to determine whether or not the person in question is eligible to serve in the military.

The term of service would be 2 years, during which the students would receive a monthly stipend of $600. If they successfully completed civilian community service, they would then be entitled to receive an educational benefit of $250 a month plus tuition for 18 months of fulltime attendance at an institution of higher education or enrollment in an apprenticeship and training program. As for the military, total educational assistance could not exceed $7,200 a year.

The educational benefit for military service would be somewhat better than that for civilian service. There is good reason for this. In the very near future we will face a critical shortage of talented persons in military service, and I believe it very important that we encourage military service through the carrot of greater educational assistance. The difference in educational benefits will also permit a more accurate evaluation of the operation of the demonstration programs.

Title II, what I call the Education and Service title, is based upon an idea recently advanced by Father Hesburgh, the president of Notre Dame. It would authorize $5 million a year for 5 years to enable the Peace Corps to test a program of educational training that would lead to service as a Peace Corps volunteer.

Based on the concept of the highly successful ROTC Program, the Education and Service title would enable the Peace Corps to implement a demonstration program that would provide full education assistance to students who have completed 2 years of higher education and who, upon graduation, would agree to serve as Peace Corps volunteers.

To the Peace Corps would be left the recruitment and selection of participants, as well as to working out whatever agreements might be necessary with specific institutions of higher learning. My legislation will stipulate, however, that a priority be placed upon the selection of minority candidates, and that special consideration be given to the training of prospective volunteers in areas or concentrations of skill shortages.

Mr. President, we are witnessing at present the start of a national dialog on the issue of national service. I believe it very important that such a dialog include the concept of community or civilian service, and that it also encompass the concept of an educational benefit tied to successful completion of service. The specific details of my proposal are not sacred, but the concepts are something which I believe must be a part of the dialog.

I have long held the belief that the real strength and health of our Nation depends upon the sum total of the education and character of our people. With that in mind, I believe deeply that it is in the long range best interests of our Nation if national service is tied closely to education and an educational benefit. For it is truly as Theodore Roosevelt once said:

> The social and economic problems confronting us are growing in complexity. The more complex and difficult these problems become, the more essential it is to provide broad and complete education. For our ultimate security, to a large extent, is based upon the individual's character, information, and attitude.

National service should be a noble calling, and for successful completion of that calling, there should be a noble reward. Nothing, to my mind, is more noble than the opportunity to expand and improve one's mind. And no pursuit is more enobling than education. It is in that spirit that I am introducing this legislation.

Mr. President, I am very hopeful that this bill, once introduced, might be referred to the Committee on Labor and Human Resources, and from there to the Subcommittee on Education, Arts, and Humanities so that we might hold a series of hearings on the ideas embodied in this legislation.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

S. 762

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Voluntary National Service and Education Demonstration Program Act".

TITLE I.—VOLUNTARY NATIONAL SERVICE AND EDUCATION DEMONSTRATION PROGRAM

STATEMENT OF PURPOSE

SEC. 101. It is the purpose of this title to make demonstration grants to State higher education agencies, to provide community service programs of demonstrated effectiveness for young men and women to serve America in a civilian capacity, and to provide educational benefits for individuals who have completed either community service or military service.

VOLUNTARY NATIONAL SERVICE AND EDUCATION DEMONSTRATION PROGRAM AUTHORIZED

SEC. 102. The Secretary shall, from amounts appropriated pursuant to section 109 in each fiscal year, carry out a voluntary national service and education demonstration program in accordance with the provisions of this title.

PARTICIPANTS; ELIGIBILITY AND TERM OF SERVICE

SEC. 103. (a) GENERAL RULE.—Each participant in the voluntary national service and education demonstration program authorized by this title shall be an individual who—

(1) has attained 16 years of age but not 25 years of age,

(2) has a certificate of graduation from a school providing secondary education, or its equivalence, and

(3) enters into an agreement with the appropriate State higher education agency for the purpose of this title.

(b) CITIZENSHIP OR PERMANENT RESIDENCY REQUIRED.—Each participant must be a citizen or lawfully admitted to the United States for permanent residence.

(c) SPECIAL RULE.—Any individual who has not attained 18 years of age must have the written consent of the parent or legal guardian to be a participant in the program authorized by this title.

(d) TERM OF SERVICE.—Each participant shall perform community service or military service for a period of at least 2 years.

STATE HIGHER EDUCATION AGENCY APPLICATIONS

SEC. 104. (a) APPLICATIONS REQUIRED.—Each State higher education agency desiring to participant in the voluntary national service and education demonstration program authorized by this title shall prepare and submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

(b) CONTENTS OF APPLICATIONS.—Each such application shall—

(1) set forth an estimate of the number of participants who will be selected to serve in the program, and the estimated cost of the program;

(2) provide assurances that the individuals selected under clause (1) will meet the requirements of section 103;

(3) describe the community service programs selected for the civilian component of the voluntary national service and education demonstration program which meet the requirements of section 108(1);

(4) describe the criteria to be used in selecting participants which are consistent with the provisions of section 103 and provide assurances that the participants may select community service or military service under the voluntary national service and education demonstration program authorized by this title;

(5) set forth the procedures to be used for the verification of community service and military service for the payment of educational benefits;

(6) provide assurances that not more than 15 percent of the payments made in any fiscal year will be used for administrative expenses; and

(7) provide such additional assurances as the Secretary may reasonably require.

STIPENDS AND BENEFITS FOR COMMUNITY SERVICE

SEC. 105. (a) STIPEND FOR PARTICIPANTS.—Each participant in a community service project assisted under this title shall receive a stipend during the period of such service of $600 per month.

(b) EDUCATIONAL BENEFITS.—(1)(A) Any participant in a community service program under this title who successfully completes the period of service of not less than 24 months shall be entitled to receive an amount equal to tuition plus $250 a month for a period not to exceed 18 months while the participant is a full-time student enrolled in an institution of higher education or in an apprenticeship program approved by the appropriate State agency.

(B) No benefits paid to a participant under subparagraph (A) may exceed $7,200 in any year.

(2) The payment made under paragraph (1) of this section may be used for tuition, room and board, books and fees, and other costs associated with attendance at an institution of higher education on a full-time basis, or the expenses incurred in the full-time participation in an apprenticeship program approved by the appropriate State agency.

EDUCATIONAL BENEFITS FOR MILITARY SERVICE

SEC. 106. (a) EDUCATIONAL BENEFITS.—(1) Any participant in a military service program under this title who successfully completes the period of service of not less than 24 months shall be entitled to receive an amount equal to tuition plus $250 a month for a period not to exceed 18 months while the participant is a full-time student enrolled in an institution of higher education or in an apprenticeship program approved by the appropriate State agency.

(2) No benefits paid to a participant under paragraph (1) may not exceed $7,200 in any year.

(b) SPECIAL RULE.—The payment made under subsection (a) of this section may be used for tuition, room and board, books and fees, and other costs associated with attendance at an institution of higher education on a full-time basis or participation or the expenses incurred in the full-time participation in an apprenticeship program.

EVALUATION; REPORT

SEC. 107. (a) EVALUATION.—The Secretary shall not later than September 30, 1992, conduct a Federal evaluation of a demonstration program authorized by this title.

(b) REPORT.—The Secretary shall prepare and submit to the Congress a report on the evaluations conducted pursuant to subsection (a), together with such recommendations, including recommendations for legislation as the Secretary deems appropriate.

DEFINITIONS

SEC. 108. As used in this title—

(1) the term "community service" has the same meaning given that term by section 447(b)(2) of the Higher Education Act of 1965;

(2) the term "Governor" means the chief executive of a State;

(3) the term "institution of higher education" has the same meaning given that term by section 1201(a) of the higher Education Act of 1965;

(4) the term "Secretary" means the Secretary of Education;

(5) the term "State agency for higher education" means the State board of higher education or other agency or officer primarily responsible for the State supervision of higher education, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law; and

(6) the term "States" includes the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the trust territory of the Pacific Islands, and the Northern Mariana Islands.

AUTHORIZATION OF APPROPRIATIONS

SEC. 109. There are authorized to be appropriated to carry out the provisions of this title $30,000,000 for the fiscal year 1988 and for each of the succeeding fiscal years ending prior to October 1, 1993.

TITLE II—PEACE CORPS TRAINING AND EDUCATIONAL BENEFITS DEMONSTRATION PROGRAM

PROGRAM AUTHORIZED

SEC. 201. (a) GENERAL AUTHORITY.—The Director of the Peace Corps is authorized to carry out a training and educational benefits demonstration program in accordance with the provisions of this title.

(b) CONTRACT AUTHORITY.—The Director is authorized, either directly or by way of grant, contract, or other arrangement, to carry out the provisions of this title.

ELIGIBILITY

SEC. 202. Any student at an institution of higher education who—

(1) has completed 2 years of study at the institution of higher education,

(2) enters into an agreement with the Director to serve at least 2 years as a member of the Peace Corps, and

(3) is selected pursuant to a competitive process,

is eligible to participate in the demonstration program authorized by this title.

SELECTION PROCEDURES; TRAINING

SEC. 203. (a) SELECTION PROCESS.—The Director of the Peace Corps shall establish uniform criteria for the selection on a competitive basis of individuals to serve in the training and educational benefits demonstration program establish under this title. The selection procedures established under this section shall give special consideration to traditionally undeserved groups of students and to students who will specialize in courses of instruction for which there is a special need in the Peace Corps.

(b) SELECTION PROCESS TRAINING.—The Director of the Peace Corps shall establish and carry out a training program while the student is completing the course of study at the institution of higher education.

EDUCATIONAL BENEFITS

SEC. 204. Each student who has been selected for participation in the training and educational benefits demonstration program under this title shall receive educational benefits equal to the tuition, room and board, books and fees, and other necessary costs of attendance at the institution of higher education at which the student is enrolled.

EVALUATION; REPORT

SEC. 205. (a) EVALUATION.—The Secretary shall not later than September 30, 1992, conduct a Federal evaluation of a demonstration program authorized by this title.

(b) REPORT.—The Secretary shall prepare and submit to the Congress a report on the evaluations conducted pursuant to subsection (a), together with such recommendations including recommendations for legislation as the Secretary deems appropriate.

DEFINITIONS

SEC. 206. As used in this title—

(1) the term "Director" means the Director of the Peace Corps; and

(2) the term "institution of higher education" has the same meaning given that term by section 1201(a) of the Higher Education Act of 1965.

AUTHORIZATION OF APPROPRIATIONS

SEC. 207. There are authorized to be appropriated $5,000,000 for the fiscal year 1988 and for each fiscal year ending prior to October 1, 1993.

By Mr. LUGAR (for himself, Mr. WEICKER, Mr. BOSCHWITZ, Mr. WARNER, Mr. CHAFEE, Mr. BOND, Mr. HUMPHREY, Mr. ARMSTRONG, Mr. DURENBERGER, Mr. WILSON, Mr. COCHRAN, Mr. NICKLES, Mr. MURKOWSKI, Mr. GARN, Mr. COHEN, Mr. DANFORTH, Mr. HEINZ, Mr. TRIBLE, Mr. D'AMATO, Mr. GRASSLEY, Mr. HATCH, Mr. KASTEN, Mr. BRADLEY, Mr. JOHNSTON, Mr. HOLLINGS, Mr. REID, Mr. SHELBY, Mr. DECONCINI, Mr. STENNIS, Mr. ADAMS, Mr. BURDICK, Mr. LAUTENBERG, Mr. LEVIN, Mr. MATSUNAGA, Mr. SASSER, Mr. GORE, Mr. GLENN, Mr. MOYNIHAN, Mr. NUNN, Ms. MIKULSKI, Mr. CONRAD, Mr. FORD, Mr. DIXON, Mr. KERRY, Mr. PRYOR, Mr. RIEGLE, Mr. CHILES, Mr. CRANSTON, Mr. BOREN, Mr. METZENBAUM, and Mr. BREAUX):

S.J. Res. 84. Joint resolution to designate October 1987 as "National Down Syndrome Month"; to the Committee on the Judiciary.

NATIONAL DOWN SYNDROME MONTH

● Mr. LUGAR. Mr. President, I rise today to introduce legislation to designate the month of October as "National Down Syndrome Month." I introduced the same proposal in 1984, 1985, and 1986. These were each signed into law, and I am convinced that Congress will once again wish to enact such a law in 1987 to encourage continued understanding and advancement in the medical and educational programs concerned with Down syndrome.

Down syndrome occurs once in every 1,000 births. It results from a genetic mishap in which an extra chromosome No. 21—which affects physical and mental development—is found within the individual's genetic material. For years, Down syndrome carried a stigma of being a hopeless impediment to a meaningful and productive life. Happily, recent medical research has brought about the possibility of correcting a number of the disorders associated with this genetic defect. Moreover, infant stimulation programs taught to parents of babies with Down syndrome have increased their intellectual development far beyond previous expectations.

Since the enactment of Public Law 94-142, we see the rewards of educating the developmentally disabled in our public schools. These rewards can be measured both in terms of their increased achievements and, consequently, the contributions that these children are later able to make to society. This alone is a major breakthrough in our regard for these boys and girls, men and women, fellow members of our families and our neighborhoods. We have come to the important realization that persons with Down syndrome, though limited, can and do contribute to the welfare of our society. These individuals are not to be regarded as a mere responsibility. They are capable human beings who need our encouragement to reach their full potential.

We have an obligation to forge new social attitudes so that persons with Down syndrome will be accepted for what they are—people first, and second people with Down syndrome. We must help to ensure that their rights and privileges as American citizens are respected and observed, and that their human dignity is preserved.

At one time, the birth of a child with a mental handicap was tantamount to a life of anguish, despair and certain institutionalization. Today, however, this does not need to be so. Today we are able to integrate such children into the community, and to educate them to become productive members of society. This effort has been made possible through greater public awareness, the dissolution of old stereotypes and stigmas, and a more educated acceptance of these individuals.

Our annual recognition of "National Down Syndrome Month" has made an important contribution to this growing public awareness. Given the tremendous success of past resolutions, I am confident that this resolution will again contribute to the dissolution of harmful stereotypes and hurtful stigmas and will promote the greater acceptance of these valued fellow citizens.

Mr. President, I would like to thank and commend my distinguished colleagues who have joined me in cosponsoring this resolution. I ask unanimous consent that the text of this joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 84

Whereas the past decade and a half has brought a greater and more enlightened attitude in the care and training of the developmentally disabled;

Whereas one such condition which has undergone considerable reevaluation is that of Down syndrome—a problem which, just a short time ago, was often stigmatized as a mentally retarded condition which relegated its victims to lives of passivity in institutions and back rooms;

Whereas through the efforts of concerned physicians, teachers and parent groups such as the National Down Syndrome Congress, programs are being put in place to educate new parents of babies with Down syndrome, to develop special education classes within mainstreamed programs in schools, to provide for vocational training in preparation for entering the work force, and to prepare young adults with Down syndrome for independent living in the community;

Whereas the cost of such services designed to help individuals with Down syndrome move into their rightful place in our society is but a tiny fraction of the cost of institutionalization;

Whereas not only the improvement in educational opportunities for those with Down syndrome, but also the advancement in medical science is adding to a brighter outlook for individuals born with this chromosomal configuration; and

Whereas public awareness and acceptance of the capabilities of children with Down syndrome can greatly facilitate their being mainstreamed in our society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1987 is designated as "National Down Syndrome Month" and that the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the designated month with appropriate programs, ceremonies, and activities.●

By Mr. LUGAR (for himself, Mr. Quayle, Mr. Kennedy, Mr. Weicker, Mr. Boschwitz, Mr. Warner, Mr. Chafee, Mr. Bond, Mr. Humphrey, Mr. Armstrong, Mr. Durenberger, Mr. Stafford, Mr. Wilson, Mr. Cochran, Mr. Nickles, Mr. Murkowski, Mr. Garn, Mr. Cohen, Mr. Heinz, Mr. Symms, Mr. Trible, Mr. D'Amato, Mr. Grassley, Mr. Helms, Mr. Pressler, Mr. Hatch, Mr. Kasten, Mr. Bradley, Mr. Johnston, Mr. Hollings, Mr. Reid, Mr. Shelby, Mr. DeConcini, Mr. Stennis, Mr. Rockefeller, Mr. Kerry, Mr. Adams, Mr. Burdick, Mr. Lautenberg, Mr. Levin, Mr. Matsunaga, Mr. Sasser, Mr. Gore, Mr. Glenn, Mr. Moynihan, Mr. Chiles, Mr. Nunn, Mr. Inouye, Ms. Mikulski, Mr. Conrad, Mr. Ford, Mr. Dixon, Mr. Leahy, Mr. Pryor, Mr. Riegle, Mr. Metzenbaum, Mr. Sanford, Mr. Cranston, Mr. Boren, and Mr. Breaux):

S.J. Res. 85. Joint resolution to designate the period commencing on August 2, 1987, and ending on August 8, 1987, as "International Special Olympics Week," and to designate August 3, 1987, as "International Special Olympics Day"; to the Committee on the Judiciary.

INTERNATIONAL SPECIAL OLYMPICS WEEK AND INTERNATIONAL SPECIAL OLYMPICS DAY

● Mr. LUGAR. Mr. President, I rise today to introduce legislation to recognize the 1987 International Summer Special Olympics Games by designating August 2-8, 1987, as "International Special Olympics Week," and August 3, 1987, as "International Special Olympics Day." I am convinced that such a law in 1987 will impress the monumental significance of continued advancement and understanding in the educational and medical programs of mentally retarded children and adults.

The Olympic ideal of achieving physical and mental excellence through the training and discipline of sports has inspired generations of youth to test their athletic skills against some of the world's finest athletes. I ask you to acknowledge that nowhere has this Olympic ideal been more profound than in the international sports movement of Special Olympics.

The birth of Special Olympics came about in June 1963 when Eunice Kennedy Shriver started a day care camp in her home for mentally retarded individuals. Under the sponsorship of the Joseph P. Kennedy, Jr. Foundation, hundreds of groups were inspired to blossom across the country. Their enthusiasm resulted in the formation of Special Olympics programs on the local, State, and regional levels.

Today, Special Olympics is the world's largest program of sports training and athletic competition for mentally retarded children and adults. More than 1 million athletes compete annually in Olympic activities in over 20,000 communities in all 50 of the United States and some 65 foreign countries.

The goal of competition in Special Olympics is to provide each athlete with a healthy self-image. The coaches, volunteers, and athletes perform together as a unit to create the most positive working environment for Special Olympics competition. This attitude is carried over into the home, the classroom, the job and, ultimately, into a fulfilling life.

The Special Olympians who will be representing their country and State in the 1987 International Summer Special Olympics Games at the University of Notre Dame and St. Mary's College in South Bend, IN, from July 31 to August 8, 1987, certainly merit the declaration of the aforementioned week and day in August 1987.

Mr. President, I would like to thank and commend my distinguished colleagues who have joined me in cosponsoring this resolution. I ask unanimous consent that the text of this joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 85

Whereas nearly one million mentally handicapped individuals participate annually in Special Olympics events all over the world;

Whereas Special Olympics competition enables each athlete to form a healthy self-image with which to build a positive working environment for the home and job;

Whereas the past two decades have marked monumental milestones in the care, training, skills of Special Olympians;

Whereas the International Summer Special Olympic Games, held every four years, are the culmination of 20,000 communities competing in Special Olympics around the world;

Whereas the 1987 VII International Summer Special Olympic Games from July 31, to August 8, in South Bend, Indiana, will host 6,000 athletes, 15,000 volunteers, and thousands of guests from 65 countries and the United States and its territories and possessions;

Whereas these International Games will be the largest worldwide amateur sporting event of 1987; and

Whereas both mentally handicapped children and adults will compete in over 13 official and demonstration sports in a true display of unity which signifies the spirit of the International Summer Special Olympic Games: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on August 2, 1987, and ending on August 8, 1987, is designated as "International Special Olympics Week", and August 3, 1987, is designated as "International Special Olympics Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such period and day with appropriate programs, ceremonies, and activities.●

By Mr. DECONCINI (for himself, Mr. McCLURE, Mr. GRASSLEY, Mr. MOYNIHAN, Mr. INOUYE, Mr. HEFLIN, Mr. LEAHY, Mr. THURMOND, Mr. BOSCHWITZ, Mr. D'AMATO, Mr. SIMON, Mr. SPECTER, Mr. SARBANES, Mr. BURDICK, Mr. SIMPSON, Mr. METZENBAUM, Mr. NUNN, Mr. MATSUNAGA, Mr. BUMPERS, Mr. KERRY, Mr. KENNEDY, Mr. DURENBERGER, Mr. PELL, Mr. LEVIN, Mr. WILSON, Mr. DODD, Mr. SYMMS, Mr. COCHRAN, and Mr. GLENN):

S.J. Res. 86. Joint resolution to designate October 28, 1987, as "National Immigrants Day"; to the Committee on the Judiciary.

NATIONAL IMMIGRANTS DAY

● Mr. DECONCINI. Mr. President, I am pleased to introduce, along with 28 of my colleagues, a joint resolution that authorizes and requests the President of the United States to designate October 28, 1987, as "National Immigrants Day." Congressman LIPINSKI is introducing a companion measure in the House today.

Honoring 100 years of American independence, the people of France dedicated to the people of America the Statue of Liberty. From the base of her pedestal to the tip of her flame, the Lady of Liberty has represented freedom, hope, and opportunity to millions entering New York Harbor and to millions throughout the world. She has personally welcomed many of our ancestors and is a lasting memorial to the immigrants who have made this country great.

The Statue of Liberty serves as a reminder to all that the United States is a nation of immigrants, a nation of nations. She, herself, is an immigrant who came to us in the name of liberty. It is only fitting that October 28, 1987, the 101st anniversary of her arrival in America, be a day to honor the immigrants she welcomed to our shores.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 86

Whereas the Statue of Liberty has been the symbol of freedom, hope, and opportunity for millions of immigrants since the people of France dedicated the Lady of Liberty to the people of America on October 28, 1886;

Whereas the Statue of Liberty serves as a reminder to all that the United States is a nation of immigrants, a nation of nations;

Whereas the Statue of Liberty is a lasting memorial to the immigrants who have made America great;

Whereas millions of immigrants settled throughout the vast territory of the United States, and supported the ideals of independence and liberty;

Whereas the torch held by the Statue of Liberty serves as a beacon of freedom that lives in the soul of every American;

Whereas on October 28, 1886, the Statue of Liberty began to greet immigrants who came to America in pursuit of their dreams; and

Whereas it is only fitting that we set aside October 28, 1987, as a day of celebration to honor the immigrants welcomed by the burning torch of the Lady of Liberty to this land of freedom: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 28, 1987, is designated as "National Immigrants Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such day with appropriate ceremonies and activities.●

By Mr. RIEGLE:

S.J. Res. 87. Joint resolution to designate November 17, 1987, as "National Community Education Day"; to the Committee on the Judiciary.

NATIONAL COMMUNITY EDUCATION DAY

● Mr. RIEGLE. Mr. President, I am once again introducing a joint resolution to designate November 17, 1987, as National Community Education Day. Since 1982, schools and communities in many States have observed National Community Education Day. The day provides State and local community educators the opportunity to highlight their programs and activities and to develop new relationships among schools, parents, and organizations and agencies.

Between 1982 and 1986, Governors in 38 States proclaimed Community Education Days in recognition of the strong relationships that have developed between public schools and the communities they serve. In 1986, National Community Education Day was sponsored by more than 250 Members of the U.S. Congress and signed into law by President Reagan. I was the original sponsor of the Senate legislation.

I had the opportunity to attend community schools in Flint, MI, where this concept originated over 50 years ago and I am particularly proud of the success of this program in my home community. What began as a small recreational program in 1935 has now become a strong, positive force not only in Flint but in many other communities across the country. The community education program now provides needed recreational, educational, cultural, social, and medical services in some 3,500 school districts across the country.

Community education has helped to improve the performance of students and has helped open up classrooms for adult education programs to fight illiteracy and teach job skills to workers so they can participate more fully in our increasingly technical workplace and society. The program has also helped reach alienated and isolated groups in our society who need special assistance. One of the greatest values of community schools is that they help reestablish a sense of community, to give people a sense of connection and of shared purpose.

Mr. President, community education has proven it can help build strong bridges between public schools and their communities. These bridges are essential to improving education so that it can help all citizens meet the challenges of the future. I believe that Community Education Day will help strengthen existing community education programs and provide the impetus for other communities to develop their own programs. I urge my colleagues to join me in cosponsoring this joint resolution.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD directly following my remarks.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 87

Whereas public education is a community enterprise, and everyone in the community has a stake in the mission of educating adults as well as the community's children;

Whereas local citizens have a right and a responsibility to be involved in deciding how the educational resources of the community should be used;

Whereas education reform should, in the words of A Nation at Risk, "focus on the goal of creating a Learning Society";

Whereas the goal of community education is to promote parental involvement, lifelong learning, and educational partnerships;

Whereas each community should promote the use of community resources in schools and colleges, citizen involvement in educational decisionmaking, the use of community resources to provide educational opportunities for learners of all ages and educational backgrounds, and interagency cooperation to assure effective use of limited resources; and

Whereas community education encourages the participation of all generations: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That November 17, 1987, is designated as "National Community Education Day", and the President is requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.●

By Mr. BRADLEY (for himself and Mr. Stafford):

S.J. Res. 88. Joint resolution to designate the period commencing November 15, 1987, and ending November 21, 1987, as "Geography Awareness Week"; to the Committee on the Judiciary.

GEOGRAPHY AWARENESS WEEK

● Mr. BRADLEY. Mr. President, I rise today with my distinguished colleague from Vermont, Mr. Stafford, to introduce a resolution to declare the week of November 15-21, 1987, as "Geography Awareness Week."

Mr. President, a recent survey found that 25 percent of the high school students in Dallas, TX, could not name Mexico as the country that bordered the United States to the south. In 1984, only 12 percent of students surveyed at a top State university could name all of the Great Lakes. And only 27 percent of these college students knew that Manila was the capital of the Philippines. Further, almost 70 percent of these students could not name even one country in Africa between the Sahara and South Africa. A survey by the Asbury Park Press in one part of New Jersey found that on the average, 12th graders could identify only 41 percent of the States.

Mr. President, this news is not only shocking; it is frightening. We depend on a well-informed populace to maintain the democratic ideals which have made this country great. When 95 percent of some of our brightest college students cannot locate Vietnam on a world map, we must sound the alarm. When 63 percent of the Americans participating in a nationwide survey by CBS and the Washington Post cannot name the two nations involved in the SALT talks, we must acknowledge that we are failing to educate our citizens to compete in an increasingly interdependent world.

This ignorance of geography could place the United States at a disadvantage with other countries economically, politically, and strategically. And we cannot expect to be a world leader if our populace doesn't even know who the rest of the world is.

In 1980, a Presidential commission found that U.S. companies fare poorly against foreign competitors in part because Americans are ignorant of things beyond their borders. As Governor Gerald Baliles said in a Southern Governors Association report:

> Americans have not responded to a basic fact: the best jobs, largest markets, and greatest profits belong to those who understand the country with which they are doing business.

Mr. President, that understanding can only come from knowledge of the peoples, cultures, resources, and languages of other countries. This is the sort of knowledge that geography seeks to impart. However, the discipline of geography is seriously endangered in this country. Departments of geography are being eliminated from many institutes of higher learning, and less than 10 percent of elementary and secondary school geography teachers have even a minor in the subject.

Mr. President, we are a nation with worldwide involvements, whose global influence and responsibilities demand an understanding of the lands and cultures of the world. It is for this reason that I am introducing today this resolution to focus national attention on the integral role that knowledge of world geography plays in preparing our citizens for the future of our increasingly interdependent, interconnected world. It is my hope that this will be just one step in a revitalization of the study of geography. All of our citizens should have access to the sort of education which will help them appreciate both the great beauty and diversity of this Nation and its place in the world.●

By Mr. GARN (for himself, Mr. Adams, Mr. Baucus, Mr. Bond, Mr. Boschwitz, Mr. Bradley, Mr. Bumpers, Mr. Burdick, Mr. Chafee, Mr. Chiles, Mr. Cochran, Mr. Cohen, Mr. Conrad, Mr. Cranston, Mr. D'Amato, Mr. Danforth, Mr. DeConcini, Mr. Dodd, Mr. Dole, Mr. Domenici, Mr. Durenberger, Mr. Evans, Mr. Glenn, Mr. Gore, Mr. Hatch, Mr. Heinz, Mr. Helms, Mr. Hollings, Mr. Humphrey, Mr. Inouye, Mr. Johnston, Mrs. Kassebaum, Mr. Leahy, Mr. Levin, Mr. Lugar, Mr. Matsunaga, Mr. McCain, Mr. McClure, Mr. Metzenbaum, Mr. Mitchell, Mr. Moynihan, Mr. Murkowski, Mr. Nickles, Mr. Nunn, Mr. Reid, Mr. Riegle, Mr. Roth, Mr. Sanford, Mr. Sasser, Mr. Simon, Mr. Stafford, Mr. Stennis, Mr. Stevens, Mr. Symms, Mr. Trible, Mr. Thurmond, Mr. Wallop, Mr. Warner, Mr. Wilson, and Mr. Wirth):

S.J. Res. 89. Joint resolution to authorize and request the President to issue a proclamation designating April 26, through May 2, 1987, as "National Organ and Tissue Donor Awareness Week"; to the Committee on the Judiciary.

NATIONAL ORGAN AND TISSUE DONOR AWARENESS WEEK

● Mr. GARN. Mr. President, I am introducing today a joint resolution to proclaim April 26 through May 2, 1987, as "National Organ and Tissue Donor Awareness Week." I am pleased that 59 of my colleagues have joined in this effort as cosponsors. Additionally, companion legislation will be introduced today in the House of Representatives by Congressman Sid Morrison of Washington.

It was just over 6 months ago that I was lying in a hospital bed in Georgetown University Medical Center. I was wide awake and apprehensive about the fact that the next morning I would go into surgery to donate a kidney to my 26-year-old daughter, Susan Garn Horne, who had lost most of her renal function as a result of a long-term diabetic condition. As I look back, I was apprehensive that night because I was unsure about what the consequences of the surgery might be for me. Until then, I hadn't thought much about those consequences. Once I learned I was a good donor match for Sue, my only thought had been, "She needs my kidney, I am going to give it to her, and that is all there is to it."

In recognizing my own apprehension and fear, I realized the significant impact that National Organ and Tissue Donor Awareness Week can have. Too many people are either fearful of the prospects or ignorant about the process of freely giving an organ to someone else. As a result, many people are dying, or at the very least continuing to suffer, every day because of a failure to obtain a needed organ for transplant.

I can understand that fear among those who are eligible to be living related donors. They can't help but wonder about the impact their donation might have on their own life. I certainly had those apprehensions, although I now know that the impact is minimal, if even noticeable. What I cannot understand is why anyone would be reluctant to authorize the donation of any of their vital organs or transplantable parts after they are dead. Of what use are those parts to them then? And what could they possibly have to fear?

I can't help but believe that if people could understand the need for organ donors, enough of them would voluntarily sign donor authorization cards and get donor stamped on their driver's licenses, that there would be an adequate supply of organs for those in need. For example, if only one out of four brain-dead people in the intermountain area authorized the donation of their organs, they would meet the transplant needs of the entire region. Only one out of four.

People need to understand that they literally may give someone else the gift of life.

During an interview in the hospital, the day before Sue and I were discharged, a reporter asked me how my donation of a kidney to my daughter compared to other so-called notable things I had done in my public and personal life. I didn't even have to think about the answer. There is simply no other thing I have ever done that has given me greater satisfaction. Donating a kidney to Sue was something I was able to do entirely alone, and it gave me immense personal satisfaction to be able to do that. It gave me an opportunity to express in actions, even beyond words, my love for my daughter and for all my children, since I would have done the same thing for any one of them, if I were a suitable donor.

What began as a personal struggle for Sue and for me has become a positive crusade. What we viewed as the gift of a kidney, we now see as a gift of life and renewed vitality, and it is something we simply must share with others.

I have challenged each Senator in this body to think carefully about his or her willingness to donate a lifesaving organ and to sign a donor card. I pass that challenge on to the Senators' staffs as well. I have also challenged my own staff to consider signing a donor card and to let their families know of their wishes. Donor cards are available in my office for anyone who is interested.

By reviewing our personal feelings about organ donation, we will become more aware of the potential to improve and save others lives. I am hopeful that as National Organ and Tissue Donor Awareness Week approaches, we will be leaders in spreading the word about the gift of life.●

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 8, a bill to provide Federal financial assistance to facilitate the establishment of alliances between educational agencies and the private sector to increase the use of resources of the private and nonprofit sectors in the provision of elementary and secondary education, and for other purposes.

S. 12

At the request of Mr. CRANSTON, the names of the Senator from Montana [Mr. MELCHER], the Senator from North Carolina [Mr. SANFORD], the Senator from Mississippi [Mr. COCHRAN], the Senator from Hawaii [Mr. INOUYE], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 12, a bill to amend title 38, United States Code, to remove the expiration date for eligibility for the educational assistance programs for veterans of the All-Volunteer Force; and for other purposes.

S. 69

At the request of Mr. TRIBLE, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 69, a bill to amend the Internal Revenue Code of 1986 to repeal the basis recovery rule for pension plans.

S. 74

At the request of Mr. GRAMM, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 74, a bill to amend the Internal Revenue Code of 1986 to allow a charitable contribution deduction for certain amounts paid to or for the benefit of an institution of higher education.

S. 182

At the request of Mr. RIEGLE, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 182, a bill to amend title 3, United States Code, and the Uniform Time Act of 1966 to establish a single poll closing time in the continental United States for Presidential general elections.

S. 271

At the request of Mr. HUMPHREY, the names of the Senator from Nevada [Mr. REID] and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of S. 271, a bill to amend section 1001 of the Public Health Service Act to permit family planning projects to offer adoption services.

S. 303

At the request of Mr. BRADLEY, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Montana [Mr. BAUCUS], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Nevada [Mr. REID] were added as cosponsors of S. 303, a bill to establish a Federal program to strengthen and improve the capability of State and local educational agencies and private nonprofit schools to identify gifted and talented children and youth and to provide those children and youth with appropriate educational opportunities, and for other purposes.

S. 309

At the request of Mr. GRASSLEY, the name of the Senator from New Hampshire [Mr. HUMPHREY] was added as a cosponsor of S. 309, a bill to prevent increases in the rates of pay of Members of Congress and certain other officers and employees of Federal Government under the Federal Salary Act of 1967 without the approval of Congress.

S. 383

At the request of Mr. QUAYLE, the name of the Senator from Idaho [Mr. MCCLURE] was added as a cosponsor of S. 383, a bill to amend the Bilingual Education Act to make Federal financial assistance available for children of limited English proficiency without mandating a specific method of instruction, to encourage innovation at the State and local level through greater administrative flexibility, to improve program operations at the Federal level, and for other purposes.

S. 397

At the request of Mrs. KASSEBAUM, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 397, a bill to amend the Federal Deposit Insurance Act.

S. 422

At the request of Mr. BRADLEY, the name of the Senator from Vermont [Mr. STAFFORD], the Senator from Louisiana [Mr. BREAUX), the Senator from Illinois [Mr. SIMON], the Senator from Rhode Island [Mr. PELL], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 422, a bill to amend title XIX of the Social Security Act to permit States to provide Medicaid benefits to additional poor children and pregnant women.

S. 429

At the request of Mr. DURENBERGER, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 429, a bill to amend the Tax Reform Act of 1986 to delay for 2 years the exception for certain technical personnel from certain rules for determining whether an individual is an employee or independent contractor for employment tax purposes.

S. 442

At the request of Mr. LEAHY, the name of the Senator from Arizona [Mr. DECONCINI], and the Senator from New Hampshire [Mr. HUMPHREY] were added as a cosponsors of S. 442, a bill to amend section 914 of title 17, United States Code, regarding certain protective orders

S. 492

At the request of Mr. Kennedy, the names of the Senator from Connecticut [Mr. Dodd], the Senator from Michigan [Mr. Levin], the Senator from Rhode Island [Mr. Pell], the Senator from Washington [Mr. Adams], the Senator from Hawaii [Mr. Matsunaga], and the Senator from Illinois [Mr. Simon] were added as cosponsors of S. 492, a bill to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

S. 498

At the request of Mr. Riegle, the name of the Senator from Michigan [Mr. Levin] was added as a cosponsor of S. 498, a bill to amend the Trade Act of 1974, to define as an unfair trade practice, the denial of internationally recognized worker rights, and for other purposes.

S. 505

At the request of Mr. Humphrey, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of S. 505, a bill to amend the Rural Electrification Act of 1936 to promote the economic vitality of rural America by directing the resources of the Rural Electrification Administration toward rural consumers, and for other purposes.

S. 569

At the request of Mr. D'Amato, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 569, a bill to amend the Saccharin Study and Labeling Act.

S. 637

At the request of Mr. Hatch, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of S. 637, a bill to amend the Fair Labor Standards Act of 1938 to facilitate industrial homework, including sewing, knitting, and craftmaking, and for other purposes.

S. 666

At the request of Mr. Kasten, the names of the Senator from Michigan [Mr. Riegle] and the Senator from Indiana [Mr. Lugar] were added as cosponsors of S. 666, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 698

At the request of Mr. Thurmond, the name of the Senator from Oklahoma [Mr. Nickles] was added as a cosponsor of S. 698, a bill to amend title 17, United States Code, to prohibit the conveyance of the right to perform publicly syndicated television programs without conveying the right to perform accompanying music.

S. 701

At the request of Mr. Simon, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of S. 701, a bill to amend the Foreign Assistance Act of 1961 to establish a separate authorization for assistance for famine recovery and long-term development in sub-Saharan Africa, and for other purposes.

S. 716

At the request of Mr. Wallop, the names of the Senator from New Jersey [Mr. Lautenberg] and the Senator from Arizona [Mr. McCain] were added as cosponsors of S. 716, a bill to amend the Internal Revenue Code of 1986 with respect to the allocation of research and experimental expenditures.

SENATE JOINT RESOLUTION 5

At the request of Mr. D'Amato, the names of the Senator from Wisconsin [Mr. Kasten], the Senator from Maryland [Mr. Sarbanes], the Senator from Vermont [Mr. Leahy], the Senator from Ohio [Mr. Metzenbaum], the Senator from Alaska [Mr. Murkowski], the Senator from Pennsylvania [Mr. Heinz], the Senator from Alaska [Mr. Stevens], the Senator from Minnesota [Mr. Boschwitz], the Senator from Arizona [Mr. McCain], and the Senator from Oregon [Mr. Packwood] were added as cosponsors of Senate Joint Resolution 5, a joint resolution designating June 14, 1987, as "Baltic Freedom Day."

SENATE JOINT RESOLUTION 14

At the request of Mr. Helms, the name of the Senator from Maine [Mr. Mitchell] was added as a cosponsor of Senate Joint Resolution 14, a joint resolution to designate the third week of June of each year as "National Dairy Goat Awareness Week."

SENATE JOINT RESOLUTION 15

At the request of Mr. Pressler, the names of the Senator from Virginia [Mr. Trible], the Senator from Texas [Mr. Bentsen], and the Senator from Michigan [Mr. Riegle] were added as cosponsors of Senate Joint Resolution 15, a joint resolution designating the month of November 1987 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 16

At the request of Mr. Riegle, the names of the Senator from Minnesota [Mr. Boschwitz], the Senator from Tennessee [Mr. Gore], the Senator from Hawaii [Mr. Inouye], the Senator from California [Mr. Wilson], the Senator from Arkansas [Mr. Pryor], the Senator from Louisiana [Mr. Johnston], the Senator from Massachusetts [Mr. Kennedy], the Senator from Hawaii [Mr. Matsunaga], the Senator from Arkansas [Mr. Bumpers], the Senator from California [Mr. Cranston], the Senator from Arizona [Mr. DeConcini], the Senator from South Dakota [Mr. Pressler], the Senator from North Dakota [Mr. Burdick], the Senator from Georgia [Mr. Nunn], the Senator from Rhode Island [Mr. Chafee], the Senator from Utah [Mr. Garn], the Senator from Nevada [Mr. Reid], the Senator from Ohio [Mr. Glenn], and the Senator from Massachusetts [Mr. Kerry] were added as cosponsors of Senate Joint Resolution 16, a joint resolution to designate the period commencing on April 5, 1987, and ending on April 11, 1987, as "World Health Week," and to designate April 7, 1987, as "World Health Day."

SENATE JOINT RESOLUTION 19

At the request of Mr. Warner, the names of the Senator from New Mexico [Mr. Domenici], the Senator from Missouri [Mr. Danforth], the Senator from New York [Mr. D'Amato], the Senator from South Dakota [Mr. Pressler], the Senator from Ohio [Mr. Metzenbaum], and the Senator from Arkansas [Mr. Pryor] were added as cosponsors of Senate Joint Resolution 19, a joint resolution to designate March 20, 1987, as "National Energy Education Day."

SENATE JOINT RESOLUTION 26

At the request of Mr. Pell, the names of the Senator from Maryland [Ms. Mikulski], the Senator from California [Mr. Cranston], the Senator from Hawaii [Mr. Matsunaga], the Senator from Alaska [Mr. Murkowski], and the Senator from Alaska [Mr. Stevens] were added as cosponsors of Senate Joint Resolution 26, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 28

At the request of Mr. Dole, the name of the Senator from Illinois [Mr. Simon], the Senator from North Dakota [Mr. Conrad], the Senator from Massachusetts [Mr. Kerry], and the Senator from Montana [Mr. Baucus] were added as cosponsors of Senate Joint Resolution 28, a joint resolution designating "American Physiologists Week."

SENATE JOINT RESOLUTION 39

At the request of Mr. Simon, the name of the Senator from California [Mr. Cranston] was added as a cosponsor of Senate Joint Resolution 39, a joint resolution to provide for the designation of the 69th anniversary of the renewal of Lithuanian independence, February 16, 1987, as "Lithuanian Independence Day."

SENATE JOINT RESOLUTION 47

At the request of Mr. Cranston, the names of the Senator from Indiana [Mr. Quayle], the Senator from Michigan [Mr. Levin], the Senator from Texas [Mr. Gramm], and the Senator from Massachusetts [Mr. Kennedy] were added as cosponsors of Senate Joint Resolution 47, a joint resolution to designate "National POW Recognition Day."

SENATE JOINT RESOLUTION 49

At the request of Mr. DOLE, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Kentucky [Mr. FORD], and the Senator from Rhode Island [Mr. CHAFEE], were added as cosponsors of Senate Joint Resolution 49, a joint resolution to designate September 18, 1987, as "National POW/MIA Recognition Day."

SENATE JOINT RESOLUTION 52

At the request of Mr. HATCH, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from Connecticut [Mr. DODD], the Senator from New York [Mr. D'AMATO], the Senator from Indiana [Mr. QUAYLE], the Senator from Virginia [Mr. WARNER], and the Senator from California [Mr. CRANSTON], were added as cosponsors of Senate Joint Resolution 52, a joint resolution designating the week of May 10, 1987, through May 16, 1987, as "National Fetal Alchohol Syndrome Awareness Week."

SENATE JOINT RESOLUTION 55

At the request of Mr. GRASSLEY, the name of the Senator from California [Mr. CRANSTON], was added as a cosponsor of Senate Joint Resolution 55, a joint resolution designating the week of May 10, 1987, through May 16, 1987, as "National Osteoporosis Prevention Week of 1987."

SENATE JOINT RESOLUTION 56

At the request of Mr. INOUYE, the name of the Senator from Nevada [Mr. REID], was added as cosponsors of Senate Joint Resolution 56, a joint resolution designating the third week in May of each year as "National Tourism Week."

SENATE JOINT RESOLUTION 57

At the request of Mr. DECONCINI, the names of the Senator from Missouri [Mr. BOND], the Senator from Oklahoma [Mr. BOREN], the Senator from Louisiana [Mr. BREAUX], the Senator from Florida [Mr. CHILES], the Senator from Mississippi [Mr. COCHRAN], the Senator from North Dakota [Mr. CONRAD], the Senator from California [Mr. CRANSTON], the Senator from New York [Mr. D'AMATO], the Senator from South Dakota [Mr. DASCHLE], the Senator from Connecticut [Mr. DODD], the Senator from Kansas [Mr. DOLE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Wisconsin [Mr. KASTEN], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Arizona [Mr. MCCAIN], the Senator from Maryland [Ms. MIKULSKI], the Senator from Oklahoma [Mr. NICKLES], the Senator from Nevada [Mr. REID], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. QUAYLE], the Senator from Washington [Mr. ADAMS], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from North Dakota [Mr. BURDICK], the Senator from Iowa [Mr. GRASSLEY], the Senator from Alabama [Mr. SHELBY], the Senator from Idaho [Mr. SYMMS], the Senator from California [Mr. WILSON], the Senator from Indiana [Mr. LUGAR], the Senator from Idaho [Mr. MCCLURE], the Senator from Georgia [Mr. NUNN], the Senator from South Dakota [Mr. PRESSLER], the Senator from Connecticut [Mr. WEICKER], the Senator from Illinois [Mr. DIXON], the Senator from Nebraska [Mr. EXON], the Senator from Kentucky [Mr. FORD], the Senator from Utah [Mr. GARN], the Senator from Massachusetts [Mr. KERRY], the Senator from Maine [Mr. MITCHELL], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Arkansas [Mr. PRYOR], the Senator from North Carolina [Mr. SANFORD], the Senator from Texas [Mr. BENTSEN], the Senator from Maryland [Mr. SARBANES], the Senator from Virginia [Mr. TRIBLE], were added as cosponsors of Senate Joint Resolution 57, a joint resolution to designate the period commencing on May 3, 1987, and ending on May 10, 1987, as "National Older Americans Abuse Prevention Week."

SENATE JOINT RESOLUTION 58

At the request of Mr. DECONCINI, the names of the Senator from Missouri [Mr. BOND], the Senator from Oklahoma [Mr. BOREN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Louisiana [Mr. BREAUX], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Mississippi [Mr. COCHRAN], the Senator from North Dakota [Mr. CONRAD], the Senator from California [Mr. CRANSTON], the Senator from South Dakota [Mr. DASCHLE], the Senator from Kansas [Mr. DOLE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Arizona [Mr. MCCAIN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maryland [Ms. MIKULSKI], the Senator from Oklahoma [Mr. NICKLES], the Senator from Neveda [Mr. REID], the Senator from Nebraska [Mr. ZORINSKY], the Senator from Tennessee [Mr. GORE], the Senator from Indiana [Mr. QUAYLE], the Senator from Alabama [Mr. SHELBY], the Senator from Massachusetts [Mr. KERRY], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from California [Mr. WILSON], the Senator from Indiana [Mr. LUGAR], the Senator from Georgia [Mr. NUNN], the Senator from Connecticut [Mr. WEICKER], the Senator from Illinois [Mr. DIXON], the Senator from Florida [Mr. GRAHAM], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Delaware [Mr. BIDEN], the Senator from North Dakota [Mr. BURDICK], the Senator from New Mexico [Mr. DOMENICI], the Senator from Nebraska [Mr. EXON], the Senator from Kentucky [Mr. FORD], the Senator from Georgia [Mr. FOWLER], the Senator from Utah [Mr. GARN], the Senator from Nevada [Mr. HECHT], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Maine [Mr. MITCHELL], the Senator from Alaska [Mr. MURKOWSKI], the Senator from South Dakota [Mr. PRESSLER], the Senator from Arkansas [Mr. PRYOR], the Senator from North Carolina [Mr. SANFORD], the Senator from Wyoming [Mr. SIMPSON], the Senator from South Carolina [Mr. THURMOND], the Senator from Texas [Mr. BENTSEN], the Senator from Ohio [Mr. GLENN], the Senator from Maryland [Mr. SARBANES], and the Senator from Virginia [Mr. TRIBLE], were added as cosponsors of Senate Joint Resolution 58, a joint resolution to designate the month of April, 1987, as "National Child Abuse Prevention Month."

SENATE JOINT RESOLUTION 60

At the request of Mr. BRADLEY, the names of the Senator from Washington [Mr. EVANS], the Senator from Virginia [Mr. WARNER], the Senator from Florida [Mr. CHILES], the Senator from Vermont [Mr. STAFFORD], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Idaho [Mr. MCCLURE] were added as cosponsors of Senate Joint Resolution 60, a joint resolution to authorize the President to proclaim the last Friday of April each year as "National Arbor Day."

SENATE JOINT RESOLUTION 63

At the request of Mr. HUMPHREY, his name was added as a cosponsor of Senate Joint Resolution 63, a joint resolution to designate March 21, 1987, as "Afghanistan Day."

SENATE JOINT RESOLUTION 66

At the request of Mr. BURDICK, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from Rhode Island [Mr. CHAFEE], the Senator from North Dakota [Mr. CONRAD], the Senator from Alabama [Mr. HEFLIN], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Vermont [Mr. STAFFORD], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of Senate Joint Resolution 66, a joint resolution to designate the week of November 22 through November 28, 1987, as "National Family Week."

SENATE JOINT RESOLUTION 69

At the request of Mr. SIMON, the names of the Senator from Texas [Mr. BENTSEN], the Senator from Oregon [Mr. PACKWOOD], the Senator from Illinois [Mr. DIXON], the Senator from Arkansas [Mr. PRYOR], the Senator from Louisiana [Mr. BREAUX], the Senator from California [Mr. CRANSTON], the Senator from Maryland [Ms. MIKULSKI], the Senator from Michigan [Mr. LEVIN], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Maryland [Mr. SARBANES], the Senator from California [Mr. WILSON], the Senator from Oregon [Mr. HATFIELD], the Senator from Oklahoma [Mr. BOREN], the Senator from Montana [Mr. BAUCUS], the Senator from Washington [Mr. EVANS], the Senator from Ohio [Mr. METZENBAUM], the Senator from Wyoming [Mr. SIMPSON], the Senator from Vermont [Mr. LEAHY], the Senator from Ohio [Mr. GLENN], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Arizona [Mr. MCCAIN], the Senator from South Dakota [Mr. PRESSLER], the Senator from Missouri [Mr. DANFORTH], the Senator from Tennessee [Mr. GORE], the Senator from Alaska [Mr. STEVENS], the Senator from Wyoming [Mr. WALLOP], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Maine [Mr. COHEN] were added as cosponsors of Senate Joint Resolution 69, a joint resolution to designate the week beginning April 20, 1987, as "World Population Awareness Week."

SENATE JOINT RESOLUTION 70

At the request of Mr. TRIBLE, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from North Dakota [Mr. BURDICK], the Senator from Delaware [Mr. ROTH], the Senator from Georgia [Mr. NUNN], the Senator from Rhode Island [Mr. PELL], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of Senate Joint Resolution 70, a joint resolution commemorating the 40th anniversary of the Marshall Plan.

SENATE JOINT RESOLUTION 72

At the request of Mr. GORE, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Joint Resolution 72, a joint resolution to designate the week of October 11, 1987, through October 17, 1987, as "National Job Skills Week."

SENATE JOINT RESOLUTION 74

At the request of Mr. KENNEDY, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of Senate Joint Resolution 74, a joint resolution to designate the month of May 1987 as "National Cancer Institute Month."

SENATE JOINT RESOLUTION 75

At the request of Mr. THURMOND, the names of the Senator from Wisconsin [Mr. KASTEN], the Senator from Alaska [Mr. STEVENS], the Senator from Illinois [Mr. SIMON], the Senator from Kentucky [Mr. FORD], the Senator from North Dakota [Mr. CONRAD], the Senator from Arkansas [Mr. PRYOR], the Senator from California [Mr. CRANSTON], the Senator from Montana [Mr. BAUCUS], the Senator from Hawaii [Mr. INOUYE], the Senator from Arkansas [Mr. BUMPERS], the Senator from Arizona [Mr. DECONCINI], and the Senator from Florida [Mr. CHILES] were added as cosponsors of Senate Joint Resolution 75, a joint resolution to designate the week of August 2, 1987, through August 8, 1987, as "National Podiatric Medicine Week."

SENATE JOINT RESOLUTION 83

At the request of Mr. BENTSEN, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from Iowa [Mr. GRASSLEY], the Senator from South Carolina [Mr. THURMOND], the Senator from Michigan [Mr. LEVIN], the Senator from New York [Mr. MOYNIHAN], the Senator from California [Mr. CRANSTON], the Senator from Georgia [Mr. NUNN], the Senator from Michigan [Mr. RIEGLE], and the Senator from Georgia [Mr. FOWLER] were added as cosponsors of Senate Joint Resolution 83, a joint resolution designating the week of April 19, 1987, through April 25, 1987, as "National Minority Cancer Awareness Week."

SENATE CONCURRENT RESOLUTION 6

At the request of Mr. HUMPHREY, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of Senate Concurrent Resolution 6, a concurrent resolution expressing the sense of the Congress with respect to the denial of health insurance coverage for disabled adopted children.

SENATE CONCURRENT RESOLUTION 9

At the request of Mr. DOLE, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of Senate Concurrent Resolution 9, a concurrent resolution to provide for the display of the National League of Families POW/MIA flag in the Capitol rotunda.

SENATE CONCURRENT RESOLUTION 14

At the request of Mr. DECONCINI, the names of the Senator from Massachusetts [Mr. KERRY], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of Senate Concurrent Resolution 14, a concurrent resolution expressing the sense of Congress concerning support for the evolution to full democracy in the Republic of Korea.

SENATE CONCURRENT RESOLUTION 15

At the request of Mr. HEFLIN, the names of the Senator from Nevada [Mr. HECHT], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Utah [Mr. GARN], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Concurrent Resolution 15, a concurrent resolution expressing the sense of the Congress that no major change in the payment methodology for physicians' services, including services furnished to hospital inpatients, under the Medicare Program should be made until reports required by the 99th Congress have been received and evaluated.

SENATE CONCURRENT RESOLUTION 19

At the request of Mr. WIRTH, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of Senate Concurrent Resolution 19, a concurrent resolution urging the President to take immediate action to reduce the depletion of the ozone layer attributable to worldwide emissions of chlorofluorocarbons.

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. GORE, the names of the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Hawaii [Mr. INOUYE] were added as a cosponsors of Senate Concurrent Resolution 20, a concurrent resolution to express the sense of Congress that funding the Vocational Education Program should not be eliminated.

SENATE CONCURRENT RESOLUTION 21

At the request of Mr. DANFORTH, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of Senate Concurrent Resolution 21, a concurrent resolution expressing the sense of Congress in opposition to the proposal by the European Community for the establishment of a tax on vegetable and marine fats and oils and urging the President to take strong and immediate countermeasures should such a tax be implemented to the detriment of U.S. exports of oilseeds and products and inconsistently with the European Community's obligations under the General Agreement on Tariffs and Trade.

SENATE CONCURRENT RESOLUTION 23

At the request of Mr. CRANSTON, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of Senate Concurrent Resolution 23, a concurrent resolution designating jazz as an American national treasure.

SENATE CONCURRENT RESOLUTION 27

At the request of Mr. DURENBERGER, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of Senate Concurrent Resolution 27, a concurrent resolution stating the sense of the Senate that the U.S. Department of Commerce and Special Trade Representative should initiate investigations of Canadian agricultural subsidies.

SENATE CONCURRENT RESOLUTION 28

At the request of Mr. HEINZ, the names of the Senator from Washington [Mr. ADAMS], and the Senator from Mississippi [Mr. STENNIS] were added as cosponsors of Senate Concurrent Resolution 28, a concurrent resolution to reaffirm that deposits, up to the statutorily prescribed amount, in federally insured depository institutions are backed by the full faith and credit of the United States.

AMENDMENT NO. 34

At the request of Mr. Kasten, the names of the Senator from Michigan [Mr. Riegle], and the Senator from Indiana [Mr. Lugar] were added as cosponsors of Amendment No. 34 intended to be proposed to S. 666, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

SENATE CONCURRENT RESOLUTION 32—RELATING TO VOLUNTEERISM

Mr. GRASSLEY (for himself and Mr. DeConcini) submitted the following concurrent resolution; which was referred to the Committee on Labor and Human Resources:

S. Con. Res. 32

Whereas individuals engaged in volunteer work are estimated to provide more than $65,000,000,000 in services to the people and communities of the United States each year, in addition to services provided in foreign countries through the activities of the Peace Corps and similar efforts;

Whereas volunteer work provides opportunities to every citizen for personal growth, career exploration, and civic contribution;

Whereas Federal, State, and local governments, and charitable and service organizations, increasingly recognize the value of individuals engaged in volunteer work in connection with the development and operation of programs to meet the needs of American citizens;

Whereas the number of individuals engaging in volunteer work and the variety of services provided through volunteer work increase each year; and

Whereas the Office of Personnel Management, together with a limited number of State and local governments, charitable and service organziations, and private employers, has provided for a listing and description of relevant volunteer work and employment application forms: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) experience in volunteer work should be taken into account by Federal, State, and local governments, charitable and service organizations, and private employers in the consideration of applicants for employment; and

(2) provision should be made for a listing and description of volunteer work on employment application forms.

● Mr. GRASSLEY. Mr. President, Senator DeConcini and I are submitting a concurrent resolution entitled "Volunteers Are the Importance of Volunteerism." This concurrent resolution is identical to a resolution introduced in the House of Representatives by Representative Hawkins.

The purpose of this concurrent resolution is to recognize the important contributions that volunteers make to our Nation, and to encourage employers in Government and the private sector to recognize the valuable experience gained through volunteer work in their hiring practices. The concurrent resolution expresses the sense of the Congress that experience in volunteer work should be taken into account by employers in the consideration of applications for employment, and that provision should be made for a listing and description of volunteer work on employment application forms.

Currently, more than 35 States and a number of local governments accept volunteer experience on applications for State jobs. The Office of Personnel Management considers the volunteer experience of applicants for Federal civil service jobs. About 100 major companies in the private sector, including Levi Strauss, Union Carbide, Marriot, Coca Cola, United Airlines, Xerox, TRW, AT&T, Atlantic Richfield, and Carnation recognize volunteer experience when they hire people for jobs. Organizations that support this concept include the Chamber of Commerce, the National Association of Manufacturers, the Association of Junior Leagues, the Association for Volunteer Administration, the National School Volunteer Program, the American Association of University Women and AARP.

For those who have served as volunteers and gained valuable experience, consideration of their volunteer experience can be an important tool in landing a job. One of the main impediments to young people entering the labor force is lack of job experience. When employers take volunteer experience into account, this impediment is at least partially removed. A number of young people also use volunteer experience to try out a new career field. Volunteer experience is also a useful tool for mature women who would like to enter or reenter the work force and who have had community volunteer experience.

This concurrent resolution will not cost employers or the Government any money. It will not require businesses to hire anyone, or even to take volunteer experience into account. It does however recognize the role that volunteer experience plays in our communities and in the job market.

I encourage my colleagues to support "Volunteers Are the Importance of Volunteerism."●

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON CONVENTIONAL FORCES AND ALLIANCE DEFENSE AND SUBCOMMITTEE ON DEFENSE INDUSTRY AND TECHNOLOGY

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Conventional Forces and Alliance Defense and the Subcommittee on Defense Industry and Technology, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Tuesday, March 17, 1987, to hold joint hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for acquisition programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, March 17, 1987, to hold hearings on the nominations of Lawrence F. Davenport, of Virginia, to be an Assistant Secretary of Energy (Management and Administration) Raymond G. Massie, of New Jersey, to be Director of the Office of Minority Economic Impact, Department of Energy, and James W. Ziglar, of Maryland, to be an Assistant Secretary of the Interior (Water and Science).

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, March 17, 1987, to continue closed hearings on proposed legislation authorizing funds for fiscal year 1988 for the intelligence community.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

1987 CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

● Mr. MITCHELL. Mr. President, the 200th anniversary of the signing of perhaps the most important political document in modern history will have a great impact on all of us. A great many people the world over are today guided by the principles laid down by our Nation's first leaders and will share in the commemoration of the Constitution.

One group of people for whom this celebration will be especially meaningful are emigrees from nations where the relationship between the individual and the state are constructed differently: from those where liberty is proscribed not protected. Although we all should have such reverence for our liberty, it is nonetheless especially dear to those for whom it is newly acquired.

Mr. President, the following was written by a young woman who, along with her parents, left the Soviet Union 5 years ago to begin a new life in the United States. Her personal experience as a Jewish citizen of the Soviet

Union, a "refusenik," and as an emigree are, I feel, movingly told.

On June 10, 1981, the approach lights of the Kennedy Airport had as much meaning to me as the Statue of Liberty must have had to earlier immigrants. My family was finally arriving in this country from the Soviet Union. As the plane was rolling toward the terminal, I was thinking that I would never again have to hear the comment, "What do you expect, she's Jewish."

For many Russian people the words "Jewish" and "bad" were interchangeable. Jews were considered different and the only reason for this sentiment was a traditional dislike of the Jews by the Russian gentiles, which has been intensified by government policies.

By the time I began to understand some of the social problems I would face growing up, my best friends had already moved to Israel and I knew that there were countries where one could openly declare one's religious affiliation and not be afraid of being rejected by one's acquaintances, teachers, or employers because of it—the way my parents had been on numerous occasions. There were better places than the Soviet Union for my family to live.

In school I was taught that the Western countries, especially the U.S. failed to provide their people with life's barest necessities; my teachers read newspapers which contained information on mass starvation in America, and no news of the Soviet invasion of Afghanistan. At home, however, the radio was often tuned in to the Voice of America, which announced that the Soviet Union could be leading the nations toward World War III. When I asked my mother about the contradictory information, she cautioned me not to discuss the subject with anyone outside of my family. The Voice of America was classified together with many other things I was not to discuss with anyone except my parents—such as religion, our friends in Israel and the United States, and my parents' hope to leave Russia.

By the time I was ten years old, there was a clear picture already formed in my mind. I wanted to leave the U.S.S.R. When my family was finally granted the permission to move, my parents expected me to be unhappy when I had to leave home. I was, however, overjoyed; my wish to leave the country that I did not consider a home any more, had finally come true.

After five years in the United States, I have had a chance to adjust to the new lifestyle and to objectively evaluate the opportunities offered to me. I am amazed at the foresight and courage my parents had when they came here. They left a financially comfortable life, having achieved nearly everything Jewish people in Russia could hope to achieve and had to start their lives over at the age of 40, when most people reach the peak of their careers. They did it because they wanted their children to have a future that would depend on their abilities, and not their religious affiliations. If I had had to go to college in the Soviet Union, I probably would have attended my father's college—an engineering school—despite my desire to become a biologist or a medical doctor; his was one of the few colleges that accepted Jewish students, and engineering was the only field in science and mathematics open to Jews. Now I am free to pursue any field that I might want to enter, and I can openly declare my religious beliefs. Having experienced what life in the Soviet Union can be like has made me more appreciative of the opportunities offered to me in my new country.

ELANA GOLTSMAN,
Brooklyn, NY.

Mr. President, I am proud this year to participate in the Congressional Call to Conscience Program for Soviet Jews. This program serves to highlight the situation of thousands of Soviet Jewish citizens who have expressed their wish to emigrate from the Soviet Union, where they are prohibited from freely practicing their religion and are the subject of state-sanctioned anti-Semitism.

Under the Helsinki Accords of 1975, the Soviet Union, along with many other nations, guaranteed the right of its citizens to emigrate freely. This promise, however, has gone unkept. Since then, the number of Soviet emigrees, Jewish or otherwise, has fluctuated with the change in political winds and the demands of international opinion. Thousands of "refuseniks" still languish in a surreal limbo while they await their visas. They are stripped of their jobs and publicly harassed for their so-called crimes against the state.

Recently, under Gorbachev's policy of glosnost or openness, new regulations for emigration were promulgated, reputedly to improve this situation. However, upon examination it is apparent that while they will bring some consistency to the emigration application procedure, they will also eliminate the possibility of emigration for thousands of Soviet Jews. There are, happily, the well-publicized cases, like those of Anatoly Shcharansky and Yuri Orlov, but conditions for refuseniks in general have not improved. The death of Anatoly Marchenko in a Soviet prison last December reveals this darker side of Soviet emigration policy. In fact, according to the Union of Councils for Soviet Jews, under Mikhail Gorbachev's leadership, the number of Soviet Jewish prisoners of conscience has doubled. And last year only 914 Soviet Jews were granted visas. For this reason we must continue to publicly bear witness to their struggle.

I would like to draw special attention today to the Luboshiz family of Moscow: Felix and Larisa and their children Irina and Ilya. The Luboshizes have been waiting for 7 years for permission to emigrate to Israel and have suffered great hardships because of their decision. Their story is typical and I urge the Soviet Government to act quickly to resolve whatever difficulties, real or imagined, slow the emigration of this brave family.

Mr. President, I would like to encourage my colleagues to continue to participate in and support the Congressional Call to Conscience Program. Last year more than half the Members of the Senate provided statements recounting the difficulties of individual refusenik cases. These statements were forwarded to Soviet leaders on a regular basis and helped form a public record of the American people's outrage over the Soviet Union's human rights record. In addition, they provide hope and support for refuseniks and their family members.

WOMEN BUSINESS OWNERSHIP EDUCATIONAL CONFERENCE DAY

● Mr. LAUTENBERG. Mr. President, I rise to recognize the "Women Business Ownership Educational Conference Day" which will be observed on March 20 in New Jersey.

On March 20, hundreds of women concerned with economic development will meet to discuss trends, share ideas, exchange information and plant the seeds of responsible economic growth for New Jersey. The ninth annual Women in Business Ownership Educational Conference is a unique and highly successful collaboration between business and professional women, Federal agencies, and the State government which seeks to promote responsible economic growth in our State.

Women constitute the most rapidly expanding sector of the business community in New Jersey and in the Nation. Recent estimates suggest that over 58,000 sole proprietorships in New Jersey are owned by women which represents a 300-percent increase since 1981. These businesses contribute to the overall economic health of my State and constitute an important source of new jobs. The number of women professionals and corporate managers in New Jersey has increased 84 percent between 1970 and 1980 and continues to grow.

I am pleased to have the opportunity to recognize and commend these dynamic and talented business, corporate, and professional women for their outstanding work in promoting New Jersey's economic growth. Our economic health and stability in New Jersey and in the Nation depend upon the commitment, enthusiasm, creativity, and initiative which these women have demonstrated with distinction.●

THE 150TH BIRTHDAY OF GROVER STEPHEN CLEVELAND

● Mr. BRADLEY. Mr. President, I rise today to pay tribute to Grover Stephen Cleveland, distinguished 22d and 24th President of the United States, and the only U.S. President born in New Jersey. I call upon my colleagues to acknowledge this former President from Caldwell, NJ, on the occasion of his 150th birthday, March 18, 1987.

After having served as mayor of Buffalo and Governor of New York, President Cleveland became the only U.S. President to serve two nonconsecutive terms—from 1885-89, and 1893-97. In a close contest in 1884 with James Blaine, the Republican nominee, Cleveland won by a plurality of votes rather than a majority of popular votes.

Grover Cleveland took office at the age of 48 and was the first Democratic President after the Civil War. During his first term he undertook substantial reform of the civil service and repealed the Tenure of Office Act.

In spite of having won a majority of the popular vote in 1888, Cleveland lost the Presidential election to Benjamin Harrison. For the next 4 years, Cleveland lived and practiced law in New York, where he gained an increasing amount of personal respect. At the same time there was a disenchantment with the Republican party because of its support for protectionist tariffs.

Tariff reduction became the major issue of the 1892 campaign and Cleveland gained the Democratic nomination and easily defeated the Republican ticket. Cleveland's early messages to Congress on the need for tariff reform and an open trading system are as relevant today—almost 100 years later.

For March 18, 1987, the citizens of Caldwell, NJ, have organized a special commemorative event in honor of President Grover Cleveland on his sesquicentennial birthday. The people of this fine community regard the former U.S. President from their hometown as an outstanding individual. I join with the people of Caldwell in recognizing the 150th anniversary of President Cleveland's birth.●

RULES OF THE SELECT COMMITTEE ON INDIAN AFFAIRS

● Mr. INOUYE. Mr. President, in compliance with section 133(b) of the Legislative Rorganization Act of 1946, as amended, the Select Committee on Indian Affairs is publishing the committee's rules, which I submit for printing in the Record.

The rules are as follows:

Rules of the Senate Select Committee on Indian Affairs for the 100th Congress

COMMITTEE RULES

Rule 1. The Standing Rules of the Senate, Senate Resolution 4, and the provisions of the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, to the extent that the provision of such are applicable to the Select Committee on Indian Affairs and as supplemented by these rules, are adopted as the rules of the Committee.

MEETINGS OF THE COMMITTEE

Rule 2. The Committee shall meet on the second and fourth Thursday of each month while the Congress is in session for the purpose of conducting business, unless, for the convenience of Members, the Chairman shall set some other day for a meeting. Additional meetings may be called by the Chairman as he may deem necessary.

OPEN HEARINGS AND MEETINGS

Rule 3. Hearings and business meetings of the Committee shall be open to the public except when the Committee by majority vote orders a closed hearing or meeting.

Rule 4(a). Public notice shall be given of the date, place, and subject matter of any hearing to be held by the Committee at least one week in advance of such hearing unless the Chairman of the Committee determines that the hearing is noncontroversial or that special circumstances require expedited procedures and a majority of the Committee concurs. In no case shall a hearing be conducted with less than 24 hours notice.

(b) Each witness who is to appear before the Committee shall file with the Committee, at least 24 hours in advance of the hearing, a written statement of his or her testimony with as many copies as the Chairman of the Committee prescribes.

(c) Each Member shall be limited to five (5) minutes in the questioning of any witness until such time as all members who so desire have had an opportunity to question the witness unless the Committee shall decide otherwise.

(d) The Chairman and ranking Minority Member or the ranking Majority and Minority Members present at the hearing may each appoint one Committee staff member to question each witness. Such staff member may question the witness only after all Members present have completed their questioning of the witness or at such other time as the Chairman and the ranking Majority and Minority Members present may agree.

BUSINESS MEETING AGENDA

Rule 5(a). A legislative measure or subject shall be included in the agenda of the next following business meeting of the Committee if a written request for such inclusion has been filed with the Chairman of the Committee at least one (1) week prior to such meeting. Nothing in this rule shall be construed to limit the authority of the Chairman of the Committee to include legislative measures or subjects on the Committee agenda in the absence of such request.

(b) The agenda for any business meeting of the Committee shall be provided to each Member and made available to the public at least three (3) days prior to such meeting, and no new items may be added after the agenda is so published except by the approval of a majority of the Members of the Committee. The Clerk shall promptly notify absent Members of any action taken by the Committee on matters not included in the published agenda.

CONDUCT OF BUSINESS

Rule 6(a). Except as provided in subsections (b) and (c), five Members shall constitute a quorum for the conduct of business of the Committee.

(b) A measure may be ordered reported from the Committee by a motion made in proper order by a Member followed by the polling of the Members in the absence of a quorum at a regular or special meeting.

(c) On Member shall constitute a quorum for the purpose of conducting a hearing or taking testimony on any measure before the Committee.

VOTING

Rule 7(a). A rollcall of the Members shall be taken upon the request of any Member.

(b) Proxy voting shall be permitted on all matters, except that proxies may not be counted for the purpose of determining the presence of a quorum. Unless further limited, a proxy shall be exercised only upon the date for which it is given and upon the items published in the agenda for that date.

SWORN TESTIMONY AND FINANCIAL STATEMENTS

Rule 8. Witnesses in Committee hearings may be required to give testimony under oath whenever the Chairman or ranking Minority Member of the Committee deems such to be necessary. At any hearing to confirm a Presidential nomination, the testimony of the nominee, and at the request of any Member, any other witness shall be taken under oath. Every nominee shall submit a financial statement on forms to be perfected by the Committee, which shall be sworn to by the nominee as to its completeness and accuracy. All such statements shall be made public by the Committee unless the Committee in executive session determines that special circumstances require a full or partial exception to this rule. Members of the committee are urged to make public a complete disclosure of their financial interests on forms to be perfected by the committee in the manner required in the case of Presidential nominees.

CONFIDENTIAL TESTIMONY

Rule 9. No confidential testimony taken by or confidential material presented to the Committee or any report of the proceedings of a closed Committee hearing or business meeting shall be made public in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee at a business meeting called for the purpose of making such a determination.

DEFAMATORY STATEMENTS

Rule 10. Any person whose name is mentioned, or who is specifically identified in, or who believes that testimony or other evidence presented at, an open Committee hearing tends to defame him or otherwise adversely affect his reputation may file with the Committee for its consideration and action a sworn statement of facts relevant to such testimony or evidence.

BROADCASTING OF HEARINGS OF MEETINGS

Rule 11. Any meeting or hearing by the Committee which is open to the public may be covered in whole or in part by television broadcast, radio broadcast, or still photography. Photographers and reporters using mechanical recording filming, or broadcasting devices shall position their equipment so as not to interfere with the seating, vision, and hearing of Members and staff on the dais or with the orderly process of the meeting or hearing.

AMENDING THE RULES

Rule 12. These rules may be amended only by a vote of a majority of all Members of the Committee in a business meeting of the Committee:

Provided, That no vote may be taken on any proposed amendment unless such amendment is reproduced in full in the Committee agenda for such meeting at least three (3) days in advance of such meeting. Such proposed amendments shall be mailed to each Member of the Committee at least seven (7) calendar days in advance of the meeting.●

HAPPY 90TH BIRTHDAY TO FRED LANDAU

● Mr. CRANSTON. Mr. President, as millions of Americans celebrate St.

Patrick's Day today with joy and fanfare, all of us in our great melting pot country are reminded of our own family histories, representing, among us, every geographic area on Earth.

March 17 this year is a particularly special day for one who came to this country from Poland to create one—very happy and successful—version of the American dream. Today Fred Landau is celebrating his 90th birthday.

An immigrant from Poland, Fred Landau worked his way through school. After serving in World War I, he founded his own accounting firm, Mann Judd Landau, which recently celebrated its 60th birthday.

Through his integrity, hard work, and dedication Fred Landau has maintained a thriving business now run by his son, William M. Landau, a CPA and attorney, and has achieved for himself an excellent reputation in the business and Jewish communities.

I'm honored to join Fred Landau's family, colleagues and many friends in paying tribute to a special man on a wonderful day.●

TRIBUTE TO GORDON GOJKOVICH

● **Mr. CRANSTON.** Mr. President, many people get involved in public service but few have what it takes to stick with it over a lifetime. For this, it takes a special person—one of strong character and deep personal conviction and commitment. My friend Gordon Gojkovich is just such a person.

California has benefited from his presence since he moved to Solano County in California in 1943 and began his military service. Gordon's involvement has continued since his days as a platoon tank commander in the World War II Normandy invasion. In 1984, he retraced the World War II route through Europe, making a special trip to Normandy to honor his tank crew.

In politics and public service, Gordon has also played a significant role for over 35 years. He has been a leader in the State Democratic Party, both at the grassroots organizing level and at the national level as a delegate to the National Democratic Convention in New York City in 1976. He also served the public in a variety of roles including elective office. I know first hand the quality of Gordon's work and dedication, having served as California controller when he was State inheritance tax appraiser for Solano County.

The Solano community has been especially lucky to have Gordon Gojkovich's consistently caring presence over the years. He has served in the American Cancer Society, the Solano Community College Scholarship Foundation, and many other community organizations and projects. As owner and publisher of the Dixon Tribune weekly newspaper for a number of years, Gordon continues to provide the people of Salano County with a very valuable service.

As active as he has been publicly, Gordon has always maintained ties with his Yugoslavian ancestry, observing family traditions taught to him by his parents, including speaking Serbo-Croatian. He knows it takes commitment and initiative to keep a family close that is separated by many miles, so he continues to organize family reunions with his relatives in Yugoslavia.

Friends will be gathered on March 20 to honor Gordon as he retires. I'm privileged to share his accomplishments with my colleagues in the Senate and to be a part of the celebration of this distinguished American.●

AMERICA'S HOMELESS

● **Mr. KERRY.** Mr. President, a great deal of attention has been focused recently on the problem of the homeless in America. It is indeed a disgrace that in the richest Nation on Earth many of our citizens are living on the streets of our cities. I welcome the action of the House of Representatives last week in beginning to come to grips with this problem by passing a major homeless bill.

But perhaps an even greater tragedy is the fact that many of the homeless in America, perhaps as many as one-third or more, are also Vietnam veterans. It is a painful irony that many of those who served this country in Vietnam are now struggling for survival on the streets of our own major cities right here in the United States.

I am pleased that the Senate passed an amendment sponsored by Senator MURKOWSKI on January 29 to provide $5 million in aid to homeless veterans. I supported this measure, but this is only the beginning of the effort that is needed. I am also pleased to be a cosponsor with Senator CRANSTON of S. 477, the Homeless Veterans Assistance Act of 1987, to provide further assistance in this area.

But I hope we will not fall into the trap of thinking that by passing a bill, and spending some money, we have solved the problem. We owe too much to Vietnam veterans to treat this problem in a cavalier, hit-and-run fashion.

Ross S. Yosnow, himself a Vietnam veteran, has written a thoughtful piece about the problem of homeless veterans in America in the Christian Science Monitor this week. As he points out, "At a time when the movie "Platoon" reminds us of the contributions these men made, the country pays lip service to their plight. While many of America's true warriors shiver in alleys, our President quotes "Rambo" and calls Ollie North a hero. And while veterans of our last war die in vacant lots, our President spends millions of dollars on the Contras, which could result in the next generation of young men becoming cannon fodder."

Mr. President, our priorities have been distorted for too long. Many Vietnam veterans are on our streets today, suffering from drug, alcohol, and psychiatric problems which have gone untreated. They are not only homeless, but forgotten by society. Meanwhile, we spend millions of dollars on an undeclared war in Nicaragua, and billions on star wars.

We all recognize the great progress that America has made in the past few years in recognizing the contributions of Vietnam veterans. But the "homecoming" process is not complete, and cannot be complete, when so many of those veterans are literally without a home. It is time for us to remember the forgotten heroes of America—our homeless Vietnam veterans.

I ask that the column by Ross Yosnow, entitled "Homeless Veterans: A Nation's Disgrace", be printed in the RECORD.

The article follows:

[From The Christian Science Monitor, Mar. 10, 1987]

HOMELESS VETERANS: A NATION'S DISGRACE

(By Ross S. Yosnow)

Several weeks ago, Ralph Frederick's body was found in a vacant lot in the skid row section of Los Angeles. Although three other homeless people died of exposure in the unusually cold City of Angels that week, Ralph was different; he'd been in the United States Army, and had served in Vietnam.

Although he owned a car, it had probably been years since it had last started, so Ralph spent his last few days on earth huddled in a rubber tire for warmth. Like thousands of other "snowbirds"—people who migrate to usually sunny southern California during the winter—the near-freezing temperatures had caught Ralph by surprise.

But his story is far from unique. The Los Angeles County Division for the Homeless—which deals exclusively with veterans—estimates that there are between 35,000 and 50,000 homeless people on the streets of Los Angeles. Of those, about 50 percent are veterans, and 50 percent of them are Vietnam veterans. The problem is not exclusive to Los Angeles. Some studies have indicated that as many as a third of the nation's homeless are veterans under 40.

Recently, one of my fellow members of Veterans for Peace and I paid a visit to the Saint Vincent de Paul Men's Center on the Los Angeles skid row. Funded by the United Way and other private donors, the center serves 600 lunches a day, and also provides clean clothes, showers, restrooms, and when the men have job interviews, bus tokens. For lack of funds, however, they cannot provide overnight facilities.

Bobby Jiminez, the center's supervisor, estimates that between 25 and 50 percent of the facility's inhabitants at any given time may be veterans. But the underfunded Division for the Homeless can afford only two full-time counselors, who can spend only 2½ hours a week at the center. Groups like

Turnaround, which helps veterans fight drug and alcohol problems, and the Vietnam Veterans Aid Foundation also help, but it's a drop in the bucket compared with what is needed.

In America today, the stock market is at record highs while more people than ever live in poverty. Jaguars and BMWs sell rapidly, while record numbers of veterans sleep in packing crates and cardboard boxes.

The country's apathy concerning the plight of these proud warriors is particularly surprising, given that the military is rather back in fashion.

At a time when the movie "Platoon" reminds us of the contributions these men made, the country pays lip service to their plight. While many of America's true warriors shiver in alleys, our President quotes "Rambo" and calls Ollie North a hero. And while veterans of our last war die in vacant lots, our President spends millions of dollars on the contras, which could result in the next generation of young men becoming cannon fodder.

As a Vietnam veteran myself, I have only recently come to appreciate the wonderful support network of friends and family that greeted me upon my return from that war. As I watched the men at the center that day, I couldn't help thinking of the old cliché about "there but for fortune go you or I."

In a perfect world, America's veterans wouldn't go hungry and homeless for lack of funds. The money would be there to help them develop self-worth, restore their sense of honor and dignity, and develop a purpose in life. They wouldn't have to march on the Capitol for their due, the way that veterans of World War I were forced to.

But since the world is not perfect, we as citizens must set our priorities straight. Saint Vincent de Paul said, "The poor are the most demanding." These men are truly poor . . . but their needs are reasonable.●

BUDGET SCOREKEEPING REPORT

● **Mr. CHILES.** Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $14.3 billion in budget authority, but over in outlays by $13.4 billion. The report does not include the Surface Transportation Act because the bill has not been enacted by Congress yet. When the bill is enacted, only $4.2 billion in budget authority will remain.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 16, 1987.

Hon. LAWTON CHILES,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of congressional action on the budget for fiscal year 1987. The estimated totals of budget authority outlays and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, Senate Concurrent Resolution 120. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32 and is current through March 13, 1987. The report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended. At your request this report incorporates the CBO economic and technical estimating assumptions issued on January 2, 1987.

No changes have occurred since the last CBO report.

With best wishes,

Sincerely,

EDWARD M. GRAMLICH,
Acting Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 100TH CONGRESS, 1ST SESSION, AS OF MAR. 13, 1987

[Fiscal year 1987—In billions of dollars]

	Current level [1]	Budget resolution (S. Con. Res. 120)	Current level (+/− resolution)
Budget authority	1,079.0	1,093.4	−14.3
Outlays	1,008.4	995.0	13.4
Revenues	833.9	852.4	−18.5
Debt subject to limit	2,232.8	[2] 2,322.8	−90.0
Direct loan obligations	42.5	34.6	8.0
Guaranteed loan commitments	140.5	100.8	39.8

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,300 billion (Public Law 99–509).

FISCAL YEAR 1987, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 100TH CONGRESS, 1ST SESSION, AS OF MAR. 13, 1987

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			833,855
Permanent appropriations and trust funds	720,451	638,771	
Other appropriations	542,890	554,239	
Offsetting receipts	−185,071	−185,071	
Total enacted in previous sessions	1,078,269	1,007,938	833,855
II. Enacted this session:			
Water Quality Act of 1987 (Public Law 100–4)	−4	−4	
Emergency supplemental for the homeless (Public Law 100–6)	−7	−1	
Total enacted this session	−11	−5	
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Special milk	6	3	
Veterans compensation	173		
Readjustment benefits	9		
Federal unemployment benefits and allowances	33	33	
Advances to the unemployment trust fund [1]	(3)	(3)	
Payments to health care trust funds [1]	(224)	(224)	
Family social services	110		
Medical facilities guarantee and loan fund	5	4	
Payment to civil service retirement and disability fund [1]	(33)	(33)	
Coast Guard retired pay	3	3	
Civilian agency pay raises	358	373	
Replenishment of disaster relief funds [2]	57	50	
Total entitlements	754	467	
Total current level as of Mar. 13, 1987	1,079,012	1,008,400	833,855
1987 budget resolution (S. Con. Res. 120)	1,093,350	995,000	852,400
Amount remaining:			
Over budget resolution		13,400	
Under budget resolution	14,338		18,545

[1] Interfund transactions do not add to budget totals.

[2] Included at request of Senate Budget Committee.

Note.—Numbers may not add due to rounding.●

PRISONS AND SENTENCING

● **Mr. DECONCINI.** Mr. President, as the crime rate increases and problems of prison overcrowding continue to mount, it is imperative that we actively explore whether traditional incarceration is really doing anything to solve the crime problem, and whether there are alternatives to prison that are more effective and efficient. I would like to call my colleagues' attention to a very fine study of prisons and sentencing that my daughter Christina, a second year law student at Northwestern University in Boston, MA, prepared for the Florida Institute of Justice. I think you will find that its description of the shortcomings of traditional incarceration as a means of lowering the crime rate is very accurate, and that the alternatives it explores, such as restitution and community service programs, are worthy of careful study and consideration. I ask that it be printed in the RECORD.

The study follows:

JUST THE FACTS

WHY IMPRISONMENT?

Yesterday: An enlightened concept

It was 1790. Outraged by the traditional sentences of corporal and capital punishment, a prominent group of Philadelphians proposed a new sentence, one they believed more effective and more humane—prison. As they envisioned it, prison was a place where wrongdoers would be reformed through solitary labor, bible study, and repentance.

And so the Walnut Street Jail, then used only to keep the accused before trial, was reconstructed to house lawbreakers. By 1830, Philadelphians opened the first building specifically designed as a prison whose very name, the Eastern State Penitentiary, proclaimed it as a place to be "penitent." The young Colonies and Europe quickly copied this novel idea.

Today: A reflex response to crime

Almost two hundred years later, the statistics tell the story. Today we:

Operate over 5,000 publicly run penal institutions—jails, detention centers and prisons of all security levels for juveniles and adults;

Lock up over 760,000 Americans on any given day;

Florida's Department of Corrections is the fourth largest prison system in the nation with 28,868 persons in state and federal prisons. In addition, there are 14,950 persons retained in jails daily throughout the state. Moreover, Florida has the largest number of juveniles under their care of any state;

It costs money to operate these prisons. Florida appropriates $322 million to operate its prison systems.

Tomorrow: A better—or alternative—way to punish?

The heavy use and cost of imprisonment have both officials of the criminal justice system and citizens voicing serious concerns about the value of incarceration. Can and should prisons rehabilitate? Does locking up a criminal deter others from crime? Is incarceration a good way to punish most lawbreakers?

Highly charged emotions cloud our thinking whenever we deal with subjects like crime and punishment which touch on our personal well-being—and our sense of ourselves and our society. Tension is created between that in us which is just and compassionate and that in us which is fearful and vengeful. Our frustration at the seeming capriciousness of our criminal justice system only compounds our confusion. The result is we don't know which way to turn.

This pamphlet aims to lay out some facts about incarceration in this country with specific emphasis on the use of prisons in Florida. It will examine how and why we use incarceration, what it costs us in human and financial terms, and finally what alternative ways there are for dealing with lawbreakers. The hope is that the facts will make the public debate on crime, prisons, and alternatives a more productive one.

ARE WE HARD OR SOFT ON CRIME?

Our national incarceration rate—the number of people we lock up per 100,000 in the general population stands today at 201, the highest ever recorded.

Florida, traditionally known as having one of the highest incarceration rates in the country, increased its inmate population by approximately 110% over the last decade, leaving its incarceration rate well above the national average at 247. And it does not look as though the trend will soon be reversed. In fact, all indications point to an unprecedented influx of prisoners into Florida's prison system in the near future.

This suggests that Florida is tough on crime and getting tougher. Why?

Some people say our high incarceration rate is due to a high crime rate, that we lock up more lawbreakers because we have more of them. The traditional rationale for incarceration is that it is necessary to "control crime." The opinion of correctional experts, however, based on experience in Florida and throughout the United States, is that there is little or no relation between imprisonment and crime. Dramatic increases in Florida's prison population during the past decade do not correlate with apparent fluctuations in the crime rate during the same period. Thus crime rates do not explain the popularity of prison as a response to crime.

WHAT REALLY COUNTS?

The size of a prison system depends on how many people are committed to prison, how long they stay there, and how many people get out. All three variables are contributing to the rapid growth in prison systems both nationally and in Florida.

First, prison cells are kept full by keeping people in prison for long periods of time. The median time of incarceration among the states is 23.6 months. The average stay for a person in the Florida prison system is nearly a third longer, 31.4 months. If keeping people in prison for longer periods of time were the way to reduce crime, Florida would have less crime than most states. But, it does not.

Second, there is a tendency in Florida, as well as throughout the United States to classify prisoners in a more restrictive custody status than is necessary. This overclassification in Florida has been largely a function of the disproportionate availability of high security space within the system. Florida's major institutions and maximum and medium security prisons are literally bursting at the seams with a great number of offenders who do not belong there. On the other hand, too few community based programs exist for the thousands of Florida inmates for whom community placement (alternatives less restrictive programs) would be more appropriate.

Third, we have a high and an increasing unemployment rate, especially in the crime-prone age group. One study shows that, historically, every one percent increase in the unemployment level has been followed by a four percent rise in prison population figures. This suggests people turn to crime when they cannot earn money or have idle time on their hands—and, when they turn to crime, some undoubtedly end up in prison.

Fourth, we incarcerate a disproportionate number of minorities and poor people. Blacks are imprisoned eight times that of whites. Research indicates two things: that blacks commit crimes which are more likely to be punished by imprisonment; and that blacks and/or the poor receive more severe sentences than others who have committed similar crimes. In the first instance, the disparity seems to be a function of basic inequities; in the second, the criminal justice system itself seems inequitable.

Finally, studies are now indicating that the number of prison commitments in a given system may relate most significantly to the availability of bed space.

WHAT DO ALL THE STUDIES TELL US?

They raise serious doubts about the belief that prisons are bulging because crime has increased dramatically. In fact, at the most simplistic level they suggest that if we have prison cells available, we will fill them; that we are most likely to fill them with blacks and the poor; and that we will keep many wrongdoers there for a long time.

WHAT DOES IT COST?

Construction costs are high and getting higher.—It costs an average of $48,646 for each bed in newly constructed prisons; $17.1 million is spent per facility.

Florida spent over $63 million to open four new institutions in 1985.

Florida's annual appropriations for the state's prison system is growing at an astronomical rate. Between 1972 and 1985 it increased from $36 million to $322 million yearly.

The costs of incarceration are high and getting higher, too.—The annual cost of imprisoning a single lawbreaker in a Florida state prison is $10,158.

In a time of scarce resources, the routine use of incarceration, especially for large numbers of nonviolent offenders with minimal or no prior record, must be seen as a policy decision, a choice as to where we wish to allocate those resources. For example:

For every person who goes to prison, two people don't go to college.

For every day a person who stays in jail, 20 children eat starch instead of protein.

A man serving a three-year sentence in a state prison for writing a series of bad checks totalling $10,000 is going to cost the state $60,000 to keep him incarcerated.

The full cost of imprisonment is hidden because authorities simply don't have the figures on the cost of welfare for prisoners' families, administration and supporting services for corrections department, and the loss of contributions to the gross national product and tax collector by those among the incarcerated who otherwise would have jobs. These decisions as to what constitutes appropriate punishment may need to be reevaluated as necessitated by the economic realities.

WHAT DO WE GET FOR THE MONEY?

The human cost of incarceration are still harder to total. But the evidence suggests that jails and prisons are generally poor human investments—for the incarcerated and their victims alike. Jails provide numerous examples:

Jails throughout the country and in Florida are generally overcrowded, lightly supervised and filthy.

Jails often punish or protect society from people we may not want to punish and from whom we may not need to protect.

Many of those jails are public inebriates. Alcoholism is now recognized as a disease and not a crime, but jails continue to punish victims of this illness.

Mentally ill people land in jail in too many states. Criteria for involuntary commitments to mental institutions are often restricted by law, but there are no criteria to keep such people out of jail. So every year hundreds of thousands of these individuals end up in jail—without the mental health services they need.

Each year, over 3,350 juveniles are held for offenses—such as truancy or leaving their parents—that would not be crimes if young people were adults. Many are running from bad home situations and some have serious problems, but few, if any, will be helped by jailing.

Nearly half of the people put in jail each year aren't convicted of crimes, but merely are awaiting trail. Most of these people are held because they are too poor, or poorly connected, to make bail. And it looks as though the situation will only get worse. The estimated increase in local jail populations is 21,000 additional inmates each year; the equivalent of two new 200-bed jails would be needed every week.

While jailed and awaiting trial, many of those locked up will lose jobs, and endure incarceration with hardened criminals or embittered people. Moreover, studies show that they will be convicted and sentenced more frequently than individuals with exactly the same charge who, because they can raise bail, are at liberty before trial and hence do not undergo the stigma and deterioration that jail brings.

The psychic cost of jailing, then, are both short and long term. As Norman Carlson, head of the Federal Bureau of Prisons, puts it, "Jails are tanks, warehouses. Anyone not a criminal when he goes in, will be when he gets out."

Too often prisons provide an environment which is detrimental to the health and well being of those locked up.

In 1978, two-thirds of the nation's state prisoners had less than the federally suggested 60 square feet of individual cell space and 44% lived in high density, multiple occupancy units.

Florida is one of eight states who have had their prison systems declared unconstitutional because of overcrowding.

In fact, on March 20, 1986, the number of inmates in Florida's state prisons exceeded 98% capacity which under state statute obligates the Governor to declare a state of emergency.

At the current rate of growth, available space in prisons will soon be gone. States would have to build the equivalent of two new 500-bed prisons every week simply to keep pace with the expanding inmate population.

Medical care in Florida's prisons has been found to consist of "gross systemic deficiencies." Furthermore, the court, in Florida's leading case concerning prison conditions, *Costello* v. *Wainwright*, found that "severe overcrowding may be injurious to the physical and mental health of inmates and should be eliminated.

The effect of poor prison conditions on the mental health of the inmates is seen in the high rate of inmates killed by fellow inmates each year and by the numerous suicides among those incarcerated.

Logic suggests that prison is counterproductive for many of those incarcerated and for society as well.—

A great number of those we have traditionally locked up are not as dangerous as we have imagined.

Over half of the people confined in state institutions are held for nonviolent crimes. Their incarceration is not necessary for the protection of society and confinement in prison will certainly not contribute to their ability to function as good citizens when they are released. In fact, some studies show that imprisonment actually may increase crime in the long run, since parole offenders and short termers tend to have better post prison records than those who do more time.

This leads to two conclusions:

(1) Prison Does Not Rehabilitate: The high numbers of ex-prisoners returned to prison testify to the failure of rehabilitation. Approximately half of all prison admissions return for a subsequent prison sentence. In fact, the chance of returning to prison increases each time a person is reincarcerated.

97.3% of inmates in Florida prisons had served prior felony sentences. This was the highest percentage reported.

Again these statistics tell the story. If imprisonment was working, Florida would not be spending so much time, energy and money incarcerating repeat offenders.

(2) In Most Cases, Prison Does Not Protect Society From Crime: Even though our prison sentences are long, most inmates will return to society in two years. The safety achieved by keeping one of them behind bars for that time is often heavily overbalanced by the deterioration in that person when he or she returns to live among us.

WHAT ABOUT PUNISHMENT?

There is no question that prison is punishment. And there is little disagreement on the idea that lawbreakers need to be punished.

The questions we should ask are:

Must punishment be synonymous with prison?

Are there more effective, less costly or more humane ways to punish?

Alternatives to imprisonment; the whys and wherefores

The studies and statistics show that in most instances incarceration has not helped offenders, their victims, or society as a whole. But nobody suggests that simply unlocking the cells is a good answer.

Prison does protect us from the small 10 to 20% of the incarcerated who are violent and who do need to be locked up.

Alternatives to incarceration can be used for other lawbreakers.

Of course, work to redress the problems of unemployment, racial discrimination, alcoholism or drug abuse that send many people into crime and/or prison is also important, while limiting prison cells, streamlining the bureaucracy of the criminal justice system, and shortening sentences are effective strategies for cutting down imprisonment. But this booklet focuses on alternatives because, as the Apt Associates' study for Congress put it:

"The extent to which imprisonment is used depends in part upon the perceived availability of suitable sentencing alternatives.

WHEN DID ALTERNATIVES ORIGINATE?

Alternatives are in some ways quite traditional.

Churchmen, at the time of the first prisons, became alarmed that enforced isolation drove many prisoners insane. They therefore began their own alternatives, sponsoring prisoners or would-be prisoners in their homes and assisting them in their adjustment to community living. Churches operated such programs until they formally became official probation and parole systems.

Well-to-do families have also long sought out—and been able to afford—alternatives such as boarding schools or psychiatric care for their kin who violate the law.

HOW CAN WE BEGIN?

Start with the Jails: We can remove people who don't need to be in jails. For example, many of those arrested are charged with victimless crimes, illegal acts—such as drug addiction, alcoholism and gambling, or truancy or running away from home in the case of children—which affect only the individuals who perform them.

Removing such offenders from the jails could give police more time for serious criminals, help unclog courts and ultimately help the taxpayer who is footing the bill.

To do it: (1) Legislatures can de-criminalize certain acts, that is, vote that certain behaviors are no longer crimes.

(2) Programs with social and medical services can be started for public drunks, addicts or runaways who wind up in jail because police have no alternative to leaving them unattended on the street.

What about people who have been accused of more serious crimes?

Instead of keeping them in jail until trial, there are several other ways to assure that the accused do appear in court.

(3) Police in many cases can use citations and summonses, like traffic tickets to make individuals appear in court instead of arresting and detaining those accused of crimes.

(4) Third-party, conditional or supervised release programs can be utilized more. These operate by releasing someone who is arrested to a halfway house, drug program, or a specific person who is responsible for knowing the whereabouts of the person and having him or her keep the court date. One of the benefits of such a program is that the amount of contact between the supervisor and supervised can be mandated by the court to meet the needs of individuals cases.

And then the prisons: The programs already mentioned can help reduce the number of people unnecessarily in jail before they have been judged. For those who have done something wrong, have been found guilty, but do not prove a threat to society, there are alternatives to prison. These punish, but in less costly, less destructive ways.

WHAT ARE THE ALTERNATIVES?

Probation and parole are the oldest alternatives to prison and cost only a fraction as much. In 1985 the annual average cost of maintaining an inmate on parole in Florida was $635.43 while that for a year in a state prison was $10,158. In Florida, under this alternative the offenders are placed in the community and required to establish and maintain regular employment. Restitution payments can be made among the stipulations imposed by the court. The offender is in close regular contact with the supervising probation officer and is required to pay $10 per month to the Department of Corrections to help meet costs.

In Florida the use of parole and probation supervision has decreased. However a survey of criminal court judges indicate that on the average, all 20 circuits would utilize probatory services 34% more if more supervisory staff were available. Again we see it as a matter of making choices on where we allocate our resources.

Community Service Programs, based on the spirit of "making right", are used to oversee those offenders whom judges sentence to work as community volunteers for an ordered number of hours as a repayment for having violated community laws. The guilty are placed where their skills will be most beneficial—running youth centers, assisting the elderly and the retarded, renovating community centers, and the like.

Restitution Programs are for offenders whom judges order to repay their victims, ususally with money.

RESIDENTIAL COMMUNITY-BASED CENTERS

Halfway houses, work release centers, drug and alcohol programs—are other alternatives to incarceration. Like prisons, they curtail the offender's independence and supervise his/her behavior but, in addition, provide ways to help these people overcome their problems that got them in trouble in the first place.

Such alternatives have several benefits:

They punish offenders;

They reduce the prison population and lessen the strain on current facilities;

They provide a means by which offenders can avoid the damaging experience of incarceration;

They provide a needed structure to assist offenders in becoming lawabiding citizens;

They often provide a way to help victims;

They don't cost the taxpayer as much as prison or jail.

WHY ARE ALTERNATIVE PUNISHMENTS SO RARELY USED?

The objections to trying alternatives are common, but for each of them, there is a good response.

Objection: New alternative programs require additional funds from a state or county budget.

Response: Alternatives can reduce overall corrections budgets in the long run. They are much less expensive to operate than prisons and many do not require funds for buildings. Today, many alternatives require, not more money, but the redirecting of existing funds.

Objection: Alternative programs will expose the public to dangerous and irresponsible people.

Response: Although the media plays up the failures, the vast majority of participants successfully complete alternative programs. Most programs have—or can have—screening procedures that reduce the risk that those in them will harm society.

Objection: Alternatives will only expand the number of people who are under corrections supervision, not reduce prison populations.

Response: This is a legitimate concern. Criteria for admission to alternative programs must be vigoriously developed and maintained to avoid this tendency.

Objection: The fact that some alternative programs are rarely used and sometimes discontinued "prove" they are not what society needs or that they are too soft.

Response: Lethargy and habit are powerful forces that keep the already overburdened police officers, district attorneys and judges directing people to jail and prison. Lack of knowledge about available programs may explain why some are infrequently used; short term budget problems more frequently than program failures explain why some have been ended. Finally, the programs are not soft; the demands and restrictions they put on individuals can be—and should be—demanding ones.

WHERE FROM HERE?

Courts are currently faced with cases enforcing limits on prison overcrowding. Costs of prison construction and operations are creating added pressure. Statistics and studies document the ineffectiveness of prisons either to protect society or to help the lawbreaker become a productive citizen. These facts make a strong case that alternative punishments are worth a try.

NAUM MEIMAN

● Mr. SIMON. Mr. President, despite claims of reform, the Soviet Government continues to violate basic aspects of human rights. This is extremely alarming in the case of Soviet cancer patients. Numerous citizens who suffer from cancer are refused permission to receive treatment in the West that could save their lives. Unfortunately, this was the fate of Inna Meiman.

As you may know, Inna was a Soviet cancer patient who had applied to emigrate to the United States where appropriate treatment was available. She was not allowed to emigrate until her illness had reached a critical stage. Naum Meiman, Inna's husband, was not permitted to accompany his wife to offer moral support or comfort during this difficult period. Unfortunately, Inna passed away at the beginning of this year. Inna's death has been a great loss to all who knew her.

The struggle is not over, however. Naum was not only refused permission to attend Inna's funeral, but he is still being denied an exit visa. He is still recovering from the loss of his dear wife, and his sole desire is to emigrate. The Soviets' refusal to cooperate in the case of Naum Meiman, as well as in Soviet cancer cases, sheds doubt on the sincerity of their desire to improve relations.

I urge the Soviet Government to grant Naum Meiman permission to emigrate to the West immediately.●

TRIBUTE TO IRWIN A. MOLASKY

● Mr. HECHT. Mr. President, rarely does a constituent's birthday warrant the attention of the U.S. Senate. However, a celebration honoring one of my constituents, Irwin A. Molasky, is an exception. Although residing in Las Vegas, he has touched many more Americans through his television and motion picture production company, Lorimar-Telepictures.

Nevadans are familiar with Irwin as a prominent builder and developer. He has been in the forefront of the commercial and residential building growth. His projects have been some of the largest and most farsighted in Las Vegas and have included the area's first private hospital, the first regional covered shopping mall, the first downtown office tower, the first planned residential development, all of which remain prestigious Las Vegas addresses.

Irwin Molasky was the builder and developer of LaCosta Hotel and Spa, a 600-acre destination resort in Carlsbad, CA. Often referred to as one of the two greatest resorts in the world, LaCosta has undergone a $70 million addition and remodeling project under his direction.

Irwin also orchestrated the huge $15 million renovation of a century-old building in New York City housing the worldwide headquarters of advertising agency giant Bozell, Jacobs, Kenyon, & Eckhardt. While maintaining the charm and architectural tradition of the period, Irwin managed to remodel four floors of this building to the utmost in utility.

Leading the remodeling, renovation, and preservation of the Lorimar-Telepictures Culver City Lot, Irwin currently devotes his boundless energy, talent, and experience to creating the most productive television/motion picture facility in the world.

He has many friends and fans. Recently, Irwin was given a surprise birthday party by his wife, Susan. Muriel Stevens who writes an "Eye On Las Vegas" column, reported in the March 4, 1987, edition of the Las Vegas Sun on the event. I'd like to quote from that article:

> The surprise party took place in the grand ballroom of the Golden Nugget Hotel. It fell to Steve and Elaine Wynn to get him to the hotel in evening attire without giving the plan away. They came up with a tall tale that convinced Irwin he had to attend a formal dinner party they were hosting to raise funds for a worthy cause. Irwin bought it.
>
> Saturday night, he walked into the Spa Suite, where the guests had gathered to greet him. Instead of the international philanthropist he was prepared to meet, he encountered a host of friends and family members all singing "Happy Birthday." The never-at-a-loss-for-words Irwin was stunned.
>
> Then it was on to the Grand Ballroom, which had been transformed into a dazzling party room.
>
> And when all the children sang special lyrics written by Academy Award-winning lyricist Sammy Cahn, they brought down the house. Cahn also wrote special lyrics for Susan Molasky, Pat Lionel, Ted and Parvin Jacobs. Steve Lawrence sang a song with lyrics he had written, as did Irwin's longtime friend and business associate, Merv Adelson. Merv's wife, Barbara Walters, wrote the terrific lyrics.

The newspaper went on to list some of the guests:

> Former Governors Mike O'Callaghan and Grant Sawyer, Bette Sawyer, Governor Richard and Bonnie Bryan, Senator Chic and Gail Hecht, and former Congressman Jim and Ann Santini.
>
> Out-of-town guests included Edye Gorme, Mya and Larry Hagman, Linda Grey, Lola Falana, Elaine Newton, Allard and Evelyn Roen, Billie and Jean Weinberger and Judge David and Bev Zenoff. Out-of-country guests included Alan and Cecy Bearman of England, Joe and Pamela Abulafia and Yalo and Chasia Shavit of Israel. There will be other parties, but Irwin Molasky's will remain memorable.

Mr. President, Irwin Molasky has graced our State with his many projects such as LaCosta, Sunrise Hospital, Valley Bank Plaza, Regency Towers, Mission Center, and Boulevard Mall. But he obviously reaches far beyond Nevada to millions of other people. He is a distinguished Nevadan and I'm proud to play a part of this outpouring of affection and gratitude.●

NATIONAL DONEE AWARENESS WEEK

● Mr. GARN. Mr. President, I rise today to salute a Federal program that has greatly benefited the American taxpayer without any significant publicity. The program I am referring to is the Federal Surplus Property Donation Program.

Many of my colleagues may not know that March 1 to 4 was National Donee Awareness Week. This week was designated by the National Association of State Agencies for Surplus Property [NASASP] and was designed to bring the Federal Surplus Property Donation Program before the public's, and especially Congress' eye. I, for one, have been informed of the benefits this program provides, and I wish to make my colleagues aware of this program in case they missed its special week.

The NASASP was founded in 1947. It is celebrating its 40th anniversary of service to State and local governments, school districts, public health agencies, and other eligible organizations throughout the United States. The NASASP also works with the General Services Administration in order to assist the transfer of personal property that the Federal Government no longer needs. These transfers are made to the States for donation to public agencies and certain nonprofit, tax-exempt activities. Property that may be available through this program includes aircraft, scientific equipment, office machines and furniture, motor vehicles, tools, hardware, construction equipment, and a wide variety of other items.

During the past 10 years, surplus personal property totaling $4 billion in original Government acquisition costs have been transferred to eligible donee organizations under the aegis of this program. In addition to extending the economic life of property which was acquired with tax dollars, donated property allows the donees to conduct valuable public programs which would otherwise be beyond the scope of their budgets.

For the past month, I have received numerous letters from several Utah entities describing the benefits the Federal Surplus Property Donation Program has brought to Utah. For example, the Utah State Department of Administrative Services indicates that from July 1985 to June 1986, $8.4 million worth of Federal property was distributed throughout Utah. Recipients of this property included Pleasant Grove City, San Juan County, and the city of Centerville. Tooele County, located southwest of Salt Lake City, has been involved in the Surplus Property Program for 25 years. Through the program, county officials have purchased motor graders, air compressors, hand tools, shop equipment, lathes, welders, trucks of different sizes, fire engines, and firefighting equipment. Utah County purchased furniture, cabinets, and a 6-year-old map copier, which would have cost $4,000 new but which the county received for the meager price of $150 through the Surplus Program.

While local governments have been able to purchase much needed road and office equipment, Utah's educational system has also benefited. The Uintah Basin Area Vocational Center reports that the program has provided diesel engines for students in the center's diesel shop, welders in the welding shop, and autos to train our mechanics of the future. Equipment and supplies for other vocational classes from carpentry to drafting would be lacking had they not been available through this program. The College of Eastern Utah has also been able to purchase office furnishings and motors for its campus shop, and I understand the University of Utah has developed a highly innovative research facility at its medical center due to donated Federal surplus property. As my colleagues can see, the Surplus Property Program has allowed students to receive hands-on experience in several vocational areas and expand their skills in the vital area of research. Without this equipment and supplies, students would be greatly shortchanged in their learning experience.

The Utah State Division of Natural Resources has sought and purchased equipment through this program for a variety of wildlife programs. These programs include desert wildlife water development, migratory waterfowl development, fish hatchery improvement projects, and an endless list of small habitat facilities maintenance and improvement projects. As the director of the division recently stated,

> The cost savings to the division and the State of Utah is hard to measure; however, it is estimated to be in the hundreds of thousands of dollars since the program's inception.

Mr. President, in a time when State and local governments are facing restricted budgets and this country's educational needs are great, how gratifying it is to know that programs like the Federal Surplus Property Program can be used to effectively meet these needs. Federal funds to these local entities have been reduced in recent years, but demands for services still exist. I applaud the NASASP and the GSA for their efforts to implement this program. I know it has benefited Utah.

I am pleased to bring this subject to the attention of my colleagues, and I commend the Federal Surplus Property Program for their review. This program deserves our respect and recognition.●

THE DRUMS OF JUSTICE

● Mr. LEAHY. Mr. President, I recently received a touching poem, "The Drums of Justice," written in memory of Dr. Martin Luther King by Roberta Goldstein of Burlington, VT. She composed this piece after she learned of the tragic death of this American hero.

Ms. Goldstein celebrated Martin Luther King Day this year by reading her work at a poetry workshop in New York City. At the insistence of the participants in the workshop, she has asked me to forward a copy of her work to the widow of Mr. King, Mrs. Coretta Scott King. I have gladly complied with her request. In order for all Members of Congress to read this poem, I ask that it be printed in the RECORD.

THE DRUMS OF JUSTICE

(In Memory of Rev. Martin Luther King who made the supreme sacrifice for the American Dream)

"How can we learn not to hate the man who shot our father?" the children asked.

Their mother looked at the brimming eyes and answered: "We must kneel and pray together." Slowly her words began, gently flowing like the touch of April rain. "Help us remember that loving not hating formed the pattern of Martin's life, and death can not unravel the raiment of his dream. The task remains—to weave a cloth to cover all God's children.

"We believe that an arithmetic of hate subtracts and divides man from man, and man from God, yet a root of love augments and multiplies the thread that binds the soul to the Divine.

"More voices join to sing our hymn of faith, 'We shall overcome some day!' Lord, let freedom come swiftly without the bare blade, without thieves who dishonor our creed, without the flame that burns the dream to ash.

"Let the salt of sorrow flow unmixed with blood; let the crystal decanter of hope refill our cups.

"Help the lines of our people move forward in the shadow of Martin, 'drum major of justice', servant of the Lord, and advocate for peace.

"Let righteousness swell from the roll of his drums, as mountains dance, and the earth leaps beneath ten million marching feet.

"Like Israelites at the battle of Jericho, may the crescendo of our voices rock the massive walls of the city—then those ghetto walls will come tumbling down, and our people will wear a thornless crown!

"Rock in jubilation, every child of God, roll, roll bitter waters, roll from my soul!

"We shall go up to the mountain top with Martin, and sing hosannahs to the Lord.

"We shall redeem the dream with the fibers of his spirit!

"In his love, we shall conquer hate, and place our hand in the white hand of brothers and sisters. Glory, Glory Halleluja h!

"I know the day of jubilee will come, we follow the beat of Martin's drum.

Amen, Amen."

ROBERTA B. GOLDSTEIN.●

REMARKS OF SENATOR PRESSLER BEFORE NASA ADVISORY COUNCIL

● Mr. DANFORTH. Mr. President, on March 3, the ranking Republican member of the Subcommittee on Science, Technology, and Space, Senator PRESSLER, appeared before the NASA Advisory Council to comment on some of the critical issues that confront NASA and our Nation's aeronautical and space programs. I commend these remarks to the attention of my colleagues and ask to include them in the RECORD.

The remarks follow:

Speech Before the NASA Advisory Council, March 3, 1987

It is a pleasure to be with you for my first major appearance as Ranking Member of the Senate Subcommittee on Science, Technology, and Space. And while I would much prefer to appear before you as Chairman of the Subcommittee, I, nevertheless, feel privileged to assume my new role during what obviously is NASA's most challenging period ever.

NASA's Advisory Council is an appropriate group for such an appearance. Your interests are closely in line with what is unquestionably one of the most demanding yet gratifying responsibilities of the Subcommittee—oversight of our civilian aeronautical and space activities. Many of you have long worked with the Subcommittee and provided valuable ideas and support. I look forward to continuing that relationship.

First of all, I want to thank you for your tremendous contribution. We need your expertise and counsel in getting NASA back on track, and I know Jim Fletcher relies heavily on your advice. In my view, Dr. Fletcher has done an outstanding job in improving morale and restoring a sense of purpose at NASA. I know this group has been, and will continue to be, a big help to him in this regard.

Since assuming my new role on the Subcommittee, I have had the opportunity to review some of the most recent advice of NASA's Advisory Council concerning the restoration of our space launch capability and our space program as a whole. And excellent advice it is, I might add.

I would like to point out at this time that, in one of the most pleasurable coincidences of my life, I am working again with Senator Don Riegle, the Chairman of the Subcommittee on Science, Technology, and Space. Don Riegle and I first met in 1965 at Harvard, where we were both pursuing advanced degrees. He left during that year to successfully run for Congress. After serving in Vietnam and completing my work at Harvard, I rejoined Don, this time in the U.S. House of Representatives.

We are working together again, now on the Senate Subcommittee on Science, Technology, and Space. I have tremendous respect for Don Riegle's abilities. The science and space communities are fortunate to have someone of his expertise and diligence as Chairman of the Subcommittee. I look forward to continuing this friendly, bipartisan relationship as the Subcommittee addresses the various issues related to our civilian aeronautics and space program.

In contemplating the restoration of our space program and its future scope and direction, we are well served to examine some of the lessons learned in the aftermath of the Challenger accident.

After a thorough analysis of all accident-related data, we have been able to determine with great certainty the technical and managerial factors that contributed to the accident. But, just as important, we have learned some things about our space policies that were themselves seriously flawed.

We learned that our space policy directives were success-oriented statements that did not address what to do if we failed. Specifically, we didn't accept the possibility of a single-point space launch system failure.

Secondly, we didn't believe that we needed a flexible, robust ELV fleet to backup the Shuttle. This discouraged not only military space planners, but also those interested in developing a commercial ELV industry. We are now paying the price, and will for some time to come. I know that many of you in the audience have been convinced for years of our need for a "mixed fleet." Regrettably this was not the national policy.

The pendulum has swung back in the other direction and the need for a mixed fleet is as plain as the hand in front of your face. NASA's Advisory Council should feel a sense of accomplishment with the change in national sentiment and policy toward the establishment of a mixed fleet. Your advice to Dr. Fletcher last August to establish a mixed fleet of orbiters and ELVs undoubtedly played a key role in reshaping our national space launch policy.

Those of us in Congress who are involved with formulation of our national space policy are anxiously awaiting NASA's formal presentation of its ELV requirements. Until this issue is resolved, a number of other related questions, such as the launch schedule for our planetary missions and the manifesting of secondary payloads, cannot be resolved. in all fairness to Dr. Fletcher, however, NASA has had a wide and diverse range of pressures with which to contend in determining NASA's ELV requirements. Not the least of these has been the actual and perceived effect that any action on NASA's part to establish a mixed fleet might affect our nascent commercial ELV industry.

Furthermore, determining the appropriate launch priority for the backlog of payloads has been, I am sure, an exercise in frustration. Finally, what may be the most difficult consideration is the budgetary implications of procuring ELV services.

For those of you who are involved in NASA's Space Science and Applications programs, perhaps you will experience the effect of the Shuttle hiatus and constrained future launch capacity more profoundly than any other space community. Space science payloads and missions that were already delayed will now experience additional delays of up to two or three years, and not without significant costs, both budgetary and personnel-related.

This leads me to one aspect of this slowdown in launch capability that I find particularly troublesome—the effect that this could have on NASA's ability to recruit and retain scientists and engineers of the highest quality. Similarly, this slowdown could affect adversely our university space science programs, which are the sole source of our nation's future space science capabilities. It is imperative that as we restore the physical assets destroyed in the *Challenger* accident, we do everything possible to ensure a challenging and stimulating environment for the thousands of dedicated scientists, engineers, and other personnel who make up the NASA "family."

I would like to emphasize at this point how important university-based research is to the science and technology development in the United States. Unfortunately, I have observed some disturbing trends within our national scientific and technological educational infrastructure. To address some of these problems, I introduced in the last Congress comprehensive legislation, entitled the Strategic Defense Education Act, which called for increased federal support for university-based research, research facilities and equipment. This legislation also created a fellowship program for graduate students in critical areas of national need, such as computer sciences and mathematics.

Without adequate support for university research, the United States will fall behind its competitors. Currently, over one-half of all U.S. graduate level engineering degrees are awarded to foreign students. We need to offer encouragement for talented U.S. students to pursue careers in science and technology. While my bill was not enacted totally last year, many parts of it were included in the Higher Education Amendments, which were enacted in October.

To return to my earlier point about creating a challenging and stimulating environment for NASA's scientists and engineers, I believe that the establishment of well-defined goals and objectives for NASA would have a tremendous effect on the health and vitality of the NASA institution. The NASA Advisory Council should be commended for having led the call for NASA to provide for our space program goals and objectives that will energize and challenge our capabilities.

Certainly, there is no dearth of ideas and vision for the grander missions that our future goals and objectives might embrace. The National Commission on Space provided us with an appropriate challenge, notwithstanding the intimidating price tag. The Commission's report left us with challenging questions that will shape the future of NASA and our space program. For instance:

Do we visit the planet Mars and, if so, do we do so in cooperation with another country, such as the Soviet Union?

Do we go back to the Moon and, if so, what type of presence should we establish on the lunar surface?

My own instincts tell me that these initiatives are well within our grasp. I have no reason to doubt that we now have, or will soon acquire, the necessary scientific and technological capabilities to achieve these lofty objectives.

Therefore, the operative question is not *if*, but *when*. After all, who in 1944 would have imagined that we would land men on the Moon and safely return them to earth within one-quarter of a century. Similarly, 25 or 50 years from now, we will marvel at the level of our nation's space exploration and development.

This leads me to the space station program, because any discussion of future goals and objectives must consider a permanently manned presence in space. For those who have a stake in NASA, the space station may be perceived in one of two ways—it may be perceived as "the most handsome boy in school," coveted by every girl in town, or it may be perceived as the "biggest, most intimidating kid in school," feared by, or at least, causing extreme caution on the part of every other boy in town. Similarly, depending on your own perspectives, many of you here may either "covet" the space station program, or approach it with extreme caution.

Nevertheless, I believe that we have no choice but to establish a permanently manned presence in space if we expect to be a future leader in space. And while I am not suggesting that we should let the Soviet space program dictate our own space policy, it is worth noting that the Soviet Union started its evolutionary space station program in 1971. If we deploy our own facility sometime in the mid-1990s, as scheduled, the Soviets will have widened their already-significant lead in long duration space missions and will have undoubtedly garnered the lead in other critical space activities.

Also, I don't think that we can ignore the distinct likelihood that the European Space Agency will at some time establish its autonomous "Columbus" space station. Our experience to date with the Japanese would indicate that they might eventually establish their own autonomous capability, and now that the Chinese have actually contracted to launch two U.S. commercial communications satellites, can they be far behind?

Notwithstanding the competitive pressures of the older *and* emerging foreign space programs, we should develop a permanently manned space station, if for no other reason, because it *is* the logical next step for the United States space program. Simply put, such a capability will go a long way toward satisfying our pioneering spirit and vision, our intellectual curiosity, and our constant quest for the unknown.

Having said this, I am, as some of you may be, troubled by the delays and problems that have been imposed on the space station program. The Department of Defense's intervention into the international space station negotiations in December, albeit necessary to protect their future interests in space station use, did not occur at the most opportune time.

If DOD had been a more interested or communicative participant earlier in the negotiations, this disruption might have been avoided. However, recognizing that we cannot change the past, it is better to air these issues now than to try to resolve them two years from now.

How fragile these international negotiations are is anyone's guess. As the international participants are seeking to establish a management and decision-making process that protects all of their interests, we are seeking to maintain control over an asset that we will have funded by up to 70% to 80% of its total value. Such a setting can lead to nothing but "frank" discussions. The Space Subcommittee recognizes the "delicacy" of these international negotiations and later this spring will examine in hearings this issue of international participation in the space station program.

Finally, Congress is now faced with a $15 billion space station program, rather than an $18 billion program, as it was previously characterized. Congress will surely study carefully a cost growth of this magnitude, given the continuing budget pressures we face. And while I am not suggesting that Congress and the American public will not support a $15 billion space station program, I *can* tell you that Congress will want to know the difference in capabilities between an $8 billion facility versus a $15 billion facility before any funding decisions are made.

These are but a few of the issues that confront the Senate Space Subcommittee and NASA this year. There are many others of equal importance, such as the extent to which our national aeronautical R&D effort can and should play a role in boosting our share of the commercial air transport market; the character of our future civilian launch capability and its relationship to the military launch capability; and the appropriate role for NASA in the commercial development of space. Even though I have served just two months in my new Subcommittee position, I have learned that these and the other issues related to our aeronautical and space activities will warrant considerable study and effort. Yet, I look forward to the challenge of trying to find—with your help—the right solutions to these issues.

That there are so many questions to be answered and that the debate is so vigorous are attributable to many factors. One of these factors is, undeniably, the *success* of our national space effort. Even though we have suffered a terrible tragedy and are going through a difficult and tedious "rehabilitation" of our space program, we can still take pride in our past achievements. These past achievements have laid the foundation for our future successes.

We should bear in mind, however, that the road to these future successes will not always be as straight or as smooth as we would like. But we should not be discouraged. The opportunities and the promise of our future space exploration and development endeavors are limitless. Just as President Kennedy said in 1961 when he challenged NASA and the United States to land a man on the moon and return him safely to the earth, "Now is the time to take longer strides—time for a great new American enterprise—time for this nation to take a clearly leading role in space achievement, which in many ways may hold the key to our future on earth."

President Kennedy's vision is just as appropriate now, if not more so, as it was 26 years ago. I look forward to this challenge before us, just as I know each of you do. At no time in the history of NASA can the NASA Advisory Council play a more critical role than it can now. I hope that you will exercise that responsibility as we all work to reaffirm our rightful leadership in aeronautics and space.●

BILL HEALY

● Mr. HATFIELD. Mr. President, most of us set goals early in life but often only dream of accomplishing them. Rarely does the determination to succeed overcome the adversity we encounter in our daily lives, and all too often our dreams are left behind. But Bill Healy is a man who has never let his vision and dreams for Oregon fall by the wayside.

In 1959, Bill Healy's dream of developing a ski resort in central Oregon became reality. He faced the many difficulties and accepted them as challenges, going forward with his visionary overall strategy for central Oregon. His faith, determination, and keen sense of humor came together as a catalyst to band local residents behind his vision. He was able to overcome one obstacle after another, leading central Oregon into what has become a prime tourist location.

In the mid-1960's Bill was diagnosed with rheumatoid arthritis and in the early 1980's, he was diagnosed as having amyotrophic laterial sclerosis, better known as Lou Gehrig's disease. For many of us, such obstacles would overwhelm our spirit and defeat us. Yet, Bill Healy, continued to accept adversity as challenge and continued to move forward with his God-given ability to turn dreams into reality. Today, Bill Healy continues to turn dreams into reality.

Mr. President, on Sunday, March 1, the Northwest Magazine of the Oregonian, the largest newspaper in my State, featured an article by Mark Hoy on Bill Healy. I ask that it be inserted in the RECORD.

The article follows:

THE MAN WHO MADE THE MOUNTAIN

(By Mark Hoy)

Bill Healy is perched on top of his world. Or as close to it as you can get in these parts—which is the very summit of Mount Bachelor, some 9,000 feet up in Oregon's Cascades. He's sitting in the driver's seat of a shiny red and black Pisten-Bully snow tractor, the machine that Mount Bachelor ski area crews use daily to groom the slopes. From here Healy can look out over a wintry panorama of frozen lakes, and snow-frocked forests, all with a backdrop of spectacular mountains. The massive bulk of Diamond Peak and the thin spire of Mount Thielsen seem close enough to plaster with a snowball.

Perhaps that's what Bill Healy, the president and founding father of the Mount Bachelor ski area, has in mind. But it's hard to tell, because Healy isn't talking. He just sits there grinning that impish grin—the one his friends talk about when they struggle to describe his offbeat sense of humor.

Healy doesn't talk as much as he once did. So right now he's letting the visitor seated next to him in the snow vehicle grope for words—words such as "incredible" and "wonderful," which pale before the panorama spread out below them.

Meanwhile, Healy, who always seems to have one more trick left up his sleeve, has saved the best for last. He wheels the snow tractor around and guides it gingerly across an icy ledge bordering a small cinder cone, a remnant of the overheated side of Mount Bachelor's volcanic history of fire and ice. The sun glints off Healy's glasses and his curly, graying shock of hair as he pilots the machine through a narrow gap between frozen rock piles toward the north side of the summit.

The passage would be a remarkable test of skill for any driver. But for the 62-year-old. Healy, whose hands and feet are twisted by the cruel effects of rheumatoid arthritis and whose muscle coordination has been wasted by a neurological disease, it is a feat akin to winning an Olympic gold medal in the slalom. Healy, once the robust skier, no longer resembles that former self, a guy who used to ski every run on the mountain first thing each morning. Rather, he looks for all the world like a leprechaun, hunched and a little misshapen—and possessed with a magical emergy that belies his appearance.

This man of almost mythical proportions eases off the throttle, and the snow vehicle stops a few feet short of oblivion, idling at the top of a cornice of ice and snow that shears off to a wide, powdery bowl of snow a thousand or more feet below. In the distance the best and bravest skiers on the mountain look like brightly colored bugs as they slice down the bowl.

Again, Healy says nothing. In the sub-zero cold the wind howls through the driver's side window while he grins that maddening grin and watches his visitor, looking for telltale signs of panic. But the passenger doesn't panic. Here, the expansive sweep of ski slopes and the Three Sisters mountains looming in the distance takes his mind off the danger. And, too, he has faith in Healy, who has piloted the snow tractor through a maze of ski runs with supreme confidence and dexterity. Healy, satisfied that he's maximized the thrills of this little joy ride, eases the snow machine backward off the precipice. As he wheels it sideways in the slot between rocky hummocks, the right track loses traction and spins in the deep snow. The snow tractor, digging into a drift, lurches to the right.

Healy eases off the throttle and inches forward, but the left track, too, begins to spin and lose its bite. The powerful machine is on the verge of burying itself in the snowdrift. His passenger feels his confidence evaporating.

Healy, deftly working the controls, broadens his smile into an absolutely cosmic grin. The leprechaun lives for moments like this. But then, Bill Healy lives for every moment.

One of the most cherished assumptions behind the American Dream is that one individual, in the right place at the right time, can change the world, or at least a part of it. So it is with Bill Healy, a man who—without any grand illusions about changing the world—built a ski area and became the catalyst for change in Central Oregon. When Healy arrived in Bend in the early 1950s, it was a timber town, and lumber was the resource on which the region's economy was built. Today, most residents agree, the future lies in the area's year-round recreation potential. Tourism and light industry are the drawing cards.

Make no mistake: Even without Bill Healy and Mount Bachelor, Central Oregon would boast a climate and geography that make it an ideal place to live and play. And someone, sometime, would have built a ski area near Bend. But Healy's dedication to quality, his determination to maintain local control at Mount Bachelor and to build a family-oriented ski resort have shaped the tone of this Central Oregon community. His vision of the future became Bend's vision of the future. As a close friend describes it, "He's been dreaming for the rest of us."

Healy would be the first to point out that he didn't singlehandedly build the Mount Bachelor ski area. "I've been very lucky," he insists. Call it the luck of the Irish, perhaps, but what Healy calls luck looks suspiciously like hard work and attention to detail. Oldtimers recall seeing president Bill Healy shoveling snow off the walkways around the lodge and asking skiers what might be done to make their skiing more fun. Hands-on management from the start.

But, for a man who considers himself lucky, life has dealt Bill Healy some cruel cards. His love of skiing motivated him to come to Mount Bachelor ski area because no local ski lifts existed when he moved to Bend. But by the mid-1970s Healy's health problems severely limited his ability to ski the mountain he had turned into a skier's mecca.

First came the rheumatoid arthritis in his arms and legs. Then came the balance problems. Determined to keep skiing the mountain, Healy modified his equipment in hopes of overcoming his handicaps. But his muscle coordination continued to deteriorate, and—after taking some bad falls that resulted in injuries—he was forced to retire from the slopes.

Healy and his wife, Beverley, a nurse whom he met in 1971, began to search out doctors for help. A diagnosis was elusive. Then the symptoms began to fit an ominous pattern: It looked as if Healy had amyotrophic lateral sclerosis, better known as Lou Gehrig's disease. ALS, a disruption of motor neurons that affects the cerebral cortex and spinal column, causes progressive degeneration and death, usually within two to five years. No cure exists.

That was more than eight years ago. Healy insists that, while many of his symptoms fit the pattern, he does not have ALS. Beverley Healy notes that both rheumatoid arthritis and ALS appear to result from breakdowns of the body's auto-immune system. In line with this thinking Healy has tried a number of treatments to stabilize his body's immune responses, including participation in an experimental ALS research program in Los Angeles.

Something seems to be working. His family and business associates report that Healy's condition has "plateaued' in the past two years—although his condition hasn't improved, it isn't getting worse. He has some control over his gnarled hands and feet and remains mobile with the help of a walker and a wheelchair. His speech is severely slurred because of the loss of muscle control over his tongue and mouth, but he still manages to communicate. Friends say they have learned to interpret his speech pattern as if it were a foreign language. Healy writes on a computer and is experimenting with a speech synthesizer, which turns computer messages into spoken words so that Healy can use the telephone. He calls the machine "Paul."

Despite these handicaps. Healy's incisive mind and lively wit remain unimpaired. He told a recent visitor that he finally had puzzled out the true identity of his disease. Taking him at his word, the visitor pressed for an answer. With a sly smile Healy replied, "hoof-and-mouth disease."

When the Irish clan in Bend decided in the early 1930's to revive the tradition of a St. Patrick's Day parade, the logical choice for grand marshal was the old leprechaun himself. Easing himself up on a float, Healy presided over the affair with flask in hand and a Gaelic smile fixed firmly in place. Healy in his glory, saints preserve us. He's been riding in the parade every year since.

Some of his other local social duties have been a wee bit more trying. A few years ago, when his obvious physical deterioration lent his support to the rumors about his health problems, Healy's Bend friends and business associates—which is to say practically the whole town—groped for a way to show their appreciation to a man who not only had contributed mightily to the local economy, but who also is widely loved and respected.

The result was a series of dinners and tributes sponsored by practically every civic, social and business group in Bend. The prospect of being so eulogized while still fighting a fatal disease would have demoralized lesser souls. But Healy approached the events with gracious good will and characteristic good humor. He even coined his own phrase to describe the procedure. Beautifying Bill, he called it. Beautifying Bill.

During that period, as rumors of his condition swept beyond Bend to friends in high places and the average Joe skier, Healy attended a large social function in Portland. As he was edging into the party with the help of his walker, a friend approached in greeting. Genuinely surprised that Healy was getting around so well, his friend exclaimed, "Gosh, Bill, you look great!"

With full appreciation of the unintended irony. Healy replied haltingly, "Thank you. . . . I'm going . . . I'm going . . . to have . . . an open-casket . . . funeral."

When Bill Healy and a small group of associates formed Mt. Bachelor Inc. in 1957, they scarcely imagined the impact their little venture would have on Central Oregon. Healy, who was raised in Portland, served a stint in the U.S. Army's 10th Mountain Division—a skiing infantry unit with alumni who came home to start many American ski areas—and earned a degree from the University of Michigan before returning to his home state. Then, joining the family furniture business, he was dispatched to Bend to manage the outlet there.

After settling in Bend, Healy made his avocation a part-time vocation and hit the streets of Bend to persuade others to join his cause. In addition to talking more than 300 local residents into investing in Mt. Bachelor Inc. stock, Healy himself put in what he describes as "a sizable amount of money at the time." The company has grown steadily over the years through a combination of internal reinvestment and judicious leveraging of assets to secure loans through local banks. Healy's philosophy about borrowing large sums of money is captured succinctly by a favorite piece of entrepreneurial wisdom: "If you owe the bank $10,000, you worry about it. If you owe the bank $10 million, they worry about it."

His choice of a mountain may have been just one more case of Irish luck. Or perhaps the little people were lending a helping hand because Mount Bachelor has provided perhaps the most consistent snow conditions in the lower 48 states over the past 30 years. The ski area does not even own snowmaking equipment, and, except for the severe drought season of 1976-77, has never needed it. By siting their ski area on the north side of the mountain, Healy and friends also sheltered their ski runs from the strong winter sunlight that might otherwise have melted their white gold.

In the 1958-59 ski season—Mount Bachelor's first—the area logged 29,000 skier days a bureaucratic measure of ski activity on the mountain. For the 1986-87 season, the projected total of skier days at the Northwest's largest ski area will reach 570,000. Skiers will spend something on the order of $33 million this season in the Bend area, which translates into an $80 million impact on the region after standard economic multipliers are applied. What's more, Mount Bachelor obviously is a prime component in the four-season recreational appeal of real estate developments such as Sunriver, Black Butte and other less well-known retirement and vacation retreats in the area, adding to its impact. The fact that several high tech and other new businesses have relocated to the Bend area after a key corporate official came there to ski may be hard to quantify in dollars, but that possibility, too, supports the contention that the Mount Bachelor ski area has played a key role in shaping the community around it.

Ask Bill Healy about Mount Bachelor's impact on the area, and he shrugs, letting the situation speak for itself. "We've been very lucky," he says, smiling that smile.

But ask Bill Healy about his plans for what the brochures call "The Mountain of the Future," and his leprechaun's eyes begin to twinkle. In an office, that's small, plain and devoid of decoration, the wall behind Healy's desk is covered with his plans for the mountain's tomorrows. The plans break into two giant sets of brightly colored plans—on the left, a blueprint of the new ski lifts and runs that will be developed at Mount Bachelor over the next decade; on the right, an artist's conception of the new lodge complex that will be built below the present lodge on what is now a parking lot.

These are Bill Healy's dreams. But what might seem like a fantasy to a mere mortal is the stuff of certainties for Healy. He is sure that high-speed quad-chair lifts such as the new Pine Marten lift built at a cost of $2.5 million last summer will replace those that skiers use now. He's certain that there will be another lift to the summit, this one a European-style gondola. And he's also certain that the gondola lift will connect the mountaintop with a new base lodge built to accommodate skiers arriving on the new road from Sunriver. Healy also knows that the lodge where he is sitting will be disassembled and replaced with a building that dwarfs the present one, in order to cater to the food, clothing and equipment needs of far more skiers than the lodge accommodates now.

According to David Marsh, Mount Bachelor's executive vice-president, the improvements Healy envisions will cost in excess of $60 million and will be phased in over the next few years as demand dictates. Healy rolls his eyes at the dollar figure—an amount he would have considered out of this world when he planned the first simple runs on the mountain. He opens his mouth and the phrase spills out like so many marbles rolling down a metal chute: "Timing," he explains, "is everything."

Bill Healy is a spiritual man. Early in the planning stages for the ski area, he climbed Mount Bachelor's lower slopes with Brad Pease, one of his fellow directors on the ski corporation's board, in order to place a statue of the Virgin Mary in the crook of a big fir tree. To this day the difficult terrain that drops past the tree is known as the Grotto Run.

Raised a Roman Catholic, Healy enjoys recounting his days as an altar boy and his graduation with the first class from Portland's Central Catholic High School. But his divorce and subsequent remarriage caused an estrangement with the Roman Catholic Church and sent him into the Episcopal fold. Between them he and his present wife have eight children, who range in age from 37 to 22 and are scattered across the continent from Newfoundland to California. They also have eight grandchildren.

The Rev. Robert Carey, the priest at Trinity Episcopal Church in Bend, says that Healy is "as much of an inspiration in my life as anyone I know." Pinpointing his compassion, determination and humor as key elements of Healy's personality, Carey says with admiration: "He focuses in on the present and lives as full a day as be possibly can."

When Carey first came to Bend two years ago, he tended to forget that Healy's disability inhibited his ability to come to the front of the church to receive communion. After failing to give him the wine and bread two Sundays in a row, Carey went to Healy's home to offer his apologies. He found the member of the congregation seated with a large dog whistle around his neck. "Next time . . . you forget me," Healy said, "I'm blowing . . . this whistle." Carey hasn't forgotten him since.

Driving down the mountain in a snow tractor is as close as Bill Healy gets to skiing these days. Since his medical problems robbed him of the muscle control that skiing demands, the snow vehicle has become his favorite toy. Often he will park it at the top of a run and sit, watching skiers swoop by, delighting vicariously in the sport he once mastered.

Healy has made the transition from skier to observer without resentment or regret. As Carey puts it, "Bill is creating this mountain for the rest of us, so that we will be able to ski even though he can't. It's a wonderful gift."

Today, after extricating the snow tractor from the drift on the summit without calling for assistance on the two-way radio, Healy is relishing a ride down the ski run called Healy Heights. He crosses over to the Beverley Hills run and slows the cat as it approaches the base of the summit chair, where a Saturday crowd of skiers is lining up for the ride to the top.

The line of skiers gives Healy an inner satisfaction that needs no articulation. Five years ago, the controversy over Healy's dream of building a ski lift to Mount Bachelor's summit threatened to tear his master plan apart. Healy was convinced that the summit lift was essential for two reasons. He had been to the mountaintop, as it were, and knew that the lift not only would open up an area inaccessible to average skiers, but also would become a prime, four-season drawing card for tourism. For Healy, it was also a symbol of his company's commitment to—using the sports terminology that he enjoys—go all the way, its willingness to provide the highest quality skiing experience the mountain could offer.

Many conservationists disagreed. They saw the summit lift as an eyesore that would have a detrimental impact on tourism. They also argued that it was too expensive, that weather conditions would limit the number of days when it could be operated and that it never would be cost-effective.

A heated battle followed, with the end result a modification of Healy's plan and construction of a lift at a cost of $4.5 million. In the process James Monteith, director of the Oregon Natural Resources Council and an opponent of the lift's construction, became a Bill Healy convert. Describing Healy as "one of my favorite people," Monteith recruited him to serve on an advisory committee for the conservation group. Call it the luck of the Irish.

The evening after his drive to the Mount Bacheler summit, Bill Healy is relaxing next to the glowing woodstove in his home outside Bend. He and his wife have just returned from church services, and she is preparing a light dinner for a small group that includes Healy's son Tom, daughter-in-law Carol and grandson Eric, as well as the fully recovered snow-tractor passenger.

Tom, who is in charge of the 16-man crew that grooms the slopes at the ski area, wants to hear all about the day's adventures at the summit. Having explored Mount Bachelor's slopes since he was old enough to ski—which, in the Healy family, means old enough to walk—he knows every spot on the mountain. Since his father began having health problems, he has dug him out of more than one snowdrift and fully expects to dig him out of many others.

Naturally, the predicament that occurred earlier has a familiar ring to him. But he is a little surprised to hear the location.

"Right on the edge of that cornice, huh?" Tom says, shaking his head. "I know the spot all right. I just don't know how he got there."

Lots of people wonder that about Bill Healy.●

BLUNDERING OVER NUCLEAR BURIAL

● Mr. **ADAMS.** Mr. President, yesterday the New York Times ran an editorial which—with more restraint than I might have shown—was titled "Blundering Over Nuclear Burial." The editorial traced once again the tangled history associated with the issue of long-term disposal of nuclear waste.

In the process of revisiting the issue, the Times raised one question and reached one conclusion. The question was this: "Why must only Western States play host to hot trash from back East?" The answer, of course, is that there is no reason. Clearly geology does not disqualify all Eastern granite for disposal of nuclear waste nor does it require that only Western States bear the burden of playing host to materials which will remain dangerous for tens of thousands of years. That is why, in 1982, we combined geology and policy in the Nuclear Waste Policy Act which required the Department of Energy to develop two sites based primarily on geologic considerations.

Last year, however, DOE decided that neither geology nor policy—neither science nor law—would determine its decision and went ahead and announced their intention to suspend the search for a second site. Then, to make matters worse, DOE also announced the selection of three sites to be the candidates for the single repository they had decided to build by the most dubious methods—including abandonment of a site ranking methodology reviewed by the National Academy of Sciences when that methodology didn't produce the results DOE desired.

Since those decisions were announced, the entire Nuclear Waste Policy Act has become as dangerous as the waste it was originally designed to isolate. States which might have accepted an objective, scientific decision about site selection have lost faith in DOE and in the Government. DOE's response to legitimate concerns has been chaotic. After initially defending their decision to go ahead with only one respository, they announced that they would move ahead on a second site. While still insisting that their three Western sites were good candidates, they also announced that none could be ready by the promised date of 1998. So, in an act of some creativity and a lot of desperation, DOE renewed its intention to build a "temporary," above ground-storage system in Tennessee to fill the gap. None of these decisions were the result of consultations with the Congress and the States. DOE simply decided that they could act on their own once again.

After asking a reasonable question and answering it with a recitation of the unreasonable history of DOE actions, the Times went on to reach its conclusion:

> Mr. Herrington inherited a plan for a workable political compromise. In ignoring it, he squandered the opportunity and has sown distrust between regions. Now Congress will have to pick up the pieces and try again.

I agree with the Times. We cannot "fix" what the Department of Energy has broken with its blundering. The Nuclear Waste Policy Act was a piece of legislation which could only have worked if everyone demonstrated good faith. DOE has broken faith with the act and the principles it was designed to protect. In the process, they have broken the act open and, as the Times suggests, we have to pick up the pieces and try again.

Trying again begins with the recognition that there is no longer a policy in place—the act has broken down under the strain of bad faith and bad judgments. We will only make matters worse if we behave as if there was still an act to protect us. As a result, we ought to freeze the process in place; we ought to stop before things get worse; we ought not allow DOE to make one more decision, spend one more dollar, do one iota more damage to the process.

I would urge my colleagues to consider this: There is nothing lost if we bring things to a halt while we sort them out. After all, despite all the shortcuts they have tried to take, even DOE has admitted that they cannot meet their schedule, they cannot have an operating repository by 1998. It may take a few years to make the right decision—but when the decisions we make will be tested for generations to come, it just makes sense to be sure that our solutions are sound.

Beyond that, while we urgently need to have a process in place, there is no urgent need to have a repository. The waste we have generated can still be stored on site. On site-storage capacity for commercial spent fuel can be increased through new construction and the high-level defense wastes can be stabilized by using vitrification technology and can be stored on DOE's reservations.

Mr. President, we all want a system which will let us safely store and dispose of nuclear waste. We need a process which will allow us to develop that system. The Nuclear Waste Policy Act may once have been that sort of process but it isn't any longer. The Department of Energy has seen to that. Now it is time for the Congress to see to it that we develop a system which will isolate political blunders from the decisionmaking process so that we can ultimately isolate nuclear waste from the environment.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

[From the New York Times, March 16, 1987]

BLUNDERING OVER NUCLEAR BURIAL

Highly radioactive rods of spent nuclear fuel are building up at nuclear plants all over the country. Utilities urgently need to transfer them to a Federal storage depository but the Department of Energy continues to fumble the search for a site.

For safe storage, the rods must be packaged and placed deep underground in rock so stable it can contain them for at least 10,000 years. These technical details pale in comparison with the political problem of choosing a site, and an Administration whose horizons extend not 10,000 years but two.

The Department of Energy has long favored building the permanent storage site for highly radioactive waste on federally owned land, in sparsely settled Western areas, preferably where the department is a big employer. The plutonium production site at Hanford in Washington is one such site, the Nevada nuclear test range another.

But most highly radioactive waste is generated in the Eastern United States. And granite, among the stablest of rock formations, is common in the East but not the West. Why must only Western states play host to hot trash from back East?

After years of debate, Congress devised an intricate political compromise in the Nuclear Waste Policy Act of 1982. It told the Department of Energy to have a Western storage repository operating by 1998, and at least select the site for an Eastern repository so as to spread the burden.

Secretary of Energy John Harrington has wrecked that plan. Last May he postponed the search for an Eastern site, saying that the waste was piling up so slowly that the Western site would suffice for many years. Maybe, but the action was widely seen as intended to help Eastern Republican candidates in last year's midterm elections, and to protect George Bush's prospects in the New Hampshire primary. The decision shattered the 1982 compromise and angered Western states.

Legislators made plain to Mr. Harrington that they viewed the postponement as illegal. Last month he promised to revive the search for an Eastern site, prompting an effusion of protests from Eastern states. Meanwhile, the department has declared it won't be able to open the first storage site until 2003, five years later than promised, and so will renew its push for a temporary, above-ground storage site in Tennessee, to be operating by 1998.

But the Waste Policy Act envisaged the temporary storage site as a backup, not an integral part of the waste system. Tennesseeans fear the site could easily become permanent and have sued the department for not consulting them, as the 1982 act requires.

Mr. Herrington inherited a plan for a workable political compromise. In ignoring it, he squandered the opportunity and has sown distrust between regions. Now Congress will have to pick up the pieces and try again.●

RESOLUTIONS DISAPPROVING THE CERTIFICATION OF MEXICO PURSUANT TO THE ANTI-DRUG ABUSE ACT

● Mr. D'AMATO. Mr. President, I am pleased to be an original cosponsor of resolutions opposing the certification of Mexico under the Anti-Drug Abuse Act.

Frankly, how we vote on these resolutions will determine whether the Anti-Drug Abuse Act sanctions have any teeth at all.

These resolutions raise the question of whether Mexico has "fully cooperated with the United States or taken adequate steps on its own" to combat drug trafficking. As cochairman of the Senate Caucus on International Narcotics Control, I believe the answer is "No."

Section 2005 and title IX of the Anti-Drug Abuse Act could, if taken seriously by the Congress, give us a most important weapon in the war on drugs.

Section 2005 provides that 50 percent of the aid given under the Foreign Assistance Act to major drug-producing and drug-transit countries must be cut off if they are not doing their best to combat drug trafficking. It also mandates that we vote against international loans to such countries.

Title IX provides for the denial of preferential tariff treatment and the imposition of duties at rates of up to 50 percent ad valorem on such countries' products.

It is important to stress that, even if we pass a resolution of disapproval at this time, the President may still certify that it is in the national interest of the United States to provide assistance to Mexico. The real issue with respect to Mexico is whether our national interest really requires that we provide assistance despite Mexican noncooperation. To determine this, we must first have an accurate certification recognizing what we all know to be true: Mexico is not fully cooperating with the United States and is not taking adequate steps to combat drug trafficking.

In the interest of a full review of this matter, I ask that the chapter from the Department of State's international narcotics control strategy report [INCSR] devoted to Mexico and an article by A.M. Rosenthal that appeared in the March 15 New York Times be printed in the RECORD in their entirety at the conclusion of my remarks.

The State Department's own narcotics report, the INCSR, clearly states:

> While existing laws are adequate, Mexican enforcement, conviction and sentencing is less than adequate, and, in many cases, nonexistent.

This explains why Mexico continues to be the major single source country for the production, processing, and trafficking of heroin and marijuana entering the United States, and why over one-third of the cocaine consumed in the United States transits Mexico.

Mexico's heroin exports to the United States are surpassed only by Southwest Asia in terms of total quantities supplied to the United States—2 to 4 metric tons of heroin for Mexico, compared to 3 metric tons for all of Southwest Asia. Vast areas of opium poppy cultivation have not even been addressed. The secondary cultivation zone, including the states of Oaxaca, Michoacan, and Guerrero, is increasing in size, importance, and production.

International airports in Mexico are used openly by drug traffickers. Proceeds from Mexican narcotics activities flow freely across the United States-Mexican border in both directions.

Customs Service and Treasury Department officials testified as recently as March 5 before the Senate Treasury Appropriations Subcommittee that the United States Customs Service gets no—I repeat—no cooperation from Mexico with respect to drug law enforcement.

Perhaps the blackest mark of all against Mexico is its failure to bring to justice those responsible for the 1985 torture and murder of DEA special agent Enrique Camrena and those who participated in the 1986 arrest and torture of DEA agent Victor Cortez. I cannot believe that Mexico's efforts can sanely be regarded as adequate as long as cooperation in these cases continues to be as bogged down as it appears to be.

Five short months ago, this body passed the Anti-Drug Abuse Act to begin a real war on drugs. Since then, we have seen signs that the commitment to this effort may already be weakening. Budget cuts totaling more than $900 million have been proposed. We are now asked to pretend that a country is cooperating with us when we know it is not. This is unconscionable and absurd. Mr. President, I urge my colleagues to keep the commitments we made in October, and to cosponsor these resolutions.

The material follows:

MEXICO

A.1. STATUS OF ILLICIT NARCOTICS PRODUCTION AND TRAFFICKING

Mexico continues to be the major single source country for the production, processing and trafficking of heroin and marijuana entering the United States. Mexico's economic crisis with its concomitant falling living standards, declining government revenues, growing rural poverty and scarcity of domestic credit works to the advantage of drug traffickers while undercutting efforts directed at them. Despite Mexican and U.S. remedial measures, corruption and inefficiencies in the eradication campaign still impede efforts to reduce the flow of drugs to the United States from Mexico.

Mexico's heroin exports to the United States are surpassed only by Southwest Asia in terms of total quantities supplied to the U.S. (2-4 MT of heroin from Mexico vs 3 MT for all of Southwest Asia). The Tri-State region of Sinaloa, Chihuahua and Durango is the primary growing area. A secondary cultivation zone, including the states of Oaxaca, Michoacan and Guerrero, is increasing in size and importance. The state of Chiapas is also of concern as a burgeoning production area. The primary Tri-State zone of opium poppy cultivation receives major attention by the Mexican Permanent Campaign, but vast areas of the secondary cultivation region have not been addressed. This concentration of illicit crop destruction efforts in the primary area warrants reappraisal in 1987.

Marijuana cultivation is large-scale and found throughout the country in varying stages of growth and quality. The 1986 estimate is 4,670-5,370 MT available for export to the United States from gross production of 4,990-5,645 MT.

Over one-third of the cocaine consumed in the United States transits Mexico from production and refining locations in South America. The Yucatan Peninsula is a major transshipment point for cocaine. Although some refining of cocaine hydrochloride reportedly occurs within Mexico, the majority of the cocaine transits Mexico in final form via small to medium-sized aircraft, utilizing both clandestine and registered airstrips. The "trampoline" method remains an important smuggling mode, with two or even three aircraft involved in staggered shipments. International airports in Mexico are insufficiently monitored and are used openly by drug traffickers, who either bribe airport employees or hide within the vast general aviation traffic utilizing the country's facilities.

Mexico's production of controlled substances has diminished and the existence of the major amphetamine laboratory which was seized in the state of Tamaulipas in July 1986 appears to have been an unusual incident. The situation is being monitored, however, in the event that controlled substance production should once again become a serious problem in Mexico. The diversion of licit drugs does occur, but on a relatively small scale and does not significantly affect the illegal market in the United States.

As an industrial nation, Mexico is a legitimate producer of ether, acetone, acetic anhydride and other chemicals illegally utilized by laboratory processors of cocaine and heroin. DEA actively monitors the movement of these chemicals through Operation Chemcon, which was established to monitor traffic in chemicals required for illicit drug processing.

The extensive trade and financial flows between the two countries facilities money laundering. There are no dollar or peso transaction estimates. Most proceeds from Mexican narcotics activities flow freely across the U.S.-Mexican border, in both directions. Bank secrecy laws have in the past impeded detection of such transactions. The new MLAT, however, should improve this situation.

The Mexican aerial eradication program utilizes 89 aircraft in thirteen zones under the jurisdiction of the Mexican Attorney General's Office (PGR). Fixed-wing Turbo Thrushes (which in 1986 varied from one permanently assigned plane to a total of five planes, all owned by the United States) are located in Culiacan, while helicopters are based at 12 locations. Three Bell-212 helicopters and fifteen Bell-206 helicopters are equipped for spraying. Helicopters with their spray systems removed are sometimes used to transport troops and cargo. Moreover, some spray helicopters fly support to other spraycraft which are actually fumigating.

Two herbicides are currently used for eradication: transquat, for marijuana, which is available locally; and 2-4-D, for opium poppy, which is important from the United States. Periodic evaluations are carried out to improve the utilization of these chemicals.

In 1986, the number of hectares of opium poppy destroyed (2,383) by aerial spraying rose by 3.7 percent over the 1985 level (2,297) according to the Mexican Attorney General's Office (PGR). Over ninety percent of both the opium poppy and marijuana claimed destroyed by the PGR has been verified by Operation Vanguard. The pattern of opium poppy cultivation has been shifting away from sizeable plots to smaller despersed fields. The impact of this trend is being studied to determine if it may have a negative impact on the efficiency of eradication. DEA estimates that Mexico was the source of 39 percent of the heroin consumed in the United States in 1985; a 1986 estimate has not been released.

In the 1985 INCSR, INM speculated that Mexican marijuana cultivation in 1985 may have been as high as 9,000 hectares, compared to the 6,100 hectares actually reported in the INCSR. After consultation with GOM officials involved in the spraying program, INM believes cultivation in both 1985 and 1986 could well have been at the 9,000 hectare level, and that 1985 marijuana eradication statistics were over-stated, including not only PGR aerial eradication, but also, some military manual eradication. As indicated in Section C.1, 1985 eradication data has been adjusted to include only PGR aerial eradication.

Marijuana hectarage destroyed by aerial spraying during 1986 (2,973 hectares) was 71 percent higher than the quantity eradicated for 1985 (1,738 hectares). Statistics from U.S. Customs indicate a 25 percent decrease in border seizures of marijuana through September 1986. But coinciding with commencement of the year's final harvest, a decided increase in seizures was reported for the month of November 1986. DEA estimates that 30 percent of the marijuana currently available in the United States is of Mexican origin.

DEA further estimates that currently active traffickers in Mexico include over seventy Class I violators. They are primarily Mexican nationals and are not known to be terrorists or political insurgents; this situation is closely monitored by DEA, and there are no indications of a change. Some Mexicans involved in cocaine smuggling, however, do have ties with Colombian traffickers, many of whom are reported to be involved within Mexico in the narcotics trade; but institutional ties are not evident. While Mexico does not have the insurgent/terrorist problems of Colombia, the GOM is believed to be alert to the potential threat of terrorism and political insurgency from the narco-trafficking organizations.

A.2. ACCOMPLISHMENTS IN 1986

Mexico has made a political and financial commitment to anti-narcotics efforts and, as President de la Madrid stated in a December 19 letter to President Reagan, has recognized that an effective narcotics control program benefits Mexico as well as other countries. Meetings in 1986 between senior officials from the United States and Mexico have underlined the commitment to mutual cooperation by the Government of Mexico. Presidents Reagan and de la Madrid discussed the problem in depth in their August meeting and the Attorneys General of both countries have met frequently to discuss joint cooperation during the past twelve months. Mexico has also worked actively to bring about greater regional and international cooperation in narcotics matters. One important step was the 1986 meeting of Western Hemisphere Attorneys General in Puerto Vallarta which Mexico organized and hosted.

INM was instrumental in convincing the PGR in early 1986 to reinforce the spraying strategy for the aerial eradication program, fumigating all immature opium poppy and marijuana fields immediately after detection, regardless of the stage of growth, in order to reduce the amount of illicit crops reaching harvest. In February INM funded an aerial survey of the critical tri-state growing area of Sinaloa, Chihuahua, and Durango to provide a better estimate of total illicit hectarage. PGR navigators were then trained by U.S. instructors in photo interpretation, and plans were made to systematize these surveys.

Other program improvements included: strengthening flight safety by establishing a training center with regularly scheduled refresher courses for PGR pilots; employing fixed-wing Turbo Thrush agricultural spray airplanes (with greater capacities for herbicides, range, and altitude) in an intensification of the campaign against opium poppy; institution of a comprehensive reporting system; and restructuring the ordering of spare parts by the aviation maintenance contractor so that all procurement is computerized. Two U.S. aviation advisors and one aviation maintenance advisor assisted Mexico in 1986.

The seizure by the GOM, with DEA assistance, of over five metric tons of cocaine during the year was an encouraging indication of what can be accomplished in cooperative bilateral law enforcement efforts.

The August arrest and torture of DEA Agent Victor Cortez in Guadalajara by the Jalisco Judicial State Police was a major setback during the year. The U.S., Embassy in Mexico City lodged a formal diplomatic protest with the Mexican government concerning the case. U.S. pressure continues for a satisfactory conclusion to this incident and Cortez has taken certain legal steps as agreed to by Mexican authorities for the purpose of filing the complaint so that the GOM can proceed with the case.

U.S. persists in efforts to ensure that major arrests be forthcoming in the 1985 torture/murder of DEA Special Agent Enrique Camarena. While none of the major violators still detained in connection with this investigation have yet been convicted, the GOM has indicated that verdicts will be handed down in early 1987. On November 17, 1986, Javier Barba Hernandez, presumed to have been present for the abduction and murder of Agent Camarena, was killed by Mexican Judicial Federal Police near Mazatlan in a shoot-out that followed detection of a drug trafficking operation.

A draft text of a Mutual Legal Assistance Treaty (MLAT) between Mexico and the United States was negotiated ad referendum in 1986 and is under review. Contained within the treaty are provisions for transferring persons in custody for testimonial purposes and the execution of requests for the taking of measures to immobilize, secure, or forfeit assets.

A total of 8,340 persons were detained for drug-related incidents and turned over to judicial authorities for crimes against the public health—the normal charge in Mexico. A total of 3,695 penal trials of detained persons resulted. Conviction totals or percentages are not available.

The statistics reported in section A.1 do not include accomplishments of the military, which has become increasingly involved in narcotics eradication and interdiction operations. During 1986 the Secretary of Defense reemphasized the commitment of forces under his command (army and air force) in the campaign against narcotics. Over 25,000 army personnel (25 percent of total strength) were engaged full time, primarily in manual eradication operations. Up to 50,000 army personnel were used at various times in special eradication and interdiction operations. The army's accomplishments during 1986 were reported as: manual destruction of more than 6,000 hectares of poppy cultivation; manual eradication of 8,439 tons of marijuana; confiscation of 829 vehicles and 11,228 firearms; and detention of 3,734 Mexican nationals and 26 foreigners involved in drug trafficking.

Mexican navy and marine forces (under the Secretary of Navy) were extensively involved in anti-narcotics interdiction operations off both coasts. The Navy has also cooperated with the U.S. Coast Guard in interdiction operations. Additionally the Mexican Marine Corps engaged in extensive interdiction and eradication operations along the coastlines and inland waterways. Accomplishments for the first nine months of 1986 reported by the Mexican Secretary of Navy were: 125 hectares of marijuana destroyed; 235 kilograms cocaine confiscated; 8 vessels, 2 aircraft and 6 vehicles seized; and 68 people detained. (Ministry of Defense and Secretary of the Navy eradication totals cannot be independently confirmed.)

A.3. PLANS, PROGRAMS, TIMETABLES

The Government of Mexico continues to expand its resource commitment to the narcotics control program with an increasingly larger share of the Attorney General's budget. The eradication campaign received 1.6 billion pesos, or 40 percent of the PGR budget, in 1983 and is projected to receive 23.6 billion pesos, or 60 percent of the PGR budget, in 1987.

The Turbo Thrush spray airplane permanently assigned to Mexico and three others on loan from INM will continue fumigation operations in early 1987, following maintenance and upgrading of the engines of two of the aircraft in the United States. Utilization of the Turbo Thrush and Bell-212 helicopters to spray illicit crops at high altitudes will be continued. Bell-206 helicopters are more effective at lower levels. Cessna-206 fixed-wing aircraft will continue as spotter and support units.

During the first quarter of 1987, a joint USG/GOM evaluation team will undertake a study of the PGR/INM aerial eradication program, to determine need and deployment of the PGR's 89 unit air fleet. Aircraft utilization, present spraying techniques, use and composition of herbicides will be included in the study. During the same period a second team from INM will evaluate the contract responsibilities and staffing patterns of the PGR air fleet maintenance contractor. Its findings will lead to the drafting of a new request for proposals to replace the present maintenance contract which expires in December 1987.

The Operation Vanguard verfication program will concentrate on ground truth intelligence during the upcoming year as the chief need in this effort.

Steps are being taken to send a PGR aircraft to the United States for conversion to a photographic platform for future aerial surveys by the Mexicans. INM-provided light tables and other related photo interpretation equipment will greatly enhance the capability of the Mexicans to estimate hectarage totals more accurately. In early 1987 INM technical experts will assist the PGR in the establishment of an aerial survey plan to do on-the-ground verification in 1987 in one or more areas of suspected increased poppy cultivation outside the primary growing areas. Aerial surveys to improve crop estimates for opium poppy and marijuana are contemplated for 1987.

A.4. ADEQUACY OF LEGAL AND LAW ENFORCEMENT MEASURES

While existing laws are adequate, Mexican enforcement, conviction and sentencing is less than adequate, and, in many cases, nonexistent. Narcotics violators still bribe their way out of prison. Tougher drug laws are contemplated by the GOM, with quicker sentencing and longer prison terms, but law enforcement continues to be slow, cumbersome and bogged down by corruption, the major stumbling block to the legal process.

As indicated in Section A.2, the United States and Mexico negotiated a draft Mutual Legal Assistance Treaty ad referendum in 1986 which is now under review.

DEA trained no GOM law enforcement personnel in Mexico during 1986, but scheduled a two-week school in basic drug enforcement techniques for February 1987. In addition, DEA offered the GOM two slots each in four different schools for Advanced Drug Law Enforcement training during 1987.

The Mexican Customs Service historically has not been involved in narcotics law enforcement and U.S. efforts to include them in joint interdiction operations, such as proposing air operations in U.S. Customs aircraft with combined crews to operate along both sides of the border, has been complicated by issues related to Mexican sovereignty.

A.5. DOMESTIC DRUG ABUSE PROBLEM IN MEXICO

According to GOM official statements, marijuana abuse is ranked first, followed by the abuse of inhalants and, lastly, by diverted pharmaceuticals. During the second half of 1986, however, it has been apparent that inhalants are gaining in importance among the lower socioeconomic strata and some type of official control by Mexico is expected.

Wider media coverage of drug abuse in Mexico during the last six months of 1986 is credited with focusing greater attention on the problem. Prior to this, the Mexican media generally blamed the consumption "epidemic" in the United States for Mexico's drug problem. While this is still a strongly-held opinion, it appears that there is now serious concern within the GOM, as well as in private organizations, about abuse levels that appear to be rising and touch Mexican youth of all economic levels.

ADEFAR (Protection of Delinquency Associated with Drug Abuse), is a presidential committee appointed to oversee the problem. Although no statistics are available, private clinics to aid drug and alcohol abuse operate in all major cities for those financially able to afford them. Some grass roots community organizations, functioning with private contributions, attempt to address drug problems within poorer areas. At the high school level, marijuana is readily available and increasingly popular. Cocaine remains beyond the pocketbooks of the majority of Mexican youth, but is also easily obtained by those who can afford it. No indication of serious heroin abuse currently exists within Mexico.

In order to develop a better understanding of the overall drug abuse situation in Mexico, several types of studies/programs are under consideration by various Mexican private organizations: (1) a prevalence study among young adults to determine the magnitude of drug abuse; (2) a long term, more detailed prevalence study: (3) a mass media campaign on existing drug problems; and (4) a grass roots public awareness study, in a selected region of the country (Ciudad Juarez, Chihuahua), to include youth brigades, mothers' clubs, civic organizations, law enforcement agencies, public health officers, university students and other interested segments.

B.1. NATURE OF ILLICIT DRUG PRODUCTION

Heroin

Heroin production in Mexico dates back more than fifty years. While there is no licit production of heroin in Mexico, inducement to produce the crop commercially and licitly as a source of morphine came from the United States during World War II. The peak for illicit production was reached in 1977 when approximately 89 percent of the heroin consumed in the United States originated in Mexico. This figure declined steadily to about 30 percent; then, in 1985, U.S. data began to reflect an increase in heroin imports from Mexico. The increase was attributed to the advent of black-tar heroin, favorable climatic conditions, a decline in the efficiency of the eradication campaign, and a downward spiraling Mexican economy.

Traditional methods of opium poppy cultivation have prevailed throughout the years, although from time to time sophisticated and innovative methods, usually including complex irrigation systems and smaller plantings at higher altitudes to escape GOM aerial eradication, have been observed. Two major growing periods occur, with the fall/winter season historically believed to be the largest. After scoring the poppy bulbs, the opium gum is retrieved by "gomeros", who carry it to field laboratories for processing by chemists into traditional Mexican brown heroin, or the more recent and more potent black-tar variety. Since the 1940's, smuggling has been carried out primarily by individual couriers transporting relatively small amounts of heroin on their bodies or within vehicles.

Cocaine

While no known cultivation of the coca plant within Mexico exists to date, Mexico continues to be a transit country for cocaine destined for the United States from South America. Some elaboration of cocaine base to hydrochloride occurs, although only one laboratory seized during 1986 was considered sophisticated enough to be capable of large-scale processing of a refined product. More such laboratories may exist, however.

Marijuana

The cultivation of marijuana within Mexico spans many decades. Every state within the Republic has some degree of cultivation, with the tri-state area of Sinaloa, Chihuahua and Durango, and the central zone as the principal growing areas. Packaging methods are rudimentary and a two-crop harvest the norm, although the plant is grown throughout the year in some temperate areas. There has apparently been no recurrence of large-scale processing with thousands of packers as experienced in Chihuahua in 1984. Land vehicles, in particular tankers, are a favored smuggling method for marijuana, with produce trucks and aircraft used as well.

Opium poppy and marijuana can be either a principal or subsidiary cash crop. In recent years, Mexico's serious economic problems have undoubtedly contributed to the desire of the peasants to augment their shrinking return from traditional licit cash crops. Operation Vanguard results indicate that farmers in many areas overtly cultivate marijuana alongside normal subsistence/cash crops with little attempt at camouflage.

B.2. FACTORS AFFECTING PRODUCTION

The Mexican economy continues to deteriorate, and the resulting unemployment and underemployment, as well as the growth of an underground economy, may push increasing numbers of individuals and groups to illegal activities, including narcotics. In some depressed areas of the country, the GOM may find it more difficult to suppress narcotics production due to a lack of alternative employment for the workers involved. The financial rewards for a peasant to grow marijuana or opium poppy far outweigh those to be received through cultivating legitimate crops. Peer pressure from other peasants growing illicit crops adds to the incentive. Even peasants who work the fields of others growing such crops earn at least twice the prevailing minimum wage. Thus, the growing of narcotics represents a buffer from the economic crisis for many "campesinos". In various states, drug money bolsters weak economies by providing investment capital as well as employment, thereby discouraging serious crackdowns against trafficking by officials at the state and local level.

Traffickers enjoy certain advantages in convincing peasants to cultivate illicit crops. They provide the poor farmers not only with the seeds and tools necessary, but also on occasion pay an initial cash advance to help the peasant live until the harvest. The peasants later receive full payment for their harvest upon delivery to the traffickers.

GOM officials have consistently argued that demand for illicit substances in the United States and other developed nations encourages production in Mexico. Accordingly, they claim that Mexican production will decrease after the United States reduces its own drug abuse. Senior GOM officials are aware of the threat that the economic power of the traffickers could be translated into political power, threatening governmental authority. President de la Madrid has publicly acknowledged these threats to Mexico, and the benefits to Mexico from an effective narcotics control program. However, the magnitude of this threat does not seem to be appreciated by either the media or the public who claim that drug addiction is a problem elsewhere.

Mexicans generally argue that drug addiction is not a serious problem in their country. Most Mexicans, they claim, cannot afford cocaine, heroin or even marijuana. Instead, alcoholism and the sniffing of glue and other inhalants are the major addiction problems. People involved in drug rehabilitation programs in Mexico increasingly express concern at growing drug addiction in the country. Until more officials recognize drug trafficking as a serious threat to Mexican youth and the nation's stability, the GOM control effort will probably fall short of its goals.

B.3. MAXIMUM ACHIEVABLE REDUCTIONS

The GOM's declared objective is the elimination of all opium poppy and marijuana cultivations throughout the nation. Mexican officials have heretofore resisted the setting of numerical goals, but for purposes of this report the goal of aerial eradication for 1987 has been set by the Embassy at 7,200 hectares of marijuana and 4,160 hectares of opium poppy. To achieve this target figure, a maintenance goal of having 80 percent of the PGR air fleet in the air every spraying day has also been targetted.

B.4. METHODOLOGY FOR ESTIMATES

In accord with these goals, the Embassy has proposed that the eradication effort in Mexico should be operated from three primary bases, with satellite bases utilized as temporary operating points serviced from primary bases. A number of such bases exist, but have deteriorated. It would not take a great effort to make these bases usable. Additional advance bases could be set up as needed, using tents, cots and other field equipment. Maintenance, other than routine daily inspections, would be accomplished at the primary bases.

This concept of bringing two additional primary bases up to the level of the Culiacan base would require greater utilization of air assets (either current or those to be acquired in the future) than currently exist in the Mexican program. Pending the completion of the 1987 aircraft evaluation, INM cannot project whether additional aircraft will be necessary.

Each primary base would be equipped to support both helicopter and fixed-wing spray operations by ground and air. This would include fuel trucks, transportation of personnel and supplies, Crew Concept vehicles (all purpose trucks), Mix Monsters for preparing herbicides, helicopter transportable fuel and water bladders, and herbicidal loading equipment. A fleet of two Bell 212 helicopters, four Bell 206B-III helicopters and two Turbo Thrush T-65 fixed-wing spray airplanes would be assigned to each primary base and dedicated exclusively to spray operations.

A fourth complete set of support equipment should be made available to increase the capability of any of the primary bases whenever an added effort is required to eradicate effectively illicit crops before maturity. This reserve would also act as a backup in case of equipment failure. Adequate spare parts and maintenance personnel would be located at the primary bases to assure 80 percent availability of all aircraft and equipment. When aircraft required major maintenance, they would be replaced by other assigned units within the PGR air fleet, possibly from the reserve unit. Continuing testing would be conducted to improve application systems and determine better chemicals.

The spraying window for opium poppy would be five months—September to February, with the month of December lost to traditional Mexican holidays. An average of 832 hectares of opium poppy would be eradicated each spraying month in order to meet the destruction figure of 4,160 hectares. Marijuana fumigation would be spread over ten months because of its year-long growing pattern, again minus December and another month estimated lost during the year to bad weather and other conditions which prohibit flying. Thus, 360 hectares per month of marijuana would have to be eradicated during the five peak months of opium poppy growth, and 1,080 hectares per month fumigated during the April through August period, in order to meet the eradication goal of 7,200 hectares. This would mean a combined destruction total of 1,192 hectares per month for five months of the year and 1,080 hectares per month for another five months. This methodology assumes yields of 1.75 MT of marijuana, and 10 KG of opium gum (or one KG of heroin) per hectare of cultivation.

The estimated aircraft requirements for each of three main bases to comply with the above projected monthly hectarage eradication, in addition to those aircraft needed for reconnaissance, support and transport, are as follows: (1) 2 Bell 206 B-III helicopters flying two sorties per day for 10 days each month and fumigating 1.5 hectares per sortie, for a total of 60 hectares per month; (2) 2 Bell 212 helicopters flying two sorties per day for 10 days each month and fumigating 6.5 hectares per sortie, for a total of 260 hectares per month; (3) 2 Turbo Thrush T-65 fixed-wing airplanes flying two sorties per day for 10 days each month and fumigating eight hectares per sortie, for a total of 320 hectares per months; and (4) 80 percent availability and 80 percent utilization of all aircraft desired.

Employing the above figures (60 + 260 + 320 x 80 percent = 512 x 80 percent = 409.6), the average hectarage destruction per fleet per month would be almost 410 hectares. Multiplied by three fleets in action at the same time, the monthly total for aerial eradication would be approximately 1,230 hectares, adequately meeting the targets of 1,192 and 1,080 hectares for the respective five-month campaigns. Attaining the 1,230 hectare monthly goal would represent an increase of more than 49 percent over the combined 824 hectares eradicated in October, the high mark in Mexico for the year.

C. 1. STATISTICAL TABLES

There is still no complete data base for narcotics production in Mexico. The following statistics represent the best estimate at this time. The eradication statistics do not include manual eradication by the Mexican military and thus are not wholly consistent with the reported eradication total of the GOM which includes both PGR and military figures. The eradication figures, however, are those published by the PGR.

A. SUMMARY TABLE

	1986	1987
OPIUM POPPY		
Hectares cultivated	4,600–7,450	6,100
Hectares eradicated	2,380	4,160
Hectares harvested	2,220–5,070	1,900
Opium yield (metric tons)	18–41	15
Available for refining (metric tons)	18–41	15
Heroin produced (metric tons)	2.0–4.0	1.5
Heroin seized in country (metric tons)	0.01	
Heroin exported to United States (metric tons)	2.0–4.0	1.5
MARIJUANA		
Hectares cultivated	8,070–8,790	9,000
Hectares eradicated	2,970	7,200
Hectares harvested	5,100–5,820	1,800
Marijuana yield (metric tons)	4,990–5,645	1,745
Loss factor (metric tons)	630	205
Seized in country (metric tons)	100	100
Marijuana consumed (metric tons)	100	100
Marijuana exported to United States (metric tons)	4,670–5,370	1,340

B. DATA TABLES

	1988	1987	1986	1985	1984
Gross cultivation (hectares):					
Opium		6,100	6,000	7,500	5,200
Marijuana		9,000	8,430	5,865	8,700
Gross potential production (metric tons):					
Opium		50	50	50	52
Marijuana		8,730	8,190	5,690	8,440
Hectares eradicated:					
Opium	4,200	4,160	2,380	2,300	3,240
Marijuana	7,500	7,200	2,920	2,060	3,640
Crops eradicated (cultivations):					
Opium	35	35	19	18	32
Marijuana	6,980	6,980	2,880	2,000	3,530
Net cultivation (hectares):					
Opium		1,940	3,620	5,200	1,960
Marijuana		1,800	5,460	3,805	5,060
Net production (metric tons):					
Opium		15	30	41	20
Marijuana		2,000	5,300	3,500	2,750
Refining: Heroin base [1]					
Seizures (metric tons):					
Opium					
Heroin			.010		
Other opiate			.004	.006	
Cocaine			5.	2.3	
Marijuana	100	100	100	147	2,400
Other drugs					
Arrests (thru Nov. 1986):					
Nationals			8,340	4,886	5,635
Foreigners				294	195
Labs destroyed:					
Heroin			7	2	8
Cocaine			5	1	2
Amphetamine			1		
Consumption (metric tons) [1]					

[1] Not available.

Note.—Only the 1984 eradication statistics include manual destruction by the armed forces. The PGR stopped including military figures in 1985. The 1985 INCSR, however, contained 1985 eradication figures which included some military manual eradication. Because manual eradication figures cannot be verified, the 1985 totals have been adjusted to include only the official PGR aerial eradication totals.

E.1. RESOURCE ESTIMATES

In terms of funding provided, the program in Mexico continues to be the largest single International Narcotics Control effort in the world and no diminution of that effort is foreseen. The Government of Mexico also provides substantial funding to the Office of the Mexican Attorney General for the eradication campaign. In addition, for 1987 the GOM will provide additional resources above the already budgeted amount. Until the program evaluations scheduled for early 1987 are completed, however, exact resource needs cannot be projected.

THE PHONY WAR

(By A.M. Rosenthal)

The truth about narcotics in the United States is not that this country has lost the war against drugs. It is that we never really decided to get into it.

Drugs not only poison the lives of adults and adolescents but now, every day, cripple the minds of children, even 10-year-olds, 9-year-olds. We know what that means for the future of the country and the children. But as a nation we still keep pushing the reality away, never really committing ourselves.

There is big talk about a war against drugs. But it is a war being fought without a command or commander, without a coherent strategy and without sufficient funds, arms or national determination to pay the price.

The price involves something more difficult to obtain than money—a reordering of national priorities. Right now the struggle against drugs ranks so low that it is often overriden by other American interests when they seem to collide—not only budgetary interests but commercial, military and even diplomatic interests.

Consider this: Specialists in narcotics control know that the cheapest and most efficient method of stopping foreign drugs flowing into the country is at the source, not at our borders or in the streets of American cities.

American anti-narcotics agents risk their lives in this struggle. But they are frustrated and blocked by the refusal of our Government to use the full weight of its political and economic power.

There is a law, just come into operation, that mandates that countries that do not do their best alone or with Washington to fight drug production lose 50 percent of the economic aid this country gives them. This does not include loans. It is a mild penalty compared with what the United States could do if it really wanted to get serious about drugs—economic boycotts, military aid reductions, stopping air travel to and from countries that refuse to take real action.

This year, for the first time, the State Department had to tell the President which countries were not cooperating fully. It was a farce, but not a terribly funny one.

The department did issue a report describing what was going on in country after country where opium and cocaine production is a major industry targeted straight at the United States or which are flourishing transportation networks for drug growers from other nations.

This is what it said about Mexico: "Mexico is the primary single country supplier of heroin and marijuana to the United States. Moreover, about one third of the cocaine consumed in the United States in 1986 transited Mexico."

Pakistan: "Production of opium increased in early 1986 to a range of 140-160 metric tons compared to 40-50 tons in 1984. This setback was a direct result of the Government of Pakistan's failure to respond swiftly when faced with strong opposition by growers to its control policies."

And so on and so on, country after country. Then it came to naming countries not cooperating, which would mean cutting aid. The department listed only Afghanistan, Iran and Syria, which do not get a nickel from us. That should be good for a few laughs in Teheran and Damascus and whatever Soviet office in Moscow is running Afghanistan.

It was conceded that two other countries were not "cooperating," Laos and Lebanon. But because of American "vital national interests" they escaped Washington's official naughty list. Over every country but the fearsome five, the department waved a forgiving wand.

It is pointless to blame State Department narcotics bureau officials. The simply reflect Government attitudes—not annoying or embarrassing a military ally like Pakistan or an important neighbor like Mexico by cutting aid is more important, than fighting the "war" against drug infestation from abroad.

Congress has until the end of the month to object. Some members of the Senate Foreign Relations Committee are thinking about resolutions of disapproval for Mexico, the Bahamas and Panama, which could mean the 50 percent cut in economic aid for those countries. If the resolutions pass both houses of Congress, that would be a plain message to all drug-industry countries—and to the Administration.

The United States has the money, skills and power to fight the war. The reluctance to move strongly against foreign producers comes from the same reality as the refusal to appropriate enough money to fight drugs at home or put somebody in charge. We just don't have the will to decide that a new national priority faces the country.

It would involve painful choices, but none as painful as staring one day at a child or grandchild and knowing suddenly that something is fearfully wrong.●

SLOVAK INDEPENDENCE DAY

● Mr. SIMON. Mr. President, Saturday, March 14, was Slovak Independence Day. The Slovaks had been ruled by the Hungarian Kingdom from 906 A.D. until the end of World War I. At that time Czechoslovakia was born, but the Slovaks still did not gain self

determination for they were governed by the Czechs. In 1938, after the signing of the Munich Pact, the Slovaks finally received their long-awaited autonomy. This autonomy, however, was not quite what we are accustomed to in the West, and in any event was finally cut short by the crushing of the "Prague Spring" by the troops of the Warsaw Pact in August 1968.

The Slovaks played an important role in the development of the United States. Immigration by Slovaks to the United States began in the 19th century, partly as a response to Magyarization, but for the most part as a response to poor economic conditions in Slovakia. Wages in the United States were 5 to 10 times greater than those in Slovakia. Most of the Slovakians that came to the United States were industrial workers and mostly settled in the industrial centers of the Eastern United States and the Great Lakes.

Slovak language presses in the United States flourished in the early 20th century. At one time there were over 200 Slovak language periodicals produced in the United States. Presently there is only one newspaper that publishes in Slovak. However, despite the fact that the Slovak language has lost its importance in the United States, as Americans we still owe a great deal to the Slovak people.

And so today, in honor of Slovak Independence Day, I would like to pay tribute to the Slovak people for their great contribution to the cultural, political, and economic development of the United States.●

UNWED PARENTHOOD AND JOBS

● Mr. SIMON. Mr. President, David Blankenhorn, codirector of the Institute for American Values, recently had an article in the Chicago Tribune which made the point that is missed by most observers, that unwed parenthood and jobs are related.

In this article, which I ask to insert in the RECORD, Mr. Blankenhorn says:

> A serious effort to combat unwed parenthood must include an employment strategy, especially for poor and minority youth, for whom joblessness and unwed parenthood are closely interwined.

I urge my colleagues to read his article.

The article follows:

[From the Chicago Tribune, Jan. 19, 1987]

VALUES, OPPORTUNITIES AND UNWED PARENTHOOD

(By David Blankenhorn)

Unwed teenage parents have become one of our most intractable social dilemmas. A recent Harris poll found that more than 80 percent of Americans regard teen pregnancies as "serious national problem" requiring new efforts by schools, parents and the media. In the last year, a spirited debate has erupted over the wisdom of allowing schoolbased health clinics to prescribe or dispense contraceptives to teenagers. Even presidential aspirants, looking to 1988, are staking claims to the issue, often as part of a broader "profamily" program.

Despite this flurry of attention, there has been little progress in reaching a national consensus about even the definition of the problem, much less the proper response. Why is this the case?

The key facts are simple enough: About one million teenagers become pregnant each year. After abortions and miscarriages, this results in about 500,000 births, Contrary to what many people believe, the rate of teenage childbearing has been declining for years; due to contraception, abortion and delays in marriage, it is much lower than it was in 1960.

The crux of today's crisis is unwed parenthood. The percentage of teenage mothers who are unmarried has more than tripled in the last 25 years, from 15 percent in 1960 to 56 percent in 1984. Four out of 10 white teen mothers are unwed, compared to fewer than one in 10 in 1960. Today nine out of 10 black teen mothers are unmarried, up from four in 10 in 1960. Indeed, while minority teens make up only 27 percent of the adolescent population, they account for nearly 60 percent of all births to unwed teens.

These statistics define the heart of the issue. All the social science evidence available points to an inextricable link between unwed parenthood and a host of evil: poverty, infant mortality, joblessness, long-term welfare dependency, school failure, crime and family breakdown. In 1985, births to teenage mothers cost taxpayers more than $16 billion in welfare outlays alone. The complete costs, of course—the individual and social costs of broken lives—cannot be calculated.

The National Research Council's recently released study, "Risking the Future," illustrates, unfortunately, how many liberals approach this crisis. Their central policy recommendation is to increase the use and availability of contraceptives, especially through schoolbased clinics. Contraceptive services, they urge, should be inexpensive or free, should be advertised to teens through the media and should not require parental consent. In addition, they endorse a wide range of services and programs—from sex education to health care—for teenage mothers and their children.

The flaw in this approach is that it reduces the problem of unwed parenthood to one of contraceptive ignorance. But neither common sense nor the report's own evidence supports such a notion. About 85 percent of sexually active teenagers report using contraceptives, though some are irregular users. Yet what mainly determines teenagers' sexual behavior is not what they know about birth control, but what their world is like and what they believe about themselves. Do they come from strong, intact families? Do they do well in school? Do they feel good about themselves? Do they believe that unwed parenthood is morally wrong? Do they believe the future holds opportunity for them?

The determinant questions, in short, are not about the mechanics of contraception but about opportunity, self-perception and values. To avoid unwed parenthood, teenagers must have more than the means; they also must have the motive. No strategy which avoids these facts will be effective.

The authors of "Risking the Future" are especially weak on the question of values. They present their findings as objective, scientific research, undistorted by moral judgments. But don't they see that moral behavior goes to the heart of the teen parenthood dilemma? Don't they see that values is what this fuss is all about?

Conservatives usually choose different issues to dodge. While they are eager to frame the problem of unwed parenthood in moral terms, their acute myopia regarding its social sources can only be understood as the product of an ideology that is impervious to evidence. This ideology holds that government never solves social problems, but always makes them worse. Thus a recently released White House report on the family blames unwed parenthood and family breakdown on "an antifamily agenda" that pursues "a government solution to every problem government caused in the first place."

This is a dangerous fantasy, which does violence not only to social reality but to the conservatives' own campaign for moral values. For by pretending that public policy can do nothing about the social conditions which foster unwed parenthood, the conservatives expose their moral arguments to charges of hypocrisy. Indeed, moral exhortation without public policies to expand opportunity will not solve the unwed parenthood crisis, and may, as conservatives like to say, make it worse.

What will work? Here are a few ideas that suggest the outlines of a fresh, bipartisan approach.

Public policies should foster stronger families and greater sexual responsibility. One idea, now being tried in Wisconsin, is to require teenage fathers, whether married or not, to assume some financial responsibility for their children. These stricter child support payments not only help mothers and their children, but also create strong reasons for boys not to make babies before they are ready to become fathers.

A serious effort to combat unwed parenthood must include an employment strategy, especially for poor and minority youth, for whom joblessness and unwed parenthood are closely intertwined. One place to start is the welfare system. Welfare payments, whenever possible, should be replaced with guaranteed jobs, including child care. Initially, such a program would be more costly than the current system, but in the long run it would offer recipients a genuine ladder out of poverty. Moreover, it would curtail the subsidies for unwed parenthood that plague the current system, replacing them with the same incentives for family formation that operate in the larger society.

The evidence is also clear that better education and stronger schools would reduce unwed parenthood. A Children's Defense Fund study found that girls with poor academic skills are five times more likely to become mothers before age 16 than are girls with even average skills. Numerous initiatives, some involving partnerships between the public and private sectors, offer at-risk teens better job skills, academic remediation and work experience leading to full-time jobs.

Better education also means teaching values. For example, sex education should not only do a better and earlier job of imparting biological knowledge but should be combined with what some school curriculums now call "family life education" designed to reinforce family values, encourage sexual responsibility and promote communication between students and their parents.

These ideas suggest an approach that is neither liberal nor conservative, Republican nor Democratic. They seek to address the causes, not just the symptoms, of unwed parenthood. They reflect the belief that strong values and greater opportunities can work together, not against one another in some false political antagonism. Perhaps, as we look ahead to the post-Reagan era of social policy, it is a program whose time has come.●

ACTIVITIES OF THE SUBCOMMITTEE ON EUROPEAN AFFAIRS, 1986

● **Mr. LUGAR.** Mr. President, my colleague, Senator PRESSLER, served as chairman of the European Subcommittee of the Senate Foreign Relations Committee during the 99th Congress. During the second session of the 99th Congress, he led a very active subcommittee program involving three sets of major hearings.

Senator PRESSLER has produced a report outlining the 1986 activities of the Subcommittee on European Affairs. I am inserting that report in the RECORD so that my colleagues might be made aware of the very active role played by the subcommittee in the work of the Committee on Foreign Relations during the 99th Congress.

The report follows:

THE 1986 ACTIVITIES OF THE SUBCOMMITTEE ON EUROPEAN AFFAIRS, SENATE COMMITTEE ON FOREIGN RELATIONS

(Senator Larry Pressler, Chairman)

Nineteen eighty-six was a very active year for the European Affairs Subcommittee. Senator Pressler especially thanks Senator Lugar for his support and assistance during a very busy year. Senator Pressler was also ably assisted in the planning and implementation of the European Subcommittee programs by the Professional Staff Member responsible for European and Soviet Affairs, Dr. Carol Rae Hansen. Dr. Hansen was assisted by Ms. Debra Dahlin, the staff assistant assigned to European issues.

THE YEAR IN BRIEF

Since September 1985 the European Affairs Subcommittee held 15 nomination hearings for ambassadorial candidates facing Senate confirmation. The Committee also held three major investigative hearings in 1986: "U.S. Policy Toward Romania" on February 26, 1986; "After Chernobyl: Soviet Domestic and Foreign Policy" (in open and closed sessions) on June 24, 1986; and the "Tax Convention with the United Kingdom on Behalf of Bermuda" on September 23, 1986. The first visit to Eastern Europe in ten years by a chairman of the European Affairs Subcommittee occurred during the Independence Day recess. A significant resolution (S. Res. 372) concerning religious and human rights issued in Romania was cosponsored by Senator Pressler and Senator Lugar.

Ten hearing prints from late 1985 were published in 1986. These included a series of seven hearings that reviewed the U.S. stake in NATO: "Soviet Imperatives for the 1990's," "Soviet Active Measures" (closed), "Soviet Active Measures" (open), "The Crisis of Will in the Warsaw Pact," "The Crisis of Will in NATO," "A NATO Strategy for the 1990's," and "NATO as a Competing Priority in U.S. Policy." "Religious Persecution Behind the Iron Curtain," based on a hearing held on November 14, 1985, was also published.

HEARINGS

The European Affairs Subcommittee held there major hearings in 1986. On February 26, 1986, we investigated "U.S. Policy Toward Romania." U.S. Policy toward Romania has aroused intense Congressional interest since 1975, when Romania was granted Most Favored Nation trading status, subject to annual Congressional review. In recent years, that policy has received even closer scrutiny. By late 1985, 14 bills or resolutions had been introduced to suspend or terminate Romania's MFN status. The Subcommittee felt that it was important to evaluate U.S. policy toward Romania in the broadest terms, rather than to narrowly focus on MFN. Also, in deference to our colleagues on the Commerce, Science and Transportation and Ways and Means Committees, we felt that the Subcommittee's focus should be fixed on the foreign policy implications of any policy changes.

In particular, the Subcommittee considered U.S.-Romanian relations in their East-West context. Attention was focused on the U.S. strategy of differentiating its policies toward the different states in the Soviet bloc, and the impact of that differentiation on East-West relations. Differentiation is a policy that has been pursued under various names by each administration since President Eisenhower. This strategy is a "carrot and stick" approach to encourage Eastern European governments to distance themselves from the Soviet Union, to improve their human rights records, and to pursue liberal economic reforms. The U.S. traditionally has promoted such developments in Eastern Europe with a variety of "tools." These include increased high-level diplomatic contacts, MFN status, Export-Import Bank credit eligibility, and cultural and scientific agreements, among others.

On June 24, 1986, policies of the Soviet Union were considered. (See: "After Chernobyl: Soviet Domestic and Foreign Policy," S. Hrg. 99-400). This hearing was the first comprehensive examination of Soviet domestic and foreign policy on Capitol Hill in the wake of Gorbachev's first year in power, the 27th Soviet Party Congress, and the Chernobyl nuclear disaster. The hearing focused on the Chernobyl accident and its immediate effects, including its nature and duration, safeguards that could have been implemented, the clean-up, and the individuals affected. The effects on health, the food chain, agriculture, industry, power generation, trade and foreign policy were also discussed.

On September 23, 1986, the "Tax Convention with the United Kingdom on Behalf of Bermuda" was considered. Unlike other tax treaties considered by the Committee during the 99th Congress, the U.S.-Bermuda treaty was not comprehensive. One of the primary goals of most treaties, to eliminate double taxation, is unncessary in this instance because Bermuda imposes no income tax. Rather, this hearing and the treaty addressed two issues: the tax treatment of insurance enterprises and information exchanges. The insurance portion of the treaty would afford Bermuda the same preferential treatment extended under the recent U.S.-Barbados treaty to those residing in Barbados.

DOCUMENTS PUBLISHED BY THE COMMITTEE

In mid-1986 five Subcommittee documents were published that reflected a seven-part series of hearings held by the European Affairs Subcommittee in late 1985. (See: "Is NATO Still The Centerpiece Of U.S. Foreign Policy? Should It Be?" S. Hrg. 99-400.) The complete transcript of testimony from these hearings was printed and distributed by the United States Information Agency to our 200 embassies and consulates abroad, and most of the hearings were carried live by Radio Free Europe/Radio Liberty in 17 languages in Europe. Voice of America broadcast several hearings in 30 languages in Europe and elsewhere. In addition, National Public Radio, the Associated Press, United Press International, Reuters, foreign embassies and major U.S. and European newspapers covered the hearings extensively. Topics investigated by the Subcommittee were as follows:

Volume 1—"Soviet Imperatives for the 1990's" (September 12, 1985). The focus was on the cirtical factors—diplomatic, political, economic and military—that will drive the Soviets to adjust their strategy and policy by the 1990's.

Volume 2—Two sessions on "Soviet Active Measures": (September 12, 1985 (open) and September 13, 1985 (closed). Both sessions focused on the political and social means by which the Soviets foster their grand strategy outside the purely military realm. They included a discussion of "front" organizations, and targets in the West: peace movements, the church, the media, journalists, parliaments, mass public opinion, trade unions and youth groups.

Volume 3—"The 'Crisis of Will' in the NATO Alliance" (September 19, 1985). This hearing concentrated on the effect of NATO discord upon the resilience of the alliance. Topics discussed included: Differing perceptions of the Soviet threat and how to handle it, attitudinal differences between young and old in Europe on the utility of the alliance, and problems sapping the economic strength of the alliance: structural unemployment, inflation, an inability to innovate and trade barriers.

Volume 4—"The 'Crisis of Will' in the Warsaw Pact" (September 19, 1985). This hearing focused on the problems that the Soviets face within their alliance structure: distrust, inadequate coordination, poor planning, economic rivalries, shortages and military uncertainties. The effect of these difficulties on Soviet strategy and the opportunities thus created for the West were stressed.

Volume 5—"A NATO Strategy for the 1990's" (October 3, 1985). This hearing centered on one question: given the threats and the opportunities, should NATO's structure or mode of operations be altered to better meet changing world conditions?

Volume 6—"NATO as a Competing Priority in U.S. Policy" (October 3, 1985). This hearing focused on three issues: (1) Given the important problems stemming from the U.S. trade imbalance, U.S. concerns over economic competitiveness, and the Common Agricultural Policy, how long can NATO's security policies remain sheltered from these strains? (2) Given the growing importance of the Pacific Rim states, is NATO inevitably to be overshadowed in U.S. policy? Should it be? Can we do anything to stop that natural evolution? (3) Given the other competing agendas the U.S. faces, how can the U.S. balance its commitment to NATO, and still properly address the international debt crisis, the Soviet threat in the developing world, international economic changes, and regional crisis centers?

The Subcommittee print of its November 14, 1985, hearing was published under the title: "Religious Persecution Behind the Iron Curtain: Its Aims and Effects." The broad focus of this hearing was an investigation of the plight of Christians and Muslims, as well as other ethnic and religious minorities, in the Eastern Bloc.

The substance of the hearing stressed three important areas: (1) historical discussion of the evolution of Soviet policy toward religion, its extension to Eastern Europe, its administration, and adjustments in Soviet strategy based on Western criticism; (2) the mechanics of oppression: how policy decisions are made in determining which groups are persecuted, when, where, why, and how much; (3) the effects of oppression: how the Soviet/East European governments abuse religion to enhance their standing in the world, the misuse of religion as a vehicle for "active measures" and disinformation, and as a means of infiltrating peace and ecumenical movements in the West and dampening domestic dissent.

SPEECHES AND OP. EDS. BY SENATOR PRESSLER

Articles

"Turks Must Withdraw to Free Cyprus," Wall Street Journal, October 14, 1986.

"U.S. and Soviet Relations With Greece," Christian Science Monitor, March 6, 1986.

"This Extradition Treaty Is an Occasion," International Herald Tribune, November 16-17, 1985.

Speeches

During 1986, Senator Pressler was involved in a number of speaking engagements directly related to this Senate Foreign Relations Committee assignment. These included a Union Society Debate at Cambridge University in the U.K., in which he defended U.S. foreign policy. He also spoke before the American Stock Exchange on international trade, and delivered two speeches to Brookings Institution groups centering on general foreign policy issues. In addition, he discussed national security policy issues at the Center for the Study of the Presidency Conference on National Security Issues at Emory University.

EASTERN EUROPE AND YUGOSLAVIA TRIP

Senator Pressler visited Czechoslovakia, Hungary, Yugoslavia and Romania from June 28 through July 11, 1986, on a privately funded trip. Also accompanying him were Dr. Carol Rae Hansen, Professional Staff Member, and Mr. Darrell Sawyer of his personal staff.

The trip to Eastern Europe and Yugoslavia was the first taken by a Chairman of the European Affairs Subcommittee in ten years. With the exception of Czechoslovakia, in each state we met the head of state or government, the Foreign Minister, and many senior government officials, church leaders, academics and business leaders.

Attention was focused on relations with the USSR in the wake of the Soviet Party Congress and the Chernobyl nuclear accident. Religious and human rights issues and opportunities for expanded U.S. trade and investment also were evaluated. In Czechoslovakia, Hungary and in Yugoslavia, Embassy security needs were examined.

The visit to Romania centered upon Romania's Most Favored Nation (MFN) trading status, and included extensive discussions with government leaders as well as meetings with religious and human rights activists.

NOMINATION HEARINGS

Name and Hearing Date—Position and Confirmation Date

A. Joe M. Rodgers, July 16, 1985—Ambassador to France, July 18, 1985.

B. Robert V. Keeley, July 25, 1985—Ambassador to Greece, July 31, 1985.

C. Gary L. Matthews, July 25, 1985—Ambassador to Malta, July 31, 1985.

D. Francis J. Meehan, July 25, 1985—Ambassador to East Germany, July 31, 1985.

E. Frank Shakespeare, July 31, 1985—Ambassador to Portugal, August 1, 1985.

F. Jean F. S. Gerard, September 23, 1985—Ambassador to Luxembourg, October 16, 1985.

G. Robert L. Barry, November 7, 1985—Rank of Ambassador, Representative of the U.S. to the Conference on Confidence and Security Building Measures and Disarmament in Europe, November 14, 1985.

H. Gregory J. Newell, November 7 & 21, 1985—Ambassador to Sweden, December 6, 1985.

I. Roger Kirk, November 7, 1985—Ambassador to Romania, November 14, 1985.

J. Rockwell A. Schnabel, December 5, 1985—Ambassador to Finland, December 16, 1985.

K. Charles E. Horner, December 5, 1985—Associate USIA Director for Programs, December 16, 1985.

L. Margaret M. Heckler, December 10, 1985—Ambassador to Ireland, December 16, 1985.

M. Ronald S. Lauder, March 7, 1986—Ambassador to Austria, April 11, 1986.

N. Reginald Bartholomew, July 28, 1986—Ambassador to Spain, August 15, 1986.

O. Julian M. Niemczyk, July 17, 1986—Ambassador to Czechoslovakia, July 31, 1985.

P. R. Marcus H. Palmer, June 18, 1986—Ambassador to Hungary, July 23, 1986.

WITNESSES

Dr. Zbigniew Brzezinski, Counselor, the Center for Strategic and International Studies, Georgetown University.

Dr. Delbert F. Bunch, Deputy Assistant Secretary of Energy for Reactor Deployment.

Mr. Stanton H. Burnett, Counselor, the U.S. Information Agency.

Dr. Lawrence T. Caldwell, the Rand Corporation.

Dr. David Calleo, Director of European Studies, the Johns Hopkins School for Advanced International Studies.

Dr. Robert Campbell, Department of Economics, Indiana University.

Mr. Jeffrey A. Collins, Executive Director, Christian Response International.

Dr. Richard W. Cooper, Center for International Affairs, Harvard University.

Mr. Edwitt S. Copp, Policy Officer on Soviet Disinformation, the U.S. Information Agency.

Rev. John Crossley, Chairman, Christian Rescue for the Emancipation of Dissidents (CREED).

Dr. Karen Dawisha, Policy Planning Staff, the State Department and the University of Maryland.

Ambassador Jonathon Dean, Arms Control Adviser, Union of Concerned Scientists.

Mr. Joseph F. Dennin, Assistant Secretary for International Economic Policy, the International Trade Administration, the U.S. Department of Commerce.

Mr. Harold R. Denton, Director, Office of Nuclear Reactor Regulation, the Nuclear Regulatory Commission.

The Honorable Edward J. Derwinski, Counselor, the Department of State.

Mr. Richard D. English, Deputy Assistant Secretary for Refugee Administration, the Bureau of Refugee Programs, the Department of State.

Dr. Joshua M. Epstein, Research Associate, the Brookings Institution.

Mr. Geza Feketekuty, Counselor, Office of the U.S. Trade Representative.

Mr. Alan L. Fischl, Legislative Attorney, Joint Committee on Taxation.

Dr. Raymond L. Garthoff, Senior Fellow, the Brookings Institution.

Dr. Robert M. Gates, Deputy Director for Intelligence, the Central Intelligence Agency.

Dr. James H. Geer, Assistant Director for Intelligence, the Federal Bureau of Investigation.

The Honorable Tony P. Hall, Member of Congress, the U.S. House of Representatives.

Mr. Laszlo Hamos, Chairman, Committee for Human Rights in Romania.

Mr. Lucian Heichler, Chairman, Inter-Agency Working Group on Soviet Active Measures.

Dr. Dale R. Herspring, Congressional Fellow, House Armed Services Committee, and the Department of State.

Dr. Edward A. Hewett, Senior Fellow, the Brookings Institution.

Dr. David Holloway, The Center for International Security and Arms Control, Stanford University.

Mrs. Olga Hruby, Co-Director, Religion in Communist Dominated Areas.

Mr. David Jessup, Member, Board of Directors, the Institute on Religion and Democracy.

Dr. Richard Kaufman, General Counsel, the Joint Economic Committee, the U.S. Congress.

Dr. Catherine Kelleher, Director of National Security Studies, the University of Maryland.

Mr. Richard J. Kerr, Deputy Director for Intelligence, the Central Intelligence Agency.

The Honorable Jeane Kirkpatrick, Senior Fellow, the American Enterprise Institute.

Mr. Thaddeus Kontek, Director, Friends of Solidarity.

Dr. Magnus Krynski, Spokesman for Promost, and Professor of Slavic Literature, Duke University.

Ms. Jeri Laber, Executive Director, Helsinki Watch.

Dr. John Mearsheimer, Associate Professor of Political Science, University of Chicago.

Mr. J. Roger Mentz, Assistant Secretary for Tax Policy, the Deparment of the Treasury.

Mr. James M. Murphy, Assistant U.S. Trade Representative, the Office of the U.S. Trade Representative.

Dr. Robert L. Paarlberg, Associate Professor of Political Science, Wellesley College.

Mr. R. Marcus Palmer, Deputy Assistant Secretary of State, Bureau of European and Canadian Affairs.

Dr. Bruce Parrott, Director of Soviet Studies, the Johns Hopkins School of Advanced International Studies.

Mr. Andrew J. Pierre, Director for the Project on European-American Relations, the Council on Foreign Relations.

Ms. Mindy Pollack, Assistant General Counsel, the Reinsurance Association of America.

Father Victor Potopov, USSR Division, Voice of America, U.S. Information Agency.

Dr. Earl Ravenal, Professor, the School of Foreign Service, Georgetown University.

The Honorable Rozanne L. Ridgway, Assistant Secretary of State, the Department of State.

Dr. John Rielly, President, Chicago Council on Foreign Relations.

Mr. Herbert Romerstein, Coordinator, Program to Counter Soviet Active Measures, the U.S. Information Agency.

Dr. Matthew J. Sagers, the Center for International Research, Bureau of the Census.

Ambassador Richard Schifter, Assistant Secretary, Bureau for Human Rights and Humanitarian Affairs, the Department of State.

The Honorable Christopher Smith, Member of Congress, the U.S. House of Representatives.

Rear Admiral Jerome F. Smith, Jr., Politico-Military Policy and Current Plans Division, the Office of the Chief of Naval Operations.

Mr. Richard A. Smith, Administrator, the Foreign Agriculture Service, the Department of Agriculture.

Mr. Helmut Sonnenfeldt, the Brookings Institution.

Mr. Thomas C. Thorn, Jr., Deputy Assistant Secretary for Coordination, Intelligence, and Research, the Department of State.

Dr. Jiri Valenta, Professor, Soviet-East European and Strategic Studies, the University of Miami.

Dr. Stephen Van Evera, Managing Editor, "International Security," The Kennedy School of Government.

Reverend Georgi P. Vins, Secretary Abroad for the Council of Evangelical Baptist Churches in the Soviet Union.

Mr. George S. Weigel, Jr., President, the James Madison Foundation.

The Honorable Frank R. Wolf, Member of Congress, the U.S. House of Representatives.●

BILL DUNKELBERG COMMENTS ON BUDGET

● **Mr. QUAYLE.** Mr. President, as the Senate Budget Committee, of which I am a member, begins its markup of the fiscal year 1988 budget next week, it will be useful to put our current deficit crisis under the microscope so that we may fashion a budget that meets the structural causes of our Federal deficit rather than providing a shortsighted, band-aid approach that could be costly and dangerous in the long run. I believe that Bill Dunkelberg's article from Indiana Business, is most helpful in this regard. Dr. Dunkelberg is a professor of economics in the Krannert School of Management at Purdue University in West Lafayette, IN. Bill also serves as economist for the National Federation of Independent Business.

Mr. President, I ask that Dr. Dunkelberg's article appear in the RECORD.

The article follows:

[The Indiana Business, March 1987]

THE 1987 BUDGET—HERE WE GO AGAIN

(By William C. Dunkelberg)

The game is about to begin again. A new Congress, now fully under Democratic control, is about to confront the deficit dragon. There will be little actual combat with the demon itself. Rather, we will see a never-ending parade of knights in shining armor charging about in front of the viewing stands. They will be decrying the evil of the beast, making dire predictions and promising a confrontation that will likely never come. After all, if the dragon were actually slain, it would be far more difficult to appear busy at the roundtable at Washington, D.C.

Sir Gramm and Sir Rudman changed the rules of the game some years ago. But most of the knights don't like the new rules, since they require that they get too close to the deficit dragon. Thus, this year, the rules might be changed again to make it easier for each knight to look as though he were doing something without really having to draw a sword and do battle.

Doubtlessly, we will hear that the budget has already been cut as far as it can be, or that the major problem is the massive buildup in defense, or that we cut taxes too far and need to increase them. All of this is nonsense.

The basic questions to be answered are (a) what do we want the federal government to do and (b) precisely how do we want to share the payment for those government functions (that is, what kind of a tax code should we have?).

To ask for a tax increase is to ask voters to accept the fact that, for the past 25 years, federal spending has taken an ever-increasing share of their total income. If voters like what the federal government is doing, they should pay for it and taxes should be increased.

Does the government use the funds so wisely that we are better off letting government consume a larger and larger share of the fruits of our labors? Many doubt it, and feel that, in fact, this share is already too large. They believe some of the funds, and the resources they command, should be returned to the private sector by reducing the size of government.

The notion that President Reagan's defense buildup is somehow bankrupting the United States is clearly incorrect. As the accompanying table shows, the share of our total income allocated to defense has been on the decline for more than 25 years. In the 1950s, defense spending accounted for as much as 15 percent of our gross national product. The percentage reached an all-time low during the Carter administration, and the share of GNP that has been devoted to military spending during the Reagan years is historically low.

Some will argue that we are taxed too lightly, that our tax cuts in the early 1980s were too deep. Voters who believe this to be the case and who value federal goods and services more highly than private-sector alternatives will find a willing recipient of donations at the U.S. Treasury. No one is prevented from paying more taxes than he is obligated to under the law. If every household sent in a check for an *extra* $2,500 this April, we could balance the budget this year. Of course, taxpayers would have to pay these additional taxes every year to keep the budget balanced.

Unfortunately, we have too many "collective hypocrites"—people who will support major spending programs of all types but who oppose paying higher taxes. They all want the "other guy" to pay the bill. But, the other guy is tapped out. If we took every penny from those earning $200,000 or more per year (that's really closing "loopholes"!), we wouldn't raise enough revenue to run the government two weeks. The facts are that the tax burden is borne by the massive middle of the income distribution.

The best measure of the burden of the federal budget is, in fact, total spending, which in fiscal 1986 was approximately $220 billion larger than actual tax revenues. Total government spending measures the total claim of the federal government on private resources. Borrowed dollars compete just as effectively for resources as dollars raised by taxes. The government hires people, machines and other resources with dollars of either type. When the government hires them, they can't do things for the private sector.

If you lend money to the government (buy a savings bond or a Treasury bill), you can't spend the money or invest it in a private enterprise. If the government prints the needed money, inflation reduces the value of your paycheck, an insidious tax on both income and savings. What you pay in taxes you obviously can't use to your benefit. The hope is that what you get in return has an even higher value than that for which you would have spent the money.

That is what the debate is all about. Be sure your voice is heard in the debate.●

SUPPORTING THE EMERGENCY FOOD ASSISTANCE FOR THE HOMELESS ACT

● **Mr. BOSCHWITZ.** Mr. President, I am pleased to be joining Senator LEAHY in introducing legislation to improve the nutrition of the homeless. Senator LEAHY and I have worked together in the past to improve the nutrition programs, particularly the Food Stamp Program and I am glad to have the opportunity to do so again.

At times over the past several years the issue has been raised as to who is truly deserving of food stamps and who should be making it on their own. But, today we are talking about a population that no one would question whether or not they should get food stamps. The only question is how do we get the help to them?

The Emergency Food Assistance for the Homeless Act addresses this problem on different fronts. First, the bill would allow States to disseminate information about the Food Stamp Program to the homeless and the Federal Government would match the States' costs. Second, it makes homeless families eligible for food stamps on an expedited basis. Most eligible families receive food stamps within 30 days, certain families or individuals with particularly limited resources receive food stamps within 5 days. This bill requires that homeless families receive food stamps within 5 days. Third, for families that are on the brink of homelessness, this bill requires that families whose combined gross income and cash on hand is less their their monthly rent and utilities receive food stamps within 5 days. Fourth, it increases the authorization for the Temporary Emergency Food Assistance Program [TEFAP] from $50 million to $60 million for this fiscal year 1987 and to $70 million for fiscal year 1988. This program provides for the distribution of surplus commodities, mainly cheese, butter and nonfat dry milk, to the needy. This has been an extremely popular program and our Governor in Minnesota, Rudy Perpich, has let me know that our State could certainly put more of these commodities to good use.

Although, in terms of costs this is a relatively modest bill I think it takes significant steps in assisting the homeless to take advantage of existing nutrition programs. I urge my colleagues to join us in this effort to help the homeless.●

JAPANESE BARRIERS TO TELECOMMUNICATIONS SERVICES

● Mr. MURKOWSKI. Mr. President, for 2 years I have been addressing the Senate on the issue of barriers to services trade. The newspapers have made us aware of the merchandise trade deficit, $170 billion worldwide last year of which $70 billion was with Japan. Formerly, we could count on our strong services trade sector to keep our international payments in balance, but no longer. In 1985, the last full year for which we have records, our business services trade with Japan was in deficit by $1.5 billion.

Some of this change might have occurred anyway but a substantial proportion of it is accounted for by barriers to trade. On a number of occasions I have addressed the Senate on the issue of American architecture, design engineering and construction services and the Kansai airport project in Japan. Today, I would like to discuss a new barrier to trade, trade in telecommunications services, which is about to have a negative impact on my own State of Alaska.

International telecommunications services from Japan are provided by a Japanese monopoly company known by its initials as KDD. Long the object of criticism for its high costs and inefficiency, KDD has been scheduled to finally face some competition. As part of the Market Opening Sector Specific [MOSS] talks between the United States and Japan, Japan agreed to allow competition to KDD including foreign participation up to 33 percent of the equity.

A consortium of Japanese and foreign companies has been established and has applied to the Japanese Ministry of Posts and Telecommunications [MPT] to begin construction of a fiber optics cable from Japan to Alaska and thence to the continental United States landing in the State of Washington. The cost of the cable would be about $400 million. Since the United States is the world's leader in fiber optics technology, U.S. firms would be well placed to bid for equipment sales to the consortium. On the Japanese side of the Pacific the consortium includes the British firm Cable and Wireless and the American firms Pacific Telesis and Merrill Lynch. On the U.S. side of the Pacific the consortium is composed of Pacific Telecom and Cable and Wireless. Pacific Telecom is the parent organization of Alascom, a major communications company in Alaska. The consortium estimates that the service they could provide would be worth about $400 million per year.

Just as the consortium was about to make its proposal to the MPT, a second consortium has appeared. It is all Japanese and includes no cable layer or other firm noted for its telecommunications experience.

Rather than choose between the two, the Japanese MPT is proposing to force a merger which would eliminate Cable and Wireless, limit foreign participation to 3 percent of the equity and eliminate foreign participation on the board of directors. An important meeting on this issue may occur as early as tomorrow.

In my view this is a blatant attempt by the Japanese MPT to renege on the MOSS telecommunications agreement and reconstruct an old barrier to services trade. Under the proposed merger there would be no fiber optics cable to Alaska and no effective competition to KDD. The resulting "competitor" to KDD would be forced to lease lines from KDD.

There is also a national security issue here. The United States Department of Defense has long worried about the vulnerability of the existing copper cables which run from San Francisco to Japan by way of Hawaii and Guam. Therefore, DOD has weighed in with the FCC in favor of the Alaska fiber optics line. According to DOD the proposed cable "would serve the national interest because the locations proposed, Japan, Alaska, and Washington, will provide a diverse route for cable communications in the Pacific."

This morning the Alaska congressional delegation sent a letter expressing our concern to Japanese Ambassador Matsunaga. Also this morning U.S. Trade Representative Clayton Yuetter sent a letter to the Ambassador. On Friday, Secretary of Commerce Baldrige sent a letter to MTP Minister Karasawa. And, last week Prime Minister Thatcher sent a letter to Prime Minister Nakasone. I would hope that the Japanese Government would get the message that we consider closing the Japanese international telecommunications services market to be a very grave move and not without cost.

Mr. President, I ask that the letters described above be printed in the RECORD.

The letters follow:

TEXT OF MESSAGE FROM THE RT HON. MARGARET THATCHER MP, BRITISH PRIME MINISTER TO HIS EXCELLENCY YASUHIRO NAKASONE, PRIME MINISTER OF JAPAN

DEAR PRIME MINISTER: You will remember that I discussed with you last May the interest of Cable and Wireless in participating in a consortium to provide an alternative international telecommunications service to KDD. I was most encouraged by your open and positive response.

I understand that IDC, the consortium of which Cable and Wireless is a member, is now ready to file its application for a license. They would provide an alternative international telecommunications infrastructure, funded by private sector interests at their own risk. They also expect to offer a service to Japanese and other consumers at 20 per cent below present prices. We have ourselves gained substantially in the UK by providing for competition, in both our national and international services, by an experienced operator providing independent facilities.

I am very concerned to hear, however, that the Japanese Ministry of Posts and Telecommunications has been resisting the participation of Cable and Wireless. Their level of involvement—a 20 per cent share, with a contributory role in management—is firmly within the limit specified in Japanese law for foreign participation. They have no expectation of exercising management control and will be able to reassure the MPT in this respect, if given the opportunity.

I am in no doubt that the merits of the bid by the IDC consortium will be apparent if their application is assessed objectively. On the other hand, an enforced merger of the two new competing consortia, of the kind the MPT is evidently seeking to promote, would be tantamount to the effective exclusion of Cable and Wireless from this business, contrary to the commitments made by your Government about the further opening of the Japanese market.

I believe that we have an opportunity to create an outstanding example of Anglo-Japanese industrial cooperation in a high technology field, of the kind we have both sought to encourage. I am confident that you will share my wish to see this opportunity taken, and will be able to reassure me that the considerations in this letter will be given full weight.

With best wishes,

Yours sincerely,

MARGARET THATCHER.

THE SECRETARY OF COMMERCE,
Washington, DC, March 13, 1987.

His Excellency SHUNJIRO KARASAWA,
Minister of Posts and Telecommunications,
1-3-2 Kasumigaseki, Chiyoda-ku, Tokyo 100 Japan.

DEAR MR. MINISTER: Several U.S. companies have recently formed a consortium with Japanese and other foreign partners to provide international telecommunications services in Japan in competition with Kokusai Denshin Denwa (KDD). An all-Japanese consortium has also been formed to pursue this business, and the Ministry of Posts and Telecommunications (MPT) has appointed a mediator to integrate the interests of these two groups.

While these discussions are taking place between private companies, MPT's role is clear and crucial. I am concerned that your Ministry has proposed a solution which would severely limit foreign equity participation and deny board membership or otherwise limit the scope of foreign participation in this business. I am advised that March 18 may be the deadline for your decision.

Any such outcome would undercut the credibility of the MOSS process. In the current Congressional environment, it would cast doubt on the entire negotiated approach to solving our trade problems.

The right of foreign companies to compete effectively in this market is a major achievement of our MOSS negotiations. I urge you to take all necessary steps to honor this commitment.

Sincerely,

MALCOLM BALDRIGE,
Secretary of Commerce.

U.S. SENATE,
Washington, DC, March 16, 1987.

His Excellency
THE AMBASSADOR OF JAPAN,
Washington, DC.

DEAR AMBASSADOR MATSUNAGA: We understand that the Japanese government is currently developing its position on the question of competition to Kokusai Denshin Denwa, in the field of under-sea cable service between the United States and Japan.

As you may be aware, several United States companies are partners in a consortium, (IDC), which proposes to build a new fiber optic cable linking the West Coast of the United States with Alaska and Japan. The construction of this facility is of importance to our state for the provision of telecommunications services. In addition, the approval of this proposal is of importance to the Congress, as evidence that our trade issues can be resolved satisfactorily through negotiations.

We are seriously concerned that the Ministry of Posts and Telecommunications is apparently pursuing a policy which would minimize the equity participation of any foreign company, deny board membership to such companies, and may even put in doubt the construction of a competing cable. Such an outcome would have a very negative impact on the current Congressional debate over our trade relations with Japan, and would in our view be inconsistent with the agreements and understandings between our two governments in the telecommunications field.

We strongly urge you to give favorable consideration to the construction of the proposed cable and to the meaningful participation by U.S. companies to the full extent permitted under Japanese law.

Sincerely,

FRANK H. MURKOWSKI,
U.S. Senator,
TED STEVENS,
U.S. Senator,
DON YOUNG,
Member of Congress.

THE U.S. TRADE REPRESENTATIVE,
Washington, March 16, 1987.

Ambassador NOBUO MATSUNAGA,
Embassy of Japan,
Washington, DC.

DEAR NOBUO: I am writing to express my grave concern over the prospect that U.S. interests in the telecommunications sector could be seriously impaired by the efforts of the Ministry of Posts and Telecommunications (MPT) to induce a merger between two companies now seeking licenses to offer international telecommunications services in competition with Kokusai Denshin Denwa (KDD).

As I understand it, MPT has told those involved that it will license only one competitor to KDD. Moreover, it has reportedly indicated its opposition to foreign ownership at a level sufficient to allow the foreign firm a voice in management or membership on the Board of Directors. Furthermore, we understand that MPT has proposed to deny the new entrant the ability to lay its own cable, thereby guaranteeing that it will be dependent on its competitor, KDD, for transmission services.

MPT's position runs directly counter to commitments made by your Government during the telecommunications MOSS negotiations in 1985. After extensive discussions between our two Governments, Japan agreed to allow up to one-third foreign ownership of firms providing international telecommunications services from Japan.

I am afraid that recent events indicate that MPT may once again be using its administrative discretion to restrict foreign access to Japan's telecommunications market. This represents a serious threat to the viability of our MOSS understandings, and indeed, to the entire negotiated approach to solving our trade problems. I urge you to make every effort to ensure that the commitments made during the MOSS negotiations are fully and faithfully implemented.

Sincerely,

CLAYTON YEUTTER.●

AFGHANISTAN: LETTERS FROM THE STATE OF WASHINGTON

● Mr. HUMPHREY. Mr. President, last December the brutal Soviet occupation of Afghanistan entered its eighth year. The horrible condition of human rights in Afghanistan was recently described in a United Nations report as: "A situation approaching genocide."

As Chairman of the Congressional Task Force on Afghanistan, I have received thousands of letters from Americans across the Nation who are outraged at the senseless atrocities being committed today in Afghanistan. Many of these letters are from Americans who are shocked at this Nation's relative silence about the genocide taking place in Afghanistan.

In the weeks and months ahead, I plan to share some of these letters with my colleagues. I will insert into the RECORD two letters each day from various States in the Nation. Today, I submit two letters from the State of Washington.

The letters follow:

SIR: I continue to read of the atrocities that happen in Afghanistan. The last article claims that about one-third of the people have been killed or have left the country.

If even part of this is true, why isn't the U.S. pushing Russia to abide by the Geneva convention? Why isn't the U.S. pushing to let the world see what is going on?

If world pressure helped to get one dissident released, surely world opinion could save some of the women and children that are being slaughtered.

Would you please let me know what our Government is doing and what we as citizens can do?

Cordially,

LIN JONES,
Tacoma, WA.

Dear MR. HUMPHREY, I want to be counted as deeply concerned about the atrocities the Afghanistan people are incurring at the hands of the Soviets.

Please let me know how I can support your efforts to expose these mistreatments and halt them.

Sincerely,

CHARLES G. LACY,
Colville, WA●

TRIBUTE TO SISTER M. TERESITA BERRY

● Mr. BRADLEY. Mr. President, as we prepare to celebrate St. Patrick's Day this year, I would like to call attention to an outstanding New Jerseyite, Sister M. Teresita Berry, who has recently been selected Irish Woman of the Year by the St. Patrick's Day Parade Committee of Jersey City.

Sister Teresita has a distinguished record of community service. During her 61 year teaching career, she has passed on a wealth of knowledge to hundreds of students throughout the State. In 1983, she was selected by the Jersey Journal to receive the Woman of Achievement Award for her work in the community.

Although Sister Teresita is now semiretired, at 82 years of age she continues to remain active in community service, volunteering her time whenever possible. One very successful program that she has been directing for the past 11 years is called T for C [Technology for Children]. In the basement of the convent where she resides, Sister Teresita conducts classes in sewing, woodworking, typing, and elementary computer science.

For the past 15 years, she has been active with the senior citizens of Jersey City. Twice a week she conducts an aerobic exercise class for interested seniors, and once a month she visits the patients at the geriatric hospital. She also visits other sick and homebound persons whenever possible.

We can all learn a lesson from Sister Teresita's life. Her endless energy, her compassion, and her desire to help others are all values worthy of striving for, and I think it is fitting that she be honored today for her contributions to her community. Because of Sister Teresita, Jersey City is a better place to live.●

ORDERS FOR TOMORROW

CONSIDERATION OF SENATE JOINT RESOLUTION 81 AT 10:30 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate resume consideration of Senate Joint Resolution 81 on tomorrow at the hour of 10:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONTROL OF TIME ON SENATE JOINT RESOLUTION 81

Mr. BYRD. Mr. President, I ask unanimous consent that the time between the hour of 10:30 a.m. and 4 o'clock p.m. tomorrow be equally divided between the two sides, the time to be controlled by Senators STENNIS and HATFIELD.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATORS WISHING TO SPEAK ON SENATE JOINT RESOLUTION 81

Mr. BYRD. Mr. President the following Senators have indicated their desire to speak on tomorrow. The staffs are trying diligently to have these Senators come to the floor in a way that will best expedite the business of the Senate on this matter and that will accommodate the desires of Senators to have some time on tomorrow to speak.

I am going to name the Senators in the order that we hope they can appear on the floor to speak. This order is not to lock them in, but it is to give some good indication of the number of Senators who have indicated that they want to speak.

Also, hopefully, if they will appear in the order in which the RECORD will show their names in the morning, it will best assure them that they have a little time in which to speak and also assure the managers of the joint resolution that they do not have to sit here for long periods of time in quorum call with no Senators appearing, wanting to speak. The result would be in that case that as we approach the hour of 4 o'clock p.m., which is the hour at which the vote will be cast on the joint resolution, a number of Senators would show up in a cluster and find that they only had a few minutes left in which to speak and that they had, meanwhile, passed up the opportunity to get the floor.

I hope Senators will take a look at the list in the morning and accommodate the managers of the bill by coming to the floor as names are listed in the RECORD.

Mr. President, the following Senators have indicated their desire to speak: Senators DOMENICI, SIMPSON, WIRTH, EVANS, HECHT, QUAYLE, BENTSEN, HELMS, DURENBERGER, SYMMS, PACKWOOD, HOLLINGS, HARKIN, PELL, DODD, MITCHELL, WALLOP, KASSEBAUM, DASCHLE, KERRY, CRANSTON, MATSUNAGA, WEICKER, KENNEDY, HATFIELD, STENNIS, DOLE, and BYRD.

Mr. President, I emphasize that it will be for the benefit of Senators who wish to speak that they be diligent in arriving on the floor and are not tardy. The staff will be working on both sides of the aisle to assist Senators in getting time, but it is going to take the cooperation of the Senators involved as well.

RECOGNITION OF CERTAIN SENATORS

Mr. BYRD. Mr. President, I ask unanimous consent that following the recognition of the two leaders under the standing order tomorrow, the following Senators be recognized, each for not to exceed 5 minutes: Senators PROXMIRE, PRYOR, ARMSTRONG, PRESSLER, NICKLES, McCAIN, MURKOWSKI, SIMPSON, and DOMENICI.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, if a Senator does not appear, we will transfer the time.

PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the orders for the recognition of Senators, there be 5 minutes for the transaction of morning business and that Senators be permitted to speak therein for not to exceed 1 minute each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I ask unanimous consent that the morning business period end at 10:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

USE OF SPECIAL ORDER TIME

Mr. BYRD. Mr. President, I hope that Senators who ask for 5-minute orders will appear and consume those orders. The leadership on both sides tries to provide a schedule that will accommodate Senators and accommodate the Senate in our efforts to get the business of the people transacted. If Senators ask for orders and then do not appear for those orders, this means there is a gap in the time. Time is wasted. The Senate need not have come in so early.

PROGRAM

Mr. BYRD. Mr. President, the program tomorrow will be as follows: The Senate will convene at 9:30 a.m. After the two leaders have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 5 minutes: Messrs. PROXMIRE, PRYOR, ARMSTRONG, PRESSLER, NICKLES, McCAIN, MURKOWSKI, SIMPSON, and DOMENICI, after which there will be a period for the transaction of routine morning business not to exceed 5 minutes. Senators will be permitted to speak therein for not to exceed 1 minute each. That period for the transaction of routine morning business will end no later than 10:30 a.m. At 10:30 a.m., the Senate will resume debate on Senate Joint Resolution 81, a joint resolution disapproving the provision of additional assistance to the Nicaraguan democratic resistance pursuant to title II of the Military Construction Appropriations Act of 1987.

There will be 5½ hours for debate thereon. The time will be equally divided and controlled. Senators STENNIS and HATFIELD will be in control of the time. The vote on the resolution will occur at 4 o'clock p.m. tomorrow. Following the hour of 4 o'clock p.m. tomorrow, I think I should alert Senators to the likelihood that I will attempt to take up House Joint Resolution 175, the joint resolution to impose a moratorium on United States assistance for the Nicaraguan democratic resistance. That would occur following the disposition of Senate Joint Resolution 81.

Mr. President, there will be at least one rollcall vote tomorrow. There may be additional rollcall votes.

Does the distinguished acting Republican leader have any request for time?

Mr. HATFIELD. No.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9:30 tomorrow morning.

The motion was agreed to; and at 7:53 p.m., the Senate recessed until tomorrow, Wednesday, March 18, 1987, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate March 17, 1987, under authority of the order of the Senate of February 3, 1987:

CORPORATION FOR PUBLIC BROADCASTING

Harry O'Connor, of California, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991, reappointment.

EXTENSIONS OF REMARKS

MICHAEL PETRY—A YOUNG MAN WHO WORKED FOR PEACE

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. HALL of Ohio. Mr. Speaker, I wish to bring to the attention of my colleagues a remarkable young man from Dayton, OH who worked actively for world peace.

This 18-year-old student, Michael Petry, had just returned from spending 2 weeks with a "Witness for Peace" program in Nicaragua. He was in the process of sharing the insights he gained from that experience with others in our community when he was killed in a tragic automobile accident on February 3, 1987.

Michael Petry was deeply concerned about the killing and suffering inflicted upon the Nicaraguan people by the Contra effort to overthrow the Sandinista government. He wanted an end to that conflict and a new era of peace and cooperation between the people of the United States and the people of Nicaragua.

As a result of his trip to Nicaragua, he had established friendships with young Nicaraguans, and he longed for better relations between our two governments. He hoped that the kind of people-to-people dialog in which he participated could be pursued at the government-to-government level as well.

My contact with Michael Petry was through the letters he sent me, both before and after his journey to Nicaragua. I feel privileged to have been among those with whom he corresponded.

From his letters, it was apparent to me that he had a burning commitment to world peace. Although he was just a teenager, he wanted to do whatever he could to foster international understanding and to promote alternatives to war. His trip to Nicaragua demonstrated how much he cared about working to make a personal difference for peace.

I extend my personal sympathy to his family. I hope they will find comfort in the positive impact of Michael's commitment to peace both here and overseas.

For the benefit of my colleagues, an article about Michael Petry by Mickey Davis for the Dayton Daily News and Journal Herald follows. Also following is a letter by Michael Petry which was published in that same issue of February 10, 1987 of the Dayton Daily News and Journal Herald:

YOUNG MAN LEFT LEGACY OF LOVE

(By Mickey Davis)

It wasn't supposed to be this way, Ed Petry was crying.

Today's column was to have been an interview with 18-year-old Mike Petry—not his father.

Ed Petry, whom I have known for 15 years through his work with adoptions at Lutheran Social Services, called eight days ago to tell me about his son.

Mike Petry, a 1986 Meadowdale High School graduate and a student at Manchester College, had just returned from spending two weeks with a "Witness for Peace" program in Nicaragua.

The father was proud of his son and wanted to know if I'd like to chat with him. He gave me a number and I told him I'd call Mike later in the week to arrange an interview.

A week ago, Mike Petry died when a car in which he was a passenger was struck by a tractor-trailer truck near Ansonia. The car's driver, Marsa Hatten, 18, of Trotwood, also was killed. A passenger in the back seat, 18-year-old James Ullmer Jr., was treated at Wayne Hospital in Greenville and released.

The three, students at Manchester in North Manchester, Ind., were returning to college when the accident occurred shortly after 2:30 p.m. A17MR8.002

SOME BAD NEWS

"I turned on the evening news at 6:40 when the doorbell rang and there was our minister (the Rev. Michael Hostetter of Mack Memorial Church of the Brethren) and two state patrol officers. The minister said he had some bad news. I figured something happened to my wife who was at Wright State. I didn't even think about Michael," Petry said.

Michael was the oldest of the three children of Ed and Pauline Petry.

He was "quiet like me," his father said, "although he was different away from home. He spent a lot of time reading and writing at home. He liked to write science fiction.

"He was a good kid, a real good kid who was just starting to blossom. He had an adventurous sense about him and in a few short years had traveled in 49 states, Canada, Mexico, Nicaragua and Costa Rica. His trip to Nicaragua (Jan. 5-20) had a tremendous impact on him."

Before his son's experience in Nicaragua, "we talked mostly about the (Cleveland) Browns," Petry said. "After his trip, we discovered we shared a lot of the same feelings about Nicaragua and it was really great to talk to him on that level."

TAKING THE RISK

Michael was raised in the Brethren religion, "a pacifist church," his father said, and was aware that his grandfathers, as are his parents, were pacifists.

"But though some families were worried about sending their sons or daughters to Nicaragua near the Honduran border in a village where the contras had been active, Michael decided that if he got killed while he was down there, that was one of the risks he was willing to take," his father said.

Michael returned from his experience and wrote about it.

"I have come away understanding that I need a peaceful reaction to every one of life's movements if they be aggressive or passive, harmful or not," he wrote. "There is still much confusion within me but it will probably stay with me throughout life. I know I love the people of Nicaragua just as I love the people of the U.S. and everywhere else."

Michael wanted to write Thanks a Million columnist Percy Ross, his father said, to see if he would donate 10,000 pens for the children of Nicaragua so that they could learn to write.

"Michael has some money and that's where it will be spent," his father said.

Michael Petry would have been 19 years old Saturday—Valentine's Day.

[Dayton Daily News/Journal Herald, Feb. 10, 1987]

AMERICANS DON'T GET FACTS ON NICARAGUA

Editor's note: Michael Petry died in a Feb. 3 automobile accident. His letter had been cleared for publication and the family requested that it still be printed.

It distresses me terribly to see that the people of the United States are so horribly misinformed about the Nicaraguan society by the Reagan administration which proclaims how oppressive the Sandinista government is towards the people and that Nicaragua is a communist horde, ready to surge over the U.S. border and threaten democracy everywhere. That couldn't be farther from the truth.

The Sandinistas gain the most popular support from the Nicaraguan people. Over 80 percent of the people I met on a trip there support them.

The Nicaraguan people are at war with the U.S. government-supported contras. These "freedom fighters" as President Reagan refers to them, are fighting against a nation that numbers three million people. The average age of a Nicaraguan is 15. This country is a threat to the U.S.?

If you were a Nicaraguan, would you rather have a government that helps you (Sandinistas), or declare terroristic acts against you (contras)? The Sandinista government isn't a hated, totalitarian government that tortures and murders the people like the previous government under Somoza did. It is a country represented by the people, for the people. So how can our government say what they should be, when they know what they want, peace? The people in Nicaragua want me to tell the people in the United States what they want, which is to have the contra war stop so they can live in peace.

MICHAEL PETRY,
Dayton.

ENDS AND MEANS IN THE CURRENT PROCESS OF FORMULATING NATIONAL SECURITY POLICY

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. ASPIN. Mr. Speaker, in connection with the hearings of the Armed Services Committee's Defense Policy Panel, I would like to continue today to address the issue of national security policy and the Congress. Last Thursday I talked about why the Congress has paid so little attention to policy in the past. Today I would like to talk about how national

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

security policies are selected, and why ends and means tend to become so divorced.

Presumably, few people would agree that ends should be selected in ignorance of the means that would be required to achieve them. Yet the commonest and perhaps most generally accurate view of how the national security apparatus functions accepts precisely that premise. In that view, the process is linear, with a chain of actions flowing in only one direction. At the start of the chain are decisions at the highest levels of government that set the desired ends. The chain extends down through increasingly subordinate levels until it finally ends with the deployment of the means of implementation. This is how it generally works:

First, the President and his immediate advisers decide what our national security policy is to be.

Second, that national security policy is transmitted to the Pentagon and translated by the Joint Chiefs of Staff into "requirements" for military forces.

Third, those "requirements" are, in turn, transmitted to the military departments which translate them into specific defense budgets and programs—"program objectives memorandums," or "POM's"—for submission to the Secretary of Defense.

Fourth, the Secretary, with the help of his staff, reviews the service POM's, modifies them as he sees fit in his capacity as head of the department, and submits them to the President.

Fifth, the Secretary's recommendations are reviewed by the President with the help of the Office of Management and Budget, modified if necessary—particularly to conform to overall budget objectives—and submitted to the Congress.

Sixth, the Congress reviews the administration's budget request and program, makes such changes as it thinks desirable, and appropriates the resulting funds.

And finally, seventh, the military departments in turn use the appropriated funds to build and maintain the Armed Forces necessary to carry out the President's chosen national security policy.

In this view of the process, the ends—national security policy—are defined at the beginning of the chain; the means—armed forces—emerge at the end. Thus, the chosen national security policy supposedly determines what the Armed Forces must be. The Armed Forces supposedly do not determine the choice of our national security policy.

Confirmation that the process is indeed linear, that the likely availability of resources seems not to be explicitly considered at the beginning, and that the requirement for resources becomes apparent only at the end, is this statement by the Secretary of Defense:

> Fundamental to the development of our defense objectives is the determination of the national security requirements of our foreign policy goals and the threat to those objectives. We must develop a strategy to achieve those objectives and identify the manpower, logistics, and materiel requirements to implement that strategy. Finally, we must determine the total level of resources necessary to fund these requirements and their most efficient allocation. But even then the process does not stop, for once we receive these resources from the Congress, we must make sure that they are spent efficiently.[1]

In practice, this linear process suffers from two major flaws:

First, the output is only weakly related to the initial input. Though the process sounds mechanical and deterministic—the military forces that emerge at the end supposedly depend on the national security policy that is chosen in the beginning—it is anything but deterministic. If it is mechanical, there is so much "backlash" in the gears, so much free play in the tiller, so much slack between the links in the chain, that other factors often have a more profound effect on the military forces that emerge at the end than does the initial statement of policy.

And second, ends are considered primarily at one time, means at another. The idea that forces should be the slave of policy is quixotic. In fact, our forces more often determine our policies than our policies determine our forces. That is particularly true in the short run, but even in the long run, neither policies nor forces should dominate; the two must be considered together. Policies reflect our desires; forces reflect the means—and thus the cost. We must match one to the other.

HOW MEANS BECOME DIVORCED FROM ENDS

As to the weak relationship between the initial input and the final output of the process, national security policy is seldom if ever defined with such precision that there can be only one possible interpretation of the military forces that would be required to carry it out. For example, our announced policy with respect to Europe:

> The United States and its allies seek an effective mix of conventional and nuclear capabilities, one that would neither force NATO to early nuclear use from conventional weakness nor preclude such use should that be forced on the Alliance.[2]

Views can vary widely as to precisely what the adjective "effective" in that statement means in quantitative terms, and what forces would constitute an effective "mix." But even if the policy were stated with unambiguous clarity and precision, determining force requirements is still more art than science. Indeed, it is almost certain that no professional military experts, however disinterested, would recommend the same forces to meet the requirement for an effective mix. Thus, there can be considerable latitude in the way that any particular incumbent Joint Chiefs of Staff may choose to translate national security policy into force requirements.

But the Joint Chiefs are only one of the many steps and participants in the process that serve to confound the hypothetically clean and direct relationship between initial input and final output. The next step—the detailed preparation of the defense program and budget—is the responsibility of the military departments, each of which has its own institutional objectives and its own views on how statements of national security policy should be interpreted and implemented. Because of the formidable amount of detail involved, the institutional objectives and views of the services tend to become deeply embedded in the defense program, whether or not they conform precisely to the intentions underlying the policy.

As one not only with a role in selecting national security policy, but also as the President's executor of it in the Department of Defense, the Secretary can be a moderating influence on parochial views that the services may cultivate through their proposed programs and budgets. Indeed, though none can realistically hope to control all the details, the more forceful—as opposed to the more judicial—Secretaries of Defense have exerted considerable influence over programs and budgets. Thus, the degree to which the initial input to the system—the national security policy—is faithfully reflected in the product—the proposed military forces—as it leaves the Pentagon depends in part on whether the Secretary's management style happens to tend toward a tight centralized control of the department or toward a loose delegation of authority to the services.

The next step in the process, a review of the budget and program by the President with the help of the OMB, has often served to further weaken the relationship between ends and means. Coming in the late fall or early winter when the administration is in the final stages of preparing its budget submission for the Congress, fiscal limitations usually tend to be more pressing and immediate than they seemed back when national security policy was the subject and when the deliberation had more to do with ends than means. The temptation to cut the defense program to help meet economic targets carries the day more often than not, further divorcing actual military forces from the national security objectives approved earlier in the process.

The subsequent step—congressional review of the administration's budget request—often adds even more to the disparity between ends and means because of the lack of administration stress on complex policy issues, and because of the technological glamour and economic interest inherent in new weapon systems. Thus the changes that the Congress imposes on the administration's proposed defense budget deal primarily with personnel and equipment—the means. Appropriately matching changes in the ends are rarely even considered. The result is almost always to widen the gap between ends and means.

And finally, the weakening of the relationship between the initial input of national security policy and the final output of military forces is completed by the way that the military departments sometimes dispose of the funds appropriated by the Congress. For example, in the late 1970's, the President announced that continued access to Middle Eastern oil supplies was a vital national interest of the United States, implying a commitment to use military force if necessary.

Among the many improvements in military capability thus required, few were more important than strategic mobility—we needed more airlift and sealift to move our forces quickly to that distant area. Among the many possible improvements in strategic mobility, few could be made as quickly and as efficiently as increasing the "utilization rate" of the C-5 and C-141 cargo aircraft that we already owned by providing additional flight crews and supplies of spare parts. The defense budget accordingly included the necessary funds, which were approved by the Congress.

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[1] Report of Secretary of Defense Caspar W. Weinberger to the Congress on the fiscal year 1986 Budget, fiscal year 1987 Authorization Request and fiscal year 1986-90 Defense Programs, Feb. 4, 1985, pt. II ("Defense Resources"), sec. A ("The Defense Budget"), p. 69.

[2] Ibid, Pt. I, sec. C ("U.S. National Security Objectives and Defense Strategy"), p. 30.

None the less, the Air Force eventually diverted much of the funding from spare parts for the C-5 and C-141 cargo aircraft to a program to correct problems in the F-100 jet engine used in the F-15 and F-16 fighter aircraft. While it could be argued that the funds were no less well spent, the national security policy imperative of improved strategic mobility had been cast aside at a subordinate organizational level.

Thus, through most of the steps in the current process from decisions at the highest level all the way down to eventual implementation, there are latent forces that can—and apparently always do—corrupt the concept that the necessary military forces will naturally stem from the choice of a national security policy. The result is the well-known "strategy/force mismatch" of which the Joint Chiefs of Staff, with good cause, have so often warned.

Mr. Speaker, tomorrow I will suggest a procedure whereby ends and means could be properly reconciled, and "strategy/force mismatches" avoided.

INTRODUCTION OF LEGISLATION TO MODIFY SOURCE RULE STUDY

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. MATSUI. Mr. Speaker, I am today introducing a bill which would broaden the scope of an ongoing Treasury study important to U.S. exporters.

Under the 1986 Tax Reform Act, the Congress wisely in my view decided against changing various important tax provisions to U.S. exporters. The decision was that at a time of record trade deficits, Congress should not be making it more difficult for U.S. companies to compete in export markets.

A major element in the taxation of exports is the so-called export foreign source rule. Under that rule—which has been part of our Internal Revenue laws since 1921—U.S. corporations are generally allowed to treat a portion of their profits from exports—for most companies 25 percent of export profits—as foreign source income. This rule benefits U.S. exporters paying substantial foreign taxes because those companies can include that portion of their export income as amounts against which foreign taxes can be credited.

In deciding to retain this rule in the 1986 act, the Congress, however, decided that a study should be undertaken to determine the importance of the export source rule "in light of the (bill's) lower tax rates and in light of Congressional trade concerns." Thus, the 1986 act requires that the Secretary of the Treasury or his delegate conduct a study of the source rule and report back to the Committee on Ways and Means and the Committee on Finance its analysis and any recommendations by September 30, 1987.

This is an important study. However, it is clear to me, and I believe to others involved in the tax bill, that the export source rule was retained in the 1986 act not so much because it is the perfect rule in all circumstances from a tax accounting point of view, but rather because it has an important impact from a U.S. trade point of view. Unfortunately, because the study is being conducted by the Treasury Department—and particularly by the Tax Policy Office within the Treasury Department—I am concerned that it will not give proper consideration to the trade aspects of this provision.

Consequently I believe that the statutory provision establishing the study should be modified to provide that the study will be conducted by the Treasury Department together with the Department of Commerce and the U.S. Special Trade Representative. In this way, all the Federal Government agencies which are expert in trade as well as tax matters will play an equal part in developing the study's analyses and any recommendations. A joint study will be much more useful to the Congress.

Mr. Speaker, it is my hope that this provision can be added to relevant legislation at the earliest possible date. The current law study is scheduled to be completed by September 30, 1987. While it is most germane for the provision to be added to the technical corrections bill amending the 1986 act, which the Ways and Means Committee will consider later this year, I am concerned that the provision added to that bill could nonetheless fail to be enacted before the date upon which the study must be completed. Thus, I am now introducing this proposal as a separate bill and hope to work with the chairman of the Ways and Means Committee to determine the appropriate vehicle for including the provision on a bill with a reasonable chance of passage by the end of September.

The provision will cost no revenue and should be noncontroversial. I would hope it can be enacted quickly.

SECTION 806 OF THE TAX REFORM ACT

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. DONNELLY. Mr. Speaker, I am introducing legislation today which would delay for 1 year the effective date of an accounting provision of the Tax Reform Act of 1986. This provision has placed great burdens on the accounting profession, and needs to be revised.

Mr. Speaker, section 806 of the Tax Reform Act generally requires partnerships, personal service corporations, and subchapter S corporations to conform their taxable years to the taxable years of their partners or shareholders. Partnerships must adopt the taxable years of a majority of their partners; if no majority of partners have the same taxable year, the partnership must adopt a calendar year taxable year. Subchapter S corporations and personal service corporations generally are required to adopt the calendar year. These entities may adopt a year other than a calendar year if the entity establishes to the satisfaction of the Secretary of the Treasury that a legitimate business reason for doing so exists. These provisions are generally effective for taxable years beginning after December 31, 1986.

Section 806 was added to the tax bill to end potentially abusive tax avoidance techniques. The Senate Finance Committee report on the provision explained that the prior law allowed "an improper deferral of income for certain partners, shareholders in S corporations, and owners of personal service corporations." Under prior law, it may have been possible for a personal service corporation with a year end of January 31, for example, to make a salary payment to an owner in January—when the owner's taxable year had closed—and deduct the payment currently. The corresponding income would not be recognized by the owner until the following year, however, resulting in an 11-month deferral of income. Clearly, such an abuse needed to be ended.

I do not quarrel with this goal. My concern is the burden that this provision has placed on the accounting profession. Accountants, in addition to their extremely busy schedule during tax filing season, now have to add to that burden closing the books of partnerships, subchapter S corporations and personal service corporations to comply with the provisions of section 806.

Let me stress that my bill is not a permanent solution, and I strongly support the goals of section 806. My concern is only that the effective date of the provision is an unreasonable burden on the accounting profession. A 1-year delay in the effective date gives the accounting profession time to sit down with members of the tax-writing committees to draft a more reasonable rule which will end tax avoidance techniques but recognize the realities of the profession. I look forward to working with the accounting profession in this area.

My bill also shortens from 4 to 3 years the period in which taxpayers can spread taxes owed as a result of the new rules in section 806. This change should generally make my legislation revenue neutral. It is identical to S. 530, legislation introduced in the other body by Senator HEINZ.

Mr. Speaker, this reasonable legislation deserves to be acted on expeditiously. I urge all of my colleagues to join me in cosponsoring this legislation.

AN INEXCUSABLE ACT OF HATRED

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. HYDE. Mr. Speaker, recently I received information from the Simon Wiesenthal Center about a notorious anti-Semitic book entitled

"The Matzah of Zion," authored by General Mustafa Tlas, Deputy Prime Minister of Syria.

It is tragic that such ill-informed religious hatred gets published and might influence people whose access to historical truth is so limited. We will never attain peace in the Middle East or, for that matter, anywhere else, as long as lies are brandished as truth and religious persecution is encouraged.

I should like to join fair minded people everywhere in condemning this inexcusable act of hatred.

YAKOV AND OLGA GALPERIN—SOVIET LEADERS SHOULD RESPECT THEIR RIGHT TO EMIGRATE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. LANTOS. Mr. Speaker, today I would like to report to my colleagues in the Congress about the status of the unfortunate case of Yakov and Olga Galperin. The Galperins are Jews living in the Soviet Union who first applied to emigrate in 1979. Their request was subsequently denied, and they remain in the U.S.S.R.

Their unfortunate plight has a special interest for me because their close relative Mrs. Kay Halperin Barner lives in San Mateo, CA, in my congressional district. She has courageously and steadfastly fought for the release of Yakov and Olga since their first unsuccessful attempt to emigrate more than 8 years ago.

I have written many letters on behalf of the Galperins, and many of my colleagues in the House have joined me in signing these appeals. On August 1, 1986, 102 members of Congress and 7 members of the Senate sent a letter to General Secretary Mikhail Gorbachev urging that the Galperins be given permission to emigrate. This broad bipartisan support for Yakov and Olga is widely acknowledged and greatly appreciated.

Mr. Speaker, it is vitally important that we in the Congress continue our efforts on behalf of all refuseniks in the Soviet Union. As cochairman of the Congressional Human Rights Caucus, I have consistently advocated that we write to Soviet officials to let them know of our strong interest and concern about prisoners of conscience and refuseniks. I believe it is essential for Soviet leaders to know that we in the United States consider human rights an essential ingredient in the relationship between our two countries. Our continued efforts can make a difference in securing the release of many more refuseniks in the future.

The Soviet Union's new policy of openness—"glasnost"—should surely encourage the Soviet leaders to grant permission for the Galperins to leave the U.S.S.R. and join their family in the United States. The Galperin's case is unusual because they have close relatives who live in the United States. They should be allowed to excercise their human right to live where they wish. The Helsinki accords—signed by the Soviet Union—state—article 13, section 2—that every person has right to "leave any country." The Galperins are certainly entitled to that right.

I can only hope that our efforts are not in vain, that Olga and Yakov can be united with their family in San Mateo. I anxiously await their release from the Soviet Union. I look forward to meeting them in San Mateo.

IN HONOR OF REDONDO UNION HIGH SCHOOL

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. LEVINE of California. Mr. Speaker, I rise today to recognize Redondo Union High School and its community of students, parents, teachers, school employees, and public officials who work together to make Redondo Union the outstanding school it is today. Redondo Union is located in the city of Redondo Beach, a significant area of my 27th Congressional District.

For the past 3 years, Redondo has successfully designed the educational product for students around two pieces of educational research: first, California Superintendent of Schools, Bill Honig's Quality Indicators, and second, the research presented by the Carnegie Foundation on what makes effective schools, better known as the "Effective Seven". Both research documents emphasize the importance of stressing a school-wide academic focus and addressing the whole child.

Redondo Union High School ranks in the top 5 percent of all schools within California, based on the California Assessment Program [CAP] exams.

Redondo Union High School has been recognized for two outstanding achievement awards for overall performance and growth in Bill Honig's Quality Indicators. Redondo's new Guaranteed Guidance Program, which teams the vice principal, adviser, teachers, and secretarial staff to each grade level, is the first of its kind. This guarantees services to all students both with college and vocational training.

The graduation requirements at Redondo are the highest of any school in California and have been rated exemplary by the State superintendent. Vocationally, the students at Redondo are exposed to a wide choice of classes. The curriculum includes computer education, business education, home econmics, and industrial education classes in auto mechanics, print shop, drafting, metals and wood.

Redondo was awarded over $150,000 in incentive awards for significant growth in both mathematics and English.

Student participation in the Preliminary Scholastic Aptitude Test [PSAT] and Scholastic Aptitude Test [SAT] has increased greatly over the past 2 years. Each year sees an increase in the number of students commended or becoming semifinalists and finalists in the National Merit Scholarship Program.

At the Los Angeles County Academic Decathlon held in November 1986, Redondo ranked 13th out of 61 schools.

Redondo Union High School students continue to excel in scholastic competitions by scoring in the above-average categories in the local quiz bowl competition, math club competition, and in the foreign language exams held regularly.

Over 80 percent of Redondo's graduating seniors the past 2 years have entered either 2-year or 4-year colleges. Information received from these colleges on the graduates shows Redondo seniors have a higher grade point average than other high school seniors in the State. Redondo's seniors do better on entry level exams in math and English than other schools in the area.

The campus literary magazine, OPUS, has achieved recognition from Columbia University almost every year as a recipient of first place for a high school literary publication. The newspaper, High Tide, and the yearbook, "The Pilot," have received trophies in writing competition both at local and State levels.

As with all schools, teachers can make a difference and at Redondo Union this is apparent with over 25 percent of the teaching staff recognized as either mentor teachers, CTIIP winners, or with chamber of commerce Outstanding Educator Awards and are continually requested to serve on L.A. County and State curriculum committees.

There is always a need for balance in our lives and at Redondo Union there is that solid balance between high academic achievement and athletic excellence. Over the past 2 years Redondo Union High School has captured seven Varsity level championships ranging from football and basketball to water polo. Over the past 2 years a majority of our athletic teams has been involved in CIF postseason athletic competition, an honor to only top athletic programs. Recently, the city of Redondo Beach recognized the school, the football team, and its coaches at Redondo Union High School with a "Proclamation of Excellence."

Redondo's Drill Team has traveled to Hawaii, Japan, and recently appeared in the Super Bowl in Pasadena, an honor for only the top performing drill teams. The Sea Hawk Marching Band took trophies in all areas of competition the past 2 years, Sweepstakes trophies were given to them in all areas, distinguishing them as the top band at all local performances.

Recently, Redondo Union High School and the Redondo Beach Chamber of Commerce decided to join in a partnership to reward excellent school citizenship. The program called OSCAR (Outstanding Student Citizenship Achievement Review) will include all businesses in Redondo Beach and 50 percent of the students.

Redondo recently received grants from the South Bay Hospital to deal with substance abuse, grants from the city of Redondo Beach dealing with high-risk youth, and grants from Sears & Roebuck dealing with vocational and job entry skills. PacTel Mobile Access recently donated $50,000 to provide scholarships in science and technology.

It is a pleasure to bring Redondo Union High School's outstanding record to the attention of my colleagues in the House of Representatives, and I ask that they join me in congratulating this exemplary high school on a job well done.

THE CHALLENGE OF AMERICAN CITIZENSHIP

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. SCHUETTE. Mr. Speaker, for many years the Veterans of Foreign Wars has provided the youth of America the opportunity to participate in their annual "Voice of Democracy" contest. This year Michigan's 10th Congressional District, which I am honored to represent, was proud to have Miss Tracey Whitehouse of Beaverton High School selected as the State winner. I found her presentation to be thought-provoking and exciting, and wish to share this excellent work with my colleagues.

THE CHALLENGE OF AMERICAN CITIZENSHIP

(By Tracey Whitehouse)

The fight for our land was not easy, nor was it victorious. Many men, women, and children lie dead in the streets. The smell of blood and carnage cover our once peaceful village. We have no way to defend ourselves except for what the land has to offer. They do not realize that we are real people, not obstacles in the way of obtaining power. We try to uphold our traditions only for them to become obsolete in the battle for our beliefs. There is only one way out besides death. We must leave. We cannot live in a place where edicts take over our traditions, our beliefs.

America. It seems so far away. From books I hear it is free. You may talk without fear and express your very own opinion . . . even about the government. It will still be hard no matter what I tell myself.

As I look behind me, I see visions that will soon become a memory: the bakery on the corner, children playing in the street, and the church down the road. By next week it will be empty.

The calm, blue sea is calling me. It is my pathway to freedom. All I have are memories and traditions.

TRADITIONS THAT MUST BE UPHELD—THIS WILL BE THE CHALLENGE—THE CHALLENGE OF AMERICAN CITIZENSHIP

America. The oasis for many homeless people around the world. All of their lives they've dreamed of such a place, but never could quite imagine it until they received the message. "There is a place built on trust by the people and for the people. You can be free. This is America."

Freedom could never be conceived by people who were and are now victims of communism, pogroms, and dictatorship. They see no light at the end of the tunnel. They lead the artificial lives of puppets—strings attached to wooden minds. No concepts are being created; visions are hindered with a lash of a whip or shot of a gun.

YOU CAN BE FREE—THIS IS AMERICA

For this reason, many of them fled. Led by the crystal-blue waters they came from everywhere—England, Europe, and Russia—all to meet at one place—America. Little did they know the challenge ahead.

For the first time they were asked to think. They could help in the making of the government by their votes, their opinions—opinions that mattered.

Today many of us take for granted what we have and what many others do not have. Our ancestors crossed rough waters and faced death for a chance for freedom. We must not forget our heritage, and more importantly—our traditions. Traditions that must be upheld. Traditions that were created as a result of thousands of people yearning to be free.

As I look into myself, I ask "What is the challenge?" The challenge is not in being an American citizen, for any piece of paper can prove that, the challenge is in being a citizen to America. By believing in her heritage, her strength, her love, you can be true to yourself, and to your country.

We often get confused as to what our traditions really are. We are young and many ideas and concepts are being imprinted into our minds. All America asks of us is to pursue what is right in loyalty to her and ourselves. Traditions are created as a result of dreams and hopes. This is the greatest challenge of all. The pursuit of happiness. That is what America is all about.

America. That is where these rough waters are taking me. The journey has not ended, for I must see it to believe it. My only hope is to get there, for once I do, my dream will become reality.

Up ahead of me where the red-orange sky meets the stormy sea, I see an image—though vague—she stands clear. It is the lady that welcomes us.

"Keep ancient lands, your storied pomps!" cries she. "Give me your tired, your poor, your huddled masses yearning to breathe free. The wretched refuse of your teeming shores. Send these, the homeless, tempest-tossed to me; I lift my lamp beside the golden door."

Her lamp symbolizes freedom, it can never be smoldered, only brightened, by her traditions.

AMEND HOUSE RULES TO FREEZE THE CAMPAIGN FUNDS ARMS RACE

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. BATES. Mr. Speaker, too many Americans believe our campaign financing system is a corruptive force. They see PAC's as evidence of that corruption, but PAC's are only a symptom. The disease is exploding costs: An estimated $425 million was spent in the 1986 congressional races—up 3½ times since 1976. The average cost for a winning House candidate rose from $87,209 in 1976 to $346,000 in 1986.

The House of Representatives can and should consider establishing limits on campaign expenditures by a change in the rules governing this body. Such an action by this body would require no action by the Senate and no action by the President.

Of course, there would be a constitutional question. Inherent in any expenditure limit, if the standard of Buckley versus Valeo be accepted, is a limit on freedom of speech. And it may well be, as the court found in that case, that the constitutional right to freedom of speech takes precedence over the general equitable interest in making two candidates spend roughly equivalent amounts. I believe, however, that a rules limitation would present a very different constitutional equation from the statutory spending limit struck down in Buckley versus Valeo.

Spending limits are at most indirect limits on the quantity of speech, and are entirely candidate-neutral; they do not restrict any particular political message. I would assert an interest which I believe is greater than the interest presented to the court in Buckley versus Valeo: the fundamental interest in the institutional integrity of the Congress.

I urge my colleagues to join me as original cosponsors to an amendment to our rules to establish limits on campaign expenditures. Such as action could send a signal to the public this year—now—that Congress is going to police itself by its own rules as it has done on outside income and financial disclosure.

Mr. Speaker, I ask that the draft of my proposed rules change be printed here.

The material follows:

That the Rules of the House of Representatives are amended by adding at the end the following:

"RULE LI

"LIMITATION ON ELECTION EXPENDITURES

"1. Effective beginning with the One Hundred and First Congress, no individual who is a candidate for the House of Representatives may make expenditures of more than $250,000 (of which not more than 30 percent may be derived from contributions by multicandidate political committees and separate segregated funds), with respect to any primary or the general election for such Congress.

"2. Any Member who shall be elected and duly sworn who is found in violation of clause 1 by the House of Representatives shall be guilty of disorderly behavior pursuant to article I, section 5 of the Constitution and be subject to such disciplinary action as may be determined appropriate, including, but not limited to, expulsion, censure, denial of committee assignment, denial of use of the frank and stationery allowance, denial of office space, or other discipline.

"3. As used in this rule—

"(a) the term 'candidate' means a person who—

"(1) has filed with a State or the Clerk of the United States House of Representatives or both;

"(2) has formed an exploratory committee or announced an exploratory effort precedent to candidacy; or

"(3) is generally acknowleged in the media and from other publicly available sources to be a candidate;

"(b) the term 'multicandidate political committee' has the meaning given that term by section 315(a)(4) of the Federal Election Campaign Act of 1971; and

"(c) the term 'separate segregated fund' means a separate segregated fund referred to in section 316(b)(2)(C) of such Act.".

FmHA SHOULD BE IN FOR ITS COMEUPPANCE

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. DORGAN of North Dakota. Mr. Speaker, I'd like to insert in the RECORD an article that appeared in a newspaper in my State of North Dakota. As many of my colleagues know, we in the farm States have been very frustrated with the policies and attitudes of the Farmers Home Administration of the Department of Agriculture. Recently, the FmHA, as it's known, proposed a set of regulations that would set 50 years of precedent on its head. These regulations would bring to a screeching halt the FmHA's traditional role as lender of last resort for farmers. And they gave the public 30 days to comment.

This article from the Grand Forks Herald of Grand Forks, ND, sums up the situation extremely well, and I'd like to include it in the RECORD for the benefit of my colleagues. As the article points out, the administrators of FmHA have clearly forgotten the agency's purpose, and it is the responsibility of we here in Congress to set them straight.

FmHA SHOULD BE IN FOR ITS COMEUPPANCE

Sometimes parents tell their children they're getting too big for their britches. They then go on to remind the kids who they are, who the people are who should be important to them, and the virtues the children need to develop to live their lives the way a parent hopes they will.

Those are basic lectures in morality—right from wrong, respect vs. dishonor, love over hate, the purpose of life.

It seems it's time to give officials of the Farmers Home Administration one of those lectures. The people running the institution have forgotten FmHA's purpose.

FmHA evolved from the government's earliest attempts to help financially distressed farmers. Though those attempts go back several decades, the heart and soul of FmHA is rooted in the 1930s following the Great Depression.

Since then, it has been known as an institution whose purpose is to make ownership, operating and emergency loans to farmers who are unable to obtain credit from conventional sources.

Though you won't find those words etched in stone tablets, judges in federal courts have agreed that FmHA has followed that philosophy and developed that reputation through the years. Few people doubt that that is FmHA's purpose.

It's apparent now, however, that FmHA wants to chart a new course. The institution no longer wants to be the savior of less fortunate farmers, it wants to be like commercial financial institutions that deal only with people who are healthy enough financially that they can get money anywhere.

The new objectives became apparent in January when FmHA published new rules in the Federal Register. FmHA officials will argue the new rules are intended to streamline their loan application process, and that they still will provide loans to appropriate borrowers, while protecting the government from unnecessary financial losses. But they go much further than that.

In fact, the majority of current FmHA borrowers will be ineligible for additional loans or loan guarantees if the rules are implemented.

For example, FmHA wants to use four measurements of financial health to determine eligibility for loans. One of the measurements is the debt-to-asset ratio. Debts amounting to more than 70 percent of assets would be a reason for rejecting an applicant:

FmHA admits this could affect more than half of its clients, since a 1983-84 study showed that 51 percent of its borrowers exceeded the 70 percent measurement. Also, the average FmHA borrower has a 76-percent debt-to-asset ratio, according to 1986 data from FmHA.

There is no question that some borrowers are taking FmHA for a ride, and maybe the institution needs to revamp its rules to clamp down on those people. But it shouldn't be done with rules that cut off borrowers en masse.

Originally, people were given until Feb. 17 to tell FmHA what they thought about the new proposals. But most didn't find out about the proposals until the deadline was nearly upon them. Thanks to some fast action by politicians and members of farm organizations who were alerted to the dramatic changes the rules could bring about, the deadline for public comment has been extended until March 17.

We think FmHA is getting too big for its britches, and Congress needs to take officials there aside and remind them of the institution's purpose. If you agree, let your congressman know.

THE CHALLENGE OF AMERICAN CITIZENSHIP

HON. FRED GRANDY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. GRANDY. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct the Voice of Democracy broadcast scriptwriting contest. This year, more than 300,000 secondary school students participated in the contest, competing for seven national scholarships.

The contest theme this year was "The Challenge of American Citizenship," and I am honored to report that the winning script from the State of Iowa was from Sherry Lynne Danielson, a senior at West High School in Sioux City.

My congratulations to Sherry for her winning essay. Her remarks, which I submit for the record today, illustrate the importance of people of all ages to become well-informed on the issues of the day and of the need for participating in the government process.

Her words are particularly appropriate today as the House of Representatives considers H.R. 1085, the Montgomery GI bill, which I am pleased to cosponsor.

THE CHALLENGE OF AMERICAN CITIZENSHIP

When people think of the challenge of American citizenship, they are so overwhelmed with the possibilities they lose faith in their ability to have any effect on making their country a better place to live. Change, however, comes slowly, for countries and for people. Becoming a responsible citizen means recognizing that learning, participating and serving others must slowly become part of every day life.

The first important responsibility is learning to become informed. Becoming informed, however, is a habit a person acquires slowly, not overnight. For example, a young citizen cannot hope to become completely informed by reading twenty newspapers today or listening to the national news for five or six hours tomorrow, but he could take this process at a slower rate. He could try to learn something new everyday. He could pick up a news magazine he's never read before and read an article dealing with a subject he knows little about such as Nicaragua or the Statue of Liberty. He could attend a public meeting, a school board meeting, or sit in on a session of the city commission. He must learn to inquire about the causes instead of complaining about the issues. For instance, a young man who goes to the library to read about the historical importance of a local building the city wants to condemn, is taking the first step toward responsible citizenship.

Once a citizen learns the habit of becoming informed, he also develops the interest and the ability to participate. The young person, for example, who opposed the destruction of a local building might volunteer to be a member of a citizens' committee to persuade voters and local officials to keep the landmark. Participating as a responsible citizen is a habit to be acquired rather than a one time goal. The most important challenge to becoming a responsible citizen is acquiring the habit of voting. Voting, however, is not just going to the polls and choosing a presidential candidate; it's also casting a ballot for the person who can do the best job on the school board, and on city council and in county positions. Once the citizen has voted, his responsibility has not ended. Now he must make sure that the elected officials continue to be aware of his views. He could write to his congressman or even the President of the United States to raise a question about an issue or emphasize his position. Regular participation in the political process, even in small ways, the average citizen can help to make this a better country.

Outside the political process, all people must again meet the challenge by showing concern for fellow citizens. For instance, helping others is not limited to donating money to charities. Instead, helping can be volunteering one day a week at a local hospital, working an evening at a local mission serving hot suppers or remembering to visit elderly neighbors, being a friend.

Knowing that being informed and remaining involved in political issues is not enough, a responsible citizen makes help on a one to one basis a habit of life. A responsible modern citizen must not become discouraged by endless challenge and must remember the words of an ancient Chinese philosopher: "The journey of a thousand miles begins with one step".

TRIBUTE TO GORDON GOJKOVICH

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. FAZIO. Mr. Speaker, it is my privilege to pay tribute to a dear and cherished friend, Gordon Gojkovich, who this year is retiring from his post as Solano County Tax Assessor. Throughout his many years of public service Gordon has been a guiding force in his community. In his service to the State and through his participation in local organizations, Mr. Gojkovich has contributed tremendously to the good of this area. I know I speak for all of Solano County's citizens when I say I am grateful for his leadership and his willingness to give unselfishly of his time and energy.

Born on October 26, 1924, to Yugoslav immigrant parents, Savo and Nane, Gordon spent the majority of his childhood in Arizona. In 1943, following his graduation from high school, the Gojkoviches moved to California. With the outbreak of World War II, Gordon, like many other young men, entered military service. After completing basic training, Gordon was assigned to a tank battalion in England. Promoted to sergeant during his service, Gordon was a platoon tank commander during the Normandy invasion.

Forty years later, in 1984, Mr. Gojkovich journeyed back to Europe to retrace the route he had followed as a soldier. His visit to Germany, Belgium, Netherlands, and France, was one of the most moving experiences of his life. No place touched him as deeply, however, as did the Normandy beaches and the American cemetery where many of his comrades were buried. At the cemetery, Mr. Gojkovich found records of the first member of his tank crew to lose his life on the battlefront.

At the war's conclusion, Mr. Gojkovich was honorably discharged and returned to Solano County to engage in livestock ranching with his father. It was in 1959 when Gordon began his years of dedicated service to the State of California. Appointed to the post of State of California inheritance tax appraiser by longtime friend and State Controller Alan Cranston, Gordon occupied this position until 1968. Mr. Gojkovich then spent 2 years as the administrative assistant to Assemblyman John F. Dunlap and in 1970 was elected tax assessor of Solano County. As testament to his effective service, Gordon was reelected in 1974, 1978, and 1982. In addition to his post as county assessor, Gordon was also the owner and publisher of the Dixon Tribune. To this day he continues to serve as the Tribune's publisher.

A staunch Democrat, Mr. Gojkovich has devoted many hours and much hard work to supporting Democratic candidates. In 1952, Gordon helped organize the Fairfield-Suisun Democratic Club and was elected charter president. Also a member of the Solano County Democratic Central Committee, Mr. Gojkovich was an active participant in many campaigns; he served as cochairman of the John F. Kennedy for President Committee of Solano County and in 1976 he was a delegate to the 1976 National Democratic Convention. Gordon's involvement in politics has been a guiding force in his life. His influence and contributions are far-reaching.

In addition to his many career accomplishments, Gordon has found the time to involve himself in many other activities and deserves special recognition for his community contributions. A member of the board of directors of the Serbian Orthodox Church of the Assumption, he is an active participant in the life of his church. Mr. Gojkovich also has a keen interest in education and serves as a charter member of the board of directors of the Solano Community Colleges Scholarship Foundation. In addition, he belongs to the Solano County U.C. Alumni Association Scholarship Committee. Another community organization on which Gordon served as president of the board of directors, and continues to serve as a member, is the Solano County unit of the American Cancer Society.

Now that Gordon is retiring from his post as tax assessor he plans to, in his words, "take some time out, have some fun, and travel." He takes great pleasure in his large extended family and has vowed to plan reunions and to carry on the traditions of his Yugoslav heritage. I would like to congratulate Gordon on his full and very fruitful career, and to salute his community involvement. The contributions he has made in a wide range of areas, from his participation on scholarship committees to his heavy involvement in local politics, have made a lasting impact. Although retired from public office, I am confident that Gordon's involvement in community affairs will not wane. Last but not least, I want to acknowledge Gordon as one of my closest friends, whose encouragement and support have played such an important part in advancing my own career as a public servant.

I am grateful for this opportunity to thank Gordon for all he has done, and I extend to him my best wishes as he embarks on a new phase in his life.

INF NEGOTIATIONS: HOPE, APPREHENSION, AND DISMAY

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. ASPIN. Mr. Speaker, I rise today with hope, apprehension, and dismay over the turn of events over the last 2 weeks on the intermediate-range nuclear forces [INF] negotiations.

First there is hope—hope that the United States and Soviet negotiators will bargain seriously and produce an agreement that will be a positive step for United States and NATO security and the cause of peace.

But there is apprehension—apprehension that the same negotiating team, the same interagency process, the same President that brought us perilously close to a national security disaster at the Reykjavik summit might repeat that performance at the negotiations in Geneva.

Finally, there is dismay—dismay that the administration has accepted the view that zero nuclear weapons in Europe is in our national security interest and that such an agreement is on the fast track toward completion.

Mr. Speaker, I rise today to encourage arms control and to make the observation that the best outcome in the coming Geneva talks is not zero missiles in Europe.

There are better solutions than the zero solution, but until recently I thought there was no chance that any would be considered. The zero option appeared to be on the fast track. But now I see that the Soviets are proposing changes in the Reykjavik formula regarding short-range systems.

Mr. Speaker, if the Soviets can modify the Reykjavik formula, we can modify the Reykjavik formula. And it is clearly in our national security interest to do so.

But let me begin at the beginning. The issue in Geneva is the intermediate-range nuclear forces [INF] that we and the Soviets have deployed in Europe—our Pershing II and ground launched cruise missiles [GLCM's], and their SS-20 missiles. INF is the topic—but INF is not so much an arms control issue as a political issue. It always was and always will be chiefly political. Militarily, INF missiles—either United States or Soviet—are relatively unimportant. Even without INF missiles, we and the Soviets have more than enough nuclear weapons to destory all the militarily relevant targets.

INF is a political issue because INF resonates at the center of two contradictory views in Western Europe on how to deal with the Soviet threat. The first view emphasizes strategic "coupling"—the willingness of the United States to use nuclear forces to defend Europe. Coupling is one of the cornerstones of NATO. Historically, coupling became a problem as the Soviet Union achieved parity with the United States in strategic nuclear forces. This triggered a fear in Europe that the United States nuclear guarantee was no longer dependable—a fear that the United States would never really consider using nuclear weapons to save London, or Bonn, or Rome since that would risk the destruction of Chicago and New York and Los Angeles.

This fear increased early in the Carter administration when the SALT negotiations codified strategic parity and the Soviets began replacing old INF missiles with modern SS-20's. The military threat to NATO did not change measurably since the Soviets weren't threatening any new targets in Europe. But the SS-20 heightened nascent fears in Europe that the American nuclear guarantee was on the wane.

The response NATO came up with was to modernize the American INF weaponry—Pershing II and cruise missiles. These were to a large extent political missiles aimed at political targets in Western Europe. They signaled our friends and enemies that the United States was willing to keep the United States nuclear guarantee alive by demonstrating that an attack on our friends risked nuclear attacks on mother Russia.

While these INF missiles satisfied one European view—that advocating coupling—they offended another view—the European left wanted no nukes, much less new INF missiles, in any size, shape, or color.

To accommodate this second view while supporting the first, NATO, led by the United States, came up with the ultimate in political compromise—NATO's 1979 two-track decision to deploy 572 INF missiles, while simultaneously negotiating to reduce those numbers. This achieved a European political consensus that both couplers and disarmers could sign on to.

Since, the INF train has rolled down both tracks. The deployments continue, despite protests in the streets and constant badgering from the Soviets.

The arms control track took an unusual turn in 1981 when the Reagan administration responded to burgeoning street protests in Europe by proposing to eliminate all INF missiles—the zero option. This proposal, of course, completely undercut the coupling supporters. But at the time, few Europeans in the coupling school complained. They thought the zero option was just a United States public relations ploy intended to keep the critics of the left at bay and would never come to pass because the Soviets would never accept it. In that sense, the zero option worked: It helped keep the kids off the streets.

Mr. Speaker, we now find ourselves in a real fix. The Soviets have called our bluff. If we want zero INF, they say we can have it. But we need a sober assessment before we leap into an agreement that we will have to live with for a very long time.

Mr. Speaker, I find myself wary of zero INF. The two-track policy of INF deployment and arms control was political in its inception, political in its development, and must be political in its conclusion. And politically, the zero option is not stable. Politically, it tilts too far to one side. It satisfies completely the European disarmers. But for those moderates and people on the right who want to couple U.S. and NATO nuclear security, it's an empty bag. They may be silent now—as the disarmers were in the 1970's—but they won't be for long. Soon we will have a cascade of speeches in Europe's parliaments whining that the Americans have turned their backs on Europe. Zero INF splits us from the middle and the right of the political spectrum in Europe, just as the unqualified buildup of INF weapons split us from the left of center.

In particular, it puts leaders like Margaret Thatcher and Helmut Kohl in a tight spot. They bought on to the zero option when they saw it as a public relations gimmick that would not come to pass. Now, when it seems a real possibility, they privately grumble, though publicly they must give it grudging support. Perhaps a more open spokesman for European leadership thinking is NATO's Supreme Commander, Gen. Bernard Rogers. Though an American, he knows well where the Europeans stand. General Rogers says the zero option would leave NATO in a worse position than in the 1970's before the alliance decided to deploy INF missiles.

There is a curious inconsistency in our arms control posture. This relates to INF and the President's decision to cease abiding by the SALT numerical ceilings.

Absent the SALT constraints, as the Soviets remove their SS-20 INF missiles from Europe, they can just deploy more strategic missiles—SS-18's or whatever—in the Soviet Union and aim at the very same targets as the SS-20's. President Reagan's 1981 zero option proposal and his 1986 rejection of SALT conflict with one another. The latter undermines the former. Politically, we are threatened with a replay of the 1970's scenario: The Soviets install more missiles aimed at Europe, and that makes our allies nervous that the United States nuclear guarantee is withering. But this time around, we would be prohibited, by the zero policy, from deploying any missiles to reestablish coupling. As I said before, while that is militarily insignificant, it is politically very significant. It means the Soviets can use the Reagan position on SALT to cause strains within NATO. Had the administration kept the SALT ceilings, they would at least have been a constraint on such a Soviet circumvention. I trust the administration will keep that in mind as it negotiates the details of an INF accord in Geneva.

Given this, then, what is a better solution? Most clearly, the zero option is not in our best interest. But what is? The politically stable solution is deep cuts in INF forces in Europe that leave small but equal numbers—in the range of 50 to 100 warheads.

First, this solution would keep faith with the European center and right. A few United States missiles would remain to remind them—and the Soviets—that the United States nuclear guarantee is alive and well.

Second, this solution would go a long way to satisfying European disarmers. Reductions in planned American deployments by more than 80 percent and of Soviet deployments by more than 90 percent would certainly be applauded as a big step by the left.

With this political balance, NATO unity would be reinforced. And most of all, the Soviets would be discouraged from thinking that their maneuvering on arms control could be used as an instrument to split the United States from its allies.

All of this may be too late, however—the zero option train may have left the station already. The political commitments, the expectations of the public, the spirit of building on the foundation of Reykjavik make it tough to draw back from what is on the table. However, since the Soviets are now seeking to modify what came out Reykjavik on short-range INF weaponry—missiles with less range than the Pershing II's and SS-20's—we have the right to seek modifications, too.

But remember that the zero option did not start at Reykjavik. It began in 1981 as a ploy to parry critics from the European left, and take the high propaganda ground from the Soviets. It was not a proposal intended to come to fruition.

Backing away from this proposal now would not be a precedent-shattering move. There have been times in the past when American leaders have, at the 11th hour, pulled back from arms control proposals—even proposals of our own—that, upon reflection, did not seem in our interest.

It is in this same spirit, therefore, that I have written the President, asking him to take a sober look at what we are doing before we sign up with the Soviets to zero INF.

I don't want to overstate my objections to the zero concept. Going to zero won't be a disaster. There are too many shared interests for NATO to collapse over this. And there were other foolish ideas at Reykjavik—the abolition of all ballistic missiles, for example—that were a lot worse than zero INF.

Nonetheless, the zero option simply does not make the best sense. It sets us up for another round of friction with Europe's couplers. The zero option won't kill us. It's simply not the best idea. We can do a lot better.

LEGISLATION AMENDING INTERNAL REVENUE CODE OF 1986

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. MATSUI. Mr. Speaker, today, I am introducing H.R. 1655, to amend the Internal Revenue Code of 1986 to provide cost-of-living adjustments to the annual limitations applicable to deferred compensation plans maintained by State and local governments and established under section 457 of the Internal Revenue Code.

Currently, there are essentially three deferred compensation programs which affect workers in the public sector. These plans are covered under sections 401(k), 903(b), and 457 of the Internal Revenue Code.

As a result of changes made in the Tax Reform Act of 1986 virtually all pension and deferred compensation programs were modified for greater consistency. These changes included application of uniform distribution rules, plan qualification, adjustments in annual deferred compensation amounts and defined benefit and contribution plan limits. As a result of the Tax Reform Act of 1986, the maximum allowable annual deferral amount for 401(k) plans was reduced from $30,000 to $7,000, however, this ceiling amount is subject to cost-of-living adjustments to permit the annual limit to keep pace with inflation. Although the maximum deferrable amount applicable to section 903(b) plans was unchanged, $9,500, a similar provision was adopted to allow for indexation to begin when the ceiling rate for 401(k) plans reaches the $9,500 annual level of the 903(b) plans.

The annual limit of $7,500 applicable to section 457 plans remained unchanged under the new tax bill, however, there was no provision adopted to permit the same indexation for section 457 plans as provided the other plans. As a result, these plans, which are established for the benefit of State and local government employees, will not be permitted to index the annual maximum deferral amounts to keep pace with inflation. State and local government employees participating in section 457 plans will be singled out among all other public sector employees and denied protection of benefits against future inflation. I believe this is an unfortunate oversight on the part of Congress.

H.R. 1655 will remedy this oversight and provide for cost-of-living adjustments to the limitations applicable to section 457 plans similar to the provisions for 401(k) and 903(b) plans.

A major objective of retirement income policy should be to insure that today's retirees and tomorrow's elderly are able to maintain a reasonable standard of living in their later years. An important element in achieving this objective is the enactment of tax laws which lessen the impact of inflation on postemployment income. This bill will provide an important foundation for this goal for State and local government deferred compensation plans and eliminate needless inconsistency in the treatment of retirement contributions and benefits.

I urge the support of my colleagues on this important and equitable bill.

DECEPTIVE MAILINGS TO SENIOR CITIZENS PREVENTION ACT OF 1987

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. DONNELLY. Mr. Speaker, yesterday I introduced the Deceptive Mailings to Senior Citizens Act of 1987. This legislation is aimed at protecting our elderly from misleading solicitations for products and services provided by the Government.

Senior citizens are being intimidated and deceived into paying for services/products which the Federal Government supplies at no charge or at a lower cost. These solicitations imply Government endorsement or connection and suggest that the individual's Social Security benefits are in jeopardy unless they purchase these services.

This bill would designate these solicitations as nonmailable unless they contain notice that these products/services can be obtained through the Federal Government free of charge or at a lower cost. The envelope must also bear the notice "This Is Not a Government Document." The penalty for violating this act would be a $1,000 fine and a 1-year jail term per incident.

The Social Security Subcommittee of the Committee on Ways and Means recently held a hearing on this issue, where several other deceptive practices were brought to the committee's attention. I plan to work closely with my colleagues on the Ways and Means Committee to continue to protect senior citizens from these outrageous and shameful practices.

I urge my colleagues to support this legislation and wipe out the fear and intimidation faced by our senior citizens by these deceptive solicitations.

HIGH TECHNOLOGY ERA

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. HYDE. Mr. Speaker, our country is entering one of its most fascinating eras—that of high technology.

The changes brought in our daily lives because of the advances of high technology have come so fast that we have begun to take them for granted. For example, a few years ago who would have imagined that Members of Congress could monitor debate on the House floor by closed circuit television. Even our method of voting by electronic device is a remarkable advance that even the Senate has yet to acquire.

I am not a scientist, but no one can live in our time without a profound respect for the possibilities of research and the promise of a better life for all of us.

Some of the spinoffs of the superconducting super collider [SSC] project in industrial application and advancement in the state of the art equipment will place this Nation in an advanced competitive position. The administration is convinced of the worth of this project, and soon Congress will have the opportunity to demonstrate its faith in the SSC when the decision on funding must be made.

When this time comes, we must look at this project in the longer-term rather than allowing our decision to be influenced by merely short-term considerations. The SSC project is a sound investment in America that will retain for her a world leadership role, a role she rightfully deserves.

AMERICA'S STRATEGIC INTERESTS IN THE MIDDLE EAST

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. LANTOS. Mr. Speaker, a few days ago I chaired an important hearing of the Subcommittee on Europe and the Middle East of the Foreign Affairs Committee. At that hearing, a significant statement was made by Mr. Thomas A. Dine of AIPAC. I want to share a summary of his testimony with my colleagues.

TESTIMONY OF THOMAS A. DINE, EXECUTIVE DIRECTOR OF AIPAC

Thank you Mr. Chairman. And thank you for this opportunity to testify. I know you know Mr. Douglas Bloomfield, who is AIPAC's legislative director.

We very much appreciate this committee's long-time and consistent support of Israel and, in particular, annual military and economic aid to Israel, the supplemental aid of 2 years ago, and continuing friendship and understanding, as well as constructive criticism.

United States-Israel relations today, Mr. Chairman, continue on a path of solidarity and productivity. Last month's meetings, between Prime Minister Shamir and our top political and policy leadership, including members of this committee, showed the normality and steadiness of the relationship. But, Mr. Chairman, it is also true that serious issues are before the two Governments that need to be faced squarely and forthrightly.

Mr. Chairman, in this context, I am pleased to report that the Government of Israel today established an independent inquiry to look into Israel's involvement in and handling of the Pollar affair. This is, I believe, a statement on behalf of democracy, on behalf of the rule of law, and on behalf of the close, close ties between the two peoples. Many of us in this room have been urging the Government of Israel to let all the facts come out as fully and quickly as possible.

The panel will be composed of two highly respected figures: President of the Israel Press Council and retired lawyer Yehoshua Rotenstreich and retired Chief of Staff Tzvi Tzur. Their mandate, as I understand it, is to recommend whether the Government should take further action in the case.

Meanwhile, in a move that is familiar to Members of Congress, the Knesset's Intelligence Subcommittee has begun a parliamentary investigation of its own. It meets tomorrow morning.

Let me return to our foreign policy process.

This committee, the House and the Senate, as well as the President, the Secretary of State, and the whole executive branch are part and parcel of the broadened and deepened bilateral relationship that has emerged in the last 3 years. A full-fledged political and military alliance is on its way.

A commanding figure in building a base and giving direction to this policy toward Israel is Secretary of State George Shultz. He has been vital in Israel's economic recovery; he has been instrumental in the development of strategic cooperation. I support and applaud the Secretary of State in his energetic advocacy this year of foreign aid to America's friends around the world.

An area where both the United States and Israel are on track is in the constant search for a process of reconciliation and peaceful coexistence between Israel and its Arab neighbors, but particularly Egypt and Jordan. Just last month, Foreign Minister Peres pursued this further in Cairo. In 1986, both countries closely worked together searching for a peace process. In 1987, both countries agree that direct negotiations must be the outcome of this search.

While the focus on a peace process is visible, there is a not so visible part which I want to now highlight to members of this committee. The current peaceseeking process includes trying to institute an economic development program on the West Bank to promote a moderate influence and leadership there. AIPAC strongly supports increased U.S. funding for the West Bank development plan that the United States as well as Jordan have put forward. We call upon our European allies and Japan to contribute substantially as well.

Mr. Chairman, why aid to Israel? Why aid to Israel at a time of budget restraints that this country faces? I think the most important consideration is Israel's value to the United States. This includes shared moral and democratic values; this includes strategic cooperation. Israel is an investment with positive tangible returns for the United States. It is a wise policy decision.

Israel, as we all know, and today's inner Cabinet decision reveals, is a functioning democracy. There are too few of such societies in this world. Aid strengthens a reliable ally who can thereby help the United States in promoting and defending our interests. For instance, miliary aid to Israel prevents any further erosion in Israel's narrowing margin of security, and we are all aware of arms sales by the United States, by the Europeans, by the Soviets, to those countries still at war with Israel in the Middle East. These sales have significantly raised the cost to Israel of maintaining its own defenses, exacerbating the strain on Israel's economy, and will continue to do so in the future.

Economic aid to Israel has helped Israel on its road to economic recovery. Aid to Israel works. U.S. aid bought Israel the time to implement the necessary structural changes in its economy. It was perhaps the most significant factor in the progress made by the Government of Israel in restoring economic health.

The figures tell an encouraging story: Israel's inflation rate has improved dramatically from 450 percent in 1985 to 19.7 percent in 1986, actually reaching zero or a negative rate during several months. While that rate is high, it is a long way from the triple-digit numbers of 2 years ago. Israel's foreign reserves have risen above $4 billion, from the dangerously low $2 billion mark. The Government's budget deficit was running at about 17 percent of the gross national product before the stabilization program was implemented.

IN HONOR OF KENNETH KRAGEN

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. LEVINE of California. Mr. Speaker, I rise today to recognize Kenneth Kragen as he is honored by being named UC Berkeley's Alumnus of the Year for 1986. This award, presented annually to a former Berkeley student who has distinguished himself through service to society and contributions to the welfare of mankind, is the highest honor bestowed by the California Alumni Association, the 100,000-member organization of UC Berkeley graduates.

A member of Berkeley's class of 1958, Kragen also earned a master's degree in business administration from Harvard's Business School. Ken Kragen, manager, film and television producer, and chief organizer of the USA for Africa and Hands Across America charitable events is the head of his own Los Angeles-based firm, Kragen and Company.

I have always felt a close personal relationship with Ken because of my affection for his marvelous parents, whom I have known and admired since my own days as a student at Berkeley in the early 1960's. I have accordingly received great personal enjoyment as I learn of Ken's numerous accomplishments and contributions.

Kragen's involvement in world hunger issues dates back to the 1970's, when he managed the late Harry Chapin, a folksinger who regularly played at world hunger concerts and was active in food drives. Ken's longtime client, Kenny Rogers, has carried on much of Chapin's work in the area of world hunger and food drives. In response to a late-1984 telephone call from Harry Belafonte, Kragen created the project that was to become known as USA [for United Support of Artists] for Africa. Ken Kragen's leadership turned the project into one of the most successful and talked-about events of 1985. In all, the enterprise earned more then $50 million for African aid, and Kragen himself was among the individuals who accompanied the first shipments of food and aid to East Africa in July 1985.

Kragen followed that success with is organization and promotion of Hands Across America, the May 25, 1985 event during which millions of Americans jointed hands over 4,124 miles of American landscape, from the Statue of Liberty to the dock of the Queen Mary in Long Beach, sang "We Are the World," and donated money for the relief of hunger throughout America. That event generated more than $16 million. Kragen's work on both projects was on a strictly volunteer basis. As Ken said when being interviewed by UC Berkeley press, "I've accomplished a lot in my business, but I wanted to have feeling of accomplishment in my life. If I can improve someone's life—their health or living conditions—that's a pretty incredible thing."

Beyond being named Berkeley's Alumnus of the Year, Kragen has received numerous awards for his volunteer efforts to relieve world hunger. He has received the United Nations Peace Medal, the NAACP President's Award, the National Association of Video Arts and Sciences" Humanitarian Award, and the Los Angeles-area Boys Clubs' Citizen of the Year Award.

It is a pleasure to bring Ken Kragen's outstanding record of public service to the attention of my colleagues in the House of Representatives and I ask that they join me in paying tribute to him.

DON'T TAMPER WITH THE SUGAR PROGRAM

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. SCHUETTE. Mr. Speaker, there are few agriculture assistance programs in effect today that have been as successful as the Sugar Program. Today I rise in objection to the administration's proposal to tamper with this most effective program.

It is well known that we have a surplus of crops such as wheat, corn, and other feedgrains which is presently stretching to the limit our capacity to store these commodities. The Federal Government is paying farmers billions of dollars not to produce those commodities in an effort to not add to those surpluses further, and to hopefully reduce the excessive inventories through increased exports.

However, in a complete turn-around in policy, the administration has proposed a program to pay farmers over $1 billion to not plant a crop which we do not produce enough of for our own consumption.

This ill-advised proposal comes at a time when out Nation's farmers are suffering, and represents an astonishing attempt by the administration to export our production capacity and American jobs to Third World countries. While I, too, wish to provide assistance to the less fortunate in developing countries, it makes little sense for our Government to sanction policies which cost Americans their jobs at a time when we have lost far too many already. As Members of the U.S. House of Representatives, I believe we first have a responsibility to the agriculture industry of the United States.

In the 1985 crop year, Michigan produced 10.3 percent of the nation's sugar beet harvest. My district, the 10th District of Michigan, has faced particularly difficult times since flooding washed away much of last year's crops. Farmers are doing all they can just to get back on their feet. Now is not the time to make such a drastic change in our Sugar Program—one which has been perhaps more successful than any other in the agricultural industry.

Lowering the guaranteed price from 18 cents to 12 cents per pound as the administration advocates, would be devastating and short-sighted for growers who are already facing tough times. It would be difficult for many family farmers to lose one-third of this guaranteed price and still keep their farms. The mandate of the 1985 Sugar Program was that it should be run at no net cost to the U.S. Treasury and we were successful in that goal. In light of this fact, and because we already do not grow enough sugar beets and cane to meet the needs of our own domestic consumption, it seems absurd that we now ask our growers to produce even less of what already is a deficit crop. Indeed this will merely result in the need to import even more. At the same time, if in place of their beets and cane, their best alternatives are to grow those very crops which already boast a surplus.

I strongly oppose this proposal to undermine the U.S. Sugar Program. It has proven to be a successful venture and has added much needed stability to the Nation's sugar industry. When we do not produce enough of a crop to meet even our own domestic needs, there is no good reason for limiting that production. As the fifth largest producer of sugar beets in the Nation, the State of Michigan has a significant interest in this program. It would be a terrible mistake to attempt to fix a problem which does not exist. The Nation would be far better served if we continue policies which maintain stability in the sugar market and let growers earn their living by producing a needed crop.

DOING SOMETHING ABOUT GUN THIEVES

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. SMITH of Florida. Mr. Speaker, I want to bring to the attention of my colleagues an excellent column by Ms. Joanna Wragg, associate editor of the Miami Herald.

Ms. Wragg discusses a vital link in the chain of crime control—keeping guns out of criminal hands.

In particular, I hope that those who opposed the law enforcement community's amendment to McClure-Volkmer last year will endorse the last paragraph of the column.

[From the Miami Herald, Mar. 8, 1987]

GUNNING FOR THE GUN THIEVES

(By Joanna Wragg)

Let's give the National Rifle Association credit for at least half a truth. Gun lobbyists are fond of declaiming, "If guns are outlawed, only outlaws will have guns." That's not quite true, but it's not all wrong, either. America's outlaws indeed have an easy source of handguns—thanks to the negligence of legitimate gun owners.

It is a fact that retail-level controls on gun sales, though they curb other evils, do not deter many criminals from owning guns. Very few armed robbers trot down to the local gun dealer, or even to a reputable pawn shop, to buy a gun for that night's heist. According to a recent study by the Justice Department's National Institute of Justice (NIJ), only one-sixth of all armed criminals bought their weapon from a legal retail source.

Crazies are different, and so are passion killers and a particularly dumb minority of crooks. That's why cooling-off periods and background checks make sense. Killers who aren't part of the criminal subculture *do* buy their guns through legal channels. These folks aren't worried about consequences: They aren't killing for profits that they intend to enjoy.

Most predatory criminals, however, behave very differently. The fact, and it is a grim one for gun-control advocates and for Second Amendment zealots alike, is that 83 percent of the handguns used in crimes are stolen. They are stolen from commercial outlets and from law-abiding citizens. The NIJ study estimates that some 35 million to 50 million such legally purchased handguns are now in the hands of private owners, waiting to be stolen.

The study's main investigator was James D. Wright of the University of Massachusetts. Wright's summary observes, "An effective criminal gun-control policy must . . . of necessity, confront the issue of firearms theft."

It must, indeed. For the study reveals that possession of a firearm is a top priority for hard-core felons. These men live in a violent milieu where the gun is deemed essential. Some 58 percent of them cite "self-protection" as their reason for carrying a gun. They fear each other, the police, and armed victims, and they say they would steal a gun if they couldn't buy one.

While unarmed felons, such as burglars, cite stiffer penalties as a reason not to carry a gun, the armed felons are more worried about their own safety than about the law. Stealing a weapon isn't much of a challenge for these criminals, either. Half of the gun felons in the study had personally stolen at least one gun, and many had stolen guns often. Most had bought or traded for guns they believed to be stolen.

The hard-cord felons don't like cheap, snub-nosed Saturday Night Specials, either. The Smith & Wesson .38 with a four-inch barrel is the No. 1 handgun of the armed felons in the study. These guns are stolen every day—from the glove compartments, closets, night stands, and cash drawers of lawful owners.

So what can a high-crime state such as Florida do to curtail the use of stolen guns in crimes? For a start, it can load penalties onto the theft of firearms. Already Florida imposes a three-year minimum mandatory jail sentence for using a firearm during a crime. That law is believed to deter many burglars from carrying a gun into a house. Yet Florida courts have not imposed the three-year minimum on the burglar who steals a gun after he gets in.

The Legislature should stiffen the penalties for stealing or trafficking in weapons. Anyone who steals a gun—or lends, gives, or sells one outside the legal channels—ought to serve that same three years as the guy who eventually carries it into a liquor store.

Beyond that measure, opinion splits sharply. Wright and his sponsors at the Justice Department suggest that traditional gun controls, such as waiting periods and background checks, will have little impact on the black market in stolen weapons. This type of control does reduce the number of crazies and jealous spouses who get guns, and it hinders the 17 percent of armed criminals who do buy their weapons retail. Those are worthwhile goals in themselves. But traditional gun regulations don't touch the 83 percent who wreak the most havoc on our lives.

The only thing that can touch them is to squeeze the black market in stolen weapons. That effort, it seems to me, requires a two-pronged approach. One must be a law-enforcement priority on the gun market, with stiff penalties and the same stings and relentless pursuit that characterize the pressure on retail cocaine dealers. The second must be an attack on the irresponsibility of legitimate gun owners who leave handguns where they can easily be stolen.

Fear of crime is the reason most people give for buying a handgun. Yet gun owners feed the epidemic of violent crime when they leave that weapon in a car or unsecured in their home. Crime-weary Americans must begin to brand such carelessness for what it is: irresponsibility and negligence.

Several years ago in this column I advocated a form of liability insurance that would make gun buyers responsible for the consequences of their decision to keep a handgun. That suggestion was tongue-in-cheek at the time, but it may have been more on point than I realized. The NIJ report provides chilling data on how easily guns bought for home protection become the tools of hardened criminals. For every homeowner who actually uses the gun to protect himself, thousands more become the unwitting supplier of a gun to a felon.

That cycle can and must stop. My right to swing my arm stops at the end of your nose; similarly, my right to own a gun must be limited by my ability to keep that gun away from the felons who would attack you with it. Even legislators who resist traditional gun restrictions ought to agree that gun ownership must include a legal responsibility to keep the weapon away from criminals.

EXPORT TRADING COMPANY LEGISLATION

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. ST GERMAIN. Mr. Speaker, today, I am introducing legislation which will facilitate the use of bank-related export trading companies to increase foreign purchases of U.S. produced goods and services. Four years of experience with the Bank Export Services Act has identified minor changes in the act which can increase the use of export trading companies [ETCs] and promote U.S. exports.

This legislation would allow bank-related export trading companies to include, as export revenues, the fees it receives from arranging services which facilitate sales between other countries. In order to maintain the basic export purpose of bank-related ETCs, the bill requires that no more than one-half of export revenues be composed of fees from arranging services in connection with sales between foreign countries.

The bill increases from 2 to 4 years the period for determining if an ETC has generated 50 percent of its revenue from exports, and it provides a 2-year grace period before the 50-percent test must be satisfied.

The Federal Reserve Board would be prohibited from disapproving a bank-related ETC application solely because of an asset to equity ratio greater than 15:1.

The legislation also prohibits the Federal Reserve Board from imposing a dollar limit on the amount of inventory held by a bank-related ETCs but allows the Board to review on a case-by-case basis such inventory levels.

While these changes provide needed flexibility, they do not do so at the expense of essential safeguards. Other proposals referred to our committee would remove the collateralization requirements for loans from a bank to an affiliated ETC or would allow such a high degree of leveraging of ETC capital to threaten the capital of insured institutions. I am convinced that such a step would be unwise at this time.

The Subcommittee on Financial Institutions Supervision, Regulation and Insurance will hold a hearing on the subject on Tuesday, March 24. It is my intention to include this legislation in our portion of the trade bill.

The legislation follows:

H.R. 1661

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Export Trading Company Amendments of 1987".

SEC. 2. EXPORT TRADING COMPANY AMENDMENTS.

(a) PROCEDURES APPLICABLE TO DETERMINATION OF CLASSIFICATION AS EXPORT TRADING COMPANY.—Section 4(c)(14) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(14)) is amended by inserting after subparagraph (F) the following new subparagraphs:

"(G) DETERMINATION OF APPLICABILITY OF CLASSIFICATION.—For purposes of determining whether an export trading company is operated principally for the purposes described in subparagraph (F)(i)—

"(i) the operations of such company during the 2-year period beginning on the date such company commences operations shall not be taken into account in making any such determination;

"(ii) not less than 4 consecutive years of operations of such company (not including any portion of the period referred to in clause (i)) shall be taken into account in making any such determination; and

"(iii) fees derived from the facilitation, outside the United States, of trade services shall be treated as revenue derived from exporting or facilitating exports to the extent—

"(I) the fees so derived are remitted to the United States; and

"(II) the aggregate amount of such fees in any year does not exceed one-half the amount of revenue actually derived from export operations or the facilitation of export services.

"(H) FACILITATION OF TRADE SERVICES.—For purposes of subparagraph (G)(iii), the term 'facilitation of trade service' means arranging for, but not performing, any trade service which would be an export trade service (under subparagraph (F)(ii)) but for the fact that such service was not provided in order to facilitate the export of any good or service produced in the United States.".

(b) LEVERAGE.—Section 4(c)(14)(A) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(14)(A)) is amended by redesignating clauses (v) and (vi) as clauses (vi) and (vii), respectively, and by inserting after clause (iv) the following new clause:

"(v) LEVERAGE.—The Board may not disapprove any proposed investment solely on the basis of the anticipated or proposed asset-to-equity ratio of the export trading company with respect to which such investment is proposed, unless the anticipated or proposed annual average asset-to-equity ratio is greater than 15-to-1.".

(c) INVENTORY.—Section 4(c)(14)(A)) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(14)) is amended by inserting after subparagraph (H) (as added by subsection (a) of this section) the following new subparagraph:

"(I) INVENTORY.—

"(i) NO GENERAL LIMITATION.—The Board may not prescribe by regulation any maximum dollar amount limitation on the value of goods which an export trading company may maintain in inventory at any time.

"(ii) SPECIFIC LIMITATION BY ORDER.—Notwithstanding clause (i), the Board may issue an order establishing a maximum dollar amount limitation on the value of goods which a particular export trading company may maintain in inventory at any time (after such company has been operating for a reasonable period of time) if the Board finds that, under the facts and circumstances, such limitation is necessary to prevent risks that would affect the financial or managerial resources of an investor bank holding company to an extent which would be likely to have a materially adverse effect on the safety and soundness of any subsidiary bank of such bank holding company.".

VOICE OF DEMOCRACY PROGRAM

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. GALLO. Mr. Speaker, as we celebrate the 200th anniversary of the U.S. Constitution, the importance of programs that promote a greater understanding of our Nation and its heritage as the oldest continuously operating democracy on Earth is brought into clear focus.

As an organization, the Veterans of Foreign Wars, in conjunction with its Ladies Auxiliary, has consistently promoted these values through its Voice of Democracy broadcast scriptwriting contest. The fine efforts of these men and women should be widely recognized across the Nation.

This year, I am proud that the New Jersey winner of this contest is from my district.

Lawrence Kahn of Rockaway, NJ, deserves our recognition for his accomplishment. At this time, I request that his winning script be entered in the CONGRESSIONAL RECORD.

THE CHALLENGE OF AMERICAN CITIZENSHIP

September 17, 1987 marks the two hundredth anniversary of our Constitution. It is the cornerstone of our freedom, and has been described as the most wonderful work ever written by man. The American Constitution has indeed turned out to be the most successful legal document in all the world, with respect to duration, flexibility, and democratic wisdom. The Constitution organizes the government, defines the relationships between the three branches of government, and states the rights and the privileges of the people.

American citizens are given more rights than any other people in the world. But what are the obligations of Americans? No place in the Constitution is there an explicit statement of what a citizen must do. The framers of the Constitution did not think they needed to state the obligations of citizens, for the country had just survived a terrible war that affected almost everyone. The people wanted a fair and functioning government that they could support. They had sacrificed their wealth, their lives, and the lives of the members of families to form a nation. These people did not need a document to tell them what their responsibilities were.

Today, we are 200 years removed from the experiences of our forefathers. Thus, it is not easy for Americans to see these obligations as being obvious. To recognize these obligations and to fulfill them has become the Challenge of American Citizenship. Though the founding fathers did not explicitly state the citizen's obligations, one only needs to study the Constitution to find the challenges and responsibilities of citizenship that have been given to us by our founding fathers.

Article one of the Constitution implies some of the obligations of citizens. This article describes how Congress is selected, and gives Congress the power to pass laws and to "provide for the common defense." It is clear from this that a citizen is obligated to vote intelligently, to obey the laws that are legislated, and to serve in the armed forces to protect the country.

First and foremost is the obligation to obey the laws of the United States. Over two thousand years ago, Socrates taught that "both in war and in the law courts, and everywhere else, the citizen must do whatever his city and country commands." The obligation to obey the law applies with even greater force in our country, where the people elect the law makers, and where the repeal of laws is within relatively easy reach of the citizens.

A second obligation of every citizen is to vote. A free government cannot be sustained without the people interesting themselves in their political well-being. The people must actively participate in the processes of government. Thomas Jefferson, when asked who should be allowed to vote, responded that he had great faith in the character and good sense of the ordinary citizen. He insisted on an educated electorate, and expected the people to elect trained leaders. Today, as in Jefferson's time, Americans are challenged to vote intelligently, and it is our duty to be well informed, well read, and active in our political party. If we aren't well informed, we may be misled by popular opinion. If the popular opinion is, in our view, incorrect, or immoral it is our challenge to take a stand, and to sway the public to the side of the just and the righteous.

Unfortunately, we live in a violent, dangerous world. Occasionally, force must be used to quill the dangers of our planet. If our country calls upon us, we, like the framers of our Constitution, must serve in the Armed Forces. As President Wilson once said, "We are not worthy to stand here unless we are ready to give our very lives for the freedom and justice of the great nation which shelters and nurtures us."

Every true American is challenged to preserve, protect, and defend the Constitution of the United States of America. As Chief Justice John Marshall said in the case of *McCulloch* v. *Maryland*, "The government of the Union is emphatically and truly a government of the people. In form and substance, it emanates from them, its powers are granted by them, and are to be exercised directly on them." To preserve the Constitution, each American citizen should understand its principles, and stand up for the rights given to him in this document. American citizens must accept the obligations to vote intelligently, be prepared to serve in the Armed Forces, and obey the laws of the Community, State, and Nation. Finally, it is the challenge of American citizenship to remain loyal to the principles that are set forth in the Constitution, and to the ideals of the American people.

A RESOLUTION

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. LOTT. Mr. Speaker, I want to take this opportunity to bring to my colleagues' attention a resolution adopted by the Mississippi Gulf Coast Retired Officers Association. I am proud of this fine organization in the Fifth District of Mississippi and want to commend them for the outstanding leadership they provide, and for the fine example they set in Mississippi's coastal communities.

RESOLUTION

Resolution declaring the dissatisfaction of the Mississippi Gulf Coast Retired Officers Association with the United States House of Representatives willful inaction to vote on the issue of salary increases for certain executive, legislative and judicial officers before midnight on February 3, 1987.

Whereas, on January 5, 1987, President Ronald Reagan sent his recommendations to Congress for salary increases for certain Executive, Legislative and Judicial officers, and

Whereas, the President's recommendations in this matter become effective within 30 days unless Congress disapproves the recommendations by a joint resolution within the aforesaid 30 days, and

Whereas, numerous opponents and proponents viewpoints were expressed in a variety of national and local news media, and

Whereas, there were strong objections to salary increases, voiced and written, by many opponents, and

Whereas, the United States Senate had the courage to vote upon the issue prior to the deadline of midnight February 3, 1987, and

Whereas, the United States House of Representatives had time to vote on the issue before the deadline, and

Whereas, the United States House of Representatives evaded their obligation to the public by adjourning early for the day on February 3, 1987, instead of voting on the issue, and

Whereas, the President's recommended salary increases became effective one minute after midnight of February 3, 1987, and

Whereas, Congressman Trent Lott is the United States Representative for the 5th District of Mississippi, Congress of the United States, which District encompasses the residences of the membership of The Mississippi Gulf Coast Retired Officers Association, and

Whereas, the aforesaid Association desires to inform the United States House of Representatives of the dissatisfaction it holds for the House of Representatives evading their obligation to the public by adjourning early for the day on February 3, 1987, instead of voting on the issue of salary increases for certain Executive, Legislative and Judicial officers: *Now, therefore, be it*

Resolved by the membership of the Mississippi Gulf Coast Retired Officers Association, That this Resolution be mailed to Congressman Trent Lott for his information, with the hope that he will encourage his fellow Representatives to courageously face issues of public interest in a timely manner. Actions taken on issues after specific deadlines have passed are often questionable, useless, ineffective and reflect a disregard for the public's interest.

Done this 13th day of February 1987 at the Association's regular business meeting.

M. CLARK WAKEFIELD,
President.

CONGRESSIONAL SALUTE TO AEROJET GENERAL EXECUTIVE REX WARDEN

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. MATSUI. Mr. Speaker, I would like to draw the attention of my colleagues to an outstanding member of the Sacramento community, Mr. Rex Warden, who is leaving his position as group vice president of the Aerojet General to become executive vice president and chief operating officer of Aerojet General in La Jolla, CA.

Rex is a man of great intelligence and wide experience, and his powerful leadership skills and warm personal style has earned him the respect and admiration of his colleagues at Aerojet and his friends in our community. We are all sorry to see Rex leave, but we are certain that he will continue to enjoy success and make valuable contributions to La Jolla, his new home.

Rex has been an integral part of the Aerojet management team since February 1973, and has served as group vice president since 1981. He has also previously served as president of Aerojet Services Co. in Sacramento as well as executive vice president of Aerojet Ordinance Co. in Downey, CA.

Rex was a decorated Air Force fighter pilot during the Korean war. He flew 130 combat missions with the Air Force and 20 with the Navy as a carrier qualified exchange officer. After serving our country, Rex became chief production test pilot of interceptor aircraft at General Dynamics, testing high performance aircraft within the Mach 2, or twice the speed of sound, range.

In addition to his corporate responsibilities, Rex is also active in the community as chairman of the board of trustees for the Sacramento Safety Council, immediate past president of the Comstock Club, past member of the Sacramento Metropolitan Chamber of Commerce board of of directors, member of the board of visitors at the UC Davis College of Engineering, and a member of the board of directors of the Mather Heritage Foundation. He also serves on the board of trustees of the National Security Industrial Association headquartered in Washington, DC.

Mr. Speaker, I am sorry that Rex and his wife Jean are leaving our community, but I would like to join those who congratulate Rex on his promotion, wish him well in all of his future endeavors, and thank him for a job well done.

THE DAY HARRY TRUMAN REMADE THE WORLD

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. RITTER. Mr. Speaker, I am pleased to bring the following article to the attention of my colleagues as it adds important perspective to current foreign policy considerations.

[From the Washington Post, Mar. 12, 1987]

THE DAY HARRY TRUMAN REMADE THE WORLD

(By Charles Krauthammer)

Forty years ago today, Harry Truman made a speech and the United States became a superpower. Of course, at the end of World War II the United States was a superpower, and with a nuclear monopoly, *the* superpower. But with the enunciation of the Truman Doctrine on March 12, 1947, the United States finally accepted the role.

There could be no more pretending that the peace would be kept by others. In fact, the Truman Doctrine was precipitated by two British notes sent on Feb. 21, 1947, to Secretary of State George Marshall. Britain, Europe's perennial balance-of-power, informed the United States that it could balance no more. It would stop aid to Greece and Turkey on April 1.

Greece and Turkey were near collapse. Greece, fighting a civil war against communist guerrillas, was near bankruptcy. Turkey, subject to repeated demands by Stalin for bases and for rights to the Dardanelles, would be the next domino to fall. (The sound of dominoes emanating from Eastern Europe was loud in 1947.) An exhausted Britain could no longer carry the burden. Truman had five weeks to act.

Within 19 days, he had remade American foreign policy. He asked Congress for $400 million in economic and military aid for Greece and Turkey, an astonishing and unprecedented step for peacetime America. But Truman did not stop there. He declared it the policy of the United States "to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures." This universalization of America's role was immediately called the Truman Doctrine. With it, "containment" was born. The Monroe Doctrine had pledged the United States to keep foreign powers out of the Western Hemisphere. The Truman Doctrine pledged the United States to contain Soviet power and preserve freedom wherever it could around the world.

When the speech ended, said a witness, Congress' "applause had a bewildered quality about it." Initial reviews were not all favorable. Conservatives, such as Sen. Robert A. Taft, argued that Truman's ideological commitment to defend "free peoples" would lead either to world war or to bankruptcy. Liberals, such as Claude Pepper in the Senate and Henry Wallace in The New Republic, objected first that "our" Greeks and Turks were reactionaries unworthy of support. They objected, second, that Truman should have turned the problem over to the United Nations, yesterday's Contadora.

In the end, however, Truman won. By May 15, the aid was approved by both Houses of Congress. The Truman Doctrine saved Greece and Turkey. And coupled on June 5 with the Marshall Plan, it saved the rest of Western Europe.

The Truman Doctrine was the guiding principle of U.S. foreign policy for a generation, until the consensus for containment disintegrated with Vietnam. Several stopgaps were immediately offered as replacements. First was the Nixon Doctrine: relying on friendly regimes to police their regions on our behalf. The great model was the Shah. The Nixon doctrine fell with him.

Then, after the invasion of Afghanistan, the Carter Doctrine promised unilateral American action to defend Western interests in the Persian Gulf. This doctrine died quickly for lack of credibility. The Rapid Deployment Force, sword of the Carter Doctrine, is hardly able to repel Iranian mullahs, let alone the Soviet Army.

If regional powers prove unstable, and project American power unreliable, what then? As Joshua Muravchik points out in the winter issue of Foreign Affairs, global containment—the idea of resisting the Soviets everywhere—collapses and gives way to a new American policy vis-a-vis the Soviet Union; selective containment. Some countries the United States will support against Soviet-backed forces. Others not. In the late '70s, for example, we said no to Angola and yes to El Salvador.

There is one problem with selective containment. Alone, it is a policy of continual retreat. If the Soviets gain a foothold in, say, Angola, they keep it. The Brezhnev Doctrine enforced by Moscow pledges that Soviet advances will not be reversed. Selective containment plus the Brezhnev Doctrine means: what's theirs is theirs and what's ours is up for grabs. The fight is always on Western terrain.

The strategic response to this asymmetry has come to be called the Reagan Doctrine. It says that recent Soviet acquisitions at the periphery of empire—Angola, Afghanistan, Nicaragua—are not permanent. They are open to challenge. And we support the challenge. The Reagan Doctrine declares overt U.S. support for the anti-communist resistance movement. By declaring Soviet gains reversible, it saves selective containment from being a policy of gradual, but inexorable, retreat. It thus reestablishes an equilibrium—a dynamic equilibrium—in the strategic equation between the United States and the U.S.S.R. Moreover, by not requiring global resistance at every point, but allowing the United States to choose its terrain, it restores initiative to the American side.

American foreign policy is routinely criticized for its reactive quality, for its air of ad hoc pragmatism. Hence the demand for initiative, strategy, some larger vision of how to deal with the world and with the Soviet challenge. Containment and the Truman Doctrine met that demand exactly 40 years ago. Selective containment and the Reagan Doctrine meet it today.

The Reagan Doctrine may, nonetheless, be undone by the Iran affair, by the zealotry of those who acted secretly and perhaps illegally just as Congress was coming to open military support for the major anticommunist insurgencies. Congress, it seems, will have its revenge. If so, those preparing to defund the Reagan Doctrine might inform us of their alternative strategy for dealing with Soviet advances around the world. Or shall we be content with a policy of gradual retreat? Harry Truman didn't think so.

THE FIRST ANNIVERSARY OF THE DEATH OF DR. JUDITH RESNIK

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. SOLARZ. Mr. Speaker, today I would like to take the opportunity to share with my colleagues a speech commemorating the first anniversary of the death of a truly great American heroine, Dr. Judith Resnik. Last year, Dr. Resnik was one of the seven Americans to perish in the space shuttle *Challenger* disaster. She left behind her a legacy of excellence that will long be remembered. The career of Dr. Judith Resnik merits remark for many reasons: She was a highly gifted scientist, a woman, and a Jew. But most remarkable of all was her unfailing commitment to the profession she chose and served even to her death.

Mr. Speaker, I commend to you the statement of Alan Jay Gerber, vice president of Community School Board 20 in Brooklyn, NY. Mr. Gerber made these remarks on January 28, 1987, on the occasion of the first yartzeit, or memorial, of Dr. Resnik's death.

Before her last, fatal flight, she wrote:

> Please know that I am quite aware of the hazards. I want to do it because I want to do it. Women must try to do things no man has tried. When they fail, their failure must be but a challenge to others.

So wrote Amelia Earhart.

A span of close to half a century separates the lives and careers of two remarkable ladies—each talented, gifted and determined to leave her mark on history. Aviation was their common love. The steadfast determination to transcend the limitations of humankind was their common goal. The added dimension of womanhood reinforced the link in the life story of each.

Amelia Earhart was a pioneer who, in her day, was willing and daring to tempt the hand of fate.

Dr. Judith Resnik, a half century later, was to tempt that same hand of fate.

Each, in her own way, was to reflect the pioneering spirit of her age. By using the latest technology of their respective eras, they sought to expand the horizons of humankind and to provide for women a place in the constellation of pioneers and heroes who dot the pages of world history.

Judy Resnik was an uncommon phenomenon. Though highly intellectual, gifted, a woman and a Jew, she shunned any and all publicity based upon these attributes. Her self-image was that of a professional astronaut—nothing more, nothing less.

But, the human condition does not allow for neuter images. One's sex, religion and intellectual capacities are factors that count in the real world. In death, Judy Resnik's unique background and identity come to the fore and distinguish her for eternity.

Resnik brought to the space progam a dimension vastly different from that of her colleagues. Her background as the daughter and granddaughter of Russian-Jewish immigrants set her apart immediately. Her religious training and tradition were deep and lasting, contrary to what has been assumed.

Her beauty as a woman was obvious. Her intellectual attainments, breathtaking. Taken together we see in sum total a caring young lady who was a source of pride to her family, friends, and her people. Realizing this only makes her passing all the more wrenching.

Our full awareness of her accomplishments awaits further study, a task that I and others have set for ourselves as a goal. Her full story shall be told.

What occurred 1 year ago to Judy Resnik and her colleagues on the *Challenger* was a tragedy of great dimension. At their passing, America shed a tear. It was a tear that reflected the loss of human life. That shock and tear was a normal human reaction but, as in the course of all such great events, there is a deeper meaning to be culled.

The great American intellectual Daniel Boorstin reacted this way:

> The tragedy dramatizes the price of adventure and exploraton. Had people in the 19th century weighed the difficulty of crossing the continent, they never would have gone west. There are always risks; now we are seeing them. The willingness to go out into space, to do something that has never been done before, implies a big price. The public has been impressed with the fiscal cost but never with the human cost. And in that sense, the response of the country was impressive. The prize is beyond price. The prize is knowledge.

It is now 1 year later, and our grief is clearly diminished with the passing of time. We all experience in our own life journey both joy and sorrow. Joy is very rare and sorrow is omnipresent. We attempt to be oblivious to the sorrow, to the inevitable. We feel fear and we try to forget fear. Yet we experience fear.

In her ride into eternity, we now know that Judy Resnik may have been conscious long enough to feel fear, and that only adds to the dignity of her death—as in the words of Mark Twain, who described courage as the "mastery of fear—not absence of fear."

Amelia Earhart and Judy Resnik, American heroes, one a Christian, the other a Jew, linked in their firm commitment to science and daring exploration. A span of 50 years—one-half century links them to eternity, and because of them—the dream is still alive.

To Judy we say on this first yarhzeit of your passing: "May your soul be bound up in the bond of life everlasting." And to give to you for the last time your father's blessing: "May God Almighty make you as our mothers Sarah, Rebecca, Rachel and Leah."—Amen.

THE NEXT PARISH OVER

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. MOAKLEY. Mr. Speaker, I rise to share with my colleagues remarks given at the Clover Club Dinner in Boston by the Honorable John Silber, president of Boston University in Boston. Dr. Silber, as many of you know, has become a forceful and imaginative voice for urban education in today's society. Dr. Silber is well known for his preeminence in educational circles, but he is equally well known, and deservedly so, for his excellence as a toastmaster. With that in mind, and with today being St. Patrick's Day, I wanted to share with you his remarks on Ireland's enduring contributions to human history, culture, art and government. Dr. Silber's remarks are beautifully phrased and are capable of literally transporting the listener to Cork, Connaught, and Wexford and to make him feel very much a part of Ireland's unending and generous gifts to each one of us.

THE NEXT PARISH OVER

(By John Silber)

I must begin with a confession: I was not born Irish. But then, neither was St. Patrick, an Englishman who was kidnapped and taken to Ireland, where he sensibly decided to remedy the accident of his birth and made himself not merely an Irishman, but the greatest Irishman. As a matter of fact, there are three ways of being Irish. Some are born Irish, a happy condition that is enjoyed by most of us here tonight. Others, like St. Patrick, achieve Irishness. And finally, some have Irishness thrust upon them, as I have by being invited to address the Clover Club even though my name is Silber.

Far from being from Galway or Mayo, the Silbers were Germans. Nor did my mother or her people come from Ireland, but from a large land mass just to the east of Ireland which tonight it would be unseemly, perhaps imprudent, to name.

Now, I am also a philosopher, and so in preparing to speak as a German before an audience of Irishmen at their annual high revel, I naturally consulted a philosophic text. I could expect no help from my mentor Immanuel Kant, because he too was German. And of course Plato and Aristotle were Greek and St. Thomas was Italian.

I turned naturally to the most distinguished of Irish-American philosophers—the late Martin Dooley, saloon-keeper in Archey Road in the Sixth Ward of Chicago. I was not disappointed, for I quickly learned that in 1898 Mr. Dooley was deeply engrossed in the question of fraternal relations between the Irish and the Germans. Relations between the two groups had not, to be frank, always been the best in the Sixth Ward. A gentle feud existed between Mr. Dooley and his professional colleague Schwartzmeister, who kept a saloon down the road. Mr. Schwartzmeister committed aggression upon Mr. Dooley by installing a pool table. One thing led to another. Mr. Schwartzmeister claimed that a friend had been poisoned by Mr. Dooley's beer, and Mr. Dooley said that he would sooner go for whiskey to a harness-shop than to Mr. Schwartzmeister.

This feud festered until relations between Great Britain and Germany took a sudden downturn. Now it dawned on Mr. Schwartzmeister that the enemy of his enemy was his friend, and Mr. Dooley concluded that if the Kaiser was on the verge of war with the English, there was much to be said for Schwartzmeister. This is the account of the reconciliation in Mr. Dooley's own words:

I heard a man singin' "The Wearing of the Green" down the street, and in come Schwartzmeister. "Erin go brag," says he, meanin' to be polite. "Lieb vaterland," says I. And we had a drink together.

"Vell," says he, (and you know the murderin' way he has of speaking) "here we are," he says, "friends at last." "True for ye," says I. "Tooley," he says, for he calls me that, "we're one tonight, alretty," he says. "We are that" says I. "But glory be, who ever thought the Irish'd live to see the day when they'd be freed by the Dutch? Schwartz, me lieber friend," I says, "here's a health to the Emperor. Hock!" says I. "Slanthu," says he; and we had one.

Mr. Dooley quickly realized the implications of this detente for the Sixth Ward. " 'twould be a great combination," says I. "We'd carry the ward by the biggest majority every heard of," I says. "We would so," says he. "I'd be alderman." "After me," says I. " 'tis my turn first.' " "I don't know about that," says he.

At this point, the detente seemed in danger, but Mr. Dooley won Mr. Schwartzmeister over by an act of typical Irish magnanimity.

"We're both patriots," I says. "We have a common cause," I says. "You're a Dutchman and I'm of the other sort," I says. "And in the interests of the freedom of Ireland," I says, "I forgive you the pool table."

"Well, sir, he wept like a child. "Tooley," he says, "we'll march side be side. Alderman Tooley and Alderman Schwartzmeister, to free Ireland," he says. "But where does Germany come in?" he says. "Germany!" says I. "Germany! Well, we'll take care of Germany all rights. We'll let Germans into the primaries," I says. "And there and then we formed the Sarsfield and Goeethee camp . . . We shook dice to see which name'd come first. Ireland won. They was my dice."

And so I come here tonight in the spirit of my compatriot Schwartzmeister, like him rejoicing in having Irishness thrust upon me. But if it comes to dice, I've brought my own.

In the days of Brian Boru, on great feasts, the high king and those in vassalage to him were entertained by poets called fili. The greatest of the fili—the man who knew every story and all laws, the man versed in every trick of rhyme, meter, and music, the man expert in every mode of flattery and truthtelling—in short, a man almost proficient enough to enter the Boston political arena—this man was called an ollam. It is said that with one rhyme an ollam could kill a hundred rats—imagine what such a man could accomplish today in politics. And that with two rhymes, an ollam could create a cloak out of a sunbeam.

If his entertainment went well, a performer was permitted to beg a boon of the high king. Sometimes it was money, sometimes honor, sometimes it had to do with love. Occasionally the ollam would ask Brian Boru to turn his mind to some important matter.

Although I am no ollam, I may, tonight, touch briefly on important matters. If one is to praise the Irish—and if that's not why I was invited, then why am I here?—one must speak of such matters as the love of beauty, the struggle for freedom, the drive to learn and to educate. Education is in large part the assimilation of what is foreign so as to transform oneself. Through the centuries the Irish genius for assimilation and transformation waxed so great that Ireland became the repository of western civilization when Europe and England lapsed into barbarism.

Much of what we now think of as European culture has been transmitted and transfigured by Irish learning and Irish imagination. Even before Saint Patrick's time, as barbarian hordes were overrunning Europe, scholars from the Continent were emigrating to Ireland to escape them. Welcoming these exiles, who brought with them priceless Greek and Latin manuscripts, Ireland became the last outpost of western culture, preserving the works and developing the traditions which Europe had lost. Without the labors of generations of Irish scholars, writers, and ecclesiastics, much of the world's literature would have been lost. The Irish missionaries who brought their glowing faith back to Europe later in the Dark Ages were more than evangelists—they were Europe's only remaining humanists.

The splendors of Ireland during Europe's dark ages are revealed in a myth told about King Alfred, called "the Great" for his valor, learning, political genius and encouragement of civilization in a savage time. Alfred, who in the late ninth century ruled much of what is now England, was the prototype of a great English king. But although he was undoubtedly English, the Irish recognized in him the ideal of an Irish High King. A myth grew up in Ireland that Alfred had been educated there. It survives in a medieval Irish poem in which Alfred is made to speak with wonder and admiration of the civilization he found in Ireland. Alfred says:

I found in Innisfail the fair,
In Ireland, while in exile there,
God's people rich in pity,
Found many a feast and many a city.
I found in Munster unfettered of any,
Kings, and queens, and poets a many—
I found in Connaught the just, and fame,
Hospitality, vigor, heroic name.
I found in Ulster, from hill to glen,
Hardy warriors, resolute men;
Beauty that bloomed when youth was gone,
And strength transmitted from sire to son.
I found besides, from Ara to Glea,
In the broad rich country of Ossorie,
Sweet fruits, good laws for all and each,
Great chess-players and truthful speech.
I found strict morals in age and youth,
I found historians recording truth:
The things I sing of in verse unsmooth,
I found them all—I have written sooth.

This myth about Alfred reflects the reality that the English were civilized by the Irish. When the Anglo-Saxon barbarians—cousins of my German ancestors—arrived in England they had made only one halting step on the road to literacy: they had developed a runic alphabet which they carved on monumental stones. Needless to say, this earliest Anglo-Saxon literature was characterized by its exceeding brevity. From the flat surface of the stone to a sheet of paper may seem only a step, but it was one apparently beyond the abilities of the Anglo-Saxons. The Irish took the English by the hand and taught them the Roman alphabet and the use of pen and ink: that is, the Irish taught the English to read and write, making thereby a mistake they have regretted ever since!

The gift of literacy was the first transformation of the English by the Irish. Once so equipped, the English eventually developed the strategic capabilities which allowed them to turn on their benefactors and occupy Ireland. England oppressed the Irish; yet so powerful was the Irish spirit—its love of beauty, its expansiveness and liveliness, that it captured the foreigner's tongue and made it a well-tuned instrument, expanding its range to embrace harmonies and follow after melodies never heard before.

The Irish transformed the English language, and in so doing transformed themselves into masters and shapers of one of the world's great tongues. One of the greatest poets of the twentieth century, admired throughout the civilized world, William Butler Yeats, is an Irishman writing in English. In fact many of the greatest authors known as "English" were Irishmen—Jonathan Swift, Richard Brinsley Sheridan, Oscar Wilde, and George Bernard Shaw, whose gift of gab illumined and transformed the English stage.

The Irish quality that made this possible is summed up in an old bid of poetic wisdom quoted by Matthew Arnold:

For acuteness and valor, the Greeks,
For excessive pride, the Romans,
For dulness, the creeping Saxons,
For love of beauty, the Gaels.

In America, the Irish have shown a similar power of assimilation and transformation. Many of them came to America and found their condition little better than indenture—and in some ways worse. There is mute evidence of this in the houses on Commonwealth Avenue where the top floor—on which the Irish servants lived—was originally unheated.

But the Irish took the American system and made it their own.

How they were able to do this has been described by Lord Macaulay in his History of England. Distinguishing between the Scots and the Irish, Macaulay first notes that both rank high in natural courage and intelligence. But while the Scots, he says, have certain peculiar virtues designed to make men prosperous.

The Irish [are] distinguished by qualities which tend to make men interesting rather than prosperous. . . . Alone among the nations of Northern Europe they have the susceptibility, the vivacity, the natural turn for acting and rhetoric.

The very existence of the Clover Club demonstrates that Macaulay underestimated the relationship between being interesting and being properous. But Macaulay correctly noted that the Irish have been given the qualities designed to make men charming. With those gifts, which are the stuff of politics, the Irish made their way in America.

It is one of the great triumphs of modern history that the Irish, denied self-government in their own island, proved themselves masters of the democratic process as soon as they landed in America. Nor should anyone be surprised that once Ireland won her independence and suffered a brief civil war, she should have rapidly become one of the most stable of democracies. The Irish had already proven their genuis for self-government in the New World.

The Irish in America are the model of intelligent ethnicity in a democracy; while retaining their heritage, they embrace the values and the system of this great land, expanding it and fulfilling it. They are, in short, the embodiment of the American dream.

The Irish who fled their country in the famine years and came to Boston and New York and Chicago found their political situation transformed. In the Ireland they had left, the right to vote was limited to the prosperous, and the vote could only elect an outnumbered delegation to a distant parliament at Westminster. In the America to which the immigrants came, every white male could vote, and the Irish were not shy in seizing political opportunities.

They voted and they organized. They took up their positions in the essential public services of the great cities. Soon they provided mayors and governors. One of the greatest of these, Al Smith, found himself barred from the highest office by his religion, but in the next generation, John Fitzgerald Kennedy, by his forthright demonstration that there was no conflict between being a Catholic and being an American, became the greatest of our Irish politicians. And one of the greatest is here tonight—Speaker of the House, Tip O'Neill.

The Irish provided an example for all immigrant groups of how to make the system work, leading them to learn English and enter the political system. As the Germans, Italians, Jews and other eastern Europeans emulated the success of the Irish, the result was the melting pot. It was the Irish who led the way. American blacks are increasingly devoting themselves to the political process and in consequence accelerating their integration into the political and economic system.

In recent years it has, unfortunately, become fashionable to question the validity of the melting pot and to encourage groups of what Theodore Roosevelt called "hyphenated Americans," who perpetuate their ethnic particularism at the expense of their integration into American society. When some ethnic groups resist the learning of English and urge bilingualism as a national program, they propose instead a program that, were it to succeed, could undermine the unity essential to American freedom. We can with realism urge them to reconsider the wisdom of the Irish model, which judged by its consequences, can scarcely be wrong.

Although only the Irish of later immigrant groups enjoyed the advantage of speaking English when they arrived at Ellis Island, their success once ashore demonstrated to all other immigrants that knowing English was not merely advantageous but essential. The spectacular success of Southeast Asians is only the most recent confirmation of the lesson the Irish taught us.

But the Irish have done more than to show a country of immigrants how to achieve unity and make the system work. They brought the Irish soul from their island, and have made it live in the New World. The celebration of St. Patrick's Day by Americans of all ethnic backgrounds and religions is a unique cultural phenomenon. As my colleague Ambassador Bill Shannon has pointed out, nowhere in Ireland is the Saint's day honored as intensely and widely as it is in any American city. The Irish provide the critical mass for a proper St. Pat's day parade, but the marching and watching is done by Americans of all backgrounds. This is not, I think, a matter of mere sentiment, for in a profound sense, we are all Irish.

Wallace Stevens, one of the greatest American poets, has movingly spoken of this essentially Irish quality of America: "Our Stars Come from Ireland," Stevens wrote,

Our nights [are] full of the green stars of
  Ireland. . . . The whole habit of the
  mind is changed by them,
These Gaeled and fitful-fangled darknesses,
Made suddenly luminous, . . .
An east in their compelling westwardness.

Irishmen used to stand on the edge of Boston harbor under the westward-moving stars and say "The next parish over is Dingle." When Americans of German, of Swedish, of Jewish, of African, of Cambodian, of whatever ancestry, don the shamrock and march in the parade, they are recognizing, however unconsciously, that Irish east in the westwardness of the moving stars. For all of us Dingle is the next parish over.

LIFT THE BAN ON HOMEWORK

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Ms. SNOWE. Mr. Speaker, in August 1986 the U.S. Department of Labor published a proposal in the Federal Register to lift the ban on homework. This proposal called for the rescission of the ban on homework currently in effect on women's apparel, jewelry manufacturing, gloves and mittens, button and buckle manufacturing, handkerchiefs and embroideries.

There is no denying that when the ban was established in 1942 that there was a need to protect workers from unscrupulous employers who tried to evade Federal labor laws. There have been some fundamental changes in the intervening years, however, and today's workforce is better educated and more informed about their rights to fair wages and decent working conditions then their counterparts were four decades ago.

Homeworkers are not asking for special treatment. Many of these people enjoy working at home because it allows them to set their own hours and the amount of work they want to perform daily. In areas where day care is not readily available, it also allows them to take care of their children and still bring in the needed income. In a rural district such as the 2d District of Maine, homework may provide the only employment opportunity. Homeworkers are not asking for special treatment. They know that a day's work is worth a day's pay. They are asking the freedom to choose what work they do and where they do it. I don't think this is too much to ask.

Eight months have passed and the Department has still not published a final proposal. I would like to share a recent Wall Street Journal article with my colleagues that outlines the problem and the reasons behind the delay. I hope my colleagues will join me in urging Secretary Brock to publish the final regulations.

[From the Wall Street Journal, March 6, 1987]

GARMENT WORK: HOME IS NOT A SWEATSHOP

(By Joseph Perkins)

As fashion designer Norma Kamali sees it, she is "at war" with the International Ladies Garment Workers Union. Indeed, visitors to her New York boutiques are likely to be caught in the cross fire, as surly union pickets bombard them with jeers and taunts. Miss Kamali is at odds with the union for two reasons: Her employment of "homeworkers" for preparation of dress samples and other work, and her refusal to sign a "jobbers agreement" that would obligate her to employ only union members.

The garment workers scored a victory last week when the New York State Department of Labor fined Miss Kamali a record $10,000 for violating its 40-year prohibition of industrial homework. Rather than contest the ban, the fashion designer made room for the 10 workers in her factory.

Getting the prohibition of industrial homework added to the Fair Labor Standards Act in 1949 is one of the greatest triumphs in the history of the ILGWU—a triumph that may well have been deserved 40 years ago. Congress agreed to the amendment to the original 1938 law because it was concerned about the sweatshop conditions for which the garment industry had become notorious. A labor-department report of the time stated that "low wages, unregulated hours, poor working conditions and child labor are familiar aspects of this system of production."

While such conditions were commonplace in the 1940s, they're very rare today, making the law an anachronism. Most employers who incur penalties for violating either the federal or state bans on industrial homework are merely cited for the violations. They are not charged with subjecting their homeworkers to low wages, long hours or poor working conditions.

In Miss Kamali's case, the New York authorities found no evidence that she had exploited her employees. "I couldn't reach that judgment," said Hugh McDaid, the labor-department investigator who led the state's inquiry into the designer's labor practices. Miss Kamali's only sin was that she permitted 10 employees to work at home rather than forcing them to come to her factory.

In fact, the 10 women who worked at their homes for Miss Kamali were at least as well off as most garment workers who belong to the ILGWU. Their average compensation was comparable, Miss Kamali said. What's more, they worked at home because it was more convenient for them. The flexible hours that the homework afforded them gave them more time to take care of their children, study or ease back into work after an illness.

One worker was a full-time employee who had worked for the designer eight years and wanted to work at home while recovering from a back operation. Another was a student working her way through college, between classes, by stringing pearls and hooking earrings. And another was a salaried sample worker who wanted to earn some extra money in her free time at home.

Miss Kamali is only the latest employer to run afoul of the ban on industrial homework. In New York alone, state labor authorities have cited 84 violations and netted nearly $100,000 in fines since October 1985. Another 30 cases are currently pending, according to Mr. McDaid, the labor-department investigator. He estimates that, despite the ban, about 20,000 to 25,000 New Yorkers are working at home for garment manufacturers. At least 17 other states ban industrial homework, and the remaining ones are covered by a federal statute outlawing such work.

These prohibitions of industrial homework have come under increasing criticism both by garment-industry employers and by homeworkers themselves. The best-known case involved a Vermont, ski-apparel maker that was investigated by the federal Labor Department in the late-1970s. The manufacturer was charged with violating mimimum-wage laws (a charge it denied) by employing 30 knitters who worked at home. Rather than challenge the ban, the Vermont manufacturer—like Miss Kamali—agreed to settle the case by paying a fine.

Meanwhile, the knitters who lost their jobs because of the action took their case to Washington. They protested that the Labor Department should not have interceded on their behalf, and declared that they considered themselves part of a legal cottage industry and that they were in no way exploited by their employer.

In 1981, the Reagan administration's Labor Department voided its predecessor's decision. The ILGWU, in turn, protested the decision and managed to have it overturned by a federal court in 1983. The court ruled, however, that the Labor Department could lift the ban on home knitting if it rewrote the federal rules governing this category of work. The department did so, and home knitting is now permitted provided employers acquire a special permit.

Unfortunately for other homeworkers in the garment industry, the federal ban is still in effect for six fields: women's apparel, jewelry manufacturing, gloves and mittens, button and buckle manufacturing, handerchiefs and embroidery. Labor Secretary William Brock promised to lift the remaining bans last summer, but the big labor unions succeeded in extending the period of public comment and holding up the repeal indefinitely.

What particularly annoys garment-industry homeworkers is the inconsistent application of the ban. Homework is perfectly legal in other industries, provided the work arrangements between employer and homeworker meet federal wage requirements such as minimum wage and overtime, and applicable local requirements.

To underscore the inconsistency of the ban on garment-industry homework, a group of North Carolina seamstresses, who sewed gloves in their homes for a local manufacturer, sent a package to President Reagan last year. The package included a pair of men's boxer shorts, which can be sewn in the home, and women's panties, which can't, a golfer's glove, which can, and a pair of women's dress gloves, which can't.

The ILGWU argues that the ban on garment-industry homework must be preserved or the industry will see a return of the sweatshops that precipitated the ban in the first place. President Jay Mazur warned last year that "a large pool of recent immigrants, documented and undocumented, and intense competition from low-wage imports, have created the climate in which sweatshops flourish."

This profession of concern for immigrant workers and about imports is a smoke screen for the threat Mr. Mazur fears from homeworkers, who turn out comparable work at a lower cost to employers. Employers with lower labor costs can underprice their competitors, who will in turn seek reductions in their labor costs, either by seeking givebacks or concessions from the unions or by taking their work to nonunion shops. The ILGWU is concerned less with the exploitation of homeworkers than with maintaining its leverage in the garment industry.

And it seems to be succeeding. In Miss Kamali's case, the disruption of her homework operation prompted her to suspend her wholesale operation and cancel her spring line of clothes. Not only does this mean a loss of $15 million to $30 million in revenues for OMO Norma Kamali, the designer's company, it also means a substantial loss of jobs for garment workers, be they unionized or nonunionized. Nonetheless, ILGWU organizer Jeff Hemanson says he is pleased that the union's war with the fashion designer caused her to shut down her wholesale operation, which, in his own estimation, "would have employed a couple hundred workers."

The union's tactics ultimately will backfire if business men or women such as Miss Kamali refuse to succumb. Garment-industry manufacturers, particularly those in the high-fashion end like Miss Kamali, have the option of production by low-cost labor overseas. If the ILGWU continues to raise the cost of doing business in this country, Miss Kamali and other garment-industry employers will likely exercise that option.

RESTITUTION TO ALEUT CITIZENS

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. YOUNG of Alaska. Mr. Speaker, I am introducing legislation today which will help to correct an injustice which was committed by the Federal Government against Alaska Native citizens during World War II. This bill will serve to provide restitution to Aleut citizens of the United States for personal property losses and physical hardship suffered while interned in temporary camps during the war. In addition, the legislation would provide compensation for certain community property losses and authorize the removal of hazardous debris and ammunition remaining in populated areas. The bill is intended to implement the recommendations of the Commission on Wartime Relocation with regard to Alaska Natives.

Mr. Speaker, as the Members of this Chamber well know, World War II marked a difficult and dangerous time in the history of our Nation. It was only through the valiant sacrifices of men and women throughout the country that we were able to prevail in wars on two fronts which we did not choose to begin. In no way is this legislation intended to diminish the contributions of American soldiers and sailors whose sacrifices allowed us to win the war, but it is from respect for freedom and liberty, which they helped preserve, that our Government should repay citizens for property forcibly taken during the war.

To ignore this obligation is to allow a government to arbitrarily deprive individuals of their rights as citizens.

The circumstances surrounding the invasion of two islands on the Aleutian chain and the necessity to evacuate residents of a large number of villages on the islands are a matter of history for most Americans. However, for the individuals who were interned, as well as for those who lost family members who did not survive the long period in the camps, this time was one of permanent sorrow and loss. These losses were made even greater by the failure of the Government to return property after the war. It is our duty to live up to this obligation. The obligation is not diminished with the passage of time.

No matter how hard this task is, I believe it is the obligation of a fair and just government to repay citizens for property taken by that Government, even where the motive is to protect the Nation in time of war.

In order to meet this responsibility for Alaska Native citizens who were interned and relocated during the war, the relocation commission made several recommendations separate from those for Japanese-American citizens in other parts of the country. The recommendations formed the basis for the provisions of the legislation I have introduced to compensate residents of the Aleutian chain who were relocated and the survivors of those who died while interned.

The bill I am introducing was developed in consultation with the elders of the seven villages of the area, most of whom are survivors of the relocation camps. The bill has the strong support of those who suffered direct losses during the internment.

For the residents of Alaska who faced the unique situation of being the only U.S. territory invaded and occupied during the war, the relocation left many villages deserted and abandoned in an area with one of the harshest climates in the world. Residents forced to abandon their homes and property would return 3 years later with only the shells of homes remaining. The evacuation may have been justifiable due to the invasion of the islands. However, as I have stated, a government which takes property from innocent civilians, as well as liberty, should repay those citizens who acted only in good faith.

Mr. Speaker, we took the rights the residents of the Aleutian chain detained during the war. In justice and fairness, I believe we should recognize those rights and provide compensation. I urge my colleagues to support this legislation.

INTELLECTUAL PROPERTY PROTECTION IS A TRADE ISSUE

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. ROTH. Mr. Speaker, America's ability to compete in a global marketplace is inextricably bound to her capacity to protect creativity, inventions, and the established reputation of her products. In past years, the legal scheme which protects creativity (copyright law), inventions (patent law), and the established reputation of U.S. products (trademark law) has been referred to by the term "intellectual property." The term may strike the listener as highly technical. Lost in the confusion of this legalese, however, is the reality that U.S. creativity, inventions, and established reputation of her products—all property rights of U.S. individuals or companies—are being misused abroad.

Counterfeiting (trademark copying) and piracy (patent and copyright infringement) abroad have already seriously damaged U.S. economic stability. The International Trade Commission has estimated that $6 to $8 billion of total domestic and export sales by U.S. companies and 131,000 jobs were lost in 1982 as a result of foreign product counterfeiting and similar practices. The lost jobs were only representative of the five sectors hardest hit by the counterfeiting—apparel, chemicals, transportation equipment, records and tapes, and sporting goods. The latest estimate for lost sales from 1984 is as high as $20 billion. The U.S. copyright industries put annual lost sales at over $1.3 billion as a result of the failure of certain countries to provide adequate and effective protection to U.S. copyrighted works. The U.S. agrichemical industry estimates that it loses $200 million per year from inadequate and ineffective patent protection. Other byproducts of these foreign practices include loss of consumer confidence both at home and abroad, and health hazards to consumers of inferior quality counterfeit products.

The unjust benefits reaped by counterfeiters and pirates of U.S. intellectual property are reflected in their avoidance of expensive innovation, product development, and marketing costs, and in the income they generate from their infringement. For example, 1 percent of Taiwan's gross national income is estimated to come from piracy and counterfeiting. It should thus come as no surprise that the innovative spirit of U.S. individuals and companies today is severely dampened, and close to being extinguished.

The Reagan administration has persuaded the international community to treat intellectual property protection as a high priority issue in the Uruguay GATT round of negotiations. These negotiations should establish adequate and effective levels of intellectual property protection in countries that have little or no such protection. In the interim, however, the 100th Congress must assure the U.S. creator and inventor that the product of their ingenuity will not be permitted entry into, or sale within, the United States after it has been misappropriated abroad. This can be accomplished by enactment of legislation which effectively deters the importation and sale of intellectual property—infringing articles in the United States. The grievances of U.S. intellectual property rights owners can no longer go unaddressed. At stake is our ability to maintain our technological edge and retain our stature as an economic leader in the free world.

I call to the attention of my colleagues an article published in the Washington Post which discusses the role of our lawyers as policemen of U.S. intellectual property rights. Intellectual property protection must be given the highest priority in our trade debate and in our efforts to make America more competitive.

LAWYERS ARE OUR SECRET WEAPON

(By Michael Schrage)

America's best chance to slash the trade deficit and recapture leadership in the global marketplace won't be found only in the conventional wisdoms of a weaker dollar, stronger research and development budgets or tougher tariffs.

Don't look to the media-hyped high-tech entrepreneurs peddling the latest innovations either. Japan and the Asian Tigers gobble them up like sushi. No, the trade warriors of the information age won't be the MBAs or the engineering PhDs.

They will be America's lawyers.

As painful as this may be for this country's business and technical elite to face, America's ability to successfully compete in world markets now depends less on such traditional concerns as exchange rates and cost of capital and more on its ability to nurture and protect ideas.

This shouldn't be surprising. Nowadays innovation and competitive advantage spring more from the manipulation of information—a computer-aided design, an enzyme that edits a strand of DNA—than the manipulation of capital and labor. Industry is becoming more brain-intensive. Intellectual property joins real estate, people and capital as the most valuable assets a company can possess.

Yet even as economic value shifts from materials-based to knowledge-based, it is no secret that many countries—notably several in Asia and Latin America—treat America's technological innovations as the intellectual property equivalent of a free lunch.

"A hundred years ago in Phoenix," said IBM Chairman John F. Akers at a computer-industry meeting there last month, "a quick way to find yourself on Boot Hill was to be caught claim-jumping." That sort of thing doesn't happen anymore, at least not with land. But it's happening with intellectual property—the ideas that are behind our software products, our trade secrets and our copyrights and patents. "Modern claim jumpers don't carry six-guns but they are stealing far more than their predecessors ever dreamed of," Akers said, costing America billions of dollars and hundreds of thousands of jobs.

By far the world's largest computer company, IBM has been extraordinarily aggressive in protecting its intellectual assets. IBM has sued former employees for trade-secrets breaches, has participated in a U.S. government "sting" operation that trapped Japanese electronics giant Hitachi in its effort to illegally purchase IBM technologies, and has negotiated a tough $300-million-plus settlement with Fujitsu when that Japanese computer company infringed on IBM's software. Is IBM's zeal in protecting its intellectual properties and the company's strong market position just a coincidence?

Absolutely not—it is both symbol and substance of what U.S. companies need to do to maintain this country's intellectual-property assets.

American companies are beginning to show a new aggressiveness. Armed with a lawsuit, Texas Instruments has successfully renegotiated several semiconductor licenses with Japanese companies. Lotus Development Corp., makers of the popular Lotus 1-2-3 computer program, has just filed suit against marketing "spread-sheet clones," charging copyright infringement.

Protecting intellectual property—the biotechnology, software, semiconductors, pharmaceuticals and computer designs that gives America its technical edge in the world marketplace—could grow into the hottest and most useful trade issuer for American industry of this decade. If U.S. policymakers play their cards right, they'll have an issue that can win bipartisan political and popular support at home while putting foreign governments on notice that the U.S. is in a position to export its considerable legal expertise in ways that can make life exceedingly uncomfortable.

Unlike the kneejerk nationalism that infects most protectionist legislation, the intellectual property issue can be packaged as fundamentally one of fairness; people should not rip off other people's work. Economic plagiarism is a bad thing and it shouldn't be too difficult for a bright Republican or Democrat to make political hay from the fact that America's trade woes are a direct result of that sort of behavior by foreign firms.

It's important to note that this is not uniquely an American trade issue. As the trend towards global markets accelerates, intellectual property has become a global trade concern. Intellectual property lawyers are making money around the world.

"The legal tools for effective intellectual property protection in Europe have been remarkably enhanced over the five years," reports one West German patent attorney. "There is clear support for the thesis that intellectual property owners not only have augmented their efforts for attaining adequate legal protection but have an increasing tendency to actually enforce their rights before the courts."

And should anyone be surprised that Japan has been particularly aggressive in this area?

"The Japanese have seized on this issue while many Western countries were asleep at the wheel," said Robert Greene Sterne, a Washington attorney specializing in intellectual-property law.

Indeed, Japan's powerful Ministry of International Trade and Industry last year tried to slip legislation through the Diet that would have required foreign computer companies to license their software technologies to Japanese companies after only a few years.

That kind of expropriatory law could have crippled U.S. computer companies because software is probably the best technological edge U.S. companies like IBM and Digital Equipment Corp. possess. Literally handing that software over to its Japanese competitors would have had the impact of handing over a cashier's check worth billions. Only the outraged screams of American companies and last-minute intervention by the U.S. government averted an industry disaster.

But the episode underscores just how seriously the global trade implications of intellectual property policy and law are taken by America's toughest high-tech competitor. A note: Four of the top 10 companies obtaining the largest number of U.S. patents last year were Japanese.

Certainly, intellectual property has become one of the hottest legal topics in the U.S. Courts that once treated patents as a "17-year license to sue" have cracked down on infringement. Earlier this year, giant Eastman Kodak learned a billion-dollar lesson when a district court rules that the photography company had infringed upon Polaroid's instant-picture patents.

The establishment of the Court of Appeals for the Federal Circuit in 1982 to oversee patent, copyright and trademark issues has also led to a judiciary with the wherewithal and gumption to enforce intellectual-property rights.

The American judicial system is spearheading a revolution in intellectual-property law. In August, the Third Circuit in the case of Whelan versus Jaslow confirmed that the same copyright principles that apply to movies and books are applicable to computer programs. That means infringement can occur not only with line-by-line plagiarism but also if the "structures, sequences or organization" are too similar.

In October, the Northern District Court of California in Broederbund versus Unison held that what is displayed on a computer screen is protectable under copyright, and this protection extends to the "look and feel" of what is displayed on screen. In the semiconductor industry, where Japanese companies have historically piggybacked on U.S. design technologies to reduce development costs, NEC and Intel are locked in legal combat over whether circuit designs etched on computer chips are copyright protected. One court holds that they are.

Patent law is now an integral part of the budding biotechnology industry as companies seek to protect the way they design enzymes, microorganisms and plants.

Unfortunately, many U.S. companies have done a brilliant job of being stupid about their intellectual-property assets. Apple Computer President John Sculley has called the discount licensing of U.S. technology during the 1960s and 1970s "the greatest fire sale in history" as companies practically gave their knowledge base away.

"Many companies did take the path of least resistance," acknowledges Bell, Labs President Ian Ross, who chaired the intellectual property panel of the President's Commission on International Competitiveness.

That panel's key recommendation is that U.S. companies should "run faster" and accelerate the commercialization of new ideas into new products.

That's nice—but does it make sense to run faster when you're dragging freeloaders who seem to be getting heavier and heavier? The United States has got to put as much emphasis on protection—not protectionism—as it does on innovation to compete in global markets. Yes, the Japanese, the Germans and the Koreans et al have their own legal systems and can hire U.S. legal gunfighters to argue their interests here. But what most Asian and European businessmen would freely acknowledge is that the U.S. retains the innovation edge in most technologies—particularly computers, software and biotechnology. They are clearly concerned about the new U.S. toughness. On the other hand, they see their own future fortunes coming from profitable innovations. Consequently, they have to grit their teeth and go along lest reluctance to respect intellectual-property rights' come back to haunt them. The clearest sign of this is that trade ministers just agreed to make intellectual property a part of the GATT (General Agreement on Tariff and Trade) summit meetings.

Making intellectual property a part of the trade agenda is just the first step, however. The real impact will be felt when American companies call in their legal enforcers to make countries live up to the new intellectual-property laws. There's no doubt in the world's legal community that America's lawyers will be at the vanguard.

It may be a sad sign of the times, but legal expertise could be this country's most potent export of the information age. It will be even sadder if U.S. companies treat intellectual-property protection as just a shield rather than a steppingstone to further competitive advantage.

IT'S TIME FOR SOCIAL SECURITY REFORM

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. TAUKE. Mr. Speaker, today I am introducing a bill that depoliticizes our Nation's largest entitlement program, the Social Security Administration [SSA] by establishing an independent Social Security agency. It also constructs a new appeals process that is equitable, balanced and much more cost-effective than the current chaotic and complex system. The new appeals process will do what it should do: Resolve controversies instead of creating them.

There are two primary functions and purposes of the appeals process: First, to provide claimants who are dissatisfied with an initial decision the opportunity to present, in a meaningful way, their reasons for disagreement; and second, to provide the agency with an effective oversight mechanism to ensure that adjudicators are following the policies of the agency. During my study of the current appeals process, I found several unnecessary, confusing, and inefficient components of this process create rather than resolve controversies. For example:

SSA was not following its own regulations in evaluating mental impairment cases in two separate, major lawsuits.

There was a steady decline in the percentage of cases paid at the initial and reconsideration levels and a steady increase in the percentage of cases paid by ALJ's from 1976 until 1984 when the Disability Reform Act was enacted.

Reconsideration has become a rubber stamp of the initial determination because it is frequently based on essentially the same evidence. In addition for initial application cases, relevant evidence, which can only be elicited at a face-to-face hearing, cannot be considered.

The reconsideration and ALJ levels both conduct evidentiary hearings for continuing disability review cases. SSA's Appeals Council upholds the ALJ decision 90 percent of the time and its standard for review is essentially the same as for a judicial review.

The initial, reconsideration and ALJ levels each independently evaluate the evidence and determine the facts in each case. This is essentially nothing more than posing the same question to three different individuals. Moreover, the evidence and issues increase as the case progresses to the ALJ level. The result—in 1983 there were 366,691 fewer initial claims that there were in 1976 but 203,805 more requests for ALJ hearings.

Although the statutory standard for judicial review is a quite narrow appellate one, in practice, the 94 Federal District Courts conduct their own independent evaluation of the evidence and decide cases under their own standard instead of the regulatory standard that appears to be required by the statute.

Claimants routinely introduce issues before the courts that were not presented to SSA during the administrative appeals process. This is standard operating procedure for class action suits and makes a mockery of the well-established principle that before a claim is presented to a court, administrative remedies must have been exhausted.

At the height of the continuing disability review controversy, SSA data showed that 98 percent of the disability cessation determinations issued by the State agencies were correct, yet when these cases were appealed to ALJ's, more than two-thirds were reversed. Clearly, something was wrong with the way that State agencies were deciding cessation cases, but the ALJ decisions had no discernible effect on the evaluation practices of the State agencies. There have been class actions relating to virtually every policy or evaluating disability. (Under court orders, SSA must readjudicate hundreds of thousands of claims and apply the standards imposed by the courts for pending and future cases. Cases presenting the same issue and similar facts are decided differently depending on where the claimant happens to reside. Thus, SSA is complying with all of the court orders and therefore applying different evaluation standards for different regions of the country.)

Court decisions should not create chaos, they should end it. Under the statute, the standard for judicial review by the Federal District Courts is an appellate one. All too frequently district court judges review Social Security cases as fact finders who receive evidence and create a record which is a basis for appeal to a circuit court. In effect, there is no deference to the agency's finding of fact or application of legal standard. The evidentiary preference of a judge and not the regulations becomes the legal standard which the agency must follow in deciding cases. Yet, in the vast majority of class actions, no regulations have been ruled invalid. It is fair to say that in practice the legal standard for evaluating and reviewing Social Security claims is not being consistently followed by the courts.

Section 205(a) of the Social Security Act gives exclusive rulemaking authority to the agency "to establish procedures, not inconsistent with the provision of this title, * * * and (to) adopt reasonable and proper rules and regulations to regulate and provide for the nature and extent of the proofs of evidence and the method and taking and furnishing the same in order to establish the right to benefits hereunder." It is clear, then, that Congress intended for the regulations to be the legal standard in the adjudication of Social Security claims. As stated in section 205(g), when a claim is denied "because of failure of the claimant * * * to submit proof in conformity with any regulations prescribed under subsection (a) hereof, the court shall review only the question of conformity with such regulations and the validity of such regulations." The regulation must be the only bar to a favorable decision and the regulation (in accordance with section 205(a)) must be inconsistent with the statute.

All determinations by State agencies on initial application claims are subject to review and reversal (without notice to the claimant) by SSA, and all ALJ decisions are subject to own motion review and reversal (after notice to the claimant) by SSA's Appeals Council. Thus, throughout the first three steps of the process, the agency can second guess decisionmakers who are operating under duly delegated authority. There must be oversight authority for the agency to ensure that its regulations are being correctly applied by this is a cumbersome way of achieving that purpose.

It is obvious that we have a system that is in need of comprehensive reform. The problems cannot be resolved by making a change or adjustment at one level of the process. We must have an appeals process in which each component is interrelated and complimentary with the others, a process with built-in checks and balances that will ensure the system will function properly.

The bill I propose today will resolve all of these controversies, completely depoliticize the process and establish a new appeals process. My proposal will:

First, establish the Social Security Administration as an independent agency. An important component of the independent agency will be the beneficiary ombudsman. If problems occur, the public will have a spokesperson within SSA to represent the public's interests, especially in the area of developing rules and procedures. The ombudsman will also ensure that SSA is following its rules in the evaluation of benefit claims.

Second, reform the appeals process.

First, replace the reconsideration level with a full evidentiary hearing conducted by a Federal employee for both initial and continuing disability claims. For initial application cases, allow 6 months for a request for this hearing to be filed. For continuing disability review cases, allow 60 days.

The evidentiary hearings will be conducted by a corps of highly trained, specialized Federal hearing officers to ensure the consistency of decisions. There will be equal compensation to hearing officers among the States.

The hearings will be nonadversarial in nature. SSA will not have a representative present. Favorable decisions will not be subject to review or reversal by SSA before the payment of benefits. SSA will be able to appeal decisions with which it disagrees to administrative law judges. Claimants will also have the opportunity to appeal a hearing officer's decision.

Second, modify the function of the ALJ level to that of deciding: First, did the claimant have a full opportunity to present his claim; second, was the record adequate for a proper decision; and third, did the hearing officer correctly apply the statute and regulations to the facts presented by the case? ALJ's are particularly well-qualified to perform this function and their primary focus will be on questions of law: the ALJ will decide issues relating to due process and conformity with statutory and regulatory provisions.

Third, eliminate the administrative review by the appeals council. With the proposed change in the function of the ALJ, the appeals council's administrative review will be unnecessary.

Fourth, establish a Social Security court.

The Social Security court will be a specialized court separate from the judicial branch. SSA law and regulations will be binding on the court, and therefore, the court will not have jurisdiction to rule on constitutional matters or the validity of regulations. The Federal district courts will retain jurisdiction of issues relating to constitutional questions and validity of regulations issues. In order to properly frame issues for district court rulings, the claimant and SSA will stipulate that: first, there is no dispute as to the facts of the case; and second, the only bar to a favorable decision is a provision of the SSA law or regulations. The court's ruling will be binding unless appealed to the court of appeals for the Federal circuit and will have prospective effect only. (This will end the nonacquiescence controversy.)

All other issues arising from disability claims, including the adjudicative practices and policies of SSA, will be under the sole jurisdiction of the Social Security court.

As in the Tax Court, qualified nonattorneys may represent claimants upon certification by the Social Security court, or the claimants may represent themselves.

The decisions of the court will be precedential and binding on SSA unless appeals. Claimants and SSA may appeal court decisions to the court of appeals for the Federal Circuit.

Third, allow a claimant to have only one claim pending before SSA at a time. (Under current law, claimants may allege the same onset of disability continuously, even though prior applications covering the period of alleged disability have been decided.)

My bill will limit the retroactive date for the establishment of a period of disability to the later of: First, the first day of the 17th month prior to the month the application is filed; or second, the first day of the month following the month of a final decision on a prior application. This bill will also preclude the reopening of final decisions unless they were procured by fraud or similar fault.

Fourth, eliminate own motion review by SSA of favorable decisions issued by hearing officers or ALJ's and replace it with a mechanism to allow for agency appeal. If the agency believes that a hearing officer has not correctly applied the law and regulations to a case, SSA may appeal the decision to an ALJ. Similarly, if the agency is not satisfied with an ALJ decision, SSA may appeal to the Social Security court. This system will ensure that oversight authority of the agency will continue and disputes will be expeditously and authoritatively settled by highly qualified third parties. In addition, for the first time, a court will review allowances as well as denials. This will provide a more balanced perspective.

I am convinced that this comprehensive legislation is the most viable approach to depoliticizing the Social Security system and improving the appeals process. Both the claimant and the agency have the same appeal rights. Band-aid, piecemeal solutions in reaction to crises have not worked in the past. The adjudicative/appeals process is the key to a long-lasting, comprehensive solution. If the process has a system of checks and balances, in which disputes are settled by independent, knowledgeable third parties, the inconsistent application of the definition of disability from the loose interpretations under the 1980 amendments to the more strict application under the Disability Benefits Reform Act of 1984 will become more moderate and balanced. This bill will successfully address the problems inherent in the current appeals process for Social Security claims in a timely, efficient, cost-effective and fair manner.

I urge you to join me in cosponsoring this legislation.

THE CHALLENGE OF AMERICAN CITIZENSHIP

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. JOHNSON of South Dakota. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct the Voice of Democracy broadcast scriptwriting contest. This year more than 300,000 secondary school students participated in the contest competing for national scholarships.

I would like to share with my colleagues the winning script from the State of South Dakota, written by David Henry Haase of Scotland, SD. I also want to congratulate the VFW and the ladies auxiliary for its continuation of this fine program and its outstanding contribution to this Nation. I hope the VFW will continue in its efforts to educate our young people as to the benefits of being a citizen of the United States of America.

THE CHALLENGE OF AMERICAN CITIZENSHIP

(By David Haase)

One person I will never forget is an all state football player that taught me the true meaning of the word challenge. This guy was six foot three inches tall, 235 pounds, and was an offensive tackle for an opposing team. This was the man I was going to compete against all night. If I was to do my job, it was going to require concentration, an attitude that wanted to succeed, and physical effort like none before. To do my job in that game was a challenge.

When I first thought of the challenge of American citizenship, I questioned what a challenge really was. I consulted a Websters Dictionary on this matter, and it told me that a challenge was anything that claims or demands effort, interest, or feeling.

I could easily see where playing against an excellent player in football was a challenge, but I couldn't quite make the connection between being an American citizen and facing a challenge. History is the best teacher, so I began to think what challenges were encountered since the conception of our nation.

Thomas Jefferson overcame the challenge of justifying America's independence from England and did so in such an eloquent manner that the pattern for the Declaration of Independence was and is being used by countless other countries in the their own Declarations.

George Washington, during the revolutionary war, overcame the tremendous odds of fighting a war where his enemy had all the advantages. The advantages of any supplies, trained men, and experienced leadership for the British all counted against the success of this young general. He also overcame the challenge of having no example to follow in his role of President, but through his sincerity and foresight he laid the groundwork for the actions of Presidents to come.

Abraham Lincoln gives us probably the best example of facing up to a challenge and overcoming it. He preserved the union of the United States during the Civil War and conducted a bitter war without becoming bitter himself. President Lincoln shows us one of the greatest qualities needed when facing a challenge, and that is you must care about the outcome. He cared that the union stayed together, and he acted upon that by never giving up in his belief that the North would prevail and thereby preserve unity.

No group of people do we owe so much to as we do to the thousands upon thousands of veterans of our Armed Forces. The veterans are the perfect example of transforming thoughts and beliefs into actions. These people gave their time, their efforts, their ideas, their health, and some even their lives just so we could keep those freedoms of which we are proud of and that our forefathers fought so hard to gain.

What I have learned from my study of challenges throughout time is that no matter what the odds are against me, I must care enough to keep this country and its ideals alive. But caring is not enough. I must protect the freedoms given to me by my American citizenship by practicing those freedoms. The veterans of the United States armed forces did not give their lives so we might just sit back and let our indifference tranquilize us into thinking that our future is paid for because of past accomplishments. Just as a muscle in a cast degenerates from lack of use, rights and freedoms given to us, if not exercised and taken advantage of, will begin to weaken and eventually disappear. Thomas Jefferson did not sit back and hope the English would understand our countries need for independence, instead he put his ideas in writing so all people might understand. George Washington did not give up when he suffered his first defeat; instead he dug in his heels and lead the colonial forces on to victory. Many more examples can be given, but there are three qualities that link all people that overcome challenges together, and those are; each person cared, each person made a decision or commitment, and each person acted upon his decision or commitment without looking back.

The challenge of American citizenship for me is to keep America what it was meant to be; a place where anything is possible, a place where the rights of all people to life, liberty, and the pursuit of happiness are guaranteed and a place that is not only a country, but a home.

RESTORING THE OIL DEPLETION ALLOWANCE

HON. MICKEY EDWARDS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. EDWARDS of Oklahoma. Mr. Speaker, today I have introduced legislation, which I originally offered last year, to restore the oil depletion allowance from the current 15 percent to 27.5 percent. The recent Department of Energy study on energy security has identified this measure as one of the most cost-effective ways to maintain sufficient levels of domestic oil exploration and production. I urge the House to pass this important legislation.

By now, the devasting impact our Nation's energy industry has felt as a result of low oil prices as abundantly clear. Domestic oil and gas production is declining, especially low-volume, high-cost stripper wells—producing 10 barrels a day or less—that cannot make money with $15 oil. Oil companies' ability to raise capital from investors and banks is being reduced along with their own internal cash flow. Oil and gas employees totaling 700,000 in 1982 have been reduced by more than 300,000, with half the job losses occurring last year. Unless we make a conscious decision to help reverse these trends, we will be importing oil at levels which once again affect our Nation's security.

We all need to start working together to build a responsible energy security policy. One of the least expensive ways to do this would be to focus on the energy tax incentives that work, such as percentage depletion. Throughout this century, the oil depletion allowance has been used effectively to encourage U.S. oil exploration and development. The concept of percentage depletion was first recognized in 1913, based on the awareness of the need for a stable level of oil production. The depletion allowance was set at 27.5 percent until 1969, at which time it was reduced to 22 percent. In 1975, the major oil companies were denied it. Beginning in 1981, the rate has been gradually reduced to 15 percent, and despite the dramatic changes in world energy markets, there are still those who would like to eliminate it altogether.

Percentage depletion recognizes the unique quality of fossil fuels—that once they're gone, they're gone. Here's how it works: Percentage depletion represents the part of the selling price of oil and gas that is a return on capital—as opposed to income—when these finite natural resources are sold. Percentage depletion is critical when, after a well is sited, drilled, tested, and completed, production begins. This incentive is needed because an oilman can't just build assets; he must find them. A real estate developer can construct a building with little or no risk, knowing that he will receive at least some value from the existing structure. Oil can't be manufactured cheaply. Oil must be discovered—at great economic risk to the explorer.

Once the oilman or owner of a property starts selling his oil, his asset begins to deplete—permanently. Nothing seeps back into the ground to make the value of his asset worth more. Oil and gas, once sold, has no lasting value. Percentage depletion helps pay for the wells producing little or no oil. With 7 out of 10 stripper wells in the United States turning up dry holes, part of the selling price of each barrel of oil must be retained to cover the costs of those noncommercial wells. The tax savings from percentage depletion thus helps producers pay for unprofitable wells—enabling them to explore for new ones.

Raising the depletion allowance back up to its historic level would be a big step in the right direction. According to the Joint Committee on Taxation, the amount of additional cash available to independent oil operators and royalty owners last year as a result of the 15-percent rate was nearly $1.3 billion. That amount could have increased to over $2.3 billion if oil companies had the 27.5-percent rate. Independent producers typically reinvest 105 percent of their income into additional drilling.

FEDERAL LANDS RECEIPTS CLARIFICATION ACT OF 1987

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. SHUMWAY. Mr. Speaker, today I am introducing the Federal Lands Receipts Clarification Act of 1987. I am joined in this effort by 28 of my colleagues from both sides of the aisle who, like myself, believe that it is necessary to clarify congressional intent with regard to the formula by which national resources receipts payments to States and counties are calculated.

When Western territories were admitted to the Union as new States, the Federal Government retained ownership of millions of acres of land. State accession statutes were intensely negotiated arrangements, and virtually all contain language in which the States agree to waive all interests in Federal lands and not to tax Federal properties within their jurisdiction. Realizing that the Federal lands are not on the counties' tax rolls, Congress recognized the importance of local governments' dependence on these resources. As a result of legislation dating back to the early 1900's, local government was permanently given a share of the mineral, oil, gas, and timber receipts generated from Federal lands. In most cases, Congress provided that the money was to be spent, "as the State shall prescribe" for road and school purposes in the counties where Federal lands are located.

This philosophy was strengthened in 1970 when the Public Land Law Review Commission completed a 6-year study which concluded that "the Federal Government should make payments to compensate State and local governments for the tax immunity of Federal Lands." By enacting the National Forest Management Act of 1976, Congress expanded the previous gross formula to include several additional forest service revenues previously not accounted for in determining the 25-percent share of gross receipts shared with the States.

This legislation is necessary due to continued attempts by the Office of Management and Budget to alter the method of calculating natural resources receipts from the statutory percentage of the gross receipts to the same percentage of the net receipts. This activity is in direct violation of the congressionally approved policy that rural counties shall receive their equitable share of the gross receipts.

For the benefit of my colleagues who are less familiar with this issue, the total share of these payments made to States and local governments in 1986 was more than $800 million. To take a specific example, the Department of Agriculture shared $270.2 million of Forest Service revenues with 41 States and Puerto Rico during fiscal year 1986. This figure represents 25 percent of the gross revenues that were collected by national forests for timber harvesting, grazing, recreational activities, mineral development and other special uses. Each State is required by law to use its share of the Forest Service receipts for roads and public schools.

Under the OMB proposal, which would allow the Federal Government to deduct its costs of managing Federal lands against total receipts collected for the year prior to remitting the States' share, OMB estimates that rural counties nationwide would witness approximately a 50-percent cut in funding for local programs such as schools and roads. Unfortunately, OMB is less forthcoming with a potential local revenue base with which to offset the major reduction in a rural county's share of Federal resource receipts. At this juncture, it would be impossible for local counties to raise lost Federal revenue locally because of continued ownership by the Federal Government of large tracts of State and county land under a tax-exempt status.

In many instances, a local county's road and public school annual budget is in large part, comprised of its share of natural resources receipts. Over the past 5 years, for instance, the county of Modoc, CA, in my district has relied upon resource receipts to provide 50 percent of its annual county road department budget. The children of Modoc County are just as dependent on these receipts for their education. The $758,566.30 received by the Modoc County Office of Education provides for the salaries of 26 teachers which represents 20 percent of the entire instruction staff for the county.

It is my strong belief that once my colleagues have the opportunity to review how this proposal would adversely impact their rural constituents, they will join my 28 colleagues and me and strongly support this measure.

THE INTERCOLLEGIATE ATHLETIC INTEGRITY ACT OF 1987

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. BRYANT. Mr. Speaker, I am introducing legislation today to help clean up college sports.

The "Intercollegiate Athletic Intergrity Act of 1987" makes it a criminal offense, punishable by a fine of up to $100,000 and a prison sentence of up to 1 year, to pay someone to play college sports. It also provides for a cut-off of all Federal funds to any college or university found to have assisted in such corrupt payments to student athletes.

Some might regard these extreme measures, and, in a sense, they are. But they are a response to an extreme crisis in our university system—for which my own alma mater, Southern Methodist University in Dallas, has recently been rocked by scandal. Many college coaches, athletic directors, presidents, board members, and boosters have made success at big-time sports their top priority, to the sacrifice of the educational and ethical values on which our system of higher education is founded. As a result, our university varsity athletic programs are rife with free-wheeling payola.

The purpose of an institute of higher education is education. A student's education can certainly be enhanced by participation in extracurricular activities such as amateur intercollegiate sports competition, as long as those activities are kept in perspective. But allowing illicit payments to students to get them to participate distorts and cheapens the educational experience and brings disgrace on the institutions involved.

Although a university's athletic program may be independently financed through donations and gate receipts, when cheating in the program is brought to light the entire school suffers the consequences. Morale erodes in the student body and in the academic programs. Support among alumni drops, as does interest among prospective students. And cheating in athletics cannot possibly encourage honesty in academics.

Those who say that the best place to address this problem is within the college or university itself, or at the National College Athletic Association, would be right. But the sad fact is that colleges and universities are proving unable or unwilling to address it. As for the NCAA, for years it has said, "Leave it to us to clean this up," * * * but they haven't and they can't—at least not without some help.

Even the threat of a "death sentence," the strongest sanctions ever implemented by the NCAA, was apparently not sufficient to stop these illicit payments at SMU, either their authorization by board members and administrators or their payment by as yet unnamed alumni. And no informed observer believes that SMU's involvement in such a scheme is by any means unique in the Southwest Conference or in the Nation.

The job therefore falls to Congress. For the sake of the intergrity of our colleges and universities, we must officially recognize such payments as the bribes they are and serve notice on educational institutions—their boards, administrators, and boosters—that the penalties will be severe and will affect them personally.

The recent wave of scandals has demonstrated that the scholars, professors, and administrators who sincerely desire to protect the educational mission of their university have a hard time standing up to the boosters and their money. While professors are in the classrooms teaching law and ethics, boosters and board members are in the back-rooms teaching something altogether different.

Big-time sports means big-time money and big-time temptation. My bill creates sanctions against those who might be tempted, sanctions strong enough, I hope, to outweigh the temptation.

It's time to get back to the principal purposes of higher education and to put behind us such reprehensible actions as illicit payments to amateur athletes, which demean not only those who have authorized the payments—and should know better—but also the athletes, their sport, and the institution itself. It's time to tell the over-the-hill gang of college boosters who have been living vicariously through their paid-college athletes that their corrupt game is over.

The sanctions I am proposing will give added strength to conscientious college adminstrators who are trying to clean up their athletic programs or keep them clean. It will remind the less conscientious what the purpose of a college should be. And it will help restore confidence in higher education among students, alumni, and the general public.

I look forward to the full support of this legislation by all of the NCAA colleges and universities in the Nation. They can demonstrate their clean record and good intentions by immediately telegramming their support for this bill to me and to their representative in Congress.

SOVIET JEWRY

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. SIKORSKI. Mr. Speaker, now, more than ever, it is essential that the United States speak out forcefully on the issue of Soviet Jewry. Oppressed people all over the world look to the United States as a beacon of hope, as a champion of the oppressed, powerless, dispossessed, and as a power that Moscow cannot ignore. Human rights must be an active, consistent, and integral element in our foreign policy, and the Soviets must understand how difficult it will be to improve bilateral relations as long as they persist in harassing and oppressing Jews and dissidents.

Soviet leaders may well be perplexed by our preoccupation with human rights. They have argued that human rights are strictly an "internal affair." Compassion, they say, should stop at a country's borders.

In the aftermath and everlasting memory of the Holocaust, we understand that at the very minimum, this is but a gross moral evasion. Hubert Humphrey told us:

> A nation's strength is not simply cold steel. It is, in fact, very much a warm heart.

The Universal Declaration of Human Rights, the Helsinki accords, and the Genocide Convention all attest to the fact that human rights are universal. As Martin Luther King said, "Injustice anywhere is a threat to justice everywhere."

Soviet Jewry is one of the few issues here in Congress for which there is overwhelming bipartisan support, with few detractors. So the question that I pose to my colleagues is not if you support Soviet Jewry, but rather how actively do you fight on its behalf? Are you a passive supporter or do you take a leadership role?

As Robert Kennedy said to students in South Africa 20 years ago:

> Each time a human being stands up for an idea . . . or acts to improve the lot of others . . . or strikes out against injustice . . . he or she sends out a a tiny ripple of hope. In crossing each other from a million different centers of energy and daring, those ripples build a mighty current which can sweep down the most terrible walls of oppression and injustice.

CANDY HODGE OF GADSDEN WINS SCRIPWRITING CONTEST

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. BEVILL. Mr. Speaker, I am pleased and proud that Candace Susanne Hodge of Gadsden, a student from my Fourth Congressional District of Alabama, has been named the State winner of the Voice of Democracy broadcast scriptwriting contest. This contest is sponsored by the Veterans of Foreign Wars of the United States and its ladies auxiliary and the theme this year was "The Challenge of American Citizenship."

Miss Hodge is a senior at Emma Sansom High School and hopes to attend Samford University. She is the daughter of the Rev. and Mrs. Bruce H. Hodge.

I hope my colleagues will read the following speech which was written by Miss Hodge. It is certainly very inspiring.

Mr. Speaker, I request permission to insert for the RECORD Miss Hodge's winning script.

The speech follows:

THE CHALLENGE OF AMERICAN CITIZENSHIP

America today is a tower of strength despite the fact that men from Greek Plato to French Tocqueville have doubted democracy. We are not strong because we are exclusionary—in fact, "We hold these truths to be self-evident that all men are created equal".

Our first challenge was the fight for freedom. Our founding fathers in 13 small colonies faced many obstacles successfully before America's independence was born on July 4, 1776. Then, in 1787, they met in Philadelphia to write the U.S. Constitution which established the longest-lasting democracy in history, even though we are the youngest nation in existence.

Is equality a challenge today? Is freedom a challenge? The word, "challenge" is defined by Webster's dictionary to be ". . . an invitation to a contest." A challenge implies strenuous work and difficulty in attaining a goal. In searching for the "challenge" of being an American citizen today, I must confess that I can find none. Accepting a free education is no challenge to me. By 1860 Horace Mann and Henry Barnard had established the Free Public Elementary School and today over 2,000 colleges and Universities are educating people across the nation. Accepting religious freedom is no challenge to me. How could I complain about having the freedom to follow my own beliefs, even if my decision is to disbelieve? Being free is in no way a challenge to me, and I have never had difficulty in saying, "I am proud to be an American."

Respecting the flag is no challenge to me. There are people who cannot find the desire to stand for our flag, others refuse to acknowledge those men who were killed in Vietnam and upon other foreign grounds. War is devastating, but brave and valiant men and boys gave their lives in lands they had never known before for reasons they were unsure of because they believed in their home, their God, their country and their freedom. They wanted these kept consecrated.

Protecting my country is no challenge to me. America was founded upon protecting her own and working to help those in need. When the farmers were suffering with crops and loss of funds, we delved in the Farm Aid. When a disease we still do not fully understand became an epidemic; we faced it and began the battle against AIDS. As people in this country were starving, we followed our hearts to join Hands Across America. While we love our fellow citizens, concern knows no borders and as millions in Africa were crying out for help, the U.S.A. answered their call. These are only recent, obvious examples of projects for the people. There are categorical and block grants designated to the states as sources of help for those who need that little bit of extra support to get by because America understands hardship. We know the pain of defeat, but when the choice is to lay down and die, or stand up and fight: you can be sure we will stand! America cries out: Give us your poor, your weak, your tired and neglected and here they can find their rest—no matter who they may be.

Voting is no challenge to me. Though officials often frustrate us due to seemingly wrong decisions, or simply because they are imperfect as we all are; this is the reason we must continue to vote and let our desires be heard. We decide; we the people, hold tomorrow in our hands.

Having faith is not a challenge for me. There are obstacles facing us—as there always will be. Nuclear armament is frightening, war is frightening, starvation and murder are difficult to face; but our God above has shed his grace upon this land. He sparked thirteen small colonies into a mighty nation who strive for peace, liberty, and justice for All Men.

As has been so aptly put by musicians across the continent: "We Are the World." America is not just a land; she is people. She is courage, hope, trust, and love—These are the things that last. As Langston Hughes pointed out:

These . . . made America the land it has become.
O, I'm the man who sailed those early seas
In search of what I meant to be my home—
For I'm the one who left dark Ireland's shore
And Poland's plain and England's grassy lea,
And torn from Black Africa's strand
I came to build a "Homeland of the Free"
(Where) opportunity is Real, and Life is free—
Equality is the air we breathe.

The challenge lies in the future when the responsibility lies on me to instill these beliefs to my family. None of these should be challenges for me if I love my country and want to keep her free. Being an American citizen is not a challenge—it is an honor.

AMERICAN LEGION CELEBRATES ITS 68TH ANNIVERSARY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. ANNUNZIO. Mr. Speaker, on March 15, 1919, the American Legion began its long and proud tradition of service, patriotism, and care for our Nation's veterans. Sixty-eight years after its creation, the American Legion continues to perpetuate its founding pledge in its perseverance "For God and Country."

A group of about 20 officers who served in the American Expeditionary Forces in France during World War I was asked by its headquarters to suggest ways to improve the morale of the troop. Lt. Col. Theodore Roosevelt, Jr., proposed an organization of veterans to serve this purpose, and in February 1919, this group formed a temporary committee to recruit membership. On March 15, the first organization meeting took place in Paris with about 1,000 officers and enlisted men attending. This meeting, known as the Paris Caucus, adopted a temporary constitution, as well as agreed to the name, American Legion.

Today, the American Legion has grown to a membership of over 2,650,000 in about 15,000 local groups, and a woman's auxiliary of 1 million members in about 12,000 local groups. This fine organization has maintained the high standards it set for itself in 1919, and the members of the American Legion continue to be successful in making their noble ideals a living, working reality for all of our citizens. This is very much in keeping with the constitution of the Legion which states:

> For God and country we associate ourselves together for the following purposes to uphold and defend the Constitution of the United States of America; to maintain law and order, to foster and perpetuate a one hundred percent Americanism; to preserve the memories and incidents of our associations in the great wars; to inculcate a sense of individual obligation to the community, State and Nation; to combat the autocracy of both the classes and the masses; to make right the master of might to promote peace and good will on earth; to safeguard and transmit to posterity the principles of justice, freedom and democracy; to consecrate and sanctify our comradeship by our devotion to mutual helpfulness.

The American Legion has been committed to building American ideals in our Nation's youth. The Legion became particularly active in the education and welfare of children during the Great Depression. Over 1,000 posts received cretificates of honor from the National Education Association for keeping local schools running in the face of reduced budgets. Also, the yearly observance of American Education Week was originated by the American Legion.

More than 3,600 Boy Scout troops are sponsored by the Legion, and each year, the American Legion holds a national high school oratory contest to promote the study of the U.S. Constitution and the Bill of Rights. The Legion annually awards over $40,000 in scholarships to the finalists.

The American Legion posts have built community houses, swimming pools, and playgrounds, as well as many parks throughout the United States, and each year the American Legion has sponsored about 3,000 baseball and other athletic teams.

Most importantly, American Legion members have worked tirelessly on matters which concern the welfare of their fellow veterans and their dependents. The Legion has been dedicated to the adjustment of veterans to civilian life, to restoring the veteran's health and his usefulness to society, and to maintaining the veteran's dignity and to assuring the welfare of the veteran's widow and children. Among the American Legion's proudest accomplishments was the passage of the Servicemen's Readjustment Act of 1944, more commonly known as the GI bill of rights.

Mr. Speaker, on the 68th anniversary of the American Legion, I am proud to join with the members of this dedicated organization as they celebrate their grand tradition in service to our Nation. I commend the Legionnaires in the 11th Congressional District of Illinois which I am honored to represent, as well as members of the American Legion all over our Nation, for their commitment to the ideals of our American heritage. I extend to them my best wishes as they continue to go forward in greater service to secure the blessings of liberty for us all.

TRIBUTE TO DR. HENRY J. WOESSNER

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. PACKARD. Mr. Speaker, I would like to take the time today to honor one of the most distinguished members of the education community in Fallbrook, CA, Dr. Henry J. Woessner. Although he originally hailed from Ann Arbor, MI, I can truly say he will always belong to the students of Fallbrook High School to whom he has given so much.

Before arriving in the Fallbrook area, Hank earned a B.S. degree from the U.S. Naval Academy and was commissioned into the Marines. He served with merit in the Pacific during the Second World War as the commanding officer of the Marine detachment aboard the U.S.S. *Baltimore*. Later, he served his country in Korea and in a number of other assignments with the Marine Corps, including positions at the National War College, the Naval Academy, and Camp Pendleton.

Upon his retirement from the Navy as a colonel, Hank became a member of the faculty at Fallbrook High School in 1968. His rise to the position of principal in 1977 was swiftly followed by the completion of his doctorate in educational administration from North Arizona University in 1979. His tenure as principal was marked by his selection as 1 of 5 Californians—1 of 114 in the Nation—honored for the National Secondary School Recognition. He was also responsible for two high school accreditations. Hank's retirement will mean a great loss for Fallbrook's students, and we wish him well in his future endeavors. He has been an inspiration to all of us who have known him.

THE POLLARD AFFAIR

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. MICHEL. Mr. Speaker, Morris B. Abram, chaiman of the Conference of Presidents of Major American Jewish Organizations has issued a statement on the "Pollard Affair" that should be of great interest to our colleagues. I take this opportunity to insert in the RECORD this statement by Mr. Abram.

STATEMENT BY MORRIS B. ABRAM, CHAIRMAN, CONFERENCE OF PRESIDENTS OF MAJOR AMERICAN JEWISH ORGANIZATIONS, ON THE POLLARD AFFAIR—MARCH 10, 1987.

The espionage activity for which Jonathan Pollard was justly sentenced was a serious crime and should never have taken place.

I am also deeply concerned by the public perception of the official treatment accorded Colonel Sella and Rafael Eitan, and will raise these concerns with the proper authorities next week during a visit to Israel.

The State of Israel, through its then Prime Minsiter Shimon Peres, apologized to the highest levels of the United States government for an unauthorized operation. The Pollard activities were inexcusable and offend all Americans. I know that relations between the US and Israel, two democracies whose vital interests are intimately linked, are strong enough to weather this deplorable incident. Israel needs America. America needs Israel. This interdependence will and must be the overriding consideration binding the two countries in their common devotion, to freedom, to justice and to human dignity.

THE VICTORY OF "STARS & STRIPES"

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. HOCHBRUECKNER. I rise to speak of the *Stars & Stripes*. Specifically, I would like to call attention to two of the crew members of the boat that has restored the most prestigious trophy in the yachting world to its rightful home—the United States.

Scott and Dory Vogel, the only husband and wife team to serve as crew members of *Stars & Stripes*, are residents of the First District of New York.

Bowman Scott Vogel, who attended Earl Vandernuellen High School and graduated from the New York State Maritime Academy at Fort Schuyler in 1981, served as a member of the backup crew for the last successful defense of the American's Cup in 1980. His service as bowman on *Liberty* in 1983 was a factor in directing him toward the long effort to recapture the cup from Australia. He worked on the design, construction engineering, and technical outfitting of *Stars & Stripes*. He brought his enthusiasm, expertise, and his wife Dory, to meet the America's cup challenge.

Dory was a member of the women's sailing team at Fort Schuyler, She worked in the technical support boat, and as part of the backup team for *Stars & Stripes*. She was, incidentally, the only woman to serve as an on board crew member for the effort.

Mr. Speaker, I ask that the Members of the House join me not only in applauding the victory of *Stars & Stripes*, but also in recognizing the unique contributions of the husband and wife team of Scott and Dory Vogel.

A BILL TO PROVIDE FOR THE END STRENGTH FOR THE COAST GUARD SELECTED RESERVE FOR FISCAL YEAR 1988

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. DAVIS of Michigan. Mr. Speaker, my colleagues and I who serve as members of both the Armed Services and Merchant Marine and Fisheries Committees have become increasingly concerned that the Coast Guard is not prepared to meet its wartime personnel requirements. I am introducing this bill in recognition of the serious personnel shortfall currently experienced in the Coast Guard Selected Reserve. The bill would authorize the personnel strength for the Coast Guard Selected Reserve for fiscal year 1988 and 14,000, which is an increase of 1,150 over the fiscal year 1987 authorization. The fiscal year 1989 Coast Guard Selected Reserve end strength would be authorized at 15,300 under this bill. In addition, this bill would require the Secretary of Transportation to submit a comprehensive plan to bring the Coast Guard Reserve strength up to the level maintained by the other Armed Forces by fiscal year 1998.

The other four Armed Forces have a level of preparedness equal to approximately 95 percent of their personnel requirement for wartime mobilization. The Coast Guard, on the other hand, has a level of preparedness of only 49 percent of its mobilization requirement. I believe that it is critical that this situation be changed and that the fifth Armed Force, the Coast Guard, be prepared for wartime at a level comparable to that of the other Armed Forces. The augmentation of the Active Duty Forces of the Coast Guard with selected reserve personnel will also serve vital peacetime functions, aiding the coastal defense, drug interdiction, and other law enforcement efforts of the Coast Guard.

I am looking forward to working with my colleagues on the Armed Forces Committee to correct this serious problem.

NASW-NJ HONORS CATHERINE A. DeCHESER

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues a resident of Camden County, NJ and a very special individual, Catherine A. DeCheser.

Other the past two decades, the public sector commitment to human services programs has fluctuated dramatically, from a high in the 1970's to its current low. Throughout this period, I have been impressed by the consistent intensity and dedication of human services professionals, as they persevered in their effort to insure a better life for those who need our guidance and helping hand.

To my knowledge, Mr. Speaker, few have ever served their profession better than Cathy DeCheser. Cathy is someone whom I've come to know quite well over the years. She has a unique sensitivity to the needs of the human services community, and has dedicated her life to serving those less fortunate than ourselves. Just as important, Cathy has a clear understanding of the policy process, and has employed that knowledge to achieve goals which benefit the community.

Cathy's list of qualifications and accomplishments demonstrates the depth of her knowledge, experience, and commitment. She is presently the executive director of the Community Planning and Advocacy Council/The Human Services Coalition of Camden County, which is the clearinghouse for local, State, and Federal funding in Camden County, and coordinates all public and private social services agencies.

She has extensive experience in State government, having served in supervisory positions in a number of agencies; she has served as the director of social services for Our Lady of Lourdes Hospital and has been a member of the faculty at Rutgers University Graduate School of Social Work and Camden County College. Cathy has also been cited by the New Jersey Senate for her outstanding community service work; she has served on the N.J. State Human Services Advisory Council, the Governor's Task Force on Child Abuse, and the New Jersey Welfare Reform Committee—and this only scratches the surface of her credits and accomplishments.

Cathy is a loving mother, a teacher, a counselor, a community leader, and the best advocate that human services could ever have. In gratitude for her life-long commitment, the New Jersey Chapter of the National Association of Social Workers will honor Cathy as its Social Worker of the Year for 1987. It will be an honor for me to present Cathy with this award at the NASW-NJ annual meeting on Friday, March 20, at the Betsy Ross Inn in Pennsauken.

Mr. Speaker, I am certain that my colleagues would join me in recognizing Cathy DeCheser for her unparalled contribution to the human services community, and for her dedication to bettering the lives of all Americans. There is no one more deserving of such high honor.

IRAN-CONTRA SHOWS NEED FOR INFORMED CONGRESSIONAL OVERSIGHT

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. EDWARDS of California. Mr. Speaker, the Iran-Contra affair represents a failure not only within the executive branch, but also within Congress. Not only did the White House actively avoid the oversight process, which might have provided a restraining influence, but Congress failed to pursue its responsibilites. How can we ensure it won't happen again?

Part of the answer can be found in a letter that appeared in yesterday's New York Times from William M. Goldsmith, emeritus associate professor of American studies at Brandeis University. Professor Goldsmith points out that the Framers divided responsibility for determining national security policy between Congress and the Presidency because the Framers realized that total power in the hands of either branch would be dangerous. Yet the National Security Council, the coordinating body for information and analysis on national security matters, serves only the President and provides no checks or balances to his power. Professor Goldsmith urges the development of procedures to ensure that Congress will have the information it needs to function as an equal partner in national security matters, as the Constitution provides.

I urge my colleagues to read Professor Goldsmith's letter:

To THE EDITOR: Michael Janeway is certainly right (Op-Ed, March 4) in pointing out that the Tower Commission report was seriously flawed in endorsing the present National Security Council system. The commission deserves our full praise for examining the Iran-contra affair as thoroughly and objectively as possible under the time constraints it faced. But its endorsement of the system that produced this sordid episode detracts from the future usefulness of the report. The National Security system requires substantially more attention than this cursory examination.

The historical record indicates this is not the first time the National Security Council staff became operational rather than simply performing its statutory functions. Henry A. Kissinger may not have been a rogue elephant like Lieut. Col. Oliver L. North, but he certainly took on operational assignments that went far beyond his advisory capacity, and so did most of his successors.

Now this may be an essential function of a National Security Adviser to the President, but it is technically at odds with the legislative grant of authority, and if necessary, the law should be amended to incorporate it.

But nothing of this nature should be considered before a careful examination of our national security needs is undertaken to answer the question the Tower Commission raised but inadequately explored. It is more than 25 years since Senator Henry M. Jackson and his subcommittee took a deep look at this problem, and it is time the process was repeated.

The Tower Commission's effort to accomplish this quickly by asking former Presidents and members of the N.S.C. what they would propose is only the beginning of such an investigation. Should a responsible examination of this critical agency be satisfied by asking the principal dramatis personae how they evaluate the process by which they made their most important decisions?

Could one expect an objective analysis of the N.S.C.'s role in the secret Cambodian bombings and the later incursion from former President Nixon and his National Security Adviser, Henry Kissinger? And should military historians judge the N.S.C.'s role in determining strategy and tactics in the Vietnam War on the basis of an evaluation by the chairman of the Joint Chiefs of Staff? The notion is absurd on its face.

These individuals have much to contribute, but to rely on their testimony exclusively is the better part of folly. Who has a greater interest in protecting their role in history?

The Tower Commission has given little attention to the role of Congress in determining national security policy. The Framers divided these responsibilities between Congress and the Presidency because they realized that total power in the hands of either branch of government, particularly in the area bordering on war and peace, would be dangerous to our freedom. But lodging the N.S.C. in the executive branch, as necessary as that once seemed, has come very close to eliminating this very desirable division of power with its essential checks and balances.

For example, the N.S.C., with its expanding staff and numerous interagency committees, has become the place where much of the vital information collected by the Central Intelligence Agency and other intelligence agencies, by the military and the State Department is exchanged. Such information is essential these days before an informed opinion can be developed on national security policy.

Clearly, a commission appointed by the President to explore the Iran-contra arms scandal with the objective of putting the Government back in order could not devote the time and resources necessary to address this critical problem. But instead of postponing the question, the report all but forecloses it by prematurely validating the "N.S.C. system" and condemning only its abuse.

There is ample evidence in this debacle, and in earlier failures such as Vietnam, that exclusive executive branch control of national security policy is not necessarily in the national interest, to say nothing of its constitutional shortcomings. Of course, there are serious security problems in further dissemination of such information, and a Congressional hearing is not the ideal setting for interaction between the branches.

But if we were inventive enough in 1947 to create an agency to advise the President on such policies, is it beyond our capacity to provide the constitutionally equal partner in the process with sufficient information to function as the Constitution provides and as experience justifies it should?

WILLIAM M. GOLDSMITH.

Providence, R.I., March 5, 1987.

A TRIBUTE TO FATHER RANDALL JAMES CONKLIN

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. SAXTON. Mr. Speaker, I rise today to pay tribute to the fine work and dedicated service of Father Randall James Conklin, rector of St. Stephen's Episcopal Church in Beverly, NJ.

Some 200 persons recently honored Father Conklin, on the occasion of the 150th anniversary of the church. I want to take this opportunity to extend my good wishes as well.

By way of background, Father Conklin has served as rector of St. Stephen's for 31 years. During his tenure, he has earned the reputation of a caring and genuinely concerned humanitarian, who goes out of his way to assist, console, and comfort.

He has been active in the Interfaith Council, an organization which brings together those of all religious denominations. And through that membership he has extended a hand to the less fortunate by helping to provide food and clothing.

Father Conklin's distinguished career and personal background actually dates back to World War II, when he served in the Coast Guard, and saw much action in the South Pacific.

He went on to earn his masters of divinity at the Philadelphia Divinity School. Shortly thereafter, he became a deacon and a priest.

He was rector of St. John's Episcopal Church in Maple Shade, NJ, from 1950 to 1956, and often offered his services to church in neighboring communities. He was dean of the Burlington-Trenton Convocation in 1963–65, and became a canon in 1968.

In addition, Father Conklin served as chaplain at St. Mary's Hall, a school in Burlington, NJ, for an 18-year period which began in 1956.

Now 66 years of age, Father Conklin has earned the admiration of his congregation and everyone who has had the pleasure to know him, as he looks forward to a well-deserved retirement on July 1, 1987.

Mr. Speaker, I'm sure that my colleagues in the House will want to join with me in wishing Father Conklin a long and most rewarding future, and in commending him for his dedication to the church and community.

FURTHER PROGRESS ON HUMAN RIGHTS IN TAIWAN

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. PORTER. Mr. Speaker, the Chinese New Year symbolizes family reunification. After 29 petitions to the warden governing Taiwan's Green Island Prison, Mrs. Chen Ming-chung's prayers were finally answered when her husband, Mr. Chen Ming-chung, was released on medical parole.

Following the release of several other political prisoners and the formation of a new opposition party, it is clear that while the mainland Communist Chinese step back from their recent reforms, Taiwan continues to improve its record on human rights.

This act of family reunification is a step in the right direction but his release is only a temporary one based on medical grounds. His release should be made permanent. Just as the past three prisoners released under similar terms, I hope the Government finds it possible to let Mr. Chen live out his life with his family.

AFGHANISTAN DAY

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. LEVIN of Michigan. Mr. Speaker, today, Congressman BROOMFIELD and I are introducing a joint resolution, together with 94 of our colleagues, designating March 21 as "Afghanistan Day." Ever since the Soviet invasion of Afghanistan, Congress has been passing annual joint resolutions authorizing and requesting the President to commemorate the heroic struggle of the Afghan people to preserve their freedom and independence.

During the last year, the Soviets have intensified their military effort, despite their claims of reducing their presence. In the process, the Soviets and their Afghan surrogates have driven almost 3 million Afghan refugees into Pakistan, placing an almost intolerable burden on the economy, social service system, and environment of that country. Moreover, the Soviet cease-fire proposal contains no provision for the withdrawal of Soviet troops.

These circumstances indicate no plans for a prompt and complete withdrawal of Soviet troops. It is clear that there can be no credible national reconciliation of self-determination as long as Soviet troops remain in Afghanistan.

We hope the House will quickly enact this year's joint resolution which updates those adopted in previous years and sets forth the reasons for designating March 21, 1987 as "Afghanistan Day" this year.

THE HOPKINSVILLE-CHRISTIAN COUNTY JAYCEES

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. HUBBARD. Mr. Speaker, it is an honor for me to have this opportunity to recognize the Hopkinsville-Christian County Jaycees in their celebration this week of a half century of service to their community in western Kentucky.

I am proud to be a former jaycee, a distinction I share with many Members of the 100th Congress.

The outstanding record of the jaycees in the field of leadership training is unique among the many excellent organizations of our great Nation. The reason is simple: Jaycees learn leadership by providing leadership in their respective communities. Yes, jaycees learn by doing.

The record of the Hopkinsville-Christian County Jaycees certainly bears this out. A list of their contributions, of the countless projects accomplished through the investment of innumerable hours of voluntary effort and a substantial amount of money, would require many pages to compile.

Truly the Hopkinsville-Christian County Jaycees have for 50 years carried out the tenets of the jaycee creed, and perhaps especially the final one:

". . . Service to humanity is the best work of life."

The pride being shown by contemporary members of the Hopkinsville-Christian County Jaycees in weeklong activities March 22 to 28 is fully justified.

I salute and congratulate the Hopkinsville-Christian County Jaycees upon this momentous occasion, and I share their pride.

CONGRATULATIONS TO KAY YOW

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. COBLE. Mr. Speaker, the entire United States rejoiced at the recent victory of *Stars & Stripes* when the America's Cup was returned to our shores. A real sense of patriotism enveloped the country as *Stars & Stripes* went about the recapture of the Cup from Australia.

Americans are always interested in succeeding in the field of international competition. That is why we are eagerly anticipating the 1988 Olympics. The U.S. Olympic Festival will be held in North Carolina—including some of the events in my home city of Greensboro—and now, a native of my district has been named as one of the 1988 Olympic coaches.

Her name is Kay Yow. She starred in basketball at Gibsonville High School. After several years coaching high school ball, she became head coach of the women's basketball team at Elon College. During her 5 years there, she amassed a record of 92 and 27. Kay Yow then moved onto N.C. State University where she has won more than 250 games during the past dozen years.

This past summer, Kay Yow was the head coach of the U.S.A. women's team that captured the gold medal at the Goodwill Games in Moscow. She duplicated that feat by leading the United States to victory over the Russians at the 1986 World Championships.

To cap her brilliant career, Kay Yow has been named to lead the United States as women's basketball coach in the 1988 Olympics. I would like to extend my congratulations to Kay Yow—a shining example of the best America has to offer.

SMALL BUSINESS PROMPT PAYMENT ACT AMENDMENTS OF 1987

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. SKELTON. Mr. Speaker, I rise today to introduce the Small Business Prompt Payment Act Amendments of 1987 on behalf of myself and Congressman MAVROULES. This bill parallels closely the Prompt Payment Act Amendments of 1986 which was passed by the other body last year but never acted upon here in the House. We feel it is an important piece of legislation that forces the Government to pay its bills in a responsible, businesslike manner. The prime beneficiaries of this legislation, Mr. Speaker, are the small businesses who provide products and services to the Federal Government and its contractors. Financing and cash-flow are traditionally two of the most difficult problems facing small businesses which do not have the readily available lines of credit enjoyed by large businesses. The Prompt Payment Act was designed to help these small businesses receive the money they deserve from the Federal Government.

In the last few years it has become apparent that a large number of Federal agencies have found ways to circumvent the Prompt Payment Act and frustrated the intent of Congress. Indeed the White House Conference on Small Business, held in August 1986, named the amendments and strengthening of the Prompt Payment Act as one of its priority requests of the Congress. With this in mind, we are proud to offer this bill. It is our hope that it can be acted upon quickly to keep faith with our small businesses and restore the requirement that the Federal Government pay its bill on time.

PERSONAL EXPLANATION

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. BUECHNER. Mr. Speaker, due to an unavoidable circumstance, I missed the vote on the Homeless Aid bill, H.R. 558 and related amendments. Had I been present, I would have voted yea for rollcall vote number 20, yea for rollcall vote number 21, yea for rollcall vote number 22, yea for rollcall vote number 23 and nay for rollcall vote number 24.

RETIREMENT OF FRANK J. WAGNER

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mrs. BENTLEY. Mr. Speaker, I would like to inform the House that one of the true legends of Maryland is retiring. Mr. Frank J. Wagner is retiring from the Baltimore Gas & Electric Co. after more than 40 years of distinguished service. Frank, who is better known as the "Cary Grant of Maryland" for obvious physical reasons, has served the company and the community tirelessly for the past four decades, often placing his personal life second to his service to the community. Frank, or as I prefer to call him, Wags, has served on numerous civic and professional associations.

He is a member of the military/civilian advisory committee of the Aberdeen Proving Grounds where his exceptional leadership abilities have consistently benefited the community. He also serves on the advisory boards of the Economic Development Agency of Maryland and the Salvation Army, as well as being a director of the Red Cross and the president of the Baltimore Chamber of Commerce, to name just a few. One wonders how he finds time to represent his company in such a professional fashion with all of his outside responsibilities.

Frank Wagner is a living example of what a true American citizen should be, and we in Maryland are extremely proud to say we know and associate with this gentleman.

Mr. Speaker, after 41 years of distinguished service with the Balitmore Gas & Electric Co., Frank Wagner has decided to retire and accept a new assignment, that of living life to its fullest with his lovely wife, Helen. While we all will miss Frank's smiling face and his cheerful comments, we feel certain that he has a lot of living to do.

On behalf of all Marylanders, I want to wish Frank and Helen Wagner all the best for their retirement years. I am certain that along with their two children and three grandchildren, Frank and Helen will live another 40 full and happy years. My only request of you, Frank, is that as you enjoy these middle age years, you do not forget your many, many friends in Bel Air and all of Maryland. You richly deserve all the happiness that the future holds.

TRIBUTE TO DAN SANDERS

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. FISH. Mr. Speaker, I rise on this occasion to announce to this Chamber the retirement of Dan Sanders, an educator, union leader, community servant, and friend. Dan's retirement from the New York State United Teachers Union will be a great loss to the organization, because Dan had a unique talent for getting things done and done well.

To better understand the dedication and commitment Dan has displayed in his service to the NYSUT, we need look no further then the experience in education he brought to this group. Dan began his career as an educator and guidance counselor in 1952 in New York City at junior high school 126, Queens. He continued on this path in the Dover Plains and the Lakeland School Districts in Dutchess and Westchester Counties.

Dan served as a member and chapter chairman of the New York Teachers Guild. He is a former staff director and assistant to the president of the United Federation of Teachers, regional director of the Empire Federation of Teachers and a vice chairman of the New York State Education Conference Board. Finally, Dan was a vice chairman of the New York State Public Employee Conference, a member of the Yonkers City Control Board and was awarded the New York State AFL/CIO Distinguished Service Award.

This brings us to Dan's relationship with NYSUT. Starting in 1972, he served as first vice president, and he has been executive vice president since 1978. Dan was in full change of the political and legislative responsibilities of the organization. Dan brought the often large and diverse NYSUT together. His performance with the organization has been appreciated by me and all my colleagues, though at times it must have seemed a thankless job.

The New York United Teachers [NYSUT], an affiliate of the American Federation of Teachers AFL/CIO, will be holding its annual legislative reception later in the week. As Dan takes leave on his retirement, we shall all reflect on his fine accomplishments and salute him.

ESTABLISHING A WESTERN REGIONAL EXPORT LICENSE OFFICE

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. AuCOIN. Mr. Speaker, today I am reintroducing legislation I introduced last year requiring that the Department of Commerce establish and operate a western regional export license office. This bill is cosponsored by 42 of my colleagues, including Majority Leader TOM FOLEY and Majority Whip TONY COELHO, and is supported by such organizations as the American Association of Exporters and Importers.

Several weeks ago, the National Academy of Sciences released a study entitled, "Balancing the National Interest—U.S. National Security Export Controls and Global Economic Competition." That study severely criticized the export control system of the United States; that is, the process of submitting and processing license applications for the export of high technology goods. They found the system to be extremely cumbersome, confusing, and in many areas redundant. Their staggering conclusion was that U.S. export controls cost America's high technology industry $9.3 billion in sales and 188,000 jobs per year.

The Academy noted that one of the major problems with the license application process is, quite simply, getting a response on an export license application. Although some progress has been made in streamlining the license process, month-long delays on the simplest of applications still occur. And considering that our allies process most of their license applications within a few days, any delay in processing our licenses puts our businesses at a competitive disadvantage.

When an export license hits a snag in the bureaucray, the exporter will normally try to resolve the issue over the phone. But in too many cases there comes a time when the only recourse for the exporter is to come to Washington to try to personally coax the Government into giving the exporter a response to their application. And they come to Washington because it is the only office in the country that is authorized to process export licenses. Although the Department of Commerce has district offices throughout the country, the personnel in those offices have no authority at all to review licenses. And most of those people do not have any expertise in the technologies in question.

The lack of qualified Commerce personnel on the west coast discriminates against a very large segment of the U.S. high technology community. In my district alone, there are over 350 individual companies that produce electronic goods. And we all know about the incredible concentration of high technology companies in California's "Silicon Valley." Yet, when there's the slightest problem that might need some personal intervention, the only place to go is to Washington, DC.

There are many ways in which the lack of a Commerce office in the West discriminates against high technology companies in our part of the country. I'll just mention a few.

First, there's the 3-hour time difference that cuts into the amount of work time west coast business people have in common with Department of Commerce employees.

Second, There are the considerable travel expenses, such as hotels, food, and air fare, that are incurred when it becomes necessary to come to Washington. These expenses can run into hundreds of dollars per trip. Multiply that by a trip every few months and the tab can get pretty high. Those expenses put small startup companies at a particular disadvantage.

Third, not just anyone from the company can make the trek to Washington. Generally, it's the CEO, the export manager, or a technician that has to leave the office for at least 1 or 2 days. This time away from the office means less time promoting business.

Fourth, for businesses based on the east coast, all it takes is a hop, skip, and a jump on the shuttle to talk in person with a Commerce Department license officer. For business people on the west coast, however, Washington can seem light years away.

And fifth, this situation discriminates against small companies that do not have the resources to hire a Washington lobbyist or legal counsel to track down these licenses.

The goal of my bill is simple, to put west coast exporters on a level playing field with exporters on the east coast. This office would serve the same function that the Washington, DC, office serves. The only restriction would be that its services would be available only to exporters in the western part of the Nation. This office would accept and process regular export licenses, emergency licenses, and amendments to licenses. It would also be equipped with the necessary technicians and engineers who understand the technologies in question. But most importantly, this office would be a mirror office of the one in Washington. I would not support the establishment of a office that is just a way station for paper destined for Washington. The export license process is cumbersome enough; we do not need any more layers of Government.

In 1986, the U.S. high technology industry will post its first-ever trade deficit. Only 6 years ago the industry had a $27 billion surplus. The establishment of a west coast export license office will not eliminate that deficit. But it is a step in the right direction toward expediting the processing of export licenses. And export licenses are the ticket into the competitive marketplace.

DAN SANDERS' RETIREMENT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. GILMAN. Mr. Speaker, the New York State United Teachers [NYSUT]—an affiliate of the American Federation of Teachers AFL/CIO—is holding its annual legislative reception later this week. This year, the event will have special significance for we will be marking the retirement of a great leader and a good friend, Dan Sanders.

Dan has served as first vice president and then as executive vice president of the NYSUT for the past 15 years. In this position, he had taken charge of the political and legislative needs of the organization. This is not an easy task, for the teachers are a large and often diverse group that unfortunately has not received the legislative priority in the past that education deserves. However, as my colleagues from New York can attest, Dan performed these thankless tasks with an excellence and skill well above and beyond the call of duty.

Dan Sanders brought to the NYSUT a host of experience as an educator, having served as a teacher and guidance counselor in New York City, Dover Plains, and the Lakeland school districts in New York.

Dan has also served as member and chapter chairman in the New York Teachers Guild; as labor union organizer for the guild; as staff director and assistant to the president of the United Federation of Teachers; regional director of the Empire Federation of Teachers; as vice chairman of the New York State Education Conference Board; as vice chairman of the New York State Public Employee Conference; and as a member of the Yonkers City Control Board.

Dan Sanders was awarded the New York State AFL-CIO Distinguished Service Award. His devotion and dedication to the well-being of our teachers certainly more than entitled him to his honor.

As Dan leaves on a well-deserved and earned retirement, we in Congress salute him as an example of one who has performed a yeoman's task in an outstanding manner.

KOREAN BUYING MISSION TO HOUSTON

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. LELAND. Mr. Speaker, I would like to take this time to acknowledge the importance of the recent Korean buying mission to Houston. As our trade deficit has continued to soar, Congress has struggled with legislative remedies while the administration has determined to focus on improving U.S. competitiveness around the world. Both groups agree that if our foreign trade partners expand their economies and open their markets, our balance of trade will improve.

With the United States in the midst of a severe dificit problem, it is significant that the Republic of Korea has sent a high-level trade mission to tour five U.S. cities to purchase over $1 billion worth of American goods. Business and government leaders from my State of Texas recently met with the Korean delegation which included the Minister of Trade and Industry, Rha Woong-Bae, and over 50 top executives from South Korea's leading companies.

I am particularly encouraged by South Korea's plans to expand its imports from the United States which traditionally have been sourced elsewhere. Korea's efforts to continue as a good faith trading partner also extend beyond this mission. The South Korean Government recently has pledged to limit its 1987 trade surplus with the United States to the level of $7 billion. Without Government action, this figure could easily rise to near $10 billion.

As one of America's largest trading partners, Korea's effort at reducing its trade surplus with the United States are to be lauded. Korea's actions in trade demonstrates a commitment to improving their balance of trade with the United States. Through similiar buying missions, great strides can be made in strengthening and expanding a mutually beneficial trade relationship between the United States and Korea.

IN HONOR OF IRISH AMERICAN DAY IN THE BOROUGH OF BROOKLYN

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. SCHUMER. Mr. Speaker, our country's greatness lies in the greatness of those who have chosen to travel to our shores. Throughout history, Irish Americans have brought with them determination, talent, and the richness of their native heritage. As a member of the Irish caucus of the House of Representatives and a grateful citizen, I wish today to honor the awesome contributions of Irish Americans to this country and the world, and issue a proclamation declaring March 22, 1987, Irish American Day in the Borough of Brooklyn.

From the very first, Irish Americans have participated in making this a country of freedom and justice, and a land of plenty. Our country owes much to Irish Americans who have been at the heart of making this great Nation what it is today.

This year's celebration is particularly noteworthy because it honors the tremendous contributions of Irish Americans to the formulation and ratification of the U.S. Constitution. History testifies that throughout our Nation's more than 200 years, Irish Americans have been at the forefront of the fight for freedom and justice in America.

Therefore, I offer this proclamation in honor of our Nation's Irish American forefathers and the wonderful contributions to the United States of all Irish Americans.

A CONGRESSIONAL SALUTE TO MICHAEL FIRILAS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. YATRON. Mr. Speaker, I rise today to pay tribute to my good friend, Michael Firilas of Reading, PA. Mike, one of the eight National Supreme Governors of the American Hellenic Educational Progressive Association, will be honored with a testimonial dinner on March 22, 1987. The dinner, sponsored by AHEPA's William Penn Chapter No. 61 and Proteus Chapter No. 197, will be held to recognize Mike for his many achievements and contributions to AHEPA and the Berks County area.

Mike has a long history of commitment and service to his fellow citizens. After immigrating from Cyprus 35 years ago, he established himself as a painting and roofing contractor. Over the years, his business has grown and flourished. In addition to his successful business, Mike has always been willing to contribute his time to helping his fellow citizens in the Berks County area. Mike is active in the Lions Club and the Masons and he is well-known in our area for his generosity, dedication, and selflessness.

Mike's involvement with AHEPA dates back to 1963. Since his initiation, he has served admirably in every local and district office. He has also served on the AHEPA Cyprus and Hellenic Affairs Committee since 1974. His current position as Supreme Governor is recognition of his talent and dedication. As one of only eight Supreme Governors, Mike has extensive input and has made an invaluable contribution to the growth and development of AHEPA on the national level.

In addition to his work with AHEPA, Mike enjoys spending time with his wife, Kula, and their two children, Maria and Anthony, a medical student at Temple University. He is also active on the board of trustees of Sts. Constantine and Helen Church in Reading. In all of these areas, Mike has demonstrated a level of talent, dedication, and integrity which we should all try to emulate. He can be justifiably proud of the many achievements for which he is being honored on March 22. I know that all of my colleagues will join me in honoring Michael Firilas and in wishing him and his loved ones continued success and good fortune in the years to come.

KOSCIUSZKO NATIONAL HISTORIC TRAIL STUDY

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. BORSKI. Mr. Speaker, I recently introduced legislation, H.R. 1432, to authorize a study of the Kosciuszko trail under section 5(c) of the National Trails Systems Act. The proposed Kosciuszko trail is a system of markers that would link the military sites fortified by the great Polish military engineer, Gen. Thaddeus Kosciuszko, during our War of Independence.

General Kosciuszko's genius as a military engineer contributed to the success of the American Revolution. The fortifications that he planned stretch from Vermont to South Carolina, and played a key role in helping our Nation in its struggle for freedom.

Kosciuszko directed construction of a fort at West Point which protected the Hudson Valley. He later urged Congress to select the site for the U.S. Military Academy. He planned the fortifications which protected Philadelphia from British attack, and set the stage for the American victory at Saratoga, probably the decisive battle of the war. In the later periods of the war, he served with distinction in Virginia, North Carolina, and South Carolina.

Congress has already taken the lead in the effort to honor the contributions that General Kosciuszko made to our country. In 1977, it enacted Senate Concurrent Resolution 44 which recognized the Kosciuszko military engineering sites. These sites link the proposed Kosciuszko trail.

However, I believe that something more significant should be done to mark and unify the Kosciuszko trail. That is why we are asking the National Park Service to study the feasibility of designating the Kosciuszko trail as a national historic trail.

Mr. Speaker, this legislation passed the House during the 99th Congress but it was too late for Senate action. It is my hope that the 100th Congress will enact this bill so that we can recognize the contributions that General Kosciuszko made to our Nation.

TRIBUTE TO HON. H. JOSEPH NORTH, TOWNSHIP ADMINISTRATOR, BLOOMFIELD, NJ

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. ROE. Mr. Speaker, during the past 20 years the township of Bloomfield, which is in my Eighth Congressional District in New Jersey, has served as a model of how a municipality should be run. One of the most populous of New Jersey's 567 municipalities, Bloomfield has shown excellent foresight, planning and that it truly cares about its citizens.

And one of the keys to the successful evolution of this outstanding community has been its administrator, H. Joseph North, who ascended to his position in 1967, and whose managerial abilities are well known throughout the State of New Jersey.

Having accomplished a great deal during his 20-year tenure, Joe North has now decided to set his sights on other areas of professional endeavor and will be stepping down as of April 1. This Friday, March 20, he will be honored for his long and successful career at a testimonial dinner at the White Eagle Manor in Bloomfield.

I believe it is worth noting some of Mr. North's many accomplishments, not only because of his fine record, but because it is local governments like Bloomfield's in cities and towns across the Nation which help form the backbone of our country.

Mr. Speaker, H. Joseph North began his career with the township of Bloomfield as town clerk and director of planning and development in 1958 and became township administrator 9 years later. In fiscal 1986, he was responsible for preparing a budget in excess of $21 million and for supervising, organizing, coordinating and expediting the work of 435 full time and part-time employees organized in 13 major departments and agencies.

Among other achievements, H. Joseph North helped the township of Bloomfield obtain millions of dollars in State and Federal funds which led directly to the development of parks and playgrounds which benefit all township residents. This funding eventually went toward the creation of Clark's Pond South, Memorial Park and Felton Field East. It was Mr. North who coordinated the work on the Memorial Park project where a dump was converted into two playing fields, three tennis courts and a field house.

Mr. North, a graduate of Seton Hall University and New York University Graduate School of Public Administration, also helped obtain funding which provided municipal jobs for unemployed residents during a period of recession, an effort on his part which produced major savings in the municipal budget. He was also responsible for improving services and modernizing municipal government operations, work that included computerization of many municipal functions, centralization of communications and improvement of mental health care services.

Mr. North's expertise in the municipal management field is reflected in his many wide-ranging professional activities. He is a past president of the New Jersey Municipal Management Association and a member of the International City Management Association. He is a council member of the North Jersey Chapter of the American Society for Public Administration and chairs the chapter's Committee on Academic Liaison. Mr. North, who holds a master of public administration degree from Fairleigh Dickinson University, has been a member of the Advisory Board for the Master in Public Administration programs at Rutgers University, Kean College, and Seton Hall University.

H. Joseph North lectures on a regular basis at Montclair State College, where he helped start the school's Governmental Intern Program for which he was given the school's Administrator of the Year Award. He also inaugurated a citizens' course in municipal government in the Bloomfield Adult School.

Among his other activities, he is a past president of the Bloomfield Fifth Quarter Club and a founder of the Boys Club of Bloomfield and the Bloomfield Tennis Club.

A lifelong resident of Bloomfield, Mr. North is married to the former Marian Reister. His sister, Mary Paul Gauthier; his parents, the late Dr. Herman H. North and Alla C. North, and maternal grandparents, the late Teofil and Marie C. Daneski, were all active in the public affairs of Bloomfield and the State of New Jersey.

I want to join all Bloomfield residents and others who know and appreciate the outstanding job he has done during the past two decades in congratulating H. Joseph North on his extraordinary service to the township of Bloomfield, and to wish him the greatest success in his future endeavors. Judging by his past achievements, Mr. North will no doubt be a great success in whatever path he follows.

It is my great honor to take this opportunity to commend H. Joseph North for his outstanding service to his town, State and Nation.

EAGLE SCOUT STEPHEN WINIARSKI

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. LIPINSKI. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues the achievements of a fine young man from my district, Stephen Winiarski. Stephen was recently honored for achieving the highest rank in scouting, that of Eagle Scout.

The path to Eagle Scout is truly a long and difficult one. It requires an extraordinary amount of dedication and determination not usually seen in youths of this age. The tasks which must be completed to become an Eagle Scout cover virtually every realm of human experience. Some require intellectual and creative abilities while others call for physical agility and strength. Some tasks help integrate the young man into society through community action that benefits his neighborhood and world. Still other acts are performed alone to assist his growth and maturity as a person. The central challenge is, however, to set and strive for goals through initiative and dilligence.

Young men like Stephen are leaders. The achievement of Eagle Scout is likely to be only the beginning of a future full of accomplishments for this young man has shown that he can perform exceptionally well without a compelling hand of authority over him. I say this not to downplay the importance of the encouragement he received from his family and scout leaders but, rather, to assert the independence and self-motivation he has already shown.

Stephen, your achievement of becoming an Eagle Scout is praised and applauded. It is with sincere pleasure that I commend you, Stephen Winiarski, before my fellow Members of Congress.

THE MONTGOMERY GI BILL

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 17, 1987

Mr. DAUB. Mr. Speaker, I am pleased that today, the House of Representatives took decisive action by approving H.R. 1085, legislation which makes permanent the new GI bill. As an original cosponsor of this measure, I also want to commend the House Veterans Committee for accurately entitling this bill "The Montgomery GI Bill Act." As we in the House know, SONNY MONTGOMERY, the most able chairman of our Veterans Committee, has worked tirelessly in his efforts to improve the quality of the Nation's Armed Forces.

Upon its enactment of the Department of Defense Authorization Act of 1985, Congress established, for the first time, a new GI bill for the All-Volunteer Force. The program was enacted on a temporary basis, and is currently scheduled to expire on June 30, 1988. However, passage of H.R. 1085 will ensure that future service members will be able to avail themselves of the educational assistance offered under the bill.

The new GI bill will provide that in exchange for 3 years of honorable service on active duty or a combination of 2 years on active duty and a 4-year Reserve commitment, an individual is entitled to $300 a month for a maximum of 36 months of full-time school attendance, a total of $10,800 in educational assistance. In exchange for a 2-year tour of duty, an individual is entitled to $250 a month for 36 months, a total of $9,000. The participants agree to a nonrefundable, $100 per month reduction in their basic pay for 1 year.

Since the enactment of the first GI bill in 1944, over 18 million veterans and service personnel have received educational assistance. Certainly, this recruitment tool has served to strengthen the strong link that exists between our defense and education communities. This new GI bill is the latest measure to help carry out our national obligation to assist service members in their efforts to achieve maximum potential as individuals and as citizens. I am proud to be a strong supporter of this legislation passed today, which makes our commitment a permanent one.

SENATE—*Wednesday, March 18, 1987*

(Legislative day of Tuesday, March 17, 1987)

The Senate met at 9:30 a.m. and was called to order by the Honorable ALBERT GORE, JR., a Senator from the State of Tennessee.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Merciful God, Father of us all, thank You for Your gracious promise and provision in Proverbs:

Trust in the Lord with all thine heart, lean not unto thine own understanding. In all thy ways acknowledge Him, and He shall direct thy paths.—Proverbs 3:5-6.

Be patient with us Lord, for the strange contradiction, that we profess to believe in You yet fail to acknowledge You in time of need * * * we ignore the generous provision You offer when the time is uncertain and the way unknown.

God of light, the issues are imponderable—the problems intractable—the options dubious—the alternatives debatable. Help us not to play as though we are gods when we are dealing with destiny. Humble us to hear You Father—to heed Your Word—and to trust You, confident in Your faithfulness to fulfill Your promises. In His name who is the Good Shepherd, we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. BYRD. Mr. President, after the recognition of the two leaders today, there will be nine special orders for the following Senators, Messrs. PROXMIRE, PRYOR, ARMSTRONG, PRESSLER, NICKLES, MCCAIN, MURKOWSKI, SIMPSON, and DOMENICI.

Following the special orders for recognition of Senators, there will be 5 minutes for the transaction of morning business. Senators will be permitted to speak therein for up to 1 minute each.

At 10:30 a.m. the Senate will resume consideration of Senate Joint Resolution 81, the resolution of disapproval of Contra funding. The rollcall vote on the joint resolution will occur at 4 o'clock p.m. today.

The following Senators have expressed an interest in speaking today on the Contra joint resolution: Senators DOMENICI, SIMPSON, WIRTH, EVANS, HECHT, QUAYLE, BENTSEN, HELMS, DURENBERGER, SYMMS, PACKWOOD, HOLLINGS, HARKIN, PELL, DODD, MITCHELL, LEAHY, WALLOP, KASSEBAUM, DASCHLE, KERRY, CRANSTON, MATSUNAGA, WEICKER, KENNEDY, STENNIS, and HATFIELD, and I have a feeling that the Republican leader will also speak.

Mr. President, I urge that all Senators cooperate with our floor staffs on both sides of the aisle today. Our staffs are attempting to expedite the business of the Senate. In view of the fact that so many Senators wish to speak on this legislation before the 4 o'clock hour, it is imperative that Senators be on the floor and ready to speak.

I placed into the RECORD last evening a list of the Senators that I have just read. Senators are not locked into an appearance on the floor as their names appear in the list; however, it is felt that if Senators would attempt to follow the list and be on the floor at the time the previous speaker is speaking, then we can move things along. All of the time that we have between 10:30 and 4 o'clock today can be filled with Senators speaking. Otherwise, if Senators do not come to the floor as the staff on each side tries to encourage them to speak, then this will mean that, as we reach 4 o'clock today, there will be a cluster of Senators who will rush in from the east door and the door on my left and the door to the north of the Chamber, and they will all want to speak, but there may not be time left.

So our staffs are attempting to help, and I hope Senators will cooperate as much as possible.

Senator ARMSTRONG has a special order. I ask unanimous consent that it be transferred to the control of Mr. DOMENICI.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF LEADERSHIP TIME

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the distinguished Republican leader be reserved until later today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE ADMINISTRATION'S CONVERSION ON TRADE—IT'S ABOUT TIME

Mr. BYRD. Mr. President, for the last 6 years, this administration has fiddled while our industrial base has burned. Almost every industry in the country has suffered from a declining trade balance. Either their exports have collapsed, competing imports have been flooding in, or both.

As recently as 1981, we actually enjoyed an overall surplus of $6 billion in goods and services payments. While we had a trade deficit of $40 billion that year, that was more than offset by our surpluses in investment earnings and in services.

The trade situation has deteriorated to a point today far worse than anyone ever imagined 6 years ago. Last year, our trade deficit reached $170 billion—$170 billion. That is $170 for every minute since Jesus Christ was born. It is now $170 billion and our overall balance on goods and services has dropped into deficit to the tune of $141 billion. This, the supposedly richest Nation on Earth, is borrowing heavily from the rest of the world so that we may consume 4 percent more than we produce. Our children and grandchildren will be paying the price for this administration's neglect of trade, the trade crisis.

Time after time, Congress has tried to get the administration to take action. We have urged the administration to take a tougher stance in enforcing our trade laws. We have sought relief from the damage caused by flooding imports. We have tried to get better assistance for our faltering exports. For 4 years, our calls for the administration to reverse the rise in the dollar fell on deaf ears. In the management of Third World debt, we have argued for greater attention to our exporters and to foreign policy implications. As important as anything else, in the battle over each year's budget, we have pushed the administration to accept greater resources for education, science, civilian technology,

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

and the other key ingredients to competitiveness.

In almost every case, this administration has first denied that a trade problem existed. On the rare occasions when it has admitted that a trade problem existed, it has usually argued that the problem would soon take care of itself. When it has finally taken action in a few cases, it has been too little, too late.

We have often been assured that a falling dollar would cure our trade problems. Well, the dollar has been falling relatively sharply for more than 2 years. Unfortunately, the evidence so far shows a widening, not a declining, trade deficit. Even with adjustments for inflation, imports have grown and exports have failed to rise.

Things have reached a crisis stage. The familiar trade problems of shoes, steel, textiles, autos, machine tools, ferroalloys, and many other industries continue to get worse.

Now we find important high-technology industries in trouble, too—high-technologies industries, high tech where this country has led. In fact, last year—for the first time—we ran a trade deficit in high-technology products. When this administration took office, we exported twice as many high-technology products as we imported and enjoyed a $27 billion surplus. Last year, high-technology imports exceeded high-technology exports by $3 billion. A recent study by the National Research Council has warned that our military has already become too dependent on imported electronic components.

Earlier this year, the administration announced a change in its strategy for trade legislation. Until this year, the administration has labelled virtually every proposed trade bill as "protectionist" and refused to discuss alternative legislation.

Well, the administration sees a train coming down the track. That train is coming. Using the President's often-expressed words, "You can run, but you can't hide," the administration can run, but it cannot hide and the administration knows that, and I am pleased that the administration has started speaking in cooperative tones about writing trade and competitiveness legislation this year. We welcome this new-found conversion. However, the proof of the pudding is in the tasting. We will soon discover the extent of the administration's conversion and its commitment to working with Congress on trade.

A note of caution is needed. In the past, as Congress has begun to move on trade legislation, this administration has showcased a few negotiating "victories." Seldom have these victories lived up to their press releases. The recent Paris agreement by Japan and Germany to expand their economies and their imports appears to provide one more case in point.

This year, Mr. President, we will not be distracted from our legislative agenda. Several committees in the House are now beginning to mark up H.R. 3, the omnibus trade and competitiveness legislation. Meanwhile, several Senate committees are holding an intensive series of hearings on trade and competitiveness legislation. Our committees are preparing to proceed to mark up soon after the expected House floor action in April.

As the legislation proceeds over the next few weeks and months, we will be watching the administration closely. I know that I am joined by many of my colleagues in hoping that the administration has finally—finally—gotten the message from the American people and has decided to accept tough and effective measures to resolve our trade and competitiveness problems.

Mr. President, I yield the floor.

BICENTENNIAL MINUTE

MARCH 18, 1947: SENATE ADMITS BLACK REPORTER TO PRESS GALLERY

Mr. DOLE. Mr. President, the press frequently calls on Congress to reform; but Congress has also prompted some reforms in the press. Forty years ago today, on March 18, 1947, the Senate Rules Committee overruled the Standing Committee of Correspondents, and gave press gallery accreditation to Louis R. Lautier, the first black reporter to sit there in 70 years.

The story goes back to 1879 when the Washington Press Corps was troubled over the number of lobbyists masquerading as reporters. Washington correspondents proposed to the Senate and House a system of journalistic self-policing of the press galleries. They established a Standing Committee of Correspondents to evaluate all requests for press gallery admission. One major criteria was that the individual devote the largest share of his working time to filing reports to a daily newspaper. This rule, in addition to eliminating lobbyists, also excluded reporters for weekly papers, which at that time included most of the black press. Before the rule went into effect, the prominent black editor, Frederick Douglas, enjoyed press gallery accreditation. After the rule, no black reporters were admitted.

In 1947, at the start of the Republican 80th Congress, Louis Lautier petitioned the Rules Committee for help. He had been turned down by a vote of 4 to 1 by the Standing Committee of Correspondents, even though he reported for the Atlanta Daily World, a black newspaper. The Committee of Correspondents responded that Lautier devoted more of his time to reporting for a group of black weekly papers. Nevertheless, the Senate believed it was time the color barrier came down within its own Chamber, and ordered that Louis Lautier be admitted to the press gallery.

WASHBURN UNIVERSITY WINS NAIA BASKETBALL CHAMPIONSHIP

Mr. DOLE. Mr. President, yesterday I spoke briefly about basketball games and a basketball tournament. Today I want to give a final report on that.

Mr. President, today a championship banner flies over Kansas. Last night, Washburn University of Topeka captured the NAIA basketball championship by defeating—I am sorry to inform the distinguished majority leader—the West Virginia State Yellow Jackets, 79 to 77.

As a proud alumnus of Washburn, I am especially pleased to salute Coach Bob Chipman and his team of winners. They marched through their tough conference schedule, and their even tougher post season matchups, with a spirit of confidence and determination that paid off with the national title. Finishing the season with a 35 and 4 record, last night's victory represents Washburn's first national basketball championship. It also marks the third time in the past 4 years that a Kansas team has captured the NAIA crown.

Mr. President, as Washburn continued to win and win, more and more attention was focused on our team from Topeka. Sportscasters and writers had some fun with the school's nickname "the Ichabods." What was an Ichabod they asked? Everyone seemed to have a clever answer. Well, today there is only one answer: an Ichabod is a national champion.

RECOGNITION OF SENATOR PRYOR

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Arkansas, Mr. PRYOR, is recognized for not to exceed 5 minutes.

Mr. PRYOR. Mr. President, I thank the Chair.

SOCIAL SECURITY AS AN INDEPENDENT AGENCY

Mr. PRYOR. Mr. President, today, along with Senators RIEGLE and BUMPERS, I am introducing legislation to create an independent Social Security Agency to administer the old-age and survivors, disability, and supplemental security income benefit programs. Last year the House Ways and Means Committee marked up a similar proposal, but no final action was taken. I have introduced this legislation during the 98th and 99th Congresses, and believe that this proposal is an idea whose time has come.

In 1935, the Social Security Program was established to provide some stability and insurance in old age against the loss of income in retirement. The size and scope of this Agency has grown dramatically—in 1940 less than $1 billion in benefits were paid out, but by 1985 Social Security Administration expenditures were approximately $200 billion, or 30 percent of Federal domestic expenditures. SSA's responsibilities will only increase as our population continues to age. By 1990 some estimate that almost $400 billion in benefits will be paid out.

For more than a decade the Social Security Administration has been plagued by operational and management problems, and until passage of the 1983 financing amendments, Social Security programs faced severe funding difficulties. Additionally, the wholesale benefit terminations of thousands of disabled individuals in recent years created serious doubts about the assurance of earned benefits. Considering these facts, it comes as no surprise that public confidence in this important Agency has steadily declined.

I believe it is in our best interests to help restore confidence in the workings of the Social Security Administration, and that a good starting point is to establish an independent agency, as specified in my legislation and similar in structure to the original Social Security Agency of 1935. With the new administration structure, the Agency would be able to attract capable management personnel and be held more accountable for its actions. In addition, a separate agency headed by a governing board which develops program policy and managed by an able administrator would help to depoliticize Social Security issues, and insulate beneficiaries from the threat of precipitous benefit reductions and arbitrary budget cutting measures. I urge my colleagues to join with me in my efforts to effect this change.

At this time, Mr. President, I ask unanimous consent that a fact sheet on the Social Security Reorganization Act of 1987 and the text of the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 765

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE AND TABLE OF CONTENTS

SECTION 1. This Act may be cited as the "Social Security Reorganization Act of 1987".

TABLE OF CONTENTS

Sec. 1. Short title and table of contents.

Sec. 2. Establishment of Social Security Agency as an independent agency; Social Security Board.

Sec. 3. Commissioner of Social Security.

Sec. 4. Social Security Ombudsman; Citizens' Advisory Committee.

Sec. 5. Transfer of functions.

Sec. 6. Transitional rules.

Sec. 7. Budgetary and fiscal affairs of the Social Security Agency.

Sec. 8. Technical and conforming amendments; rules of construction.

Sec. 9. Reports assessing organizational changes.

Sec. 10. Beneficiary bill of rights.

Sec. 11. Effective date and interim rules.

ESTABLISHMENT OF SOCIAL SECURITY AGENCY AS AN INDEPENDENT AGENCY; SOCIAL SECURITY BOARD

SEC. 2. (a) Section 701 of the Social Security Act is amended to read as follows:

"SOCIAL SECURITY AGENCY; SOCIAL SECURITY BOARD

"Establishment

"SEC. 701. (a) There is hereby established, as an independent agency of the executive branch of the Government, a Social Security Agency (hereinafter in this title referred to as the 'Agency').

"Social Security Board

"(b)(1) The Agency shall be headed by a Social Security Board (hereinafter in this title referred to as the 'Board').

"(2) The Board shall be composed of five members appointed by the President, by and with the advice and consent of the Senate. The members shall be chosen, on the basis of their integrity, impartiality, and good judgment, from among individuals who, by reason of their education, experience, and attainments, are exceptionally qualified to perform the duties of members of the Board.

"(3)(A) Except as provided in subparagraphs (B) and (C), members shall be appointed for terms of ten years. A member may be nominated by the President for appointment to a term of office only if the term of office commences before or during the President's then current term of office. A member of the Board may be removed only pursuant to a finding by the President of neglect of duty or malfeasance in office. The President shall transmit any such finding to the Speaker of the House of Representatives and the majority leader of the Senate not later than five days after the date on which such finding is made.

"(B) Of the members first appointed—

"(i) one shall be appointed for a term ending January 31, 1989,

"(ii) one shall be appointed for a term ending January 31, 1991,

"(iii) one shall be appointed for a term ending January 31, 1993,

"(iv) one shall be appointed for a term commencing February 1, 1989, and ending January 31, 1995, and

"(v) one shall be appointed for a term commencing February 1, 1989, and ending January 31, 1997,

as designated by the President at the time of appointment. Such members shall be appointed after active consideration of recommendations made by the chairman of the Committee on Ways and Means of the House of Representatives and of recommendations made by the chairman of the Committee on Finance of the Senate.

"(C) Any member appointed for a term after the commencement of such term shall be appointed only for the remainder of such term. A member may, at the request of the President, serve for not more than one year after the expiration of his or her term until his or her successor has taken office.

"(4) Not more than three members of the Board shall be of the same political party.

"(5) A member of the Board may not, during his or her term as member, otherwise serve as an officer or employee of any government. If any member of the Board becomes an officer or employee of any government, he or she may continue as a member of the Board for not longer than the thirty-day period beginning on the date he or she becomes such an officer or employee.

"(6) Three members of the Board shall constitute a quorum, except that two members shall constitute a quorum until February 1, 1989. A lesser number may hold hearings.

"(7) A member of the Board shall be designated from time to time by the President to serve as Chairperson of the Board.

"(8) The Board shall meet at the call of the Chairperson or a majority of its members.

"Functions of the Board

"(c) The Board shall—

"(1) govern by regulation the old-age, survivors, and disability insurance program under title II and the supplemental security income program under title XVI,

"(2) appoint a Commissioner of Social Security, as described in section 702, to act for the Board as the chief operating officer of the Agency responsible for administering such programs,

"(3) constitute five of the members the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund,

"(4) make annual budgetary recommendations relating to the Agency and defend such recommendations before the appropriate committees of each House of the Congress,

"(5) make recommendations to the Congress and the President as to the most effective methods of providing economic security through social insurance, and, in consultation with the Commissioner of Social Security, as to legislation and matters of administrative policy concerning such programs,

"(6) provide the Congress and the President with the ongoing actuarial and other analysis undertaken by the Agency with respect to such programs and any other information relating to such programs, and

"(7) conduct policy analysis and research relating to such programs.

"Office of the Board

"(d)(1) The Office of the Board shall include an Office of the Actuary, to be headed by a Chief Actuary appointed by the Board. To the extent provided by the Board, the Office of the Actuary shall assist the Board in carrying out its actuarial functions.

"(2) The Office of the Board shall include an Office of Policy and Legislation, to be headed by a Director of Policy and Legislation appointed by the Board. To the extent provided by the Board, the Office of Policy and Legislation shall assist the Board in carrying out its functions relating to policy analysis, research, and legislation.

"(3) The Office of the Board shall include an Office of General Counsel, to be headed by a General Counsel appointed by the Board. To the extent provided by the Board, the General Counsel shall serve as the principal legal counsel in the Agency.

"(4)(A) The Board shall appoint such additional attorneys, actuaries, and other employees as it considers necessary to carry out its functions.

"(B) The Board may appoint, without regard to the provisions of title 5, United

States Code, governing appointments in the competitive service, such technical or professional employees as the Board considers appropriate, and such employees may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(C) The Board may procure the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

"(D) Notwithstanding section 3133 of title 5, United States Code, the Director of the Office of Personnel Management shall authorize for the Agency a total number of Senior Executive Service positions equal to 150 percent of the number of such positions in the Social Security Administration of the Department of Health and Human Services as of immediately before the date of the enactment of the Social Security Reorganization Act of 1984, and the total number of such positions authorized for the Agency pursuant to such section 3133 shall not at any subsequent time be less than such number.

"(E) In addition to the positions of the Agency in the Executive Schedule specified in subchapter II of chapter 53 of title 5, United States Code, the Board may establish additional positions at levels IV and V of the Executive Schedule.

"Organization of the Agency; Delegation of Functions

"(d)(1) The Board may establish, alter, consolidate, or discontinue such organizational units or components within the Agency as the Board considers necessary or appropriate to carry out its functions, except that this paragraph shall not apply with respect to any unit or component established by this Act.

"(2) The Board may assign duties, and delegate, or authorize successive redelegations of, authority to act and to render decisions, with respect to the functions of the Board under this section. Within the limitations of such delegations, redelegations, or assignments to officers or employees of the Agency, all official acts and decisions of such officers and employees shall have the same force and effect as though performed or rendered by the Board.

"Inspector General

"(e) There shall be in the Agency an Office of the Inspector General, to be headed by an Inspector General appointed in accordance with the Inspector General Act of 1978.

"Coordination Between the Agency, the Department of Health and Human Services, and the Department of the Treasury

"(f)(1) The Board, the Secretary, and the Secretary of the Treasury shall consult with each other and shall develop rules, regulations, practices, and forms which, to the extent appropriate for the efficient administration of titles II, XVI, and XVIII and the other provisions of this Act and the applicable provisions of the Internal Revenue Code of 1954, are designed to reduce duplication of effort, duplication of reporting, conflicting or overlapping requirements, and the burden on beneficiaries and other persons of compliance with the provisions of this Act.

"(2) In order to avoid unnecessary expense and duplication of functions, the Board, the Secretary, and the Secretary of the Treasury may make such arrangements or agreements for cooperation or mutual assistance in the performance of their functions under titles II, XVI, and XVIII and the other provisions of this Act and the applicable provisions of the Internal Revenue Code of 1954 as they find to be practicable and consistent with law.".

(b)(1) Section 5313 of title 5, United States Code (relating to level II of the Executive Schedule), is amended by adding at the end thereof the following new item:

"Chairperson of the Social Security Board, Social Security Agency.".

(2) Section 5314 of such title (relating to level III of the Executive Schedule) is amended by adding at the end thereof the following new item:

"Members of the Social Security Board, Social Security Agency (4).".

(3) Section 5315 of such title (relating to level IV of the Executive Schedule) is amended by adding at the end thereof the following new items:

"Inspector General, Social Security Agency.

"Chief Actuary, Social Security Agency.

"Director of Policy Analysis and Legislation, Social Security Agency.

"General Counsel, Social Security Agency.".

COMMISSIONER OF SOCIAL SECURITY

SEC. 3. (a) Section 702 of the Social Security Act is amended to read as follows:

"COMMISSIONER OF SOCIAL SECURITY

"Establishment

"SEC. 702. (a) There shall be in the Agency an Office of the Commissioner, to be headed by a Commissioner of Social Security (hereinafter in this title referred to as the 'Commissioner') appointed by the Board.

"Term; Appointment; Removal

"(b)(1) The Commissioner shall be appointed for a term of five years, except that—

"(A) the individual first appointed to the office of Commissioner shall serve for a term ending December 31, 1991,

"(B) an individual appointed Commissioner for a term after the commencement of such term shall be appointed only for the remainder of such term, and

"(C) an individual may, at the request of the Chairperson of the Board, serve as Commissioner after the expiration of his or her term for not more than one year until his or her successor has taken office.

An individual may be appointed as Commissioner for successive terms.

"(2) An individual may be removed from the office of Commissioner before completion of his or her term only upon the vote of a majority of the full membership of the Board, pursuant to a finding by the Board of neglect of duty or malfeasance in office. The Board shall transmit any such finding to the Speaker of the House of Representatives and the Majority Leader of the Senate not later than five days after the date on which such finding is made.

"Functions of the Commissioner

"(c) The Commissioner shall—

"(1) constitute the chief operating officer of the Agency, responsible for administering, in accordance with applicable statutes and regulations, the old-age and survivors insurance program under title II and the supplemental security income program under title XVI,

"(2) establish and maintain an efficient and effective operational structure for the Agency,

"(3) devise and implement long-term plans to promote and maintain the effective implementation of such programs,

"(4) make annual budgetary recommendations of the Agency for the ongoing administrative costs of the Agency and defend such recommendations before the Board and before the appropriate Committees of each House of the Congress,

"(5) advise the Board and the Congress of the effect on the administration of such programs of proposed legislative changes in such programs,

"(6) serve as Secretary of the Board of Trustees of the Federal Old-Age, Survivors, and Disability Insurance Trust Fund and the Federal Disability Insurance Trust Fund, and

"(7) report in December of each year to the Board and the Congress concerning the administrative endeavors and accomplishments of the Agency.

"Office of Hearings and Appeals; Chief Administrative Law Judge

"(d)(1) There shall be in the Office of the Commissioner an Office of Hearings and Appeals, to be headed by a Chief Administrative Law Judge. The Chief Administrative Law Judge shall be appointed by the Board from among individuals recommended by the Commissioner who have served for not less than five years as an administrative law judge in the Agency, in the Social Security Administration in the Department of Health and Human Services, or any combination thereof. The Chief Administrative Law Judge shall assist the Commissioner in carrying out responsibilities of the Commissioner relating to hearings under this Act.

"(2) The Chief Administrative Law Judge shall be appointed for a term of five years, except that—

"(A) the individual first appointed to the office of Chief Administrative Law Judge shall serve for a term ending December 31, 1990,

"(B) an individual appointed Chief Administrative Law Judge for a term after commencement of such term shall be appointed only for the remainder of such term, and

"(C) an individual may, at the request of the Chairperson of the Board, serve as Chief Administrative Law Judge after the expiration of his or her term for not more than one year until his or her successor has taken office.

An individual may be appointed as Chief Administrative Law Judge for successive terms.

"(3) An individual may be removed from the office of Chief Administrative Law Judge before completion of his or her term only upon the vote of a majority of the full membership of the Board, pursuant to a finding by the Board of neglect of duty or malfeasance in office. The Board shall transmit any such finding to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate not later than five days after the date on which such finding is made.

"Organization of the Office of the Commissioner; Delegation of Functions

"(e)(1) The Commissioner may establish, alter, consolidate, or discontinue such organizational units or components within the Office of the Commissioner as the Commissioner considers necessary or appropriate to carry out his or her functions, except that this paragraph shall not apply with respect to the Chief Administrative Law Judge and the Office of Hearings and Appeals.

"(2) The Commissioner may assign duties, and delegate, or authorize successive redelegations of, authority to act and to render decisions, with respect to the administration of the old-age, survivors, and disability insurance program under title II and the supplemental security income program under title XVI, to such officers and employees as the Commissioner may find necessary. Within the limitations of such delegations, redelegations, or assignments, all official acts and decisions of such officers and employees shall have the same force and effect as though performed or rendered by the Commissioner.

"(3)(A) The Commissioner shall appoint such additional employees as he or she considers necessary to carry out his or her functions.

"(B) The Commissioner may appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, such technical or professional employees as the Commissioner considers appropriate, and such employees may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(C) The Commissioner may procure the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

"(D) The Commissioner may delegate such powers of appointment and procurement to any of the employees in the Office of the Commissioner as he or she determines appropriate.

"(4) To the extent requested by the Commissioner, the Director of the Office of Personnel Management shall delegate to the Commissioner, pursuant to section 1104 of title 5, United States Code, and subject to applicable limitations under such title relating to delegations under such section, functions relating to—

"(A) recruitment and examination programs for entry level employees, and

"(B) classification and standards development systems and pay ranges for those job categories identified by the Commissioner in assuming such delegation.

The Director of the Office of Personnel Management shall provide any assistance requested by the Commissioner in assuming any such delegation.".

(b)(1) Section 5313 of title 5, United States Code (relating to level II of the Executive Schedule) is further amended by adding at the end thereof the following new item:

"Commissioner of Social Security, Social Security Agency.".

(2) Section 5315 of such title (relating to level IV of the Executive Schedule) is further amended by adding at the end thereof the following new item:

"Chief Administrative Law Judge, Social Security Agency.".

(3) Section 5315 of such title is further amended by striking out the following item:

"Commissioner of Social Security, Department of Health and Human Services.".

SOCIAL SECURITY OMBUDSMAN; CITIZENS' ADVISORY COMMITTEE

SEC. 4. (a) Section 703 of the Social Security Act is amended to read as follows:

"SOCIAL SECURITY OMBUDSMAN; CITIZENS' ADVISORY COMMITTEE

"Social Security Ombudsman

"SEC. 703. (a) There shall be in the Agency an Office of the Ombudsman, to be headed by a Social Security Ombudsman (hereinafter in this title referred to as the 'Ombudsman') appointed by the Board.

"Term, Appointment, and Removal of Ombudsman

"(b)(1) The Ombudsman shall be appointed for a term of five years, except that—

"(A) the individual first appointed to the office of Ombudsman shall serve for a term ending December 31, 1991,

"(B) an individual appointed Ombudsman for a term after commencement of such term shall be appointed only for the remainder of such term, and

"(C) an individual may, at the request of the Chairperson of the Board, serve as Ombudsman after the expiration of his or her term for not more than one year until his or her successor has taken office.

An individual may be appointed as Ombudsman for successive terms.

"(2) An individual may be removed from the office of Ombudsman before completion of his or her term only upon the vote of a majority of the full membership of the Board, pursuant to a finding by the Board of neglect of duty or malfeasance in office. The Board shall transmit any such finding to the Committee on Government Operations of the House of Representatives and the Committee on Governmental Affairs of the Senate not later than five days after such finding is made.

"Functions of the Ombudsman

"(c) The Ombudsman shall—

"(1) represent the concerns of the public, including beneficiaries, relating to the old-age, survivors, and disability insurance program under title II and the supplemental security income program under title XVI, to the Commissioner, the Board, the President, and the Congress, and

"(2) conduct such studies and surveys of the administrative effectiveness and program policy goals of the Agency as he or she considers appropriate or as requested by the Citizens' Advisory Committee.

"Staff of the Ombudsman

"(d) The Ombudsman shall appoint such additional employees as he or she considers necessary to carry out his or her functions and may procure the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

"Citizens' Advisory Committee

"(e)(1) There shall be in the Office of the Ombudsman a Citizens' Advisory Committee (hereinafter in the subsection referred to as the 'Committee').

"(2) The Committee shall consist of—

"(A) three members appointed by the Board,

"(B) three members appointed by the Speaker of the House of Representatives (in consultation with the Chairperson of the Committee on Ways and Means and the Chairperson of the Committee on Government Operations), and

"(C) three members appointed by the majority leader of the Senate (in consultation with the chairperson of the Committee on Finance and the chairperson of the Committee on Governmental Affairs).

"(3)(A) The members of the Committee shall be chosen on the basis of their integrity, impartiality, and good judgment, from among individuals who, by reason of their education, experience, and attainments, are exceptionally qualified to perform the duties of members of the Committee.

"(B) Of the members appointed under each of subparagraphs (A), (B), and (C) of paragraph (2)—

"(i) one shall be appointed from individuals representing the interests of employers (including self-employed individuals),

"(ii) another shall be appointed from individuals representing the interests of employees, and

"(iii) the remaining member shall be appointed from individuals representing the interests of beneficiaries.

"(4)(A) Except as provided in subparagraphs (B) and (C), the appointed members shall be appointed for terms of three years.

"(B) Of the members first appointed—

"(i) the member appointed under paragraph (2)(A) representing the interests of employees, the member appointed under paragraph (2)(B) representing the interests of employers, and the member appointed under paragraph (2)(C) representing the interests of beneficiaries shall each be appointed for a term of one year,

"(ii) the member appointed under paragraph (2)(A) representing the interests of employers, the member appointed under paragraph (2)(B) representing the interests of beneficiaries, and the member appointed under paragraph (2)(C) representing the interests of employees shall each be appointed for a term of two years, and

"(iii) the member appointed under paragraph (2)(A) representing the interests of beneficiaries, the member appointed under paragraph (2)(B) representing the interests of employees, and the member appointed under paragraph (2)(C) representing the interests of employers shall each be appointed for a term of three years.

"(C) Any member appointed for a term after the commencement of such term shall be appointed only for the remainder of such term.

"(5) Members of the Committee appointed under paragraph (2) shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. Such members, while attending meetings or conferences thereof or otherwise serving on the business of the Committee, shall be paid at rates fixed by the Board, but not exceeding $100 for each day, including traveltime, during which they are engaged in the actual performance of duties vested in the Committee; and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(6) The Committee may engage such technical assistance as may be necessary to carry out its functions. The Ombudsman shall make available to the Committee such secretarial, clerical, and other assistance available in the Office of the Ombudsman, and the Commissioner shall make available any pertinent data prepared by the Office of the Commissioner, as the Committee may require to carry out its functions.

"(7) The Committee shall—

"(A) prepare and transmit to each House of the Congress a biennial report, in May of each odd-numbered year, assessing the administration and objectives of the old-age, survivors, and disability insurance program under title II and the supplemental security income program under title XVI, and

"(B) as it considers appropriate, request, and assist in the preparation of, studies and surveys by the Ombudsman pursuant to subsection (c)(2).".

(b) Section 5315 of title 5, United States Code (relating to level IV of the Executive

Schedule) is further amended by adding at the end thereof the following new item:

"Social Security Ombudsman, Social Security Agency.".

TRANSFER OF FUNCTIONS

SEC. 5. (a) There are transferred to the Social Security Agency all functions carried out by the Secretary of Health and Human Services with respect to the programs and activities the administration of which is vested in the Social Security Agency by reason of this Act and the amendments made thereby. The Social Security Board shall prescribe such regulations as are necessary to allocate such functions in accordance with sections 701, 702, and 703 of the Social Security Act (as amended by this Act).

(b)(1) There are transferred from the Department of Health and Human Services to the Social Security Board, for appropriate allocation by the Board by regulation in the Social Security Agency—

(A) the personnel employed in connection with the functions transferred by this Act and the amendments made thereby, and

(B) the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, or used in connection with such functions, arising from such functions, or available, or to be made available, in connection with such functions.

(2) Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(c) The position of Commissioner of Social Security in the Department of Health and Human Services is abolished.

TRANSITIONAL RULES

SEC. 6. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, promulgated, granted, or allowed to become effective, in the exercise of functions (A) which were exercised by the Secretary of Health and Human Services (or his delegate), and (B) which relate to functions which, by reason of this Act, the amendments made thereby, and regulations prescribed thereunder, are vested in the Social Security Board or the Commissioner of Social Security, and

(2) which are in effect at the time this Act takes effect,

shall (to the extent that they relate to functions described in paragraph (1)(B)) continue in effect according to their terms until modified, terminated, suspended, set aside, or repealed by such Board or Commissioner (as the case may be).

(b) The provisions of this Act (including the amendments made thereby) shall not affect any proceeding pending at the time this Act takes effect before the Secretary of Health and Human Services with respect to functions vested (by reason of this Act, the amendments made thereby, and regulations prescribed thereunder) in the Social Security Board or the Commissioner of Social Security, except that such proceedings, to the extent that they relate to such functions, shall continue before such Board or Commissioner (as the case may be). Orders shall be issued under any such proceeding, appeals taken therefrom, and payments shall be made pursuant to such orders, in like manner as if this Act had not been enacted, and orders issued in any such proceeding shall continue in effect until modified, terminated, superseded, or repealed by such Board or Commissioner (as the case may be), by a court of competent jurisdiction, or by operation of law.

(c) Except as provided in this subsection—

(1) the provisions of this Act shall not affect suits commenced prior to the date this Act takes effect; and

(2) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this Act had not been enacted.

No cause of action, and no suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of the Department of Health and Human Services, shall abate by reason of the enactment of this Act. Causes of action, suits, actions, or other proceedings may be asserted by or against the United States and the Social Security Agency, or such official of such Agency as may be appropriate, and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of a party, enter an order which will give effect to the provisions of this subsection (including, where appropriate, an order for substitution of parties).

(d) This Act shall not have the effect of releasing or extinguishing any criminal prosecution, penalty, forfeiture, or liability incurred as a result of any function which (by reason of this Act, the amendments made thereby, and regulations prescribed thereunder) is vested in the Social Security Board or the Commissioner of Social Security.

(e) Orders and actions of the Social Security Board and the Commissioner of Social Security in the exercise of functions vested in such Board or Commissioner (as the case may be) under this Act (and the amendments made thereby) shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been taken by the Secretary of Health and Human Services in the exercise of such functions immediately preceding the effective date of this Act. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function so vested in such Board or Commissioner shall continue to apply to the exercise of such function by such Board or Commissioner (as the case may be).

(f) In the exercise of the functions vested in the Social Security Board or the Commissioner of Social Security under this Act, the amendments made thereby, and regulations prescribed thereunder, such Board or Commissioner (as the case may be) shall have the same authority as that vested in the Secretary of Health and Human Services with respect to the exercise of such functions immediately preceding the vesting of the same in such Board or Commissioner, and actions of such Board or Commissioner shall have the same force and effect as when exercised by such Secretary.

BUDGETARY AND FISCAL AFFAIRS OF THE SOCIAL SECURITY AGENCY

SEC. 7. Title VII of the Social Security Act is further amended by adding at the end thereof the following new section:

"BUDGETARY AND FISCAL AFFAIRS OF THE SOCIAL SECURITY AGENCY

"Apportionment of Appropriations

"SEC. 711. (a) Appropriations requests of the Social Security Agency for staffing and personnel shall be based upon comprehensive workforce plans. The entire amount of appropriations provided for the administrative costs of the Social Security Agency shall be apportioned in the time period provided in title 31, United States Code, for apportionment and shall be apportioned for the entire period of availability without restriction or deduction by the apportioning officer or employee of the Office of Management and Budget or any other entity within the executive branch of the Federal Government, except as otherwise provided in this section.

"Appropriations for Administrative Expenses; Contract Authority; Availabilty of Trust Funds; Contingent Appropriations

"(b)(1) Authority of the Social Security Agency for automated data processing procurement and facilities construction shall be provided in the form of contract authority covering the total costs of such acquisitions, to be available until expended.

"(2) Amounts necessary for the liquidation of contract authority provided pursuant to this section are hereby made available from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund to the extent that the Social Security Board, with the concurrence of the Secretary of the Treasury, determines that any of such amounts to be provided from either such Trust Fund are not necessary to meet the current obligations for benefit payments from such Trust Fund.

"(3) Funds appropriated for the Social Security Agency to be available on a contingency basis shall be apportioned only upon the occurrence of the stipulated contingency, as determined by the Social Security Board and reported to each House of the Congress.

"Mandatory Delegations from Administrator of General Services

"(c)(1) To the extent requested by the Commissioner, the Commissioner shall have—

"(A) all authorities permitted to be delegated under title 40, of the United States Code, that the Commissioner considers are necessary for the acquiring, operating, and maintaining of the facilities needed for the administration of programs for which the Commissioner is given responsibility under this Act,

"(B) all authorities permitted to be delegated under section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759), relating to the lease, purchase, or maintenance of automated data processing equipment, and

"(C) the authority to contract for any automated data processing equipment or services which the Commissioner considers necessary for the efficient and effective operation of such programs.

"(2) The Administrator of the General Services Administration shall provide any assistance requested by the Commissioner in assuming the delegations required under paragraph (1).".

TECHNICAL AND CONFORMING AMENDMENTS; RULES OF CONSTRUCTION

SEC. 8. (a) Title II (other than section 201, section 231(c), section 226, and section 226A) and title XVI of the Social Security Act are each amended—

(1) by striking out, wherever it appears therein, "Secretary of Health and Human Services" or "Secretary of Health, Education, and Welfare" and inserting in lieu thereof "Commissioner",

(2) by striking out, wherever it appears therein, "Department of Health and Human

Services" or "Department of Health, Education, and Welfare" and inserting in lieu thereof "Social Security Agency",

(3) by striking out, wherever it appears therein, "Department" (but only if it is not immediately succeeded by the words "of Health and Human Services" or "of Health, Education, and Welfare", and only if it is used in reference to the Department of Health and Human Services or the Department of Health, Education, and Welfare) and inserting in lieu thereof "Social Security Agency", and

(4) by striking out, wherever it appears therein, each of the following words (but, in the case of any such word only if such word refers to the Secretary of Health and Human Services or to the Secretary of Health, Education, and Welfare): "Secretary", "Secretary's", "his", "him", and "he", and inserting in lieu thereof (in the case of the word "Secretary") "Commissioner", (in the case of the word "Secretary's") "Commissioner's", (in the case of the word "his") "the Commissioner's", (in the case of the word "him") "the Commissioner", and (in the case of the word "he") "the Commissioner".

(b)(1) Section 201(a)(3) of such Act is amended by striking out "Secretary of Health, Education, and Welfare" and inserting in lieu thereof "Commissioner".

(2) Section 201(c) of such Act is amended—

(A) in the first sentence, by striking out "shall be composed of" and all that follows down through "ex officio" and inserting in lieu thereof the following: "shall be composed of the members of the Social Security Board, the Secretary of the Treasury, and the Secretary of Health and Human Services, all ex officio";

(B) by inserting after the first sentence the following new sentence: "The Chairperson of the Social Security Board shall be the Chairperson of the Board of Trustees."; and

(C) in the seventh sentence (before application of subparagraph (B)), by striking out ": *Provided*, That the certification shall not refer to economic assumptions underlying the Trustee's report".

(3) Section 201(g)(1)(A) of such Act is amended—

(A) in clause (i), by striking out "by him and the Secretary of Health, Education, and Welfare" and inserting in lieu thereof "by him, the Commissioner, and the Secretary of Health and Human Services", and by striking out "by the Department of Health, Education, and Welfare and the Treasury Department" and inserting in lieu thereof "by the Social Security Agency, the Department of Health and Human Services, and the Department of the Treasury";

(B) in clause (ii), by striking out "method prescribed by the Board of Trustees under paragraph (4)" and inserting in lieu thereof "applicable method prescribed under paragraph (4)", by striking out "the Secretary of Health, Education, and Welfare" and inserting in lieu thereof "the Commissioner and the Secretary of Health and Human Services", and by striking out "the Department of Health, Education, and Welfare" and inserting in lieu thereof "the Social Security Agency and the Department of Health and Human Services"; and

(C) by striking out the last sentence and inserting in lieu thereof the following: "There are hereby authorized to be made available for expenditure, out of any or all of the Trust Funds, such amounts as the Congress may deem appropriate to pay the costs of the part of the administration of this title and title XVI for which the Commissioner is responsible, the costs of title XVIII for which the Secretary of Health and Human Services is responsible, and the costs of carrying out the functions of the Social Security Agency, specified in section 232, which relate to the administration of provisions of the Internal Revenue Code of 1954 other than those referred to in clause (i) of the first sentence of this subparagraph.".

(4) Section 201(g)(1) of such Act is amended—

(A) in the fourth sentence of subparagraph (A), by inserting "(if any)" after "amounts"; and

(B) by striking out subparagraph (B) and inserting in lieu thereof the following new subparagraphs:

"(B) After the close of each fiscal year—

"(i) the Commissioner shall determine (I) the portion of the costs, incurred during such fiscal year, of administration of this title and title XVI and of carrying out the functions of the Social Security Agency, specified in section 232, which relate to the administration of provisions of the Internal Revenue Code of 1954 (other than those referred to in clause (i) of the first sentence of subparagraph (A)), which should have been borne by the general fund in the Treasury, (II) the portion (if any) of such costs which should have been borne by the Federal Old-Age and Survivors Insurance Trust Fund, and (III) the portion (if any) of such costs which should have been borne by the Federal Disability Insurance Trust Fund, and

"(ii) the Secretary of Health and Human Services shall determine (I) the portion of the costs, incurred during such fiscal year, of administration of title XVIII which should have been borne by the general fund in the Treasury, (II) the portion (if any) of such costs which should have been borne by the Federal Hospital Insurance Trust Fund, and (III) the portion (if any) of such costs which should have been borne by the Federal Supplementary Medical Insurance Trust Fund,

except that the determination of the amounts to be borne by the general fund in the Treasury with respect to expenditures incurred in carrying out such functions specified in section 232 shall be made pursuant to the applicable method prescribed under paragraph (4) of this subsection.

"(C) After the determinations under subparagraph (B) have been made for any fiscal year, the Commissioner and the Secretary of Health and Human Services shall each certify to the Managing Trustee the amounts (if any) which should be transferred from each of the Trust Funds to the general fund in the Treasury and from the general fund in the Treasury to each of the Trust Funds, in order to ensure that each of the Trust Funds and the general fund in the Treasury have borne their proper share (if any) of the costs, incurred during such fiscal year, for (i) the part of the administration of this title and title XVI for which the Commissioner is responsible, (ii) the part of the administration of title XVIII for which the Secretary of Health and Human Services is responsible, and (iii) carrying out the functions of the Social Security Agency, specified in section 232, which relate to the administration of provisions of the Internal Revenue Code of 1954 (other than those referred to in clause (i) of the first sentence of subparagraph (A)). The Managing Trustee shall transfer any such amounts in accordance with any certification so made.".

(5) Section 201(g)(2) of such Act is amended, in the second sentence, by striking out "established and maintained by the Secretary of Health, Education, and Welfare" and inserting in lieu thereof "maintained by the Commissioner", and by striking out "Secretary shall furnish" and inserting in lieu thereof "Commissioner shall furnish".

(6) Section 201(g)(4) of such Act is amended to read as follows:

"(4) The Commissioner shall utilize the method prescribed pursuant to this paragraph, as of immediately before the date of the enactment of the Social Security Reorganization Act of 1984, for determining the costs which should be borne by the general fund in the Treasury of carrying out the functions of the Commissioner, specified in section 232, which relate to the administration of provisions of the Internal Revenue Code of 1954 (other than those referred to in clause (i) of the first sentence of paragraph (1)(A)). If at any time or times thereafter the Commissioner considers such action advisable, it may modify the method of determining such costs.".

(7) Section 201(i)(1) of such Act is amended to read as follows:

"(i)(1) The Managing Trustee may accept on behalf of the United States money gifts and bequests made unconditionally to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, or the Federal Supplementary Medical Insurance Trust Fund or to the Social Security Agency, the Department of Health and Human Services, or any part or officer thereof, for the benefit of any of such Funds or any activity financed through such Funds.".

(8) Subsections (j) and (k) of section 201 of such Act are each amended by striking out "Secretary" each place it appears and inserting in lieu thereof "Commissioner".

(9)(A) Section 201(l)(1) of such Act is amended—

(i) by striking out "Managing Trustee" the first place it appears and inserting in lieu thereof "Social Security Board";

(ii) by striking out "Managing Trustee may borrow" and inserting in lieu thereof "Managing Trustee, on the request of the Board, shall borrow"; and

(iii) by striking out "he determines" and inserting in lieu thereof "the Board determines".

(B) Section 201(l)(3)(A) of such Act is amended—

(i) by striking out "Managing Trustee" and inserting in lieu thereof "Social Security Board";

(ii) by striking out "he shall make" and inserting in lieu thereof "the Managing Trustee shall make"; and

(iii) by striking out "he determines" and inserting in lieu thereof "the Board determines".

(C) Section 201(l)(3)(B)(i) of such Act is amended—

(i) by striking out "Managing Trustee" and inserting in lieu thereof "Social Security Board"; and

(ii) by striking out "he shall transfer" and inserting in lieu thereof "the Managing Trustee shall transfer".

(D) Section 201(l)(3)(B)(iii)(II) of such Act is amended by striking out "Secretary" and inserting in lieu thereof "Social Security Board".

(E) Section 201(l)(3)(C)(ii) of such Act is amended, in the last sentence, by striking out "The Managing Trustee may" and inserting in lieu thereof "To the extent requested by the Social Security Board, the Managing Trustee shall".

(F) Section 201(l)(4) of such Act is amended by striking out "Board of Trustees" and inserting in lieu thereof "Social Security Board".

(10) Section 201(m)(3) of such Act is amended by striking out "Secretary of Health and Human Services" and inserting in lieu thereof "Commissioner".

(c) Section 231(c) of such Act is amended by striking out "Secretary determines" and inserting in lieu thereof "Commissioner and the Secretary jointly determine".

(d)(1) Section 402 of such Act is amended by striking out "Administrator" each place it appears and inserting in lieu thereof "Secretary".

(2) Section 411 of such Act is amended—

(A) in subsection (a), by striking out "Secretary" and inserting in lieu thereof "Commissioner, at the request of the Secretary,", and by striking out "Social Security Administration" and inserting in lieu thereof "Social Security Agency"; and

(B) in subsection (b), by striking out "Secretary" each place it appears and inserting in lieu thereof "Commissioner".

(e)(1) Section 704 of such Act is amended in the heading by inserting "BY THE SECRETARY" after "REPORTS".

(2) Section 709(b)(2) of such Act is amended by striking out "(as estimated by the Secretary)" and inserting in lieu thereof ", as estimated by the Commissioner or the Secretary (whichever administers the program involved),".

(3) Title VII of such Act is further amended by adding at the end thereof the following new section:

"DUTIES OF SECRETARY

"SEC. 712. The Secretary shall perform the duties imposed upon him by this Act and shall also have the duty of studying and making recommendations as to the most effective methods of providing economic security and as to legislation and matters of administrative policy concerning the programs administered by the Secretary and related subjects; except that nothing in this section shall be construed to require the Secretary to make studies or recommendations with respect to programs administered by the Social Security Agency.".

(f)(1) Section 1101(a) of such Act is amended by adding at the end thereof the following new paragraph:

"(10) The term 'Commissioner' means the Commissioner of Social Security.".

(2) Section 1106(a) of such Act is amended—

(A) by inserting "(1)" after "(a)";

(B) by striking out "Federal Security Agency" and inserting in lieu thereof "applicable agency";

(C) by striking out "Administrator" and inserting in lieu thereof "head of the applicable agency"; and

(D) by adding at the end thereof the following new paragraph:

"(2) For purposes of this subsection and subsection (b)—

"(A) the term 'applicable agency' means—

"(i) the Social Security Agency, with respect to matter transmitted to or obtained by such Administration or matter disclosed by such Agency,

"(ii) the Department of Health and Human Services, with respect to matter transmitted to or obtained by such Department or matter disclosed by such Department, or

"(iii) the Department of Labor, with respect to matter transmitted to or obtained by such Department or matter disclosed by such Department, and

"(B) the term 'head of the applicable agency' means, in the case of the Social Security Agency, the Commissioner.".

(3) Section 1106(b) of such Act is amended—

(A) by striking out "Secretary" and inserting in lieu thereof "head of the applicable agency"; and

(B) by striking out "Department of Health, Education, and Welfare" and inserting in lieu thereof "applicable agency".

(4) Section 1106(c) of such Act is amended—

(A) by striking out "the Secretary" the first place it appears and inserting in lieu thereof "the Commissioner or the Secretary"; and

(B) by striking out "the Secretary" each subsequent place it appears and inserting in lieu thereof "such Commissioner or Secretary".

(5) Section 1107(b) of such Act is amended by striking out "the Secretary of Health, Education, and Welfare" and inserting in lieu thereof "the Commissioner or the Secretary".

(6) Section 1110 of such Act is amended—

(A) by striking out "Secretary" each place it appears and inserting in lieu thereof "Commissioner";

(B) by striking out "he", "his", and "him" each place they appear and inserting in lieu thereof "the Commissioner", "the Commissioner's", and "the Commissioner", respectively; and

(C) by striking out "or makes them himself", in subsection (b)(1), and inserting in lieu thereof "or the Commissioner makes them".

(7) Section 1127 of such Act is amended by striking out "Secretary" and inserting in lieu thereof "Commissioner".

(8) Section 1131 of such Act is amended by striking out "Secretary" each place it appears and inserting in lieu thereof "Commissioner".

(g) Subsections (a) and (f) of section 1817 of such Act are amended by striking out "Secretary of Health, Education, and Welfare" each place it appears and inserting in lieu thereof "Commissioner".

(h) The Inspector General Act of 1978 is amended—

(1) in section 2(1), by striking out "and the Veterans' Administration" and inserting in lieu thereof "the Veterans' Administration, and the Social Security Agency";

(2) in section 9(a)(1), by striking out "and" at the end of subparagraph (M), and by adding at the end thereof the following new subparagraph:

"(O) of the Social Security Agency, to the extent provided in the Social Security Reorganization Act of 1987, the functions of the Inspector General of the Department of Health and Human Services relating to the administration of the old-age, survivors, and disability insurance program under title II of the Social Security Act and of the supplemental security income program under title XVI of such Act; and";

(3) in section 11(1), by striking out "or" after "Transportation" and inserting in lieu thereof a comma, and by inserting after "Affairs," the following: "or the Commissioner of Social Security of the Social Security Agency,"; and

(4) in section 11(2), by striking out "or" after "Transportation", and by inserting after "Veterans' Administration," the following: "or the Social Security Agency,".

(i)(1) Whenever any reference is made in any provision of law (other than this Act or a provision of law amended by this Act), regulation, rule, record, or document to the Department of Health and Human Services with respect to such Department's functions under the old-age, survivors, and disability insurance program under title II of the Social Security Act or the supplemental security income program under title XVI of such Act, such reference shall be considered a reference to the Social Security Agency.

(2) Whenever any reference is made in any provision of law (other than this Act or a provision of law amended by this Act), regulation, rule, record, or document to the Secretary of Health and Human Services with respect to such Secretary's functions under such programs, such reference shall be considered a reference to—

(A) the Social Security Board, with respect to functions described in section 701 of the Social Security Act (as amended by this Act), and

(B) the Commissioner of Social Security, with respect to functions described in section 702 of the Social Security Act (as amended by this Act).

(3) Whenever any reference is made in any provision of law (other than this Act or a provision of law amended by this Act), regulation, rule, record, or document to any other officer or employee of the Department of Health and Human Services with respect to such officer or employee's functions under such programs, such reference shall be considered a reference to the appropriate officer or employee of the Social Security Agency.

REPORTS ASSESSING ORGANIZATIONAL CHANGES

SEC. 9. (a) Five years after the date of the enactment of this Act, the Social Security Board, the Comptroller General of the United States, and the Secretary of Health and Human Services shall each submit to each House of the Congress a report setting forth in detail an assessment of the organizational changes made by this Act and the amendments made by this Act.

(b) Not later than one year after the date of the enactment of this Act, the Social Security Board, the Comptroller General of the United States, and the Secretary of Health and Human Services shall submit to each House of the Congress their recommendations for further technical and conforming amendments necessary to effectively and efficiently carry out the purposes of this Act.

BENEFICIARY BILL OF RIGHTS

SEC. 10. Title VII of the Social Security Act is further amended by adding at the end thereof the following new section:

"BENEFICIARY BILL OF RIGHTS

"Principles for Implementation of Act

"SEC. 713. (a) The provisions of this Act should be implemented consistent with the following principles:

"(1) All persons should be treated fairly and equitably by the Social Security Board, the Commissioner, and the Secretary with proper regard and protection for their rights under this Act, their constitutional rights, and their privacy.

"(2) The Social Security Board, the Commissioner, and the Secretary should not discriminate against persons on account of their age, sex, race, creed, color, handicap, national origin, or economic condition.

"(3) The Commissioner and the Secretary should each maintain prompt, professional, and effective service which is accessible and responsive to the communities and persons which they serve.

"(4) Each beneficiary under this Act should receive timely and proper payment of benefits to which he or she is entitled. Benefits under this Act should not be reduced, ceased, or withheld by the Commissioner or the Secretary or assigned to any representative payee by the Commissioner or the Secretary without due process of law or without adequate safeguards to protect those who may be adversely affected by any injustices or undue hardships which may result from such actions.

"(5) Each beneficiary under this Act should be provided a personal conference with a competent officer or employee of the Social Security Agency or the Department of Health and Human Services with respect to any determination by the Commissioner or the Secretary (as the case may be) which adversely affects him or her.

"(6) In any administrative matter subject to appeal under this Act, each beneficiary should be provided a full, fair, and impartial evidentiary hearing before an administrative law judge who is authorized to render independent judgment of the issue, consistent with applicable laws and regulations, and who is not subject to coercion, discrimination, or interference with, in the exercise of his responsible judgment.

"Enforcement of Principles

"(b) In carrying out their responsibilities under this Act, the Social Security Board and the Secretary, pursuant to authority otherwise available, shall take any action, including the issuance of rules, regulations, or directives, which is consistent with the provisions of this Act and which the Social Security Board or the Secretary (as the case may be) determines is necessary to ensure that the administration of this Act is based on and embodies the principles set forth in subsection (a) and that such principles are publicly displayed in each office of the Social Security Agency.".

EFFECTIVE DATE AND INTERIM RULES

SEC. 11. (a)(1) Sections 2, 3, 4, 5, 6, and 8 of this Act shall take effect October 1, 1986.

(2) Notwithstanding the effective date set forth in paragraph (1), effective on the date of the enactment of this Act—

(A) the initial members of the Social Security Board whose terms of office begin before February 1, 1989, may be appointed before such effective date, after the date of the enactment of this Act, and the Commissioner of Social Security, the Social Security Ombudsman, the Inspector General, the Chief Actuary, the Director of Policy Analysis and Legislation, and the General Counsel of the Social Security Agency may be appointed by such Board at any time after such initial members of the Social Security Board have been appointed,

(B) the persons appointed under subparagraph (A) shall be compensated from the date they first take office, at the rates provided for in the amendments to title 5, United States Code, made by sections 2(b), 3(b), and 4(b) of this Act,

(C) such compensation and related expenses of such persons shall be paid from funds available in the Department of Health and Human Services for the functions vested in the Social Security Agency by this Act and the amendments made thereby, and

(D) the Social Security Board and the Commissioner of Social Security may each utilize, as appropriate, the services of such officers, employees, and other personnel of the Department of Health and Human Services, and funds appropriated to the functions of such Department to be transferred by this Act and the amendments made thereby, for such period of time as may reasonably be needed to facilitate the orderly implementation of this Act.

(b) The amendment made by section 7 of this Act shall apply with respect to fiscal years beginning on or after October 1, 1987.

AN INDEPENDENT SOCIAL SECURITY AGENCY

(1) GENERAL STRUCTURE AND RESPONSIBILITY

Remove the Old Age, Survivors and Disability Insurance programs plus Supplemental Security Income from HHS and place them under a free standing Social Security Agency. (Leave Medicare/Medicaid, Refugee Resettlement, AFDC, Energy Assistance and Child Support Enforcement in HHS).

The Agency is governed by a five member Board of Directors which appoints a single Commissioner to a five year term. A public Ombudsman represents citizen concerns expressed by a nine member Citizens' Advisory Committee. An Inspector General assesses Agency performance.

The management of the Agency is strengthened by giving it greater flexibility and independence from GSA and OPM as recommended by the Staats Panel.

(2) THE BOARD OF DIRECTORS

Membership

Five members nominated by the President and confirmed by the Senate for ten year terms staggered so that one term expires at the end of each even numbered year. The Chairman is appointed by the President. (Three initial board members are appointed to terms ending in 1989, 1991, and 1993. Two additional board members are added in 1989 with terms expiring in 1995 and 1997). Removal during term requires a finding of neglect of duty or malfeasance by the President which must be transmitted in writing to Congress in five days.

Responsibilities

(A) To govern the Agency through regulation.

(B) To appoint a Commissioner to be the Chief Operating Officer.

(C) To act as Trustees for the Social Security Trust Funds. Other Trustees are the Secretaries of the Treasury and HHS and two public members required by the 1983 Amendments.

(D) To make budgetary recommendations and defend such recommendations before the Congress.

(E) To provide analysis, information and recommendations to the Congress and the President on proposed changes in Social Security programs.

(F) To conduct policy analysis and research.

Due to the board's responsibilities, its staff includes SSA's current Office of the Actuary, Office of Policy, and Office of the General Counsel.

(3) THE COMMISSIONER

The Commissioner is appointed by the Board to a five year term (except that the first term ends December 31, 1989). Removal during the term requires a majority vote of the full Board following findings of neglect of duty or malfeasance which must be transmitted in writing to the Congress within five days.

Responsibilities

(A) To be the chief operating officer responsible for administering Social Security programs in a manner consistent with law and regulations.

(B) To devise and implement long-run plans to improve the effectiveness and administration of these programs.

(C) To organize and maintain an efficient and effective operational structure. Such structure shall include a separate Office of Hearings and Appeals headed by a Chief Administrative Law Judge nominated by the Commissioner and appointed by the Board to a five year term (except that the initial appointment ends December 31, 1990). Among other qualifications, the chief ALJ must have at least five years experience as an ALJ in SSA.

(D) To prepare and defend the administrative budget and special administrative initiative before the Board and the Congress.

(E) To advise the Board and the Congress of the administrative impact of legislative changes in Social Security programs.

(F) To act as Secretary to the Board of Trustees.

(G) To make an annual report to the Board and the Congress on the administrative endeavors and accomplishments of the Agency.

One organizational structure a Commissioner at his/her discretion might establish could include offices for: (1) Program Operations; (2) Field Operations; (3) Central Operations; (4) Management, Budget and Personnel; (5) Computer Systems; (6) Assessment and Evaluation; and (7) External Affairs.

(4) THE OMBUDSMAN

An Ombudsman is appointed by the Board to a 5 year term (except that the initial term ends December 31, 1991). Removal during term requires a majority vote of the full Board following findings of neglect of duty or malfeasance which must be transmitted in writing to the Congress within five days.

Responsibilities

(A) To represent the concerns of the public, including beneficiaries, to the Board and Commissioner and to the President and the Congress.

(B) To provide staff support to a permanent Citizen's Advisory Committee which issues a biennial report to the Congress assessing Social Security programs, financing and administration.

(C) To make such studies and surveys of administrative effectiveness and program policy goals as he/she deems proper and as requested by a majority of the members of the Citizens' Advisory Committee.

The Citizens' Advisory Committee consists of nine part-time members appointed for staggered three year terms with its chairperson elected by the Committee for a one year term. The Speaker of the House, the Majority Leader of the Senate (in consultation with the Chairman of the Committees of Government Operations, Ways and Means, Governmental Affairs, and Finance) and the Chairman of the Board each appoint three members to be equally representative of beneficiaries, employers (including the self-employed), and employees.

(5) THE INSPECTOR GENERAL

An Inspector General, nominated by the President and confirmed by the Senate, is established pursuant to the Inspector General's Act of 1978 as amended.

(6) OTHER

The legislation includes a statement of a beneficiary's "bill of rights".

The legislation incorporates the recommendations of the Staats Panel on Social

Security organization with regard to strenghtening management. These recommendations: (1) base SSA personnel budget on a workforce plan rather than a personnel ceiling; (2) allow SSA greater authority for computer acquisition and property management; and (3) allow SSA greater flexibility in recruiting new employees and compensating senior executives.

The Board, GAO, and the Secretary of HHS are required to report to the Congress in five years an assessment of these organizational changes.

Mr. BUMPERS. Mr. President, for too long we have not faced the fact that Social Security has perhaps the most profound and direct effect on the citizens of this Nation than any other Federal program. And yet, this program is not even administered as an independent, separate agency. One out of six Americans receives benefits from Social Security, and it comprises 24 percent of the entire Federal budget. Millions of Americans pay wage taxes into the system, and millions more depend on this program for income security.

The time has come for us to fully face this fact and elevate Social Security to a status in the organization of government commensurate with its importance to the people of this Nation. It is time to elevate Social Security above the day-to-day fiscal decisions of government. It is time to assure the people of the United States that Social Security is a special program that represents a binding commitment by the Federal Government that it will ensure stable income for retired and disabled workers and their dependents. The Federal Government has made a long-term pact with the American people that must be kept.

I rise today to cosponsor along with my very distinguished colleagues—Senators PRYOR and RIEGLE—a bill—the Social Security Reorganization Act of 1987—to create a separate, independent agency to administer Social Security and the Supplemental Security Income Program. Specifically, the proposed independent agency would be responsible for the administration of title II, Old Age, Survivors and Disability Insurance Program and title XIV, Supplemental Security Income Program of the Social Security Act of 1935. I was pleased to have cosponsored a similar measure in the 99th Congress (S. 122).

This legislation would create an independent Social Security agency to be headed by a bipartisan Board of Directors and directly administered by an appointed Commissioner. The agency would be required to have an ombudsman who will be responsible for ensuring that the program is fully responsive to the people. The agency would submit annual budgetary recommendations to Congress and would compile ongoing data on the affects of Social Security on the national economy.

Social Security is presently administered through the Department of Health and Human Services, and the Commissioner is nominated by the President and confirmed by the Senate. During Social Security's worst financial crisis in 1982 and 1983, Congress grappled with major changes in Social Security taxes and benefits without the benefit of a confirmed Commissioner. In fact, in the last 12 years there have been nine Commissioners of Social Security. The legislation I am cosponsoring today would provide badly needed, consistent leadership to this very important program.

There are two principle reasons to make Social Security an independent agency: fiscal responsibility and the need to take politics out of the program. Social Security outlays for the upcoming fiscal year, fiscal year 1988, will total $214 billion, while the Supplemental Security Income Program will account for an additional $9 billion. This is 24 percent of the entire Federal budget, more than all other domestic programs combined. With so much money affecting so many citizens, we can not afford to delay in making these important organizational changes. It is imperative that the 36.7 million Americans who receive benefits from Social Security know that Congress and the executive branch are giving the program the attention it deserves with respect to this Nation's fiscal policy. The clear size of the program warrants the bipartisan management and independent budget submissions required by this bill.

Further, two recent budgetary matters have affected Social Security—the ongoing struggle with debt limit extensions and the enactment of Gramm-Rudman—the Emergency Deficit Reduction and Control Act of 1985, Public Law 99-177. In November 1985, when the Federal Government literally ran out of cash because no law was enacted on raising the limit of the national debt, the Secretary of the Treasury cashed in $17 billion in long-term bonds held by the Social Security Trust Funds. The disinvestment of Social Security funds only serves to undermine public confidence in the program. We need to couple the creation of an independent agency with a prohibition on the use of trust fund investments to pay for other Government programs without prior notification to Congress.

I was pleased to cosponsor legislation with Senator MOYNIHAN in the 99th Congress that would have prohibited use of trust fund revenues for other Government spending. That legislation passed the Senate but was dropped in conference when the bill it was attached to, the debt limit extension, was stripped clean because of other unrelated controversial provisions. I would like to strongly urge my colleagues on the Finance Committee to report similar legislation during this session of Congress to let those dependent of Social Security know that the trust funds are being managed properly.

The new Gramm-Rudman law, which mandates regular deficit reduction toward a balanced budget by fiscal year 1992, also exempts Social Security from across-the-board cuts such as the 11.7 percent cut that was ordered in March 1986. I would not have supported that law if Social Security had not been exempted. This exemption put Congress clearly on record as recognizing the unique nature of Social Security and the need to protect it from across-the-board deficit reduction efforts. We must follow up on this recognition of the uniqueness of Social Security by making it a separate, independent agency.

The second major reason for creating an independent agency is to depoliticize Social Security and restore confidence in the program by the American people. In addition to the recent disinvestment of the Social Security Trust Funds I mentioned before, the financial crises that Social Security faced before the enactment of amendments to the Social Security Act in 1977 and 1983 have severely eroded the confidence of the American people in the fiduciary health of the program. Second, the deplorable manner in which disability reviews were conducted in the period between 1981-83 undercut the faith that Social Security would be an effective insurance against permanent disability. If Social Security had been an independent agency, free of political pressure, the painful disability review crisis may never have occurred.

Mr. President, the time has come for the Senate to act and approve this legislation to create an independent Social Security agency. I call on the appropriate committee of referral to hold early hearings on this legislation and report it to the Senate floor for debate and a vote. The House passed independent agency legislation (H.R. 5050) in the 99th Congress by a unanimous vote of 401 to 0. This legislation also included two trust fund amendments that I mentioned earlier. The Senate must now follow without delay.

It is time that we give the retired and disabled workers of this country and their dependents the assurance the Social Security system is being given the attention and consideration it deserves. We must insulate the program from arbitrary deficit reduction, and we must depoliticize its mission. To keep faith with the American people, we must take this important step to restore credibility to Social Security.

SOCIAL SECURITY TRUST FUND MANAGEMENT

Mr. PRYOR. Mr. President, I am honored to join as a cosponsor of legislation introduced on January 6, 1987, by the distinguished Senator from New York [Mr. MOYNIHAN] to reform the Social Security trust fund investment practices. I supported this legislation during the 99th Congress. It is an important followup to legislation approved in late 1985 to correct trust fund disinvestment actions which occurred in 1984 and 1985, and hope that we will be successful this year in securing its passage.

A little more than a year ago Members of Congress and the public were alarmed to learn in the fall of 1984 and again in September, October, and November of 1985 the Department of the Treasury had taken unprecedented actions to disinvest large amounts of the short- and long-term securities held by the Social Security, civil service and military retirement, railroad retirement, and Medicare funds. This action was necessary because the Treasury had such limited cash reserves on hand that it could not make the cash transfers necessary to follow the normal benefit payment procedures, and the Secretary had to cash out investments in order to issue benefit checks.

This action caused a great deal of concern. Press accounts which stated that the trust fund securities were being cashed out to pay for other programs did not help matters. And the fact that members of the Social Security Board of Trustees were unaware of the action caused additional concern and suspicion. From the time of the passage of the 1983 Social Security financing amendments until fall of 1985, we had been consistently assured of the soundness of the Social Security retirement trust funds. The disinvestment action caused fear throughout the Nation, and greatly altered the public's perception of the stability of Social Security.

In the months following the publicity about the disinvestment action, the Congress acted speedily to restore any loss to the Social Security and other trust funds which resulted from the disinvestment action. In addition, we required that the Secretary of the Treasury give advance notice of any intention to disinvest trust fund assets. By early January 1986 the Treasury had successfully restored to the trust funds all moneys which had been lost as the result of disinvestment action. The legislation I have joined in sponsoring will take additional steps to ensure the security of the trust funds.

Specifically, S. 33:

Prohibits disinvestment of the OASDI trust fund assets during a debt ceiling crisis for any purpose other than the timely payment of benefits and administrative expenses;

Mandates that uninvested Social Security tax receipts be invested in interest-bearing Government obligations upon increase of the debt ceiling;

Makes a permanent appropriation to restore the trust funds to the level they would have been at had disinvestment not taken place.

Requires the managing trustee—the Secretary of the Treasury—to notify the Social Security Board of Trustees and the Congress 15 days in advance of an anticipated disinvestment action;

Requires the managing trustee to report monthly to the Board of Trustees on the operation and status of the trust funds; and

Requires the managing trustee to exercise the same degree of care in managing the trust funds as would a private fiduciary.

Mr. President, disinvestment of Social Security moneys is not an immediate threat because we are within the limits of the debt ceiling at present. However, this spring we once again may begin to feel the crunch as the May 15, 1987, expiration date for Government borrowing authority approaches. I believe the Congress should act quickly on this legislation in order to avoid unnecessary disinvestment action and the public's loss of faith in the stability of the Social Security system which results from such action. I urge my colleagues to join in support of Senator MOYNIHAN's legislation and to work for swift passage of it.

MEDICAID COMMUNITY SPOUSE PROTECTION ACT OF 1987

Mr. PRYOR. Mr. President, I am proud to join the distinguished Senator from Maine, Mr. MITCHELL, and other colleagues in sponsoring the Medicaid Community Spouse Protection Act of 1987. This legislation is a significant first step toward providing financial protection from the rapid impoverishment which results under current eligibility requirements for the spouses of institutionalized Medicaid beneficiaries. This protection is greatly needed and I support it wholeheartedly.

Within a little over a year the citizens of this country have developed increased concern over the serious gaps in health care coverage, gaps which can result in catastrophic financial loss. HHS Secretary Otis Bowen's catastrophic initiative and the report of the President's Private/Public Sector Advisory Committee on Catastrophic Illness have helped to create a broader consensus throughout the Nation that action must be taken to reduce the risk of catastrophic loss as the result of health care needs.

President Reagan recently endorsed a legislative proposal to help deal with certain catastrophic health care costs, and this legislation has been introduced in the Senate. Although I believe that a more comprehensive approach must be taken if we are to effectively deal with the full range of catastrophic health care needs, I applaud both the President and Secretary Bowen for their efforts in this regard, and am gratified that their cards are now "on the table."

It is now the Congress' responsibility to act. It is widely accepted that the area of acute catastrophic expense coverage for the elderly is the most easily dealt with. In recent years there have been a variety of proposals brought before the Congress to correct the problem, and I believe we are on the way to alleviating such hardship. The more formidable task, by far, is to provide protection against catastrophic loss through long-term health care expenditures. The need for extended nursing home care for one member of an elderly couple may result in the liquidation of their communal property and to their rapid impoverishment—thereby pauperizing the community spouse.

Generally, if the community spouse has no retirement income of his or her own, Health and Human Services regulations guarantee an income equal to the monthly SSI standard for an individual—about $340 per month. Many of the elderly who fall within this category are elderly women who, following institutionalization of the spouse, must subsist with incomes at or below the poverty level for the remainder of their lives. The balance of the income previously received by the couple usually goes to finance a portion of nursing home care for the institutionalized individual. Many couples lose their homes as the result of the institutionalization because the community spouse no longer has the resources to maintain the home.

S. 598, the Medicaid Community Spouse Protection Act of 1987, would help to ease some of the financial hardships which I have described. Specifically the legislation would raise the minimum allowance for the community spouse from the current SSI standard for a single person—$340 per month—to the current SSI standard for a couple—$550. The bill would also allow the States, as part of the Medicaid program, a number of other options in the more equitable division of a couple's income and resources upon the institutionalization of one member of the couple.

Mr. President, this legislation addresses the problem of spousal impoverishment in a limited way, but it is a beginning. In addition, it sends the message to the President and the public that we are willing to begin to look at some of the most serious problems associated with catastrophic long-term care expenses. I am pleased that there is solid support on the

Senate side for some action in this area, and urge my colleagues to join in support of S. 598.

RECOGNITION OF SENATOR PROXMIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin, Mr. PROXMIRE, is recognized for not to exceed 5 minutes.

GLENN'S FIGHT AGAINST NUKES IN PAKISTAN

Mr. PROXMIRE. Mr. President, Senator JOHN GLENN has been carrying on a struggle to condition aid to Pakistan on Pakistani willingness to stop processing materials for building nuclear weapons.

Senator GLENN is absolutely right. He is fighting for a policy that should serve as a model in this country's relations with any country that would build a nuclear weapons arsenal. Pakistan's historic military rival has been India. India currently may have a modest nuclear arsenal. Pakistan has the resources and the economic strength to match India's nuclear capability. If Pakistan does so, India will be tempted to expand—perhaps greatly expand its nuclear weapons capability. Then what? Then another nuclear arms race will be on. Both of these struggling countries will be impoverished by this race. It could easily be worse. Both countries could be demolished if the nuclear arms race goes the way of so many arms races and ends in war. This time: nuclear war. Such a war could spread. It could enflame and embroil neighboring nuclear powers in China and the Soviet Union, and, of course, ultimately the United States.

A few years ago, many experts contended that the most likely path to nuclear war would lead from nuclear weapons proliferation. In one hostile part of the world or another, the presence of nuclear arsenals in bordering countries could quickly push a conventional conflict into a nuclear holocaust. Nuclear weapons are so infinitely more destructive than conventional weapons that even with rudimentary and limited nuclear arsenals on both sides in nations like Pakistan and India the result would be the death of tens of millions of people. If the nuclear war spread beyond the borders of the two adversaries mankind everywhere could be endangered.

So why does the administration not agree with Senator GLENN? Why do we not tell Pakistan to stop the nuclear weapons material processing or we will stop our economic and military aid? The administration argues that Pakistan would then turn to the Soviet Union. But would they? They need our economic aid to keep their desperately poor country alive. Pakistan needs our military aid too. They desperately need it. Why? They need it to fight off the constant border battles with India.

So what choice does Pakistan really have if they proceed with their nuclear bomb buildup and lose United States economic and military aid? They have the terrible choice of starting the power of a nuclear war. Then what? Such a war would lead to Pakistan's destruction. In order to have that power to commit sure and swift suicide and take India down with them, they would have to give up billions of dollars of U.S. aid vital to their economy. That is not all. They would have to give up U.S. military support. That support is vital to Pakistan's independence. So this should be a very easy choice. Of course, Pakistan might choose nuclear bombs and the Soviet Union. But if this country does not issue the Glenn ultimatum we would have Pakistan as a nuclear power for sure facing a nuclear armed India.

This all means that our country has one chance and an excellent chance to prevent a nuclear weapons proliferation to Pakistan. That chance is to tell Pakistan they can continue to count on our economic and military aid only if they stop processing weapons grade nuclear material. This course is right in this instance. It is also right as a consistent international policy for this country everywhere in the world. Why should our country not as a matter of steady policy always refuse to provide foreign asistance to any country that builds its own nuclear arsenal? After all, what is more threatening to the survival of all Americans than nuclear war? How can we possibly justify in this era of stringent fiscal restraint providing $4 billion over the next 6 years as the administration proposes to a country that insists on building still another nuclear arsenal? And especially how can we justify providing these funds to a nation like Pakistan that maintains a constant state of armed conflict with a neighboring democracy that is also building its nuclear arsenal?

Senator JOHN GLENN deserves the gratitude of all of us for hammering away so consistently for a foreign policy that makes stopping nuclear weapons proliferation a top priority.

Mr. President, I ask unanimous consent that an editorial from the New York Times of March 13, 1987, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STOP PAKISTAN'S NUCLEAR BOMB

For years, Pakistan has lied to the United States about not having a nuclear weapons program, and for years the United States has bought the fiction. It has continued to provide military and economic aid to retain influence on Karachi. Now, intelligence reports show that Pakistan stands at the threshold of nuclear capability, and Washington can no longer escape a hard choice.

To renew aid would mock America's commitment to nuclear nonproliferation. To cut it off might inflame Pakistan, inciting redoubled nuclear efforts and endangering the joint anti-Soviet resistance in Afghanistan. But Pakistani interests are not so simple, and the American choice not to stark.

Pakistan may appear to have the United States over a barrel. But Washington has good reasons to get tough, finally, and Pakistan has its own good reasons to go along.

The United States has long protested Pakistan's nuclear program, ineffectually. The Pakistanis almost certainly have built up a supply of nuclear explosive materials and all but assembled and tested the bomb. Yet stopping the process even at this stage would be worthwhile, even essential to holding the line against nuclear proliferation.

America's handle on the issue is aid. President Reagan proposes $4 billion in military and economic assistance over the next six years. Senator John Glenn wants to condition the aid on Pakistan's ceasing to produce weapons-grade nuclear explosive materials. But the Administration argues that if the aid is cut off, Pakistan might decide it has nothing to lose, go nuclear and cut a deal with Moscow against the Afghan resistance.

That's exactly how Pakistan would like Washington to see the choice. Yet Pakistan has powerful reasons not to offend the United States. It needs the economic aid just to hold itself together. It needs the military aid for the continual border skirmishes with India. The nuclear bomb answers none of these needs. It can't be paraded through the streets to build morale.

Pakistan, meanwhile, harbors its own fear of the Soviet Union, and its aversion to a Soviet puppet state next door should not be ignored. There also would be obvious advantages in a peace that permits the millions of Afghani refugees in Pakistan to go home.

Even if Pakistan could proudly approach India's nuclear capability, it would be quite another thing to try equalling India's advanced technology more broadly. Would Pakistan really choose diplomatic isolation, with a rudimentary nuclear capability and without the conventional military capability the U.S. has so generously provided it?

America's interest is clear. Preeminently, the national security of the United States lies in reducing the risk of nuclear war and that means containing the spread of nuclear weapons. Determined American efforts have prevented further nuclear proliferation for decades when experts predicted it couldn't be done.

No one can be confident about the best way to retain influence over Pakistan's decisions. But perhaps the best gamble is to act on the belief that Pakistan also has interests in restraint. Pakistani cheating to this point cannot be washed away but it can be halted where it is.

This reasoning points toward two American messages. To India: "Sign the Non-Proliferation Treaty and accept safeguards monitoring, as Pakistan says it is willing to do." To Pakistan: "Stop your nuclear program where it stands, or U.S. aid will end. And this time, finally, we mean it."

SENATOR GORE AND THE PRESIDENCY

Mr. PROXMIRE. Mr. President, I would like to congratulate the Presiding Officer, Senator GORE, on a remarkable column that appeared in the paper the other day by James Reston, which commented on the extraordinary talent of Senator GORE, the fine job he has done in the few years he has been in the Senate, and the fact this very young man should be seriously considered for President of the United States. I know he probably thinks that is to much, but James Reston is the former head of the New York Times Washington bureau. He is a man of great experience and fine judgment.

I think it is a fine commendation to an excellent U.S. Senator.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR PRESSLER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from South Dakota, Mr. PRESSLER, is recognized for not to exceed 5 minutes.

AN ELOQUENT VOICE FOR MOUNT RUSHMORE

Mr. PRESSLER. Mr. President, on January 11 of this year I held a meeting in Rapid City, SD, to discuss a plan to expand and modernize facilities at Mount Rushmore, which was carved from a mountain of granite by the famous sculptor Gutzon Borglum. Our distinguished colleague, Senator DOLE, joined me in discussing this initiative with a large number of South Dakotans.

It was a memorable meeting. The room was filled to capacity, with many attendees forced to listen from the hall outside. At the meeting, both Senator DOLE and I were moved by the tremendous interest in the project and the active participation from the audience.

It was a memorable meeting. The room was filled to capacity, with many attendees forced to listen from the hall outside. At the meeting, both Senator DOLE and I were moved by the tremendous interest in the project, and the active participation from the audience. Dozens of citizens spoke eloquently on the significance of, and the meaning behind, our national shrine to democracy and the need for improvements at the memorial. The public recreation was so impressive that I asked those who spoke to put their words in writing so we could share them with our colleagues. I shall do that in the very near feature, but at this time I would like to recognize one of them in particular.

The words of one young gentleman in the audience were especially moving. They came from James Borglum, the grandson of the memorial's creator and sculptor, Gutzon Borglum. His speech was memorable, not only because of his very personal relationship to this splendid sculptor, but for its substantive message and the touching way in which it was delivered to those of us present. The Borglum family has been involved with Mount Rushmore since 1925 when Gutzon Borglum accepted the commission to create his tribute to our Nation's history. The remainder of his life was dedicated to the development of the great carving. Lincoln Borglum, Gutzon's son, kept the work going on the mountain, and brought it to its present form following the untimely death of his father in 1941. Today, Lincoln's son, James, maintains the Borglum influence at Mount Rushmore through his involvement in the Mount Rushmore National Memorial Society of the Black Hills, a nonprofit corporation dedicated to the support of Mount Rushmore National Memorial.

I would like to share with my colleagues the enlightening thoughts presented by James Borglum during the meeting, and also to say that we have a major effort underway to improve the facilities at Mount Rushmore.

Mr. President, nearly 2 million Americans visit Mount Rushmore every year. That is a large number coming to one of our most distinguished national parks. There are many other attractions in the Black Hills area, but Mount Rushmore is the principal one.

Upon arrival, some of these tourists find that the parking lot is too crowded, there is a line of cars going up to the memorial or that some other problem exists. In this year's highway bill we provide funds to expand the road to Mount Rushmore, but on a much broader basis Mount Rushmore is in need of refurbishing, renewing, and rebuilding. There is a local group that plans to raise $500,000 as seed money to do a number of improvements at Mount Rushmore including the building of a museum.

It was my privilege to meet with President Reagan yesterday to discuss the celebration of the monument's anniversary and the building of the memorial. Many activities will be occurring in South Dakota commemorating the anniversary of the memorial.

I think that people in every State have an interest in this. Mount Rushmore, the Shrine of Democracy, is the most significant national memorial in this country. This project is being undertaken by local citizens. There will also be involvement by the State and Federal Governments. It is something on which we all must work together. I shall be sharing some thoughts on this with my colleagues in the coming months. We are going to be very privileged to have the Director of the National Park Service, Mr. Mott, visit Mount Rushmore and have already been honored by recent visits by Senator DOLE and others.

Mr. President, I ask unanimous consent that Mr. Borglum's speech be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF JAMES BORGLUM

Mt. Rushmore began as a local attraction, became an ideal in the minds of a few, suffered periods of doubt, apathy, misunderstandings and a lack of financial support. It became greater than these obstacles when the government took responsibility. Then this ideal grew in the minds of many and it became distinctly a national monument "decidedly American in its concept, in its magnitude and in its meaning. * * * Destined to remind future centuries of the ideals and achievements of men who were responsible for the conception, preservation and growth of this nation."

"Regardless of the ultimate destiny of western civilization, this sculpture will show succeeding generations that we had reached a peak of power, audicity, and importance. It idealizes all that is best in our national traditions, principles, and form of government. It symbolizes maturity, stability, noble purpose and liberty of thought and action."

"A monument was not created to Washington, Jefferson, Lincoln or Roosevelt but to the concept that man has the right to be free and to be happy as developed and maintained in a national government by these four great national leaders."

Work on Mt. Rushmore was stopped abruptly in 1941 because of the more pressing needs of war. Now, a memorial has been created around this unfinished monument. Peace and prosperity have come and gone since 1941 and still in almost 50 years no work has been done towards its completion. "This work, to be a credit to the men who founded our civilization, must proceed much further, it must be carried on with a fresh and new sense of its greatness, and the need of perfecting this message from the soul of America to posterity."

Many people come to Mt. Rushmore and marvel at the task. The rubble pile, evidence of labor, has unfortunately become part of our mental image. It is as if we were commemorating the effort that has gone into the project thus far, and losing sight of what it represents. Without the permanent accessories and historical references that this work deserves, Mt. Rushmore may have a message lost on future generations.

Mr. PRESSLER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I ask unanimous consent that I may proceed until the next Senator having a special order arrives on the Senate floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE CONTRA ISSUE

Mr. PRESSLER. Mr. President, I spoke yesterday on the Contra issue. As I said at that time, I shall vote against placing moratorium on the funding for the Contras. I do so reluctantly, but I do so because I think it will save money in the long run. It is my feeling that Congress made a decision last year to give aid to the Contras and to stop midstream would be a mistake.

I have been a great critic of many things about the Contras and I have been a great critic of many things about the Nicaraguan Government. It seems to me that it would give us more negotiating leverage to have the Contras carry out their mission in spite of all the bad publicity and all the mistakes that have been made. The United States is on a policy course here and it is a difficult policy course.

However, I believe that the Arias peace plan can better be accomplished if there is pressure on the Nicaraguan Sandinistas to negotiate.

Mr. President, over the past few years there has been the Grenada situation, where we saw armed forces overthrow a government and our troops overthrow that government. Everybody acclaimed that as a success.

The fact of the matter is that there are two sides to the story in Central America. We will have a very difficult time formulating policy for that region in the next few years.

I voted for the Sanford joint resolution which encourages the meeting of the democracies in that area to try to find a peace plan. It is my feeling that if we were to pull the plug on the Contras at this point it would result in the loss of negotiating strength those democracies currently have. There would no longer be two sides to the story.

Also, as an operational matter, the Contras are just now going into Nicaragua to carry out their mission, a long planned mission, an expensive mission, a mission that is part of our policy.

For us to have gone this far in helping to train the Contras, and then to withdraw support at the very time they are going to carry out their mission, would, in my view, be a mistake.

So I feel we are going to be saving money in the long run with the continuation of this policy. In any event, Mr. President, I do not think there is a realistic chance that this round of funding for the Contras will be stopped. I think the exercise we are going through is very political in nature. Even if Congress passes this, it is clear the President will veto it and the Senate will sustain that veto. It is a political exercise as much as an exercise in the formulation of foreign policy.

I am one who believes that partisanship should end at the country's shores, as Arthur Vandenberg put forth. I was not a sharp critic of President Carter on some occasions when I felt there was an opportunity to do so on foreign policy.

It is my feeling that the President deserves the chance to see if this part of the Contra plan can be carried out. Therefore, I shall vote against a moratorium, I will vote to continue the current policy at least until the next budgetary round.

At that time, I feel very strongly that we must reassess what the actual accomplishments have been. The Arias plan will have been considered, we will have the results of the Arias meeting, and I think we will be prepared to move forward.

Mr. President, I yield back the remainder of my time.

RECOGNITION OF SENATOR NICKLES

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Oklahoma [Mr. NICKLES] is recognized for not to exceed 5 minutes.

ENERGY SECURITY

Mr. NICKLES. Mr. President, today I rise on the floor of the Senate to discuss the recent report issued by the Secretary of Energy to the President of the United States dealing with energy security. It is a very complex, very detailed report issued by the Secretary of Energy to update the President, and I believe the American people, on the status of the energy industry and also the security and economic implications of the fact that we are becoming much greater dependent on foreign sources. An editorial comment would be on foreign sources which are not stable and which have been proven in the past not to be reliable.

I compliment the Secretary.

There are a lot of fine proposals in here. I have a couple of general statements concerning the report.

He said in the report that we are becoming much more dependent on foreign sources. He states in the report that, in his estimation, by the mid-1990's we will be importing 50 percent of our energy needs.

My belief is, Mr. President, that that is understating the problem, understating the problem from a couple of perspectives.

One, it understates or overestimates how much our domestic production will be. Our domestic production has fallen and fallen substantially, primarily because, as you see from this chart, the number of active rigs, the number of rigs that are actually drilling oil in this country, has declined to an all-time low. We have 801 rigs running in the United States today. That is the lowest at any time since World War II. Certainly, if you are not drilling, you are not replacing oil that is being produced and oil that we are running out of. That means that there is a decline in production.

If you look at this chart, Mr. President, this decline in production has been precipitous. It has fallen dramatically in the last 12 months alone. We have seen production in this country go from over 9 million barrels a day to now 8.3 million barrels per day. That is a reduction in 1 year, the most rapid decline in production in our country's history. You can see production was gradually increasing, but since we have had precipitous drops in prices, production has declined and declined substantially.

As that production declines, it also means that our imports are increasing.

On this chart, you can see the imports have increased. You will remember, and the American people will remember, that we had gas lines in the early seventies, both in 1973 and 1979. That caused dramatic negative impacts on the economy. We had factories shut down, schools shut down, and gas lines all across the country. You can see that our dependence on foreign sources declined substantially and leveled off, but now we see that they are rising at a rate more rapidly than any other time in our Nation's history. Actually, in the last 15 months, we have seen imports rise from 27 percent until today the gross imports are right at 38 percent. Again, that is the most rapid rise of imports of petroleum products at any time in our Nation's history. It means we are very vulnerable to being shut off.

What is it going to be a year from now? What will it be 5 years from now?

This report which was done by the Secretary of Energy, states that he estimates we will be at 50 percent in the mid-1990's. I think he misses the mark. I think we will be at 50 percent—and the Senator from Tennessee and this Senator will be here and we will find out if I am correct—in a couple of years, by 1990. I think by 1995, unless something dramatic happens, we will be importing 60 percent, or maybe two-thirds in just 7 years. Again, we will be importing a substantial bulk of that from the Middle East countries, countries that in the past have used oil as a weapon, that have shut off from the United States, that have denied us that valuable resource and really caused economic chaos not only in this country but in the entire world.

Again, I compliment the Secretary for his report. He highlights the fact that we have a problem. I think he underestimates the problem, but at least he acknowledges that there is a serious economic and security risk to the United States.

He suggests several positive alternatives, things that should be done and things that I agree with wholeheartedly.

He says we should deregulate natural gas and repeal the Fuel Use Act. We need to do that, and right now we are working on repealing the Fuel Use Act in the Energy Committee. He said we need to repeal the windfall profits tax. We have done that in the Senate and I hope we will be successful in doing that in the Congress. He said we should repeal OCS and I agree.

Again, he has focused attention on some of the problems. I hope the Congress and the American people will wake up and work together and see if we can eliminate or at least minimize this future and, I believe, very serious present economic risk to our Nation's health.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR McCAIN

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Arizona [Mr. McCAIN] is recognized for not to exceed 5 minutes.

Mr. McCAIN. I thank the Chair.

INDIAN ECONOMIC DEVELOPMENT ACT OF 1987

Mr. McCAIN. Mr. President, I am pleased to introduce later today legislation providing for the creation of enterprise zones on Indian reservations. I am joined by my distinguished colleagues, Senators INOUYE, EVANS, BURDICK, SIMPSON, and DECONCINI.

Mr. President, there are few areas in our Nation that are suffering from more terrible living conditions than Indian reservations. Unemployment is often two to three times the national average. Health conditions are deplorable. Young Indian people are committing suicide at three times the national average; countless others turn to alcohol and substance abuse. More than 90,000 Indian families are in need of housing assistance. These conditions are as bad as if not worse than those found in many Third World countries.

Mr. President, there are 2½ million American Indians today living in the conditions of Third World countries, these problems need to be addressed.

According to the 1980 census, 14 percent of all Indian reservation households had incomes less than $2,500 per year, as compared with 5 percent for the United States as a whole. Only 6 percent of reservation households had incomes greater than $30,000 per year, as compared with 20 percent for the United States as a whole; 41 percent of reservation Indians were living in households with incomes below the poverty level, as compared with 12 percent for the United States as a whole.

I want to repeat that: Forty-one percent of reservation Indians are living in households with incomes below the poverty level as compared with 12 percent of the United States as a whole. Twenty-two percent of reservation households were receiving income from public assistance, as compared with 8 percent for the United States as a whole. Tragically, the 1990 census will probably reveal another decade gone by with no discernable improvement in the socioeconomic status of reservation Indians.

In addition to the adverse socioeconomic conditions, many reservation environments are remote and their physical infrastructures are underdeveloped or nonexistant. Job training centers are distant, internal capital for economic development is lacking, and external capital is extremely difficult, if not impossible, to obtain.

Previous attempts to encourage the development of reservation economies have invariably involved Federal agencies providing grants, subsidized loans, loan guarantees, and interest subsidies. There have been some success stories, but more often than not, the above programs have fallen short as a result of deficiencies in administration, lack of technical assistance, lack of project review and monitoring, and a decrease in program funding.

Let me point out that today, Mr. President, unemployment in America is 6.7 percent; unemployment on reservations in America is 38 percent. That number in itself is incredibly deceiving because the majority of employment provided on Indian reservations is from two sources: The Federal Government or the tribal governments. Also, as we all know, the unemployment figures are only gauged by those who are still looking for work. Thousands and thousands of Indians have long ago given up the search for work because there is simply no opportunity.

The Indian Economic Development Act would be a catalyst for Indian tribes and the private sector to work together to create jobs, provide employment training, and enter into an era of long-term economic development. Although enterprise zones are not a panacea, they would assist tribes in taking the critical first step toward long-term economic development.

Indian enterprise zones would be provided with select tax incentives at the Federal level and a commitment from tribes to offer their own tax relief. I fully understand the concerns these amendments to the 1986 Tax Code will raise. It is very clear, however, that these incentives are necessary not only to attract the private sector to Indian reservations but to develop the physical infrastructure capabilities necessary to locate industry onto many reservations. Moreover, the tax revenues lost up front would be offset by reductions in welfare payments and payments of personal income taxes by persons previously unemployed or underemployed. Given the desperate economic circumstances within Indian country, I believe these incentives merit serious consideration.

Many business leaders have shared with me their concern about locating on Indian reservations. One fear is that of not having adequate recourse in civil and contract disputes. While the private sector's concern needs to be addressed, I believe a legislative solution is unnecessary. Tribes and businesses are fully capable of working out this area of concern as well as other matters that may arise.

Mr. President, I am very pleased to receive enormous encouragement from Indian tribes and Indian tribe organizations throughout the country. The problem I have described strongly recommends the adoption of economic enterprise zones. I encourage my colleages to examine this bill and support creating enterprise zones for Indian reservations.

Mr. President, we have three obligations to all our citizens, in my opinion: Adequate health care, adequate education, and economic opportunity. We have done a lot to help the Indians receive adequate health care. The Indian education amendments are addressing the problems of education. Now we must provide all of our Indian citizens with that opportunity which all of our citizens deserve across this country and that is an equal economic opportunity.

RECOGNITION OF SENATOR DOMENICI

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from New Mexico [Mr. DOMENICI] is recognized for not to exceed 5 minutes.

THE HOMELESS MENTALLY ILL

Mr. DOMENICI. Mr. President, I am today offering what I believe is one of the most important proposals I have made during 14 years of service in the U.S. Senate.

This is legislation to establish a program designed exclusively to help those among America's street people who are mentally ill.

I have walked the street of this city. I have walked the streets of Albuquerque and other cities in New Mexico. I have seen, as my colleagues have seen, men and women huddled on steam grates or slumped in doorways.

I have heard the voices of pain. I have listened to them talk in what sometimes sounds like an irrational babble.

My heart goes out to these people. What pain, what sadness permeates these lives.

That is what this bill is about. This is legislation to bring sunshine into the lives of despair. This is legislation of compassion, legislation to help people who are ill begin to recapture their health.

The problem of the homeless is one of the most difficult confronting government. Because there are many causes of homelessness and because the population is forever shifting, it is an issue that has been very difficult for government to resolve.

Emergency legislation to help the homeless has passed the House of Representatives. That and other legislation provides help on many problems of the homeless.

But I am convinced that we will never begin to solve the problems of the homeless until we recognize this vital fact: Among our street people, a very large percentage—some say as high as 50 percent—suffer serious mental disorders, often the terrors of schizophrenia.

As one example among many, Daniel Goleman, of the New York Times described a "woman in her fifties, whose elegant, though filthy, clothes bespeak a better past." He described her as very agitated, literally tearing her hair, then quieting to stare "at a tree, unmoving, for hours. The alteration between stupor and excitement marks the woman as a catatonic, a type of schizophrenic whose most extreme symptoms are rare among hospital patients because medications suppress them. Because she lives on the streets, her symptoms run rampant."

The American Psychiatric Association estimated that 25 to 50 percent of homeless Americans have "serious and chronic forms of mental illness." Professionals at National Institute of Mental Health commonly use 40 percent as their best estimate.

Whatever the number, the problem is real. Fortunately, we have the skills and medicines to help repair these shattered lives.

My bill, which is cosponsored by the distinguished Senator from Illinois [Mr. SIMON], will help to rebuild these shattered lives. It will help end one of the most terrifying aspects of the homeless problem.

Before I describe the details of this bill, the "Services for Homeless Mentally Ill Individuals Act of 1987," I want to describe some of the background and some of the issues.

Until a generation ago, persons with severe mental illnesses were usually committed for long periods in State-run hospitals. Some were good; some were warehouses of tragedy. The development of psychotropic drugs and a new philosophy of community treatment, supported later by numerous court decisions clarifying the civil rights of the mentally ill, led to the release of tens of thousands of patients with severe mental problems.

Over the past 30 years, the number of individuals in these State hospitals dropped from 559,000 to 126,000. Long-term hospitalization today is restricted to those mentally ill persons who are considered a danger to themselves or others.

This new freedom worked for many. Helped by community and family, patients who had lived within walls of torment entered new lives of activity and usefulness.

But we also failed. For many, we lacked a system of support. Some were too sick, too impaired, or too socially unskilled to thrive outside the hospital walls.

They spilled out into our streets.

For many years, I have come to the floor of the Senate as an advocate of increased research into serious mental disorders, particularly schizophrenia. This research has provided many exciting advances. Mental illnesses, we discovered, are treatable. We can calm the terror of mental disease. We have a long way to go, but the progress is exicting.

But for those who are homeless and mentally ill, we must do more. We must reach out to them, we must return them to a safe haven where they will find support.

While our National Government helps many homeless people, we have done little for those with symptoms like the lady I described earlier. We make assistance available through many existing Federal Government programs. We provide food stamps, income support, health programs, welfare payments, renovation money for shelters, and even refrigerators, stoves, army cots, and blankets.

In last year's antidrug abuse bill, now Public Law 99-570, Senator DIXON and I added a title to ensure that the homeless would not be deprived of these benefits due to the lack of a fixed address. This provision passed both the Senate and the House of Representatives unanimously, and was signed into law.

Yet such programs do little or nothing for homeless Americans who are mentally ill.

How do we meet this desperate need?

I consulted with several key mental health advocacy groups to learn how our knowledge might be applied to the homeless mentally ill. These groups were: The National Alliance for the Mentally Ill, National Mental Health Association, Mental Health Law Project, American Psychiatric Association, American Psychological Association, National Council of Community Mental Health Centers, and the American College of Neuropsychopharmacology.

I also met with homeless shelter operators and government officials in New Mexico: The Albuquerque Emergency Care Alliance and the St. Elizabeth's Shelter of Santa Fe. I am aware of the excellent work of the Gospel Rescue Mission in Las Cruces.

The professional advocates and the local service providers in New Mexico agreed that any response, to be effective, must have flexibility and reward local initiative.

I also examined the work of the National Institute of Mental Health [NIMH] effort known as the Community Support Program, plus some 10 projects that were developed from the Community Support Program, at a total cost of just $1.6 million.

All of this background and examination led me to conclude that a sound, effective program to help the mentally ill among the homeless must have five central elements. This bill is built upon those five elements: First, outreach, second, transitional housing, third, treatment, fourth, case management, and fifth, training.

It is important, I believe, to describe in some detail just what each of these principles involves, and how each can be expected to work after this legislation becomes law.

The first component of the program is outreach. Essentially, we must go out into the streets to search for the mentally ill, to offer help to them.

The homeless who are mentally ill are highly unlikely to initiate contact with treatment programs. We must reach out and seek the homeless mentally ill in bus stations, parks, shelters, and other nontraditional settings. Once we have established a caring relationship, we can begin to treat them medically, psychiatrically, psychologically, and socially; "psychosocial rehabilitation" is a shorthand phrase for these types of assistance.

Once we have helped the mentally ill homeless out of their doorways of despair, an effective program must offer a sound roof, a warm bed, and pleasant surroundings. That is what we call transitional housing.

Grant funds may be used to provide housing and supportive services for the homeless mentally ill. The idea is to stabilize their lives while evaluation, treatment, and referrals to other services are made. This type of stabilization is essential if the other four principles of support are to be effective.

Next, we must offer treatment. Medical and psychiatric screening and evaluation will be conducted by the local mental health authority or other qualified contractor. Counseling, family therapy, and other psychosocial rehabilitation services can be offered at the discretion of the local providers.

Another key principle is what is termed case management. This is essentially a guardianship service, a service that will help the mentally ill meet their daily needs including transportation to treatment programs, daily allowances, medication, food, and shelter.

Case managers will also help to enroll the homeless who are eligible in existing Government assistance programs, such as supplemental security income, food stamps, and Medicaid. I am told that the medical and psychiatric professionals often lack the time and inclination to provide the nonmedical assistance needed. Those who cannot do for themselves need a helping hand.

Finally, we must offer training to those who will work with the homeless mentally ill. Shelter staff, case managers, outreach workers, and other individuals who provide services in shelters, mental health clinics, and other service sites for the homeless will be trained in techniques for recognizing and initiating treatment for serious mental illness. They will be taught ways to approach and assist persons who may be hallucinating, hearing voices, suffering delusions, or are otherwise disoriented.

Each of these principles is important. To participate, a local program must involve each of these five elements. It may involve more, but it can not involve less.

To assure that these five principles are achieved for each program financed, a certification process is required. This is a relatively simple certification, similar to the one used in the Anti-Drug Abuse Act of 1986. This should speed the availability of grants at the local level.

To achieve these goals, this legislation amends title XIX of the Public Health Service Act to allow the use of the existing alcohol, drug abuse, and mental health services block grant to provide services to homeless people with serious mental illnesses.

The bill provides a 5-year authorization, starting at $200 million during the first year, rising to an authorization of $220 million during the fifth year. This money would provide 75 percent of the program costs, with the State or city expected to contribute the remaining 25 percent.

A modified community development block grant formula is used to distribute grants under this bill. Under this modified formula, no State—including its metropolitan areas and urban counties—would receive less than $500,000. The formula must generate a minimum of $100,000 to a metropolitan area or urban county in order to trigger a metropolitan allocation, separate from the allocation to the Governor for the balance of the State.

The Alcohol, Drug Abuse, and Mental Health Administration at the U.S. Department of Health and Human Services will distribute the funds to Governors, mayors, and county executives according to this modified community development formula. A sample distribution of $200 million is attached. Administrative costs at the local level are restricted to 2 percent or less.

In order to be eligible for the formula allotment, the recipient mayors and Governors will also certify that they will use these grants to provide mental health services for the homeless mentally ill in accordance with the State mental health plans, as required by the Mental Health Systems Improvement Act, Public Law 99-660.

Homeless persons who have chronic alcoholism or drug abuse problems would be referred to existing programs as recently expanded by the antidrug abuse bill, Public Law 99-570.

In addition, this bill adds $2 million to the Community Support Program at the National Institute of Mental Health in the U.S. Department of Health and Human Services. We are looking to the Community Support Program for more leadership in refining our knowledge about reaching and treating the homeless mentally ill.

The National Institute of Mental Health is also expanded to provide knowledge, information dissemination, and training. The Institute will train local service providers in methods to contact, engage, treat, house, and otherwise assist homeless individuals who are mentally ill.

The National Institute of Mental Health will also evaluate the State and local programs for the mentally ill homeless funded by this bill. I anticipate that the evaluation will support and improve the training and information programs. These training and evaluation functions would be funded at $8 million.

Therefore, the total first year authorization in this bill is $210 million.

The Congress will receive an annual report about the status of the homeless, including their location, needs, and the progress made to assist them.

In summary, this bill enables the Federal Government to finance some of the services that are absolutely essential for the homeless mentally ill. Yet, it provides to local governments the flexibility they need to complement the ongoing efforts of many churches and private organizations.

We do not presume that answers must come from Washington. Rather, we are adding the capability of using what we have learned about the homeless mentally ill in the past few years. We provide critical funding for outreach, housing, treatment, case management, and training.

New ideas will continue to emerge. These ideas should be captured for further dissemination through the required evaluation and training process at the National Institute of Mental Health.

We have much to learn about serving the homeless mentally ill. I am convinced that this program will help many of those in immediate need. New ideas and approaches will be picked up by program evaluators and spread through the training mechanism.

Mr. President, this is sound legislation. I urge each of my colleagues to review it and, I hope, support it. I welcome the cosponsorship of my colleagues to what I am convinced is a major and important initiative, one that deserves our support.

Mr. President, I ask unanimous consent that an article by Dr. Shervert H. Frazier, "Responding to the Needs of the Homeless Mentally Ill," be printed at this point in the CONGRESSIONAL RECORD.

In addition, I also ask unanimous consent to print the bill itself and letters of support for this bill from the National Alliance for the Mentally Ill, American Psychiatric Association, American Psychological Association, National Mental Health Association, Mental Health Law Project, National Council of Community Mental Health Centers, and the National Association of State Mental Health Program Directors.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 763

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Services for Homeless Mentally Ill Individuals Act of 1987".

FINDINGS

SEC. 2. The Congress finds that:

(1) The causes of homelessness are many and complex, and homeless individuals have very diverse needs. Some individuals are homeless because they have lost their jobs, and others are homeless because of the gentrification of urban areas without a concomitant replacement of inexpensive housing. Other homeless individuals suffer from substance abuse or severe and persistent mental disorders or disabilities. Most often, homelessness results from a combination of these factors.

(2) There is no single, simple solution to the problem of homelessness, because of the different types of homeless individuals, the different causes of, and reasons for, homelessness, and the different needs of various homeless individuals. Moreover, while temporary housing, such as shelters, is a necessary step, it is only a short-term solution.

(3) Individuals with serious mental illness are a large subgroup of the homeless population. According to research supported by the National Institute of Mental Health, approximately one-third of all homeless individuals currently have a serious mental illness.

(4) There are a disproportionate number of individuals with mental illness among the homeless street population, as compared to the shelter population, and such individuals have more extensive needs than users of shelters. Homeless mentally ill individuals are not adequately served by shelters.

(5) Homeless mentally ill individuals are usually willing to receive mental health services, according to research supported by the National Institute of Mental Health. The lack of appropriate and accessible services for such individuals is the problem, rather than the refusal to accept help.

(6) Barriers to mental health care prevent homeless mentally ill individuals from becoming stabilized in the community. These barriers include issues of stigma and dual disenfranchisement. Often, mental health programs do not accept homeless individuals, and shelters cannot cope with mentally ill individuals. There is a lack of residential alternatives for such individuals, and the lack of such alternatives inhibits therapeutic treatment. A residence is most often a prerequisite to successful mental health treatment.

(7) Solutions for homelessness must be targeted to the differing populations of homeless individuals. Such diverse groups as the unemployed, individuals displaced by gentrification, alcoholics and drug abusers, and seriously mentally ill individuals have very different needs.

(8) The Community Support Program carried out by the National Institute of Mental Health has demonstrated effective techniques for aiding individuals with serious mental illnesses, including those who are homeless. These techniques include—

(A) outreach services to reach mentally ill homeless individuals in non-traditional settings;

(B) treatment and psychosocial rehabilitation services, including diagnosis and psychiatric evaluation, medication, appropriate substance abuse referrals, individual, family and group counseling, and psychosocial rehabilitation;

(C) comprehensive case management and follow-up services;

(D) transitional living to provide a stable basis for treatment and case management; and

(E) training of individuals who provide services to homeless mentally ill individuals.

(9) Seriously mentally ill individuals can live in the community if they have an appropriate range of independent and supervised housing opportunities coupled with social services and medical support. A comprehensive community based system which combines the five services described in subparagraphs (A) through (E) of paragraph (8) has proven to be effective in preventing homelessness among individuals with mental illnesses.

ESTABLISHMENT OF PROGRAM

SEC. 3. (a) Title XIX of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART D—SERVICES FOR HOMELESS MENTALLY ILL INDIVIDUALS BLOCK GRANT

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1931. (a) To carry out this part, there are authorized to be appropriated $200,000,000 for fiscal year 1988, $204,000,000 for fiscal year 1989, $208,000,000 for fiscal year 1990, $212,000,000 for fiscal year 1991, $216,000,000 for fiscal year 1992, and $220,000,000 for fiscal year 1993.

"(b) Of the total amount appropriated to carry out this part for any fiscal year, not more than 2 percent shall be available to carry out section 1937(a).

"ALLOTMENTS

"SEC. 1932. (a) The Secretary shall allot the total amount available for allotment under this section for a fiscal year (after the application of section 1931(b)) to States, metropolitan cities, and urban counties so that the percentage of such total available amount that is allotted to any State, metropolitan city, or urban county for such fiscal year is equal to the percentage of the total amount available for grants under section 106 of the Housing and Community Development Act of 1974 for the fiscal year prior to such fiscal year that is allocated to such State, metropolitan city, or urban county.

"(b)(1) Notwithstanding subsection (a), the allotment of a State under this section for any fiscal year shall not be less than—

"(A) one-half of one percent of the amount available for allotments under this section for such fiscal year; or

"(B) $500,000,

whichever is less.

"(2) If, under the allocation provisions applicable to this part pursuant to subsection (a), any metropolitan city or urban county would receive an allotment of less than $100,000 for any fiscal year, such amount shall instead be reallocated in accordance with subsection (c).

"(c) If the total amount of funds appropriated under section 1931 for a fiscal year and available for allotment under this section for such fiscal year is not otherwise allotted to States, metropolitan cities, and urban counties because—

"(1) one or more States, metropolitan cities, or urban counties have not submitted an application or description of activities in accordance with section 1936 for such fiscal year;

"(2) one or more States, metropolitan cities, or urban counties have notified the Secretary that they do not intend to use the full amount of their allotment;

"(3) some allotments of States, metropolitan cities, or urban counties are offset or repaid under section 1917(b)(3) (as such section applies to this part pursuant to section 1936(e)); or

"(4) amounts become available under subsection (b)(2),

the amount not allotted shall be allotted among each of the remaining States, metropolitan cities, and urban counties in proportion to the amount otherwise allotted to such States, metropolitan cities, and urban counties for such fiscal year without regard to this subsection.

"FEDERAL SHARE

"SEC. 1933. The Federal share of all activities in a State, metropolitan city, or urban county supported by an allotment to such State, metropolitan city, or urban county under section 1932 for a fiscal year shall be 75 percent of the aggregate necessary costs of all such activities, as determined by the Secretary. A State, metropolitan city, or urban county shall pay at least 15 percent of such costs in cash, and the remainder of such costs shall be paid by such State, metropolitan city, or urban county through in-kind contributions.

"PAYMENTS UNDER ALLOTMENTS

"SEC. 1934. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State, metropolitan city, or urban county from its allotment under section 1932 from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State, metropolitan city, or urban county for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State, metropolitan city, or urban county for the purposes for which it was made.

"USE OF ALLOTMENTS

"SEC. 1935. (a)(1) Except as provided in subsection (b), amounts paid to a State, metropolitan city, or urban county under section 1934 shall be used by such State, metropolitan city, or urban county to carry out comprehensive emergency projects for eligible individuals. Such projects shall include each of the following activities:

"(A) The provision of outreach services to eligible individuals in nontraditional settings, such as shelters, streets, transitional housing sites, and drop-in centers for homeless individuals. Such services shall include crisis intervention services, needs assessment services, and referral to providers of services for eligible individuals.

"(B) The provision of treatment and rehabilitation services to eligible individuals, including diagnostic services, psychiatric evaluation, medical services, the provision of pharmaceuticals, substance abuse treatment and rehabilitation, individual and group counseling, family therapy, and psychosocial rehabilitation services.

"(C) The provision of training to individuals who provide services to eligible individuals, including individuals who work in shelters, mental health clinics, hospital emergency rooms, transitional housing sites, and individuals who provide case management and outreach services, in order to enable such individuals to—

"(i) identify and serve the mental health and support needs of eligible individuals;

"(ii) refer eligible individuals to available services; and

"(iii) coordinate the provision of services to eligible individuals.

"(D) The provision of case management services to eligible individuals.

"(E) The provision of transitional housing for eligible individuals.

"(2) Not more than 50 percent of the total amount paid to a State, metropolitan city, or urban county for a fiscal year may be used by such State, city, or county for such fiscal year to carry out paragraph (2)(E).

"(b)(1) A State, metropolitan city, or urban county may use amounts paid to such State, city, or county under this part to conduct comprehensive emergency projects for eligible individuals required under subsection (a) through contracts with qualified providers of mental health services.

"(2) For purposes of this subsection, a qualified provider of mental health services—

"(A) is a public or non-profit private entity;

"(B) agrees to conduct, or arrange for the conduct of, each of the activities described in subsection (a)(1);

"(C) if eligible to receive payments under the State plan approved under title XIX of the Social Security Act for services provided to eligible individuals that are covered under the State plan, agrees to seek reimbursement for such services under the plan to the extent permitted under the plan;

"(D) agrees to establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the contract;

"(E) agrees to establish a continuing program of quality assurance with respect to the activities conducted under the contract; and

"(F) agrees to submit annual reports to such State, city, or county that describe the utilization and costs of activities provided under the contract and such other information as such State, city, or county may require.

"(3) In entering into contracts under this subsection, a State, metropolitan city, or urban county shall give preference to qualified providers of mental health services who are experienced in the treatment of mental illness in homeless individuals.

"(4) Under a contract with a State, metropolitan city, or urban county under this subsection, a qualified provider of mental health services may enter into subcontracts with—

"(A) self-help organizations that are established and managed by current and former recipients of mental health services, primarily to provide the services described in subparagraphs (A) and (D) of subsection (a)(1); and

"(B) eligible systems designated under title I of the Protection and Advocacy for Mentally Ill Individuals Act of 1986 in order to provide advocacy services to individuals who have serious mental illnesses and who are not eligible for such services under such Act.

"(c) A State, metropolitan city, or urban county may not use amounts paid to it under section 1934 to—

"(1) provide inpatient services;

"(2) make cash payments to intended recipients of services;

"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment, except to provide transitional housing under subsection (a)(1)(E); or

"(4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

The Secretary may waive the limitation contained in paragraph (3) upon the request of a State, metropolitan city, or urban county if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this part.

"(d) Not more than 2 percent of the total amount paid to a State, metropolitan city, or urban county under section 1934 for a fiscal year may be used for administering the funds made available under section 1934. The State, metropolitan city, or urban county shall pay from non-Federal sources the remaining costs of administering such funds.

"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"SEC. 1936. (a)(1) In order to receive an allotment for a fiscal year under section 1932, a State, metropolitan city, or urban county shall submit an application to the Secretary. Each such application shall be in such form as the Secretary shall require, and—

"(A) in the case of an application by a State, shall be submitted with the application required by section 1916(a) or at such other time as the Secretary shall require; and

"(B) in the case of an application by a metropolitan city or an urban county, shall be submitted at such time as the Secretary shall require.

"(2) Each application required under paragraph (1) for an allotment under section 1932 for a fiscal year shall contain assurances that the State, metropolitan city, or urban county will meet the requirements of subsection (b).

"(b) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State, metropolitan city, or urban county shall—

"(1) certify that the State, metropolitan city, or urban county agrees to use the funds allotted to it under section 1932 in accordance with the requirements of this part;

"(2) certify that the services to be provided to eligible individuals under this part have been considered in the preparation of, and are consistent with, the State comprehensive mental health services plan required under subpart 2 of part B;

"(3) certify that the State, metropolitan city, or urban county will coordinate the provision of services for eligible individuals with funds provided under this part with—

"(A) activities conducted to provide services for eligible individuals by—

"(i) community mental health centers;

"(ii) State, city, county, or local providers of mental health services; and

"(iii) psychosocial rehabilitation centers;

"(B) services provided under section 1921; and

"(C) case management services provided to eligible individuals under section 1915(g) of the Social Security Act; and

"(4) certify that the State, metropolitan city, or urban county agrees that Federal funds made available under section 1934 for any period will be so used as to supplement and increase the level of State, city, county, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, city, county, local, and other non-Federal funds.

"(c) The chief executive officer of a State, metropolitan city, or urban county shall, as part of the application required by subsection (a) for any fiscal year, also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State, metropolitan city, or urban county will receive under section 1934 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State, metropolitan city, or urban county in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State, metropolitan city, or urban county under this part, and any revision shall be subject to the requirements of the preceding sentence.

"(d) Except where inconsistent with the provisions of this part, the provisions of section 1914(b), section 1917(a), paragraphs (1) through (5) of section 1917(b), and sections 1918, 1919, and 1920 shall apply to payments made to a State, metropolitan city, or urban county under this part in the same manner as such provisions apply to payments made to a State under part B of this title.

"ADMINISTRATION

"SEC. 1937. (a) Not more than 2 percent of the amount appropriated under section 1931 for a fiscal year may be used by the Secretary to pay the costs of administering this part.

"(b) The Secretary shall consult with the Secretary of Housing and Urban Development in promulgating regulations and guidelines to carry out section 1935(a)(1)(E).

"COORDINATION

"SEC. 1938. The Secretary shall take such action as may be necessary to facilitate the coordination of activities conducted under this part and the exchange of information to assist in the conduct of such activities.

"DEFINITIONS

"SEC. 1939. For purposes of this part:

"(1) The term 'case management services' means services which will assist an eligible individual in gaining access to mental health services, health care services, social services, income support services, housing, and other services. Such term includes, with respect to an eligible individual—

"(A) with the participation of the eligible individual, the development and review every 3 months of a plan of care for such individual;

"(B) the coordination of mental health services, including crisis intervention services, medical services, the provision of training in daily living activities, and the conduct of follow-through activities to insure that necessary services are received;

"(C) the coordination of, and the provision of assistance in obtaining, mental health services, transportation services, rehabilitation services, job training, housing, and other support services;

"(D) the provision of assistance in obtaining income support services, such as Federal disability benefits, aid to families with dependent children, food stamps, and State assistance; and

"(E) consultation with, and the provision of assistance to, families of eligible individuals.

"(2) The term 'eligible individual' means a homeless individual who has a serious mental illness. Such term includes—

"(A) an individual who is placed in transitional housing under this part; and

"(B) an individual who is placed in permanent housing under this part for a period beginning on the date on which such placement is made and ending 9 months after such date.

"(3) The term 'homeless individual' means an individual—

"(A) is a lower income individual (as such term is defined in section 3(b) of the United States Housing Act of 1937);

"(B) who lives or sleeps without shelter, or lives or sleeps in a shelter or mission for homeless individuals; and

"(C) who has no fixed or permanent address.

"(4) The term 'metropolitan city' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.

"(5) The term 'serious mental illness' means a severe and persistent mental or emotional disorder that seriously impairs the functioning of an individual in daily living activities such as the maintenance of personal relationships, the obtaining or retaining or living arrangements, or the obtaining or retaining of employment.

"(6) The term 'State' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.

"(7) The term 'transitional housing' means the provision of housing and supportive services to an eligible individual in order to facilitate the movement of such individual to independent living in permanent housing within a reasonable amount of time.

"(8) The term 'urban county' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.".

(b)(1) Section 504(f)(3) of such Act is amended—

(A) by striking out "$24,000,000" and inserting in lieu thereof "$26,000,000"; and

(B) by adding at the end thereof the following new sentence: "Of the amounts appropriated under the preceding sentence for fiscal year 1988, $4,000,000 shall be available for grants for projects for services for homeless chronically mentally ill individuals.".

(2) Section 504 of such Act is amended by adding at the end thereof the following new subsection:

"(i)(1) The Secretary, through the Director, shall provide training and technical assistance to States, metropolitan cities, and urban counties in carrying out part D of title XIX.

"(2) The Secretary, through the Director, shall conduct, or arrange for the conduct of, activities to disseminate information concerning research and treatment relating to serious mental illnesses, in order to assist States, metropolitan cities, and urban counties in carrying out part D of title XIX.

"(3) The Secretary, through the Director, shall conduct, or arrange for the conduct of, evaluations of services provided and activities conducted under part D of title XIX.

"(4) Within 2 years after the date of enactment of this subsection, the Secretary, through the Director, shall prepare and transmit to the Congress a report on evaluations conducted under paragraph (3).

"(5) For purposes of this subsection, the terms 'State', 'metropolitan city', and 'urban county' have the meaning given to such terms by section 1939.

"(6) To carry out this subsection, there are authorized to be appropriated $8,000,000 for fiscal year 1988 and each of the five succeeding fiscal years.".

(c) Section 2(f) of such Act is amended by striking out "and 1633(1)," and inserting in lieu thereof "1633(1), and 1939(6)".

RESPONDING TO THE NEEDS OF THE HOMELESS MENTALLY ILL

(By Shervert H. Frazier, M.D.)

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SYNOPSIS

The homeless mentally ill represent a pivotal and urgent challenge to the mental health field in the 1980s. Those homeless who have extended histories of psychiatric hospitalization stand as harsh reminders of the failures of deinstitutionalization, while young mentally ill homeless adults who never have been treated as inpatients testify to the gaps and unrealized promises of community-based care under deinstitutionalization.

Homelessness and mental illness are social and clinical problems, respectively, distinct in some ways but intertwined in others. Some of the factors that contribute to homelessness—such as economic deprivations, a dearth of low-cost housing, discontinuities in social service systems, and radical changes in the composition of American families—are felt particularly keenly by many persons who are mentally ill. And symptoms of mental disorders, in turn, frequently impede an individual's capacities to cope with those, as well as other, stressors.

Developing appropriate and effective responses to the needs of homeless people who are mentally ill requires precise definition and identification of the target population, innovations in the mental health service system, encouragement of those who staff it to work with homeless mentally ill patients, and public education. Ultimately, however, fundamental answers will be found in an improved understanding of severe mental illness, enhanced treatment capacities, and greater attention to the rehabilitative needs of mentally ill persons.

I want to talk today about mentally ill people who are homeless. This requires, but is not the same as, my talking about homelessness and about mental illness.

Also, I want to comment on the role of the National Institute of Mental Health (NIMH) in responding to the needs of homeless, mentally ill people. This requires, but is not the same as, my talking about the role of other health and social service institutions in addressing the specific needs of the homeless mentally ill.

When we see people who are alone and frightened, living on the streets, scrounging through garbage dumpsters for food to eat, it is easy to be impatient for answers—for action. But the stark needs of homeless mentally ill people obscure the complexity of the problem and the difficulty of answers. Discriminating questions will be more effective than global answers; in the long term, patient-oriented, systemwide solutions will be more humane than quick fixes.

THE CONTEMPORARY PICTURE

Between 1955 and 1984, the census of residents in public mental hospitals was quartered, declining from more than 559,000 to fewer than 130,000. The rate of episodes of mental health care provided in outpatient settings during the same period increased by a factor of 12 (1). A pluralistic system of services emerged, comprising public and private facilities, organized settings and office-based practices, and an increasing number of ambulatory and inpatient services provided in general health settings. And along the way, in the midst of these advances, the "Shame of the States," as Albert Deutsch (2) described public mental hospitals in 1948, was transformed, in the words of John Talbott (3), into the "Shame of the Cities."

The contemporary shame is evident in the sight of ragged men huddled on steam grates on freezing nights; of tired, disheveled women washing themselves in the restrooms of train or bus stations or in the water of a hydrant on a busy corner. It is heard in the hoarse voice of a young man standing on a traffic island screaming fearful obscenities at the world.

These are familiar sights and sounds. To describe them in 1985 has become almost cliche. That is the shame.

HOMELESSNESS

The issue of homelessness in America has recently received a great deal of attention. Indeed, on NBC Nightly News segment in February, Tom Brokaw described 1985 as "the year of the homeless in America."

"Homelessness" is a powerful concept. It can be, and is being, used to mobilize societal action, to rally partisan opposition to political agendas and bipartisan concern about economic realities. In some instances, it is being used to argue for a return to the more simplistic policies and practices of the past.

With increased attention to homelessness and the high frequency of use of the term, the concept is becoming blurred. What do we mean by "homelessness"? Sociologists Theodore Caplow, Howard Bahr, and David Sternberg (4a) note that the Germanic term "home," connoting warmth, safety, and emotional dependence, has no precise equivalent in other linguistic systems. It does not, they say, imply a family, for unrelated persons can make a home together. It does not suggest a household, because various institutional "homes" may be much larger. Nor, in a mobile society, does "home" mean any degree of fixity.

Homelessness has always been a feature of this country's demographics. If we look back in history, we see a nation founded by homeless people. In the 19th and early 20th centuries, agriculture, mining, logging, and construction required a large number of workers able to follow seasonal demands for labor. "Skid row" derived its name and, later, its connotation from the collection of lumbermen who wintered at the terminus of "Skid Road" in Seattle, the route over which logs were moved into the city for shipment out via Puget Sound.

The homeless population was highly visible in Chicago, too, where the convergence of rail lines formed a hub not only for commerce but for hobos. In one of the first formal sociological studies of homeless men, Nels Anderson (5) in 1923 estimated their numbers to range from 30,000 in "good times"—or about 1 percent of what was then the population of Chicago—to 75,000 in "hard times". As many as half a million homeless men passed through the city in the course of a year.

While our culture assigns a certain allure to the image of the hobo—Anderson compared him to the cowboy—these men were not a scrubbed and diligent frontier labor force. They were on the fringes of society, and, being there, they tolerated behaviors that might not have been accepted elsewhere. Alcoholism was common: mental illness was evident. In a 1911 study titled "One Thousand Homeless Men," Alice Solenberger (6) found 89 men, or about 9 percent, to be "insane, feeble-minded, or epileptic." And in his study of "hobohemia (5)," Anderson listed "defects of personality and crises in the life of the person" as major factors that led men to leave home.

With changes in technology and demands for labor in the early 20th century, the permanent population of homeless men began to shrink. Those who remained gave rise to what for many years was the stereotype of the "homeless" person: the Bowery bum, the skid row vagrant. They were men, for the most part middled-aged and older, who met the sociological criterion for homelessness: "the absence of attenuation of the affiliative bonds that link settled persons to a network of interconnected social structures"

(4b). In other words, they were disconnected from meaningful social relationships.

How many homeless? While pegging the homeless person as an inhabitant of skid row was a convenient way of encapsulating the problem, typically neither the image nor the count of the homeless was accurate. (In 1964, sociologist George Nash (7) estimated the number of homeless people in New York to be 30,000, in addition to the 7,500 residents of the Bowery.) Moreover, if one put aside the stereotype and attempted to ask the harder questions—Who are the homeless, and why are they so? What are their needs?—the answers were likely to be sketchier than the counts and to be based more in theory than in data.

To this day, we have not made significant progress in defining and counting the homeless in this country. Estimates of the number of homeless Americans at present vary widely. In early 1984, the Department of Housing and Urban Development estimated that 250,000 to 350,000 homeless Americans were seeking shelter on an average night in January (8a). At the other end of the scale, the Community for Creative Non-Violence, in Washington, DC, places the number of homeless at 2 million to 3 million people (9).

The true number is widely believed to be somewhere in between, nearer the high end of the scale than the low, and thus a rate—roughly 1 percent of the total U.S. population—comparable to that found by Nels Anderson in Chicago more than 60 years ago.

We know that the homeless are an increasingly heterogeneous group. In addition to the traditional middled-aged, white, alcoholic males, the homeless today include increasing numbers of younger and older people: women, families, and children. We know that an increasing proportion of the homeless are minorities. But we don't know much more than that, and, in the absence of better information, we need to guard against the emergence of new stereotypes.

Causes of homelessness: If the numbers and descriptions of homeless people are fuzzy, so is our understanding of the causes of the problem.

Numerous reports, hearings, and position papers in recent years have attempted to describe causes of the new homelessness in some detail, but one must accept these only with an appreciation of the possible biases of the source. On a more general level, three categories of homeless people have been identified: those who have suffered recent economic setbacks, those who have experienced severe personal crises, and those who are severely disabled by mental illness or substance abuse disorders.

For the majority of the homeless, the immediate precipitant is straighforward: a lack of economic wherewithal. The causes for this may be some of the same that Anderson (5) listed: fluctuations in the demand for labor, or shifts in the industrial base or even the lure of the open road. Or they may be more modern—alterations in public reimbursement criteria, for example.

Caught between minimum wage rates and the cost of rent, or between interest rates and gentrification, many people lose their tenuous grasp. Writing in The New Republic recently, Dorothy Wickenden (10) cited estimates by the Community Services Society that about 2.5 million Americans every year lose their homes; that about 500,000 low-rent apartments every year vanish as a result of conversion, abandonment, arson, inflation, and demolition.

The homeless who are mentally ill: We have only a slightly better understanding of the complex constellation of factors associated with homelessness among the mentally ill. For some people, the nature and symptoms of their illness may be a direct cause of homelessness. For others, the cause may be a function of the economics or design of mental health care and social service systems and may reflect the difficulties patients experience in attempting to deal with large and unresponsive bureaucracies. One cause, certainly, is the loss of inexpensive housing; between 1970 and 1980, nearly half the single-room rental units in this country were converted or destroyed (10). Homelessness may also result from stigmatization of people who are or have been mentally ill.

Data on the number of homeless people who are mentally ill are imprecise at best. Estimates range from a low of 15 percent, based on a New York State Office of Mental Health study (11) of 107 users of men's shelters, to a high of 100 percent, based on speculation and supposition.

Recently, we have begun to see a somewhat more consistent range of estimates. In 1984, the American Psychiatric Association's Task Force on the Homeless Mentally Ill estimated that 25 to 50 percent of homeless Americans have serious and chronic forms of mental illness (12). The Department of Health and Human Services estimated 33 to 66 percent (13). And in a Department of Housing and Urban Development sample of shelter residents, 22 percent of those surveyed were found to be mentally ill (8b).

That more accurate data do not exist, nearly two decades after deinstitutionalization began in earnest, may be inexcusable in the minds of some, but it is not surprising. Until the process of mass hospital discharges began, there was little cause for focus on the needs of homeless mentally ill patients. For more than 100 years, the vast majority of the identified mentally ill had been housed in public institutions. While a rich body of research was accumulating about the nature of social affiliation and disaffiliation, vagrancy, and the organization of street life, the presence of mentally ill people among the various populations in question often was difficult to discern.

Even after the process of dehospitalization was underway, there was little apparent cause to view deinstitutionalized persons as homeless or potentially homeless. The assumption was made—both by those discharging patients and by those setting up community-based systems of care—that because treatments for the most disabling symptoms of severe mental illness existed, and because the resources and the mechanisms for community and comprehensiveness of care existed, the pieces would fall into place. For the vast majority of patients discharged over the past 20 years, the pieces have fallen into place—but not without struggle. The success of these many patients has required the support of their families and friends; the understanding of employers; and the support of hospital staff, caseworkers, and other community mental health personnel. With this support, severely mentally ill patients throughout the country are leading lives that would have been unimaginable 30 years ago.

But for a minority of patients whose number is not known, the pieces did not fall into place. It is within this group that the homeless mentally ill are found.

Deinstitutionalization and the homeless: Deinstitutionalization has been described by some as a failure, by others as a success, and by many as a process that never occurred. But it has occurred. That this controversy exists suggests why mentally ill persons constitute a significant proportion of the homeless as well as why their needs are poorly understood.

For many of us in 1985, the naivete or shortsightedness of decisions made two and three decades ago now seems obvious. Yet, because many of the same problems exist today, and because new demands, challenges, and opportunities threaten to create new blind spots, it is important that we do not lose sight of the obvious.

The ideals of deinstitutionalization, as described in the mid-1970s by the National Institute of Mental Health (14), were the following:

To prevent inappropriate hospitalization through the availability of community alternatives.

To release to the community patients who were prepared for such a change, and

To establish and maintain systems of support for noninstitutionalized persons receiving mental health care in the community.

But by the 1950s and 1960s, calls for change in patterns of mental health care were being prompted as much by the needs of "the system" as by the needs of patients themselves. If the existing mental health and related service system had been working in the best interests of all mentally ill persons, this point would be moot. But the system had not been working. And, as Goldman and colleagues have noted (15), while each of the major strategies of reform undertaken in the past 30 years has had as its objective more appropriate and effective mental health care, each has identified the problem differently.

Those who viewed the problem as "institutional neurosis" or "institutionalism"—the clinical syndrome of psychological and social deficits associated with hospital care—saw need for changes in the ways that hospitals were run (16,17)

Those who viewed the problem as the larger one of "institutionalization"—the debilitating effects of institutions per se—called for changes not only in the methods used by hospitals but also in the patterns of hospital use (18).

Still others have viewed the concerns just mentioned as a condemnation of all hospital care; the tendency, noted by John Wing (19), to regard all hospitals as "total institutions" prompted questions about the fundamental value of all psychiatric hospitalization.

But the point most relevant to the contemporary needs of mentally ill persons, and particularly to the needs of those who are homeless, is that while the debate goes on, patients, resources, and policies are too frequently moving in opposite and conflicting directions. Thus, we see the bulk of State mental health monies tied up in inpatient settings, but an emphasis on the provision of outpatient care. We see public demands for the provision of appropriate care, but an inflexibility in permitting patients access to such care.

While the debate has gone on, large numbers of mentally ill patients have moved and continue to move—some untended—from hospital to community. In the absence of even minimal followup, rehabilitation services, or social supports and contacts outside the hospital, an undetermined number of these individuals today are counted among the homeless.

Also, an entire new generation of persons—the so-called "young adult chronic patients"—has come of age during the era of deinstitutionalization. Many of these young people have had little exposure to any system of care. For them, our system is a nonsystem. Rootless and drifting, they are contributing in increasing numbers to the ranks of the homeless. And because the number of young adults who are at highest risk for the onset of serious mental disorders is just now peaking as a proportion of the total population, the extent of their need is likely to increase in years ahead.

Resolving the ambiguities of deinstitutionalization will not resolve the needs of all homeless mentally ill persons. But resolving the divisiveness within the field will do much to free resources and energies required to address the needs of deinstitutionalized patients.

Impact of illness on homelessness: A second "obvious" issue that warrants comment pertains to the nature of serious mental illness, and particularly the course of the illness and the factors that impinge on it. In this regard, let me focus on schizophrenia. Patients with schizophrenia, if not most dominant in terms of number, are likely to be the most distressed and distressing subgroup among the homeless mentally ill.

As John Wing and his colleagues (19) have noted, it was in the 1950s that empirical studies of long-term mentally ill patients began to identify specific aspects of disability seen in patients that were a function of psychiatric diseases and thus to distinguish the disease process from the picture of progressive deterioration that was associated with the institutionalism and effects of institutionalization to which I referred earlier.

While investigating the types and causes of impairment, these researchers found that a lack of social stimulation contributed to a worsening of the negative symptoms of schizophrenia—the underactivity, the poverty of speech and effect, the social withdrawal. Conversely, reasonable levels of social stimulation had the opposite effect, often reducing negative symptoms to baseline levels.

A decade later, research showed that the reactivity of schizophrenic patients to environmental events was not limited to the effects of understimulation. Studies (20,21) of the impact on patients of such various environmental factors as social interactions, vocational situations, and iatrogenic processes suggested that, to many patients, overstimulation was equally damaging. And in contrast to understimulation, which fostered withdrawal, overstimulation was more noticeable in exacerbating the positive symptoms of schizophrenia: the hallucinations, delusions, and bizarre behavior associated with the disease.

It seemed that these patients could operate successfully only between narrow limits of social stimulation, with an excess of stimulation producing a relapse of schizophrenia and a paucity of stimulation producing withdrawal and clinical poverty. This changeability of symptomatology, reflecting neurophysiological arousal and attention states defines the field of research on "pathoplasticity" an endeavor that is not yet clearly enough defined.

This line of research obviously is highly significant as we consider the plight of homeless mentally ill people, particularly those who have schizophrenia. The interaction between clinical and social problems is the most fundamental issue in the provision of community care to severely mentally ill patients. But in research as well as in the provision of services, there too frequently is a tendency to look at the problem only from a systems perspective, forgetting that the most crucial element is an individual patient who is suffering from disease. The system is relevant only insofar as the disease occurs in a social context.

ROLE OF THE NIMH

Given these problems and considerations, what must be done?

I won't elaborate here on past tendencies of the mental health field, as well as the National Institute of Mental Health, to assume responsibility and promise—often beyond a capacity to deliver—answers to social problems of comparable scope and complexity to that presented by the homeless who are mentally ill. But to make note of that tendency, or to cite the evolving "mission" of NIMH, is not to suggest that the Institute will retreat from responding to the needs of these persons. NIMH is involved now in a variety of activities that attempt to address these needs, and I believe that, within the bounds of the Institute's broad research and leadership responsibilities, we ought to sharpen our involvement. But doing so effectively requires a clear understanding of the problems, the needs, and the Institute's role in bridging the two.

Research: The primary strength of NIMH is research, and the immediate problem requiring research is one definition. How ought "homeless" to be defined in reference to the deinstitutionalized or the never-institutionalized mentally ill person? Is it a matter simply of shelter and basic support needs? Or should the definition include an assessment of the quality of social supports and relationships? Similarly, how should "mental illness" be defined for such research? Too restrictive a definition will understate the problem: too loose a definition runs the risk of trivializing it.

Excellent research designs exist, but these will be of little value if we lack basic ground rules and definitions of the problem. Without them, the generalizability and the credibility of research will be weakened.

Research on homelessness and the mentally ill: The estimates of the numbers of mentally ill among the homeless population that I mentioned earlier are just that—estimates. Recently, initial results of more rigorous research have begun to be reported. An example of this is seen in a survey, supported by NIMH, of nearly 1,000 homeless persons in 32 counties of Ohio (22). Fewer than one-third of the respondents were found, at the time of interview, to evidence behavioral symptoms sufficiently severe to require specialized mental health care. Fewer than 5 percent of the total sample were judged to require psychiatric hospitalization at the time of the interview.

These findings are contrary to the experience of some front-line health and human service personnel who are working with the homeless. And, in fact, the study has been criticized for the expansive definition of "homeless" that was employed by the researchers (23). The fact that this aspect of the study has come under fire serves to illustrate the point that I am making here, and one that others have made previously: that is, the importance of methodology.

The NIMH Office of State and Community Liaison currently has seven studies underway. Four of these, being conducted through Community Support Program (CSP) grants, focus on the nature and extent of homelessness among severely mentally disabled adults being served through CSP programs. Two other studies are being conducted by New York City and State mental health authorities. In June 1985, a 2-year, NIMH-funded investigation of the service needs of homeless mentally ill persons began in Baltimore.

While this research is underway, attempts are being made to address methodological questions. NIMH has convened researchers for this purpose, and a conference report has been published (24).

This targeted, system-oriented research is needed. But in the long run, the more telling contributions of mental health research to the problems of the homeless mentally ill will stem from a rededication of the mental health field to basic and clinical research on the nature of treatment of major mental illness.

Research on chronic mental illness: Earlier in this paper, in my comments on the pathoplasticity of schizophrenia, I emphasized the importance of this type of research. Robert Drake and David Adler made a related point in the American Psychiatric Association's Task Force Report on the Homeless Mentally Ill (25). They noted that for some patients, particularly those who are severely psychotic and have never been institutionalized, the availability of adequate community resources does not in itself ensure that treatment will—or even can—be provided. The disease interferes. This is a clinical reality, and until we are able to address that reality, service needs will continue to mount, as will the human costs of mental illness, whether those who suffer it are homeless or not.

National leadership: A second major component of the contemporary NIMH mission is provision of national leadership, in the form of professional consultation and other forms of technical assistance, to the many parties of the mental health enterprise in this country. Here, as in the area of research, the opportunities for NIMH leadership and participation are too numerous to list, much less discuss in any detail. Still, let me suggest a few general areas to which the Institute can contribute in a productive way.

Policy needs: One problem today is a lack of focused and substantive policy positions, within some sectors of the mental health field, regarding the directions that we ought to take collectively, as a field. There is genuine concern, obviously, over the needs of this tragic population, the homeless who are mentally ill. And there has been some evidence of a bandwagon effect, a knee-jerk reaction. This is not necessarily bad for the purposes of raising awareness and mobilizing resources. Still, we need to look realistically at the long-term nature of the problem and the capacities of the field.

Excellent statements have been developed by various groups and organizations, and NIMH has played a useful role. One example is the Institute's recent collaboration with the American Public Health Association in convening 14 national mental health organizations to discuss and assess public policy affecting the homeless mentally ill (26). This must be a continuing process, capable of refining policies as the quality of data and an understanding of the problem improve.

Personnel needs: A second problem is the insufficient numbers of people who are interested in working with severely mentally ill persons and are clinically knowledgeable about their special needs. Chronic mental illness has infrequently received the attention it demands from the mental health professions. We need to encourage mental health and other clinical and social service personnel to exchange outmoded, nihilistic notions of the "chronic" patient for a more accurate appreciation of the fluctuating levels of disability associated with many forms of severe and persistent mental illness. Connotations of the term "chronic" are often more damaging than the condition the term denotes.

NIMH is currently working with the Public Health Service to develop a conference designed to determine how nurses can assume a more effective role in meeting the health and mental health needs of homeless persons. Similar activities involving other health and human service professions would be useful.

The NIMH Community Support Program has had extraordinary success in demonstrating opportunities for effective interventions targeted to severely mentally disabled populations in communities throughout the country. In September 1985, the program will be supplementing several CSP grants to extend these services to the homeless mentally ill.

Public education needs: A third, critical problem is lack of public understanding of the problem of homelessness and the homeless mentally ill. Awareness of the problem may be superficial among some sectors of the public, but it exists. There is considerably less awareness of strategies being considered to address the problem and of the true costs and benefits of these strategies.

As health and mental health professionals we all share a responsibility for the necessary educational tasks. An example that comes immediately to mind is the furor that frequently erupts in a neighborhood when a shelter is proposed for the homeless or for mentally disabled people.

Dr. Harvey Veith and his staff of the Federal Interagency Task Force on Food and Shelter for the Homeless have made significant contributions to public education in this area. So, I might add, has the popular press. Characteristics of homeless persons who are severely mentally ill make the task of education more difficult, but no less urgent.

SUMMARY

The frustration I feel with homeless, chronically disabled, severely mentally ill persons is the same emotion I feel when I encounter persons with the same illnesses who are disabled and who are being housed in jails, which are not homes; in correctional hospitals for the criminally insane, which are not homes; in private psychiatric hospitals, which are not homes; in rehabilitation hospitals, which are not homes; or in developmental centers, which are not homes, for the mentally retarded.

Our interim responses are necessary and useful: teaching severely disabled individuals how to cope; designing work projects that are responsive to specific individual needs; creating special worlds in which individuals can cope on a limited scale. These may provide some semblance of normal life but they do not satisfy the frustration.

Schizophrenia, particularly, evokes pain in helpers and in people who care; it renders helpers helpless while it defies resilience and hardening to the process on the part of the clinician. Persons who have the disease often are unable to cope adequately with the vicissitudes of urban life. In the absence of family members or supportive friends, people with schizophrenia are helpless before the facts of the disease, helpless before the system, helpless in the face of our great ignorance. It is a devastating disease that works in the young at a time of great promise and little experience, one whose effects are compounded by a deterioration in coping skills and a greatly diminished ability to socialize.

We may philosophize the homeless away or we may intellectualize the inadequacies of coping; we may provide half-a-loaf of shelter or a structured environment. But we cannot write off a disease or group of diseases which attacks our youth, causing one-third of them to deteriorate before our eyes; a disease which has no evident brain pathology, yet is so greatly disabling; a disease in which learning and loving and relating are so greatly hampered. This is our frustration, and our task is clear.

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THE NATIONAL ALLIANCE FOR
THE MENTALLY ILL,
Arlington, VA, March 12, 1987.
Hon. PETE V. DOMENICI,
Dirksen Senate Office Building,
U.S. Senate, Washington, DC.

DEAR SENATOR DOMENICI: The National Alliance for the Mentally Ill (NAMI) wishes to thank you for your new bill to assist the homeless mentally ill. NAMI enthusiastically supports your bill. It was thoughtful of you to ask our views as you shaped the basic concepts of this important legislation. Count on us to help secure its passage in the Congress.

As you know, Senator, our NAMI members are mostly the families of seriously mentally ill persons. As our members meet in support groups, it is common that one or more families present will not know where their ill family member is. It is a virtual certainty that he or she is wandering homeless in some city, without money, relatives, or support.

We are pleased, overwhelmed is perhaps more accurate, with the present action in Congress to pass emergency assistance for homeless persons. While we are grateful, we are mindful that the legislation is short-term with a focus on shelter, food and the basics. Mentally ill people need this help desperately. Their homelessness results from the failure of all levels of government to provide for adequate care systems in the America's communities. Unfortunately, mentally ill persons need more than these basics.

Your bill is not intended to correct these realities but because it has a multi-year authorization and because it rightly concen-

trates on the essentials of case management, housing, outreach, training, and medical treatment and rehabilitation, it will help focus on state-of-the-art concepts and programs already successfully underway in parts of the country. Of key importance is the bill's focus on the mentally ill homeless, a group who's needs are quite different from those made homelss by other circumstances.

Sincerely yours,

DON RICHARDSON,
President.

AMERICAN PSYCHIATRIC ASSOCIATION,
Washington, DC, March 11, 1987.
Hon. PETE V. DOMENICI,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR DOMENICI: On behalf of the American Psychiatric Association, a medical specialty society representing over 33,000 psychiatrists nationwide I would like to commend your efforts on behalf of the mentally ill homeless and offer our support for your proposed legislation. As you are aware, the American Psychiatric Association has long been concerned about the problem of the homeless with particular concern for that portion of the population suffering from some form of mental disorder. Over three years ago an APA Task Force on the Homeless Mentally Ill was formed to address this desparate situation. Charged to gather all the research, data and knowledge available, the Task Force prepared a substantive volume containing an up-to-date summary of what was known about the problems of the homeless mentally ill and formulated recommendations to deal with these problems. We are encouraged and pleased that not only have you met personally with APA Past President John Talbott, M.D., a nationally recognized expert on the chronic mental patient, but also that many of his and the suggestions put forth in that Task Force report to provide a comprehensive public policy regarding the homeless mentally ill have been incorporated in your present bill.

The APA strongly endorses the concept of the bill and its goal to establish a meaningful, long-term solution to the problem confronted by the mentally ill homeless. We greatly appreciate the opportunity we have had to work with you and other members of the mental health community in attempting to find the best possible approach to meeting the needs of these individuals.

Sincerely,

JAY B. CUTLER,
Special Counsel and Director,
Division of Government Relations.

AMERICAN PSYCHOLOGICAL ASSOCIATION,
Washington, DC, March 10, 1987.
Hon. PETE V. DOMENICI,
U.S. Senate,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR DOMENICI: On behalf of the 87,000 members of the American Psychological Association, I wish to convey our thanks and support for your efforts to ensure that mental health services are available to individuals and families who are homeless.

It has been an honor for us to work with your office in developing a proposal to strengthen and expand service networks at the local level for homeless mentally disabled individuals. The key elements of your proposal—outreach, mental health treatment, training, case management, and transitional living—represent a meaningful, long-range, and comprehensive approach which we are pleased to support.

Again, thank you for your fine work and dedication on behalf of homeless individuals with mental health problems. Please do not hesitate to call upon Barbara Calkins of our Office of Legislative Affairs at 955-7742, if we may be of any further assistance to you in this effort.

With best wishes,

Sincerely,

LEONARD D. GOODSTEIN, Ph.D.
Executive Officer.

NATIONAL MENTAL HEALTH ASSOCIATION,
Alexandria, VA, March 10, 1987.
Senator PETE V. DOMENICI,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR DOMENICI: The National Mental Health Association, a private, voluntary organization providing leadership to confront the entire range of mental health issues at local, state and national levels, strongly supports introduction of your bill to provide funds for development of comprehensive services for homeless mentally ill people.

We believe that your bill will address the need to improve the system of care available for people with serious mental illnesses in the community. Not only will it help people who are presently homeless to move out of homelessness into a stable environment, it will also help to prevent people with serious mental illnesses from becoming homeless in the first place.

We are especially supportive of the bill because of its long term approach to provide funds over a period of six years. The comprehensive range of services that your bill would stimulate and support over an extended period of time, together with additional local and state funding which will be guaranteed, will make a substantial contribution towards meeting the long term needs of homeless mentally ill people.

The elements of your grant program have been the central feature of successful Community Support Programs (CSP) for the homeless mentally ill funded by the National Institute of Mental Health. Outreach, treatment, training, case management, and transitional living services are all vital components in building a comprehensive community-based system. The integration of these components into one grant program, as you have done in your bill, will aid the building of comprehensive mental health systems nationwide.

We are pleased that this bill requires that states use the funds in accordance with a "state plan" required by the Mental Health Systems Improvement Act (99-660). This requirement should help to facilitate a careful and thoughtful use of federal funds to efficiently develop a system of services which has been proven to be effective in helping people with mental illnesses who are homeless or at risk of becoming homeless.

The National Mental Health Association applauds your efforts in helping a large portion of the homeless population. According to research done by the National Institute of Mental Health, one third of the homeless population currently has a serious mental illness. This bill will enable this underserved and often unserved vulnerable population to receive the services that they need to live satisfying and meaningful lives.

Sincerely,

SUSIE ELSON,
National President.

MENTAL HEALTH LAW PROJECT,
Washington, DC, March 11, 1987.
Hon. PETE V. DOMENICI,
U.S. Senate,
Washington, DC.

DEAR SENATOR DOMENICI: We are pleased to endorse the legislation you intend to introduce shortly to expand and strengthen local efforts to serve homeless people who are also mentally ill.

Your proposal in authorizing a program of comprehensive services and transitional housing for fiscal year 1988 and an additional five years recognizes that the needs of homeless mentally ill people will not be solved by an emergency effort. We commend you for taking the long range approach and building further capacity to provide vital community services to this population.

You further recognize that the provision of transitional housing is central to the effort to restore homeless mentally ill people to independent living and reintegration into the community. Decent and affordable housing is a necessity for all homeless people, of course. For those who are mentally ill, in addition, its absence undermines the treatment effort.

We are pleased to work with you and your staff in the efforts to restore homeless mentally ill people to stable and productive lives.

Sincerely,

JOSEPH MANES,
Senior Policy Analyst.

NATIONAL COUNCIL OF
COMMUNITY MENTAL HEALTH CENTERS,
Washington, DC, March 11, 1987.
Hon. PETE V. DOMENICI,
434 Dirksen Senate Office Building,
Washington, DC.

DEAR SENATOR DOMENICI: The National Council of Community Mental Health Centers would like to commend you for your concern for homeless Americans, particularly for those who have mental illnesses, and strongly support the efforts you have made on their behalf before the Congress. Our organization believes that few needs in America today are as severe as those of homeless people who lack the most basic requirements of food, shelter, and health care services. Your commitment to assure that this country take seriously its responsibility to provide for these most vulnerable people is especially laudable and we strongly support your proposed legislation, "Services for the Mentally Ill Act of 1987."

This new legislation represents a critical step in providing the federal program reform necessary to reach homeless people with mental health service needs. The bill incorporates several critical principles to decrease and ultimately prevent homelessness among our nation's mentally ill by:

Recognizing that local government is key to coordinating the front-line agencies responsible for assisting homeless persons, while integrating local services with the mental health plans of the states—the level of government most able to build and coordinate the system of services necessary to prevent homelessness among mentally ill people.

Focusing federal attention and funds on the most severe deficiencies in the community service system for mentally ill homeless people by allowing mental health providers to reach out to bring these citizens into appropriate social, health, mental health and housing services.

We are very appreciative of the opportunity to work with you and your staff on the development of this legislation and are looking forward to seeing this kind of legislation enacted.

Sincerely,

Steven J. Solomon, Ph.D.
Chair, Public Policy Committee.

National Association of State
Mental Health Program Directors,
Alexandria, VA, March 11, 1987.

Hon. Pete V. Domenici,
U.S. Senator,
Dirksen Senate Office Building,
Washington, DC.

Dear Senator Domenici: The National Association of State Mental Health Program Directors commends your efforts to draft legislation to establish a new block grant to provide services to homeless persons who have serious mental illness. Most available studies appear to indicate that roughly 30-40% of the homeless population have significant psychiatric problems. Your legislation is needed and timely.

There is one principle we strongly encourage you to incorporate into your proposal; namely, that all local and state efforts be consistent with and coordinated with existing state mental health activities, particularly those targeted to the homeless, including those efforts required by P.L. 99-660. This recently enacted federal law revised the federal requirements related to state mental health planning. All states operate state mental health advisory councils in an effort to develop and administer state mental health plans. It is important that additional activities for the homeless mentally ill be consistent with these ongoing efforts. The role of the state mental health authority is vital in these efforts.

We are pleased that your proposal is a six year sustained effort and that it is specifically tied to the ADM Block Grant. We also believe that the proposed services package is worthwhile and needed. Outreach services using non-traditional settings and off-site clinic services are important components to your proposal. Thank you for your leadership and concern. Please let us know if we can assist you further.

Sincerely,

E. Clarke Ross, D.P.A.,
Associate Director.

Mr. SIMON. Mr. President, I am pleased to join our colleague, Senator Domenici, in introducing a meaningful, long-term approach to the problems of the homeless mentally ill. While I wholeheartedly support the emergency assistance for the homeless legislation now moving through the Congress, it is clear that mentally ill persons need more than this basic assistance. It is also clear that the problem of the mentally ill homeless will continue to grow until all levels of government work toward providing more comprehensive care systems. The legislation we are introducing today offers an approach based on proven effective programs, and a stable source of funds for community efforts to cope with the homeless mentally ill. This comprehensive legislation will help people who are presently homeless to move into stable environments, and will help to prevent people with serious mental illnesses from becoming homeless.

The community support programs [CSP] for the homeless mentally ill, funded by the National Institute of Mental Health, has demonstrated through 10 pilot programs the central features of effective community-based systems. These vital components—outreach, treatment, training, case management, and transitional living services—are integrated into one grant program in the bill we are introducing today. The bill would expand title XIX of the alcohol, drug abuse, and mental health services block grant with an authorization of $200 million specifically for the homeless mentally ill. The authorization period of 6 years will permit the long-term stability needed to fully implement the program.

The bill also requires States to use the funds in accordance with the State plan required by the Mental Health Systems Improvement Act, Public Law 99-660. This should ensure that new activities are consistent with ongoing efforts and that Federal funds are carefully and thoughtfully used in developing a system of services that is effective in helping mentally ill persons out of homelessness and keeping them from becoming homeless.

At best, it has been difficult to identify the exact number of homeless mentally ill and disabled. Estimates range from 22 percent to 60 percent of the homeless population itself. On a national scale, homeless totals range from 250,000 to as many as 2 million. In Illinois, with estimates of homeless at approximately 70,000, that means 14,000 to 42,000 people in need of special community support services.

Many of our colleagues have joined these people in the streets of our Nation's cities. And we have heard accounts of individuals saying they don't want to be homeless, but that they need help. They are there for a myriad of reasons—some displaced by deinstitutionalization, by gentrification, by unemployment. And I have concerns that they are also victims of crime and substance abuse while on the streets. Moreover I believe that many are people who, under these conditions, simply cannot help themselves. And if they want help, I surely think we should provide it.

It is my sense that many of these people can serve productively in our society. I believe we have both a social and moral responsibility to help them do that. Transitional housing is crucial. So are treatment and counseling services. This legislation provides a mechanism through which States and communities can design programs for the mentally ill and disabled homeless. I am proud to be a part of it and I commend Senator Domenici for his leadership and his compassion in addressing this national concern.

Mr. DOMENICI. Now, Mr. President, parliamentary inquiry. How much time does the Senator from New Mexico have?

The PRESIDING OFFICER. The Senator has used all of his time.

Mr. DOMENICI. Mr. President, I understand I also have 5 minutes which was supposed to be allotted to the distinguished Senator from Colorado [Mr. Armstrong].

The PRESIDING OFFICER. The Senator has consumed that time as well.

Mr. DOMENICI. Mr. President, I did not know I had used that much time. I had hoped I would have been reminded before I used it all. Let me ask another parliamentary inquiry. Is there any other time remaining at this point under the special orders?

The PRESIDING OFFICER. Special orders will be terminated at 10:30. The Senator may proceed for another 2 minutes.

Mr. DOMENICI. I thank the Chair.

CATASTROPHIC HEALTH INSURANCE

Mr. DOMENICI. Mr. President, I am pleased to join with my distinguished colleagues, Senators Dole, Danforth, Durenberger, and Chafee, in introducing the "Medicare Catastrophic Illness Coverage Act of 1987."

This bill addresses the catastrophic health and financial problems that millions of elderly and disabled Americans fear. It is a first step in protecting all Americans against catastrophic health expenses. Later this year I plan to introduce legislation to address the serious problems that face the non-Medicare population.

The Senate is well aware of the serious health expense problems which confront our elderly when catastrophic illness strikes. We applaud the efforts of President Reagan and Secretary of Health and Human Services Dr. Otis R. Bowen for bringing this issue to the forefront of the health care agenda. Our legislation improves upon this effort and provides catastrophic protection in a number of key areas.

This is not a new issue. Senators Dole and Danforth and I introduced a bill in 1979 to protect our citizens against extraordinary health care costs. That was a bold move and many of the issues which we addressed then are still relevant today. I am happy to take up this issue again. It appears now that Congress and the President are ready to pass legislation.

A few weeks ago I held a meeting in my home State of New Mexico on catastrophic health expenses. I spoke with members of the public who had very high medical costs—$250,000 for one courageous young woman with heart disease. I also talked to representatives of elderly groups, health providers, and private insurers. It was quite clear that catasthophic illness is not just a health problem but a financial problem as well.

Between 1.5 and 3.4 percent of all Americans incur catastrophic health expenses in any 1 year, depending on how these expenses are counted. Moreover, between 3.4 and 8 percent of the elderly experience catastrophic difficulties because Medicare now covers only about one-half of their health care expenses. Some of the greatest needs, such as long-term care and outpatient prescription drugs, are not covered at all.

My colleagues and I recognize the catastrophic health expense problems of the elderly, but in a way which builds upon current programs like Medicare and the private insurance industry. We realize that we can't expand Medicare without keeping the trust fund solvent.

Our bill provides acute care catastrophic protection, and "peace of-mind," for 30 million elderly and disabled Medicare beneficiaries by building upon the existing program structure. Coverage would be mandatory for those now covered under the voluntary, part B of Medicare. Significant items include:

Limits beneficiary out-of-pocket costs to $1,800, indexed to the CPI. After a beneficiary pays this amount for Medicare services, the program pays the rest of Medicare charges.

Limits to one the number of hospital deductibles—currently $520—which the beneficiary may incur in any one year.

Eliminates the current inpatient deductible for whole blood.

Keeps the trust fund solvent through an actuarially sound premium of approximately $9 per month.

Includes a "hold harmless" provision so that no beneficiary's Social Security check would be reduced.

Removes current limits on the number of days that patients can remain in the hospital and still receive Medicare benefits.

Eliminates all copayments for skilled nursing facilities.

Permits beneficiaries now receiving Medicare coverage for immunosuppressive drugs to count those drug costs toward the $1,800 cap in subsequent years. However, the Medicare Program would not pay for these drug expenses.

For other drug coverage, proposes a study by the Institute of Medicine on what drugs to include under the cap.

Clarifies home health care benefits by allowing continuous coverage for 21 days.

Requires that Medicare supplemental policies—"Medigap"—conform to the provisions of this bill.

You will note that the bill does not provide coverage for long-term care and nursing home care, two items which, although very important in the catastrophic health debate, are serious high-cost matters. In this day of massive deficits, we believe such benefits can be better, and more cost-effectively addressed, by the private health insurance sector. We hope that the changes made in the so-called Baucus amendments will encourage the insurance industry to move into these important areas rather than duplicating Medicare coverage.

Mr. President, this bill is just a first step toward protecting all Americans against the financial threat of catastrophic illness. This is indeed a worthy goal and one that we can achieve this year.

I yield the floor, and I thank the Chair.

AMENDMENT OF THE AIRPORT AND AIRWAYS IMPROVEMENT ACT

Mr. MURKOWSKI. Mr. President, today I am pleased to be joined by Senators Hollings, Symms, Rockefeller, Roth, McClure, Kassebaum, Chafee, Rudman, Grassley, Wilson, Stevens, Danforth, Hecht, McConnell, Levin, and Heinz, in introducing legislation to open major Japanese public works projects for participation by United States design engineering, architecture, and construction firms. Our legislation will amend the Airport and Airways Improvement Act—49 U.S.C. sec. 2201 et seq.—to make foreign participation in federally funded airport projects contingent upon reciprocal opportunities for U.S. firms abroad.

In the next decade, over $60 billion in major public works projects will be built in Japan. The first project, the $8 billion Kansai International Airport, is in the preliminary stages. U.S. firms are extremely interested in participating in Kansai and future major projects. However, extensive negotiations between Japan and United States Government and industry over the past few years, have resulted in little progress to open Kansai to international bid and tender.

In 1986 alone, there were over 30 meetings between United States officials and Japanese on this issue. This does not skim the surface of industry's efforts.

On the one hand, the Kansai International Airport Co. has awarded over $1.8 billion in contracts to Japanese firms. To my knowledge, only three U.S. firms have received contracts. Combined, these contracts total approximately $1.4 million of the $8 billion project.

We have been stonewalled.

Japanese firms are doing well in the open United States construction market. In 1981, their United States business was less than $50 million. In 1985, it was almost $2 billion and we expect 1986 figures to be about $3 billion. However, American firms have been effectively locked out of the market in Japan for the past 20 years.

Last March, the United States and Japanese subcabinet level officials met to discuss foreign participation on Kansai. Immediately thereafter, the chairman of the leading construction industry trade association held a news conference on the matter. His words appeared the next day in all the major newspapers in Japan: "Foreigners Need Not Apply." His successor held a news conference in May repeating the message. The day after my hearings in June, the head of the leading Kansai business organization held a similar news conference to declare the Kansai project off limits to foreign firms.

Certain United States observers and Japanese industry experts have described a Japanese business practice referred to as "dango" or mutual consultation. There have been allegations that the "dango" system, understood as a system of closed meetings among major construction companies and their affiliated suppliers, could lead to anticompetitive behavior, specifically, the rotation of winning bids among insiders in the system. Japanese construction companies enforce this system through boycotts and threatened boycotts of customers.

Prime contractors tell the subcontractors who regularly work for them not to work for foreign firms. One American firm actually has a construction license in Japan but the subcontractor boycott is so effective he can't even build his own buildings. All he has been able to build are two Mrs. Fields Cookie Shops.

Bear in mind the individual who said, "foreigners need not apply" won a contract worth almost $2 billion in rehabilitation work in Manhattan in a joint venture with Zeckendorf. In fact, all the major players active in keeping American firms out have expanding and profitable business interests in the United States.

Frankly, the Kansai situation is just plain outrageous.

In the face of this intransigence, our legislation sends a strong signal to Japan that we must see meaningful change which will allow United States firms the same opportunities in Japan that Japanese firms enjoy in the United States.

Our bill will make foreign participation of over $25 billion in U.S. airport and airway improvement over the next decade contingent upon reciprocal opportunities for U.S. companies overseas.

Foreign firms will be allowed to participate in these projects unless the USTR determines, based on the annual report on foreign trade barriers and other relevant factors, that a foreign bidder or U.S. subsidiary with majority foreign ownership, does not allow U.S. firms to participate in procurement and bidding on major public works projects.

The bill contains an exemption from this provision if the Secretary of Transportation determines that:

Application would not be in the public interest.

A product or service is not produced or offered in the United States in sufficient and reasonable quantities.

Exclusion would raise the project cost by more than 20 percent.

This legislation is a balanced approach to gain market access in the second largest construction market in the world. The policy the legislation sets forth is clear and direct: United States firms demand the same market access in Japan that Japanese firms enjoy in the United States.

I urge my colleagues to join us in supporting this legislation and ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the text of the bill was ordered to be printed in the Record, as follows:

S. 764

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Airport and Airway Improvement Act of 1982 (49 U.S.C. 2201, et seqq.) is amended by adding at the end thereof the following new section:

"SEC. 533. DENIAL OF FUNDS FOR PROJECTS USING PRODUCTS OR SERVICES OF FOREIGN COUNTRIES THAT DENY FAIR MARKET OPPORTUNITIES.

"(a) In General.—

"(1) No funds provided under this Act may be used to fund any project which uses any product or service of a foreign country during any period in which such foreign country is listed by the United States Trade Representative under subsection (c).

"(2) Subsection (a) shall not apply with respect to the use of a product or service in a project if the Secretary of Transportation determines that—

"(A) the application of subsection (a) to such product, service, or project would not be in the public interest,

"(B) products of the same class or kind as such product or service are not produced or offered in the United States, or in any foreign country that is not listed under subsection (c), in sufficient and reasonably available quantities and of a satisfactory quality, or

"(C) exclusion of such product or service from the project would increase the cost of the overall project contract by more than 20 percent.

"(b) Determinations.—

"(1) By no later than the date that is 30 days after the date on which each report is submitted to the Congress under section 181(b) of the Trade Act of 1974 (19 U.S.C. 2241(b)), the United States Trade Representative shall make a determination with respect to each foreign country of whether such foreign country—

"(A) denies fair and equitable market opportunities for products and suppliers of the United States in procurement, or

"(B) fair and equitable market opportunities for United States bidders,

for construction projects that cost more than $500,000 and are funded (in whole or in part) by the government of such foreign country.

"(2) In making determinations under paragraph (1), the United States Trade Representative shall take into account information obtained in preparing the report submitted under section 181 of the Trade Act of 1974 and such other information as the United States Trade Representative considers to be relevant.

"(c) Listing of Foreign Countries.—

"(1) The United States Trade Representative shall maintain a list of each foreign country with respect to which an affirmative determination is made under subsection (b).

"(2) Any foreign country that is added to the list maintained under paragraph (1) shall remain on the list until the United States Trade Representative determines that such foreign country does permit the fair and equitable market opportunities described in subparagraphs (A) and (B) of subsection (b)(1).

"(3) The United States Trade Representative shall annually publish in the Federal Register the entire list required under paragraph (1) and shall publish in the Federal Register any modifications to such list that are made between annual publications of the entire list.

"(d) Definitions.—For purposes of this section—

"(1) Each foreign instrumentality, and each territory or possession of a foreign country, that is administered separately for customs purposes shall be treated as a separate foreign country.

"(2) Any article that is produced or manufactured (in whole or in substantial part) in a foreign country shall be considered to be a product of such foreign country.

"(3) Any service provided by a person that is a national of a foreign country, or is controlled by nationals of a foreign country, shall be considered to be a service of such foreign country.".

AIRPORT AND AIRWAYS IMPROVEMENT ACT OF 1982

Mr. CHAFEE. Mr. President, I am pleased to join with Senator Murkowski today as cosponsor of S. 764, a bill to amend the Airport and Airways Improvement Act of 1982.

This bill is designed to be a tough response to foreign unfair trade practices. It will make foreign participation in federally-funded airport projects contingent upon reciprocal opportunities for American firms abroad.

During the 100th Congress we will be examining many proposals for reducing our mounting trade deficit and improving the competitive position of the United States in world markets. Clearly we cannot expect American industry to compete successfully unless it is allowed to complete on a level playing field. In many cases it is not that American products are inferior to those made abroad—it is simply that we are not permitted to sell them. Opening foreign markets to our products is one of the most important things we can do to improve trade and and save American jobs.

The whole point of trade is to shop around the world for the best available products at the best available prices. We in the United States recognize that free and open markets best serve our national interests, and we expect the same attitude from other countries. I have grown impatient with those countries that expect to have excess to American markets for their products while making their own markets inaccessible to American goods. It is time to respond with a clear signal that we will not tolerate this imbalance.

For the last several years the administration has worked to achieve a better balance in our bilateral trade relations with Japan. Yet market access to our products in Japan is still far from reality, and the American people and the Congress have reached a point of frustration. The only way we are going to persuade Japan to remove obstacles to United States entry to its markets is to demonstrate the consequences for keeping those markets closed.

The $8 billion Kansai International Airport project is the first of many large public works projects that will be built in Japan in the next decade. In spite of the fact that Japan conducts over $2 billion of construction business in the United States each year, American firms are effectively prohibited from participating in the Japanese market. American firms are extremely interested in bidding on the Kansai project and other projects but, unfortunately, little progress has been made in opening Kansai to international bid and tender.

It is time for the United States to send a strong signal that we will not stand by and allow Japanese firms to compete for business in the United States while the doors to open trade remain closed in Japan. The bill I join in introducing today will make foreign participation in over $25 billion in U.S. airport and airway improvements over the next 10 years contingent upon reciprocal opportunities for American companies overseas.

Foreign companies will be allowed to participate in these projects unless the U.S. Trade Representative determines that a foreign country does not permit American firms to participate in procurement and bidding on major public works projects. Exceptions from this provision are permitted in cases in which the exclusion of a bidder would raise the project cost by more than 20 percent, or if a product or service is not sufficiently available in the United States.

The United States can no longer afford to be a free and open trading partner in the face of closed markets abroad. Although we cannot turn the situation around with one piece of legislation, this bill represents a significant step—it demonstrates our resolve to improve American competitiveness by allowing America to compete. I hope my colleagues will join in supporting this initiative.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 10:30 a.m., with statements therein limited to 1 minute each.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

DISAPPROVAL OF CERTAIN ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

The PRESIDING OFFICER. The Senate will now proceed with the unfinished business, which the clerk will report.

The assistant legislative clerk read as follows:

> A joint resolution (S.J. Res. 81) disapproving the provision of additional assistance to the Nicaraguan democratic resistance, pursuant to Title 2 of the Military Construction Appropriations Act of 1987.

The Senate resumed the consideration of the joint resolution.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. PRYOR). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I was supposed to proceed with the first 5 minutes of debate, but I do not desire to use that time now. I ask unanimous consent that my time may be yielded to the junior Senator from Colorado [Mr. WIRTH] and that it be charged to the proponents.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Colorado.

Mr. WIRTH. I thank the distinguished Senator from New Mexico for yielding his time.

Mr. President, I rise in support of the resolution of disapproval, Senate Joint Resolution 81.

After 6 long years, the Contras have not earned our confidence. They have certainly not earned $40 million more from American taxpayers. The reasons are clear:

First, financial accountability. As much as $124 million in aid to the Contras has not been accounted for, according to recent newspaper reports.

That figure includes $25 million in 1985 funds, which the General Accounting Office has not been able to trace, and $60 million released in 1986 for which we do not have complete records. Further, we have yet to receive a full report on the $20 to $40 million diverted to the Contras from foreign sources, such as the Sultanate of Brunei, and the Iranian weapons deals. Before the Contras receive another $40 million from American taxpayers, the administration should find the missing funds.

Second, and more important, there is the matter of the Contras themselves. Simply put, the Contras make up a brutally ineffective military force that is doing more harm than good to U.S. interests in Central America. Top U.S. military officials, including the former commander of U.S. forces in Latin America, Gen. Paul Gorman, have acknowledged as much, branding the Contras as nothing more than "a cross-border raiding force" given to "clumsy attacks on fixed points."

Moreover, the Contras are in disarray politically. They have failed to rally support for their cause inside Nicaragua or in other Latin American countries. Their leadership is quickly disintegrating, as indicated by the recent departures of Contra political leaders, Adolfo Calero and Arturo Cruz.

All of these developments stand in stark contrast to the rosy picture painted by the administration last spring. Congress and the American people were told then that the Contras were united, politically and militarily, to take the war to the Sandinista regime. With this allegedly potent fighting force, negotiations—especially by the Contadora countries of Mexico, Colombia, Panama, and Venezuela—could be put on the back burner.

The administration was flat wrong. Leaders of the Contras have been feuding ever since they were lumped together into a single political organization, the ironically titled United Nicaraguan Opposition [UNO]. And these feuds, culminating in Calero's ouster and Cruz's resignation, have spilled over into the military arena. For example, rebel forces in southern Nicaragua have vowed to ignore orders from Contra headquarters in Honduras.

The Contras' military problems extend far beyond political disorganization. Contra forces have confined themselves to renegade attacks—especially on soft civilian targets—in the remote jungle areas of northern Nicaragua. After nearly 6 years of battle, the Contras remain on the fringe of Nicaragua—nowhere close to the country's strategic heartland.

That the Contras are militarily inept was made clear in testimony by General Gorman before the Senate Armed Services Committee. I asked the general—formerly the head of U.S. Southern Command and an architect of the rebel war against Nicaragua—his assessment of the Contras' capabilities. He said that unless the Contras alter their "modus operandi," the United States should "cut—the operation—off" and that "throwing money at the problem at this point isn't going to produce, in my view, the kind of results that are required."

General Gorman later sent a statement to the committee, saying that he still supports the administration's Central America policy. But interestingly, he did not repudiate his earlier statement, which ended on this note:

> I am confident (the contras) can go out and sit on some remote mountain . . . But raising the flag in Managua—I don't see it.

Gorman based his candid, no-nonsense critique military grounds. But the Contras are also deficient on diplomatic grounds; their continued operation has undermined the real means by which we can resolve Nicaragua's civil war and Central America's regional instability; and those means are aggressive negotiations with our hemispheric allies.

Our allies are working to bring Nicaragua back into the regional mainstream by negotiating an accord to end: the Contras' war; Nicaraguan incursions into Honduras; outside intervention—including Soviet and Cuban activities—and increases in the size of military force in Central America. Most telling is the recent news that Nicaragua's neighbors—Costa Rica and Honduras—have joined with El Salvador and Guatemala to hammer out just such an agreement. The Senate wisely endorsed this effort just last week by an overwhelming vote of I believe 98 to 1.

The United States should continue to encourage this sensible diplomatic approach, not disrupt it through support of the Contras. The Contras have done nothing more than waste millions of Americans taxpayers' dollars, alienate our regional allies, and entrench a hostile Sandinista regime.

That is no way to protect our legitimate security interests in Central America. We must pursue an intelligent alternative, capitalizing regional allies, negotiating a binding agreement, and vigorously enforcing it.

There is bipartisan and broad hemispheric support for constructive diplomacy. Let us catalyze the process today by passing this resolution of disapproval.

We hear and will continue to hear the rhetoric about if you do not support the Contras, what do you support? Do you believe there ought to be a Soviet foothold in Central America?

There is all kind of rhetoric related to the question of what the alternative is to the Contras. The alternative is very clear.

What we are suggesting is that the march of democracy is on throughout Central America and South America; the tide of history is against the very approach being followed by this administration.

Since we have pursued this policy in Nicaragua, we have done just exactly the opposite of what our stated policy was: less freedom of the press, less active church, less opposition, less dynamics within the economy. Everything is going just counter to what the administration has told us that they want to do.

Our purpose should be to use our economic power, our diplomatic power, negotiation process and pressure from the United States to bring that Government back within the mainstream of what is going on throughout Central America and South America.

We cannot ignore those forces of history, and those forces are on our side. Let us stop ignoring those forces of history. Let us go with them. Let us reinforce them. Stop the absurd expenditure of funds from the American taxpayer, and let us move into making Nicaragua once again a citizen of this hemisphere.

Thank you very much, Mr. President.

Again I thank my distinguished colleague, the Senator from New Mexico, for yielding time.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, as understood, we thought the membership would be here to speak. We will have to suggest an absence of a quorum and try to do better on having someone actually here, though, the next time.

I suggest the absence of a quorum with the time equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. STENNIS. Mr. President, I have the privilege of yielding 6 minutes to the Senator from Nevada, Senator HECHT.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. HECHT. I thank the Chair.

Mr. President, I wish to thank the distinguished Senator from Mississippi and, I might add, there is no one sitting in the Senate that I have more respect for than you, sir.

Mr. President, today, the Senate once again visits the issue of the Nicaraguan freedom fighters. Over the past few years, we seem to be doing this on a regular basis, yet, Mr. President, I believe this time, Congress needs to ask itself serious questions about the courage of our convictions. Since proponents of abandoning these brave individuals are so persistent, the question has to be asked—does Congress have the will to stop Russian guided adventurism that attempts to plant more Communist controlled colonies in this hemisphere? Will we say no, not here? Are we willing to continue to allow this serious threat to our national security right on our own back doorstep? It is time to show that we do indeed have the courage of our convictions, Mr. President, Congress must help and I believe America demands that we do.

Over the years, Americans have seen what it means to stand for freedom when we look at Western Europe, Korea, Japan, the Dominican Republic, El Salvador, and, most recently, Grenada. The poor people of Laos, Cambodia, and South Vietnam can give us chapter and verse what happens when the United States looks the other way. What we are discussing today—preventing the development of a Soviet guided Communist dictatorship in Central America—is dealing with a threat close to home, to the national security of our own people. To those who question this, I suggest a quick review of the map of Central America, and the political, economic, and national security conditions in countries between the Texas border and Nicaragua.

Today, Mr. President, we are being asked to stop the next round of support to the Nicaraguan resistance. A resistance that puts lives on the line every day in hopes of bringing back to life a betrayed revolution; of restoring democratic freedoms we take for granted; a resistance that seeks simple rights forbidden by the repressive Sandinistas. The backers of this disapproval resolution assert that we must not spend more money until we satisfy all the auditors, accountants, and lawyers in Washington. I wonder—could there be just a touch of muddying the waters? Could this be one more attempt to embarrass an embattled President who has done more to bolster the security of this country than any other?

Despite some rocky times, Mr. President, the Nicaraguan democratic resistance movement has made noteworthy progress. Military training is paying off in terms of discipline and human rights; field level leadership has improved, and young Nicaraguans are joining the "Contra" forces in respectable numbers. I urge my fellow Senators—do not break faith with these people, and do not give up. To stop helping them now is another way of saying: "Let the resistance wither away; let this Marxist regime establish itself as yet another base for Communist expansion in this hemisphere." I cannot support either idea.

Mr. President, a recent editorial in *The Las Vegas Review Journal* sums up the situation we are facing here in clear terms. This piece is right on target and I urge my colleagues to read it for a realistic taste of what is being said outside the beltway.

President Reagan and his administration are right on this one, Mr. President—we are facing a clear choice—I hope we make the right one.

I ask unanimous consent that the editorial from the Las Vegas Review Journal be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONTRAS FACE TOUGH BATTLES IN CONGRESS

The debate in Congress concerning aid to the Contras will begin rolling again soon.

The Contras, who, as everyone should know, are struggling to topple the communist Sandinista dictatorship in Nicaragua, have plenty of opponents in Congress, including our Sen. Harry Reid and maybe freshman Rep. Jim Bilbray, who is waffling on the issue.

Those who oppose further American aid to the Contras will argue that the Contras cannot win, that the Contra leadership is in disarray, that not all the U.S. aid destined for the Contras can be accounted for, that Nicaragua is too small and remote to represent a threat to U.S. security, that the Sandinistas can be "contained" or "isolated" within Nicaragua's borders.

There is validity in some of these arguments. Indeed, the Contras' accounting practices have been less than perfect. Nicaragua is indeed a small and rather remote nation. The Contra leadership has indeed experienced a recent shakeup. And, indeed, maybe Nicaragua could be somehow "isolated," maybe like Cuba is "isolated."

There are those in Congress who will argue that it has been months since $100 million in new U.S. aid began filtering down to the Contras, yet they have won no major victories, so let's give up on them. The notion seems to be: If you can't win a war in six months, surrender.

On the world scene, American impatience is matched in degree only by the deep, abiding patience of the totalitarians.

It is true that the Contras are at a severe disadvantage, facing as they do upwards of $3 billion worth of Soviet weaponry with a few tens of millions of dollars worth of small arms supplied by the Americans.

In an excellent essay in the current edition of Time magazine, Charles Krauthammer puts it this way:

"The 'they can't win' refrain (is) somewhat ironic. It comes most often from precisely those people in Congress who are constantly fighting to cut aid to the Contras, reducing their supplies to the barest minimum, or trying to eliminate assistance altogether. Having disarmed the resistance, they then assert that it cannot win, and then they cite the inability to win as a reason for disarming it. A neat circle."

Those who define the Nicaraguan situation solely in terms of national security, arguing that such a small nation could not possibly represent a threat to mighty, nuclear armed America, and that it could be effectively "isolated" and somehow neutralized are mostly wrong. It is true that, as independent nations, countries like Cuba and Nicaragua could not threaten the security of the United States. However, neither Cuba nor Nicaragua are independent nations—both are colonies, Soviet colonies.

As colonies of the aggressively expansionist Soviet Empire, they do represent a threat to the long-term survival of the United States. Cuba, which has emerged as the most loyal of the Soviet colonial possessions, has sent its troops to fight Soviet proxy wars and subvert U.S. interests in more than 30 countries around the world. Nicaragua under the Sandinistas is nothing if not a copy of the Cuban model, complete with a secret police force and political gulag actually run by Cubans and East Germans.

How is Cuba "isolated?" How would Nicaragua be "isolated?" By "isolated," we suspect the opponents of Contra aid mean "ceded to the Soviet Empire."

It is difficult to understand why those same congressmen who get all upset about apartheid and human rights violations in South Africa—and who were so up in arms about human rights abuses under the Somoza regime—do not direct more wrath in the direction of the Sandinistas.

There is a group inside Nicaragua called the Permanent Commission on Human Rights in Nicaragua. This group, made up of Nicaraguan citizens of diverse backgrounds, was in the forefront of the human rights movement, frequently taking to task Somoza and his cohorts, in the days before the Sandinista coup.

Now, the group, whose members are subject to constant harassment by Sandinista secret police, writes:

"During 1986, the human rights situation in Nicaragua, without a doubt, reached the lowest levels in our history, the deaths for political motives, the disappearances of prisoners, the massive arrests of campesinos, the persecution, the black-mail and harassment of members of opposition political parties and members of independent union confederations, the political 'trials . . . .', the closing of independent media . . . the police control of the population through the so-called Sandinista Defense Committees. . . ."

The report goes on to detail many instances of torture and heavy-handed oppression. No one can now doubt that life under the Sandinistas is increasingly grim and far worse than under Somoza.

The situation can only worsen if America's commitment to the hemisphere is weakened.

Mr. HECHT. Mr. President, we are facing a clear choice. I hope we can make the right one.

I thank the distinguished Senator from Mississippi.

The PRESIDING OFFICER. Who yields his time?

Mr. DIXON addressed the Chair.

Mr. STENNIS. Mr. President, I yield 10 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIXON. I thank my distinguished friend from Mississippi.

Yesterday, I made a statement, Mr. President, opposing the resolution, and in view of the many demands upon time the managers were not able to permit me to conclude my speech. So I thank them for the opportunity to speak further today on this important subject because I believe the current administration policy of assisting the Nicaraguan democratic resistance suffers because U.S. goals are not clear and our policy is not firm.

Many American people believe the administration is trying to overthrow the Nicaraguan Government! Many believe that U.S. personnel will eventually become embroiled in a conflict in Central America. Shifting rationales for aiding the democratic resistance have blurred the focus and purpose of American policy toward Nicaragua.

Mr. President, in supporting Contra assistance our goal is not to overthrow the Sandinista regime. We do not wish to force the Sandinistas out of Nicaragua. We do not wish to remove them from the political process.

Instead, the United States must be committed to force the Sandinistas to share political power in a democratic manner, and to accept the legitimacy of the ballot box in Nicaragua!

The American goal in Nicaragua, as it is in any nation facing Communist aggression, is freedom of choice, plain and simple. I believe it is the duty of this country to come to the aid of nations where freedom of choice has been taken, by force, with outside assistance.

Nicaragua faces this today.

Mr. President, if Daniel Ortega and the Sandinista junta gain legitimate power in Nicaragua through a fair election, then I will accept the result—we all must! But let him give the Nicaraguan people a choice, Mr. President.

I believe that this must be the message behind American policy toward Nicaragua: The United States is willing to accept anyone as Nicaragua's leader, as long as that individual arrives in power through a just, fair, forthright and open election!

The obligation of the United States in Nicaragua is not an obligation to a specific political group, Mr. President. It is an obligation to defend a democratic political process in that country. It is an obligation to ensure that the Nicaraguan people are given a choice.

We fought for the democratic process 200 years ago, Mr. President. We fought for it in two world wars. We are fighting for it today in Afghanistan.

Unfortunately, Mr. President, I do not believe the administration has adequately defined this American commitment in Central America, and our policy has suffered for it.

I vote against this resolution of disapproval as a Harry Truman Democrat. I support assistance to the Contras in Nicaragua as a member of the Democratic Party which, for as long as I can remember, has been the party of opportunity, the party of strength, and the party committed to the legitimacy of the ballot box at home and abroad.

Mr. President, giving people the opportunity for freedom lies at the soul of the Democratic Party, and I will not walk away from this. We are defending the ballot box in Nicaragua, and from the ballot box stems everything we hold dear in a democratic society:

Freedom of the press; freedom of religion; freedom of speech; freedom to organize independent labor unions; freedom to assemble; and, freedom to vote for anyone—Democrat, Republican, Communist, Socialist, Libertarian.

The U.S. Communist Party fields a full ticket in most Presidential elections in my home State of Illinois. Throughout Europe, Communist parties participate in the electoral process. Today we are asking the Sandinistas to do the same.

Mr. President, a Soviet client state as strong as Nicaragua in Central America places the entire region at risk. If Ortega can consolidate his dictatorship, and if the Sandinistas can own Nicaragua, then I believe this regime will look elsewhere.

Democratic institutions in many of the nations in Central America are fragile. Conditions in nations such as Costa Rica and Mexico would represent fertile ground to a strong, consolidated Marxist government like Nicaragua.

To the south, Daniel Ortega would find the tiny democratic nation of Costa Rica. Costa Rica does not even maintain a standing army. Mr. President, it does not surprise me that President Arias is pressing the Sandinistas to examine his peace proposal. He faces the largest army in Central America.

To the north, Mr. President, the Sandinistas would look toward Mexico, with its long undefended border to our south. National government in Mexico is pervaded by corruption. The democratic process is shot through with corruption. Presidents of Mexico leave office with millions of dollars, and build mansions high on the hills overlooking Mexico City, while millions of Mexicans face poverty and unemployment. Our neighbor to the south is saddled with overwhelming foreign debt. Its devalued currency is a symptom of the highest inflation in memory.

I am seriously concerned, Mr. President, that democracy in Latin America faces a grave, calculated threat from the Soviet-backed Nicaraguan regime. This threat will worsen immeasurably if the Sandinistas are allowed to defeat the Nicaraguan resistance and consolidate their domestic position.

Mr. President, if we fail the Contras by refusing to shore up their defenses against this Marxist regime, and if we fail to keep up the pressure against the Sandinistas, then free, above board elections will never take place in that country.

When Ortega controls Nicaragua absolutely, with his Soviet Army and his Soviet Air Force, he will rule Central America. He is the lion who will lie down wherever he pleases, Mr. President.

Today, we already face a threat from the Soviet client state of Cuba. If Daniel Ortega becomes the powerful leader of a forcibly United Nicaragua, Mr. President, then I believe we will see Sandinista expansionism and eventual Soviet involvement in the domestic affairs of additional democratic states in that region.

So let me say in closing, Mr. President, for each of these obvious reasons, Mr. President, this Congress must follow through on its previous commitment to the democratic resistance.

We must continue to pressure the Sandinista regime!

I believe the Sandinistas take seriously the challenge posed by the Nicaraguan resistance. I believe a strong resistance with a solid American commitment can bring the Sandinistas to the negotiating table. If the Contra forces receive some sustained political and financial support from this Congress, I believe they have a chance to push the Ortega government toward negotiations.

For these reasons, Mr. President, I urge the Senate to vote against this resolution of disapproval.

I thank the Chair. Mr. President, I thank the distinguished managers.

The **PRESIDING OFFICER.** Who yields time?

Mr. **HATFIELD.** Mr. President, I yield 10 minutes to the Senator from Washington State to speak in support of the joint resolution.

The **PRESIDING OFFICER.** The Senator from Washington is recognized.

Mr. **EVANS.** Thank you, Mr. President.

So far this year on the floor of the Senate we have accomplished very little legislatively. In 2 months we have passed a highway bill, a clean water bill, and an appliance efficiency bill—all holdovers from the 99th Congress. We have also passed a couple of resolutions original to the 100th Congress—not much, but worthwhile, nonetheless.

Before us is a measure to disapprove the release of $40 million to the Contra rebels. At 4 p.m., we will vote up or down on this joint resolution. What will that vote accomplish? If we defeat the resolution of disapproval, the $40 million will be released on March 20.

If we pass the resolution of disapproval, the $40 million will likewise be released. There will be no difference.

Why? Because we are in a procedural setting that effectively denies us the opportunity to have any effect on whether the money goes to the Contras or does not. We may as well be voting on whether the Sun will set this evening.

When we vote in the Senate, it should mean something. We should not vote simply to vindicate a particular position or to engage in symbolic chest thumping.

That is all we are doing in this debate and with this vote. We will make ourselves feel good, declare victory—or defeat—and take our dominoes and go home.

As a body we have probably spent more time debating the intricacies and details of the status of Nicaragua, an improverished country smaller than the State of Oregon, than we have debating our NATO alliance strategy, overall U.S. national security policy, or just about any other foreign policy issue.

In strident tones we speak of Nicaragua, yet are strangely silent on the important relationship we have with Mexico. Mexico is not 600 miles away but next door. It is a nation with an economy and population larger than all but a handful of nations. Ignorance and neglect of that special relationship could result in economic instability in Mexico and the political disruption which could follow. We would instantly forget the travails of Nicaragua, in fact dismiss them as regional in nature. This floor would be jammed with those searching for solutions to new crises and wondering why we had ignored or special responsibility to our neighbor.

We are focused on the wrong issue at the wrong time and on the wrong nation.

Clearly, we must be concerned about Central America. We obviously cannot ignore the fact of Communist presence in an otherwise politically fragile region. But we should limit our actions to those we believe will help bring about the result we want.

All Members of this body desire political stability in Central America. Our concern about the Sandinistas is that once they have consolidated their power, they will inexorably cast the seeds of their Marxist revolution into the fledgling democratic gardens of their neighbors. We fear that the seeds thus sown will sprout weeds of totalitarian repression that will prevent the tender shoots of democracy from ever blooming.

But who is in the best position to paint the political picture we would like to see in Central America in the future? Is it U.S. Senators, who represent the people of the several States? Is it the President of the United States? Or is it the leaders of the Central American countries, who represent people who live and work there or die there, depending on the outcome of the continuing power struggle?

My view is that the principal draftsmen of a Central American peace plan must be those who are in Central America. Who else but those who have the greatest stake in the region can be expected to devise a strategy for peace that will have the best chance of working?

That is one reason I oppose current administration policy in Central America, particularly its policy toward Nicaragua. It is a one-track, single-minded policy devised in the United States in pursuit of dubious objectives and based on a fundamentally flawed rationale. Military assistance to the armed Nicaraguan resistance is a central and virtually only component of that strategy, a component I cannot abide.

Last week the U.S. Senate endorsed overwhelmingly the view that initiatives for peace in Central America must start in Central America. By a vote of 97 to 1, we adopted the Sanford resolution supporting the efforts of "the Central American heads of state to forge a firm and lasting peace in Central America."

I believe that President Arias of Costa Rica has proposed a plan for peace in Central America that is bold and visionary. It is worthy of our unqualified support. Yet, in the immediate wake of our strong demonstration of support for that proposal, we choose to indulge our appetite for symbolism and probably cloud whatever message we sent with our vote on the Sanford resolution.

President Arias cannot be pleased with this resolution before us. I listened carefully to the senior Senator from Connecticut, the sponsor of this resolution. He talked of politics and of the importance of sending a message. I too, believe that messages are important but it is critical to understand the appropriate timing of such a message. It would have been far better for us to hold off until the Central American Presidents had met. Far better to keep pressure on the Sandinistas without once again displaying our indecisiveness and division.

Instead of continuing to focus on what divides us in Central America, we must try to focus on what can unite us. Giving full attention—and support—to the Arias proposal is at least a start.

While the problems plaguing the countries of Central America are diverse and have many facets, they must first create a comprehensive framework for peace. Only then will efforts on other fronts bear fruit.

What, then, should our policy be?

First, we must support the efforts of the heads of state of Costa Rica, El Salvador, Guatemala, and Honduras to engage the President of Nicaragua in discussions to agree on a formula for regional peace.

Second, we must commit to a sustained program of economic aid to the countries in Central America which now are struggling to nurture frail democracies. Several proposals are pending in the Senate to provide an additional $300 million installment on what we should consider a multiyear aid package.

We are fond of citing history on the floor of the Senate. I think we must regularly consult history if we expect to avoid being enmeshed continuously in the problems of the past and have a hope for a chance to move forward.

But history proves us not just examples of mistakes to avoid but accomplishments to promote. One such accomplishment is the work of the National Bipartisan Commission on Central America which recommended that we commit $1.2 billion per year to the region on a sustained basis. Committing to such a program of aid—and living up to our commitment, which we have so far failed to do—will do more to promote long-term stability in the region than any other plan.

Why? Because by promoting democracy in Central America we strengthen that form of government which detracts least from the natural strength of a people. We promote that form of government which has been proven by experiment in the United States to afford individuals the greatest opportunities to realize their dreams.

Mr. President, the Domino theory seems to prevade American foreign policy. Yet do we have so little faith in our democratic ideals that we believe dominoes can topple in only one direction? I believe the best chance to restore democratic institutions inside Nicaragua lies in building strong democratic nations around Nicaragua. Vital, free democracies in Costa Rica, Honduras, El Salvador, and Guatemala sends a message to the Nicaraguan people. Growing personal income and economic prosperity in those four nations sends a message to the Nicaraguan people. Freedom of press, religion and speech in those four nations sends a message to the Nicaraguan people. Strong democracies in Central America will do more than billions of dollars of aid to the Contras to foster change in Nicaragua. Like Contras, ideas can also infiltrate Nicaraguan borders. But while Contras fight to occupy Nicaraguan territory, ideas will occupy the heart and soul of the Nicaraguan people. Democracy in Nicaragua cannot be imposed from the outside, it must come from the yearning of Nicaraguans who live and work and die there.

Mr. President, I believe it is not in the best interests of either the United States or the people of Central America to have this resolution before us at this time. It would have been far better to wait for the initiatives of President Arias and the other presidents of Central American nations. We will accomplish nothing by this vote other than to once again express our confusion. However, the issue is before us. A year ago, on the Senate floor, I presented a seven-point program for Central America. In closing that statement I spoke these words:

> This, it seems to me, is the core of a comprehensive policy which aids our friends, builds upon their strengths, isolates and confines the Nicaraguan Government and gives Latin Americans a chance to take the lead in resolving the critical conflict which is rapidly approaching.
>
> Unfortunately, Mr. President, it seems to me that none of the current proposals meets this test. I hope that before final congressional action is taken we step back, lower our partisan defenses, and seek that illusive but vital strategy that will unite us and that will work.

Mr. President, I believe that the request of the administration to release $40 million more to the Contra effort does not meet this test either and as a result I shall vote in favor of this resolution of disapproval. Mr. President, I ask unanimous consent that my full statement of March 27, 1986, be repeated in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From the Congressional Record, Mar. 27, 1986]

STATEMENT OF SENATOR EVANS

Mr. EVANS. Thank you, Mr. President.

Oh, how quickly we forget. One month ago, we joined with the Nation in celebrating the events in the Philippines. It was hailed as a triumph of American policy, as indeed it was. We should have learned some lessons, however, from that success, and from the historical high points of American foreign policy.

Three elements, it seems to me, continually reappear when American foreign policy succeeds: It is bipartisan, it represents a unity of effort between the legislative and executive branches, and the leadership comes from those countries most directly involved. All were present in the Philippines. We were united, Republican and Democrat; we were united, executive and legislative; and the leadership came spectacularly from the people of the Philippines themselves.

And we are now headed, Mr. President, for votes which I am afraid will violate all three of these principles. We have a bitter, partisan division and close and indecisive votes.

We have heard strident voices from the administration, accusations and protestations questioning our loyalty and Americanism and patriotism, voices which have no place in a successful American foreign policy.

What message do we sent to the audiences we attempt to reach with a narrow vote, a failed vote first in the House, and then, even if successful, a narrow and divided vote in the Senate and in the House? What message is that to the American people? What message is it to our South American friends who are attempting to build their own democracies? What kind of message is it to the internal opposition in Nicaragua, and indeed what kind of message is it to the Sandinistas themselves?

If the message to all four of those audiences is a message of weakness, of indecision, of divisiveness, and of partisanship, none will listen to us. Nor should they.

Mr. President, it is useful, I think, to examine a little of the history of Nicaragua and the interventions which have occurred there in order to understand something of where we are.

The Spanish Conquistadors came first through Central and Latin America in the 1500's, imposed a semifeudal system on that land and governed in an authoritarian way, until Mexico and all Central America gained independence from Spain in 1821. The Mexican empire fell shortly after, and the United Provinces of Central America arose, but fell quickly.

Anarchy and violence punctuated that period. Year after year, one after another, buccaneer or entrepreneur attempted to take over and run Nicaragua and its people.

Britain set up a Miskito kingdom among the Miskito Indians. Americans finally pressured the British to get out.

I am sure that my colleague from Tennessee will be interested in knowing that William Walker, a Tennessean filibuster—filibuster in its original connotation of a buccaneer—installed himself as President of Nicaragua.

Year after year, it is a story not of independence, not of democracy, but a story of three centuries of control by one group or another, with precious little opportunity for democracy to flourish.

Mr. President, the history of American military intervention in Nicaragua is a long one indeed. Going clear back to 1853, we began intervening in Nicaragua: In subsequent years, the Marines again and again and again entered Nicaragua to advance what were then considered to be American interests. More than a dozen times in the last 140 years, American military troops have invaded or landed in Nicaragua for one purpose or another. Little wonder, then, that with that history of American intervention, we have problems of belief, both in Nicaragua and in the rest of Central America.

Mr. President, I ask unanimous consent to have printed in the RECORD two papers on American military interventions and on the history of Nicaragua.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BRIEF SKETCH OF HISTORY OF NICARAGUA

Pre-1500's: Diffuse Indian population; no central government.

1500's Spanish conquest of Central and Latin America.

Mid-1500's–1821: Spanish impose semifeudal system based on large land holdings and the exploitation of indigenous populations. By mid-1500's, "Kingdom of Guatemala" emerged, encompassing Costa Rica, Honduras, Guatemala, El Salvador and Nicaragua; governed by Captain-General located in Guatemala who served under the Spanish Viceroy in Mexico. Political system is authoritarian; economy was exploitive and mercantilist; and, society was an elitist hierarchy made up of two distinct classes. The indigenous populations were never integrated into political life.

1821: Mexico and all Central America gain independence from Spain; Central America ruled by Mexican Empire.

1823-24: Mexican Empire falls and Central America breaks away; forms United Provinces of Central America, basically a confederation of city-states. Civil wars were prevalent.

1838-47: UPCA falls apart; 5 individual countries form, although they are still essentially city-states—small, weak and vulnerable. Politically, they called themselves "republics" and adopted constitutions modeled after the U.S. and Spain's (1812). Had Presidential and electoral systems, however, this clashed with traditional judicial system based on Roman civil law (designed to maintain state control).

"Liberal" and "conservative" political parties rule and clash over the role of the State and church-state relations.

Local leaders head armed bands that contend for power.

Anarchy and violence punctuate the period.

1847: Guatemala becomes a republic, others follow suit; confederation proves to be impossible.

1840's-1850's: International interest in the region grows because of passage through the isthmus (spurred by the gold rush in California).

Britain establishes treaty relations with the Miskito Indians (largely for trade in wood), helps to set up the Miskito Kingdom.

1855-57: William Walker, a Tennessean filibuster, installs himself as President of Nicaragua.

1870's: Coffee boom begins in Costa Rica, spreads to all Central America and transforms export economics and provides new wealth (middle class begins to develop).

1849-1900's: Pressured by the U.S. to get out of the hemisphere, Britain gives up the Miskito Kindgom and liquidates its interests in the region (actually leaves in 1894 but it takes until 1905-07 to clear up all the legal details of British withdrawal).

1900's: Bananas, coffee and sugar interests grow as does interest in a canal—Nicaragua is a favorite site (much discouraged by France, who owns Panama).

1893-1909: Nicaraguan Liberal, Jose Santos Zelaya, stages a revolt and takes over; Nicaraguan Conservatives ask for American assistance and with our intervention, oust Zelaya.

1912: Liberals try to overthrow Conservative President Adolfo Diaz, U.S. marines intervene.

1912-1925: U.S. forces remain in Nicaragua to prop up whichever Conservative is in power.

1925: Conservative Alfonso Diaz installed as President before U.S. marines leave. As soon as marines depart, Liberals try to form a rival government under Juan Baptiste Sacasa.

1926-33: U.S. forces return to Nicaragua to end fighting and supervise election; Liberal Jose Maria Moncada is elected in 1928. Augusto Cesar Sandino declares Moncada to be a puppet to the U.S. 1927-1933, Sandino leads a peasant-based guerrilla movement, taking the marines on many chases throughout the country until they persuade him to lay down his arms when Liberal Juan B. Sacasa wins the presidency in a more acceptable election in 1932. U.S. marines leave Nicaragua.

1933: Anastasio Somoza Garcia, head of the National Guard and President Sacasa's nephew, essentially takes control of the country although Sacasa is still President.

1934: Somoza arranges murder of Sandino as he is leaving peace talks.

1936: Somoza elected President, as a Liberal, in an election marked by extreme intimidation.

1956: Somoza assassinated; power divided by the two sons:

Luis—becomes President (said to be intellectual and politically fair).

Anastasio, Jr.—becomes head of the National Guard.

1963: Luis dies; elections are held and Liberal Rene Schick is elected.

1963-66: Schick is the "official" leader, although Somoza, Jr., maintains power, until his death in 1966.

1966-67: Lorenzo Gutierez, becomes the next "official" head of state following Schick's death.

1967: Anastasio, Jr., fully consolidates his power, holds an election, wins and establishes a corrupt, militaristic regime.

1972: devastating earthquake destroys much of Managua and the country; Somoza siphons off much of the disaster relief money.

1979 July: Somoza overthrown.

U.S. MILITARY INTERVENTION IN NICARAGUA

1853—March 11-13: To protect American lives and interests during political disturbances.

1854—July 9-15: San Juan del Norte (Greytown) was destroyed to avenge an insult to the American Minister to Nicaragua.

1857—April to May; November To December: To oppose William Walker's attempt to gain control of the country. In May, Commander C.H. Davis of the U.S. Navy, with some Marines, received Walker's surrender and protected his men from the retaliation of native allies who had been fighting Walker. In November and December of the same year, U.S. vessels Saratoga, Wabash and Fulton opposed another attempt of William Walker on Nicaragua. Commodore Hiram Paulding's act of landing marines and compelling the removal of Walker to the United States, was tacitly disavowed by Secretary of State Lewis Cass and Paulding was forced into retirement.

1867: Marines occupied Managua and Leon.

1894—July 6-August 7: To protect American interests at Bluefields following a revolution.

1896—May 2-4: To protect American interests in Corinto during political unrest.

1898—February 7-8: To protect American lives and property at San Juan del Sur.

1899—February 22-March 5: To protect American interests at San Juan del Norte.

A few weeks later—at Bluefields in connection with the insurrection of Gen. Juan P. Reyes.

1910—February 22: During a civil war, to get information of conditions at Corinto.

May 19-September 4: To protect American interests in Bluefields.

1912-25—August-November 1912: To protect American interests during an attempted revolution. A small force serving as a legation guard and as a promoter of peace and governmental stability, remained until August 5, 1925.

1926-33—May 7-June 5, 1926; August 27, 1926-January 3, 1933: The coup d'etat of General Chamorro aroused revolutionary activities leading to the landing of American marines to protect the interests of the United States. U.S. forces came and went but seem not to have left the country entirely until Jan. 3, 1933. Their work included activity against the outlaw leader Sandino in 1928.

Mr. President, we are caught in a classic catch-22 proposition. We say negotiations will not work; the Sandinistas will not share power, at least not voluntarily. So the alternative is to offer military aid to the Contras. But I have heard no one assert that the $100 million of aid would overthrow or assist in overthrowing that government. In fact, they say we do not intend that that is the purpose.

If negotiations will not work and we will not overthrow the government with this aid, where does this leave us? It appears to me that it leaves us with a nasty, extended, dirty war, escalating on both sides. Who will die? Nicaraguans. Who will suffer? Nicaraguans.

Mr. President, I do not believe that we have searched hard enough for a solution that can unite us and send a message of unity and strength and concern for the citizens of Central America.

The President has likened Nicaragua and the Nicaraguan Government to a cancer, a cancer which must be excised. But there are other ways to treat cancers. One is to develop antibodies to counter and stop the growth of the cancer. I believe we are considering some of the essential ingredients of such a policy that would act as an antibody to the Nicaraguan-Marxist cancer which does exist.

The National Bipartisan Commission on Central America recommended extended aid to Central America of $1.2 billion a year. We promised to deliver that aid in 1985; but, oh, how quickly we forget. In 1986, that aid dropped by 30 percent. Even the President's budget for 1987 would be short of our promises by more than 12 percent. Both Congress and the administration have, once again, in Central and South America, promised and then failed to deliver.

Mr. President, I think it is time for elements that might draw us together. First and foremost in this policy, to reestablish our commitment to full, sustained, multiyear economic aid to our friends in Central America who have made so much progress.

Second, to recognize that the problems in Central America are primarily problems of those nations. I believe that negotiations should be led on both sides by those for whom Spanish is a primary tongue.

Third, we ought to assist and develop whatever legislation we pass in a way that would give the coming summit meeting in Central America the maximum chance to succeed, when it takes place in May.

Fourth, I think 90 days is insufficient to allow whatever flows from that summit to be successful. At least 120 days ought to be given to allow that process work or to have a chance to work.

Fifth—and here is where I would differ with my friend from Tennessee—to the degree that bilateral negotiations between the United States and Nicaragua are necessary, and I believe they are, let them occur in parallel with Latin American negotiations, or perhaps even somewhat behind them. Let those people who live there and who speak the language and who understand the territory lead in the kinds of negotiations that are important. And in bilateral negotiations, let us carefully recognize the needs of our allies and of our friends and their concern.

Sixth, we must not set impossible preconditions on bilateral negotiations. To require that the Contras be negotiators with the Sandinistas is very much like requiring that the PLO must be at the same table before the Israelis and the Jordanians can negotiate. Human rights, free elections, national reconciliation, all are to be devoutly wished, but as results, not preconditions.

Seventh, we must reassert our determination to join with others under the Rio Treaty in opposing armed aggression by Nicaragua against its neighbors and make our determination very clear.

This, it seems to me, is the core of a comprehensive policy which aids our friends, builds upon their strengths, isolates and confines the Nicaraguan Government and gives Latin Americans a chance to take the lead in resolving the critical conflict which is rapidly approaching.

Unfortunately, Mr. President, it seems to me that none of the current proposals meet this test. I hope that before final congressional action is taken we step back, lower our partisan defenses, and seek the illusive but vital strategy that will unite us and that will work.

The PRESIDING OFFICER (Mr. BREAUX). Who yields time?

Mr. HATFIELD. Mr. President, I ask unanimous consent that the quorum call I shall ask for be charged equally to both sides at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. STENNIS. Mr. President, I yield 8 minutes of our time to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 8 minutes.

Mr. QUAYLE. Mr. President, for several years now, the administration has asked Congress to support the Contras on a rather vague principle of supporting democratic reform and diplomacy in Nicaragua. In my opinion, it has never really clearly articulated the United States' policy in the region. Mr. President, I think the choice is rather clear. The choice is, are we going to allow the Soviet Union to establish itself in another country in our hemisphere? Are we going to allow the Soviet Union to establish itself in Central America, on the mainland, and use that country for expansion elsewhere? Or are we willing to help a legitimate democratic resistance help themselves and to see democracy promoted in Central America? That is the choice that is before this body. That is the choice that we face as we have this discussion this afternoon.

Obviously, the political climate in Congress has changed. The administration can no longer have it both ways—both ways by saying, yes, we are going to have negotiations, and yes, we really, in fact, want to see a change in government in Nicaragua. It has no choice but to clarify some of its policies and objectives if it hopes to enlist further support of the Contras. But first, let us be clear about the resolution we are voting on today.

It is not, as some would have us believe, a throwaway vote because the President has said he will veto it should it pass. Make no mistake about it, Mr. President, our action today will send a clear signal about what U.S. policy in Central America will be and what the Contras' future is likely to be. Voting to block aid to the Contras is not—I repeat is not—a vote for a peaceful transition policy in Central America. It is a vote that I believe will destabilize Central America and abandon the Contras.

Last year, Congress made a commitment to the democratic resistance in Central America. Today, many are trying to undo that commitment. The United States, in the past, has had problems convincing others it will stick up for its allies. Today, we are once again debating whether we are going to change courses in midstream. I believe that we should stick to that commitment we made last year. Undoing it today would be a tragedy.

One thing today's vote will do is set the clock ticking for the White House. If we are going to move forward in Central America, it will depend heavily on what this administration says and does in the next few months. If the administration fails to clarify the murky areas in the debate during the next 6 months, it will not have enough support, in all probability, to win further aid for the democratic resistance.

I believe this administration needs to explain why we keep a United States Embassy in Managua and maintain diplomatic ties with Nicaragua if—as we have said in the past and as I believe—it is an illegal regime trying to subvert its neighbors. The administration must also convince Congress that efforts to improve the Contras' effectiveness in certain areas such as unconventional warfare will work. It has to give evidence of some progress.

In addition, the White House can do more to convince Congress that Nicaragua's neighbors are sympathetic to our goals in Central America. Efforts to do this have been somewhat confusing.

It can also do a much better job of selling its policy to the American people, not only as to prospects of a United States invasion of Nicaragua but who the Contras are and why the United States should support them. While the polls show the American people are opposed to United States military intervention in Central America, those same polls often show that Americans have no idea what the Nicaraguan conflict is all about.

It is also incumbent upon the White House to clarify what it really expects from the peace process in the region. Given the past history of failure, it needs to be much more honest about what it expects of this process. The peace talks are not new. The Nicaraguans have rejected six Contadora proposals since 1983 and they will probably reject six more Contadora proposals if they are offered in the future. The White House needs to clarify the real military threat in Nicaragua as well. Are we worried about the Pacific Basin, the domino theory? What are the military consequences of inaction right now? Will it really cost $10 billion a year to contain Nicaragua if the Contras are no longer a viable opposition force?

Finally, it is time that this administration also speaks with one voice on Central American policy. Who speaks for the administration, the Pentagon or the State Department? Is the emphasis on diplomacy, military strategy or are we going to continue to get a hazy mixture of both? We need answers to these questions. It is important to the Contras, to the Nicaraguan people, to Nicaragua's neighbors, and to United States policy in Central America.

Only the administration can help provide these answers. My hope is that the President realizes this before it is too late and before we let another corner of the world slip under Soviet domination because of inaction, confusion and bickering in Washington.

The time is now, Mr. President, that we draw the line. The time is now, Mr. President, to have a clear articulation of our policy, to give Congress and the American people a very clear and unequivocal choice of what we are for and what we are against in Central America.

Support for the democratic resistance will go forward but it will not continue if, in fact, we do not have a clearer articulation of the choices. No longer can we have a rather murky approach. We must have stark realities, realities that demand a clear strategy of what we want to achieve, realities that articulate what the consequences will be to our national security if we engage in inaction.

Inaction or changing course in midstream will be disastrous for this country, for stabilization in Central America and for promotion of democracy throughout that region. We have seen tremendous progress made toward democratic principles and democracy in Central America in these last few years. We need to continue that.

And the only way we are going to continue that is to stand up and say what we are for and what are against, who we will support and who we will oppose. No longer can we continue to try to have it both ways to satisfy both sides. The issue is too important and the choices are too clear.

I yield the floor.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. I yield 5 minutes to the Senator from Maine. I understand that was the amount of time the Senator wanted.

Mr. COHEN. I thank the Senator. In fact, I have an agreement with the Senator from South Carolina that I will confine my remarks to 3 minutes, so I will try to use just 3 minutes.

Mr. President, 5 months ago this body voted to provide $100 million in assistance to the Contra groups opposing the Sandinista government in Nicaragua. The approval came after months of acrimonious debate and carried with it a number of important conditions aimed at structuring a long-term United States policy for regional security in Central America and national reconciliation in Nicaragua.

There was general agreement that the United States needed to shift from an essentially unidirectional policy centered on military actions to a multitrack policy balancing diplomatic, political, and economic efforts with military pressure.

Today we will vote on whether or not to release the remaining $40 million of the $100 million approved last year. This, however, is not the real issue. Through today's vote or a Presidential veto, the Contras will receive the $40 million. Far more important than today's action is the question of where we are heading in Central America.

Let me state now that I will not seek to block the release of the remaining $40 million. I must also state, quite frankly, that I am far from comfortable with this decision. I credit the administration with a vigorous attempt to implement some elements of last year's legislation but, thus far at least, a tepid effort in other respects. I will discuss the specifics in a few moments.

I contemplated casting a symbolic "no" vote today to send a signal to the administration that it must broaden its efforts in the remaining months of the current legislation's life. I have decided instead to focus on the real issue—long-term U.S. policy in Central America—and to use my vote to send an urgent signal: the United States must seek regional security and reconciliation through a more balanced emphasis on diplomatic, political, and economic endeavors. I am voting "yes" because I am seeking in the remaining period of this legislation's cycle a positive, broadly based, executive-legislative branch effort to formulate and implement such a policy.

My vote, therefore, carries with it a warning as well: future requests will be considered in light of administration endeavors to carry out the provisions and intent of the current legislation.

Five months have passed since this body mandated a multitrack policy in Central America. Uneven steps have been taken toward implementation, and many Senators have grave misgivings about the administration's intentions. I believe that the 7 months remaining in the term of last year's legislation provides the administration with enough time to demonstrate its resolve to implement a workable, balanced policy in Central America. This, I believe, will also afford the Congress a clear basis upon which to determine future decisions on Central American assistance programs.

The objective of last year's legislation was—and remains—to induce the Sandinista government to negotiate an agreement providing for the removal of foreign military advisers and personnel, suspension of foreign military shipments, cessation of Nicaraguan threat to regional security, and national reconciliation.

Consequently, after much wrangling among ourselves and with the administration, several key provisions were added to the legislation. These included provisions emphasizing the importance of regional diplomatic efforts; adding $300 million dollars in regional economic assistance to promote development and enhance stability; and outlining a Contra reform package requiring the President and an independent congressional commission to certify that the Contras have agreed to and are implementing:

Confederation and reform measures to broaden their leadership base;

The coordination of their efforts;

The elimination of human rights abuses;

The pursuit of a defined and coordinated program for achieving representative democracy in Nicaragua; and

The subordination of military forces to civilian leadership.

This multitrack approach is important because it is doubtful that the Sandinista government will agree to modify its international and domestic policies absent pressure to do so. At the same time, however, I made my support for Contra aid conditional because I fail to see how disparate and fractious forces can play a useful role in negotiations or bring pressure to bear on the Sandinistas to negotiate seriously.

In the 5 months since the legislation was passed, the record of implementation has been mixed.

The administration has pressed for Contra reforms, but the results thus far have been disappointing. It is no secret that the leadership of the Contra forces is in flux, if not turmoil. Arturo Cruz and Adolpho Calero have both recently resigned their positions on the directorate of the United Nicaraguan Opposition. Mr. Cruz's statements indicate that, among other things, the issue of the subordination of military forces to civilian leaders has not yet been resolved.

The President's report to the Congress asserts that efforts are currently under way to create a new and broader coalition among the Nicaraguan opposition. It is too soon to tell, however, whether the transformations taking place will result in meaningful changes.

We were supposed to have the benefit today, in considering these matters, of a report by an independent congressional commission. Unfortunately, that commission became a victim of partisan politics. The members appointed by the leaders of both parties in the House and Senate have not been able to agree on a chairman. Consequently, the commission never got off the ground.

With regard to other elements of the reform package, it does appear that the Contras have taken important steps to provide accountability on human rights issues by forming an independent commission and sending human rights monitors into the field with Contra units. Again, however, there continue to be problems, as indicated, for example, by a recent report that Contra forces had burned a health clinic sponsored by the Baptist Church in Nicaragua.

As I noted earlier, the policy that Congress approved last fall was a multitrack approach involving diplomatic efforts, military pressure, economic assistance to Nicaragua's neighbors, as well as the Contra reform package. The greatest flaw in the execution of that policy, in my view, has been the lack of vigorous diplomatic efforts by the administration. This has created the impression, both at home and abroad, that the United States, rather than Nicaragua, is the principal obstacle to a negotiated settlement of the interrelated conflicts in the region. The consequence has been reduced support for United States policy, doubts about the objectives of United States policy, and reduced political pressure on the Government of Nicaragua.

Another problem in the execution of U.S. policy concerns the provision of sustained economic assistance to the Central American democracies. And for this, we in the Congress share blame with the administration. We can begin to remedy this situation by working with the administration on proposals for economic assistance to Central America as well as proposals to spur investment in the region and promote increased trade. No matter what happens to the Contras or Nicaragua, economic development is essential to promote the long-term stability of the region.

In reviewing the developments of the last 6 months, it is, of course, essential to consider the policies of the Nicaraguan Government. There has been no indication that the Sandinista government is seriously interested in ameliorating the concerns of its neighbors or the United States. It continues to pose a threat to the region, and has maintained its repressive domestic policies. A recent example of this occurred when President Ortega imposed a state of emergency only a few hours after the ratification of the Nicaraguan Constitution. This underscores, in my view, the need for a sustained and balanced policy to deal with the security concerns of the United States and our Latin American neighbors.

The most hopeful development in regional diplomacy to date has been the new diplomatic initiative undertaken by Costa Rican President Oscar Arias. Drawing on the principles of the Contadora process, the Arias plan provides the outline of a comprehensive framework for promoting peace, security, and democracy in Central America. The Presidents of the Central American nations have now agreed to meet in May to seek an accord. The central question we have to ask ourselves today is how to further this and other efforts to find a negotiated solution to the conflict in the region.

It is worth noting that the administration has recently endorsed the Arias initiative. The administration's attitude toward diplomacy, however, has been less than enthusiastic. Initial reported efforts to forestall Central American support for the Arias proposal gave way to endorsement of the thrust of the initiative only on the eve of the present congressional debate. I think that the administration will have to be more actively and consistently supportive in the future if it wants to receive additional support for the Contras.

The recent revelations concerning the sale of arms to Iran and the diversion of funds to the Contras have understandably contributed to the public's skepticism regarding the administration's policies toward Nicaragua. The public, as well as the Congress, deserves an accounting of the funds previously made available to the Contras. I would urge the administration to do so as soon as possible.

As a review of the current situation makes clear, the issue before us today is much larger than whether or not to approve an additional $40 million in assistance to the Contras. Shutting off the spigot of Contra aid is not a substitute for a regional policy. I believe that our objective should continue to be a comprehensive regional settlement that will address our long-term security interests, and I continue to believe that a multitrack policy is necessary to achieve this objective.

Such a policy must have a credible basis for success and be acceptable to the American people in order to garner the broad support necessary to sustain it. We need a policy which recognizes not only the problems posed by the Sandinistas, but the problems posed by regional economic underdevelopment, factionalism among the Nicaraguan opposition, and the fact that there is no purely military solution to the Nicaraguan dilemma. The administration's policy, unfortunately, has not yet met this test. Consequently, in assessing future requests for assistance to the Contras, I will focus on whether the administration is implementing a more balanced, multifaceted program. Specifically, I will consider the following factors as basic to such a policy:

First, a more active and consistent role for the United States in support of regional diplomatic initiatives. In order to make it clear that our objective is a negotiated settlement rather than a military victory, the United States should commit itself to conditions for suspending assistance to the Contras, for example, a comprehensive and verifiable agreement among the Central American nations which addresses our regional security concerns and provides for national reconciliation in Nicaragua.

Second, further support for Contra reform and coordination. There also needs to be further emphasis on the elimination of tactics which threaten or alienate civilians. Forces should not be sent into Nicaragua unaccompanied by representatives of the human rights commission of the Nicaraguan opposition and without the appropriate training.

Third, an accounting of funds previously made available to the Contras.

Fourth, bolstered emphasis on regional economic and security assistance programs. It is essential for the United States to continue to use its leverage to support efforts to reduce economic disparities, human rights violations, and political injustice in countries that receive U.S. assistance. We have to address the threat Nicaragua poses to the region, but we must also face the problems of poverty and oppression that give rise to insurgent movements.

Mr. President, I believe the Congress has created the basis for a balanced, long-term policy which offers an opportunity to promote regional security and democracy in Central America. I am not satisfied that the administration has yet utilized this opportunity to craft an approach which will set us on course toward these goals.

I am willing to support and work with the administration in the remaining months of the existing legislation to implement last year's mandate. However, I want to clearly state that the record over the next several months will form the basis on which I assess future requests for assistance for the Nicaraguan resistance.

We need an integrated Central America policy which is credible and which can attract broad support. The Congress has offered guidance and focus. I look now to the administration to provide leadership in formulating and implementing such a policy.

Mr. **HOLLINGS** addressed the Chair.

The **PRESIDING OFFICER.** Who yields time?

Mr. **STENNIS.** Mr. President, I yield 12 minutes to the Senator from South Carolina.

The **PRESIDING OFFICER.** The Senator from South Carolina is recognized.

Mr. **HOLLINGS.** Mr. President, I thank my distinguished colleague from Mississippi and my colleague from Maine. Mr. President, we are slaves to opinion polls. We are pollstered politicians in this body with no sense of history. We continually betray a blatant disregard for the lessons of the past, particularly in regard to Central America. I have been listening to all these fine statements about negotiating, negotiating, negotiating. What this is indicative of, Mr. President, is the lack of commitment and steadfastness in this national Congress. If we can patch together some kind of consensus position to please the pollsters, even while sacrificing our commitments, we persuade ourselves that this is the politically popular thing to do. But look around you, we are losing. We are losing our security in this hemisphere. I believe we must be irrevocably committed in Nicaragua, not only because of the blood and treasure that has already been expended in the fight for freedom there, but also because of the grim lessons we learned in Cuba. Castro strutted in with a Colt 45 and an American helmet. He was supposed to be the agrarian reformer, so we were told back in 1959. But he got his Marxist philosophy straight from Moscow. All of our embargoes and preaching and pressures have been to no avail. Castro is still on the march on two continents, and most particularly now in Nicaragua.

We have talked ourselves blue trying to negotiate with the Sandinistas over the years. Consider the long and futile record of negotiations with Nicaragua. I can remember when President Jimmy Carter wined and dined Daniel Ortega at the White House. We gave him $118 million in economic assistance, 100,000 tons of food. We backed a $292 million World Bank and Interamerican Development Bank loan to the Sandinistas. We offered them the Peace Corps.

Time and time again, Mr. President, we have tried our dead level best to negotiate. And still there are calls for negotiation. We tried to negotiate in August of 1981 when we sent the Assistant Secretary of State Thomas Enders to Managua. In April of 1982, the United States made an eight-point proposal; again in October of '82, the United States joined eight democracies in the region to draw up the San Jose Declaration. Now we shout hosanna for the Costa Rica proposal like it is something new. There is nothing wrong with trying to negotiate, but let us look at hard experience. In January of 1983, with the Contadora process in Panama, the United States supported efforts by Colombia, Panama, Mexico, and Venezuela. In June of 1984, Secretary of State George Shultz visited Managua and proposed direct talks. We are repeating the exhaustive and futilitarian experience we had trying to negotiate with Castro.

We all recite the litany that it would be intolerable to allow jets, MIG's, submarines, and heavy bombers in Nicaragua. Yet they are all down there, the muscle behind the export of violence and Marxism throughout Central America.

I look at Cuba and now Nicaragua. Obviously, there is no education in the second kick of a mule. We learned nothing from our dealings with Castro. We actually aided the takeover by Ortega. We thought he was for freedom. In all candor, all those efforts to try to take over with Ortega, to help them go the road to freedom, our efforts were well intentioned.

We met with several of the Sandinistas in Senator Zorinsky's office.

They went down the line about their commitment to freedom of the press, free elections, freedom for the church, and so on. They said they wanted the same thing America already had—self-determination. But we now know it was all a big lie.

In short, Mr. President, we have accumulated much hard experience with the Sandinistas. That Government wasn't started yesterday.

Historically, our dilemma in Nicaragua began half a century ago with intervention by the Marines. We never have made a concerted, comprehensive effort to give economic aid and to foster a middle class. We should have given the Nicaraguan people a vested interest in a free and independent government. But we never did that.

There was Operation Pan America and the Caribbean Basin Initiative. They all sound good, but they never attempted to develop a middle class. The money went to the ruling class, to the rich and their Swiss bank accounts. The effect was to keep the poor poor.

And, of course, communism feeds on hunger. We have seen stagnation and suffering under those right wing dictatorships. We contributed to the environment that was so susceptible to Communist subversion.

Critics of the Contras talk sanctimoniously about sleazy operations. Now they want to parachute an army of CPA's into Central America. Thank God we did not have accountants in my outfit landing in Africa and France. What is war if it is not sleazy and distasteful.

Everybody is for the young, for the people, for the children. Well, that is the Contras—those who would rather volunteer to fight for the democratic opposition than be drafted by Ortega. The Contras have a volunteer army, which is more than the United States can say.

The Soviets put in $2 billion. We put in less than $200 million. Yet we wonder why, with our unrealiable stop-and-go policy, the Contras cannot succeed.

The bottom line is that Ortega has kidnapped the Nicaraguan Government. He has subverted the original goals of the revolution. Nicaragua is not a sovereign country. We should not interfere in the sovereignty of another land. But Ortega has snookered us and the people of Nicaragua. To talk of sovereignty in this context is a farce.

Marxism moves deliberately, categorically, systematically, boldly. Marxists have taken over the Nicaraguan Government. There is no free, legitimate government in Nicaragua to claims sovereignty.

Incidentially, I would note that the Contras already have had successes. They have succeeded in forcing the Sandinistas to withdraw from El Salvador—giving that nation a chance at free elections.

Now, with the vacillation in Congress to give even a pittance of aid—at a time when we are spending $300 billion to protect freedom in Europe—we cannot summon the resolve to invest $40 million in the security of our own hemisphere. Where is the wisdom and vision in this Congress? Where is our sense of history? Any grade schooler can see that the only way we will bring the Sandinistas to real negotiations will be through pressure from the Contras. We learned this lesson in Vietnam. It was not until Nixon resumed the bombing that we saw serious negotiations. As goes Vietnam and Southest Asia, so goes Nicaragua and Central America. Nobody today wants to talk about the boat people from Vietnam; nobody wants to talk about Laos and the genocide of Cambodia they just want themselves from it all. They prefer to talk about sending accountants to check up on the Contras. The way Congress has acted, no wonder the Contras and their supporters have resorted to wheeling and dealing. How else will they stay alive? All this has been in the national security interests of the United States—there is no question in my mind—because if we lose to the Communists in Nicaragua, there is no question in my mind that they will move on to Guatemala and El Salvador, and then to Mexico.

Jose Azcona Hoyo, the president of Honduras, warns:

> You have to support the Contras, unless you are prepared to see all of Central America go to hell.

That is the President of Honduras. He understands the stakes.

Our proposition, bluntly put, is to gamble with our money now rather than our men later. This is one Senator who is committed to freedom in Central America. We need a real awakening in this country.

Mr. President, by rights, today's debate should be focusing on the Soviet strategy for dominating Central America, for supporting subversion throughout Latin America, for creating a direct threat to our southern borders. Instead, we are preoccupied with quibbles and cavils about how the Contras are spending American funds.

I urge this body not to be distracted from the larger strategic issues before us today. Last summer, after lengthy debate, Congress voted $100 million in aid to the Contras. We determined that the Contras' fight was just, and that it was in the U.S. national interest to support them. This is no less true today. The case for supporting the Contras remains unchanged by Irangate. Indeed, that case is stronger today; the initial $60 million already has brought us demonstrably closer to successes on the battlefield.

Consider the threat posed by the Sandinista regime—both within Nicaragua and internationally. At home, the Ortega junta has followed the classic pattern of Leninist consolidation. It has systematically purged its democratic elements, muzzled the press, and intimidated the church. Under the expert guidance of East German and Cuban agents, the Sandinistas have declared war on the native Indian culture, smashed unions, assassinated opponents, and regimented society into neighborhood block committees of informants and enforcers. The commandates have become commissars.

As the President of Costa Rica put it, the "Nicaraguan people have fought so hard to get rid of one tyrant, one dictator, and 7 years later they have nine." Indeed, even most congressional opponents of Contra aid now acknowledge the junta's totalitarian nature. They simply insist it is not our fight, none of our business. But they are wrong. They are wrong strategically, and they are wrong morally.

For a century and a half, the security of the United States has been premised on an ironclad determination—

first enunciated by James Madison—to repel any great power encroachment in this hemisphere. Cuba was the first great breach in this policy, and the security of the United States and its neighbors has suffered accordingly.

Now, Nicaragua aspires to become the second Cuba—sanctuary for the export of revolution on the American mainland. Just as Cuba became the base for reconnaissance flights patrolling off Charleston and Norfolk, Nicaragua now hopes to accommodate Soviet Bear bombers patrolling off San Diego and Seattle.

Of course, the Soviet Union is hardly a passive observer. While we quibble over peanuts for the Contras, the Soviets have ponied up over $2 billion in aid for the Sandinistas. Uncle Sam restricts to 55 the number of advisers it sends to keep El Salvador free, but Castro has sent some 3,500 combat advisers to help make Nicaragua Communist.

And once the Sandinistas have silenced their last opponent, once they have eliminated the last vestige of Nicaraguan freedom, let no one doubt the determination of the Soviet Union to defend their new asset. As General Secretary Gorbachev wrote in Pravada last year:

> To threaten the socialist system, to try to undermine it from the outside and wrench a country away from the socialist community means to encroach not only on the will of the people, but also on the entire postwar arrangement, and, in the final analysis, on peace.

The Brezhnev doctrine is now the Gorbachev doctrine. As Andrei Gromyko has observed, Comrade Gorbachev has a nice smile but his teeth are made of steel. Today, those steel teeth are bared against the democratic resistance in Nicaragua.

To terminate aid to that resistance, now, would be a betrayal not only of the Contras but also of our own democratic, anticolonial traditions. I don't know if the Contras are the moral equivalent of the Founding Fathers, but they are certainly the moral equivalent of the Afghan freedom fighters—who enjoy universal support on Capitol Hill. Both Contras and mujahedin seek to liberate their nations from Marxist tyranny. Both ask for and deserve our financial backing.

Bear in mind, the Contra force of 15,000 is more than 5 percent of all young men in Nicaragua. In stark contrast to the conscript Sandinista army, the Contras are all volunteers. As such, they are one of the few sources of genuine legitimacy in Nicaragua.

Moreover, at 15,000 men, the Contras are 3 times larger than the Sandinista force that overthrew Samoza. They are two to three times the size of the insurgents in El Salvador—a country with twice Nicaragua's population. How ironic that the very Congressmen who urge Duarte to give the tiny Salvadoran insurgency a share of his government also seek to cut off cold the vastly more popular opposition in Nicaragua.

The question is raised, "Can the Contras win?" I would remind my colleagues that, before Congress prohibited additional funding in 1985, the Contras effectively controlled almost all of the populated mountain zone of Nicaragua. Elsewhere in Nicaragua, the guerrillas effectively held sway, except where the Government was able to concentrate large army units and air support. The Contras enjoyed widespread popular support and were able to recruit many new volunteers.

Today, the task before the Contras is to regain the ground lost during the 2 years when funding was denied by Congress. But, bear in mind, the Contras are and will remain a guerrilla army fighting a guerrilla war. For the time being, it is not realistic to expect the Contras to defeat the assembled Sandinista panoply in pitched battle. As a guerrilla force, the Contras' mission is to field a force powerful enough to expose and exploit the political weaknesses of the Marxist government in Managua—to keep alive a democratic alternative.

Opponents of Contra aid revel in dredging up the bad old days of puppet dictators and intervention by U.S. Marines. They would Mau Mau us into accepting the Sandinista status quo. But, clearly, a great power cannot conduct its foreign policy based on historical guilt.

I repeat, the United States is on the side of democracy in Nicaragua. When Ortega and his clique first seized power, they promised free elections and free speech. We embraced the fledgling rebel regime, sending an unprecedented $130 million in aid and assistance. But what the Sandinistas delivered was a series of hammer blows to Nicaraguan democracy; purges, assassinations, intimidation, regimentation. Then came the Soviet bloc agents, the East European-style gulag, the militarization of all aspects of Nicaraguan life. It hardly takes a genius to see the next phase; formal alliance with the U.S.S.R and, finally, attempts to establish Soviet bases on the American mainland.

I ask the opponents of Contra aid: In what sense is this the moral alternative in Central America? How long will your exquisite sense of historical guilt blind you to the enormity of what is happening in Nicaragua today?

Mr. President, we own the Nicaraguan resistance a fighting chance. Their cause is moral. Indeed, their cause is noble.

And if not on moral grounds, then surely on the grounds of real politick we must support the Contras. The credibility of the United States is directly on the line. If we are unable to aid a popular resistence willing to fight communism in their own country—and in this hemisphere—then the reputation of the United States as defender of freedom is henceforth nil.

I will have no part of such a disastrous choice. Moreover, I will put it bluntly: It would be a monumental tragedy if the Democratic Party is branded as the party that ceded Nicaragua to Communist tyranny. I realize the polls show that Contra aid is unpopular. But public opinion is fickle. Once communism is consolidated in Nicaragua and the Sandinistas reenter the export business, the American people will well remember who voted against the Contras.

Of course, by then, there will be no stopping the Sandinista regime—short of a U.S. invasion. I would pose two questions to opponents of Contra aid: Has a Communist regime ever relinquished control willingly? How many more thousands of Soviet bloc agents and advisers will have to pour into Nicaragua before you realize that the Sandinistas are Soviet stooges?

Mr. President, concerning the aid moratorium proposed by the other body—House Joint Resolution 175—let us not be fooled into thinking that the disposition of Contra aid funds is the sponsors' real concern. It is simply a pretext, a handy excuse for a renewed round of Contra bashing. And, on that score, I must acknowledge a kind of backhanded admiration for those who are trying to kill Contra aid. Certainly, it is an adroit tactical maneuver; going for the jugular while the Contras are in a position of maximum vulnerability.

The unfortunate fact is that the Contras, through no fault of their own, have been snagged by the Irangate tarbaby. It is an irony of history that Lieutenant Colonel North and Admiral Poindexter may have done more harm to the Contra cause than all the Sandinista battalions combined. Now, the Contras' opponents in Congress hope to finish the job. By exploiting the public's revulsion against Irangate, they seek to deal a mortal blow to the freedom fighters. They would punish the Contras for the President's sin of trading arms for hostages.

The fact that this is a total non sequitur does not seem to faze anyone. Less than 3 hours after the Attorney General announced his discovery that Iranian funds had been diverted to the Contras, one prominent Senator trumpeted to the press that "It's going to be a cold day in Washington, DC, before any more money goes to Nicaragua." What a bizarre notion of cause and effect: The President sells arms to Iran; therefore, the Contras—unwitting recipients of some of the proceeds—must be punished and cut off. Such is the level of analysis and debate on this emotional issue.

Mr. President, I urge this body to look beyond the frustrations and disarray brought about by the administration's dealings with Iran. We must not smear the Contras with the tar of Irangate. Contra aid stands on its own merits. It was the correct policy when we voted for it last summer, and it remains the correct policy today.

Mr. President, I appreciate the distinguished Senator from Mississippi yielding me these few moments.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I yield 10 minutes to the Senator from Idaho [Mr. SYMMS].

The PRESIDING OFFICER. The Senator from Idaho [Mr. SYMMS] is recognized.

Mr. SYMMS. The Senator from California may proceed.

Mr. STENNIS. I yield 10 minutes to the Senator from California.

Mr. WILSON. I thank the distinguished Senator from Mississippi.

Mr. HATFIELD. Mr. President, we have tried to follow the alternating system with the proponents and opponents, based on those who signed up last night, and the list is published in yesterday's CONGRESSIONAL RECORD.

I only have the time for the proponents of the joint resolution. But if we yield time, I say to the Senator from Idaho that Senator HARKIN will be following Senator WILSON, not the Senator from Idaho. Senator HARKIN will be a proponent.

I inform the Senator from Idaho that if he seeks to yield now to the Senator from California, he will lose his position as the next speaker.

Mr. SYMMS. I do not want to lose my slot, Mr. President.

I was just willing to accommodate my colleague from California. Would I be after Senator HARKIN then?

Mr. HATFIELD. I offer this as a matter of information. Following the next speaker who is opposing the resolution, we will have a speaker proposing support for the resolution.

Mr. SYMMS. Then would I be next after Senator HARKIN?

Mr. HATFIELD. I would think so.

Mr. SYMMS. If I am next after Senator HARKIN, that is fine with me. Thank you.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Thank you, Mr. President, I thank the distinguished manager, the Senator from Mississippi, and I thank my friend and colleague from Idaho for his courtesy.

Mr. President, I do not know how long those who are watching on television have been watching. I do not know——

The PRESIDING OFFICER. The Senator will suspend. The Chamber will please be in order.

The Senator from California.

Mr. WILSON. I thank the Chair for gaining order.

I am not surprised that those on the floor are growing restive, Mr. President. I suspect that anybody who has been witness to this debate is growing weary of it, because I rise once again, not with any pleasure, certainly not for the first time, and I am certain not for the last. This particular measure is engaging us in something of an academic debate because both sides have already indicated that the $40 million will be received, but it is important that we try to shed what light we can as we look toward the renewal of this debate yet one more time later in this year.

So let me just try and ask a question that I think pertinent to this stage in the proceedings, Mr. President, and that question is: What has changed since the first of these debates?

The first debate in which I was privileged to participate was in 1983 shortly after arriving in this body.

I took the time last night to read not only my own statements but a great deal of the debate that has taken place as year after year we have found ourselves embroiled in the same questions, asking the same information, receiving the information but then asking the same questions again and never really moving very far forward. We have been back and forth over the candle several times. First we voted for military aid. Then we voted for so-called nonlethal aid, and then once again seeing the error of that good intention misfire, we listened to those in the region, those who have had the opportunity to observe at close hand the situation there, and once again last year finally we renewed military aid.

What has happened? What has changed, Mr. President, through all of these years and all of these debates?

Well, the answer is very little. Very little has changed, but those things that have changed I think are notable.

What has changed in the area of human rights is that there has been a great deal of pressure brought to bear on the conduct of the Contras. They have been increasingly in a glaring spotlight.

The State Department has published a rather thick book that deals with the subject of human rights both as conducted by the Contras and as conducted by the Sandinista regime in Managua. To the best of my knowledge Senator ARMSTRONG yesterday made that a part of the RECORD. I commend it to you. It is more than interesting reading.

But what has not changed is the Sandinista approach to human rights and, as that volume published by the State Department from a variety of sources indicates very clearly, there is continued cruel repression. Not only have the Sandinistas violated their promises made in this celebrated telegram to the OAS in 1979 in which they promised democratic pluralism, the restoration of human rights, free elections, and real democracy. They have not only defaulted but they have violated every one of those promises and indeed have gone far beyond.

I suppose in the interest of time the best thing to do is to recall the slogan which Senator DURENBERGER reported to us on his return from Central America just when we were having this debate last year.

He found in graffiti on the walls of Central America's capital the phrase that in Spanish said the Sandinistas are the same as the Somocistas.

What that says is that human rights have not been abridged. They have been violated.

But I am perhaps most interested in the subject of free elections and the contrast between free elections as conducted in the small democracies surrounding Nicaragua in contrast to the sham, the absolute charade that took place there, not that it was any great surprise. It was not.

In August 1983 I traveled to Central America and visited all of the countries of that small isthmus, including Nicaragua. I was advised by our then Ambassador to Managua that I was the first United States Senator to travel to Nicaragua during his 19-month tenure. There has been a great parade since then. But it did afford me an opportunity for an interesting one-on-one with then Commandante, now Presidente, Ortega. And only after I had relentlessly pressed him for about an hour did he finally make a rare statement, one of commendable candor. When I said "Will you have a free election that will allow the people of Nicaragua to choose the kind of government that they want?" His response was "Our revolution is too important, and we will never sacrifice it by any means for any reason. We will never displace what the people have won."

What the people have won, he might have added, by force of arms, by violence, by the kind of tactics that were exactly those of the cruel, evil, corrupt Somocista regime that it had displaced.

Mr. President, last week we all signed onto a joint resolution here wishing well the efforts of the Central American democracies under the leadership of President Arias, of Costa Rica, to try once again to achieve some kind of a diplomatic breakthrough in the hope that real democracy could come to Nicaragua.

The only way it can come is if there is a free election with an honest to God political campaign and not people who are nominal candidates who really are not permitted to reach their public.

My friend from South Carolina a moment ago expressed some outrage, some frustration at what he is hearing once again as once again in this debate we hear urging from those supporting the Weicker joint resolution to give negotiation a chance.

My God, Mr. President, where have my colleagues been? We have given negotiation a chance again and again and again.

What has changed during the period of these long years that are so rapidly slipping by is that human rights have not been improved in Nicaragua. There is no greater prospect for a free election and real democracy there than at any time since they took that country by force of arms.

What has changed is that daily through the Port of Corento, the Warsaw Pact, the Soviet Union, Cuba have poured arms into that country, building an arsenal that so far exceeds any legitimate defensive need that it permits no other reasonable inference than that of potential capability for aggression or present capability for great intimidation of those tiny fledgling democracies around.

Let me come to that point, Mr. President. There is a thing called the Reo Pact. We are signatories. It allows each of its signatories to invoke the provisions of the pact to summon assistance in the event that one of the members of the Organization of American States is attacked, and the Sandinistas, being clever people, have been careful not to engage in overt aggression except for about 250 over-the-border skirmishes and raids, but nothing that has yet moved any of those attacked to invoke the provisions of the Reo Pact.

What they are trying to do instead to subvert their neighbors. If they do not have to roll those battalions of Soviet tanks, if they do not have to flush out the Hind helicopters beyond the borders of Nicaragua, why then are they content to play the waiting game and by continued pressure and by continued vacillation on the part of the American Congress convince those small fledgling democracies that time is not on their side, that it is instead on the side of Sandinistas, and thus far it has been.

I do not want American boys to go to Central America to fight a war that they need not fight. They are not being asked to do that by those who are asking arms for the Contras.

But if we allow the successful subversion of El Salvador, of Honduras, of Guatemala, there on the very doorstep of Mexico, then one day it will be clear, even to those who somehow fail to see it now, that the southern approaches to the United States are threatened and there is a realistic possibility—growing to perhaps a probability—that one day American boys will have to go needlessly and shed blood to defend American interests.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WILSON. Mr. President, I ask unanimous consent for 30 seconds.

The PRESIDING OFFICER. Is there objection?

Mr. STENNIS. I yield 30 seconds to the Senator.

The PRESIDING OFFICER. The Senator is recognized for an additional 30 seconds.

Mr. WILSON. Mr. President, nothing has changed. We have given negotiation an abundant chance. We need to be concerned with those young men who are now of fighting age, but even more, perhaps, those in their teens, whose safety, I think, is threatened tragically and needlessly.

Let us indeed respond to those like President Duarte and others in the region who are asking that Contra pressure be maintained. It is the only hope of getting a real negotiation leading to real democracy in Nicaragua.

I thank the Chair.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HATFIELD. Mr. President, the hour of 12 o'clock has arrived. We now are under the constraint of 4 hours remaining, with a dwindling number of Members who have indicated their desire to speak and most of them having signed up last night. We at that time computed the time to be about a limit of 12 minutes. Beginning now, from the standpoint of the need to accommodate the number of speakers, the leadership, the managers of the bill, are going to have to reduce the 12 minutes to a lesser figure. Otherwise, we will have colleagues who will not have any opportunity to speak.

So at this time, I yield 7 minutes to the distinguished Senator from Hawaii to speak as a proponent of the joint resolution.

The PRESIDING OFFICER (Mr. FOWLER). The Senator from Hawaii is recognized for 7 minutes.

Mr. MATSUNAGA. I thank the distinguished Senator for allowing me to speak.

Mr. President, I rise in support of Senate Joint Resolution 81, introduced by the senior Senator from Connecticut [Mr. WEICKER] to stop the delivery of the remaining $40 million of the $100 million in Contra aid funds narrowly approved by Congress last year. Although it is unlikely that we can sustain a veto of this measure, I believe that initial passage of this resolution of disapproval will send an important message to the White House that Congress and the American people will no longer tolerate prolonged support for the administration's ill-conceived policy in Central America.

Mr. President, I am opposed to Contra aid for several reasons: First, even if it were desirable, continued assistance to the Contras can never result in significant military victories against the Nicaraguan Army. No matter how much money we pour into Central America, it is impossible for a rag-tag band of 12,000 Contras to bring significant pressure to bear on a well-trained and well-equipped army of 72,000 and a home militia of 50,000. Indeed, the Contras have not even been able to carry the war into Nicaragua proper; the most recent battles have taken place in Honduras or in the sparsely populated mountains in the north, and most offensive actions have been against civilian economic targets and milita units, not units of the regular Nicaraguan Army.

The only hope the Contras have ever had was to cultivate popular support among the Nicaraguan people. Unfortunately, the Nicaraguan people feel no sympathy for the Contras because the Contras themselves are as bad or even worse than the Sandinistas who now rule the country. The Contras are terrorists, who are guilty of countless human rights violations, and are largely led by ex-National Guard officers, men who participated in the brutal repression of democracy under the Somoza dictatorship; it is hardly surprising that Nicaraguans have not flocked to the Contra banner. This was one of the reasons why Eden Pastora, one of the few Contra leaders with any credibility, refused to join with the other Contra rebel forces. And this is primarily the reason why Arturo Cruz, the most moderate member of the UNO [United Nicaraguan Opposition] civilian leadership, resigned last week.

Second, the administration's Nicaraguan policy flaunts international propriety, custom, and law. While we maintain the farce of diplomatic relations with Managua, we provide munitions and supplies to ex-Somocista terrorists in their effort to overthrow the very Nicaraguan Government we recogize. While we continue to instruct other nations on the importance of replacing might and aggression with the rule of law and due process, we selectively withdraw ourselves from a 39-year commitment to respect the juridiction of the World Court when it rules against us on aid to the Contras. From these actions, it is quite clear that friends and enemies alike gain the impression that U.S. policy is based less on principle than on convenience.

Third, contrary to our democratic principles, the administration continues to pursue a crude, militaristic course in resolving the Nicaraguan crisis rather than a peaceful, diplomatic response. It rejects offers by the Nicaraguan Government to discuss all reasonable U.S. secruity concerns. It rejects and actively undermines efforts by Latin American nations to mediate the conflict. With perverse reasoning, the administration refuses to engage in negotiations with the Sandinistas until the Sandinistas first acquiesce to the administration on the very points on which the Sandinistas wish to negotiate. By its very actions the administration has made it clear that it has no intentions of pursuing a peaceful end to the war in Central America. Instead, driven by an irrational, paranoid fear of communism, it seeks the forceful expulsion of the Sandinista leadership at any cost, even if this means its forceful replacement by a vicious, authoritarian Contra regime.

Fourth, and most important, continued Contra aid threatens to pull our Nation's Armed Forces into a conflict which is neither just nor necessary. American young men will soon be drawn into combat if we continue on the present course. By sending our National Guard ostensibly on training maneuvers in Honduras, the administration creates just such an opportunity. Continued assistance to the Contras will protract the war in Nicaragua, and force the Sandinista government to turn increasingly toward Moscow and Havana for aid, precisely the outcome the American people wish to avoid. With the infusion of Soviet arms and influence, the Nicaraguan war will evolve into a larger war whose political and military costs will be far greater than the considerable ones we are now paying.

Mr. President, these are some of the reasons why we should adopt Senate Joint Resolution 81 and discontinue Contra aid. And they do not include the recent revelations of the Iran-Contra affair, in which members of the administration may have diverted millions of dollars in aid to the Contras at a time when Congress had by law expressly prohibited such aid. In fact, not only have we had no accounting for all the funds which may have gone to the Contras from the sale of arms to Iran, we still do not have a full accounting of the funds Congress approved for Contra aid.

The Iran-Contra affair is merely the latest manifestation of the failure of the administration's foreign policy in Central America, a policy which assumes that a Communist country such as Nicaragua, ipso facto, poses a clear and present danger to the United States—regardless of the fact that its citizens number only 3 million, who are struggling under the burden of poverty, lack of education, and a long history of right-wing repression.

Mr. President, let us stop this madness now. Let us end our ill-conceived and poorly implemented policy of aggression against Nicaragua and restore credibility to our institutions and ideals. In the long run, what purpose can it serve for a great and powerful republic to intimidate a small Communist country, itself surrounded by a sea of democratic nations?

In the newly promulgated Costa Rican initiative, which Congress overwhelmingly endorsed only a week ago, we have what is not given to many—a second chance. The Costa Rican initiative, like the Contadora initiative before it, is supported by the very nations which are most directly affected by the Nicaraguan war. Let us seize this opportunity to demonstrate to the world and to ourselves that statementship, reason, and adherence to democratic principles are yet alive in the councils of government.

Mr. President, I urge my colleagues to support this important joint resolution.

The **PRESIDING OFFICER**. Who yields time?

Mr. **STENNIS**. I yield to the Senator from Idaho.

The **PRESIDING OFFICER**. The Senator from Idaho, Mr. SYMMS, is recognized for how many minutes?

Mr. **STENNIS**. Ten minutes.

Mr. **SYMMS**. I thank the distinguished chairman and floor managers of the bill.

I see this issue quite the opposite of my good friend from Hawaii. In my view, it is either success with the Contras now or it will be the Marines and the paratroopers of the United States of America later. There is no reason for us to equivocate; we cannot afford to have another Soviet puppet base in the Western Hemisphere on the mainland of the Americas.

The Congress has voted on that issue repeatedly. In 1962, it voted that it would use force if necessary to stop a Communist expansion into the mainland of the Americas. We voted on that same language, in the Symms amendment, in 1982, and 1984. The House and Senate have made it repeatedly clear that we cannot afford to have a revolution in Central America that spreads into Mexico, toward the borders of the United States.

Mr. President, the issue of aid to the Contras has been before us often; each time we have furious debates and close votes. It is entirely fitting that this important issue be carefully considered, but it is frustrating to face this question time and time again without ever committing ourselves to any long-term policy.

This vote is more frustrating than most. Today we are asked to renig on a commitment we have already made. We are asked to deny the Contras $40 million of the $100 million we voted to give them less than a year ago. This is vacillation of the worst, most dangerous kind. Surely, we cannot afford to add reniging on commitments already made and denying dollars already pledged to our long and dismal history of vacillation and indecision on this important question. If my colleagues wish to debte the wisdom of continuing to increase and sustain aid to the Nicaraguan freedom fighters, I would be glad to accommodate them. I have no desire to stifle debate on this issue. But there is no justification for demanding this vote to take back what we have already pledged.

The continued existence of the democratic resistance to the Sandinista regime depends upon our actions. Our effectiveness and credibility as an international power depends upon our willingness to keep our commitments. If we fail to do so, the only thing made clear in this entire muddled debate will be that the United States cannot be counted on to support freedom and oppose Communist expansion—even in its own back yard.

Despite the incredible amount of media attention given to Central America, or maybe because of it, the Nicaragua issue continues to be clouded by false and misleading information. The confusing tangle of conflicting testimony the news media has helped to weave has combined with our endless vacillation to completely confuse the public. As a result, although public interest in Central America and United States policy there is high, public understanding of the situation is not.

We must build a consensus for a firm policy in Central America; a consensus based on the goal we all share: encouraging democratization of the region.

I have long been concerned about the problems in Central America, especially about their effect on the future of representative government in this hemisphere and the security of the United States. My views on the situation in El Salvador, Honduras, Guatemala, and Nicaragua are based on detailed analysis of State Department, CIA, DIA, and Defense Department intelligence; on information and insight gained from congressional hearings, my personal visits to the region, the many visits of members of my staff—who have served as official poll watchers for the Nicaraguan, Guatemalan, and El Salvadoran elections, and discussions with refugees and officials of the nations of Central America. I also carefully study press accounts of the situation there, reports of human rights groups and comments from constituents who have visited the region.

My study has led me to conclude that the President's policy in support of the Nicaraguan freedom fighters is correct and should be supported.

This policy is based on several valid assumptions:

First, whatever ambiguity there may have been in the beginning, it is now absolutely clear that the Sandinista regime is a militaristic, expansionist Communist dictatorship which is a threat to its neighbors and the stability of the region;

Second, peaceful negotiations, in the absence of a military threat, are ineffective in deterring Sandinista aggression. History shows that Communist revolutionaries do not seize power to give it up through negotiations;

Third, force, applied through the Contras, is the only way to achieve what negotiations alone cannot—the democratization of Nicaragua and the elimination of the Sandinista threat to the region; and,

Fourth, though the Contras are not perfect, they are an indigenous, prodemocratic movement which needs and deserves our aid. Without our aid their fight to liberate their country is doomed.

The validity of these premises can be demonstrated by study of the present situation in Central America and of the history of the Sandinista regime.

The fact that the Sandinistas are a Communist, pro-Soviet military dictatorship is best proven by analyzing their own words and actions. Top Sandinista leaders have been forthright in declaring their intentions. Like Hitler in "Mein Kampf," they have carefully and publicly laid out their plans. But, like the isolationists of the 1930's, many of us prefer not to hear.

Here is a small sampling of some of the statements made by Sandinista leaders:

Commandante Humberto Ortega, Nicaragua's Minister of Defense, said in a speech in August of 1981:

> Marxism-Leninism is the scientific doctrine that guides our revolution. . . . We cannot be Marxist-Leninist without Sandinismo, and without Marxist-Leninism, Sandinismo cannot be revolutionary. . . . Our doctrine is Marxist/Leninism.

Tomas Borge, the Minister of Interior and overseer of censorship and internal security, stated in September 1983 that he was a Communist and that:

> You cannot be a true revolutionary in Latin America without being a Marxist-Leninist.

Bayardo Arce, the commandante in charge of elections, made an unusually candid speech in May 1984 in which he stated that the elections were a nuisance and should be used to "demonstrate that the Nicaraguan people are for Marxism-Leninism." He admitted that:

> If we did not have the war situation imposed on us by the United States, the electoral problem would be totally out of place in terms of usefulness.

True to its Communist nature, the Sandinista regime, as many of my colleagues on both sides of this issue have noted, is a Cuban-style dictatorship. Were it not for the pressure from the Contras and the spotlight of international opinion, they would surely be more ruthless and repressive than they are now.

A report late last year by the Permanent Human Rights Commission of Nicaragua states that there are over 6,900 political prisoners in Nicaraguan jails—this means that Nicaragua has the most political prisoners of any Latin American country. Since then, according to the U.S. State Department, several thousand new prisoners have been added.

The example of the Miskito Indians is, and ought to be, often quoted. In a land of torment and persecution, the Miskitos have been the most vilely repressed. In reviewing the PBS documentary on the plight of the Miskitos, the New York Times said, "there is compelling evidence that the Nicaraguan Government murders innocent people."

According to the New York Times, "49 Miskito villages along the Coco River were burned down by the Sandinista soldiers; 65 bombs were dropped on six villages in 11 days." People were "hanged, machinegunned and burned." Before the Sandinistas took control of Nicaragua, the Miskitos were not refugees. Now, over one-fourth of the Miskoto Indians have fled Nicaragua and its concentration camps.

As the New York Times reviewer concluded:

> The Nicaraguan government uses the full resources of the State to carry out domestic policy and oppress peaceful people. This is a devastating indictment.

This barbaric repression is not limited to the Miskito Indians. As the International League of Human Rights says, "repression of human rights in Nicaragua is systematic and widespread."

The U.S. State Department "Country Reports on Human Rights Practices for 1986" states that:

> Major human rights abuses in 1986 included mass arrests of civilians on vague charges of counterrevolutionary activity; torture and abuse of prisoners; disappearances; summary executions of civilians and prisoners of war; the continuing involuntary relocation of rural residents; civilian deaths resulting from the Sandinista military's indiscriminate use of artillery and air bombardment; the closure of the opposition newspaper La Prensa and Radio Catolica, operated by the Catholic Archdiocese of Managua—the last vestiges of the independent, non-government-controlled mass media; and the forced exile of a leading bishop, the Curia's spokesman, and a priest.

The suppression of religion and freedom of the press is now nearly total in Nicaragua. Even in the darkest days of the repressive Somoza regime this was not true. Pope John Paul II has issued strong attacks on the Nicaraguan Government for expelling Catholic Bishop Pablo Antonio Vega Montilla. He described the expulsion as as act out of the "dark ages * * * an almost incredible act" which he "deeply deplored."

The expulsion which "deeply saddened" the Pope was only one attack in a long and determined Sandinista war on the Catholic Church in Nicaragua. Jews have also been persecuted by the Sandinistas. All the synagogues in Nicaragua have been closed and the entire Jewish population has fled rather than remain to be persecuted.

The Sandinista closing of La Prensa, in retaliation for last June's House vote for Contra aid, eliminated the last semifree newspaper in Nicaragua. La Prensa, which operated throughout the Somoza regime, was literally boarded up by the Sandinistas. Violetta Chamorro, La Prensa's owner and editor, has been an outspoken critic of the Sandinista dictatorship, as her husband was against the Somoza regime. Her words, from a letter she sent on Nicaraguan President Daniel Ortega, are a powerful condemnation of Nicaragua's dictators, she said:

> Your Sandinista Party has already created a great concentration camp in Nicaragua, but the Nicaraguan people are not losing their liberating spirit and will never lose it even in the worst of the gulags which your mind is able to conceive.

The Nicaraguan people are clearly suffering great hardships. But, the threat posed by an unchecked Sandinista regime in Nicaragua is not limited to its own people. Supplied and trained by the Soviets, Cubans and a wide variety on international Communists and terrorists, the Nicaraguan military force is stronger than any other in Central America. It is now nearly as strong as the combined forces of all its neighbors.

In the fall of 1979, immediately after seizing power, the Sandinistas began an incredible military buildup. By early 1985, the active duty strength of Nicaragua's Army had reached 62,000 and active reserves and militia increased the total to 119,000. The massive infusion of weapons and material from the Soviet Union has given the Sandinista army a sophisticated, mechanized capability unrivalled in Central America.

When they grabbed power in 1979 the Sandinistas inherited three World War II tanks from Somoza's National Guard. By 1984 they had an armored force of over 110 Soviet T-55 tanks and about 30 PT-76 light tanks. They also have received about 200 other armored vehicles, mostly BTR-152 and BTR-60 armored personnel carriers. These numbers continue to increase.

In addition to these formidable ground forces the Nicaraguans are also bolstering their naval forces with imports from the Soviets, North Koreans, and Cubans. Their Air Force has become a potent threat with the introduction of the deadly MI-24 Hind helicopter gunship, which has been supplied by the Soviet Union.

Added to this enormous Sandinista material and manpower reserve is the presence of hundreds of Soviet, Cuban, North Korean, PLO, Libyan, and East European troops and advisers.

These military forces have no application other than aggression against Nicaragua's neighbors and repression of Nicaragua's citizens. The Sandinistas have been candid about their determination to use these resources to expand their Communist revolution. The infamous Sandinista "72 Hour Document" states:

> The foreign policy of the Sandinista People's Revolution is based on the full exercise of national sovereignty and independence on the principle of revolutionary internationalism.

Interior Minister Tomas Borge has declared:

> This revolution goes beyond our borders. Our revolution was always internationalist from the moment Sandino fought his first battle.

And Bayardo Arce has admitted:

> We cannot cease being internationalist unless we cease being revolutionaries.

Nicaragua's neighbors are aware of and fear the threat posed by the militaristic Sandinistas. In addition to last year's much-publicized Nicaraguan invasion of Honduras, the Sandinistas have consistently violated the frontiers of their neighbors since the beginning of their regime. Their support of the Communist rebels in El Salvador is well-documented by State Department and congressional Intelligence Committee reports.

Carlos Jose Gutierrez, the Foreign Minister of Costa Rica said in a 1985 interview:

> Nicaraguan planes and helicopters have violated Costa Rican airspace many times in the last three months. Nicaragua is responsible for 34 major border incidents since 1983, including an ambush of a patrol of Costa Rican rural police inside Cost Rica in May in which two policemen died. . . . Nicaragua is placing the peace of the region in great peril.

He continued by saying:

> Most Central American leaders want the Sandinistas removed from power. They continue to be a threat; once they consolidate they will be more of a threat.

The Sandinista determination to use their military outside Nicaragua was bluntly stated in the threat delivered by Daniel Ortega on the MacNeil-Lehrer Newshour in June 1986. Of the American military advisers in Honduras, Ortega stated:

> Those military advisers that are being sent to train the terrorists who attack our people are going to run the very same risks that the terrorists run when they attack us.

Moderator MacNeil then asked,

> Do you mean that American advisers could be killed?

Ortega answered:

> That simply means that they may die.

The "simple" meaning of this threat is obvious. Ortega not only demands the right to attack his neighbors, he reserves the right to kill American advisers who are attempting to help these nations defend themselves.

Mr. President, I regret that these problems cannot be solved peacefully. U.S. efforts to find a peaceful solution in Central America have been persistent and well-documented. But for real peace to be possible, both sides must want it. The Sandinistas have shown no willingness to negotiate any meaningful restrictions on their aggression or their military buildup.

From the beginning, the United States attempted to work with the new Nicaraguan Government to achieve a peaceful transition from the Somoza dictatorship to democracy. But democracy was not in the plans of the Sandinistas commandantes, despite their pledge to the Organization of American States to implement it.

American attempts at diplomacy and friendship were rebuffed and answered with Sandinista support for subversion in El Salvador. In 1979 this Congress voted to give the post-Somoza government of Nicaragua $75 million in aid. Total U.S. aid to the Sandinistas approached $120 million. By January 1981, President Carter was forced by the continuing Sandinista subversion, terrorism, and aggression to begin cancellation of the U.S. aid program.

Since that time, numerous American attempts at peaceful negotiation have received no encouragement from the Sandinistas. In fact, each time the Congress defeats a Contra aid bill the Sandinistas embark on some new folly, such as the invasion of Honduras, or Ortega's celebrated "friendship trip" to Moscow.

Much has been said in this debate about the Contadora peace process. But the facts reveal that it is not viable and that the Sandinistas will not participate faithfully.

I support and applaud the goals of the Contadora nations. The Sandinistas, of course, do not. I support the demilitarization of the region, but the Sandinistas, obviously, do not.

The Contadora process is proceeding at a very slow pace, an unacceptable slow pace for those being oppressed by the Sandinistas in Nicaragua and those in El Salvador, Costa Rica, and Honduras who are being victimized by Sandinista-supported guerrillas. In addition, the Contadora plan cannot credibly guarantee the dismantling of the large Nicaraguan military machine, or the ending of the enormous Soviet and Cuban presence in Nicaragua. The Sandinistas have rejected any proposal which would allow inspection by OAS representatives of their compliance with any Contadora agreement.

Contadora is a good idea and a noble effort which I support, but in practical terms it will neither solve the problem fast enough to keep it from spreading, nor bring about a solution which will eliminate the threat of an aggressive Nicaragua.

Effective negotiation of the Contadora proposals must be accompanied by the use of force. And the only way we can apply force without involving the military forces of the United States and spilling the blood of American men is to support the indigenous democratic forces of Nicaragua. These are the Contras.

The Contras are freedom fighters. Their's is a cause which we have a moral duty to support. The democratic opposition to the Sandinistas is a direct result of the Sandinista failure to implement the goals of the anti-Somoza revolution. The Contra mission is to retrieve a stolen revolution.

The Sandinistas, as a small part of a pluralistic, anti-Somoza revolution, pledged to democratize post-Somoza Nicaragua. But, after the revolution they proceeded to turn their guns against their partners in the struggle against Somoza. The Sandinistas have reneged on their promises to the OAS and the people of Nicaragua. The Sandinistas have simply replaced one dictatorship with another.

Since 1981, over 20,000 people have joined the Contras in taking up arms against the Sandinistas. These people represent the democratic aspirations of the Nicaraguan people. The Contra ranks are composed largely of peasants, former Sandinistas and long time Nicaraguan human rights activists. According to Robert Leiken, the Carnegie Endowment's Central American analyst:

> The Contras have grown into a diverse army of 20,000 that is now a popularly based vanguard for a widespread and growing rebellion.

A myth has arisen, and I have heard it repeated on the floor during our debates, that the Contras are all "Somocistas." This is simply false. There are more Somocistas in the Sandinista government then in the Contra organizations. Over 30 top leadership positions in the Sandinista government are held by former Somocistas. There are far more former Sandinistas fighting with the Contras than former Somoza supporters.

Figures are hard to get and necessarily rough, but of the 17,000 members of the FDN, the largest Contra organization, only about 150 are former Somoza National Guard members. The top leadership of the FDN is composed of long-time Somoza opponents, such as Adolfo Calero and Alfonse Robelo. Those Contras previously associated with Somoza are greatly outnumbered by the democratic leaders who were long and ardent opponents of Somoza.

Over 30 percent of the FND members are former Sandinistas who turned to the FDN when the Sandinistas betrayed the revolution. The other large Contra groups do not have any former Somoza guardsmen and are composed entirely of peasants, former Sandinistas and Miskito Indians.

The Contras are often charged with being murderers and terrorists. These charges are Sandinista generated slander.

In a guerrilla war fought in a nation which tightly controls its press, it is difficult to get reliable information, even so, none of the charges of Contra atrocities have been substantiated by anyone but Sandinistas, or people held in their custody. During Senate investigations of one of these atrocities, many of the witnesses against the Contras were found to have been paid or threatened by the Sandinista to perjure themselves.

According to the State Department, the Sandinista government "regularly blames the opposition for abuses committed by Sandinista forces." The armed democratic resistance has consistently sought to direct its military operations only against military or strategic targets.

Nevertheless, the war in Nicaragua is a guerrilla civil war, not without risk—or threat to innocent bystanders. The Contras are not perfect, few governments in Central America are, much less guerrilla movements. But we should support the Contras as the best—by far the best—alternative in this conflict.

Foreign policy is often the art of choosing the best of imperfect alternatives. Jeffersonian democrats are scarce in Third World nations. But we can and must make a choice. As we have often learned, inaction brings the worst of results.

Surely, for the people of Vietnam, Diem and Thieu were better alternatives than Le Duan and the ruthless Communists. Lon Nol was an easy choice in Cambodia over the murderous Pol Pot. And the Shah was certainly preferable to the insane ayatollah. In Nicaragua, the Contras are clearly a better alternative for the people of Central America than the despotic Soviet-controlled Sandinistas.

It is in our interest to encourage democracy and freedom in the Western Hemisphere. It is necessary and honorable for us to support and protect our friends and allies in Central America from aggression from Nicaragua and Cuba. For our own security we cannot afford to have a Soviet puppet state on our southern flank. President Reagan's support for the Contras is a wise policy necessary to preserve our security and Central America's freedom.

Some opponents of this support claim that it is a violation of international law. Such protests have no basis in international law. U.S. military aid to the Contras is within the law according to the U.S. Charter. Article 51 specifically protects the right of "individual or collective self-defense if an armed attack occurs against a Member of the United Nations." The OAS charter reaffirms this basic right to collective self-defense, as does the Rio Treaty. The United States is involved in aiding the Nicaraguan Contras because we have a duty to ourselves and our allies in the region to help stop Sandinista aggression in Central America.

Obviously, U.S. military aid to the Contras represents American use of force against the Sandinista government. But this use of force is justified by continuing aggression of Nicaragua against its neighbors. The fact that Nicaragua has, since 1980, been directly and militarily involved in attempting to overthrow Costa Rica, El Salvador, and Honduras—all of which are democratic United States friends—is affirmed by the United States State and Defense Departments, the United States Congress, the Governments of El Salvador, Honduras, and Costa Rica, the Contadora nations, the Kissinger Commission and the Sandinistas themselves.

U.S. aid to the pro-democratic Contras represents a minimal effort to support our friends in the region who are under attack.

Direct American intervention in Central America is not necessary at this time, nor do I believe it will be necessary in the future if we continue to provide substantial military aid to the Contras.

But, if we are irresponsible enough to allow the Soviets and their clients—Nicaragua and Cuba—to continue their destabilization and military conquests in the region, this might change. If we are shortsighted enough to squander our credibility by reneging on our promise to aid the Contras, then we may see the situation deteriorate dramatically. If we are foolish enough to abandon the Contras and let these fighters wither on the vine because of our neglect, then we may be forced to replace them with American fighting men.

Elimination of the Contras would be an enormous tragedy for Nicaragua and the region of Central America. Democracy is spreading quickly in Latin America. Throughout the region despots of both the left and the right have been ousted and replaced with fledgling democracies. El Salvador and Guatemala are, with our help and encouragement, on the way to developing a stable democratic tradition. Grenada and Haiti have both been given a second chance by timely and prudent United States assistance.

Nicaragua and Cuba are the glaring exceptions. In Cuba, democracy has been extinguished. In Nicaragua it is still flickering, thanks to the Contras and the aid we have provided them. If the Contras are crushed, Sandinistas and Cubans will turn their attention to extending their control to other nations in the region.

The liberal left has not had a good record on Central America. In 1983, liberals in the Senate opposed assistance to El Salvador. To help a corrupt government against infiltrating Communist guerrillas, they argued, would mean the moral integrity of the United States. In May 1984 the House voted 121 to 208 to give military aid to the embattled Government of El Salvador. Changes in only 44 votes would have spelled disaster for El Salvador—such was Congress' meager commitment to democracy in El Salvador. How many of us now regret the passage of that bill? Did it result in another Vietnam? Of course not.

El Salvador today, largely because of American assistance, has a chance for a stable democratic future. Two elections have demonstrated the overwhelming desire of the people there to live in a democratic society. The Salvadoran Government has begun implementation of many democratic reforms. Human rights abuses have dropped dramatically. President Duarte has successfully rallied the people against the Sandinista-supported rebels.

Congress and the American people should be proud of our Nation's role in this transformation. We should continue our commitment and our aid to El Salvador to ensure that these gains are not lost.

Now the focus is Nicaragua. This time congressional liberals and their supporters in the public and the media say it is immoral for the United States to help native democratic guerrillas against a totalitarian Communist government.

In reality, it seems the left opposes any use of American military aid to support democracy in Central America. Should this attitude become policy, it will place the United States in a dangerous position; it will destroy our flexibility in the region. If we adopt this isolationist policy, we will have no option but direct U.S. intervention when the situation becomes desperate.

Many people in my State have become so concerned about Nicaragua that they have visited that country. Their interest is commendable and their intentions are admirable, but they cannot get a proper perspective on the situation there from a short, Government-controlled visit. Their "Potemkin village" tours never include a stop off at the local political prison, or a weekend in a Miskito concentration camp. They come home convinced that the Sandinistas are deacons of democracy and friends of freedom.

They have been deceived into believing these tours are representative. One might easily visit the Soviet Union and see no evidence whatsoever of gulags or labor camps for political prisoners. This does not mean they do not exist.

These naive Americans, for all their good intentions, have been and are being used by the Sandinistas as pawns in the Communist propaganda offensive against the democratic resistance in Nicaragua.

It is puzzling that so many educated, prosperous, middle-class Americans are willing to accept the word of a Marxist dictator over the testimony of their own Government. We have seen this phenomenon over and over again, in 1917 Russia; in 1949 China; in 1959 Cuba; in Vietnam, throughout our involvement there; and now in Nicaragua. The irony is that these Americans, because of their education and their prosperity, would have been the first people to be executed had they lived in any of these nations when the Communists came to power. And they would have been the first imprisoned by the Sandinistas in 1979.

In his trip to the United States last year, Daniel Ortega used well the platform given him by these naive and idealistic Americans. In his attempt to spread disinformation, Ortega knows no shame. In a speech to a church group in New York he said:

> I too represent a people who are fundamentally religious. Christ is a part of our revolution.
>
> His words were met, according to the New York Times, with a thunderous ovation and shouts of Viva Nicaragua Libre.

It is sad to see American citizens duped by an enemy's propaganda, but having listened to many anti-Contra speeches on this floor and having been subjected for 8 years to the relentless media campaign against them, it is easy to understand why the public is so confused about this issue.

In 1958, a misguided isolationism caused the United States to sit idly by as Fidel Castro seized power in Cuba. Castro, too, had duped many into believing he was a nationalist with no ties to the Soviet Union and no interest in Communist economics or plans for totalitarian dictatorship. When Batista fled on New Year's Day in 1959, many Americans cheered the downfall of a despot, not realizing they had witnessed the birth of an even greater monster.

In Cuba, as in Nicaragua, it did not take long for the Communists to reveal their real agenda. Castro quickly installed a pro-Soviet regime and imprisoned and executed his political opponents. Castro's rise to power in Cuba brought nearly 700,000 refugees to the United States.

With his massive Soviet-supplied military machine Castro has exported his revolution all over the Southern Hemisphere.

Through our passivity, we allowed Castro a foothold. Later, through our weakness, we guaranteed the safety of his squalid little empire by making a mess at the Bay of Pigs and concluding the Kennedy-Khrushchev agreements. We have paid an exorbitant price for both mistakes.

The only thing we have gained from the disaster in Cuba is experience, experience which we should be able to draw upon now. Yet, we are making the same mistakes in Nicaragua—a nation on the mainland of our own continent. We seem to have learned nothing from our lesson in Cuba.

The Sandinistas, though, have learned well from Cuba's experience. Both their strategy and their dictatorship are much the same.

The evidence that Nicaragua is militarily aggressive is overwhelming. It can only be denied by those seeking to apologize for that regime who deliberately ignore the facts. It is equally clear that the Sandinistas are wholly dependent on and committed to the Soviet Union and Cuba. The military buildup in Nicaragua and its continuing human rights violations cannot be denied, nor can the ongoing genocide of the Miskito Indians.

The major difference between Cuba and Nicaragua is that in Nicaragua we have an indigenous force of freedom fighters to support. The only hope for liberation of Cuba is invasion from the outside. The Nicaraguan people are still struggling to free themselves from the inside. They look to us for help.

In Nicaragua, the United States has allies in the field. The Contras are willing to die in the struggle to restore democracy to their country. All they ask from us is financial and material support. That is a small price to pay for freedom and security.

We have already committed ourselves to this policy; we have already voted to give the Contras this money which they need to survive. We must not now retract our pledge and sentence them, and democracy in Central America, to extinction.

When we examine the Nicaraguan problem, we must recognize that the Sandinistas are ideologically and philosophically opposed to the United States and what we stand for. Whether or not we support the Contras, the Sandinistas will remain—by their choosing—our enemies. In their minds they are crusaders, fighting as the vanguard to destroy classical Western culture.

We must recognize, also, that the Sandinistas do not control their own destiny. Through their absolute military and economic dependence on the Soviet Union, the Cubans, and the East bloc, they have traded away any autonomy which they may have won in the revolution.

In view of this, I believe that it is time for a fundamental change in U.S. policy toward the Sandinistas. We should be clear and unequivocal in our approach to the crisis in Central America.

First, we should break all relations—diplomatic and otherwise—with the Communist dictators of Nicaragua. These relations, established in the hope that we could develop a peaceful cooperative relationship with post-Somoza Nicaragua, no longer serve any purpose.

Second, the Government of the United States should officially recognize a provisional Nicaraguan Government constituted by the Contras and other pluralistic elements in Nicaragua. Those who are bravely opposing the Sandinista dictatorship need to know that the United States stands squarely behind them.

Third, we should provide whatever material support is necessary for the newly recognized provisional government of free Nicaragua to force the Sandinistas to reach an accord with the democratic forces in Nicaragua. If the Sandinistas prove unwilling to do this, we should supply the arms necessary to oust them from power.

We must take these actions not only out of legitimate concern for the people of Nicaragua and Central America, for the national security of the United States as well. If we fail to act, if the Contras cease to exist and the Sandinistas are allowed to further entrench themselves, it will only be a matter of time before the threat they pose becomes so great and so direct that U.S. forces will have to be committed to protect our interests, our neighbors, and our borders.

The United States must not sit idly by as Central America is infected with the cancer which has consumed much of Asia, Europe, and Africa. I believe that we must act decisively to stop the spread of that cancer and cut it out of this continent. Today, that action must take the form of opposing the legislation before us.

I think the President will be advised by his advisers in the very near future if we are not successful and do not stand like a rock, that we will be there supporting those people so they will be victorious, not only that they can get the Communists to the bargaining table but they will ultimately achieve a victory.

The President will be forced to break all relations, diplomatic and otherwise, with the Communist dictators in Nicaragua. The fact is if this vote goes against the President today, I think it would be advisable for him to take these actions immediately to avoid a disaster in that region.

This is an action the President could take as Commander in Chief if he chose to do so with or without the support of the Congress.

Mr. President, what I am appealing to my colleagues for is to vote down this joint resolution today so that these kinds of bold actions will not be necessary, so that we can allow the people, the indigenous forces that are popular among their people, to be successful. That is really what we need to do in our effort. I would hope that my colleagues would vote down this joint resolution.

REQUEST FOR SUBCOMMITTEE TO MEET

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that I may have 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, today, to hold hearings on proposed legislation to authorize funds for the fiscal year 1988 for foreign assistance programs for the Near East and South Asia.

Mr. HATFIELD. Mr. President, I have been instructed by the leadership on my side to enter an objection to this request.

The PRESIDING OFFICER. Objection having been heard, the request is denied.

DISAPPROVAL OF CERTAIN ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

The Senate continued with the consideration of the joint resolution.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I rise in support of the joint resolution.

Mr. President, I just want to respond very briefly to the previous speaker, my good friend and colleague from Idaho, who spoke about the difference between the Khomeini and the Shah in questioning whether one was better than the other. May I just respond and say no. I think too many times in the past our policy has, in many countries, forced us to choose between a Shah or a Khomeini because, as John Kennedy once said, those who make evolutionary changes impossible make revolution necessary.

In countries like Nicaragua where we supported Somoza for so many years not making evolutionary change possible brought about revolutionary change. I would hope that our policy would seek a middle ground between the Shahs of Iran and the Khomeinis and the Somozas and Sandinistas.

Mr. President, this vote today is not really a vote on the $40 million. We know the money is going to go because we know the President will veto this joint resolution if it is adopted by the Senate. This vote is really a referendum on the goals and tactics of administration policy in Central America.

Also, Mr. President, this vote is a vote on whether we want to chase bad money with good. We have already sent $27 million in humanitarian aid to the Contras. Where did the money go? We have not been able to account for nearly half of it.

If you are in a blackjack game and the blackjack dealer has a marked deck you would be a darn fool to keep going back and betting your money. That is what we are doing by sending more money to the Contras.

Does anybody doubt if we had a welfare queen who was squandering money and taking welfare checks illegally we would not track it down and get back that $78.32 that that welfare mother may have received and illegally spent? No; we would track it down. But we are not talking about $78.32. We are talking about millions of dollars that no one can account for. Instead of welfare queens, we have Contra kings, but they do not have to account for the money.

Last fall, I had in my office some Contra leaders who came to see me. They know I do not support them. I met with a field commander in charge of a group of Contras who had been operating in Nicaragua.

They did not see me to change my mind but to get me to try to do something about the ripoff of money that Calero Adolfo and Bermudez were getting. A Contra field commander told me he had put in a requisition for boots and yet his troops only got some very cheap boots from Korea, not the kind they should have received. He wondered where the money went.

I think somebody ought to answer what is happening to the money. How much money has Adolfo Calero really ripped off from the money received by the Contras in the past 2 years?

Rather than continue this present policy in the Congress, we should be laying the groundwork for a policy which would help solidify democracy in Central America, which will have the needed support here at home, bipartisan support, and end the needless bloodshed caused by the Contra policy.

So far the supporters of the President's policy have spent much time raising the spectre of communism, stressing the need for bipartisanship. But they have devoted very little attention to the real record of the administration's policy. In fact, Mr. President, trying to find the substance behind the rhetoric of the administration supporters is as difficult as tracking down the whereabouts of the $10 million check from the Sultan of Brunei.

Before voting on the Contra policy, we should first establish what the policy is not. Clearly, it is not a policy which receives the full and bipartisan support of the American people and the Congress. Indeed, if this was the case, Oliver North would not have spent the last 2 years putting together a vast network of shell corporations, Caribbean and Swiss bank accounts, and illegally funding arms and ammunition to the Contras.

If this policy had the support of Congress, then State Department officials would not have relied on financial support from the Saudi Royal family and the Sultan of Brunei.

Neither is it a policy consistent with the basic ideals of our Nation nor our strategic interests in Central America.

Disclosures of the past 5 months have shown that the President's so-called "National Heroes" who were so zealous in their effort to bring down the Government of Nicaragua were willing to subvert democracy in our own country. They are the people who lied to Congress—or simply forgot the facts—in order to continue aiding the Contras, despite clear and unequivocal congressional prohibitions that expressly prohibited such assistance.

Clearly, respect for the law and for democratic values have never trickled down to the architects and administrators of the President's Contra policy.

Nor is this a policy designed to teach the Sandinistas to adhere to basic precepts of international law. If it were, then we would not have participated in the mining of Nicaraguan ports and our officials would not have misinformed congressional intelligence committees. Nor would the CIA have drafted manuals to instruct the Contras on how to efficiently assassinate, or, as they use the word, neutralize their political opponents.

Nor is this a policy designed to bring democracy to Nicaragua. If it were, we would have chosen a better vehicle than the Contras. Forged out of Somoza's hated National Guard, trained by the same Argentine generals who waged a 10-year "Dirty War" against their own people, the Contras have never been able to shake free of the FDN and their military base.

Arturo Cruz, former Nicaraguan Ambassasor, staked much of the credibility on informing the Congress, but even he resigned in disgust, blaming the CIA, United States, and Enrique Berrnudez for failure to put the Contras under civilian and democratic rule.

Let me say this about Adolfo Calero. He is the 1980 version of the 1930 Anastasio Somoza. He is the real leader of the Contras. He is so preoccupied in keeping accounts of the Iranian and Saudi Arabian funds, squirreled into his Cayman bank accounts, that he has lost touch with the Nicaraguan people.

That is the question we ought to ask: How much money has Adolfo

Calero put into the Contra Cayman bank accounts, which even our own GAO says they cannot trace?

I was amused to read the other day Mr. Calero's defense of his inability to account for the $32 million funneled to the Contras in the past 2 years. Here is his quote:

> When you are in the desert and dying of thirst, you don't ask if the water they are giving you is Schweppes or Perrier.

Well, Mr. President, Schweppes and Perrier might be the drink of the day for Calero and his Gucci guerrillas in Miami, but I can assure you it is not the drink of the day for the Nicaraguan peasant in Matagalpa or Octotal.

Mr. President, if you scratch beneath the surface of this policy you will find it is not a "war of liberation." It is a war of attrition, waged for the benefit of exiled political leaders in Miami, and the military commanders in Honduras and Managua. In the meantime, the Nicaraguan people bear its costs with the blood of their children.

Our task today is to begin shaping the outline of an alternative and truly bipartisan policy that supports ongoing negotiations and economic development throughout the region.

First, we should be doing everything possible to support Costa Rican President Oscar Arias in his peace initiative. That proposal builds upon the Contadora principles of regional security and takes new steps to promote democracy and human rights in Nicaragua.

This proposal, sponsored by Costa Rica, and Nicaragua's three other neighbors—El Salvador, Honduras, and Guatemala—establishes a blueprint for a peaceful and democratic Central America.

It calls for a regional cease-fire; national reconciliation and dialog with nonmilitary opposition groups; a suspension of all extraregional aid, overt or covert, to insurgent or irregular forces; a reduction of arms; and free and democratic elections, monitored by the Organization of American States, for membership in a newly created Central American Parliament.

The United States could complement the efforts of President Arias by agreeing to engage in bilateral discussions with the Nicaraguans on our mutual security concerns—the presence of foreign military advisers, the size of military forces in the region, and support for local insurgencies.

Finally, we must back our rhetoric with a comprehensive policy of economic support for the democratically elected governments in the region. We must begin making evolutionary change possible, rather than revolution necessary.

We must design a program to attack illiteracy, famine, and disease and not a policy designed to attack the people of those countries.

We must provide money for schools and hospitals, not guns and helicopters. We must send teachers and doctors, not advisers and military trainers. We must build schools, and not support insurgents who destroy them.

The President and his allies have urged us to help shape a bipartisan policy in Central America. But without compromise and without respect for the law, bipartisanship is not possible.

Today, we must begin to forge a new, truly bipartisan policy, that seeks to strengthen democratic institutions through democratic and lawful means, and that upholds rather than subverts our most precious democratic values.

I yield the floor, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I yield 5 minutes to the Senator from Oklahoma [Mr. BOREN].

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. BOREN. I thank the Senator from Mississippi for yielding to me. I shall try to state my case as briefly as I can.

The decision with which we are faced is a very, very difficult one. I must say in all candor, Mr. President, that I am not pleased with the policy that we are now following. It is a policy that is too narrowly drawn. It is a policy of almost total reliance upon military pressure to try to bring about changes within the Government of Nicaragua, changes which are necessary in terms of more freedom for the press, freedom of religion, diversity within that society.

But I am convinced that we are shortsighted in trying to rely upon military pressure alone to change the situation. The administration has given only lip service to reliance upon negotiations and diplomatic initiatives. The administration has not done enough to assure that we support those moderate elements still within Nicaragua that could help bring about constructive change. The administration has not done enough to reach out to the people of Nicaragua themselves, to go around the Government with which we have very little relationship and reach the people themselves to demonstrate solidarity between the American people and those within Nicaragua, at the grassroots, who truly want a free and open system of government; those people who were victimized by the Somoza government and continue being victimized by the present so-called Sandinista government.

However, Mr. President, I think it would be a mistake at this point to immediately cut off the aid which we voted last year. We must have some continuity to Americn foreign policy. We cannot be constantly shifting gears. Therefore, I think it would be a mistake and it would be premature for us to cut off aid at this particular point in time, especially when there is no policy to take its place, especially when we have not put in place the kind of bipartisan coalition that is going to be necessary to frame a broader policy than the one that is now being followed.

We cannot afford to close our eyes to the facts even if we think that the present policy being followed by the administration is not broad enough, even if we think that it puts too much emphasis only on military activity. We cannot afford to be misled about the situation we face. Those of us who have been able to go into the region and see for ourselves and to track this matter closer see a government that is becoming more repressive. It is trying to thwart freedom of religion. It is censoring the sermons of the archibishop. It has taken the church radio station off the air. It has closed the free and independent La Prensa newspaper. It is trampling on free and independent trade unions.

When you talk to the people in those countries who stand with us, who opposed the oppressiveness of the Somoza regime and who fought for freedom of religion, freedom of the church, who fought for freedom of the press, like those of the La Prensa newspaper, the publisher of which was murdered by the Somoza regime, they appeal to us: Do not desert us; do not create a power vacuum in our own hemisphere. Do not create a situation in which a repressive regime will be able to establish itself in a way that can never be removed.

Mr. President, I think we would rue the day that we created that kind of power vacuum in our own hemisphere, especially when we have nothing at this moment to put in its place. We will jeopardize the security of neighboring States in Central America and ultimately, we will jeopardize the security of the United States of America by allowing the establishment, connected with our own land mass, of another base for subversion, a Marxist regime here, in our own hemisphere.

At the same time, the administration should not interpret my vote or, I believe, the vote of others against cutting off the aid at this particular point in time as a blank check to continue with the present policy without broadening the approach. Instead of just giving lip service, instead of just trotting out the idea of negotiation, perhaps in cooperation with Central American governments, at the time when votes on Contra aid come to this floor, the administration must demonstrate good faith in broadening the policy, in reaching out for a bipartisan consensus on a policy which allows diplomatic initiatives and which will also reach out to moderate elements in Nicaragua. Now is the time again to begin serious negotiations to establish a bipartisan policy for the future that can take the place of a narrow approach that over relies on military aid that we are now following.

I thank the Chair.

Mr. HATFIELD. Mr. President, I yield 8 minutes to the Senator from Minnesota [Mr. DURENBERGER] to speak in support of this joint resolution.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 8 minutes.

Mr. DURENBERGER. Mr. President, I thank the Chair and I thank my colleague.

I rise today in support of S.J. Res. 81, which would disapprove the provision of $40 million in assistance to the Nicaraguan democratic resistance approved last year. I do not expect that we are going to be successful in our end, but I am going to take my 8 minutes to begin a debate which I hope by this summer, this body will carry on seriously.

I applaud my colleague who has taken over from me as chairman of the Intelligence Committee and I appreciate his efforts over the last 2 years in this regard, his wisdom, his judgment on most things. But frankly, Mr. President, I am tired of hearing "now is the time" speeches on Nicaragua. We have been on this floor since 1979 debating this policy on one aspect or another and, since this administration has taken over, once a year or twice a year, we have made "now is the time" speeches. They are always filled with such statements as they closed La Prensa, they beat up on the archbishop, the policy is all wrong; now is the time to change the policy.

There is no policy on this today. This administration is clearly committed to one policy. They have their program confused with their policy. I do not have a lot of hope that we are going to end this, but I stand here today with my 8 minutes and I shall try to make a preliminary case or a case that I intend to make much more strongly over the course of the next 6 months.

I find it a shame as an American and as a Senator that I stand here once more, maybe the 10th, 12th, 14th—I do not know how many times—considering the authorization of money for Nicaragua for a variety of purposes. I have been here, we have been here—the numbers just get longer; there are probably going to be 99 or 100 of us on our feet this time—in the last 2 years. The numbers get larger because the purposes for the money are getting a little more egregious.

Right now we have $100 million, $40 million before us, to buy arms for young Nicaraguans to kill other young Nicaraguans. My colleague from Oklahoma did not tell you because he did not have time to tell you the ages of the people that are killing each other down there, and I am sure he saw some of those people. They are like 12 and 13 and 14 and 15 years of age. We are not talking about seasoned marines and this sort of veteran down there fighting each other. These are children.

We do not spend a lot of time here on the floor discussing the best way to bring democracy to the troubled nation of Nicaragua because we cannot do it from the floor of the U.S. Senate. Only the Nicaraguans can accomplish that.

Mr. President, I do not support this measure before us because I disagree with the public objectives of the Nicaraguan democratic resistance. Mr. President, I helped create the Nicaraguan democratic resistance. I pleaded with Arturo Cruz 1½ years ago to stick with this whole process when he wanted to quit then. I do not come here to support this measure because I disagree with the public objectives of this administration. When they settled down, in the last 3 years they have settled down, and they are for democratic revolution. But they do not like the revolution that is going on down there. Neither do I.

Like the Reagan administration, I want to hold the Sandinista government to the pledges it made in 1979 to the Organization of American States. This is our document. That is the declaration of independence for the people of Nicaragua. We have been trying to hold their feet to that particular declaration of independence in various forms year after year after year.

I am troubled by the course taken by Ortega and Borges and all the rest of those people. I fear the consequences to us, to the Nicaraguan people, to everybody in Sandinista leadership.

But, Mr. President, the light of freedom in Nicaragua is not being blown out on the floor of the U.S. Senate. The light of freedom in Nicaragua is being blown out in Nicaragua by the decisions that are repeatedly taken in this administration and endorsed in one way or another on the floor of this Senate.

I was down here in 1979 supporting the Carter administration's request for $75 million. From some of the same people who oppose this resolution we heard the opposition to $75 million. They delayed it for a year. That $75 million, Mr. President, if invested in 1979, would have gone to Arturo Cruz, who was the head of the Central Bank of Nicaragua. It would have gone to Alfonso Robelo. It would have gone to Adolfo Calero. It would have gone to Alfredo Cesar. I could name all of the names who are now involved in opposition to the Sandinistas who were then part of the junta governing Nicaragua. This money would have gone to them, to rescue their revolution. But people on the floor of this Senate said, "No, you cannot trust them because there are some Sandinistas there." So we did not vote the money until a year later.

By then the Sandinistas had the ability to get out of the way. So, in 1981, the same people came back in a new administration. They said, "You cannot beat them by economic means. You have to beat them by paramilitary means." So in 1981 we put American policy in Nicaragua in the hands of 15 Senators, 15 House Members, and the Intelligence Committee.

Mr. President, I have been in that process ever since. I watched this start out as a paramilitary operation with $27 million in lethal aid every year. I was there in 1983 when the chairman of the Intelligence Committee on the Senate side, Barry Goldwater, said, "Enough of this; stop it. This isn't going anywhere." And we took it down and we said, "No more," until Bill Casey and the administration would change their objectives, clarify their objectives, tell us why we were there and what we were doing. It was a battle from April until September of 1983 to get them to clarify their objective so they were not blowing away powerplants and other economic assets of the Nicaraguan people and would concentrate on doing something to the Sandinistas. So they changed their objectives in September. They got their policy reinforced in September. In April, we all discovered that they had been putting mines in the harbors in Nicaragua. So on the floor of the Senate down came the policy, not in the Intelligence Committee but on the floor of the Senate. But the covert action stayed in the Intelligence Committee.

Mr. President, the reason that the current chairman of the Senate Intelligence Committee is here saying, in effect, give us more time even though there is no policy; we need continuity; we need the ability to shift gears, we have to avoid not shifting gears too abruptly; is because he wants to try to make some policy out of this. So did I. I tried to change it as chairman for 2 years and could not do it. It kept getting worse. Now he thinks, and so do a lot of other members of that committee, that somehow they can change this policy.

Mr. President, I say the evidence is that it is not quite that simple. I do not know that you can pluck 15 people out of our midst, put them down in the Intelligence Committee hearing room where nobody can ever get inside and let them try to run this policy. I would hope it is possible, but they cannot all make trips every weekend to Nicaragua. And they cannot be judging the rightness or the wrongness of the issue.

Mr. President, I think we all ought to understand what is going on right now. During the course of the last 2 years we had some tough times with regard to the Nicaraguan problem. The point I would like to make in conclusion is the value of intelligence. You cannot make a good, intelligent decision about policy unless you understand the facts.

The key problem in all of this since 1981 is that one person stood between the facts in Nicaragua, the policy and its implementation. That was the Director of Central Intelligence, so you have the intelligence community supposed to determine what the facts are, analyze those facts for political meaning, convey them to decisionmakers, and the decisionmakers then say, "We ought to have 27 or 100 or we ought to have lethal aid or something else, we ought to do this, that, or the other thing." But one person can stand in the way of the real facts, their analysis and what you do about it.

Now we oversight the intelligence gathering, the analysis, and what you do about it as part of that process. I hope, Mr. President, in the course of the next 6 months the Intelligence Committee and this body will take cognizance of the needs of this Nation.

I do not support this measure because I disagree with many of the public objectives of the Nicaragua democratic resistance, nor because I disagree with the public objectives of the Reagan administration. On the contrary, I am in agreement with them on many fundamental points.

Like the Reagan administration and the democratic resistance, I want to hold the Sandinista government to the pledges made to the Organization of American States in 1979. Many had high hopes then that the broad-based revolution that overthrew Somoza would lead to the kind of pluralistic, just society promised by the junta of National Reconstruction. Like the administration and the resistance, I am deeply troubled by the course chosen by Ortega and his cohorts. And like them, I fear the consequences of a Sandinista leadership allowed to reign unchecked in Nicaragua, and allowed to spread their revolution without borders to the fledgling democracies in Central America.

As one with long experience working in Central America before I became a Member of this body, I understand how years of repression, mismanagement, corruption, and poverty led to a massive groundswell of opinion against the dictatorship of Somoza. In 1979, I argued that our policy should seek to support the majority of those who took part in the revolution with our political and economic weapons. We could have provided a base of support for the democrats who tried to withstand the minority of Leninists in Nicaragua.

I worked with others in this body who saw the issue was the economic survival of Nicaragua. We argued that substantial U.S. aid to the successors of Somoza was the best way to support the democrats and oppose the Leninists. The vast majority of Nicaraguans opposed Commandante Ortega and his clique just as they opposed Somoza. Nicaraguans did not want to trade one form of tyranny for another.

Our Ambassador in Nicaragua, Lawerence Pezzulo, fought hard for the $75 million in aid this body approved in 1979. The Senators that supported that aid have been accused of "naivete" because we were "conned" by the Sandinistas. But let me remind my colleagues who that aid was sent to. It was sent to a government whose junta members included Alfonso Robelo and Violetta Chamorro. It was sent to a government whose central bank president was Arturo Cruz. It was sent to a government that included Eden Pastora, Alfredo Cesar, and many others who did not share the FSLN vision for Nicaragua's future.

But while our aid was delayed by some in this body who thought we had already lost, the democrats in Nicaragua were undermined. Ambassador Pezzulo was frustrated that a Cuban plane would fly in after one phone call while our aid was subjected to crippling conditions and counterproductive delays.

We lacked imagination and did not take advantage of the opportunity to strengthen the democrats. While some believed that only military dictatorships could protect underdeveloped nations from communism, I believed that encouraging democrats should have been our policy. We lost our chance, and the Sandinistas proceeded to do what Leninists do best—steal other people's revolutions. And the United States turned toward a paramilitary program that matched Argentine colonels with former Somocistas.

Since the initial lost opportunity, the course of events within Nicaragua became a self-fulfilling prophecy. We stranded the legitimate democratic opposition and placed our bets on armed men in the hills under Enrique Bermudez. The Sandinistas had an easy justification for their embrace of the Soviet Union. Soviet and surrogate advisers—present from the first days of Sandinista triumph—increased dramatically. The level of Soviet and bloc military aid skyrocketed. The Sandinista armed forces grew out of all proportion to any conceivable threat. La Prensa has been closed; human rights violations are the norm; El Chipote and other prisons are full; Bishop Vega was driven into exile; and what little internal opposition that remains is constantly harassed, intimidated, detained, and arrested.

This has been the fruit of our policy: A Nicaragua firmly in the hold of a totalitarian cabal growing ever closer to the Soviet Union. I think all true "small d" democrats share the goals of people like Arturo Cruz and Alfonso Robelo. Bringing genuine democracy—not the Sandinista perversion—to Nicaragua is a laudable policy goal. Serious internal reconciliation is the only way we can continue progress in building democracy throughout Central America.

But today we are considering the release of $40 million in military and other aid to the Contras. It has been alleged that if we do not release this latest installment, the Congress will be responsible for blowing out "the flickering light of freedom in this hemisphere." It has been alleged that supporters of this resolution do not have the answer to bringing democracy to Nicaragua without military aid for the Contras.

But the question is not whether we support democratization in Nicaragua—the question is how best to achieve it. Specifically, how will $40 million support the fostering of democracy in Nicaragua. I have never heard a satisfactory answer to this question. In the past 6 years I have heard many reasons why this body should send aid to the democratic resistance but never have I heard how providing military aid to brave campesinos led by former national guardsmen will bring democracy to Nicaragua.

In the early years of our program, the goal of aid was ostensibly to interdict arms supplies from Nicaragua destined for the Marxist guerrillas in El Salvador.

I was a member of the Senate Select Committee on Intelligence at that time and I raised a number of questions about where this program would take us. Paramilitary operations have historically developed a momentum of their own over time. I was concerned about the degree of control the United States would be able to exercise, about a divergence of interests between ourselves and those we were supporting, about raising expectations we could not meet, and about how such a military operation fit in to our larger, regional concerns.

As our program evolved, it became clear that the paramilitary force became much more than a mere tool of arms interdiction. The program became the policy. Our professed goal changed: The Contras became a way to force the Sandinistas into serious negotiations about honoring the pledges they had made.

My objections remained: How exactly was a Somocista-led group of peasants going to force the Sandinistas into negotiating seriously? How was a military force going to achieve a political goal? If the claims about the Leninist nature of the Sandinistas are true, and in large part they are, how do we expect such committed Communists to negotiate away their power? Was the FDN fighting and dying for a seat at the bargaining table?

These questions have not been satisfactorily answered. The issue is not that supporters of this resolution do not have an answer—it is that the opponents' answer since 1981 has not worked and cannot work. These questions have not even been properly debated.

Our Contra policy was largely made and presented behind the closed doors of the Intelligence Committee hearing rooms. Because the chosen instrument for implementing the Reagan doctrine in Nicaragua was covert action, the Senate Select Committee on Intelligence was responsible for oversight of the policy. This served neither the committee nor the policy.

But intelligence oversight is not about monitoring the details of an overt covert action. And oversight cannot replace the necessary debate and input that all Senators and American people must have into our foreign policy. Our Nicaragua policy is too important to be left to 15 Senators on the Intelligence Committee.

The watersheds of our 6-year search for a policy in Nicaragua have been inextricably intertwined with the intelligence committees. The April 1984 mining of Nicaraguan harbors nearly led to the resignation of the chairman and vice chairman. Congressional restrictions—the Boland amendment in 1982, "Son of Boland" in 1984, and so on—dealt with the use of CIA contingency funds, definitions of "offensive" and "defensive" intelligence, and other arcane matters.

But while Congress debated and defined, our policymakers did not have the kind of intelligence they needed to make effective policy. In large measure, our policy is flawed because we cannot expect to get high-quality analysis about events in Nicaragua from the same entity that is charged with influencing the course of events.

When the source of intelligence analysis is also participating in a covert action, matters are complicated, attention is diverted, and both responsibilities suffer as a result.

I spent 8 years in the job of intelligence oversight and I saw how well the intelligence community performs the task of collecting information and analyzing events. But when the same entity—the CIA—is placed in charge of implementing a covert action, it becomes difficult if not impossible for it to provide objective analysis. The commingling of intelligence analysis to support policy and intelligence operatives implementing policy has resulted in poor policy. Accurate intelligence about the personalities involved, the progress of Contras, the likelihood of success, and the prospects for reform is lacking.

Coherent policy implementation that recognizes the primacy of political elements, that targets attacks to hurt the Sandinistas not the Nicaraguan people, and that builds genuine support for the cause of democracy within Nicaragua is also lacking. The democratic resistance has to persuade the Nicaraguan people that they are a better alternative than the Sandinistas. And they have to demonstrate that they are a viable alternative so the average Nicaraguan will place his future with the resistance and not sit on the fence out of fear of Tomas Borge's Interior Ministry.

Six years of traveling down the covert action road has not yielded a policy that the Congress and the American people can support, nor have we made demonstrable progress in achieving our stated goals.

For years, the Reagan administration tried to do it on the cheap. They tried to minimize congressional opposition by restricting knowledge to the handful of Congressmen on the intelligence committees. They have tried to keep regional allies on board by preserving the fiction of plausible deniability when such denials are not plausible and do not contribute to building the political support such a policy must have. Rather than fighting hard for the kind of funds necessary to address the underlying problems of the region, they have tried to resolve the complex problems in Central America by providing $14 or $27 or $100 million to a paramilitary force.

Just as the administration has chosen the easy course of a covert policy with its seemingly cheap price tag, they have used the FDN because it was convenient.

In doing so, they have ignored the painstaking process of building a representative democratic opposition force because it was easier to work with the likes of Adolfo Calero and Enrique Bermudez.

We have all heard about the departure of Arturo Cruz from the United Nicaraguan Opposition [UNO] Directorate. In its short history, UNO has been plagued with problems. UNO has been unable to transform itself from a political fig leaf into a genuinely representative body that directs and controls the struggle for democracy in Nicaragua.

Just a few months after UNO was belatedly established, I met with Arturo Cruz. Cruz, even then was contemplating resignation. He was frustrated with his inability to start a reform process that was long overdue. And he was frustrated with UNO's lack of influence over the FDN. In essence, UNO was an umbrella used by the leadership of the FDN to cover their failings. While the FDN ran its own war, UNO's efforts to build a credible political platform that would appeal to the mass of Nicaraguans languished. While Calero and Bermudez monopolized the money and the ears of the American advisers, Robelo and Cruz were sent out to gather support for a movement they could not control.

My support for the efforts of the genuine Democrats within UNO has not diminished. The addition of Pedro Chamorro is a positive step. But until the FDN Directorate—and its puppet party, Fodenic—is disbanded, things will not change. Until Bermudez and his lieutenants are sent packing, things will not change. Until the resistance includes all elements of the anti-Sandinista forces—Brooklyn Rivera's Misurasata to Alfredo Cesar's Bloque Opositor del Sur—the Nicaraguan opposition will lack credibility in Nicaragua, in the United States, and in the world. And until Nicaraguan opposition leaders are not chosen by the gringos but rise from their own ranks to assume control, the political aspect of the struggle is doomed to failure.

Our lack of success in drawing all elements of the Sandinista opposition together is a microcosm for our large policy failure. We hear that some in the State Department encouraged Cruz, some in the CIA encouraged Calero, and nobody seems to have encouraged the democrats still inside Nicaragua. Privateers were allowed to run free and encouraged anyone who would agree to fight Communists. Administration envoys from Thomas Enders to Philip Habib have been sent out with less than unanimous support. Money and weapons have been sent to guerrillas fighting a government that we recognize diplomatically. The administration has never stated that its purpose is the overthrow of the Sandinista government but does anyone in this body believe we can achieve the administration's objectives without such an overthrow?

We are sending mixed signals to the Sandinistas, to their democratic opposition, to the democracies in the region, and to the American people. What we need at this point is to go back—go back to reconsider the fundamentals of what our Central American policy should be. There is a lack of alternatives to military support for one side in the Nicaraguan civil war. There is a lack of strategic thought, established policy process, and a coherent examination of options.

We need to move beyond a failed and flawed covert action to focus on three areas: full funding of the Kissinger Commission recommendations; support for President Arias; peace initiative; and a coherent approach to supporting the democratic internal opposition to the Sandinistas.

I am fully aware of the difficulties for the United States to pursue a coherent, long-term policy toward Central America. This is not a problem we face only in our hemisphere; it is not even a problem faced only by our Nation. Democracies find the dilemmas of foreign policy particularly vexing. This observation was made a century and a half ago by that most astute commentator, Alexis de Tocqueville, Tocqueville pointed out that:

> Foreign policies demand scarcely any of those qualities which are peculiar to a democracy; they require, on the contrary, the perfect use of almost all those in which it is deficient * * *. A democracy can only with great difficulty regulate the details of an important undertaking, persevere in a fixed design, and work out its execution in spite of serious obstacles. It cannot combine its measures with secrecy or await their consequences with patience.

In many ways, these lines predicted our failure to articulate the kind of policy we must pursue if Central America is not to remain a cauldron of conflict for decades. We must regulate details, persevere in a fixed design, overcome obstacles, and exercise patience. And all of this must be placed within a broad framework that integrates security, political, economic, and social factors.

Fortunately we do not need to develop such a framework today—it already exists in the recommendations of the President's National Bipartisan Commission on Central America. One month after the Kissinger Commission delivered its report, President Reagan submitted the Central American democracy, peace, and development initiative [CAI] to Congress. The CAI requested $8.4 billion in appropriated funds and loan guarantees from 1984 to 1989 to finance the recommendations of the Commission. When we heard the price tag, many in Congress shrunk back; $8 billion is a tremendous amount of money, especially in an era defined by Gramm-Rudman.

But I say to my colleagues, we have had enough of trying to get by cheap. If we are serious about moving beyond the kind of banana diplomacy: that characterizes much of our history in Central America, and if we are serious about supporting democracy rather than merely opposing communism, we are going to have to pay the price. And the price will be high—let there be no mistake.

But what is the price of failing to act? Do we want to face the future choice of aiding Salvadoran, or Honduran, or Guatemalan Contras? Do we want to have the region just south of our border—our front yard not our backyard—to be continually plagued with turmoil, unrest, and instability? Or do we want to support the brave democrats in their quest for the development of an infrastructure that will ensure the survival of democratic institutions?

I think the answer is clear. And I am pleased to see that the administration has come forward with a new plan designed to fund and implement the recommendations of the Kissinger Commission. Congress has received a request to increase the total funds and guarantees to $8.9 billion and a 3-year extension to 1992. The changes are due to fiscal constraints in this Nation and reflective of new circumstances in the Central American democracies.

I do not need to elaborate on the recommendations of the Kissinger Commission—they encompass a broad range of security, political, economic, health, education, and diplomatic goals. I know my colleagues are aware of them. These goals have received broad bipartisan support at a conceptual level. To date, however, Congress has not given the kind of fiscal support envisioned by the Commission. Through fiscal year 1987, funding has fallen short by over $1 billion.

We cannot have it both ways—we must either appropriate the kind of money necessary to deal with the deep-seated problems of Central America or live with the consequences. We should not be debating the provision of the last installment of military aid to the Contras. We should be debating whether this body is going to provide the kind of commitment that will facilitate the long-term security of Central America.

I urge my colleagues to examine the President's Report to Congress on a "plan for fully funding the recommendations over because free elections have been held in El Salvador, Guatemala, Honduras, and Costa Rica. We cannot continue to believe that a biannual debate over the latest installment of aid to the Nicaraguan democratic resistance will solve the tragedy of Nicaragua.

There is another option beyond continuing to fund a failed policy—one that does not passively accept the Sandinista threat. We can support with all our financial, diplomatic, and moral stature the efforts of the Democrats in Central America to reach a political solution. Since January 1983, the nations of Venezuela, Colombia, Panama, and Mexico have searched for a negotiated settlement to Central American security. Drafts of a "Contadora" treaty have gone through many changes. Charges and countercharges have been made alleging that the United States, or that Nicaragua has undermined progress.

The point is not which side has done less in the pursuit of a political resolution. The point is that solutions imposed by outsiders—whether the United States or the U.S.S.R., Cuba, or Colombia—will not resolve Central American problems. Contadora was doomed to failure precisely because it was an attempt by extra-regional states to solve a regional problem. Though the Contadora Group and support states are still trying to play a constructive role, the time for their approach has passed.

This does not mean that diplomacy has no role in addressing Central American security problems. On the contrary, the most promising peace initiative yet proposed is now under consideration. President Oscar Arias Sanchez of Costa Rica has put forward a 10-point plan which is a watershed—it marks the first time the countries most affected by the Sandinistas have coordinated their efforts to achieve a lasting settlement.

My colleagues are familiar with the outlines of the Arias plan. Last week 97 Senators voted to support the aims of the Arias plan. While expressing the sense of the Senate is positive, we need to do more. Our diplomats need to encourage Presidents Arias, Azcona, Duarte, and Cerezo in their endeavor. We must offer any assistance between now and May when the leaders of all five Central American States will confer in Esquipulas, Guatemala.

Daniel Ortega may have other motives than a sincere desire for peace in agreeing to discuss the Arias plan but let us see. I think we can trust the democratically elected leaders of Central America to protect their interests. They have no illusions about the nature of the Ortegas and their ilk. they have no illusions about what kind of neighbor Nicaragua is and will become in the absence of political pluralism. As President Arias has said, "Without democracy in Nicaragua, there can be no peace in Central America."

If Congress fully funds the recommendations of the Kissinger Commission, and if our Government fully supports the Arias peace initiative, we are still left with the plight of the real Nicaraguan Democrats. There are many genuine Democrats still inside Nicaragua and still inside UNO—even an UNO without Arturo Cruz. The issue for U.S. policy is how we can best support their efforts.

Because we have focused so long on strengthening the military elements in the Nicaraguan civil war, we have neglected the political elements. We put the paramilitary cart before the political horse. It is now time to concentrate our efforts on the political side of the struggle inside and outside Nicaragua.

There is much we could do to follow through on our strong commitment to democracy in Nicaragua. We have lost much time and many opportunities but it is not too late. There should be no doubt in the minds of the comandantes and their fellow travelers that anti-democratic policies will be met with the scorn of the democratic world. We should support the intensification of activities supporting democratic organizations still surviving Sandinista repression: the CTN and CUS labor groups; the six parties affiliated with Coordinadora Democratica; the CPDH human rights organization; the COSEP business coalition.

We should support the efforts of European party institutes working with their counterpart parties in Nicaragua. and the four democratic internationals—the International Democratic Union, the Liberal International, the Christian Democratic International, and the Socialist International—should be encouraged to strengthen and broaden their programs in support of Nicaraguan Democrats.

In January, Nicaraguan Vice President Sergio Ramirez announced the recently scheduled municipal elections would not take place, ostensibly due to lack of resources. Instead of debating ways to further the killing in the Nicaraguan civil war, why aren't we discussing ways to call the Nicaraguan bluff?

We should encourage the Center for Electoral Assistance and Promotion [CAPEL] based in San Jose to offer its services to the Nicaraguan Government. CAPEL has worked in a number of Latin American nations to strengthen the electoral process. If funding is truly the problem, we could provide funds through the National Endowment for Democracy. And we could encourage our European allies to work with us to hold the Sandinistas to their promises.

Our policy toward Central America must work for more than a military resolution of the civil war in Nicaragua. We in the Congress must support adequate funding for regional development. We must support regional peace efforts. And we must support the legitimate democrats in Nicaragua. We can debate aid for the Contras on a regular basis but until we realize the complexity of the problems and the solutions, we cannot do more than belatedly react to events.

Mr. President, I thank you for this opportunity to share my thoughts. I urge my colleagues to consider how many opportunities we have lost and how much more we could do to support the forces of democracy in Central America. That is the real issue.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HATFIELD. Mr. President, I yield 8 minutes to the Senator from Oregon, my colleague [Mr. PACKWOOD].

The PRESIDING OFFICER. How many minutes?

Mr. HATFIELD. Eight.

The PRESIDING OFFICER. The Senator from Oregon [Mr. PACKWOOD] is recognized.

Mr. PACKWOOD. I thank my distinguished colleague and good friend from Oregon.

Mr. President, it is very clear that the $40 million is going to go to the Contras, and this debate is not about that today, although I oppose the money going. But it is about what we are going to do in August or September or October or next year, not only involving Nicaragua but generally what our policy ought to be in Latin America and perhaps the world.

I think that is where the administration has faltered. They have been unable to convince this Congress and this country what is our policy. We have heard lots of comments about the 1979 Sandinista agreement and human rights and they have to have elections and freedom of religion. Mr. President, while that is a goal and while we encourage the achievement of those aims, that is not our policy, or at least it has not been our policy in the past to attempt to impose those policies by force on governments that did not have those policies.

As a matter of fact, we overthrew a democratic government in Chile in 1971 which did have those policies. We aided in its overthrow because we did not like the Government's extreme policies. If our policy is going to be: Unless you have a government sort of like ours, freedom of speech, freedom of the press, freedom of religion, defense against search and seizure, self-incrimination, if you do not have those sort of Anglo-Saxon things—and they are Anglo-Saxon by and large—we are going to attempt to overthrow you by force, we are begging for a lot of trouble. Are we prepared to extend them to Cuba? Are we prepared to extend that to Chile today, which certainly does not have that kind of government? Are we going to apply that policy throughout almost all of Africa? Because there is barely an African government, save perhaps Kenya, only marginally, that has those freedoms.

I do not really think that is our policy. We have used it as an excuse for policy and indeed we encourage governments to attempt to attain those goals, and we can distinguish in this country between dictatorships and democracies. We do not have to invite the Ortegas and the Pinochets to state dinners. We can impose sanctions as we have in South Africa without attempting to arm rebels and overthrow the Government. And time is on our side, not Russia's, not the Sandinistas'. If there is any encouraging trend in Latin America in the last decade, it is a movement toward democracies, not dictatorships. There may be some reverses, some countries that are now dictatorships may become democracies and some that are democracies may become dictatorships but time and tide are on our side. Our policy per se has not been to attempt to overthrow governments by force that do not have our human rights policies.

I make this prediction. If the Sandinistas today were to make this agreement: We will reduce our military to 10,000 to 15,000 people, we will kick out any Russian or Cuban advisers, we will not attempt to harass or overthrow our neighbors, we would immediately cease funding the Contras and cease harassing them and you would not hear any more arguments about why they have not had more elections, freedom of speech, freedom of the press, or the other freedoms.

The only other justification we can possibly use for involving ourselves in Nicaragua is this sphere-of-influence theory, the Monroe Doctrine. It is ours. We can do with it as we want but that presents some embarassing problems because other nations like to claim that. Russia claims Eastern Europe. I do not know many people in this body or the other body or this country acquiesce in that claim. And then do we say that Japan gets China or China gets Japan, considering the relative powers of those countries? Japan claimed it in the 1930's; China was their sphere. We disputed that. That, Mr. President, is and outmoded theory that will no longer hold. There is one justification and only one for the use of force, and I mean military force. That is when one country attempts to overthrow, overtly or covertly, their neighbor.

And indeed we had a justification 3 and 4 years ago when Nicaragua was clearly trying to overthrow the Government in El Salvador, by the supplying of arms, refugees, communications, logistics. In every sense they were attempting to overthrow that government.

That is not an argument we have used lately. And, indeed, the evidence is relatively slight that Nicaragua is still engaged in that policy.

Would they like to see the Government in El Salvador overturned? Yes. Would they like to see the rebels win? Yes. Are they involved as they were 4 years ago? No.

So our policy ought to be that of Roosevelt and the good neighbor. We will live and let live. We will not try to impose our form of government on Nicaragua or Chile or Cuba or Poland or Germany. We will simply ask that whatever government they have stay within its boundaries and not attempt to overthrow its neighbor.

Then in the meantime, we will take all of the actions we possibly can, whether they be sanctions against South Africa, or other forms of economic and moral pressure, to attempt to tilt governments toward democracies.

Mr. President, we will win that battle, not Russia. If there is any government that ought to feel sadness in this world today, it is Russia. Their system is faltering. Their economic performance is woeful. Their civil liberties observances are nil. And they cannot sustain the efforts that they have attempted in the past to impose their system on others.

Mr. President, it is not easy nor a rosy path. There are times when we are going to stumble, make mistakes, on occasion turn backward, or right or left. But there is no question if you look at the world in 1700, 1800, 1900, 1950, 1960, 1970, 1980, 1985, 1986, and 1987, time is on the side of democracies, not on the side of dictatorships.

So long as we have the resolve to prevent governments, be they dictatorships or democracies, from attempting to impose their will on the neighbors and are willing to use that resolve when called upon we will succeed.

This is not the time. We are not going to succeed in imposing our will on Nicaragua. But with suffficent resolve and support for the other democracies of Latin America they will one day succeed in collectively at least stopping Nicaragua from threatening the neighbors and perhaps possibly bringing democracy to Nicaragua. But it will not be imposed by us by force, by arms.

I thank the Chair.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. WEICKER. Mr. President, I yield 8 minutes to the distinguished Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine, Mr. MITCHELL, is recognized for 8 minutes.

Mr. MITCHELL. Thank you, Mr. President.

I oppose military aid to the Contras. The administration's policy does not serve American interests. Indeed, it undercuts our vital interests. It undermines our ideals. It is wrong. It does not work.

The situation in Central America is complex and troubling. The administration's narrow fixation on the Contras reflects no coherent strategy.

Nicaragua by itself presents no real threat to our interests. That little nation of 3 million people is less than one-sixth the size—in both population and economy—of the four immediately surrounding Central American democracies.

Our national security is directly threatened, however, by the presence of Soviet weapons and Cuban forces. Since the term of President Monroe, our Nation has regarded as intolerable the introduction of hostile forces on the American mainland. We should not and will not tolerate the presence of Soviet bloc forces or weapons in Central America. We also should not and will not tolerate any effort by Nicaragua to destablize its neighboring democracies.

Yet, the administration's Contra policy does not address this problem. This illusion of the rapid military overthrow of the Sandinistas must be put aside. Even assuming continued and increasing aid flows, the Contras have no realistic prospect of overthrowing the Sandinista government by force.

Rather, the administration's policy has had the perverse result of increasing the flow of Soviet bloc weapons into Nicaragua. The continued and highly visible threat from this administration has been used to justify the Sandinista's mobilization for war and stifling of domestic dissent from their policies. Soviet bloc support has enabled the Sandinistas to erect and equip a military establishment of 75,000 troops, more than the combined forces of its larger neighbors. Moreover, the Contra forces, though they provide some distraction for the Sandinista government, do not operate so as to seriously affect the flow of supplies and support to the insurgents in El Salvador.

As the former U.S. commander of Central American forces so aptly put it, "The Contras are an irritant, not an army." The Contras fail in that most basic requirement for a guerrilla force, to muster the support of the people. The most telling example of this is provided by their failure to ever hold a single town for any significant period of time. The Contras cannot count on support from the Nicaraguan people. They must instead be supported by air from bases in Honduras and Costa Rica. The simple truth is that the Contras do not present a serious military threat to the Sandinista government.

Even more troubling, the Contras are incapable of providing a viable political alternative to the Sandinistas. The recent resignation of Arturo Cruz, a genuine believer in democracy, removed the last pretension of a Contra political organization, as opposed to a military leadership. That leadership is repugnant to the Nicaraguan people in part due to its connections with the Somoza regime.

The second interest of the United States in Central America—in many ways related to the first—is to promote democracy in the region. We support representative governments, democratic institutions, and individual human rights. In this, we reflect the **Monroe Doctrine, in which our Nation,** fresh from its own revolutionary struggle, stood squarely in support of movements for freedom and independence in Latin America.

Yet, the administration's policy also undermines this interest. It opposes the antidemocratic Sandinista government by supporting a rebel army which is no better. That policy provides the Sandinistas a convenient excuse to trample on individual liberties and deflects attention from their other shortcomings. Just last month, in the utmost cynicism, the Sandinistas were able to introduce a new constitution guaranteeing democratic rights, and then suspend those rights, citing Contra activity.

The Sandinistas are not the embodiment of American ideals, but the Contras are hardly the modern equivalent of our Founding Fathers. Their leaders have never demonstrated a commitment to democratic values. Their intention may be to overthrow a repugnant regime, but their tactic is to terrorize a people. I need not recite here the long and gruesome list of atrocities that has marked the Contra campaign.

Opposition to the administration's Contra policy does not mean that we must ignore the antidemocratic character of the Sandinista regime, or the threat that their Soviet- and Cuban-sponsored military build up poses to their democratic neighbors. These are serious concerns which we must move to address.

Our highest priority must be to achieve a regional solution to the problem of regional security. If we have learned anything in recent years, it should be that we cannot unilaterally impose our will on other peoples. Neither can we succeed if we seek a solution solely through contrived surrogates. Rather, we must proceed in open partnership with the democratic forces in the region.

The initiative of Costa Rican President Arias deserves special note in this regard. The recent 97 to 1 vote in the Senate commending his initiative shows that few can quarrel with his goals. Yet, it would be naive to believe that the Sandinistas are prepared to surrender at the negotiating table powers that they have wrested from their opponents while consolidating their position. Nothing in their performance to date indicates any such sensitivity for the democratic process.

Further, any agreement negotiated with the Sandinistas must entail comprehensive and strict verification and enforcement provisions. If attainable, these could only come from a lengthy and arduous negotiation.

We must therefore first see to the stability of the surrounding democracies. This is foremost a question of economic development to alleviate the conditions that breed instability. But it is also a question of insulating them from foreign interference, and we must be ready to offer military aid when appropriate.

As one of our major interests is to maintain the region free of Soviet bloc intervention, we must not focus sole attention on Soviet surrogates. We must deal with the Soviets directly, for it is their activities to which we take exception. If indeed, as I believe, it is in our interest to achieve political stability in Central America, we should seek to decrease Soviet involvement in the region.

If insulated from automatic Soviet support, and confronted with stable and confident neighbors, the Sandinistas may be persuaded to cease their belligerence and concentrate on the economic development that their people so desperately need. More realistically, free from its sole focus on the Contras, and in an attempt to win a military victory, the United States may be able to move to encourage genuine democratic elements within Nicaragua. Such elements exist. Witness the owner of the opposition newspaper, now closed, who condemns the Sandinistas while vehemently opposing the administration's support of the Contras.

Our best hope for the future in Central America lies in working in true partnership with the nations of the region. The United States must seek consensus, not the imposition by force of its will upon its neigbhors.

The administration's course can only lead to greater instability in the region, drawing in greater American resources in the search for an illusory military victory. We must instead steer for peaceful and meaningful progress for the democratic nations of Central America. Their interest in resolving the current regional conflict is, after all, even greater than ours. The action we take today will confront their future generations, even more than it will ours.

For their sake, and for our own, we must vote no on military aid to the Contras.

The PRESIDING OFFICER (Mr. WIRTH). Who yields time?

Mr. WEICKER. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. WEICKER. Mr. President, I have heard a great deal of comment that were we voting on the House resolution, we might pick up a few more votes on the floor of the U.S. Senate against this business of aid to the Contras. The House resolution, as will be recalled, suggested a moratorium be imposed until the moneys already appropriated have been accounted for.

I suggest to my colleagues that this is not an accounting problem. This is a matter of policy. It is a policy that involves human lives, and to focus on the money is to miss the point. I think the time has come to understand what we are paying in terms of pursuing the Contra aid policy.

For some reason or other, there is a belief that because we are doing this indirectly rather than directly, there is no price to be paid. Well, the coinage is not just dollars and cents and granted, that is expensive enough—$40 million might not mean anything to a lot of people in this chamber, but I can assure you that it could be well spent in the State of Connecticut and well used for other budgetary matters that also are debated by this body.

I do not have to give a long list. The administration zero funded a program for retarded infants which Congress funded last year at $50 million. The money we are debating today could be used for that purpose. It could be used for basic research into Alzheimer's disease. I can go down the list. If anybody looks at this as a last handout, $40 million is a lot of money, and it can do a lot of good domestically. But the money probably is not the most important coinage that is being exacted from the American people.

From its inception, this policy encouraged deceit and deception and tarnishing of the image of the United States throughout the world. How short are our memories? It was only a few years ago that we suddenly learned that the U.S. Government was mining the harbors of Nicaragua. Everybody expressed shock. But that is background to this debate. Then, all of a sudden we learned that there was a manual being circulated advocating the assassination of government officials of Nicaragua. That also is background to this debate.

Do you feel proud, as an American, about either the mining of the harbors of a government we recognize or the advocacy of the assassination of its government's leaders?

We should have known, once we started this course, the type of details that would be required to pursue it to a successful conclusion.

It should have come as no shock to the American people when it was discovered that the U.S. Government was converting funds from arms deals with Iran to the cause of the Contras. Why be shocked about that? We had already been through the mining and assassination plots. That is relatively minor.

Swiss bank accounts, what is so shocking about them? That is just another gross detail of a gross policy.

There is not one single public revelation that has given me or any other American a sense of pride over what it is we are doing in Nicaragua. Not one. And yet this body is on the verge of saying we are going to continue the policy. Granted, in a political sense, each for a different reason—Republicans feeling they are stuck with it and that we do not want to go ahead and give the President any more on his plate of difficulties; Democrats for the fact that, "Well, you know, maybe the President will stumble further and we will be the beneficiaries of his fall" or, if, indeed, something "bad" happens in Nicaragua, "We don't want it laid at our doorsteps."

I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for 5 additional minutes.

Mr. WEICKER. Forget for a minute the politics of something that has involved our national reputation. I am not worried about the reputation of the Republican Party or the Democratic Party. I do not care much about the reputation of Ronald Reagan or the reputations of JIM WRIGHT, BOB BYRD, or BOB DOLE. I care about the reputation of the United States of America.

You know as well as I do that we derive a strength not from our numbers—because there are many nations larger than we are—but because of our belief in our moral rectitude. And there is no moral rectitude to this policy and certainly not in light of the facts which are now well known to everybody.

Sometimes, they say, the bigger the lie and the more it is repeated, the better the chance for success.

I remember when we used to get into a hullabaloo around here over covert activities. That was when the mining of the Nicaraguan harbors was supposedly covert.

I can just see it now, some gnome in the White House basement figured: "Well, let's do it the other way around. Let's do it openly. Let's do it overtly."

I mean, does anybody just stop to think how bizarre it is that the United States is overthrowing a government that it openly recognizes with mercenaries? Give me an historical equivalent of that in anyone's lifetime, regardless of how young or how old. We have never done it. Now we have not only done it, we continue to do it. And with this vote we are saying, "Keep going."

So what is at issue here is very much a matter of national security and our strength as a nation.

People say to me during our domestic debates, "Well, it is not so bad, really, that we have these deficits and our children are going to have to pay for them." And, as much as I oppose that train of thought, I can accept, I suppose, certain facts of political life.

But then, when they try to alter the Constitution of the United States, I said:

> Look, if you want to leave your kids in hock, as far as the deficit is concerned, that is your business. I vote against this approach and indicate it is wrong, but there is not much I can do to change it. But at least let us leave the Constitution intact and not burden it everyday by coming to the Senate floor and offering some cheap amendment that is going to change that great statement of idealism and human value.

I am saying the same thing in this debate. If you want to squander the $40 million or $100 million, go ahead, be my guest, but let's not squander a heritage of honor, one of compassion, one of rising up to fight when the cause is worth it. Why sacrifice that for this grubby, sleazy little operation involving a bunch of ex-Somoza lieutenants who have their particular ax to grind? They do not care about communism. We should care about communism and combating it throughout Central America, South America, and the Caribbean.

This is only the beginning. We do not have enough troops, we do not have enough mercenaries, we do not have enough money to engage in this kind of a policy as being an effective means to eradicate the causes that bring in communism to our part of the world.

You think this is a tough piece of duty? How about Brazil? How about all the other South American countries? How about the Caribbean?

We do not have adequate resources to do that. The people of Nicaragua must begin to believe that there is a better way to a quality of life through democracy and what this Nation stands for than going the route of communism.

They are looking for our doctors and our medical teams. How many medical teams do we currently have in Central America, South America, and the Caribbean? How many educational programs are being made available to the citizens of that part of the world? How many roofs are being built over their heads? How much food?

I yield myself 5 more minutes.

How many of these needs are we actually addressing? None. Oh, we provide a little support for a particular Peace Corps effort here, a little aid over there, or little Eximbank in between.

This is the real nature of the conflict vis-a-vis communism.

There was a day when all crime was solved by the FBI in the United States at the end of a Thompson machine gun. More crime is now solved in the laboratories of the FBI. Times have changed. It is not the armed conflict I worry about in South America and Central America and the Caribbean, it is the battle for men's minds, for the futures of their children. And we are not even in the ring. We gave up on Cuba a long time ago. And now apparently we think a little, armed conflict run by mercenaries in Nicaragua is going to achieve the greatest ideals of this Nation.

Well, as I started to say, this is much more than an accounting problem as to how the money was spent. It is much broader than any investigation undertaken by the Senate Select Committee or the House Select Committee on the Iran-Contra matter.

What is at issue here is the honor of the United States, and the proper expression of its ideals. The issue is the direction that we intend to go and the willingness to admit that we are going to try to eradicate those causes that have fostered communism in Central America, causes that have brought the Communists into our hemisphere and resulted in the degradation of our national policies and our standing in the world.

This is a great Nation. The political systems of this Nation have served man in a way that has never occurred before in the history of the world. But the United States did not get there by mining harbors and having Swiss bank accounts and diverting funds and having officers of the Armed Forces take the fifth amendment. I repeat this is not the U.S. policy that is going to go ahead and lick totalitarianism in whatever form.

So it is much more than $40 million at issue—we are going to lose $40 million to this cause; that is gone—but what is at issue is how each American citizen feels inside. And that eventually finds expressions as to how we as Americans are viewed throughout the world. You lose that and, believe me, our problems will not just be in Central America. They also will be here at home.

So I urge my colleagues to do the right thing, not by virtue of having been persuaded politically or philosophically, but by virtue of seeing the results of this sleazy policy. There is no result whatsoever to show for all the money that has been spent. Horror and tragedy exists as a direct result of our tax dollars. View that and decide whether $40 million more is going to alleviate the problem. Ask the question as to whether $40 million more is going to have us standing tall as Americans.

Our greatness as a nation does not lie in the continuation of this policy, rather it lies in a rejection of that policy to do directly by vote what needed to be done a long time ago; to say to the American people that there *is* a price to be paid. Right now that price is courage on this vote, to say to the American people that democracy and its ideals will never come cheap. They will not be achieved by mercenaries. They will not be achieved by skulduggery. In the final analysis it is our money, and it is our lives. And if those two things are not present together, chances are the game is not worth the candy. This game certainly is not. Hopefully when tomorrow dawns there will be a new policy, and it will involve our doctors, it will involve our educators, it will involve our builders, it will involve our teachers, all of whom will be in Nicaragua and that part of the world—rather our mercenaries.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, I yield 10 minutes to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 10 minutes.

Mr. WALLOP. Mr. President, I thank the distinguished Senator from Mississippi for yielding.

Mr. President, I have no doubts that this resolution of disapproval will fail, and the policy of sending aid to the democratic resistance in Nicaragua will be reaffirmed here today. Yet, I am troubled that so many Senators will vote against sending aid to the freedom fighters in Nicaragua. I am certain that there exists, Mr. President, a multitude of rationales for certain Senators who cannot support this aid package. Some will say they are uncertain that the Contras are as democratic as they would like. Others will say they cannot support a policy that causes bloodshed, as though the United States supported Sandinista revolution that brought the current Nicaraguan regime to power and overthrew Anastazio Somoza in 1979, or for that matter our own revolution did not involve bloodshed. Still other Senators will argue that the mysterious Iran-Contra events will, as the Senator from Connecticut just said, taint the whole policy as sleazy even though the aid we are debating today has absolutely nothing to do with that.

Mr. President, I want my colleagues to understand that no matter how comfortable and no matter how convenient these arguments sound now to keep us from having to do the difficult thing, the right thing, they will not be remembered if we, by our failure to act in support of freedom, leave in place on the land bridge between the two continents of this hemisphere a Marxist-Leninist dictatorship, allied militarily and spiritually with the Soviet Union. That, Mr. President, will affect history. That, Mr. President, will affect security in this hemisphere for as far as one can see.

Should we deny the aid to the freedom fighters in Nicaragua we will be faced down the line with providing that aid to freedom fighters in Guatemala, or in El Salvador, or Costa Rica, or even Mexico. We will insure that one day in our lifetime or our children's lifetime that American soldiers will be fighting and dying to preserve the security of our own borders, and the freedoms that we cherish. No one will remember then the axact percentage of ex-Somoza soldiers in the Contra ranks, though that percentage is minuscule. No one will remember the cries for a diplomatic solution as the only "moral" alternative when faced with sending young Americans to Central America to fight and die. No one will even remember the Iran-Contra affair when our hemisphere is embroiled in revolution after revolution in Central America and South America leading up to our front doorstep in Mexico. No one will remember when the Soviet Union occupies naval bases in both the Atlantic and the Pacific threatening our sea lanes with ease. And no one will remember when Soviet warplanes dominate the skies of both South and North America.

Mr. President, what Americans will remember is that it is this Senate and certain Senators who fail to support people willing to fight for their own freedom so that Americans need not.

The Senator from Connecticut does absolute violence to the concept of people willing to shed their own blood in behalf of their own freedom by calling them mercenaries. They do not operate at the beck and command of the U.S. military, the U.S. State Department, the CIA or anything else. They die with blood that bleeds. They suffer pain that hurts, not because we tell them what to do but because they desire the freedoms that we take for granted.

And it is genuinely obscene to taint that effort and that desire with the word "mercenary." Nothing could possibly be farther from the truth. It is an insult to the courage of people who believe in freedom. People will remember a vote in disapproving this aid to the Nicaraguan fighters not as a repudiation of the Reagan doctrine, but as a meek American acceptance of the Brezhnev doctrine: that once Marxist-Leninist revolution has occurred there is no reversing what the Soviet Communist leader Mikhail Gorbachev or his successors and predecessors call the "march of history," and what is in reality the march of tyranny.

Today a vote in support of this resolution cannot be interpreted as anything other than a vote in favor of the Sandinista regime. It is a vote for communism in Central America. There is a clear choice. It has been befuddled by claims that we were interdicting arms, that we were containing, that we were doing one thing and another. The real, honest-to-goodness clear choice that Americans need to realize this vote represents is whether to embrace or oppose the concept of a Communist regime, straddling both oceans of this hemisphere, repressing the freedom of its church, its people to vote to join unions, to do all kinds of things that we take for granted, to establish air bases with facilities to take the largest airplanes in the Soviet arsenal, to establish the ability for Soviet reconnaissance aircraft to monitor the departure from Puget Sound of the Trident submarine fleet, to establish a Soviet presence dominating the air and sea around both the Atlantic and Pacific passages to the Caribbean in this hemisphere. That is what is at issue. Either you acquiesce in that or you say that there is still time to avoid such a Communist domination of the bridge between the two American continents. It is really not all that complicated.

The Senator from Connecticut says we ought to do the right thing. I agree. But the right thing ought to be defined in terms which the American people can understand it, not in terms of the interdiction of arms, not in terms of how the human rights policy of the Contras compares to that of the human rights policies of the Sandinistas, but in terms of the long-term national security of this country.

There are over 100 million people, Mr. President, that live between the Mexican border and the Panama Canal. I defy anybody to suggest to me that those 100 million people are going to move southward to Nicaragua, to find comfort in the doctrines of Castro or the Soviet Union or for the educational opportunities—and all the things the Senator from Connecticut just mentioned. They are not going to move that way. They will move the other way. They always have and they always will.

You have a country down there whose expressed purpose in life, and in which their constitution expresses that theirs is a revolution without borders. They have set upon taking over the free nations of this hemisphere. Democracy in Central America is on the rise in the region but for this one area, the one area where Congress has blown such an uncertain trumpet. The Soviet Union last year spent over $600 million, three times the sum total this Congress has offered, with endless conditions and restrictions, since the Contra program first began. In 1 year, three times as much as all we have provided. There is no uncertainty in that Soviet trumpet. There is absolutely no mistaking the goal that they have there. It is wild to assume that this country, unlike others, would willingly forego the power that it holds by the gun and is supported by the Soviet Union. It really is a question of whether or not this Congress and this country will focus on that issue or whether it will continue to obscure the issue in all kinds of ways about talking about whether a colonel exceeded his bounds, or whether the trade for hostages in Iran got mixed up with money for the Contras or not.

All of those things we do not know and they are irrelevant to the question as to who dominates and who controls the seas of the southern part of the borders of the United States. Will it be the United States and its allies or will it be the Soviet Union and its client states, Cuba and now Nicaragua? Will it be that we willingly forego the security of North America as well as South America to the air bases and sea bases that will be established by the Soviet Union in Nicaragua or both oceans? Or will it be that we will continue to support the people who wish to support the freedom they thought they had won in the revolution which succeeded in overthrowing Somoza?

That is a very simple question.

It is not about Colonel North. It is not about the fifth amendment. It is not about any of the obfuscations opponents of this will raise. It is about specifically whether or nor the Soviet Union will dominate this hemisphere.

Mr. President, I ask unanimous consent that the full text of my remarks be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, I have no doubts that this resolution of disapproval will fail and the policy of sending aid to the democratic resistance in Nicaragua will be reaffirmed here today. Still, I am troubled that so many Senators will vote against aiding the freedom fighters in Nicaragua.

Mr. President, I am sure that there exists a multitude of rationales for certain Senators who cannot support this aid package. Some will say they are not certain that the Contras are as democratic as they would like. Others will say that they cannot support a policy that causes bloodshed, as though the United States supported Sandinista revolution that brought the current Nicaraguan regime to power and overthrew Anastasia Somoza in 1979, or for that matter, our own revolution, did not involve bloodshed. Still others will argue that the mysterious Iran-Contra events, an essentially domestic political problem, gives them pause, even though the aid we are debating today has absolutely nothing to do with it.

Mr. President, I want my colleagues to understand, that no matter how comfortable and convenient these arguments sound now to keep from having to do the difficult thing, the right thing, they will not be remembered if we, by our failure to act, leave in place on the land bridge between the two continents of this hemisphere a Marxist-Leninist dictatorship allied militarily, and spiritually, with the Soviet Union. That, Mr. President, will affect history and security in this hemisphere for as far out as one can see.

Mr. President, if we deny aid to the freedom fighters in Nicaragua, we will be faced down the line with providing that aid to freedom fighters in Guatemala or El Salvador or Costa Rica or even Mexico.

We will ensure that one day in our lifetimes or our children's lifetimes American soldiers will be fighting and dying to preserve the security of our own borders and the freedoms we cherish. No one will remember then the exact percentage of ex-Somoza soldiers in the Contras ranks, though that percentage is miniscule. No one will remember the cries for a diplomatic solution as the only moral alternative when faced with sending young Americans to Central America to fight and die. No one will even remember the Iran-Contra affair when our hemisphere is embroiled in revolution after revolution in Central America leading up to our front doorstep in Mexico. No one will remember when the Soviet Union occupies naval bases in both the Atlantic and the Pacific threatening our sealanes with ease. No one will remember when Soviet warplanes dominate the skies of both North and South America.

Mr. President, what Americans will remember is that this Senate, and certain Senators, failed to support people willing to fight for their freedom so that Americans need not. They will remember that these people acquiesced in the establishment of a permanent military base of operation for the Soviet Union on the American Continent. They will remember a vote in favor or disapproving aid to the Nicaraguan freedom fighters not as a repudiation of the Reagan doctrine, but as the meek American acceptance of the Brezhnev doctrine: That once a Marxist-Leninist revolution has occurred, there is no reversing what the Communists call the march of history, and what is in reality the march of tyranny.

Mr. President, a vote today in support of this revolution of disapproval cannot be interpreted as anything other than a vote for the Sandinista regime. It is a vote for communism in Central America. Totalitarian dictatorships, like that imposed on Nicaragua at this moment, are the least likely to collapse from within and the most likely to attempt to spread their tryanny to their neighbors. We cannot escape the historical fact that totalitarian dictatorships of the left and the right are fundamentally more dangerous to the preservation of freedom than are the petty autocrats the Washington Post chatters about on a daily basis.

Mr. President, a vote against this aid is a vote to continue the suppression of basic human rights in Nicaragua. What about freedom of the press? Is there more freedom of the press in Nicaragua today than a year ago, or immediately after the revolution, or even when Somoza was in power? No. La Prensa, the only remaining independent part of the media was ruthlessly censored, and then closed by the Sandinistas. Perhaps the Nicaraguan people do not need a free press? Perhaps it is all right that the new Sandinista constitution dictates that the media are in the service of the national interest, a national interest that is defined totally by what the ruling party believes it should be?

Mr. President, a vote against the freedom fighters will ensure that the Sandinista defense committees continue to control access to the press, to medical care, to ration cards for basic foodstuffs and for all the other needs of the Nicaraguan people. Even employment is subject to the approval of these committees whose only criteria is that individuals support the policies of the Government and take no political action inconsistent with the will of the party. Why should we be so upset about that?

These are the tools of the totalitarian mind, Mr. President, that are used to break a people's will and to subjugate them in the interest of a socialist peace and a socialist world.

Mr. President, there are between 8,000 and 10,000 political prisoners in detention today in Nicaragua. In 1986 alone there were at least 32 political killings, 20 killings of prisoners and possibly as many as 500 civilian killings by the Nicaragua military. The Sandinistas have forcibly relocated some 200,000 persons according to the Sandinista government's own figures. Torture and abuse of prisoners, and the mass arrest of over 5,300 civilians, are the rule in Nicaragua. Political assassination and high-level government involvement in drug trafficking are the tools of the Sandinistas.

Mr. President, does anyone care about freedom of religious expression in Nicaragua? Do we want to see the continuation of the official harassment and humiliation of the Catholic Church in Nicaragua because it will not pay tribute to the declared vanguard of the revolution? The Sandinistas have undertaken a program, consistent with programs in all Communist countries, to undermine the church's traditional influence in Nicaraguan society. They exile any religious leaders who oppose their programs. They have banned the church newspaper and radio station. They interfere with holy masses and have even tried to stop them. They conscript seminarians. And they even directed the mob violence against the Pope as he celebrated mass in Managua in March 1983.

Mr. President, lest you think this violence is directed only against the Catholics, the Jews in Nicaragua, as in all socialist countries, are among the most persecuted. Victims of searches, beatings, property confiscation and forced exile, the Jewish community in Nicaragua is subject to the worst anti-Semitic propaganda to be found in this hemisphere.

Mr. President, voting aid to Nicaragua's freedom fighters also makes good strategic sense. One hundred and sixty-four years ago President Monroe's doctrine was established. It simply stated that the United States could not tolerate the establishment of bases for hostile foreign powers in the Western Hemisphere.

This policy has been reaffirmed by nearly every President of the United States, including Theodore Roosevelt and John F. Kennedy. It has been a bipartisan aspect of our foreign policy that has served us and the friends of freedom well since 1823. Can cutting aid to the freedom fighters in Nicaragua, thereby strengthening the Sandinistas and their overt alliance with the Soviet bloc, be seen as anything but a repudiation of this doctrine? Are we ready to abandon this doctrine today on the floor of this Senate? Do we abandon the Monroe Doctrine, the Reagan doctrine and embrace without comment the Brezhnev doctrine. A vote for this resolution is such an act.

Mr. President, I would also remind the Senate that since 1945 the United States has also undertaken the defense of freedom outside the Western Hemisphere. We have established political and military commitments in both Western Europe and the Far East. Mr. President, the efficacy of these bipartisan policies is threatened today by the existence along our southern border of a totalitarian regime aligned with Moscow.

Exporting communism to Central America and the Caribbean is such an obvious and essential part of Soviet strategy, not because of any legitimate Russian security concern, but because the Soviets realize that the United States has an obligation under the Constitution to defend first its sovereign territory and people from all threats.

To the extent that American eyes are turned toward our southern border, the Soviet Union will have a freer hand in the rest of the world. The freedom of action of the United States in the defense of freedom is put in jeopardy, and we may not be able to meet our overseas obligations because of it. If we become tied down in the Americas, the Soviet Union is strengthened, and in some future war we may not be able to use American power to preserve the freedom of allies we are committed to defend.

Mr. President, the Soviets understand our vulnerability better than some Senators. They know that their investment now in supporting Marxist-Leninist states on our southern frontier will pay higher dividends than the simple addition of a few million more souls under their totalitarian control. It will serve to constrain the freedom of action of the United States elsewhere in the world, with the horrendous implications that has for the survival and prosperity of free men everywhere.

Mr. President, some laugh at the idea that Nicaragua could ever be a strategic threat to the United States. I suggest that they look at the map of Central America and the Caribbean. Anyone can see that Nicaragua is the key to the control of the isthmus that divides the two continents. That isthmus guards the lifelines of our national security between the Atlantic and the Pacific and is one of the two doorways to the Caribbean, the strategically most vulnerable approach to the North American mainland. The other approach, not coincidentally, is through the straits of Florida and the windward passage, waterways presently guarded by Soviet weapons in the hands of the Cubans.

Mr. President, the Soviet bloc has given the Nicaraguans over $1.2 billion in military aid since 1979. Almost 80,000 tons of military equipment. There are over 3,000 Soviet Cuban and East German military advisers and trainers in Nicaragua, not including 4,000 so-called civilians from those countries.

The Nicaraguans are building port facilities on the Pacific side of Nicaragua with major servicing capabilities. San Juan Del Sur lies within striking distance of the major sea lines of communication running to and from the Panama Canal. Another major port facility is being developed on the Atlantic side which will have a 1,000 foot pier and the ability to handle Soviet naval vessels up to the 23,000 ton Kirov-class guided missile cruiser. Meanwhile work is underway on a strategic railway to link these two facilities.

Mr. President, the Nicaraguans possess the largest armed forces in Central America. The Sandinista army has an active duty force of over 75,000, compared to 22,000 in Honduras and no army in Costa Rica. There are 40 new military bases under construction by Cuban construction crews. The new military airfield at Punte Huete has a runway capable of accommodating any aircraft in the Soviet inventory and 16 fighter-sized revetments. This airfield is already operational. Soviet naval reconnaissance aircraft could easily spy on the United States Trident submarine base in Puget Sound without violating United States airspace and will track Trident SSBN's in transit to their pacific stations. The sensitive missile-testing and shuttle launching facilities at Vandenburg Air Force Base in California would also become vulnerable to increased Soviet electronic surveillance.

The list of sophisticated military equipment being provided to Nicaragua is a mile long. MI-24 Hind attack helicopters, main battle tanks, surface-to-air missiles, artillery, armored personnel carriers. All the assets of the Soviet military are available to the Sandinistas. And shipments of these weapons are on the increase, with almost $600 million being provided in 1986 alone. That is more by 300 percent than we have provided in toto to the Contras. The numbers of these modern weapons exceed the inventories of much larger Latin American states, such as Mexico and Columbia.

Mr. President, the strategic threat to the United States by the establishment of this Soviet base in Central America is real. These are but a few of the implications for the United States tolerating a prosperous Marxist-Leninist regime in Managua.

Mr. President, I said at the beginning of this statement that a vote for disapproving this aid would not be remembered by our children for all the reasons many will vote against aid today. There are some 120 million people living between the Rio Grande and the Panama Canal. If the Nicaraguan Government is allowed to continue its "revolution without borders," I predict that one day the United States will see a massive flight of refugees first into Mexico, and then into our country.

Given a choice, men never flee toward communism, but always away from it. We might be faced with a massive civil insurrection on our southern border one day. A civil war that will undoubtedly spill over into the American Southwest.

This will not happen next year, or maybe not the next or even the next. But what will we do when it does happen? How are we going to cope with this problem and live up to all the other responsibilities entrusted to us? How will we answer our children when they look back upon this time and ask why, when it was relatively cost free, we did not act to preserve our security by providing assistance to those willing to fight our mortal enemies?

Mr. President, those who would remain free must pay a price to do so. Not the least of that price is the burden of defense, including helping those who would defend themselves. Sometimes that burden seems to impinge on the very freedom we seek to defend. It is at these times that many search for convenient excuses not to make hard choices. To postpone difficult decisions and commitments to partisan action. But history has shown us that there is no advantage in waiting until we are outmaneuvered, and that the cost in blood and treasure is increased by not acting resolutely. The price of freedom, Mr. President, in Nicaragua, in America, and in the rest of the world is high, but it is nothing compared to the cost of defeat.

Mr. WEICKER. Mr. President, I wonder if the distinguished Senator from Wyoming will clarify a statement. I do not know whether he meant this or whether it was inadvertent.

Am I correct in having heard that he said a vote for this resolution of disapproval is a vote for communism in this hemisphere?

Mr. WALLOP. Absolutely. The Senator is quite correct. It is a vote to embrace and accept the Brezhnev doctrine. It is a vote to embrace and accept the current situation in Nicaragua despite the fact that no Senator, not the Senator from Connecticut or any other Senator, will deny that the Sandinista government is a client state of the Soviet Union.

Mr. WEICKER. The Senator is saying that those who vote for this proposal are voting for a Communist government?

Mr. WALLOP. They are voting for a Communist government in our hemisphere, voting to reject the Reagan doctrine as the rule of policy of the United States of America.

Mr. WEICKER. Voting to reject the Reagan doctrine?

Mr. WALLOP. Yes, voting to reject the Reagan doctrine, to embrace the Brezhnev doctrine. And to reject the Monroe Doctrine.

Mr. WEICKER. Yesterday, when I started out this debate, I was wondering when this point would be made on this floor. I said:

> I do not believe that this vote should be a "test of patriotism."
>
> There are those who feel that, if the Senate votes to withdraw the U.S. presence from Central America by cutting off funds to the Contras, we are caving in to communism. Others, myself included, believe that by continued funding of the Contras, we are encouraging communism. So, regardless of deeply held feelings on both sides, I suggest that we lay the flag aside and acknowledge that there is equal patriotism on both sides of this issue.

I find it deeply offensive that the Senator from Wyoming should suggest that there are those of us here who are trying to support some sort of Communist intrusion into our hemisphere.

Has it ever occurred to the distinguished Senator——

Mr. WALLOP. If the Senator——

Mr. WEICKER. Senator, I have the floor. I sat here as offended by that kind of a statement as I was hearing the President of the United States during his State of the Union Address imply that those of us who oppose the Contra policy fell short insofar as our opposition to communism was concerned.

Has it occurred to the distinguished Senator from Wyoming that there are many ways to fight communism? Not including the overthrow, I might add, of a government that we recognize.

Would the Senator from Wyoming like to declare war on Nicaragua? We recognize the Government of Nicaragua. Or, would he like us to continue what we are doing indirectly, by having others fight our battles for us?

Many of us stood here long before the Senator from Wyoming ever spoke on this subject, and advocated an activist role for the United States of America in Central America, South America, and the Caribbean; an activist role to keep the Communists out. But nobody cared, not Democrats, not

Republicans, not Presidents. We neglected that part of the world and now we are reaping the results of that neglect.

No; I am not living with the Monroe Doctrine. It is 1987 and something different is required of this Government in response to the Communist threat. We are not delivering that response effectively.

I speak as an advocate, believe me, far beyond the $40 million we are debating here. What I advocate costs a damn sight more than $40 million.

But I am not going to stand here and listen to myself and others who support this resolution, have it termed a disastrous policy and be accused of favoring the introduction of communism into this hemisphere.

I do not believe this is a vote for communism in our hemisphere.

Do you think the Episcopal Bishop of Honduras who wrote of the abuses by the Contras and asked us to vote against this aid—do you think he is a Communist?

Mr. WALLOP. If the Senator——

Mr. WEICKER. I would suggest to the Senator from Wyoming that he take a look at the record. When we mined the harbors in Nicaragua, the Sandinista regime in Nicaragua became more firmly implanted. When this large government to the north advocated assassinating their officials, believe me, the position of the Sandinistas was solidified.

And when we endorse the policy by which a bunch of mercenaries run around killing civilians, we solidify the regime in Managua.

No; I do not think your patriotism or mine is at issue here. What is at issue here is how we most effectively continue this part of the world to look to the United States for leadership rather than to the Soviet Union.

I suggest that the Contra policy is hardly one that befits the greatest nation in the world and the democratic principles for which it stands.

Mr. WALLOP. Will the Senator yield 1 minute for a response?

Mr. WEICKER. Yes.

Mr. WALLOP. Mr. President, it is not a question of patriotism. It is a question of judgment. It is whether there is an acceptance of the President's doctrine or a rejection. It is not a question of patriotism. I have been strong in support of Central American democracies long before some others in this room were supporting what was a timid but successful policy in El Salvador. I have been a supporter of the recommendations of the Kissinger Commission report, which have been forgotten, conveniently, by others.

I do question whether it is a good idea to embrace the Brezhnev doctrine and accept it so meekly, as a vote in favor of this resolution will do.

Mr. WEICKER. Mr. President, I yield 5 minutes to the distinguished Senator from Vermont.

U.S. POLICY TOWARD CENTRAL AMERICA

Mr. LEAHY. Mr. President, I have often voiced my strong opposition to the administration's policy of supporting the Contras in Nicaragua. I am as unconvinced today as I was 6 years ago that peace can be achieved in Central America by military force. The United States, which unquestionably has important security interests in Central America, must wake up to the realities in that region. Rather than support a third-rate insurgency in a hopeless struggle to overthrow the Sandinista government, we should be strengthening democracy, social justice and economic development in Central America.

Instead of sending guns to the Contras, the United States should be sending doctors, agronomists, and engineers to Nicaragua. That is how we can best influence events in that country, and how we can best ensure our own security.

Vermonters, like most Americans, overwhelmingly oppose the administration's policy of aiding the Contras. Many of them have traveled to Nicaragua to see for themselves the effects of this policy, and to meet the people of Nicaragua who have been the targets of Contra attacks. One Vermonter, Roger Ellis, a veterinarian, recently returned from a 10-day trip to Nicaragua with nine other American vets. Dr. Ellis wrote to me about his trip, and I will ask unanimous consent that the full text of his letter be printed in the RECORD following my remarks.

These vets went to Nicaragua to offer their expertise in animal care to local farmers. They were the largest group of American vets ever to visit Central America. They helped vaccinate close to 4,000 animals against disease, and in the process they gained the respect and appreciation of hundreds of people.

Mr. President, if there is ever to be peace in Nicaragua, our Government should take its cue from patriotic Americans like Roger Ellis. He knows better than most that we can have far more influence in Nicaragua by helping farmers vaccinate sick animals than we can behind the barrel of a gun.

Mr. President, I ask unanimous consent that the text of the letter to which I referred be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 23, 1987.

DEAR FRIENDS: As the co-leader of the HPI-UNAG Veterinary Tour of Nicaragua I am proud to report that it was a tremendous success. It was a very challenging trip both physically and logistically. Given that it was the first of its kind, it went very well.

During the ten-day trip, the thirteen-member group from around the U.S. trained a large number of Nicaraguan animal health technicians in vaccination techniques and other animal health procedures. The tour members also assisted Nicaraguan technicians in vaccinating almost 4,000 animals. This included vaccination of dogs against rabies, pigs against hog cholera and horses against Venezuelan encephalitis. The group gave seminars for independent farmers and members of private farm cooperatives in the regions of Boaco and Chontales. While tour participants were teaching, they were also learning about Nicaraguan agriculture and animal health. The group also gained valuable insights regarding the Nicaraguan people, their history and culture. During a closing session, group members used the following words to describe the Nicaraguan people: eager to learn, kind, honest, and loving.

Vaccines, animal health supplies and equipment were left behind to be used by the newly trained animal health technicians. The HPI group's presence also encouraged cooperation between private producers, government officials and private relief agencies. These relationships are certain to pass on the gift of animal health education to many Nicaraguan people.

Looking to the future, the group felt that more trips like this should occur, not only to Nicaragua, but to other third world countries. Formation of a correlated veterinary group to work with Heifer Project received much positive feedback. An appropriate name was proposed of VIVA (Veterinarians in Voluntary Action).

The last night in Managua was the culmination of a dream started in the back of a land rover seven months before in Nicaragua. A warm group of new friends and colleagues gathered. Ten U.S. veterinarians, two U.S. veterinary students, a U.S. farmer, a Czechoslovakian veterinarian, the chief veterinarian of Nicaragua, a rural Nicaraguan veterinarian, a prominent director of CEPAD (Committee of Evangelicals for Progress and Development), animal health technicians and a physician from the Ministry of Health. All celebrated the trip's success. A letter was read from a veterinarian from the Pan American Health Organization pointing out that this trip marked the first time this large a group of U.S. veterinarians had visited anywhere in Central America. It was also unique because it took veterinarians to help the local farmers and health technicians. A wonderful group of people from both countries with a single goal of caring about fellow human beings and their animals. The group will be passing on the gift of animal health to improve human health where it is desperately needed.

I would like to sincerely thank those of you that made financial contributions to defray the cost of supplies used on the trip. The Nicaraguan people were amazed at the broad range of support from the American people to help them. Monetary contributions ranged from single donations of $5 to group donations of as high as $800. Total monetary donations exceeded $2000. The companies which supplied the veterinary supplies were equally generous. Donations and discounts on supplies also totaled over $2000. My only regret is that each and everyone of my supporters could not share the smiles and respect we recieved from the Nicaraguan people, young and old. Muchas Gracias, Señor (thank you very much, sir) was a very common reponse. You made each dose of vaccine and hope possible. Thank you from the bottom of my heart and most of all from the hearts of the Nicaraguan people. If anyone has not had the opportunity to contribute it is not too late. Heifer Project is still accepting donations to defray the cost of the supplies they purchased.

Finally, let me share with you a very meaningful demonstration of a Nicaraguan farmer's appreciation. This man is a small dairy producer milking 30 cows once a day as is their tradition. He had asked me to take a look at his cows because his milk was being rejected at the milk plant. I did so and organized a program to control mastitis. While purchasing some medicine to treat the cows I saw a machete for sale and asked if I could buy one. He asked me not to as he would like to get me one. That night he gave me his own machete complete with a handmade leather case his godfather had made him as a gift for his baptism. He said he wanted me to have it as a token of thanks and a remembrance of him. As we embraced, tears filled my eyes as I wondered if I would ever see him alive again. You see the Honduran Contra Radio has said he will not live out 1987. He is a target for assassination because he is becoming an official of UNAG to help the private farmer of Nicaragua. How long must this senseless killing go on?

Sincerely,

ROGER G. ELLIS, D.V.M.

U.S. AID TO THE CONTRAS

Mr. LEAHY. Mr. President, last Tuesday I spoke at length in opposition to further U.S. aid to the Contra rebels and described in detail the reasons for my opposition, which I will not go into again today. But this is a lot more serious an issue than: Are you for Communist aggression or against Communist aggression? Are you for or against the Brezhnev doctrine? Are you for the Monroe Doctrine or against the Monroe Doctrine?

Those are good for the 10-second summaries, I suppose, on talk shows, but they do not bear too much relation to reality.

We have before us a Senate resolution to disapprove $40 million of the $100 million military aid package.

I do not have any illusions that we are going to be able to stop this money, but I would like to mention why I think we should think twice about continuing this money. Think of some of the realities today.

The Contras continue to murder innocent civilians. That is said by reputable human rights groups.

Before every vote in this body, letters from the President are waived around to say which way the administration is going to pressure the Contras to change their ways. Those letters seem to be forgotten the day after the vote because the Contras have not changed their ways, or at least nothing has been shown to this Senator indicating that any kind of pressure, if it was brought at all, by the administration actually worked.

Over $100 million that was supposed to have gone to the Contras has disappeared. It is irresponsible to dump another $40 million down this rat hole, at least until we know where the other money has gone. I wish there were as much attention given to the money going to the Contras as some give when they worry about money given perhaps to a school lunch program, to people in this country.

Arturo Cruz—the rebel leader that Contra supporters cited as proof that they were supporting democrats—walked away from the whole squalid mess. He said publicly the Contras have no interest in democracy.

Despite congressional restrictions, members of the administration have solicited funds for the Contras, and have turned to shady arms merchants and private financiers to keep their obsession alive.

There is no question, certainly in my mind, that Colonel North acted with others in our Government—with others in our Government—to violate the Boland amendment, to operate within Central America while the administration just made a sham of pretending to be at all concerned about what Congress does.

Mr. President, these are the facts. If anyone truly wants to act in good faith, he or she would vote down this request.

But this is unlikely to happen. The $40 million, plus whatever other money they have received from illegal or improper activities by U.S. officials, will allow the Contras to keep fighting a while. Nicaraguans, rebels, Sandinistas, and the ordinary people alike, will keep on dying uselessly.

But, Mr. President, the end is in sight. This $40 million is almost certainly the last the Contras are going to get. Sometime late in the summer or this fall, U.S. aid will run out, and Congress should finally have the courage to end this disastrous policy. The Contras will rapidly wither away into banditry or complete dissolution.

According to the press, Congressman MICHEL, Republican leader of the House, has told the administration it better start preparing an alternative policy now to put in place of support for the Contras insurgency. If this is true, I congratulate him for his realism and candor. I only wish that alternative policy could begin now, rather than late this year, when more people will have died in vain.

I take no satisfaction in predicting the final end to this policy, Mr. President, but I suspect there will be one. At some point, Congress is going to actually do what people in this country want us to do—say it is enough. If we are unwilling to say American interests are so great that we ought to declare war and send in American troops, why are we using this back-door, shady, sleazy method of carrying on a war in Nicaragua?

So, Mr. President, I say I take no satisfaction from predicting the final end of this failed policy of the Reagan administration, even though I have consistently opposed it from the moment it was unveiled in the Intelligence Committee several years ago. The loser is not the President. He will be gone in less than 2 years.

The losers have been those in the United States and Central America who want to find a way to work out an acceptable political solution. I reject totally the argument of those who say it is impossible to negotiate with the Sandinistas. At one time or another in our history, we have negotiated with every conceivable adversary. We helped negotiate a peace treaty between Israel and Egypt, we negotiated with North Vietnamese and Viet Cong representatives, we negotiated many agreements with the Soviet Union, with China, East Germany, Poland, and many other Communist countries—even Cuba.

So, at some point, Mr. President, let us be honest about what is going on. This is a policy that is not working. The administration says we have to overthrow the Sandinista government. We are not going to do it with the Contras. Our own military experts say we will do it only if we send in American troops. I ask this body, is there the willingness in this body to send in American troops to fight a war in Nicaragua? If U.S. interests are so at stake, if we are so threatened by Nicaragua—we, the greatest, most powerful nation on Earth—if we are truly threatened by Nicaragua, let us declare war on them. If we are not, let us be honest in the face of the other nations of this world and cut off this sleazy, shady deal.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. I yield 3 minutes to the distinguished Senator from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. President, once again, the Senate has the opportunity to reject the administration's policy of wider and unwinnable war in Nicaragua. The question is whether this vote will be the last vote for the flawed and failed policy of the past, or the first vote for a new policy for the future.

For 6 years, the Reagan administration has tried by hook and by crook—mostly by crook, it is now clear—to overthrow the Sandinistas. And each time we have voted, the Senate has been reluctant to end this illegal, immoral and counterproductive war. But today, the outcome could be different, if the Senate has the courage to admit its mistakes and build for the future.

The Nicaraguan people do not support the Contras; the American people do not support the Contras—and it is absurd for Congress to be on the other side.

Every Senator knows this policy is finished. There are many alternatives that each of us could support to achieve our goal of bringing democracy to Nicaragua and the rest of Central America. But the present policy is dead, and it is time for Congress to put it out of its misery.

The Contras cannot win. They cannot even provide realistic pressure for reform on the Sandinistas. All that American military aid has done is give the Sandinistas a convenient pretext to increase their internal repression and make America the villain of their totalitarian tactics. U.S. military aid to the Contras has been totally counterproductive and totally contrary to our true interests in the region.

After 6 years of support by this administration—the true level of which may or may not ever be known—the Contras control no territory and still must resort to cross-border raids and brutal terrorist attacks on innocent civilian targets.

The diplomatic efforts of the Contadora nations—and now the hopeful new Arias plan—have been consistently undermined by an administration that pays only lip service to peace, while actively thwarting the constructive efforts of the region's leaders to reach a peaceful solution.

The Iranscam scandal should be the last straw for any Senator who has any doubts whatever about this immoral aid. We have seen an administration bribing our friends to help the Contras, setting up Swiss bank accounts to circumvent the will of Congress and U.S. law, and pleading the fifth amendment before congressional committees.

We cannot account for the millions of dollars already sent to the Contras, and it is ludicrous to keep the tab open. In so-called humanitarian aid, $27 million has disappeared; $10 million from the Sultan of Brunei has disappeared. The $60 million in U.S. military aid sent last fall has disappeared. It is long past time for Congress to shut down the Contra credit card.

Why on earth would we pour another $40 million into that rathole? Each and every one of us knows that if Congress has $40 million burning a hole in its pocket, we ought to be spending it on health care, housing, education, agriculture, and countless other unmet needs here, in the United States instead of on Contras in Nicaragua. Sending new money to the Contras when we don't know what happened to the old money is simply giving the Contras an unconscionable license to steal from the U.S. Treasury again.

Where have our priorities gone, when the U.S. Senate can vote another $40 million for one of the worst scandals in our history? I urge the Senate to stop the war and save the money.

Mr. STENNIS. Mr. President, I yield 6 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 6 minutes.

Mr. THURMOND. Mr. President, I rise in opposition to Senate Joint Resolution 81, and I urge all of my colleagues to weigh very carefully the decision that they are about to make concerning support or opposition for this measure. The underlying issue is quite simply whether the U.S. Congress will assist in freeing an enslaved people, who are quite willing to fight for their freedom, or whether we will stand by as communism is consolidated first in Nicaragua and then spread throughout the region.

Mr. President, in 1979 the United States, along with members of the Organization of American States, withdrew official recognition of the Somoza government in return for a pledge from the Sandinistas to institute democratic reform in Nicaragua. The Somoza regime fell and the Sandinistas took control as we waited for democratic reform to take place. It is 8 years later and we are still awaiting democratic reform.

The sad truth of the matter is that there is no hope for democratic reform whatsoever in Nicaragua so long as the Sandinistas remain in power. There is also the danger that they pose to their neighbors because the Sandinista dictatorship has stated unequivocally that their Marxist revolution is a revolution without borders.

Mr. President, there has been a great deal of false information concerning the popularity of the counter revolutionary forces in Nicaragua. Opponents of aid to the Contras repeatedly make the claim that this is not a popular revolution. Nothing could be further from the truth. Let me compare the growth of the Sandinista movement over time to the growth of the Contras movement.

It took the Sandinistas more than 15 years to assemble a movement of between 5,000 and 7,000 soldiers. In less than 5 years the Contras have assembled nearly 20,000 soldiers. In fact, the Contra forces today exceed the total number of men in Somoza's national guard, which in 1979 totaled only 14,000 men. This is clearly a popular revolt.

Mr. President, there are critics of support for the Contras who would have us believe that there is no hope for success even if we support the Contras consistently. This is also untrue. We must remind ourselves that the Sandinista revolt took more than 15 years to succeed against a small national guard force. The Contras face the largest and most powerful army in Central America. The Contras who have swelled in ranks to their current size are fighting against an active army of 60,000 Sandinista soldiers backed by another 60,000 reservists and militiamen.

Mr. President, the Sandinistas offer nothing but totalitarian despair to the people of Nicaragua.

I repeat, the Sandinistas offer nothing but totalitarian despair to the people of Nicaragua. Their only hope is through the success of the Contra movement. I urge all of my colleagues to oppose Senate Joint Resolution 81.

Mr. President, it will be a sad day for the U.S. Senate if we adopt this resolution cutting off aid to the Contras. If Nicaragua is allowed to remain under Marxist control, under Communist control—and it is nothing but communism; we all admit that we vote to promote communism in this hemisphere. That is what we will be doing if we vote for this joint resolution.

Mr. President, if we are going to retain freedom in Central America, where it is so important we do so, we better begin now. If Nicaragua is allowed to exist as a Marxist and Communist state there, they will continue to try to take over El Salvador, and they will not be satisfied with that. They will go after Guatemala, Honduras, Costa Rica, all the countries down there. Mexico will be threatened, the Panama Canal will be threatened, and then we will be thrown into a war. You better stop it now or you will have to send soldiers down there to fight later. The freedom fighters are willing to do the fighting if we will help them. It is the least we can do to help them. If you do not, you are going to send Americans down there to fight.

Now, if the Soviets take over Central America and put submarines there in case of a conflict, how could we get oil? More than a third of our oil has to come that way. How can we get minerals, minerals from South Africa, Indonesia, and other places—copper, tin, zinc, industrial diamonds. Why, this Nation's economy would come to a collapse if we could not get oil and minerals.

The PRESIDING OFFICER. The Senator has used his 6 minutes.

Mr. THURMOND. Mr. President, 2 more minutes.

Mr. STENNIS. I yield the Senator 2 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. THURMOND. Mr. President, we will be jeopardizing the freedom of this Nation if we do not take the proper steps. Why pursue a course that is going to get us in trouble? Why pursue a course that is going to promote communism? We know the goal of the Soviets. And who is providing the equipment? Helicopters, planes, and tanks are going from the Soviet Union to Nicaragua. They are going through Cuba. For what purpose? They do not need it to defend themselves in Nicaragua. It is to take over other countries, one after the other, just like the Communists have taken other countries since World War II. They have taken over 15 or 20 countries in Europe, they have taken Angola, Mozambique, and Ethiopia in Africa. They have taken Yemen in the Middle East. They have taken Cuba and Nicaragua, and they are not going to stop unless somebody stops them. These people are willing to fight and help to stop them. The least we can do is help these freedom fighters. I hope the Senate will think carefully. It is a vital vote. It is a vote which is so important that if we believe in freedom and protecting ourselves against Soviet totalitarianism, we will vote against this joint resolution.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. I yield 10 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 10 minutes.

Mr. BENTSEN. Mr. President, barely 5 months ago, the Congress voted $100 million to support the Nicaraguan Contras. Since then, the United States has expended almost $60 million of this sum for such items as military equipment, uniforms, food, and training for these men and women who are fighting against a Communist dictatorship in their native land. Already the results of these expenditures and this training are seen on the battlefields of Nicaragua.

Today we are considering a proposal to cut off the remaining $40 million of the funds that were appropriated last fall. One of the reasons given for such action is that we need an accounting of the funds that have gone to the Contras. There is no question that an accounting is required, but let us not use this as an excuse—a pretense—for striking at the Contras. The $60 million from this appropriation can be accounted for; the $27 million for last year can be accounted for.

What we do not know about is other funds that might have gone to the Contras. I emphasize "might" because in the two investigations recently completed on the subject of the Iranian arms deals—the one conducted by the Intelligence Committee here in the Senate and the one conducted by the Tower Commission—there was no proof that the Contras skimmed any of these funds, that they diverted any funds, or even that they received any of these funds.

It would be ironical to deny assistance even as we are seeing results on the battlefields of Nicaragua. Within the past 3 months alone the number of clashes between Contras and Sandinistas has increased from 20 per week to 80 per week, and many of these have represented significant military successes for the Contras.

The reports that we receive in the Intelligence Committee on a regular basis, for example, indicate that the Contras have been successful at knocking out Sandinista tanks, at overrunning Sandinista military garrisons, and at ambushing Sandinista units in the field. We have also received reports that the Contras have recently shot down two Sandinista helicopters, including at least one of the MI-24 "flying tanks" that are the prime Sandinista air weapon.

If the present trend continues, and I have reason to believe that it will, the next 4 to 5 months will see even more evidence that the Contras have become a successful guerrilla force capable of denying unhindered movement for Sandinista military forces in large sections of Nicaragua. Indeed, we are seeing significant indications that the military ability of the Contras is increasing as a direct result of the aid we have given them this year.

Everyone here today should realize that this vote is purely symbolic, but it is an important symbol. A Senate vote against the $40 million would be disheartening to the resistance and would encourage the Sandinistas to continue their diplomatic shadow boxing and internal repression.

I voted—as did many of you—for aid to the Sandinistas when they took power in 1979. I was pleased that the people of Nicaragua would have the democracy that had evaded them for so many years. And then it became obvious that the Sandinistas were not what they appeared to be; they were not what they pretended to be. They were not interested in democracy in Nicaragua. They were interested in building a one-power Marxist-Leninist state, with all the repressions that are characteristic of that type of government. And they have succeeded in their goal.

I have stood at the doorway of La Prensa with Mrs. Chamorro and looked at the front page of the newspaper, cut full of holes where the Sandinista censors took out the news they did not want the people to hear. I have heard the cardinal tell about the closing of the church radio station and the closing of the church newspaper. And I have talked with some of the campesinos—the peasants—who make up 98 percent of those who are fighting against the Sandinistas and heard them express the desire to farm their land and raise their families and worship their God without government interference.

I find this proposal to cut off aid to the Contras most ironical in light of what is happening elsewhere in the world with another resistance group that has much support throughout this body, even from those who do not support aid to the Contras.

I am talking about aid to the resistance in Afghanistan, a group that we reportedly give hundreds of millions of dollars each year for their fight against the Afghan Government and the Soviet forces that keep that government in power.

Let us look at the two situations and compare them. In both instances there are native-born guerrillas fighting to free their country from the grip of a Soviet-supported regime. In both cases the guerrillas are divided by personality and military strategy.

If we examine the chances of military success for the resistance, we should consider that in Afghanistan the guerrillas are taking on the Soviet Army and Air Force directly, with all the sophisticated weaponry the Soviets can bring to bear right on their own borders. In the other instance we are talking about guerrillas who are fighting the military forces of a Third-World country supplied with Soviet weaponry and advised by members of the Soviet bloc.

In Afghanistan we are talking about a country half-way around the world; in Nicaragua we are talking about a country whose distance from the United States is measured only in the hundreds of miles.

Consider these two cases and then ask yourself which of these movements is more likely to succeed and which government poses the greater threat to the United States?

The answers, I submit, are that the fighters in Afghanistan have a much smaller chance of success than do the Contras in Nicaragua and that the dangers to the United States from a Soviet-dominated regime in Central America are much greater than that of such a regime in Afghanistan.

For 150 years the United States has embraced the doctrine laid down by President James Monroe.

The Monroe Doctrine has served us well, and with it the United States and the other nations of the Western Hemisphere have enjoyed security and protection against the encroachment of powers from the outside. The one exception to this doctrine has been Cuba, which has become a total Soviet satellite. I would hope that every Member of the Senate would be willing to admit that the Cuban example is not one that we want to see duplicated on the mainland, but that is exactly what we are facing in Nicaragua.

I ask my colleagues to think not just of the small country of Nicaragua, but to consider Panama and its canal, which is still of great strategic significance to us. Consider Costa Rica, which does not even have an army. Consider Honduras and El Salvador and Guatemala, all new, struggling democracies with economic problems that make them ripe for exploitation from the outside.

We ought to be doing more for these countries in the economic sphere; we ought to purchase more of their products and help them diversify from the cash crop economies that are so subject sudden drops in the world price of coffee, bananas, and sugarcane. But if the Sandinistas are free to export their revolution—as they have stated they will do—the only aid we will be giving them will be more and more military assistance, just to enable them to survive.

We have seen what is happening in El Salvador where a guerrilla group is supported by the Sandinistas, and that scenario will be repeated, I am afraid, throughout Central America.

I also ask my colleagues to think of our neighbor immediately to the south—Mexico—and what the threat of a consolidated Nicaraguan revolution could mean there.

Mexico has 82 million people—far more than all the nations of Central America combined—and many of us are aware of the problems it has been having and of the potential there for instability. Over the past few years, for example, the standard of living in Mexico has been reduced by some 30 percent. It is frightening to consider the possible situation in Mexico in light of Commandante Tomas Borge's boast that the Nicaraguan revolution has no borders. I shudder to think of the pressures we would feel if the Sandinistas were to expand their revolution to Mexico. We took a giant step last year toward regaining control of our borders, but if there were no Contras and the Sandinistas were able to consolidate their power and turn outward without limit, I am afraid the pressures on Mexico and on our own southern border would become unbearable.

Finally, I ask my colleagues to consider the issue of keeping faith with those whom we voted to support just last fall.

We have jerked the Contras around for years, first extending aid, then cutting it off; reaching out, then limiting its type. We have not done that to the Afghan resistance, and I hear no one in this body urging that we do so, and that is well and good. At long last, though, this past year we authorized a program of the type we should have had previously. It is a comprehensive program which keeps both military and diplomatic pressure on the Sandinistas. It is a reasonable program, and it has a chance of success.

Even as we debate their fate here in Washington, there are over 10,000 Contras fighting inside Nicaragua. They have persisted in spite of the uncertainty of our support, laying their lives on the line and ricking wounds that mean almost certain death. There are no medevac helicopters on the battlefield for the Contras, but they fight on, just as do the brave men and women of Afghanistan.

We support one group without question, though they have little chance of defeating the Soviets and they are fighting their battles 10,000 miles away. Why should we not also support the Contras, who have a much greater chance of success—a much greater chance of forcing meaningful diplomatic negotiations—and whose failure would mean much more to us than would that of the Afghan resistance?

Both of these resistance groups are worthy of our support, and I urge rejection of the attempt to cut off the final $40 million of the aid that we have already appropriated to the Contras.

Mr. WEICKER. Mr. President, will the distinguished Senator from Texas yield for a question?

Mr. BENTSEN. I yield.

Mr. WEICKER. Does my good friend from Texas consider it a significant difference that we do not recognize the government of Kabul but we do recognize the government of Managua?

Mr. BENTSEN. I think that from a realistic result for our country in foreign relations, it really does not make a difference.

I look at a situation on the other side of the world, where I support the action. I think we should do it. I applaud them for the effort. I look at a situation on this side of the world, and I look at the problems of Mexico and my concern there.

I am, finally, looking at what I think is the bottom line.

Mr. WEICKER. Mr. President, I think this is a very significant difference. I do not intend to get into the Afghanistan situation, but my remarks apply as much to earlier speakers as to the distinguished Senator from Texas, a dear friend of mine.

However, the fact remains that rather than spending all this money, rather than supporting this mercenary activity, why do we not, first of all, sever diplomatic relations with Nicaragua? We have not done that. We want to have our cake and eat it too. If the revolutionary activity does not work out, we can go to the diplomatic channels with the Government of Nicaragua.

Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator is recognized for 2 minutes, a minute of which he has used.

Mr. WEICKER. I yield an additional 2 minutes.

All this criticism of associating or recognizing communism—this administration recognizes communism, because we have diplomatic relations with the Government of Managua. I do not think there is any lack of patriotism on the other side or in opposition to communism. Neither is there in-sofar as those who favor this joint resolution.

What we are trying to do is to find the way to keep communism out of our democracy. It is the position of most of us on this side of the issue that the way to do that is to eliminate the causes that encourage communism; that once it is in here, you can only resort to armed conflict. Keep them out.

When Castro graduates people—when he does graduate them—from the universities at Santa Clara and Havana, you do not think he uses all those people in Cuba. I am talking about doctors, nurses, and paramedics. He sends them to South America and the Caribbean. He understands the nature of the conflict.

That is the recognition that we are trying to bring to our own government: Utilize our doctors, our teachers, our builders, our scientists, our farmers—not their mercenaries. There is the issue before this body.

I yield the floor.

Mr. STENNIS. Mr. President, I yield to the Senator from Kansas.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mrs. KASSEBAUM. Mr. President, I rise to express opposition to the resolution of disapproval.

Just 6 months ago, after lengthy and heated debate, we in Congress agreed to send $100 million in humanitarian and military aid to the Nicaraguan democratic resistance.

I will just add, Mr. President, at this point I think the Senator from Connecticut just made a very wise observation, however, when he said, and it has been a guiding point or should be to our policy that we must work to eradicate the reasons why communism has gained a foothold.

But at the time of the earlier debate last year I felt strongly, and I still do, that it is essential for the United States to have a sustainable national policy toward Nicaragua. We need a policy that commands bipartisan backing. And perhaps most relevant to today's debate, we need a policy that will be supported long enough to have a chance to succeed.

As we are all well aware, today's debate on whether to release the last $40 million in assistance to the Nicaraguan resistance is a symbolic one. No matter how the vote turns out on this particular measure, the money is going to be released. There are not sufficient votes to override the President's veto. So the issue today is what message the Congress should be sending at this time, not only to the President, but to the democracies in the region, to the Sandinistas, and to the Nicaraguan resistance.

Over the past few days and weeks, I have been contacted by many thoughtful Kansans who are deeply concerned about our policy toward Nicaragua. They have raised very legitimate questions about where our policy is heading.

It is clear to me, Mr. President, that a majority of the people in my State do not support our present policy. Public opinion polls tell us this is also true of the American people as a whole. This places a severe burden on the President and on those of us here in Congress who have supported this policy to justify the continuation of this effort. Clearly, we have not done an adequate job in this regard.

I have long believed that as a representative of the people of Kansas, I must be mindful of public opinion in my State, but I must also be able and willing to bring to bear my own judgment. On the question before us, I believe we must weigh not only the immediate concerns, as real and legitimate as they are, but also the longer term consequences of our decisions.

In my view, Mr. President, the message of last October's bill, under which $40 million falls, was clear. The $100 million in assistance was very clearly intended as leverage to encourage a negotiated resolution to the conflict in the region.

The bill also very clearly indicated that support here in the United States for the Nicaraguan resistance was contingent on their demonstrating that they are truly a democratic movement, fighting for freedom and human rights in Nicaragua.

Mr. President, I am disappointed with how our policy has been evolving over the past 6 months. I am not confident that the President has taken to heart the message of the bill—that without a sustained diplomatic policy, military aid to the Contras makes no sense. What is the point of leverage for diplomacy, if there is no sustained diplomatic effort on our part. A single track military policy which has no prospect for success will only lead to further consolidation of the Sandinista leadership, a result we are struggling so hard to avoid.

I am also disappointed with the efforts of the Contra leadership over the past 6 months to consolidate their efforts and demonstrate that they are truly a democratic resistance.

But despite this disappointment, I do not think it is wise to vote to block the release of the $40 million. Whatever the outcome of today's vote, the military assistance program will continue for 6 more months. The only message we would be sending to the region and the resistance forces is that we decided to be undecided, and that does not help anyone.

Even if it were possible with this vote to really stop the flow of the remaining $40 million, I still would not vote to do that.

I feel strongly about regional negotiations in Central America. As we are all aware, this is a very fragile and critical time for the entire region. The four Central American democracies and Nicaragua will be meeting before May 15 to discuss the recent initiative sponsored by Costa Rica. Voting to block the $40 million does not help those negotiations and does not give the Sandinistas an incentive to go to the bargaining table. Why should they negotiate seriously when all they would have to do is wait the program out?

This is also a tenuous time for the Contra leadership. The next several months will tell what, if any, progress can be made.

In my view, Mr. President, the most conservative action to take at this time is to vote to release the $40 million, but with a clear message to the President that congressional approval is still contingent on a multitrack policy as detailed in the Contra-aid bill. The next several months are going to be a critical time for our policy. This is not the time to disengage from the administration but to work with it to make sure that we have a comprehensive policy that can be sustained.

Mr. President, I yield back any time I may have remaining.

The PRESIDING OFFICER. Who yields time?

Mr. WEICKER. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. Who yields time to the Senator from Connecticut?

Mr. HATFIELD. I am happy to yield 1 minute to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I want to correct myself.

I was informed after my last exchange with my good friend from Texas that indeed we do have a mission in Kabul and we still do recognize that government. I do not understand what sense that makes under the circumstances, but I also am glad to be enlightened on the floor.

Since I consider myself correct 100 percent of the time, it is nice to know that I can be wrong, and I admit I was wrong on that point. I want the RECORD to so show.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I yield 5 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 5 minutes.

Mr. LEVIN. I thank my friend from Oregon.

Mr. President, Cicero advised, "Let us not go over the old ground, let us rather prepare for what is to come." That was sound advice. But today we are going over the old ground. If we are wise, however, we will use this opportunity to prepare for what is to come.

This administration's policies toward Central America have been counter to the national interests of the United States, and that is why I support the resolution before us today to disapprove the final $40 million of aid to the Contras.

There have been dramatic revelations over the past few months, and many distressing activities acknowledged. Much has been learned about the conduct of members of this administration, and more remains to be discovered. And yet, the turmoil of the past 4 months has not changed the fundamental question regarding the wisdom of this administration's policy toward the nations of Central America and what is in our own national interest.

The Iran/Contra affair has not changed the fundamental question confronting us. The turmoil in the leadership of the United Nicaraguan Opposition [UNO], and the resignation of Arturo Cruz, has not changed the fundamental question. Nor have the revelations about the diversion of funds, nor the revelations of a shadowy network of support of questionable legality, nor the unaccountable loss of millions of dollars. These events are profoundly disturbing, but they do not change the fundamental question of whether the policy of creating, and manipulating, and funding the Contras was wise.

Let us make no mistake about it: with or without the myraid scandals and illegalities, the initial underlying policy of this administration toward Nicaragua is wrong.

Further, let there be no misunderstanding—the United States has strategic, economic, cultural, political, and moral interests in Central America. To serve those interests is our duty. To fulfill our duty, we need to clearly define and understand what those interests are, and how best to achieve them.

It is in our national interest to see a region prosperous and strong, stable, and democratic. It is in our national interest to see that Central America is free of Soviet military influence or Soviet bases. Our interest is to see a region that is politically secure, at peace with itself and its neighbors. It is in our national interest to see a region that is economically prosperous, where wealth is fairly distributed, where economic and social justice triumph, and where freedom prevails.

The question we must face is whether our Nation's policies help serve those interests. Will this administration's conduct achieve our national goals?

Sadly, Mr. President, the answer is no. The policies of this administration have not succeeded. The current policies are counterproductive and, in the long run, selfdefeating.

It is time to correct our mistakes.

There is an alternative to the proxy war we have been waging against Nicaragua, a country with which we have full diplomatic relations. There is an alternative to a failed policy which has been effectively exploited by the Sandinistas. The administration's policy has enabled the Sandinistas to make a powerful nationalistic appeal to the people of Nicaragua, arguing that they are mobilizing to protect their sovereignty against the Yankees from the North. The administration's failed policy has enabled the Sandinistas to deflect internally the criticism they deserve, by blaming everything on the Contras.

There is an alternative that is possible and, if implemented, will achieve our Nation's goals.

Last week, this body wisely indicated support for the intent of the Arias peace initiative by a vote of 97 to 1. The Senate applauded the recent initiative of Costa Rican President Oscar Arias, and acknowledged it as a significant contribution toward ending armed conflict, and reinforcing democracy, in Central America.

This initiative is still in progress, and is far from finished. I look forward to the meeting scheduled to take place in the coming months in Guatemala. I look forward with guarded optimism that the countries in the region will be able to fashion a sound and constructive proposal, mutually agreeable to the nations in the region, and verifiable.

I have no illusions about the Sandinistas, however. They have violated the promises of the revolution. The Sandinistas have repressed the church and political expression. The Sandinistas have suppressed the free press, and imprisoned innocent people.

But, our legitimate security interests, and the interests of our allies in the region, could be met by the successful completion of a comprehensive, verifiable, regional approach as embodied in the Arias initiative. We need not embrace the Sandinistas—nor overthrow them—to meet our legitimate national goals.

The Arias initiative, if successful, would demand compromise on all sides. It could, however, enable the region to have a structure in place to facilitate and enforce national reconciliation, simultaneous cease-fires, the suspension of outside military aid to insurgents or irregular forces, the prevention of the territory of neighboring countries to be used for military or logistical support of insurgents, the reduction of current armaments by the five nations of Central America, international supervision, democratization, and elections.

But, I am worried that this administration does not sincerely desire the success of such a initiative. As with the Contadora process, the Arias initiative will succeed only if the United States is truly supportive and cooperative. I fear a repeat of history, where the administration paid empty tribute to supporting the goals of the Contadora process, but undermined the possibility of its success. The President made his wishes concerning the Contras abundantly clear, and we now know, in part, how members of his administration worked to carry out his wishes. While the administration paid lip service to the Contadora process, the President also said about the Contras: "We are not going to quit and walk away from them, no matter what happens." And, he declared the Sandinistas "a cancer that must be excised."

This administration has not supported the Contadora process, for had that process succeeded the administration would have had to abandon its failed policy of supporting the Contras.

Congress should not allow that to happen again. We should speak in a clear, unmistakable voice that this country will no longer fund the Contras. Instead, we should make clear we will support instead efforts to ensure peace and reconstruction based on region-wide national reconciliation.

It is in our national interest to see the Arias initiative succeed. It is in our interest to see a verifiable and enforceable structure to guarantee a region-wide cease-fire, reduction of armaments, the elimination of all outside military presence, national reconciliation, international supervision, elections, economic and cultural accords, and democratization.

This is what is possible if the Arias initiative succeeds. This is what is possible if the United States acts wisely and supports our friends and allies in the region. This is what is possible: reaching our legitimate national goals.

Mr. President, it is time to acknowledge that this administration's policies in Central America have not succeeded. It is time to acknowledge that this administration's continued and obsessive support for the Contras is a major stumbling block for a regional, verifiable accord leading to stability and peace. It is time to terminate our policy of war, and work to achieve a negotiated peace. It is time to change our direction, and turn away from the path which will only continue to lead us toward a long, bitter, tragic, and deadly folly.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD. Mr. President, I yield 8 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 8 minutes.

Mr. SIMON. Mr. President, I am pleased to join Senator WEICKER in this and I commend my colleague from Oregon for his leadership on this, also.

I have great respect for my good friend from Mississippi and others who are on the other side of this. I think we have to step back and say, What are we doing?

First of all, there is a fundamental question that some people ask: "Why do it, since, because of timing, the President can just delay it? He can provide the $40 million or the President can veto it and clearly we do not have the two-thirds vote to override the veto."

I think we do it to send a signal both to the administration and to people in Central America and around the world that we recognize that we have a flawed policy and we are going to step away from it.

I agree with what Senator LEVIN from Michigan has just said about what we want. We want a Central America where it is genuinely free, free in the sense of being democratic, free in the sense of being free of Soviet influence and economically strong. How do we get there?

Senator DODD and I met with President Arias of Costa Rica. President Arias said there were only two chief executives that spoke to the United Nations who denounced the Sandinistas. He said, "That was President Reagan and me. But," he said, "your policy of sending weapons to the Contras is, first of all, making change much less likely in Nicaragua and, second, it is destabilizing the Governments that are democratic in Central America." And I think he was absolutely correct.

There is a fundamental question that we have to face and we are facing in this debate: does the United States have any business overthrowing governments we do not like? My answer is we do not have that responsibility and we should not get involved in that.

If we want to overthrow governments where we do not like their form of governments—that is about two-thirds of the governments on the face of the Earth—we are going to have our hands full.

What happens if we continue? Where are we going to be 1 year from now? Do you know where we are going to be? We are going to have 6,000 or so more dead Nicaraguans, we are going to have more instability in Central America, and the political prestige of this country will not be elevated, it will be lowered.

Just about a year ago, the State Department asked me to speak to a group of educators who were gathered in Washington from around the world, speak about our U.S. educational system. Before I began, I said, "Is there anyone in this group from Nicaragua?"

Two men raised their hands, and I said, "Could I speak to you afterwards down here in front?"

And they came up to me in front. They had no idea what my views were. I said, "What should our policy be in Nicaragua?" And both of them said this: "We don't like the Sandinistas, but let us solve our own problems. Don't send down your weapons that are killing us." And I think their advice is sound and we ought to be accepting that advice.

I remember some years ago, before I served in the House of Representatives with the Presiding Officer, our family took a trip, drove down the Pan American Highway to San Jose, Costa Rica. The President of Costa Rica then was Jose Figueres. I visited with him and in his home—this was right after Richard Nixon had been elected President of the United States—there was one autographed picture. That autographed picture was an autographed picture of Hubert Humphrey.

I said, "Mr. President, I am curious. Why do you have this autographed picture of Hubert Humphrey there?"

And his response I shall never forget, I say to my colleague from Hawaii [Mr. MATSUNAGA], who was a good friend of Hubert Humphrey. His response was: "We sense that Hubert Humphrey really cares about us."

What we have to do is to care about the people in Central America, not view them as some kind of pawns in an East-West struggle. And if we care about the people in Central America, I think our policy is going to differ appreciably. Then we are going to start sending scholarships to Central America, instead of sending weapons to Central America. Then we will be doing things to lift them. And, in the words of John F. Kennedy, the rising tide lifts all of those. As they are lifted, we are going to be lifted.

Our policy is a perfect illustration of people insensitivity to a region, going in and trying to dictate what happens in a region. Some things happened that we have not liked, so we say we are going to move in with our muscle. The impression in Latin America—much of Latin America, anyway—is of Uncle Sam being a bully and exploiter. Sometimes we have earned that reputation, sometimes we have not. But what we are doing right now in Nicaragua simply reinforces that image of Uncle Sam as a bully.

I am pleased to support the motion of the Senator from Connecticut, Senator WEICKER. I commend him for his leadership. I hope we take this simple, solid gesture, a signal to the administration, a signal to the people of Central America and a signal to the rest of the world that we are backing off a very flawed policy.

I yield the floor.

The PRESIDING OFFICER. The Senator yields the floor. Who yields time?

Mr. HATFIELD. Mr. President, I would like to yield to the Presiding Officer, if we could get another Senator to relieve him.

Mr. President, I yield 4 minutes to the Senator from South Dakota.

The PRESIDING OFFICER (Mr. LEVIN). The Senator from South Dakota is recognized.

Mr. DASCHLE. Mr. President, I thank the Senator from Oregon for yielding. I have enjoyed listening to the debate on both sides. I must say, following the Senator from Illinois with his eloquent remarks, there is very little else that needs to be said. It was a rational statement for which I completely associate my own remarks. Like him, I share the view held by the Senator from Illinois, that there is little likelihood that ultimately this joint resolution will be enacted into law. But in spite of that lack of likelihood, it is all the more important, I suppose, that some of us who share the view that what we are doing in Nicaragua needs to be changed, that what we are doing in Nicaragua sends the wrong message, that what we are doing in Nicaragua really creates a policy contrary to the best interests of our people and long-term relationships to foreign countries, and that it is indeed a necessity for us to speak out, in spite of a lack of certainty we have, that ultimately this policy will prevail.

It is important that those who share our view understand that there are many bases for which we oppose the aid to the Contras. I would like to address merely three. The first issue is accountability. "Accountability" this year in particular has become somewhat of a Washington buzzword. It has a very real meaning, and an ultimate importance in our public policy. The issue of accountability in Contra assistance is nothing new. On the surface it amounts to nothing more than micro-managing this policy. Categorizing some Contra aid packages as "humanitarian" and others as "military" does little good. Ultimately we must go further.

We have referred to "light" and "heavy" weapons, and we tried to analyze and micro-manage this whole affair. We are not really managing policy at all in this regard since we cannot even tell the American public where their money has gone.

Accountability is not the whole story. The second reason I stand in opposition to this assistance and in support of this resolution deals directly with an issue brought up by the Senator from Illinois, that of the ongoing negotiations. Even if we could account for the previous funds appropriated for the Contras, the real question is whether or not we will be back in a covert war in Nicaragua in the first place. The policy is not working, and it will not work. For we are taking the wrong approach to this problem.

Last week the Senate passed 97 to 1 a joint resolution expressing support for Costa Rican President Arias' initiative to resume negotiations toward a regional political settlement in Central America. I supported that resolution. I believe that this country must begin to offer its genuine support for this and other diplomatic efforts. Our current support for the Contras threatens to undermine the efforts of Costa Rica and other Central American democracies toward a negotiated settlement. The Senators from Connecticut, both of them, have argued very vehemently that this whole effort undermines the ability for those countries to negotiate, for those countries to find some negotiated settlement in the long term, and sends the wrong message to those who have so delicately tried to carry on a fruitful and productive negotiation to long-term peace.

The problems in Nicaragua are also very deeply rooted in poverty and political upheaval. This holds my third course in opposition to the current effect by this administration to provide the $40 million to the Contras. Ultimately, as the Senator from Connecticut has so eloquently spoken, the solutions to the problems in Central America will have to come from the Central Americans themselves. As for our role, there has to be a more constructive vehicle for promoting our public policy objectives in the region. I am convinced that the way to support democracy and curb Soviet influence in Central America is to do what the Senator from Connecticut just said we do; that is, to address the basic human needs of the people of Central America. If we are to send foreign aid to the Nicaraguan people, the least we can do is to make sure the aid is truly helping the intended recipients, and serving our national best interests. The way we do it is provide the Nicaraguan people with nutrition, health care, education, and democratic rights they need and deserve.

Mr. President, the policy of aid to the Contras is wrong, and I join with others in urging my colleagues to support the resolution of disapproval.

I thank the Senator from Oregon.

The PRESIDING OFFICER. Who yields time?

Mr. HATFIELD. I thank the Senator from South Dakota.

Mr. President, I yield 10 minutes to the Senator from Massachusetts [Mr. KERRY].

The PRESIDING OFFICER (Mr. DASCHLE). The Senator is recognized for 10 minutes.

Mr. KERRY. Thank you, Mr. President.

Mr. President, those of us who oppose the administration's policy in

Central America have heard the refrain in the course of this debate, just what is our alternative to continued support for the Contras? I think that is a fair question to ask. But it seems to me that before we are called on to put out our alternative to the administration's policy we have a right to ask, and a right to have shown precisely, what is the policy of this administration?

Over the past 5 years the administration's justification for supporting the Contras has changed consistently. First, we were told the administration simply wanted to interdict arms shipments from Nicaragua to the leftist guerrillas in El Salvador and so it began. Then with a new rationale, in 1983, there was a shift toward pressuring the Sandinistas to accept a peaceful settlement. In an attempt to gain congressional support in 1984, President Reagan told us that the United States did not seek to destabilize or overthrow the Government of Nicaragua. Yet, at the same time the Contra military leaders were telling us it was their announced intention, their goal, to overthrow the Sandinistas. Just last week, after 5 years of changes in rationale Assistant Secretary of State Elliott Abrams stated that the administration wants democracy in Nicaragua either by pressuring the Sandinistas into a compromise through negotiations, or if they refuse, to force them out of power.

Mr. President, I do not know what to believe at this point in time as to what is the real policy of this administration. But I do know that one of the most respected opponents of the Sandinista regime, Arturo Cruz, has submitted his resignation as a director of the United Nicaraguan Opposition. He resigned, Mr. President, because of his personal frustration and lack of success in bringing about fundamental democratic reforms in the Contra movement. Arturo Cruz' biggest concern was that those in positions of power in the Contra movement were not committed to democracy or to democratic values.

He was unwilling to lend his prestige to a movement which he feared would only replace the Sandinistas with a system reminiscent of the Somoza era in Nicaragua's history.

Mr. President, I think that this episode says much more about the failure of the administration's Contra policy than anything the opponents of this policy can say or do.

Five years after creating the Contras, 5 years after telling us they will succeed, 5 years after telling us that reforms that are imminent, of a united political opposition committed to democratic values, 5 years after all of this, here we are in 1987 with a request for $40 million more to a regime and an organization, as divided as ever, that lacks its own definition of its political goals.

Mr. President, how does a U.S. Senator who is being told that we do not have money for farmers in the Midwest, how does the U.S. Senator who is being told we have to cut education funds for our children, how does a U.S. Senator who wants to vote for additional money for research and development to make the United States competq
who wants relief for old people who have had food assistance cut over the last 6 years, how does a U.S. Senator faced with countless other priorities in this country vote for money, $40 million more, for a undemocratic movement like the Contras?

How does a U.S. Senator go back to the people in his district and say, "Listen, I want to tell you that one of the key leaders of this group—a leader we have been extolling for the last year, whose virtues we have been holding up as a reason to give money—has left that organization and said it is not democratic." How do we explain that as we give $40 million more to this nondemocratic movement?

What we are voting on today in the U.S. Senate is whether or not we concur with Arturo Cruz.

It simply does not make sense, Mr. President, that we in the U.S. Senate are going to ratify what the leader that we were all told we ought to respect and listen to has himself rejected. But that is what we are being asked to do.

It was just last May, Mr. President, when the administration touted the outcome of the so-called unity meeting in Miami where the three UNO leaders, Arturo Cruz, Adolfo Calero, and Alfonso Robelo, agreed to an agenda for democratic reform. What has happened to that agenda? Do we have a right, even an obligation on the Senate floor, to hold that agenda up to public scrutiny? There was to be accountability in the Contras. This was to be the joint decisionmaking on the expenditure of funds. There was to be strict observance of human rights. This was to be the development of a democratic political agenda thought so necessary to win the hearts and minds of the people of Nicaragua.

Where are we now as we are being asked to give $40 million? No democratic political agenda, no effort to respect human rights, and certainly no accountability of the decisionmaking process or of the expenditure of money.

Nearly a year later, the most respected democrat in the movement has had to throw in the towel and rather than heeding Arturo Cruz' concerns, this administration gave him the back of its hand. I quote the Secretary of State in the Miami Herald. The Secretary of State says it was the failure of Arturo Cruz to get his own way, rather than a concern about democratic reforms, that led to his resignation.

That is the payoff for Arturo Cruz' efforts over these recent years to try to create a movement that adheres to the best standards, traditions, and values of the United States of America.

The simple fact of the matter is, Mr. President, this administration has the same goal today as it has always had but it has not found a way to couch it and veil it in terms that are acceptable. That goal is to overthrow the Sandinistas and somehow to use the Contras as the means of achieving that end.

Artuzo Cruz did not fail this administration, Mr. President. The administration failed Arturo Cruz and those of his fellow countrymen and women whose primary motivation is to bring political, economic, and social pluralism to their country.

Mr. President, approval of $40 million bring us more of the same. It will bring us continued corruption. The administration still cannot provide us documentation as to how some 50 percent of the $27 million in humanitarian assistance last year was spent.

How can I tell people in Massachusetts? Mr. President, how can I tell people that I am willing to vote for $40 million more to the Contras when every single Senator and Congressman in the U.S Congress cannot tell you how the money was spent last year? How can we possibly do that in an age of Gramm-Rudman?

I do not believe it is possible.

Support of the Contras will bring us more human rights abuses, even in those areas, Mr. President, where people are strong opponents of the Sandinistas. Steven Kinszer, who writes probably better than anybody who is observing what is happening in that region, has told us of babies who were bayoneted, women murdered, villages and fields burned, and burned in areas where the people are most strongly opposed to the Sandinistas.

Remember, Mr. President, and I am sure other colleagues here remember, the assurances we received from a Adolfo Calero that he did not have any secret bank accounts? How many times did he go in front of this country saying "I don't have any secret bank accounts; I don't know of any secret bank accounts; we didn't receive any money from secret bank accounts."

But lo and behold, now we find out not from him first, but finally he admits that indeed Adolfo Calero had secret bank accounts in Switzerland and the Cayman Islands.

I think it is appropriate for the U.S. Senate to ask what is a democratic organization of freedom fighters doing with secret bank accounts in the Cayman Islands and Switzerland? Is that what we are going to tell old people, farmers, and students deprived of money, that we are willing to put that money into secret bank accounts for Contra leaders but not for expenditure on behalf of the citizens of this country?

Mr. President, I see the Presiding Officer is poised to act.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KERRY. Is it possible for the Senator to yield an additional 5 minutes?

Mr. HATFIELD. I regret that we have no time left, with the number of Senators who still want to speak following the Senator from Massachusetts.

Will the Senator be willing to tarry for a while and when we finish up the other Senators who have not spoken, we may have a few moments left to yield?

Mr. KERRY. Mr. President, rather than do that, because I know there are many of my colleagues who wish to speak, if I could have 2 additional minutes, I will wrap up at this time.

I see the Senator from Connecticut is here and waiting. I will ask for 45 seconds.

Mr. HATFIELD. I will yield 30 seconds.

Mr. KERRY. That is almost long enough for a unanimous-consent request.

Mr. HATFIELD. I will be happy to yield 1 additional minute.

The PRESIDING OFFICER. The Senator will be recognized for 1 full minute.

Mr. KERRY. Mr. President, we say our policy is to bring about democracy in Nicaragua. Yet, one of the most respected Democrats in Central America finally gives up because his efforts to democratize the movement have come to naught.

It does not make sense. The administration argues that it wants a democratic Nicaragua. And to bring this about, they are relying upon an antidemocratic movement. Talk about a policy of deceit and self-deception. This is what we are being asked to buy if we approve this $40 million we are debating today.

It was just last May when the administration touted the outcome of the so-called unity meeting in Miami where the three UNO leaders, Arturo Cruz, Adolpho Calero, and Alphonso Robelo, agreed to an agenda for democratic reform. There was to be accountability in the movement. There was to be joint decisionmaking on the expenditure of funds. There was to be strict observance of human rights. There was to be the development of a democratic political agenda, thought so necessary to win the hearts and minds of the people of Nicaragua.

Nearly a year later, the most respected Democrat in the movement had to throw in the towel. And rather than heeding Arturo Cruz's concerns, the administration gave him the back of its hand. Concerns for democratic forces and democratic principles are secondary to the administration's goals in Central America.

The simple fact of the matter is that the administration wants to overthrow the Sandinistas. And they have found that it is most expedient to accomplish this goal by supporting forces whose values are an anathema to the values of people who believe in democracy.

So Arturo Cruz has gone the way of Eden Pastora. Tossed overboard and vilified because they cared about democracy and democratic values. Arturo Cruz did not fail the administration. The administration failed Arturo Cruz and those of his fellow countrymen and women whose primary motivation is to bring political, economic and social pluralism to their country.

Mr. President, approval of this $40 million will bring us more of the same.

It will bring us continued corruption. The administration still cannot provide documentation as to how some 50 percent of the $27 million in humanitarian assistance provided the Contras last year was spent.

It will bring us continued disillusionment among the Contra ranks on the part of those who believe they are truly fighting for political pluralism. It will result in the consolidation of power on the part of those whose only purpose is to turn Nicaragua into their personal fiefdom should they be returned to power.

It will bring continued human rights abuses where, even in areas where people oppose the Sandinistas, babies are bayonetted, women murdered, villages and fields burned.

Remember the assurances we received from Adolpho Calero that he did not have any secret bank accounts? We now find that Adolpho Calero, by his own admission, had secret bank accounts in Switzerland and the Cayman Islands. The question we should be asking is why does Adolpho Calero need secret bank accounts? Why should a movement that purports to be democratic in nature, need secret bank accounts? Everyone knows we are supporting the Contras. Why should the leaders of this movement need to be protected by bank secrecy laws?

Remember how we were told how the Contras were literally starving because the Congress prohibited aid? Yet, during the past 2 years we know that at least $50 million, and probably more, was raised by the administration-supported network, reportedly using funds and equipment from Saudi Arabia, Brunei, Israel, South Korea, and private sources, as well as profits from the sale of U.S. arms to Iran.

And yet, the State Department cannot account for the $10 million solicited from the Sultan of Brunei. How many more millions of dollars have disappeared into thin air, or into the pockets of the Contra leadership. And shouldn't we know before they get the money?

In the December 15, 1986 edition of the New York Times there appeared an article noting the following:

> Early last month a group of senior American officials visited Central America and asked United States ambassadors, intelligence analysts and military commanders why the contras were not as effective as the leftist rebels in El Salvador . . .
>
> We wondered why the Salvadoran guerrillas don't need $100 million to keep fighting, an American official informed of the discussions said.

That is a question we should be asking. It is a legitimate question. It is the correct question.

On January 29 of this year, it was reported in the Washington Post that followers of Arturo Cruz and Alphonso Robelo stated they were disillusioned by the continuing domination of the umbrella group by the Nicaraguan Democratic Force and the Contras' failure so far to present an attractive alternative to the Sandinista government.

The Post then reported the following astounding event.

> The rift in contra ranks became apparent in a December graduation ceremony in northern Florida for some of the 127 contras who completed the first six-week U.S. military training course under the $100 million aid package. The trainees received instruction from members of the U.S. Special Forces in guerrilla tactics . . .
>
> In the emotional ceremony . . . the contra graduates chanted slogans in support of the United Nicaraguan Opposition and listened to a speech by Robelo stressing the importance of control over the contras by the civilian leaders. The graduates also wore UNO shoulder patches and braided rope bracelets . . .

According to eyewitnesses involved in the Contra movement, Enrique Bermudez, the military commander of the FDN, was livid.

> He and another contra official said the FDN leadership, alarmed by what they viewed as a display of anti-FDN ideas, reacted later by making the graduates remove the patches and bracelets. One UNO official said the FDN afterward kept the graduates segregated in Honduras for a time to deprogram them.

So much for unity in the Contra movement. So much for commitment to democratic values and beliefs.

Is there an alternative to financing a war well into the indefinite future? I ask this because Assistant Secretary Elliott Abrams says it will take 2 to 4 years for the Contras to accomplish their goals. The commander of the United States forces in Latin America, Gen. John J. Galvin, has told us that it will take 3 to 5 years. Gen. Paul Gorman, retired, who was General Galvin's predecessor and one of the architects of the war against Nicaragua told an audience at the National War College in November of last year:

> I do not see the Nicaraguan rebels as a likely alternative to the present Sandinista regime.

Yes, there is an alternative and that alternative is coming out of Central America itself. It is coming from courageous leaders in the region who recognize that a prolongation of this conflict jeopardizes and undermines democratic institutions in Central America. The plan offered by Costa Rican President, Oscar Arias Sanchez, and endorsed by the Presidents of Guatemala, El Salvador, and Honduras, offers us all—the administration, the Congress, and the people of Central America—perhaps the last chance at finding a political solution to the crisis. It is a plan, the basic principles of which we can, and should, give our unequivocal support. It contains the following 10 points:

National reconciliation based upon the granting of amnesty and the commencing of a dialog between the government and the unarmed internal opposition;

A cease-fire to commence simultaneously with the launching of a dialog;

Democratization to be manifest within 60 days of the signing of the document by complete freedom of the press, assembly, and speech for all ideological groups in the society;

Free elections, including elections for representatives to a proposed Central American Parliament, as well as popular elections at all levels within each country;

Suspension of the acceptance of military aid to the region and within the region, to take place simultaneous with the signing of the document;

Commitments to prevent the use of the territory in any participating state for purposes of attacking other states;

The start of negotiations, within 60 days of signing, with the aim of reducing the current stock of weapons and armed forces in each state;

Provisions for national and international supervision of the implementation of the terms of the plan;

Provisions for the heads of state of the five Central American countries to meet again within 6 months of the signing of the agreement to evaluate progress made in implementing the agreement; and

Provision for the adoption of additional economic and cultural agreement among the parties to the agreement to better further the establishment of democracy and peace in the region.

The Presidents of the four democracies in Central America have agreed to meet in Esquipulas, Guatemala in May to followup on President Arias' proposal. Nicaragua has been invited to this meeting.

This is an alternative which can, and should, command our unequivocal support. Most importantly, it is an alternative that comes from the leader of the longest, continuous democracy in the region. If we are truly committed to democracy and the fostering of democratic forces in the region, then the starting point should be with President Arias of Costa Rica and his plan for establishing a stable and lasting peace in Central America.

Last November, I met with President Arias during his visit to Washington. Of primary concern to the President was the threat that the increased militarization of the region posed to democracy in his own country. President Arias, like all of us in this body, certainly is not an admirer of the Sandinistas or their form of government. But he made it very clear that the Contras were not a viable alternative to the crisis in the region if democracy and democratic values were to prevail ultimately.

Mr. President, it is time we listen to the true democrats in the region. They know the stakes and the risks. It is time to follow their lead and take the same risks they are willing to take because, in the end, it is the people and the democratic forces in Central America, who have the most to lose. At the very least, it is time for the Congress to send the signal that we respect and support the President Arias' of the region.

A vote in favor of this $40 million is a vote to continue the present policy of deceit, contempt for the law, and a disregard for democratic institutions and principles at home and abroad.

Mr. President, enormous abuses of power and a betrayal of American democratic institutions and principles have occurred in the pursuit of this administration's Contra policy in Central America. It occurred because the administration has never been able to articulate a policy which enjoyed the broad support of the American people and the Congress. A policy founded upon deceit, illegality at home and abroad, and an arrogant disregard for our own democratic processes is not a policy which should be continued. It is time to terminate this policy before any more damage is done to our own democratic institutions. That is the choice facing the Senate today.

Let me just say that there is an alternative to the continuation of this travesty and it has been put forward by the most democratic country in the entire Central America. President Arias, of Costa Rica, has put forward a plan which offers an opportunity for hope and it is my hope that the Members of the U.S. Senate will say that there are traditional values and traditional standards of conduct which we as a country ought to adhere to, and one of those is support for real democracy, support for real democratic efforts. President Arias offers us that and I hope, Mr. President, that we will today signify our support of it by denying future support of the Contras.

The **PRESIDING OFFICER**. The Senator's time has expired.

Mr. **HATFIELD**. I yield 8 minutes to the Senator from Connecticut with a good possibility of extension.

The **PRESIDING OFFICER**. The Senator is recognized for 8 minutes.

Mr. **DODD**. I thank my distinguished colleague for the 8 minutes and I will try to limit it to that, otherwise I would appreciate additional time.

Mr. President, first of all, let me congratulate my distinguished colleague from Connecticut. Once again, he has brought on the floor of the Senate a resolution that, as he said at the opening of his remarks yesterday, will force the people here to decide whether to vote for or against support of the Contra aid program. I will vote for his resolution of disapproval, to cut off the $40 million for the Contra program.

As my good friend from Connecticut and others know, I regret, in a sense, that we are even dealing with this $40 million at this particular juncture because, while it is a major part of the problem, it is not the entire issue. Central America demands a comprehensive policy to deal with all of the facets of the issue, all of the difficulties that face those five countries, its neighbors and the people who inhabit those five countries.

The $40 million for or against the Contras touches on that problem but, unfortunately, it does not solve the problem. I wish it were that simple, but it is not. It is far more complicated than that.

I first offered amendments and resolutions to oppose this program 5 years ago. In fact, in 1982, I offered the first resolution to oppose this program, when it became an overt program rather than a covert program. I have tried over the past 5 years to express why I thought this was a dangerous program, a program that would get us into deeper and deeper trouble. I thought, in fact, that we ought to see if we could resolve these difficulties through diplomatic and political channels. Unfortunately, that has not happened in the past 5 years, in spite of rhetoric to the contrary.

We have seen, in fact, on far too many occasions when efforts have come forward that might deal with the problem in the context of a political and diplomatic solution, that those efforts have been thwarted.

In fact, just the other day, the New York Times, in its lead editorial on Sunday entitled "The Contras and the Drain," raises the kinds of questions that I and others have tried to raise over the past 4 or 5 years, when it talks about the Arias plan and other plans. I quote from the editorial when it says:

> That course has widespread support. Witness the Senate's endorsement, by a vote of 97-1, of Costa Rica's current peace initiative. Nicaragua has repeatedly said it would sign a live-and-let-live pact that would bar foreign bases and advisers, reduce armed forces and pledge respect for frontiers. Mr. Reagan has yet to test that offer.

That last line is really what many of us have suggested.

I will say again that I am not opposed to the use of military force as a legitimate way of pursuing one's foreign policy but I think a great superpower ought to be cautious and judicious in the use of military force. If we find Nicaragua to jeopardize our interests and the interests of our allies in a serious way, that option should be left open to us.

I believe that my colleague from Connecticut and others do not reject that option. What they have suggested is that we have failed to really exercise the other ones; we have failed to try to see if we cannot resolve these differences. Unfortunately, as I said today, we are not going to get a chance to vote on whether or not we ought to provide economic assistance to other countries in the region who desperately need it or on how to deal with the Sandinistas, or try to deal with them or what sort of support to give to the opposition inside Nicaragua, who, as I have said over and over again, are the real heroes and who deserve attention. So this resolution must come up because of the way the legislation was worded last year.

I would oppose a moratorium resolution based on an accounting system. I happen to believe that is a phony way to go, sitting around and suggesting that somehow, if we could account for the dollars, we would support the program. I do not believe in that. I believe that is ducking the issue. I believe you are either for this program or against it; but, to suggest that somehow, you can buy real estate in the middle of the road on this issue and avoid the hard choices is delaying the inevitable. As that old ad on television says, "you can pay me now or you can pay me later." That is what we are really saying with the moratorium resolution. So I would oppose that if it were to come to the floor of the Senate.

At any rate, Mr. President, the real issue, it seems to me, was raised the other day by the Sanford resolution, which was adopted by a vote of 97 to 1, that calls for support of President Arias' diplomatic effort that is underway. Between now and the middle of May, or thereabouts, these four democratic countries and apparently the Nicaraguans, will sit down and try to resolve their differences. I wish for once, we might just let them do that without having to express our views on every dotted "i" and crossed "t." Part of the problem with Central and Latin America is that we have failed over the past 150 years or so since they achieved their independence to let them do that. Every time they do something, we feel we have to speak up and say something about it, get involved in it, become a participant. That has been the nature of our involvement in this part of the world for too long. Now, we have a bunch of countries saying maybe we can do something on our own.

Occasionally, the best action for Congress to take is no action, to sit back a little bit and see what others do. That is what I would like to have seen this spring in Central America.

I would like to see a new beginning in Central America; I would like to see what President Arias called "an hour for peace"—in his words, possibly, the last hour for peace. I hope that this effort may be allowed to blossom, to grow, and possibly to come up with some answers that we have been unable or unwilling to arrive at for the past 6 or 7 years.

I know my colleague has addressed this point. Let me reemphasize, I happen to agree with him that the Contra forces were tailor made for the Sandinistas. Many Central Americans will tell you that they believe if we had not created the Contras, the Sandinistas would have. They have been a very useful tool for the Sandinistas over the past 5 or 6 years, to build public opinion internationally, to allow them to impose restrictions on the freedoms of their own people, to call for emergency powers. Every single time the Sandinista government has imposed additional restrictions on its own people, it has pointed without exception, to the Contras as the reason they are doing it—without exception in every single instance.

Maybe they would have done it anyway; maybe they would have found another excuse in the absence of the Contras; but certainly, we have given them a very useful tool.

In the court of international public opinion they have constantly portrayed themselves as fighting the United States. Ironically, here is a nation with about the same population as the home State of the distinguished senior Senator from Connecticut and me. What they have said, in effect, is it is Connecticut versus the United States; Nicaragua versus the United States; the small country struggling to survive.

That is a very compelling argument, unfortunately, in many corners of the globe today. It has won them a lot of votes of support in Europe and elsewhere.

What the Arias plan attempts to do is say it is not really that dynamic, but the dynamic of Central American countries trying to solve their own problems; it is not Nicaragua versus the United States but rather, it is Nicaragua and Costa Rica, Honduras, El Salvador, and Guatemala all trying to grapple with their own problems. We ought to be supporting that kind of effort, not trying to hurt ourselves or place ourselves as the single opponent, if you will, of the Nicaraguan Government.

I hope this resolution is adopted. However, even if it were to be adopted, I think all of us recognize that the President will veto it. We do not have the votes in this Chamber to override the veto. The President is going to prevail. The Contras are going to get their $40 million, effectively providing the full $100 million voted last year, and bringing the grand total to perhaps as much as $400 million in the past 5 years of private or public funds that they will have received. I hope that when the administration makes a new request for the coming fiscal year, we will have a chance to debate a comprehensive policy to deal with all of Central America, to try to deal with all of the problems that exist down there, not just the issue of Contra aid. That ought to be what the debate is here today.

My hope is that in the coming weeks or months, we will have the opportunity to have that debate. In the absence of that, we have the resolution of disapproval by my colleague. I urge my colleagues in the Senate to support that resolution. Even if we cannot prevail, it will be a very important signal that we have run out of patience and time when it comes to the Contra policy.

Mr. STENNIS. Mr. President, I yield 10 minutes to the Senator from Kentucky [Mr. McCONNELL].

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 10 minutes.

Mr. McCONNELL. I thank the Chair. I thank the distinguished senior Senator from Mississippi.

Mr. President, I cannot think of any foreign policy issue that is more important and that has consumed more of the Senate's time than that of the U.S. role in Central America and our support to the Contras. While there are no easy, short-term solutions, the bill before the Senate today presents us with more problems than answers. The bill before us today does more than cut off aid to the Nicaraguan freedom fighters, it cuts off hope—hope for peace and stability in Central America.

As we consider the issue, we do so in a changing political environment. During the last month, the Presidents of the Central American democracies met to discuss Costa Rican President Arias' new peace proposal. All of us view the involvement of the core four countries in the resolution of regional tensions as a positive step. Just last week, the Senate voted 97 to 1 to support legislation endorsing these important efforts. The Senate is virtually unanimous in its view of these developments—they are constructive, and an important ingredient in reaching a durable and sustainable peace in Central America.

However, these talks are only one ingredient, one part of a much larger issue. The talks are not occurring in a vacuum. They are in response to a regional concern about a significant military buildup in Nicaragua that threatens every citizen in the region. They are in response to the call for democracy, free elections, freedom of speech, assembly, press, and religion. This peace proposal, like the Contadora group's initiative, responds to circumstances of despair, deprivation of human rights, arbitrary arrest, denial of due process, repression of political parties, censorship of the press, persecution of the church, and a staggering military buildup. This peace proposal, like its predecessors, is a call for change in Nicaragua and in Nicaraguan policies.

But, this call for change begs the question: How can that change be achieved? We all hope for success in the negotiation process. We have expressed this support in legislation and countless statements on the Senate floor. But, the sad fact is, negotiations alone have achieved little. In fact, they may have offered the Sandinistas a screen behind which they have carried out their military buildup.

A brief review of history makes this point clearly. Negotiations have been carried on since 1980. Since 1980, Cuban construction crews have helped Nicaragua build 40 new military bases and construct a 3,000-meter runway capable of accommodating any strategic Soviet military aircraft. Since 1980, the Nicaraguans have received Soviet tanks, armored personnel carriers, SA-7 surface-to-air missiles, and Mi-24 attack helicopters. Since 1980, the Sandinistas have received $2.8 billion in military and economic assistance from Cuba and the Soviet Union. And, since 1980, the Sandinista army has grown from a force of 5,000 to an active duty force of over 75,000 with an additional 60,000 in the reserves and militia.

If we cut off aid today, we are abandoning the people of Central America. We are deserting them, telling them they are on their own to face this 7-year military buildup. We are saying their struggle for democracy, free elections, freedom of speech, assembly, religion, and the press just does not matter enough to us to fulfill our commitment of support.

Cutting off the Nicaraguan freedom fighters cuts off the only meaningful leverage we have to press the Sandinistas into serious peace talks. They will not participate unless they have to participate.

I am absolutely convinced that terminating aid at this point is not only premature but dangerous. I have had two reports from groups who have just spent several days each with the Contras, and I believe that the military situation is about to improve. By all accounts, supplies have been replenished, morale is high, and virtually all the FDN fighters are inside Nicaragua preparing for military operations. After a long drought and limited U.S. supplies and support, I think we are beginning to see the Contras apply pressure sufficient to prompt movement in the Sandinista strategy and negotiating position.

Mr. President, I conclude by noting that a number of my colleagues question the credibility and strength of the Contras because there appear to be political differences and divisions within their ranks. Frankly, I think these differences are of more concern to us than they should be. We overplay the neccessity for unity in the organization. The fact is if the FDN, the Indians, and the Contras in the south are operating effectively and making progress, if the Sandinistas are less able to operate freely through the countryside, if the Sandinistas have a few less HIND helicopters, are the differences within the Contras all that important?

I might point out my colleagues do not seem in the least bit concerned about the considerable differences within the ranks of the mujeheddin in Afghanistan. As long as they continue to apply pressure on the Soviets, they have our support. I urge my colleagues to view this situation as similar. As long as the Contras are able to effectively pressure the Soviet-backed Sandinistas, they, too, deserve our support.

In conclusion, I am convinced we must demonstrate we are willing to talk. I believe that the Senate's resolution endorsing the efforts exemplified by the Arias peace proposal underscores this willingness. But, as the saying goes, talk is cheap. We want results. Support to the Nicaraguan freedom fighters supports achieving peaceful enduring results.

I yield the floor.

The PRESIDING OFFICER. The Senator yields the floor. Who yields time?

Mr. NUNN addressed the Chair.

Mr. STENNIS. Mr. President, I yield to the Senator from Georgia [Mr. NUNN].

The PRESIDING OFFICER. The Senator is recognized.

Mr. NUNN. I thank the Chair. I thank the Senator from Mississippi.

Mr. President, speaking yesterday and again today, Senator DIXON from Illinois has given a very persuasive argument in favor of releasing the $40 million for the Nicaraguan armed resistance, more commonly known as the Contras. I will not take the Senate's time today to repeat those arguments. I know that everyone has heard them before. I would say though that I agree with much of what Senator DIXON said. In spite of all the mistakes the administration, the Contras, and perhaps even the Congress has made by going back and forth on this very difficult matter, the strategic situation has not changed. The Sandinistas do not present less of a threat because of the mistakes that have been made. They still threaten the security of our friends in the region and ultimately our own security.

I urge my colleagues to release the $40 million. I think, Mr. President, all of us know that the money is going to be released. The question is whether it is going to be by this vote or whether it will be by a vote that fails to override the veto because a veto is forthcoming.

I believe whatever policy we pursue in Central America will be much better served if the $40 million is forthcoming based on this vote rather than on a veto override, which would signal to the Sandinistas and to others in the world that we do not have a policy that can be sustained. What our policy will evolve into after this vote and after the vote in the fall, no one can predict, but we must have sustainability. Without it we have no hope of success, whether by military, political or economic means.

Mr. President, it is easy to identify the problems in Central America; it is much more difficult to agree on the solutions.

The first step in addressing these problems is to have a clear definition of our goals. I believe that the administration still lacks a firm fix on its own policy. Perhaps that is a reflection of the inadequate decisionmaking machinery that we have recently seen in the Iran/Contra affair. Regardless of its cause, I urge the President to move quickly to forge a clear policy toward the region that includes diplomatic, economic as well as military components. One of my concerns is that I fear our policy in the past focused far too much on a military solution. The Tower Board findings appear to support that judgment. The President and the administration need to understand that military pressure is essential, but it can be only one part of a larger comprehensive policy toward the region.

Our goals should not be to overthrow the Sandinistas, but to pressure them into a negotiated settlement that first restores democracy in Managua, including basic human rights and political freedoms, second, reduces the threat they pose to their neighbors, and third, bars any Soviet, Cuban or other foreign military bases in Nicaragua.

Mr. President, last year I supported the $100 million for the Contras. I did so in part because of an exchange of letters I had with the President in which the President made certain commitments to pursue reforms within the Contras. I give the administration credit for seeking to attain these goals, but I must report that not much progress has been made toward them. Indeed, the situation is much as I described in my letter of a year ago. I believe that the steps which I enumerated still need to be pursued, with even more vigor.

Mr. President, at this point I would like to submit my letter to the President of March 26, 1986 and the President's reply of March 27, 1986, and also that it be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NUNN. Mr. President. The main goal in my letter was that, and I quote:

> Aid should be given only to civilian political leaders that are genuinely democratic, respect human rights and have not or are not engaged in criminal activity such as drug trafficking. No aid should go to military leaders except through civilian leadership committed to these goals and principles.

Mr. President, the administration has involved the civilian political leadership in providing the aid but it has not led to the creation of a genuine democratic front. This has been dramatically demonstrated with the recent resignation of Arturo Cruz.

Mr. President, all of us know that this $40 million will be released, whether as a result of this vote or a Presidential veto. I hope the money is released as a result of this vote. I believe that it would weaken the effectiveness of our policy if the money were released as a result of a veto.

Regardless of how the money is released, the next few months are a watershed for the United States, for the Central Americans, for the Contras and for the Soviets and the Cubans.

The Contras must use the next few months to establish a genuine democratic movement and demonstrate that they are a militarily effective organization. On the political front, they must reconstitute their civilian leadership, demonstrate that the civilians are in charge, and build support for their movement among the people in Nicaragua. On the military front, the Senate Armed Services Committee recently heard testimony from two of our most distinguished soliders, Gen. Paul Gorman and Gen. John Galvin, the former and current Commanders-in-Chief of the U.S. Southern Command respectively. General Gorman expressed concern that the Contras were not being trained to fight a guerrilla war, that their strategy was to fight large battles, rather than conduct guerrilla war, and that there was not a political or intelligence infrastructure in Nicaragua to support them. In making his statement, General Gorman acknowledged that he had not been to the region recently. He subsequently traveled to Central America where he met with leaders of the resistance and with United States and foreign officials. As a result, he expressed more optimism that they were being trained properly and have a more realistic strategy. However, both he and General Galvin recognized that the Contras have a long way to go before they can be truly militarily effective.

The Sandinistas will, no doubt, be tempted to "ride it out" in the hope that Congress will terminate the aid in the fall. They believe that they will have then won the war. As a result, it will be very difficult, if not impossible, to force them into meaningful negotiations.

The Soviets and the Cubans will be watching very closely to see how effective the Contras are and whether the other Central American states can generate movement toward a negotiated resolution of the conflict.

The Central American Democracies—El Salvador, Gautemala, Honduras and Costa Rica—have an opportunity to pursue the negotiations along the lines recently suggested by Costa Rican President Arias. This will be a tremendous challenge because, as I mentioned, the Sandinistas will probably try to string things out until the fall in the hope that Congress won't approve any more money for the Contras. But I encourage the Central Americans to pursue these negotiations because I believe they offer the best hope of a peaceful resolution of the conflict.

For the U.S. part, we must pursue a course toward the Contras along the lines contained in my letter to the President, but we must also work with the Central American democracies to seek a negotiated resolution. The military pressure from the Contras must be applied skillfully in support of those negotiations. In the meantime, and this is perhaps the most important point, the administratiom must work with the Congress and with the American people to build a consensus behind its policy.

Everybody—in the United States, in the Congress, in the hemisphere and the world—will be watching very closely the events of these next few months. President Reagan has an opportunity to forge a domestic consensus in support of a broad policy that brings peace to the region, reduces the Sandinista threats to their neighbors and keeps foreign military presence out. He also must foster increased democratic growth within the Contras.

This then is our challenge, Mr. President. I have no illusions about the ease with which these policies can be pursued but I urge the President to work with the Congress to forge this policy and the consensus behind it so that we can begin to address the long-term needs of the region and our interests in it.

Developing a sustainable policy is, in the end, the only way the United States can effectively deal with the very real challenge we face in Central America.

EXHIBIT 1

UNITED STATES SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, March 26, 1986.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT. Last year when Senator Lugar and I, and a number of our colleagues, sponsored an amendment which provided humanitarian assistance for the democratic resistance in Nicaragua, we sought to develop a consensus behind a sustainable policy that would promote the growth of democracy in Nicaragua and support negotiations. One of the central purposes of our amendment was to foster the growth of democracy and respect for human rights within the democratic resistance.

I agree with your view that the establishment of a consolidated, Marxist-Leninist regime in Nicaragua, allied with the Soviet Union and Cuba, represents a potential threat to the security of the United States. The Sandinistas have steadily tightened their grip on the people of Nicaragua. They have violated the human rights, and denied fundamental freedoms, of the Nicaraguan people. Moreover, the evidence is incontrovertible that the Sandinistas have continued to support guerilla movements and terrorism outside Nicaragua and that the Soviet and Cuban presence and influence has grown.

Although some progress has been made in forming a democratic political leadership for the contras, the American people and the Congress are reluctant to support the contras because they are not convinced that they are truly a democratic movement. The Congress, and I believe the American people, are prepared to support an authentic broad-based democratic resistance movement fighting for freedom and human rights in Nicaragua.

Our policy must indicate clearly not only what the United States opposes—a Marxist-Leninist repressive regime in Nicaragua—but also what we support, democracy and human rights. As we learned in El Salvador, the most effective force to prevent a communist success is a strong, principled, democratic movement which represents the real aspirations of the people. Similarly, in the Philippines we recently saw the enormous force generated when people want democracy and believe that there are leaders with integrity and courage who support democratic goals.

Unless the contra movement is perceived in the United States and Central America as an effort to bring democracy to Nicaragua, it is unlikely that American aid can be sustained or that the contras will attract the kind of political support required to bring about changes in Nicaragua.

Unfortunately, the contras have yet to become this force. Their political program and goals remain unclear. The various forces opposing the Sandinistas are divided. The power within the FDN, the largest contra force, still does not appear to be under civilian control. Although the United Nicaraguan Opposition has recently formed a Human Rights Commission, the contras' record and commitment on human rights remains unacceptable.

In El Salvador, we have used our military and economic aid effectively with bipartisan support, to strengthen democratic forces committed to human rights. We should follow a similar course in providing military assistance to the democratic resistence in Nicaragua.

I agree with the recent suggestion of Senator Cohen, Kassebaum and Rudman that the contras must agree to broaden their base, eliminate human rights abuses, and develop and pursue a program for achieving democracy in Nicaragua. I suggest a number of measures to insure that U.S. aid is designed to bring about these goals which are essential for success.

First, all aid should be given only to civilian political leaders that are genuinely democratic, respect human rights and have not or are not engaged in criminal activity, such as drugs trafficking. No aid should go to the military leaders except through civilian leadership committed to these goals and principles.

Second, the civilian political leadership of the opposition movements must form a genuine democratic movement. The United States must insist that they work together and that they broaden their base so as not to exclude Nicaraguans who are committed to democratic principles. This does not mean that they must all adhere to a common political approach, but only that they embrace democratic principles.

Third, vigorous action must be taken to enforce respect for human rights including investigation and prosecution of individuals within the resistance responsible for human rights abuses.

Fourth, all intelligence and other non-material assistance and cooperation should also be funneled through or at least controlled by, the democratic civilian political leadership.

Fifth, strict accounting measures must be adopted to insure that all aid is being properly administered and accounted for.

Sixth, humanitarian aid should include basic education for the democratic resistance fighters and their families. We should, for example, teach reading, writing, health care, and other basic courses in agricultural and vocational skills which will foster political and economic growth.

It is my firm belief that these assurances would go a long way toward satisfying doubts that linger in the minds of the Congress and the American people as to whether the contras truly represent a democratic force worthy of our support. I hope you will be able to provide me with these assurances.

Mr. President, I have one final but important point. The foreign policy of the United States toward Nicaragua cannot succeed if the only way it can be sustained is by repeated, razor-thin votes of the Congress. We need to develop a bipartisan, sustainable policy toward Nicaragua that enjoys the long-term support of the Congress, the American people and of the governments and the people of Central and South America. I applaud the efforts of Senator Sasser, Senator Byrd, Senator Lugar and Senator Dole in seeking to develop such a policy. I hope you will support them in that effort and join in developing such a policy.

Sincerely,

SAM NUNN.

THE WHITE HOUSE,
Washington, March 27, 1986.

Hon. SAM NUNN,
U.S. Senate,
Washington, DC.

DEAR SAM: Thank you for your letter this morning regarding our need to move in a bipartisan manner on forging a policy which will lead to a democratic outcome in Nicaragua. I fully agree with your objective of ensuring that everything we do diplomatically, politically, economically, and, especially, with our aid should contribute to the goal of a truly democratic solution.

Your observations, regarding the Nicaraguan opposition and its need to broaden its appeal to the Nicaraguan people, are entirely accurate. I agree that we need to do more to ensure that the Nicaraguan democratic resistance is, indeed, a representative movement, responsive to civilian leadership which is, in turn, committed to the ideals of democracy, human rights, the rule of law, and a better life for the Nicaraguan people.

It is because I believe so deeply in a truly democratic outcome in Nicaragua that I have endorsed a number of proposals made by thoughtful members of Congress, regional leaders, and the leadership of the Nicaraguan opposition itself, which are designed to further that end. The legislation that we have discussed with the Senate leadership and which I find acceptable, reflects this advice and includes the following provisions intended to give effect to the objectives identified in your letter.

"The President shall use the authority provided by this Joint Resolution to . . . encourage the Nicaraguan democratic resistance to take additional steps, strengthen its unity, pursue a defined and coordinated program for representative democracy in Nicaragua, and otherwise increase its appeal to the Nicaraguan people."

Please be assured that I will implement this mandate from the Congress in a manner which gives primacy to civilian leadership and democratic development within the Nicaraguan opposition. To do so, we will work with the leadership of the Nicaraguan opposition to establish a council which, like our own National Security Council, ensures that military activities are conducted under the guidance of responsible civilian leaders. It is our intention that this body will be responsible for ensuring that U.S. assistance is fairly and properly administered. I have also endorsed language in the legislation which provides not less than $3 million for "strengthening programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights." Training and democratic principles will be an important part of our program. Finally, I am committed to ensuring that no aid be provided to those groups that retain in their ranks individuals who engage in human rights violations, drug smuggling, or misuse of resistance funds.

I believe that these commitments are responsive to your concerns and those of other members of Congress who are as dedicated as you and I to a sustainable bipartisan and truly democratic solution to the turmoil in Central America.

Sincerely,

RONALD REAGAN.

Mr. DOMENICI. Mr. President, this vote will not end aid to the Contras. If the resolution passes, the President will veto it. That is clearly understood by all of us. Why, then are we bothering to vote on this resolution, if nothing will change as a result? What, in fact, can and should be done?

Like much of the recent legislative history of United States relations with Central America, this resolution is the result of a miscalculation. Almost one year ago, when the Senate took up consideration of the President's request to renew military aid to Nicaraguans fighting the Communist Sandinistas, many of us thought the $70 million in military assistance would begin to flow in May or June of that year—1986—and would be allocated to the political leadership of the Contras over a 15 month period.

Because many of us were concerned about the effectiveness of the Contras, and wanted to encourage negotiations among the Central American nations, it was reasonable to agree to a review of progress on both fronts halfway through the 15 month period. That review, it was contemplated last March, would occur prior to release of the final $40 million in military aid to the Contras. By February 1987, it was then thought, renewed military aid to the Contras would have been underway for 7 or 8 months. We could see what they did with it.

In another part of last spring's compromise, a commission on Central American negotiations was established to advise Congress in a written report on the status of both Contra reform and Central American negotiations.

As is often the case with Central American matters, events turned out differently. The military aid was blocked for 6 months by Speaker Tip O'Neill, and delivery did not begin until November 1986. There has been little time to evaluate questions of political-military effectiveness and human rights compliance.

The advisory commission has never been fully established due to the inability of the 4 members appointed by the bipartisan congressional leadership to agree on a fifth person to serve as chairman. As a result, we don't have the benefit of the commission's report.

Then, of course, came the revelations of the Iran affair. All of that is history.

As a result of delay, confusion, and scandal, we are voting today in circumstances far different than those contemplated when the last year's Central America aid package was enacted. As the President has declared his intent to veto this resolution should it pass, and the votes to override do not exist, the $40 million will go forward. This vote is nothing more than a reaffirmation of last year's votes on the same issue. It may give Members a chance to express their frustration.

It is manifestly evident that our Central American policy must be modified, if it is to succeed and be sustained into the next administration. But committing the aid to the Contras now is not the way to start.

Here are some of the things this Senator believes are necessary. We must renew our support for tough, realistic negotiations among the Central American nations. The plan of Costa Rican President Arias is a good start in that direction. We must recognize the problems with relying too much on the Contadora countries. Mexico, Panama, and Colombia have severe internal problems that often result in bias against the Central American democracies in the Contadora process.

All of the problems down there are not military. We must renew our commitment to support economic and social progress in Central America. This Congress and the American people have already provided more than $3.5 billion in economic aid, and the job is not complete. I am proud of the results of the small indigenous energy efforts that the Los Alamos National Laboratory is engaged in Central America. That is a good model. We should also explore ways to include the Nicaraguan people, including those in exile, in our assistance efforts.

None of this will be easy in this period of huge deficits, but who better deserves our help than these poor and threatened neighbors.

I pledge this afternoon to work with other Members of both parties and with the President and his people to develop the necessary modifications that will result in such a policy toward Central America.

Mr. TRIBLE. Mr. President, we will vote soon on a resolution disapproving the final installment of the Contra aid package we approved last year. I will vote against this attempt to abandon the Nicaraguan democratic resistance, and I urge my colleagues to do the same.

The fact is, Mr. President, this vote is largely meaningless. There is not a Member in this body who believes this legislation can be enacted over President Reagan's veto. Delivery to the Contras of an additional $40 million is inevitable, as it should be.

We have heard that there is some symbolic value to this vote, that if nothing else it will send a signal that official U.S. support for the Contras will soon end. To some extent that is true. This vote will send a signal, but it is not the signal for which the Contras' critics have hoped. For if the Senate decides against releasing this $40 million, it will have signaled the world that we are satisfied with trying to contain the Communist presence in Nicaragua, and that our commitment to democracy and freedom has waned.

I believe this is the wrong signal. It is wrong because the United States ought not to abandon its commitment to helping bring freedom and democracy to the Nicaraguan people. And it is wrong because, in practical terms, containment in Central America simply won't work.

Mr. President, for the past 10 years, democracy has been on the march in the Western Hemisphere. Nation after nation has turned away from authoritarian rule and toward democracy. This is a welcome trend, one that gives force to the American ideal that freedom is the birthright of all people.

But if we begin now to abandon the Nicaraguan democratic resistance, we will have told the Nicaraguan people that the tide of democracy stops at your doorstep. We will have sent a signal that the United States—once untiring in nurturing democracy and freedom—has wearied of the fight. This is a blunt message, Mr. President, which essentially tells the people of Nicaragua: "Welcome to the Gulag." It is a message we ought to be ashamed to send.

It is also a message which, in practice, is doomed from the outset. It is simply unrealistic to believe that we can contain the Sandinistas, and trust them to abide by an agreement to stop meddling in the affairs of their neighbors. The Sandinista leadership has made clear that its Marxist revolution extends beyond its own borders. And the impact of that revolution on the fledgling democracies in the region is obvious.

All of us hope for economic progress in the region. We recognize the importance of easing the poverty of Central America.

However, it is folly to believe that long-term economic improvements will come to Central America when there is an armed, Communist camp in Nicaragua. The size of the Sandinista military and the intentions of its leaders will scare away investors and thwart the growth of free and prosperous economies. The Sandinista threat will impair the ability of the democratic leaders of Central America to resolve the economic difficulties facing their people. And the absence of an armed opposition in Nicaragua will give the Sandinista army freer reign to threaten these democratic nations and to sponsor leftist insurgencies throughout the region.

It is possible that these issues can be addressed through regional negotiations. The administration has said that it remains committed to the Contadora process, and it has joined the Senate in endorsing the goals of the recent peace initiative by President Arias of Costa Rica. But these negotiations can only supplement our policy toward Nicaragua. They must not substitute for it.

While we value the judgment of our allies in the region, we cannot substitute their judgment for our own. No great nation should cast a decision affecting freedom and international security into the hands of others. We must be willing to decide—by ourselves if necessary—what path best serves the interests of freedom, democracy, and security in Nicaragua and in Central America as a whole.

Mr. President, I believe those worthy goals are ill-served by abandoning the Nicaraguan democratic resistance. The Sandinistas will not stop meddling with their democratic neighbors. Indeed, without the Contras in the field, their meddling will surely increase. And just as importantly, the Sandinistas will not release their totalitarian grip on their own people. Indeed, without the Contras in the field, the Sandinistas' oppression of their own people will worsen.

For those reasons, I will oppose this attempt to abandon the Contras and surrender Nicaragua to the Ortega regime.

THE CONTRAS ALREADY GOT THEIR MONEY

Ms. MIKULSKI. Mr. President, I rise in support of the resolution of disapproval that would block appropriation of the final $40 million of the $100 million in Contra aid authorized by Congress last year.

Mr. President, the Contras already got their money. The Tower Commission stated that $63 million may have been provided to the Contras secretly over the course of the last 2 years. Some of this money allegedly came from foreign officials; namely, the Sultan of Brunei and the Saudi royal family. Some allegedly came from profits accrued during the sale of arms to Iran. And some may have come from another country, which the press has identified as Guatemala.

The vast majority of Americans continue to oppose aid to the Contras. This opposition has grown in light of recent events:

The administration did not inform Congress of its covert activities in support of the Contras.

Aid to the Contras has been counterproductive. It has pushed the Sandinistas closer to the Soviets and away from internal democracy.

The recent resignation of Arturo Cruz demonstrates that the real power of the Contras lies in the hands of nondemocratic, former Somocista forces.

Supporting the Contras violates international law. This damages our international image and our foreign policy.

Additional military assistance is not the answer. Peace in the region is the answer. Costa Rican President Oscar Arias Sanchez recently circulated among Central American Presidents a comprehensive, regional proposal for peace. It has the full support of Presidents Cerezo of Guatemala, Duarte of El Salvador, and Azcona of Honduras. It is a good peace plan. With U.S. support, it could bring peace and democracy to the region in the near future. Its basic points follow:

National reconciliation, including general amnesty and increased dialog with internal political opposition.

A cease-fire accompanied by talks to end armed conflicts.

A move toward democratization, including respect for human rights, freedom of the press, and free and open elections.

Suspension of extraregional military aid to insurgent troops.

Ban on the use of national territory for aggression against other states.

Reduction in arms within all five Central American nations.

National and international supervision of compliance.

Upon agreement of the accord, the Presidents of the five states shall meet in Esquipulas, Guatemala.

This peace plan received overwhelming bipartisan support last week in this body. It won resounding praise in the other body last week also. The President should recognize the opportunity put before him and the support it has of the American people.

Finally Mr. President, I ask a simple question that seems particularly important in light of the Iran-Contra arms scandal. What shall this Nation profit, if in gaining the whole world, she loses sight of the ideals and principles of which she is founded? I would like to hear the President's answer before he requests anymore aid for the Contras.

Mr. GLENN. Mr. President, once again the Senate must decide whether it is in our national interest and consistent with our principles to provide material assistance to the Contra rebels who seek to oust the Sandinistas from power in Nicaragua.

In the past the administration has painted the threat posed by Nicaragua in the gravest of terms. And I have responded that if indeed the Sandinistas represent a direct threat to the national security of the United States, then we should not be entrusting our own security to a few thousand Nicaraguans but should be responding in a much more forceful and appropriate manner. But hyperbole notwithstanding, I believe it is clear that the Sandinistas, with their 3 million mostly impoverished people, their 120,000-person army of which a significant portion is militia and reserves, and their handful of Soviet-supplied helicopters, pose no direct military threat to the United States.

I readily acknowledge, however, that Sandinista willingness to support subversives and revolutionaries in neighboring countries could threaten the fledging democracies of the region and that potential threat should concern us. Hence, the United States has been, and should continue to be, willing to provide Nicaragua's neighbors with appropriate economic and military assistance to enable them to resist revolution and to address critical economic deprivation which enhances revolutionary appeal.

The original justification for the Contra Aid Program was to interdict the supply line from Nicaragua to the rebels in El Salvador. I would be willing to give U.S. support to regional attempts to interdict subversive supply lines. However, it has long since become apparent that this is not, and never was, the purpose of the Contra Aid Program.

What then are the goals of this program? As I understand it the United States is not seeking the military overthrow of the Nicaraguan regime. Rather our current goal is reportedly to put pressure on the Sandinistas to address certain areas of critical concern through negotiation. These areas of concern are: the size of their armed forces, their ties to the Soviets and Cubans, their support for insurgencies in other countries, and their repression of internal opposition and fundamental freedoms at home. In addition we are pushing for direct talks between the Sandinistas and the Contras. Whether this goal supplants or is in addition to the four goals mentioned above is unclear to me. Nevertheless, the question remains whether the Contra Aid Program promotes the realization of these goals. I would submit that it is, in fact, counterproductive.

It defies reason to assume that by aiding an armed resistance against them we will induce the Sandinistas to reduce the size of their military or cut their ties with those who supply them with military aid. I can ascertain no discernible effect of the Contras on the Sandinistas willingness to support other insurgencies. Finally, the presence of the U.S.-backed Contras provides the Sandinistas with an excuse for their repressive behavior at home and allows them to brand anyone who disagrees with them as an ally of the Contras and the United States. It is no wonder, then, that there is little credible democratic internal opposition to the Sandinistas around which those disaffected by the course of the revolution could coalesce to work for change.

Let there be no misunderstanding—if we continue down this road we are committing ourselves to supporting a long, costly, and bloody civil war in Nicaragua. I have heard no credible observer of the scene suggest that the Contras can achieve the administration's aims in the short term, if they can achieve them at all. Hence, we are talking about a sustained commitment of United States aid and a years-long United States-financed war against the economic infrastructure and long-suffering people of Nicaragua. Unfortunately, as I see it, the United States has no good options in Nicaragua. We can have no guarantee that the option of pursuing negotiations, either under the auspices of the Contadora process or the Arias plan, will succeed. Skeptics of the negotiating option ask when in history has a Communist regime voluntarily relinquished its absolute authority through negotiations. I would counter by asking when in history has a Communist regime been forced by an insurgency either to change its behavior or negotiate with that insurgency. We have no historic parallels to guide us in this situation.

There is an additional factor which has entered into our consideration of this issue since our last debate. Accountability for previous behavior is not the only criteria by which our Contra Aid Program should be judged, but in light of the revelations of recent months it appears a particularly timely and relevant one as we consider whether to sent $40 million more to finance the civil war in Nicaragua.

According to the Senate Foreign Relations Committee, the Congress has officially provided nearly $200 million in Contra aid since 1981, and that doesn't count aid provided through authorized but covert channels, previously estimated in the press to range from $80 to $100 million. Unofficially the Contras have been supported by a complicated network of private individuals and organizations, dummy corporations, Swiss bank accounts, diversions from Iranian arms sales, and contributions solicited from other countries—all orchestrated, apparently, from the basement of the White House. It is a plot worthy of the most imaginative fiction.

These extraordinary revelations and the still unanswered questions being pursued in the ongoing investigations alone merit a substantive reassessment of where this policy has taken us and whether it should continue. At a minimum, I believe that the Congress and the American people have a right to a full and complete understanding of how this Contra aid policy was administered in the name of the United States. Our Nation was founded on the principle of respect for the rule of law. Allowing this $40 million to go forward now would send a signal that we are not really interested in the rule of law when it comes to Contra aid. I reject selective application of this fundamental American principle.

I do not believe that underwriting this war in Nicaragua is consistent with our principles, nor will it achieve our stated aims. The polls consistently demonstrate that the American people do not support a proxy war in Central America. I believe, in this instance, the skepticism of the American people is well founded and the Senate would do well to take note and act accordingly by disallowing this additional $40 million in Contra aid.

WE MUST CONTINUE TO SUPPORT THE FREEDOM FIGHTERS IN NICARAGUA

Mr. NICKLES. Mr. President, I rise today to voice my strong opposition to Senate Joint Resolution 81. In light of America's life-long commitment to freedom and democracy, it would be a mistake of immeasurable proportions to withdraw American support for those in Nicaragua fighting to regain their freedom.

Since the ouster of Somoza in 1979, the Sandinistas have continued a military buildup, unprecedented in Central America, with the assistance of the Soviet Union, Cuba, and other Eastern bloc countries. Although some of the figures remain classified, since 1980, it is estimated that the Soviets and their Eastern bloc allies, have given over $2 billion in military and economic aid to the Marxist regime in Nicaragua.

In June 1986, the United States counted over 3,000 Cuban, and over 100 Soviet and Eastern European military and security advisers in Nicaragua. Nicaragua itself has over 75,000 regular troops, dwarfing the standing armies of its Central American neighbors. Their air force boasts 38 helicopters, 14 transport planes, and 14 reconnaissance aircraft. It is estimated that Sandinista artillery includes 110 heavy and 25 light tanks and 350 SA-7 surface-to-air missiles. Between the years 1980 and 1984, Soviet-bloc military deliveries to Nicaragua topped 40,450 metric tons.

Estimates differ, but the freedom fighters have 10,000 to 12,000 men, not all of whom are in Nicaragua. A few vintage propeller planes and two helicopters comprise their air force. Aritllery includes grenade launchers, 81-mm mortars, and light tank weapons. It certainly is not because their numbers are overwhelming, or their firepower is devastating, and it is not because of the United States' on-and-off-again approach to aid that they have been able to keep the Marxist Sandinistas off balance for 6 years. Through sheer willpower and love of their country the freedom fighters of Nicaragua have kept going.

Last year, the Congress voted to provide $100 million in assistance to the freedom fighters in Nicaragua. I urge my colleagues to support the transfer of the last $40 million of this assistance, and defeat this resolution. The United States must continue to come to the aid of freedom fighters around the world.

Mr. HEINZ. Mr. President, in the 7 months since the Senate last voted on the question of aid to the Nicaraguan democratic resistance, much has changed.

In spite of these developments, about which I am deeply concerned, I intend to vote against the resolution of disapproval for the final $40 million in assistance to the Nicaraguan resistance fighters. I have voted twice to appropriate the $100 million of which this final $40 million is part. I will vote again today to support Nicaragua's armed resistance in an effort to promote America's objective of a peaceful, negotiated settlement.

Despite my vote, and the near-certainty the $40 million will be sent to the Contras, supporters of the Nicaraguan resistance have much to be concerned about. We have all been shaken by the revelations of secret operations run by the National Security Council, which apparently turned into an operation designed primarily to free our hostages in Lebanon and provide funds for the rebels in Nicaragua. The Contras' political leadership has suffered new disruptions, as old disputes flared anew and drove two Contra leaders, Adolfo Calero and Arturo Cruz, from the scene.

Taken together, these new elements have raised serious questions about our policy of support for the Nicaraguan rebels. All thoughtful Americans are troubled by what has unfolded since last August, when the Congress last approved aid to the Contras. This Senate, and this Senator, share this deep concern.

But I believe it is vital to recognize that other things have not changed. The determination of the Sandinistas' top leadership to centralize power and consolidate a Leninist political system has not changed one bit. Their willingness to trample the human rights of all Nicaraguans in the process is clear and unaltered.

The Sandinistas' addiction to military solutions, and to Soviet-bloc weaponry, advisers, and tactics of internal repression, is undiminished. The Sandinista government received an estimated $600 million in military aid from the Soviet bloc in 1986, along with about $630 million in economic assistance. To put this enormous sum in perspective, this $1.2 billion is nearly three times the level of United States economic and military aid provided to El Salvador in 1986.

This Soviet largesse bought modern equipment to equip a standing army of 75,000, backed up by reserves of 70,000. This massive force, the largest in Central America, is trained by some of the 8,000 Soviet-bloc advisers in Nicaragua.

The Sandinistas' top leaders share more than military inventories with the Soviets and Cubans—they share an intolerance of dissent, and a readiness to crush any political opposition. In the words of a leading Nicaraguan human rights organization, during 1986 "The human rights situation in Nicaragua, without a doubt, reached the lowest levels in our history." This organization, the Permanent Commission on Human Rights, in Managua, is the same one that fought for the rights of some of the Sandinistas government's top leaders when they languished in the jails of the dictator Somoza.

So the challenge, and the tragedy, of Nicaragua remain much the same as they were last August when I last cast my vote in favor of United States aid to the Nicaraguan rebels. The secret undertakings of Oliver North have not changed the fundamental problems of Central America—civil war, foreign intervention, the need for democracy, reconciliation, economic growth and opportunity. And the incompetence or arrogance of a few individuals does not change the fact that America has a huge stake in the outcome of today's conflict in Central America.

My support for aid to the Nicaraguan rebels remains based on the same foundations as before: the need to find a negotiated settlement to the Nicaraguan conflict that addresses concerns for regional security, and the need for effective military and political pressure to give the Sandinista government an incentive to negotiate seriously.

Because I see the need for effective military and political pressure on the Sandinistas, I am very troubled by the current condition of the Nicaraguan resistance. The Contras have yet to demonstrate their capacity in several crucial areas: providing coherent political leadership for their own movement and for Nicaraguans in general, developing a political base within Nicaragua, mounting an effective military challenge to the central government, and ensuring that their military activities are consistent with respect for human rights and democratic principles.

The leadership of the United Nicaraguan Opposition, or UNO, is in disarray. This does not mean the end. If this disarray is the inevitable byproduct of real change, there is hope that a broader, more unified, stronger leadership will result. The Contras need a political leadership that is representative, that controls both the resources and overall strategy of the armed resistance, that is coherent and reliable. The resistance needs to show that it deserves a place at the table in Nicaragua's political life, not merely that it has the guns to shoot its way into the room.

The armed elements of the resistance need to demonstrate that they can mount an effective campaign of irregular warfare that weakens the power of the central government, and does not drive Nicaraguans to the side of the government as a last resort. The political purpose of the Contras' operations must shape those operations.

The Contras must demonstrate that they can pursue their campaign to weaken and challenge the control of the Sandinista party without violating the human rights of the Nicaraguans who are their potential allies. Winning hearts and minds is an old axiom of guerrilla war. But it is absolutely fundamental to a Contra program worthy of American support.

By next fall, the Congress will again consider a request for additional assistance to the Nicaraguan resistance. Between now and that time, the leaders and foot soldiers of the resistance will have an opportunity to demonstrate that they can justify our continued support.

Mr. President, I believe American support for the Contras should be and must be directed toward achieving a concrete end—a negotiated settlement. If the Nicaraguan resistance proves itself incapable of putting effective pressure on the Sandinistas to further this end, continued American support cannot be justified.

But not all of the burden is on the Contras. The United States must show that it is capable of exploiting any diplomatic opening created by the leaders of the region. The initiative launched by President Arias of Costa Rica, deserves unstinting American support. The Arias package as originally proposed is a starting point, and needs changes to become a workable solution, but its basic thrust deserves our backing.

Five Central American presidents will meet in Guatemala in the coming weeks to discuss Costa Rica's diplomatic initiative. It is crucial that the United States support this process. The diplomatic track in Central America must be not only alive, but a foundation of United States policy. Without genuine American support for a diplomatic solution, our support for the Contras armed resistance has no justification.

The conflict in Nicaragua is rooted in problems that developed over many years, and it will not be settled in a day. Perseverance, traditionally not an American strong point in foreign policy, will be needed to achieve American objectives in Central America. But our support cannot be sustained by strength of will alone. We need to be confident that America's objective of a peaceful and negotiated settlement is promoted by our continued support for the Nicaraguan armed resistance. It is up to the Contras themselves and the administration to provide this assurance in the months ahead.

Mr. CHAFEE. Mr. President, until February 1985, I was a supporter of the administration's policy in Nicaragua. As a member of the Select Committee on Intelligence, I was in a position to examine in detail United States intelligence information about the Sandinistas' role in Central American geopolitics. What I saw as a member of the Intelligence Committee, and during my visits to Central America, convinced me that the Sandinistas presented a dangerous threat to democracy in the region, especially through their support for the rebels in El Salvador.

I remain today as concerned about the Sandinistas as I was then. Indeed, in light of the Nicaraguan Government's ever-worsening record on human rights, I am even more concerned about the Sandinistas in 1987 than I was in 1985. But I am no longer a supporter of aid to the Contras, Mr. President, and the reason is quite simple: aid to the Contras is the wrong policy. It is wrong for United States security interests, it is wrong for the democratic governments of Central America, and it is wrong for the Nicaraguan people who want true democracy.

I support the resolution of disapproval before us today, and will now take a few moments to explain why.

Let us take a look at the record of the Contras after years of United States support and millions of United States dollars:

First, have the Contras succeeded in bringing pressure to bear upon the Nicaraguan Government?

No, although the Contras have an army of about 15,000, there is no evidence that they have any broad-based support among the Nicaraguan people. To the contrary, they have actually solidified the Sandinistas' position by providing a convenient excuse for government policies that trample civil rights. Although United States support for the Contras was supposed to force the Sandinistas to open up their government, to bring democracy and pluralism to Nicaragua, the Contra aid program has only widened the gulf between the Sandinistas and their democratic opponents. The Nicaraguan populace shows no inclination to throw its support to the Contras, even if a fair election were allowed.

Second, have the Contras succeeded in rallying the Central American democracies to their cause?

No, the Central American democracies have, at best, shown only a lukewarm interest in the Contras. The current attempt by the Presidents of El Salvador, Costa Rica, Honduras, and Guatemala to find a negotiated answer to the Nicaraguan conflict demonstrates their conviction that the solution to the problem must be political. The military route has, it is clear, done nothing for the interests of Nicaragua's neighbors. In the case of Costa Rica, United States policy has only brought charges of renewed militarism to a country that cherished its peaceful, democractic tradition.

Third, have the Contras shown any willingness or ability to improve?

No, infighting and chaos characterize the Contras. They have presented no unified democratic alternative to the Sandinistas and no credible military strategy. They are floundering and need reforms that money cannot buy. They need leadership, organization, and popular support, which neither $40 million nor $40 billion will get them.

It was 2 years ago that the President announced that his real intention in assisting the Contras was not—as we had been told—to interdict Sandinista arms shipments to Salvadoran rebels, but to overthrow the Sandinista government, to make Ortega "cry uncle." The moment I heard that, I parted ways with the administration on this issue, and to this day I remain convinced that its policy is wrongheaded. Despite subsequent disclaimers, it is clear to me that the ultimate goal of this program has not changed—to bring down a government with which we maintain diplomatic relations, a government that continues to have an Embassy in this city. That is not the way the United States should conduct its affairs, and, as the record shows, it is not the way to promote United States interests in Central America.

The right policy in Central America is to give our full support to our democractic friends in El Salvador, Costa Rica, Guatemala, and Honduras, especially their efforts to find a negotiated solution to the Nicaraguan war.

The right policy is to use every diplomatic avenue to make the Sandinistas respect Nicaragua's democratic neighbors, and to pressure them to make good on their promises of democracy and pluralism.

I see no reason to continue an aid program as counterproductive as this one. I will vote for this resolution of disapproval, and I urge my colleagues to join me.

Mr. RIEGLE. Mr. President, today, the Senate has an important opportunity to effect, in a constructive way, the course of events in Central America. By leaving the failed Contra policy and embracing efforts to achieve a political solution to the conflict, the United States can begin to promote both its own security interests in the region, and the desire of the citizens there for peace, stability, and democracy.

The approval of $40 million in aid today, or an additional $100 million at some future date, will not turn a failed policy into a successful one. I have believed from the start that our Contra policy is both misguided and ineffective, and developments in recent months have only confirmed my conviction that this is the case.

Today we face extensive evidence of possible illegal and irresponsible activities by the administration in conducting its own Contra war. Unable to secure the wholehearted support of the American people and the Congress for its Contra policy, the administration decided to move ahead on its own.

The Tower Commission, and other investigations, have revealed that NSC and CIA officials were apparently involved in directing and coordinating military operations for the Contras, despite congressional restrictions prohibiting such assistance. Those operations were reportedly financed by profits diverted from arms sales to Iran, funds raised from private sources, and funds solicited from foreign governments. Moreover, huge sums of money raised from these and other sources have still not been accounted for by the administration.

Mr. President, a majority of the American people do not support this Contra policy, and for good reason.

Despite a 6-year effort, the Contras have still not achieved any real military successes, nor have they gained significant support from the internal Nicaraguan opposition movement or the Nicaraguan people at large. Without broad-based domestic support the Contras cannot be viewed as a real alternative to the Sandinistas.

The administration's argument that continued United States support for the Contras will pressure the Sandinista government into implementing democratic reforms in Nicaragua, contradicts the facts. Since the Congress approved the latest infusion of military aid to the Contras last year, the Nicaraguan Government has shut down the opposition press, imposed new restrictions on the Catholic Church, and extended the state of emergency under which major political and civil rights are suspended.

While the Sandinista regime has become more repressive and stronger than ever, the Contras have become more divided, and United States efforts to turn the Contras into a truly democratic resistance force have failed. Many of the reforms agreed to by the Contra leadership have not been implemented and their most respected leader just resigned. Human rights abuses have increased, Contra military leaders have blocked all attempts to place the military under civilian control, and little progress has been made in making Contra financing more accountable.

Pursuit of the Contra policy has further isolated the United Sates from the governments of the Central American nations. Not only are the leaders of those nations frustrated by United States attempts to block or undermine efforts to negotiate a peaceful resolution of the conflict, they also are said to fear that President Reagan's preoccupation with pursuing the Contra military course will drag their nations into a regional war.

And so, the Central American nations have begun to openly defy United States policy by severing existing ties with the Contra forces. Honduras has demanded that the Contras be out of their country by April, and Costa Rica has cut Contra supply lines and closed an airfield used to supply the Contras. Every Central American nation has refused to allow use of its territory for training of Contra forces under the new $100 million program approved by Congress last year.

Last week, this body gave its overwhelming approval to a resolution supporting Costa Rican President Arias' peace plan for Central America. That plan promotes the very objectives used to justify our Contra policy: negotiations to achieve a cease-fire, honest and open elections, guaranteed civil rights, a reduction in arms, dialog with internal opposition groups, and an end to attempts to destabilize any Central American government.

However, unlike our Contra policy, the Costa Rican initiative, proposed by the Central American nations themselves, carries with it a real chance for success, provided the United States ends its support for the Contra war.

It is time for the United States to become a constructive party in the effort to find a political solution to the turmoil in Central America. Our own legitimate security interests, and our concern for the welfare of our Central American neighbors require that we stop financing the failed Contra effort in favor of the political settlement offered by the Arias initiative.

Mr. BIDEN. Mr. President, since 1981, the Reagan administration has sought to change the Government of Nicaragua. It is now March of 1987—6 years have passed—and the situation in Central America has deteriorated significantly. While there are new democracies in place, a development which is heartening to all of us, there is also a terrible sense of foreboding—almost paralysis—which grips the region. This fear is based on the prospect of war that is fueled by American support for the Nicaraguan Contras.

Late last summer, against my better judgment and that of a number of my colleagues, Congress opened the floodgates of aid to the Contras—$100 million of military assistance was approved, and no limitations were imposed on the expenditure of CIA contingency funds in support of that effort. Estimates of the CIA contribution—before we knew anything about the Iran-Contra scam—were put at $400 million. Now we also know that untold millions have been flowing to the Contras through third parties and Swiss bank accounts. This money has been spent on what in my view is an escalatory policy with little chance of success.

The Reagan administration's Contra-aid policy continues to be based on three interconnected myths.

The first is that the Sandinistas can be pressured into negotiation with the Contras through U.S. support for the Contras. But what totalitarian regimen—as characterized by the administration—in history has been known to negotiate its own demise? Short of total Contra victory—which experts such as the former commander of American forces for all of Latin America, Gen. Paul Gorman, view as extremely unlikely—there is no chance the Sandinistas will do any such thing. So the first premise of the policy is a charade.

The second is based on even more absurd logic. In its most recent report to the Senate on the situation in Nicaragua, the administration acknowledged that the repression inside Nicaragua has not been lifted; indeed it continues to worsen. According to the architects of Contra aid, the long-term outcome of such repression will be a positive one for U.S. interests, because eventually the situation will get so bad that the Nicaraguan people will rise up in desperation against this dictatorship as they did against Somoza. We all know that revolutions begin small—small gatherings that become larger meetings that lead to massive demonstrations and finally break out into full-scale uprisings. But the Nicaraguan Government's control is so total, so pervasive, that there is no room for political groups to organize such an uprising. The hard fact is that the Sandinistas have developed a state security apparatus unparalled in Nicaraguan history.

And this leads me to the third myth—the myth that the Contras are a legitimate, credible, democratic opposition force. Since we began providing overt assistance to the Contras, they have not consolidated themselves nor demonstrated that they are a truly democratic force. Precisely the opposite: We have witnessed the breakup of the three-member political directorate which was supposed to chart the democratic course for the Contra movement. Last week, the only truly democratic member of the leadership—Arturo Cruz—resigned in frustration over the continuing lack of unity within the so-called United Nicaraguan Opposition. At issue is what the opponents of aid have known all along: That there is a power struggle inside the Contra movement and that the military leadership—many of whom were formerly allied with Somoza—continue to dominate the organization.

In sum, the Contra-aid policy is bankrupt—bankrupt morally, bankrupt politically, and bankrupt militarily. The strategy we are pursuing is an embarrassment for the United States and a disaster for Central America.

The strategy we are pursuing is also inconsistent with the doctrine that has guided the entirety of postwar American foreign policy: the doctrine of containment. The Reagan administration seems to believe that containment is not sufficient for Central America. I disagree.

We have a security commitment to the nations of Central America under the Rio Treaty just as we do to our European allies under NATO. We are committed to defend them if they are threatened and I believe we should fully honor that commitment. And why do we not seek to wean the Sandinistas away from the Soviets rather than drive them further into the Kremlin's arms?

I believe we have alternatives in the region, alternatives that the administration's bellicose policy is foreclosing. We should pursue the policy of containment through aggressive diplomatic action in conjuncton with the countries of the region. And aggressive diplomatic action should be backed up by the threat of the use of force—just as it is elsewhere around the world where American interests are at stake. If American interests or allies are seriously threatened, and if diplomacy fails, then we will exercise our military power at the appropriate time. But that time is not now.

Right now our attention should be focused on the peace proposal offered by President Oscar Arias of Costa Rica. In May the Presidents of all five Central American nations—including the President of Nicaragua—are schedule to meet to discuss the Arias proposal. This is a very important first step, because it indicates that the nations of the region themselves are taking responsibility for resolving the crisis in the region. The problem with the Contadora process has been that the countries directly affected were not directly involved in the negotiations about their concerns, and so it stalled. Now, finally, the Central American leaders have taken the initiative on their own.

One important element of the Arias initiative is a cessation of extraregional military aid to insurgent groups. This means, in laypersons terms, no more U.S. aid to the Contras.

Last week the Senate overwhelmingly approved a resolution in support of the Arias initiative. I will vote today to cut off the remaining $40 million for the Contras just as I voted against the whole $100 million package last summer because I believe we should be sending two strong signals at this critical juncture: one to the Reagan administration and one to the nations of Central America.

To the Reagan administration, I again say: Your policy is a failure. It is dragging us into a no-win situation in Central America, one which is clearly counterproductive to our political, strategic, and moral interests in the region.

To the nations of Central America, I say: This vote today is an indication of my wholehearted support for the effort now being made by the democracies of the region to resolve their problems through negotiation rather than war.

Mr. CONRAD. Mr. President, I urge my colleagues to support Senate Joint Resolution 81.

The administration's policy in Nicaragua is counterproductive and ineffective. Rather than promote democratic values, the present policy has galvanized the Sandinistas and alienated the civilians. Without the support of the Nicaraguan people, our policy is doomed. As long as American policy is fodder for anti-American propaganda, the Sandinistas are free to divert attention from their human rights violations, religious persecution, and repression of the press. As long as American policy misrepresents American values, our adversaries are free to seize the offensive, condemn our actions, and enhance their positions.

There is no evidence that an additional $40 million will convert the Contras into a legion for democracy. There is only evidence that additional money will beget additional bloodshed and additional hostility toward American foreign policy. Despite over $160 million in overt aid and millions more in covert aid, the Contras are in military disarray and political disorder. Adolfo Calero, head of the largest military unit of the Contras, has relinquished his role, and Arturo Cruz, a ranking member of the civilian leadership, has resigned. The Contras are no closer to a military or political victory than they were in 1981. In short, an additional $40 million will only prolong the inevitable conclusion that this policy is incapable of achieving its objectives.

It is time for America to reassess its policy and redirect its efforts. If this Nation is to halt the spread of totalitarian regimes in Central America, it must win the hearts and minds of the civilian populations. You accomplish that objective by emphasizing and providing the fundamentals of human dignity—education, medical care, housing, and human rights, for totalitarian regimes are impotent without the seeds of civilian discontent.

I urge the Congress to support a new approach in Central America. I urge my colleagues to adopt Senate Joint Resolution 81.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I would like to make a parliamentary inquiry as to how much time is remaining on two sides on this issue.

The PRESIDING OFFICER. The Senator from Oregon has 9 minutes remaining and the Senator from Mississippi has 42 minutes remaining.

Mr. HATFIELD. Nine minutes and forty-two minutes?

The PRESIDING OFFICER. That is correct.

Mr. HATFIELD. Mr. President, on the side of the proponents, we are now down to the last few closing remarks. Senator PELL, the chairman of the Senate Foreign Relations Committee, is expected to make a few minutes of remarks; Senator WEICKER, the author of this joint resolution, will make a couple of minutes of remarks, and I hope to have perhaps 2 minutes after that. So that will complete the work on our side of the issue. I yield to my distinguished chairman and the comanager of the bill for any remarks he wishes to make.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, as I understand it, Senator DOLE may come in to make a few remarks. We have just heard from the Senator from Georgia. Senator HELMS has been mentioned here in the last few minutes.

Mr. HATFIELD. He is on his way.

Mr. STENNIS. He is here now. And Senator PELL is expected. The Senator mentioned him. I want to make a few remarks myself but that will take a very few minutes, Mr. President. That is all we have. I will yield any amount of time we have left to any Senator who wants it.

The PRESIDING OFFICER. Does the Senator from Mississippi yield time to the Senator from North Carolina?

Mr. STENNIS. Yes.

Is the Senator from North Carolina ready to proceed?

Mr. HELMS. I certainly am. I thank the Senator.

Mr. STENNIS. How much time does the Senator want?

Mr. HELMS. What did the Senator have in mind?

Mr. STENNIS. The Senator should make the request.

Mr. HELMS. If I run on too long, the Senator should raise his hand and I will conclude.

Mr. STENNIS. There will be others involved. They are coming in. Will 10 minutes be enough, 12 minutes?

Mr. HELMS. That will be fine.

Mr. STENNIS. Twelve minutes.

Mr. HELMS. I probably will not go that long.

Mr. STENNIS. All right. All right.

Mr. HELMS. But I do thank the chairman.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 12 minutes.

Mr. HELMS. I thank the Chair, and, of course, I thank my dear friend from Mississippi.

Mr. President, yesterday I discussed at some length on this floor what really is at stake in this matter of whether the United States will lend its aid and support to freedom fighters not only in Nicaragua but in Angola, Afghanistan, and other places around the world. If we are now at the point in the history of this Nation where we are not willing to stand with our anti-Communist friends, wherever they may be in this world, who are willing to fight and die to regain or maintain freedom, then it is indeed a sad day for America. This is what I said yesterday, and I reiterate it today as a starting point.

Earlier today, I heard the distinguished Senator from Wyoming [Mr. WALLOP] when he made a statement that may have offended one or more of those who support this resolution of disapproval. Senator WALLOP said:

> A vote for this resolution of disapproval is a vote to reject the Reagan doctrine in this hemisphere and to embrace the Brezhnev doctrine. This is a vote for Communism in our hemisphere.

Then he said: "This is not a question of patriotism. It is a question of judgment."

The Senator from Wyoming, as is always the case, was accurate.

Then there was a discourse, which I did not hear, about the Monroe Doctrine. One Senator said: "I am not supporting the Monroe Doctrine. This is 1987."

Yes, it is 1987. But insofar as I know, the Monroe Doctrine has not been withdrawn as national policy of this country, and I pray that it never will be. We may let it be violated by our apathy or indifference. But the Monroe Doctrine was sound when it was enunciated and it is sound today, and we will ignore it at our peril.

I was in a meeting earlier this morning with a few of my colleagues and others at the White House, and the statement was made that the American people really do not understand what is at issue, what is at stake in this matter. I fear that is correct. The major news media of this country have not begun to give both sides of the matter. They have paramounted the foolish statements, the foolish concept that this is somehow another Vietnam. Not so.

What we are talking about is not only the survival of freedom in Central America; we are talking about a great risk to our own survival in the United States of America.

Mr. President, perhaps it is true, as some have said, that a great many Americans do not even know where Nicaragua is. If they do not, I hope they will get out a map and look. I hope they will consider the days of some years ago when the United States did too little to help preserve freedom in Asia and we let Cambodia, Laos, and Vietnam go down the drain and be taken over by the Communists. Then there began the brutal destruction of life and property; and the people of those countries fled. They did not want to live under communism—and they certainly did not want to die under it.

They used every means of conveyance available to them to escape. Thousands of them climbed into leaky little boats, and a great percentage of them died when the flimsy boats sank. They were called the boat people, back in those days.

The point in 1987 is that if we do not do enough, if we stand back, if we jerk the rug out from beneath our friends, the freedom fighters of Nicaragua, we will have exactly the situation, one day soon, wherein and whereby the people of Nicaragua, the people of Central America, will flee from Communist tyranny. They will not need any boats. They will just walk north, and they will walk over our borders with impunity, because there is not enough enforcement of security or immigration laws even remotely possible to stem that tide of people who will flow over our borders.

There are 100 million people who live between our southern borders and Panama, and they are not going to stay there if, as, and when communism takes over. They will walk north. They will come into our country, seeking and yearning for freedom—people who cannot speak English, who have no jobs or homes or anything else, except that yearning for freedom. They will go on welfare, they will impact upon our schools and other institutions.

The American people should consider the impact of that. It is not just a possibility; it is an absolute probability, if this Nation does not stand by those who are willing to fight and die for freedom in Central America. How much better for everyone if we help them to regain freedom in their own land.

I said yesterday that the President of the United States certainly will never go down in history as a Chief Executive who washed his hands of this. He has warned us. He has done his best to support freedom fighters in Central America, in Angola, in Afghanistan, and elsewhere. But if Central America falls to communism, it will not be Ronald Reagan's fault and it will not be this Senator's fault. If that flickering light of freedom goes out, the blame will rest right here in the Congress of the United States, where total obstructionism, under various pretenses, has manifested itself time and time again to the benefit of a brutal Communist regime.

Yesterday I mentioned that the Communist Sandinista regime in Nicaragua already constitutes a Soviet base in this hemisphere. I tried to remind my colleagues that the Communists in the Soviet bloc have poured in well over $2 billion to the Communists in Managua. The Soviet Union has already converted Nicaragua into a brutal, repressive police state. The people of this country do not know that, in large measure, because they have not been told. I wish there were some way that the people of this country could have both sides of the story. Then I believe there would be no question about what this Senate would do today and in the months to come.

The consolidation of a totalitarian state in Nicaragua began the moment the Communist Sandinista regime came to power in July of 1979.

I well remember the statements that came out of this Chamber during the months just before the Communists gained power in Nicaragua. I recall the remarks of so many who tried to convince the people of this country that the Sandinistas were just "agrarian reformers." I remember those who declared that the Communist Sandinistas seeking control were just good democrats, with a little "d," trying to fight off a dictatorship.

That is exactly what was said when we did too little too late with respect to Cuba and Fidel Castro. Now look at him and the impact he is having in exporting revolution as a surrogate of the Soviet Union—exporting revolution throughout our hemisphere and laughing all the while at us for being too timid, too weak, and too frightened, to put down the flag and say, "Here I stand, ready to help the freedom fighters."

The Communist Sandinistas, and I always use the word "Communist" because that is what they are, gained worldwide attention when they made a pact of promises to the OAS, the Organization of American States, in July of 1979. But we never hear that mentioned today. We don't hear one mumbling word, Mr. President, about the fact that the Communist Sandinistas guaranteed in 1979 there would be free elections. When did those free elections occur? They have not occurred.

Furthermore, the Sandinista government promised the world the following benefits for the "New Nicaragua": free elections, political pluralism, a mixed economy, nonalignment, and a respect for all basic human rights. That was almost 8 years ago. The free world has yet to see the implementation of even one of these promises. Is the U.S. Congress to be responsible if the Communist Sandinistas are never forced to live up to their original promises? This Senator, for one, will not accept responsibility.

By 1980, the Sandinista regime had instituted censorhip, arbitrary confiscation of property, arbitrary arrests, and the outlawing of strikes, the creation of special tribunals to try political cases outside the established legal system. In 1984, the Communists in Managua refused to permit free and fair elections. The elections were, in fact, a great sham.

In October of 1985, the Communists again suspended civil liberties. The Catholic church, independent political parties, labor unions, and the press, were faced with gross censorship and persecution. Opposition figures were routinely detained, harrassed and threatened.

Mr. President, I wonder if there are still Members of this Chamber who believe that there is freedom of speech and of the press in Communist Nicaragua. I will remind those who may have forgotten, that in June 1986, the Sandinista regime closed down Radio Catolica, as well as the Catholic church newspaper. This same month, the opposition newspaper, La Prensa, was forced to shut down—more than likely for the last time.

The religious persecution has extended to members of all faiths. Last year 3 distinguished leaders of the Catholic church were forced into exile. Equally brutal was the detention and interrogation of a host of evangelical leaders. In 1980, 50 Moravian churches were burned. The synagogue in Managua was firebombed, and later turned into a playground for children. Is this what is meant by a respect for human rights? Clearly it is not.

There are many Senators who reluctantly admit that Nicaragua is a Soviet base and that it is a totalitarian state, but they continue to deny assistance to the democratic resistance struggling to overthrow a Communist cancer in our own hemisphere. These same Senators are those who ask that the United States enter into good faith negotiations with the Communist Sandinista government. Do these Senators forget where negotiations have lead in the past? Do these Senators want the same kind of settlement reached in Vietnam, or in Poland? There is not one time in history that the Communists have willingly given up power through negotiations. Nor was there ever a case that Communists have decided to all of a sudden become democratic. Who is the United States fooling to think that the Communists in Managua will act any differently than any other Communist regime?

Mr. President, opponents of assistance to the Freedom Fighters claim that the United States has not attempted to talk things out with the Communist regime. I am not going to take up time to list the dozens of times both the Nicaraguan Resistance and the United States have attempted or actually talked to the Sandinista government. But in a moment I will ask unanimous consent that a partial list of diplomatic efforts be included in the Record. What this list will demonstrate is that time and again the Sandinista regime has steered clear of any serious negotiation effort. This should not come as a surprise to any casual observer of history. It is only possible to negotiate freedom with free people. Should the Nicaraguan Freedom Fighters expect the United States to wait 8 more years while the Sandinista regime refuses to enter into a real dialog, only to find out that the only settlement a Communist government will agree to is a false settlement?

Mr. President, I ask unanimous consent that the list of negotiations with the Sandinistas be printed in the Record at this point.

There being no objection, the lists were ordered to be printed in the Record, as follows:

DIPLOMACY OF THE NICARAGUAN DEMOCRATIC RESISTANCE

National reconciliation through dialogue one of the essential elements from a regional settlement agreed to by all the Central American governments in the September 1983 Contadora Document of Objectives. Dialogue has been repeatedly offered by the Nicaraguan democratic resistance and has been repeatedly rejected by the Sandinistas:

At Easter 1984, the Nicaraguan democratic resistance accepted the call by the Nicaraguan Bishops for Church-mediated dialogue.

On February 22, 1985, the civic opposition in Nicaraguan called for national dialogue, seeking a lifting of the state of emergency, restoration of constitutional guarantees, and guaranteed safety for resistance members who participate in the dialogue.

On March 1, 1985, in San Jose, Costa Rica, the leaders of the democratic resistance asked the Sandinista regime to begin a dialogue. They offered a cease-fire and sought negotiations for a return to democracy. On March 22, the Nicaraguan Catholic bishops offered to mediate between the two parties.

On January 22, 1986, the leaders of UNO released to the public a "Statement of Principles and Objectives," once again offering a Church-mediated dialogue.

On February 7, 1986, six civil opposition parties presented a proposal calling for a cease-fire, lifting of the State of Emergency, and an agreement for a new electoral process. In meetings with the Contadora and Support Group leaders, the United States conveyed its support for this proposal. The Sandinistas did not respond.

In March 1986, the democratic resistance announced their concurrence with the six-party proposal. Again, the Sandinistas did not respond.

The Sandinistas have repeatedly rejected dialogue. A typical reaction is: "We will negotiate with the Contras on the day the right wing parties and COSEP [a business umbrella organization] count all the grains of sand in the sea and all the stars in the sky. When they finish we will ask them to count them all again." (Comandante Tomas Borge, June 27, 1985)

U.S.-NICARAGUA NEGOTIATING HISTORY

The United States has attempted to negotiate with the Sandinistas since 1980. Nicaragua has continuously avoided serious negotiations.

In September 1980 and January 1981, the Sandinistas were told that U.S. aid to Nicaragua was jeopardized by Sandinista support for Salvadoran guerrillas. This warning [by the Carter Administration] was ignored.

In August 1981, the U.S. offered improved relations in exchange for an end of Sandinista support to the Salvadoran guerrillas. This offer was refused by the Sandinistas.

In April 1982, the U.S. again offered improved relations with the Sandinistas in exchange for an end of Sandinista support to the Salvadoran guerrillas. The Sandinistas ignored the proposal.

In October 1982, the U.S. joined in a multilateral demarche, the Declaration of San Jose, to Nicaragua. The Sandinistas refused to receive the proposal.

In April 1983, the U.S. offered to abide by a comprehensive and verifiable Contadora agreement. None was forthcoming.

In late 1983, the U.S. again stated that it would agree to a comprehensive, verifiable implementation of the September 1983 Contadora Document of Objectives.

From June to December 1984, the U.S. held nine rounds of bilateral talks with the Sandinista government. Bilateral (U.S.-Nicaraguan) arms reductions in the region, dialog with opposition groups, and internal reconciliation were rejected by the Sandinistas.

Throughout 1985, the Sandinistas showed little interest in seriously considering U.S. proposals, while stalling Contadora by claiming they had to come to an agreement with the U.S. prior to a Contadora agreement. When the Contadora talks were suspended for lack of progress (caused by the Sandinistas), Nicaragua was the only country to oppose an OAS General Assembly Resolution [December 9, 1985] calling for the continuation of the talks.

Throughout 1986, the U.S. expressed support for a treaty that was comprehensive, verifiable, simultaneous, and acceptable to the Central American democracies. Nicaragua refused to consider such an agreement.

Mr. HELMS. I submit to my colleagues that there is no more time to debate this issue. As the U.S. Congress coolly sits back debating inane arguments, the Soviet Union is protecting its investment. This very minute they are pouring more military equipment into Nicaragua, and each day they are able to claim that they have further consolidated their gains in Nicaragua.

This Senator will not spend inordinate amounts of time defending the Nicaraguan Resistance, because no defense is necessary. Is it necessary to defend those who are fighting off a brutal and totalitarian state which strangles them a little more each day? I think not. I have met many of the resistance leaders, and all they ask for is a chance to practice democracy as we do in this country. They want a chance to elect freely their own leaders in the next month, without interference from any U.S. agency. I will not be held responsible for denying them this right.

In conclusion, I urge my colleagues on both sides of the aisle to support the disbursement of $40 million for the Nicaraguan Democratic Resistance—aid which was already approved by the U.S. Congress. The United States must not support a false political settlement in Nicaragua. We must support the Freedom Fighters with every bit of assistance they need to remove the Communist expansionism in the Western Hemisphere. We must send American dollars now, or spill American blood later. A vote for the $40 million, is a vote on behalf of the struggle for freedom in Nicaragua. A vote against, is a vote to foreclose the possibility of freedom.

The **PRESIDING OFFICER**. The Senator's 12 minutes have expired.

Mr. **HELMS**. Mr. President, I thank the distinguished Senator from Mississippi for yielding to me.

The **PRESIDING OFFICER**. Who yields time?

The Senator from Mississippi.

Mr. **STENNIS**. How much time does the Senator want?

Mr. **GRAMM**. I will take 5 minutes.

Mr. **STENNIS**. Five minutes.

Mr. President, I yield 5 minutes to the Senator from Texas.

The **PRESIDING OFFICER**. The Senator from Texas is recognized for 5 minutes.

Mr. **GRAMM**. Mr. President, I thank the distinguished chairman for yielding me 5 minutes. I can be brief.

The distinguished Senator from North Carolina said many of the things I would have said and said them better.

I want to ask my colleagues to ask themselves, if there is anyone here who is still undecided on this vote, what the message is going to be if we vote today to cut off aid to those fighting for their freedom in Nicaragua.

I think the message will be clear if we do that. The message is going to be that the Soviets care more about promoting communism in Nicaragua, half-way around the world from them, than we care about defending freedom and democracy in our own front yard on the mainland of North America. I think that is the message. I think it is a message that we dare not send.

Now, I think in some ways those of us who live in areas close to the Mexican border who represent States that border on the third world maybe have a little bit clearer perspective on this problem than many who represent other parts of the country. Many of my constituents in Texas live closer to Nicaragua than they do to people who live in many States around the country.

Basically the Senator from North Carolina made a very important point. Central America is not some far away place that we are not affected by. Between the Panama Canal and the border between Texas and Mexico there are 100 million people.

We know a lot about Communist dictatorship and one of the things we know is they do not produce many things well, but one thing they do produce is refugees, and they do it better than anybody else. About one out of every five Nicaraguans is now a political refugee from their own country. If we allow communism to set down deep roots in Central America, if that then spreads throughout the region, we are talking about 20 million political refugees, and those political refugees will pour across our border and bring home to us, especially those of us who live along that border, how real this problem is, how real it is in human terms and how real our part in it will be.

I urge my colleagues not to demonstrate to the world once again that America is a great sprinter but a poor distance runner.

It seems to me our problem has always been, and is here again, that it is easy to start a policy but it is hard to see it through to a successful conclusion.

As a result we have a reputation all over the world of not being reliable over the long haul.

I admit that the world is imperfect and the Contras are a part of it. I admit that there are clearly people in the Contra movement who do not agree with me on everything, but I think if you look at the choice, between those who are fighting Communist oppression and those who are opposing it, if you look at our ability to promote the goals we believe in, freedom and democracy, and prosperity and jobs, the choice is very clear. I believe it is a choice that we have to make, and this vote is important. I urge my colleagues to stay with the commitment we made last year, stay with our commitment to support those who are fighting for their freedom and in doing so fighting for our interests.

I yield back the remainder of my time.

The **PRESIDING OFFICER**. The Senator from Mississippi.

Mr. **STENNIS**. I yield to the Senator from Rhode Island 2 minutes.

The **PRESIDING OFFICER**. The Senator is recognized for 2 minutes.

Mr. **PELL**. I thank you very much indeed.

Mr. President, I realize that the words that we are saying are not going to influence one vote one way or the other. We have heard some eloquent voices raised on both sides of the issue, and I am adding my own less eloquent words at this time with no illusion that what I will say will change a vote or what has been said on the floor will have changed the vote.

I want to reiterate that I believe that our military support of the Contras is not good for our Nation, for three basic reasons:

First, it prolongs an untenable situation. We have been supporting the Contras now for a matter of years. They are not much better off; in fact, in some way, worse off than they were in the past. Without the support they would not be extant at this time.

Second, I disapprove of terrorism, and I believe that in supporting the Contras we are supporting armed terrorists, people who are using indiscriminate acts of violence to change the policy of their government.

And, third, I think that our policy in support of the Contras is a policy which meets the support of few nations around the world. I doubt if there are more nations than the fingers on the hand of a one-armed man that would agree with us in this policy.

Let us leave it to the people in Central America—to the Contadora process and its offshoot, the recent Costa Rican peace initiative—to work out a diplomatic political settlement. As Churchill said, "Jaw, jaw is a lot better than war, war."

The **PRESIDING OFFICER**. Who yields time?

Mr. **STENNIS**. Mr. President, we have a request here, but the Senator is not immediately available.

Mr. President, I will be glad to yield to the Senator from Kansas such time as he may desire. We have a little to spare left over here. I yield 10 minutes to the Senator from Kansas.

The **PRESIDING OFFICER**. The Republican leader is recognized for 10 minutes.

Mr. **DOLE**. Mr. President, I thank the distinguished Senator from Mississippi.

I am not certain how many speakers we have had on this issue, but I understand 35. A third or more of the Senate has spoken. It is an indication of its importance. It is an indication that it is controversial. It is an indication that probably nobody has changed his mind. So we will soon have the vote. And unless something happens, I think the resolution of disapproval will be defeated.

But the hour has arrived for the vote. Many of us have listened to good debate on both sides. This is a very, very controversial issue.

I wish to thank the Senator from Connecticut for sort of holding our feet to the fire on this issue. I think there was a feeling maybe on this particular issue that it would just go away. But perhaps the fact that we have had 30 or more Senators, Republicans and Democrats, speak on the issue is a healthy thing.

It is an issue critical to our national security. It is certainly critical to the future of Central America. It is certainly critical to the prospect for peace and democracy in Nicaragua. And I guess the American people—not only guess, I know—the American people have a right to know where we stand.

LA PRENSA'S SUPPRESSED EDITORIAL—DECISIVE CONTRA AID VOTE TODAY

Mr. President, later today, the Senate will vote on whether or not to permit the last $40 million of Contra aid voted by the 99th Congress to go forward. Whatever the outcome of today's vote, this aid eventually will be delivered. I think we all know that.

But the vote this afternoon nonetheless is very, very important. Because it will send a strong signal to the Contras, to the Sandinistas, and to the democratic governments of the region: A signal about whether the Congress—and ultimately, the United States—will live up to its commitments and meet its responsibilities in Central America.

During the past week, I have made some comments, and put some material in the Record, relevant to the Contra aid issue. On this day of the decisive vote, I want to add one more item to the Record, which sums up pretty well what this issue is all about.

LA PRENSA DENIED RIGHT TO REOPEN

All of us know of La Prensa, the last independent newspaper in Nicaragua, closed down by the Sandinistas last year. This past January, immediately after the Sandinistas promulgated a new constitution, the courageous editor of La Prensa, Violetta Chamorro announced her intention to reopen the paper. Mrs. Chamorro, of course, has unquestioned journalistic and democractic credentials—she is the widow of Pedro Joaquin Chamorro, who was murdered by the Samoza regime for publishing the truth about the oppression of that government.

I think, by now, we all know how the Sandinistas responded to Mrs. Chamorro's courageous attempt to reopen her paper. Before the ink on the new constitution was dry, the Sandinistas suspended all of the rights "guaranteed"—that word is in quotes—the rights "guaranteed" by the new constitution; and the Sandinista authorities told Mrs. Chamorro there was no way her paper could publish.

So much for the new constitution! So much for the right of free press. So much for any hope for democracy in Sandinista-run Nicaragua.

SUPPRESSED LA PRENSA EDITORIAL

What I want to put in the Record today is an editorial. An editorial that has never been published. And, I predict, is never going to be published as long as the Sandinistas run Nicaragua. It is the editorial that Violetta Chamorro planned to run in the first issue of La Prensa, if it had been allowed to reopen. With the doors of La Prensa still locked tight, it is even more important that the editorial be printed, and read now.

Let me just quote the last line of the editorial. "* * * the solution to the problem of Nicaragua," Mrs. Chamorro writes, "* * * occurs inevitably through the reconciliation of the Nicaraguan family, and through the freedom that Pedro Joaquin Chamorro dreamed of when he said: 'Nicaragua will again be a republic.' "

Mr. President, I will ask that the full text of this editorial be printed in the Record. And I urge each of my colleagues, before they vote this afternoon, to read the full text of this editorial; to think about the experience of Violetta Chamorro and La Prensa; and to vote on the real issues here—America's national security; Central America's stability and democracy; and Nicaragua's freedom.

I ask unanimous consent to include in the Record at this point an editorial that the independent Nicaraguan newspaper, La Prensa, had hoped to print.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

EDITORIAL: RECONCILIATION AND FREEDOM

Invoking the state of freedom and guarantees established in the new Constitution of Nicaragua, the daily La Prensa today resumes its publication, believing that our basic obligation is to respond to the demand that the people of Nicaragua keep on our shoulders: to demand the freedom of expression and information.

It is true that the State of Emergency imposed by the Sandinista Government, just a few hours after the Magna Carta had been signed, brings with it again prior censorship on all of the media, but this does not give the government the right to maintain arbitrary suspension over any of them, not to discriminate against some in favor of others, nor to deny us the right to our work as journalists. "Work is your worthy laurel," says the National Anthem.

Convinced that victories are only achieved in the battle fields, we resign ourselves to using this small political space that is offered to us. We believe that our obligation in this new constitutional stage of Sandinism is to continue the great battle to see that Nicaraguans enjoy their right to be truly informed and to freely express their ideas.

Again we come out with great difficulties, after having suffered severe economic losses because of 205 days of suspension. But we have not lost the responsibility with respect to our commitment to always be in the service of the truth and justice and democratic ideals that for 60 years have been our only horizon.

We return as always, seeking peace, calling for dialogue as the only route possible for closing the doors of war, for ending the sacrifice of innocent lives and halting the destruction of our country. We return with the hope that legal equality should be imposed in order to be able to establish a relationship of respect between citizens and governors and thus to implant the true democracy for which so much blood has been shed by the people of Nicaragua.

After 208 days of involuntary absence, we are filled with encouragement to come to our readers at this doubly historic moment: because this very week is when all of Nicaragua is paying tribute to our Martyr-Director, Dr. Pedro Joaquin Chamorro Cardenal, who in fact gave his life so that Nicaraguans could express themselves fully, and when internationally, unprecedented peace missions in the hemisphere and the world are coming to Nicaragua simultaneously to insist on what we have always demanded from these pages: an end to the war and dialogue among Nicaraguan brothers.

The presence in Nicaragua of the Secretaries of the OAS and the United Nations, together with the Foreign Ministers of the Contadora Group and the Support Group, accompanied by all the peaceful means possible for reestablishing Central American peace and security, lets us see that finally a continental will is emerging to direct successfully the peace effort initiated four years ago by Colombia, Mexico, Panama, and Venezuela.

La Prensa, today as yesterday, continues supporting any initiative that will distance our country from the two undesirable extremes predicted for Nicaragua: foreign military intervention or the consolidation of a regime contrary to the deep national desires of freedom, justice, and democracy. We are not in favor of either one or the other. La Prensa does not approve of war between brothers or of the dictatorship, wherever it may come from.

That is why we hope that now all peace missions and good will that want to help us clearly understand that the solution to the Central American conflict occurs inevitably through the solution of the problem of Nicaragua, and that it in turn, occurs inevitably through the reconciliation of the Nicaraguan family and through the freedom that Pedro Joaquin Chamorro Cardenal dreamed of when he said: "Nicaragua Will Again be a Republic."

Mr. DOLE. I say "hoped to print" because, as we all know, that the paper has been banned by the Sandinistas or the Nicaraguan Communists—I think they are properly referred to as the "Sandinistas"—banned because it committed the most serious kind of a crime in Communist-run Nicaragua: It told the truth. So this editorial was never seen. It never saw the light of day in Nicaragua. But I want it to see the light of day here, in the Senate, so that all Senators can understand a little better the real issue at stake in Nicaragua. And the issue is human freedom. I know we have our differences, partisan differences, philosophical differences, sectional differences, but the issue here is human freedom. And if we stand for anything in America, I guess it is human freedom.

So let me make just two or three other points before I yield the floor. And I assume the distinguished majority leader, Senator Byrd, will conclude the debate unless there are others.

THE ISSUE OF ACCOUNTING

First, I want to respond to the charge that I have heard again and again, as recently as this morning in the White House where we met with the President on this issue, that we have had no accounting for earlier aid to the Contras.

Now that assertion is absolutely false. It is false. We have had a good accounting for the $60 million already provided in fiscal year 1987 money, the last $40 million of which we are voting on today. The administration has provided monthly reports, under procedures worked out with the appropriate congressional committees. We have that information in the Senate. It is available to all Members.

We were told this morning that perhaps Senator Boren from Oklahoma and Senator Cohen from Maine could assure us that the procedures have been followed.

I am also advised that the House Intelligence Committee has recently reviewed the management and accounting procedures in place for the $100 million, and has approved a 30-page staff report which essentially commends the procedures. I also understand there is an unclassified letter from the Intelligence Committee to other House Members which essentially confirms that conclusion. Regrettably, that letter has not yet been made public, to my knowledge.

We have also had substantial accounting for the $27 million earlier provided in humanitarian aid. The GAO report on that money—a report, I might note, which has been misquoted and badly distorted by some—that report found no fraud or wrongdoing in how the money was administered. And, in evaluating the question of the $27 million, let us also not forget that the Congress decreed that the money could not be administered by the CIA or Defense Department—the two most experienced and well-equipped agencies for this effort. And we also decided that U.S. personnel would not be allowed to be on site for every transaction. If that was a mistake—and many of us thought that it was—it was ours in Congress; it is not something to blame now on the administration or the Freedom Fighters.

I ask unanimous consent to have printed in the Record at this point some additional material on the accounting question.

There being no objection, the material was ordered to be printed in the Record, as follows:

Subject: Accounting Procedures Instituted to Follow and Track All Spending on the Nicaragua Paramilitary Program

Section 207(b) of the Military Construction Bill requires the establishment of enhanced accounting procedures "to assure that such funds are fully accounted for and are used exclusively for the purposes authorized" by the Bill.

In August 1986, the Executive Branch began a process of discussions with the staffs of the appropriate congressional committees on the establishment of the procedures required by Section 207. During the ensuing two months, the discussions resulted in new enhanced procedures being established and put into place to ensure that all funds and supplies were properly and fully accounted for.

The understandings that have been reached with the committee staffs have been incorporated into a logistics and fiscal plan for administering the program. Monthly reports are sent to Congress. 13 officers in the field and 5 in Washington directly monitor the program and oversight is provided by an attorney and an auditor as well as senior management in both the field and Washington. The procedures included the following controls:

Segregated accounts that will provide permanent, auditable records of all purchases of equipment, supplies, and other materials from acquisition to delivery in Central America.

No dollars are given to any resistance organizations in Central America.

Goods or services delivered to the resistance are carefully monitored to ensure that the lowest price is obtained and payment is only made directly to the vendors after receipt of the goods or services. Funds are not passed through the resistance.

Limited family assistance payments in local currency are made to resistance officials for which signed receipts are obtained.

Complete inventories of all goods purchased and delivered are maintained. Monthly status reports are sent to Congress.

Recently staffers from both the House and Senate reviewed the procedures in Washington and in Central America, including conducting on site audits. They found no shortages of funds or supplies.

To date, the procedures have worked well. We have found only one area where there was a clear contravention by one organization of directions that no funds be used to pay back debts. Congress was informed of this incident.

It has been made clear to all organizations who make up the Nicaraguan resistance that they must comply with these enhanced procedures. Persistent problems will result in the cut off of funds to the offending individual or organizations as is required by Section 204 of the law.

Accountability of Aid to the Nicaraguan Resistance

The agencies that administer this program have adopted accounting and oversight mechanisms to ensure that all legal requirements with respect to the aid program to the Nicaraguan resistance are observed and that there is proper accountability for all funds and other resources used in support of the resistance.

Section 207(a) of the FY 1987 Military Construction Appropriations Act charges the Secretary of State with oversight responsibilities for the aid program for the Nicaraguan resistance.

In order to carry out these responsibilities, State has established an office under the leadership of a senior officer. This office, which has personnel in Washington and in the region, coordinates with agencies involved in the program and ensures that the interagency groups supervising the policy receive accurate information on the conduct of the program.

Section 207(b) of the Act requires that agencies that administer the $100 million provided by the Act establish enhanced accounting procedures after consultation with the appropriate Congressional committees, and the Comptroller General. Comprehensive safeguards have been adopted in accordance with this law and are being implemented in a manner fully satisfactory to the oversight committees.

These committees receive detailed and specific monthly reports on: supplies provided to the resistance; financial transactions; training conducted and resources used in support of training. These reports are retained in the classified files of the oversight committees.

The Executive Branch entities involved in executing the $100 million program have assigned legal and auditing personnel in an oversight capacity to ensure that all distributions in this program comply with the law.

Staff members of the appropriate Senate and House committees have visited the region to ensure that all funds have been fully accounted for as well as to conduct onsite audits of the items purchased with these funds.

$27 MILLION IN HUMANITARIAN AID TO THE NICARAGUAN DEMOCRATIC RESISTANCE

Signed into law August 1985, disbursed from September 1985 through September 1986. Administrative costs were 1%.

In human terms, this aid provided:

Food for over 30,000 people—combatants and their families—for 12 months;

Basic clothing needs for a force of 20,000 combatants;

Two field hospitals and five clinics, plus warehouses to store perishable pharmaceuticals;

Support for a 60-person medical staff: doctors, nurses and medics;

Advanced restorative surgery for 39 seriously wounded combatants at a Miami hospital, and a hostel for their out-patient care;

Support for a program to protect and promote basic human rights.

HOW WAS THE MONEY SPENT?

Congress built constraints into the system. The law prohibited any CIA or Defense Department role in administering the aid.

State created the Nicaraguan Humanitarian Assistance Office (NHAO); diplomatic reasons prevented NHAO from having offices, bank accounts or permanent personnel in Central America.

Typical transaction: resistance buys goods, sends invoice to NHAO in Rosslyn, NHAO evaluates invoice in terms of Congressional guidelines and competitive pricing, then decides on reimbursement. Payments made to Miami bank accounts of Central American suppliers. Procurements in U.S. follow similar procedure.

Verification and controls: regular intelligence reports, visits of NHAO staff and Congressional delegations verified delivery of goods. All flights leaving U.S. were cleared by U.S. Customs inspectors for compliance with law (including no presence of arms). NHAO procedures and controls were discussed repeatedly with Congressional committees, GAO, State Department Inspector General.

GAO CRITICISMS

GAO finds no fraud or wrongdoing; it states that controls were insufficient to monitor all transactions. Because of constraints Congress imposed, NHAO was subject to legal and diplomatic sanctions that prevented U.S. Government personnel from watching every step of every transaction. However, NHAO devised a monitoring network that would satisfy a prudent administrator.

NHAO detected $80,000 in false claims (0.29% of the appropriated funds). GAO notes that NHAO recovered these funds or offset them against subsequent purchases.

NHAO paid supplies after goods were delivered. Payments often went to suppliers' Miami bank accounts, completing the transaction. GAO believes that NHAO should account for suppliers' use of these funds. The State Department believes the suppliers' use of their revenues is their own business.

Mr. DOLE. Finally, on this point, let me stress this: We do need thorough and accurate accounting because taxpayers' money is involved. And shortly after the vote of approving the $100 million in aid, I wrote a letter to the President. One of the things I raised in that letter was that this would be a very difficult vote to win, Mr. President. And if we are going to sustain this program, there are some things we have to be certain of. One is an accounting of the money. It is not our money. It is taxpayers' money. And the other, is to keep track of the freedom fighters and their human rights records.

There is no question about it, it is taxpayers' money. It is their money we are spending.

I know I have talked to farmers at home who say, "Well, if you are going to have that $100 million to spend, let's spend it for farmers." I have heard others say we ought to spend it for the homeless, spend it for this, spend it for that. But I guess if we are looking only at that small picture, they could make a case. But, again, if we are looking at human freedom and if human freedom means anything—it means something to most Americans—then I think we have to keep the aid to the Contras in perspective. But I think we also have to be realistic. We have to have the tightest possible accounting, and I think we have it.

Some stand up and say, "Well, you ought to be able to keep track of every cent." We cannot even do that with domestic programs. We cannot do it with the Farm Program. We cannot do it with the Food Stamp Program. We probably do not do it with the legislative appropriations or maybe even with our own office accounts. We make mistakes. At least, some people file amended reports around here saying they forgot something.

I would remind my colleagues that this is not a corporate takeover of some domestic program. I do not imagine they have accountants running around over there following freedom fighters, tracking how many bullets were expended or what happened to this equipment or what happened to that equipment. People are being shot at and killed in Nicaragua.

It is not a tea party. And, whether we like it or not—and we do not like it—people are being killed on each side. It is a war being fought in the jungles and the mountains, with guerrilla as well as conventional combat, and in the face of a determined and well-armed enemy.

Again I say it is not a question of, some green eyeshade accountants who are peering over everyone's shoulder, and someplace where timecards are being punched.

I think in simple fairness, we should remember as we debate this accounting issue what we are asked to do and what we are asking those in the field to do.

NOT A PARTISAN ISSUE

The second main point I want to make is: This is not a partisan matter. Democrats, as well as Republicans, will vote for Contra aid. Republicans, as well as Democrats, will vote against. The way the time has been managed—a very distinguished Democrat controlling our time; a very distinguished Republican controlling the time of aid opponents—is a vivid reminder that this question does not split out on party lines.

Our disagreements on this issue are honest ones. I believe strongly that we can never achieve our goals—our absolutely legitimate goals in Nicaragua—unless we keep up the pressure on the Nicaraguan Communists to respond to our concerns.

I just cannot believe that the Nicaraguan Communists will ever hold a free election; will ever send home a single Soviet or Cuban adviser; will ever send back the massive military machinery the Soviets have provided; will ever stop intimidating and subverting their democratic neighbors—will ever do any of these things, unless they are pressured to do so.

And the simple fact is: Supporting the freedom fighters is about the only effective way we have found so far of keeping the heat on Managua.

Maybe there are Senators who believe the Sandinistas are not determined to suppress all opposition in their country; are not unswerving allies of Moscow and Havana; not an immediate threat to their neighbors and to our own security interests in the region. Well, those Senators are entitled to hold those views, and today they can vote accordingly. I do not share those views. And I, too, will vote accordingly.

WE MUST DO A BETTER JOB

The last main point I want to make is this. Aid to the Contras is not a policy. It is one means—one instrument—to achieve the goals we want in Central America.

The policy we do have needs to be broad-based. It is not a question of aid to the Contras or assistance for the democracies of Central America. It is not a question of aid to the Contras or pursuit of a negotiated settlement. We not only can—we need to—pursue all these tracks at the same time.

We must continue providing support for the Contras, as the only effective "stick" to get Managua to respond to our concerns. We must support El Salvador, Honduras, Costa Rica, and Guatemala, as they strive to defend themselves and develop their economies. And we must explore every avenue for a negotiated settlement—one which meets our needs, and the needs of our allies and friends in the region.

And let me be candid: Over the years, those of us who support aid to the Contras have not done a good job making our case. The administration has not done a good job. Contra aid supporters in the Congress have not done a good job.

And we better start doing a better job now. I think we will win this vote today, and that will send an important—a needed—signal of American resolve to do what is right.

REAL TASK LIES AHEAD

But after this vote is taken, the real task still lies ahead. To rethink our goals, and rearticulate them in a clear and coherent fashion. To rethink our strategy, and make sure that we understand how we intend to get where we want to go. And to rethink the role that aid to the Contras plays in that strategy—so that we can prove to those who still doubt us that aiding the Contras is right; makes sense; and will help us achieve the goals we have in Central America.

Today's vote is not the end, but the beginning. It is not final victory, but a new opportunity to convince the American people what we are doing is right. I am going to be doing everything in my power to see that the White House, Contra aid supporters in the Congress, and the millions of private Americans who already understand and support the President's policies—that all of us together take advantage of this opportunity.

Today is not the end. It is a beginning. It is not a final victory but a new opportunity to convince the American people that what we are doing is right.

I thank the distinguished Senator.

The **PRESIDING OFFICER**. The Senator yields back the balance of his time. Who yields time?

Mr. HATFIELD. Mr. President, I yield 1 minute to the Senator from Delaware.

The **PRESIDING OFFICER**. The Senator from Delaware is recognized for 1 minute.

Mr. BIDEN. Mr. President, I listened with great interest to the comments made by the minority leader, and he indicated that the Contra aid supporters have not done a good job. Quite the contrary; they have done an incredible job in my view to convince the American people and Members of the U.S. Congress, to the extent they have convinced the people, that in fact it makes good sense to support the Contras.

What is the fact is the Contras have not done a good job because the Contras in fact are not a representative body as has been painted to us over the months and over the years here. The objectives that are being sought by the Contras and the makeup of the Contras themselves are two of the reasons why they are doomed to failure and why our continued persistence in support of the Contra effort is something that is going to lead to the long term and deep damage to the United States and its foreign policy.

The **PRESIDING OFFICER.** The Senator's time has expired.

Who yields time?

Mr. **HATFIELD.** Mr. President, I yield whatever time the Senator from Connecticut requests.

The **PRESIDING OFFICER.** The Senator from Connecticut has been recognized for such time as he may consume within the rule and within the order.

The Senator has, I might state, 7 minutes left on the proponents' side.

Mr. **WEICKER.** Thank you, Mr. President.

I thank my distinguished colleague from Oregon. I will only take a minute or so.

I hope this joint resolution will pass. I am not oblivious to the sentiments around me. I suspect it will fail maybe by a couple of votes. So once again this greatest of nations is relegated to the role of paymaster, not a builder of life in Central America, but a paymaster. And there will be a price to be paid. Maybe at this juncture it is felt that our only exposure is $40 million. Our exposure has been a good deal more than $40 million.

The prestige of a Nation, a Nation of the highest ideals lies in the gutter because it is a gutter policy. To those that look upon this as a litmus test of patriotism, this doling out of moneys in the name of being against Communists, I suggest that it really comes down to what we are for—not what we are against. That will determine the course of history in Central America.

The business of life, the building of life, and the quality of life should be the goal of the United States of America there and elsewhere throughout the world.

Instead, with the active support of both parties, all philosophies, both branches of Government, no longer, if this resolution is defeated, is anybody going to say what does the President know, and what is wrong with the President? This is a Democratic-controlled Senate, and a Democratic-controlled House. We all have within our own grasp the opportunity to change the course of history. It does not come by pointing a finger at the other person. There are three separate but equal branches of Government.

We choose to squander that equality, to squander that equality in the name of all the sordid details that the American public has been privy to over the past several months, rather than the pursuit of those goals and ideals that have been the heritage of the United States and the envy of the world; to be against communism. To be against communism in the year 1987 is not enough. It is to be for democracy.

To use ours for what we stand for, and how we accomplish, to use all of that as the example has been a sleazy policy, and it has been a sleazy result.

I hope this is not a new beginning for what we have seen in the past. The only way you are going to have a new beginning is to vote for this joint resolution. I urge my colleagues to do just that.

The **PRESIDING OFFICER.** Does the Senator yield the floor?

Mr. **WEICKER.** I yield the floor.

The **PRESIDING OFFICER.** Who yields time?

Mr. **STENNIS.** Mr. President, if no one wants to yield time, I would like to take about 3 or 4 minutes to comment on the debate we have had.

I think this is one of the best, and most effective, debates that I have ever heard. I believe it is helpful to all of us that have had a chance to be here, and it will be helpful to others who are interested in this issue but were not able to be here in person.

To have the benefit of debates is certainly one of the great opportunities which this body can accommodate which I believe contributes to our legislative process.

Mr. President, a few years ago I held hearings concerning a resolution proposing to sell the Panama Canal. We took testimony for several days and debated it among ourselves. It was debated here on the floor. The canal was disposed of, but the point I am making now about it, as I found out then, was that I learned very firmly that there were problems on our hands that were brewing in the area—not any reflection on the present Panama Canal or anything of that kind. But I had learned more then than I had known before about the problems, and I realized how very serious the trouble was at that time. Things were just beginning to develop then, with our relations with Cuba, and the other like problems.

I have seen the problems which the people are faced with in Nicaragua although I have not visited there for the last 2 or 3 years. However, I see now the intricate problems and take more and more warning. I wish I could pass on more than I do to others. This matter cannot be ignored. It cannot be made just a political affair. I do not think it has been. There has been a little element of politics here and there, but primarily there has not been what is ordinarily called political.

We must protect ourselves. We must help others protect themselves. We must stand for more; for the most aid in development along that line that we can. Undoubtedly, there have been others that have been at a disadvantage and they will not be able to help themselves without help from us or someone of like capacity. I say that with all the emphasis that I can because, I do not think our problems down there are over. I do not believe it is just a matter of giving someone the score. It is a problem and has to be given our best thought and attention with all of us working together to ward off questions related to communism and other questions which are brewing.

I want to say with emphasis again that I am most grateful for this debate and for the help that was provided during this debate. The cooperation was splendid. We have all worked together on difficult matters before. I am grateful to Senator HATFIELD for his cooperation, and for the cooperation of the gentleman and ladies who are on the staff on both sides of the aisle. I thank them.

If there is no one else. Mr. President, who wants to take the time, I am ready to yield back our time.

Mr. **HATFIELD.** Mr. President, will the Senator yield?

Mr. **STENNIS.** Mr. President, I have not yielded back our remaining time.

Mr. **HATFIELD.** How much time remains, Mr. President?

Mr. **STENNIS.** Mr. President, I understand there are others who want to say a few words.

Mr. **HATFIELD.** Would the Chair announce the amount of time remaining?

The **PRESIDING OFFICER.** The Senator from Oregon has 2 minutes remaining and the Senator from Mississippi has 4 minutes remaining.

Mr. **HATFIELD.** I wonder if the Senator from Mississippi would yield some time to me.

Mr. **STENNIS.** Certainly. How much time have I remaining?

The **PRESIDING OFFICER.** The Senator from Mississippi has 4 minutes remaining.

Mr. **CRANSTON.** May have 1 minute?

Mr. **STENNIS.** I yield 1 minute to the Senator form California. I yield the remaining 3 minutes to the Senator from Oregon.

The **PRESIDING OFFICER.** The Senator from California.

Mr. **CRANSTON.** Mr. President, I think it should be clear before we have this vote that there are no sympathizers for the Sandinista government among those who will vote against aid to the Contras. We have grave concerns about the activities of the Sandinista government, but we do not believe that the way to deal with our concern about that government is by trying to overthrow it. There are many governments on the face of this Earth that we do not like, but if it becomes our policy to try to overthrow them, we are going to have our hands full and we are going to be engaged in a great many wars that could be catastrophic wars because some of the governments we do not particularly like are nuclear powers.

We should use our influence, we should use the appropriate tools of a democracy and a free people, to try to influence the behavior of governments that we do not approve. If the Sandinista government seeks in any major way to infiltrate or to overthrow neighbors, to turn them into Communist nations, plainly we should take military action. But the sort of action we have embarked upon now I think is inconsistent with the principles of our democracy.

The PRESIDING OFFICER. The time of the Senator has expired.

The Senator from Oregon.

Mr. HATFIELD. Mr. President, I thank the Senator from Mississippi for yielding me his remaining 3 minutes to be put with my 2 minutes. I will conclude this 10 hours of debate with a brief observation.

I have heard most of the 10 hours of debate, and I would suggest that there is no difference between any one of the Members of this Chamber. I would venture to say that 100 Members of this Chamber are deeply concerned about the Soviet presence in Central America. As I listened to the opponents of this joint resolution, it became very obvious that we are arguing all the good reasons why the ends justify the means. It basically comes down to that.

There are those of us who differ on the means of how to deal with this Soviet presence in Nicaragua. I think it is very clear that this administration is following a policy aimed at overthrowing the Sandinista government. Nothing more, nothing less. It has become the end, our way of dealing with the Soviet presence.

Let me illustrate that further.

The means includes even the violation of law. The ends justify the means, whether it is a violation of our signature to the United Nations Charter, whether it is a violation of our signature to the OAS Charter, whether it is the mining of Nicaraguan harbors, or whether it is a violation of our Constitution by engaging in warfare without a declaration of war by the Congress. The ends justify the means.

I would venture before this Iranian-Contra aid mess that is unraveling before our eyes is completed, we will find people who had noble motives, noble purposes. But their ends justified their means.

I have quoted it before and I think it is very apropos: Mahatma Ghandi once said "the ends are the means in the making." We better be a little careful about the means we are willing to indulge in merely because our goal and our purpose may be noble.

That is the fundamental question here. In violation of laws and the integrity of the signature of our Nation to international charters, we are willing to pursue a policy that is a war policy. Our policy is intolerant of negotiation because peace might get in the way of war, and the only way we will overthrow that Sandinista government is through military power.

Now, Mr. President, if that Soviet presence is as dangerous to our integrity and our future as it has been claimed in this debate, this administration is derelict in not mobilizing a military action today to defend our national interests.

After this amount of experience, we know the Contras will not accomplish the overthrow of the Sandinista government. They don't even hold any land! Therefore, if that government represents this kind of danger to our Nation, as has been portrayed, we better be about the business of mobilizing some kind of military action as a great military superpower to defend our national interest. But I do not believe that they are in that much danger.

Mr. President, I hope that joint resolution does pass. I commend Senator WEICKER for offering it. I hope my colleagues see that we are making a decision today that could lead this Nation further into the morass of a bankrupt policy that will not, cannot, bring us peace.

The PRESIDING OFFICER. Under the statute and the previous order, all time has expired. The clerk will read the joint resolution.

The bill clerk read as follows:

A joint resolution (S.J. Res. 81) disapproving the provision of additional assistance to the Nicaraguan democratic resistance pursuant to the title II of the Military Construction Appropriations Act of 1987.

The PRESIDING OFFICER. The hour of 4 p.m. having arrived, the Senate will vote on the joint resolution, Senate Joint Resolution 81. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

The VICE PRESIDENT. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 48, nays 52, as follows:

[Rollcall Vote No. 31 Leg.]

YEAS—48

Adams
Baucus
Biden
Bingaman
Bumpers
Burdick
Byrd
Chafee
Conrad
Cranston
Daschle
DeConcini
Dodd
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Harkin
Hatfield
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Specter
Stafford
Weicker
Wirth

NAYS—52

Armstrong
Bentsen
Bond
Boren
Boschwitz
Bradley
Breaux
Chiles
Cochran
Cohen
D'Amato
Danforth
Dixon
Dole
Domenici
Garn
Graham
Gramm
Grassley
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Nunn
Pressler
Quayle
Roth
Rudman
Sanford
Shelby
Simpson
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

So the joint resolution (S.J. Res. 81) was rejected.

Mr. BYRD. Mr. President, may we have order in the Senate?

The VICE PRESIDENT. The Senate will please be in order, and Senators are asked to take their seats.

The majority leader is recognized.

Mr. BYRD. I thank the Chair.

Mr. President, no motion to reconsider is in order on this vote that we have just completed.

First, let me compliment Senators on both sides of the aisle for the very fine debate that occurred on this issue. I think it was a very high level, high type debate, and every Senator who spoke, as I listened, I am sure spoke from the heart. Although we did not all agree, I have to compliment and respect all Senators for the contribution they made in what I think was a very informative and good debate.

Mr. President, what we see here is the administration winning on this issue by virtue of one House only. A deeply divided Senate is what we see here in this body. A very closely divided Senate has once again voted to continue aid to the Contras.

I do not question any Senator's vote or a Senator's right to vote as he or she did. I know that many Senators on both sides of the aisle and on both sides of the question were torn as to how they should vote.

This vote is not a victory for the administration's course of action in Central America. It is an alarm bell. It says that the American people, themselves, have great reservations about the administration's policy in Nicaragua, and I hope that the administration is listening.

It is a statement that the American people are once again searching for an option between the unworkable and the unacceptable. The unworkable is the administration's belief that the Contras can beat the Sandinistas. The unacceptable is the idea that we have heard here that American troops will eventually have to be sent to fight in the jungles of Nicaragua.

One might ask, what is the reasoning behind a continued funding of an army that cannot win territory, cannot win ground, cannot win the sentiments, cannot win the hearts of the people in Nicaragua?

What is to be gained by continuing a policy that the American people do not support? We should have learned the lesson a long time ago that if the American people do not support a foreign policy or a foreign policy that involves war, then the administration cannot long support that effort, either. The policy is doomed to fail.

The Contras are not winners. They do not hold an inch of territory. The administration has barely held on now to a threadbare, 6-year policy that does not work. I believe it will be difficult for the administration to prevail this fall, if the administration stays with this one-option plan. In 6 years' time, the administration has never made a serious, credible, sustained effort to try the diplomatic option, to really sincerely probe and try the diplomatic option. It is the only option between the unworkable on the one hand and the unacceptable on the other. It is time to try the diplomatic option. It is time for the United States to join its democratic neighbors in Central America and support the diplomatic option of President Arias of Costa Rica.

Mr. President, nobody wants to see a Soviet base in Central America. Nobody wants to see Soviet influence in Central America. We are all agreed on that. I think the disagreement is as to how we achieve our goal. We want to see Soviet influence eliminated from the Western Hemisphere. I would like to see it eliminated from many other parts of the world as well.

The administration, from the beginning, has only offered the Contras as an option, the only option. We have not tried the diplomatic, the political, the economic, but only the military approach.

It cannot be said that the Contras have not been financially assisted. It cannot be said that they have not been funded. They have been funded. They have been funded by this Congress. They have also been funded from private sources. They have been funded, we understand, by the diversion of funds from the sale of arms to Iran, a terrorist country so denominated by our own State Department.

The American people have never had an accounting of these funds. The American people have never had an accounting as to how much money has been spent, to whom the money went, and for what purposes it was spent. The American taxpayers are at least entitled to know how the money has been spent.

So, in the face of this very divided vote, in the face of the fact that the other body has approved a resolution that provides for a moratorium until such time as there can be an accounting of the funds, I shall ask unanimous consent to proceed to consideration of the moratorium resolution. I do not know whether it will be objected to; I do hope that the Senate will be able to proceed to the consideration of the moratorium resolution that came over from the House, and that we can have a vote up or down on that resolution.

While I have the floor, I will be glad to yield to anyone.

MORATORIUM ON ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

Mr. DOLE. Mr. President, will the Senator yield?

Mr. BYRD. I am happy to yield.

Mr. DOLE. I thank the distinguished majority leader.

I think there will be an objection to proceeding. I would certainly be willing to explore the possibility of agreeing to take up the resolution. I have been advised by some who have voted against the disapproval resolution that they would vote to proceed to the resolution. I am not certain how many. It would not take many. The vote is very close.

I also understand, of course, the majority leader can probably avoid much debate on the motion to proceed. But I would be constrained to object to the unanimous consent request.

I would then indicate to the majority leader I would be willing to visit with Members on my side to see if we could have some agreement to proceed to the resolution.

Mr. BYRD. Very well. I thank the distinguished Republican leader.

I, therefore, ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 175.

The VICE PRESIDENT. Is there objection to the request of the Senator from West Virginia?

Mr. DOLE. Mr. President, I object.

The VICE PRESIDENT. Objection is heard.

Mr. BYRD. Now, Mr. President, I shall move to proceed to the consideration of the resolution and I will be very happy then to discuss with the distinguished Republican leader any possibilities for a vote on the motion. I am certainly open to discussing it.

If there is no further question from the distinguished leader on the other side of the aisle, I move to proceed to the consideration of House Joint Resolution 175.

The VICE PRESIDENT. The question is on agreeing to the motion.

The Republican leader.

Mr. DOLE. Mr. President, I would say to the distinguished majority leader that what I will do now is suggest the absence of a quorum, which will give us an opportunity to discuss that. I can discuss with Members on my side and I will get back to the majority leader.

Mr. BYRD. Very well.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GARN, from the Committee on Banking, Housing and Urban Affairs:

Special Report on Oversight Activities of the Committee on Banking, Housing, and Urban Affairs, 99th Congress (Rept. No. 100-14).

By Mr. CRANSTON, from the Committee on Veterans Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 477: A bill to assist homeless veterans (Rept. No. 100-15).

By Mr. FORD, from the Committee on Rules and Administration, without amendment and with a preamble:

H. Con. Res. 49: A concurrent resolution authorizing use of the rotunda of the Capitol on April 28, 1987, for ceremonies to observe the days of remembrance of victims of the Holocaust.

By Mr. BENTSEN, from the Committee on Finance, without amendment and with a preamble:

S. Res. 164: A resolution calling on the President to respond to the violations by Japan of the United States-Japan agreement on semiconducters.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. Kennedy, from the Committee on Labor and Human Resources:

George H. Nash, of Iowa, to be a Member of the National Commission on Libraries and Information Sciences for a term expiring July 19, 1991;

To be Members of the National Council on the Arts for terms expiring September 3, 1992: David N. Baker, of Indiana; Nina Brock, of Tennessee; Robert Garfias, of California; Robert M. Johnson, of Florida; Ardis Krainik, of Illinois; Harvey Lichtenstein, of New York; Arthur Mitchell, of New York; and Sally Brayley Bliss, of New York.

Rosemary G. McMillan, of Nevada, to be a Member of the National Museum Services Board for a term expiring December 6, 1990; and

James H. Duff, of Pennsylvania, to be a Member of the National Museum Board for a term expiring December 6, 1991.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DOMENICI (for himself, Mr. Simon and Mr. Burdick):

S. 763. A bill to amend title XIX of the Public Health Service Act to establish a block grant to States for services for homeless individuals who have serious mental illnesses; to the Committee on Labor and Human Resources.

By Mr. MURKOWSKI (for himself, Mr. Levin, Mr. Conrad, and Mr. Riegle):

S. 764. A bill to deny funds for projects using products or services of foreign countries that deny fair market opportunities; to the Committee on Commerce, Science, and Transportation.

By Mr. PRYOR (for himself, Mr. Riegle and Mr. Bumpers):

S. 765. A bill to establish an independent agency, governed by a bipartisan board, to administer the old-age, survivors, and disability insurance program and the supplemental security income program under titles II and XVI of the Social Security Act, and for other purposes; to the Committee on Finance.

By Mr. PELL (by request):

S. 766. A bill to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, and for other purposes; to the Committee on Foreign Relations.

By Mr. PELL (by request):

S. 767. A bill to authorize appropriations for the United States Information Agency for fiscal years 1988 and 1989, and for other purposes; to the Committee on Foreign Relations.

By Mr. PELL:

S. 768. A bill to amend section 123 of the Foreign Assistance Act of 1961, relating to private and voluntary organizations and cooperatives, in order to enhance the private-public partnership for foreign assistance; to the Committee on Foreign Relations.

By Mr. JOHNSTON (for himself, Mr. Sasser, Mr. Gore, Mr. Breaux, Mr. Shelby, Mr. Heflin, and Mr. Kennedy):

S. 769. A bill to amend the Public Health Service Act to authorize assistance for centers for minority medical education, minority pharmacy education, minority veterinary medicine education, and minority dentistry education; to the Committee on Labor and Human Resources.

By Mr. GLENN:

S. 770. A bill to amend the Tariff Act of 1930 to ensure that the countervailing duty laws apply to State-controlled-economy countries; to the Committee on Finance.

By Mr. PELL (for himself, Mr. Specter, Mr. Chafee, and Mr. Weicker):

S. 771. A bill granting the consent of Congress to the Connecticut, Rhode Island, Massachusetts, New York, Maryland, Delaware, Pennsylvania, and New Jersey Rail Improvements Compact; to the Committee on the Judiciary.

By Mr. GLENN:

S. 772. A bill to amend the Clayton Act regarding consent judgments; to the Committee on the Judiciary.

By Ms. MIKULSKI:

S. 773. A bill to amend title XIX of the Social Security Act to clarify that, in the case of an institutionalized spouse, income and resources required under court order to be used for the support of a non-institutionalized spouse are not considered to be available to the institutionalized spouse; to the Committee on Finance.

By Ms. MIKULSKI:

S. 774. A bill to amend the Internal Revenue Code to provide for the deduction of contributions to long-term care savings accounts; to the Committee on Finance.

By Ms. MIKULSKI:

S. 775. A bill to amend title II of the Social Security Act to require that certain individuals be informed of the limitations imposed upon entitlement to extended care services under the medicare program and of the conditions that such individuals are (or may be) required to meet to be eligible for long-term care under a State plan approved under title XIX of such Act; to the Committee on Finance.

By Ms. MIKULSKI (for herself and Mr. Kennedy):

S. 776. A bill to amend title XIX of the Social Security Act to protect the welfare of spouses of institutionalized individuals under the medicaid program; to the Committee on Finance.

By Mr. SIMON:

S. 777. A bill to guarantee a work opportunity for all Americans, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. Pell, Mr. Matsunaga, Mr. Dodd, Ms. Mikulski, Mr. Bradley, Mr. Conrad, and Mr. Glenn):

S. 778. A bill to authorize a star schools program under which grants are made to educational telecommunications partnerships to develop, construct, and acquire telecommunications facilities and equipment in order to improve the instruction of mathematics, science, and foreign languages, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. CHILES:

S. 779. A bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general elections campaigns, to limit contributions by multicandidate political committees, and for other purposes; to the Committee on Rules and Administration.

By Mr. HATCH (for himself, Mr. Bentsen, Mr. Cranston, Mr. Dole, Mr. Durenberger, Mr. Grassley, Mr. Hollings, Mr. Humphrey, Mr. Matsunaga, Mr. Metzenbaum, Mr. Nickles, Mr. Nunn, Mr. Thurmond, Mr. Trible, and Mr. Warner):

S.J. Res. 97. A joint resolution to designate the week beginning November 22, 1987, as "National Adoption Week"; to the Committee on the Judiciary.

By Mr. HATCH:

S.J. Res. 98. A joint resolution to designate the week of November 29, 1987, through December 5, 1987, as "National Home Health Care Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for himself and Mr. Dole):

S. Res. 168. A resolution to direct the Senate Legal Counsel to represent the Secretary of the Senate in Humphrey, et al. v. Baker, et al; considered and agreed to.

By Mr. SIMPSON (for himself, Mr. Kennedy, and Mr. Thurmond):

S. Res. 169. A resolution to commend Franzetta R. DeGooyer on the occasion of her retirement from service to the United States Senate; considered and agreed to.

By Mr. MURKOWSKI:

S. Con. Res. 33. A concurrent resolution expressing the sense of the Congress regarding democracy and security in the Republic of Korea; to the Committee on Foreign Relations.

By Mr. MURKOWSKI:

S. Con. Res. 34. A concurrent resolution expressing the sense of the Congress regarding human rights abuse in North Korea and the reduction of tensions on the Korean Peninsula; to the Committee on Foreign Relations.

By Mr. DECONCINI (for himself and Mr. Chiles):

S. Con. Res. 35. A concurrent resolution expressing the sense of the Congress regarding the imposition of charges for outpatient care provided in medical facilities of the uniformed services to retired members of the Armed Forces, dependents of retired members, and dependents of members serving on active duty; to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOMENICI (for himself, Mr. Simon, and Mr. Burdick):

S. 763. A bill to amend title XIX of the Public Health Service Act to establish a block grant to States for services for homeless individuals who have serious mental illnesses; to the Committee on Labor and Human Resources.

(The remarks of Mr. Domenici and the text of the legislation appear earlier in today's Record.)

By Mr. MURKOWSKI:

S. 764. A bill to deny funds for projects using products or services of foreign countries that deny fair market opportunities; to the Committee on Commerce, Science, and Transportation.

(The remarks of Mr. Murkowski and the text of the legislation appear earlier in today's Record.)

By Mr. PRYOR (for himself, Mr. Riegle, and Mr. Bumpers):

S. 765. A bill to establish an independent agency, governed by a bipartisan board, to administer the Old-Age, Survivors, and Disability Insurance Program and the Supplemental Security Income Program under titles II and XVI of the Social Security Act, and for other purposes; to the Committee on Finance.

(The remarks of Mr. Pryor and the text of the legislation appear earlier in today's Record.)

By Mr. PELL (by request):

S. 766. A bill to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, and for other purposes; to the Committee on Foreign Relations.

DEPARTMENT OF STATE AUTHORIZATION ACT

● Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to authorize appropriations for the Department of State for fiscal years 1988 and 1989, and for other purposes.

This proposed legislation has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a section-by-section analysis of the bill and the letter from the Assistant Secretary for Legislative and Intergovernmental Affairs to the President of the Senate dated March 12, 1987.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 766

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 101. SHORT TITLE.

This title may be cited as the "Department of State Authorization Act for fiscal years 1988 and 1989."

SEC. 102. AUTHORIZATION OF APPROPRIATIONS.

In addition to amounts otherwise authorized for such purposes, the following amounts are authorized to be appropriated for the Department of State to carry out the authorities, functions, duties and responsibilities in the conduct of the foreign affairs of the United States and other purposes authorized by law:

(1) For "Administration of Foreign Affairs", $2,234,272,000 for the fiscal year 1988 and such sums as may be necessary for the fiscal year 1989.

(2) For "International Organizations and Conferences", $506,000,000 for the fiscal year 1988 and such sums as may be necessary for the fiscal year 1989.

(3) For "International Commissions", $32,706,000 for the fiscal year 1988 and such sums as may be necessary for the fiscal year 1989.

(4) For "Other Activities", $331,121,000 for the fiscal year 1988 and such sums as may be necessary for the fiscal year 1989.

TITLE II—MISCELLANEOUS PROVISIONS

SEC. 201. INSURANCE ABROAD.

Section 5913 of title 5 of the United States Code is amended by inserting "(including cost of liability insurance)" after "unusual expenses".

SEC. 202. AUTHORITY OF DIPLOMATIC SECURITY SERVICE.

Section 37 of the State Department Basic Authorities Act (22 U.S.C. 2709) is amended—

(1) by revising subparagraph (a)(2) thereof to read as follows:

"(2) for the purpose of conducting such investigations—

(A) obtain and execute search and arrest warrants, and

(B) obtain and serve subpoenas and summonses issued under the authority of the United States;

(C) arrest without warrant any person for a violation of section 911, 1001, 1028, 1541, 1542, 1543, 1544, 1545, or 1546 of Title 18, United States Code—

"(i) in the case of a felony violation, if the special agent has reasonable grounds to believe that such person has committed or is committing such violation; or

"(ii) in the case of a misdemeanor violation, if the violation is committed in the presence of the special agent."; and

(2) by revising subparagraph (a)(5) thereof to read as follows:

"(5) arrest without warrant any person for a violation of section 111, 112, 351, or 970 of Title 18, United States Code—

"(A) in the case of a felony violation, if the special agent has reasonable grounds to believe that such person has committed or is committing such violation; or

"(B) in the case of a misdemeanor violation, if the violation is committed in the presence of the special agent."

SEC. 203. CARRY-OVER OF SENIOR FOREIGN SERVICE PERFORMANCE PAY.

Section 405(b) of the Foreign Service Act of 1980 (22 U.S.C. 3965(b)) is amended—

(1) in paragraph (4), by inserting at the end thereof the following:

"Any amount which is not paid to a member of the Senior Foreign Service during a fiscal year because of this limitation shall be paid to that individual in a lump sum at the beginning of the following fiscal year. Any amount paid under this authority during a fiscal year shall be taken into account for purposes of applying the limitation in the first sentence of this subparagraph with respect to such fiscal year." and

(2) by adding at the end thereof the following:

"(5) The Secretary of State shall prescribe regulations, consistent with section 5582 of title 5, United States Code, under which payment under this section shall be made in the case of any individual whose death precludes payment under paragraph (4) of this subsection."

SEC. 204. COMPENSATION OF FASCELL FELLOWS.

Section 605(b) of P.L. 99-399 is amended by revising it to read as follows:

"(b) Authorities. Fellows may be deemed to be federal employees for the purposes of the Foreign Service Act of 1980 (22 U.S.C. 3901 *et seq.*), Title 5 of the United States Code, and all other laws governing federal employment; or alternatively may be compensated through a contractual agreement under the provisions of Section 2(c) of the State Department Basic Authorities Act of 1956, as amended."

SEC. 205. PRESERVATION OF MUSEUM CHARACTER OF PORTIONS OF DEPARTMENT OF STATE BUILDING.

(a) The areas of the Department of State Building, located at 2201 C Street, N.W., Washington, D.C., known as the Diplomatic Reception Rooms (8th Floor), Secretary of State's offices (7th Floor), Deputy Secretary of State's offices (7th Floor), and 7th Floor Reception Area, respectively, shall be administered pursuant to this section.

(b) The Secretary of State shall administer and regulate the areas described in subsection (a) (hereafter "the museum areas") by such means and measures as conform to the fundamental purpose of the museum areas, which purpose is to conserve the architecture, furnishings, and historic objects therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the use and enjoyment of future generations. In carrying out this section primary attention shall be given to the preservation and interpretation of their present museum character, but nothing done under this section shall conflict with the administration of the Department of State or with the use of the museum areas for official purposes of the Department of State.

(c) Articles of furniture, fixtures, and decorative objectives of the museum areas, when declared by the Secretary of State to be of historic or artistic interest, together with such similar articles, fixtures, and objects as are acquired by the Secretary of State in the future when similarly so declared, shall thereafter be considered to be the property of the Secretary of State in official capacity and shall be subject to disposition solely in accordance with this section.

(d) When the Secretary of State determines that any of the articles described in subsection (c) are no longer needed for use or display in the museum areas or may better be used to upgrade the museum areas, the Secretary is authorized, under such terms and conditions as the Secretary may deem advisable, to sell the articles at fair market value or to trade them without regard to the requirements of the Federal Property and Administrative Services Act of 1949, as amended. The proceeds of sale may be credited to the unconditional gift account of the Department of State, and items obtained in trade shall be the property of the Secretary of State under this section. The Secretary of State may also lend such articles, when not needed for use or display in the above described areas, to the Smithsonian Institution, or similar institutions, for care, repair, study, storage or exhibition.

SEC. 206. AUTHORITY TO INSURE CONTENTS OF STATE DEPARTMENT DIPLOMATIC RECEPTION ROOMS.

Section 3 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2670) is amended:

(1) by striking "and" after subsection (i) and changing the period at the end of subsection (j) to "; and"; and

(2) by adding at the end thereof the following:

"(k) obtain insurance on the furnishings, including works of art and antiques, which may from time to time be within the responsibility of the Fine Arts Committee of the Department of State of the Diplomatic Rooms of the Department."

SEC. 207. ELIMINATION OF UNNECESSARY REPORTING REQUIREMENTS

(a) The Foreign Service Act of 1980 is amended as follows:

(1) in section 105(d)(2) (22 U.S.C. 3905(d)(2)), by striking the existing text and inserting in lieu thereof the following:

"(d)(2) The Secretary shall transmit to each House of the Congress the Department's reports on its equal employment opportunity and affirmative action programs and its minority recruitment programs as required under the statutes enforced by and the regulations and directives issued by the Equal Employment Opportunity Commission (EEOC) and the U.S. Office of Personnel Management (OPM). These reports shall be transmitted at least annually, and shall be received by the Congress not later than 30 days after their original submission to EEOC or OPM.";

(2) in section 601(c) (22 U.S.C. 4001(c)), by adding at the end thereof the following:

"(4) Not later than March 1 of each year, the Secretary of State shall submit a report to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate which shall—

"(a) describe the steps taken and planned in furtherance of (A) maximum compatibility among agencies utilizing the Foreign Service personnel system, as provided for in section 203, and (B) the development of uniform policies and procedures and consolidated personnel functions, as provided for in section 204;

"(b) specify the upper and lower limits planned by each such agency for recruitment, advancement, and reduction of members of the Service, as provided for in section 601(c)(2), including with respect to each of the relevant promotion competition groups the projected ranges of rates of appointment, promotion, and attrition over each of the next five fiscal years, as well as a comparison of such projections with the projections for the proceeding year and with actual rates of appointment, promotion, and attrition, including a full explanation of any diviations from projections reported in the proceeding year; and

"(c) specify the numbers of members of the Service who are assigned to positions classified under section 501 which are more than one grade higher or lower than the personal rank of the member.";

(3) in section 703 (22 U.S.C. 4023), by repealing subsection (f) thereof; and

(4) by repealing section 2402 (22 U.S.C. 4173).

(b) Section 152(c) of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (99 Stat. 428) is repealed.

SEC. 208. AUTHORITY TO INVEST AND RECOVER EXPENSES FROM CLAIMS SETTLEMENT FUNDS.

(a) Title I of the International Claims Settlement Act of 1949 (22 U.S.C. 1621 *et seq.*) is amended by inserting at the end of section 8 the following new subsection:

"(g) The Secretary of the Treasury is authorized and directed to invest the amounts held respectively in the 'special funds' established by this section in public debt securities with maturities suitable for the needs of the separate accounts and bearing interest at rates determined by the Secretary, taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities. The interest earned on the amounts in each special fund shall be used to make payments, in accordance with subsection (c), on awards payable from that special fund."

(b) The Act of February 27, 1896 (29 Stat. 32, 22 U.S.C. 2668a) is amended as follows:

(1) by inserting ", subject to the deduction made under subsection (b) of this section, if any," after "and certify the same" in the second sentence;

(2) by designating the existing text, as so amended, as subsection (a);

(3) by inserting at the end thereof the following new subsection (b):

"(b) The Secretary of State shall deduct from moneys received from foreign governments and other sources as a result of an international arbitration or other international dispute settlement proceeding to which the United States is a party an amount equal to 5 percent of any moneys determined by the Secretary to be due a private U.S. claimant, as reimbursement for expenses incurred. The amount so deducted shall be covered into the Treasury to the credit of miscellaneous receipts. This subsection shall not apply to any expenses incurred or amounts received in connection with the Iran-United States Claims Tribunal, or to any funds created under section 1627 of this title."

(c) The Act of May 15, 1936 (49 Stat. 1321; 22 U.S.C. 2661) is amended—

(1) by designating the existing text thereof as subsection (a); and

(2) by adding a new subsection (b) at the end thereof, to read as follows:

"(b) The Secretary of State is authorized to accept reimbursement from corporations, firms and individuals for the expense of travel, translation, printing, special experts, and other extraordinary expenses incurred in pursuing a claim on their behalf against a foreign government or other foreign entity. Such reimbursements shall be credited to the appropriation account against which the expense was initially charged."

SEC. 209. U.S.-INDIA FUND.

Section 903 of the United States-India Fund for Cultural Educational, and Scientific Cooperation Act (22 U.S.C. 290j-l) is amended by inserting at the end of section 903(b) the following new subsection:

"(c) In accordance with the agreement negotiated pursuant to section 902(a), the moneys appropriated as described in subsection (b) above, as well as the earnings generated therefrom, may be made available for the purposes set out in section 902(a)."

SEC. 210. EXTENSION OF LIMITED APPOINTMENTS.

Chapter 3 of title I of the Foreign Service Act of 1980 is amended in section 309 (22 U.S.C. 3949)—

(A) by deleting "section 311 (a)" and inserting in lieu thereof "subsection (b)";

(B) by designating the text, as so amended, as subsection (a); and

(C) by adding the following new subsection (b):

"(b) A limited appointment may be extended for continued service as—

"(i) a consular agent;

"(ii) a family member as provided in section 311(a);

"(iii) a career candidate, if continued service is determined appropriate to remedy a matter that would be cognizable as a grievance under chapter 11; or

"(iv) a career employee in another Federal personnel system serving in a Foreign Service position on detail from another agency."

SEC. 211. COMPENSATION.

The State Department Basic Authorities Act (22 U.S.C. 2669 *et seq.*) is amended—

(1) in section 35(b), by inserting after the second sentence thereof the following new sentence: "The compensation for this position shall be at the annual rate for positions authorized by section 5315 of title 5, United States Code."

(2) in section 203(a), by inserting at the end thereof the following new sentence: "The Director shall be compensated at the annual rate for positions authorized by section 5315 of title 5, United States Code."

SEC. 212. SURVIVOR AND HEALTH BENEFITS FOR CERTAIN FORMER SPOUSES.

Chapter 8 of the Foreign Service Act of 1980 (22 U.S.C. 3901 *et seq.*) is amended by inserting after Section 829 the following two sections:

"SEC. 830. SURVIVOR BENEFITS FOR CERTAIN FORMER SPOUSES.

"(a)(1) Any individual who was a former spouse of a participant or former participant on February 14, 1981, shall be entitled, to the extent of available appropriations, and except to the extent such former spouse is disqualified under subsection (b), to a survivor annuity equal to 55 per centum of the greater of—

"(A) the full amount of the participant's or former participant's annuity, as computed under Chapter 8 of the Foreign Service Act of 1980; or

"(B) the full amount of what such annuity as so computed would be if the participant or former participant had not withdrawn a lump-sum portion of contributions made with respect to such annuity.

"(2) A survivor annuity payable under this section shall be reduced by an amount equal to the amount of retirement benefits, not including benefits under title II of the Social Security Act, received by the former spouse which are attributable to previous employment of such former spouse by the United States.

"(b) A former spouse shall not be entitled to a survivor annuity under this section if—

"(1) an election has been made with respect to such former spouse under section 2109;

"(2) the former spouse is a designated beneficiary of the employee as a person with an insurable interest;

"(3) the former spouse remarries before age fifty-five;

"(4) the former spouse is less than fifty years of age;

"(5) the former spouse was not married to the participant at least 10 years during service of the participant which is creditable under this chapter with at least five years occurring while the participant was a member of the Foreign Service.

"(c)(1) The entitlement of a former spouse to a survivor annuity under this section—

"(A) shall commence—

"(i) in the case of a former spouse of a participant or former participant who is deceased as of the effective date of this section, beginning on the later of—

"(I) the sixtieth day after such date; or

"(II) the date such former spouse reaches the age fifty; and

"(ii) in the case of any other former spouse, beginning on the latest of—

"(I) the date that the participant or former participant to whom the former spouse was married dies;

"(II) the sixtieth day after the effective date of this section; or

"(III) the date such former spouse reaches age fifty; and

"(B) shall terminate on the last day of the month before the former spouse's death or remarriage before attaining the age fifty-five.

"(2)(A) A survivor annuity under this section shall not be payable unless appropriate written application is provided to the Secretary, complete with any supporting documentation which the Secretary may by regulation require, within thirty months after the effective date of this section.

"(B) Upon approval of an application provided under subparagraph (A), the appropriate survivor annuity shall be payable to the former spouse with respect to all periods before such approval during which the former spouse was entitled to such annuity under this section, but in no event shall a survivor annuity be payable under this section with respect to any period before the effective date of this section.

"(d) The Secretary shall—

"(1) as soon as possible, but not later than sixty days after the effective date of this section, issue such regulations as may be necessary to carry out this section; and

"(2) to the extent practicable, and as soon as possible, inform each individual who was a former spouse of a participant or former participant on February 14, 1981, of any rights which such individual may have under this section."

"SEC. 831 HEALTH BENEFITS FOR CERTAIN FORMER SPOUSES.

"(a) Except as provided in subsection (c)(1), any individual—

"(1) formerly married to an employee or former employee of the Foreign Service, whose marriage was dissolved by divorce or annulment before May 7, 1985;

"(2) who, at any time during the eighteen-month period before the divorce or annulment became final, was covered under a health benefits plan as a member of the family of such employee or former employee; and

"(3) who was married to such employee for not less than ten years during periods of government service by such employee, is eligible for coverage under a health benefits plan in accordance with the provisions of this section.

"(b)(1) Any individual eligible for coverage under subsection (a) may enroll in a health benefits plan for self alone or for self and family if, before the expiration of the six-month period beginning on the effective date of this section, and in accordance with such procedures as the Director of the Office of Personnel Management shall by regulation prescribe, such individual—

"(A) files an election for such enrollment; and

"(B) arranges to pay currently into the Employees Health Benefits Fund under section 8909 of title 5, United States Code, an amount equal to the sum of the employee and agency contributions payable in the case of an employee enrolled under chapter 89 of such title in the same health benefits plan and with the same level of benefits.

"(2) The Secretary shall, as soon as possible, take all steps practicable—

"(A) to determine the identity and current address of each former spouse eligible for coverage under subsection (a); and

"(B) to notify each such former spouse of that individual's rights under this section.

"(3) The Secretary shall waive the six-month limitation set forth in paragraph (1) in any case in which the Secretary determines that the circumstances so warrant.

"(c)(1) Any former spouse who remarries before age fifty-five is not eligible to make an election under subsection (b)(1).

"(2) Any former spouse enrolled in a health benefits plan pursuant to an election under subsection (b)(1) may continue the enrollment under the conditions of eligibility which the Director of the Office of Personnel Management shall by regulation prescribe, except that any former spouse who remarries before age fifty-five shall not be eligible for continued enrollment under this section after the end of the thirty-one-day period beginning on the date of remarriage.

"(d) No individual may be covered by a health benefits plan under this section during any period in which such individual is enrolled in a health benefits plan under any other authority, nor may any individual be covered under more than one enrollment under this section.

"(e) For purposes of this section the term 'health benefits plan' means an approved health benefits plan under chapter 89 of title 5, United States Code."

(b) The additions to the Foreign Service Act of 1980 made by this section shall take effect on October 1, 1987, or 90 days after enactment, if later.

SEC. 213. PAY LEVEL OF AMBASSADORS AT LARGE.

Title 5 of the United States Code is amended as follows:

(a) Chapter 53 of title 5 of the United States Code is amended—

(A) in section 5313, by striking "Ambassadors at Large"; and

(B) in section 5315, by inserting "Ambassadors at Large" at the end thereof.

(b) The amendment made by subsection (a)(1) shall not affect the salary of incumbents of such positions on the effective date of this Act.

SEC. 214. OFFICIAL RESIDENCE FOR THE SECRETARY OF STATE.

(a) The State Department Basic Authorities Act of 1956 is amended—

(1) by redesignating section 39 as section 301 and moving that section to the appropriate place in the Act; and

(2) by adding immediately after section 38 the following new section:

"OFFICIAL RESIDENCE

"SEC. 39. (a) The Department of State may construct, or acquire by purchase or gift, a suitable permanent residence within the Washington, D.C. area for future Secretaries of State. The Department shall not use any appropriated funds to finance such construction or acquisition, but instead shall make use of funds and other property obtained pursuant to section 25 of the State Department Basic Authorities Act of 1956. The Department may insure this residence and its related real and personal property. In carrying out the purposes of this section, the Department may use the authorities contained in 22 U.S.C. 4308(d).

"(b) The Department shall periodically advise Congress on activities undertaken pursuant to this section."

(b) Section 130 of Public Law 99-93 is repealed.

SEC. 215. REFORM IN THE BUDGET DECISION-MAKING PROCEDURES OF THE UNITED NATIONS AND ITS SPECIALIZED AGENCIES.

(a) FINDINGS.—The Congress finds that, with the adoption of General Assembly Resolution 41/213, the United Nations has taken a first concrete step toward fundamental reform of its decision-making procedures on program budget matters.

(b) Section 143 of P.L. 99-93 (99 Stat. 405) is amended as follows:

(1) the existing subsection (b) thereof is revised to read as follows:

"(b) FINANCIAL RESPONSIBILITY IN BUDGET PROCEDURES.—In order to achieve greater financial responsibility in preparation of the assessed budgets of the United Nations and its specialized agencies, the President is urged to seek the adoption and implementation by such agencies of decision-making procedures on budgetary matters which assure that sufficient attention is paid to the views of the United States and other member states who are major financial contributors to such assessed budgets.";

(2) the existing subsection (c) thereof is revised to read as follows:

"(c) LIMITATION ON ASSESSED CONTRIBUTIONS.—(1) With respect to contributions assessed for calendar year 1987 and following years, no payment may be made for an assessed contribution to any of the specialized agencies of the United Nations in excess of 20% of the total annual budget of the agency unless the President determines that such agency has adopted or made substantial progress toward adopting such procedures, and that, where such procedures have been adopted they are being implemented in a manner that substantially achieves the objectives of this legislation.

"(2) With respect to contributions assessed from calendar year 1987 and following years for the United Nations, no payment may be made for an assessed contribution in excess of 20% of the total annual budget of the organization unless the President determines that the consensus based decision-making procedure established by General Assembly Resolution 41/213 is being implemented and its results respected by the General Assembly.

"(3) Where the above Presidential determinations have been made, payment of assessed contributions for prior years may be made without regard to this limitation to the extent that Congress makes funds available explicitly for this purpose."; and

(3) the following new subsection (d) is added at the end thereof:

"(d) In addition, there are authorized to be appropriated such additional sums as may be necessary to pay the full United States assessed contributions for calendar years 1987 and 1988 to the United Nations, its specialized agencies, and other international organizations."

SECTION-BY-SECTION ANALYSIS

TITLE I—AUTHORIZATION OF APPROPRIATIONS

Section 101: Short title

This section provides that the Act may be cited as the "Department of State Authorization Act, Fiscal Years 1988 and 1989".

Section 102: Authorization of appropriations

This section provides an authorization of appropriations for the Department of State in accordance with the provisions of section 15(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680), as amended. This Act primarily authorizes funds to be appropriated under this legislation for the fiscal years 1988 and 1989 category.

Category (1)—authorizes appropriations under the heading "Administration of Foreign Affairs" for fiscal years 1988 and 1989. This category provides the necessary funds for the salaries, expenses and allowances of the officers and employees of the Department, both for the United States and abroad. It includes funds for executive direction and policy formulation, conduct of diplomatic relations with foreign governments and international organizations, domestic public information activities. This category also provides for representational expenses in accordance with Section 905 of the Foreign Service Act of 1980. Further, it authorizes funds for such activities as the acquisition and maintenance of office space and living quarters for staff of United States agencies abroad; funds for relief and repatriation loans to United States citizens abroad and for other emergencies of the Department; and authorizes appropriations for buying power maintenance and protection of foreign missions and officials, and the American Institute in Taiwan.

Category (2)—authorizes appropriations for fiscal years 1988 and 1989 under the heading "International Organizations and Conferences". This category provides the necessary funds for United States contributions of its assessed share of the expenses of the United Nations and other international organizations of which the United States is a member. In addition, provision is made for funding of official United States Government participation in regularly scheduled or planned multilateral intergovernmental conferences, meetings and related activities, and for contributions to international peacekeeping activities in accordance with multilateral agreements.

Category (3)—authorizes appropriations for fiscal years 1988 and 1989 under the heading "International Commissions". This category provides funds necessary to enable the United States to meet its obligations as a participant in international commissions such as the American Sections of international commissions dealing with American boundaries and related matters with Canada and Mexico, and international fisheries commissions.

Category (4)—authorizes appropriations for fiscal years 1988 and 1989 under the heading "Other Activities". This category enables the Secretary of State to provide assistance and make contributions for migrants and refugees, including contributions to international organizations such as the United National High Commissioner for Refugees, and the International Committee for the Red Cross, and through private voluntary agencies and through governments, and bilateral assistance, as authorized by law. This category also provides funds for United States bilateral science and technology agreements, Soviet-East European research, the Asia Foundation, the Fishermen's Protective Fund and the Fishermen's Guaranty Fund.

In addition to the amounts requested to be authorized in this bill, The Department plans to utilize the following authorizations aready enacted by Congress for:

Acquisition and Maintenance of Buildings, $416,911,000 in 1988 by the Diplomatic Security and Anti-terrorism Act of 1986 by the Diplomatic Security and Anti-terrorism Act of 1986 (P.L. 99-399).

Fishermen's Protective Fund, $1,000,000 in 1988 by the Fishermen's Protective Act (P.L. 99-659).

Fishermen's Guaranty Fund, $1,800,000 in 1988 by the Fishermen's Protective Act (P.L. 99-659).

Foreign Service Retirement and Disability Fund, $85,958,000 in 1988 under Section 24(a) of State Department Basic Authorities Act (22 U.S.C. 4061).

As a result, the total authorization amounts, including these authorizations, is $3,721,819,000 for fiscal year 1988 and such sums as may be necessary for fiscal year 1989.

TITLE II—MISCELLANEOUS PROVISIONS

Section 201: Insurance abroad

Chiefs of mission and other senior officers, who are required to maintain residences which exceed personal requirements because of officially documented representational responsibilities, would be authorized to obtain so-called "home-owner's" liability insurance at Government expense. Covered would be Ambassadors, Deputy Chief of Mission, and Counselors of Embassies. In extraordinary circumstances, posts would request specific authority to cover other individuals with documented and frequent representational responsibilities. This would offset potential personal liability of these officers for death or injury to official invitees on the premises and provide compensation to such persons which may be unavailable or inadequate under the laws applicable to tort claims against the United States.

Section 202: Authority of Diplomatic Security Service

This section amends the authority of Department of State special agents to arrest without a warrant in order to correct ambiguity in the current language and to enable the Department more effectively to carry out its enforcement responsibilities. Under current law, in order for a special agent to make an arrest for a felony violation not committed in his presence, two requirements must be met: the agent must have reasonable grounds to believe that such person has committed or is committing such violation and, in addition, the person must be in or fleeing from the immediate area of the commission of the violation.

The requirement that an individual be in or fleeing from the area of the crime is not a usual condition of comparable arrest authorities; for example, the arrest authorities of the Secret Service, F.B.I., Bureau of Alcohol, Tobacco and Firearms, and the Drug Enforcement Administration do not contain such a requirement. It is, moreover, a severely restrictive requirement, which effectively permits arrest only when the agent can apprehend the violator almost immediately after the crime. If, for example, the violator successfully escapes pursuit by the agent, the agent cannot later arrest him. Even if an individual were to confess to previously committing a crime in the presence of an agent, no arrest could be made. The proposed amendment would remove this requirement, conforming this arrest authority to the comparable authority of other federal agencies. It would also clarify that the authority to make arrests for certain violations, as specified in subsection (a)(2)(C), is to be used in connection with investigations concerning illegal passport or visa issuance or use.

Section 203: Carry-Over of Senior Foreign Service performance pay

This is a conforming amendment, which exactly parallels a provision added to 5 U.S.C. 5383 with repsect to the Senior Executive Service by P.L. 98-615 of November 8, 1984. The purpose is identical to that of the earlier SES provision, to make it possible for the most distinguished performers to receive the full benefits devised by the Congress in recognition of their contributions, without exceeding in any one year the statutory limit for combined base pay and performance pay/presidential awards: the salary of Executive Level I paid to a Cabinet Secretary. Currently, the pay structure for the SES and the SFS is identical, except for the absence of this provision with respect to the SFS.

Section 204: Compensation of fascell fellows

This is a perfecting amendment, intended to clarify the original intent of Title X of P.L. 99-399 that Fascell Fellows could either be appointed on limited Foreign Service appointments, or on a contractual basis. Under this amendment, appointments under limited Foreign Service appointment authority would be subject to all laws and regulations governing federal employees. Compensation under a contractual arrangement, on the other hand, would be governed by Section 2(c) of the State Department Basic Authorities Act, concerning personal service contracts. Direct hiring and contract authority would not be mixed for any one individual.

Section 205: Preservation of museum character of portions of Department of State Building

This section provides authority and a statutory mandate for the Secretary of State, with the guidance of the Department of State's Curator of the Diplomatic Reception Rooms, to preserve the historic style and quality of designated areas of the Department of State Building. It is similar to Public Law 87-286 (75 Stat. 586) which is the basis for preserving the museum character of the White House.

Subsection (a) describes the areas so designated; they are:

(1) the Diplomatic Reception Rooms on the 8th floor of the building (the John Quincy Adams, Thomas Jefferson, Benjamin Franklin, James Monroe, James Madison, Henry Clay, Martin Van Buren, Daniel Webster, James Buchanan, Robert Livingston Rooms and adjacent lounges and halls);

(2) the offices and reception areas of the Secretary and Deputy Secretary of State on the 7th floor of the building, and

(3) the 7th floor Reception Area (immediately outside the Secretary's office, also known as the Treaty Rooms).

Subsection (b) directs the Secretary of State to administer and regulate the historical areas designated in subsection (a), called the museum areas for purposes of this section, by such means and measures as conform to their fundamental purpose. This would include access to the public, as in present practice, to provide proper security and to avoid unnecessary wear and tear. The fundamental purpose is to conserve the present historical integrity of the architecture, furnishings, and historic objects in these areas and to provide for their enjoyment in a manner and means which will leave them unimpaired for the use and enjoyment of future generations. The Secretary of State would give primary attention to the preservation and interpretation of the character of the designated areas as presently existing or already planned. (Work on the Deputy Secretary's offices is scheduled to begin in 1988). However, this authority is not to be exercised in a way which would conflict with the administration of the State Department or with the use of the museum areas for official purposes.

Subsection (c) provides authority for the Secretary of State to decide which articles of furniture, fixtures, and decorative objects now in the areas or subsequently acquired, are of historic or artistic interest and to dispose of those items in accordance with this section.

Subsection (d) authorizes the Secretary of State to sell or trade items designated under subsection (c) when they are not needed for the museum areas or can be used to upgrade the museum areas either in terms of quality or of historic value. In order to provide the flexibility necessary to carry out the purposes of this section, such sales or trades are exempted for the provisions of the Federal Property and Administrative services Act of 1949, as amended. Conditions on items accepted as conditional gifts would continue to be observed. Proceeds of sale would be credited to the State Department's unconditional gift account and allocated to the Curator. Items obtained in trade would become the property of the Secretary of State under this section. Through the Secretary, the Curator would also be authorized to lend articles from the museum areas to other institutions, such as museums, for care, repair, study, storage or exhibition.

It is expected that the Secretary of State will carry out the above functions with the advice of, and through, a full-time Curator, who would exercise day-to-day supervision and administration of the Museum Areas. The Curator should be a person with recognized expertise in historical decoration and related matters. The present incumbent serves under a career appointment, but when it should be necessary to find a replacement, the successor would serve at the pleasure of the Secretary.

Section 206: Authority to insure contents of State Department diplomatic reception rooms

This section authorizes the Department of State to use appropriated funds to insure the part of its valuable Americana Collection which is purchased. At present the Department has the authority to insure loaned items by Comptroller General Ruling (17 Comp. Gen. 55(1937)), and items which are gifts to the collection (section 25(d) of the State Department Basic Authorities Act of 1956, 22 U.S.C. 2697(d)). The Department lacks authority to insure things purchased with donations of money. In a recent inspection report, the Deparment's Program Inspector General recommended that the Department ". . . seek appropriate legislative authority . . . to insure the entire collection." This seems prudent, and this section would do that. This insurance would cost approximately $42,000 annually. The collection is estimated to be worth $30,000,000.

Section 207: Reporting requirements

Taken together, these four amendments are intended to simplify reporting requirement associated with the Foreign Service Act of 1980, and a closely related provision in the Foreign Relations Authorization Act, Fiscal Years 1985 and 1986 (P.L. 99-93), as a result of time and experience with the reports in question. The intent is to continue to provide the Congress with desired information, while reducing the workload involved in producing reports the relevance of which is now overtaken, or the utility of which has proven to be questionable.

Subsection (a)(1) eliminates a redundant provision of section 105, which requires a comprehensive report on Equal Employment Opportunity activities which essentially replicates information produced on a somewhat different time schedule and in a slightly different format for the Equal Employment Opportunity Commission. Elimination of the current requirements and substitution of this new one will continue to provide the same information to the Congress, while simplifying production difficulties.

Subsections (a)(2) and (4) taken together revise the reporting requirements associated with the concept of maintaining a "regular, predictable flow" of personnel into the Foreign Service, into and through the Senior Foreign Service, and leaving the Service, and eliminate certain "one-time" reporting requirements no longer need because implementation of the Foreign Service Act is complete. Subsection (c) repeals the existing reporting requirement in its entirety, but subsection (d) reinstates, in language identical to that in the original report, those elements which continue to be useful. The requirement to continue to report on "stretch" and "down-stretch" assignments is maintained, although the requirement to produce a name list is omitted as being unnecessary. Such information could be provided by request, if particular circumstances make it pertinent in the Congress' view.

Subsection (a)(3) repeals the requirement to produce an annual report on agency professional development programs and the resources necessary and available to achieve them. This report has proven to be particularly difficult to develop on the required interagency basis, has not served the intended purpose of making more resources available for professional development activities, and has elicited no comment or notice from recipients. The agencies would continue to undertake to provide information on professional development for oversight purposes in the context of authorization and appropriation submissions, and as requested by the Congress when specific issues warrant.

Subsection (b) eliminates a reporting requirement which relates to the report referred to in subsection (a)(1).

Section 208: Authority to invest and recover expenses from claims settlement funds

Subsection (a) of this proposed section would provide general statutory authority for Treasury to earn and pay interest on funds deposited by foreign governments pursuant to lump-sum claims settlements, pending payment to individual claimants. At present, when the United States enters into a claims settlement agreement with another country, amounts paid to the U.S. Government are held in individual claims accounts by the Treasury. There is often considerable delay between the time the payments are made to the Treasury and the time at which the individual claims are fully adjudicated and paid to successful claimants. The International Claims Settlement Act of 1949, however, makes no provision for investment and accrual of interest. Congress has addressed this problem in the Czechoslovakian Claims Settlement Act of 1981, which specifically provides that the Secretary of the Treasury shall invest settlement monies at market rates and that the interest earned shall be paid to claimants along with the principal amount of the settlement. This amendment would provide similar authority with respect to other settlement funds.

Subsection (b) would revise 22 U.S.C. 2668a, concerning funds received by the Secretary of State from foreign governments and others in settlement of international claims, in order to require the Secretary of State to deduct a percentage fee amount for reimbursement of expenses in cases where the payment is received as a result of an international arbitration or other international dispute settlement proceedings to which the United States is a party. Such proceedings could include, for example, the establishment of an ad hoc tribunal such as the Iran-United States Claims Tribunal where private parties could bring their claims. This amount would be deducted from amounts determined to be due to U.S. citizens in connection with such claims, and would be deposited with the Treasury to the credit of miscellaneous receipts.

Subsection (c) would extend the existing authority of the Secretary of State to accept reimbursement for certain expenses incurred on behalf of private citizens, contained in 22 U.S.C. 2661, to include authority to accept reimbursement for certain extraordinary expenses, such as costs of travel, translation, printing, and special experts, incurred in pursuing claims on behalf of U.S. parties against foreign governments or entities. This amendment would not require that the private party pay for such expenses, but would permit the State Department to accept voluntary offers of reimbursement.

Section 209: U.S.-India fund

The agreement between the Government of the United States and the government of India, authorized by section 902(a) of the United States-India Fund for Cultural, Educational, and Scientific Cooperation Act, (USIF) was signed in New Delhi on January 7, 1987. The agreement is to remain in force for ten years from that date unless terminated earlier by mutual agreement, or may be extended by mutual agreement of the two governments. The agreement specifies that "The two governments will make their best efforts to ensure that all available USIF resources, including interest earnings and capital which may have been authorized for allocation by U.S. legislative action, are obligated for approved projects by the expiration date." The Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1985, appropriated $110,000,000 worth of U.S.-owned Indian rupees "for investment by the Treasury to generate earnings" to be available to the Fund. This amendment would permit use of the initial capitalization as well as the interest earnings for the purposes set out in Section 902(a), in accordance with the agreement as negotiated and signed.

Section 210: Exclusions from 5 year limit on limited appointments (F.S. Act sec. 309)

This amendment would consolidate exceptions to the 5 year limitation on the duration of limited appointments in Section 309.

Agency management would be granted discretion to extend non-career candidate appointments in four categories: (1) consular agents, (2) family members, (3) career employees of other agencies serving abroad on reimbursable detail in Foreign Service positions, and (4) candidates, where management determines that such extension is appropriate in order to remedy a problem cognizable under Foreign Service grievance system.

Consular agents perform consular services where there are no Foreign Service posts. It is highly desirable to retain satisfactory agents indefinitely. Since agents are not available for duty worldwide, and are frequently foreign nationals, they cannot be career members of the Foreign Service.

The exception for family members is already provided by Section 311, but is consolidated here for convenient reference.

The exception for career employees of other agencies furthers the efficiency of government operations. For example, career Civil Service employees of the Social Security Administration routinely serve abroad as Federal Benefits officers for a single tour, and then return to SSA. Sometimes, however, both the employee and SSA would prefer to have them remain overseas for more than five years. These voluntary extensions of the limited appointment will not affect the employee's career status in the Civil Service.

Finally, the exception for career candidates would allow an agency to extend an appointment if deemed necessary to give a career candidate an equitable chance at consideration for career tenure, as a remedy for a matter cognizable under grievance procedure. This authority would allow management to act expeditiously in cases where equity clearly warrants an extension, instead of waiting for the employee to file a grievance and allowing the Grievance Board to extend the appointment.

Section 211: Establishing a pay authority for the Director of the International Communications Policy Bureau and the Director of the Office of Foreign Missions

Section 211 would establish a pay authority for the Director of the International Communications Policy Bureau and for the Director of the Office of Foreign Missions. These positions were established by P.L. 98-164 (96 Stat. 1017). Both of these positions require Senate confirmation and present duties are at the Executive IV level. Pay would be set at this level for both positions. This amendment is required because the legislation establishing these positions did not set a pay level nor is there other authority to set a pay level, other than non-career

SFS, which is inappropriate for domestic political appointees. (SES authorities are specifically not available for positions requiring Senate confirmation.)

Section 212: Survivor benefits and health insurance for former spouses (F.S. Act secs. 830 and 831)

This amendment adds sections 830 and 831 to Chapter 8 of the Act to provide survivor annuities and access to health insurance coverage to former spouses who were divorced from members of the Service before the effective date of the 1980 Act. The amendment parallels the 1987 authorization act for the Intelligence Community, which extended the same benefits to former spouses of CIA employees divorced before the legislation which had originally established former spouse benefits for the CIA.

This will ease the plight of this closed group of less than 100 former spouses who have spent long periods in support of the U.S. Government through service with their former husbands at posts abroad. The 1980 Act protects those who become former spouses after its effective date of February 15, 1981, but that Act was not made retroactive.

This amendment would allow these former spouses to received survivor annuities, provided that the former spouse meets these qualifying conditions:

(i) does not remarry prior to age 55;

(ii) was married to a participant who was qualified to leave a survivor annuity;

(iii) was married to the participant during at least 10 years of creditable service, and during at least 5 years in the Foreign Service;

(iv) is not eligible for benefits under Section 2109 of the Act as a designated beneficiary of the employee;

(v) files an application within 30 months; and

(vi) is over age 50 at the time of filing such applications.

The Secretary would be required to issue implementing regulations within 120 days of enactment and, to the maximum extent practicable, to notify affected individuals.

Benefits under this section would be paid from the Fund without requiring any reduction of benefits paid to others.

It is estimated that eligible persons covered by this retroactive program have served abroad in the Foreign Service community an average of 12 years. They deserve this benefit because—

Many in this group are old, disabled, have little work experience.

They are cut-off from Government pensions and few have Social Security protection.

They are faced disadvantages not faced by others, including cultural, legal and linguistic barriers to their own paid employment.

They were subjected to riots, bombings, diseases.

They were required, prior to 1972, to perform representational tasks for the United States.

Section 831 would allow former spouses divorced before May 7, 1985, access to the Federal Employees Health Benefits Plan, under certain conditions. The former spouse would need to demonstrate that he or she was covered as a married dependent of an employee within eighteen months of the divorce. The former spouse would pay both the employer and employees' share of premiums, and the former spouse could not participate in the FEHBP if he or she had other group health insurance coverage. This amendment would also parallel a similar extension of benefits to former spouses of Civil Service and/or CIA employees.

Section 213: Changing the salary of Ambassadors at Large (5 U.S.C. 5313)

This change would reduce the salary levels of Ambassadors at Large from Executive Level II to Level IV, i.e., from the equivalent of the Deputy Secretary to the equivalent of an Assistant Secretary. The Department believes this change is needed to reflect accurately the responsibility vested in Ambassadors at Large. Ambassadors who are Chiefs of Mission are no longer paid at the equivalent of Level II; Ambassadors at Large should similarly be salaried at a lower Executive Level. This provision would not reduce the salary of employees currently serving as Ambassadors at Large, but would take effect prospectively.

Section 214: Official residence for the Secretary of State

This section would make clear that the Department of State, using its gift authority under section 25 of the State Department Basic Authorities Act of 1956, may construct, or acquire by purchase or gift, a suitable permanent residence within the Washington, D.C. area for future Secretaries of State. The Department would be authorized to insure the residence, its contents and other structures on the property. In carrying out the purposes of this section, the Department would be authorized to use the provisions of 22 U.S.C. 4308(d) with respect to contracting. It is the intention of the Department of State that the residence would be operated and maintained at no cost to the government, except for costs of security, which would continue to be paid for out of appropriated funds.

Section 215: Reform in the budget decision-making procedures of the United Nations and its specialized agencies

This amendment would modify section 143 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (P.L. 99-93, 99 Stat. 405) to take account of the subsequent progress which has been made by the United Nations in reforming its budget decision-making procedures. The proposed amendment would retain the basic structure and purpose of section 143 but would not set forth weighted voting as the only type of procedure which should be sought to achieve the goal of fiscal responsiveness. As the United Nations has demonstrated, alternative procedures such as consensus-based decision-making can provide even more effectively for responsiveness to the views of major donors.

Thus, this amendment would revise subsection (b) of section 143 to urge the President to seek the adoption and implementation by the United Nations and specialized agencies of decision-making procedures on budgetary matters which assure that sufficient attention is paid to the views of the United States and other member states who are major financial contributors. It is recognized that the United Nations has taken a step toward satisfying this section because it has already adopted such procedures, but the United Nations should continue in any case to implement the procedures adopted and to seek improved fiscal responsibility.

The amendment would revise subsection (c) of section 143 to provide that, with respect to contributions assessed for calendar year 1987 (which would be paid from U.S. fiscal year 1988 appropriations) and subsequent years, United States payments for its assessed contributions to any of the specialized agencies would be limited to 20 percent of the total annual budget of such agency unless the President determines that such agency has adopted or made substantial progress toward adopting the type of procedures described in subsection (b). This limitation would also apply to the United Nations unless the President determines that the consensus based decision-making procedure established by General Assembly Resolution 41/213 is being implemented and its results respected by the General Assembly. Since some of these agencies have two-year budget or other decision-making cycles, these determinations will necessarily be made in view of the realistic progress which could be made during the period in question.

In view of the prior limitation imposed by section 143, it is necessary to clarify how this section applies to arrearages for prior years' contributions which remain unpaid. Accordingly, the amendment specifies that, where the above Presidential determinations have been made, payment of assessed contributions for prior years may be made without regard to the limitation imposed by section 143, either under the prior or revised versions, to the extent that Congress makes funds available explicitly for this purpose. This provision does not affect the applicability of other limitations provided for by law.

Finally, this section authorizes such additional appropriations as are necessary to pay the full United States assessed contributions for calendar years 1987 and 1988 to the United Nations, its specialized agencies, and other international organizations.

U.S. Department of State,
Washington, DC, March 12, 1987.

Hon. George Bush,
President of the Senate.

Dear Mr. President: In accordance with Section 15 of the Act of August 1, 1956, as amended (22 U.S.C. 2680), there is transmitted herewith proposed legislation to authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during the fiscal years 1988 and 1989 and for other purposes contained in this bill.

The primary purpose of the bill is to provide authorization of appropriations for (1) "Administration of Foreign Affairs" which supports the operation of the United States diplomatic and consular posts abroad and the Department of State in the United States; (2) "International Organizations, Conferences and other activities," which includes contributions to meet obligations pursuant to treaties, conventions or specific acts of Congress and other activities; (3) "International Commissions," which enables the United States to fulfill treaty and other international obligation; and (4) "Other Activities" which funds the U.S. Bilateral Science/Technology Agreement, The Asia Foundation and the Soviet-East European Research/Training Fund, and also funds the United States annual contribution to the International Committee of the Red Cross and various refugee assistance programs. A section-by-section analysis further explaining the proposed legislation is also enclosed.

The Department has been informed by the Office of Management and Budget that there is no objection to the presentation of this proposed legislation to the Congress and that its enactment would be in accord with the program of the President.

With best wishes,
Sincerely,
J. EDWARD FOX,
Assistant Secretary, Legislative and Intergovernmental Affairs.

U.S. DEPARTMENT OF STATE,
Washington, DC, March 12, 1987.
Hon. JIM WRIGHT,
Speaker, House of Representatives.

DEAR MR. SPEAKER: In accordance with Section 15 of the Act of August 1, 1956, as amended (22 U.S.C. 2680), there is transmitted herewith proposed legislation to authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during the fiscal years 1988 and 1989 and for other purposes contained in this bill.

The primary purpose of the bill is to provide authorization of appropriations for (1) "Administration of Foreign Affairs" which supports the operation of the United States diplomatic and consular posts abroad and the Department of State in the United States; (2) "International Organizations, Conferences and other activities," which includes contributions to meet obligations pursuant to treaties, conventions or specific acts of Congress and other activities; (3) "International Commissions," which enables the United States to fulfill treaty and other international obligation; and (4) "Other Activities" which funds the U.S. Bilateral Science/Technology Agreement, The Asia Foundation and the Soviet-East European Research/Training Fund, and also funds the United States annual contribution to the International Committee of the Red Cross and various refugee assistance programs. A section-by-section analysis further explaining the proposed legislation is also enclosed.

The Department has been informed by the Office of Management and Budget that there is no objection to the presentation of this proposed legislation to the Congress and that its enactment would be in accord with the program of the President.

With best wishes,
Sincerely,
J. EDWARD FOX,
Assistant Secretary, Legislative and Intergovernmental Affairs.

FISCAL YEAR 1988-89, DEPARTMENT OF STATE AUTHORIZATION BILL—SUMMARY OF PROVISIONS

TITLE I

Section 101 provides the title of this Act.

Section 102 provides for an authorization of appropriations for the Department of State in Accordance with Section 15(a) of the State Department Basic Authorities Act of 1956, as amended. The authorization is divided into four categories.

TITLE II

Section 201 provides for home owner's liability insurance or the equivalent at government expense, for those carrying out frequent representational activities abroad, to provide adequate liability coverage for injury or death incurred during the carrying out of official responsibilities.

Section 202 clarifies the arrest authority for special agents in the Diplomatic Security Service, particularly with respect to passport and visa fraud cases.

Section 203 provides equivalence between the SES and the Senior Foreign Service, by adding a provision to the Foreign Service Act identical to one already in effect for the SES, allowing a lump sum payment of performance pay and presidential awards in a following fiscal year, if full payment cannot be made because of the statutory ceiling.

Section 204 makes a technical change with respect to methods of compensation Fascell Fellows to allow either direct or contract hires, under the program created by Title X of the Diplomatic Security Act.

Section 205 provides authority for preservation of the museum character of portions of the Department of State building, and largely is a codification of current practice.

Section 206 provides enhanced authority to insure the contents of the State Department diplomatic reception rooms.

Section 207 proposes elimination/modification of several unnecessary or outdated reports required by the Foreign Service Act of 1980.

Section 208 would provide statutory authority for the Treasury to earn and pay interest on funds deposited by foreign governments pursuant to lump-sum claims settlements, and for the Secretary of State to deduct a percentage fee from claims awards for reimbursement of expenses.

Section 209 allows the principal as well as the interest of the U.S.-India Fund to be expended in authorized projects, consistent with the recently concluded Indian-United States agreement which calls for termination of the funds after ten years.

Section 210 provides several exclusions to the five year limitation on service under Foreign Service limited appointments which operations since passage of the Foreign Service Act have shown to be desirable.

Section 211 provides a statutory basis for pay for the Director of International Communications Policy and the Director of the Office of Foreign Missions, consistent with the Presidential appointee status which these positions acquired in the previous authorization act.

Section 212 provides survivor and health benefits for former spouses of members of the Service not covered by the Foreign Service Act of 1980, and parallels a substantially identical section in the recently enacted Intelligence Authorization Act.

Section 213 changes the statutory salary for Ambassadors-at-Large from Executive Level II to Executive Level IV.

Section 214 provides authority to acquire an official residence for the Secretary of State, at no expense to the government.

Section 215 provides for modification of the Kassebaum amendment relating to budgetary reform in the U.N. system, as a consequence of actions taken by the United Nations during the last General Assembly.●

By Mr. PELL (by request):

S. 767. A bill to authorize appropriations for the United States Information Agency for fiscal years 1988 and 1989, and for other purposes; to the Committee on Foreign Relations:

UNITED STATES INFORMATION AGENCY AUTHORIZATION ACT

● Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to authorize appropriations for the U.S. Information Agency for fiscal years 1988 and 1989, and for other purposes.

This proposed legislation has been requested by the U.S. Information Agency and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a section-by-section analysis of the bill and the letter from the Director of the U.S. Information Agency dated March 12, 1987.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 767

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 101. This bill may be cited as the "United States Information Agency Authorization Act, Fiscal Years 1988 and 1989".

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. In addition to the amounts otherwise authorized for such purposes, there are authorized to be appropriated for the United States Information Agency $941,857,000 for the fiscal year 1988 and $1,070,155,000 for the fiscal year 1989 to carry out international information, educational, cultural, and exchange programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, Reorganization Plan Number 2 of 1977, the Radio Broadcasting to Cuba Act and the National Endowment for Democracy Act, and other purposes authorized by law.

LEGISLATIVE CHANGES

SEC. 103. (a) Section 801(3) of the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1471(3)) is further amended to delete after the words "not to exceed . . ." the word "twenty-five", and insert in place thereof the word "forty".

(b) Section 804 of the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1474) is further amended by deleting the word "and" at the end of subsection (19), replacing the period at the end of subsection (20) with a semicolon and adding the word "and" at the end of that subsection, and adding a new subsection (21) reading as follows:

"(21) Notwithstanding the provisions of 31 U.S.C. 1343(d) or any other law or limitation of authority, lease, maintain, and operate aircraft."

(c) Section 810 of the United States Information and Education Exchange Act of 1948 (22 U.S.C. 1475e) is amended to read as follows:

"SEC. 810. Notwithstanding the provisions of 31 U.S.C. 3302(b) or any other law or limitation of authority, all payments received by or for the use of the United States Information Agency from or in connection with English-teaching, motion picture and television programs conducted by or on behalf of the Agency under the authority of this Act or the Mutual Educational and Cultural Exchange Act of 1961 may be credited to the Agency's applicable appropriation to such extent as may be provided in advance in an appropriation Act."

(d) The Mutual Educational and Cultural Exchange Act of 1961, as amended (22

U.S.C. 2451 et seq.) is further amended by adding a new section 102(a), reading as follows:

"SEC. 102. (a) Notwithstanding the provisions of any other law or limitation of authority, the Director of the United States Information Agency is authorized to facilitate the placement in the United States and other countries of educational and cultural television programs and motion pictures produced as cooperative ventures between the Agency and foreign governmental institutions, individuals or public or private organizations."

ESTABLISHMENT OF UNITED STATES-PAKISTAN FUND FOR CULTURAL, EDUCATIONAL, AND SCIENTIFIC COOPERATION

SEC. 104. (a) The Director of the United States Information Agency (hereinafter called the "Director") is authorized to enter into an agreement with the Government of Pakistan for the establishment of a fund (hereinafter called the "Fund") for which the United States will provide a one time only grant for English language training or other cultural, educational, and scientific programs of mutual interest.

(b) The United States representatives on any board or other entity created in accordance with the agreement to administer the Fund shall be designated by the Director predominantly from among representatives of United States Government agencies, including those administering programs which may be supported in whole or in part by the Fund.

(c) United States Government agencies carrying out programs of the types specified in subsection (a) may receive amounts directly from the Fund for use in carrying out those programs.

FUNDING OF UNITED STATES-PAKISTAN FUND

SEC. 105. Subject to applicable requirements concerning reimbursement to the Treasury for United States-owned foreign currencies, the Director may make available to the Fund, for use in carrying out the agreement authorized by the preceding section, up to the equivalent of $598,176 in foreign currencies owned by the United States in Pakistan or owed to the United States by the Government of Pakistan. Such use may include investment in order to generate income which will be retained in the Fund and used to support programs pursuant to the agreement.

SECTION-BY-SECTION ANALYSIS

Section 101.—Section 101 cites this bill as the "United States Information Agency Authorization Act".

Section 102.—Section 102 of the United States Information Agency Authorization Act, Fiscal Years 1988 and 1989, authorizes the appropriation of $941,857,000 in Fiscal Years 1988, and a total of $1,070,115,000 in Fiscal Year 1989. These amounts are to cover Agency operating costs, including Salaries and Expenses, Educational and Cultural Exchange Programs, the Radio Marti Program, the East-West Center, and the National Endowment for Democracy, and capital costs in the Radio Construction account for the modernization of the Voice of America's facilities. The authorization requested for 1988 represents an increase of $94.9 million over the fiscal year 1987 appropriated and pending supplemental level. The increase is required primaraily to cover built-in costs increases, Federal retirement and pay increases, GSA rent increases, overseas cost increases and certain unavoidable programmatic costs such as those related to exhibits to be shown in the USSR under the Geneva agreement. The increase will also provide added funds to continue the multi-year effort to modernize the Voice of America's antiquated transmitting facilities, to complete the worldwide network for our WORLDNET television service to East Asia, South Asia, and Africa, and to expand the capabilities of the National Endowment for Democracy. The authorization requested for 1989 will provide an increase of $90 million for the VOA modernization effort and $38.3 million to maintain the proposed 1988 program level for basic USIA operations throughout 1989.

Section 103(a)—Forty Year Lease Authority.—The Agency can now enter into leases for a period of twenty-five years under the authority of section 801(3) of the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1471(e)). The proposed amendment would increase this authority to forty years.

Presently, VOA negotiating teams usually begin negotiations for leasing overseas sites and facilities connected with the modernization program by asking for a twenty-five year duration period, the legal maximum. Because of the enormous expenditure required for an overseas VOA site, any shorter period is normally uneconomical. However, host country negotiators frequently counter-offer for a period considerably less than twenty-five years. The proposed amendment would eliminate this initial negotiating disadvantage and give our negotiating teams greater flexibility. It would also allow an increased period of time over which to amortize the capital costs of the lease and of any modernization.

Section 103(b)—Authority to Lease Aircraft.—The Agency possesses authority, pursuant to section 8(2) of Executive Order 11034, to lease aircraft for the purpose of conducting educational and cultural exchange activities authorized by section 102(a)(2) and 102(a)(3) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2452(a)(2) and (3)), but lacks similar authority in connection with activities conducted under the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431 et seq.), which is the basic authority for the Voice of America and other information activities of the Agency. Air surveys are frequently essential for VOA's identification and appraisal of potential radio facility sites and for transportation to VOA sites over extended distances of rough terrain. In the past we have generally relied on the administrative resources of various U.S. embassies in countries where we operate to obtain aircraft whenever the need arose. Occasionally, however, an embassy is unavailable or is unable to provide aircraft for VOA's use. In addition, should an emergency arise, VOA stations, which are often remote and distant from a U.S. embassy, may need service faster than the embassy can provide. We believe the efficiency and security of our overseas VOA facilities and the safety of the personnel assigned to them would be well served by having this authority available to exercise.

Section 103(c)—Use of English—Teaching, Motion Picture and Television Program Receipts.—The provisions of 31 U.S.C. 3302(b) (formerly 31 U.S.C. 484) lay down the general rule that all funds received by or for an agency for the use of the United States must be deposited in the U.S. Treasury as miscellaneous receipts.

Section 810 of the United States Information and Educational Exchange Act of 1948 provides an exception from this requirement and permits the Agency to reuse money received by it or on its behalf from or in connection with its English-teaching programs to the extent that such reuse is provided for in advance in an appropriation Act. Among other things, this arrangement enables the Agency and its posts to buy more books and other teaching materials and to conduct more classes than it otherwise could.

For much the same types of reasons, we are asking that section 810 be amended to authorize the Agency to reuse money received by it or on its behalf from or in connection with its motion picture and television programs. Examples are payments received from the sale or rental of programs, videotapes and videocassettes. The Agency presently has contracts with five commercial distributors who place our motion pictures and television programming with television stations in Europe, Latin America, and the Middle East. This has proven to be a successful alternative for broadcasters who are reluctant to accept our materials directly from the Agency or an embassy. These distributors remit all fees received from the stations for Agency products back to the Agency, which then returns the moneys to the Treasury. The distributors are compensated for successful placements from the Agency's appropriated funds. Thus, the more successful this project is, the greater the cost to the Agency. Reuse of these distribution fees will allow the distribution program to grow and will enable the Agency to reach a much wider audience with its audio-visual materials. As in the case of the English-teaching programs, the proceeds received will be reusable only to the extent provided in advance in an appropriation Act.

Section 103(d)—Domestic Placement of Cooperative Television Programming.—The Agency is often asked by foreign individuals and organizations, both governmental and nongovernmental, to coproduce motion pictures and television programs on subjects of mutual interest to both countries. Occasionally, commitments to such cooperative ventures are made in connection with educational, cultural exchange or other international agreements (e.g., with the Soviet Union). However, becuase the Agency is not authorized to show Agency programs domestically we feel that we also cannot place or assist in the placement of these cooperative productions within the U.S. even when they are of an international educational or cultural character, in full conformity with the Fulbright-Hays Act, and are shown by our coproducers in their own and other foreign countries. To the foreign coproducer our lack of reciprocity appears to contradict U.S. government advocacy of the free flow of information across borders. The situation is particularly acute and potentially damaging with regard to joint ventures with the Soviet Union. Recent cooperative productions of the Agency and its Soviet counterparts concerning the prevention and treatment of cardiovascular disease received wide distribution in the Soviet Union while Agency placement of the programs in the U.S. was not authorized. We believe that the success of this important effort is dependent on our ability to provide reciprocal distribution of jointly-produced programming. Our proposal would link our authority to provide for the distribution of these coproductions domestically with the educational and cultural purposes and criteria of the

Mutual Educational and Cultural Exchange Act of 1961.

Sections 104 and 105—United States-Pakistan Fund for Cultural, Educational, and Scientific Cooperation.—Title IX of the FY 1984-85 Authorization Act for the Department of State, this Agency, et al. (Public Law 98-164) established the United States-India Fund for Cultural, Educational, and Scientific Cooperation. The purpose of that Fund is to provide grants and other financial assistance for cultural, educational, and scientific programs of mutual interest to India and the United States. The Act authorizes the President to make available to the Fund up to the equivalent of $200,000,000 in Indian rupees owned by the United States or owed to the United States by the Government of India.

Sections 104 and 105 of this bill provide for the establishment of a similar United States-Pakistan Fund, but on a much smaller scale, with the amount authorized to be made available to the Fund not to exceed the equivalent of $598,176 of Pakistani rupees owned by the United States as a result of the operation from 1955 through 1967 of the Informational Media Guaranty Program, which was administered by our Agency.

The differences between the provisions governing this new Fund and those governing the United States-India Fund is that, because of the relatively small amount of money involved in this case, (1) the Fund is limited to support for English language teaching and (2) the Director of our Agency, rather than the President, will be given the authority to enter into the basic agreement with the Government of Pakistan, to designate the United States representatives on the board or other entity created to administer the Fund, and to make available the necessary financing for the Fund's activities.

The main type of activity which would be assisted by this Fund is the English Language Institute, established in 1986 by the Pakistan Ministry of Education to improve the standard of English in Pakistan. Support of the Institute would further U.S. interest in education in Pakistan and would provide a permanent organization within which the Government of the United States and the Government of Pakistan could cooperate.

U.S. Information Agency,
Washington, DC, March 12, 1987.

Hon. Claiborne Pell,
Chairman, Committee on Foreign Relations, U.S. Senate.

Dear Mr. Chairman: Pursuant to the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, Reorganization Plan No. 2 of 1977, the Radio Broadcasting to Cuba Act, and the National Endowment for Democracy Act, I am submitting the enclosed proposed legislation to authorize appropriations for the United States Information Agency for Fiscal Years 1988 and 1989 to enable the Agency to carry out international information and educational and cultural exchange programs.

The Office of Management and Budget has informed us that there is no objection to the presentation of this proposed legislation and that its enactment would be in accord with the program of the President.

Sincerely,

Charles Z. Wick,
Director.●

By Mr. PELL:

S. 768. A bill to amend section 123 of the Foreign Assistance Act of 1961, relating to private and voluntary organizations and cooperatives, in order to enhance the private-public partnership for foreign assistance; to the Committee on Foreign Relations.

ENHANCING THE PRIVATE-PUBLIC PARTNERSHIP FOR FOREIGN ASSISTANCE

● Mr. PELL. Mr. President, today I am introducing legislation to enhance the private-public partnership for foreign assistance through strengthening the role of U.S. private voluntary organizations [PVO's] and cooperatives in U.S. humanitarian and economic assistance programs. The bill moves in a direction I have long advocated, to shift U.S. foreign assistance programs away from government-to-government channels and rely on American PVO's. This bill is a modest start. If I had my way, the vast majority of all programs currently administered by the U.S. Agency for International Development [AID] would be undertaken by PVO's.

The bill does not increase foreign assistance. U.S. taxpayer's dollars will be stretched through leveraging private resources contributed annually by the American public to the 189 registered U.S. private voluntary organizations [PVO's] and cooperatives. The legislation includes several modest earmarks which are under discussion with the administration and we hope to resolve these issues prior to mark up in the Senate Foreign Relations Committee.

The most significant aspect of the bill is to raise the floor for PVO's programs from 13.5 to 15 percent and set a target of 25 percent over the next 4 fiscal years. In testimony before the Senate Foreign Relations Committee, Kenneth H. Phillips, the National Executive Director of the Foster Parent Plan said:

> We believe that the PVO funding floor has been essential to maintaining the integrity of AID's support for PVO programs and indicative of the Congressional views that more U.S. assistance should be provided through private sector, non-profit organizations. We urge the Committee to not only maintain the floor, but increase it to 15 percent in 1988 and set a new target of 25 percent over the next four fiscal years. This action by the Committee will arrest the recent declines in AID-funded PVO activities and continue to express the Congressional support for the 189 registered U.S. PVO's which reach into every corner of American society. They truly express the American spirit of self-help and concern for the less fortunate overseas to which millions of citizens entrust with their own contributions.

A second important provision places into the Foreign Assistance Act an expanded mandate for AID to encourage development education programs for the American public. This provision builds on earlier legislation, sponsored by Senator Biden and myself, to disseminate widely the results of the President's Commission on World Hunger. I have witnessed these education programs grow. They hold the potential to mobilize the large constituencies represented by U.S. PVO's on issues about the world hunger and global development. The bill spells out an action-oriented approach toward development education and encourages AID to support such efforts.

The recent famine in Africa provides dramatic evidence of the confidence that Congress and the administration place in private voluntary organizations and their capacity to respond effectively and on short notice. In addition to helping to respond to national and man-made disasters, PVO's are increasingly involved in long-term development. They are able to reach the poor people in countries where they operate outside of the usual government channels. PVO's have the organizational flexibility and innovativeness, and the ability to mobilize local resources to work in remote areas beyond the reach of other support systems.

PVO's are especially effective in conducting low-cost, rural-based, development programs. They tend to serve the poorest, neediest, and most difficult-to-reach populations in the Third World.

This legislation builds on the strengths of PVO's. It would forge a strengthened private-public partnership to provide U.S. assistance programs which truly reach the poor.

I ask unanimous consent that the bill and section-by-section analysis of the bill and a list of supporting organizations be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 768

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PRIVATE AND VOLUNTARY ORGANIZATIONS AND COOPERATIVES.

(a) Additional Policies and Requirements.—Section 123 of the Foreign Assistance Act of 1961 is amended—

(1) by redesignating subsections (b) through (h) as subsections (i) through (o), respectively; and

(2) by inserting after subsection (a) the following new subsections:

"(b)(1) United States private and voluntary organizations and cooperatives have proven to be an efficient and effective means of providing people-to-people assistance which has sustainable and lasting impacts in benefiting the lives of the poor. In reflecting American values and generosity and in leveraging public funds with private resources, assistance provided through private and voluntary organizations and cooperatives builds long-term friendships for the United States. Accordingly, the Administrator of the agency primarily responsible for administering this part shall increase the involvement in assistance programs of these private nonprofit channels for the delivery of assistance, without compromising their private and independent nature. Such increased involvement should include increased consultation with, and increased direct funding through, private and voluntary organizations and cooperatives.

"(2) The Administrator primarily responsible for administering this part shall undertake to—

"(A) develop specific mechanisms for regular consultation, in the formulation of development strategies for countries and sectors, with private and voluntary organizations and cooperatives which have development experience and expertise relevant to those countries and sectors; and

"(B) provide appropriate assistance to those organizations and cooperatives to support improvements in their planning, management, evaluation, and coordination activities.

"(c) The Congress encourages the Administrator of the agency primarily responsible for administering this part to fully support and encourage development education programs. Private and voluntary organizations and cooperatives can play an important and unique catalytic role in development education to inform, motivate, and involve United States citizens in programs about developing countries or in the development process. Such programs—

"(1) increase the understanding of Americans about the importance of the developing world;

"(2) transfer factual information on global, social, economic, and political structures and problems;

"(3) foster understanding of development as a process that involves all nations;

"(4) create a broad global consciousness and awareness of transnational problems;

"(5) promote values and attitudes which encourage a feeling of responsibility to correct injustices; and

"(6) engage citizens in activities which lead to the improvement of the quality of life for all peoples.

"(d) The Congress encourages the fuller utilization of private indigenous organizations and cooperatives in the implementation of activities authorized by this part. Public and private technical and financial assistance from United States private and voluntary organizations and cooperatives can accelerate the strengthening of these organizations and their ability to assist the poor.

"(e) In order to enable them to undertake additional development activities in furtherance of section 102, United States and indigenous private and voluntary organizations and cooperatives shall be provided with increased amounts of local currencies owned by the United States or generated through United States Government agreements with host countries under this part, the Agricultural Trade Development and Assistance Act of 1954, or under section 416(b) of the Agricultural Act of 1949. The Administrator of the agency primarily responsible for administering this part is encouraged to assist in the creation and support of foundations, credit unions, cooperatives, small lender banks, and other institutions for the utilization of these currencies. The Administrator is encouraged to provide financial assistance in dollars to initiate and supplement private resources of United States private and voluntary organizations and cooperatives for technical assistance and administrative costs associated with such local currency programs with partner institutions in foreign countries.

"(f) Not less than $20,000,000 in each of fiscal years 1988 and 1989 shall be made available to private and voluntary organizations and cooperatives under this chapter and chapter 4 of part II to design, initiate, expand, and enhance food assistance programs that reach the poor in conjunction with food made available under title II of the Agricultural Trade Development and Assistance Act of 1954 and section 416(b) of the Agricultural Act of 1949.

"(g) The Congress finds that one of the most effective and least costly ways to maintain and restore the natural resource base in developing countries can be through small-scale, affordable, participatory projects using methods suited to the local environment. Assistance under this part may support private and voluntary organizations in carrying out resource conserving development projects, training, and education programs to promote sustainable agricultural development practices. Particular emphasis should be placed on agricultural and rural development projects which utilize environmentally sound land and water management technologies, including agro-forestry, water harvesting, soil conservation, reforestation, range and pasture management, small-scale irrigation systems, family gardens, park management, renewable and decentralized energy techniques, and the training of local staff on more effective community-based extension techniques that promise greater choice, improved communications, and the more active involvement of farmers in projects utilizing these technologies.

"(h) The Administrator of the agency primarily responsible for administering this part shall use not less than $20,000,000 of the funds made available to carry out this part for each of fiscal years 1988 and 1989, or an equivalent amount in local currencies, for a program pursuant to which grants are made to United States private and voluntary organizations and cooperatives for use in financing small loan activities of private indigenous organizations in furtherance of section 102. The program established pursuant to this subsection shall be administered separately from other programs of the agency.".

(b) FUNDING LEVELS.—Subsection (m) of that section (as so redesignated by subsection (a) of this section) is amended to read as follows:

"(m)(1) For each of the fiscal years 1988 through 1992, not less than 15 percent of the funds described in paragraph (2) shall be made available for the activities of private and voluntary organizations and cooperatives, and the President shall seek to channel not less than 25 percent of the funds described in subparagraph (A) of paragraph (2) for the activities of private and voluntary organizations and cooperatives.

"(2) Paragraph (1) applies with respect to the aggregate of—

"(A) the funds appropriated to carry out sections 103, 104(b), 104(c)(1), 104(c)(2), 105, 106, 121, and 491 of this Act; plus

"(B) if the President so determines, the funds used for the activities of private and voluntary organizations and cooperatives under chapter 4 of part II of this Act.".

(c) NON-FEDERAL FUNDING REQUIREMENT.—Subsection (n) of that section (as so redesignated by subsection (a) of this section) is amended to read as follows:

"(n) Funds made available to carry out this part may not be made available to any United States private and voluntary organization (other than a cooperative development organization) which obtains less than 20 percent of its total annual funding for international activities from sources other than the United States Government. In calculating the amount of Government support received by an organization, there shall be excluded the value of commodities (and related transportation) made available for overseas distribution and the value of contracts for services, grants, and other activities initiated primarily by the agency primarily responsible for administering this part.".

AMENDMENTS TO SECTION 123 OF THE FOREIGN ASSISTANCE ACT

SECTION-BY-SECTION ANALYSIS

(b) This section notes that PVOs are efficient and effective ways to provide sustainable development programs for the poor. PVOs provide less costly, people-to-people delivery systems for U.S. official economic assistance. Overseas PVO workers are willing to accept low pay, live in harsh conditions in remote areas and require less costly housing and other overseas benefits.

PVOs build long-term relationships between Americans and beneficiaries of their overseas programs, unlike short-term consultants or governmental officials. Development assistance by PVOs often directly involves major U.S. constituencies which results in the transfer not only of developmental skills and knowledge, but American values. In fact, the "internationalization" of domestic groups, such as the YMCA, credit unions, Girl Scouts, foster parents programs, League of Women Voters, rural electric cooperatives, environmental groups and others, is usually the impetus for the creation of PVOs.

The section notes that AID should increase the involvement in assistance programs of private nonprofit channels for the delivery of assistance. With increasingly limited bilateral U.S. foreign assistance dollars, this section requires more reliance on the non-profit, private sector for the provision of U.S. economic assistance in contrast to the heavy reliance on host government public agencies. The word "direct" indicates that funding should be provided to PVOs, rather than through host government public agencies.

Further, the section requires the Administrator of the U.S. Agency for International Development to develop specific mechanisms for regular consultation with PVOs and cooperatives in sector and country programming. The intention is to open up the AID development planning process to the viewpoints by the large diversity of PVOs which often have unique experiences and valuable insights into U.S. bilateral development activities. The section also provides authority for AID to support improvements in PVO planning, management, evaluation and coordination.

(c) This section encourages AID to support public education on developmental issues. Since passage of the Biden-Pell amendment in the 1980 International Security and Developmental Cooperation Act, AID has administered a program for disseminating the results and encouraging discussion of the report on the President's Commission on World Hunger. As a result, development education has become an important focus of PVOs and, in fact, some organizations have been created exclusively for development education purposes. The section defines the general thrust of these efforts for building public understanding of development issues and for involving Americans in overseas development activities.

(d) This section encourages AID to work with private indigenous organizations, inclusive of international private organizations that often have local affiliates or counterparts. Currently, indigenous private organizations and cooperatives register with AID missions to become eligible for direct U.S. governmental funding. It is the intention of this section to encourage such direct mission funding. However, appropriate registration requirements and proven effectiveness shall be taken into consideration in registering local and indigenous groups. Nothing in this section shall be interpreted to permit the registration of organizations which do not have primarily an economic and social development purpose.

The language states that a way to accelerate the institutional strengthening of these indigenous organizations is through private and public financial support by U.S. PVOs. Many indigenous organizations do not have the administrative capacity to meet accounting, auditing and other requirements associated with U.S. governmental funding. An effective means to support indigenous organizations is the channeling of funds to them through U.S. private voluntary organizations and cooperatives. In addition, this funding approach supports private-to-private assistance which is often less intrusive within developing countries and promotes long-term people-to-people relationships, not possible in more formal government-to-private approaches.

Such U.S. PVO funding and technical assistance can strengthen their capacity to design and manage development projects. Local groups often lack the administrative, management and training skills that are needed for projects to be sustained and replicated.

As AID missions are often unable and unwilling to manage numerous small projects, the intention of the section is to encourage AID to develop appropriate mechanisms for providing development assistance funds to U.S. private voluntary organizations for subgrant activities of indigenous groups.

(e) This section provides for increased utilization of PVOs in local currency programs generated from Economic Support Funds, PL 480 and Section 416. This legislative direction encourages AID to undertake a more aggressive program for involving PVOs in local currency activities. The language notes that U.S. PVOs often need U.S. dollar funding to initiate and supplement private resources to cover the administrative and technical assistance costs to undertake such programs with partner institutions abroad.

(f) The legislation directs that not less than $20,000,000 in each fiscal year 1988 and 1989 shall be provided for PL 480 Title II "outreach," "enhancement" and similar development assistance program grants. These grants address major obstacles to increased and more effective use of agricultural commodities at a time of unprecedented commodity surpluses and a heavily depressed American farm economy.

The annual value of food donations (including freight) regularly exceeds $300 million. Recurrent PVO operating costs associated with the transportation, storage, distribution and evaluation of food assistance programs, and the lack of adequate funds for training, nutrition education, purchasing non-food project materials, and for improving the targeting and development impact of food assistance are impediments to a fuller and more effective use of this major resource.

This section restores funding for these activities which were achieved earlier and would increase funds allocated for these purposes by about $10 million in FY 1988.

(g) This section recognizes the particular role that indigenous and U.S. PVOs play in resource conservation and environmentally-sound rural development activities. This section notes that an effective and least costly way to maintain and restore the natural resource base in developing countries is through small-scale, affordable, participatory projects using methods suited to the local environment. The section provides that assistance may be provided to PVOs for such projects.

(h) This section create a $20 million small grants program, or equivalent amount in local currencies, for U.S. PVOs and cooperatives for lending programs by grassroots indigenous organizations. The program shall be administrated separately from other AID programs. Grants shall be provided through U.S. PVOs to indigenous organizations for creating revolving funds, credit unions, small farmer banks and other credit mechanisms to support project activities including micro-enterprise, shelter and community improvements. Technical assistance funds may also included in such grants to support such lending operations.

The intention of this section is to provide indigenous organizations with credit programs in an efficient and effective manner. In general, interest should be charged at market rates, though a margin may be provided to cover overhead and administrative costs to the indigenous organization. The partner U.S. PVO and cooperative shall assume the administrative burdens of monitoring, evaluating, auditing and other legal obligations in receiving these U.S. government funds. However, such costs may be covered by the technical assistance funds provided to the U.S. organizations.

The small grant program is to be modeled on the successful Small Projects Program of the Inter-American Development Bank, the U.N. Capital Development Fund and the Inter-American and African Foundations. However, these programs seldom use private U.S. organizations as a channel for lending to indigenous organizations. The goal of such small projects are to increase the impacts of local organizations, strengthen their capacity to undertake larger scale project activities and to make them self-supporting.

In establishing the proposed small loan facility, AID shall consult with the Inter-American Development Bank, U.N. Capital Development Fund, Inter-American Foundation and African Development Foundation with particular attention to coordination and simplified procedures. U.S. private voluntary organizations and cooperatives would be permitted to package groups of lending programs for a single grant from the facility.

(m) This section extends the PVO funding floor for development accounts an additional four years (FY 1988-1992) and raises the level from 13.5 percent to 15 percent. It also raises the target from 16 to 25 percent as a PVO funding goal. The section also encourages the greater use of PVOs in ESF programs.

In FY 1985, AID provided about 20 percent of its development assistance funding through PVOs. This level has declined to 16.9 percent requested in FY 1988. This section is intended to prevent a disproportionate reduction in funding to private organizations, if overall assistance levels are reduced, and to reverse the recent PVO funding declines. Towards achieving the 25 percent target, AID shall develop an action plan in coordination with PVOs which will be updated annually in the Congressional Presentation.

(n) This section codifies conflicting provisions on the privateness test for PVOs contained in authorization and appropriations acts and accompanying reports. It would fix a single standard which is currently in place and acceptable to AID and PVOs.

LIST OF SUPPORTING ORGANIZATIONS

Africare.
Agricultural Cooperative Development International.
Air Serv International.
Alan Guttmacher Institute.
American Institute of Cooperation.
American ORT Federation.
Association of Near East Refugee Aid (ANERA).
Association of Texas Electric Cooperatives.
Blue Ridge EMC.
Breakthrough Foundation.
Brother's Brother Foundation.
CARE.
CENEX.
Children's Survival Fund.
Columbia University School of Public Health.
Concern America.
Cooperative Housing Foundation.
Credit Union National Association.
Direct Relief International.
Eritream Relief Committee.
Experiment in International Living.
Family Health International.
Farm Credit Services of St. Paul.
Food for the Hungry.
Foster Parents Plan.
Foundation for International Community Assistance (FINCA).
Foundation for Peoples of the South Pacific.
Global Water.
Grassroots International.
Heifer International.
Helen Keller International.
Hermandad.
Interchurch Medical Assistance.
International Catholic Migration Commission.
International Eye Foundation.
International Institute of Rural Reconstruction.
Land O' Lakes.
League Insurance Companies.
MAP International.
Meals for Million/Freedom from Hunger Foundation.
Mercy Corps International.
Minnesota Association of Cooperatives.
National Cooperative Business Association.
National Council of Farmer Cooperatives.
National Farmer Union.
National Resources Defense Council.
National Rural Electric Cooperative Association.
Nationwide Insurance.
OEF International.
Operation California.
Paul Carlson Medical Program.
Pan American Development Foundation.
Pathfinder Fund.
Pax World Foundation.
Planned Parenthood of NYC, Inc.
Planning Assistance.
Population Crisis Committee.
Project Concern International.
Save the Children Federation.
Sierra Club.

Sister Cities International.

Surgical Aid to Children of the World.

Technoserve.

Trickle Up Programs.

U.S. Committee for Refugees (ACNS).

U.S. Overseas Cooperative Development Committee.

Volunteers in Overseas Cooperative Assistance.

Washington State Council of Farmer Cooperatives.

World Relief Corporation.

World Vision Relief Organization.

Young Men's Christian Association (YMCA) of the USA/International Division.

Young Women's Christian Association (YWCA) of the USA.

Zero Population Growth.●

By Mr. JOHNSTON (for himself, Mr. SASSER, Mr. GORE, Mr. BREAUX, Mr. SHELBY, Mr. HEFLIN, and Mr. KENNEDY):

S. 769. A bill to amend the Public Health Service Act to authorize assistance for centers for minority medical education, minority pharmacy education, minority veterinary medicine, education, and minority dentistry education; to the Committee on Labor and Human Resources.

EXCELLENCE IN MINORITY HEALTH EDUCATION AND CARE ACT

● Mr. JOHNSTON. Mr. President, I am pleased to introduce today the Excellence in Minority Health Care and Education Act which is very important to three major historically black colleges. This legislation is intended to provide financial support for Xavier University College of Pharmacy, Tuskegee University School of Veterinary Medicine, and Meharry Medical College. It will assist these institutions to continue their mission of training black and other minority pharmacists, physicians, dentists, and veterinarians to deal with our Nation's health problems. This measure will also provide support for extensive research on the health problems that disproportionately affect black and other minority populations.

In August of 1985, the Secretary of the Department of Health and Human Services issued a detailed report outlining the critical health status disparities that exist in this Nation among blacks when compared to whites. Among other things, the task force reported that black infants are twice as likely to die as white infants. Further, blacks suffer a disproportionately high share of hypertension, diabetes, stroke, some types of cancer, and other disease categories. Over 60,000 excess deaths occur per year among blacks when compared to whites. A major component of the problem identified by the Secretary's task force was that, while there may be an emerging abundance of physicians and other health professionals in the Nation, quite the opposite is true among minority health professionals. While blacks represent 12 percent of the U.S. population, only 2.6 percent of the Nation's physicians, 2.9 percent of the Nation's dentists, 2.3 percent of the Nation's pharmacists, and 1.6 percent of the Nation's veterinarians are black. This coexisting disparity is no coincidence. It is well documented that more black health professionals return to underserved black communities to practice than do whites. Naturally because there are so comparatively few black health professionals to serve these areas, the health status disparity results. My legislation would serve to narrow the health status disparity that exists among black health professionals, and by establishing a mechanism for improving our Nation's ability to effectively deal with specific health status problems that disproportionately affect blacks and other minorities.

For 6 years, including fiscal year 1982 through 1987, the Meharry Medical and Dental Colleges in Nashville, the Xavier University School of Pharmacy in New Orleans, and the Tuskegee University School of Veterinary Medicine in Tuskegee have been partners in a cooperative agreement with the U.S. Department of Health and Human Services to receive Federal resources under the Advanced Financial Distress Grant Program. The Advanced Financial Distress Grant Program has provided these institutions with operational funds to assist in their ability to remain viable while becoming more self-sufficient. During these years, each institution has made remarkable progress to attain that goal. Each school has become a model in the training of minorities in health professions careers. Meharry now trains 50 percent of the Nation's black physicians and 50 percent of the Nation's black dentists. Tuskegee trains 75 percent of the Nation's black veterinarians, and Xavier trains 15 percent of the Nation's black pharmacists. Each institution has attained a great deal of expertise in recruiting, teaching, training, and producing a scarce national resource—the black health professional. Without the support of the Financial Distress Grant Program, this would not have occurred. The very continued existence of these institutions without the financial distress resources would have been very difficult.

However, because of many factors, particularly the virtual elimination of other types of Federal support geared to assisting minority and other disadvantaged schools and students, these institutions have been unable to completely attain the financial status they expected with this distress funding. Further, as each institution has become more stable, they have established more advanced teaching techniques, clinical and research settings, faculty, and facilities.

These institutions continue to be in need of support, but in a much different, more positive way. Because these schools have developed the aforementioned expertise in training minorities in the health professions, this national resource should be further developed.

It is very critical to act on this legislation early in this Congress. The final year for distress funding is this year, fiscal year 1987, and we must ensure that this legislation is enacted for fiscal year 1988. A lapse in this support would mean a major setback for each of these schools. I call upon my colleagues to join with me in support of this bill. I ask that a copy of the bill be inserted in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 769

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Excellence in Minority Health Education and Care Act".

FINDINGS

SEC. 2. The Congress makes the following findings:

(1) Minority health care needs are serious and tend to be much greater than the health care needs of the general population.

(2) While the number of health professionals has increased, there are still very serious shortages of health professionals from minority groups and there has been a drop in the enrollment of minority individuals in some health professional education programs.

(3) Health professionals from minority groups have critical roles in serving low-income minority populations, particularly in inner-city areas and rural areas.

(4) Historically, minority health professions schools are among the primary entities addressing the serious needs of minority groups for health care.

(5) Historically, minority schools have developed special capacities in developing activities to prepare health professionals to serve minority populations most effectively and activities to meet the health care needs of minority populations.

(6) Recent studies of the health care conditions and needs of minorities have identified the following important considerations:

(A) Information dissemination should be increased to improve health awareness and to strengthen healthful practices in minority groups.

(B) Public and patient education must address racial, ethnic, and cultural barriers to proper health care if such education is to be effective.

(C) Alternative ways of delivering and financing the health services needed by impoverished individuals, among whom minorities are over-represented, must be investigated, developed, and implemented.

(D) Complex problems concerning the availability and accessibility of health professionals to minority communities must be addressed through multiple efforts.

(E) Greatly expanded efforts are needed to ensure that health professions schools and practitioners throughout the country take advantage of knowledge concerning the most effective ways of serving minority populations and their health care needs.

ASSISTANCE

SEC. 3. Part F of title VII of the Public Health Service Act is amended by redesignating section 788B as section 788A and by inserting after such section the following:

"GRANTS FOR MINORITY EDUCATION

"SEC. 788B. (a)(1) The Secretary may make grants to Meharry Medical College in Nashville, Tennessee, to establish a Center of Excellence in Minority Health Education. Such Center shall—

"(1) carry out a program to increase the effectiveness of health care delivery among minority populations, facilitate access to health care services by minority populations, improve the efficiency of service and payment systems, and modify health care services to be more culturally acceptable;

"(2) demonstrate and refine methods of attracting and retaining high caliber minority faculty who are aware of the specific health needs of minorities and who will conduct research addressed to minority health problems;

"(3) demonstrate and refine methods of attracting, retaining, and graduating high caliber minority students who will serve minority populations with serious health needs, particularly residents of inner-city and rural areas;

"(4) improve the recruitment of minority students, augment faculty, develop effective techniques for training minorities in the health professions, and establish scholarship programs to attract and retain promising individuals;

"(5) maintain a communications network to disseminate information about health promotion, disease prevention, and the use of health services which specifically addresses conditions and needs among minorities;

"(6) demonstrate patient education methods which address racial, ethnic, and cultural barriers to proper health care;

"(7) develop and disseminate alternative models of delivering and financing the health services needed by impoverished individuals; and

"(8) provide consultation and assistance to other schools of medicine in the development and implementation by such schools of more effective educational and service programs to serve minority populations.

"(b) The Secretary may make grants to Xavier University College of Pharmacy in New Orleans, Louisiana, to establish a Center of Excellence in Minority Pharmacy Education. Such Center shall—

"(1) improve the recruitment of minority students, augment faculty, develop effective techniques for training minorities in pharmacy, and establish scholarship programs to attract and retain promising individuals;

"(2) assist education and research programs which focus on less expensive generic drugs that are commonly dispensed by pharmacists practicing in low-income minority areas;

"(3) develop and disseminate new patient education materials which discuss the use of less expensive generic drugs and are tailored to the specific conditions and needs of minority populations;

"(4) extend a research program designed to focus on the needs of minority women and teenagers, emphasizing particularly the risks and difficulties associated with pregnancy, child birth, and child rearing;

"(5) evaluate the long-term efficacy and safety of anti-hypertensive medications and other drugs used to treat health problems among blacks and other minority groups;

"(6) further research into the role of traditional folk medical practices among minority populations and the effect of such practices on health outcomes; and

"(7) provide consultation and assistance to other schools of pharmacy in the development and implementation by such schools of more effective educational and service programs for minorities.

"(c) The Secretary may make grants to the Tuskegee University School of Veterinary Medicine in Tuskegee, Alabama, to establish a Center of Excellence in Minority Veterinary Medicine Education. Such Center shall—

"(1) improve the recruitment of minority students, augment faculty, develop effective techniques for training minorities in veterinary medicine, and establish scholarship programs to attract and retain promising individuals;

"(2) conduct research on diseases transmitted between animals and humans, including research on the prevention, control, and eradication of such diseases;

"(3) provide consultation and assistance to other schools of veterinary medicine in the development and implementation by such schools of more effective educational and service programs for minorities in order to address serious under-representation of minorities in the field of veterinary medicine;

"(4) evaluate the emotional and functional well-being of individuals through the conduct of activities associated with the care of companion animals, recognition of the motives for pet ownership, and appreciation of the variety of emotional attachments which exist between companion animals and their owners; and

"(5) investigate the value of pet facilitated medical therapy, and the physiological and emotional effect that pets have on the ability of physicians to deal with complex challenges that exist in patient diagnosis and treatment.

"(d) The Secretary may make grants to the Meharry College of Dentistry in Nashville, Tennessee, to establish a Center of Excellence in Minority Dentistry Education. Such Center shall—

"(1) provide a forum to assure that the appropriate differences between the medical delivery system and the dental delivery system are clarified;

"(2) extend a program which would increase effectiveness of dental care delivery among minority populations, facilitate access to dental care services by minority populations, improve the efficiency of services and expand payment systems, and modify services to be culturally acceptable;

"(3) demonstrate and refine methods of attracting and retaining high caliber minority faculty who are aware of the specific dental needs of minorities and who will conduct research addressed to minority dental health problems, and educate minority dentists;

"(4) demonstrate and refine methods of attracting, retaining, and graduating high caliber minority students who will serve minority populations with serious dental needs, particularly residents of inner-city and rural areas;

"(5) improve the recruitment of minority students, augment faculty, develop effective techniques for training minorities in dentistry, and establish scholarship programs to attract and retain promising individuals;

"(6) maintain a communications network to disseminate information about dental health promotion, disease prevention, and the use of dental services which specifically addresses conditions and needs among minorities;

"(7) demonstrate patient education methods which address racial, ethnic, and cultural barriers to proper dental care;

"(8) develop and disseminate alternative models of delivering and financing the dental services needed by impoverished individuals; and

"(9) provide consultation and assistance to other schools of dentistry in the development and implementation by such schools of more effective educational and service programs to serve minority populations.

"(e) For the purpose of grants under subsections (a) through (d) there are authorized to be appropriated for each of the fiscal years 1988, 1989, 1990, and 1991 such sums as may be necessary.".●

● Mr. SASSER. Mr. President, I am pleased to be an original cosponsor of the Excellence in Minority Health Care and Education Act. This legislation is critically important not only to the three historically black institutions which it helps support but to a large share or our Nation's low-income and minority citizens who depend on the health care professionals produced by these institutions.

Most Americans have great respect for the quality of medical care in this country. That respect is well deserved. We have the most advanced medical technology in the world, thousands of outstanding specialists, and hundreds of distinguished hospitals.

America also has the world's most expensive health care system. The United States spent some $460 billion on health care in 1986—about 11 percent of our gross national product.

Despite the advanced technology and the tremendous amount of money that we pour into our health care system, Americans are by no means the healthiest people. The United States spent an average of $1,600 for the health care of each American in 1984. Singapore, by comparison, spent only $200. Yet, persons in the United States and Singapore have the same life expectancy at birth, and Singapore has a lower infant mortality rate.

The problem with the U.S. system lies in the fact that millions of Americans—many of them minorities—simply do not have access to adequate health care.

There have been marked improvements in health care for black Americans in recent years. However, there are still huge disparities between blacks and whites in life expectancy and health status. For example, black children are twice as likely to die as white children. Also, blacks are more likely to suffer from hypertension, diabetes, and certain types of cancer.

We must make the tremendous resources of our health care system available to all Americans and we must guarantee that there is an adequate number of health care professionals who are specially trained to treat the unique health problems of poor and minority Americans.

The Excellence in Minority Health Care and Education Act helps do that. It assists and rewards three institutions which have been at the forefront of providing health care to the poor and which have also led the way in training minorities in the health professions.

I am especially pleased that this legislation recognizes the outstanding contribution of Meharry Medical College in Nashville, TN. Meharry has produced nearly 40 percent of all black physicians and dentists currently practicing in the United States.

Meharry trains physicians who serve the poor. Over the past decade, three-quarters of Meharry's medical graduates have gone on to practice in inner-city and rural areas that are medically underserved. The Nation's greatest health care needs are in those areas where Meharry's graduates serve.

Institutions, like Nashville's Meharry, are national resources that must be preserved and encouraged to grow. Therefore, I urge my colleagues to join me in supporting this vital legislation.●

● Mr. KENNEDY. Mr. President, it gives me a great sense of pleasure to cosponsor this bill which is designed to ensure centers of excellence in minority health education. I feel this bill is a major step to ensure the continued training of minority health professionals in our Nation. The health services that the graduates of these schools provide are an irreplaceable part of the health care of minority groups and the poor of our Nation. Since this bill will guarantee that minority medical schools will continue to train physicians who will go on to serve minority populations, it is an important part of our fight to bridge the gap in health care access and status which presently exists between whites and minority groups.

There is a gap in health which exists between blacks and whites in the United States, and predictions indicate that this gap will become even wider. According to the Secretary of the Department of Health and Human Services, there are 60,600 excess deaths per year among blacks compared to whites. Minorities suffer from much higher rates of cancer, heart attack, hypertension, stroke, and infant mortality. If we are to seriously address this problem we must realize that health manpower is an important issue. This bill could be an important step in dealing with the lack of minority health manpower.

This Centers of Excellence Program is not entirely new. It helps to guarantee the financial solvency of indispensable schools which were formerly aided by the Advanced Financial Distress Program. This program has been gradually phased out over the past several years. Under it, these schools have become more stable financially. They have acquired better clinical, research, and teaching facilities and developed faculties with expertise in training minorities in health professional careers.

This new program does something the Financial Distress Program did not attempt—it helps these schools to gain financial independence. In addition to providing funds to help finance the operational shortfall of the schools, this program provides resources which will allow these schools to expand the types of services which are profitable and thus allow for greater independence. It also allows them to attract better faculty and further improve research and clinical training so that they can truly become "centers of excellence" in medical and health sciences education.

Each school has already become a model in educating minorities for health profession careers. Meharry Medical College trains 40 percent of the Nation's black physicians and 50 percent of our black dentists. Tuskegee trains 75 percent of the black veterinarians and has in the past trained as much as 90 percent. Xavier trains 15 percent of the Nation's black pharmacists. The schools this program will aid are a national resource. This resource must be properly developed and utilized. Without the support of the Financial Distress Grant Program, many of these institutions might not exist today, and without the Centers of Excellence Program, many would face an uncertain future.

These schools are an important educational and health care resource which our country cannot afford to lose. I urge my colleagues in the Senate to support the Centers of Excellence Program.●

By Mr. GLENN:

S. 770. A bill to amend the Tariff Act of 1930 to ensure that the countervailing duty laws apply to State-controlled-economy countries; to the Committee on Finance.

EQUAL APPLICATION OF COUNTERVAILING DUTY LAWS

● Mr. GLENN. Mr. President, I am introducing legislation today to ensure that the countervailing duty law is applied to all countries, including those with nonmarket economies. I urge that this legislation be included in omnibus trade legislation this year.

This legislation is necessary to reverse a recent decision of the U.S. Court of Appeals for the Federal Circuit in *Georgetown Steel Corp.* v. *United States,* 801 F.2d 1308 (1986), which held that the countervailing duty law does not apply to nonmarket economy countries. This decision was wrong, misinterpreted legislative intent, and should be reversed legislatively as soon as possible. Until Congress clarifies the law by passing my legislation, the countervailing duty law is ineffective in combating unfairly subsidized imports from nonmarket economy countries.

I would like to review the origins and purpose of our countervailing duty law and explain why the court of appeals decision should be reversed.

As my colleagues know, section 701 of the Tariff Act of 1930, as amended, authorizes the imposition of "countervailing" duties on a product imported into the United States if the product's manufacture or production for export is subsidized by a foreign country. The purpose of the countervailing duty law is to offset any unfair competitive advantage that foreign manufacturers might enjoy over U.S. producers as a result of foreign subsidies. Countervailing duties equal to the net amount of the subsidies are imposed upon importation of the subsidized goods into the United States. Article VI of the General Agreement on Tariffs and Trade [GATT] authorizes the imposition of countervailing duties to offset such subsidies. The U.S. countervailing duty law has existed since 1897 and is in compliance with GATT.

The countervailing duty law is adminstered by the Department of Commerce and the International Trade Commission. Two conditions must be met before a countervailing duty is imposed. First, the Department of Commerce must determine that a subsidy is being provided and calculate the net amount of the subsidy. Second, the ITC must determine that a domestic industry is materially injured or threatened with material injury, or the establishment of an industry in the United States is materially retarded, due to imports of the subsidized product. The injury test is not required in cases of imports from countries which are not signatories to the GATT Subsidies Code.

The Georgetown Steel case originated from two countervailing duty petitions filed on behalf of domestic producers of carbon steel wire rod. The petitions alleged that rod imported into the United States from Czechoslovakia and Poland were subsidized and therefore subject to countervailing duties under United States law.

The Department of Commerce denied the petitions on the ground that the countervailing duty law was inapplicable to nonmarket economy countries. The Department's decision rested on two points. First, the Department claimed that subsidies by definition must be actions that distort market processes and thus could not occur or be identified in nonmarket economies; and second, the Department claimed that congressional intent to impose such a limitation was evidenced by the reenactment of the countervailing duty law in 1979 without specific attention to nonmarket economies, and the specific attention given to nonmarket economies in other trade laws.

The case was appealed to the Court of International Trade, which reversed the Department of Commerce position and held that the law does apply to nonmarket economy countries. *Continental Steel Corp.* v. *United States,* 614 F.Supp. 548 (1985). The case was then appealed again to the U.S. Court of Appeals for the Federal Circuit, which reversed the Court of International Trade and upheld the Department of Commerce position that the law does not apply to nonmarket economy countries. Georgetown Steel Corp. versus United States.

The court of appeals decision is the current state of the law. Hence, all pending countervailing duty cases brought against nonmarket economy countries have been dismissed and no more may be filed. Alternative trade remedies to address the nonmarket economy import problem are inadequate.

I believe the court of appeals decision is wrong and should be reversed through legislation. First, the court's reasoning that bounties or grants by definition require a market economy is simply wrong. Nonmarket economy countries can bestow subsidies on exports and it is possible to identify and calculate these subsidies. Second, Congress did not intent to exempt nonmarket economy countries from the countervailing duty law. The statute clearly applies to all countries, including nonmarket economy countries.

The court's reasoning that bounties or grants by definition require a market economy is incorrect. The existence of such benefits is not dependent on the particular form of economic organization of the country granting the benefit. Rather, the presence of a countervailable subsidy will depend on whether, given whatever general system of economic regulation a country has, the manufacture of merchandise exported to the United States is given preferential treatment. If so, the net benefit provided by the preferential treatment is countervailable.

Many subsidies, especially export subsidies, can be identified and quantified in nonmarket economy countries. Some examples would be direct grants contingent on export, tax rebates, and preferential exchange rates. There may be other types of subsidies that are difficult to calculate in a nonmarket economy, but the difficulty in calculation does not make the subsidy any less countervailable under the law.

The statutory language clearly applies to all countries, including those with nonmarket economies—19 United States Code section 1303 reads:

> Whenever any country, dependency, colony, province, or other political subdivision of government, person, partnership, association, cartel, or corporation, shall pay or bestow, directly or indirectly, any bounty or grant upon the manufacture or production or export of any article of merchandise manufactured or produced in such country, dependency, colony, province, or other political subdivision of governmemt, then upon the importation of such article or merchandise into the United States, whether the same shall be imported directly from the country of production or otherwise, and whether such article or merchandise is imported in the same condition as when exported from the country of production or has been changed in condition by remanufacture or otherwise, there shall be levied and paid, in all such cases, in addition to any duties otherwise imposed, a duty equal to the net amount of such bounty or grant, however the same be paid or bestowed.

It would be difficult to conceive of statutory language which would be more comprehensive than the language of the countervailing duty law. On its face, the law shows an intention to cover all possible variations of the acts sought to be countervailable. This language is indifferent to forms of economy. It uses 10 exhaustive alternatives to describe the possible conveyor of the subsidy. This law was written carefully to apply to all countries and describes subsidies in the broadest possible terms.

The legislative history does not contain any trace of any intent to exempt nonmarket economy countries. Rather, it demonstrates a congressional intent that they be covered. The Trade Agreements Act of 1979 implemented the GATT Subsidies Code, which was negotiated during the Tokyo round of multilateral trade negotiations. This GATT code explicitly subjected nonmarket economy countries to countervailing duty measures, and was the product of extensive negotiation between the United States and its trading partners, including several nonmarket economy countries.

In addition, Congress rejected the Department of Commerce's definition of "subsidy" based on a market distortion theory in the Trade Agreements Act of 1979, and instead adopted a broad enumeration of possible subsidies.

The fact that other trade laws such as the antidumping law specifically address nonmarket economy countries does not mean that the countervailing duty law is inapplicable to such countries. The existence of detailed provisions for dumping with respect to nonmarket economy countries simply reflects the fact that Congress has been more specific on all aspects of calculations in dumping cases. In contrast, Congress has not specified methodologies for valuing subsidies or calculating countervailing duties in any circumstances.

In summary, it is clear that Congress intended that the countervailing duty law be applied to all countries, including nonmarket economy countries. It is important that we set the record straight and reverse the recent court decision. I urge my colleagues to support this legislation. Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 770

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 303 of the Tariff Act of 1930 (19 U.S.C. 1303) is amended—

(1) by redesignating subsection (f) as subsection (g), and

(2) by inserting after subsection (e) the following new subsection:

"(f) APPLICATION TO STATE-CONTROLLER-ECONOMY COUNTRIES.—The provisions of this section apply with respect to any merchandise that is the product of a foreign country which is not a country under the Agreement (within the meaning of section 701(b)) even if such foreign country is a State-controlled-economy country.".

(b) Section 701 of the Tariff Act of 1930 (19 U.S.C. 1671) is amended—

(1) by redesignating subsection (d) as subsection (e), and

(2) by inserting after subsection (c) the following new subsection:

"(d) STATE-CONTROLLED-ECONOMY COUNTRIES.—The provisions of this subtitle apply with respect to any merchandise that is the product of a country under the Agreement even if such country is a State-controlled-economy country.".●

By Mr. PELL (for himself, Mr. SPECTER, Mr. CHAFEE, and Mr. WEICKER):

S. 771. A bill granting the consent of Congress to the Connecticut, Rhode Island, Massachusetts, New York, Maryland, Delaware, Pennsylvania, and New Jersey Rail Improvements Compact; to the Committee on the Judiciary.

CONSENT OF CONGRESS TO THE RAIL IMPROVEMENTS COMPACT

Mr. PELL. Mr. President, I am today introducing legislation to authorize the formation of an interstate compact between the eight States of the Northeast corridor for the purpose of undertaking high-speed rail improvements through the sale of tax-exempt transportation bonds. This is a very simple bill. It would authorize the eight seaboard States between Boston and Washington to form a public authority to fund high-speed rail improvements. It would do nothing more than permit a group of States to combine to form a new agency for financing public transportation. It would not commit the Federal Government to any program of direct subsidy, beyond making the eight States public authorities eligible for Urban Mass Transit Administration demonstration grants. Moreover, my legislation would not affect Amtrak's operation of rail passenger service in the Northeast. Indeed my bill expressly rejects the administration's unwise and unworkable proposal to "privatize" Amtrak.

The bill I am introducing today is an outgrowth of the work of the Coalition of Northeast Governors [CONEG], which last year created a joint public-private sector task force under the leadership of Massachusetts Gov. Michael Dukakis and Connecticut Gov. William O'Neill. I addressed the task force in Providence last December and my staff has worked closely with the CONEG staff over the winter in developing plans for future high-speed rail improvements in the Nation's most densely populated "megalopolitan" corridor. Last month, during the National Governors Association meeting in Washington, the task force released a major report calling for renewed development of passenger rail service as an alternative to badly oversaturated airports and highways in our region. My legislation is intended as a first step toward implementing the recommendations of the CONEG study.

The work of the task force provides a dramatic illustration of the need for the legislation being introduced today. CONEG concluded that although the population of the Northeast has remained stable over the past decade, travel has increased dramatically, including a 43-percent increase between New York and Boston alone. "Most of the activity appears to be the result of economic change and the growing importance of face-to-face business interconnections and proximity in a service-oriented economy," the report found.

Highways and airports are not the answer to the burgeoning transportation problems in the Northeast. With the Interstate System nearly 100 percent complete, highways are choked in a continuing gridlock which can leave the business traveler stranded for hours at a time. The airports in our region are already overworked: the CONEG study found that Washington and Philidelphia have been designated "congested," meaning working at 160 percent of normal capacity, since 1981. The airports in Baltimore, Boston, and New York, will reach this point by 1990. And even Providence, which is currently absorbing much of the overcapacity at Boston's Logan Airport, will reach congested status by 1990.

The passenger rail network, by comparison, has an unrealized potential for meeting the transportation needs of the Northeast corridor, a region where over 20 percent of the Nation's population lives on 1.4 percent of the land area. A single set of rails can do the job of up to 18 lanes of highway; and rail service is relatively immune from the twin plagues of airborne and highway travel: weather and traffic jams.

But the railroads, in order to achieve their potential, must be competitive in service and trip times, especially with the airlines. Amtrak is already a major force in the Washington/New York market, where its trains carry one-third of the total rail and air traffic on that route, according to the Department of Transportation. Metroliner ridership is up, based on a solid foundation of reliable 3 hour service between Washington and New York and 6 a.m. to 6 p.m. hourly departures, with fares pegged lower than the airlines.

The bad news is that, despite the recently completed Northeast corridor project, the rail corridor itself is quickly becoming obsolete and unable to handle the growing demand for more service. Electrification equipment between Washington and New Haven dates in some instances back to the early days of this century, and the southern half of the corridor will have to be completely "reelectrified" by the mid-1990's just to maintain existing levels of service. The segment between New Haven and Boston has never been electrified, and the time-consuming requirement for the change in locomotive power at New Haven remains a major barrier to making passenger rail service competitive with the airlines in the Boston-New York market. A trip time of 3 hours between these two cities is essential, a goal which will require a $600 million investment to electrify the rails north of New Haven, together with a number of other specific improvements identified in the CONEG task force report.

Who pays the bill for the capital improvements necessary to make rail passenger service a competitive force in the Boston-New York market, and to enable Amtrak to at least retain its healthy market share in the Washington-New York market? I believe the eight seaboard States of the corridor should seize the initiative and form a public authority to finance high-speed rail improvements through the sale of tax-exempt transportation bonds. Looking down the road, I would prefer to see the Federal Government embrace a program of direct loans and loan guarantees for high-speed rail improvements in emerging transportation corridors across the country. Such a national program would encourage high-speed rail improvement along the lines of what has already happened in Japan, West Germany, and France. We live in a society which spends more than $20 billion annually in subsidies for nonrail modes of transportation, including highways, airports, and waterways. Rail service is a vital artery in the lifeblood of our national economy, and the Federal Government must recognize its role in preserving the "Amtrak artery" just as much as Washington nurtures the highway trust fund and the locks and dams of our inland waterways.

We must also recognize that we cannot count on the Federal Government to do the whole job for us. My bill provides the framework for the seaboard States to immediately initiate capital improvements through the sale of tax-exempt securities. The need for immediate steps in this area was the first and strongest recommendation of the CONEG report. As a further means of initiating immediate measures to improve rail service, my bill enables the multistate compact to receive up to $50 million annually in UMTA funding for demonstration grants to explore a new generation of 150 mph turbine-powered trains and to experiment with "tilt" passenger cars that bank around curves, allowing a more comfortable ride and higher speeds. The CONEG study, additionally recommends proceeding with the development of a dual-mode diesel locomotive that can also operate with electric power, a process I believe would be eligible for UMTA funding under my legislation.

My colleague from Pennsylvania, Senator SPECTER, joins me in introducing this legislation, and soon will introduce a bill directing the Federal Railway Administration to conduct a study to determine the most effective means by which the Federal Government can encourage the development of high-speed rail systems within the United States. Senator SPECTER's legislation, which I will be cosponsoring, will direct the Federal Railroad Administration's study to be performed in consultation with the Interstate High Speed Intercity Rail Passenger Network Compact and the Interstate Compact formed by this bill and comprised of the eight States in the Northeast corridor. Together our legislation will provide the components necessary to develop the high-speed rail system as a viable transportation system, and thus stimulate economic revitalization and expansion. I also appreciate the interest and cosponsorship of Senators CHAFEE and WEICKER, who joined with me in introducing similar legislation in the 99th Congress.

The Northeast corridor is the jewel of our national rail passenger network, and the measures we initiate to achieve the still unrealized potential of rail service in our region can be a model for other transportation corridors in the United States. I urge my colleagues to join with me in working for high-speed rail improvements throughout the country, and let us use the Northeast corridor as a "laboratory" for novel ways of funding rail improvements as well as experimenting with novel high-speed technologies.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, together with an article by Reginald Stuart which appeared in the New York Times for November 23, 1986, entitled, "Amtrak Rolls Past Shuttles in Number of Riders."

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 771

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. It is the sense of Congress that after the date of enactment of this Act—

(1) AMTRAK shall continue as the operational authority in the Northeast Corridor; and

(2) the role of the Commission authorized and consented to by this Act shall be solely to provide funding for high speed capital improvements.

SEC. 2. The consent of Congress is hereby given to the States of Connecticut, Rhode Island, Massachusetts, New York, Maryland, Delaware, Pennsylvania, and New Jersey to enter into the Connecticut, Rhode Island, Massachusetts, New York, Maryland, Delaware, Pennsylvania, and New Jersey Rail Improvements Compact. Such compact reads substantially as follows:

"CONNECTICUT, RHODE ISLAND, MASSACHUSETTS, NEW YORK, MARYLAND, DELAWARE, PENNSYLVANIA, AND NEW JERSEY RAIL IMPROVEMENTS COMPACT

"ARTICLE I. PURPOSE

"The purpose of this compact is to promote the undertaking of rail improvements in the Northeast Corridor (as such term is used in the Northeast Rail Service Act of 1981 (45 U.S.C. 1101 et seq.)) of the compacting States, (including capital improvements to the Northeast Corridor between the District of Columbia and Boston, Massachusetts, and the electrification of certain track between New Haven, Connecticut and Boston, Massachusetts), to reduce travel time for rail passenger service between the District of Columbia and Boston, Massachusetts, and to establish a joint interstate commission to coordinate and control the implementation of such improvements.

"ARTICLE II. EFFECTIVE DATE

"This compact shall become effective upon the adoption of such into law by the participating States, and shall continue in force and remain binding upon such States until six months after any such State has given notice to each other participating State of the repeal thereof. Such withdrawal shall not be construed to relieve any participating State from any obligation incurred prior to the end of participation by such State in the compact as provided herein.

"ARTICLE III. JOINT INTERSTATE COMMISSION

"(a) The States which are parties to this compact (hereinafter referred to as 'Party States') do hereby establish and create a joint interstate commission which shall be known as the Connecticut, Rhode Island, Massachusetts, New York, Maryland, Delaware, Pennsylvania, and New Jersey Rail Improvements Compact Commission (hereinafter referred to as the 'Commission'). The membership of the Commission shall consist of one member from each of the Party States, to be appointed by the Governor in accordance with the laws of the Party State which each member represents, and such members are subject to removal in accordance with such laws. Each member of the Commission shall be appointed for a term of three years. If a vacancy occurs during the term of a member, the Governor of the Party State from which such member was appointed, shall make an appointment to fill the vacancy for the remainder of such term.

"(b) The Commission shall annually elect from its members a chairman and vice chairman, and appoint such officers or employees necessary to implement the provisions of this compact, and shall fix and determine their qualifications and duties. The Commission shall adopt such by-laws needed for the conduct of its business, and shall meet at times and places as agreed to by a majority of the members of such, but such Commission must meet at least once in each calendar year of its existence.

"(c) A majority of the Commissioners shall constitute a quorum for the purpose of conducting business. Each Commissioner shall have one vote.

"(d) It shall be the duty of the Commission, in general, to promote, encourage, coordinate, and oversee the efforts of the Party States to implement the rail improvements as specified by such Commission, and the Commission shall have the power to undertake planning for rail improvement in consultation with Federal agencies, including the National Railroad Passenger Corporation and the Federal Railroad Administration. The Commission shall also undertake planning with local commuter rail operations in the Party States, and shall assign a high priority to operational considerations, including the coordination of schedules with commuter operations.

"(e)(1) The Commission shall be authorized to issue bonds, not to exceed one billion dollars in value, for the purpose of paying all or any part of the cost of rail improvements, if such authority is conferred upon it jointly by the legislative authority of the Party States. The Party States shall give full faith and credit to any bonds issued by the Commission. When other appropriations for the support of the Commission and its efforts are necessary, the Commission shall allocate the costs evenly among the Party States.

"(2) The funding of improvements in the Northeast Corridor shall be the responsibility of the Federal Government and the Party States.

"ARTICLE IV. COMPACT EFFECT

"Nothing in this compact shall abridge, limit or be construed so as to conflict with any existing State statute, or to repeal or prevent legislation, or to affect any existing or future cooperative arrangement or relationship between any Federal agency and a Party State.".

SEC. 3. The Secretary of Transportation is authorized to transfer not to exceed $50,000,000 per year from funds appropriated to the Urban Mass Transit Administration to the Commission for new high speed rail technologies.

SEC. 4. The consent to the Connecticut, Rhode Island, Massachusetts, New York, Maryland, Delaware, Pennsylvania, and New Jersey Rail Improvements Compact shall extend to any and all supplementary agreements entered into pursuant to carrying out the purpose of such compact.

SEC. 5. The right to alter, amend, or repeal this Act is expressly reserved.

[From the New York Times, Sunday, November 23, 1986]

AMTRAK ROLLS PAST SHUTTLES IN NUMBER OF RIDERS

(By Reginald Stuart)

WASHINGTON, Nov. 22—Between New York City and Washington, where airline "shuttle wars" are the talk of the travel business, Amtrak is carrying more passengers daily than any of the airlines with which it competes. And ridership is increasing on the Metroliner high-speed trains between the two cities.

Amtrak's success in the Northeast Corridor is a key factor behind the projection by the Government-subsidized national railroad passenger service that its income will cover its operating expenses next year for the first time since it was created by the Government in 1971.

"Our service is getting better and it's pretty clear airline service is getting worse," said Timothy Gardner, Amtrak's vice president for market planning, referring to airport congestion and delays. "You can tell the airlines' ability to handle the infrastructure problems are getting worse."

He cited with pride the 6 A.M.-to-6 P.M. hourly Metroliner departures for Washington and New York, at a fare of $52. Airline shuttles are $75.

32% OF RAIL AND AIR TRAVEL

In the first three months of 1986, Amtrak carried 306,300 passengers between New York and Washington, which was 32 percent of the total rail and air traffic on that route, according to the Department of Transportation. Eastern Airlines, operator of the largest air shuttle service between the two cities, carried 237,240, or 24.7 percent. In the first quarter of 1985, Eastern Airlines carried 274,510 people, or 28 percent of the traffic, as against 24.9 percent for Amtrak, which had 247,962 riders between the two cities.

Metroliner riders for the 12 months ended Sept. 30 were up 13.2 percent over the same period a year earlier. Riders on the Amtrak system nationwide totaled 20.3 million passengers, down 2.2 percent from the 1985 fiscal year's level of 20.7 million.

The decline resulted in large part from a decrease in overall Northeast Corridor travel as Amtrak acted to eliminate commuter traffic in New Jersey and Pennsylvania that generated less revenue than passenger traffic for longer distances. Before that the number of riders showed steady increases along the corridor.

DRIVE TO END SUBSIDIES

Amtrak's projection that is income will cover its operating expenses next year is no small matter for a system that was established to salvage railroad passenger service in the United States with little prospect of ever turning a profit.

Amtrak, whose revenues for the fiscal year 1986 were $861.4 million, or 4.3 percent above the previous fiscal year, would still fall about 40 percent short of covering such longer term costs as maintaining tracks, stations and other facilities. But only a few years ago the Federal subsidy was closer to 60 percent, enough to set off a campaign by the Reagan Administration for Congress to end the Amtrak subsidy, which would have ended the rail travelsystem.

Amtrak's Federal subsidy for the fiscal year 1987, which began Oct. 1, is $602 million, as against a high of $896.3 million in 1981 and $716.4 million in 1984.

GETTING MAIL BACK ON TRAINS

In addition to higher Metroliner passenger volume and an overall 5.4 percent increase in passenger miles traveled in the last fiscal period, the new fortunes of Amtrak are rooted in a variety of innovative steps.

Amtrak successfully revived carrying mail by train. It contracted with other railroads to lay track, weld railroad track and assemble cars; it produced electric power in Connecticut, sold computer software programs and resold fiber optic telecommunications capacity.

Amtrak has also persuaded train crews to accept an hourly pay system, breaking away from the mileage-based rate that had been the industry standard. The railroad says it expects to save $20 million in labor costs this year, the first full year the new pay system is in effect for some crews. Once it is spread systemwide next year, Amtrak expects to save $20 million to $30 million more a year in labor costs.

DRIVE TO CUT SUBSIDY LEVEL

"When I came here I set two objectives and still have them." said W. Graham Claytor Jr., chairman and president of the National Railroad Passenger Corporation, Amtrak's formal name, since 1982. "They are to reduce our revenue-to-cost ratio so we can get by with less subsidy every year and at the same time improve service. We're able to do that." Mr. Claytor, a former Secretary of the Navy, was chief executive officer of the Southern Railway System from 1967 to 1977.

Mr. Claytor set a policy of rejecting staff proposals that would require additional subsidizing. That policy, combined with the pressures from the Administration and Congress to get costs under control, spurred Amtrak officials to develop untapped resources.

There has been no shortage of such efforts, with the results getting high marks in recent reports from the General Accounting Office, the auditing arm of Congress.

The themes here are taking the existing physical capacity of Amtrak and trying to find matches," said Elyse G. Wander, Amtrak's vice president for corporate planning and development.

Several years ago, sensing the appetite of long-distance telephone companies to improve message transmission quality and capacity with fiber optic cables, Amtrak began competing with other railroads and utilities in offering access along its Northeast Corridor property for the laying of cable.

To date, Amtrak has struck four deals with long-distance telephone companies, including the American Telephone and Telegraph Company, that will generate approximately $70 million in cash and rights to use excess communications capacity.

In another example, at New Haven, where it operates a maintenance facility, Amtrak has began operating an electric power generating plant in partnership with the United Illuminating Company. Amtrak uses the steam generated by the plant and sells the electricity to the local utility.

Amtrak will gross about $2.5 million this year on that project and is exploring the prospects of a similar joint venture with the University of Pennsylvania in Philadelphia.

One of the more exciting so-called matches has been with the United States Postal Service. Amtrak has aggressively competed with the trucking industry to carve out a niche in the transporting of second-class mail, which includes magazines and other periodicals.

By rescheduling eastbound and westbound trains in and out of Chicago to minimize layover time, Amtrak can deliver mail from one coast to the other in four days, one less day than required by the trucking industry.

Mail hauling, which generated only $1 million for Amtrak in its first year of operation and had at one time been a candidate for complete elimination from its lines of business, generated $22.6 million for the system in the 1986 fiscal year. It is expected to reach the $33 million in the fiscal year 1987.

The most recent vote of confidence in Amtrak came just a few weeks ago when the Massachusetts Bay Transportation Authority announced that it would hire Amtrak to operate its commuter train service in the Boston area, a move made at the expense of troubled Guilford industries, a railroad holding company that had operated the service for some 10 years. The contract includes incentive clauses that could earn Amtrak up to $1.8 million a year.

"Over all, Amtrak is doing very well," said Ross Capon, executive director of the National Association of Railroad Passengers, one of the principal advocacy groups for Amtrak. He said the business projects in which the railroad was involved would make continued subsidies more palatable to Congress.

Transportation Secretary Elizabeth Hanford Dole, a reluctant player in the Administration's assault on the Amtrak subsidy, has also taken the position in recent weeks that Congress will continue to subsidize Amtrak. But she says she hopes Congress will study alternatives.

By Mr. GLENN:

S. 772. A communication to amend the Clayton Act regarding consent judgments; to the Committee on the Judiciary.

CLAYTON ACT AMENDMENTS

● Mr. GLENN. Mr. President, I am introducing S. 772, an amendment to the Clayton Act. This bill would ensure that divested companies are commercially viable and guarantee that all interested parties to a consent decree are able to intervene in a consent decree proceeding pursuant to a divestiture.

In recent times we have heard various officials blame the current antitrust laws for everything from this country's record trade deficits to a perceived loss in U.S. technological leadership. In that vein, the Justice Department has established a pattern of leniency with regard to corporate mergers. I agree that something is definitely wrong with our antitrust laws—especially when we have situations such as Goodyear and Enduro in Massillon, OH, where nearly 700 people were out of work for over a year due to a failure in our antitrust laws.

Let me explain what my bill does. Before entering a consent decree, a court is required to determine that the divestitute of the company or entity is in the public interest. What my bill would do is ensure that the citizens of each State have a role in determining what is in their best interest by making clear that the divested company will remain able to compete in the marketplace before a consent decree is finalized. And as a way of making sure that this happens the bill would also give State attorneys general the ability to participate in the consent decree proceedings.

Like most of the other States in the northern industrial tier, Ohio has paid a heavy price for having been at the heart of one of the world's prime manufacturing regions. Since 1979, Ohio has lost 259,000 manufacturing jobs, both to foreign competition and to other parts of the country. Its manufacturing employment since that time has declined 19.9 percent, compared with a decline of 8.4 percent for manufacturing jobs in the Nation as a whole. For these reasons Ohio and similarly situated States cannot afford for the current trend of companies divesting themselves of enterprises not capable of financial independence. Doing so perpetuates the problem of declining industries.

The viability of American corporations is extremely important in the face of today's trade situation. I doubt that anyone will disagree that we need to implement legislation that will permit and promote the growth of American industries. By allowing the divestiture and failure of money-making businesses such as Enduro we are doing anything but that.

While it is possible under current law for interested parties to intervene in consent decree proceedings involving divestitures, attempts to intervene in these proceedings have usually been unsuccessful.

Neither the Justice Department nor the divesting company in the average merger possess a sufficient interest in making sure the divested company is commercially viable or bought by a truly sound or reputable buyer. The people with the most to loose in these large corporate mergers are often the workers and the community.

Mr. President, I believe that the State attorney general can and does represent the interest of the people of his State. We can and should protect our towns and communities whenever possible. This legislation will do just that.●

By Ms. MIKULSKI:

S. 773. A bill to amend title XIX of the Social Security Act to clarify that, in the case of an institutionalized spouse, income and resources required under court order to be used for the support of a noninstitutionalized spouse are not considered to be available to the institutionalized spouse; to the Committee on Finance.

S. 774. A bill to amend the Internal Revenue Code to provide for the deduction of contributions to long-term care savings accounts; to the Committee on Finance.

S. 775. A bill to amend title II of the Social Security Act to require that certain individuals be informed of the limitations imposed upon entitlement to extended care services under the Medicare Program and of the conditions that such individuals are—or may be—required to meet to be eligible for long-term care under a State plan approved under the title XIX of such act; to the Committee on Finance.

By Ms. MIKULSKI (for herself and Mr. KENNEDY):

S. 776. A bill to amend title XIX of the Social Security Act to protect the welfare of spouses of institutionalized individuals under the Medicaid Program; to the Committee on Finance.

MEDICAID COMMUNITY SPOUSE SAFETY NET LEGISLATION

Ms. MIKULSKI. Mr. President, today I am introducing a legislative package which addresses a national problem facing thousands of elderly citizens each year—spousal impoverishment. This problem occurs when either the husband or wife of an elderly couple must enter a nursing home, and cannot afford to pay the costs of such care.

At the time a husband or wife enters a nursing home, several things occur. First, middle-class couples who have "played by the rules" all their lives, and have saved for their retirement, are forced to "spend-down" to meet State Medicaid standards for eligibility. Second, the noninstitutionalized, or "community spouse" suffers a loss of income that most often leaves him or her with a monthly income below the poverty line. Third, previously independent persons become dependent on public assistance.

How can that happen? First of all, Medicare does not pay for most of the cost of long-term health care. It is one of the glaring omissions in that program. Only Medicaid does. In order to qualify for Medicaid, however, the couple must spend all of their savings except for $2,700. In addition, the noninstitutionalized spouse is allowed a maximum monthly allowance of only about $300. This amount varies slightly by State.

The problem is particularly acute among older women who are forced into poverty in order to meet the costs of their husbands' nursing home care. The wife is left without sufficient income to meet even the most basic needs for subsistence. This places many essential items in the "senior market basket" out of reach from the community spouse. Such items might include medications, special diets, and prescription eyeglasses.

My legislation will prevent spousal impoverishment by:

Providing the community spouse with a monthly maintenance allowance of $750 plus an excess shelter cost adjustment if the spouse's mortgage or rent and utilities exceed one-third of $750.

Allowing the community spouse to keep up to $25,000 of the couple's assets.

Requiring States to recognize support orders for higher maintenance payments issued by courts against institutionalized spouses at the request of community spouses.

Requiring the Social Security Administration to provide an explanation of Medicaid and Medicare coverage for long-term nursing home care.

Establishing an individual long-term care account [IRA].

We are witnessing a trend in health care today where it is not the hospital stay that pauperizes our elderly. Rather, it is the stay in a long-term care facility that consumes a couple's life savings. This legislation can put a halt to that trend.

● MR. KENNEDY. Mr. President, I join with my colleague, Senator BARBARA MIKULSKI, in support of S. 776, the Medicaid Community Spouse Safety Net Act.

Impoverishment of spouses which results when the elderly are institutionalized is a tragic and growing problem. There are currently 1.5 million people over the age of 65 in nursing homes. By the year 2000, the number in need of institutional long-term care will rise to 2.5 million. Nursing home fees are high, averaging $22,000 a year and sometimes rising to $36,000.

Although some elderly couples have sufficient savings and assets from which they can draw to pay these nursing home costs, for most the cost of long-term care far exceeds their available financial resources. Census data show that less than half, or only 42 percent, of elderly households have annual incomes of $22,000. Medicaid is their only source of assistance.

However, to become eligible for Medicaid, these elderly couples generally have to resort to a phenomenon commonly termed "spend-down." They must meet the State's medically needy resource standard by depleting their lifetime of savings and assets. This requires that both the at-home spouse and the institutionalized spouse become impoverished before Medicaid coverage for nursing home care is achieved. In a typical State, the couple must spend all their savings except for $2,700, contribute all their income to the nursing home except $25 a month for personal needs of the nursing home patient and retain no more than $340 a month for the community spouse.

When the elderly are institutionalized, the living expenses of the community spouse are generally not reduced. The community spouse is left to live below the poverty level, often without sufficient income to meet even the most basic needs for subsistence. Often, he or she will lose their home and must do without basic food and medical care needs. This situation should be unacceptable to all of us.

The Medicaid Community Spouse Safety Act of 1987 will begin the process of protecting our seniors against high nursing home costs. Under the bill, the community spouse will be able to retain a modest but adequate standard of living. The bill would set a minimum monthly maintenance allowance for community spouses at no less than $750, plus an excess shelter cost adjustment if the community spouse's mortgage payment or rent, plus utilities, exceeds one-third of $750. Thus, regional differences in housing and utility costs are provided for. The bill would also allow the community spouse to retain assets equal to $25,000 and still qualify for Medicaid.

I urge prompt passage of this legislation. Doing anything less to address this tragic problem would be a disservice to older Americans of today and tomorrow. Passage is essential to ensure the dignity and well-being of the spouses of institutionalized elderly.●

By Mr. KENNEDY (for himself, Mr. PELL, Mr. MATSUNAGA, Mr. DODD, Ms. MIKULSKI, Mr. BRADLEY, Mr. CONRAD, and Mr. GLENN):

S. 778. A bill to authorize a star schools program under which grants are made to educational telecommunications partnerships to develop, construct, and acquire telecommunications facilities and equipment in order to improve the instruction of mathematics, science, and foreign languages, and for other purposes; to the Committee on Labor and Human Resources.

STAR SCHOOLS PROGRAM ASSISTANCE ACT

Mr. KENNEDY. Mr. President, the economic battles of tomorrow are being fought in the classrooms of today, and the news from the front is not good. In survey after survey, American students are at the back of the class in math, science, and foreign language achievement.

Japanese students score twice as high as our students in both chemistry and math achievements. It should come as no surprise that the Japanese also have twice as many engineers working in their industries and have twice as many patents per capita as we do.

It is unlikely that this trend will be reversed by present policies. If anything, the education gap will widen. Only 35 percent of the high schools in America even offer a physics course. The National Science Board reports that by 1995 we will need twice as many teachers in math and science as we have today. But for every qualified math and science teacher entering the field, 13 are leaving for greener pastures.

And this exodus is taking place in the face of the serious shortage of math and science teachers on hand today. The National Science Teachers Association estimates that 30 percent of all math and science teachers in this country are completely unqualified or are seriously underqualified to teach these subjects.

The cost of a traditional national program to recruit, train, hire and upgrade the Nation's math and science teachers so that American students would have qualified instruction is between $10 billion and $20 billion.

The bill we are posing would address this challenge by offering grants to State and multistate regional telecommunications partnerships which would establish networks to provide math, science, and foreign language courses by satellite and other telecommunications devices. Two elements are critical in establishing programs to link a region in this way—hardware and homework. First, there is hardware.

The hardware necessary for a satellite education program includes transmitters based on the ground, transponders—the receiving and transmitting units on a satellite—and "down links," which are satellite dishes.

Homework means creating the necessary network of participants for a satellite project to succeed. It requires cooperation between businesses, secondary schools, teacher training centers, and the higher education community.

Under our proposal the burden will be on the States and regions to perform this hard work. Their challenge is to assess their needs for better education, and to match these needs with the resources available in the region.

Our proposal asks the Federal Government to bear the cost of the initial hardware for the networks which have done the homework to make the program successful. Grants of up to $20 million would be available to partnerships of local educational agencies, State educational agencies, telecommunications agencies, institutions of higher education, and teacher training centers on a statewide or regional basis.

One hundred million dollars in total budget authority will be available over the next 5 years, with a maximum of $60 million authorized in any single year.

Participating networks will be required to provide a description of available educational offerings to the Secretary of Education; the descriptions would then be distributed to all State educational agencies. Over time, the program will become a national project of shared education resources. Even a one-room schoolhouse—with a satellite dish outside the door—will have access to a whole world of new information.

The advantages to secondary schools in having access to this information are clear, but they are greatest in rural areas and school districts with limited resources. Often, such schools are now unable to provide even minimal quality courses in math, science, and foreign languages.

The star schools proposal will help to bring educational excellence to all. Teachers will have access to the additional training needed to instruct their students. Colleges and universities will enjoy access to previously unavailable resources. Smaller and rural universities and schools will benefit the most. But excellent schools will benefit too. No institution has a monopoly on knowledge; sharing resources permits even our best institutions to enhance their stature.

The cost of continued failure in math and science education is enormous. It can be measured in the billions, just in trade resources lost. But the true cost of inaction will be the lost talents of an entire generation of America's youth. Our students deserve better education, and this legislation can bring it to them. If it succeeds, we shall once again make good the promise of American excellence in our schools.

I ask unanimous consent that the foregoing statement and full text of the Star Schools Program Assistance Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 778

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Star Schools Program Assistance Act".

PROGRAM AUTHORIZED

SEC. 2. Title III of the Education for Economic Security Act is amended to read as follows:

"TITLE III—STAR SCHOOLS PROGRAM

"SHORT TITLE

"SEC. 301. This title may be cited as the 'Star Schools Program Act'.

"STATEMENT OF PURPOSE

"SEC. 302. It is the purpose of this title to encourage improved instruction in mathematics, science, and foreign languages through a star schools program under which demonstration grants are made to eligible telecommunications partnerships to enable such eligible telecommunications partnerships to develop, construct, and acquire telecommunications facilities and equipment and obtain technical assistance for the use of such facilities.

"PROGRAM AUTHORIZED

"SEC. 303. (a) GENERAL AUTHORITY.—The Secretary is authorized, in accordance with the provisions of this title, to make grants to eligible telecommunications partnerships to develop, construct, and acquire telecommunications facilities and equipment and for technical assistance.

"(b) AUTHORIZATION OF APPROPRIATIONS.—(1) There is authorized to be appropriated $100,000,000 for the period beginning October 1, 1987, and ending September 30, 1992.

"(2) No appropriation in excess of $60,000,000 may be made in any fiscal year pursuant to paragraph (1) of this subsection.

"(c) LIMITATION.—A demonstration grant made to an eligible telecommunications partnership under this title in any fiscal year may not exceed $20,000,000.

"ELIGIBLE TELECOMMUNICATIONS PARTNERSHIPS

"SEC. 304. (a) GENERAL RULE.—In order to be eligible for demonstration grants under this title, an eligible telecommunications partnership shall consist of—

"(1) a public agency or corporation established for the purpose of developing and operating telecommunications networks to enhance educational opportunities for educational institutions, teacher training centers, health institutions, and industry; or

"(2) a partnership which includes three or more of the following which will provide a telecommunications network:

"(A) a local educational agency,

"(B) a State educational agency,

"(C) an institution of higher education,

"(D) a teacher training center, or

"(E) a public agency or private nonprofit organization with experience or expertise in the operation of a telecommunications network.

"(b) SPECIAL RULE.—An eligible telecommunications partnership must be organized on a statewide or multistate regional basis.

"APPLICATIONS

"SEC. 305. (a) APPLICATION REQUIRED.—Each eligible telecommunications partnership which desires to receive a demonstration grant under this title may submit an application to the Secretary, at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(b) CONTENTS OF APPLICATION.—Each such application shall—

"(1) describe the telecommunications facilities and equipment and technical assistance for which assistance is sought which may include the design, development, construction, and acquisition of State or regional educational telecommunications networks and technology resource centers; microwave, fiber optics, and cable transmission equipment; satellite transmission equipment; reception facilities; satellite time; production facilities; other telecommunications equipment capable of serving a wide geographic area; and the development of educational programming for use on a telecommunication network;

"(2) demonstrate that the eligible telecommunications partnership has engaged in sufficient survey and analysis of the area to be served to ensure that the services offered by the telecommunications partnership will increase the availability of courses of instruction in mathematics, science, and foreign languages; and

"(3) provide such additional assurances as the Secretary may reasonably require.

"(c) APPROVAL OF APPLICATION; PRIORITY.—The Secretary shall, in approving applications under this title, give priority to applications which demonstrate that—

"(1) a concentration and quality of mathematics, science, and foreign language resources which, by the distribution through the eligible telecommunications partnership, will offer significant new educational opportunities to network participants;

"(2) the eligible telecommunications partnership has secured the direct cooperation and involvement of public and private educational institutions, State and local government, and industry in planning the network;

"(3) the eligible telecommunications partnership will serve the broadest range of institutions, including public and private elementary and secondary schools, institutions of higher education, teacher training centers, research institutes, and private industry;

"(4) a significant number of educational institutions have agreed to participate or will participate in the use of the telecommunications system for which assistance is sought;

"(5) the eligible telecommunications partnership will have substantial academic and teaching capabilities; and

"(6) the eligible telecommunications partnership will serve a multistate area.

"DISSEMINATION OF COURSES AND MATERIALS UNDER THE STAR SCHOOLS PROGRAM

"SEC. 306. (a) Each eligible telecommunications partnership awarded a grant under this Act shall report to the Secretary a listing and description of available courses of instruction and materials to be offered by educational institutions and teacher training centers which will be transmitted over satellite, specifying the satellite on which such transmission will occur and the time of such transmission.

"(b) The Secretary shall compile and prepare for dissemination a listing and description of available courses of instruction and materials to be offered by educational institutions and teacher training centers equipped with satellite transmission capabilities, as reported to the Secretary under subsection (a) of this section.

"(c) The Secretary shall distribute the list required by subsection (b) of this section to all State educational agencies.

"EVALUATION

"SEC. 307. (a) EVALUATION.—The Office of Technology Assessment shall, beginning after September 30, 1987, conduct a thorough evaluation of the use of the telecommunications systems supported by grants made under this title.

"(b) REPORTS.—The Office of Technology Assessment shall prepare and submit reports, every three months, to the Congress, on the study required by this subsection.

"CONTINGENT AUTHORIZATION POLICY FOR AN EDUCATIONAL SATELLITE

"SEC. 308. (a)(1) The Office of Technology Assessment shall conduct a study and evaluation of the cost of designing, building, and launching a satellite for educational purposes, together with and an analysis of the ability of users of such a system to repay the cost of such a satellite.

"(2) The study and evaluation required by paragraph (1) of this subsection shall be completed not later than September 30, 1991.

"(b) If the Office of Technology Assessment finds, after a study and evaluation of the demand for the use of a satellite for educational purposes, that the cost entailed in designing, building, and launching such a satellite could be repaid within 10 years by the potential users of such a satellite—

"(1) the Office of Technology Assessment shall notify the Congress of the finding required by this subsection; and

"(2) the Congress should appropriate the funds necessary to design, build, and launch a satellite for use in a space-based satellite education system.

"DEFINITIONS

"SEC. 309. As used in this title—

"(1) the term 'educational institution' means an institution of higher education, a local educational agency, and a State educational agency;

"(2) the term 'institution of higher education' has the same meaning given that term under section 1201(a) of the Higher Education Act of 1965;

"(3) the term 'local educational agency' has the same meaning given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

"(4) the term 'Secretary' means the Secretary of Education; and

"(5) the term 'State educational agency' has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965.".

By Mr. CHILES:

S. 779. A bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; to the Committee on Rules and Administration.

SENATE ELECTION CAMPAIGN ACT

● Mr. CHILES. Mr. President, today I want to talk about campaign politics, money, and special interests.

I am introducing legislation which will limit the financial influence of political action committees—special interest PAC's; shorten and refocus the length of campaigns for the Senate; and change the way Senate elections are funded.

This legislation addresses one of the more significant and potentially dangerous problems facing the American political process.

I am talking about the politics of the 1980's in which money has become the be-all and end-all of the political process.

The bill takes three major steps.

First, the total amount of money PAC's can contribute to political candidates will be limited to $300,000 per election cycle. Unlike the $25,000 limit on total contributions an individual may give, PAC's are only limited on the amount they can give to a single candidate. The bill will limit the aggregate amount PAC's can give.

Second, a "campaign season" will be established by restricting until Labor Day the spending of public funds provided for Senate campaigns under a public financing system; and by prohibiting political TV advertising before Labor Day by candidates who will receive public funds. The result will be to refocus public, press, and candidate attention to a shorter and more reasonable 2-month period before an election.

Third, a voluntary, partial public financing system is established for Senate elections. The bill tracks the language of S. 2, the Boren-Byrd bill of which I am an original cosponsor. The "campaign season" and overall campaign spending ceilings are tied to candidates who opt for public financing.

Mr. President, at the beginning of this century, scandal was often the hidden companion of politics. Offices were sometimes bought and sold. Things are much different now than in the days when—at the end of the rainbow—there was a pot of gold. But when the rainbow begins with that pot of gold, things are not necessarily better.

Our situation is more subtle, but no less serious than in the early days of this century. We don't often hear any more about the blatant practice of money changing hands. Rather, it's become more a question of money changing minds.

Only 4 months have passed since the most recent elections. A loud message from the 1986 elections is the overwhelming and growing importance of money to the electoral process. The 34 Senators who just got elected this cycle can affirm the fact that money is the first, second, and third consideration of any candidate.

Too much money in campaigns together with the strings that come with PAC money—the fastest growing source for more money—is a critical issue facing our structure of government.

Left unchecked, our representative system of government is in danger.

Unless we take action to control the explosion in campaign financing, we risk becoming a Senate that is of the rich, by the rich, and for the rich. Our founding fathers intended better than that, and our constituents demand and deserve better than that.

Too many American citizens already believe that we are the best congress money can buy. They believe that special interests prevail over the public interest.

We are running the risk of becoming rotten in the public's eye.

Look again at the two basic problems we face.

First, there is too much money in campaigns—from $88 million for all congressional campaigns in 1974 to $374 million in 1984. That is a fourfold increase.

From $34.7 million for the 1974 Senate elections to over $183 million in 1986. That too is an increase of over 400 percent in 12 years.

The average cost of winning election to the Senate was over $3 million this past election compared to $1.2 million in 1980. That is an increase of 150 percent in just 6 years.

When you have that kind of money around, the notion of dispassionate civic interest falls apart. That kind of money is very visible. It is quickly perceived by the public as a lubricant applied by special interests to grease the wheels of access to elected officials.

The second problem is the strings attached to that special interest money. Political action committees and the money they control are an increasingly dominant influence on the electoral process.

Total PAC spending has gone through the roof, from $5.4 million on Senate campaigns in 1976 to over $44 million in 1986, an eightfold increase.

PAC contributions as a percentage of total campaign contributions have gone through the roof. This figure has doubled in a dozen years, and now stands near 30 percent. What will our government be like if that figure doubles again to 60 percent?

Political Action Committees serve up the big money. Many candidates go there first. Campaign budgets have become based not on what you need, but how much you can get.

What is at stake if we do not reverse these dangerous trends is public confidence and participation in our system. Individual participation is being frozen out of that system. The participation of people with money seems to be counting more. Much of the money is from out of State—from people who cannot even vote for the candidate.

Voters sense these trends. They have become skeptical to a point where voter turnout is down.

We should not let the reasons for this skepticism to go uncontrolled. For example, we now find lobbyists often operating as brokers for groups of PAC's. Today, many people believe "PAC" no longer stands for political action committee. Instead, they believe it stands for purchasing agent's club.

The relationship between lobbyists, PAC's, and campaign finance can be a murky one. But what is crystal clear to all who want to see is that PAC's run in packs.

They often take on the character of a flock of sheep following certain shepherds.

When candidates need an extra push in the final few weeks or months of a campaign, they are not turning to individuals, to voters who can elect them. Instead they are turning to out-of-State special interests to finance their race. The individual is being diminished as an important player in the process.

The end result is a serious challenge to the concept of political equality central to the American democratic system. The path this Nation has traveled to fulfill the promise of "one man, one vote" has been long and difficult. The increasing role of money and growing influence of PAC's is working to negate that promise.

Mr. President, I have already made my commitment to the 1988 election. I have decided not to take PAC money. Contributions to my campaign will be limited to a maximum of $100 per person. Contributions will be accepted only from Floridians, from people who can vote for me.

I don't believe a Senate election should be a banquet in interstate commerce.

I want to assure my colleagues, however, that self-preservation is not my motivation here.

Let me return to the legislation itself.

An essential goal of this legislation is to reopen the political process to individuals.

The best way to achieve this is to reduce the amount of money going to campaigns and to control the money that large PAC's can give to candidates. Public financing, and aggregate PAC limits, can do just that.

Public financing is based on the idea of participation. It is based, as well, on the concept that it's time to rinse the system of the idea that the candidate who generates the most fundraising cash is necessarily the best potential officeholder. Instead, let's focus on good sense, straight talk, and willingness to work hard.

In addition, I sense a growing detachment in today's citizenry from the electoral process. I believe there is a spiraling relationship between the big money and too-lengthy, TV-oriented campaigns.

A "campaign-season" approach addresses this part of what I believe is the same problem.

Under the present system, the campaign is too long for the voters. The people are swamped by TV ads. They support or attack a candidate for a year or more. Eighteen months of 30 to 60 second spots has its limitations as a form of educating the American voter.

The public becomes numb. They lose interest. They begin to tune out the commercials. And I wonder whether they ever tune back in even when election time gets close.

Television is the key means of communicating information in modern America, and that's the purpose for which it should be used by candidates. Tell people what you think, explain your beliefs, and leave the glitz to the rock stars.

Recent polls show that 65 to 70 percent of Americans would like to see the campaign shortened. I believe citizens want to elect their representatives and let them work without worrying about reelection until the campaign is upon us. People who send us to Washington do so with the hope and understanding that we will work primarily to further the interests of our States and our Nation, not just of ourselves.

I suspect that, as once and future candidates, Members of this body would welcome that change as well. The quality of public service in this country will improve if public servants have fewer demands to raise funds and conduct media marathons between the last election and the next.

Limiting the spending of public funds and prohibiting TV spots by candidates until Labor Day will change the way the public looks at political campaigns. The two restrictions tied to a public financing system will lead to public and press expectations of when it is time to pay serious attention to the choices. It makes sense to focus that attention after Labor Day.

If one of the candidates in a Senate race chooses not to participate in public financing, then the campaign season provisions would not apply to that election.

Most importantly, the idea of a campaign season will reinforce the controls of campaign spending imposed by the total PAC limits and the voluntary partial public financing system contained in this bill.

Mr. President, my colleagues in the Senate, I believe we all know that the time has come for reform in the way we finance and conduct our election campaigns. How much more indebted must we become before we act to restore our credibility both to our constituents and to ourselves?

The present system is wrong. Representative democracy is not a reality when special interests and big money take precedence over the public interest. It is time to stop nudging and smirking and winking and start getting down to the business of reform. We all must know in our hearts that continuing with the present system is simply perpetuating a wrong, and, as enlightened leaders of our citizens, we must right it.

Mr. President, I ask unanimous consent that a summary of the legislation be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF "SENATE ELECTION CAMPAIGN ACT OF 1987"

Political Action Committees, PACs, are the fastest growing source of money for political candidates. The bill will limit the total amount of money PACs can contribute to candidates to $300,000 an election cycle. Presently, there is no aggregate limit on PAC contributions.

Political campaigns are too long, both for voters and the candidates. The bill structures a "campaign season", which would combine restrictions on the spending of public funds under a public financing approach until after Labor Day with a prohibition on political TV advertising by candidates before Labor Day.

In effect, the "campaign season" would begin Labor Day and continue until election day.

The "campaign season" provisions will apply to Senate races where all the candidates opt for public financing. Absent participation by all the candidates they will not apply.

Too much money is spent on political campaigns. The bill establishes a voluntary system of campaign spending limits for Senate general elections tied to voluntary, partial public financing.

The remainer of the bill is fully consistent with the language of S.2, introduced by Senators Boren and Byrd. I am an original cosponsor of that legislation, and fully endorse it. Both S.2 and the legislation I introduce today:

Require candidates to demonstrate the strength of their candidacies by raising a "threshold" level of contributions from individuals which, in the aggregate, amount to $250,000 or 20 percent of the campaign spending limit, whichever is less. Up to $250 of each individual contribution would count for threshold purposes. At least 80 percent of the contributions would be required to come from individuals residing in the candidate's state.

Entitle candidates who have attained the threshold level of contributions to public funds of an amount equal to the difference between the threshold amount and the campaign spending limit for the state.

Limit spending by each candidate in the general election to $600,000 plus 25 cents times the voting age population of the candidate's state. In Florida, this limit would presently be $2,807,500.

Restrict contributions to the candidate's campaign from the personal funds of the candidate or his immediate family to $20,000. Prohibit candidates from making loans of their own personal funds to their campaigns. Any use of personal wealth by a candidate would have to be directly contributed.

Establish that if any individual or group makes independent expenditures of more than $25,000 in opposition to a participating candidate or in support of the participating candidate's opponent, the participating candidate would be eligible to receive additional public financing payments equal to the amounts being spent by the individual or group on independent expenditures, over $25,000.

Clarify when an independent expenditure has been coordinated with a candidate's campaign. Requires that an advertisement in any newspaper, magazine, broadcast or other media advertisement contain a message stating who authorized and paid for the advertisement. Television advertisements financed by independent expenditures would be required to continuously display throughout the length of the advertisement the name of the individual, political committee, or organization that paid for it.

Stipulate that if any non-participating candidate exceeds the state's spending limit, participating candidates would be eligible for additional public financing payments of 100 percent of the state's spending limit. If a candidate exceeds the spending limit by 200 percent, he must notify the FEC within 24 hours, at which point his opponent is freed from the state's spending limit.

Place an overall limit on candidates' receipts of PAC contributions varying with the populations of their states, with a low of $175,000 in small states and a cap of $750,000 in large states.

Reduce the individual PAC contribution limit from $5,000 to $3,000.

Establish an overall limit of $2,000,000 per election cycle on PAC contributions to political parties.

Close the bundling loophole by clarifying when bundling activity occurs and by requiring that contributions bundled or otherwise arranged by a PAC or other intermediary would count toward the PAC or other intermediary's contribution limit. No longer could PACs act as a conduit by solicting contributions from individuals in the name of a candidate, collecting those monies, then offering them to the candidate as a PAC contribution.

Close the loophole whereby foreign nationals are barred from making campaign contributions to federal candidates but foreign and U.S. subsidiaries are allowed to establish PACs which can make such contributions.

Provide that, within the campaign period, a participating candidate would be entitled to receive the lowest unit rate costs for television advertisements, as provided by law. Non-participating candidates would no longer enjoy this statutory benefit, and individual stations could charge them regular commercial rates.●

By Mr. HATCH (for himself, Mr. BENTSEN, Mr. CRANSTON, Mr. DOLE, Mr. DURENBERGER, Mr. GRASSLEY, Mr. HOLLINGS, Mr. HUMPHREY, Mr. MATSUNAGA, Mr. METZENBAUM, Mr. NICKLES, Mr. NUNN, Mr. THURMOND, Mr. TRIBLE, and Mr. WARNER):

S.J. Res. 97. Joint resolution to designate the week beginning November 22, 1987, as "National Adoption Week"; to the Committee on the Judiciary.

NATIONAL ADOPTION WEEK

● Mr. HATCH. Mr. President, it is again my privilege to sponsor the Senate resolution proclaiming Thanksgiving Week, November 22–28, 1987, as "National Adoption Week." Adoption is an important part of the lives of millions of American families. In many ways, our country's unequalled record in adopting, loving and caring for those who would otherwise be bereft of God's greatest gift, a "family" of their own, is one of the most important testaments in the annals of America's history.

We have unanimously approved this legislation over the past 4 years. We in the Congress recognized then, as we do now, that many children in this country need and long for a permanent home with a family. In America today, there are an estimated 36,000 adoptable children who remain in foster care or institutions because of various public and private barriers. There also remains a lack of awareness among prospective parents who don't know that these children are available.

The majority of these children have "special needs." They may have physical, emotional or mental handicaps, or they may be children who have already reached school age. They may be children from various ethnic backgrounds. They may be children with brothers and sisters. What they all share, however, is a basic right and a fundamental need for a permanent, secure and loving home.

We all have heard stories about families who have come together through adoption. I would like to tell you about a couple from Bountiful, UT, who say nothing is more important to them than having happy, well adjusted children. Beckie and Larry King have 8 adopted children, all with physical or other problems, and have provided care for almost 30 children in foster and shelter care. The couple say they appreciate the challenges presented by their children and wouldn't trade the experiences they've gained for anything. They have learned through these experiences that there are few difficulties they cannot cope with if they exercise enough patience and faith. The Kings are just one couple out of many who believe they have benefitted by adopting children with "special needs."

During National Adoption Week we applaud and acknowledge the benefits of adoption. President Reagan stated in his proclamation on National Adoption Week:

> National Adoption Week should remind us that no woman need fear that the child she carries is unwanted. It is a sad paradox that, while thousands of American couples desperately desire to adopt a baby, many women who undergo abortions every year in the United States are unaware of all the couples eager to share their home with a newborn and to give that child all the love and care they would give if they had been its natural parents. Adoption is an alternative that provides family life for children who cannot live with their biological parents, and it is especially fitting that at Thanksgiving time we emphasize the importance of family life through the observance of National Adoption Week.

Let us join in a celebration for families who are uniting through adoption. Let us celebrate the increased attention to adoption and commend those institutions working to find permanent homes for all adoptable children. I urge you to join me by cosponsoring and enacting this resolution. I ask unanimous consent that the complete text of the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 97

Whereas Thanksgiving week has been commemorated as "National Adoption Week" for the past ten years;

Whereas we in Congress recognize the essential value of belonging to a secure, loving, permanent family as every child's basic right;

Whereas approximately fifty thousand children who have special needs—school age children, children within sibling groups, children who are members of minorities, or children with physical, mental, or emotional handicaps—are now in foster care or institutions financed at public expense and are legally free for adoption;

Whereas the adoption by capable parents of these institutionalized or foster care children into permanent, adoptive homes would insure the opportunity for their continued happiness and long-range well-being;

Whereas public and private barriers inhibiting the placement of these special needs children must be reviewed and removed where possible to assure these children's adoption;

Whereas the public and prospective parents must be informed of the availability of adoptive children;

Whereas a variety of media, agencies, adoptive parent and advocacy groups, civic and church groups, businesses, and industries will feature publicity and information to heighten community awareness of the crucial needs of waiting children; and

Whereas the recognition of Thanksgiving week as "Nationl Adoption Week" is in the best interest of adoptable children and the public in general: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of November 22, 1987, through November 28, 1987, is designated "National Adoption Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.●

By Mr. HATCH:

S.J. Res. 98. Joint resolution to designate the week of November 29, 1987, through December 5, 1987, as "National Home Health Care Week"; to the Committee on the Judiciary.

NATIONAL HOME HEALTH CARE WEEK

● Mr. HATCH. Mr. President, no issue is more at the center of our deliberations than catastrophic health care protection and long-term care. The fundamental question which the Congress must decide is what kind of care and assistance should be offered and in what type of setting should that care be provided.

Today, I would like to add to that discussion the need to consider home health care as a component of any catastrophic proposal. In order to highlight its importance, I am introducing today a resolution designating the week of November 29, 1987, as National Home Care Week. This resolution honors the numerous health professionals who provide compassionate and much needed care for elderly and disabled individuals in their homes. The individuals and organizations who make such a very worthwhile contribution to society do in fact deserve to be honored. It is our additional hope that, by commemorating the cause of national home health care, public awareness about this alternative will be heightened.

Our country is now facing a crisis of major proportions. We have all heard the stories about elderly family members suffering from lingering illnesses. They are forced to sell their homes to pay off mounting health care debts. We need to recognize that our citizens cannot depend alone on nursing homes and institutionalized hospital care. To provide care for our elderly, the disabled, and our family members, new affordable and innovative arrangements must be devised.

One example of costs-savings for home care service can be found in my home State of Utah where a statewide program, called Alternatives is ongoing. It focuses on persons applying for nursing home admissions for nonmedical reasons and has achieved a 25-percent reduction in State expenditures for nursing home care. Cost per client day in 1978–79 was about $8, compared to costs of $24 to $33 for daily nursing home care.

Further, a recent poll asked the American public what setting they would like to see expanded for health care delivery. The result was a resounding victory for home health care. Americans, by a margin of 9 to 1, prefer home care to institutional care.

As we in Congress look at proposals addressing the catastrophic health care problems, I urge all to look at the results of over 6,000 home health care programs around the country. They are providing a cost-effective solution to the escalating costs of catastrophic treatment. National Home Care Week honors these organizations and professionals who provide this most vital service.

I feel it is especially appropriate that we honor these programs during the months of November and December when we traditionally focus on the family and its traditions, and that we highlight the work of those who help our growing population of senior citizens preserve their home lives and independence. I ask my colleagues to join me and cosponsor this resolution.

At this time I ask unanimous consent that the entire resolution be included in the RECORD and that a letter from my friend, Val Halamandaris, president of Home Care, be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. RES. 98

To designate the week of November 29, 1987 through December 5, 1987 as "National Home Health Care Week."

Whereas organized home health care services to the elderly and disabled have existed in this country since the last quarter of the eighteenth century;

Whereas home health care, including skilled nursing services, physical therapy, speech therapy, social services, occupational therapy, health counseling and education, and homemaker-home health aide services, is recognized as an effective and economical alternative to unnecessary institutionalization;

Whereas caring for the ill and disabled in their homes places emphasis on the dignity and independence of the individual receiving such services;

Whereas the Federal Government has supported home health services since the enactment of the medicare program, with the number of home health agencies providing services increasing from less than five hundred to more than five thousand; and

Whereas many private, public, and charitable organizations provide these and similar services to millions of patients each year preventing, postponing, and limiting the need for institutionalization and enabling such patients to remain independent: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of November 29, 1987 through December 5, 1987, is designated as "National Home Health Care Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate programs, ceremonies, and activities.

NATIONAL ASSOCIATION
FOR HOME CARE,
Washington, DC, March 17, 1987.
Hon. ORRIN HATCH,
Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: Thank you for once again introducing the Senate resolution to designate the week after Thanksgiving as National Home Care Week.

National Home Care Week increases public awareness of the availability and appropriateness of home care as a humane, cost-effective health care option and recognizes the work being done by over 6,000 Medicare-certified home health agencies and thousands of other home care agencies that care for the elderly, sick, and infirm.

On behalf of the 5,000 member organizations of the National Association for Home Care and the millions of beneficiaries they serve, we thank you for your recognition of the importance of home care services and for your continued efforts to ensure that the elderly and infirm receive the health care services they need.

With best regards,
Sincerely,
VAL J. HALAMANDARIS,
President.●

ADDITIONAL COSPONSORS

S. 8

At the request of Mr. CRANSTON, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 8, a bill to provide Federal financial assistance to facilitate the establishment of alliances between educational agencies and the private sector to increase the use of resources of the private and nonprofit sectors in the provision of elementary and secondary education, and for other purposes.

S. 74

At the request of Mr. NICKLES, his name was added as a cosponsor of S. 74, a bill to amend the Internal Revenue Code of 1986 to allow a charitable contribution deduction for certain amounts paid to or for the benefit of an institution of higher education.

S. 129

At the request of Mr. INOUYE, the names of the Senator from Oklahoma [Mr. NICKLES], and the Senator from

Oregon [Mr. HATFIELD] were added as cosponsors of S. 129, a bill to authorize and amend the Indian Health Care Improvement Act, and for other purposes.

S. 272

At the request of Mr. HUMPHREY, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 272, a bill to require certain individuals who perform abortions to obtain informed consent.

S. 273

At the request of Mr. HUMPHREY, THE NAME OF THE SENATOR FROM INDIANA [Mr. LUGAR] was added as a cosponsor of S. 273, a bill to require certain individuals who perform abortions to obtain informed consent.

S. 286

At the request of Mr. FORD, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 286, a bill to provide for a 2-year Federal budget cycle, and for other purposes.

S. 303

At the request of Mr. BRADLEY, the names of the Senator from Maryland [Ms. MIKULSKI], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 303, a bill to establish a Federal program to strengthen and improve the capability of State and local educational agencies and private nonprofit schools to identify gifted and talented children and youth and to provide those children and youth with appropriate educational opportunities, and for other purposes.

S. 328

At the request of Mr. SASSER, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Illinois [Mr. SIMON], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 328, a bill to amend chapter 39, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes.

S. 397

At the request of Mrs. KASSEBAUM, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 397, a bill to amend the Federal Deposit Insurance Act.

S. 444

At the request of Mr. BOSCHWITZ, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of S. 444, a bill to amend the Internal Revenue Code of 1986 to retain a capital gains tax differential, and for other purposes.

S. 498

At the request of Mr. RIEGLE, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 498, a bill to amend the Trade Act of 1974, to define as an unfair trade practice, the denial of internationally recognized worker rights, and for other purposes.

S. 500

At the request of Mr. PRYOR, the names of the Senator from Louisiana [Mr. BREAUX], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Mississippi [Mr. COCHRAN], were added as cosponsors of S. 500, a bill to identify and reduce barriers to, and distortions of, international trade in rice; to promote expansion of United States rice exports; and for other purposes.

S. 541

At the request of Mr. PRYOR, the names of the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Colorado [Mr. WIRTH], the Senator from Mississippi [Mr. COCHRAN], the Senator from Nevada [Mr. REID], the Senator from Washington [Mr. ADAMS], the Senator from Wisconsin [Mr. KASTEN], the Senator from South Dakota [Mr. DASCHLE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Tennessee [Mr. GORE], the Senator from Nebraska [Mr. EXON], the Senator from Arizona [Mr. DECONCINI], the Senator from Arkansas [Mr. BUMPERS], the Senator from Nevada [Mr. HECHT], the Senator from Connecticut [Mr. DODD], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Pennsylvania [Mr. HEINZ], were added as cosponsors of S. 541, a bill to amend title 39, United States Code, to extend to certain officers and employees of the United States Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive services.

S. 548

At the request of Mr. METZENBAUM, the names of the Senator from Alabama [Mr. SHELBY], the Senator from Arkansas [Mr. BUMPERS], the Senator from Maryland [Mr. SARBANES], and the Senator from Hawaii [Mr. INOUYE], were added as cosponsors of S. 548, a bill to amend title 11, United States Code, the Bankruptcy Code, regarding benefits of certain retired employees.

S. 557

At the request of Mr. SASSER, his name was added as a cosponsor of S. 557, a bill to restore the broad scope of coverage and to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964.

S. 668

At the request of Mr. MCCLURE, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from North Carolina [Mr. HELMS], the Senator from Nevada [Mr. REID], the Senator from Idaho [Mr. SYMMS], the Senator from South Carolina [Mr. THURMOND], the Senator from Mississippi [Mr. STENNIS], the Senator from Hawaii [Mr. INOUYE], the Senator from Iowa [Mr. GRASSLEY], the Senator from Wyoming [Mr. WALLOP], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of S. 668, a bill for the relief of Bela Karolyi.

SENATE JOINT RESOLUTION 21

At the request of Mr. HOLLINGS, the name of the Senator from Texas [Mr. BENTSEN], was added as cosponsors of Senate Joint Resolution 21, a joint resolution proposing an amendment to the Constitution of the United States relative to contributions and expenditures intended to affect congressional, and Presidential elections.

SENATE JOINT RESOLUTION 39

At the request of Mr. SIMON, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as cosponsor of Senate Joint Resolution 39, a joint resolution to provide for the designation of the 69th anniversary of the renewal of Lithuanian independence, February 16, 1987, as "Lithuanian Independence Day."

SENATE JOINT RESOLUTION 60

At the request of Mr. BRADLEY, the names of the Senator from Virginia [Mr. TRIBLE], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Wyoming [Mr. WALLOP], the Senator from Rhode Island [Mr. CHAFEE], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 60, a joint resolution to authorize the President to proclaim the last Friday of April each year as "National Arbor Day."

SENATE JOINT RESOLUTION 66

At the request of Mr. BURDICK, the names of the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Rhode Island [Mr. PELL], the Senator from Arkansas [Mr. PRYOR], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of Senate Joint Resolution 66, a joint resolution to designate the week of November 22 through 28, 1987, as "National Family Week."

SENATE JOINT RESOLUTION 67

At the request of Mr. GORE, the names of the Senator from Delaware [Mr. BIDEN], the Senator from Missouri [Mr. BOND], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from New Jersey [Mr. BRADLEY], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. BURDICK], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Florida [Mr. CHILES], the Senator from Mississippi [Mr. COCHRAN], the Senator from North Dakota [Mr. CONRAD], the Senator from California [Mr. CRANSTON], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Ohio [Mr. GLENN], the Senator from Iowa [Mr. GRASSLEY], the Senator from Alabama [Mr. HEFLIN], the Senator from Pennsylvania [Mr. HEINZ], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Massachusetts [Mr. KERRY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Vermont [Mr. LEAHY], the Senator from Michigan [Mr. LEVIN], the Senator from Indiana [Mr. LUGAR], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Idaho [Mr. MCCLURE], the Senator from Montana [Mr. MELCHER], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maryland [Ms. MIKULSKI], the Senator from New York [Mr. MOYNIHAN], the Senator from Georgia [Mr. NUNN], the Senator from Rhode Island [Mr. PELL], the Senator from South Dakota [Mr. PRESSLER], the Senator from Arkansas [Mr. PRYOR], the Senator from Nevada [Mr. REID], the Senator from Michigan [Mr. RIEGLE], the Senator from Maryland [Mr. SARBANES], the Senator from Tennessee [Mr. SASSER], the Senator from Illinois [Mr. SIMON], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Vermont [Mr. STAFFORD], the Senator from Mississippi [Mr. STENNIS], the Senator from Alaska [Mr. STEVENS], the Senator from South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. TRIBLE], the Senator from Virginia [Mr. WARNER], the Senator from Connecticut [Mr. WEICKER], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 67, a joint resolution to designate the month of May 1987 as "National Digestive Diseases Awareness Month."

SENATE JOINT RESOLUTION 69

At the request of Mr. SIMON, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of Senate Joint Resolution 69, a joint resolution to designate the week beginning April 20, 1987, as "World Population Awareness Week."

SENATE JOINT RESOLUTION 70

At the request of Mr. TRIBLE, the names of the Senator from Alaska [Mr. MURKOWSKI], the Senator from Oklahoma [Mr. NICKLES], the Senator from Tennessee [Mr. GORE], the Senator from South Dakota [Mr. PRESSLER], the Senator from Texas [Mr. BENTSEN], the Senator from Alabama [Mr. SHELBY], the Senator from Connecticut [Mr. DODD], the Senator from New Jersey [Mr. BRADLEY], the Senator from Missouri [Mr. DANFORTH], the Senator from Utah [Mr. GARN], the Senator from Texas [Mr. GRAMM], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Idaho [Mr. SYMMS], the Senator from Idaho [Mr. MCCLURE], the Senator from Arkansas [Mr. PRYOR], the Senator from Nevada [Mr. HECHT], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from California [Mr. WILSON], the Senator from Arkansas [Mr. BUMPERS], the Senator from Mississippi [Mr. STENNIS], the Senator from Maryland [Mr. SARBANES], the Senator from Michigan [Mr. RIEGLE], the Senator from Maine [Mr. COHEN], the Senator from South Carolina [Mr. THURMOND], the Senator from Washington [Mr. ADAMS], the Senator from Maine [Mr. MITCHELL], the Senator from Michigan [Mr. LEVIN], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Delaware [Mr. BIDEN], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of Senate Joint Resolution 70, a joint resolution commemorating the 40th anniversary of the Marshall plan.

SENATE JOINT RESOLUTION 96

At the request of Mr. HOLLINGS, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of Senate Joint Resolution 96, a joint resolution designating April 3, 1987, as "Interstate Commerce Commission Day."

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. GORE, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of Senate Concurrent Resolution 20, a concurrent resolution to express the sense of Congress that funding for the vocational education program should not be eliminated.

SENATE CONCURRENT RESOLUTION 27

At the request of Mr. DURENBERGER, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Concurrent Resolution 27, a concurrent resolution stating the sense of the Senate that the U.S. Department of Commerce and Special Trade Representative should initiate investigations of Canadian agricultural subsidies.

SENATE RESOLUTION 109

At the request of Mr. CRANSTON, the names of the Senator from Nevada [Mr. REID] and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Resolution 109, a resolution expressing the sense of the Senate with respect to the proposed rescission of budget authority for rental development grants.

SENATE RESOLUTION 110

At the request of Mr. CRANSTON, the names of the Senator from Nevada [Mr. REID] and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Resolution 110, a resolution expressing the sense of the Senate with respect to the proposed rescission of budget authority for community development block grants.

SENATE RESOLUTION 111

At the request of Mr. CRANSTON, the names of the Senator from Nevada [Mr. REID] and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Resolution 111, a resolution expressing the sense of the Senate with respect to the proposed rescission of budget authority for urban development action grants.

SENATE CONCURRENT RESOLUTION 33—RELATING TO THE POLITICAL SITUATION IN SOUTH KOREA

Mr. MURKOWSKI submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 33

Whereas the American and Korean peoples have forged close bonds over the last four decades;

Whereas political, economic and security relations between the United States and the ROK have come to represent one of America's most important alliances;

Whereas progress toward democracy is constrained by the serious threat which communist North Korea continues to pose to the ROK as well as to regional stability as evidenced by the North's massive military buildup, its expanding military cooperation with the Soviet Union and its acts of international terrorism such as the 1983 North Korean-sponsored assassination attempt on the life of the ROK president in Burma;

Whereas the United States remains firmly committed to the security of the ROK under the terms of the 1953 Mutual Defense Treaty and will take all necessary measures to defend the ROK against foreign aggression;

Whereas United States-ROK security cooperation is not only essential to maintaining peace on the Korean Peninsula, but is today a keystone for stability in the entire Northeast Asian region and thus vital to United States national security;

Whereas United States-ROK economic relationship has evolved from patronage to partnership and the ROK is currently America's seventh largest trading partner;

Whereas the United States strongly favors resolution of the ongoing dispute over revision of the ROK constitution in a manner which not only promotes domestic stability but also fosters progress in democratization;

Whereas the United States recognizes that, although some progress has been made in ROK political development over the last few years, the Korean people desire reforms which will expand their political freedoms and the responsiveness of their government: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) The United States recognizes the close historical bonds between the American and Korean peoples;

(2) The United States recognizes the considerable national resources the ROK contributes toward regional defense and security;

(3) The United States recognizes and supports the desire of the Korean people to achieve a level of political development commensurate with their outstanding economic, social and cultural achievements;

(4) The United States applauds President Chun Doo Hwan's pledge to initiate the first peaceful transfer of executive power in the ROK's history and voluntarily leave the political arena at the end of his term in March, 1988. Since the institutionalization of stable political succession is basic to democracy, this event will represent an important milestone in the ROK's political development;

(5) The United States commends President Chun and his party for responding to public opinion and agreeing to initiate negotiations in the national legislature over constitutional reform;

(6) The United States calls on the government and the opposition to continue their dialogue in a spirit of consensus and compromise which is fundamental to all democracies;

(7) The United States hopes that, despite significant differences between the government and the opposition over the structure and election processes of the next constitution, both sides will strive to produce reasoned compromise proposals which will not only be acceptable to ROK political leaders and the Korean people but which will seek to maximize fundamental democratic reform;

(8) The United States hopes that political leaders engaged in the constitutional revision debate will put aside personal ambitions in order to achieve firm consensus on lasting reforms and maximize popular support for the new constitution and the next government. Such a broad-based agreement would foster real democratization and help end the ROK's tragic cycle of political confrontation and crisis.

SENATE CONCURRENT RESOLUTION 34—CALLING UPON NORTH KOREA TO CEASE REPRESSION OF ITS PEOPLE AND AGGRESSION AGAINST SOUTH KOREA

Mr. MURKOWSKI submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. Con. Res. 34

Whereas North Korea is one of the world's most regimented and totalitarian nations and its government practices comprehensive suppression of basic human rights;

Whereas the North Korean regime has imprisoned an estimated 100,000 of its citizens for political reasons;

Whereas the North Korean regime appears to support terrorist organizations around the world and maintains close ties with nations hostile to United States national interests;

Whereas the North Korean regime has been directly implicated in acts of international terrorism including the October 1983 bombing attempt on the life of the president of the Republic of Korea during his state visit to Burma which resulted in the death of 17 people, including four Republic of Korea cabinet ministers;

Whereas in 1986 the North Korean regime unilaterally suspended negotiations with the Republic of Korea which had been aimed at reducing tensions on the Korean Peninsula;

Whereas the North Korean regime continues a massive military buildup, spending over 20 percent of its annual gross national product for military purposes and maintains a standing army of over 800,000 troops;

Whereas North Korea's military posture is increasingly offensive as evidenced by the construction of new frontline bases and the recent redeployment of large numbers of combat troops nearer to its border with the Republic of Korea;

Whereas the North Korean regime has recently expanded its military ties with the Soviet Union by acquiring sophisticated weapons systems from Moscow in return for Soviet access to North Korean ports and airspace;

Whereas the United States considers stability on the Korean Peninsula to be a lynchpin for stability in Northeast Asia and thus vital to United States national security; and

Whereas the United States remains firmly committed to the security of the Republic of Korea under the terms of the 1953 Mutual Defense Treaty and will take all necessary measures to defend the Republic of Korea against foreign aggression: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) The North Korean regime should take steps to cease its domestic political repression and denial of basic human rights;

(2) The North Korean regime should end its involvement in and support for international terrorism;

(3) The North Korean regime should end its efforts to sustain a first-strike offensive military advantage over the Republic of Korea;

(4) The North Korean regime should seek to ease tensions on the Peninsula by accepting the Republic of Korea's call for unconditional resumption of the stalled North-South negotiations;

(5) The North Korean regime should consider other steps which would not only ease tensions between North and South but also reduce North Korea's international isolation, including superpower cross-recognition of the two Korean governments, simultaneous entry of the North and South into the United Nations and a commitment by North Korea to participate in the 1988 Seoul Olympic Games.

● Mr. MURKOWSKI. Mr. President, human rights in the divided Korean nations have been much in the news of late. South Korea is on the verge of the first ever peaceful transfer of power and the American people are watching with keen interest and concern. North Korea, on the other hand, continues to be among the most repressive regimes on Earth and a constant threat to its southern neighbor.

In December of last year I went to South Korea. Counting both public and private life, I have made over a dozen trips there. On this occasion, I met with His Eminence Cardinal Kim, the noted spokesman for human rights. I learned from him the pent-up demands of the Korean people for more democracy and an advanced system of human rights.

I also discussed the continuing threat to security and democracy in South Korea from the militaristic regime in North Korea.

I am today therefore submitting two concurrent resolutions. The first examines the political situation in South Korea, keeping human rights, security, and economic factors all in mind. I believe it describes the current situation in practical and realistic terms. Finally, it sets a positive tone and separates the politicians' interests from the popular sentiments of the Korean people.

The second concurrent resolution calls upon North Korea to cease repressing its own people and refrain from aggression against its neighbor, South Korea. It makes specific reference to the proposed high dam on the North Han River.

Mr. President, I am generally optimistic about the future of democracy in South Korea. I have met President Chun. Secretary Shultz has just met President Chun. He has assured both of us he is committed to a peaceful transfer of power. I believe he intends to keep that commitment.

I am, however, less optimistic about North Korea. Based on its behavior over the past 37 years, I am deeply suspicious of its intentions. Therefore, I believe that while it is incumbent upon the Congress to continue to watch the fate of democracy in South Korea, it is even more important to be vigilant against threats from the north. For democracy can only flourish in South Korea if it is protected and defended against those who would crush it completely.●

SENATE CONCURRENT RESOLUTION 35—EXPRESSING THE SENSE OF THE CONGRESS REGARDING THE IMPOSITION OF CHARGES FOR OUTPATIENT CARE PROVIDED IN MEDICAL FACILITIES OF THE UNIFORMED SERVICES TO RETIRED MEMBERS OF THE ARMED FORCES, DEPENDENTS OF RETIRED MEMBERS, AND DEPENDENTS OF MEMBERS SERVING ON ACTIVE DUTY

Mr. DECONCINI (for himself and Mr. CHILES) submitted the following concurrent resolution; which was referred to the Committee on Armed Services.

S. Con. Res. 35

Whereas, the Budget submitted by the President for fiscal year 1988 contains provisions which would require a uniform minimal charge to be levied for outpatient medical care provided in medical facilities of the uniformed services to retired members of the Armed Forces, dependents of retired members, and dependents of members serving on active duty;

Whereas, the impact of such a change would fall disproportionately upon the families of younger members of the Armed Forces, precisely those members least able to afford such fees;

Whereas, the imposition of such a charge would force the spouses of young members of the Armed Forces (especially those temporarily separated from their military sponsor because of exigencies of military service) to make an untenable "bread vs. health care" decision;

Whereas, the sense of security that members of the Armed Forces now have in knowing that quality health care is available for their families would be seriously and permanently eroded by the imposition of a charge for such care;

Whereas, the imposition of such a charge would adversely affect both morale and unit readiness; and

Whereas, the imposition of such a charge would abrogate the Nation's long-standing commitment to provide quality health care in military facilities at no cost to members of the Armed Forces and their dependents: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the Secretary of Defense should take no action to impose any form of charge for outpatient care provided in medical facilities of the uniformed services to retired members of the Armed Forces, dependents of retired members, or dependents of members serving on active duty.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Secretary of Defense.

● Mr. DECONCINI. Mr. President, Secretary of Defense Weinberger has written a memorandum to the service Secretaries. This memo addresses an outpatient user-fee test. Let me read from this memo:

> As you know, the fiscal year budget requires the Department of Defense to test a plan to collect nominal fees for outpatient care provided to non-active-duty patients. These fees would be required of dependents of active-duty members as well as retired personnel and their families * * * I want to assure you that I share your worries about the possible impact of this test on the morale and benefits of our uniformed members and our retirees * * *

The Office of Management and Budget has issued this new proposal to the Secretary of Defense. This establishes a test program for charging fees for outpatient medical care delivered to military dependents and retirees. Mr. President, this is shortsighted and faithless. The administration has buried this proposal in OMB. They have described the fee as nominal and have not defined what this means. This all adds up to a plan by the Reagan administration to take away the benefits of our military personnel.

Active duty service members volunteered for the Armed Forces with the explicit understanding that benefits, such as free health care for their families and themselves, would be part of the bargain with Uncle Sam. Morale is likely to be adversely affected. This diminishes the service members' sense of security. This damages job satisfaction, performance, retention, and readiness. Most of all, Mr. President, Uncle Sam promises its recruits free medical benefits. If this fee, no matter how nominal, is imposed—Uncle Sam is lying to its soldiers. This has not been decided by hearings, testimony, or public law. OMB's directive to test user fees should be overruled by Congress.

I am introducing, along with Senator CHILES, a resolution expressing the sense of the Congress relating to the imposition of these changes for medical care. Given the normal hardships of military life, it seems that personnel who see their benefits eroding will be less likely to stay in the military. To this end, reductions in reenlistments would compound the problems the Pentagon faces by the end of this decade, when a declining demographic pool from which to draw volunteers begins to drain. This type of user fee breaks the promises of recruiters as they sign up volunteers to defend our country. We cannot allow Uncle Sam to renege on promises. This resolution tells the Secretary of Defense not to impose any form of charge for medical care provided in medical facilities for retirees, their dependents, and dependents of members of the Armed Forces. If this does not send a strong enough message, I will offer an amendment which will accomplish the same ends.

Mr. President, military health care has traditionally been ranked as one of the top institutional supports associated with military service. Charging military beneficiaries for care would be a serious erosion of benefits and adversely affect morale and retention. In addition, a cost for health care could jeopardize health as family members may postpone treatment for a condition which could become worse and will cost more to treat. The hardest hit will be dependents of junior enlisted personnel.

In recent years, this administration has made numerous attempts to reduce entitlements of those who are serving or have served our country. We must honor the commitments made to members of our armed services and stop the recurring efforts to make these people pay in money for something they have earned by virtue of their service. I hope this administration does not renege on Uncle Sam's promises.●

SENATE RESOLUTION 168—AUTHORIZING REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. BYRD (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 168

Whereas in the case of *Gordon J. Humphrey, et al.* v. *James A. Baker, III, et al.*, Civil Action No. 87-128, pending in the United States District Court for the District of Columbia, the plaintiffs are asserting that the procedures established by 2 U.S.C. §§ 358-359 for determining the compensation of senior federal officials, including Members of Congress, are unconstitutional, and that Public Law 100-6, approved by the President on February 12, 1987, effectively prohibits implementation of the President's recommendations of January 5, 1987;

Whereas the plaintiffs have named the Secretary of the Senate, Walter J. Stewart, as a defendant in his capacity as the officer of the Senate responsible for disbursing the salaries of its Members;

Whereas pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a)(1) (1982), the Senate may direct its counsel to defend officers of the Senate in civil actions relating to their official responsibilities: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent the Secretary of the Senate in the case of *Gordon J. Humphrey, et al.* v. *James A. Baker, III, et al.*

SENATE RESOLUTION 169—COMMENDING FRANZETTA R. DEGOOYER ON THE OCCASION OF HER RETIREMENT

Mr. SIMPSON (for himself, Mr. KENNEDY, and Mr. THURMOND) submitted the following resolution; which was considered and agreed to:

S. RES. 169

Whereas, upon her retirement from the staff of the United States Senate on January 31, 1987, Franzetta R. DeGooyer had completed more than 33 years as a member of the staff of the Judiciary Committee;

Whereas, Franzetta R. DeGooyer has also served her country through service with the United States Treasury Department;

Whereas, Franzetta R. DeGooyer has performed valuable service particularly to the immigration subcommittees of the Judiciary Committee;

Whereas, Franzetta R. DeGooyer, as the most senior staffer on the Judiciary Committee, has upheld the high standards and traditions of the staff of the United States Senate with unfailing dedication, a high degree of loyalty, and a large measure of hard work;

Whereas, by carrying out her responsibilities to the Judiciary Committee, Franzetta R. DeGooyer has gained the trust, confidence and respect of all who have worked with her: Now, therefore, be it

Resolved, That the Senate of the United States recognizes the important contributions of Franzetta R. DeGooyer to the Senate and to the United States and expresses to her its deep appreciation and gratitude for her long, faithful, and outstanding service.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to Franzetta R. DeGooyer.

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Wednesday, April 1, 1987, at 9 a.m., to conduct a business meeting. The committe will be considering pending legislative and administrative business, including the following technical matters: The Senate Recording Studio development plan, proposed amendments to the duplicator copy allocation regulations and FM receivers and television sets allocation, proposed increase of State office copier allocations, formation of an advisory committee on the Senate Computer Center, buyout of office automation equipment, upgrading of correspondence management system, office automation training by the Office of the Sergeant at Arms, small laser printers and legislative information service for Senate offices, and the upgrade of the Senate paging system. The committee will also be discussing system-to-system communication, State office automation, pilot project test of laptop and home terminals, and message and scan edit systems.

For further information concerning this business meeting, please contact John Swearingen of the Technical Services Section of the Rules Committee on x40285.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations, Subcommittee on East Asian and Pacific Affairs, be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, to hold hearings on the future of United States relations with the Republic of Korea, and on the nomination of Daryl Arnold, of California, to be Ambassador to the Republic of Singapore.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services, Subcommittee on Manpower and Personnel, be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, to resume hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense focusing on military health care.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, to hold hearings on proposed legislation to authorize and extend the Price-Anderson Act, relating to procedures for liability and indemnification for nuclear incidents.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, to hold hearings to examine the impact of the trade deficit on certain American workers, focusing on provisions relating to workers' rights of S. 490, Omnibus Trade Act, and H.R. 3, Trade and International Economic Policy Reform Act, and on the Trade Adjustment Assistance Program as provided for in S. 490.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INVESTIGATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs, Permanent Subcommittee on Investigations, be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, to hold hearings on Federal drug interdiction, focusing on command control, communications, and intelligence.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Rules and Administration, be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, to resume hearings on S. 2, S. 50, S. 207, S. 615, S. 625, and S. 725, bills to provide for spending limits and public financing for Senate general elections.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Rules and Administration, be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, at 4:15 p.m. to hold hearings on House Concurrent Resolution 49.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PROJECTION FORCES AND REGIONAL DEFENSE

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Projection Forces and Regional Defense, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, to hold hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense, focusing on airlift, sealift, and amphibious shipping programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BYRD. Mr. President, I ask unanimous consent that the full committee, of the Committee on Agriculture, be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, to hold oversight hearings on the farm bill of 1985.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON COMMUNICATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, Subcommittee on Communications, be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, to hold hearings on S. 742, to clarify the congressional intent, and to codify certain requirements of the Communications Act of 1934 that ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence, be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, to continue closed hearings on proposed legislation authorizing funds for fiscal year 1988 for the intelligence community.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Small Business, be authorized to meet during the session of the Senate on Wednesday, March 18, 1987, at 4:15 p.m. to vote and report out the nominations of the Honorable James Abdnor to be administrator and Charles Gillum to be inspector general of the Small Business Administration [SBA].

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE DEATH OF INNA MEIMAN

● Mr. SIMON. Mr. President, I would like to again draw my colleagues' attention to the fate of Naum Meiman and his deceased wife Inna. The following article was published in Washington Jewish Week on February 26, 1987, and accurately depicts the Soviet Government's role in Inna Meiman's death, as well as Inna's strength and courage.

I urge the Soviet Union to grant Naum Meiman permission to emigrate to the West.

The article follows:

OUTPOURING OF COMMUNITY SUPPORT—INNA MEIMAN'S STRUGGLE ENDS IN UNTIMELY DEATH

(By Jon Greene)

Soviet cancer victim Inna Meiman's untimely death two weeks ago was more tragic because of Soviet obduracy in refusing to let her family join her while she received medical treatment here and only allowing her son to leave for her Washington burial service at the last possible hour.

"She had been killed by Soviet indifference," denounced National Conference on Soviet Jewry (NCSJ) executive director Jerry Goodman at Meiman's Feb. 12 funeral. About 150 mourners attended Meiman's funeral, including NCSJ community relations coordinator Robin Saipe and Samuel Sislen of the Jewish Community Council of Greater Washington, who both labored to provide the services befitting a dignifying funeral and burial. Saipe and Sislen recalled the outpouring of support by the Washington Jewish community for Meiman during her convalescence and death, and the actions taken by the U.S. government and local groups on behalf of Meiman and her family.

"Her death came as a great shock. No one was ready for her to die, because she wasn't ready to die," remarked Saipe and Sislen's office last week. The two community professionals recounted their memories of Meiman in an interview with the *Washington Jewish Week*. Their moving story touched on Meiman's arrival and death, and their struggle to influence the Soviet authorities to allow her son to grieve at her burial.

Meiman arrived in Washington Jan. 19 to undergo a special type of radiation treatment unavailable in the Soviet Union, for an inoperable tumor on her neck. She had originally applied for permission to emigrate in 1979 and was refused, but she was granted a one-year visa for Western medical treatment following unsuccessful Soviet operations on the cancer that was first diagnosed in 1983. The operations removed large sections of the afflicted areas, leaving Meiman in intense physical pain. Saipe and Sislen recalled how the physical discomfort could not dampen Meiman's indomitable spirit.

"When she arrived at Dulles airport, she was forceful and energetic," Sislen recalled. Meiman took her place at a bank of microphones set up by the media, and there was and electric energy, said Sislen, adding, "She had no concern for her physical limitations. She had great concern for Naum," her refusenik husband in Moscow.

Meiman had a great concern for more people than just her immediate family. She came laden with papers, Saipe recalled—papers that documented the cases of people who recently decided to publicly pressure the Soviets to let them emigrate. "Every time someone wanted to talk about her needs, Inna would ask how she could be used in the community," Saipe said.

The Lombardi Cancer Research Center of Georgetown University Hospital began the series of tests on Meiman that would have indicated the possibilities of radiation treatment. Meiman checked into a convalescent facility to await the test results, but she died suddenly on Feb. 10, only three weeks after arriving in the West. Reports indicate that Meiman's cancer had started to spread throughout her upper body, and she had acquired drug-induced diabetes, a product of the Soviets' unsuccessful attempts at treatment. Meiman was buried Feb. 17 at the Chesed Shel Emes cemetery in Washington.

Since the federal government cannot financially assist Soviet refuseniks, private organizations and individuals had to take care of monetary expenses. Sislen said that the United Jewish Appeal Federation responded immediately to the request for aid, effectively authorizing a blank check on behalf of Meiman. "The Federation was unhesitating in its commitment," Sislen commented.

U.S. officials evidenced the same commitment in assisting the Jewish community with the details of Meiman's burial. Saipe related that federal law required a next-of-kin signature in order for Meiman's body to be moved from the hospital to the funeral home, and that it was impossible to get the signature of Meiman's husband in Moscow. Saipe used Meiman's death certificate to convince a Western Union representative to allow an official exchange of information with Meiman's husband and the U.S. embassy in Moscow. In the presence of an embassy official, Naum Meiman gave his official consent via Western Union to move his wife's body.

CONDOLENCES

Congressmen and other government officials sent telegrams and letters to Meiman's family expressing condolences. Sen. Paul Simon (D-Ill.) and Sen. Timothy Wirth (D-Colo.) attended Meiman's funeral, and former Sen. Gary Hart wrote a eulogy praising Meiman's courage and determination. State Department officials also expressed their sympathies.

Meiman's family did indicate that they wished to attend her funeral. Naum Meiman and Lev Kittrosskaya [Inna's son by a previous marriage] both applied to OVIR, the Soviet visa office, for permission to attend the funeral. Naum had applied to emigrate in 1974 and had been refused on the grounds of "possessing state secrets," a charge apparently related to his profession. Naum was again refused a visa, this time to attend his wife's funeral, but Lev Kittrosskaya was informed that he might be allowed to go to Washington.

Meanwhile, Saipe and Sislen found themselves pressed to decide whether to arrange a speedy burial or wait for a possible release of Meiman's family for the funeral. According to Jewish law, burial customarily follows death within 24 hours, and three days had passed since Meiman's death when her son received hopeful indication that he might leave. The OVIR office closed for the weekend, effectively ruling out any possible arrival for Lev before Feb. 17. To allow for family attendance would require holding the funeral a week after death, at the very least.

Community leaders decided to hold Meiman's funeral on Feb. 17, while hoping that OVIR would grant Lev permission in time to attend his mother's burial. On Feb. 15, OVIR consented to allow Lev to go to the funeral, and Saipe scrambled to find him a flight. She scheduled him on a Concorde connection from Europe, Sislen arranged a police escort from the airport, and both prayed he would arrive on time.

Despite well-laid plans, Lev's Concorde flight was delayed three hours, and he took another flight. His airplane landed around noon, and he hurried to Congregation Ohr Kodesh in Chevy Chase, where the funeral service had been drawn out to allow for his late arrival. But Lev had come too late—the funeral procession met him at the synagogue entrance. He watched despondently as the casket was placed in the hearse, and then Saipe drove him to the cemetery for the burial.

Through some error, there was no grave for Meiman when the procession arrived at the cemetery. Mourners recited Psalms while a grave was dug, and many of the officials became emotional during the burial. Rabbi Lyle Fishman, who officiated the service, said that having extra time to make a grave before Inna Meiman could be laid to rest added to the dignity of the service in that people would not be separated too soon from the deceased.

"Do you believe in the philosophy that some should die so that others should be free?" Inna Meiman was the sort of person who always thought of others before herself, even when faced with the prospect of her death.●

S. 79, THE HIGH RISK OCCUPATIONAL DISEASE NOTIFICATION AND PREVENTION ACT

● Mr. CHAFEE. Mr. President, I am pleased to join in cosponsoring S. 79, the High Risk Occupational Disease Notification and Prevention Act. Workers in the United States deserve to be notified when their occupation places them at high risk of disease. They also have a right to every effort possible to help minimize that risk. One's job should not cost them their health.

Every year 100,000 workers die from occupational diseases. Another 390,000 are disabled from these diseases. Black lung, brown lung, lung cancer, cardiovascular disease, and reproductive disorders are just a few of the deadly illnesses that a workplace can impose on our citizenry. In my home State of Rhode Island, industries which are the lifeblood of the community such as jewelry, textiles, and welding and shipbuilding, hold the potential for raising an individual's risk of disease. Frequent exposures to solvents, fumes, noxious gases, and other substances all add to the potential for disease. Male textile workers run up to double the normal risk of chronic lung disease. Metal craftsmen have triple the expected death rate from influenza and pneumonia. Jewelry workers over age 64 have a cancer rate five times greater than people in other factory jobs. Occupational health problems are a major problem in Rhode Island and across the country.

Most of the time, measures such as periodic checkups, quitting smoking, and proper diet can lower that risk to more manageable proportions. But first these individuals must be notified that they are indeed at risk. Then they need counseling and medical surveillance to help minimize that risk.

S. 79 does just that. It establishes a low-cost system for identifying, notifying, and monitoring at-risk worker populations. Identification, based on existing medical and scientific data, will be carried out by a professional panel operating under the direction of the Secretary of Health and Human Services. The panel will develop a method for notifying affected workers and advising them on how to initiate medical monitoring through their personal physicians or other medical and health care professionals. The panel is required to notify at least 100,000 employees per year and make an effort to notify an additional 200,000 annually. Regional health centers designated by the Secretary will provide training and emergency backup assistance.

The cost of implementing this legislation will be $25 million a year, for 2 years. On this limited budget, the panel is required to notify at least 100,000 employees per year and make an effort to notify an additional 200,000 annually.

If just one worker becomes involved in preventive counseling and avoids contracting a disease, the result is an average savings of $2,500. That's just one worker. If we can save 1 worker out of every 30 workers at the high-risk level, we have recouped our $25 million. That's saving 10,000 lives at little cost. It is far more likely that we will save more than 1 out of 30 at-risk workers, in which case the bill could conceivably save hundreds of millions of dollars in Federal health care expenditures.

I urge my colleagues to join me in this the most practical and necessary of efforts; to save lives and money at the same time.●

RULES OF THE COMMITTEE ON THE BUDGET

● Mr. CHILES. Mr. President, pursuant to rule XXVI(2) of the Standing Rules of the Senate, I submit for printing in the CONGRESSIONAL RECORD the rules of the Committee on the Budget for the 100th Congress as adopted by the committee on March 17, 1987.

The rules of the committee follow:

RULES OF THE COMMITTEE ON THE BUDGET, 100TH CONGRESS

I. MEETINGS

(1) The committee shall hold its regular meeting on the first Thursday of each month. Additional meetings may be called by the chairman as he deems necessary to expedite committee business.

(2) Each meeting of the Committee on the Budget of the Senate, including meetings to conduct hearings, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the committee determines by record vote in open session of a majority of the members of the committee present that the matters to be discussed or the testimony to be taken at such portion or portions—

(a) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(b) will relate solely to matters of the committee staff personnel or internal staff management or procedure;

(c) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(d) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

(e) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(1) an act of Congress requires the information to be kept confidential by Government officers and employees; or

(2) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person.

II. QUORUMS

(1) Except as provided in paragraphs (2) and (3) of this section, a quorum for the transaction of committee business shall consist of not less than one third of the membership of the entire committee: *Provided*, that proxies shall not be counted in making a quorum.

(2) A majority of the committee shall constitute a quorum for reporting budget resolutions, legislative measures or recommendations: *Provided*, that proxies shall not be counted in making a quorum.

(3) For the purpose of taking sworn or unsworn testimony, a quorum of the committee shall consist of one Senator.

III. PROXIES

When a record vote is taken in the committee on any bill, resolution, amendment, or any other question, a quorum being present, a member who is unable to attend the meeting may vote by proxy if the absent member has been informed of the matter on which the vote is being recorded and has affirmatively requested to be so recorded; except that no member may vote by proxy during the deliberations on Budget Resolutions.

IV. HEARINGS AND HEARING PROCEDURES

(1) The committee shall make public announcement of the date, place, time, and subject matter of any hearing to be conducted on any measure or matter at least 1 week in advance of such hearing, unless the chairman and ranking minority member determine that there is good cause to begin such hearing at an earlier date.

(2) A witness appearing before the committee shall file a written statement of his proposed testimony at least 1 day prior to his appearance, unless the requirement is waived by the chairman and the ranking minority member, following their determination that there is good cause for the failure of compliance.

V. COMMITTEE REPORTS

(1) When the committee has ordered a measure or recommendation reported, following final action, the report thereon shall be filed in the Senate at the earliest practicable time.

(2) A member of the committee who gives notice of his intention to file supplemental, minority, or additional views at the time of final committee approval of a measure or matter, shall be entitled to not less than 3 calendar days in which to file such views, in writing, with the chief clerk of the committee. Such views shall then be included in the committee report and printed in the same volume, as a part thereof, and their inclusions shall be noted on the cover of the report. In the absence of timely notice, the committee report may be filed and printed immediately without such views.●

THE PENTAGON'S BLACK BUDGET

● Mr. SIMON. Mr. President, this year the Defense Department has requested budget authority of $312 billion, an increase of $22.4 billion over fiscal year 1987 programs. The increase also happens to match, almost identically, the so-called black budget in the Defense Department, which the Center for Defense Information estimates at $22.2 billion. This is roughly 8 percent of the total defense budget, and represents a 16-percent rise over last year's spending. A series of articles run by the Philadelphia Inquirer put the figure even higher, at $35 billion.

There are valid reasons for clamping a tight security lid over certain defense programs. But we are far beyond the point where our national security is served well. Increasingly, the Reagan administration is placing more resources into the black budget in an apparent effort to avoid congressional scrutiny. Many of these programs involve stealth technology, and I agree that the blueprints and many details ought to be kept behind closed doors. But the Pentagon's stealthiness should be applied toward military hardware, not Members of Congress.

Every year of the Reagan Presidency has seen increases in the Pentagon's black budget. Congress should not have 8 percent, or even 1 percent of the defense request hidden from oversight. No one is suggesting tearing the veil off of all our secrets; I am not. There are legitimate expenditures in the CIA, the Defense Intelligence Agency, our satellite programs, and so forth. I don't agree with everything done in the name of secrecy—particularly most covert operations—but I acknowledge that funds ought to be available for certain things.

But we cannot go on with these escalating black budget costs without ultimately damaging those very programs that could prove worthwhile. I support the Stealth bomber, but I also want a debate on its merits, including a defense of how this money has been and will be spent. Congress must routinely be given more information about these programs, and the Defense Department ought to justify every last account in the black budget. When we realize that the black budget for fiscal year 1988 equals one-third of the deficit reduction target we need to reach this year, then I hope we can also agree that change must occur in this critical area.

Mr. President, I ask that an article by Lee Feinstein in the Cleveland Plain Dealer of February 20, 1987, "Secret Pentagon Budget is Bulging," be placed in the RECORD.

The article follows:

[From the Cleveland Plain Dealer, Feb. 20, 1987]

Secret Pentagon Budget Is Bulging: 200 Items on Current "Black" List

(By Lee Feinstein)

While the Pentagon was denying to Congress even the existence of the Air Force's super-secret F-19 Stealth fighter, a Lockheed employee was able to remove sensitive aircraft blue-prints from the premises of the plane's prime contractor to show to his girlfriend.

And while Congress is battling to prod the Department of Defense to publicize costs for the radar-absorbing aircraft, the Testor Corp, is keeping hobby shops stocked with its hot-selling model mock-up of the nominally classified F-19

The F-19 is just one of nearly 200 "black" programs in this year's just-released Pentagon budget. Black programs are shielded from close congressional scrutiny due to their higher classification. Only a limited number of congressmen have access to information on these secret programs, and those few must debate the private programs behind closed doors. The Pentagon says it needs to classify the programs to keep vital military secrets from the Soviet Union.

"Even acknowledging the existence of a program in some circumstances can provide an adversary with an indication of the direction of U.S. efforts in a particular area," a Pentagon press release said.

But as information about the most prominent of these black programs leaks out, a growing number of Washington officials are beginning to question whom the Pentagon is trying to keep in the dark: the Soviet Union or Congress?

"What I'm not allowed to see," Rep. Ron Wyden, D-Ore., complained recently about the F-19, "our adversaries or even the man on the street may already have."

"If you believe what you read in the hearings," Air Force gadfly A. Ernest Fitzgerald said, referring to recently released congressional testimony, "toy manufacturers know more about these programs than the Congress."

The F-19 accounts for a small percentage of the Pentagon's ever-expanding black budget. In fiscal year 1988, the Reagan administration requested $22.2 billion for classified programs—a 16% increase over last year's record levels.

In the past, the secret budget was generally limited to intelligence programs, such as overhead reconnaissance or signal intelligence. This year's secret budget includes everything from nuclear-tipped artillery shells to blimps.

"In recent years (the black program has) been expanded to cover just about anything they want to do," Fitzgerald said.

Two categories of black programs are hidden in the Department of Defense budget. The first—accounting for $11 billion—includes identified programs whose costs are classified. Among the cost-classified entries are the Air Force's Advanced Cruise Missile and the Army's cryptically named Project Sierra.

Defense analysts can derive the total "unspecified" spending requested by the Pentagon by tallying the thousands of non-classified individual program costs and subtracting this quarter-trillion dollar sum from the aggregate defense request.

For the second category of black programs, the Pentagon discloses individual costs but frequently identifies such programs only by cryptic code names or vague titles. Just three such listings in this year's Air Force procurement budget—"Special Programs," "Special Update Programs," and "Selected Activities"—account for $8.2 billion.

Two new Air Force entries, both presumed to be tactical missiles, are unhelpfully titled "Have Flag" and "Tacit Rainbow." The latter is reportedly an "anti-radiation" missile designed to spot, then blow up "enemy" radars either on the ground or in the air. Tacit Rainbow is meant to have the capability to "loiter" in the air until it finds its radar-emitting target and then destroy the target by crashing into it and exploding.

Information about code-named programs is harder than ever to track down now that curious analysts in defense think tanks and on Wall Street are paying closer attention to the quirky programs. Outsiders can speculate on the meaning of the Air Force research and development programs titled "Forest Green" or "Senior Year," but no one—save those graced with Department of Defense clearance—can be certain that their information is on target.

An official in the comptroller's office of the Department of Defense explained, "We've taken classified documents. It's gone through the security review, and then any classified information has been excised."

"What you have," the official said, referring to the publicly available documentation, "is the sanitized version."

Many of the blackened programs involve Stealth aircraft and missiles. Stealth technology is intended to enable missiles and aircraft to evade Soviet radar as completely as the secret Pentagon programs have evaded congressional scrutiny.

"Stealth became the first test of the Reagan/Weinberger philosophy," said Bill Sweetman, defense editor and author of a book on Stealth aircraft. "If in doubt, classify, if doubt remains, upgrade the classification."

Among these Stealth programs is perhaps the Pentagon's costliest weapon system ever—the Advanced Technology Bomber (ATB), also known as the Stealth bomber. Like the F-19 Stealth fighter, the ATB is an open secret. As a matter of policy, the Pentagon refuses to provide information on the ATB to Congress, claiming that any information will give the Soviet Union the ability to develop defenses against the long-range bomber. At the same time, the government publicizes the bomber when convenient.

Jimmy Carter publicly acknowledged the Stealth program in 1980 to boost his fading re-election chances. Just last month Missouri Democrat Ike Skelton announced that the Pentagon was requesting $89.3 million for the first Stealth bomber base, to be located in his home state at Whiteman Air Force Base, already home to Minuteman missiles.

A scouring of Pentagon documents listing "military construction" programs, known in Pentagon parlance as the C-1, suggests that the Whiteman Stealth base was intended to be secret: The only $89.3 million request in the C-1 was for a "special mission support project" at "Base 75." Skelton's eagerness to advertise the new defense dollars slated for his constituents apparently outweighed any concern be had for revealing sensitive information about the strategic nuclear bomber to the Soviet Union.

Most members of Congress are in the dark on black. The classified versions of budget documents that the Pentagon makes available to Congress retain the deliberately diverting code names for Pentagon programs. Only a handful of House members are privy to the keys that make sense of the nicknames. "There may be eight people (in all of Congress) that have the entire set of keys," said a staffer on the House Armed Services Committee.

In 1966, after protests by congressmen, House Speaker Tip O'Neill, D-Mass., ruled that all members of Congress could have access to as much classified information—including black Pentagon programs—as they thought they needed.

But O'Neill's ruling didn't help Rep. Mike Synar, D-Okla. Synar, not a member of either the Armed Services Committee or the Defense Appropriations subcommittee, wanted to learn more about the ATB. In spite of O'Neill's ruling, the Department of Defense stonewalled. After eight months of battling the brass he was granted permission to visit a Stealth plant but only after House Armed Services Chairman Les Aspin, D-Wis., and the ranking Republican member, William Dickinson of Alabama, signed waivers granting Synar access.

But most members of Congress are not as determined as Synar to force the Pentagon's hand. "The biggest issue," said a House Armed Services Committee staff member "is that unless you're very familiar with the Pentagon black programs you wouldn't know enough about a topic to ask a question."

"Probably members sitting on the defense subcommittees don't ever get into a lot of these programs," the aide added.

Black programs need congressional oversight, according to Michael Barrett, staff director of the House subcommittee on oversight and investigation. "Human nature is human nature and there is all sorts of cheating going on," Barrett said. "It's just a marvelous opportunity for theft."

Several months ago, William Reineke, a former Northrop Corp. engineer working on the ATB, was convicted of defrauding the contractor of $600,000. Reineke's was the third criminal conviction in 1986 involving the ATB program. In the coming year, Barrett said he expects his subcommittee to reveal kickbacks on black programs involving "the theft of several millions of dollars over the course of four or five years."

Barrett said classified programs are difficult to investigate. "When you get to a black program, you may not be able to check it out because you do not have the clearance to go through and (the Department of Defense) won't give the clearance."

A growing number of congressmen are beginning to feel that there is little justification for keeping the ATB and many other programs classified. In particular they are concerned that the Pentagon may be classifying programs in order to make them less vulnerable to congressional cutbacks.

"Some things are legitimately secret," said Gordon Adams, director of the Washington-based Defense Budget Project. "But we've gone far beyond the point of legitimacy.

"Now the Pentagon is classifying to avoid congressional scrutiny."

"Far too much is hidden in the black category," said Aspin, newly reelected chairman of the House Armed Services Committee. "The issue isn't protecting technology (from the Soviet Union), but hiding (from Congress) the basic data that citizens in a democracy ought to have access to."●

TERRA BUILDS MUSEUM FOR U.S. TREASURES

● Mr. SIMON. Mr. President, Daniel J. Terra, a distinguished Illinoisan who serves as ambassador-at-large for cultural affairs, is contributing to the rich cultural life of Chicago with the development of a new museum of American art. The Terra Museum is the first Chicago gallery dedicated exclusively to American art and will open officially on April 21, 1987. Dan Terra is a friend of all of us in Congress. He is also a friend of this Nation in a special way. M.W. Newman and Gilbert Jimenez of the Chicago Sun-Times, wrote an article about Ambassador Terra and his contribution to Chicago's artistic tradition. I ask that the article be printed in the CONGRESSIONAL RECORD.

The article follows:

[From the Chicago Sun-Times, Mar. 3, 1987]

TERRA BUILDS MUSEUM FOR U.S. TREASURES

(By M.W. Newman and Gilbert Jimenez)

"When I was young I didn't know the first thing about art," said Ambassador Daniel J. Terra, tycoon patron of Chicago's new Terra Museum of American Art.

"I had to be horsewhipped to go to a museum."

That was 50 years ago. Terra's eyes opened when he fell in love with an art historian and married her. That's when he also fell in love with paintings and museums.

Now, at age 75, this suave businessman-diplomat is bankrolling the new Terra Museum of American Art on North Michigan Avenue at Erie Street.

His star-spangled temple of art has been heading our way for months behind a construction sign saying, "The Americans are coming." The $35 million first phase will debut April 21 in a burst of black-tie hoopla running for about 40 days and 40 nights. It's a cultural and social coup in a city that can use one.

Terra is President Reagan's ambassador-at-large for cultural affairs, and he lights up when he talks about the downtown museum his millions are buying.

At the core of it are two recycled buildings: the five-story Helena Rubenstein structure at 666 N. Michigan, recoated in white marble and linked to the 11-story Farwell Building at 664.

The two will share a total of seven floors of open-court galleries lined by ramps, a design of architects Booth/Hansen. Museumgoers will be able to look up or down onto several floors at once, as they do in the famous Guggenheim Museum in New York created by Frank Lloyd Wright.

Most of the Terra Museum's upfront spending for land, growth room, office space and construction has come from Terra and his son, James. A sizable portion of the dollars went for future-use terra firma on Mag Mile rather than for immediate museum space, but that doesn't bother the ambassador.

"We are setting out to prove we can bring American art to a lot of people," Terra told the Chicago Sun-Times. "Where else but North Michigan Avenue?"

He is starting with about 28,000 square feet, 12,000 of it for galleries. Over all, the museum in this phase will be roughly the same size as the nearby Museum of Contemporary Art at 237 E. Ontario. Terra's spaces stack vertically, though. Most museums prefer to spread out horizontally.

The Terra museum may spread, too, because he has plans for another $40 million outlay, with public support. The goal is to double in size by swelling both north and south into adjacent buildings.

For Chicago, all this is a heartening example of do-it-yourself museum-building. The enterprising Terra has moved downtown from his first location in Evanston and has acquired a terrific crowd-pleasing location where the sidewalks grow thick on any day that weather permits.

And Terra has shown art can save and renew at human scale while commerce hesitates. Only a block away an empty lot on prize land at 700 N. Michigan has stood idle for years, awaiting a giant commerical complex. Two handsome buildings there were razed and never replaced.

"We think our peak crowds will be during the lunch hour," said Terra. "A lot of people will go without lunch to see this art. They'll gain both ways. They'll lose some weight and gain some inspiration."

Terra's trim figure may be a tribute to his own inspired gallery-hopping. His museum's 300-painting collection largely is Terra-bought. It began when he and his late first wife, Adeline, started with a $60 landscape by Henry H. Parker. He still has it over a mantel, although by now he has escalated to $3.5 million for a single 1830s opus, Samuel F. B. Morse's "Gallery of the Louvre."

The blockbuster oil will be a major eye-catcher at the museum, but some critics think he shelled out to much for it. Even in the overheated world of namebrand art, $3.5 million rates as heavy numbers and makes other museums wonder how they can compete.

"Money is a fleeting thing, but a national treasure is forever," Terra replies. That may be a silver-haired diplomat's style of talking, but he means it.

An immigrant's son, the Philadelphia-born Terra worked into the dollars by parlaying a $2,500 loan into a chemicals fortune. His Lawter International Inc., based in suburban Northbrook, has branches in Great Britain, Canada and Western Europe. Terra is president and chief executive officer.

Wiry and mustached, he dresses and looks like a born CEO, he relishes being boss, and his connections are elite. Dan Terra belongs to 11 clubs in Washington, New York and Chicago, according to *Who's Who in America.* He was national finance chairman of Ronald Reagan's 1980 presidential campaign.

Since then this crisp, self-possessed man from Kenilworth has had a Washington office at the State Department, from which he spreads the gospel of American art in the United States and abroad.

"The President told me my biggest job was to bring American art to the world," said Terra.

So the Terra Museum is Dan Terra's show. It may not be a one-man show, but it would not exist without one man, his dollars and a zeal for collecting American paintings of another day. They have soared in value. A William Merritt Chase painting that Terra acquired for $800 in 1960 now is insured for $650,000.

"If we were starting today, we couldn't begin to put this collection together," he said. "You could buy American paintings for practically nothing 20 years ago. Nobody was interested in them."

That is not true, of course, of abstract, or pop paintings by big-name artists of the postwar period, such as Jackson Pollock, Jasper Johns, Willem de Kooning and Robert Rauschenberg. Some of their work brings immense prices.

Terra would be the first to acknowledge there is little modern or abstract or so-called difficult work in his holdings. It's a serious collection, however, valued in the multimillions and spanning more than 200 years. Much of it falls into the century between 1850 and 1950.

He knows art and knows what he likes and apparently he likes oils and water colors that tend to show friendly people, sunny landscapes and still lifes, graced with charm and color and warm sentiment. It's the kind of painting the museums used to feature before the days of Picasso, and most people enjoy it.

Terra's star pieces include George Caleb Bingham's "The Jolly Flatboatman" of 1848, Charles Courtney Curran's "Lotus Lilies" (1888) and Maurice Prendergast's "Monte Picio, Rome" (1899). They come out of the time of Mark Twain and connect us with simple pleasures: music and capering on a Mississippi work boat; ladies in fluffy hats under parasols; crowds taking ease in horse-drawn carriages.

Among the well-known signatures in the ensemble are John Singleton Copley, William Sidney Mount, William Merritt Chase, Childe Hassam, Winslow Homer, James McNeill Whistler, John Singer Sargent, Mary Cassatt, George Bellows, Georgia O'Keefe, Reginald Marsh, John Marin and Andrew Wyeth.

It's an impressive bundle, as well as an American Impressionist bundle, and at one time Terra was talking to the Art Institute of Chicago about depositing his collection there. But it didn't work out, he said, "bcause we wanted the freedom of making all the decisions on American art."

"That's the main reason we're an independent museum," Terra said.

The Art Institute is, of course, the big show in town and has been for more than a century. It dwarfs both the Terra Museum and the Museum of Contemporary Art and is adding a 127,000-square-foot south wing.

And on May 10 it is reopening its eminent Galleries of European Art, closed for two years for renovation. For a while there was some friction at the fringes when it appeared the Terra opening might collide with the Art Institute's, but peace has been declared.

Terra will launch with a big-time display titled "A Proud Heritage: Two Centuries of American Art." This will consist of 60 early American works borrowed from the prestigious Pennsylvania Academy of the Fine Arts in Philadelphia. Some 100 of his own paintings also will be on exhibit.

The museum world has more than its share of rivalry, envy and competition for donors and art works, and Terra tends to shrug off the snipers who argue he is on a vanity kick and foisting his taste on the public.

"I have tremendous regard for families that have started our cultural institutions," Terra said. "It takes somebody to get it started, to make these things work. That's what we're doing.

"You might say, 'Well, how come you don't have more contemporary work?' We cannot buy everything—there isn't enough funding for everything. We'll buy the historical ones while they are still around, to the extent we can afford them.

"We have hopes that if we do a good job, we'll get our share of gifts from collectors. There has to be a strong emphasis on contemporary art."

Terra's road to American art was not an instant one. He began by collecting English paintings and switched to old masters when he could afford them. That led him to French Impressionists to the late 19th century.

One day, however, he and his wife saw a collection of American paintings in a New York City apartment. They were captivated by the feeling for life. Gradually the Terras switched, and bought American.

As the collection swelled in size and value, the way ahead became clear to Terra when a New York art dealer told him: "There isn't a museum of American art within 400 miles of Chicago."

By 1980 there was. Terra took care of that. He started with the original Terra Museum of American Art in a converted florist shop and greenhouse at 2600 Central Park, Evanston.

"We opened with a great deal of fear, wondering if anyone would come," Terra said. "They came in droves.

"Even more important was the number of people who came to our symposiums. The first one drew 650 people. I couldn't believe it. I had gone to art symposiums for 40 years and never had been to one that had more than 100 people. Most of the time you saw only 40 or 50 people.

"It began to sink in that maybe we were filling a void. That's how this got started. We felt if there's going to be this much interest in American art, we have to do something more important than we've done in Evanston."

That set the stage for the move downtown, but the Evanston building will remain as a branch of the museum.

Chicago's Museum of Contemporary Art is only a few blocks from the downtown Terra Museum, but decades away with its emphasis on avant-garde work. The two museums probably will complement each other, however, bringing even more people into the area.

Terra has named Michael H. Sanden director of the museum and Judith Russi Kirshner curator of contemporary art. To those who fear he will call all the shots, he emphasizes the new museum will have a governing board and is being created for everybody.

"That's why we're going to go public and raise money," he said. "The public is going to take over the responsibility of making this thing work. Everything here has been given to posterity."

Terra hopes to see the $20 million second phase of the construction in place by 1989. The plans call for razing a building at 670 N. Michigan, which he owns, and building about nine stories high. The 666 building would acquire more floors, and all three linked buildings would be about the same height. A concert hall would be a feature.

Terra also owns the four-story structure at 646 N. Michigan, on the southwest corner of Erie. That site would be built up, too, and perhaps connected with the other buildings by a sky bridge. Stores at the first level of the musuem will ensure an active street life and provide income, besides.

"We think this will bear out as a wise investment," Terra said. "This is a milestone for American art. A vertical museum built on the most valuable land in the city, bringing art to where the people are—that is a new concept."

ISSUES OF SCIENCE POLICY

● Mr. KERRY. Mr. President, for too long we in the Congress have not paid sufficient attention to issues of science policy. If we as a nation are to remain competitive in the world economy, we must start to focus our attention now on issues of science and technology and their relationship to public policy.

As a member of the Subcommittee on Science, Technology, and Space of the Senate Commerce Committee, I am concerned that we need to do more than we are currently doing to support science education in our schools, and to link scientific research with the commercial marketplace. America has long been the world's leader in scientific research and in technological innovation, but we can no longer take that position of primacy for granted.

The Scientist magazine recently published an interview with Dr. David Hamburg, president of the Carnegie Corp. of New York, on the subject of science policy and related issues. Dr. Hamburg points out that science can play an important role not only in increasing our economic competitiveness, but in helping to solve many pressing social problems as well.

Issues of science policy are issues which transcend partisan politics. I urge all of my colleagues to read Dr. Hamburg's remarks and to seriously consider these important issues. I ask that the text of the Scientist interview be printed in the RECORD.

The interview follows:

[From the Scientist, Feb. 23, 1987]

HAMBURG: LINKING SCIENCE AND POLICY

For psychiatrist David A. Hamburg, an early interest in biobehavioral aspects of stress and aggression has broadened to embrace many issues in education, health and public policy. After brief stints at Walter Reed Army Institute of Medical Research and as chief of the adult psychiatry branch at the National Institute of Mental Health, he established the psychiatry department at Stanford University's medical school in 1961. Hamburg left Stanford in 1975 to become president of the Institute of Medicine at the national Academy of Sciences. In 1980, he moved to Harvard University to set up a new division of health policy research and education.

Since 1983, Hamburg has been president of the Carnegie Corporation, whose philanthropic work traditionally has focused on education and social justice. Under his leadership, the foundation now also addresses such problems as teenage pregnancy and the avoidance of nuclear war. Hamburg has urged universities to study the causes and prevention of violence, including terrorism. His interest in that subject is partly personal: In 1975, he spent 10 weeks in Zaire successfully negotiating the release of four Stanford students who had been taken captive by guerrillas.

Hamburg, who served as president of the American Association for the Advancement of Science in 1984-85, was interviewed in his Manhattan office January 29, by Tabitha M. Powledge, editor of The Scientist. This is an edited version of their talk.

SCIENCE AND TERRORISM

Q: Can science help find a way to deal with terrorism?

HAMBURG: We need a really careful, systematic, continuing scrutiny of the problem, case by case, episode by episode, trying to look for common themes, for underlying factors, for success and failure.

Carnegie is supporting Admiral Stansfield Turner, the former head of the CIA, who's doing a book with an academic colleague that looks at a series of major terrorism episodes. It tries to give as accurate a description of what happened as possible, and then tries to see if some lessons can be learned about relatively effective ways of coping with different classes of terrorists episodes.

We're also supporting a study of nuclear terrorism, involving a combination of physicists, engineers, weapons specialists, behavioral and social scientists, and people who have government and military experience. They are trying to imagine how a nuclear terrorist episode could occur. Such an event, happily, has not yet occurred. But trying to stretch the limits of anticipation doesn't seem altogether farfetched. On the one hand you hesitate to talk about it, but on the other hand it seems likely, given the fertile imagination of some terrorists and some novelists, that it will be thought about. Some preparation really does seem desirable. So we've been supporting that, in an effort to make, in effect, contingency plans. The reason we got into it is to avoid a confrontation between nuclear powers, especially the superpowers, in the event of some nuclear terrorist episode. One of the main things I'm trying to do in every field in which Carnegie is active is to bring the scientific community together with the policy community.

SCIENTISTS AND NUCLEAR WAR

Q: Can you describe some of Carnegie's work on avoidance of nuclear war, and how scientists are involved?

HAMBURG. I have been struck by the deep concern about nuclear war in the scientific community worldwide, concern that has grown within the past decade. And I've been inpressed and encouraged by the possibility of stimulating the engagement of leading scientists over a range of fields once they see some tangible possibility for making contributions. Our program has very much relied on that.

When I came here four years ago, the first phase was to approach a number of the great research universities to see whether we could elicit the interest of leading scientists in the problem of avoiding nuclear war. We particularly wanted to get them into a cooperative study of multiple facets of the problem.

The tendency of the scientific community is to think that avoiding nuclear war means arms control. It does in part, but it means quite a lot more than that. It means crisis prevention, it means improving the political relations between hostile powers, it means sensitivity to Third World flash points and so on.

We've tried to put a wider frame around the subject. We have provided, I hope, some stimulation for a number of research universities who have responded to our challenge by fostering the collaborative mode in their universities, and, to some extent, reaching out beyond the university. For example, at Stanford they involve people from Silicon Valley.

The next phase was to try to encourage the participation of some other foundations to provide additional funding. We were lucky in that, particularly with the MacArthur Foundation. Then we set out to achieve linkage with the policy world. We have chiefly set up a series of meetings. Policymakers rely very much on direct personal contact, oral briefings. And those contacts give policymakers a chance to say where they need help, what they'd like to know more about, where they wish the scientific community would explore more deeply.

Beyond broad multipurpose university-based grants, and beyond the linkage program of scientists and policymakers, we have supported work on certain critical issues. One is the consequences of nuclear war, another is the various approaches to crisis prevention, another is the strengthening of arms control, another is the Strategic Defense Initiative.

It seemed important to get independent broad-based scientific studies of the technical feasibility of different forms of SDI, which comes in different shades, colors and formats. So we've done that. The most recent is a study from the American Physical Society which is about to come out. It illustrates a principle I think is important to democratic societies: to have some independent, objective, analytical, not polemical studies of very difficult, complex, controversial issues like SDI.

USING SCIENCE TO MAKE POLICY

There's an enormous amount of interest in the policy community in serious, analytical study, the best that the scientific, scholarly community can produce. It's very heartening to see how many policymakers at high levels want to know what is the best available evidence, what are the new ideas, is there something useful that can be done? They're less susceptible to ideological cant than they were a decade or two ago. It's a very worthy kind of activity for some small but nontrivial portion of the scientific community to engage in such interactions.

Q: But sometimes policy people don't seem terribly interested in bringing scientific expertise to bear on policy questions.

HAMBURG: Of course, there are some scientists who are not very good at communicating with policymakers. They've got to be intelligible without being condescending, and there is an art to that. But I would say from our experience, which is chiefly with the legislative branch, that on the whole interest is growing.

Congress is the prime locus for that; there's a marked change compared to 10 years ago. The level of concern is a very important factor. If you're very worried and perplexed and you don't see a way out, then as a policymaker you're more prone to turn to the scientific community and say, "Can you help us?"

Q: So you think the mutual desire is there, and it's a question of inventing structures to make that interaction happen?

HAMBURG: I think that's a very big part of it, inventing ways that are convenient and attractive. Some of the elements I can specify. One is that the policymakers are terribly busy. The reality is you can't expect them to read an enormous tome, or to take big chunk of time. You've got to make it convenient, accessible, concise.

Now that leads to the next question. Aren't they susceptible to being misled by some clever brief? Yes, they are. And it's therefore very helpful for them to know that some kind of high standard has been involved in vetting what comes to them. It's a question of getting not only an intelligible, but also a credible, synthesis of information that's out there—scattered, typically, over many disciplines and in many places. That's where highly respected organizations become terribly important: the National Academy of Sciences and its various branches, the American Association for the Advancement of Science, the American Academy of Arts and Sciences, major research universities and well-known foundations like Carnegie. It isn't that they mean to be snobbish or elitist, but they need some kind of mechanism to reassure them that the recommendations have been through a tough process of review, and it's not just a clever person selling them a bill of goods.

CONTRACEPTIVE RESEARCH

Q. You've moved into the population area with your experimental pregnancy-prevention program in junior high. What can the hard sciences contribute to the population issue? For example, do we need new forms of contraception?

HAMBURG: I think we do. On the one hand, it's true that we have very good technology for contraception now. I wish we had comparable ways of dealing with cancer. But, nevertheless, there are a couple of reasons why I think improvement is called for. One is to simply widen the array of choices. There is such a vast diversity of cultural attitudes and practices with respect to sexuality that it's very hard to know what will be a widely used contraceptive in any given culture. In developing countries, it is awfully important to have something that is not only cheap but very long-lasting, and preferably reversible. A third factor is to strengthen contraceptive methods men can use. We're about to have a revival of the condom now, for quite different reasons. But most research is obviously focused on women, and I think there's growing interest in having an array of contraceptives more equally distributed between the sexes. There is also a problem about the movement away from contraceptive research by the American pharmaceutical and chemical industry.

Q: What can be done to remove the barriers to contraceptive research? Product liability is one, but low profit potential is another.

HAMBURG: I'd like to see some entity like the Institute of Medicine, nongovernmental but with some real stature, do a policy-oriented study on this question. It should ask where we stand now, whether there is really a shortfall of industry-based research on the problem, what the obstacles are, and how they could be removed. If, worldwide, there is an adequate research response, even though the U.S. response is weak, I wouldn't necessarily be brokenhearted. One problem is that the main markets are in the developing countries and there is so little money there. Yet in a longer-term view, one can't help feeling that those markets might turn out to be formidable. The issue is who can take a long view about getting a return on a research investment.

TECHNOLOGY ASSESSMENT

Q: Carnegie's also working on a long-term project that will, among other things, analyze technology changes that will affect the economy.

HAMBURG: I would like to see a program that would permit an ongoing process of technological assessment of what's on the horizon—something similar to the five-year rolling reassessments based in the Office of Science and Technology Policy and to some degree NSF. They have run downhill somewhat; at least, there isn't the same vigor about pushing them in the federal government that there was earlier. The early ones represented very serious efforts from the Academy, the AAAS and NSF to respond to this challenge, to tell us what's coming down the pike in the next five years. If that art form gets well-developed, we can increasingly relate scientific developments to their social and economic and educational implications.

Q: How good a judge of this is the Congressional Office of Technology Assessment?

HAMBURG: Very good. I'm very high on OTA. To my knowledge, it's the best thing going on in that field at the present time. And it's extraordinary because it hasn't been in existence very long and it was pretty controversial in the beginning. People envisioned all kinds of political degradations that might occur, but, on the contrary, it's maintained very high standards and has provided a model that I would like to see nongovernmental institutions utilize more effectively. Aside from the good work it does, it's fascinating to look at OTA as a piece of institutional innovation.

Q: But when some scientific groups try to predict what their future needs are going to be, they are often accused of being self-serving and always crying for more money.

HAMBURG: That's right. There is a certain amount of criticism, both within the scientific community and outside it, that much of what passes for science policy is not analysis, but a sophisticated self-serving plea for more support. It is really a problem.

When I was president of the Institute of Medicine, I always pushed our study groups to formulate options for policy recommendations in ways that would seem reasonable to their advocates. If you have five options and you choose A as the best, you tend not to state the other four, or to state them very briefly or in a pejorative way. Even scientists are susceptible to that. I pushed very hard, and had a difficult time with it, to get groups to state as fairly and analytically as is humanly possible, the pros and cons of each option. I found that when we did that, it was very well received in Congress. They are so accustomed to people, even scientific groups, telling them what to do that to get what seemed a fair assessment of the assets and limitations of different approaches was very well received. I think we have to discipline ourselves to do that—all the more so if we are advocating large support.

SCIENCE EDUCATION

Q: Is science education really badly off?

HAMBURG: Well, you have to differentiate. I don't think science education is badly off in higher education in this country. I'm aware of the argument that too many professors are preoccupied with research and not enough with teaching. There is a problem there, but not a dreadful problem. The other side of that coin is that lots of students get caught up in the excitement of research. There are many benefits to that.

But I do worry very much about elementary and secondary education in this country. Science is looked upon as very hard and boring.

A lot of what we've been working on is trying to address that problem. One way is to connect elementary and secondary education with the national labs and the corporate labs. We're supporting a number of activities like that around the country and I'm very heartened about it. Another area where I begin to see some movement is in bringing girls into math and science. That is a tremendous talent pool. Once we take off cultural constraints and give girls a modicum of encouragement, we can quickly grow an enormously significant talent pool for the sciences. A harder problem is to encourage the minority talent pool. It's there, but there are many more constraints. You have to tackle that in the elementary schools.

WHITHER THE AAAS?

Q: The AAAS is about to get a new executive officer. As a former president, what directions would you like to see it move in?

Hamburg: I really do love the organization, and I think that it's been moving in very constructive directions in recent years. First of all, I would want to build on those existing strengths, and I hope that the new CEO will do that. The great strength of the AAAS is that it goes very broadly across the sciences. It reaches out to the grass roots of the scientific community, and every sector of scientific activity. It's a unifying influence.

Science is the flagship. I'm privileged to have had a hand in the selection of the editor when Philip Abelson retired, and I think Daniel Koshland is doing a very good job. I was sorry that it was economically essential to sell *Science 86*. That raises a very interesting challenge for the next CEO. What popular education functions can the AAAS serve? If no magazine, then what? A certain gap was left by the sale of the magazine, but it puts the organization in good shape financially to make other investments in science education.

There has also been a steadily growing effort to have a sustained approach to large social problems that have a high technical content. I applaud that. One field is international security and arms control; AAAS could become a major player in that. A newer entry, but one that's going well so far, is population resources and the environment. The idea is to have a guiding committee in each case, which stimulates a variety of activities—in the annual meeting, in special meetings, in publications and convening functions of different kinds, including periodic reports. Science education definitely should be pursued for the long term. AAAS science policy activity has gained a lot of credibility on Capitol Hill. It does advocate steadily growing support for the sciences overall, but it doesn't do so in a mindless way, a kind of ritual incantation.

DISCIPLINARY BARRIERS

Q: You've said that in order for science to help solve today's unprecedented human predicaments, it "must transcend its traditional boundaries and achieve a level of mutual understanding, innovation and cooperation among its disciplines rarely achieved in the past." Is science making progress toward that goal?

Hamburg: I really think so. The OTA is a case in point. Their panels often have some mixture of physical, biological and social scientists. You need a core of people who know a lot about a subject, and concentric circles around that core who work close to the immediate subject, but can readily communicate. Then you need another circle of people who are quite distant, but who can raise questions and challenge familiar assumptions.

I think we've learned a lot about how to communicate across the sciences. I'm not saying that day-in, day-out communication is all that different. But even at the bench level in research, there's more cross talk than there used to be.

Q: Yet it's often said that scientists have never been more focused on their narrow disciplinary concerns.

Hamburg: It is a paradox, and I think it's correct. In order to make a contribution, you have to dig more and more deeply into a narrow area. Yet there's a great danger of being so preoccupied that you're ignorant even of adjacent areas, let alone more distant ones. All I can say is, I think awareness of the problem is greater now than it ever has been. I hear many more people in different fields talking about how to balance the need to specialize and dig deeply with the need to have some broader interests. The AAAS annual meeting is struggling with that and journals struggle with it. We haven't got the institutional forms very well developed yet.●

ADMINISTRATION CREDIT REFORM BILL

● Mr. HEINZ. Mr. President, last Thursday I undertook the welcome duty of introducing the administration's credit reform bill, S. 745, along with Senators Trible and Domenici. This proposal would create uniform budget rules for all Federal credit programs, permitting the Congress to accurately assess the cost of Federal credits and to make meaningful comparisons and tradeoffs among programs. It is a vitally important reform that deserves the support of my fellow Senators.

Through an oversight at the time of introduction, the text of the administration bill and explanatory materials were not printed in the Congressional Record alongside my statement and those of the bill's cosponsors. Therefore, I ask that the text of S. 745 and explanatory materials provided by the administration be printed in the Record at this time.

The text of S. 745 and explanatory material follow:

Section-by-Section Analysis

SECTION 1. SHORT TITLE

The popular title of this act is the "Federal Credit Reform Act of 1987."

SECTION 2. PURPOSES

This section lists the purposes of the Federal Credit Reform Act of 1987.

(a) The Act will result in an accurate measurement of the major benefit of Federal credit programs, which is the provision of a subsidy to borrowers. In the absence of a Federal loan program, borrowers would either face less favorable loan terms, or would not be able to obtain a loan at all. Some portion of all Federal loans is actually a subsidy. To the borrower, the credit subsidy he receives is equivalent to a cash grant. For example, suppose a $10,000 loan contains an implicit subsidy of $2,000, which means the savings to the borrower from taking out a Federal loan instead of a private loan is $2,000. If instead of a Federal loan the borrower were given a grant of $2,000, the borrower could increase the down payment on a private loan so that the principal and interest costs to him were equal to the Federal loan. The borrower would see the $10,000 loan and a $2,000 cash grant as being equivalent, and would be indifferent between receiving the loan and the grant.

The primary measure of the benefits provided by a new direct Federal loan is the difference between the face value of the loan and its market value when immediately sold in a competitive market. In the case of a guaranteed loan, the analogous measure of the benefit is the cost of reinsuring the loan through a private insurer. It is is not appropriate to sell or reinsure the loans associated with a program, the benefit of Federal credit programs would be determined by comparing the difference between the terms and conditions associated with the government loan and the terms and conditions of a similar loan from a private lender.

(b) The Act will also put the cost of credit programs on a budgetary basis equivalent to other Federal spending. Under current practices in the credit budget, the gross amount of direct loan obligations and guaranteed loan commitments is recorded, rather than the subsidy portion of the loans. This means that, in example described in the explanation of part (a), a $10,000 loan with a $2,000 subsidy and a $2,000 cash grant would not currently be recorded equivalently in the budget. Under the Act, the agency granting the loan would request an appropriation for the subsidy value associated with the loan, and that subsidy would counted as an outlay of the agency. Thus, spending for credit programs could be compared to direct spending programs; the subsidy of $2,000 for a $10,000 loan and a $2,000 cash grant would be treated equivalently in the budget.

(c) The Act would encourage the delivery of benefits in the form most appropriate to the needs of the beneficiaries. The current differences in accounting procedures for credit and noncredit programs often distort the agencies' choices as to whether credit or direct spending is the best form of assistance to the public. Direct spending programs require appropriations and result in outlays of the agency. On the other hand, loan guarantees do not require appropriations or result in outlays except in the case of default. Direct loans are generally financed by repayments of previous loans, interest, and other collections credited to revolving funds; thus, only net appropriations and outlays are recorded for the program. By treating loan and direct spending programs the same way in the budget, the choice between credit and direct spending programs would be based on programmatic reasons, not differences in scorekeeping.

(d) The Act would improve the allocation of resources between credit programs and other spending. Because there would no longer be any reason to favor direct loans, loan guarantees, or direct spending programs due to differences in scorekeeping, Federal resources would flow to the public in an economically more efficient manner, rather than to the program that it is more advantageous to use from an accounting standpoint.

(e) To finance the market value of Federal credit programs, a Federal Credit Revolving Fund (the Fund) would be established in the Department of the Treasury. The functions of the Fund are described in sections 6 and 7.

(f) The Credit Reform Act would modify existing law and current Congressional and executive budgetary processes to enable the goals of the Act to be accomplished.

SECTION 3. DEFINITIONS

This section defines, clarifies and explains terms relevant to the Federal Credit Reform Act of 1987. Some of these terms are new or have been modified from previously published definitions as necessitated by the requirements of the Act. The terms are:

(a) Federal agency.—This term includes executive departments, independent Federal establishments or corporations, or other entities established by the Congress which are owned in whole or in part by the United States.

This term does not include the Board of Governors of the Federal Reserve System and the College Construction Loan Insurance Association. The Federal Reserve Board never has been treated as a Federal agency for budget purposes, and therefore should not be included for purposes of credit reform. The College Construction Loan Insurance Association was established in law as a non-Federal agency; since it is not the intent of credit reform to change the nature or operation of existing programs, the Association should not be included in this definition.

(b) Private insurer and private sector.—The key aspect of the term "private" is the notion of being non-Federal. This term is included and defined to ensure that direct loans or loan guarantees are sold or reinsured in the private securities markets. It excludes certain non-Federal or quasi-Federal entities; including the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation; the Federal National Mortgage Association, the Student Loan Marketing Association, and the Farm Credit System and its associated banks, which were chartered by the Federal government. This term also excludes State and local governments. State and local governments typically are not considered to be part of the private sector.

The importance of this distinction, is that the true economic or market value of Federal credit assistance can be determined by selling direct loans or reinsuring guaranteed loans to an entity that does not benefit substantially from the subsidy of a relationship to the Federal, state or local governments. This is not intended to include pension funds. This narrows the potential market for purchasers of Federal credit, but retains the conceptual integrity of the subsidy valuation approach.

(c) Direct loan.—A direct loan is a disbursement of funds by a Federal agency to a non-Federal borrower under a contract that requires the repayment of such funds with or without interest. This term includes the purchase of, or participation in, a loan made by another lender, as well as disbursements on behalf of a Federal agency by the Secretary of the Treasury as described in section 12(c) of the Act.

The acquisition of a federally guaranteed loan in satisfaction of default claims is deliberately excluded. Previously, the Administration's definition of direct loans included agency obligations and disbursements for defaulted guaranteed loans when the default resulted in acquiring the loan paper. For the purposes of credit reform, such acquisitions will not be treated as new direct loans, because they do not provide a new subsidy to the public (see definition below) beyond the subsidy calculated for the original guarantee.

The definition of direct loans as currently interpreted by the Office of Management and Budget excludes the following Federal programs: VA, National service life insurance; VA, U.S. government life insurance; VA, special life insurance; VA, reopened insurance; VA, service disabled veterans insurance; VA, insurance and indemnities and Federal Retirement Thrift Board equity loans.

Individuals who participate in VA life insurance policies or invest in the new thrift plan are permitted to borrow against their equity. The loans are financed with the participants' own premiums or investments and, in the case of the VA life insurance policies, there is no requirement for them to be repaid. The Thrift Board has not yet issued regulations governing its loan program.

The definition of direct loans is also currently interpreted by OMB to exclude the following programs: Low rent public housing, price support loans of the Commodity Credit Corporation, Federal-aid highways right-of-way revolving fund, loans made by AID or P.L. 480 that are converted to grants, national direct student loans, foreign military sales forgiven loans, and TVA loans to Seven States Energy Corporation.

Most of these programs are excluded because their activities do not include a contractual obligation for the recipient to repay the funds. Instead, they operate as grant programs and their economic costs are recognized up-front as the assistance is provided. In the case of TVA, the activity is used to finance TVA's operations rather than provide a subsidy to the public. Since the programs do not provide a hidden subsidy to the public, they should be excluded from credit reform.

The definition of direct loans provides that the term may be interpreted to include the pooling or grouping or individual direct loans into larger packages and treating them as a single loan in order to facilitate estimation of subsidies and processing, in both transactions between agencies and the Fund or the Fund and private sector. For example, ten $10,000 small business disaster loans obligated in the same period could be grouped into a $100,000 loan pool. The pool could be sold more easily and efficiently than the original ten small loans.

The definition of direct loans applies to any new direct loan obligated on or after October 1, 1987 by any Federal agency through an existing program or a new program. Loans obligated prior to that date will be liquidated under existing authorities.

(d) Direct loan obligation.—A direct loan obligation is a binding agreement by a Federal agency to make a direct loan once specified conditions are fulfilled by the borrower.

(e) Loan guarantee.—A loan guarantee is any guarantee, insurance, or other pledge with respect to the payment of all or a part of the principal or interest on any obligation. The definition deliberately excludes the insurance of deposits, shares, or other withdrawable accounts in financial institutions—for example, bank accounts that are insured by the Federal Deposit Insurance Corporation. The Administration definition of a loan guarantee has not explicity discussed excluded items in the past.

The term "loan guarantee" may be interpreted to include the pooling of individual loan guarantees into a larger package and treating them as a single loan in order to facilitate estimation of subsidies, processing, and reinsurance. A pool can blend the credit risks and reduce the transaction costs compared to reinsuring individual guarantee commitments.

(f) Loan guarantee commitment.—A loan guarantee commitment is a binding agreement by a Federal agency to guarantee a loan once specified conditions are fulfilled by the borrower and the lender.

(g) Subsidy.—Means the measure of financial assistance to the borrower of Federal credit. For a direct loan, the subsidy means the difference between the face value of the loan and the estimated proceeds from the sale of the loan. For a loan guarantee, it means the estimated net cost to the Government to reinsure the guarantee (including transfer of responsibility for all future administration) with a private insurer plus the present value of the difference between the interest paid by the borrower and the interest that would be charged by a private lender for such a loan. To the extent that the Federal governemnt charges fees to beneficiaries, such fees will be taken into account in estimating the subsidy. For direct loans, not routinely sold, and for guaranteed loans, not routinely reinsured, the subsidy is the present value of the difference between the direct loan or guaranteed loan and alternative private financing to the same or a similar borrower for the same or a similar purpose.

Credit reform generally assumes that new direct loans or guaranteed loans will be sold or reinsured within 3 months of final disbursement. The process of sale or reinsurance will determine the market value of Federal credit extended. The market value plus the subsidy value equals the face value of the direct loan. For guarantees, the net cost of private reinsurance, plus the present value of the difference between the borrower's interest rate and what a private lender would charge equal the subsidy value.

The Secretary of the Treasury, working with the individual agencies, will determine subsidy values, using benchmark private loans and other techniques. Alternatively, the Secretary may require the agencies to determine subsidy values under his guidance. As loans are sold and guaranteed loans are reinsured, the actual subsidies determined will be taken into account for future estimates of subsidy value.

(h) Fund.—The Federal Credit Revolving Fund, as established by section 6(a) of the Act.

(i) Secretary.—The Secretary of the Treasury or his designated representative.

SECTION 4. DIRECT LOAN PROGRAMS

Section 4 establishes the procedures for the budgetary treatment and financing of Federal direct loan programs including: requirements for material to be included in the budget; provision for appropriation of subsidies; procedures for estimation of subsidies and payment of subsidies to the Federal Credit Revolving Fund; and a requirement for sale of direct loans to the private sector. Section 4 further states that nothing in the Federal Credit Reform Act of 1987 is intended to change or restrict the legal authority of Federal agencies to select borrowers of Federal direct loans or establish terms of such loans.

(a) Subsection (a) provides that beginning in fiscal year 1988 all direct loans of the Federal government will be direct loans of the Federal Credit Revolving Fund. Federal agencies will, through their subsidy accounts, obligate the subsidy portion of the loan. The Federal agencies will select the borrowers and will establish the terms and conditions of the loan contract. The Federal agencies will be limited in their authority to write loans to the authority provided in program authorizations. The obligation of the subsidy by the agency will obligate the Federal Credit Revolving Fund to provide financing for the nonsubsidized portion of the loan. The loan obligation will be recorded in the books of the Fund. Payments of principal and interest by the borrower will be made to the Fund through the agencies. Proceeds of the sale of direct loans will also be paid to the Fund.

(b) The budget proposals for all direct loan programs will, beginning in fiscal year 1988, contain both a program level measure—total direct loan obligations—and an estimate of the subsidies to be provided.

The President is transmitting a package of budget amendments simultaneous with the transmittal of the draft Federal Credit Reform Act of 1987 to restructure his 1988 budget request in this manner. The Act requires both a program level and a subsidy to allow continued use of the credit budget controls and the expenditure equivalent subsidy measure. The subsidy estimates in the President's request are consistent with the program levels requested. Should the subsidy estimate change due to changes in the economy such as increased interest rates, the more restrictive measure would limit the direct loan obligations. Supplemental appropriations for subsidies could be required to implement the planned program level.

(c) Beginning in fiscal year 1988, all Federal agencies are prohibited from obligating direct loans unless appropriations have been made to a Federal agency for the subsidies. Both existing revolving funds and general fund appropriation accounts will be prohibited from using funds otherwise available to obligate new direct loans unless an appropriation has been made expicitly providing funds for subsidies. For most discretionary programs, the Administration will request current definite appropriations of monies from the general fund for subsidies. For agencies with budgetary resources from sources other than loan repayments, limitations will be proposed on the use of such funds for the subsidies for new direct loans. Indefinite appropriations will be proposed for credit entitlement programs such as the Veterans' Administration's loan programs.

(d) Section 4(d) establishes the mechanism for obtaining estimates of the subsidies for direct loan programs and for the recognition of those estimated subsidies as obligations of the Federal agency initiating the loan and the financing requirements as an obligation of the Fund. The language provides that the Federal agency is to obtain an estimate of the subsidy at the time the direct loan obligation is incurred or to make an estimate of the subsidy based upon guidelines established by the Secretary of the Treasury.

The Administration assumes that the Secretary of the Treasury and the Federal agencies will develop procedures for estimating subsidies that are consistent with the nature of the individual programs. For some programs with large numbers of small transactions, the Federal agency may estimate the subsidy based on guidance, and under the oversight, of the Secretary. Loan documentation may be provided to the Secretary on a periodic basis, e.g. all the loans obligated over the period of a month, for example. The subsidy estimate may be agreed to in advance given specified loan characteristics. In such an instance the Secretary would only modify the subsidy estimate if economic conditions changed or if the mix of the group of loans differed from the assumed mix. In contrast, the Secretary might review large discrete loans on a loan by loan basis to determine the subsidy.

The subsidy estimates will be recorded by the Federal agency as obligations for the purposes of accounting for the use of budgetary resources. These obligations will be treated as obligated balances of the subsidy account until the loan is disbursed. Similarly, the difference between the face value of the loan and the subsidy estimate will be recorded as an obligation of financing by the Fund.

(e) The subsidy amounts are to be paid when the loan is disbursed. For most programs, obligation of the loan and its disbursement are almost simultaneous. Some, like the direct loans of the Export-Import Bank are disbursed over a number of years. In some instances the borrowers do not fulfill all conditions of the loan resulting from a deobligation. Tying payment of subsidies to disbursements will ensure that all loan conditions have been fulfilled prior to payment of subsidies.

(f) Subsection 4(f) requires the Secretary of the Treasury or the Federal agency acting under the guidance of the Secretary to sell direct loans to the private sector. Such sales are to be made without recourse and are to include the transfer of servicing the loans to the private sector. This requirement for sale is conditioned by the Secretary's discretion to exempt programs from sale subject to the advice of the Federal agency and concurrence from the Office of Managment and Budget.

Sales of loans are essential to accurate determination of the subsidy. The difference between the sale price and the face value of the loan is the grant-equivalent subsidy. The sales must be without government guarantee of repayment to ensure a comparable market price. If the government guarantees repayment, the cost related to future risk of default is not recognized. Administrative costs also must be transferred in order to determine a comparable market price.

The Office of Management and Budget assumptions as to which programs should be exempted from sale are shown in the explanatory notes for section 7(a)(5).

(g) Subsection 4(g) states that there is nothing in the Federal Credit Reform Act of 1987 that changes the responsibility of a Federal agency to determine the terms and conditions of eligibility for, or the amount of assistance provided by direct loans made by the Federal Government. The benefit to borrowers provided by Federal loans is the subsidy. The legal authority that governs the eligibility of borrowers and loan terms is provided in program authorizations. The Federal Credit Reform Act of 1987 is not intended to change these authorities in any way.

SECTION 5. LOAN GUARANTEE PROGRAMS

Section 5 establishes the procedures for the budgetary treatment and financing of Federal loan guarantee programs including: requirements for material to be included in the budget; provision for appropriation of subsidies; procedures for estimation of subsidies and payment of subsidies to the Federal Credit Revolving Fund; and a requirement for purchase of reinsurance from private insurers. Section 5 further states that nothing in the Federal Credit Reform Act of 1987 is intended to change or restrict the legal authority of Federal agencies to select borrowers of Federal guaranteed loans or establish terms of such loans.

(a) Subsection (a) provides that beginning in fiscal year 1988 all loan guarantees of the Federal Government will be guaranteed by the Federal Credit Revolving Fund. Federal agencies will, through their subsidy accounts, obligate the subsidy portion of the loan. The Federal agencies will select the borrowers and will establish the terms and conditions of the loan contract. The Federalk agencies will be limited in their authority to guarantee loans to the authority provided in program authorizations. The obligation of the subsidy by the agency will obligate the Federal Credit Revolving Fund to insure the loan. The loan guarantee commitment will be recorded in the books of the Fund. Insurance of the loan by the Fund is intended to facilitate the reinsurance of the loan by private insurers. Payments of loan guarantee fees by the borrower will be made to the Fund less administrative expenses of the Federal agency otherwise authorized by law and subject to limitation in appropriation acts.

(b) The budget proposals for all loan guarantee programs will, beginning in fiscal year 1988, contain both a program level measure—total loan guarantee commitments, and an estimate of the subsidies to be provided.

The President is transmitting a package of budget amendment simultaneous with the transmittal of the draft Federal Credit Reform Act of 1987 to restructure his 1988 budget request in this manner. The Act requires both credit budget controls on the volume of loan guarantee commitments and a subsidy appropriation. The subsidy estimates in the President's request are consistent with the program levels requested. Should the subsidy estimates change due to changes in the economy such as increased interest rates, the more restrictive masure would limit the loan guarantee commitments.

(c) Beginning in fiscal year 1988, all Federal agencies are prohibited from making loan guarantee commitments unless appropriations have been made to a Federal agency for the subsidies. Both existing revolving funds and general fund appropriation accounts will be prohibited from using funds otherwise available to make loan guarantee commitments unless an appropriation has been made expicitly providing funds for subsidies. For most discretionary programs, the Administration will request current definite appropriations of monies from the general fund for subsidies. For agencies with budgetary resources from sources other than loan guarantee fees, limitations will be proposed on the use of such funds for the subsidies for loan guarantees. Indefinite appropriations will be proposed for credit entitlement programs such as the Veteran's Administration's loan guarantee program.

(d) Section 5(d) establishes the mechanism for obtaining estimates of the subsidies for loan guarantee programs and for the recognition of those estimated subsidies as obligations of the Federal agency initiating the loan guarantee. The language provides that the Federal agency is to obtain an estimate of the subsidy at the time the loan guarantee commitment is made or to make an estimate of the subsidy based upon guidelines established by the Secretary of the Treasury.

The Administration assumes that the Secretary of the Treasury and the Federal agencies will develop procedures for estimating subsidies that are consistent with the nature of the individual programs. For some programs with large numbers of small transactions the Federal agency may estimate the subsidy based on guidance and under the oversight of the Secretary. Loan documentation may be provided to the Secretary on a periodic basis, all the loans for which commitments are made over the period of months for example. The subsidy estimate may be agreed to in advance given specified loan characteristics. In such an instance the Secretary would only modify the subsidy estimate if economic conditions changed or if the mix of the group of loans differed from the assumed mix. In contrast, the Secretary might review large discrete loans on a loan by loan basis to determine the subsidy.

The subsidy estimates will be recorded by the Federal agency as obigations for the purposes of accounting for the use of budgetary resources. These obligations will be treated as obligated balances of the subsidy account until the guaranteed loan is disbursed.

(e) The subsidy amounts are to be paid when the guaranteed loan is disbursed. For most programs, obligation of the loan and its disbursement are almost simultaneous. Some, like the loan guarantees of the Rural Electrification Administration are disbursed over a number of years. In some instances the borrowers do not fulfill all conditions of the guarantee agreement resulting in a deobligation. Tying payment of subsidies to disbursements will ensure that all loan conditions have been fulfilled prior to payment of subsidies.

(f) Subsection 5(f) requires the Secretary of the Treasury or the Federal agency acting under the guidance of the Secretary to reinsure the guarantee with private insurers. Such reinsurance is to be made without recourse and is to include the transfer of servicing of the loans to the private sector. This requirement for reinsurance is conditioned by the Secretary's discretion to exempt programs from reinsurance subject to the advice of the Federal agency and concurrence from the Office of Management and Budget.

Purchase of reinsurance for loan guarantees is essential to an accurate determination of the subsidy. The difference between the reinsurance price and the fee charged by the government is the grant-equivalent subsidy. The reinsurance must be without government guarantee to ensure a comparable market price. If the government guarantees payment, the cost related to future risk of default is not recognized. Administrative costs also must be transferred in order to determine a comparable market price.

The Office of Management and Budget assumptions as to which programs should be exempted from the reinsurance requirement are shown in the explanatory notes for section 7(a)(5).

(g) Subsection 5(g) states that there is nothing in the Federal Credit Reform Act of 1987 that changes the responsibility of a Federal agency to determine the terms and conditions of eligibility for, or the amount of, assistance provided by loans guarantees made by the Federal Government. The legal authority that governs the eligibility of borrowers and loan terms is provided in program authorizations. The Federal Credit Reform Act of 1987 is not intended to change the authorities in any way.

SECTION 6. ESTABLISHMENT OF THE FUND WITHIN THE DEPARTMENT OF THE TREASURY

(a) This section provides for the creation of a new Federal Credit Revolving Fund to serve as the central financing mechanism for all new Federal credit beginning October 1, 1987.

(b) The Fund is intended to perform functions now performed by the Federal Financing Bank and by existing agency revolving funds that finance loans, guarantees and default payments. Operationally, the Fund will finance the market or unsubsidized portion of credit, while the responsible agency shall finance the subsidized portion only, generally with appropriated funds.

The Fund will be credited with agency subsidy payments, fees charged and repayments due for new credit extended, proceeds from the sale of direct loans, interest on undisbursed balances, and proceeds from the sale of collateral acquired as a result of defaults. The Fund will also have permanent indefinite authority to finance the market value of Federal credit. Specific functions of the Fund are described in the next section.

SECTION 7. AUTHORITY OF THE SECRETARY TO MANAGE THE FUND

This section describes generally the responsibilities of the Secretary or his designated representative to carry out the functions of the Fund beginning on October 1, 1987. The Administration assumes that the Secretary will work with the heads of the agencies to establish procedures that fit their programs' characteristics. The language in section 7 is drafted to provide enough flexibility to the Secretary to respond to the substantial differences among programs.

Subsection (a)(1) and (a)(2) provide the Secretary with final responsibility for the subsidy estimates of new Federal credit. The Secretary would have the discretion either to make subsidy estimates based on information provided by the agencies or to have the agencies make the estimates in accordance with his guidance, whichever is most appropriate and timely for a particular program.

This authority of the Secretary is proposed to ensure the best possible subsidy estimates. The Fund will be staffed by experts in loan value and market pricing. The Fund will also be one step removed from the interest group pressures faced by the agencies. Given the volume of some program transactions, such as FHA mortgage insurance, subsidy estimates may be made by the agencies under the guidance and at the discretion of the Secretary of the Treasury.

Under subsection (a)(3) the Secretary is authorized to credit the Fund with agencies' subsidy payments. The Fund shall also receive borrowers' interest payments, any fees or premiums charged for the credit assistance, repayments on loan principal, the proceeds from any loan asset or collateral sales, and any collections on insurance contracts.

Subsection (a)(4) authorizes the Secretary to disburse direct loans to the borrowers, to pay default claims and to receive any collateral or loan instrument resulting from default.

Subsection (a)(5) establishes the authority of the Secretary to sell loans without recourse or assist agencies in selling them, and to reinsure guarantees or assist agencies in reinsuring them. The decision to enter into such sales and reinsurance is to be made in consultation with the Federal agency administering the program and with the concurrence of the Office of Management and Budget.

The Administration believes that certain direct loans should be exempt from the general requirement to be sold by or with guidance from the Fund: AID functional development assistance, FAP, economic support fund, foreign military sales credit, Public law 480 food-for-peace, BIA loans to Indian tribes, TVA energy conservation loans, and advances by the Government National Mortgage Association.

These exceptions are urged because the programs involve sensitive foreign policy concerns, are being made to developing countries or because sale of the loan assets is deemed to interfere with the programs' operations.

In developing the budget amendments to accompany the credit reform proposal, the Administration made the following assumption for the reinsurance of loan guarantees: In 1988 and 1989, only a portion of the guaranteed student loan, Federal Housing Adminstration and Veterans Administration guarantees shall be reinsured using assumptions provided by OMB; beginning in 1990, these and other guaranteed loan programs would be subject to reinsurance of the following percentage of their new guarantees: 46% in 1990, 71% in 1991, and 100% in 1992; and credit guarantees extended under the CCC export credit programs would be exempt from the requirements to purchase reinsurance.

The Administration recognizes that reinsurance may not be appropriate for all loan guarantee programs, for example guaranteed loans to developing countries. The Economic Policy Council of the Cabinet intends to establish a pilot program for reinsuring loan guarantees. Future decisions to reinsure loans would be based on the experience of this pilot program.

Subsection (a)(6) authorizes the Secretary to maintain funding reserves to cover defaults on loan guarantees. The reserve requirement is essential to the future financial status of the Fund. The reserves would cover losses for guaranteed loans that are not reinsured.

Under sections 7(a)(7), the Secretary is authorized to credit the Fund with interest earned at a rate equivalent to the interest earned on Treasury securities on the undisbursed cash balances of the Fund.

Subsection 7(a)(8), requires the Secretary periodically to transfer to the Treasury general fund any cash balances that exceed the needs of the Fund.

Section 7(a)(9) requires the Secretary to identify separately each agency's credit activity on the Fund's books. Separate recordkeeping is essential to evaluation of the programs performance and setting subsidy estimates.

Section 7(a)(10) requires the Secretary to routinely collect data and information from the agencies on their credit portfolios and programs, and study other methods to improve both the credit subsidy estimates and credit program management.

Section 7(b) enables the Secretary to appoint or hire the personnel needed to carry out the functions of the Fund.

SECTION 8. AGENCY RESPONSIBILITIES

Section 8 assigns certain responsibilities to the head of each Federal agency authorized to make or guarantee loans covered by the Act. Specifically, agency heads are required to provide the Secretary with the information needed to make loan subsidy calculations or to make such calculations, propose annual appropriations for the subsidized portion of their loans, conduct credit programs within the limitations placed on the volume of credit and amounts appropriated for subsidies in annual appropriations acts, safeguard borrower rights, and credit all relevant loan collections to the Fund.

Subsection (a) requires the agency heads to provide loan documentation to the Secretary of Treasury on a timely basis. The Secretary is charged with estimating the present value of loan subsidies. In order to do this, the Secretary will need timely information from the agencies. Alternatively, the Secretary may require an agency head to calculate the subsidy subject to approval by the Secretary.

Subsection (b) requires agency heads to request annual appropriations sufficient to cover the subsidy portion of their direct loan or loan guarantee programs. The budget requests will be the basis for the President's budget, as required by the Budget and Accounting Act of 1921, amended. In most cases, the appropriations for subsidy payments will be proposed as current definite appropriations, available for one year only. Where appropriate for program requirements, funding of subsidies will not be limited to one year. In addition definite amounts will not be requested for entitlement programs that are currently financed with permanent indefinite appropriations, e.g., the Veterans Administration's loan guaranty program. For these accounts indefinite amounts will be requested, but specific estimates will be included in the budget.

Subsection (c) requires the agency head to operate the program within the lesser of program volume (credit budget) limitation on loan volume and the appropriation of subsidies.

Subsection (d) requires the agency head to modify the programs loan or guarantee contracts to ensure the protection of the borrowers rights in the event of sale or reinsurance of the loan agreement. The credit reform initiative will not alter current credit programs or change the existing authority of agencies to operate credit programs. This provision of the law ensures that the procedural and substantive contractual rights of all borrowers will be protected.

Subsection (e) authorizes the agency heads to retain guarantee fees for administrative costs of the direct or guarantee loan program. This authorization is restricted to those programs currently authorized to use fees for program costs. It is further restricted to amounts specified in Appropriations Acts.

Subsection (f) requires the agency heads to pay to the Fund all amounts received with respect to any loan that is obligated or guaranteed by the Fund. This requirement is limited to the extent that the agencies retain fees for administrative purposes. Agencies are required to act as an agent for the Fund in the collection of payments of principal and interest on loans as well as to credit these loan collections to the Fund as they are received.

SECTION 9. BUDGET TREATMENT

One of the most important features of the proposed Federal Credit Reform Act of 1987 is the separation of the financing of the subsidized portion of any credit transaction, which will be financed from program agency resources, from the financing of the unsubsidized portion, which will be financed from the Fund. The purpose of this section is to stipulate the budgetary treatment to be followed by the President in his budget submission to the Congress and by the Congress in considering budget resolutions, appropriations, new authorizing legislation, and related matters. These provisions would take effect for direct loans obligated and guaranteed loans committed on or after October 1, 1987.

Section 9(a) specifies that when a Federal agency obligates the Government to make a direct loan, only the subsidy value of the direct loan is to be regarded as an obligation of the agency. The market value of the direct loan will not be considered an obligation of the agency, and the agency will not be credited with any income associated with the loans (except that the agency may retain fees necessary to pay for the administration of direct loans that have not been sold). For any direct loan program, therefore, budget authority and outlays related to the subsidy value only will be recorded for the applicable agency and budget function.

Section 9(b) specifies that when a Federal agency commits the Government to guarantee a loan, the subsidy value of the loan guarantee is to be regarded as an obligation of the agency. The agency will not require budgetary resources for defaults, and it will not be credited with any fees charged in connection with the guarantee (except that the agency may retain fees necessary to pay for the administration of loan guarantees that have not been reinsured). For any loan program, therefore, budget authority and outlays related to the subsidy value will be recorded for the applicable agency and budget function.

Section 9(c) specifies that the Federal Credit Revolving Fund will be obligated to finance the market value of direct loans and any outlays associated with loan guarantees that are in excess of the associated subsidy payments. Therefore, any budget authority or outlays associated with these obligations will be recorded in the accounts of the Fund. A separate budget function will be created to keep these financing transactions separate from the program functions.

SECTION 10. AUTHORIZATION OF APPROPRIATIONS

Section 10(a) authorizes the Secretary, as manager of the Fund, to borrow from the general fund of the Treasury to (1) finance direct loans to the extent that they cannot be financed by subsidy payments from Federal agencies and the proceeds from loan sale; and (2) pay claims resulting from defaults on guaranteed loans to the extent that reserves created from subsidy payments from Federal agencies are not sufficient. The amounts borrowed will be repaid from the proceeds of loans that are sold, repayments of loans that are not sold, collections on reinsurance contracts and to the extent there are losses, amounts appropriated pursuant to subsection 10(b).

Section 10(b) authorizes appropriations to the Fund for the purpose of repaying its debt to the Treasury. Such appropriation would be necessary only to the extent that losses are sustained by the Fund. The subsidy payments by the agencies to the Fund will be held in reserve to cover losses from defaults and the difference between interest income and expense. However, if subsidy estimates prove to be inaccurate or economic conditions change such reserves may not be sufficient to meet the Fund's obligations. Since the purpose of the subsidy payments from the agencies is to measure estimated subsidies at the time that credit levels are being authorized, make-up payments from the agencies for losses would be inappropriate after the point at which direct loans have been obligated or loan guarantees committed.

Section 10(c) authorizes appropriations to agencies for the purpose of making obligations for the subsidies associated with direct loans.

Section 10(d) authorizes appropriations to agencies for the purpose of making obligations for the subsidies associated with loan guarantees.

Section 10(e) authorizes appropriations to cover the Treasury Department's costs associated with the reform proposal.

SECTION 11. TREATMENT OF DEPOSIT INSURANCE AGENCIES

This section discusses proposed special treatment under credit reform for Federal deposit insurance agencies: the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration, the Pension Benefit Guaranty Corporation and the Securities and Exchange Commission.

Subsection (a) provides that under credit reform, these agencies would be required to estimate their subsidies but would not be required to seek a limitation for their subsidies, thereby not limiting the total obligations that they may incur to assist troubled financial institutions on pension plans. No new credit activity of these agencies shall be required to be financed through the Fund. The loans or guarantees of the agencies shall not be subject to requirements for sale or reinsurance although loans acquired from financial institutions could be sold. They would retain responsibility for estimating subsidies, financing their loans, and loan sales rather than transfer these responsibilities to the Fund.

Subsection (b) affirms the Administration's intent is to recognize that these agencies provide a subsidy to the public, but not to limit the flexibility of their responses to financial crises.

SECTION 12. EFFECT ON OTHER LAWS

Subsection 12(a) of the bill reaffirms that the existing substantive authority of Federal agencies to make and guarantee loans, as well as any modifications or additional authority enacted subsequent to the bill, remains intact. The requirements of the bill relate to budgetary treatment, and modify the underlying statutes only for such purpose.

Subsection 12(b) clarifies that the budgetary treatment required by the bill supersedes any provisions of the law, including those in specific credit program authorizations, which may be inconsistent with the bill. For example, most credit programs are financed through revolving funds established by law for that purpose. The bill would shift the financing of all but the subsidy portion of credit programs to the Fund.

Subsection 12(c)(1) provides that Federal agencies are authorized to issue, sell, or guarantee securities that are market type obligations would issue, sell, or guarantee such obligations only to the Secretary. Even though a number of agencies are authorized to borrow from the public, few do. Instead, most borrowing by Federal agencies is from the Federal Financing Bank or directly from the Treasury under existing law, because it is less expensive than issuing their own securities and borrowing directly from financial markets. Other agencies are authorized to borrow only from the Treasury. This law would simplify the existing situation by providing a single source of borrowing—the Treasury. However, the Secretary could waive this requirement if specific circumstances warranted, for example, where borrowing is inherent in the operation of a program.

Subsection 12(c)(2) specifies that a direct loan disbursed by the Federal Government pursuant to the authority of an agency to guarantee loans will be subject to the same treatment as direct loans made pursuant to explicit authority for the agency to make direct loans.

Subsection 12(d)(1) provides that purchases by the Secretary under subsection 12(c) of obligations issued by State or local public bodies and guaranteed by a Federal agency shall be upon such terms as may be necessary to avoid an increase in borrowing costs of the State or local body.

Subsection 12(d)(2) would authorize Federal grantee agencies to make payments to the Secretary on behalf of State or local public bodies to avoid increasing borrowing costs to such bodies as a result of purchases by the Secretary under subsection 12(c). Appropriations for such payments would be authorized.

Subsection 12(e) clarifies that repayments and other fees received from direct loan guarantees made before October 1, 1987 are not affected by this bill and are to be treated as they would be prior to enactment of this bill.

SECTION 13. EFFECTIVE DATE

The provisions of the Act generally would be in effect immediately upon enactment. This would permit the Secretary and the agencies to take such preparatory actions as are necessary to begin operations under the new procedures on October 1, 1987.

[Fact Sheet]

FEDERAL CREDIT REFORM ACT OF 1987

The Administration's credit reform proposal corrects widely recognized shortcomings in the way credit is treated in the budget. The proposal would:

Measure accurately and equitably the benefits and subsidies of Federal credit programs;

Put the cost of direct loan credit programs on an expenditure basis equivalent to other kinds of Federal spending;

Recognize the cost of guaranteed loans at the time these loans are made;

Encourage delivery of benefits in the form useful to the needs of beneficiaries; and

Improve the allocation of resources among credit programs and between credit and other spending.

The credit reform proposal would change the present system of accounting for credit programs so that the Congress, the Administration, and the public could evaluate the costs and benefits of Federal credit programs the way they now do grants, purchases, or transfers of income.

CURRENT TREATMENT OF CREDIT IN THE BUDGET

In FY 1986, the Federal Government disbursed $42 billion in new direct loans and provided $159 billion in loan guarantees. At the end of FY 1986, the Federal Government held $252 billion in direct loans and $450 billion in guaranteed loans. Despite this huge volume of resources, the budget does not properly reflect credit transactions. The current budgetary treatment of Federal credit programs results in an inaccurate measure of their costs. As a result, the budget provides an inappropriate guide to the allocation of resources involving credit and, not surprisingly, an ineffective means of control. Whereas the present budget records the true cost of Federal purchases, grants and transfers, it does not do so for credit.

For direct loans, the present budget measures net cash flow—the new loans to borrowers minus interest received and repayments of previous loans. This is misleading in four ways:

(1) the gross disbursement of new loans overstates their cost to the government because the government now owns a financial asset with a real market value;

(2) the fact that loans are expected to be repaid leaves the impression that, over time, they are costless, but this is not so because Federal credit programs provide subsidies to borrowers;

(3) the subtraction of repayments on previous loans confuses the effect of current decisions; and

(4) the budget accounts do not contain information on how much of the new loan is a financial asset and how much is a subsidy or expenditure.

For loan guarantees, the present budget does not record any costs unless, and until, defaults occur. At the time the commitment to guarantee is made, a loan guarantee is measured as a "free good" when compared with either a grant or a direct loan.

BACKGROUND OF CREDIT REFORM

Because of the inadequacies of the present budgetary treatment of credit transactions, a separate credit budget was created to record, and to place some limitation on, the volume of new direct loan obligations and new guaranteed loan commitments. The credit budget has focused attention on the decisions that commit the Government to new expenditures. But it does not show the size of the subsidies or expenditures; it shows only the total volume of credit assisted. Thus it does not distinguish between programs with deep subsidies, like the P.L. 480 export credits program with a 95 percent subsidy, and those with smaller ones, like the Rural Electrification Administration's loans to electricity distributors with a 13.1 percent subsidy. Most seriously, however, the credit budget is separate from the unified budget, so that tradeoffs between credit and other spending are not made. Because the subsidy element is not separated, the tradeoffs would probably be incorrect if the comparison were made.

The inadequacies of current budgeting for credit have been recognized in two bills that the Congress considered during the past few years. Several versions of the "Market Plan" were proposed by Senator Trible and Congressman Gradison. The later versions of the bill simplified the original proposal by modifying the requirements to sell all newly issued and existing loans and to reinsure all new loan guarantees. The "Appropriations Plan" proposed by Senator Heinz would estimate the true cost of credit programs and require agencies to request appropriations for them; it would create a central revolving fund for the unsubsidized portions of direct and guaranteed loans.

CREDIT REFORM DOES NOT AFFECT PROGRAM GOALS OR RESOURCES

Credit reform is an improved budgetary tool. It does not, by itself, alter programs or resource allocation.

Nothing in credit reform alters the credit programs that the Congress has enacted or changes the existing authority of agencies to operate credit programs. Agencies will continue to arrange and approve direct loans and loan guarantees in the way they do now.

It does nothing to alter the Congress' discretion to establish the amount of loans that may be granted. What it does do is to put the budgetary resources provided to credit programs through the appropriations process on an equal footing with the budgetary resources provided to other programs.

It does nothing to alter the existing legal or contractual rights of the borrowers.

The proposed budgetary treatment of credit affects the deficit only to the extent that loan assets are sold and guaranteed loans are reinsured. The "scoring" of the Administration's credit reform proposal is itself deficit neutral.

Credit reform uses loan asset sales and guaranteed loan reinsurance as a tool to help establish the true value of Federal credit programs and as a vehicle to use the private sector to manage collections. The primary purpose of the loan sales is not to reduce the deficit—it is for good credit management. The deficit savings achieved by loan asset sales are increasingly offset by the loss of payments of principal and interest as well as by outlays for the purchase of reinsurance for guaranteed loans. In sum, the Administration would support credit reform with loan asset sales and guaranteed loan reinsurance even if there were no impact on the deficit at all.

SUBSIDIES: KEY TO CREDIT REFORM

A new Federal credit revolving fund would be established within the Treasury Department. In addition to funding loans and overseeing the sale of direct loans and the reinsurance of guaranteed loans, a major responsibility of the fund is estimating the subsidies for agency loans.

A large part of the ultimate success of this plan will depend on the ability of the fund to establish correct subsidy values for direct loans and loan guarantees. The subsidy estimate should provide a measure of the grant-equivalent costs of the current period loan obligations and guarantee commitments. One way to estimate that subsidy is to sell the direct loans or reinsure loan guarantees. This approach would determine the grant-equivalent costs of a direct loan by comparing the market value of the loan with its face value. The grant-equivalent costs of a loan guarantee would be measured as the cost of getting the private sector to assume the liability, i.e., the cost of reinsurance. If loans are sold or reinsured, then all aspects of the loan are taken into account—administrative costs, cost of capital, default risks, after-tax return on investment, availability of credit, and statutory forbearance provisions.

However, it is not necessary to actually sell or reinsure all loans to estimate the grant-equivalent costs. It is possible to estimate the cost of comparable loans made in competitive markets by reviewing data that are available from private sector loan transactions. Although this approach is subject to a margin of error, it has the advantage of avoiding problems that arise in selling or reinsuring certain types of loans. The credit reform proposal would estimate subsidies by using a mix of actual loan sales and reinsurance with estimates made by the fund using private sector loan data. For example, in FY 1988, out of $3.6 billion in direct loan disbursements, sales of $1.8 billion are planned, resulting in receipts of $1.5 billion. In the same year, out of $176 billion in guaranteed loan commitments, it is anticipated that about $8 billion of reinsurance will be purchased at a cost of $0.5 billion. The table at the end of this fact sheet shows the impact of this proposal by function.

HOW THE PLAN WOULD WORK

Credit transactions would be measured in significantly new ways under the credit reform proposal.

For direct loans:

Federal agencies would be required to obtain appropriations equal to the estimated grant-equivalent subsidy of the direct loans they make.

An agency would continue to accept and process applications for new direct loans as it does now. As loans are disbursed to recipients, the agency would pay the fund for the subsidy represented by those disbursements. That subsidy payment would be recorded as an outlay of the originating agency. The fund itself would provide the unsubsidized balance of the loan amount through the use of its permanent indefinite budget authority.

Direct loans would be sold to the public or held by the fund if they were exempt from sale. If the loans were sold, the sales would be made on a nonrecourse basis and the collections from the sale would be an offsetting collection to the fund. (Nonrecourse means that the private sector would accept risks of the loans acquired; no Federal guarantee would accompany them.) If the loans were held, the agency would service the loan on behalf of the fund. Principal and interest payments received by the agency would be forwarded to the fund.

Not all direct loan programs will be included in the credit reform proposal. Those now planned for exclusion are the CCC commodity loan program, which is more of a commodity purchase program than a credit program, and direct loans that result from defaulted guaranteed loans, which are more of an extension of the loan collection process than they are new loans. In addition, several programs will be included in the credit reform proposal but will be exempt from requirements to sell loan assets. For example, international loans with foreign policy ramifications and loans made by financial regulators will not be required to be sold. The actual decision about which loans to sell and which to hold should be left to the discretion of the Secretary of the Treasury or his representatives, who are the officials with ultimate responsibility for operating the fund, subject to normal Office of Management and Budget review.

For loan guarantees:

Federal agencies would be required to obtain appropriations equal to the estimated grant-equivalent subsidy of the loan guarantees they make.

Agencies would continue to accept and process applications for new guaranteed loans as they do now. At the same time as a guaranteed loan is issued by a lender, an agency would pay the fund for the subsidy represented by that loan. The subsidy payment would be recorded as an outlay of the originating agency. This procedure means that, for the first time, loan guarantees would require the use of budgetary resources. The agency would also transfer to the fund the fees paid by the borrower.

Guaranteed loans could either remain a contingent liability of the fund or be reinsured with the private sector. If reinsured, the cost of reinsurance would be an outlay of the fund and the cost of any future defaults would be borne by the private reinsurer. If the loans were held by the fund, they would continue to be insured by the Government. The subsidies and fees, plus the interest thereon, would constitute a reserve; the cost of any future defaults would be borne by the fund.

Eventually it is anticipated that almost all guaranteed loans will be reinsured, but this aspect of the program will be phased-in over a 5-year period in order to allow the reinsurance industry to develop. As the insurance industry becomes more familiar with the type of risks guaranteed by the Government, reinsurance markets can be expected to develop for the full range of Federal guarantees. For 1988, it is expected that reinsurance will be purchased for only a portion of the housing and student loans guaranteed by the Government. Meanwhile, the Working Group on Federal Credit Policy will be developing guidelines for reinsuring loan guarantees as well as looking into how to improve the collections process.

FUNCTIONS OF THE FUND

Treasury would assume the following administrative functions in order to implement credit reform:

Establish an automated accounting and control system to keep track of the status of the fund's lending activity and ensure that agency credit activity is limited to the amounts appropriated for subsidy costs.

Estimate the subsidy value for loans so that the program agency can request appropriations for the subsidy amount.

Provide oversight of loan asset sales that will be conducted by program agencies. However, Treasury would have permissive authority to make such sales itself.

Provide oversight of insurance purchased from private insurers that will be done by program agencies. However, Treasury would have permissive authority to purchase such insurance itself.

Hold as collateral any assets that result from the default of borrowers. Treasury would oversee the liquidation of such collateral by program agencies, although Treasury would have permissive authority to sell such assets itself.

The credit revolving fund would be separate from the Federal Financing Bank (FFB) and the FFB will be gradually phased-out as the loans it currently holds are repaid.●

DEPARTMENT OF ENERGY REPORT/ENERGY SECURITY

● Mr. PELL. Mr. President, I am very pleased that Energy Secretary John Herrington in testimony presented today before the House Subcommittee on Energy and Power of the Committee on Energy and Commerce strongly rejected an oil import fee as the answer to spur our domestic oil and gas industry and to check the flow of oil imports into the United States.

Specifically, Secretary Herrington remarked that "A flat oil import fee, for example, would raise the cost of oil and oil substitutes above the levels paid in other countries which would seriously reduce the Nation's economic growth, increase inflation and reduce U.S. competitiveness." The Secretary also commented that "a $10 import fee, other variations of this fee and other options in this category, including direct subsidies, would make the cure worse than the disease."

Mr. President, Secretary Herrington's remarks on the oil import fee option before the House Subcommittee on Energy and Power and the findings of the Department of Energy's report on Energy Security released yesterday are most constructive and responsible. That is exactly what I have been saying all along. An oil import fee will cost us more than it is worth.

If the oil industry needs help and if we need more secure supplies of petroleum, there are fairer and more effective ways of accomplishing these goals without penalizing the oil consumers of the Northeast.

As I commented when I introduced Senate Resolution 97, the imposition of an oil import fee, while providing relief to our domestic oil producing region, would impose a substantial burden on consumers in the Northeast, especially throughout New England.

I remain strongly opposed to the imposition of an oil import fee, with the costs being borne out of proportion by consumers and industry in the Northeast and upper Midwest regions. I am very pleased that Energy Secretary Herrington and the Department of Energy report on energy security clearly reject an oil import fee as a viable option in responding to the concerns of our domestic petroleum industry and oil supply interruption.

Mr. President, I ask that Energy Secretary Herrington's testimony today before the House Subcommittee on Energy and Power be printed in the RECORD.

The report follows:

STATEMENT OF JOHN S. HERRINGTON, SECRETARY OF ENERGY

Mr. Chairman and members of the subcommittee: yesterday the Department of Energy released the results of the review of eneregy-related national security concerns requested by President Reagan in response to declining domestic oil production and rising oil imports.

The report, "Energy Security," which was conducted with interdepartmental and interagency technical support, covers all aspects of U.S. energy supply and demand—and their implications for our energy security.

In announcing this review, the President stated that a strong energy industry is essential to our national security and that America must never again be left dependent upon unreliable foreign sources of oil. These energy security objectives served as important parameters in the Department of Energy review.

In the course of this review, we addressed several critical questions: is there an energy security or national security problem, and, if so, what is the nature of the problem? What are the policy options? What are the costs and the benefits of the options? How can we meet the challenges of sustaining a strong energy industry and avoiding overdependence on insecure foreign oil? And, finally, how can we work to mitigate the impact of a supply disruption and lessen exposure to price manipulation? Throughout the review process, our overriding concern was how can we best foster an adequate supply of energy at a reasonable cost for all Americans.

The approach and methodology we've taken in our analysis is multifaceted. First we developed a comprehensive assessment of the facts. We developed a world energy outlook. We analyzed each major energy source—and conservation and efficiency. We set out a range of policy options and subjected them to extensive analysis. More than 250 submissions from a wide array of organizations and individuals were considered. One of our underlying goals was to provide a sound data base in which we could rationally evaluate the policy choices which must be made to secure our energy future.

This report shows that although we have made gains in energy security in the last six years—and while our energy security remains strong in the short term—there is justification for national concern both over the difficult adjustments going on in our domestic oil and gas industry and rising oil imports.

Based on our projections, the United States faces increasing dependence on foreign sources of oil with imports reaching 50 percent, or 8 to 10 million barrels per day by the early to mid-1990's. While the recent decline in oil prices benefits the general economy at the moment, it creates serious adjustment problems for the United States oil and gas industry. Overall, the current situation discourages conservation, impedes the shift to natural gas, coal, nuclear and other substitutes for oil. It slows new energy technologies which will be important for further energy security.

It is clear, based on these findings and this review, that the suddenness and severity of the oil market price decline has adversely affected significant segments of the United States Petroleum Industry:

Capital expenditures for oil exploration and development have dropped by nearly 50 percent since 1981;

Drilling activity reached a 46-year low in 1986;

The number of seismic crews employed in mid-1986 was down 60 percent from the previous year;

By the end of 1986, 150,000 oil industry jobs have been lost; and

Average daily U.S. oil production fell by 800,000 barrels during 1986.

This oil market decline has been exacerbated by the fact that business decisions were made on historically high price expectations which haven't been fulfilled. Coupled with this production decline is increased consumer demand for oil, which together have resulted in a rise of one million barrels per day in oil imports.

Based on this analysis, the weakening of our domestic oil infrastructure holds the potential for significant, detrimental ramifications for our energy security if action is not taken. Falling domestic oil production and increasing dependence on foreign oil present a different set of problems from those that existed at the onset of this administration, but I believe that the need to address this challenge is no less urgent than when this Nation was confronted with two oil supply interruptions in the 1970's.

One critical element of energy security is a strong domestic energy industry—in particular, a vigorous oil and gas industry. Even with continued conservation and efficiency—and substantial contributions from other energy resources like coal, nuclear and renewables—no conclusion can be drawn other than the fact that our energy security is linked to the fate and fortunes of our domestic petroleum industry through this century.

There are two broad courses of action that need to be pursued. We must continue to reach a balanced energy mix and to guard against supply disruptions. Specifically, this means a continued commitment to clean coal technology, reform of the nuclear licensing process, reauthorization of Price-Anderson, progress in development of a nuclear waste repository, continued funding of high-risk conservation and renewable energy research, investment in basic science research and maintenance of a strong strategic petroleum reserve.

Our second major objective must be to improve the situation of the domestic oil and gas industry. The energy security report to the President identifies nearly two dozen major options available to us. In general, these options fall into three major categories based on our analysis.

First, there are policy options that carry positive economic benefits across-the-board and make good sense under any plausible energy scenario, now and in the future. As an absolute minimum, these options, which have been supported by the administration, need to be the starting point for further action. They include:

Repeal of the windfall profit tax, which currently produces virtually no revenue and is a counterincentive to industry investment;

Comprehensive natural gas reform, including wellhead price decontrol, mandatory contract carriage and demand restraint repeal, which would encourage the production of an estimated 30 trillion cubic feet of additional gas, the equivalent of 5.3 billion barrels of oil;

Adoption of key regulatory reform provisions of the 1986 Oil and Gas Production Revitalization Act. Specifically:

Extending the Environmental Protection Agency deadline to report to Congress on the degree of hazard from oil and gas production wastes;

Clarifying the exemption from underground storage tank regulations for small temporary collection devices called for in the 1984 hazardous and solid waste amendments, where there are negligible environmental impacts;

Permitting land treatment and recycling of oil and gas wastes when studies have demonstrated that the practices do not threaten public health or the environment;

Environmentally sound oil and gas exploration and development of the Outer Continental Shelf, now tying up an estimated 2 to 5 billion barrels of oil;

Environmentally sound oil and gas exploration and prudent energy-related development of the Arctic National Wildlife Refuge Coastal Plain, which may have "in place" oil of up to 30 billion barrels; and

Maintenance of a strong strategic petroleum reserve fill rate to reinforce deterrence against an oil supply interruption.

A second major set of options—most notably an oil import fee, a gasoline tax, and proposals that call for direct subsidies for the industry—fall in the category of options which clearly increase production or achieve one or more energy security objectives, such as conservation. They also raise some Federal revenues. There are, however, significant, inherently counterproductive costs to these options, which severely undermine any possible benefits. These benefits would only be produced at great cost to the economy and the consumer.

A flat oil import fee, for example, would raise the cost of oil and oil substitutes above the levels paid in other countries which would seriously reduce the Nation's economic growth, increase inflation and reduce U.S. competitiveness. In the case of a $10 per barrel fee, the report concludes that the net cumulative costs over the next decade could approach $200 billion. A $10 import fee, other variations of this fee and other options in this category, including direct subsidies, would make the cure worse than the disease.

Added to this economic cost is the likelihood that the fee would be extremely complex and burdensome to administer. Fee exemptions or refunds of the fee would undoubtedly be requested by U.S. petrochemical companies, other energy-intensive export industries, and particular regions of the country, as well as by close trading partners. A fee raises the U.S. crude oil price and encourages accelerated production of U.S. reserves, leaving smaller reserves here for future production and impairing long-term energy security. For these reasons, I do not believe an oil import fee makes sense.

A third category includes options that can provide production increases through tax incentives for exploration and development. Based on the analyses provided in this energy security report, these options boost production, while avoiding the huge costs associated with proposals like an oil import fee. These options merit further examination and evaluation. Such options have to be weighed carefully in terms of their net costs and benefits. Of course, to move forward with these kinds of options would require reopening tax issues settled last year—an approach which has not, in general, been favored by the administration. It is my intention to submit these proposals to the domestic policy council and the cabinet for consideration and review.

I believe our energy security report to the President is the first step in focusing attention on the serious energy security challenges facing the Nation. This report provides a solid, technical data base and the options for further action by the administration and the Congress to preserve energy security. Energy security is a vital part of the foundation on which our economy and national security rest. We must recognize the warning signs and take thoughtful and prudent action that meets our responsibilities to consumers, industry, our environment and public health, and other national goals alike. It is my hope that Congress will use this report to the President on energy security as a focal point for serious discussion of options to preserve energy security.●

HUNGARIAN INDEPENDENCE DAY

● Mr. LAUTENBERG. Mr. President, on Sunday, March 15, 1987, Hungarians joined together to remember an important day in history, Hungarian Independence Day.

In Budapest, some 1,500 Hungarians marched through the capital to demonstrate their hope for a free and independent country. Their hopes were shared by the Hungarian community in America, and by all Americans.

On March 15, 1841, Hungary was declared a constitutional monarchy under the Hapsburg crown. Austria responded to this event by declaring war, and the following year Lajos Kossuth proclaimed an independent republic. Shortly thereafter, Russian forces joined with those of Austria to crush the Hungarian rebellion. After much bloodshed, Hungarian rebels were quieted.

On this important day, Hungarians pay tribute to the many brave individuals who have continually sought to free the Hungarian people from oppression; who have sought to end the political and economic domination of Hungary by the Soviet Union; who still cherish the dream of a Hungary free from oppression.

One of these individuals is Imre Nagy. In 1956, Mr. Nagy was elected by the Hungarian Politiboro to the premiership of Hungary. Immediately after his election, Mr. Nagy boldly announced Hungary's neutrality, its withdrawal from the Warsaw Pact, and his intention to hold free elections. Under his brave leadership, the Hungarians fought the Hungarian Revolution in 1956.

He suffered for his role in spreading democratic ideas in Hungary. He was executed by the regime of Janos Kadar, and he now lies buried in an unmarked grave. His name is not permitted to be spoken in praise in Hungary. All suggestions that Mr. Nagy be restored to honor have fallen on deaf ears.

On March 15, Hungarians gathered to honor courageous individuals like Imre Nagy who died in the name of freedom. They also rededicated themselves to continuing their struggle for freedom—freedom of speech, freedom of assembly, and freedom of the press. I join them in honoring these brave individuals, in encouraging them to continue with their struggle, and in expressing my solidarity with their fight.●

SPECIAL OLYMPICS WEEK

● Mr. D'AMATO. Mr. President, I rise today to cosponsor legislation to designate August 2-8, 1987, as "International Special Olympics Week" and August 3, 1987, as "International Special Olympics Day." I commend my colleague from Indiana [Mr. Lugar] for introducing such worthy legislation to benefit the mentally retarded.

The international special olympics' movement touches the heart and mind of every handicapped individual around the world. We all wholeheartedly support encouraging the mentally retarded to maximize their full potential.

The special olympics began in June 1963 with a day care camp. This small project inspired various groups and individuals around the country to reach out to the mentally retarded. Their enthusiasm lead to the formation of special olympics programs on the local, State, and regional levels.

Today, more than 1 million athletes compete each year in olympic activities. These competitions are held in over 20,000 communities in every State in the country and in 65 foreign countries.

I have been a strong supporter of special olympics. Last year, this group was one of many handicapped groups that I assisted in receiving Federal money for an international olympics. I was pleased to be instrumental in supporting this worthy organization.

Again, I thank and commend Senator Lugar for his interest in and commitment to this matter.●

NATIONAL DOWN SYNDROME MONTH

● Mr. D'AMATO. Mr. President, I rise today to support legislation that will designate October as "National Down Syndrome Month." Continued development of medical and educational programs dealing with Down syndrome must be encouraged.

Down syndrome occurs as a result of an extra chromosome—No. 21—and affects the physical and mental development of 1 out of every 1,000 people born. Until recently, people with Down syndrome were burdened with the presumption that they could not lead meaningful, productive lives. This need no longer be the case. Medical science now has the ability to correct a number of disorders associated with this genetic defect.

The education of the developmentally disabled has drastically improved in the past few years. Young, developmentally disabled individuals can now become productive members of our communities. More and more we are made aware of their contributions to society. Persons with Down syndrome should not be seen as liabilities, but as people who need our understanding and encouragement in their quest to attain their goals.

In the past, people born with Down syndrome were automatically thought to be doomed to life in an institution. Now, we have a responsibility to make sure that these people are given a chance to live their lives to the fullest. We must ensure that these people are treated as citizens with full appreciation of their human dignity.

Greater public awareness will enhance the recognition of the contributions that these citizens can make. I am confident that the recognition of "National Down Syndrome Month" will promote this public awareness, and I am pleased to add my name as a cosponsor of this legislation.

Thank you, Mr. President.●

COMPETITION AND WORLD TRADE

● Mr. BRADLEY. Mr. President, John F. Akers, chairman of the board of IBM, recently offered some provocative comments before the Economic Club of Detroit on the subject of competition and its role in U.S. trade policy. I would like to bring his statement to the attention of my colleagues and ask that it be printed in the Record.

The statement follows:

Remarks by: John F. Akers

I'd like to talk today about a subject that has gone from challenge to cliché to buzzword: the competitiveness of the United States in a tough economic world. And I'd like to begin with some well-known words of one of the greatest competitors this city ever produced—the Brown Bomber, Joe Louis.

You may recall that Louis once faced an opponent who claimed he could outpoint the champ by backpedaling—staying out of reach for 15 rounds. And you may recall Joe said: "He can run, but he can't hide."

No question about it: In today's international competition, much of America seems to be on the run.

We are living beyond our means, as measured by the Federal budget deficit. We are losing market share, as measured by the trade deficit. Our national savings rate is down to about three percent of disposable income—three percent—against Germany's 12 percent and Japan's 16 percent. We owe a net $200 billion to foreign creditors. Our productivity gains lag those of other countries. And as a result, our standard of living in the United States has been essentially flat for 12 years.

So in one round after another we are bobbing and weaving and taking eight counts. And when I say we, I mean all of us—not just autos, not just steel, but also high technology. Last year for the first time, in finished computer products and business equipment, the U.S. had a trade deficit.

That's the challenge America faces today. As a nation, how have we been responding? Often by looking for easy ways out, for places to hide.

One hiding place is called protectionism—walls to block foreign imports. For a decade, despite the efforts of both the Carter and Reagan administrations to hold the line, the percentage of imports subject to special protection has been steadily rising: from 8 percent of the total dollar value in 1975 to 22 percent today.

With Congress back in session, we're hearing calls for new barriers on steel, auto parts, textiles and more.

Sure, some other countries play hard ball. They shut their markets to our products, confine their purchases to local suppliers, subsidize their manufacturers and farmers and permit them to dump their products in the U.S. But protectionism isn't the answer. It helped bring on the Great Depression. It never has worked. And it won't work now.

Another hiding place, one that was popular a few years ago, is called national industrial policy. The idea is to set up a board of wizards in Washington to study economic trends and select the growth industries of the future, funnel money to them, and thus beat out the Japanese and South Koreans.

Well, national industrial policy is an idea whose time has gone. Ant it deserves to stay down for the count.

So what should we do? My answer is this. Stop running. Stop trying to hide. Get back to our roots as a country. There's no better time than now, the year of the 200th anniversary of our Constitution. To be competitive today, I think all of us would benefit by re-reading the Constitution, re-reading the Federalist Papers, and immersing ourselves in the example of the Founding Fathers.

When we do, I think we'll learn three lessons. The first is the lesson of realism, hard-headed no-nonsense pragmatic realism. Realism today means seeing that we live in a world of inextricable, irreversible interdependence:

With the dollar value of world trade multiplying more than seven times since 1970, now exceeding $2 trillion a year, and still climbing;

With jobs dependent on that trade proliferating apace;

With the design of advanced technology products drawing on the skills and cooperation of scientists and engineers in Europe, the U.S., and Asia, linked together by computerized networks;

With the manufacturing of those products—IBM's, for example—in a single worldwide manufacturing plant—plants in Germany, the U.K., Australia, Japan, the United States, and nine other countries, all linked by computer;

With banking, medical, hotel, airline, and credit card information flashing around the world;

With capital free to flow instantaneously almost anywhere;

And with university computers in the U.S., Europe, and Asia tied together in a single worldwide community of scholars.

Realism today means seeing a world in which self-sufficient nationalism is dead, in which any nation or region that tries to dam the intercontinental flow of ideas, information, products, and capital inevitably threatens to:

Make its home industries non-competitive;

Cut its population off from the world's best goods and services;

And turn its country into a technological follower.

Realism today means seeing a world where companies increasingly must respond to customers by investing abroad, hiring abroad, and manufacturing abroad, achieving worldwide economies of scale if they hope to succeed.

Let me give you just one example, IBM Japan.

I couldn't begin to imagine competing in that volatile and challenging market without IBM Japan, a $4 billion business with 18,000 Japanese engineering, manufacturing, marketing and service people led by Japanese management.

In international competition, whose side are they on? They're doing good for Japan. They're doing good for the IBM company. They're doing good for the United States. And through their contributions to technological advancement they're doing good for IBM customers around the world.

So realism today means, in the end, recognizing what competitiveness has become: not confrontational winner-take-all nationalism, but vigorous, innovative, and profitable participation in today's interdependent global process, which lifts the standard of living of people everywhere.

The day of easy competition has ended, as we face 19 million Taiwanese, 43 million Koreans, 120 million Japanese and one billion Chinese who get up at 6 o'clock in the morning, do calisthenics, and work 6 days a week for modest wages.

Business has no choice. We must invest in productive research and development. We must deliver quality products and services to our customers. And we must get down to fighting trim, and cut out every possible ounce of fat and waste, or else we'll fade away.

Here in Detroit and all across America, companies are doing just this. IBM, for one, is going through one of the most abrupt and rapid transformations in history. To reduce costs and expenses, we have moved work to people and people to work. We've closed and remissioned plant sites, significantly cut staffs, offered retirement incentives to reduce our population, and in terms of costs and expenses squeezed out as much fat as possible.

This is all being accomplished with the magnificent flexibility and cooperation of our people. And this is not just a temporary Band-Aid but a reshaping of the IBM company forever, to keep it competitive in an ever more demanding international arena—to play a vigorous part in one of the most exciting and promising industries of our time.

We in business must also recognize the imperative, the unremitting imperative, of tough negotiation to assure market access around the world: the sort of negotiation we must have in the upcoming round of GATT talks, which must advance reasonable rules for trade in services; non-discriminatory opportunities to invest abroad; the reduction of agricultural export subsidies; and the safeguarding of intellectual property against international piracy. And along with accepting the inevitability of change, we in business must help cushion the effects—the human effects—of change.

I applaud, for example, the Administration's and Congress's initiatives for assisting workers who lose their jobs—assisting them through relocation and retraining.

Much of the responsibility for doing that job will fall on business. It's up to all of us to help keep this effort near the top of our national agenda.

The second lesson from the Founding Fathers is the advancement of learning.

Those early leaders include two giants in the history of the world's pursuit of useful knowledge, Benjamin Franklin and Thomas Jefferson. The Advancement of learning will be a fundamental ingredient of competitiveness as we enter the 21st century. And in that pursuit, we in the U.S.—as we all know—need some tuning up.

We've all seen press reports that in an international algebra test students from Hong Kong came in first; Japan, second; the U.S., 14th. That's 14th—right behind Hungary.

We've seen reports that between 1972 and 1982 the enrollment in teacher education programs fell by one-half, and that today we have a particular scarcity of high school teachers in science and mathematics.

Some of the things that have to be done are obvious:

Lengthen the school year by recognizing that U.S. public schools stay open 180 days, Japanese schools two months longer—243 days.

Turn off the television set. Between the ages of 6 and 18, American children watch something like 15,000 hours—2,000 more than they spend in school.

Bring parents back into the learning process, and restore in our schools discipline and standards.

Incredibly, only fifteen states require four years of high school English, only ten require three years of math, only four require three years of science. And zero—not one—requires two years of a foreign language.

We can learn a lot from others, includng the Japanese. But we shouldn't get carried away.

They're worrying about the imperfections in their educational system: its examination pressures; its tendency to turn out young people who can memorize and imitate but who lack creativity. And remember that in all of Asia there exists only one world-class university—the University of Tokyo—to match the Big Ten, the Ivy League, Oxford, or Cambridge.

When a bright young Japanese, or Korean, student wants to do graduate work, where is he likely to go? To MIT, CalTech, or Michigan. Sixty percent of all students in American universities pursuing doctorates in engineering today are non-American. I say more power to them. Especially since many of them end up working for American companies.

But I also say: let's reverse that percentage. Let's get more young Americans motivated and prepared to compete successfully for admission to our graduate schools to lead the advancement needed in technology, science, and manufacturing.

The third lesson from our nation's founders is the lesson of cooperation.

Business can't make us competitive. Government can't. Educators can't. We're going to compete or fail to compete as a society. We all have to work together—including management and labor. And it's not helpful to throw spears at one another.

So let me sum up. This year, as we look back to our Founding Fathers, I suggest we follow their example:

By a realistic facing up to the interdependent world we live in;

By a recognition of the overriding competitive imperative of that world: an all-out pursuit of the advancement of learning;

And by a new determination to cooperate as a society, and to get to work.

If we do these things, we'll not only make this 200th anniversary of our Constitution a time of celebration we'll make it a time of self-renewal—of reaffirmation of the thought and character of the men who shaped our nation.

And we'll make it the time when we began to set our house in order for the competitive challenges ahead.

Thank you.●

HISPANICIZATION OF THE UNITED STATES

● Mr. CRANSTON. Mr. President, our colleague [Mr. Simon] recently offered some enlightening insights into the relationship between U.S. policy in Central America and some of the immigration questions and issues that confront my State and the Nation. In an address before the Commonwealth Club of California, the junior Senator from Illinois brought his exprience as a Member of the Senate Subcommittee on Immigration and Refugee Policy and years of thoughtful analysis of our relations with our neighbors to the south to bear upon the subject of "The Hispanicization of the United States: How It Is Affected by the Situation In Central America." I commend his address to my colleagues and ask that it be printed in the Record.

The address follows:

Hispanicization of the United States: How It is Affected by the Situation in Central America

(Delivered at The Commonwealth Club, San Francisco, California, February 13, 1986)

Fellow Immigrants: California and the nation face a problem caused by immigration, but not a problem unique in the annals of American history nor unique in the history of California. The usually wise and thoughtful Benjamin Franklin, in 1753, warned about Germans coming into Pennsylvania, calling them "the most stupid of their own nation." He noted that since they do not speak English we "cannot address them either from the press or pulpit; it is almost impossible to remove any prejudices they may entertain. . . . Not being used to liberty, they know not how to make modest use of it." Franklin feared that German-speaking people would soon out-number the

English-speaking "and even our government will become precarious."

Does all of that have a familiar ring to it?

In 1846, the governor of California, then under Mexican rule, saw progress in California "threatened by hordes of Yankee emigrants."

A century ago, many Californians and Americans were worried about what they called "the yellow peril," the immigration of Chinese into the United States and, particularly, California. Anti-Chinese rallies were held in this state. The prestigious club, Native Sons of the Golden West, was determined that the 31st star in the flag "shall never become dim or yellow."

Americans have always been writing to their House and Senate members complaining about immigrants. Resentment against the Irish led to "Irish Need Not Apply" signs in much of the nation. West European Jews complained about East European Jews coming in. The 1892 Democratic national platform read: "We heartily approve all legitimate efforts to prevent the United States from being used as the dumping ground for the known criminals and professional paupers of Europe." Animosity toward Japanese-Americans and Japanese immigrants during World War II led to one of the most disgraceful actions in the history of the federal government. Floridians have complained about "the Cuban invasion," and Californians have complained about the numbers from Southeast Asia and Mexico. Much of all of this is simply history repeating itself. And those complained about will contribute greatly to the nation, just as those who preceded us, and were the objects of scorn, did. But some things are different.

When your grandparents complained about the Chinese immigration, the national population was 50 million in 1880, compared to 227 million in 1980. In 1980, the population of California was 800,000; and in 1980, it was 24 million. A century ago, the population of Mexico was 12 million, and today it is 80 million.

The rate of population growth in California will slow, but the make-up of the population is projected to change fairly dramatically. In 1980, 66.5 percent of California's population was non-Hispanic and white, and 50 years from now it is projected to be 38.4 percent. In 1980, blacks comprised 7.5 percent of the population, and 50 years from now they are projected to be 6.7 percent of the population. In 1980, Asians comprised 5.6 percent of the population, and in the next 50 years that figure is projected to grow to 15.6 percent, the highest percentage growth of any ethnic group. Fifty years from now the Vietnamese will be the largest Asian community in California, with the Filipinos second. The Hispanic population is projected to grow from 19.2 percent of California's population in 1980 to 38.1 percent in 50 years. Proximity to Mexico is the major reason for the growth of the Hispanic population in the southwestern United States. But cultural factors are present also. Even the names of cities are more comfortable: San Francisco, San Jose, Los Angeles have a more familiar ring than Springfield, Decatur and Peoria.

One factor has changed dramatically since the days when your grandparents came to the United States. When a Swedish citizen came to here in the year 1900, five of our states had not been admitted to the union. We were still a somewhat primitive nation with huge areas of land almost untouched. That Swede who came over in 1900 had only a third-grade education. But he had a strong back and the will to get going. And—most significantly—there were plenty of jobs available for the unskilled. The United States of 1987 is dramatically different, with approximately 10 million people unemployed and the demand for unskilled labor declining.

The dominant concern in immigration for California and the nation is the Hispanic immigration. Because of your proximity to Mexico and Central America, you have a greater concern on this issue than most states. And with the flow of immigrants there are problems that have to be addressed.

You are the nation's most urban state, and many of the immigrants who will reach your state and our nation are not accustomed to urban life. A myth that has grown up around those who have entered this nation illegally for jobs is that they primarily work in agriculture. Actually, less than 20 percent enter farm work. Urban assimilation of a non-urban people makes your problem more difficult. California has approximately one million who are here illegally, undocumented workers who often are exploited and frequently fear defending themselves legally or moving ahead too far economically, frightened by the specter of exposure and deportation.

One-fourth of the foreign-born living in the United States today are in California. Almost one-third of the foreign-born Hispanics live in your state, and approximately 40 percent of the foreign-born Asian-Americans live in California.

Many of these people compete with those born here for jobs, particularly jobs that require limited skills. That can create ethnic tensions along with economic problems.

Population growth in California for the decade 1970 to 1980 was 18.5 percent, the smallest in your state's history. In two decades of your history, you have had growth over 60 percent; in three decades, over 50 percent; and in four decades, growth over 40 percent. The projected growth that you face in numbers is not that awesome. The projected growth for this decade is slightly less than the previous decade, and that growth continues to decline under these projections to 7.2 percent growth four decades ahead.

But those projections are just that: projections. And while the new immigration law, in theory, might slow that growth, there are other unknows that could change these figures dramatically. One is Mexico's population and economic outlook, and the second is the prospect of peace and economic growth in Central America.

Mexico's population will roughly double in the next 40 years. If, on top of that, Mexico should have more serious economic problems—and that is no remote possibility—the projected immigration figures in California will change dramatically.

If Central ,America's economic problems are componded by serious financial woes, repressive regimes, and an escalating conflict, the present flow of legal and illegal immigrants to this nation from that area will increase substantially.

The United States admits more legal immigrants than all other nations combined. We are rightfully proud of this. But sensible limitations and their effective enforcement are essential to the stabilty and growth of our country. We now admit far fewer, relative to our total population, than we have admitted for most of our history, roughly one-fifth as many in this decade as in the decade 1900–1910. From time to time we change our quotas. My amendment, now law, to increase the quota from Hong Kong grew out of the specific problems that colony faces. The Italian foreign minister spoke to me the other day about a change he feels is needed in our immigration laws. I am checking that out. There will be modifications in our law from time to time. But the basic law is sound, and we did the right thing last year to eliminate the inconsistency of saying to an immigrant, "You cannot legally work here," but at the same time saying to an employer, "It is perfectly legal to hire these people." That employer magnet will gradually lose its power.

The United States was a largely empty nation when George Washington wrote "The bosom of America is open to receive not only the opulent and respectable stranger, but the oppressed and persecuted of all nations and religions." We are no longer an empty nation, but the spirit of Washington's statement is still with us and, I hope, always will be. We are able to welcome more than most nations but not in unlimited numbers. And we have some problems.

What can we do to promote a sensible handling of today's and tomorrow's immigration problem and opportunities?

Let me suggest seven steps that are not earth-shakingly new, but sometimes we ignore the obvious:

1. We must work with Mexico to improve the economy of our neighbor to the South.

Some observers have noted with considerable accuracy that the United States is bounded by two countries, one we do not regard as a foreign country, and one which we ignore.

Ignoring Mexico's problems is folly. It invites political extremism next to our borders. It avoids the reality that a less prosperous Mexico makes more likely a less prosperous United States. And it ignores the population factors that would cause great stress between our two countries.

If there should be more severe economic problems in Mexico, or if there should be political upheaval and a repressive dictatorship as a result of these problems, we could pass a dozen sweeping immigration bills, build a fence 30 feet high all along the 1,900 miles of that border, and employ 10 times as many border patrol officials; and despite all these measures, the massive stream of people into the United States would be unlike anything we have ever witnessed. Would we turn a cold shoulder to these desperate people? Occasionally, we have ignored the world's desperate, and we have always been ashamed of our conduct later. Usually, we have responded in a humanitarian way.

The right answer is to work cooperatively with Mexico now to encourage so much that is good in that country. Economic disaster can be avoided, but it is by no means a certainty that it will be. Mexico must become more than an after-thought in a politician's speech.

2. In Central America, the United States should listen to our neighbors south of us who are virtually unanimous in publicly saying that our policies in that area are short-sighted, hurting the cause of democracy, and a encouragement to extreme elements.

Our friends are right, and our policy is wrong. And that flawed policy has caused more than half a million Central Americans to enter our country as undocumented workers. That number could grow dramatically.

When foreign policy is built upon passion rather than reason, upon impulse rather than thoughtfulness, it is usually wrong.

Well over a year ago, I was asked to speak to a group of educators gathered from various nations in Washington. Before I began my remarks, I asked if there were any Nicaraguans in the audience. Two men raised their hands, and I said I wanted to speak to them afterwards. I asked both of them, "What should the United States be doing in Nicaragua?" Both said that they were opposed to the Sandinistas but added, "Let us solve our own problems. Don't send down your weapons that are killing us." Where will we be one year from now if we approve the latest request for $105 million in weapons for the Contras? Where we are today—but with approximately 6,000 more Nicaraguans killed by U.S. weapons, and U.S. policy further discredited around the world. If we decide that we should overthrow every government we do not like, that is about two-thirds of the governments on the face of the earth. Our hands would be full.

Does that mean that we abandon Nicaragua to the Marxists? The oldest and most solid democracy in Central America is Costa Rica. A few weeks ago, the president of Costa Rica was in Washington and told two of us, "I denounced the Sandinistas at the United Nations, the only head of state to do so other than President Reagan. But the weapons you are sending down to the Contras makes constructive change in Nicaragaua less likely, and it is destabilizing to the other democracies in that region, including Costa Rica." General Paul Gorman, in charge of U.S. forces in that area, recently told a congressional committee that the Contras are not likely to win, no matter how much money we provide. And the lesson of Vietnam should be clear: If we supply weapons to people, but the cause they espouse does not have a popular base, that cause will fail. The people of Nicaragua may not be in love with the Sandinistas, but the evidence is strong that the Contras are less popular. The Contras do not control a single village or city in Nicaragua. They are primarily based in Honduras, where we have quietly also created a permanent base, and the presence of both the Nicaraguan Contra force and the U.S. armed forces are destabilizing to probably the best government Honduras has ever had. There are other ways to fight Marxism in that area of the world.

For example, the United States today provides approximately 3,400 scholarships for Central American students who want to go to college in the United States. Cuba and the Soviet Union provide approximately 8,900 scholarships. My own strong impression is that if we were to provide more scholarships and fewer weapons, the cause of democracy would be much strengthened in Central America.

Those who would attempt to topple the Sandinistas through supply of weapons to the Contras usually have a view of the developing world that is about 20 years old. They see a wave of new leaders in developing nations moving toward Marxism. That was true two or three decades ago, but most of these leaders have become disillusioned with that dream and are much more pragmatic today. It does not put them automatically in the camp of the West, but it does mean that subservience to any nation is a thing of the past. If we show with our concern and our example that a free system can provide answers, they will move toward freedom.

The growth of democratic institutions in all areas of the world is one of the non-headline producing realities that Jefferson and Madison and Lincoln would applaud. We should encourage free institutions, economic development, and peace in Central America. To the extent that we ignore any one of the three, we aggravate U.S. immigration problems.

3. Civil libertarians, immigration and law enforcement officials, and concerned citizens should discuss what can be done to solve the problem of an identification card. Almost all nations have one, and every study on the enforcement of immigration laws collides with this problem. Many Americans believe the idea of having an identification card smacks of a police state. Are there ways to solve the problem, perhaps through the issuance of a voluntary identification card for those who want it? I don't have the answer. All I know is that every study on the immigration problem runs into this dilemma.

4. We should step up efforts to find an inexpensive way of converting salt water to fresh water. The question is not whether that inexpensive method will be found, but when. If one percent of the present defense budget were devoted to this research, the contribution to the security of this nation and to the enrichment of humanity would be beyond measure. It would be of great assistance to California and the southwestern United States, to much of Africa and to the troubled Middle East; and significantly for the topic of the day, it would be of great help to the economy of Mexico, relieving the pressure to emigrate dramatically. A breakthrough is not imminent, but what is now a non-priority should become one.

5. A sensible jobs program that, in a fairly sweeping way, overhauls our present welfare and unemployment compensation system, is needed for both those born in the United States and for our new citizens. We are not going to let people starve within our borders, so we face the choice of paying people for being productive or non-productive. That should not be a difficult choice. Legislation I will be introducing soon would move us in the right direction, assisting not only the less fortunate, but making the nation more productive and relieving economic pressures on states like California.

6. Efforts to assist immigrants to acquire English language proficiency need to be strengthened. The zealots who banned the teaching of German in schools during World War I were as wrong as the anti-foreign language Know Nothings of the 1850s or those who passed legislation prohibiting Chinese translations in our courts. The recent passage of English as an official language referendum in your state is, at best, meaningless and has its roots in these similar efforts over the years. Unfounded fears about language separatism are as old as this nation, and analogies to Canada or Belgium are without accuracy because in our country, the pattern is for Germans or Poles or Hispanics or Italians or Chinese to cling to each other geographically and culturally for a time and then, eventually, follow the same paths to the suburbs and to assimilation. But immigrants who cannot speak or read or write English are at a greater handicap than they would have been a century ago. Asssimilation is retarded. If the same effort that is now put into fear-filled campaigns against the non-English speaking were directed toward more English classes and further educational and skill development, everyone would benefit. Virtually all immigrants want to learn English, but many do not have that opportunity. And the answer is not simplistic solutions like dropping bilingual education. Bilingual education is needed for many students as a bridge until competence and confidence is developed in English skills. Young and old need to have available to them practical learning opportunities for English language development. Our failure to do more is harmful to immigrants and harmful to the development of a more productive nation, guided by informed citizens.

Finally, we must recognize that the different cultural background others bring to our shores provide an opportunity for cultural enrichment. The United States reflects our rich heritage in many ways. On Main Street America you will find Chinese and Greek restaurants; you can buy tacos and Polish sausage and crepes and wienerschnitzel and pizza and shishkebab and chicken curry and sushi and borscht and barbecued ribs and McDonald's hamburgers. But it is not only our stomachs that should learn the rich diversity that is America. Our minds must learn that also. And immigrants can help teach us. As we learn Spanish and Chinese and other languages and as we learn about other cultures, we will develop markets in other countries. For the reality is: You can buy in any language, but if you want to sell, you must speak the language of your customer. As we read and listen and learn, our lives will be enriched. Too often we pass by the opportunity to learn from these unpolished gems in our midst. That is a loss to our new neighbors and a loss to each of us and to our country. Cultural provincialism has been the cause of many of our nation's well-intentioned blunders.

Immigration presents both problems and an opportunities. But the simple gestures of friendship, both to our new neighbors and to the nations from which they came, will bring rewards beyond calculation.●

UNIFORM POLL-CLOSING BILL

● Mr. CRANSTON. Mr. President, I am pleased to join the distinguished Senator from Michigan [Mr. RIEGLE] in cosponsoring S. 182, a bill to provide for a uniform poll closing time in Presidential general elections. This much-needed legislation passed the House during the last Congress. A companion bill to S. 182 was introduced in the House this year by the distinguished Representatives from Washington [Mr. SWIFT] and from my own State of California [Mr. THOMAS]. I hope both the Senate and House committees considering these bills will act expeditiously to report the legislation to the full Senate and House. The inequities in the current system must be corrected before the next Presidential election.

The need for this legislation became apparent during the 1980 Presidential election. In the years prior to 1980, networks based their election-night projections on actual vote returns in selected precincts. In contrast, in 1980 exit polls were used for the first time to project election outcomes. As a result, the networks were able to project election results before the polls closed. In 1980 network news anchors predicted that then-Governor

Reagan had defeated President Carter almost 3 hours before the polls closed in the Western States. With the outcome of the Presidential election already decided, many potential voters in the West left the polls or, in some cases, never bothered to go to the polls. A a result, many citizens in Western States voted in neither the Presidential election nor the State and local elections. While the outcome of the Presidential election may have been a foregone conclusion, the outcome of many State and local races was not. It is quite likely that the results of some close State and local races were affected by the early projections of the networks.

The problem of early reporting of election returns was partially corrected in 1984. As a result of the public criticism which followed the 1980 election, in 1984 the three networks, as well as Westinghouse Broadcasting and Turner Broadcasting, voluntarily agreed not to report election results in any State until the polls had closed in that State. While such network restraint meant that an individual did not know the election outcomes in his or her State before voting, voluntary restraint did not solve the problem for Western States. Even if electoral returns are reported on a State-by-State basis, in a landslide election, such as 1984, an overwhelming win by a Presidential candidate in the East, Midwest, and South can decide the election. In 1984, all three networks projected President Reagan's reelection almost 3 hours before the polls closed in the West. So in 1984, as in 1980, many westerners went to the polls knowing that the outcome of the Presidential election had already been decided. And worse, some potential voters did not go to the polls at all. A study done for station KABC in Los Angeles found that 7 percent of the respondents in two Los Angeles area counties said election projections were the reason they did not vote. A national CBS/New York Times survey found that 2 percent of the electorate didn't vote because of projections and another 2 percent didn't vote because they thought the election was over.

As we know, turnout is higher in Presidential election years than in off years. The explanation is easily understood. The excitement of the Presidential election draws people to the polls to vote. If citizens feel that the Presidential election has already been decided, they are less likely to go to the polls to vote for candidates running for State and local offices, with whom they may be less familiar. Consequently, turnout is reduced.

The only way to insure that all voters feel that their votes count equally is to establish a uniform poll-closing time in Presidential election years. S. 182 will do exactly that. Polls will close at 9 p.m. in the e.s.t., 8 p.m. c.s.t., and 7 p.m. m.s.t. In the Pacific time zone, daylight savings time will be extended for 1 week in Presidential election years. Consequently, in Presidential election years, there will be only 2 hours difference between poll closings on the east coast and on the west coast.

While I support the ingenious way in which this legislation separates poll closings in the east and west by only 2 hours, I hope the Rules Committee, in its consideration of the legislation, will consider establishing a poll-closing time of 9:30 p.m. in the eastern time zones, 8:30 p.m. in the central time zones, and 7:30 p.m. in the mountain and western time zones. I am concerned that a 7 p.m. poll closing in the mountain and Western States is simply too early, and would preclude some citizens who want to vote from voting. Twenty-eight States currently have poll closing times after 7 p.m. While States in the eastern and midwestern time zones will continue to have poll-closing times after 7 p.m. under this legislation, all States in the Pacific time zone and four of the seven States in the mountain time zone would have to close their polls earlier than they do now.

This legislation will solve once and for all the problem of early projections of election returns. No longer will citizens in the Western States be told who won the Presidential election prior to casting their ballots. No longer will citizens in the Western States feel that their votes don't count in deciding the Presidential election. No longer will we run the risk of depressing turnout in Western States because citizens think the Presidential election has been decided, and thus there is no reason to go to the polls.

Mr. President, I believe that the U.S. Government should do everything possible to encourage citizens to vote. Every vote is equally important, and every citizen should know that. Any action which reduces turnout, no matter what the original intentions of the action, threatens to diminish the value of our free electoral system. The legislation which I am cosponsoring today will remove one potential deterrent to voting for citizens in some parts of the country. This legislation may improve participation with very little disruption to our electoral system. I urge my colleagues to give serious and prompt attention to this legislation.●

AFGHANISTAN: LETTERS FROM THE STATE OF ALASKA

● Mr. HUMPHREY. Mr. President, last December the brutal Soviet occupation of Afghanistan entered its eighth year. The horrible condition of human rights in Afghanistan was recently described in a United Nations report as: "A Situation Approaching Genocide."

As chairman of the Congressional Task Force on Afghanistan, I have received thousands of letters from Americans across the Nation who are outraged at the senseless atrocities being committed today in Afghanistan. Many of these letters are from Americans who are shocked at this Nation's relative silence about the genocide taking place in Afghanistan.

In the weeks and months ahead, I plan to share some of these letters with my colleagues. I will insert into the RECORD two letters each day from various States in the Nation. Today, I submit two letters from the State of Alaska and ask that they be printed in the RECORD.

The letters follow:

DEAR SENATOR HUMPHREY: Since reading the article "Agony in Afghanistan" in the March Reader's Digest, I wish to voice my concern about the Soviet violation of human rights in Afghanistan. This type of human butchery is so unfathomable to so many of us living in our wonderful country.

Please do what you can to stop this horrible situation.

Very truly yours,

PAT JONES,
Haines, AK.

DEAR MR. HUMPHREY: After reading this month's issue of Reader's Digest, "Agony in Afghanistan," I was appalled that our country in particular could turn the other way and allow this terrorism to happen.

I can understand how the U.S. would want to keep relations open with the Soviet Union, but nevertheless we should call upon their leaders to stop this butchery. I feel there are enough people who are willing to stand up for the human rights of all people wherever they may be.

I think the majority of the world's population would like to see worldwide peace, but as long as this terrorism is allowed, that dream will never see reality.

A concerned citizen,

ROXY LYBARGER,
Kenai, AK.●

NATIONAL ORGAN AND TISSUE DONOR AWARENESS WEEK

● Mr. D'AMATO. Mr. President, I rise today in support of legislation calling upon the President to proclaim the week of April 26 through May 2, 1987, as "National Organ and Tissue Donor Awareness Week." I commend my distinguished colleague, Senator GARN, for his very personal commitment to this life-giving legislation.

Every year, more than 100,000 Americans whose kidneys, eyes, hearts, lungs, bone, skin, or other tissues or organs are unable to sustain them could be helped or cured through organ transplants. For many, receiving a transplant can represent a new lease on life. Unfortunately, a substantial number of those who could benefit from an organ transplant face an uncertain, often lengthy, and potentially tragic waiting period for needed organs due to a shortage of available donors. This causes pain and frustration for families as they seek suitable organs for transplantation.

To alleviate this difficult situation, it is imperative to increase public awareness of the urgent need for organ donors. The designation of a week in April as "National Organ and Tissue Donor Awareness Week" can be a significant means of achieving this goal. As Americans recognize the opportunity they have to help others in need, I am confident that many will step forward and pledge to make an anatomical gift.

Again, I commend Senator GARN for taking the lead on legislation which can help to give life and hope to the many Americans in need of organ transplants. I encourage all of my colleagues to join me in support of "National Organ and Tissue Donor Awareness Week."

Thank you, Mr. President.

ORDER OF BUSINESS

Mr. SIMPSON. Madam President, I ask unanimous consent to proceed as if in morning business.

The PRESIDING OFFICER (Ms. MIKULSKI). Without objection, it is so ordered.

TRIBUTE TO SENATOR ZORINSKY

Mr. SIMPSON. Madam President, I want to take a moment, since we have a little break in the action here, and we have had a little action here—we do that occasionally. Committees are working but it is more fun to get out here sometimes and do our business. But I have a bit of serious business: I want to join with my colleagues who spoke the other day and today, too, in expressing our deep sense of profound loss at the passing of our colleague, Ed Zorinsky. I think that is most appropriate. We have been busy with other work and we have been dealing with Contra issues and Iran issues and budget issues. Perhaps we have not paid the proper tribute to this most amazing man from Nebraska.

I came here in 1978 and I really did not get to know him well then. I was in the minority. At first, I thought he was a man of very serious mien, a very serious bent.

He would pass in the Hall and I thought "There is a very serious gentleman, a very interesting man." Then I would hail him and say, "How are you, Ed?"

He would turn quickly with that magnificent smile and he proved to me to be a great person with an extraordinary sense of humor. So I have many fond recollections of Ed Zorinsky. He was a great help to me in this place and in his quiet way when I first came here, first taking me under his wing as a neighbor from the adjacent State of Wyoming and a fellow westerner. He made me feel very welcome in a very special way.

He helped me to learn the ropes around this fascinating arena. I recall sometimes working with him with great interest on agricultural issues, western issues, cattle issues, livestock issues. Then I came to know him socially, he and his remarkable wife Cece. We worked together and played tennis together. He was a very extraordinary, spirited, and fun-loving man with that lovely wife at his side. I think she needs our prayers at this time of grief.

I do not think Ed Zorinsky really shared with us his own particular health problems, and they were severe and they were very real. One night I remember at 3 in the morning in a night session I said, "How is it going, Ed?" He was co-managing a bill, and over here on this side of the aisle was our colleague managing the bill. He said:

> To you it is just maybe getting tired, Al. To me it's tougher than that because I really have some problems which are so extraordinary that I am really much like a walking time bomb with regard to the problems of my heart and my cholesterol and with things that trouble me and make me heavy laden.

I do not want to get maudlin. I came to know him, came to enjoy his company so very much. I have listened to his marvelous singing and dance steps, too. For any of you who missed that, that is something I think we all recall with great poignancy when we think of how he was doing just that, just moments before he was taken from our midst. He was doing what he enjoyed doing, that buck and wing and song and dance and probably singing that remarkable song that he put together called "Zorinsky." It was sung to the tune of "Manana"; that was his shtick and he loved it. He would sing it with his eyes atwinkle: "Zorinsky, Zorinsky, Zorinsky is good enough for me." Maybe some of you remember. I will never forget it.

He was awfully good to me. We shall miss him greatly. It was typical of him that at the time of his death he was giving and sharing of himself in such an extraordinary manner in his very unassuming way, poking a little fun at the "stuffiness" that sometimes surrounds us in this place, poking fun at himself. He was a man who took his work very seriously but did not take himself seriously. And so I shall remember him vividly. Ann and I have shared many delightful times with Ed and Cece Zorinsky. As I look back at the things we did together, I am struck by just how many things he enjoyed and how much he enjoyed his life and how he shared it with so many. He was, indeed, a man of great, great substance and good humor and he will be deeply missed.

So I say in behalf of my wife and myself and all of our colleagues to Cece and their childern, our prayers go winging out to you. God bless you. At some future time we will all have paid our tribute to this remarkable man, this gentle and spirited man from Nebraska. It has been a great personal privilege to have shared part of my life with him. It has made my life ever richer. I thank the Chair.

ROUTINE MORNING BUSINESS

Mr. BYRD. Madam President, the distinguished Republican leader has asked that the pending matter go over until the morning, and he wishes to discuss the matter tomorrow morning with his colleagues. Therefore, there will be no more rollcall votes today. I ask unanimous consent that the Senate now proceed to a period for the transaction of morning business not to exceed 10 minutes and that Senators may speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

RECESS UNTIL 10:30 A.M.

Mr. BYRD. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10:30 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF CERTAIN SENATORS

Mr. BYRD. Madam President, I ask unanimous consent that on tomorrow, after the orders for the two leaders have been used or yielded back, the following Senators be recognized each for not to exceed 5 minutes: Senators PROXMIRE, ARMSTRONG, REID, PRESSLER, MELCHER, EXON, HEINZ, GRASSLEY, DOLE, BYRD, HELMS, and WILSON.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL ENERGY EDUCATION DAY

Mr. BYRD. Madam President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of Senate Joint Resolution 19 to designate March 20, 1987, as "National Energy Education Day." I ask unanimous consent that the Senate proceed to the immediate consideration of the joint resolution, that it be advanced through the stages of third reading and passed and the motion to reconsider laid on the table.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Without objection, the preamble is agreed to.

The joint resolution (S.J. Res. 19), with its preamble, is as follows:

S.J. RES. 19

Whereas a reliable and economical supply of energy is essential to the future well-being of the United States;

Whereas the development and implementation of an enlightened energy policy requires that the public be adequately informed of the issues and alternatives;

Whereas ongoing quality energy education programs in America's schools and communities will continue to play an important role in educating the public regarding energy issues;

Whereas the annual celebration of "National Energy Education Day" (NEED) brings together students, teachers, school officials, and community leaders to focus attention on the need for energy education in our Nation's schools and communities; and

Whereas such a celebration should be conducted in a manner which encourages a deeper understanding of the energy changes and challenges that have and will continue to shape America's future: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to promote and enhance energy education programs at all grade levels of public and private schools throughout the United States, March 20, 1987, is designated National Energy Education Day". The President is requested to issue a proclamation calling upon the people of the United States, and all educational institutions, to observe such a day with appropriate ceremonies and activities, and encourage appropriate Federal agencies to participate in the observance of such a day and to cooperate with persons and institutions conducting such ceremonies and activities.

REPRESENTATION OF SENATE PERSONNEL

Mr. BYRD. Madam President, I send to the desk a resolution on behalf of myself and Mr. DOLE and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 168) to direct the Senate Legal Counsel to represent the Secretary of the Senate in Humphrey, et al. v. Baker, et al.

The Senate proceeded to consider the resolution.

Mr. BYRD. Madam President, the Senator from New Hampshire [Mr. HUMPHREY], several Members of the House of Representatives, individual taxpayers, and the National Taxpayers Union have filed an action in the U.S. District Court for the District of Columbia to declare unconstitutional the procedures established by the Federal Salary Act for 1967, as amended, 2 U.S.C. sections 358-59, for determining the compensation of senior Federal officials, including Members of Congress. The defendants are the Secretary of the Treasury, the Secretary of the Senate, and the House Sergeant at Arms, in their capacities as disbursing officers.

On January 5, 1987, the President transmitted to the Congress, in accordance with the Federal Salary Act, pay recommendations for the executive, judicial, and legislative branches. On January 29, 1987, the Senate acted under the procedures of the act to amend House Joint Resolution 102 to disapprove the President's recommendations. The House concurred in the Senate's action on February 4, 1987, but in the opinion of the Attorney General, their vote was too late to block implementation of the President's recommendations.

Accordingly, when the President signed House Joint Resolution 102 on February 12, 1987, he stated that the Attorney General had advised him that "the purported disapproval of my pay recommendations is without any legal force and effect," because the House vote occurred after the 30-day period provided by the Salary Act for rejecting his salary recommendations.

The Senate also sent to the House last month separate legislation whose enactment would be effective to block these increases, so the membership of the Senate has expressed itself several times on the wisdom of the pay increases. The constitutional and statutory question presented by this lawsuit are different, however, from the question whether these increases are wise at the present time.

The constitutional question is addressed to the procedures established by the Salary Act for fixing the compensation of Members of Congress, Federal judges, and officials of the executive branch. The act provides that the President, after receiving a report from the Commission on Executive, Legislative, and Judicial Salaries, shall submit to the Congress pay recommendations which he deems advisable. The recommendations shall then be effective unless they are disapproved by a joint resolution not later than 30 calendar days after their transmission to Congress.

The plaintiffs contend that this procedure violates the provision of article I, section 6, clause 1 of the Constitution that the compensation of Members shall be "ascertained by Law." Additionally, the plaintiffs maintain that the procedure established by the Salary Act for determining salaries in all branches is an unconstitutional delegation of authority from the Congress to the President. Because plaintiffs reason that the procedures for the compensation for Members are inseverable from the procedures for the executive and judicial branches, the plaintiffs are asking the court to invalidate the increase for all branches.

Ten years ago, the Senator from South Dakota [Mr. PRESSLER], when he was a Member of the House, also asserted an ascertainment clause claim in an action against a previous Secretary of the Treasury, Secretary of the Senate, and House Sergeant at Arms. He argued on that occasion "that whenever the compensation of Members of Congress is redetermined it must be fixed at that time by a law that specifically states the amount to be paid." The district court rejected that claim, concluding that such a "grievance is directed to what is essentially a matter of form rather than substance."

The district court reasoned that "when Congress passed the Acts governing its compensation it acted 'by law' * * * Congress continues to be responsible to the public for the level of pay its members receive * * *. The Salary Act and the [Cost-of-Living] Adjustment Act fix congressional compensation by law and these statutes are not prohibited by Article I, Section 6." *Pressler* v. *Simon,* 428 F. Supp. 302, 305-306 (D.D.C. 1976) (three-judge court) (per curiam), aff'd, 434 U.S. 1028 (1978).

In addition to their constitutional claim, the plaintiffs also present a statutory claim that, notwithstanding the Attorney General's advice to the President, the House of Representatives did act timely to join the Senate in blocking the salary increases.

The Department of Justice will be representing the Secretary of the Treasury, and the House will be providing counsel for the House Sergeant at Arms in this lawsuit. The resolution which the distinguished minority leader and I are offering will direct the Senate Legal Counsel to defend the Secretary of the Senate in this action. Now that the issues in this matter are being presented to a judicial forum it is important that all questions be fully aired, and the Senate Legal Counsel will be authorized to defend the Secretary of the Senate on both constitutional and statutory grounds.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution (S. Res. 168), with its preamble, is as follows:

S. RES. 168

Whereas, in the case of *Gordon J. Humphrey, et al.* v. *James A. Baker, III, et al.,* Civil Action No. 87-128, pending in the United States District Court for the District of Columbia, the plaintiffs are asserting that the procedures established by 2 U.S.C. §§ 358-359 for determining the compensation of senior federal officials, including Members of Congress, are unconstitutional, and that Public Law 100-6, approved by the President on February 12, 1987, effectively prohibits implementation of the President's recommendations of January 5, 1987;

Whereas, the plaintiffs have named the Secretary of the Senate, Walter J. Stewart, as a defendant in his capacity as the officer of the Senate responsible for disbursing the salaries of its Members;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§ 288b(a) and 288c(a)(1) (1982), the Senate may direct its counsel to defend officers of the Senate in civil actions relating to their official responsibilities: Now, therefore be it

Resolved, That the Senate Legal Counsel is directed to represent the Secretary of the Senate in the case of *Gordon J. Humphrey, et al.* v. *James A. Baker, III, et al.*

Mr. BYRD. Madam President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COMMENDATION OF FRANZETTA R. DeGOOYER

Mr. SIMPSON. Madam President, I send a resolution to the desk for myself and Senators KENNEDY and THURMOND and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 169) to commend Franzetta R. DeGooyer on the occasion of her retirement from service to the United States Senate.

Mr. SIMPSON. Madam President, on January 31 of this year, Franzetta R. DeGooyer, just "Frankey" to all who know her, retired after more than 33 years of service to the Judiciary Committee of the U.S. Senate. All of us who have worked with and relied upon Frankey over the years will sincerely miss her presence on the staff.

Frankey was in Government service, in various capacities, for most of her working life. Starting in 1940, Frankey worked for the Department of Treasury, and in 1954 Frankey came to work in the Senate, where she has continuously and conscientiously served the Judiciary Committee for nearly 34 years under the leadership of both parties.

In recent years, Frankey has worked with private immigration legislation and has assisted all Members and their staffs with immigration casework. She was our "resident expert" in both areas. And most important, Frankey has, with good grace and good humor, done all that has been asked of her. She has given full measure. Words we hear all too often around here, "That is not my job," were not part of Frankey's vocabulary. Frankey worked in the Senate when staff was expected to be able, eager, and willing to do a little of everything, if necessary. And Frankey continued that happy tradition long after it may have fallen from fashion.

We will all deeply miss Frankey, and on behalf of all those members of the Judiciary Committee whom she has so ably served for so many years, I offer her all our love and best wishes. We wish her well and God speed in her full and satisfying retirement.

Madam President, I add one further note: This remarkable lady, the subject of this resolution, Franzetta R. DeGooyer, has worked for the Senate for 33 years. She was with Senator KENNEDY before I came, when he was chairman of the Committee on the Judiciary. She served him well. She served me well. She served Senator THURMOND well. It must be that she is a survivor of some sort in this arena. She served us well as a very extraordinary professional staff person, Democrat and Republican alike. This is a special tribute to her.

Mr. KENNEDY. Madam President, it is with great pleasure that I join Senator SIMPSON today in sponsoring this resolution to recognize the extraordinary service of Frankey DeGooyer to the U.S. Senate.

For over three decades she has contributed to the work of the Committee on the Judiciary, serving under four chairmen. Her dedication, her competence, and her resourcefulness have assisted countless Members of the Senate and, more importantly, their constituents.

For many years, Frankey processed all the private immigration bills introduced every session of the Congress—literally thousands over the years. She helped make that process work, assisting those immigrants who needed, on humanitarian grounds, the relief that only special legislation could provide.

Frankey worked on my staff for the 2 years I served as chairman of the Judiciary Committee, but I knew her from her many years of service on the Immigration Subcommittee under the chairmanship of Senator James Eastland. All during those years she assisted me and my staff on the countless immigration issues that came before us. She was, and still is, a reservoir of knowledge on the immigration law and how it should be applied to individual cases.

Madam President, we will miss Frankey DeGooyer, but Lord knows after 33 years working for the U.S. Senate, she deserves the retirement and freedom of the years ahead.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 169

Whereas, upon her retirement from the staff of the United States Senate on January 31, 1987, Franzetta R. DeGooyer had completed more than 33 years as a member of the staff of the Judiciary Committee;

Whereas, Franzetta R. DeGooyer has also served her country through service with the United States Treasury Department;

Whereas, Franzetta R. DeGooyer has performed valuable service particularly to the immigration subcommittees of the Judiciary Committee;

Whereas, Franzetta R. DeGooyer, as the most senior staffer on the Judiciary Committee, has upheld the high standards and traditions of the staff of the United States Senate with unfailing dedication, a high degree of loyalty, and a large measure of hard work;

Whereas, by carrying out her responsibilities to the Judiciary Committee, Franzetta R. DeGooyer has gained the trust, confidence and respect of all who have worked with her: Now, therefore, be it

Resolved, That the Senate of the United States recognizes the important contributions of Franzetta R. DeGooyer to the Senate and to the United States and expresses to her its deep appreciation and gratitude for her long, faithful, and outstanding service.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to Franzetta R. DeGooyer.

Mr. SIMPSON. Madam President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 94-304 and Public Law 99-7, appoints the following Senators to the Commission on Security and Cooperation in Europe: the Senator from New York [Mr. D'AMATO], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Idaho [Mr. MCCLURE], and the Senator from Wyoming [Mr. WALLOP].

The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 276(h)-276(k), as amended, appoints the Senator from Texas [Mr. GRAMM] as Vice Chairman of the Senate delegation to the Mexico-United States Interparliamentary Group during the 100th Congress.

The Chair, on behalf of the Vice President, pursuant to the provisions of 20 U.S.C., sections 42 and 43, appoints the Senator from Utah [Mr. GARN] as a member of the Board of Regents of the Smithsonian Institution vice the Senator from Kansas [Mrs. KASSEBAUM], resigned. She has resigned, and the Senator from Utah [Mr. GARN] has been appointed by the Vice President to that position.

Mr. DOLE. Madam President, with respect to the last item, it was a regrettable mistake, and I must accept the responsibility for that.

It was my understanding that there was a vacancy to be filled. It turned out that there was no vacancy and I filled it. Mr. GARN disappeared from the Smithsonian. This will correct that.

I apologize to Senator GARN and particularly to my colleague from Kansas, Senator KASSEBAUM.

ORDER OF BUSINESS

Mr. DOLE. Madam President, if I could make one other inquiry, there was a bill passed in the House earlier today relating to agriculture. Has that bill arrived from the House?

The PRESIDING OFFICER. The Chair will ask the clerk of the Senate to advise whether that bill has arrived.

No such bill has been received by the Senate. It is not here yet.

Mr. DOLE. I thank the Presiding Officer.

PROGRAM

Mr. BYRD. Madam President, the Senate will recess over until 10:30 a.m. tomorrow.

After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 5 minutes: Senators PROXMIRE, ARMSTRONG, REID, PRESSLER, MELCHER, EXON, HEINZ, GRASSLEY, DOLE, BYRD, HELMS, and WILSON.

Upon the expiration of the orders for the recognition of Senators, the Senate will resume consideration of the motion which is pending before the Senate at this time, the motion to proceed to the consideration of House Joint Resolution 175, the joint resolution to impose a moratorium on funding for the Contras until there has been a full and adequate accounting of previous assistance. That motion is debatable.

I cannot state what will happen tomorrow on that joint resolution. The distinguished Republican leader will be meeting with his colleagues early and will decide what their plan of action will be, but it is probable that there will be rollcall votes tomorrow. There were several possibilities. So I would just suggest that Senators stay tuned and stay close around and be prepared for rollcall votes.

Madam President, if there be no further business——

Mr. HELMS. Madam President, will the Senator yield?

Mr. BYRD. I yield.

Mr. HELMS. Just for a comment and question.

I had an occurrence last week and it is very minor. I went to a meeting of one of my committees and I was told by the staff that there will be an objection to the committee meeting because it was after 2 o'clock. I left in good faith and went about my business to another committee. After I left, the committee indeed conducted its meeting.

Now, I think we ought to have some understanding that the rules of the Senate will apply, and I would suggest to both leaders that the committee chairman and ranking minority member be advised that unless consent is granted there shall be no committee meetings.

It happened to be a committee meeting which I wanted to attend because a witness was to appear in whom I was interested.

But I will appreciate it very much if some note could be taken of that situation. I know it was an inadvertence I say to both leaders. It was one of some embarrassment to me.

Mr. BYRD. I am sorry for the embarrassment that was caused the distinguished Senator from North Carolina.

It may have been that the committee was given consent at a later hour, after the distinguished Senator from North Carolina had attended and then left.

The Republican leader and I have a problem with committee requests because it takes a considerable amount of time on some days to run the process and get the consent. So, indeed in some instances, the hour itself for which permission is being granted shall have passed before the consent requests are cleared on both sides.

In a situation like that, a Senator may be attending a committee, the clearance is still in process, but yet has not been granted, while the committee continues to meet.

If the Senate later gives its approval, then that meeting is a legitimate and a formal and legally authorized meeting.

It often takes more than an hour, sometimes 2 or 3 hours to get clearance from both sides.

Mr. HELMS. I thank the Senator.

But in any case the committee may not meet, as the Senator well knows, beyond 2 o'clock without specific consent by the Senate.

I remember when we were trying to put together the 1985 farm bill, I had to conclude the committee meeting many times when we needed to proceed because there was either an objection or a failure to approve the meeting of the committee.

But in any case it was an inadvertence, I know—and I make no particular point about it except I think we ought to be careful about it.

Mr. BYRD. I am sure we will be.

May I say to the distinguished Senator that if there is an objection to a committee meeting, the committee chairman is immediately notified of that objection.

So that if the Senate's consent is not granted, then the committee chairman is immediately notified. If the chairman has not been notified that there is an objection, then I think it is presumed that the request has been granted or that it is still in the process of being granted.

Mr. HELMS. I made inquiry and a call was made to the committee staff. Maybe the chairman never got the information.

In any case, no big thing. But I do not want to miss committee meetings when I do not have to.

I thank the Senator.

Mr. BYRD. I thank the Senator, and I thank him and congratulate him on his diligence and conscientious efforts to be in attendance at committee meetings at all times.

Mr. HELMS. I thank the Senator.

ORDERS FOR RECOGNITION

Mr. BYRD. Madam President, there are 12 orders for 5-minute recognition of Senators tomorrow. That is an hour.

I wonder if the distinguished Republican leader would allow us to order that, when this hour which is contemplated to be used by 12 Senators is consumed, if any Senators who have orders within that hour have not appeared and utilized their orders, such orders may be vitiated. Otherwise, it is difficult to program the work of the Senate if Senators get orders and then do not show up on time, or at all, to speak.

If a Senator is present on the floor and another Senator is not here, then the Senator who is present can be recognized. That helps to utilize the time to the advantage of everyone concerned.

But if the entire time in total allotted for 5-minute speeches has expired, I wonder if we could not agree that any orders not then claimed may be vitiated.

Mr. DOLE. If the majority leader will yield, I personally have no objection to that. But I wonder if we might, at least tomorrow, notify all Senators tomorrow morning that at the end of the hour you are going to make the motion that any remaining order should be vitiated. That would give them personal notice tomorrow morning. Then we will have an opportunity to discuss this, I assume, at our Tuesday luncheons, because it does take time of the Senate.

Sometimes Members are unavoidably detained and they cannot make it. They rush over after the hour is finished or whatever time it is.

I certainly want to cooperate and keep the Senate moving. So we might do that tomorrow to give us an opportunity to alert Members.

Mr. BYRD. Fine. I appreciate the suggestion by the distinguished Republican leader and I think it is a good one.

Let me just say, in closing, that where we have 6 or 8 or 10 or 12 Senators who want time and we get the orders in advance for their recognition, this means that the Senate has to come in at an hour that will accommodate those Senators. If they do not show, that means the Senate came in early and wasted the time of everyone—the officers of the Senate, the security people, the doorkeepers, the pages, the leaders. Then we just sit through a quorum call.

I do not want to inconvenience Senators. At the same time, I do not want the Senate to be inconvenienced. I hope that when Senators get orders in advance they will make every effort to be on the floor to be recognized under the order at the appropriate time. Time delayed at this stage of the proceedings means that the business before the Senate is by that much delayed.

So it is not just the inconvenience to the leaders that is caused. It is the inconvenience of all Senators, and the Senate.

Madam President, following the recognition of the Senators under the orders, the Senate will resume consideration of the motion to proceed to House Joint Resolution 175.

I have nothing else. Does the distinguished Republican leader have anything?

Madam President, I thank the Republican leader for his cooperation.

RECESS UNTIL 10:30 A.M. TOMORROW

Mr. BYRD. Mr. President, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 10:30 tomorrow morning.

The motion was agreed to; and, at 5:44 p.m., the Senate recessed until tomorrow, Thursday, March 19, 1987, at 10:30 a.m.

HOUSE OF REPRESENTATIVES—*Wednesday, March 18, 1987*

The House met at 2 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Give us, we pray, O God, the honesty to admit our faults. For being selfish, we confess; for not taking the time to hear the truth, we beg Your mercy; from hasty words or unkind thoughts, deliver us. Guide us, gracious God, that our words, our thoughts, our acts may respect Your good world and the people of Your creation and through our confession we may be forgiven to lead lives worthy of the calling You have given. In Your name, we pray, Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passsed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 63. Joint resolution to designate March 21, 1987, as Afghanistan Day.

WELCOME 1987 MAID OF COTTON TO WASHINGTON, DC

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, it is with great pride that I take this opportunity to congratulate and welcome to Washington a native El Pasoan, Amy Gough, who has been selected as the 1987 Maid of Cotton.

Amy is a sophomore at the University of Texas. As part of her official duties, she will travel extensively throughout the United States and the world to focus attention on the importance of cotton for employment, world trade, and productivity.

The 16th Congressional District of Texas produces the Extra-Long Pima cotton, desired the world over for its high quality. I am especially proud that we have also produced the national symbol of this most important industry, and I urge my colleagues to join me in welcoming Amy here to Washington today.

LET THE STATES DETERMINE SPEED LIMITS

(Mr. FIELDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FIELDS. Mr. Speaker, like the vast majority of my constituents, I favor giving the States the option of raising the speed limit on rural interstate highways within their boundaries from 55 to 65 miles per hour without risking the loss of much-needed highway funds.

Most drivers simply do not drive 55 miles an hour. In my State of Texas, the great distances between major population centers virtually requires a higher speed limit. But that would be a decision for the men and women in Austin to make. If State legislators in Boston or Albany or Trenton didn't want to raise the speed limit on their interstates, they wouldn't have to.

Many will say that this is a safety issue. It is not. Driving speed and safety have no correlation whatsoever. That fact has been proven in study after study after study—many of which will be cited in the upcoming debate.

Rural interstate highways were designed and build to accommodate traffic traveling at up to 70 miles per hour. And by far, those rural interstates are our safest roads. They account for 25 percent of all the miles driven each year—but only 4 percent of the traffic deaths recorded each year. By contrast, rural roads with posted speed limits of 30 miles per hour have fatality rates four times higher than roads posted at 55 miles per hour.

Mr. Speaker, let's get Congress out of the business of setting speed limits on our Nation's rural highways. Let's allow the State legislatures to decide for themselves what the speed limit should be on rural interstates located within their States.

A PLEA FOR KEVIN REID'S LIFE

(Mr. NELSON of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NELSON of Florida. Mr. Speaker, I have just signed on as an original cosponsor of legislation to proclaim April 26 through May 2, 1987, as "National Organ and Tissue Donor Awareness Week." The timing of this legislation for myself, in particular, cannot go unnoticed.

Kevin Reid, a 2-year-old boy, weighing just 28 pounds, from my district in Brevard County, is suffering from a rare liver disease. Kevin is a patient at the Children's Hospital in Pittsburgh where, just yesterday, he underwent surgery to stop the bleeding in his small intestines. Kevin needs a new liver in order to survive and is currently on a donor waiting list. The emotional strain on Kevin and his family conveys the importance of this issue and the need for an awareness of organ donation.

I along with my distinguished colleague from Mississippi, the Honorable MIKE ESPY who is a close personal friend of the Reid family, invite all of you to join in this effort to educate our constituents on the need for organ donation. I am here today to make a plea for Kevin's life in hopes that a donor organ becomes available. In the meantime, we can all contribute to this important effort by voluntarily signing donor cards so someday we can all give someone else the "gift of life."

THE BUDGET

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, as long as budget negotiations are sliding into the gutter, with accusations from House Democrats that the President is telling "little white lies" let me remind our majority of the old line about people who live in glass houses.

The House Democrats have been naughty little budgeteers themselves.

You House Democrats haven't been updating your economic assumptions regularly like your Senate majority counterparts, so I suspect you can bring up large supplementals in the House and argue wrongfully that they don't add to the deficit.

We know these supplementals will add to the deficit.

The Senate has updated their scorekeeping—why aren't we? Why are we operating under all of these little white lies?

The fact is that this whole budget process in the House is a lie, and not a white lie. It is a deliberate deception. A big lie.

If the President's budget is a white lie, what do we call the Democrats' refusal to write one at all?

I've had it with this sophomoric rhetoric. Let's get down to business.

□ 1410

SUPPORT THE NATIONAL TISSUE AND ORGAN DONOR PROGRAM

(Mr. ESPY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ESPY. Mr. Speaker, Kevin Lorenzo Reid is the 2-year-old son of a personal friend. Kevin suffers from biliary atresia, a disease of unknown causes that produces inflammation and obstruction of bile ducts. This condition causes liver disease, jaundice and cirrhosis in children. This is often a fatal disease.

Kevin's life, and the lives of his family have been grossly impaired due to the emotional and physical strain. Astronomical costs are incurred for additional living expenses while Kevin is in the hospital in Pittsburgh and travel cost associated with his hospital stay.

Mr. Speaker, Kevin needs a liver in order to survive and I am asking the American people to become concerned.

I along with my distinguished colleague, Mr. Nelson of Florida, Kevin's home State, urge you to support the National Tissue and Organ Donor Program of which I am proud to become a cosponsor. Kevin and others like him, will benefit greatly from our combined effort.

INTRODUCTION OF A BILL TO ALLOW CHAMPUS TO REIMBURSE CERTAIN PHILANTHROPIC HEALTH CARE INSTITUTIONS FOR SERVICES RENDERED TO CHAMPUS-ELIGIBLE PATIENTS

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, I rise today to introduce legislation which will reform CHAMPUS regulations to provide payment to certain philanthropic hospitals which do not charge their patients or impose a legal obligation to pay for services rendered.

Under current regs, Mr. Speaker, such a hospital is denied reimbursement unless the patient is billed and required to share some of the cost.

While we were successful last year in effecting a stay in the enforcement of those regulations for 1 year, previous administration of the CHAMPUS Program has proved especially detrimental to one of the finest hospitals in the world, Deborah Heart and Lung Center of Browns Mills, NJ.

Absent a permanent change in law, Mr. Speaker, Deborah will soon be forced to pick up the tab once again for CHAMPUS patients or, in the final analysis, may have to refuse treatment of CHAMPUS-eligible individuals because CHAMPUS is unwilling to reimburse while other Government-sponsored health plans continue to pay for services rendered at the center.

Mr. Speaker, it is also important to note that the Deborah Heart and Lung Center is located adjacent or in close proximity to three military installations—Maguire AFB, Fort Dix, and Lakehurst Naval Air Engineering Center. So it shouldn't come as any surprise that over the years, thousands of military dependents and retirees have been treated at Deborah on an inpatient and outpatient basis.

Let us not further penalize both the hospital and CHAMPUS recipients. Let me note here, Mr. Speaker, that the bill is cosponsored by my good friend, Mr. Saxton, who has worked hard to restore this avenue of reimbursement for Deborah. I thank him for his support.

I urge my colleagues to back this bill, and I look forward to providing a permanent solution to this problem.

THE LONG-OVERDUE HIGHWAY BILL

(Mr. CHAPMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CHAPMAN. Mr. Speaker, today the House will consider a long-overdue highway bill. The pending projects in my State of Texas affect some 600 million dollars' worth of contracts in the next 4 months and more than 18,000 highway jobs.

One of the provisions in this bill will direct the Secretary of Transportation to conduct a feasibility study of the proposed Interstate 49. I-49 is a vision that would link Shreveport through New Orleans to Texarkana to Minneapolis, MN, and today we can move this project closer to becoming a reality.

Also in the bill is a provision that would authorize improvements to an existing east Texas highway—U.S. 59.

Approximately 115 miles of U.S. 59 runs through my district in east Texas and provides the only major north-south link from Houston to Texarkana. A great deal of this highway is two lane, and is in poor condition.

Widening U.S. 59 and the future completion of Interstate 49 would place our area in the center of the south and southwest of our Nation's highway system, providing an efficient transportation network, jobs, safety, and new business development. Mr. Speaker, I urge the support of Members for this bill.

RESTORING THE STATES RIGHTS TO RAISE THE SPEED LIMIT

(Mr. GREGG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREGG. Mr. Speaker, I rise today in support of States rights, specifically the right of States to raise the speed limit on the rural interstates to 65 miles an hour.

The majority of Americans have already voted on this issue; they voted with their gas pedals. In New Hampshire, for example, a number of Federal studies have shown that the vast majority of New Hampshire citizens or people driving on New Hampshire interstates do not abide by the 55-mile-an-hour speed limit; and there is a good reason for that.

People driving from Coos County down into the southern part of the State or driving north recognize in traveling over these vast expanses of rural highway the 55-mile-an-hour speed limit makes little sense.

This was a well-intentioned effort when it was originally thought of, but it has not worked. We should acknowledge that failure and we should correct it today by passing onto the States the ability to raise their speed limits to 65 miles an hour.

HOUSE SUBCOMMITTEE VOTES CREDIT CARD INTEREST RATE CEILING

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Speaker, this morning the Consumer Affairs and Coinage Subcommittee, which I am privileged to chair, reported important consumer legislation. The legislation, which outlines broad disclosures which credit card companies must make when soliciting credit card customers, also contains a ceiling, the maximum amount of interest that can be charged on credit cards.

The subcommittee on a vote of 5 to 3, adopted my amendment which establishes the ceiling at 8 percentage points above the yield on 1-year Treasury securities. At today's rates, the ceiling would be 13.8 percent.

This amendment is both fair to consumers and credit card customers as the rate can go both up and down as the economy changes.

Yesterday was St. Patrick's Day, a great day for the Irish. Today is Credit Card Interest Rate Cap Day, a great day for the consumer. I hope that consumers will continue to have many great days.

WE CANNOT AFFORD TO FORGET AMERICAN HOSTAGES IN THE MIDDLE EAST

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, we usually equate anniversaries with happiness, frivolity, and good times; not the case with Terry Anderson, who this week celebrated his second anniversary as a hostage.

This anniversary involves no good times, no happiness, no frivolity. It rather represents shame, suffering, pain and misery. Six American hostages remain confined against their will in the Middle East, and it is my duty and your duty as Americans not to abandon these hostages.

I do not have the solution to the problem, Mr. Speaker, but I do know if we ignore the problem it will never be resolved; and these hostages likely will never be released. Let us remember these hostages in our prayers, and let us not permit this issue to die on the back burner of the legislative cooker.

ARE ELECTRIC POWER PURCHASES FROM CANADA REALLY A BARGAIN FOR THE UNITED STATES?

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, while the United States is worrying about its balance of payments, there's an item that someone ought to look at closely. Last year we imported a net of almost $1.2 billion in electric power from Canada. There are those who think that it's a bargain and that we should be glad to have it. I'm a little suspicious of bargains. I'd like to know whether much of that power couldn't be supplied by U.S. utilities and their suppliers instead of exporting capital and jobs. I'd like to know whether there is a level playing field for trade between United States electric utilities that are owned by private shareholders and the Canadian electrics which are 95 percent owned by the provincial governments and that don't play by commercial rules. I'd like someone to look into unfair subsidies of Canadian power which are taking away jobs in the United States utility and coal industries. And by the way, I think that Secretary of the Interior Donald Hodel is right when he says that shrill Canadian complaints about acid rain and environmental problems ought to be listened to with a lot more skepticism.

THE SPEED LIMIT VOTE

(Mr. BUSTAMANTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUSTAMANTE. Mr. Speaker, later in the day, this body will consider increasing the speed limit to 65 miles per hour on rural interstate highways.

I support this proposal. The American public supports it. And I urge all Members to support it.

Do not let yourselves be intimidated by the voices on the other side of this issue. They would have you believe that increasing the speed limit would result in increased highway fatalities.

In many States west of the Mississippi, our highways are constructed so as to safely tolerate travel at 65. I would like to allow our Governors and local officials some discretion in determining which areas might make use of the amended statute.

Rural States and townships are in the best position to judge the wisdom of permitting an increase. I urge passage of the proposal and ask Members from all parts of the country to support it.

□ 1420

THE POWER TO SET SPEED LIMITS BELONGS WITH THE STATES

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, I rise to urge my colleagues to join me in voting for House Concurrent Resolution 77 later this afternoon. This technical amendment to H.R. 2 will allow States to increase the speed limit to 65 on rural interstate highways.

The power to set speed limits is the right of the State. The current mandatory enforcement of the 55-mile-per-hour limit by the Federal Government is nothing more than coercion, achieved through manipulation of funds. I believe House Concurrent Resolution 77 moves transportation policy in the right direction—toward restoration of State power over traffic control.

The current national speed limit also fails to take into consideration regional differences. Many rural interstate highways in Idaho have relatively light traffic and were constructed to handle speeds exceeding 55 miles per hour. This is the case in other States as well. Traffic volume and road conditions differ from State to State, and State Governments need the freedom and authority to deal with those differences.

I strongly urge you to join me in voting to give States the option to increase rural interstate speed limits to 65 miles per hour.

LEGISLATION TO PROHIBIT INCREASES IN LOCAL TELEPHONE ACCESS CHARGES

(Mr. JONTZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONTZ. Mr. Speaker, just last Thursday a joint panel of Federal and State regulators recommended that the Federal Communications Commission increase telephone access charges. These access fees are charges local telephone customers pay as part of their monthly phone bill for the connection between their homes or businesses and the telephone network.

The board's recommendation would increase the $2 monthly access fee which residential users now pay by an additional $1.50. Businesses with more than one line, which now pay up to $6 per month, would pay an additional $3.

The access fees which residential users and businesses now pay are already too much. This latest recommendation only compounds the injustice of these fees, which are an effort by the telephone industry to load costs on captive local telephone customers who have no alternatives.

The proposal to sugarcoat this rate hike by phasing it in with a 60-cent increase in June, to be followed with subsequent increases, doesn't reduce the effect this will ultimately have on consumers; $3.7 billion in new costs to local consumers.

I urge my colleagues to join me in cosponsoring H.R. 782, introduced by the gentleman from Oregon [Mr. WYDEN] to prohibit the FCC from implementing any increase in local telephone access charges.

TRADE PROTECTION LEGISLATION IS SHORTSIGHTED

(Mr. LIGHTFOOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIGHTFOOT. Mr. Speaker, this week the House Ways and Means Committee, accompanied by other House committees, will begin marking up an omnibus trade measure for eventual consideration in this body—legislation that closely resembles trade measures debated by Congress in the last session.

While the current version of H.R. 3 is less damaging than H.R. 4800 considered in the last Congress, it's still a bad idea. Protectionist measures are not the answers to our trade deficit. Trade wars do not expand exports.

Of particular concern to me are agricultural exports. In 1985, we sold nearly 37 billion dollars' worth of agricultural products to other countries. We export nearly one-third of all farm commodities grown. We sold 13 billion dollars' worth of farm products to those countries who are the most likely targets of trade protection legislation.

Cutting imports from these countries only reduces their ability to purchase our products. For that reason, I see trade legislation as shortsighted and plan to oppose H.R. 3 when it comes to us for a vote. I hope my colleagues will do the same.

WELFARE REFORM BILL: WORK AND TRAINING IS THE KEY LINKAGE

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, today I am reintroducing the welfare reform bill called the Work Opportunities and Retraining Compact of 1987. Senator Daniel Patrick Moynihan will shortly introduce identical legislation in the Senate. There are a number of sponsors on both sides, led on the Republican side by Representative Nancy Johnson. There is a growing consensus on the need for welfare reform. The common ground is that work and training must be at the core of any comprehensive welfare reform. For the first time, under this bill States would be required to offer education, training, and employment assistance for those on welfare. In turn, welfare recipients with children above the age of 3 would have to register, be counseled, assessed and referred to an appropriate activity.

Child care, transportation and other necessary support services would have to be provided. No longer will welfare mean just a check. It will also mean a chance. I believe that this effective welfare-work linkage will be the leading edge of still broader welfare initiatives.

THE TIME HAS COME FOR WELFARE REFORM

(Mrs. JOHNSON of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Mr. Speaker, the time has come for welfare reform. The only way out of dependence on a handout is employment, and the only way to insure employment is through the education and development of job skills. Today Representative Sander Levin and I will introduce the work training opportunities compact.

Our program simplifies the administration of existing welfare training programs by consolidating them under the direction of HHS. It strengthens the linkage between these programs of the Job Training Partnership Act and work and training efforts in States. It promotes early intervention, especially crucial to teen mothers, so that one bad decision does not consign them and their families to hopelessness and poverty. Our program provides those support services without which no welfare reform act can really mean anything in anyone's life. Child care, transportation, health insurance, the expense of any one of these may force even the most determined parent back to dependence on public assistance.

Our greatest natural resource is our people. So let us begin investing in our people for the future of us all. Let us begin with welfare reform by promoting strong people and strong families. Let us stop fostering dependence, discouragement, and generations of poverty.

TRIBUTE TO THE WASHBURN UNIVERSITY "ICHABODS"

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, I am pleased and very proud to announce to my colleagues today that the Washburn University Ichabods of Topeka, KS, last night defeated a great West Virginia basketball team, 79 to 77, to win the NIIA national basketball championship in Kansas City.

They had an incredible season, Mr. Speaker, with a record of 35 wins as against 4 losses. They ended their season with 22 straight wins, and all Topekans, Kansans, and Washburn University fans all over America are indeed proud of our great young basketball coach Bob Chipman and his players, Sprew, Meier, Hamilton, Sumler, Reilly, Wilson, Downing, and Davenport. We congratulate you and wish you all the best in the years ahead.

WHAT THE DEMOCRATS REALLY DO TO AMERICANS

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, a major newspaper indicated today the Democrats are trying to talk about a bipartisan budget because they have no answers to the problems themselves. But I would like to stand up for my Democratic colleagues. They have come up with three different answers to achieve a budget resolution.

First, under the leadership of the new Speaker they have proposed more taxes.

Second, they have proposed that we ignore our spending goals.

Third, they propose even more taxes.

Well, Republicans will not place the onerous burden of overspending on the working men and women of America, nor will Republicans say that bipartisanship is taking from senior citizens their hard-earned money.

That is not what we call bipartisanship. We call that what the Democrats really do to Americans.

□ 1430

HOUSE CONCURRENT RESOLUTION 77

(Mr. GRAY of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAY of Illinois. Mr. Speaker, as the author of House Concurrent Resolution 77, which, if adopted this afternoon, would make it permissive, not mandatory, to increase speed limits on rural interstates to 65, I want to announce to my colleagues that the first order of business will be the adoption of the conference report on H.R. 2, the Surface Transportation Act, and then House Concurrent Resolution 77 will come up immediately following adoption of the conference report. This is a good resolution and I hope the Members can be on the floor and support this needed resolution.

WHERE IS THE DEMOCRATIC BUDGET?

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, when will House Democrats get serious about the budget process? The President sent up his budget early in January on time that met the Gramm-Rudman-Hollings targets. But for the last 2½ months, the Congress has had a ball kicking around the President's budget, pooh-poohing his suggestions, ignoring and criticizing his scorekeeping and everything about it.

Now it is time for the Democrats to put up. Put your cards on the table. Well, lo and behold, the Democrats are finding it is a pretty tough job to come up with a budget resolution.

So what do they do? First, they say, "Let us forget about the $108 billion budget target," before they even get serious at all about trying to write a budget.

Second, they apparently begin to raise spending, as they always like to do. Then they say to House Republicans, "Oh, come join us and try to work this thing out," but very quickly withdraw that invitation.

Now with no chairman's mark in hand, they say, "Let us take no risk; let us go forward and see what happens."

What leadership. Put up your budget, Democrats, then let us get serious about a real budget that includes reconciliation and no extraneous additional spending.

END FEDERAL INVOLVEMENT IN SPEED LIMITS

(Mr. KYL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KYL. Mr. Speaker, later today, we will vote on whether or not to allow States to raise the maximum speed limit to 65 miles per hour on rural interstates.

Allowing States to raise the speed limit is a step in the right direction. But it does not go far enough. We should actually end Federal involvement in speed limits altogether. Setting speed limits is not a Federal responsibility.

The current 55-mile-per-hour law forces States to set and enforce the 55-mile-per-hour limit by threatening a reduction in their highway funding if they do not comply. My own State of Arizona was victimized by this law recently, when about half a million dollars was withheld.

That is not fair to Arizona. It is not fair to make lawbreakers of most Americans, who typically exceed the speed limit. Where highways are designed to accommodate higher speeds safely, the limit ought to be raised. And in any case, it is the responsibility of State officials to determine what the limit ought to be on the roadways within their jurisdictions.

I hope we will recede to the Senate on this matter and allow the limit to be raised.

THE SONG OF THE CANDY MAN

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, Americans pay dearly for their sweet tooths. Not because they eat too much sugar, but because the U.S. Government supports the small U.S. sugar production industry with guaranteed prices so high that consumers pay three times more for sugar than they should. The sugar subsidy plan guarantees U.S. sugar producers a high margin for sugar they sell at home by jacking up domestic prices while imposing strict sugar import quotas.

U.S. candy manufacturers must buy this subsidized sugar, but foreign candy makers, who purchase market-rate world sugar, sell their candy here at a lower price. This puts the American candy man at an unfair competitive disadvantage.

Now the administration wants to pay sugar producers more than $1 billion to stop growing sugar beets and cane. These transition payments are really bribes to muffle the complaining while the support price is lowered. The sugar program, and this new farm welfare proposal, are a microcosm of the absurdities of our agricultural programs.

It's time we stopped this nonsense. No transiton payments, no quotas, and no sky-high price floors. Let the U.S. candy man compete in a free market.

LET STATES MAKE SPEED LIMIT DETERMINATIONS

(Mr. NIELSON of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NIELSON of Utah. Mr. Speaker, I would like to compliment the gentleman from New Jersey [Mr. HOWARD], chairman of Public Works and Transportation, on the expeditious manner in which he handled the tough decisions facing the conference committee on the 4R formula and for separatng the 65-mile-per-hour speed limit from the rest of the bill in order that we may have a separate vote without delaying the bill and depriving the States of their highway funds.

My congressional district covers 38,000 square miles larger than many of our States. I travel my district by car over parts of rural interstate highways. Drivers, either traveling to destinations in my State or through Utah to other States are not obeying the 55-mile-per-hour speed limit and it is not enforceable. Data from the Federal Highway Administration for 1985 substantiates those driver attitudes by disclosing that the 85th percentile speed on rural interstates is now 66.1 miles per hour and the percentage of drivers exceeding 55 miles per hour on rural interstates stands at 75.3 percent nationally. The fatality rate on those highways has decreased from 1.71 per 100 million vehicle miles traveled in 1980, when highway speeds were lower, to 1.40 deaths per 100 million vehicle miles traveled in 1985. The driving public perceives the safe speed to be 65 miles per hour and that places their thinking near the 85th percentile. As to enforcement, we could more effectively use those resources in areas where accident and fatality rates are higher. States should have the right to examine the highway statistics on speed limits, safety and enforcement and determine what is best for the driving public in their own States. States should not be mandated by unenforceable regulations where statistically they are able to determine what is in the best interest of the traveling public in their jurisdiction.

The 55 mile-per-hour was prudent and may still be in heavily traveled urban areas, when there were gasoline shortages and we are striving to economize. We perceived that slower miles per hour would save lives. Those statistics were based on early projections but lane miles traveled was not a consideration. Based on the actual percentages made available to us today by the FHWA, 65 miles per hour is right and prudent for rural interstates. I urge your vote in favor of giving States the right to make that determination.

LET US BRING FISCAL ACCOUNTABILITY BACK TO CONGRESS

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, today I will be introducing a legislative package that is aimed at making Congress more accountable for its spending decisions. This is especially important in light of the legislative shenanigans employed by Congress to push through the recent pay raise, a raise Congress neither deserved nor earned.

The package will have three parts. Part 1, will repeal House rule 49 which mandates that the House will not have a recorded vote on the debt ceiling. This is a blatant evasion of responsibility by the Congress.

Part 2 will revise the rescission process by requiring Congress to specifically disapprove any Presidential rescission of budget authority. Under current law, money the President wants rescinded, or permanently canceled, must be spent unless the Congress specifically approves the rescission. In other words, if the Congress does nothing the money is spent. Again, an evasion of responsibility.

As with the rescission bill, part 3 will require Congress to specifically disapprove any deferral proposed by the President. This is especially important in light of the Supreme Court's Chadha decision which drastically changed the workings of the deferral process. My bill would correct that process while maintaining the original intent and spirit of the Impoundment and Control Act of 1973.

The American people have a right to know their representatives stand on important spending issues. Under current law, Congress can cover its tracks and hide behind procedures that allow Congress to spend money without even voting. It is hardly asking a lot of Congress to justify specific expenditures, especially when we pass catch-all appropriations bills or continuing resolutions loaded with pork barrel spending. If Congress cannot justify these expenditures or debt ceiling increases by voting on them, then it is obvious there are serious questions as to whether they are in the national interest.

I urge my colleagues to join in my effort to bring accountability back to Congress.

TAX ON IMPORTED OIL IS SHORTSIGHTED, SIMPLISTIC, AND UNFAIR

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, shiver me timbers. You can imagine how much I'm shivering with all the talk around here about imposing an oil import tax.

And you can imagine if one is enacted how my constituents will be shivering in the cold with their heating bills going through the roof.

Meanwhile, back in the Southwest, all those fat cat oil barons will be basking in the Sun beating a path down to their local banks trying to buy back all those repossessed Rolls Royces and Mercedes.

Like a persistent weed, oil import taxes rise every spring as a means of reducing the deficit and meeting the Gramm-Rudman target.

It looks like we're going to have trouble meeting the Gramm-Rudman target again this year. What a surprise. I guess we used up our supply of smoke and mirrors last year and now are looking for the quick fix solution.

A tax on imported crude oil and products has got to be the most regressive, ill-conceived, penny-wise, pound-foolish quick fix imaginable.

A $5 per barrel tax would raise inflation, increase unemployment, and hurt energy intensive U.S. industries trading abroad.

Mr. Speaker, to paraphrase H.L. Mencken, for every complex problem, there is an easy solution * * * and its usually wrong. A tax on imported oil is short sighted, simplistic, and unfair.

So shiver ye timbers, cause you ain't heard the last from SILVIO O. CONTE on an oil import tax.

□ 1440

PERSONAL EXPLANATION RELATIVE TO VOTE ON THE MONTGOMERY GI BILL ACT

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, yesterday, official business prevented me from being here to cast my vote in favor of H.R. 1085, the Montgomery GI Bill Act.

I strongly supported this extension of the new GI bill test program when this measure came before our Veterans' Affairs Committee, and I certainly would have done so again yesterday.

The evidence clearly shows that this program has had a tremendous, positive impact on the quality of new recruits and their retention. I might add that unlike other Federal education programs, these young men and women must pay for their benefits through military service before they can use them, not after.

Not only is it good for the quality of our Armed Forces, it is good for the Nation as a whole. The GI bill is an investment in the education of our young people, an investment in America's future leaders.

And I can think of no better return on an investment than a wiser, brighter and more peaceful future for our children and our country.

PERSONAL EXPLANATION

Mr. STRATTON. Mr. Speaker, I was not able to be on hand yesterday for the rollcall vote on making the new GI bill permanent legislation. I was an original cosponsor of this bill when it was introduced at the beginning of this session. Had I been present I would have voted "yea" on rollcall No. 31 in favor of H.R. 1085.

PORK BARREL PROJECTS ROB STATES OF ALLOCATED MONEYS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, under the highway legislation that we will consider here in a few moments, 47 of 50 States will lose money under the formula of allocation. That is 47 of 50 States. And why? Because we decided to have a bunch of pork barrel projects put in the bill that rob these States of their money. My own State of Pennsylvania is robbed of $58 million.

What would happen if we would take out just one of those demonstration projects—just one, the biggest one? Four more States would get money and would be made whole again. Then it would be 43 of 50 States that would get enough money to make them whole again next year. If you take out one pork barrel project, 43 of 50 States could be made whole, based upon their allocation of last year.

Mr. Speaker, it seems to me that if there was such a case to be made against pork, it is the fact that it robs people of the money they deserve and the allocation they have paid for.

INACCURATE FHWA INFORMATION LEADS TO CONFUSION ON HIGHWAY BILL

(Mr. SHUSTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHUSTER. Mr. Speaker, let me say to my dear friend, the gentleman from Pennsylvania, that I certainly do not blame him for having inaccurate information, but I say that it is inaccurate information because it is stuff that has been put out by the Federal Highway Administration.

The fact is that the reason why 47 of 50 States lose funds in this bill is because we are complying with the budget resolution. Surprise, surprise. There is a budget resolution which says that we must cut the obligational ceiling, and we are doing that, which means we are taking $1 billion out of the ceiling which otherwise was there.

So this very misleading document, this scurrilous document which has been circulated by the Federal Highway Administration, simply misleads our colleagues.

I would further say in conclusion, Mr. Speaker, that all of the demonstration projects in this entire bill add up to only 1.3 percent of the bill. But there is another surprise. Do you know that the discretionary dollars, the slush fund that the Secretary of Transportation has, adds up to 6.7 percent of the dollars in the bill?

Mr. Speaker, I say to my colleagues that we should not be misled by this information, and I further say that I do not blame my dear friend, the gentleman from Pennsylvania, for standing up here and in good faith quoting this document. He quite accurately tells us what the document says. The problem is that the document itself is fundamentally flawed and is inaccurate.

PENNSYLVANIA GIVES SUPPORT TO THE HIGHWAY BILL

(Mr. HOWARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOWARD. Mr. Speaker, I just wish to commend my colleague, the gentleman from Pennsylvania [Mr. SHUSTER], for his statement and ask him if he does agree that it does seem strange that the people who are most demanding that we stay within the budget limits are the ones who complain about the fact there is not as much money as they would like because we stay within those limits.

Mr. SHUSTER. Mr. Speaker, if the gentleman will yield, I certainly agree with my friend, the gentleman from New Jersey, and I further say to my dear friend, the gentleman from Pennsylvania, referring again to Pennsylvania, that I can tell him that our Governor of the State of Pennsylvania, Governor Casey, has talking with me personally on this issue, and he vigorously supports this legislation; he vigourously supports this bill. We have strong bipartisan support in Pennsylvania for this bill.

Mr. HOWARD. Mr. Speaker, I thank the gentleman from Pennsylvania, and I yield back the balance of my time.

CONFERENCE REPORT ON H.R. 2, SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT OF 1987

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 124 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 124

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (H.R. 2) to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes, all points of order against the conference report and against its consideration are hereby waived, and the conference report shall be considered as having been read when called up for consideration. Following adoption of the conference report it shall be in order to consider in the House the concurrent resolution (H. Con. Res. 77) to make a correction, relating to the maximum speed limit, in the enrollment of the bill (H.R. 2, debate on the concurrent resolution shall continue not to exceed one hour, to be equally divided and controlled by the proponent of the resolution and a Member opposed thereto, and the previous question shall be considered as ordered on the concurrent resolution to final adoption without intervening motion.

The SPEAKER pro tempore. (Mr. KILDEE). The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], and pending that, I yield myself such time as I may use.

Mr. Speaker, House Resolution 124 is the rule providing for the consideration of the conference report on H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987.

Mr. Speaker, under the rules of the House, conference reports are privileged and are considered in the House under the 1 hour rule with no amendments in order. The rule waives all points of order against the conference report and against its consideration. The rule further provides that the conference report shall be considered as having been read when called up for consideration.

Following the adoption of the conference report, the rule provides for the consideration of House Concurrent Resolution 77, which would allow States to increase the speed limit from 55 to 65 miles per hour on rural interstates. The rule provides for 1 hour of debate on the concurrent resolution to be equally divided and controlled by the proponent and a Member opposed to the concurrent resolution.

Finally, Mr. Speaker, the previous question is considered as ordered on the concurrent resolution to final adoption without intervening motion.

Mr. Speaker, the conference report on H.R. 2 approves a 5-year authorization of over $86 billion for highways and mass transit programs in fiscal years 1987 through 1992. The measure would allow for the funding of major highway programs such as the interstate 4R program which is the resurfacing, restoration, rehabilitation, and reconstruction of the interstate system. Also the conference report allows for the funding for rehabilitation and replacement of unsafe bridges throughout the Nation. In addition, Mr. Speaker, there is funding for the primary and secondary highways systems in the country.

Mr. Speaker, with the highway construction season almost here, many States are running out of Federal highway funds and are delaying or cancelling safety and construction improvement projects. If we delay any further, thousands of jobs are in jeopardy. I urge my colleagues to support the rule and the conference report.

Finally, Mr. Speaker, I would like to commend the gentleman from New Jersey [Mr. HOWARD] and the gentleman from Arkansas [Mr. HAMMERSCHMIDT] for their relentless effort in bringing this fair and bipartisan measure to the House.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, I ask for a "yes" vote on this rule. The bipartisan leadership of the Committee on Public Works and Transportation requested this rule and it was approved by the Rules Committee on a unanimous voice vote.

The rule permits consideration of the conference report on H.R. 2 and following its adoption, provides for 1 hour's debate and a vote on whether or not to allow the States to raise the speed limit on most of the Interstate Highway System.

I would like to express at this time my admiration for and congratulations to the gentleman from New Jersey [Mr. HOWARD], the gentleman from Arkansas [Mr. HAMMERSCHMIDT], the gentleman from California [Mr. ANDERSON], and the gentleman from Pennsylvania [Mr. SHUSTER]. Under their leadership and through their work over several years, an outstanding highway and mass transit bill has reached the House floor for final approval. They have hammered out a fine bill we can be proud of and they deserve our support.

Mr. Speaker, the rule provides for 1 hour's debate followed by a straight "yes" or "no" vote on the speed limit issue. Nothing could be more fair to the Members. I urge adoption of the rule.

□ 1450

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. TAYLOR].

Mr. TAYLOR. I thank the gentleman for yielding me this time.

Mr. Speaker, I strongly support House Resolution 124 because it brings us to the end of what has been a very long and difficult process, passage of a 5-year authorization for Federal-aid highway construction.

The conference report on H.R. 2, which is made in order by this rule, is a 5-year authorization of $68.5 billion for the Nation's Federal-Aid Highway Program and $17.8 billion for mass transit assistance.

Under this rule, the conference report will be considered on its own merits, and I believe the report deserves the overwhelming approval of the body.

Mr. Speaker, the conference report represents the action necessary for this Congress to keep a commitment we made to the American people in 1982, when we increased the Federal gasoline tax for the first time since 1959.

During the lame-duck session of the 97th Congress, after months and months of opposition to a tax increase, the administration finally proposed a gasoline tax increase because the funds were so desperately needed to repair our Nation's highways and to complete the Interstate Highway System.

At the request of this administration, the Congress increased the 4-cent-per-gallon Federal fuel tax to 9 cents per gallon. In my judgment, the Congress and the administration made a commitment, a pledge if you will, to use the $5.5 billion in annual highway trust fund revenues to build highways.

Mr. Speaker, we all know what has happened to that commitment since the tax increase took effect. We have not had a chance to live up to our word, until now.

For the past 4 years, going back to 1983, the Congress has been unable to pass a 5-year authorization bill. Nearly all of the major highway programs financed by gasoline tax revenues expired last fall. Gasoline tax revenues have been pouring into the highway trust fund, only to remain there unused and unspent.

Mr. Speaker, 2 months ago the joint leadership of the Committee on Public Works and Transportation asked this House to give it a chance to work out an agreement with the Senate by taking essentially the same bill the House passed last year to an early conference.

The House gave them that chance. And out faith in the joint leadership of the Committee on Public Works and Transportation has been affirmed, and they are ready to present their report.

Mr. Speaker, I urge adoption of this rule, so we may consider the conference report.

Mr. QUILLEN. Mr. Speaker, I yield 7 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding me this time.

Mr. Speaker, it was said here a few minutes ago that the process set up by this rule is something which could not be more fair to the Members of this House. Well, I have some reason to question what we are doing here and I hope that at least somebody here on the floor can answer the questions.

First of all, let me ask: Under the procedure in this bill, are we considering the issue with regard to the 55-mile-an-hour speed limit as a separate issue?

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. I thank the gentleman.

Mr. Speaker, the gentleman is correct; House Concurrent Resolution 77 will determine the speed limit.

Mr. WALKER. So, in adopting this rule what we are doing is we are saying that we are going to have two votes. One on the highway bill itself, and one on the speed limit?

Mr. MOAKLEY. The gentleman from Pennsylvania is correct.

Mr. WALKER. Now, once we have done that, under the process, are we going to send—let us say we would adopt the separate resolution on the 55-mile-an-hour speed limit—will that automatically then become a part of the highway bill that goes to the Senate so that as it is considered in the Senate will it be as one complete bill in the Senate?

Mr. MOAKLEY. No; it goes over separately. The Senate joins them.

Mr. WALKER. I see. So, in other words, when it goes over to the other body, it will go over——

Mr. MOAKLEY. The Senate also has to vote twice.

Mr. WALKER. It will go over as two separate resolutions; is that correct?

Mr. MOAKLEY. That is right.

Mr. WALKER. All right.

Now, it is my understanding that when it gets to the other body that one person in the other body objecting to the consideration of the separate resolution on 55 can kill the whole thing. So what that means is it has to be brought up by unanimous consent, so even though we have voted here to take it up, the fact is that one person standing up can kill the whole process.

What I would like to know is whether or not there have been any discussions with people over there about being that one person who is going to stand up and object to consideration and whether or not we might expect that to be the methodology by which this issue will become separated out and we will not, even if we vote in this body, have a chance to have the full thing enacted.

Mr. MOAKLEY. If the gentleman will yield, the gentleman at the microphone knows that many actions taken in this House have to be taken unilaterally; we cannot figure out what the Senate is going to do on most every piece of legislation. We thought this would be the fairest way for the House to address it.

In fact, the bill could pass or it could be defeated here.

Mr. WALKER. Of course, the other way we could have considered it is an amendment in disagreement which would have assured that if we had then passed the 65-mile-an-hour speed limit, it would have gone to the other body as a full package and we would not have this danger of the separate action possibly being rejected in the other body.

Mr. MOAKLEY. If the gentleman will yield, that matter came up in the conference and it could not reach an agreement.

Mr. WALKER. I understand that but what I am saying is that we have created a situation which could ultimately be very unfair to the majority of this body who may vote to repeal the 55, because what we will do is we will have had a vote in both bodies basically to repeal 55, and then we will have the whole matter killed because one person can kill the process that is being set up in this rule.

What I am suggesting is that is not a fair process. That is an unfair process when we in fact set in place a process where one person can stop the whole procedure from going forward. What I would like to know is whether or not under the agreement that has been arrived at whether we can be assured that one person is not going to stop this process on the other side and that no one in this body or no one's staffs in this body have been in touch with other Members over there about perhaps objecting to it.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New Jersey.

Mr. HOWARD. I thank the gentleman for yielding.

Mr. Speaker, I am sure the gentleman did not imply that someone in the conference or part of the conference, in either body, was attempting to set up something that might be unfair to the Members of either body.

Mr. WALKER. I am implying that; yes, because it seems to me——

Mr. HOWARD. The gentleman probably will not yield to me then because I tell you, I resent that greatly.

What we did was to try and reach an agreement with the other body. The ones who supported, Senator SYMMS, whose amendment it is, had asked us for one, special consideration: That we separately vote not on something we might like but on exactly what he offered in the other body and was passed by the other body. That is exactly what we are doing, and then we arranged it also so that there would be no attempt at intimidation or any thought of that; that we would vote on the conference report first, and then take up the speed limit.

The agreement is that if this concurrent resolution to increase the speed limit is defeated, it would die right here, and if it is passed, it would go to the other body and would be accepted over there and I believe that over in the other body they will accept whatever the House states——

Mr. WALKER. I will yield to the gentleman again in just a moment, but if the gentleman will allow me to reclaim my time, the gentleman can allay many of my fears on this matter if he could give me an assurance that the members of the conference nor any members of their staff have been in touch with the other body suggesting that someone over there ought to object to the unanimous consent request. Can the gentleman give me that assurance?

Mr. HOWARD. I believe that it was believed that it was not necessary to speak to all the other Members of the other body; that they would accept the honesty and decency and straightforwardness of this procedure. I, who am perhaps the strongest against that, going over to the other body, would be over there if need be to do everything I can to have them accept what the House does today much as I may disagree with it.

Mr. WALKER. There have been no such discussions, is the gentleman telling me?

Mr. HOWARD. It did not come up because we did not have the mindset to think that this kind of a thing might even be thought of.

Mr. WALKER. But, there have been no such discussions; is the gentleman assuring me?

□ 1500

Mr. WALKER. The gentleman from New Jersey [Mr. HOWARD] could allay a lot of my fears if he could give me an assurance that the members of the conference nor any members of their staff have been in touch with the other body suggesting that someone over there ought to object to the unanimous consent request.

Mr. HOWARD. I believe that it was believed that it was not necessary to speak to all of the other Members of the other body, that they would accept the honesty and decency and straightforwardness of this procedure, and I, who am perhaps the strongest against that going over to the other body in it would be over there if need be to do everything that I can to have them accept what the House does today, much as I may disagree with it.

Mr. WALKER. There have been no such discussions, is the gentleman telling me?

Mr. HOWARD. It did not come up, because we did not have the mindset to think that this kind of a thing might even be thought of.

Mr. WALKER. But there have been no such discussions, is the gentleman assuring me?

Mr. HOWARD. As far as I know, there was no need for any discussion of that. All the statements were that what the House does today——

Mr. WALKER. I would like to nail it down. There have been no such discussions? Am I hearing that no such discussions have taken place?

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Pennsylvania.

Mr. SHUSTER. I would reiterate what the distinguished chairman has said. There has been an agreement that we will abide by what happens on this vote today, and we will send it over there. I believe, and it is my understanding, I was a party to it, that there is a good-faith agreement here that whatever happens here today will be abided by by the Senate as well. So the vote here today will determine that we are either going to have the 65 option or we are not going to have it.

I know of absolutely no effort to circumvent this good-faith agreement. It is a solid good-faith agreement.

Mr. WALKER. And if in fact we adopt the 65-mile-per-hour speed limit in the House, it is the understanding of both gentlemen that that will go to the Senate as a package even though it is in separate resolutions. It will go as a package and they would expect that no one will break apart that package in the Senate, and that we will have in fact agreed to the 65.

Mr. HOWARD. Absolutely.

Mr. WALKER. The gentleman from New Jersey [Mr. HOWARD] says absolutely. The gentleman from Pennsylvania [Mr. SHUSTER] agrees.

Mr. SHUSTER. That is right.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, but I want to emphasize what I said earlier. This is a fair rule, and it deserves a "yes" vote. It brings both the highway conference report and the speed limit issue before the House and gives the House a chance to vote on each one. I think it is a well-constructed, fair rule, and I urge its adoption.

Mr. Speaker, I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I take great personal pride in serving as the floor manager on this matter. The highway bill is an important achievement for this Congress. The legislation is essential to completion of the Interstate Highway System. Many vital projects, and thousands of jobs, are at stake on today's vote.

For myself, and my colleagues in the Massachusetts congressional delegation, today's vote marks the successful completion of a long and difficult fight to obtain adequate funding to build a third harbor tunnel in Boston and to make desperately needed improvements in the highway system that carries motor vehicle traffic through downtown Boston.

The compromise that the Massachusetts delegation submitted to the conferees has been agreed to. It proposes a fair and reasonable cost for the Federal Government, and assures our State of the needed funding, to undertake this massive and badly needed project.

I would like to thank the bipartisan leadership of the committee for their support and encouragement for this project.

Mr. Speaker, today's vote is only the beginning. Now that we are funding the Boston highway improvements, the difficult and sensitive task of planning and construction begins. I intend to continue working on this project to assure that the project, is implemented with the maximum input from affected communities and sensitivity to their concerns and needs.

Mr. Speaker, I have no further requests for time. This is a fair rule and an important bill, and I urge my colleagues to vote "yes."

Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. HOWARD. Mr. Speaker, pursuant to the provisions of House Resolution 124, I call up the conference report on the bill (H.R. 2) to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 124, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of March 17, 1987, at page H1333.)

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. HOWARD] will be recognized for 30 minutes and the gentleman from Arkasas [Mr. HAMMERSCHMIDT] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. HOWARD].

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOWARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is with great pride and personal satisfaction that we bring to the House the conference report of H.R. 2, the surface transportation and uniform relocation assistance act of 1987.

We believe we have worked out a fair and resonable compromise on the legislation. It's not everything we wanted; however, we were able to include many of the same provisions that the House agreed to on January 21 and also address many other members' concerns.

Mr. Speaker, H.R. 2 is a 5-year bill authorizing Federal-aid funds for highway, highway safety, and public transportation programs. The fourth title, the uniform relocation assistance amendments of 1987, provides for the fair and equitable treatment of persons displaced as a result of Federal or federally-assisted programs or projects.

The highway title authorizes approximately $13.6 billion a year from the highway trust fund. Funding to complete the Interstate System is provided through fiscal year 1993 along with continued funding for the minimum one-half percent States. In exchange for funding the interstate 4R discretionary program at $200 million per year, the House conferees agreed to continue the existing interstate 4R formula. The bridge discretionary program was increased to $225 million for high-cost bridge projects.

In addition, the conference agreement provides $100 million to be added to the unobligated balance of current State entitlements under the interstate transfer-transit program in order to offset anticipated future inflation in transportation construction costs. A pilot toll road program is established allowing Federal-aid funds to be used in the construction of seven toll facilities. The conference agreement also phases in the use of allocated funds in calculating the 85-percent minimum allocation for the States.

Title II of the legislation continues Federal requirements to encourage and enhance highway safety. Since the enactment of the 55 mile-per-hour speed limit in 1974, there has been a considerable reduction in fatality rates on the Nation's highways. The agreement continues to recognize and support the importance of the 55 mile-per-hour speed limit. However, in order to expedite consideration of the conference report, the conferees have agreed to a separate vote on a provision which would allow States to increase their speed limits to 65 miles per hour on rural segments of interstate highways. House Concurrent Resolution 77 will be considered immediately after passage of the conference report. A separate vote on this issue will give Members an opportunity to express their continued support on this very important safety-related issue. Title II also continues the safety belt and alcohol incentive grant programs with minor modifications.

Title III of the bill modifies slightly the current structure of the mass transit program to provide a "blending" of the section 3 amounts over $1 billion. Half of the "blended" amounts will be allocated to the section 3 discretionary program and half to a formula capital program.

Authorizations for the mass transit program are about $3.5 billion per year for the period 1987-91. The section three discretionary capital program, which is funded by the penny-a-gallon gasoline tax, will be allocated for traditional public transportation purposes. The buy America provision is also strengthened by increasing the bid price differential for rolling stock to 25 percent and phasing in a domestic content requirement of 60 percent by the end of the fifth year. Existing domestic manufacturers are grandfathered under existing regulations for the term of this legislation.

Title IV, the Uniform Relocation Act Amendments of 1987, seeks to achieve a degree of uniformity not achieved in the original 1970 act. It would do so by vesting responsibility in a lead agency—the Department of Transportation—for development of Government-wide regulations assuring consistency of coverage in terms of eligibility and benefits provided to persons displaced as a direct result of Federal or federally assisted programs or projects. A State certification process is also provided in the bill which will result in more effective implementation of the act.

Before closing, Mr. Speaker, I would like to highlight several additional issues that I consider quite important. With respect to the Interstate 4R Program, we believe that discretionary Interstate 4R funding is appropriate for upgrading I-5 and I-405 in the counties of Los Angeles and Orange in California, I-80 in the State of Pennsylvania, and I-490 in Monroe County, NY.

Another important issue that I would like to clarify is that funding for the demonstration project in Wayne County, MI, is provided for the Ecorse road project. The north line road project in the bill is under construction and the funding provided is intended only for the Ecorse road project.

On the section dealing with bridge projects, I would like to cite that this section makes the Benjamin Franklin Bridge between Philadelphia, PA, and Camden, NJ, eligible for bridge replacement or rehabilitation funds. The Benjamin Franklin Bridge is on the Federal-aid system. It is directly connected to the Interstate Highway System both in Pennsylvania and in New Jersey and is a critical link in the efficient operation of the Federal-aid system and is therefore among those bridges intended for high priority assistance from the Secretary's discretionary fund.

When pilot projects involving toll roads are being considered by the Department of Transportation under the terms of the conference report, one that should receive high priority and careful consideration as a project is Georgia State Route 400.

Mr. Speaker, the lack of highway and transit funding in the States has become more critical with each passing day. The impending loss of the highway construction season will result in a significant loss of jobs. I urge my colleagues to do the right thing and vote to pass this legislation today. We need this bill, and we need it now.

Mr. Speaker, I reserve the balance of my time.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the conference report on H.R. 2, The Surface Transportation and Uniform Relocation Assistance Act of 1987.

On January 21, the House passed H.R. 2 by the overwhelming vote of 401 to 20. At that time we were concerned that if the Congress was unable to enact highway and transit legislation quickly, the 1987 construction season would be in jeopardy and 813,000 jobs would hang in the balance.

With that sense of urgency, we proceeded to conference with the other body to work out a compromise piece of legislation. After less than a month of complex negotiations, we are pleased to bring back a conference report that puts America's highway and transit programs back in business.

I believe the House conferees have done a good job of representing the interests of the members of this body. The conference report provides a 5-year, $68 billion extension of the Nation's mass transit programs. It also extends highway safety programs, and provides uniform standards for the relocation assistance of those displaced by federally assisted construction projects.

The conference agreement provides sufficient funding to complete the Interstate 4R, primary, secondary, urban, and bridge programs in current law; creates an Interstate 4R discretionary account to fund high cost rehabilitation projects on the interstate; continues the current mass transit formula and discretionary programs; and extends the highway trust fund and highway user fees for 5 years to fund the highway and discretionary mass transit programs.

During the course of our negotiations with the other body, several contentious issues evolved. Among these issues were: Buy America, highway beautification, toll financing of Federal-aid highway projects, the funding of demostration projects, and the speed limit. While prolonged discussion and debate of any one of these issues could have resulted in serious delays in reaching a conference agreement, the conferees recognized the urgent need for the bill and quickly worked out their differences.

It was in this spirit of negotiation and compromise, that the chairman of our committee, Mr. HOWARD, removed a major obstacle for consideration of this conference report. As you are undoubtedly aware, the speed limit became perhaps the most controversial issue of the conference. Chairman HOWARD has very strong personal views in favor of maintaining the current speed limit. He could have tried to use the current highway/transit funding crisis as a leverage on the Senate to drop its provision which would allow States to raise their speed limit to 65 miles per hour on rural interstates. However, he has chosen a better course of action, one that allows us to pass this urgently needed highway/transit legislation without further delay, and one which will allow the House to consider separately, and work its will on, the extremely emotional and controversial issue of the national speed limit. I would like to publicly commend the chairman for his personal efforts to resolve this controversial issue.

These programs are vital to the Nation's economy. I am pleased that our expeditious action will enable these programs to get back on track. I only hope the administration will also recognize the need to reauthorize these programs quickly, and quickly sign this conference report into law.

In closing, I would like to highlight some of the benefits this bill provides to my home State of Arkansas. This bill will provide Arkansas over $108 million in fiscal year 1987 for highway formula programs which include the interstate construction; interstate resurfacing, restoration, rehabilitation, and reconstruction [4R]; primary, secondary, urban, bridge, hazard elimination, and railroad highway crossing programs.

The conference report continues the minimum one-half percent interstate construction apportionment to States that have completed their Interstate Program. These funds may be used in interstate rehabilitation projects, or transferred for use on primary highways. The continuation of this provision provides over $13 million per fiscal year to Arkansas.

The conference report also continues and expands the Minimum Allocation Program, which provides States with at least 85 percent of the amounts they contribute to the highway trust fund. This program provides an additional $14.9 million to Arkansas for fiscal year 1987, and will be calculated annually in the future.

In sum, this means that Arkansas will receive a total of over $123 million under the basic Federal-Aid Program in fiscal year 1987, exclusive of demonstration projects and any discretionary grants the State may receive. Funding in each of fiscal years 1988-91 would be roughly the same for the highway formula programs.

The conference report also contains a provision authorizing a $45 million project over the next 5 years to accelerate construction of U.S. Highway 71 as a four-lane highway, with another $45 million project authorized for U.S. Highway 71 in Missouri. Arkansas will receive $36 million or 80 percent of their project's cost in new Federal funding. Arkansas will be required to match the grant with $9 million or 20 percent of the project cost.

The conference report also contains a provision which allows Arkansas to use interstate construction funds for the planning, design, and construction of Highway 71. Although the State has completed all its interstate segments and its interstate funds must normally be spent on I-4R work, the conference report gives Arkansas the option of using its interstate funds on Highway 71.

The conference report further designates Highway 71 as a priority project. This means that Arkansas may use any combination of its normally apportioned funds, including interstate 4-R, primary, urban, secondary, and bridge funds for the construction of Highway 71. This will provide Arkansas with maximum flexibility to expedite construction of this route.

Also included in the conference report is an authorization of a $8.5 million project at Fort Smith, which involves widening a segment of the highway connecting Westark Community College and the new central mall, and improving signalization on the segment. The conference report provides $6.8 million or 80 percent of the project cost in new Federal funds to be matched by $1.7 million, or 20 percent of the project cost, in State funds.

The conference report also contains an authorization for four grade separations on a four-lane bypass at Jonesboro. The report provides $9.84 million, which is 80 percent of the project cost, in new Federal funds to be matched by $2.46 million or 20 percent in State funds. The report also provides an authorization for preliminary engineering on a bridge project at lock and dam No. 4 near Pine Bluff. The report provides $1.6 million, which is 80 percent of the estimated cost, in new Federal funds to be matched by $400,000, or 20 percent, in State funds.

It should be noted that all of these funds come out of the highway trust fund and therefore do not add to the Federal deficit.

The conference report also directs the Secretary of Transportation, in cooperation with Louisiana, Arkansas, and Missouri, to study the feasibility of constructing a highway from Shreveport, LA, to Texarkana, Fort Smith, Fayetteville, AR, and Carthage and Kansas City, MO. A report on the study's results is to be submitted to Congress within 1 year after the report's enactment.

Another provision of interest to Arkansas is one that will allow the States to use bridge replacement and rehabilitation funds to construct bridges to replace ferry boat service, low water crossings, bridges destroyed before 1965, and bridges rendered obsolete by Army Corps of Engineer projects.

In summary, this conference report represents a fair compromise of the positions contained in the House and Senate passed bills. It provides for the construcition of the final links and forms the closing chapter of the Nation's greatest public works project—the Interstate Highway System. The conference report also sets the stage for the post-Interstate Highway Program of the 1990's.

Mr. Speaker, I strongly urge my colleagues to support passage of this conference report.

Mr. ANDERSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the conference report. Let me say, first, that the conferees on this bill were engaged with four different Senate committees in revolving differences between our bills. The issues before us were difficult, varied, and complex. On balance, I firmly believe that an outstanding job was done in representing the views of this body.

Title I of the bill, the highway title, provides funds necessary to complete the greatest public works project ever undertaken by any nation, our Interstate Highway System, begun in 1956 with legislation fostered by President Eisenhower. This bill will finally assure its completion. I am particularly pleased that in so doing, this bill assures completion of the Century Freeway, and high occupancy vehicle lanes and other work on the Harbor Freeway.

We provide $2.815 billion in funding each year for the Interstate 4R Program, used generally to reconstruct the system as more and more segments reach their design life, and to add capacity to the existing system. In those States where the need for primary funds exceeds that for 4R money, we are introducing flexibility to shift 20 percent of their 4R funds to their primary system.

Our urban and secondary programs are extended at $750 million and $600 million a year respectively, and the 85-percent minimum Allocation Program is extended and made permanent, with the scope for calculating the program expanded to include allocated as well as apportioned programs. Those allocated programs not included in the calculations in fiscal year 1987 will be phased in in fiscal year 1989, except for California, with respect for which the full phase-in takes effect in fiscal year 1990. This will allow California to receive interstate discretionary and emergency relief funds in fiscal year 1988, without having their 85-percent minimum allocation reduced in fiscal year 1988. It is, of course, my hope and intent that California apply for and receive substantial and significant amounts of interstate discretionary funds for the Harbor and Century Freeways, and other interstate routes in fiscal year 1988.

Those States with unobligated balances and which have utilized all their obligational authority in a given year, along with their August 1 reapportionment, will be given sufficient additional authority to obligate 5 percent of their backlog, except that nationally the amount of obligational authority distributed may not exceed the total needed to obligate 2½ percent of the Nation's backlog. Because California has such a large backlog I would expect that California will be among the most significant beneficiaries of this provision.

With respect to total obligational authority, let me say how much I truly regret the low ceiling provided for in this bill, only $12.35 billion each year. This compares with a ceiling anticipated for fiscal year 1986, when we passed the 1982 Surface Transportation Assistance Act, of $14.45 billion. The reality of the program pales in contrast to our intentions when the fuels tax was increased 4 years ago. Despite the fact that our Federal-aid highway needs exceed $20 billion a year, that this is a User Fee Program with all funding generated from taxes raised purely for transportation purposes, and that the revenues so raised could support a higher program level, we had no choice in crafting this legislation and working out our differences in conference, then to report back to the House with these obligation levels. I don't expect them to be cut further.

Also in this bill is a relatively minor amount of funding, less than 1.3 percent of the total highway budget authority, that is made available for specific projects, enabling us to be sensitive to local needs. Among these projects is $37 million in additional budget authority plus over $22 million to be drawn down from secretarial discretionary accounts, for road improvements surrounding the Los Angeles/Long Beach Harbor area which will ease congestion resulting from port-related traffic. Also included is funding for the design and engineering of the widening of Sepulveda Boulevard under the LAX runway. Traffic in this tunnel will almost certainly increase when the Century Freeway is completed in the 1990's. Also included is funding for highway 86 in Riverside county, so that we may accelerate our efforts to improve this crucial route and the safety of the motoring public who use this road. I am also pleased that we have provided funding for a demonstration project in Anaheim, road improvements surrounding Ontario airport which will help allow the capacity of that facility to increase dramatically, and so reduce the demand for growth at LAX, Long Beach, and John Wayne airports, and design preliminary engineering, and the implementation of environmental mitigation measures related to projects needed to improve access to and reduce congestion on route 17 in Alameda county. Finally, I am pleased that we have been able to include funding for a grade separation on Alameda Street, in Compton, CA.

Funding levels in the transit title are also regrettable low. The penny tax that goes into the mass transit account of the highway trust fund can support an annual program of $1.8 billion. Yet, funding for the Section 3 Program in fiscal year 1986 will be about $1.1 billion, with increases phased up to $1.4 billion by fiscal year 1991. Fifty percent of all funding in excess of $1 billion will be apportioned according to the section 9 formula, so that all urbanized areas will now receive capital funding out of the Transit Trust Fund. Fifty percent of the fund still distributed on a discretionary basis will be used: 40 percent for new rail starts and extensions, 40 percent for rail modernization, 10 percent for bus capital purposes, and 10 percent for any of these purposes.

An effort is made in this bill to assure that the trust fund money is wisely used. Criteria are established for the distribution of new start funds. The Secretary will report to Congress each year with her recommendation of how new start funds should be distributed, and her recommendations should reflect amounts named in full funding contracts and letters of intent.

With respect to the Los Angeles metro rail, the Secretary is expected to complete work on a supplemental environmental impact statement within 5 months from the date of enactment, and then enter into a full funding contract within 30 days to complete minimal operable segments 1 and 2. A funding schedule is specified which must be included in the contract should the project proceed with local funding. Such funding will be reimbursed, with interest, by fiscal year 1994.

Mr. Speaker, I am pleased to say that the transit formula programs are extended at a level of $2.1 billion a year, and that communities will be entitled to continue expending a portion of this funding for operating assistance.

In closing, Mr. Speaker, let me simply say that enactment of this bill is needed and needed quickly. While this conference report may not, in all candor, be everything each of us would like, it is sound legislation given the budgetary constraints within which we had to work. It is a bill that each of us may proudly support. It is a bill we must have to get our Nation's transportation programs back on track.

□ 1510

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. SHUSTER], who has been a leader in the surface transportation area for a long time and is the ranking member of the subcommittee.

Mr. SHUSTER. Mr. Speaker, I rise in strong support of this conference report. Indeed, we bring to the floor today a conference report which represents many, many significant compromises. It is not everything I would have liked to have seen, but it is a compromise with the other body and one that I think we can proudly support.

We compromised on the interstate cost estimate. We compromised on the discretionary funding. We compromised on the budget levels. We compromised with the other body on toll road provisions. We compromised in permitting a vote on the speed limit here on this floor.

We receded on highway beautification. We compromised on buy-America. Indeed, this represents a very legitimate compromise with the other body.

I would like to focus particularly today, Mr. Speaker, on the fact that we are faced with an urgency here, an urgency to pass this legislation because if this legislation is not quickly passed and signed into law, America will lose its construction season. Indeed, many States will not be able to go to construction, and we will find ourselves in a situation where billions of dollars paid into the highway trust fund by the users of America's highways through the gas tax will be in that fund. Indeed, there is a $10.8 billion surplus in the fund today, and yet the money will not be spent, will not be spent because we and the administration failed to act. So it is critical that we pass this legislation, and have it signed into law so indeed we can get on with the construction season.

Let me emphasize further, we are talking here about 813,000 construction jobs across America which will be in jeopardy if we do not quickly see this legislation signed into law.

I have to say, Mr. Speaker, I was quite disappointed at the very misleading document circulated by the Federal Highway Administration yesterday and today which claims that under this legislation 47 of the 50 States will lose money, highway money as compared to what they were receiving under the old 1982 law. Well, Mr. Speaker, that is true. It is true that the States will receive less money than they were receiving under the 1982 law.

Why? Because we are complying with the Budget Act, we are complying with the budget requirements. Let me be specific; let me be precise.

Under the 1982 act we provided an original obligational ceiling of $14.5 billion a year. Then we eventually cut that to $13.2 billion, and what we have in this bill today is a further cut in order to comply with the budget requirements to $12.3 billion. So if we are taking $1 billion out of the spending, obviously, most States are going to get less money. So I am shocked that the Federal Highway Administration would take this and twist this and claim that the real reason we are losing this money is because of these terrible demonstration projects.

Let me deal more precisely with these so-called terrible demonstration projects. Ladies and gentlemen, the total cost of all the demonstration projects in the bill represents 1.3 percent of the bill.

□ 1520

But let me let you in on a little secret: The total cost of the discretionary money, the slush fund which the Secretary of Transportation has to spend as she sees fit downtown, is not 1.3 percent, or 2 or 4 or 5, it is over 6 percent.

So if we want to talk about using simplistic terms, talk about pork barrel—I know it is a very fetching thing to do; it is so nice and simplistic, to take cheap shots about these terrible projects as though Members of Congress are not qualified to know what projects are important to their district.

Somehow, the faceless, nameless bureaucrats downtown, they are qualified. They are qualified not to spend just 1.3 percent, but they are qualified to spend over 6 percent of these moneys; and I suggest that this argument simply does not wash.

I further emphasize that in the conference we agreed, the House conferees agreed, recognizing that the demonstration project issue was a contentious issue, we agreed to cut 50 percent of the funding for those demonstration projects, 50 percent of the new funding for demonstration projects was cut, so we certainly have gone halfway.

So for somebody to cavalierly continue to attack demonstration projects, even though we cut them in half, cut the funding in half, I suggest that really is not fair; it is not responsible, and particularly when you consider, in light of the fact that the Secretary's slush fund represents more than three times the amount of money for demonstration projects, projects which have been justified by Members of Congress, badly needed projects—in fact, I have to suggest there is a certain chutzpah involved here, in the faceless, nameless bureaucrats saying that Members of Congress, House and Senate, do not have a right to identify important projects back in their districts, even though those projects only represent 1.3 percent of the bill.

But the faceless, nameless bureaucrats, they have a right to decide how the taxpayers money should be spent—that simply does not wash. So I urge my colleagues to support overwhelmingly this conference report. It is badly needed. There is a crisis out there across America as far as the need for improved highways in this country of ours, and we need this legislation badly, and I can say that Republican, Democrat, conservative, liberal, we bring to this floor legitimate compromises which deserve the support of every Member if he is willing to look in depth at the substance of what we bring and not simply use cheap-shot slogans to try to attack a bill which really is deserving of the support of every Member of this body.

Mr. OXLEY. Mr. Speaker, will the gentleman from Pennsylvania [Mr. SHUSTER] yield?

Mr. SHUSTER. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Speaker, I rise in support of the conference committee report.

Mr. Speaker, I want to commend Chairman HOWARD, the committee's ranking member, Mr. HAMMERSCHMIDT, and all other members of the conference committee on H.R. 2 for their expeditious completion of the conference. Our States are anxiously awaiting final approval of the conference report on H.R. 2 so that they can get on with the awarding of construction grants and proceeding with other highway-related projects. The conference committee's action should save thousands of construction jobs this spring across the Nation.

Mr. Speaker, I am sure that some of the Members are aware that, as late as yesterday morning, there was considerable concern that final approval by the conferees of this document was being delayed because of what some have called "the mudflap flap." Basically, that term pertains to the disagreement between the House and Senate over the issuance of regulations for splash and spray suppression devices, commonly referred to as mudflaps.

I am happy to report that "the mudflap flap" is over and that the House and Senate have agreed to a compromise on this important matter. Under the compromise, the Secretary must issue a final rule requiring the use of splash and spray suppression devices unless she finds that there is no available technology that will significantly improve driver visibility and significantly reduce splash and spray. Furthermore, the devices must be tested under both real world conditions and in the laboratory. This agreement should also improve highway safety.

While this may seem to be a very small issue to some, it is a life-or-death issue to small manufacturers of mudflaps nationwide, including a number in my congressional district in Ohio. The language would permit these small manufacturers to compete on a more level playing field with industry giants to develop and market mudflaps that truly work, both in the laboratory and on the road.

I strongly support the compromise language on mudflaps and am glad that this issue has been resolved without delaying the conference report further.

Mr. ANDERSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I rise today in support of the conference report on H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987. H.R. 2 provides authorizations from the highway trust fund for fiscal years 1987-91. Antideficit provisions governing trust fund authorizations required reductions in highway spending commitments beginning on October 1, 1986, since action was not taken to provide further funding before the adjournment of the 99th Congress. Continued funding for the building and maintenance of our Nation's highway system is an important national objective. Therefore, on March 17, 1987, House and Senate conferees approved the revenue title of H.R. 2, which extends the highway trust fund, including the mass transit account, and the highway-related taxes which support the fund.

Title 5 extends the present law highway trust fund excise taxes, and the authority to spend from the trust fund, for 5 years through September 30, 1993. The highway trust fund would be updated to reflect new authorizations in H.R. 2, including university transportation research centers.

The conference agreement includes two technical amendments which had been included in the House bill relating to the retail excise tax on trucks and trailers. The House conferees also accepted a Senate modification which relates to the computation of the excise tax on trucks and trailers on sales in which the manufacturer collects the tax. The amendment also contains a Senate provision which subjects certain trucks with Canadian or Mexican registration to 75 percent of the otherwise applicable heavy vehicle use tax imposed on United States registered trucks.

In order to continue the necessary funding for support of our Nation's highways, I urge my colleagues to approve the conference report on H.R. 2.

Mr. PICKLE. Mr. Speaker, will the gentleman from Illinois yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, I think we should give the States the option to raise their speed limit. A speed limit that is supported by the public is more likely to be adhered to by the public. Because the current 55-mile-per-hour speed limit does not allow for variances in traffic and road conditions, millions of citizens are disobeying this law. In fact probably 40 percent of motorists today ignore the 55-mile-per-hour speed limit.

We originally mandated the 55-mile-per-hour speed limit because of the gasoline shortage, although most of the rationale for keeping it concerns safety. In recent years many safety measures have been taken by States to limit the hazards of highway travel. Many States, including Texas, have mandated safety belts use and now have stronger laws against drunk driving. I believe that State governments are just as concerned about highway safety as Congress and are capable of making responsible decisions on whether or not it is appropriate to raise the speed limit in certain areas.

This measure does not mandate raising the speed limit, it just gives that option to the States.

I hope my colleagues will support this reasonable change in the law.

Mr. ANDERSON. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I rise for purposes of a colloquy with the chairman.

Mr. Chairman, as you know, the Main Avenue Bridge in Cleveland is in despicable condition; one of the neediest bridges in the country. Is it the intent of the Committee on Public Works and Transportation that bridge discretionary funds be applied to completion of the remaining priority bridge repair, the Main Avenue Bridge project initiated with bridge discretionary assistance on January 31, 1984, pursuant to provisions of the Surface Transportation Assistance Act of 1982?

Mr. ANDERSON. Yes, the gentlewoman is correct. It is the intent of the Committee on Public Works and Transportation that work on this bridge be completed with bridge repair discretionary funds as intended in 1982.

Ms. OAKAR. Mr. Speaker, I want to, personally, thank the chairman and members of the Committee on Public Works and Transportation, and the full committee chairman; and I certainly want to support the bill and the conference report.

Mr. ANDERSON. Mr. Speaker, I thank the gentlewoman from Ohio [Ms. OAKAR] for her remarks, and before I recognize my colleague from Arkansas [Mr. HAMMERSCHMIDT], I want to get something on the record.

Mr. Speaker, I want to express my thanks and my deep respect to Chairman HOWARD, to Congressman HAMMERSCHMIDT, to Congressman SHUSTER for their effective work on this bill, and to my dear friend and former colleague, Gene Snyder, for the work he did in helping to put the initial bill together last year, and finally the House Public Works staff I think is the best in the business, and they, too, have my thanks.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 2 minutes to the distinguished ranking minority member of the Committee on Ways and Means, the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I am pleased to join my colleague, Chairman DAN ROSTENKOWSKI, in urging the adoption of the revenue title of H.R. 2, which provides a 5-year extension of highway trust fund authorizations.

H.R. 2 is very similar to H.R. 3192, a bill that passed the House during the 99th Congress by a vote of 345 to 34. Had it not been for the heavy legislative schedule in the waning days of that Congress, the bill now before us would have been enacted last year.

The revenue title in H.R. 2 provides more specifically for a 5-year extension of the current highway excise taxes and highway trust fund. The conferees also agreed to a House provision which treats long-term lessors the same as retailer purchasers with respect to truck and trailer excise taxes. This is, in my opinion, a fair and equitable change in the law.

As far as I know, there is not disagreement on the revenue provisions of the highway bill conference report. I urge my colleagues to vote for the continued funding and maintenance of our Nation's highway system.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. CLINGER], a distinguished member of the committee.

□ 1530

Mr. CLINGER. I thank the gentleman for yielding.

Mr. Speaker, I cannot overemphasize, nobody can overemphasize, the urgency of the need to act on this vitally needed legislation. We have a crisis in the country, as previous speakers have indicated. We are in danger of losing an entire construction season with all of the jobs, literally thousands of jobs that will be lost if we delay almost 1 day more. I want to reiterate some of the remarks of my colleague from Pennsylvania, Mr. SHUSTER, who discussed the brouhaha that has been generated over the question of demonstration projects. I think that there are many misconceptions about this which have been exacerbated by the media in many instances and by those who would be opposed to this legislation.

The fact is, as Mr. SHUSTER has indicated, that 1.3 percent of the total cost of this bill, the total authorization of this bill is dedicated to demonstration projects.

A second point that should be borne in mind is that this bill requires cost sharing on the part of the States for the demonstration projects. So it is erroneous to say that Congress is arbitrarily forcing projects down the throats of resisting States. The media and those who have argued against the demonstration projects consider that projects that are designated by Congress are somehow evil, pork barrel, frivolous, unnecessary, but projects designated by State governments or indeed by the Secretary of Transportation through the discretionary funding which has been referred to are somehow meritorious and all vital.

Well, the fact is, fellow Members, no Member is going to promote a project that is frivolous or unnecessary. Every project that is funded under this demonstration area is a vitally needed project. No one clearly is going to be pushing an unneeded project anywhere in this country because the needs are so overwhelmingly great. The Public Works Committee, I know from serving on it, carefully considers the requests of all Members who come to it with requests for projects, and makes a judgment in each case based upon the available resources we have and also based upon the urgency of the need as it is presented by the individual Member.

So it is a selective process, and only those projects that meet those dual tests pass.

Mr. Speaker, there is an infrastructure crisis in this country. We are finding ourselves in very bad shape, not just with regard to highways, but with all areas of our infrastructure. We have taken one step, earlier in this Congress, with the passage of the Clean Water Act. We can take the second step today by passing this conference report.

Over 1,200 miles of our Interstate System each year fall into the category of having extended beyond their useful life. They need repair, renovation, and upgrading. And they need it now!

Mr. Speaker, I urge support of the conference report.

Mr. ANDERSON. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. MICA].

Mr. MICA. I thank the chairman for yielding to me. I also especially thank and express my appreciation to Chairman HOWARD for the way he has conducted this legislation on the floor and also the subcommittee chairmen for the fine job that they have done. I will be supporting this legislation.

But I have a question I would like to pose to the chairmen. It is essentially this: Does this section allow flexibility of park and ride locations? Can their locations be changed without the loss of funding under section 139, subsection A?

Mr. ANDERSON. Mr. Speaker, will the gentleman yield?

Mr. MICA. I will be glad to yield to the gentleman from California.

Mr. ANDERSON. I thank the gentleman for yielding.

Mr. Speaker, the answer is "yes," provided that the $84 million limit is not exceeded.

Mr. MICA. One more question: Can the full interchanges be constructed versus direct access connectors to HOV?

Mr. ANDERSON. Yes, the answer is yes, provided the $84 million limit is not exceeded.

Mr. MICA. I thank the gentleman.

Mr. ANDERSON. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. BOSCO].

Mr. BOSCO. I thank the chairman for yielding this time to me.

Mr. Speaker, recently the White House and media have talked about the so-called pork barrel projects in this bill. It's always an easy, boilerplate story. There's a presumption that those of us who face the voters every 2 years, who knock on doors to ask for votes, who are held accountable for bad roads and traffic snarlups by our local newspapers that somehow we should step aside and stay out of the decisions on what projects should be built and where. That somehow, it's better to give the money to State bureaucrats to parcel out because they're insulated from the politics of it all. That when they make the decisions it's planning, when we do it's pork barreling.

Well I, for one, don't enjoy elections so much that I want to come back here and let someone else make all the decisions. For over a year, Congress-woman Boxer and I have worked with local citizen groups to develop one of the so-called pork barrel projects in this bill—a unique plan to buy 52 miles of railroad right-of-way, install a high speed bus lane, and relieve hours of grid lock traffic for thousands of commuters traveling from the Golden Gate Bridge into the Redwood country. Every one of these people would rather be spending time with their families than gnashing their teeth in sweltering traffic and cursing do-nothing politicians.

If we had waited for the glacial State planning process, these people would be stalled in traffic 10 years from now. It it takes pork barreling to get them home to their kids a half hour earlier, then I'm a proud pork barreler.

As for politics, handing funds to the States doesn't shield it. During our last administration, our highway director didn't believe in highways at all. Her politics was that it was time for Americans to end their love affair with the automobile and take buses and bicycles to work instead. And our present Governor has appointed all eight highway commisioners from his own party. They are all fine, dedicated people, but the point is, let's not fall for the rhetoric that Members of Congress are any more political than the host of others who help with the highway planning process.

Only 1 percent of this bill's spending is in special projects. That certainly is not an outrageous intrusion by those of us who are elected to make these decisions.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. McEwen].

Mr. McEWEN. Mr. Speaker, allow me to take this opportunity to engage in a colloquy with the distinguished chairman of the Subcommittee on Public Works and Transportation, Mr. Howard, for the purpose of clarifying section 205 of the conference report on H.R. 2, known as the "mud flap" provisions.

Mr. Speaker, I have prepared a technical interpretation of this provision.

Mr. Speaker, I would ask unanimous consent that this language be inserted in the Record at this time.

The SPEAKER pro tempore (Mr. Kildee). Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McEWEN. Mr. Speaker, section 205 of the bill amends section 414 of the Surface Transportation Assistance Act of 1982 in order to assure that if final minimum standards are promulgated by the Secretary of Transportation with respect to the performance and installation of splash and spray suppression devices for use on truck tractors, trailers, and semitrailers, such standards must significantly reduce both splash and spray and significantly improve the visibility of drivers.

Through section 205, the Secretary need not promulgate such standards if she has determined that there is no available technology that can significantly reduce splash and spray and significantly improve visibility of drivers as demonstrated during testing on highways at test facilities and in laboratories, taking into account possible wind and rain conditions. The Secretary must determine whether the unaided human eye can clearly perceive a significant reduction in both splash and spray and whether the driver's visibility is significantly improved as a result of the use of the devices which may be proposed by such standards.

Further, any laboratory test must measure the effectiveness of proposed devices in the presence of crosswinds and rain. In other words, any laboratory test must simulate all of the real road conditions that a splash and spray suppression device must deal with.

The purpose of section 205 of this bill is to assure that any standards promulgated will result in a significant reduction of both splash and spray and significantly improve the visibility of drivers over the plain mud flap that is used on trucks today. The American Trucking Association estimates that the cost to retrofit existing vehicles would be between $837 million and $1.181 billion. The annual cost added to the purchase price of new vehicles will be $18 to $21 million for tractors and $44.7 million for trailers. Combined annual maintenance and increased fuel costs would range between $67 and $106.7 million. All of these costs will be passed on to the consumers of the products being transported by the trucking industry. The American consumer should not be forced to bare these costs if the proposed devices do not significantly improve safety on our highways. Congress is unwilling to impose such costs without accruing safety benefits in the real world commensurate with these costs. Any standards promulgated by the Secretary should be practicable, provide objective criteria, and meet the need for motor vehicle safety.

Mr. Speaker, I know that you have had an opportunity to review this interpretation. In a nutshell, this provision seeks to clarify the intent of Congress to the Secretary of Transportation regarding proposed rulemaking for splash and spray suppression devices. We want to make sure that, if a standard is promulgated, it will result in a significant improvement in safety in the real world on our highways. It is not sufficient to have a standard based on laboratory results; any standard must be supported by meeting the criteria set forth in section 205 as demonstrated on roads and at test facilities under wind and rain conditions. And, any standard promulgated must assure the public that it works, that we will significantly reduce splash and spray from trucks.

Mr. ANDERSON. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I yield to the chairman of the subcommittee.

Mr. ANDERSON. I thank the gentleman for yielding.

Mr. Speaker, I agree with the interpretation of the gentleman in connection with section 205.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield to me?

Mr. McEWEN. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. I thank the gentleman for yielding.

Mr. Speaker, I want to concur with the distinguished chairman of our subcommittee and also agree with the interpretation of the gentleman on section 205.

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. I thank the gentleman for yielding.

Mr. Speaker, I too have studied this language and concur with it.

Mr. McEWEN. Mr. Speaker, I thank the chairman of our subcommittee, the vice chairman of the subcommittee, and the ranking member on the subcommittee from Pennsylvania.

Mr. ANDERSON. Mr. Speaker, I yield 1½ minutes to the gentleman from West Virginia [Mr. Rahall].

Mr. RAHALL. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of this conference report on H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987, and I would like to extend my congratulations to the Public Works leadership for their extensive and excellent work on this bill.

This legislation is of vital importance to my home State of West Virginia as it extends authorizations for highways, highway safety and mass transportation. A provision of this legislation, which I authored in the Public Works Committee, authorizes $17.6 million for the construction of the New River Parkway which will run along the New River Gorge in southern West Virginia. It is my hope that the parkway will promote recreation and tourism, as well as economic and industrial development in the southern region of my State and, thereby, provide a much needed boost to the economy of this area as we work to diversify and expand the economic base of the State.

At this time, I would like to enter into a colloquy with the chairman of the subcommittee.

Mr. Speaker, it is my understanding that the committee intends that the Secretary of Transportation assign priority in the use of discretionary bridge funds to the Sixth Street Bridge in Huntington, WV.

Mr. ANDERSON. If the gentleman will yield, that is correct. There is no doubt that the Sixth Street Bridge is in dire need of replacement. This bridge is the top priority under the discretionary bridge program for the West Virginia Department of Highways. Additionally, it has an extremely low rating factor of 3.83 and has met all other Federal criteria. The location study for the bridge has been completed and plans for the new bridge will be completed during fiscal year 1987.

Mr. RAHALL. I thank the subcommittee chairman. The Sixth Street Bridge is the major link between West Virginia and Ohio in the Huntington area. It is vital to the transportation needs of the people in that area and to interstate commerce in the economically depressed tri-State region. It is imperative that this bridge receive funding under the discretionary program. Again, I would like to thank the chairman for his assistance in this matter.

□ 1540

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 1 minute to the gentleman from Washingtom [Mr. Morrison].

Mr. MORRISON of Washington. Mr. Speaker, I take this time for the purposes of a colloquy with the chairman, the gentleman from California [Mr. Anderson].

Mr. Speaker, I have a question regarding the effect of the Senate amendment concerning historic bridges that was included in the conference report that I would appreciate if you could clarify for me. There is an award-winning bridge that connects the cities of Pasco and Kennewick in my district that has been open to traffic since 1978. The bridge that it replaced has not yet been demolished and a local historic preservation group is attempting to preserve it. The local governments favor the demolition of the bridge because it is a hazard to navigation and a referendum on its demolition was overwhelmingly approved. My question is whether there is anything in the conference report that would require Washington State or any local government to accept responsibility for the preservation of the old bridge?

Mr. ANDERSON. Mr. Speaker, will the gentleman yield?

Mr. MORRISON of Washington. I yield to the gentleman from California.

Mr. ANDERSON. Mr. Speaker, the answer is: No, there is not. The intent of the amendment is to give States and localities the flexibility to use funding from the bridge program for preservation efforts if they should so desire or if there is a responsible entity that agrees to maintain the bridge and assume all future legal and financial responsibility for it. The amendment in no way obliges State or local governments to initiate bridge preservation efforts nor does it limit the use of funds for bridge demolition when there is no entity that is willing and capable of taking responsibility for it.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. Roberts].

Mr. ROBERTS. Mr. Speaker, I support the conference report. As a matter of fact, I would support it even without the demonstration projects or the 65-mile-an-hour issue.

My point should be raised during the hour of debate when we come to the 55/65 issue. I represent 58 counties out on the prairie, or what we call the wide open spaces. Obviously, I am for the 65-miles-per-hour speed limit.

But out in the wide open spaces, I would submit to my colleagues that the only person you see sometimes is that highway patrolman who pulls you over when you do 61 and then you get nailed. What happens in Kansas when you get nailed? Our Department of Transportation then reports, with 32 of the blue boxes on a randomly selected basis, what happens in Kansas and then we stand to lose funds.

I have empirical evidence at best, and some press reports, that that is not the case in the State of Maryland or Virginia or on the Beltway, which I think should properly be referred to as the Indianapolis 500 around here or on the "fun run" from New York to Florida.

In fact, they do not go 55. In fact, they go 65 or 70, and, in fact, it is not reported. How should it be reported? On a random basis. How is it reported? According to press reports, it is reported like this: on rainy days, on the upgrade of a hill or their highway patrol comes out and picks the patrol car right in front of the box. Maybe it is on a curve.

We have reports that fair is not fair. I would submit, if we lose the 65-mile-an-hour amendment, and if we go to 55, if that is the rule of the land, if that is the law of the land, let us make it fair and accurate all across this country.

We have buffalo that roam faster than 55 that would get ticketed in our country, whereas everybody in this country goes above the 55, according to this evidence, and DOT does not have the proper compliance procedure.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. Mr. Speaker, I voted for this bill when it left the House. I had hopes the conference committee would improve it. They did not.

What we have is a formula now before us where 47 States across this Union are going to lose money in their formula under the conference report that we are adopting here. Why? Because of pork.

Here it is. Page after page after page after page after page after page after page after page after page of pork. That may be 1.3 percent of the budget, but in small print, it is one whale of a lot of pork.

What we are told here is the problem is that—the reason why we are losing the money is because it has to fit under the budget. Let me suggest to you that what they did was they fitted the pork under the budget so that we end up reducing the formula for everybody else.

What does that mean in my State? It means that 4 million people out of the 12 million people in my State are going to benefit from these demonstration projects, but the other two-thirds of the State do not get the benefit, even though they pay for it.

We are told then that the Secretary has a slush fund that is worth a lot of money. I suggest that I am not out here defending the Secretary's slush fund. We ought to put that into the formula, too.

If we put both into the formula; if we took away the pork and the Secretary's slush fund and put it in the formula, guess what? Forty-four States that now stand to lose money would get money.

That is right. Forty-four States that now stand to lose money would be made whole again and would get at least their 1986 authorization if we simply cut out the Secretary's slush fund and cut out all the pork.

I suggest that we would be better off with local people making these decisions, that they should decide the priorities rather than having some bureaucrats in Washington deciding them, rather than having them decided behind closed doors in Washington. What we ought to have is local people making these decisions so that a few do not benefit at the expense of the many.

The bottom line is that you are going to vote for a proposition here that will cut the funds to 47 of the 50 States. I suggest a better way would have been to give 44 States out of the 50 at least the same amount of money that they got last year.

That is not going to happen. This is not going to happen because we have a bill out here that robs people of the money that they are paying the slush fund in order to have page after page after page after page after page after page of pork. It is wrong. It is wrong, and I would suggest that, at least as one skunk at the garden party here, that a "no" vote is very much in order on this bill.

Mr. ANDERSON. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. Wise].

Mr. WISE. Mr. Speaker, I thank the chairman and rise in strong support of the bill and ask him to join in a colloquy with me.

As the chairman knows, when both last year's H.R. 3129, and this year's H.R. 2 originally passed the House, and I engaged in colloquys to assure that priority consideration be given to providing funds for the repair or replacement of the Southside Bridge in Charleston, WV, under the discretionary bridge account. This situation has since worsened, not only because of the condition of the Southside Bridge, but also because the Virginia Street Bridge, another main artery which serves the city, is in need of repair. As the chairman knows, this is my Congressional District.

Mr. ANDERSON. Mr. Speaker, will the gentleman yield?

Mr. WISE. I yield to the gentleman from California.

Mr. ANDERSON. Mr. Speaker, I am aware of the gentleman's interest in this particular problem.

Mr. WISE. Mr. Speaker, would the gentleman state again, for the record, that it is the committee's intention to give such direction to the Secretary of Transportation?

Mr. ANDERSON. Knowing of the gentleman's history of supporting this much needed artery for the city of Charleston, WV, I can tell the gentleman that it is the direction of the House Public Works Committee, that the Secretary of Transportation give the Southside Bridge high priority for funding under the Discretionary Bridge Program.

Mr. WISE. Mr. Speaker, I greatly appreciate the chairman's attention to this and his attention to the needs of West Virginia in this bill.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. SHUSTER], the ranking member of the subcommittee.

Mr. SHUSTER. Mr. Speaker, when my dear friend and neighbor from Pennsylvania refers to himself as the "skunk at the garden party," I think he is being a little hard on himself. I know many of us have the greatest respect for what he is attempting to do, although we think it is misguided and inaccurate, perhaps. In fact, I have great empathy for the gentleman because he is the only Member of Congress who has stood on this floor to oppose this conference report today.

□ 1550

I think it takes a certain degree of courage and self-confidence to stand so alone, and so I would not characterize him, as he did, as "the skunk at the garden party." He is simply a loner who, no doubt in my mind, is trying to do what he thinks is best.

I confess that I am a bit mystified since I heard the gentleman say that he voted for this bill when it came through the House but he would vote against it today. He talks about demonstration projects and talks about the Secretary's discretionary fund.

Let me inform the gentleman and emphasize to all our colleagues that the bill before us today contains substantially fewer dollars in demonstration projects, one-half the demonstration project dollars, than were contained in the legislation that the gentleman voted for when the bill came before the House originally. And let me say further that the bill today contains substantially less in discretionary dollars than the bill the gentleman voted for when it came through the House. So I am mystified.

I think it was Churchill who said that consistency is the hobgoblin of little men and little minds. I am not sure that should be applied here. I am certainly mystified, though, at what seems to me to be an inconsistency.

Finally, I would say again and emphasize again that when the gentleman talked about 47 States losing money in this bill compared to the 1982 bill that we passed, that is absolutely true because we have had to reduce the obligational ceiling in order to comply with the budget. That is the major reason why this funding is cut.

Last and finally, Mr. Speaker, the gentleman talked about his home State of Pennsylvania and not everybody benefiting from demonstration projects. Let me report to the gentleman and to the body that the last demonstration project that this gentleman brought to this floor in the 1982 bill was a demonstration project which attempted to find ways to accelerate the construction of highway projects. Here is the result of that $25 million demonstration project, a project that took place in Pennsylvania near the gentleman's district. Here is the result: the Federal Highway Administration reports today that as a result of what was learned in that demonstration project, across America there are 137 projects being built using these techniques, and the total expenditure of those projects is $4.8 billion, for a savings of $227 million. That one demonstration project is saving more than the entire cost of a single year of demonstration projects.

Mr. ANDERSON. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Speaker, I would like to ask the chairman of the Committee on Ways and Means a question about the 12-percent excise tax on heavy trucks and trailers. The tax was scheduled to expire at the end of September next year. I understand that the bill would extend it for another 5 years.

Is it the chairman's understanding that the tax applies where a company simply repairs a vehicle that has been in use for several years?

I know of two cases where this is of interest. One case involves a company in the truck rental business. The company buys a truck brand new from the manufacturer, pays the excise tax, and then rents the truck to a customer for a period of years. At the end of the lease, the company takes back the truck, cleans up the vehicle by making repairs, and then rents the truck to another customer.

The other case involves a company in the business of repairing highway tractors. Fleet owners and local dealers often bring it tractors for maintenance and repair that have been on the road for as many as 6 or 7 years.

A heavy truck or highway tractor generally lasts about 12 to 15 years, but like any machinery, the mechanical problems and breakdowns increase toward the end of the lifecycle. Generally, when a truck is brought in for maintenance after having been on the road for several years, the person making the repairs tries to replace not only the parts that are worn out, but also parts that can be expected to wear out over the next couple of years. This kind of preventive maintenance ensures that the truck will remain on the road a greater percentage of the time. The alternative would be to replace each part separately each time the truck breaks down.

In both my examples, the repairs are the same. They vary from vehicle to vehicle. Each truck has the engine overhauled or replaced. A truck engine in a large tractor-trailer truck generally lasts only about 3 years under normal use. Otherwise, one truck may be repainted and given new fan belts, batteries, brakes, and a new exhaust system. Another truck may be repainted and given a new bumper, wheels, and floor mats. Another truck may be repainted and given new tires, fender cowls, brakes, drums, U-joints, and a battery. In another case, the truck is given new door locks, water pumps, rocker arms, brakes, muffler, cab mounts, heater cables, and tail lights, while repairs are made on its air-conditioning, rear door, blower, electrical system, shift linkage, steering assembly, and clutch.

The useful life of the truck is not extended by the repairs. The only aim is to ensure that the truck continues to run reliably. My question is whether we intend the tax to be triggered by this kind of normal maintenance.

Mr. ROSTENKOWSKI. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the chairman of the committee.

Mr. ROSTENKOWSKI. Mr. Speaker, as a general rule, the repair of an automotive vehicle is not subject to the retailers excise tax. There can be situations, however, in which the repair of a vehicle is so extensive that the useful life of the vehicle is extended to the point where the vehicle becomes functionally comparable to a new vehicle. It is the extent and functional result of the restoration that is determinative of whether the tax applies. Such a determination must be made on the basis of an analysis of the facts and circumstances of each case. As stated in Revenue Ruling 71-584, the assembly of a truck trailer by combining a so-called glider kit with salvaged parts from a used tractor constituted manufacturing. In addition, when the repairs made to one of the taxpayer's vehicles are sufficiently extensive to increase the useful life of the vehicle to approximately the same degree as does the installation of a glider kit, these repairs will also constitute manufactuirng.

However, it could well be possible for a taxpayer to make extensive repairs which do not include, for example, replacement of the cab and rail system with new components—such as in a glider kit—without triggering the tax. Substantial repairs may be done to a vehicle under these guidelines without constituting manufacturing as long as it is determined under a facts and circumstances test that such repairs do not extend the useful life of the vehicle to the point where the vehicle becomes functionally comparable to a new vehicle.

Mr. SMITH of Iowa. Mr. Speaker, I thank the gentleman for that answer.

Mr. ANDERSON. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. VISCLOSKY].

Mr. VISCLOSKY. Mr. Speaker, I rise in strong support of the conference report on H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987. I wish to thank the conferees from both bodies whose agreement on this measure has answered the Nation's plea for the expeditious reauthorization of transportation funding.

The public works in our country are deteriorating faster than they are being repaired, replaced, or rehabilitated. The maintenance and improvement of our systems will stimulate the economy and provide thousands of valuable construction-related jobs.

In addition, this bill would have a positive impact on the domestic steel industry.

At my request, David J. Cantor, a specialist in industry economics at the Library of Congress, prepared a memorandum on the possible effect of increased transportation expenditures on steel output.

In his report, Mr. Cantor noted:

> Depending on the type of project, the expenditure of $1 billion could generate a demand for steel mill products in the range from about 54,400 tons to about 150,000 tons. This demand represents both the direct input of steel into the project and associated indirect inputs—namely, those that are embodied in other equipment and materials used in the project. The estimates for each project category are presented in table 1.

TABLE 1.—POSSIBLE EFFECT OF SPENDING $1 BILLION ON HIGHWAY CONSTRUCTION PROJECTS ON STEEL DEMAND

[In tons]

Project category	Steel input	
	Low estimate	High estimate
New highways:		
Direct steel inputs	23,551	31,401
Indirect steel inputs	88,949	118,599
Total steel inputs	112,500	150,000
Maintenance and repair of highways:		
Direct steel inputs	6,515	8,687
Indirect steel inputs	47,896	63,861
Total steel inputs	54,411	72,548

Estimated by CRS, using as sources: U.S. Dept. of Commerce. Bureau of Economic Analysis. The Detailed Input-Output Structure of the U.S. Economy, 1977. Volume I: The Use and Make of Commodities by Industries, 1977. Washington, 1984; U.S. Dept. of Commerce. Bureau of Economic Analysis. The Detailed Input-Output Structure of the U.S. Economy, 1977. Volume II: Total Requirements for Commodities and Industries, 1977. Washington, 1984; and, Data Resources, Incorporated. Realized Steel Prices: Estimation, Analysis, Forecast. Lexington, 1985.

> The greatest impact on steel demand would probably be in the category of construction of new highways. An expenditure of $1 billion on such projects could result in increased use of steel in the range from about 112,500 tons to about 150,000 tons. The smallest effect of this level of spending would probably be in the category of maintenance and repair of highways. For a billion dollars of additional expenditure on such projects, steel input could range from about 54,400 tons to about 72,550 tons.
>
> The direct input of steel into highway projects is relatively small for every billion dollars of expenditure. This steel is used directly in the construction activity, rather than being processed into some other product utilized in the project. Construction of new highways would employ between 23,550 and 31,400 tons of steel mill products directly. Direct steel input is smallest in the maintenance and repair of highways; the low estimate is about 6,500 tons, and the high estimate is about 8,690 tons. Depending on the type of project, the direct steel input to highway is as little as one-eighth of total steel input (maintenance and repair of highways), and nearly as much as one-fifth of total steel input (construction of new highways).
>
> The data seem to suggest that the total amount of steel embodied directly or indirectly in highway construction projects is relatively small. The official input-output tables for the economy indicate, however, that the effect of expenditures on highway projects on total steel demand is greater than for most other sectors of the economy. That is, for every dollar spent on such projects, more steel is required as an input—directly and indirectly—than for most other goods or services. While most of this input is embodied in other goods and services rather than directly in the project itself, the impact on the basic steel industry is substantial vis-a-vis most other sectors of the economy. Out of more than 500 sectors of the economy, only three—engineering, architectural, and surveying services, petroleum refining, and wholesale trade—supply more total inputs directly and indirectly to new highway construction than the basic steel industry. Only four sectors—petroleum refining, motor freight transportation and warehousing, wholesale trade, and paving mixtures and blocks—supply more inputs directly and indirectly to maintenance and repair of highways than the basic steel industry.
>
> Although in relative terms little steel would be required in constructing highways, we cannot dismiss as minimal the impact of such projects on the steel industry. First, such projects are relatively labor intensive. The input-output tables reveal that more than 28 percent of the total expenditure on new highway projects represents payments to labor; depreciation, interest payments, and indirect business taxes account, in addition, for about another 8 percent of spending on these projects. Thus, less than two-thirds of the total project expenditure is for non-labor purchased goods and services required for the projects. In the maintenance and repair of highways and streets, payments to labor account for nearly 57 percent of the total expenditure on these projects, and other non-labor purchased goods and services account for nearly 3.2 percent of total spending on these projects. Second, the steel industry ranks relatively high as a supplier of goods and services to highway construction projects; steel was the twelfth largest direct input to new highway projects in 1977, and the twenty-first largest input to maintenance and repair of highways and streets in that year.
>
> Third, and perhaps most important, even though very little steel is used directly in highway construction projects, the indirect use of steel is considerable. Only three or four other sectors of the economy were called upon more in 1977 for total inputs than the basic steel industry.

In conclusion, I believe the above statements provide ample evidence of the positive impact which this legislation would have upon the steel industry.

I strongly urge my colleagues to join with me today in supporting this measure.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield 2 minutes to a distinguished member of the committee, the gentleman from Minnesota [Mr. STANGELAND].

Mr. DELAY. Mr. Speaker, will the gentleman yield?

Mr. STANGELAND. I am happy to yield to the gentleman from Texas.

Mr. DELAY. Mr. Speaker, I appreciate the gentleman's yielding, and I want to say first that I rise to express disappointment that my amendment was dropped out of the bill.

Mr. Speaker, I rise today to express my great disappointment that this conference report does not include an amendment that I passed to the House version last August.

The House went to conference with a provision which would give mass transit systems around this Nation a greater opportunity to contract for some of their services with private sector companies. It has been shown by numerous studies that this would be an opportunity for transit systems to save 20 to 40 percent of their operating costs and reduce their dependence on Federal subsidies.

The only opposition to my amendment came from the transit unions. Once again the unions were able to line their own pockets at the taxpayer's expense.

Mr. Speaker, one day this Congress is going to have to go against the unions and stop insulating public transit workers from the competition of the marketplace. Most of the people who work and pay taxes in this country do not have the luxury of special provisions which protect their jobs and allow them to have inflated wages.

If you want to know why public bus drivers in the Washington, DC, area make 19 percent more than public school teachers, or if you want to know why bus mechanics at public transit systems make more than twice as much in salary and benefits than unionized mechanics in the private sector, you can find the answer in the so-called labor protection provisions of our transit program.

The House went to conference with language that would correct these problems by bringing competition to public transit. They gave that language away and got nothing in return.

Mr. STANGELAND. Mr. Speaker, I am pleased to rise in support of the conference report on H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987.

First, let me commend all of the conferees and players on the House and Senate Public Works Committees for their tireless dedication to this legislation and its predecessors. Special congratulations are in order for our committee chairman, JIM HOWARD; ranking member, JOHN PAUL HAMMERSCHMIDT; subcommittee chairman, GLENN ANDERSON; ranking member of the subcommittee, BUD SHUSTER; and conferee BOB ROE. Without their leadership and bipartisan teamwork, we never could have crafted such a worthy conference report.

By passing this legislation, we can complete some unfinished business from the 99th Congress. We came excruciatingly close to forging a compromise with the Senate last October, but as everyone—particularly every State highway official—knows, we could not resolve all the issues in order to send the needed legislation to the President.

Today we find the Nation's roads and highways in an increasingly desperate situation. America's highway programs hang in the balance as the shortage of construction money becomes a growing national emergency. With no new funding for fiscal year 1987, States are having to delay or stop thousands of crucial projects.

I am particularly concerned about my own State, Minnesota, and its critical needs. Today, Minnesota is essentially out of funds for its interstate completion, primary, and interstate substitution categories. The interstate 4R and bridge replacement categories have sufficient funding for only part of the year. We are also in danger of losing the construction season. The Minnesota Department of Transportation informs me that if Congress does not act soon, Minnesota's short construction season for 1987 could be lost entirely. Mr. Speaker, by waiting any longer, we put at risk literally thousands of highway drivers' lives and construction workers' jobs.

In response to these concerns, the conferees worked quickly and responsibly over the last few weeks. The resulting legislation before us today will provide a 5-year, $68 billion extension of the Nation's Highway Program and a 5-year, $18 billion extension of the Nation's Mass Transit Programs. It also extends highway safety programs and provides uniform standards for the relocation assistance of those displaced by federally assisted construction projects.

The conference report contains sufficient funding to complete the interstate highway system, started some 30 years ago; continues the Interstate 4R, Primary, Secondary, Urban, and Bridge Programs in current law; creates an interstate 4R discretionary account to fund high cost interstate rehabilitation projects; continues the current mass transit formula and discretionary programs; and extends the highway trust fund and highway user fees for 5 years to fund the Highway and Discretionary Mass Transit Programs.

The legislation also authorizes a combined Road Demonstration Program—which resembles a Block Grant Program—for Federal-aid secondary; Federal-aid urban; and off-system, urban, and secondary bridge projects. The program will help demonstrate the feasibility of turning over greater responsibility to State officials for administering the Highway Program. I am particularly pleased the conferees selected Minnesota as one of five States to participate. This reflects well on the Minnesota Department of Transportation, which conducted a similar pilot program last year.

The legislation also includes a number of highway projects to demonstrate the latest techniques for accomplishing various safety and transportation objectives, such as the construction of a half diamond interchange and a grade separation between a railroad line and a highway in Moorhead, MN, and long-range improvement of two segments of a major highway on the Federal-aid primary system in Fosston and Bagley, MN.

I am particularly pleased about the Moorhead provision as it culminates 10 years of hard work by dedicated local officials. The $1.5 million provided in the bill for the underpass will mean increased safety for bus loads of schoolchildren, emergency vehicles, and pedestrians. Because of the Senate's cooperation, particularly that of Senators BURDICK and DURENBERGER, MOORHEAD's long battle for Federal funding has a happy ending.

Mr. Speaker, for all of these reasons, I urge my colleagues to support the conference report on H.R. 2. This country can't afford to wait any longer for a highway bill. By voting for today's legislation, we can put America's Surface Transportation and Relocation Programs back on track.

The SPEAKER pro tempore (Mr. KILDEE). The Chair wishes to point out that the gentleman from Arkansas [Mr. HAMMERSCHMIDT] has 1 minute remaining and the gentleman from California [Mr. ANDERSON] has 5½ minutes remaining.

Mr. ANDERSON. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. ROWLAND].

Mr. ROWLAND of Georgia. Mr. Speaker, I thank the chairman of the subcommittee for yielding this time to me, and I rise in support of this conference report.

Mr. Speaker, the Federal-aid highway reauthorization bill has the potential of extending the America's modern highway system to many more areas of the country and stimulating new economic activity in many places where it is needed the most.

Although there is a great deal about this bill worth talking about, I want to bring to your attention two provisions, in particular, which I believe will greatly benefit every State and virtually every congressional district.

One of the provisions would empower the States to transfer up to 20 percent of their Federal funds for maintaining and rehabilitating interstate highways—the so-called 4R money—over to primary projects. For all practical purposes, these funds are now locked in for interstate work, whether needed or not. Under the provision included in the bill before you today, States would have the flexibility to apply funds to highway projects which are needed the most.

Another provision would allow States to undertake advance construction of primary projects, just as many have done for interstate construction. This would enable the States to move ahead on critical needed road projects by selling bonds, which are paid off as Federal funds start coming in for those projects.

The kind of increased flexibility which this bill offers to your State and mine can accelerate the construction of our noninterstate developmental highway systems, which have been lagging behind for far too long.

Both of these provisions were a part of a bill I introduced last year to extensively restructure the Federal highway aid system—a system which currently emphasizes interstate construction. They were carefully considered by the Public Works and Transportation Committee and have remained in the bill as it comes before the House today.

As more States complete the Interstate Systems, the need for a restructured Federal-aid highway system will become more pronounced. This bill will help us meet that need. It represents a very important step toward the future.

Chairman HOWARD has done a magnificent job. Without ever losing sight of the country's immediate needs, he has also been concerned about meeting the needs of the future. And this bill reflects that concern. I also want to commend the ranking minority member, JOHN PAUL HAMMERSCHMIDT; Surface Transportation Subcommittee Chairman GLENN ANDERSON and ranking minority member BUD SHUSTER; other members of the committee who have worked so hard on this bill; and the conferees in both Houses.

Mr. Speaker, I would like to make one more comment. In my view, the administration has been guilty of distorting the facts in its zeal to defeat this measure. Representatives of the Department of Transportation have suggested that demonstration projects are responsible for the reductions in total Federal funding which some States, including Georgia, will experience under this bill.

In fact, there are two other factors which should be cited. First, there is a lower level of funding for highway aid to the States provided by this bill. Second, States like Georgia which have just about completed their Interstate Systems are receiving a smaller share of the interstate funds, and their overall level of assistance is declining.

If you can get anyone in the administration to level with you, they will have to admit that demonstration projects are not really the culprit.

Mr. Speaker, this is an outstanding bill and I join with my colleagues on the committee in urging its passage.

□ 1600

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, our real problem with funding that has been brought up is because the trust funds are not off budget. I want to make that point. They are still part of the unified budget.

Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. I thank the gentleman for yielding me this time.

Mr. Speaker, as a Ways and Means Committee conferee, I signed the conference report and shall vote for H.R. 2 with enthusiasm.

As noted by the previous speaker, Mr. STANGELAND of Minnesota, our State of Minnesota needs this bill and needs it promptly. Northern tier States face a contracting deadline. Any further delay on this bill could result in the loss of an entire construction season for us.

The tax provisions of this bill are not surprising. The trust fund taxes are extended for 5 years. Only one tax feature, the assessment of 75 percent of the highway use tax on Mexican and Canadian trucks using United States highways is noteworthy. The Congress had been awaiting a study, due in October, by the Department of Transportation on this feature. Without comment on the tax imposed in H.R. 2, I hope the tax committees of both Houses will scrutinize the report and act on it, when presented.

The really big disappointment for me in this bill is the enlargement of "Buy America" provisions. Multiplying the domestic preference by 2½ times and increasing the required domestic content of buses and rolling stock from a prohibitive 50 percent to an impossible 60 percent over 5 years is just one more reason why the United States has trouble gaining market access abroad. As long as we seal up our market from foreign competition, our trading partners will follow our bad example and deny us access to their markets.

Finally, I shall support the limited, State option increase to 65 miles per hour on selected portions of the Interstate System. It is now time to move the law toward what is reality on the highway. It is hard for me to believe the law is saving many lives when I can't find anybody who is obeying it. With respect to energy savings, the 55 miles per hour limit will be a more, more potent weapon in any future energy crunch if it is newly passed at that time.

Mr. Speaker, I shall vote for H.R. 2 and hope for its speedy enactment.

Mr. ANDERSON. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Speaker, it is not always easy to tell the difference between Johnny Carson and the regular news in the evening. Last night a national newscast had the following items in its report. The second item of the newscast was that the President's commission to study oil supplies for the United States had reported that we are on the eve of another energy crisis becoming too dependent on foreign oil for our use. The recommendation apparently is not that we be conservative with the use of oil but that we give yet another tax loophole to the oil industry.

Two items later, without missing a beat the newscaster reported on the proposition today to abandon the 55-mile-an-hour speed limit and replace it with something like 65 miles per hour, describing the present speed limit as "a relic" from an earlier crisis. Make your own jokes.

I can tell you this: That in my police days, when I was an officer, they said "speed kills," and it does. But I do not think there is any arguing at all whether it uses up more gasoline. You live in a large State, an expansive State? I was in Montana on Monday driving on the interstate highway about 55 miles an hour and I caught my airplane all right.

I think the real question is: Does the person who lives in the large rural State have any more right as a patriotic American to squander our oil supply than the person who lives anyplace else in the United States?

When I served as a police officer back home in Indianapolis we had an intersection where two streets ended at the same point so that drivers had to take sharp turns. Every month we had about 21 injury accidents at that corner for obvious reasons. People were taking it too wide. I got the county commissioners to pass a resolution and we put up stop signs so when you came up, you stopped and you started around the corner and nobody hit anybody for 2½ years. Then somebody was arrested for running the stop sign and raised all kinds of "ned" about it, and "what sense did it make anyway to have those stop signs there?" So the county commissioners duly repealed the ordinance and down came the stop signs and up went the statistics on the accidents again.

That may have something to do with the debate today.

Mr. FAZIO. Mr. Speaker, as a cosponsor of H.R. 2, I rise today in support of the Surface Transportation and Uniform Relocation Assistance Act. As many of my colleagues have said today, this bill is critical to our Nation's transportation needs. If H.R. 2 is not approved and signed by the President on or before April 1, each State must cease awarding highway construction contracts. To the State of California, this means that $500 million in State and local road projects will be unnecessarily delayed thereby incurring $50 million in additional costs. Also, over 22,000 full-time jobs statewide are at stake. Moreover, business and sales revenue generated by the State and local construction programs could drop by as much as $1.1 billion in 1987 and 1988.

The 5-year reauthorization bill funds a number of Federal highway projects. In my home State, H.R. 2 provides for $1.6 billion in Federal funds to complete California's remaining interstate highway; and, in my district, H.R. 2 funds five projects, including a $10.8 million project to construct a four-lane expressway on Route 99/77 in Sacramento County. In the city of Vacaville, H.R. 2 provides for a $2.3 million project which would widen the Alamo Drive overcrossing on Interstate 80 from two lanes to four lanes. In addition, the bill includes two projects in Fairfield totaling $0.74 million. Reconstruction of Holiday Lane from Oliver Lane to Travis Boulevard is planned as well as reconstructing East Tabur Avenue from North Texas to Dover.

H.R. 2 authorizes $68 billion nationwide for highways and $21 billion for mass transit over 5 years. California is slated to receive $5.5 billion over the same period of time. On behalf of the businesses and constituents in the Fourth Congressional District of California, I urge this body to pass H.R. 2.

Mr. CONTE. Mr. Speaker, I rise in support of the conference report on H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987. I want to also commend the conferees, especially Chairman HOWARD, Subcommittee Chairman ANDERSON, and ranking minority members HAMMERSCHMIDT and SHUSTER for their hard work on this measure. Their leadership on this legislation was critical for the rapid passage of this bill and the rebuilding and strengthening of our road and transit systems.

The report authorizes $67 billion for highway construction and repair, $2 billion for highway safety, and $17.7 billion for our mass transit systems. Because of the failure of the last Congress to pass this bill, many of the surface transportation programs have been left without funding since September 1986. It is thus essential that this reauthorization be adopted immediately and overwhelmingly, leaving no doubt that this measure should quickly become law.

Included in this legislation are funds for bus and bus facility procurements which are so essential for imporving the mobility of our urban and nonurban citizens alike. The new buses, maintenance facilities, bus shelters, and related improvements which this bill calls for would greatly increase the efficiency and convenience provided by our mass transit systems. Any further delays in the reauthorization before us would be tragic for transit systems all over the Nation.

However, the largest portion of H.R. 2 is for highway repairs, construction, and safety. These programs are those most severely affected by the disruption in construction schedules caused by the inability of the last Congress to enact this measure.

In my home State of Massachusetts, for example, a number of projects slated for advertisement have already been placed on hold by the department of public works due to the current lack of funding. Others will be pushed back further if delays in the authorization continue.

In my own congressional district, projects including safety improvements to East Street in Pittsfield, resurfacing I-91 in Whately, Deerfield, and Greenfield, and reconstruction of Route 2 in Williamstown were scheduled to be advertised during the first 6 months of the fiscal year. At current funding levels, and without this reauthorization, these projects simply can't move forward.

Two months have gone by now since the House passed H.R. 2 by a vote of 401 to 20. In these 2 months the construction season has begun again in many parts of the country. However, without these authorizations, the projects which are so crucial to building our Nation's transportation network will be held in limbo.

Mr. Speaker, I urge my colleagues to appreciate both the urgency of this legislation and the gains which have been made thus far to promote its passage. Let's not bring our Nation's surface transportation to a halt. Vote for rapid passage of this measure and let's get this important business done.

Again, I urge the adoption of the conference report.

Mr. BORSKI. Mr. Speaker, I rise to express my strong support for the conference report on H.R. 2, the Surface Transportation Act. As a member of the Public Works and Transportation Committee, I know how vital the passage of this legislation is to our Nation in funding highway and public transit projects.

Philadelphia has a number of critical highway projects that are being held up by a lack of funding. Passage of this conference agreement will help get these projects moving again. I am especially concerned that this legislation be approved quickly so that these vital projects are not delayed any further. Philadelphia road projects will receive over $178 million in Federal highway funds as a result of approval of this highway and transit agreement.

These projects include major reconstruction of sections of Interstate 95 to begin in 1989, $2 million for new signalization on Cottman Avenue, reconstruction and widening of the Woodhaven Road interchange at I-95, and completion of the Vine Street Expressway interchange at I-95.

Mr. Speaker, this legislation also will generate jobs for Philadelphia. These construction projects will employ hundreds of men and women in the Delaware Valley. It will be a real boost to our economy.

This conference agreement also authorizes funding for mass transit programs for SEPTA. Federal funding accounts for about 6 percent of SEPTA's $554 million operating budget and an estimated 75 percent of SEPTA's capital improvements budget, which is about $100 million annually.

As a Representative from Philadelphia, I am especially pleased that passage of the conference report will give a green light to some critical projects in our city. It has been my privilege to have helped to develop this legislation in committee, and I urge the House to give the agreement an overwhelming vote.

Mr. MARKEY. Mr. Speaker, today we will vote on the $86 billion Surface Transportation and Uniform Relocation Assistance Act, a bill which will allow for necessary highway and transit projects to continue. For months now, I have heard from State officials, construction contractors, transit officials, and concerned constituents of the immediate need for the highway legislation. I am sure that many of my colleagues have received similar requests to move swiftly on this important legislation. Today is the day to restore the funds and show that we care about the safety of everyone traveling on the highway and transit systems of this country. I urge all Members to vote for this deperately needed bill.

The legislation authorizes the Federal Highway Administration [FHA] to provide financial assistance to the States for the construction and improvement of roads, bridges, and highways. All funds received by the States are financed from the highway trust fund. The fund established by Congress in 1956 is supported by revenues from the 9 cent gasoline tax. However, no funds can be spent without annual authorizations. The importance of the program is shown by the fact that the State governments rely on Federal assistance for more than a quarter of their annual highway budgets.

In Massachusetts, FWHA programs fund the design and construction of interstate projects such as the proposed depression of the Central Artery and the construction of a Third Harbor Tunnel. Massachusetts has also benefited from funds for the resurfacing, restoration, and reconstruction of existing interstates such as the Southeast Expressway. These projects are essential to the Boston metropolitan area which has one of the most traffic dense populations in the United States. Current projects already underway are being seriously hampered and in some cases, stopped altogether, pending the passage of this legislation.

Transit systems, such as the Massachusetts Bay Transit Authority, are equally dependent on the continuation of Federal assistance under this legislation for their overall budget. During fiscal year 1986 approximately $56.7 million in Federal mass transit authority moneys were used for systemwide improvements to the MBTA, including the rehabilitation and construction of bridges on commuter rail lines and platform revitalizing projects. These projects include improvements along the Orange line which runs virtually through my district. Currently, the MBTA has pending applications for over $100 million in fiscal year 1987 funds, which include proposals for the purchase of new commuter rail vehicles and track improvements. Public safety is at risk without the needed repairs funded by this bill.

Mr. Speaker, the problems of our surface transportation system have been addressed in many ways throughout the years. Some Members may want to heed the advice of Will Rogers: "The only way to solve the traffic problems of the country is to pass a law that only paid-for cars are allowed to use the highways. That would make traffic so scarce we could use our boulevards for children's playgrounds." On the other hand, I consider the legislation before us as a comprehensive, well-designed approach to confronting our surface transportation needs.

Mr. MILLER of California. Mr. Speaker, the bill before us—H.R. 2, the Surface Transportation Act—is crucial to my State of California, and of particular importance to Contra Costa County, which I represent.

Every poll in the Bay Area of California indicates that the issue of growth—and the related problem of traffic congestion—is the No. 1 topic. My own East Bay region is particularly vulnerable to major traffic tieups and accidents.

I am grateful that both the House and Senate committees have agreed to adopt my proposal to fund the widening and lowering of Highway 4 at the Willow Pass grade near West Pittsburg, in Contra Costa.

This stretch of freeway has been a major headache for commuters from the eastern portion of my county. The House and Senate decision will serve a dual purpose: The Highway 4 improvements will ease the current congestion, while simultaneously ending a major obstacle to extending rapid rail transportation into East County.

This legislation also authorizes improvements and extensions in mass transit systems such as BART—a major need in the San Francisco Bay Area of California.

Mr. Speaker, this bill has been delayed and stymied for more than a year. Yet all of us recognize its importance and the urgency of enacting this legislation. In Contra Costa County alone, this bill is crucial to the completion of the Interstate 680—Highway 24 interchange in Walnut Creek—one of the most congested major intersections in northern California. It is vital to the Knox-Hoffman Freeway, linking Richmond to San Rafael. And it means real progress on the long-awaited Highway 4 improvements.

Mr. GALLO. Mr. Speaker, I rise today in strong support of the conference report on H.R. 2, which reauthorizes our Nation's highway and mass transit programs for the next 5 years.

Mr. Speaker, timely action by the Congress and the President on this bill is essential. Due to the delay in reauthorizing this legislation, our States have run out of funds to maintain and improve our highway and mass transit resources. Failure to pass this important legislation will only further threaten the loss of the 1987 construction season threatening thousands of jobs in the construction industry.

I strongly believe that the Federal Government must provide stable and adequate funding so that the States will be able to provide for their future transportation needs. The highway trust fund, which is funded with revenues from the Federal gas tax, has adequate funds to finance the more than $86 billion for our highway and mass transit programs over the next 5 years.

The maintenance and improvement of our transportation infrastructure is vital to our Nation's economic well-being. With 20 percent of our gross national product generated through transportation, we cannot afford to delay this program any further. I urge my colleagues to put aside their differences so that this money can be delivered to the States for the approaching construction season.

This bill is good for New Jersey and the Nation. It will bring over $313 million in Federal highways and $186 million in mass transit money to New Jersey this year. At a time when New Jersey is working to complete a number of important highway projects, this bill provides funds that are an essential element of the State transportation trust fund. In the 11th Congressional District, for example, interstates such as Routes 24, 287, 280, and 80 need the Federal dollars that this reauthorization ensures.

H.R. 2 also provides almost $1 billion in mass transit capital and operating assistance to New Jersey over the next 5 years. As our highways reach their capacity, mass transit becomes more and more important. In New Jersey, mass transit users will be the prime beneficiary of these funds as New Jersey Transit strives to meet the needs of the New Jersey commuter.

The bill authorizes $68.6 billion over the next 5 years from the trust fund for the completion and maintenance of our Nation's highway program. It also authorizes $17.8 billion for mass transit capital and operating assistance over the same period.

By passing this bill we will minimize program disruption, project delays, and job dislocation. Delays cost money. the States are waiting for us to provide them with the money to keep their programs going. The rapid reauthorization of this legislation is essential to the stability of these critical highway and mass transit projects.

As a member of the Public Works and Transportation Committee that developed this legislation mandating the 5 year extension of our highway and mass transit programs, I strongly support the conference committee agreement. This important bill addresses the increasing transportation needs of the country. It ensures that progress made on our Nation's transportation systems will continue long into the future.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in strong support of the conference report on H.R. 2, the Surface Transportation Assistance Act of 1987, and wish to commend the leadership of the Public Works and Transportation Committee for bringing back from conference such well-crafted compromise legislation. Chairmen JIM HOWARD and GLENN ANDERSON and my ranking colleagues JOHN PAUL HAMMERSCHMIDT and BUD SHUSTER deserve our thanks for their diligent efforts in forging a bill that will improve America's interstate transportation system as well as her local mass transit service.

I am particularly pleased by the conferees' reasoned approach to the Buy America provision of the bill. Though I support Buy America, I alerted the committee to the basic unfairness of raising the current 50 percent requirement to 85 percent overnight. Many foreign companies that invested millions of dollars in the United States and created thousands of American jobs came here after State and local governments offered incentives to bring them to our shores. These companies invested here in good faith and relied on the stability of the 50 percent Buy America provision now in existence.

Thus, I congratulate the conferees for mandating an increase in the Buy America formula without endangering existing rolling stock manufacturers. My constituents appreciate your efforts and owe their jobs to your careful work in the conference.

Likewise, Mr. Speaker, I wish to make clear my continued interest in a balanced, professionally crafted study by the Transportation Research Board of the National Academy of Sciences pursuant to section 158 of the conference report. It is important that the TRB study focus on the range of regulatory alternatives to existing Federal bridge formula and weight limits as they apply to specialized hauling vehicles. Specialized hauling vehicles, which play an integral role in intrastate and interstate commerce, are wheeled vehicles that carry bulk materials—gravel, cement, trash, scrap, et cetera. These vehicles:

Have heavy tare weights attributable to specialized equipment and/or structural design;

Are designed to maximize maneuverability when operated on-road and off-road, on urban streets and in narrow alleys, and at construction sites and other similar operating situations in which configurations of longer vehicles with additional axles is not feasible because of the need for maneuverability; and,

Are not capable of compliance with the Federal bridge formula when fully loaded to rated capacity.

While bridge and road safety and pavement preservation are paramount in my mind, it is critical to the objectivity of the study that it include all of the following:

An analysis of alternative methods of determining a gross vehicle weight limit and axle loadings for all types of motor carrier vehicles operating on the Interstate System;

An analysis of the effects of enforcement on the Interstate System of the bridge formula contained in section 127 of title 23, United States Code, in view of current vehicle configurations—giving particular attention to specialized hauling vehicles—pavement and bridge stress in accord with 1987 design and construction practices, and existing bridges on the Interstate System;

Recommended treatment for specialized hauling vehicles that do not comply with the Federal bridge formula; and,

Identification of optimal axle loading and spacing requirements taking into account all costs and benefits to business, government, and the general public.

I appreciate the conferees hard work, and am pleased that the 1987 highway construction and repair season will be able to proceed with minimum disruption. Mr. Speaker, I urge my colleagues, as well as the administration, to support this bill so that we may move on to some other very pressing issues on the national agenda.

Mrs. LLOYD. Mr. Speaker, I rise today in support of the conference report on H.R. 2, the Surface Transportation Act. I pledge to continue my strong support for the maintenance and growth of our great highway system, and I urge my colleagues to vote for the conference report so that we may resume distribution of these important Federal funds to State highway administrations as soon as possible.

It is imperative that we renew Federal funding to highway building programs quicky in order to avoid further delays and increased construction costs. We have succeeded in creating one of the greatest transportation networks in the world through our Federal Highway Program, and I am proud to raise my voice in support of this fine system. I urge my colleagues to expedite passage of this crucial legislation.

Mr. RITTER. Mr. Speaker, when I spoke during the debate on H.R. 2 on January 21, I urged prompt action and commended Public Works Committee chairman and vice chairman, JAMES HOWARD and JOHN PAUL HAMMERSCHMIDT, as well as the Surface Transportation Subcommittee chairman and vice chairman respectively, GLENN ANDERSON and BUD SHUSTER for moving the bill to the front of our agenda. I also called upon our colleagues in the other body to not only take quick action but to adopt a comprehensive bill. I promised to make every effort to protect demonstration projects in conference and I am grateful for the cooperation of the conferees.

I admit I had a special interest in the proposed Basin Street underpass in Allentown, PA, because my predecessor and I had been continually frustrated in our legislative efforts to eliminate the problems at three Conrail rail crossings. Basin Street was a major bottleneck point in the city for over 20 years and the traffic problems had become severe. I am naturally delighted the $6 million Basin Street project is in the conference report but am also pleased many other demonstration projects were included. I have always emphasized that another route to help correct U.S. infrastructure including road and bridge problems is by way of the demonstration projects. Construction made possible by these projects will result in significantly improved safety, economic, and environmental impact.

The conference report provides for $600,000 a year over the 5-year authorization amounting to $3 million or 50 percent. An additional 30 of the 80 percent Federal funding is provided from the Secretary's discretionary fund totaling $1.8 million. The balance of $1.2 million, or 20 percent, will be provided by the State according to the agreed on formula. PennDOT has included Basin Street in their 12 year plan and I can point with pride to our Allentown and Lehigh County effort of budgeting 10 percent or $600,000 for fiscal year 1987.

I know it takes time to complete surveys, design, and environmental studies but it looks like we really made it this time. Mr. Speaker, in the not too distant future, those from the Lehigh Valley and motorists coming to our area will no longer be singing the "Basin Street Blues."

Mr. **ANDERSON**. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. WALKER

Mr. **WALKER**. Mr. Speaker, I offer a motion to recommit.

The **SPEAKER** pro tempore. Is the gentleman opposed to the conference report?

Mr. **WALKER**. Yes, I am, Mr. Speaker.

The **SPEAKER** pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WALKER moves to recommit the Conference Report on the bill, H.R. 2, to the committee on conference.

The **SPEAKER** pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. **WALKER**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point or order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of the adoption of the conference report.

The Sergeant at Arms will notify absent members.

The vote was taken by electronic device, and there were—yeas 25, nays 401, not voting 7, as follows:

[Roll No. 33]

YEAS—25

Armey
Badham
Brown (CO)
Cheney
Coble
Crane
Dreier
Gregg
Herger
Hunter
Hyde
Inhofe
Kyl
Lagomarsino
Lukens, Donald
Lungren
Mack
McMillan (NC)
Sensenbrenner
Shumway
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stump
Walker

NAYS—401

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
LaFalce
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKinney
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—7

Collins
Daniel
Kemp
Lowery (CA)
Stark
Tauzin
Traxler

□ 1620

Messrs. **EDWARDS** of California, **KONNYU**, **BURTON** of Indiana, and **KLECZKA**, Mrs. **VUCANOVICH** and Mr. **SAVAGE** changed their votes from "yea" to "nay."

Messrs. **DREIER** of California, **KYL**, **INHOFE**, **COBLE**, **ROBERT F. SMITH**, and **GREGG** changed their votes from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The **SPEAKER** pro tempore (Mr. KILDEE). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. **HOWARD**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. The Chair wishes to remind Members that this is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 407, nays 17, not voting 9, as follows:

[Roll No. 34]

YEAS—407

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKinney
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (FL)

NAYS—17

Brown (CO)
Buechner
Crane
Dreier
Gregg
Herger
Lagomarsino
Lungren
Mack
Sensenbrenner
Shumway
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stump
Walker
Williams

NOT VOTING—9

Beilenson
Collins
Daniel
Kemp
Lowery (CA)
Stark
Tauzin
Traxler
Young (AK)

☐ 1630

Mr. DORNAN of California changed his vote fom "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

☐ 1640

MAKING A CORRECTION RELATING TO THE MAXIMUM SPEED LIMIT, IN THE ENROLLMENT OF H.R. 2

Mr. GRAY of Illinois. Mr. Speaker, pursuant to House Resolution 124, I call up the concurrent resolution (H. Con. Res. 77) to make a correction relating to the maximum speed limit, in the enrollment of the bill H.R. 2, and ask for its immediate consideration.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 77

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill (H.R. 2) to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

(1) At the end of title I add the following new section:

SEC. 174. FIFTY-FIVE MILES PER HOUR SPEED LIMIT.

(a) IN GENERAL.—Subsection 154(a) of title 23, United States Code, is amended—

(1) by inserting "other than a highway on the Interstate System located outside of an urbanized area of fifty thousand population or more, (2) a maximum speed limit on any highway within its jurisdiction on the Interstate System located outside of an urbanized area of fifty thousand population or more in excess of sixty-five miles per hour" immediately after "hour"; and

(2) by renumbering "(2)" as "(3)" at the two places "(2)" appears.

(b) CONFORMING AMENDMENT.—Subsection 154(f) of title 23, United States Code, is amended by inserting "on public highways with speed limits posted at fifty-five miles per hour" immediately after "hour".

(2) In the table of contents contained in section 1(b) of the bill, add at the end of the portion relating to title I the following:

"Sec. 174. Fifty-five miles per hour speed limit."

Mr. GRAY of Illinois (during the reading). Mr. Speaker, I ask unanimous consent that the concurrent resolution be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. KILDEE). Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 124, the gentleman from Illinois [Mr. GRAY] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

Is the gentlemen from New Jersey [Mr. HOWARD] opposed?

Mr. HOWARD. I am, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. HOWARD] will be recognized for 30 minutes.

PARLIAMENTARY INQUIRY

Mr. HAMMERSCHMIDT. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HAMMERSCHMIDT. Mr. Speaker, my parliamentary inquiry is this: It is my understanding, Mr. Speaker, there is 1 hour of time under the rule, and it will be divided 30 minutes to the gentleman who offered the resolution, Mr. GRAY of Illinois, and 30 minutes to the proponent of the 55-

mile-an-hour position, Mr. Howard, the chairman of the committee.

Is that correct, Mr. Speaker?

The SPEAKER pro tempore. The gentleman is correct.

Mr. HAMMERSCHMIDT. I thank the Chair.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois [Mr. Gray].

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois [Mr. Gray].

Mr. GRAY of Illinois. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, 13 years ago, in 1974, our distinguished chairman and our dear friend, the gentleman from New Jersey [Mr. Howard] offered a bill that was adopted into law limiting the speed limit across this Nation to 55 miles an hour.

I want to compliment him, it was badly needed at that time, because we had an energy crisis; but like so many other things in this country things change, times change; it is an antiquated law and it should be changed.

The resolution before us is very simple. It is an up-or-down vote on whether or not we allow the States to be permissive, not mandatory—I want to reemphasize, be permissive in changing the speed limit upward to 65 on rural interstates only.

In the next hour, I think you will learn that the American Automobile Association is for changing it, they have millions of members; the Governors Association is for changing it; the President of the United States is for changing it; the Department of Transportation is for changing the speed limit; and 68 percent of the American people on all polls have indicated that they are not adhering to the 55, and on rural interstates they feel that it should be changed to 65.

Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. Shaw].

Mr. SHAW. Mr. Speaker, I thank the gentleman from Illinois for giving me this time.

I, too, would like to compliment the chairman of the full Committee on Public Works and Transportation for not only his great effort in bringing about very needed legislation in 1974, but also in bringing something or allowing something to come to the House that I know he feels so strongly about.

We have crafted an excellent highway bill, and this has been a bipartisan effort, and it has been the bipartisanism with which is in the Committee on Public Works and Transportation, is certainly due to the engineering of the chairman of the full committee.

This is a law whose time has come to change. Change sometimes is very difficult; however, it is very necessary. In this instance, and before each of you, my colleagues, files your vote at the end of the hour of debate that we have set aside, ask yourself but one question: If you exceed the 55-mile-an-hour speed limit, do not vote to keep it? If you have exceeded the 55-mile-an-hour speed limit, then vote to allow the States to work their will on this legislation and increase the speed limit to 65 in those areas where it is safe.

Mr. GRAY of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. Williams].

Mr. WILLIAMS. Mr. Speaker, my colleagues, America is many varied, different places, with differing needs, various demands, changing requirements, and through the years as Congress has adopted legislation we tried to adapt it to the various needs and demands of this country.

America is a place of many kinds of geography. America is a place of many, many different kinds of highways. Rural America does not have a beltway; you cannot stand on the highway out in Montana and watch the beltway curve; but you can do this: You can stand on the highway, and I swear to you, you can see the Earth curve out at the end of that highway, 60 miles of straight stretch, and sometimes you traverse that entire 60 miles and you only pass two cars.

My friends, on the way to talk to 20 people in Montana, I run over 15 jackrabbits. Do we have a high death rate on some of these rural highways? Yes, we do, but it is not related to traffic; it is not related to speed; it is related to things like the winter and terrible icy conditions.

Respect the differences in this country. Respect the different transportation needs by supporting this piece of legislation.

Mr. GRAY of Illinois. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Utah [Mr. Hansen].

Mr. SHUMWAY. Mr. Speaker, will the gentleman yield?

Mr. HANSEN. Mr. Speaker, I yield to the gentleman from California.

Mr. SHUMWAY. Mr. Speaker, I rise in strong support of the concurrent resolution.

Mr. Speaker, today Members of the House will have an opportunity to return to the States a right guaranteed them under the Constitution. I am referring to today's vote to allow States to set the maximum speed limit on rural highways within their borders.

The current, federally mandated speed limit is a classic example of violation of the 10th amendment, which was designed by the Founding Fathers to grant States all powers and rights not expressly reserved for the Federal Government. In my view, it is ludicrous to suggest—as Congress has done by reserving this power unto itself—that States are not as capable as the Federal Government of evaluating local traffic, road conditions, and statistical information. States are as responsive to constituents as Congress, and I believe even more qualified to resolve their highway problems, simply because they're closer to them.

I am not arguing for or against a higher speed limit per se. Rather, I am speaking in strong support of allowing States to weigh suggestions that "55 saves lives," as stated on a popular bumper sticker, against data from the Federal Highway Administration indicating that highway fatalities have decreased in spite of an increase in driving speeds. Protecting life through sound traffic laws is a goal shared nationwide, but cannot be accomplished through imposing an inflexible national standard which is unresponsive to local traffic conditions. Rather, the way to assure the safety of our Nation's highways is to permit State and local officials to evaluate the traffic conditions and set speed limits accordingly.

Let's return to the States a right which has traditionally and constitutionally been theirs: the right to set highway speed limits.

Mr. HANSEN. Mr. Speaker, in 1974 we passed this mandatory law which changed the speed limit. Now it is 1987. This thing was a good law at the time; it was probably the right thing to do, and I commend those who passed it.

However, Mr. Speaker, it has outlived its time; it is now time for the people to change it. I remember distinctly the Governor of Utah, many years ago when I was in the legislature making the statement, and he was quoting Abraham Lincoln, and he said: "Don't pass laws people won't obey."

I think we have a classic one that people will not obey. In this next hour, we will hear many statistics about what is right and what is wrong, and let me just say frankly, it is like being in a lawsuit: You listen to the plaintiff's attorney, the plaintiff's doctor, and he says one thing; you believe another. We will hear those statistics.

The cold facts are, we have a law that people across America do not feel is one they can live with. In my own State, we are sometimes criticized for having the second highest rate of fatalities out in the remote areas. Let me say, we do not have an emergency hospital. They are going to be in the ambulance for 2 or 3 hours before they have the opportunity of getting to a hospital.

Those of us who live in the West do not see why we have to have those in the East have the same kind of doctrine that we are controlled by. The Hansen-McCurdy amendment that we put in earlier, and came within 20 votes of passing; it was the type of thing we have now. I do not see the great difference, even though that will be brought up.

It is to the prerogative of the State. In my humble opinion, the State legislative bodies are very qualified to determine whether or not it should be changed.

Last night, if you watched Channel 7, you noticed they were very critical of the change here in Washington. I agree; Washington, New Jersey, and those areas should keep it at 55, and they should enforce it.

Let me just say this, Mr. Speaker. We get a lot of information like, well, if we move it to 65, we will just drive 70. That does not hold.

Let me just end with this and say; Lincoln also said: The best way to defeat a rule is to strictly enforce it. If we did that, we would be overwhelmed with the public outcry.

□ 1650

Mr. GRAY of Illinois. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Speaker, I rise in support of the principles of federalism and urge my colleagues to adopt the great provision to allow the States to raise the speed limit to 65 on rural interstates.

Mr. Speaker, the time has come to permit the States, in consultation with the Secretary of Transportation, to raise the speed limit to 65 miles per hour on rural interstates. There are several reasons why this makes good sense.

First, notwithstanding the interstate nature of the highway system, traffic laws are uniquely local and reflect differences which clearly exist in driving practices. It is one area of laws that has not been ceded to the Federal Government and for good reason. Each State is uniquely different in terms of highway systems.

It makes sense in my State of Kansas where long stretches of highway and lower volumes of traffic are prevalent to raise the limit to 65 miles per hour on nonmetropolitan interstates. It might not make sense on highways that run through major cities and have a high volume of traffic. Whatever the circumstances, all interstate highways were designed to safely accommodate speeds of 70 miles per hour, and States should have the right to determine where speed limits up to at least 65 miles per hour can be safely allowed.

Second, circumstances have changed since the 55-miles-per-hour speed limit was first adopted in 1974. Studies by the National Research Council have found that there is no statistically significant relationship between average speed and the fatality rate on any given highway. This is also true for other speed measures as well as percentage of drivers exceeding 55 miles per hour or even 65 miles per hour. Also, they found that the average fatality rate among States is lowest on rural interstates yet rural interstates have the highest average speed and have the highest percentage of drivers exceeding the speed limit.

What we are asking for today is not a repeal of the speed limit on all highways, but a modification of the law to recognize the unique nature of rural interstates where the Federal safety standards are high and the traffic count and fatality rates are low. I urge my colleagues to support House Concurrent Resolution 77.

Mr. HOWARD. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SHUSTER], the ranking Republican member on our subcommittee.

Mr. SHUSTER. I thank the chairman.

Mr. Speaker, I had hoped to be able to take this well today to support a 65-mile-per-hour speed limit. I had hoped to be able to take this well today and support that speed limit because we in the conference had coupled it with a seatbelt law, that we had said that the States could if they so chose go to 65 on rural interstates if they coupled it with a seatbelt law.

Unfortunately, that is not what the conference did. Indeed since last October up through the conference I have been proposing this compromise and I think it is a reasonable compromise. In fact, the National Safety Council and others tell us that if you go to the 65-mile-per-hour speed limit, you will kill about 500 more people on the rural interstates per year. But if you go to the seatbelt law, you will save 1,700 lives per year. So had we been able to accept that compromise of seatbelts with 65, we would be coming here today with a net safety savings of over 1,000 lives per year.

But unfortunately, the conference did not agree to that. So we are faced today not with a safety oriented provision, but rather simply going to 65 and accepting the evidence, the estimates of virtually all of the experts that this will bring about 500 more fatalities per year and more than 5,000 more serious injuries. So I find myself sadly in the position of having to oppose this straight up-or-down vote today.

Mr. Speaker, there is a fiction floating around this floor which goes something like this: That the debate today turns on whether people are going to drive 55 miles an hour in accordance with the law or 65 miles an hour in accordance with the law. Unfortunately, that is not the reality. That is not the issue. The real issue is that historically on the interstates many people drive about 10 miles above the speed limit, the posted speed limit. In fact it even has a special name. It is called the truckers' 10.

The theory is that if you stay within 10 miles above the speed limit, you are not going to get caught due to the imprecision of the equipment that the State police have and due to the State police being willing to go after the high speeders rather than those who stay within that so-called truckers' 10.

So the argument today is not whether people are obeying 55 or whether they will obey 65; the argument is what will they really be driving out there on the interstates? The evidence is overwhelming. Today at a 55-mile-an-hour posted speed limit, they are driving at 65 and they will be driving over 70 and therein lies the rub, therein lies the safety problem.

It is true that the interstate was built to go 70 miles an hour. It is true many cars are built to go 70 miles an hour. The problem is our bodies are not built to sustain the kind of injuries that one gets at those high speeds, unless we have a seat belt on.

So it is with a certain sadness that I find myself not being able to support what I had hoped would be a reasonable compromise because we have an issue before us which is antisafety, which in no way comes to grips with the very real lifesaving, injury-reducing issue. It is for that reason that I must oppose this proposal which is before us today.

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. SHUSTER. If I have the time, I yield to the gentleman from California.

Mr. LUNGREN. I thank the gentleman for yielding.

Mr. Speaker, I understand the comments of the gentleman, but if in fact we are concerned about safety and having people go 55, why do we not then adopt a proposition that 45 be the speed limit?

The concern I have frankly is that you are forcing many of us in this country to be hypocritical. We know we go over 55. Many people, many highways, the average rate of speed is over 55.

Mr. SHUSTER. If I might reclaim my time, if the gentleman wishes to offer that proposal, I am sure the committee will consider it.

Mr. GRAY of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. I thank the gentleman for yielding.

Mr. Speaker, I think it is important at the start of this debate to make clear precisely what this vote is and what it is not. This vote and this issue is not a retreat to the old speed limits, the old 75-mile-per-hour speed limit on the interstates, the old 65-mile-per-hour speed limits on the two-lane highways during the day. This is not a vote on a retreat to the speed limits of yesterday. This is a vote on giving State governments in certain defined areas of this country the option, if they choose, to nudge up the speed limit slightly on interstate highways. That is all this is. Some will say this bill, this amendment, increases the speed limits. It does not.

This gives State governments the opportunity to determine on interstate highways in defined rural areas whether they think it appropriate to increase slightly the speed limit on those interstate highways.

Now, I live in a Midwestern State, sparsely populated. Frankly, I think the 55-mile-per-hour speed limit has been good for this country. It has saved energy, it has saved lives and I have generally supported it. But in my judgment, there is a difference, in various roads around this country; a difference, for example, in getting on the interstate highways to travel from Washington, DC, to Baltimore. It is a 38-mile trip on heavily traveled interstate highways, as opposed to getting on the interchange at Buffalo Gap, ND, and getting to drive to Fargo, ND, a drive of several hundred miles on lightly traveled roads designed for safety at well above 55-mile-per-hour.

It seems to me we must take account of those differences. That is precisely what this amendment does. This amendment is not saying, let us go back to the old days, let us create drag strips on the interstate.

This amendment very moderately says, let us allow State legislators to make decisions on whether on rural interstate highways they would like to increase ever so slightly that speed limit. That is exactly what this issue is, no more, no less, and I hope you will support this amendment, a good amendment.

Mr. HOWARD. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. ANDERSON], the chairman of our Subcommittee on Surface Transportation.

Mr. ANDERSON. Mr. Speaker, I rise in opposition to the resolution offered by my friend from Illinois. As one who has lived his entire life in California, perhaps the single State most closely identified with automobiles and freeways, I recognize that 65 miles per hour on many freeways is a simple fact of life.

But each one of us in this chamber must recognize a second basic truth, that raising the speed limit will increase the number of deaths and crippling injuries resulting from traffic accidents. We recognize this as fact, but the resolution before us does not.

If there is to be a speed increase, and I am not opposed to one, it must, and let me emphasize this, it must be coupled with countervailing safety measures that a State would have to adopt to offset the deaths and injuries resulting from an increase.

The resolution before us simply and flatly fails that. So what I ask of my colleagues is this: Vote "no" on the resolution that is before us. Let us not adopt, in haste, a clearly imperfect Senate proposal, a proposal which fails to include a sanction against States which do not adequately enforce the 65 mph limit on any routes on which the higher limit is implemented.

Give us a chance to go to committee and craft a provision that may provide States with flexibility to increase their speed limit, but not the flexibility to increase by thousands, over the years, the number of people who die on our Nation's highways.

Give our committee the opportunity to succeed in this effort, an effort I should hasten to add which has begun at this morning's hearing. But even if we do not succeed, our failure will not add to the Nation's highway carnage. Anyone here who fails to oppose this resolution will not be able to say this much.

I urge a "no" vote on the resolution.

□ 1700

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON. I yield to the gentleman from California.

Mr. LUNGREN. Mr. Speaker, as the former Lieutenant Governor of the State of California, are you telling us that the Governor and the Lieutenant Governor of the State of California and the State legislature do not have enough ability to make decisions as to what the speed law ought to be on the highways of our home State?

Mr. ANDERSON. No; but I would say that it is up to our responsibility, when we pass a law as dangerous as this one can be, to at least put in those provisions giving them certain guidelines to make sure that they follow them.

Mr. GRAY of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, there are several reasons why we need to raise the speed limit on rural interstates to 65 miles an hour.

First, hardly anyone is obeying the 55. Our cops should be chasing robbers and drug dealers, not those going 56 miles an hour.

Second, for rural, and Western States, it has been a big burden, losing money and infringing upon people's rights.

Third, circumstances have changed since we enacted the 55. There is no more shortage, and there have been many safety devices on automobiles to lessen the safety hazards.

Mr. Speaker, this provision permits freedom of choice. If you are from New York and want to go 55 on Fifth Avenue, fine. If you are from Chicago and want to go 55 on Michigan Avenue, fine. If you are from Beverly Hills and want to go 55 on Rodeo Drive, fine. Just do not tell those of us from New Mexico and other rural States to go 55 when it should not be.

Mr. Speaker, this amendment permits that choice.

Mr. Speaker, I submit further information for the RECORD:

NEW MEXICO

New Mexico exceeds the current speed limit 50.9% of the time.

New Mexico has over 11,700 miles of highway.

SUPPORT

The National Governor's Association has voted overwhelmingly to accept the responsibility for the speed limit.

President Reagan is open to proposals to change the speed limit.

The Senate voted to raise the speed limit.

A major study released by the National Academy of Science—a decade of experience, recommends that States relax the speed limit on noncongested, rural highways. Stating that this "would probably not have a proportional impact of safety.

The study found that compliance has decreased marketedly in recent years.

Prior to 1973, speed limits were considered to be something best established and enforced by States, not the Federal Government. We should take this opportunity to get big brother off the backs of the American people.

When the 55-mph speed limit was enacted in 1974 (13 years ago), the primary selling point was energy conservation—this does not hold true today.

COSTS

Fuel savings—a motorist might save $5.00 in gasoline cost on a 550-mile trip by traveling at 55 mph instead of 65 mph, however, the trip would take two hours longer. Therefore, if the motorist's time was valued at more than $2.50 per hour, he or she would lose by traveling at the lower speed of 55 mph.

Hours—the cost of the national speed limit is estimated to be one billion hours per year.

SOME HIGHER LIMITS SHOULD BE TESTED

Until last year, 90 percent of Maryland's motorists drove too fast. When it came to obeying the speed law, they had the USA's poorest record. Suddenly that record improved.

But Maryland's drivers hadn't eased up on the gas pedal. State officials, facing a loss of federal highway money because so many drivers were speeding, just monitored traffic where people weren't as likely to speed. That fixed everything—on paper.

Maryland's not alone. Ninety percent of motorists on some California highways go too fast. More than 50 percent of Arizona's drivers speed. About half the drivers in Montana, Florida, and Vermont break the speed limit law, too.

They're examples of the hypocrisy encouraged by the 55 mph speed limit imposed during the mid-70s fuel crisis. It has become the most flouted law since Prohibition.

The nation's governors and legislators want to set speed limits on their own roads. President Reagan agrees.

That puts more pressure on Congress to back off the 55 mph speed limit. The House is scheduled to vote Wednesday on a proposal to let the states raise the limit on about 80 percent of the 43,000-mile interstate highway system. The Senate already has approved the hike.

Many motorists are already voting with their feet on the accelerators. But you know that if you drive at 55. You know about blinking headlights, tailgaters, and single-digit greetings from scowling motorists as they roar past.

When the Middle East oil embargo cut down oil supplies, U.S. drivers made the sacrifices they were asked to make. They did it reluctantly. But they did it: They drove less, and they slowed down. They saved fuel.

As a bonus, 30,000 lives were also saved.

But now oil is becoming abundant again—and cheaper. Many motorists feel that the 55 mph limit is an unwarranted infringement on their rights.

It would be wrong to let public opinion polls favoring higher speeds stampede us into tearing down the 55 mph speed limit signs.

But those who insist that the speed limit should not be raised under any circumstances ignore the possibility that higher speeds can be tested in some areas.

The federal government should experiment to see if speed limits can be tailored to the diverse needs of motorists and the diverse driving conditions from Wyoming to New Jersey, Florida to North Dakota. Higher limits could be tried out on lightly traveled interstates.

Some drivers in some vehicles on some highways can be safe at speeds higher than 55. But that shouldn't be the green light to turn our highways into raceways.

State and local officials should recognize that tests raising the speed limit will not lower their responsibilities. More traffic enforcement, not less, will be required.

Throughout the tests, safety should prevail. If the higher speeds prove unsafe, revive 55. If they prove safe, raise limits in every area where it's judged not to be dangerous.

Safety, not popularity in the polls, should be the test.

GIVE SPEED LIMITS BACK TO THE STATES

BISMARCK, N.D.—The straight flat highway between North Dakota's two largest cities, Bismarck and Fargo, is Interstate 94.

It has no mountains, curves, or significant hills, and very sparse traffic.

In my hundreds of trips along I-94, I have never come upon an accident.

I-94 is a highway that traverses the "wide-open spaces" that we North Dakotans are fiercely proud of. A drive on I-94 can be peaceful and, in the subtle way of the Prairie, even scenic. But I-94 is no place to be driving 55 mph.

The North Dakota Legislature realizes this, of course. It has passed a statute that limits the fine for driving up to 70 mph to the rather minor sum of $15.

But the North Dakota Legislature is not free to set the speed limit. Congress has set 55 mph as the nationwide speed limit. Any state that sets a speed limit over 55 mph loses some of the federal highway funding that states rely on to maintain and update their highway systems.

The real issue is not whether Congress should set the speed limit at 55 mph, 65 mph or even 75 mph. The real issue is whether Congress should be setting the speed limit at all.

Every congressman and senator who believes that the federal government should be mandating nationwide speed limits should be forced to drive the 200 miles of I-94 between Bismarck and Fargo at 55 mph.

The men and women who sit in the North Dakota Legislature do travel our state's highways regularly. They are in a far better position to determine the appropriate speed limit on those roads than are the senators and congressmen in Washington, most of whom have never even set foot in North Dakota.

Unfortunately, sitting in the U.S. Senate or House of Representatives frequently causes one to believe that only Congress is wise enough to make difficult policy decisions.

Only a lawmaker whose vision is clouded by such elitism could believe that the federal government should be setting the speed limit at the same level for an uncrowded interstate in North Dakota, a winding two-lane mountain road in Colorado, and a jammed 12-lane superhighway in Southern California.

Of course, I don't really expect every senator and congressman to drive I-94. That would be silly. But having those senators and congressman determine the speed limit for I-94 is every bit as silly.

Mr. HOWARD. Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. HAMMERSCHMIDT], the ranking Republican member of our full committee.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in strong opposition to the resolution. While it may be popular to raise the national speed limit to 65 miles per hour on rural interstates, there is every reason to keep the current 55-mile-per-hour limit in place.

Realistically, we are not even talking about 65 miles per hour and 55 miles per hour; we are talking about roughly 62 and above and 72 and above. If many drivers are not observing the present maximum speed limit—and indications are they are not—is there any reason to suppose they will suddenly start observing an even higher limit? Just this morning the media carried interviews of motorists stating they would drive 75 to 80 if the limit is raised to 65.

Notwithstanding the desire or impatience of some to raise the speed limit, the facts clearly show that the 55-mile-per-hour limit saves both lives and fuel. If there is a greater consideration than either of these, I have yet to hear it.

The current speed limit, in combination with safer vehicles, improved highways, and other safety advances, saves an estimated 2,000 to 4,000 lives per year. Since it has been in effect, the 55-mile-per-hour limit has saved a minimum of 26,000 lives. It also prevents some 2,500 to 4,500 fewer serious injuries and 34,000 fewer minor and moderate injuries each year.

Interestingly enough, fatality rates on rural interstate highways are higher than the national average. The National Academy of Sciences estimates that raising the speed limit on these interstates would mean 300 to 400 additional deaths each year. And when we speak of making this exception for rural interstates, we are talking about potentially raising the speed limit on over 70 percent of the Interstate System.

From a cost-benefit perspective, raising the speed limit to 65 miles per hour still does not measure up. Estimates are that the 55-mile-per-hour limit reduces medical bills, legal costs, and costs of motor vehicle damage by $122 to $240 million annually.

At today's hearings on the speed limit, an American Trucking Associations witness stated that, for his company, their success in reducing accidents is directly related to their commitment to the 55 miles per hour speed limit. In April 1981, they introduced a speed limit policy and those actions were based not on 55 being the law of the land, but on the reality that 55 would save lives and money. Their safety record has been astounding—a 437-percent decrease in serious accidents, comparing the year 1982 with 1986. And this is a company that travels 50 million highway miles annually.

This company official said that an accident investigation they commissioned after a major 1979 accident, involving a front tire blow-out on one of their tractor trailer combinations concluded, due to the inertial forces associated with increased speed, the controlability of a heavy vehicle is exponentially decreased as speed is increased. Further, the reduction in controlability of the vehicle becomes critical at speeds over 60 miles per hour. This can determine the difference between a major accident or minor incident in the event of a front-end blowout or sudden evasive action.

So, if the limit is raised, major truck accidents are going to increase and the motoring public is going to be the loser.

The case for retaining the 55-mile-per-hour speed limit is as strong as one could possibly be, and I believe that this will be confirmed in the hearings on this issue being held by the Public Works and Transportation Committee today and tomorrow. Accordingly, I urge my colleagues to keep it right where it is by rejecting this resolution.

Mr. GRAY of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Idaho [Mr. STALLINGS].

Mr. STALLINGS. Mr. Speaker, today, Congress renews its efforts to change the national mandatory 55-mile-per-hour speed limit. This is an issue of vital importance to thousands of Idaho citizens.

I am pleased to join with many of my House colleagues to express support for raising the speed limit. It is important to recognize that our legislative efforts would only give States the option to raise the speed limit on selected roads that can safely handle higher speeds.

A national, uniform speed limit is no longer practical in many rural areas. The law must be changed before it becomes irreparably weakened by public criticism and widespread noncompliance.

Many of us here today have been urged by our constituents to change the speed limit law. I firmly believe that a majority of Idahoans favor a higher speed limit.

The current speed limit is not being obeyed or enforced. Noncompliance on the Interstate Highway System continues to increase. It only breeds disrespect for the law and does not set a very good example for our citizens, particularly our young people.

By not recognizing our country's regional diversity on our highways, the law forces millions of law-abiding citizens into noncompliance.

The federally mandated speed limit is an unnecessary and unreasonable intrusion into States' rights. Especially in the case of rural States where there are long distances between towns, it is inappropriate for the Federal Government to dictate speed limits.

Too many decisions are made by the Federal Government that could better be made at the State and local level. Highway speed limits should be determined by officials who better understand traffic volumes, road conditions, and other local factors in their own areas.

Setting a higher speed limit on rural interstates would allow a majority of motorists to comply with the law while still driving at safe and reasonable speeds.

It does not make sense to have every highway in the country posted at 55 miles per hour or below. The current law has served its original purpose as an emergency fuel conservation measure during the energy crisis of the seventies.

Adoption of legislation would also make speed limit laws more enforceable. It would allow State enforcement agencies to operate in a more efficient and effective manner by directing more effort and attention on other safety programs, such as the prevention of drunk driving.

Compliance of any speed limit depends on the States for enforcement. Thirty-two percent of State of Idaho law enforcement is being used on the rural interstate where only 22 percent of the fatal accidents occur.

This imbalance of resources is being caused by the necessity to protect Federal funds rather than to direct law enforcement to work in high accident locations on the noninterstate highway sections.

The U.S. Department of Transportation has threatened to withhold Federal highway funds from States, found to have inadequately enforced the speed limit. Thus, many States are forced to choose between saving lives or protecting against the loss of Federal funds.

Furthermore, I do not believe that highway safety would be adversely affected by raising the speed limit. In Idaho where we have 577 miles of rural interstate highway, the trend of fatalities has held constant since 1979, while the speeds have increased for the same period of time.

The assumption that an increase in the speed limit from 55 mph to 65 mph will cause an automatic increase in fatalities is not supported in Idaho by the last 7 years of data.

We should not mandate a 65-mile-per-hour speed limit on all interstate highways. It should be up to each State to determine for themselves whether they want to raise the speed limit on their highways.

Legislative action to give States the authority and flexibility to determine safe speeds on their highways is long overdue.

Clearly, now is the time to work together to develop a national policy that better reflects the different driving conditions across the country.

Mr. GRAY of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. Mr. Speaker, we cannot pass laws in this body that become the law of the land that the American people will not voluntarily comply with and call that good law.

U.S.A. Today said today that 84.2 percent of the American people said this is not a law that we want to live with because it is not a practical law.

I find it interesting that if we move the 55-mile-an-hour speed limit to 65 miles an hour, that 500 lives will be lost, and yet the same gentleman who used that argument a few minutes ago, my colleague from Pennsylvania, said, "But everybody is already driving 65 miles an hour."

Now that is not logic, Mr. Speaker, that is a smoke screen for the reality of who has the bucks. That is the business we are in here, the bucks. We have the bucks so we have the power. We are telling State Governors and State legislatures and State departments of transportation, you will live by our law because we know better than you.

I do not think our Founding Fathers were wrong when they said, "An all inclusive consuming central Government must be limited and all other powers must reside with the States."

Let us return this optional power to the States today and admit that we are not all-wise, that just because we have the buck, we do not have all of the power. We do have responsibility for safety and security in our States with our legislatures, with our departments of transportation.

Let us be a little logical and understand the problems as they exist today and return to where we were but a few years ago.

Mr. LUNGREN. Mr. Speaker, will the gentleman yield?

Mr. CRAIG. I yield to the gentleman from California.

Mr. LUNGREN. Mr. Speaker, did the gentleman say that 84 percent of the American people would ask us to vote in favor of this proposition? Five out of six Americans?

Mr. CRAIG. Five out of six Americans are telling the chairman of this committee and others that they want the law to change.

Mr. GRAY of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. CRANE].

Mr. CRANE. Mr. Speaker, I rise in strong support of the resolution by my colleague, the gentleman from Illinois [Mr. GRAY] and express appreciation for this opportunity to comment briefly on the subject.

The issue has been raised here of so-called States' rights. We are celebrating our bicentennial year, and I think it is prudent for us to go back and reflect on what were considered functions for States, and this one indisputably was, the question of controlling speed limits, until 1974. We departed from that on the false assumption that we are going to be saving exhausting fuel supplies.

The U.S. Geological Survey just a year later came out and said that we had an estimated 185-year supply at those levels of consumption. There is no question in anyone's mind that it is necessary to maintain these as a means of conserving fuel.

Second, that is an individual decision. If you do not like what you pay for gas, cut your own limit back of your own volition. But, finally, on the question of saving lives, the fact of the matter is that as more and more people have become scofflaws, there has been a 25-percent reduction in fatality rates with the escalating speeds.

Mr. Speaker, I submit further information for the RECORD.

Mr. Speaker, the Founding Fathers wrote the Constitution with the clear intent of limiting the powers of the Federal Government. They believed that only by creating a system of checks and balances at the Federal level and likewise reserving extensive powers for the States could freedom and sound government be created and maintained. The U.S. Constitution carefully spells out this division, assigning to each a separate and distinct sphere of action. The 10th amendment provides that the powers not given to the Federal Government be reserved, or set aside, for the States. So long as the States do not violate the Constitution, they may conduct their internal affairs as they see fit; they generally have the power to regulate the health, safety, welfare, and behavior of their citizens. The Federal Government, on the other hand, was given the power to act for the Nation as a whole—among them to tax, to maintain an army, to conduct foreign affairs, maintain a system of justice, and mint a currency.

Mr. Speaker, setting speed limits clearly falls under the right of States to regulate the health, safety, and behavior of their citizens. I thus rise in strong support of this concurrent resolution to allow individual State governments to set their own speed limits on rural highways. It is an important first step in returning to States the full authority to set speed limits on all roads within their territories. Up until 1974, State governments had full authority to set their own speed limits.

But owing to the energy crisis, Congress felt it was in the national interest to usurp these State powers and enforce a national speed limit to save energy. But this usurpation of power, in 1974, was unjustified since the Federal Government did not have to dictate conservation to a free people at a time when pump prices were soaring.

State governments are simply more qualified to set speed limits than the Federal Government. State governments are closer to the people and more aware of local needs. There is every reason to believe that if maintaining the 55-mile-per-hour speed limit is truly a sound and popular idea, then State governments will do the right thing and maintain the status quo. Eastern States which have high population densities and relatively old roads could well retain the current speed limit. But if Western States such as Nevada and Wyoming, which have long stretches of open country roads and a citizenry supportive of higher speed limits, opt to raise the speed limit then so be it. Their elected officials are responsible to their constituents and they understand their own local needs better than bureaucrats in Washington.

In fact, State governments must have the power to set speed limits in order to carry out the wishes of their citizens. A majority of drivers in many Western States exceed the 55-mile-per-hour speed limit because they, obviously, don't agree with it. Roughly 54.6 percent of Arizona drivers and 54.2 percent of Nebraska drivers, for example, drive in excess of 55 miles per hour. The inability of these State governments to change the current law effectively makes average, law-abiding citizens into criminals simply because of their driving habits. As we learned from our experience with prohibition, the rule of law can only be maintained if the laws reflect the will of the people.

Additionally, this Federal attempt to save energy has been of limited value. The 55-miles-per-hour speed limit saves less than 1 percent of the fuel we use in the United States each year. You can improve fuel efficiency by 1 percent just by increasing the pressure in your tires. A 65 miles-per-hour limit would increase fuel consumption by approximately 10 million barrels per year, only reducing the energy savings of the 55 miles per hour limit by 17 percent. With present fossil fuel reserves expected to last well into the future, the issue of whether the 55 miles per hour speed limit conserves energy is moot. If conservation of energy really is a concern, alternative solutions such as reducing automobile weight would prove more pragmatic.

In a recent Wall Street Journal article, Damon Darlin argued that the national speed limit has had a minimal impact on the reduction of highway fatalities this country has experienced during the last 15 years. By citing statistics from the Department of Transportation, he indicates that factors such as improved medical service, better roads and vehicle characteristics, and even economic factors such as recessions, which reduce the number of cars on the road, have had the greatest impact on saving lives. In fact, as drivers started ignoring the double nickle soon after it was instituted the fatality rate actually dropped by more than 25 percent in the next decade.

According to a recent study conducted by the National Research Council, the 55 miles-per-hour speed limit may even be detrimental to safety on certain roads. This happens not because going faster is somehow safer, but because enforcement of the speed limit misallocates resources away from less-safe roads in favor of the vastly safer interstates. For example, rural interstates, which carry 19 percent of travel on highways posted at 55 miles per hour and which have the highest average speeds, only account for 9 percent of fatalities on roads posted at 55—and a much lower percentage if all roads are considered. By contrast, rural secondary roads carry only 30 percent of travel, yet account for 38 percent of fatalities.

In conclusion, it is high time for this body to pass this concurrent resolution and start the process of returning to States their lawful right to set their own speed limits. The current law needlessly forces the Federal Government to intrude into affairs which should be the sole concern of the States. I urge my colleagues to do the right thing and pass this concurrent resolution today.

□ 1710

Mr. HOWARD. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. OBERSTAR], a member of the committee.

Mr. OBERSTAR. Mr. Speaker, we Americans are a people of contradictions. We cherish life, yet we do not seem to want anyone telling us how to preserve it.

I am willing to let the other guy who wants to drive 65 or 85 kill himself, if that is the choice that person wants to make, but I do not want that car crossing over the median strip and going into my car or into someone else's car and destroying someone else's life. That is what happens when you go at that speed.

Fifty-five saves fuel. It also saves lives. Let us hear it from a Minnesota Highway Patrol officer who has been involved for many years protecting lives and promoting safety on the highways. He said:

> Jim, if we raise the speed limit to 65, people will drive 75. There is a whole generation of drivers out there who haven't experienced consistent higher speeds above 55 miles an hour. They don't know how to handle it.

He went on to say:

> It's the speed over 65 that kills. That is when you see the torn aortas when you go in to pull people from a wreck.

That is what we are talking about, saving lives, saving the innocent who do not want to be killed by someone else whose car went out of control because they could not handle that excessive speed.

Mr. Speaker, we are trying to save the innocent. Let us keep the 55-mile speed limit.

Mr. GRAY of Illinois. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, whether or not to raise the speed limit is not the question. It is, rather, whether or not to allow the States to continue to suffer the slings and arrows of outrageous domination by the Congress on States rights.

In a recent poll that I included in my questionnaire throughout the district where 215,000 households had the opportunity to answer this question, we got a representative sampling of more than 15,000 responses. The question was posed: "Do you favor a Federal law that allows the States to increase the 55-mile-per-hour speed limit?"

The response was no, 39 percent. And yes, and also yes but only on interstates, a combination of 60 percent.

So the people in our area—and I believe that is representative of 90 percent of the districts in the United States—say they favor allowing the States to decide their own fortunes with respect to the speed limit.

I myself am very wary of raising the limit from 55 to 65 for personal reasons, but I do believe I am properly reflecting the substantial majority of the people whom I represent in supporting this resolution and allowing Pennsylvania, in my case, and your States, in your case, to determine the future of this issue.

Mr. GRAY of Illinois. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Texas [Mr. BOULTER].

Mr. BOULTER. Mr. Speaker, our whole debate today boils down to one point: Who is best qualified to make the decisions that affect average citizens' daily lives?

This is no simple question. In fact, the framers of the Constitution labored long and hard over this particular point 200 years ago.

Let us not ignore the wisdom of the compromise forged in the constitutional convention. In the day to day lives of their citizens, the States are best able to, and should govern.

Rural Texas bears few similarities to downtown Manhattan. More vehicles cross the 14th Street Bridge here in Washington in a rush hour than make the drive between Amarillo and Wichita Falls in my district in a month. Conditions vary. Let's recognize that conditions among the several States do vary.

In making our regulations on other issues, we take into account varying conditions. We realize the differences between smokestack industries and cottage industries when we make our commerce laws. Why don't we on this issue?

There is little doubt in my mind that 55 saves lives and fuel in many metropolitan areas. But it is neither effective nor efficient to make policy for the whole Nation just by observing the conditions in one region.

Yet that is precisely what we have done. Today, let's allow the official with the best view of the situation to make the call. Let's follow the wisdom of our forefathers, which we did until 1974, and let more qualified State officials make the best decisions. I urge your support of this resolution.

Mr. HOWARD. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. LEHMAN].

Mr. LEHMAN of Florida. Mr. Speaker, I rise in strong opposition to the amendment, and in support of retaining the 55-mile-per-hour national speed limit.

I urge the Members to reject the emotional arguments that have been raised and base their decisions on common sense and the facts. Anyone who is old enough to remember when speed limits were 65 miles per hour or 70 miles per hour knows that many people also violated those speed limits. The main difference is that when those speed limits were exceeded, people were driving at 70 to 75 miles per hour instead of 60 miles per hour as they do now.

That difference is very important because, according to the National Safety Council, the chances of a person being killed in a car crash doubles with each 10 miles per hour of speed over 55 miles per hour.

I think there is little about that if we vote to raise the speed limit we are voting to kill and main more people. The number of additional deaths has been estimated by various groups to be between 500 to 1,000 extra deaths per year if we raise the speed limit to 65 on the rural interstates.

That is like casting a vote in favor of crashing one or two Boeing 747's every year.

We must also consider the dollar impact of this decision as well. As chairman of the Transportation Appropriations Subcommittee I can tell you that raising the speed limit is going to cost the Federal Government more in terms of support for emergency medical services, support for shock-trauma care, and a host of related medical infrastructure costs that would be necessary to take care of the increased death and injuries that will result on our highways. It costs this Government enormous sums to treat and rehabilitate the injured. According to the National Academy of Sciences, motor vehicle crash injuries cost the Federal Government about $7.5 billion and State governments about $3.5 billion in direct payments and revenue losses. The last thing we need now is to add to those costs.

Mr. Speaker, from a moral standpoint, from a cost standpoint, from a common sense standpoint, the national speed limit should not be raised. As the National Academy of Sciences says the 55 speed limit is "One of the most effective highway safety policies ever adopted."

I commend the gentleman from New Jersey [Mr. HOWARD] and the gentleman from Arkansas [Mr. HAMMERSCHMIDT] for rejecting efforts to raise the speed limit.

Mr. Speaker, there are many laws—especially traffic laws—that are not overwhelmingly popular. I do not think we will ever be able to convince all Americans that this speed limit—or any speed limit—is appropriate. But the fact that such laws may be unpopular to some is not a good enough reason in and of itself to change the law. And neither is the argument that this law ought to be changed because the highway patrol doesn't enforce it. The highway patrol does not make national transportation safety policy—the Congress does. The speed limit can be adequately enforced. There is no secret about how to do it.

We must not tamper with important laws that save lives. The proponents of raising the speed limit have not made their case.

I urge the amendment be defeated.

Mr. GRAY of Illinois. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Utah [Mr. OWENS].

Mr. OWENS of Utah. Mr. Speaker, as an old States-righter, I rise today to speak in support of the amendment to allow the States flexibility in the application of the Federal interstate speed limit. I want to congratulate and commend the chairman of the Public Works Committee, Mr. HOWARD, for accepting the Senate's position on the "four R" formula, which takes into consideration the needs of rural States like mine to maintain open highways with lighter traffic conditions. I also commend my colleague from Utah's First District, Mr. HANSEN, and my friend, the gentleman from Oklahoma [Mr. MCCURDY], and my friend, the gentleman from Illinois [Mr. GRAY] for their leadership on this amendment to permit the higher speed limit.

The State of Utah, like many Western States, has a few urban areas scattered across a rural countryside. I represent the people of Salt Lake County, the principal urban area. My constituents travel to and from work on interstates that will not be affected by this amendment. When they go shopping, they travel on interstates that will not be affected by this amendment. But when they travel to other cities, or to one of our national parks or recreation areas, or out of State, they travel on long, open stretches of highway. Utah has only 127 miles of urban interstate, but it has over 700 miles of rural interstate with lighter traffic conditions and very few interchanges. Why should the same speed limit be applied to these rural stretches of highway?

This amendment does not permit raising the speed limit on urban interstate highways. It does not require raising the speed limit on rural interstate highways. This amendment simply allows the States, with rural areas, flexibility in applying the speed limit. It allows people in States like Utah the ability to travel on urban highways at speed that is appropriate for urban highways, and on rural highways at a speed that is appropriate for rural highways. I urge your support for the passage of the amendment.

Mr. GRAY of Illinois. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Kentucky [Mr. HUBBARD].

Mr. HUBBARD. Mr. Speaker, I plan to vote for House Concurrent Resolution 77 because it is a step in the right direction toward returning to the States their jurisdiction in deciding questions of highway safety and speed limits on interstate highways.

The day-to-day responsibility for highway safety rests in the hands of the States. Yet they cannot make decisions on speed limits because we have a Federal law that says if you permit your citizens to travel faster than 55 miles per hour on your highways, the Federal Government will withhold important highway funds. So now, the States are getting smart in how they measure and certify their citizens are obeying the law. As recent articles in the Washington Post have reported, State officials are locating speed measuring devices at points along interstates where lower speeds occur naturally.

This has turned into a cat and mouse game that is wasting the taxpayers' money, money that could be better spent in safety checks of trucks or other highway safety programs that have a better payoff in terms of protecting the driving public.

An article in yesterday's USA Today by Stephen D. Easton, describes I-94 in North Dakota as a drive with the following: "No mountains, curves, or significant hills, and very sparse traffic." This is a four-lane highway linking Bismarck and Fargo. As a Member of Congress who has never had the opportunity to visit North Dakota, I do not feel that I am in a position to mandate to North Dakotans how fast they can drive on I-94. I am, however, an authority on I-24 from Paducah to Fort Campbell, KY, as are members of the Kentucky General Assembly. Why should Members of Congress be the ones to decide the speed limit in States which many of us have never visited? Many Governors and State legislators are in agreement with me that they are the ones most familiar with their State's roads and should be the ones to set their own speed limits. I sincerely believe that my senators and representatives in the Kentucky State Legislature will utilize their good judgment should they be given the opportunity to vote to allow an increase in the speed limit on rural interstates.

Further, my constituents have voiced their opinions of the 55-mile-per-hour speed limit. Taking a sample of 10,000 responses to a recent February 1987 questionnaire sent to my constituents, the results are clear. Seventy-two percent of my Kentucky constituents strongly favor raising the interstate speed limit in nonurban sections of interstate highways.

Western Kentucky is highly rural. The prospect of driving for miles on lightly traveled roads at 55 miles per hour is highly aggravating for my constituents. It is time that we return to the individual States their right to represent their residents on this particular issue.

□ 1720

Mr. HOWARD. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. MURTHA].

Mr. MURTHA. I thank the gentleman for yielding me this time.

Mr. Speaker, I would like the Members to listen to this story. I just had a friend of mine not long ago, he said, I am driving along at 62 miles an hour and I get picked up. He said, I cannot believe it; I have never had an accident in my life and I get picked up and he tells me this is two times I have been picked up in the same location and I am going to lose my license and they are going to take my insurance away. I cannot believe it; I have never had an accident in my life.

I did not see him for about 3 months and I said where have you been. He said I have been in the hospital. I said what happened to you and he said that I lost my license and right after that I am driving my car and I have an accident, I do not have any insurance and I end up in the hospital.

It is obvious what the moral of the story is: He happened to be picked up when he was driving too fast and this one time when he did not expect it, he looks up to answer the telephone, his wife called him to find out how he was doing because he had not been well that morning, he answers the telephone and has an accident and goes into the hospital.

If he had been driving a little bit slower, maybe he would not have had that accident. Now, I am driving along many times and I see people passing me. These is no question about it; it is frustrating. But I can remember when we passed the 55-mile-an-hour speed limit at the national level why we did it. We did it to conserve energy. There is no question about it. If you look at the facts, it conserves energy.

Now, you can say well, let the person go out and pay for more if he wants to drive faster. He gets less miles per gallon. That is not the point. We are right back where we started when it comes to the amount of energy we import today. The facts themselves say there are less accidents when you drive slower. The facts say that there is more conservation when you drive slower.

One of the things about States rights is very interesting. It is interesting to me that some of the people are saying States ought to have the right. I remember the vote on letting the Governors decide on whether the National Guard should train down in Central America. Some of those same people that are saying give the Governors the right to decide what the situation is, they said, "No, no; the Federal Government has to decide and let those National Guard people train anyplace they want to."

So, if you look at the facts, and the facts are that if you drive 55, you have less of a chance of having an accident. If you are injured, you will sustain less of an injury. It will be less expensive to the taxpayer and will conserve energy.

I urge the Members to support JIM HOWARD and BUD SHUSTER who have done such an outstanding job. I know, since we already voted for the bill, that nobody will then turn around and vote against this just because the conference report is already taken care of. I know JIM WRIGHT and BUD SHUSTER will never forget the people who vote for them.

Mr. Speaker, I would like to mention these points:

POINT NO. 1

First, speed limit was enacted in 1974 as an energy conservation step.

Second, in recent years we've dismantled almost the entire energy priority program, but automobiles were always the biggest user of fuel, and the place where conservation remains most vital.

Third, energy picture:

In no month in 1986 were imports less than 30 percent of our oil supplies; monthly high was nearly 45 percent;

Domestic production is down; and

Interior Secretary Hodel says we'll be back in gas lines in 5 years—even if it's 10 or 20 years, we're headed down the same road as the 1970's—can't afford to step backward on energy conservation.

POINT NO. 2

First, the lower speed limit saves lives.

Second, the National Academy of Sciences estimates 2,000 to 4,000 lives a year are saved by 55 mile-per-hour limit; in addition, paralyzing injuries are prevented.

Third, all safety groups back the 55-mile-per-hour limit.

POINT NO. 3

First, what's the tradeoff? Studies show raising the speed limit would save the average driver 1 minute per day.

Second, is that worth the loss of lives and injuries?

Third, is that worth the extra energy consumed?

Fourth, if we raise the speed limit, we will be looking back 5 years from now with accidents and deaths up; and the oil noose slowly tightening around America's neck, wondering why we ever raised the limit.

Mr. GRAY of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Wyoming [Mr. CHENEY].

Mr. CHENEY. I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of this proposal. We in the West are now demonstrating how very important this particular issue is to us and to our constituents. We are a determined group and we are prepared to continue to work hard to come up with some sort of agreement that will modify the federally mandated 55-mile-per-hour speed limit.

I think most people would agree that certain decisions should remain the prerogative of the individual States. I have great trust in State government and believe those elected officials are in the best position to make judgments about what is best for their particular States. This is the case with the speed limit. If you drive the stretch of Interstate 80 from Cheyenne to Rock Springs—roughly the same distance as from New York City to Boston—you will know how very different driving is in the West. According to the Wyoming Highway Department, the average daily traffic count on this stretch of road is 6,350 vehicles. Compare this with the busy New York to Boston corridor of Route 95. There is one spot on Route 95 near Bridgeport, CT, where the average daily traffic count is 141,000 vehicles. Our Western rural interstates are uncrowded, straight and safe. The legislators in Cheyenne know this—just as the legislators in Hartford know the conditions on Route 95. In fact, the Wyoming Legislature passed a resolution during this past session which urges us to return this power to the States. This resolution gives States the option of raising the speed limit on rural interstates and I think it's a step in the right direction.

Mr. GRAY of Illinois. Mr. Speaker, I yield 2 minutes to the gentlewoman from Nebraska [Mrs. SMITH].

Mrs. SMITH of Nebraska. I thank the gentleman for yielding time to me.

Mr. Speaker, I urge my colleagues to vote "yes" on this provision. Vote to turn the business of making traffic laws back to the States.

We do not ask that the Federal Government repeal the 55-mile-per-hour speed limit altogether, or that the States be required to raise the speed limit to 65. We do ask that the States be given the right to determine for themselves whether 65 miles per hour is more appropriate than 55 on certain rural interstates.

The question at hand is whether the States can be trusted to make the best decision about the appropriate speed limits for their interstates, or whether we in Washington should have to make that decision for the States. I think that the closer to home those decisions are made, the better.

According to the Nebraska Department of Roads, 76 percent of Nebraska drivers exceeded the 55-mile-per-hour speed limit on interstate highways in 1985.

This is not because Nebraska drivers are scofflaws, or because Nebraskans have no interest in highway safety.

It's because Nebraska interstates are designed to be driven on at 70 miles per hour, and because a driver can travel from one end of the State to the other without turning his steering wheel more than 5 degrees in either direction. It just doesn't make sense to drive 55 miles per hour on Nebraska interstates.

And of course, what is appropriate for Nebraska is not necessarily appropriate for California, Pennsylvania, or New Jersey. But a federally mandated, uniform speed limit assumes that driving conditions are the same in every region of the country—and that's just not the case.

I think this provision addresses this problem. This provision would allow—not require—the individual States to increase the speed limit to 65 miles per hour, but only on interstate routes in rural areas. The speed limit would be increased only if the Governor approves of the increase and if the interstates are of sufficient quality to bear traffic at higher speed.

This is one of the most sensible, reasonable things to come to this floor in a long time. I urge my colleagues to vote "yes."

Mr. GRAY of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. I thank the gentleman for yielding me this time.

Mr. Speaker, I have the dubious distinction today of discussing the speed limit issue from the perspective of a representative of the only State in the Union that's been fined for noncompliance with the national maximum speed limit law. In fact, we've been in noncompliance in 2 of the last 4 years. According to the research of the National Safety Council, you'd guess that our fatality rate on Arizona rural interstates, where our drivers are most likely to break the speed limit, would have risen noticeably. I'm afraid it's just not so.

In 1982, my State passed what is called the "petty offense law." With this, anyone driving between 56 and 65 miles per hour is fined $15 and given no points on their driver's license—hardly a fine at all. The average highway speed in Arizona has been steadily increasing ever since. But I think it's very revealing that in the 4 years since passage of the petty offense law, the death rates on our rural interstates fell by 55 percent compared to the 4 years prior to enactment of the law. The lesson here is clear. You can take your random statistical estimates, and it just doesn't compare to actual reality.

Fifty-five miles per hour only saves lives in areas where traffic, road conditions, and the whole variety of factors detract from overall road safety. We're not proposing raising the speed limit where it's not appropriate. There are areas where it is. But there are many areas where it isn't and to base a Federal enforcement program on an arbitrary speed limit is an injustice to States like Arizona, where conditions allow for higher speeds without a commensurate decrease in safety.

There are other aspects that don't make sense. The compliance monitoring sites in Arizona and everywhere in the country are located randomly. In Arizona, 14 of the 37 sites are located in areas where there is no speed limit enforcement by our highway patrol. The highway patrol must concentrate enforcement in areas where speed contributes to fatalities. We have monitors in areas where traffic is so light and accident experience is so low that we cannot afford the manpower in those areas. This makes no sense.

Highway patrol discretion is another example of how this law has failed in Arizona. The Arizona Highway Patrol originally had a policy that motorists exceeding 60 miles per hour would be given a citation automatically. But their policy and reality were two separate things. In actuality, the number of vehicles exceeding 65, where enforcement is necessary and important, was adequate to keep the patrol busy. As a result, motorists driving between 55 and 65 have been totally ignored by the highway patrol.

When Congress passes laws that the people won't obey and our policemen can't enforce, we can either blame the people or we can blame the law. As a representative of the people of Arizona, it's clear to me what the people are saying. It's time to change the law.

Mr. HOWARD. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in opposition to the resolution that would, in my mind put motorists on a collision course with increased traffic fatalities and injuries. As we debate whether to increase the speed limits on rural interstate highways, an undeniable statistic looms large. Lower speed limits on our highways have led to fewer deaths and fewer serious injuries.

In Ohio, the Department of Highway Safety and the State Highway Patrol strongly support keeping the speed limit at 55 miles per hour. The statistics in Ohio vividly illustrate the effectiveness of the 55 speed limit in reducing highway deaths and injuries.

In addition, the American Trucking Association has gone on record in support of the 55 mile-per-hour speed limit. Again, safety is the reason cited for keeping the present speed limit. According to the transportation research board, 4,334 lives have been saved and 73,711 injuries prevented in motor carrier accidents as a result of the 55 speed limit over the past 11 years.

For the 8-year period before the national 55 mile-per-hour speed limit law was enacted, rural interstate highway traffic deaths in Ohio averaged 105 each year. For the 12 years since, the death toll has been cut nearly in half, to an average of 57 deaths each year. Total rural highway traffic deaths in Ohio reflect similar dramatic savings of life during this same period. From 1962 to 1973, Ohio rural traffic deaths averaged 1,588 annually. Since 1974, the average has dropped to 1,172 deaths annually.

Clearly, the 55 mile-per-hour speed limit has proven to be one of the most effective tools ever introduced in traffic safety management and it has the full support of law enforcement authorities across Ohio.

Another compelling reason for keeping the 55 speed limit is the need for energy conservation. Memories of the gas lines in the 1970's must not be forgotten. Our Nation's dependence on foreign oil is again on the rise, thanks in large measure to increased consumption and decreased domestic drilling and exploration.

Let's not foolishly plunge into another energy crisis simply because we lack the foresight to conserve. I can speak from personal experience that driving 55 miles per hour is a gas saver. By keeping the 55-mile-per-hour speed limit, we will conserve on fuel.

Twelve years ago, Congress chose to make the 55 mile-per-hour speed limit permanent because it believed the savings of lives was far more important than any other consideration. Today that consideration should not be changed. Today, we have the opportunity to affirm our support for this proven lifesaver. Our citizens are counting on us to act wisely.

□ 1730

Mr. GRAY of Illinois. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Speaker, I rise in strong support of this resolution which will allow States the opportunity to increase the speed limit on rural interstates to 65 miles per hour. This amendment does not mandate an increase in the speed limit. It allows States the opportunity to increase the speed limit to 65 miles per hour on those rural interstates that they, the States, determine are capable of handling an increase in speed. This is where the decision should be made—by the Governors and State legislators who know their States and know the roads on which the speed can be increased safely.

Today, the House of Representatives will cast a historic vote to correct a law which has become impossible to support. A good law is one which serves a purpose and fulfills a need. A bad law is one which is ignored to the extent that it becomes unenforceable. Anyone who drives on interstate highways knows that the 55-mile-per-hour speed limit has turned our country into a Nation of lawbreakers. This vote represents the first step to correct the situation.

Many here today have stated that the 55-mile-per-hour speed limit has, since its enactment in 1974, drastically decreased fatalities on our Nation's highways. I will not dispute that lower speeds have contributed to lower fatalities. However, I do believe that other factors have also contributed to reduced fatalities during the same time period. Several studies have been done on this issue. The point of these studies is that decreased fatality rates on our Nation's highways are not solely the result of lower speed limits. Certainly, traveling at a slower rate of speed can and does contribute to a lessening of the severity of many collisions. However, improvements in road construction, improvements in automobile engineering, mandatory seatbelt laws, and the national war against drunk drivers also play a significant and important role in highway safety.

The opponents of an increase in the speed limit are saying that if we raise the speed limit, it will just cause motorists to exceed the new speed limit in the same numbers. I don't think so. I think that if we set the speed limit realistically, drivers will respect the law and law enforcement officers will enforce the 65-mile-per-hour speed limit.

I personally believe that setting the speed limit is best left up to the States, whose highway patrols are charged with enforcement of the law. In spite of this, I'm willing to compromise with this amendment, because I think that it is one which all of us, from the urban East to the wide open spaces in the West, can live with.

I urge all of my colleagues in the House of Representatives to vote for this amendment, and to take this important step to allow motorists on rural interstates to live within the law.

Mr. GRAY of Illinois. Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Speaker, I urge the House of Representatives to join the Senate in voting to give States the option to raise to 65 miles per hour the speed limit on rural interstate highways.

Our national policy should be designed to strike the best balance among our goals of saving lives, saving energy, making travel convenient, and respecting the sound judgment of our States. These goals are no different from those we had in 1974, when the 55-mile-per-hour national speed limit was adopted, but we know more now than we did then, and we can strike a better balance today.

We now have 13 years of experience with the 55-mile-per-hour speed limit and a dozen studies on it. We know that it has, in most respects, served our Nation well. On most roads, it is the best way to save lives, save energy, and make travel convenient. That is why it makes sense to retain the 55-mile-per-hour limit for fully 94 percent of the roads now subject to it—urban and suburban interstates, and rural highways other than interstates—as will be done if we adopt the Senate provision.

We also know, from our personal experience and from the views of transportation experts, that our rural interstates, especially those in the West, are different from other roads. Only these rural interstates, which make up about 6 percent of the Nation's highways, would be affected by the proposal before us. But these rural interstates are unique and should be treated differently.

The first and most important way rural interstates differ from other roads is that they are safer. America's rural interstates are the safest roads ever built—so much so that keeping the speed limit at 55 miles per hour doesn't make them much safer. As Lowell B. Jackson, the executive director of the Colorado Department of Highways, stated in a letter to me last week:

> Concerning highway safety, the fatalities on Colorado's rural Interstates have remained fairly constant over the past two decades, with or without the 55 mph speed limit * * *. Thus it would seem—if the speed limit is raised on the rural Interstate highways only—there would be minimal impact concerning higway safety.

The second way rural interstates are unique is that they are used primarily by people driving long distances. The advantages of raising the speed limit would be even greater than on roads used for shorter trips, where the time saved would usually just be a minute or two per trip. This is especially so in the West, where the distances between population centers and other destinations is greater. The distance between Denver and Salt Lake City is greater than the distance between Washington, DC, and Detroit.

Finally, the measure we are voting on today would not itself raise the speed limit, but would instead authorize the States to do so. I am confident that the States care as much as the Federal Government does about protecting people's lives, and will exercise care and restraint when they decide which rural interstates are safe enough to accommodate faster traffic. This was emphasized by Mr. Jackson in his letter to me:

> The Institute of Transportation Engineers [ITE] adopted the following policy in 1985: "It is the policy of the ITE to support exceptions to the national maximum speed limit of 55 mph when traffic engineering and safety studies clearly indicate that the benefits, including safety, will be higher than the identifiable adverse impacts." A special ITE task force was formed and recently developed suggested guidelines to help determine where the 55 mph speed limit could be raised * * *.
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> One of the recommendations I found to be especially important deals with engineering and traffic studies. The ITE task force stresses, "It is important that each potential (highway) segment be thoroughly analyzed, with relevant roadway conditions, traffic characteristics, operational features and safety considerations adequately documented.

This communication from Colorado's top highway official makes it clear that my State will be careful to raise the speed limit only where local conditions make it appropriate. I believe other States will as well.

Mr. Speaker, we can learn from our experience and from the experts, and safely raise the speed limit on selected rural interstates. I urge my colleagues to join me in voting to make this change in our national policy.

Mr. GRAY of Illinois. Mr. Speaker, I yield such time as he may consume to the gentleman from Montana (Mr. MARLENEE).

Mr. MARLENEE. Mr. Speaker, I rise in support of this very important amendment for the people of the West.

Mr. Speaker, today we have an opportunity to overturn the most ignored and ineffective law in America—the 55-mile-per-hour speed limit.

Established through blackmail, and maintained through coercion, the national 55-mile-per-hour law has been more widely disobeyed than prohibition was 60 years ago.

The big argument tossed around in support of the 55-mile-per-hour limit is that it saves lives. Sure it does. So let's all slow down further. Let's all walk. Get rid of cars and walk. That's about as safe as you can get. Better yet, let's crawl—there's less chance of accidents.

Let's overturn the unneeded, unwanted and disobeyed 55-mile-per-hour speed limit. Just like prohibition, the 55-mile-per-hour is a failed Federal experiment.

It's time to turn over State highway safety to those people who know it best; the States. I have consistently fought to repeal the national speed limit and I have introduced legislation repealing the 55-mile-per-hour speed limit. Each State should be allowed to establish its own, rightful speed limit law. States rights dictate each State to be allowed to set its own speed limit, and States rights also dictate we abolish any law established through blackmail.

Let's not limit the speed, rather let's limit Federal involvement in State's rights. In recent years, as Montanans continued to ignore the Federal force-fed 55-mile-per-hour speed limit law in record numbers. And what were the results? Fewer Montanans were killed in traffic accidents than any year since 1960.

Today over 40 percent of the Nation's drivers ignore the speed limit. Let's not continue to ignore this problem of widespread disrespect for this Federal law, let's get rid of 55.

Mr. HOWARD. Mr. Speaker, I yield 1 minute to the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Speaker, it has been often said around here that whenever all else fails, just look at the facts.

I submit that this is the only issue that we will debate in the House of Representatives in which the facts are clearly on only one side. They cannot be misconstrued or used by both sides to bring out a point.

The facts show that 55 saves lives. That fact alone should make this vote the most simple one in the session for all of us.

The issue is mere minutes shaved versus lives saved. Let us not ignore that. Let us not ignore the fact that with the States having the flexibility as the resolution would call for that there would be indeed increased pressure upon States that should not raise their speed limit to 65 miles an hour to do just that if all their neighboring States are raising their speed limit to 65 miles per hour.

We are actually talking about, Mr. Speaker, speed limits of 75 or 80 miles per hour. That is the real issue here today, because we know truly that if we raise the speed limit to 65 that that is the speed limit individuals will be driving. I urge that we keep it at 55.

The option we have before us today is especially objectionable. What we are voting on today is whether or not to allow States to raise their speed limit with no additional safety or compliance standards.

Keep in mind that this is an entirely different provision than the one defeated last Congress which would have instituted a pilot project to raise the speed limit in limited areas for a limited period of time.

In my home State of West Virginia, we have 407 miles of rural interstate highways which could be affected by this provision. As anyone who has ever traveled in this mountainous State well knows, many of our roads have extremely steep grades and severe curves. And anyone who has ever made that memorable trip in the rain and fog from Charleston to Beckley along the West Virginia Turnpike can testify to the advisability of slower, safe speed limits. It is for obvious reasons that West Virginia's 1986 compliance rate for the 55-mile-per-hour speed limit was the best in the Nation at approximately 75 percent.

Mr. GRAY of Illinois. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. LUNGREN].

Mr. LUNGREN. Mr. Speaker, this is a prime example of just how far removed the Congress of the United States is from the people they represent. Oftentimes we are asked, "Just how far are you removed from us?"

This shows that we are about 32,000 feet removed from them. That is, most Members of Congress because of our requirement to get back to our districts and back here to Washington, DC, take the airplane. We are flying above it all. We are flying above the West. We are not there as the average American is with his family trying to drive to a national park and when people say that it is more dangerous to go 65, what is the danger factor if you require them to go 55 instead of 65 when they are going 550 miles? That adds an additional 1½ hours to driving. Is someone going to tell me that adding an additional hour and a half at the end of a driving day does not make it more unsafe?

This is a fundamental question. Are you going to allow people to do what they want to do in a reasonable fashion through their elected Representatives?

It may be something in New Jersey and Washington, DC. It is very different in Nevada, California, Arizona, and Utah.

Let us just be truthful with the people and let them have something that they want, a little bit of freedom.

Mr. HOWARD. Mr. Speaker, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I also rise in opposition to this amendment.

I do not understand why we are driving 75 to get this thing done when there is no need to do it. For those who are concerned that they will not have a chance to really work on 65, and I can see some situations in rural West Virginia that interstate traffic might bear that, but I know also that the Public Works Committee has kept its word. The Public Works Committee today began holding hearings on this very subject. Hearings that will bring out the information we need to make an informed decision.

I also know that what you are voting on today is not what you voted on a few months ago. That was much more restrictive. This would open it up.

Why not hold the hearings? Why not see what safety considerations there are, what fuel considerations there are; for instance, like the Department of Energy study just yesterday that says that by 1990 we will be 50 percent, not 38 percent like we were in the seventies, but 50 percent dependent upon foreign oil sources. Let us get all that data in and then act on 65 and make it a safe bill as well as one that also deals with our fuel consumption and our other problems. We can make the adjustments that are necessary, but I think we could do it in a little more orderly fashion.

Mr. GRAY of Illinois. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Speaker, I just would like to make a couple of very quick points. In the State of California both the highway patrol and the Department of Transportation, both of which have a commitment to safety that certainly parallels the commitment that we have, are in support of increasing the speed limit on certain highways.

It has also become very clear that we in this House are not the ones who will be responsible for enforcement. It will lie with the States.

I believe we have a strong obligation to let them play a role in the decision-making process.

Mr. Speaker, I rise in support of this amendment to give to the States more discretion in setting speed limits. We have spent nearly as much time studying and debating this issue as we have issues of national security. Today, once again, we will trade statistics showing how 55 has or has not saved lives, whether the fuel savings are significant, whether the public really supports the current speed limit, ad infinitum.

Some points are not in question, however. For one, interstates comprise only about 7 percent of all U.S. highways, and the rural portions on which the speed limit could be raised are an even smaller portion. We are not talking about a wholesale abandonment of the national speed limit—only permitting some flexibility on a small portion of our highways.

Second, we should remember that whatever speed limit we decide to set, we won't have to enforce it—the States will. Apparently, they are finding 55 unenforceable on some roads. Why don't we defer to their judgment?

Opponents of this amendment have gone so far as to state that, by giving the States more control over this matter, we will be directly responsible for 5,000 deaths. That is pure absurdity, and State authorities know better. The director of the South Dakota Highway Patrol said it best:

> Why must I have a trooper stationed on an interstate at ten in the morning worried about a guy driving sixty on a system designed for seventy?

He wonders. He points out that the same trooper could be out on a Friday night watching for drunk drivers, a problem which we have acknowledged causes more fatalities than speeding itself.

In my own State of California, which has more cars than any other State, both the highway patrol and the Department of Transportation have endorsed raising the speed limit to 65 on certain highways. I believe that those agencies know better than this body which roads could handle slightly higher speeds. I also believe their commitment to safety is no less than ours.

We have talked about this issue long enough—let's give flexibility a chance to work. I urge my colleagues to vote for this amendment.

Mr. DAUB. Mr. Speaker, I rise in support of this resolution to allow States to raise the speed limit from 55 to 65 miles per hour on interstate highways outside urbanized areas of 50,000 population or more. Nebraskans have written to me to urge me to support an increase of the speed limit by a 3-to-1 majority.

Mr. Speaker, Federal Highway Administration statistics indicate that 54.2 percent of the vehicles in Nebraska exceed the 55-mile-an-hour speed limit. However, this is not the result of Nebraskans being any less law abiding than other folks in the country—it is the result of an outdated Federal mandate that unnecessarily constrains vehicles in rural areas like Nebraska.

By giving the Governors the discretion to increase the speed limit only on rural interstates outside urban areas of 50,000 or more, we do not contravene safety considerations. The 55-mile-per-hour speed limit will be maintained in densely populated areas, and I have utmost faith in the Governors to act with responsibility and discretion in designating stretches of interstate for an increase from 55 to 65.

Mr. Speaker, allowing the States to decide on the speed limit issue restores federalism ideals and will allow those individuals traveling on rural interstates to use their time more effectively. I urge the Members' support.

Mr. GRAY of Illinois. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I apologize for the confusion, but we asked the distinguished gentleman from Oklahoma to close the debate on our side and out of deference to our dear chairman, he is going to actually close the overall debate.

Mr. Speaker, I know this is a very difficult vote for some Members because certainly when it comes to safety and losing lives, this is a matter that concerns all of us; but let me tell you that as late as this morning at 11 o'clock, the Assistant Secretary of the U.S. Department of Transportation appeared before our committee and here is a copy of his testimony. His name is Philip Haseltine. He is the Deputy Assistant Secretary, U.S. Department of Transportation. He is quoting a 1984 study by the National Academy of Sciences. Now, who do we want to believe? People pick things out of newspapers, people hear this, people hear that, talking to this person and that person, here is a study conducted by the National Academy of Sciences and here is what they said:

> We have no data which specifically supports or disputes the 500 lives estimate,

That has been bandied around.

□ 1740

In closing arguments we are going to hear all kinds of numbers. Mr. Speaker, what is causing the carnage on the highways of America is primarily drinking drivers. Over 50 percent of all the fatalities and the wrecks, particularly on the Interstate System, are caused by people drinking.

Now I do not want to be facetious, but if a person is drinking and he cannot see the road, you know that he cannot see the speedometer. So it is not going to make any difference to him whether it is 55 or 65.

The American people are rebelling in the rural areas of this country against 55, and if you do not believe it, go out here on any one of them and watch the trucks and the cars zip by.

What we are trying to do is make people legitimate. What we are trying to do is bring some sanity to the roads of America, and we are merely saying here, "Let's make it permissive. What's wrong with your Governor and your legislature determining what happens in your State."

Mr. Speaker, I hope that Members will vote "aye" on the concurrent resolution.

Mr. DINGELL. Mr. Speaker, I rise to join my colleague, Congressman JIM HOWARD, in the House position in opposing the Senate proposal to increase the speed limit to 65 miles per hour on rural interstate highways. I do so because countless studies have demonstrated that a maximum speed limit of 55 miles an hour has saved thousands of lives. It also has helped the American motorist conserve fuel. This was particularly important in the 1970's when OPEC had a stranglehold on our petroleum supplies. It could be important once again if our Nation experiences another scarcity in energy resources.

The most important reason for my continued support of a uniform speed limit of 55 miles per hour is safety. The Michigan Safety Commission supports this position. The National Safety Council estimates that 3,000 to 4,000 lives are saved each year due to the lower maximum speed limit. The Michigan State Police estimate that 200 to 300 lives are saved annually in Michigan by the 55-miles-per-hour speed limit. Undoubtedly, this also results in a savings in health costs for Michigan and its people.

The light of these statistics, I question the wisdom of whether Congress should deviate from a current maximum speed limit policy proven to save lives, reduce injuries, and increase safety on our Nation's roads, without putting in place a corresponding policy requiring mandatory seatbelt laws, coupled with a substantially increased seatbelt use rate, in those States which adopt the higher maximum speed limit.

Those States which have already adopted mandatory seatbelt use laws have realized remarkable declines of highway deaths and injuries. When Michigan's mandatory seatbelt law was enacted in 1985, it was estimated that a use level of 70 percent would save 300 lives and reduce serious injuries by 8,000 to 10,000 annually. Public opinion surveys conducted both before and after the effective date of the law showed strong public support for the safety belt law. Although the Michigan seatbelt use rate has not reached 70 percent, the increased belt use has resulted in decreased death rates, and a substantial drop in highway related injuries.

The Senate proposal before us today is deficient. While bowing to claims of many that the public is now driving at this higher speed, it ignores the serious safety problem. It fails to include a major safety requirement which would reduce the risk created by higher speeds. Had the Senate proposal included a sound requirement for mandatory seatbelt laws and increased belt usage, my position on this proposal might very well have been different.

Mr. JEFFORDS. Mr. Speaker, I rise in support of the Symms amendment to give States the option of raising the speed limit on rural interstates to 65 miles per hour.

Many pertinent issues have been raised on this issue by both supporters and opponents of the current 55-miles-per-hour speed limit. I would like to address what I see as the three critical issues in this debate: States rights, energy conservation, and highway safety.

Federal preemption of a State's right to set speed limits has occurred twice in our Nation's history. During World War II, a national speed limit of 35 miles per hour was imposed to conserve fuel for the Armed Forces. Again, in 1974, the driving force behind the 55 limit was conservation, not safety. At the time, the lower limit was needed because the oil embargo had left the Nation in a virtual state of emergency.

I do not believe that our current energy situation warrants continued Federal preemption of State decisions on the speed limit. National conservation measures have greatly reduced our vulnerability to a supply disruption similar to the 1973 oil embargo. Our automobiles, our homes and our industries are more energy efficient. We have established the strategic petroleum reserve to guard against a sudden disruption of Mideast oil supplies.

These long-term conservation measures must continue. I support the retention of corporate average fuel efficiency [CAFE] standards for automobiles, as they have been tremendously successful in improving the overall efficiency of American automobiles and reducing national gasoline consumption. We must continue to invest in energy efficiency improvements in our infrastructure that will produce long-term conservation gains.

Unlike these long-term conservation measures, which have long timetables for implementation, speed limits can be quickly and easily lowered if we find ourselves with a national fuel crisis again.

Highway safety is predominantly a State issue. That doesn't mean that it isn't a legitimate concern of every Member of Congress.

Nor does that mean that the Federal Government has no role at all. The Federal Government continues to make substantial investments in highway safety through the Highway Hazard Elimination Program. The National Highway Traffic Safety Administration also conducts research into making our highways, bridges, and rail crossings safer, and its sets minimum safety requirements for automobiles.

All of these efforts, both Federal and State, have been paying off in terms of saving lives. Highway fatalities per million passenger miles have been declining steadily since the 1960's.

Supporters of the 55-mile-per-hour speed limit tend to give all the credit for fatality reductions to the lower speed limit. In several States, however, compliance with the 55-mile-per-hour speed limit has been steadily declining over the past several years, but so, too, have fatalities. People are driving faster, yet the highways are safer.

The Symms amendment will not mandate that States raise their speed limits. Many States have already said they will not do so. It bothers me that some of my colleagues believe that Congress places a greater value on human life than do State lawmakers. I do not believe this is the case. Each State lawmaker will have to weigh the merits of raising the speed limit, based upon highway safety data collected in his or her State.

Congress must recognize regional differences when weighing the speed limit question. Since road conditions differ widely, States are in a much better position to determine what speeds best suit their individual circumstances.

The 55 law is breeding contempt for the Federal Government in every State west of the Mississippi, and many in the East as well. It has generated widespread motorist contempt for speed limit regulations.

Let's stop pretending that we in Washington know more than the folks back home. I urge all Members to join me in supporting the Symms amendment.

Mr. KYL. Mr. Speaker, I hope we will adopt this resolution to allow States to raise the speed limit to 65 miles per hour on rural interstates.

Although this resolution does not address the central issue—federally set speed limits—it is a step in the right direction. We should actually get the Federal Government out of the business of setting speed limits altogether, and put that responsibility back where it belongs—at the State level.

Mr. Speaker, the 55-mile-per-hour speed limit has been a farce. The Washington Post, in a recent article on enforcement of the speed limit in Maryland, pointed out that, in 1985, 90 percent of drivers were violating the national 55-mile-per-hour law. But in 1986, the statistics suddenly changed. Less than half were exceeding the 55-mile-per-hour limit. Why the dramatic change?

The Post reports that it was not because of sudden compliance by motorists, but because of changes in reporting by State authorities. Maryland "simply moved several of its roadside speed monitoring machines to places where traffic is slower—such as hills, curves, and in congested areas. It also started measuring speeds on rainy days when traffic typically is slower."

Not to single out the State of Maryland, the Post notes that "all of this was done with the blessing of the Federal Government and comes long after all the 49 other States had done the same thing." Well, all but Arizona.

Federal guidelines allowing monitors on hills, curves, and congested areas have been on the books since 1981 when Congress voted to allow greater flexibility in the placing of monitors.

The 55-mile-per-hour law is likely one of the least respected by our citizens. It makes law breakers of most of us. And the contention that it saves lives is even in question. A recent study by Utah State University's Institute of Political Economy found that the limit has no statistically measurable effect on the number of fatalities per 100 million miles driven on U.S. highways.

The study notes that a simple comparison of the death rate for 1973—the year immediately prior to the speed limit's imposition—with the death rate since then is inappropriate. The current rate of decline actually began in 1967, long before the current speed limit took effect. The institute credits reduced fatalities not to the 55-mile-per-hour speed limit, but to safer highways, more miles of interstate highways—which are safer—better traffic controls at intersections, and safer automobiles.

Today, we have an opportunity to respond to the will of the people, who through their calls and letters, and their actions, have clearly indicated that they want this law changed. We can take the first step toward ending Federal involvement in speed limits. I urge my colleagues to pass this resolution.

Mr. CLINGER. Mr. Speaker, I rise in opposition to the amendment allowing for an increase of the 55-mile-per-hour maximum speed limit on interstate highways, and I do so for a number of reasons. But this afternoon I want to focus on just the aspect of energy consumption.

I think it would be instructive for all Members to reflect on the energy shortage of the early 1970's that caused Congress to impose the 55 limit on our Nation's highways in the first place. And let's be frank, Congress' action was largely to reduce our dependency on foreign oil. We were spending hours every week, sitting in long lines at gasoline stations, waiting for our chance to refill our tanks. In many areas of the country, motorists were limited to the amount they could purchase. Some States and cities instituted odd/even days. The Federal Government went so far as to print up millions and millions of gasoline rationing coupons.

It took a long time for this country to recover from that shock, both psychologically and economically.

And where are we now? Today the United States imports more oil from foreign sources than it did at the time of the oil embargo—38 percent versus 33 percent. We are more vulnerable now than we were in 1974. And as a result, current domestic production has declined to very low levels. Were we to face a similar cutoff from any one of our major foreign suppliers, the gas lines would appear tomorrow.

If you want to minimize our Nation's reliance on foreign sources of oil, then vote against the increase.

It doesn't take an engineer to understand the relationship between higher speeds and higher consumption.

As it is, most motorists travel faster than the posted limits on interstates today. So, some argue, let's be realistic and increase the limit to reflect today's practices. Well, by the same token it doesn't take a psychologist to realize that if we increase the permissible limit to 65, most drivers will broach that number as well.

Mr. Speaker, we must continue to remember the havoc and disruptions that afflicted us during the embargo. It is still a distinct possibility today and will be with us for many, many years to come. Do not be lulled into a false sense of renewed security. We are more vulnerable today than we were in the early 1970's.

We must continue to employ every available means of conservation. Smaller, more efficient cars is one answer. So is more efficient home heating and insulating systems, and more efficient boilers used in industry. But 55 mile per hour is a key component, and one we must preserve.

I encourage all Members to vote against the increase.

Mr. BUNNING. Mr. Speaker, I rise in support of House Concurrent Resolution 77, the resolution to allow States to raise the speed limit to 65 on rural interstate highways. Our Interstate System was designed for 70-mile-per-hour traffic. The rural interstates have exceptionally low accident rates. And our State Governments are quite capable of determining where a higher speed limit can be authorized without jeopardizing safety.

We are all aware of the much cited Transportation Research Board's correlation between the speed limit and traffic fatalities. We should also consider the Federal Highway Administration's disclosure that 70 percent of drivers today exceed the national speed limit, yet fatalities continue to decline. Couldn't we logically conclude that factors other than the speed limit can be attributed to the decline in highway fatalities?

Improved highway design, increased use of safety belts, stricter penalties for drunk driving, and mandatory vehicle standards have also played a vital role in improved highway safety. Lets give credit where credit is due.

It's time to accept reality and allow our States the flexibility to raise the speed limit where it is appropriate to do so.

Mr. CONTE. Mr. Speaker, I rise in support of the committee leadership's position, and will vote to retain the current 55-mile-per-hour speed limit. The evidence regarding the safety implications of this issue leads me to believe that the 55-mile-per-hour speed limit saves lives—and that alone is sufficient reason for me. But the additional fact that the 55-mile-per-hour speed limit conserves about 167,000 barrels of oil per day—oil that we would perhaps otherwise be importing from the Persian Gulf—clinches the argument.

Mr. Speaker, the Federal speed limit was adopted in 1973 as an energy conservation measure, during the oil embargo/energy crisis. It was then made permanent in 1974. Many Members today are saying that we don't need to conserve energy today—and to that, I say "nonsense."

We may not have long lines at gas stations, and we may not be complaining about gasoline prices today, but we have a dangerous situation on the horizon unless we maintain and even increase our present energy conservation measures.

Just yesterday, the Department of Energy released its long-awaited Energy Security Study, and it doesn't make very cheerful reading. The report projects U.S. oil imports could rise from the average for 1985 of 5.3 million barrels per day, or 33 percent of U.S. oil consumption, to between 8 and 10 million barrels per day, or 50 percent of U.S. oil consumption by the 1990's. If current trends continue, the United States and the world could become ever more dependent upon the Persian Gulf suppliers, which control about two-thirds of the world's known reserves. The long-term energy and national security implications of such dependence on an unstable region are alarming.

Perhaps even more alarming is the fact that the transportation sector is 97-percent dependent upon oil. If there is an energy shortage, it is this sector that will feel it first and most severely. And for that reason, it is this sector to which we should be devoting our particular attention.

Permitting an increase in the speed limit to 65 miles per hour could result in as much as 167,000 barrels of oil per day in additional consumption. As a Representative from New England, where we are largely dependent upon imported oil already, I can tell you that such an increase is unacceptable.

It is clear that the energy crisis is not in fact over—it may simply be lying dormant. Increasing the speed limit may merely hasten its return.

Even if we weren't concerned about energy conservation—and clearly we should be—we should still support the continuation of the 55-mile-per-hour speed limit because it saves lives. The National Safety Council estimates that at least 500 lives are saved annually because of the speed limit, and countless thousands more injuries are avoided or lessened because of the 55-mile-per-hour speed limit.

Some people claim that the limit is unenforceable, and that no one observes it anyway. I don't think that's the case. But what I find more sobering are the studies that show how many people wouldn't observe a 65-mile-per-hour speed limit either. Many people make it a practice to drive a set amount over the speed limit, whether it is 7 or 10 or 12 miles above the limit. Raising the limit could simply result in these people driving 75 instead of 65. And that is a prospect that promises to increase accidents, injuries, and deaths. Over 20,000 lives have been saved since 1974 because of the 55-mile-per-hour speed limit. Let's keep saving lives; keep 55.

Mr. KOSTMAYER. Mr. Speaker, today the House votes on an amendment to H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987. This is an extremely important vote and will determine whether or not States will be allowed to raise the speed limit in certain areas.

I intend, Mr. Speaker, to vote no on this amendment and support retention of the 55-mile-per-hour speed limit as a national policy. It has been one of the most effective highway safety measures ever enacted. In fact, the National Academy of Sciences has estimated that 2,000 to 4,000 American lives continue to be saved each year because of the 55-mile-per-hour speed limit.

Mr. Speaker, the impetus for increasing the speed limit comes primarily from Western States and yet statistics show that the fatality rate is much higher on those rural interstate highways when compared to the national average. For instance, in 1984, the fatality rate for Nevada was 4.55 while the national average was only 1.44 per 100 million vehicle miles. Utah, Alaska, Montana, Idaho, Colorado, Texas, Wyoming, and California also all had among the highest fatality rates on rural interstates.

Mr. Speaker, I am very concerned about safety on the highways located in my district, particularly on the Pennsylvania Turnpike. The turnpike is narrow, congested, and traveled by a great number of large tractor trailers. Raising the speed limit on this highway would be nothing short of a calamity. More lives would be lost.

Mr. Speaker, I am also concerned about the impact on noninterstate roads. According to the Insurance Institute for Highway Safety, when motorists travel for long periods at particular speeds, they tend to adapt their speed and travel faster than other motorists when they move to connecting roads with lower speed limits. The debate on this issue has largely ignored this related safety concern. And yet, Mr. Speaker, this could also prove disastrous in my district and many other districts as well.

Mr. Speaker, had this proposal been linked to implementation of safety measures—such as mandatory seatbelt use—I would have been more inclined to support it. Since it is not, I cannot vote for this increase in the speed limit.

Mrs. LLOYD. Mr. Speaker, I rise today in support of the concurrent resolution which seeks to permit States the discretion to raise the speed limit to 65 miles per hour on rural interstates.

I have joined with my colleague, Hon. DAVE MCCURDY in cosponsoring legislation to modify, not repeal the national speed limit. Clearly there exists differences in driving conditions across the country that justify this option. Therefore, I am in agreement that it is time we develop a policy that recognizes these conditions.

My thanks to Representative JAMES J. HOWARD, chairman of the Public Works Committee for agreeing to allow a floor vote on this issue. This bill is important to States and paves the way for individual judgment for the enhancement of public respect for laws relating to safety while traveling.

I respectfully urge the support of my colleagues to advocate a realistic speed law.

Mr. GALLO. Mr. Speaker, the 55 mile-per-hour speed limit does more than save gas—it saves lives. Since the national speed limit was initiated in 1974, over 500 deaths and 2,000 serious injuries have been prevented each year. Both highway fatality and injury rates have dropped significantly over the past 13 years.

The makers of Federal policy have an obligation to enact reasonable legislation to promote the health and safety of the American public—and the 55-mile-per-hour limit accomplishes this goal.

We, in Congress, should be guided by the facts. And the fact is that hundreds of people are alive and well today because a reasonable national speed limit is in place.

Opponents of the 55-mile-per-hour limit propose to raise the speed limit only on certain rural interstates. I fear, however, that this is only the first step toward dismantling the national limit. This we cannot allow.

While the safety issue is my primary concern, Mr. Speaker, I would also like to mention that energy conservation considerations have influenced me to support the national 55-mile-per-hour limit.

Even though there are no long lines at the pumps in 1987, energy conservation should still be an important objective of Federal policy. The Iran-Iraq war presents a continuing threat to our Nation's oil supply. The gas saved because of the 55-mile-per-hour limit reduces our national aggregate oil consumption rate and lessens our dependence on foreign oil.

Mr. Speaker, I urge the Members of the House to vote to maintain the 55-mile-per-hour limit. We cannot allow the opponents of the 55-mile-per-hour limit to weaken this important national policy.

Mr. LOWERY of California. Mr. Speaker, today the House is scheduled to vote on House Concurrent Resolution 77 which would allow States the option of raising the national maximum speed limit from 55 to 65 miles per hour on interstate highways outside urbanized areas of 50,000 population or more. I support this measure, however, due to previous commitments in my district, I regret that I will not be here to vote on the resolution.

Mr. Speaker, the national 55-mile-per-hour speed fails to take into consideration important regional differences. Traffic volume and road conditions differ from State to State, and State governments should have the freedom and authority to deal with those differences. Traditionally regulation of highway speeds has been left to State and local governments—House Concurrent Resolution 77 returns this authority to the States. This concept has not only received the support of numerous State legislatures, but was recently endorsed by the Nation's Governors at the National Governors Association winter meeting.

Some continue to voice their concern over the safety implications of a 65-mile-per-hour limit. However, many highways can safely accommodate traffic traveling at 65-mile-per-hour limit. In addition, the National Transportation Research Board suggests that any adverse effects that might result from raising the speed limit could be successfully countered by the States enacting specific safety measures. The majority of States have already done so by enacting mandatory seatbelt laws, and strict measures against drunk driving and other hazardous violations that do impact on safety.

In closing, Mr. Speaker, I would like to stress the resolution does not mandate raising the speed limit, but returns that judgment to the States. The measure is a modest and reasonable modification of our national maximum speed limit. Furthermore, I believe it will enhance the motoring public's respect for all laws relating to highway travel and safety.

I hope the House will act judiciously on this matter and approve the measure for enclosure in the Surface Transportation and Uniform Relocation Assistance Act of 1987.

Mr. HEFLEY. Mr. Speaker, I rise today in support of House Concurrent Resolution 77, a technical correction in H.R. 2 to allow States to raise the speed limit from 55 to 65 miles per hour on rural interstates outside urbanized areas of 50,000 population or more.

It is time to give the speed limit issue back to the States. This issue is not an issue of how fast we should drive, it is an issue of who should make that decision. In that sense, today's resolution didn't go far enough. It spoke to interstates when it should have said "States, it's up to you to decide." Since the invention of the automobile, speed limits have been a prerogative of the States, 13 years ago the 55-mile-per-hour speed limit became law as a result of a natural crisis—the oil shortage. It was to be a temporary national conservation effort in response to the oil embargo. That crisis is over now and I believe it is time to give the issue of determining speed limits back to the States and localities where it belongs.

Our rural interstate systems are designed and engineered to accommodate traffic up to 70 miles per hour, and these roads carry approximately 19 percent of our Nation's fastest traffic. There are many highways in Colorado that can safely accommodate traffic traveling at 65 miles per hour. In fact, Colorado has 772 miles of rural interstate that would be open for review of speed limits if this amendment passes. I don't think it's appropriate for Congress to tell Coloradans how fast or slowly they should drive.

This is not a partisan issue. This should not be a divisive issue. We all have the same interest in traveling on safe roads. But a national speed limit does not take into consideration regional differences of traffic volume and road conditions. This amendment would allow each individual State to decide whether or not to implement the increased speed limit without the fear of losing Federal funds. The mandatory 55-mile-per-hour limit currently proscribed by the Federal Government is achieved by restricting Federal highway funds to States who fail to comply. I believe it is an infringement upon States' rights to have such mandatory rules enforced by coercive tactics. For these reasons I hope my colleagues in the House of Representatives will today turn back to the States a responsibility that is rightly theirs.

Mr. COMBEST. Mr. Speaker, I want to join my colleagues in support of this resolution to return to the States the right to determine the safest maximum speed limit their highways can accommodate. In the time I have available to me, I want to focus on this resolution's impact on highway safety, which appears to be the cornerstone of its opponents' arguments against its passage.

I am not going to debate the obvious fact that highway fatalities have been greatly reduced in the last 13 years. I do, however, take issue with those who claim that decreasing the speed limit is the sole contributor to our safer highways. Drunk drinking laws, improved road repair, and cars equipped with a myriad of safety features, have all led to fewer people losing their lives on American highways.

This resolution does not apply to all highways, and it does not force States to raise the speed limit on all their rural interstates. It allows the speed limit to be raised only on rural interstate highways that the State determines to be safe enough for the enhanced speed limit. Rural interstate highways are in top repair, have high visibility, and carry very little traffic. In this country, no safer highways can be found.

There are other roads, however, that are equally safe. Rural four-lane highways need to be added to the list of roads that are eligible for the higher speed limit. Including these roads would permit States a greater degree of flexibility in deciding which highways can safely accommodate a 65-mile-per-hour speed limit.

My district, in particular, contains a number of rural four-lane highways which could easily accommodate a higher speed limit. Anyone who has driven the 150 miles between Lubbock and Odessa understands the lack of safety concerns that would be raised by increasing the speed limit on this stretch of rural four-land highway.

We are all concerned about highway safety and no one wants to pass legislation that might provoke an increase in highway mortalities. It is ludicrous, however, for the Federal Government to mandate a single speed limit for the wide variety of highways traversing our country. Individual States are more than capable of determining the safest maximum speed their highways can accommodate, and I encourage my colleagues to vote for allowing States to raise the speed limit to a reasonable, safe speed. Let us stop usurping States' rights to the battle cry of "safety."

Mr. HANSEN. Mr. Speaker, the national mandatory speed limit law of 1974 was enacted by Congress as a temporary measure to deal with the oil embargo. Driving at 55 miles per hour, it was thought, was the most efficient use of a car's engine. Back in 1974, "55" made sense. It no longer does.

The idea that the 55-mile per hour speed limit helps to conserve fuel has been talked about so frequently that many people hardly question it any more. However, the facts speak otherwise.

The Department of Transportation found that the 55-mile-per-hour speed limit, at best, reduced fuel consumption by 1 percent. That equals about $350 million. On the other hand, the 55 speed limit costs the Nation about 1 billion man hours per year in extra driving. Even at the minimum wage of $3.35 per hour, this amounts to $3.35 billion. That's more than 10 times the amount of money saved going 55.

The facts also show that if tire pressure was increased in cars from 24 to 26 pounds, the same amount of fuel would be saved as driving at 55 miles per hour.

Today's cars are more fuel efficient than they were in 1974. There's an old saying: They sure don't make cars like they used to. I say thank goodness.

Further, these figures do not take into consideration the $200 million spent by law enforcement officials who are required to make certain that 50 percent of the State's drivers don't exceed the mandatory speed limit.

When the fuel argument was shot full of holes, 55-mile-per-hour advocates looked for another angle to get motorists to accept the mandatory law. They went to the Department of Transportation for help.

When "55" became law, the statistics showed the traffic deaths dropped by 15.3 percent. Speed limit advocates found the angle they were looking for. Americans felt they were doing their patriotic duty to drive slower to conserve fuel, and saving lives was an added bonus.

But, the study conducted by the Department of Transportation was flawed. The claim that 55 saves lives is based on naive comparison of the 1973 fatality rate and the current rate. But comparing the 1967–73 rate with the 1974–83 rate shows that the rate of decline slowed after implementing 55. If 55 were saving lives, the rate of decline would have accelerated. Just the opposite occurred. In fact, had pre-1974 trends continued, the fatality rate in 1983 on all highways with speeds in excess of 55 miles per hour would have been lower except on urban interstates. Highway deaths have continued to decline since 1974, even though the average speeds have crept up.

So, if 55 has been given too much credit, what does save lives?

Our driving habits have changed. We are now into second generation drivers who have taken drivers' education. There are now fewer Sunday drivers on the road. Our cars are built better. We have better brakes, our tires last longer, and our cars are equipped with safety glass. Our roads are built better—especially our interstates, which were built to handle 70 miles per hour. Forty-two States plus the District of Columbia have increased the drinking age to 21. Twenty-four States plus the District have passed mandatory seat belt laws. And, more attention has been placed on drunk drivers, which account for over 50 percent of auto fatalities and injuries.

Personally, I would like to repeal the mandatory speed limit law and leave the issue up to each individual State. The Founding Fathers recognized the folly of giving the Federal Government the power to legislate on every topic—everywhere. Why should the Government saddle the sparsely populated areas of our country with a speed limit law that makes more sense in our heavily populated areas.

Mr. Speaker, I've tried to look at this issue from all sides. When I am back in my home State and I travel on the vast stretches of rural interstate, I think how ridiculous it is to impose a law that forces me to drive at 55. On the other hand, when I am back East, traveling on the Beltway, for example, I could literally wring the necks of those motorists who are driving 65 mph. "55" is needed in our heavily populated areas. The point is, there is a lot of variation. All I ask is that those of you who live in the East walk a mile in my shoes. Take a drive on I–80 from Salt Lake City to Nevada and see if you can keep your speedometer at 55 miles per hour.

I believe that much of our problem on this issue is that we fly just about everywhere we go. We forget what it's like to live in the real world with our common man.

I'm reminded of the Hans Christian Andersen fairy tale of the emperor who bought an entire wardrobe of new invisible clothes. The idea was that only the wise and those who did their job well could see the clothes. The emperor's all-knowing advisors told him his new clothes were exquisite. You see, none of them wanted to face reality and appear foolish in the eyes of their emperor. But when the emperor went out into the streets, he was ridiculed by the common folks for not wearing any clothes.

We sit here in the Congress and blindly continue to claim that if the speed limit was raised on rural interstates, 400 to 1,000 lives would be lost. But, like the emperor, we are not living in the real world. People are driving 64 miles per hour on our interstates now, and traffic fatalities continue to drop. Rural interstates carry 19 percent of all travel on highways posted at 55 miles per hour, but account for only 9 percent of the fatalities on those roads, and only 4 percent of fatalities on all roads and highways.

My colleague from New Jersey, the chairman of the Public Works Committee, stated if those States that wanted to increase the speed limit would require safety measures, he would be flexible. Well, States are doing just that. As I indicated, States have increased their drinking age laws and have passed mandatory seat belt laws.

The Senate-passed amendment is a commonsense approach. It gives States the option of increasing speeds to 65 on rural interstates. As the national research council warned, "The law is nearing a breaking point and that action should be taken now to preserve its most effective parts before the law as a whole has been irreparably weakened by public criticism and widespread lack of compliance."

Mr. GRAY of Illinois. Mr. Speaker, I yield 3½ minutes to the gentleman from Oklahoma [Mr. McCurdy].

Mr. McCURDY. Mr. Speaker, last year the gentleman from Utah [Mr. Hansen] and I offered an amendment with a number of cosponsors to allow States to increase the speed limit to 65 miles per hour on rural interstate highways. That was the first time that the amendment had been offered on rural interstate highways. It was a permissive statute, a permissive piece of legislation that would allow the State to make the decision.

It was not mandatory; 198 of our colleagues voted for that amendment.

Today we vote on a slightly different amendment. Under the parliamentary procedure we are voting on an amendment that passed the Senate and was referred in conference to this body—passed overwhelmingly on the other side.

Today we have heard a lot of arguments. Members will argue, "Well, if you raise it to 65, then people are just going to drive 75." I think that that is a fallacious argument, because we need to enforce our laws. This law is not being enforced today. People are not abiding by this. Why? Because they do not understand it; they do not respect it.

This is the 1980's equivalent of Prohibition. People did not respect it then; they do not respect it today.

Now we will hear the argument that we are going to save some 500 lives if this occurs. We are going to lose an additional 500 lives if we raise the speed limit. Since 1963 the facilities on Federal highways, on all highway systems, has been steadily declining. Since 1974 it has declined ever further, while at the same time the average speeds have increased.

Why have we had the savings? It is just 55? No; it is not. My State of Oklahoma now has a mandatory seatbelt law, child-restraint law, has tough enforcement on drunk driving, as do many States.

This is not just an issue that we in Washington are concerned about. People in legislatures throughout the country are concerned about this issue. We are not the only ones with the wisdom here. Let us let the States decide.

As I said earlier, this provision is permissive; it is not mandatory.

My colleagues argue fuel savings. Will it save an additional 100,000 barrels of oil a day? That might be true if we were driving 55, but we are not, the American public is not. The differential in savings is minuscule. In fact only 7 percent of the highway system would come under this provision—only 7 percent. The fuel savings is not the best argument.

It really does come down to the issue of who can best decide what is a safe speed on rural interstate highways. I would contend in my 8,000-square-mile congressional district that it is a little different from the chairman's district in New Jersey or a district in New York or Pennsylvania. I contend that the legislators in my district, the Governor, the National Governors Association, who support this legislation, know best.

Let us stop Prohibition in 1987.

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. Howard] has 8 minutes remaining.

Mr. HOWARD. Mr. Speaker, I yield myself the remainder of my time.

Mr. Speaker, first I would just like to reply to a few of the things that have been said here about some agencies that may be in favor, such as AAA, of increasing the speed limit. I would just like to give a brief rundown of a few of the organizations that are very strongly for keeping the speed limit as it is today: the American Medical Association; the International Association of Chiefs of Police; the American Insurance Association; Environmental Action; National Council of Senior Citizens; MADD—Mothers Against Drunk Driving; RID—Rid Intoxicated Drivers; the American Pediatric Association; the Epilepsy Foundation—just to name a few of them.

First of all, let us get one thing clear. We have been throwing numbers around here. Let us be in the real world and know that whenever we say 55, in the real world we mean close to 65, because that is what the average is. And when the other people talk about going to 65, let us be in the real world and say close to 75, because that is what it will be, and that is what they intend if we should pass an increase in the speed limit.

You know, if you are in a crash at 55 miles an hour, the odds are even money that you are dead or you have killed anyone—any man, woman, or child—that you may hit. At 70 miles an hour the odds are 30 to 1 against you living and against any man, woman, or child that you may hit.

Here are some of the reasons that they say we should increase the present law. Remember, if I say 55 I really mean 65, just like they mean 75.

First of all, because a lot of the people do not observe the 55-mile limit, they say that that is a reason to eliminate it. People traditionally do not observe the 20-mile limit, the 40-mile limit, any limit you have, because of speedometers not being certain and the police radar. This is not a reason.

Then they say, "But the highways are designed for 70, and the cars are designed for 70." True. But we are not designed for 70. We do not control vehicles well at 70, and that is why we have so many of these single-vehicle accidents.

Of course the most important thing, because we are going to vote here in a few minutes, this is not the same vote that we cast last August. The vote on the McCurdy amendment to permit a temporary trial situation concerning the speed and safety designs for that highway and after 5 years to evaluate it had some safety features. This proposal has no safety features, no safety requirements. In fact, it does not even have the requirements that we presently have for 55 miles an hour in this amendment. They can all go a hundred miles an hour and there will not be any Federal requirements.

Now they say, "But you know, those States that are small populated, out West where you have the long roads, those are a lot safer."

Well, let us look at the figures. On rural interstates in this Nation, per hundred million vehicle-miles, the average death rate is 1.44. The highest fatality rate of any State on rural interstates, which is what we are voting on, is Nevada, with 4.55, over three times the national average. Second is Utah, third is Alaska, fourth is Arizona, fifth is Montana—certainly not our dangerous urban areas, but that is on rural interstates in rural States. That is because over half the deaths on our rural interstates are not collisions, they are single-vehicle accidents, where the person loses control and goes off the road, hits somebody or something, and that is where you get the fatalities, single-vehicle.

The No. 1 cause is not drinking and driving, the No. 1 cause of that is speed. Second is drinking and driving. Next, a combination.

Now about the fact that the National Academy of Sciences said that they could not show anything. No, the Department of Transportation could not understand it, but in the study done by the National Academy of Sciences, if you look on page 11, projections indicate that this might result in about 500 more fatalities each year—flat out, in their statement.

We are talking about 500 on the rural interstate if we go up to this 75-mile-an-hour speed, and an additional 200 off the ramps or where you hit the urban interstate in the spillover effect. So you are talking about 700 a year—over the life of this bill, 3,500 deaths.

□ 1750

We have saved 90,000, 90,000 serious head injuries according to the Epilepsy Foundation, which is very, very concerned about this increase.

What we are trying to do and what we want to do in getting better compliance aimed at the fast drivers is to get the range down. That is very important. The range from the slowest drivers to the fastest is a big safety factor. If you raise that speed limit, the slower cars are not going to go any faster, but the ones who are now going fast will. If you have a big range, you are going to have a lot of passing, a lot of lane changing and a lot of deaths.

So what we ought to be doing, as we will be doing in legislation later this year, is aiming and targeting on the very fast drivers to get the range down so that we will be able to save lives from the fast to the slow.

Economics are involved. The American Trucking Association, a group that has an economic interest in this because they have to pay people to drive, and a lower speed limit costs them money because their drivers have to drive a longer time, but they more than make that up in fuel savings, in less maintenance and less insurance, and they are in favor of the 55-mile speed limit, even if the cars are allowed to go to 65.

Another very dangerous thing about this making it State by State, we have a national system here, the Interstate System we are talking about where the Federal Government pays 90 percent of the construction. We have people from all over, different States driving in other States. No one State has a State's right to endanger the lives of people from other States driving in their State.

We will have a lack of uniformity, a 65-mile limit here, maybe 55 in another State. That is going to cause a lot of trouble and a lot of danger.

I understand I have 1 minute remaining and I am going to use this 1 minute because I think it is symbolic. The present speed limit costs each of you, each person in this country 1 minute a day. That 1 minute, if you want to take that back, you are going to have to say by your vote so I can have that 1 minute back I am willing to have during the life of this bill, 5 years, 3,500 people killed. I am willing to have tens of thousands paralyzed, brain damaged. Do we want to do that and say we are willing to kill and maim all of those people so we can have 1 minute a day? I hope the answer is no, and I hope the vote on this resolution is "no."

I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. KILDEE). Pursuant to House Resolution 124, the previous question is ordered on the concurrent resolution.

The question is on the concurrent resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HOWARD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 217, nays 206, not voting 10, as follows:

[Roll No. 35]

YEAS—217

Alexander
Archer
Armey
Aspin
Atkins
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boner (TN)
Bonker
Boucher
Boulter
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bryant
Buechner
Bunning
Burton
Bustamante
Callahan
Campbell
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Coats
Coble
Coleman (MO)
Coleman (TX)
Combest
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dickinson
DioGuardi
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Durbin
Edwards (OK)
Emerson
English
Erdreich
Espy
Fazio
Fields
Foglietta
Frank
Frenzel
Gallegly
Gaydos
Gekas
Gingrich
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gregg
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harris
Hatcher
Hayes (LA)
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Johnson (CT)
Johnson (SD)
Jones (TN)
Jontz
Kasich
Kennedy
Kolbe
Konnyu
Kyl
Lagomarsino
Leath (TX)
Lehman (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lujan
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (NY)
McCloskey
McCollum
McCurdy
McKinney
McMillan (NC)
Meyers
Mica
Michel
Miller (OH)
Montgomery
Moorhead
Morrison (WA)
Murphy
Myers
Nagle
Neal
Nichols
Nielson
Ortiz
Owens (UT)
Oxley
Panetta
Parris
Pashayan
Petri
Pickett
Pickle
Porter
Price (IL)
Ravenel
Rhodes
Richardson
Ritter
Roberts
Roemer
Rose
Rostenkowski
Roth
Roybal
Russo
Saiki
Schaefer
Schroeder
Sensenbrenner
Sharp
Shaw
Shumway
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Smith (IA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stallings
Stenholm
Stump
Sundquist
Sweeney
Swift
Swindall
Tallon
Tauke
Thomas (CA)
Udall
Upton
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Weldon
Whittaker
Williams
Wilson
Wyden
Young (AK)

NAYS—206

Ackerman
Akaka
Anderson
Andrews
Annunzio
Anthony
Applegate
AuCoin
Bates
Bennett
Bentley
Berman
Biaggi
Boehlert
Boggs
Boland
Bonior (MI)
Borski
Bosco
Boxer
Brennan
Bruce
Byron
Cardin
Carper
Clay
Clinger
Coelho
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Downey
Duncan
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Evans
Fascell
Fawell
Feighan
Fish
Flake
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Frost
Gallo
Garcia
Gejdenson
Gephardt
Gibbons
Gilman
Goodling
Gray (PA)
Green
Guarini
Hammerschmidt
Hastert
Hawkins
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Howard
Hoyer
Hughes
Jacobs
Jenkins
Jones (NC)
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Latta
Leach (IA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
Manton
Markey
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McDade
McEwen
McGrath
McHugh
McMillen (MD)
Mfume
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Moody
Morella
Morrison (CT)
Mrazek
Murtha
Natcher
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Packard
Patterson
Pease
Penny
Pepper
Perkins
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Ridge
Rinaldo
Robinson
Rodino
Roe
Rogers
Roukema
Rowland (CT)
Rowland (GA)
Sabo
Savage
Sawyer
Saxton

Scheuer
Schneider
Schuette
Schulze
Schumer
Shuster
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stangeland
Stokes
Stratton
Studds
Synar
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Valentine
Visclosky
Volkmer
Walgren
Waxman
Wheat
Whitten
Wise
Wolf
Wolpe
Wortley
Wylie
Yates
Yatron
Young (FL)

NOT VOTING—10

Beilenson
Collins
Daniel
Kemp
Lowery (CA)
Stark
Tauzin
Traxler
Vento
Weiss

□ 1810

The Clerk announced the following pairs:

On this vote:

Mr. Stark for, with Mr. Weiss against.

Mr. Lowery of California for, with Mr. Beilenson against.

Mr. VOLKMER changed his vote from "yea" to "nay."

Mr. GONZALEZ changed his vote from "nay" to "yea."

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WITHDRAWAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1516

Mr. DELAY. Mr. Speaker, I ask unanimous consent to withdraw my name as a cosponsor of H.R. 1516, the Tongass Timber Reform Act.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOMECARE QUALITY ASSURANCE ACT OF 1987

(Mr. ROYBAL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ROYBAL. Mr. Speaker, I rise today, as chairman of the House Select Committee on Aging, to introduce the "Homecare Quality Assurance Act of 1987" [HCQA]. HCQA is an important first step for Congress in ensuring the quality of care received by all persons in their homes whether it is provided under Medicare, Medicaid, the Social Security block grant, or the Older Americans Act.

The need for legislation became apparent in the findings of the American Bar Association's [ABA] study of home care quality, "The Black Box of Home Care Quality," which was released at the committee's hearing on this issue in July of last year. The ABA report outlines the disturbing lack of knowledge about the quality of care provided in the home setting, the alarming potential for quality problems, and the inadequacy of our current quality assurance system when it comes to care provided in the home. The findings of their report make it clear that we need to improve consumer protections and develop standards and monitoring mechanisms which will ensure that home care services are reliable and of the highest quality possible.

Recent attention to the problem of catastrophic health care has also brought attention to the greater problem of the financial catastrophe of long-term care. As a result, the question of long-term care financing is back on the table in the context of needed short- and long-term health reforms. Most would agree that, when medically appropriate, home care services are the preferred vehicle for care and should be at the heart of any long-term care debate. Yet, it is critical that reforms that expand or liberalized coverage of home care also be accompanied by reforms that ensure the quality of care provided.

While home care services generally enjoy a good reputation, we are deeply concerned by the potential for quality problems in light of the rapid growth in home care services in recent years, the increased financial pressures on home care providers under cost containment, the absence of adequate Federal and State quality assurance systems for home care and the lack of training for home care personnel. Most importantly is the in-home location of services that makes the actual delivery of care virtually invisible and, therefore, largely beyond the easy reach of public or professional scrutiny.

"The Homecare Quality Assurance Act," for which I am asking your support, addresses the deficiencies in our current quality assurance system. The act covers all home care services provided under Medicare, Medicaid, the Social Security block grant, and the Older Americans Act. Key provisions include: establishes a home care consumer bill of rights; creates State consumer boards; sets home care quality standards; creates quality assurance monitoring mechanisms through PRO's and the States; requires Federal survey of home care agencies; expands the State Ombudsman Program to include home care services; calls for a strong consumer role in monitoring activities; requires that agencies engage in care coordination; requires that sanctions and penalties be available to ensure compliance; provides for training all home care providers; and calls for research and demonstration projects and the collection of data on the use and quality of home care services.

Clearly, home care plays a vital role in permitting older persons to continue living independently or with their families in the community. Yet, providing care in the home carries the risk of poor care, unreliable services, and outright neglect, abuse and exploitation. It is therefore our challenge to work cooperatively and create a system to ensure that all care provided in the home is of the highest quality possible and delivered in the best interests of the consumer and their family.

The opportunities for action this year are many and immediate. First, HCQA provides a starting point for debate on a number of dimensions of the homecare quality issue—from consumer protection; to quality assurance standards, monitoring and enforcement; to research, training; to improving wages and benefits. Second, movement on nursing home quality legislation is anticipated over the next few months that will include a discussion of nursing home aide training—an issue equally relevant to home health and homemaker aides. A third opportunity stems from the administration's interest in home care quality, as evident in the planned initiation of homecare quality demonstration projects and improvement of home health survey procedures. Finally, the reauthorization of the Older American's Act this year provides the opportunity to strengthen the role of the State ombudsman program to include advocacy on behalf of home care consumers as well as residents of nursing homes and board and care facilities.

I urge you to join me in supporting this legislation and demonstrating to the American public that congressional concern for quality care does not stop at the hospital or nursing home door—but extends into what is potentially the most vulnerable care environment of all, the home.

I submit, Mr. Speaker, the attached summary of the "Homecare Quality Assurance Act of 1987" for the RECORD.

THE HOMECARE QUALITY ASSURANCE ACT OF 1987 (HCQA)

A bill to establish a quality assurance system for homecare services

PURPOSE

"The Homecare Quality Assurance Act of 1987" (HCQA), is designed to promote the health, safety and well-being of individuals receiving health and social services in their homes under Medicare, Medicaid, the Social Services Block Grant and the Older Americans Act by establishing: a Federal bill of rights for homecare consumers; "home health" and "home help" quality assurance standards; provider training standards; homecare quality assurance monitoring and sanctioning mechanisms; homecare quality assurance studies and demonstrations; state homecare ombudsman activities; State Consumer Boards; and a National Homecare Quality Assurance Council.

BACKGROUND

Growing Need.—With the rapid increase in the number of the elderly and the availability of funding to support services, homecare has mushroomed over the past two decades, but with virtually no provisions to ensure the quality of care delivered. While four percent of the population of United States was 65 or over in 1900, that age group is now 12 percent. In 1900, some three million persons were sixty-five and older compared to twenty-eight million in 1984. That number of older persons is expected to increase even more dramatically over the next several decades, reaching over sixty-four million by the year 2030. More importantly, the greatest percentage of growth is in the number of persons in the 85 and older category. While the rest of the population increased by 9.1 percent over the past ten years, the 85+ population grew by 56.6 percent. It is this group of individuals—an estimated 31.6 percent of those 85 years and over—who have the greatest need for homecare and other long term care services, as they are at the greatest risk of chronic illnesses and limitations in functional abilities.

Growing Pressures of Cost Containment.—The pressure of cost containment on homecare services is twofold. First, incentives for earlier hospital discharge under Medicare's prospective reimbursement system have resulted in people being released "sooner and sicker" and created a greater demand for post-hospital care. At the same time, cost containment measures on Medicare's already limited post-hospital benefit have made it even more difficult for beneficiaries to access the home and community-based care they need now more than ever. This presents a true "Catch 22" and raises serious quality concerns for beneficiaries in need of care and for providers who must operate in an increasingly lean and competitive marketplace.

Rapid Growth in Services.—Concurrently, there has been a rapid growth and expansion in the homecare market. Between 1966 and 1986, the number of certified home health agencies grew from 1,275 to 6,005. Since 1982, certified home health agencies have increased by 55 percent. Although home health care consumes only three percent of the Medicare budget, it is the fastest growing segment of that budget. From 1974-83, Medicare expenditures for home health increased at an annual rate of 25 percent. Investor-owned agencies increased by 300 percent between 1982 and 1984. Proprietary home health care agencies now make up more than 30 percent of Medicare certified agencies, up from six percent in 1979. In addition, there are many homecare agencies providing only support services or a mix of support and health services. While no accurate figure exists documenting the number of agencies or programs which provide these services, the American Bar Association estimates that they may number 10,000.

Future Role of Homecare.—Recent attention to the problem of inadequate protection against the costs of acute catastrophic care has also brought attention to the greater problem of the financial catastrophe of long term care. As a result, the question of long term care financing is back on the table in the context and long-term catastrophic care. Most would agree that, when medically appropriate, homecare services are the preferred vehicle for care and should be at the heart of any long term care debate. Yet, it is critical that reforms that expand the potential for homecare be accompanied as well by reforms that ensure the quality of care provided.

Inadequacy of Current Quality Assurance System.—Despite this dramatic growth in homecare, little is known about the quality of care provided. As such, homecare quality remains a "black box"—a virtual unknown. There is a lack of data about who is providing these services, how many people are being served and how many public and private dollars are going into homecare. Most importantly, little objective data is available on the quality of homecare. The data that do exist are primarily anecdotal and range from statements of "excellent services" to "horror stories." Of particular concern is the in-home location of services that makes the actual delivery of care virtually invisible and, therefore, largely beyond the easy reach of public or professional scrutiny.

Quality standards for homecare are, at best, inadquate. Further, what monitoring occurs at the federal level focuses largely on reimbursement fraud and abuse. Although Medicare conditions of participation provide standards for the delivery of home health care, these standards have been criticized as only providing "paper" compliance. Further, federal quality assurance standards and monitoring systems for home health services, i.e., homecare services other than home health services, are virtually nonexistent. The quality assurance standards and monitoring systems that are available for home help services are provided by the states or local units of government. The American Bar Association reports that thirty-four states and the District of Columbia have some regulation of homecare. In the majority of these cases, regulations mimic the Medicare conditions of participation and focus on home health care rather than the broad array of homecare services.

Lack of Training and Professional Esteem.—Problems of training and professional recognition in homecare are most pronounced among the cadre of unlicensed workers whose primary role is in the provision of homemaker/home health aide, personal support, companion, and other health-related services. Unlike other health professionals, these providers typically receive little to no formal training and work at or below the minimum wage and without employee benefits. Under these conditions, the quality and reliability of homecare services can only suffer from limited opportunities for training, the lack of proficiency standards and the lack of professional regard. Low wages and lack of professional esteem also contribute to a frequently cited problem in homecare—the unreliability and rapid turnover of homecare aides. For persons dependent on home support, a pattern of "no shows" can make or break their continued care at home and, in some instances, be life threatening. At best, repeated changes in care providers compromises the continuity and quality of idividual care.

THE BILL

"The Homecare Quality Assurance Act of 1987" (HCQA), is a first step toward ensuring the quality of care provided to persons in their home under Medicare, Medicaid, the Social Services Block Grant, and the Older Americans Act. HCQA is based, in part, on the findings of a 1986 report released by the House Select Committee on Aging and prepared by the American Bar Association entitled, "The Black Box of Homecare Quality". This report points to the serious deficiencies of our current quality assurance system when it comes to homecare.

A synopsis of the Homecare Quality Assurance Act of 1987 (HCQA) appears below and is followed by a detailed description of bill provisions.

BILL SYNOPSIS

Establishes a federal bill of rights for homecare consumers under Medicare, Medicaid, the Social Services Block Grant, and the Older Americans Act.

Sets "home health" and "home help" quality assurance standards and requires agency compliance as a condition of participation under Medicare, Medicaid, the Social Services Block Grant, and the Older Americans Act.

Requires that homecare agencies have plan of care policies that identify services to be provided, provide a means for identifying additional client needs and include coordination mechanisms with other service agencies.

Requires that PROs conduct quality assurance monitoring of all home health agencies funded under Medicare or Medicaid.

Requires that states have a quality assurance monitoring mechanism for home help services funded under the Social Services Block Grant Program, the Older Americans Act and the Medicaid Home and Community Based Services Waiver Program.

Amends the Older Americans Act to include and provide separate funding for homecare ombudsman activities for the purpose of investigating and resolving homecare as well as nursing home and board and care complaints.

Requires federal survey of homecare agencies, with allowances for "deemed status" for agencies accredited by organizations or certified by states having standards at least as stringent as federal conditions of participation.

Encourages states to establish comparable quality standards and survey procedures for homecare agencies under State programs serving consumers of all ages.

Requires that states establish Consumer Boards which conduct oversight activities, provide input into the award and evaluation of the PRO and home help monitoring mechanisms, engage in consumer education, and receive input from homecare beneficiaries.

Requires that PROs, state homecare monitoring mechanisms and ombudsman programs have toll-free hot-lines to receive questions and complaints from beneficiaries, providers and others concerning homecare quality issues.

Requires that sanctions, including intermediate sanctions and civil penalties, be available to ensure compliance with quality assurance standards.

Requires that DHHS set minimum proficiency standards for all persons delivering homecare services and fund training programs for personnel and caregivers. Encourages states to develop licensing requirements for home health providers.

Requires that DHHS establish guidelines and provide funding for homecare training grants, for homecare demonstration projects, and for homecare quality assurance studies, including research on training and wage levels.

Requires that DHHS implement and administer all provisions of the Act in conjunction with a National Homecare Quality Assurance Council representing providers, consumers, states, accrediting bodies, fiscal intermediaries, PROs, researchers, and others.

MARIA DE ANGELIS AND HELAINE SWEET, SPRINGFIELD, MA, SCHOOL VOLUNTEERS, "LEADERS OF READERS RECOGNITION AWARDS"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. BOLAND] is recognized for 5 minutes.

Mr. BOLAND. Mr. Speaker, this morning in the Capitol, Secretary of Education William Bennett joined representatives of Family Circle magazine, and the Council of Periodical Distributors, in presenting the national "Leaders of Readers" recognition awards.

I am delighted and proud to inform the Members of the House, that two of my constituents, Maria De Angelis and Helaine Sweet, of the Springfield MA, school volunteers, were among the four grand award recipients honored at this mornings ceremony.

According to a 1984 book industry study, only 50 percent of Americans can be classified as "readers."

A distressing number of our citizens—27 million by recent estimates—

are functional illiterates, a figure that is expected to grow by 2.3 million persons annually.

We have all seen the public service media announcements, which underscore the fact that, "reading is fundamental."

And so it is.

Reading skills are fundamental to our national effort, to reverse the illiteracy statistics I just mentioned.

And a love of reading is fundamental, to experiencing the wonders contained in the great works of literature, that are an important part of our civilization.

The Federal Government will spend more than $8 billion this year on elementary, secondary, and vocational education programs.

State and local governments will spend tens of millions of dollars more.

Much of this money will be directed toward efforts to teach skills, and encourage good reading habits.

Those efforts must continue, but more can, and should be done.

The Family Circle CPDA awards program, recognizes, that valuable initiatives in the battle against illiteracy are being developed on the local level.

These initiatives, and the dedication and commitment through which they were created, can be replicated in other cities and towns.

Encouraging this effort is the purposes of the "leaders of readers" program, and I believe it is an undertaking that deserves the commendation of this House.

Mr. Speaker, the Springfield School volunteers have a distinguished tradition of fostering community involvement in the education of our young people.

s program, supervised by Maria De Angelis and Helaine Sweet, is certainly in keeping with that tradition.

It blends, the natural enthusiasm of children, with two of their favorite rewards, ice cream and peer recognition, into a program that results in students eager to read more books.

The appreciation of reading that is produced is a gift, for a lifetime—a gift that will serve both the students and their communities well in the years to come.

I want to congratulate Ms. De Angelis and Ms. Sweet on their efforts, and the Friendly Ice Cream Corp., represented today in Washington by its corporate public affairs director Jim Velis, for its sponsorship of this program.

Friendly Ice Cream is one of western Massachusetts' finest corporate citizens and this is an example of why it is held in such high regard.

Joining our award winners in the capitol are Springfield Mayor Richard Neal and Springfield School Superintendent Thomas Donahoe.

Their presence is a testament to the fact that, in Springfield, education is both a civic commitment and a source of civic pride.

I want to welcome them all with the hope that the recognition being given to the friendly readers program encourages the realization that the important job of educating our children is not a responsibility of government alone, but should involve all of us.

EXPLANATION OF MISSED VOTES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. DINGELL] is recognized for 5 minutes.

Mr. DINGELL. Mr. Speaker, on March 17, I was in my 16th Congressional District on official business and unfortunately missed votes on H.R. 1085, a measure which would make the new GI bill permanent (rollcall 31), and H.R. 1157, the Farm Disaster Assistance Act of 1987 (rollcall 32). In light of the importance of H.R. 1085 to the veterans of my district, and the strong support of H.R. 1157 by the farmers in my district, I would have voted "aye" on both of these measures had I been present on the House floor to cast my vote.

PENSION SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. OAKAR] is recognized for 5 minutes.

Ms. OAKAR. Mr. Speaker, I rise today to address an issue which strikes at the heart of working America—pension security. When LTV, Inc., filed for chapter 11 bankruptcy last July, the specter of corporate default on benefit obligations was raised. That nightmare became reality when LTV unilaterally terminated health and life insurance benefits for approximately 78,000 retirees nationwide. The implications of these actions have had enormous impact not only on the affected retirees but the American business community as well.

An immediate legislative response was required. Congressman STOKES rose to the challenge and introduced a bill, H.R. 5283, of which I was a cosponsor, seeking to compel LTV to honor its life and health insurance obligations. The substance of H.R. 5283 was adopted in the continuing resolution and was instrumental in extending the court-imposed deadline for continuation of benefit payments until May 15, 1987.

My own response was the introduction of H.R. 3838, a bill to provide money in the form of investment tax credit carrybacks amounting to approximately $150 million. The funds were specifically to be applied to revitalization of existing steel facilities and the payment of health insurance benefits to its workers. This provision was adopted into the Tax Reform Act of 1986 in its entirety.

These legislative actions were essential in alleviating the initial crisis situation, but the time has come for permanent solutions to be found and implemented. Congressman STOKES has once again answered the call and introduced legislation to permanently modify the Bankruptcy Code and insure that a unilateral termination of health and life insurance benefits does not happen again.

I am proud to be an original consponsor of H.R. 1186, The Retiree Benefits Security Act of 1987 and would like to commend Congressman STOKES and Senator METZENBAUM for taking the lead on this issue of vital concern to retirees and workers everywhere.

The problems of the steel industry continue to escalate however, and until an effective restructure of the industry occurs the fate of steelworkers everywhere will continue to hang in the balance. On January 13, 1987, the Pension Benefit Guarantee Corp. [PBGC] terminated and assumed LTV's pension plans. These plans were underfunded by approximately $2.1 billion.

The termination of these plans have increased PBGC's operating deficit to an estimated $4 billion. At this rate PBGC will only be able to survive another 10 years. Even more frightening is the fact that 10 out of 12 steel companies have underfunded pension plans. In short a disaster is waiting to happen unless action is taken very soon.

As chair of the Subcommittee on Economic Stabilization, I am greatly concerned with the growing crisis in the steel industry. It is obvious that the current structure cannot be maintained and I intend to hold hearings in an effort to address the problems and find viable solutions. If we are to come up with a comprehensive and workable agenda in which to rebuild the steel industry it is imperative that Congress, management and labor unite in a spirit of cooperation.

THE NEW WHITE HOUSE TAPES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CONYERS] is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, one of the most startling revelations of the Tower Commission was the documents found in the safe of Lt. Col. Oliver North. These documents suggested that tens of millions of dollars were provided to the Contras through a private network of corporations and nonprofit organizations that the colonel helped to organize.

The flowchart of Project Democracy which may be connected to the National Endowment for Democracy, a group that we founded in this Congress, found in North's safe and reproduced in the Tower Commission report, will be central to current congressional and special prosecutor investigations.

The revelations of this investigation might make the Tower Commission report in the end read like Sesame Street. If the special prosecutor obtains access to National Security's Secure Telephone Units' taping of President Reagan, Vice President BUSH, Mr. McFarlane, Colonel North, Mr. Poindexter, Mr. Regan, Mr. Casey, and Mr. Meese, we are back in the White House tape business all over again.

So I wanted to alert our colleagues to the fact that congressional investigators, as well as many senior members of the national security community, are unaware of the existence of these telephone tapes.

Staff and members of the Senate and House Intelligence Committees had not even heard of these tapes until recent date. It would be the equivalent of having the Nixon tapes, and it gives the potential for proving a case that might not otherwise be proved.

Bottom line: We should go slow on all the immunity requests that are pouring into the special committees that are investigating this.

A SALUTE TO THE KALMAR NYCKEL FOUNDATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Delaware [Mr. Carper] is recognized for 5 minutes.

Mr. CARPER. Mr. Speaker, I would like to bring to the attention of this body and the entire Nation the fine work being done by the Kalmar Nyckel Foundation, a small but dedicated group of Delawareans who have undertaken the building of a replica of the three-mast tall ship *Kalmar Nyckel* as part of the 350th anniversary of the first landing of Swedish settlers in America. The landing of the *Kalmar Nyckel* in 1638, at "the rocks" on the Christina River at what is now Wilmington, DE, marked the beginning of what has been a long and fruitful relationship between our two peoples. Many Americans of Swedish ancestory can trace their family roots to these early settlers, and the bond between the United States and Sweden is strengthened by the centuries-old kinship between Swedish-Americans and their European cousins.

In 1988, the State of Delaware will celebrate the trisusquicentennial of the first landing, and the *Kalmar Nyckel*, a 91-foot 17th century armed Dutch pinnace, will be a highlight of the festivities. The anniversary celebration will be attended by the King and Queen of Sweden and other dignitaries from the United States and abroad.

Mr. Speaker, this challenging project has already gained international attention, and enthusiasm is growing rapidly. To build the ship, the Kalmar Nyckel Foundation will need to raise $1.8 million. A "pledge-a-plank" campaign is well underway in its goal to raise these funds from interested businesses, community organizations, and individuals by the end of 1987.

Internationally recognized naval architect, Thomas Gillmer, an authority on 17th century ships and a former professor of naval architecture at the U.S. Naval Academy, is the ship's designer.

I commend the outstanding work of the Kalmar Nyckel Foundation, its president, Francis I. DuPont, the chairman of its advisory committee, Malcolm Mackenzie, its trustees, and the many volunteers who make the project possible.

Members of the board of trustees include: Capt. Daniel B. Charter, USCG, retired; James H. Gilliam, Sr., director of the New Castle County, DE, Department of Community Development and Housing; Herbert H:son Gullberg, CEO, H. H:son Gullberg, Inc., and former Governor of the Swedish Colony Society; H. Hunter Lott III, executive vice-president of Gilpin Allegheny Reality; Rev. Quintin E. Primo, former interim bishop of the Episcopal Diocese of Delaware; John S. Reese IV, founding trustee of Holy Trinity "Old Swedes" Church Foundation; Calvin P. Stidham, owner, Stidham Boat Works of Odessa, DE; and Olof G. Sundin, president, Sundin's Fabriker A.B., Hudiksvall, Sweden, and past president of the Delaware Swedish Colonial Society.

The following are honorary trustees: Hon. J. Caleb Boggs, former Senator and Governor of the State of Delaware; John A. Munroe, Ph.D., Nathaniel C. Wyeth, and John E. Babiarz, former mayor of Wilmington, DE.

The 16-member advisory committee, chaired by Malcolm Mackenzie includes: Donald Callender, public relations and archeology; Lt. Col. Richard E. Kyle, USAF, retired, Armed Services; Dr. William B. Keene, Delaware School superintendent, education; Charles Jordan, advertising specialties; Hon. William McLaughlin, former mayor of Wilmington, government; Walter Moulder, president, Delaware Boating Council; Frederick Rohm, president, New Castle County Chamber of Commerce, business; William Swayze, groups; Donald Van Sciver, schools; Rita Beulie, community; Tina Lassen, membership; Ron Lamar, media; Barbara Swayze, descendants; Gunter Sunkler, products; C.A. Weslager, historical; and Loretta Kelly, secretary.

ORDER OF BUSINESS

Mr. LATTA. Mr. Speaker, I ask unanimous consent that my special order precede other special orders entered into today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

A DEMOCRATIC PRESCRIPTION FOR FISCAL DISASTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. Latta] is recognized for 60 minutes.

Mr. LATTA. Mr. Speaker, the Democratic majority of the House Budget Committee has become so frustrated with trying to meet its responsibilities that it is willing to abdicate those responsibilities and instead engage in a political ploy.

Unfortunately, this ploy, if actually adopted in a budget resolution, would be a prescription for fiscal disaster for many needed programs like Social Security, Medicare, defense, education and law enforcement and so forth.

Instead of offering the customary chairman's mark as a working document from which a final responsible budget resolution can be developed, the Democrat majority is proposing that we start from a total freeze of all outlays for fiscal year 1988 at their fiscal year 1987 levels.

In other words, all Federal programs would be frozen regardless of merit. This would amount to a super sequester.

This is one way, apparently, that the Democrat leaders hope to vent their wrath at President Reagan, who has been steadily resisting Democrat proposals to undo the tax reform package and raise income taxes to finance Democrat spending plans.

In effect, the Democrats say, "If the President will not agree to raise taxes, then we will show him. We will freeze everything." They also hope to drag the White House and Republican minority on the Budget Committee into a position where they might agree to a tax hike to rescue programs like Social Security, Medicare, education and the rest.

Frankly, it is a shameless and heartless ploy, and I do not believe it will work.

Democrats must know what a total outlay freeze would mean in fiscal year 1988. It would mean that between 36 and 37 million Social Security recipients would not only be denied a cost-of-living increase next January, but would receive a 2-percent cut in the present level of their checks if new retirees are to be paid. The cut now lays Social Security below the other amount estimated by the Congressional Budget Office as needed to cover a 4-percent cost-of-living increase and to maintain current service levels would total almost 6 percent.

Many of these older people are already existing on a very tight budget. This working document, so to speak, would put an unmerciful squeeze on them.

□ 1830

Medicare would suffer an 11.5 percent cut in the level needed to maintain current benefits. Again imagine the suffering this would cause among the Nation's senior citizens.

There would be a cut of almost 4 percent in defense outlays. In order to reach this level, we would have to reduce defense budget authority by 8 percent. All this would be in addition to the 6-percent real cut in defense which has taken place over the past 2 years. Thousands of military personnel would have to be laid off, and our world readiness to fend off aggression would suffer greatly. Perhaps most importantly, the Soviets would interpret such a cutback in national defense as a sign of American weakness and react accordingly in arms control negotiations.

Here are some of the other cuts in outlays from current services levels that the various major governmental functions would have to take:

International Affairs, Function 150, would take a $3 billion cut, or a 17.86-percent reduction.

Function 250, General Science, Space and Technology, would suffer a $1.2 billion reduction, or 11.21 percent.

Energy would suffer a $1.7 billion reduction, or 31.48 percent.

Natural Resources and Environment would suffer a $1.7 billion cut, or a 10.97-percent reduction.

Agriculture, incidentally, would be increased by $0.2 billion, or 0.67 percent.

Commerce and Housing would be increased by a half billion dollars, or a 6-percent increase.

Transportation would be reduced by $3.3 billion, or an 1.5-percent reduction.

Community and Regional Development would be increased by $0.7 billion, or 10.29 percent.

Education, Training, Employment and Social Services would be decreased by $2.3 billion, or 7.06 percent.

Health would be reduced by $3.8 billion, or 8.62 percent.

Medicare, as I mentioned, would be reduced by $9.4 billion, or 11.31 percent.

The Income Security section would be reduced by $7.2 billion, or 5.48 percent.

Veterans' Benefits and Services would be reduced by $1.2 billion, or 4.38 percent.

The Administration of Justice would be reduced by $1.1 billion, or 12.09 percent.

General Government would be reduced by $300 million, or 4.35 percent.

General Purpose Fiscal Assistance would be reduced by $200 million or 10.53 percent.

Net Interest would be reduced by $6.8 billion, or 4.84 percent.

The Allowance section would be reduced by $500 million, or 55.56 percent.

Offsetting Receipts would be increased by $5.42 billion, or 12.87 percent.

Mr. MACK. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Florida.

Mr. MACK. Mr. Speaker, I was just curious about this. The document the gentleman is referring to there, is that the finally awaited for Democratic budget proposal or the House proposal?

Mr. LATTA. Well, that is the proposal that I understand we are going to be asked to mark up from tomorrow. That is the 1987 budget without any increases whatsoever.

Mr. MACK. Again let me ask, have they put together a budget? I guess that is what I am trying to ask.

Mr. LATTA. Mr. Speaker, let me say to the gentleman that I do not think they have put together a budget. I do not think they have been able to do that. I think they have been frustrated. They have been running around over the country condemning the President's budget and saying, "You can't do this" and "You can't do that" for the last 2 months.

Now it is their time to put up or shut up, and they are coming up with this proposal for the 1987 budget, which is what we are supposed to mark up from.

Mr. MACK. Mr. Speaker, does the gentleman mean this is the same group that has been talking about the lack of leadership on the budget issue, this same group that has been day after day and week after week, as the gentleman indicated, traveling around the country beating up on the budget the President submitted? They have not come to you with a budget proposal yet? Do I understand this is just some kind of a fictitious document?

I just do not understand this. Where is the courage that we heard so much about in the past?

Mr. LATTA. I have not seen it.

Mr. GRADISON. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Ohio.

Mr. GRADISON. Mr. Speaker, I thank the gentleman for yielding and for taking this special order.

There has been much talk of late about the desirability of a budget summit bringing together the White House and the Congress, Republicans and Democrats, to deal with the most critical issue of how to reduce the deficit and move toward a balanced budget. It should be obvious to all observers that there is nothing to negotiate at such a summit until both sides have put their plans on the table.

From the Democrats who control both Houses of the Congress all we hear are complaints about the President's budget. That is all well and good. But the time for fun and games is over. It is about time we hear not what the Democrats are against but what they are for.

The Democrats argue that the President's budget does not hit the Gramm-Rudman-Hollings target of $108 billion, but that the White House budget is closer to a $135 billion deficit. But the Democrats, in their zeal to be critical rather than constructive, not only have not come up with a budget to hit $108 billion, but they have not even come up with one to hit a $135 billion deficit.

The time for political posturing is over. I say to my friends on the Democratic side of the aisle: the ball is in your court. Do you really want a budget summit? And, if so, instead of telling us what you are against, how about telling us what you are for.

Mr. LATTA. Mr. Speaker, I thank the gentleman for his comments.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Speaker, I thank the gentleman for yielding, and I appreciate his taking this time to allow us the chance to point out that the Democrat majority has failed for the first time to submit a budget proposal, and the markup is scheduled for tomorrow.

We are going in the markup at 9:30 tomorrow morning, Thursday morning, and here it is, 6:30 the night before. We have not been given any document from which to mark up a trillion-dollar budget with thousands of line items, and we have no promise of any document with which to begin our work to try to solve America's deficit problem, which leads to the loss of jobs because the trade deficit can be directly attributed to the Federal spending and the Federal borrowing to make up the deficit which we saw last year and continue to see.

What are the Democrats coming forward with? Well, first they tell us that we are going to start with a freeze of the outlays at the 1987 level. I will talk about that in a minute. Then they come forward and tell the press, according to a story in today's New York Times, that they are working on proposals aimed at reducing the projected 1988 deficit by $36 billion, half of it through tax increases and then the other half through cuts in discretionary spending, cuts on the national defense and the other on social spending.

So what is their proposal? They are speaking to us in tongues, I suggest. It is unintelligible. There is no leadership on the Democrat side. Last fall the Democratic Party went around this country—and they have been going around since, like the Speaker and the chairman of the Budget Committee and others—and saying, "Give us, the Democrats, a chance to lead this Nation. We will show you that we have got a clear and resounding trumpet calling the Nation to sacrifice and calling for solutions to our basic problems." And what is the tinkling symbol that we get when they get the chance to lead?

I would point out to the gentleman and to everyone else listening that the Democrats control the House by a hefty majority and now they control the other body, the U.S. Senate. They control both bodies of the Congress. They asked for leadership last year; the American people gave it to them. The American people said, "Solve this trade deficit. Solve the budget deficit. Solve the budgetary problems that America faces."

What is their answer? I say to the Members that they are speaking in tongues.

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What would the outlay freeze do if that is the route that they go? If they freeze outlays based on the 1987 level, let us talk about it half-a-minute here.

If this is what they are talking about as leadership, we shall all be scared of their stewardship. An outlay freeze would do this: It would gut America's defense by over $45 billion in budget authority. That is assuming you do not hurt vital readiness accounts. But the majority proposal is a true freeze. That means the readiness accounts as well. That is an overall budget authority cut of $28 billion, but over half would come from readiness accounts because of the way the Defense budget operates.

It would freeze interest on the debt. How can you freeze paying your interest? You can simply decline to pay the interest on the debts you have been forced to accrue over the years. Well, we just join some of our Latin American friends and tell the banks and those we owe money to we are not going to pay up. That is what this freeze would do unless you make some change in it. That is the kind of tinkling symbol and tongues that is coming out of the Democrat majority.

Social Security; Federal retirees; black lung beneficiaries and so on and so forth. Will we cut out their COLA's or even cut into the accounts they now receive? That is what the Democrats outlay freeze will get you to unless you make some changes. That is the leadership's answer, the majority's answer to a serious problem in this Nation.

Welfare and Medicaid; and outlay freeze on these means changing the laws to restrict the number of beneficiaries or cut the beneficiaries per person. That is what the Democrats are proposing in this outlay freeze based on 1987 outlays.

That is one side of their mouth. Out of the other side of their mouth they say to the press, we are working on a proposal to reduce the deficit by $36 billion. That means abandoning Gramm-Rudman-Hollings that the Congress and the American people demanded last year to get us on the path toward a balanced budget by 1991. That Gramm-Rudman requirement is that we cut spending by upward of $62 billion. The Democrats telling the press we are going to cut it by $36 billion means they are abandoning Gramm-Rudman.

Mr. LATTA. They are not only abandoning it, they would be in violation of the law. The law is that you come down to those targets. Is that not correct?

Mr. ROGERS. The gentleman is correct. The law is that we must come down by $62 billion and they are telling the press we are going to violate the law. Second, it means that they are going to have to raise taxes and even the leadership of the House on the majority side has been floating all sorts of tax increase proposals over the last 2 or 3 months. Tax this, tax that, give us more money to spend. Tax and spend; tax and spend. That is the message we are getting these days. The same old tired message the American people threw out in 1980 and in 1984.

The other part of the proposal given to the newspapers is we are going to abandon Gramm-Rudman, we are going to raise taxes, and we are going to cut defense and entitlement programs or discretionary spending by upward of $9 billion. That is what the other side of the tongue is saying on the leadership side.

Mr. DENNY SMITH. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Oregon.

Mr. DENNY SMITH. I thank the gentleman.

Mr. Speaker, it seems to me that decisions are being avoided now at a time for decision. As the chairman pointed out, the leadership of the Democrat Party is willing to ignore the Gramm-Rudman-Hollings ceiling of $108 billion. I think your point is very clear.

When you and I came to the Congress in 1981, the outlays were $688 billion, and you and I are not surprised but they are going to be a trillion and 15 this year. We have not seen any leadership out of the Democrat chairman as to what he is going to do about this. I just commend the gentleman on his statement.

I, for one, want to stick with that $108 billion target and I am sure that the gentleman does also.

Mr. ROGERS. Absolutely. I thank the gentleman for his comment.

Mr. SUNDQUIST. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Tennessee.

Mr. SUNDQUIST. The gentleman mentioned that there was an article today and I think it is interesting to point out that the New York Times said that it is an effort to blame Republicans and the President for their problems. You also mentioned that leadership is lacking. It looks to me like they are trying to substitute blame for leadership.

Would the gentleman agree with that?

Mr. ROGERS. Absolutely. I would agree with that; I think the gentleman is exactly correct.

The job of the chairman of the Budget Committee and the majority party, and let us point out that we are 2-to-1 outnumbered on the Budget Committee. The majority can vote in any proposal they want, whether we participate or not. Now, they came to us 2 or 3 days, working days, before markup was to commence, and said, "Hey, come on in and let us discuss the budget." A trillion-dollar budget in 2 or 3 days after they had been meeting privately for a month or 6 weeks. No time. Even yet we have not been given any proposal. What is it you are going to talk about so we can retire to our Chambers and discover what it is that you have in mind. They are yet to produce any kind of proposal except speaking in tongues either to the newspaper or to us with a different story.

Mr. DENNY SMITH. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Oregon.

Mr. DENNY SMITH. I think the gentleman brought out a good point. You know, we do not have control of the process and when you look at the overwhelming majority that the Democrat leadership, Chairman GRAY, enjoys, and what he does with that. He only calls on the Republicans when it is to his advantage to try and put something out that looks like he is trying to be bipartisan. At no time does he really, truly want to be bipartisan.

I think if I recall correctly that you had a conversation with him you were telling me about earlier and about he wanted to be bipartisan. But you knew right away, as we have learned in years past, that when he says he wants to be bipartisan it means that he really is getting us set up, kind of like Linus and the football trick in "Peanuts."

I just wondered if you would expand on that little bit because I think it is really important.

Mr. ROGERS. The point I wanted to make was that the Democrat Party went to the American people last year and said give us a chance to leave. We will solve the deficit problem. We will solve the trade deficit problem. Give us a chance, put us in power. The American people did. They put them in charge of the U.S. Senate and they put them in charge of the Congress; both Houses.

Now, when it comes time to put up or shut up on solving the problems, they shut up. We hear nothing out of them on what it is their proposal is to solve the problems they were given the responsibility to solve. Let us face it: Leadership in this nation is desperately needed on the Hill. We have got a great President, and we have got an administration, an executive branch that it moving. We have got a Congress that will not move to solve these basic problems.

Mr. THOMAS of California. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from California.

Mr. THOMAS of California. I thank the gentleman.

Mr. Speaker, I think the Americans really need to understand that we are talking about the budget and we quote dollar amounts in various categories for various functions, but really, a budget is a political document because it states for all when you construct a budget where your priorities are. Where you put the dollars or where you put your emphasis in terms of what is important in this country.

The President has done that and that is his constitutional duty. What we are saying I think, people need to understand, that since Democrats both the House and the Senate and the House is the constitutionally charged body with putting together the dollars and cents, we have to pass that budget first, that since the Democrats control the House, we are asking them to put together their sense of the way the country ought to go. Their idea of what the budget ought to be. It is a political document. Politics is who gets what, when and how.

The Democrats want it both ways. They want to majority, they want to be able to control but they do not want to carry out the responsibility that that majority carries with it. That is to simply tell people where they stand on their priorities.

Mr. ROGERS. As President Harry Truman said,

> A leader has to lead or otherwise he has no business in politics.

This leadership party is not leading. It is not giving a clear and resounding sound to the American people. With that, I am going to relinquish the balance of my time so that others may speak, but I am not prone to quote the Bible, but I am going to quote a portion of the Bible that I think is exactly relevant to what we are talking about here today, at least me. I am going to quote from Paul's statement in 1, Corinthians, chapter 14, where he said:

> Now, brethren, if I come to you speaking in tongues, how shall I benefit you unless I bring you some revelation or knowledge or prophecy or teaching? If even lifeless instruments, such as the flute or harp, do not give distinct notes, how will any one know what is played? And if the bugle gives an uncertain sound, who shall prepare himself for battle?
>
> So with yourselves; if you in a tongue utter speech that is not intelligible, how will any one know what is said? For you will be speaking into the air.

□ 1850

Mr. LATTA. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. SUNDQUIST].

Mr. SUNDQUIST. Mr. Speaker, I thank the distinguished vice chairman for taking these special orders and for yielding me this time. I appreciate this opportunity to share a couple observations on this year's budget debate.

As a new member of the committee, I have watched with interest the political posturing of the Democratic leadership. For almost 2 months we were consumed in a prolonged attack on the President and the President's budget, including several committee meetings around the country where the focus was on attacking line by line what the President has proposed in his budget.

Now, he met the constitutional requirements in that budget. The budget was submitted on time. I do not agree with everything that is in the President's budget, but nevertheless he fulfilled his responsibility as a leader.

Last week after more than a week of apparently unsuccessful efforts to draft a Democratic budget plan, we budget Republicans were asked to join them in a bipartisan effort. Rather than taking the expedient route and refusing to cooperate, we Republicans asked for an opportunity to discuss this strategy with our leadership.

Yesterday at the same time we were meeting with our leadership to consider the challenge of joining together to produce a bipartisam budget, the Democrat leadership and the chairman of the Budget Committee announced to the press plans for a new strategy to discredit President Reagan's budget. That plan, as the gentleman from Ohio [Mr. LATTA] said yesterday, is a clear admission that the Democrats have been unable to come up with a budget that they are proud to present to the American people. Embarrassed by their inability to produce a responsible document that cuts the deficit, it appears now the idea is to try to spread the embarrassment to the budget Republicans.

The deadline for the budget resolution is upon us and yet the House Democrat leadership remains paralyzed in facing up to their responsibilities to produce a budget document.

As the gentleman from Kentucky said earlier, when will the party that says they are governing begin to govern?

Because of this institutional paralysis in this Chamber, tomorrow we are going to be faced with a Democrat proposal that would deny between 36 million and 37 million Social Security recipients their cost-of-living raise. In fact, an outlay freeze would actually reduce the Social Security benefits of many beneficiaries.

Because of the lack of political will, the Democrat leadership is abandoning the tradition of working from a chairman's mark in open session. Because of a case of political butterflies, we are going to be working from a document that the chairman himself says clearly is unacceptable in its implications.

So the exercise in political posturing only delays the inevitable. Sooner or later the majority leadership of this House must realize that its responsibilities in devising a budget extend further than merely throwing rhetorical bombs at the administration.

Did it have to come to this? No, I do not think it did, because last week we were asked to be bipartisan and join the process. Today we read in the papers how the markup tomorrow is designed to embarrass the President and House Republicans.

Mr. BUECHNER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am delighted to yield to the gentleman from Missouri.

Mr. BUECHNER. Mr. Speaker, I am, of course, a first termer both in the Congress and in that committee, as is the gentleman from Tennessee. Last Thursday I think the consensus that we came away with was that there was a genuine intent by all the parties there, Republicans and Democrats, to try to reach some sort of a true bipartisan budget that is good for this country. Would the gentleman agree with that?

Mr. SUNDQUIST. I would agree.

Mr. BUECHNER. And then all of a sudden I guess the old song, I heard it on the grapevine, the way we found out that the proposition had been taken off the table and literally what the gentleman from Kentucky [Mr. ROGERS] had been speaking of that we were reading about in the newspaper instead of having another meeting where we could discuss other options; is that correct?

Mr. SUNDQUIST. That is correct.

Mr. BUECHNER. So the leadership, I think the gentleman is talking about, was the leadership that it seemed at one point in time that we all were trying to aim toward what is right for this country and that is a balanced budget, but that committee for one brief moment seemed to be heading that way and then sort of like a 100-mile-an-hour train it crashed through the brick wall into the cold cruel reality of politics.

Mr. SUNDQUIST. That is correct. I thank the gentleman for his comments.

Mr. DENNY SMITH. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am delighted to yield to the gentleman from Oregon.

Mr. DENNY SMITH. This is my second term on the Budget Committee and I think the gentleman from Ohio [Mr. LATTA] would agree that last year we had three real meetings of the Budget Committee. We had some hearings around the country and some other hearings here in Washington, DC, but we had one when we organized the committee, one the day that they shoved their budget through over our objections, since we do not have very many members on the committee in comparison to our numbers in the body, and the third was when we got our picture taken. The good news was that we got a good picture.

The problem we enjoy or that we do not enjoy here is any kind of a bipartisan spirit to try to get at, first, the Gramm-Rudman-Hollings goal of a $108 billion deficit; and second, working for the best interests of the country.

Really, when it is to the advantage of the majority party in this body, the Democrats in this House under the leadership of Speaker WRIGHT, as it was under former Speaker O'Neill, they bring us in when it is to their advantage to try to look like they are bipartisan, but just as last year, we had 1 day of true activity on the budget and, bingo, it went through over our objections. I think the other members of the committee that were there were as outraged as I was over that kind of treatment; but the gentleman makes some good points on what this proposed markup will be tomorrow. We will have to wait and see, but we are still waiting for the supposed leadership of Chairman GRAY and the Speaker of this House to come forward to really try to do what is right for the American people in this budget.

Mr. SUNDQUIST. Mr. Speaker, before the gentleman from Ohio yields any further, I would just like to make a couple more points that the gentleman has brought out, that for us to join this process, and we want a balanced budget, that is our goal, we only ask for some very reasonable things, to put the sequestration trigger back in Gramm-Rudman, because both parties voted for Gramm-Rudman in its enforcement mechanism 2 years ago.

We ask for an assurance of an effective reconciliation in this bill.

Mr. DENNY SMITH. Mr. Speaker, will the gentleman yield further?

Mr. LATTA. I yield to the gentleman from Oregon.

Mr. DENNY SMITH. Mr. Speaker, the sequestration means what, what is that going to do for the American taxpayer and for the American public? What happened at the Supreme Court?

Mr. SUNDQUIST. Well, it was a technicality, as the gentleman knows. We need to put some enforcement mechanism in so that if we do not do our job in the Congress, that the budget then is balanced, like reducing all spending.

Mr. DENNY SMITH. Put the hammer back into the law that was passed?

Mr. SUNDQUIST. Yes; absolutely, put the hammer back in, so if we fail in our decisionmaking progress, then it is done arbitrarily. Now, we do not want that to happen, but there has to be an alternative.

Mr. DENNY SMITH. If we do not have that hammer, basically the Congress does not have the corporate courage to come forward and do what is right.

Mr. SUNDQUIST. I think that is a fair statement, at least the majority do not have that corporate courage.

Mrs. JOHNSON of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am delighted to yield to the gentlewoman from Connecticut.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I would just like to comment on the subject the gentleman has discussed, that is, the recent workings of the current Budget Committee. I think it is very important that Members understand and that the public understands that we all view the situation as such a serious situation, the deficit as so threatening to this Nation's future, both in terms of the strength of the economy and the trade deficit, that we were together last week in closed meetings for a frank discussion and in the course of that discussion one of our colleagues on the other side said that if we cannot get together, this Nation is going to see not just smoke and mirrors, but a majestic sham, a budget that is a majestic sham. On my time I hope to give some insight into the kinds of budgets we have seen so that we can put new meaning behind those words "majestic sham," but I think it ought to be recognized that we were all there speaking frankly because we heard what Rudy Penner, the head of the Congressional Budget Office, said to us. He said,

> I don't care what you do about trade laws. I don't care how much you level the playing field. I don't care what you do about currency. If you don't reduce the deficit, you are not going to save jobs that are being destroyed through the trade imbalance. If you don't reduce the deficit, this Nation has no future in terms of the strength of our domestic economy or our position in the international market.

So we were all there last week because we wanted to make a difference. We came out of that meeting with a certain agreement as to what was going to happen and when the press conference was held this morning it circumvented all those things that had been said and all that process that had been put in place and it said once more we are only interested in working together if it will promote the sham operation that we have been the sponsors of in the last couple years.

I yield back because on my time I will go into that in more detail, but I thank the gentleman.

□ 1900

Mr. SUNQUIST. I thank the gentlewoman for making that point, that if there is a sham this year, it will be because the majority in this House refuses to face the serious problems in this country.

Two other quick points that I think would make sense to the American people that ought to be built into this budget process. One is an assurance of an effective reconciliation; we do not want to have another omnibus appropriations bill, and we do not want to have a breakdown in the budget process. Last, we need to be given a copy of the Democratic draft. By anybody's estimation, that is only playing fair. The President's budget has been out on the table, and now it is time for this House's legislative proposal.

So these are our concerns, and I consider myself to be among the mainstream among Republicans on the Budget Committee, and I do not endorse everything in the President's budget. At the same time, I do not condemn everything that the Democrats have proposed.

Last week we were asked to participate in the process, yet before we could respond, the chairman apparently decided to engage us in a game of political chicken at the expense of the country.

The Democrats have a majority, as the gentleman from Kentucky said, in both Houses of Congress. Their attacks on the President and on House Republicans may be successful in drawing attention away from their own inability to present a budget, but those efforts do not allow them to escape the obligation to govern.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I am glad to be able to join our colleagues in discussing the budget and the dilemma we now face in the House because of the Democratic leadership's policies—or should I say nonpolicies?—on the budget.

The first thing that should be said about the budget process is that it is not bipartisan. It has been and remains a wholly owned and operated subsidiary of the Democratic leadership from the beginning.

If they had put a sign on the Budget Committee hearing room saying "Republicans Not Wanted" they could not have more strongly conveyed the impression of one-party rule that has marked their deliberations.

Yes; we read in the newspaper this morning that the Democrats have adopted a new strategy.

This "new tactic" as the Wall Street Journal put it, would involve public sessions, in addition to private ones, to craft a budget plan.

When I see the Democratic leadership saying it is trying a new tactic on the budget, I am reminded of those products we see advertised on television telling us they are new and improved.

I often wonder what that says about the product they have been selling us before this alleged new improvement. Are we to believe the previous product wasn't all that good? If so, why was it sold in the first place? And why should we believe these claims about improvement?

So I guess this new tactic on the part of the Democratic leadership must be seen as yet another step in the process of their obstruction, political timidity, and economic irresponsibility which isn't changed by the labels new and improved.

In 1981 and 1982, we Republicans forced our way into the process over the strenuous objection of then Speaker O'Neill.

But ordinarily Republicans are cut out of the budget process because the Democratic leadership sees that process, as they see so much else that goes on around here, as part of the divine right of the majority to rule.

For years I have been saying that both in theory and in practice the budget process has been such a failure, sometimes degenerating into farce, that it might be wise to consider its abandonment for the purposes of good government.

Here we have the Democratic majority complaining about what they call Reagan deficits and the Reagan budget. But under the budget process the ultimate power of the budget resides in the Congress. And in the House that means with the Speaker.

I for one believe the deficits have complex sources. But if the Democratic majority wishes to assign blame, they should look into their own budgets, their own appropriations and authorizations, their own priorities, their own spending and even their own taxation. Not one dime has been spent, not one tax has been levied in the last 30 years without the full participation and concurrence of the vast Democratic majority in this House of Representatives. What this Government has done to the American economy, good or bad, has in fact been done by the Congress, the legislative branch.

It is fitting that we discuss this during the bicentennial year of the Constitution because that great document places authority for spending and for raising taxes in the legislative branch.

Since that branch has been in control of one party for 50 years, with some minor interruptions, one would think that party would be held accountable for budget crises.

But in an escape act worthy of Harry Houdini, the Democratic House majority attempts to wriggle out of the responsibility and place the blame on someone else. This may be good vaudeville but it is not good government.

Let's look at the current situation.

First, the Democrats refuse to write a budget.

They have the power and they have the responsibility. But the Democrats simply refuse to do what they have demanded to have the right to do.

Second, they want to abandon Gramm-Rudman without even an effort to meet its goals. I do not know where this shows a lack of understanding or lack of ability, but the fact is that Gramm-Rudman is not being confronted realistically by the Democrats.

Third, and perhaps most important, they want to raise taxes.

This is nothing new. There is, I believe, something in the genetic code of every Democratic leader that calls for higher taxes. It might be called the Mondale gene.

But in this case, the call is stranger than usual. We hear about oil import fees that might be fine for some sections of the country—Texas might be one example—but not good for others, like my own.

Then we hear about the latest so-called soak-the-rich idea which is to tax stock transactions. Sure it has that old demagogic ring to it. But the fact is that a lot of people on pensions who have their money in big mutual funds will get hurt.

There would be a drastic loss of equity for pensioners under such a plan. But the Democrats proceed, as they always do, with a kind of magnificent arrogance, doing a tapdance on the hopes and dreams of millions of working people while whistling the same old tune of taxing the big guys.

And now we have the latest episode in the Democratic leadership's flight from reality—and realistically—on the budget.

They seek to tie the Iran-Contra affair to the budget crisis.

Wait a minute, you might say—what does one case have to do with the other?

Well, the answer, of course, is nothing. But consistency has never been one of the virtues we expect for those engaged in partisan sniping. So we are seeing little jokes being made by Democratic leaders, using the Iran-Contra controversy.

The Associated Press said recently that even the Speaker had—and I quote—adopted, "his party's rhetoric in the Iran-Contra affair" to attack the President on the budget.

In the immortal words of Everett Dirksen: "Ha-ha * * * not to mention ho-ho."

Well, that's just about what we have come to expect.

The Democratic leadership, lacking a policy of its own, but unwilling to accept the leadership of the Republicans, takes refuge in one liners. We ask them for Thomas Jefferson and they give us Henny Youngman.

I have always thought the Democratic leadership was funny enough about the budget without having them resorting to wisecracks.

But in the classic method of blaming the victim, those who do not have the courage and lack the wisdom to solve the budget crisis are now blaming the President.

This special order is a good time to remind the Democratic leadership that they wanted the budget process and they have the majority in both Houses and they, constitutionally, are expected to get up off their one liners and blaming-the-victim routines and start doing something.

During the past 2 months, we have heard repeated criticisms from the chairman of the Budget Committee and others regarding the President's budget and its economic and technical assumptions, which some claim have underestimated the budget deficit.

All this is hypothetical, of course. In many instances the administration and the Congressional Budget Office are trying to project the future. It may be well to give both the benefit of the doubt.

What is not in doubt, however, is that this January's economic forecast is better than last spring's, particularly in determining accurate estimates for fiscal year 1987.

Yet, curiously, the chairman of the Budget Committee has strayed from past practices. He has submitted to the House a budget status scorekeeping report, the so-called current-level report required by the Budget Act. But it is based on the grossly outdated economic assumptions used in last year's budget resolution.

The current-level report is a key tool in ensuring effective enforcement of the Budget Act. It compares actual spending and revenues for the fiscal year with the limits set in the budget resolution.

Furthermore, most of the Budget Act's enforcement points of order are tied to the current level report.

In contrast to the House report, the Senate has filed a current level report using CBO's January economic and technical assumptions. The two reports have significantly different bottom lines.

Under the House Budget Committee's outdated assumptions, total outlays are under the fiscal year 1987 budget resolution ceiling by $4.5 billion.

Under the report filed by the Senate, actual outlays exceed the spending limit by $13.4 billion, thus triggering points of order against all future spending bills.

My question to the Budget Committee chairman is this: Why the rosy scenario? When does he intend the current-level report to reflect reality? Will it be new and improved? Or, to quote Democratic rhetoric, will it consist of little white lies?

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Texas [Mr. ARMEY].

☐ 1910

Mr. ARMEY. Mr. Speaker, I appreciate the gentleman from Ohio yielding and taking out this special order.

Mr. Speaker, I would like to address three points.

After the November election I read the newspapers and I saw rejoicing in the Democratic Party. They had won control of both Houses of Congress, and they said it with great rejoicing, "We are in charge here." And indeed, they are in charge here. Anybody who does not understand that should take some time to study the way things are done in the House and now in the other body when the Democratic Party is in charge.

They have pledged their leadership to demonstrate that they can govern when they are in charge. Let us see what happened in the budget process.

Mr. DENNY SMITH. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Oregon.

Mr. DENNY SMITH. Mr. Speaker, what is the ratio in the House, what are the numbers the Democratic Party enjoys here in the House of Representatives?

Mr. ARMEY. I do not know the exact numbers, but the ratio I think that they have is about 64 percent of the House.

Mr. DENNY SMITH. I think that is right. I think it is 267 to 167, or something like that.

Mr. ARMEY. The gentleman is correct. I appreciate that, and we need to understand that.

But we need to trace this budget process. Pursuant to the legislation in the Budget Act and in the Gramm-Rudman-Hollings Deficit Control Act, the Democratic majority in this body and the other body asked the White House, the administration, to present their budget and present it they did 2 months ago. The President of the United States and his administration laid their budget on the table.

Now I am told as I read the papers from Los Angeles to Chicago, from Dallas to Washington, I am told that the Democrats say the President is not participating in this process.

Mr. BUECHNER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Missouri.

Mr. BUECHNER. Mr. Speaker, that is one of the earliest times any budget has ever been presented by a President to the Congress, is that correct?

Mr. ARMEY. Absolutely right. I remember the Director of the Office of Management and Budget making the point of how hard his people had worked, even through the holidays, to meet that deadline as requested by this body.

Mr. BUECHNER. And did we not have before our committee the Secretaries of almost every one of the Cabinet-level positions?

Mr. ARMEY. The gentleman is correct, we did.

Mr. BUECHNER. And they answered any questions that any Member, Republican or Democrat, posed to them. And I think, if I am not mistaken, if there were any questions that any Member wanted to have followed up on, every response was that we will present the answers to those questions, that they would submit to us later.

Mr. ARMEY. Absolutely, the gentleman is absolutely right.

That brings me back to the point. What we read in the paper today is that the problem is, according to our colleagues on the other side of the aisle, the problem is the President is not involved in the process.

Let me remind my colleagues the President laid his cards on the table 2 months ago. Every member of the Cabinet has been before the Budget Committee to discuss the President's budget proposal. The majority members, the Democrat members on the Budget Committee have had ample time to work on that budget and use it as a point of departure, but they have ignored that.

Now let me tell my colleagues where we are today. Nobody among those in control here in this body, the Democrat majority, or in the other body, have put their budget proposal on the table. Mr. Speaker, I have to say where I come from if you want to get in the game you ante up. The President and his administration has done that. If, indeed, the Democrat majority in this body wants in the game, they have to first acknowledge that our President is in the game, he has anteed up, he has put his cards on the line, and it is time now for them to ante up. Let us see what their proposals are.

Mr. MACK. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Florida.

Mr. MACK. Mr. Speaker, I just have to include this in our discussion, and this is out of today's Post, a headline article that, "Democrats try new budget strategy." This is a quote from my good friend, TONY COELHO. It says, "Calling the budget and deficit impasse the most important crisis we have, and terming Reagan's budget as scam, COELHO accused the President of refusing," get a load of this, "of refusing to engage," refusing to engage. They have not even had the guts to come out here and give us their proposal. How in the world can one engage with someone who will not put their proposal forward?

Mr. ARMEY. The gentleman is absolutely right, absolutely right.

Let me make this point: The complaint, it appears, is that the President's budget does not meet the Gramm-Rudman-Hollings target. If this is the law of the land, and if we have pledged to meet that, and if we are presented with a proposal that does not meet it, what would one suppose would be our logical responsible response? To try to go further than that proposal.

I just want to make one point. The people of the country have to understand the special budget language used in this body. The fact of the matter is, by the proposal of the chairman of the Budget Committee, he has told us he would like to begin with a freeze at the 1987 levels. We will come to 109.5. That is 1.5 removed from the 108 target of Gramm-Rudman-Hollings without increases, not with cuts, but with no increases in spending.

Mr. MACK. Would the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Florida.

Mr. MACK. Is the gentleman really saying that there is the possibility that one could meet the target by freezing, just freezing last year's level, not making any of these cuts that people keep talking about?

Mr. ARMEY. Absolutely.

If I might just ask you to understand, we might not want to take a freeze because we need to make trade-off decisions.

I want to make one point before yielding further. If we can then get the people of this country to understand that in Washington, when we talk about cuts, we are not talking about reducing from any prior level of spending, or any existing level of spending, we are saying when we say cut that we would not be allowed to spend as much as we hoped to spend. I wish I could take that home and look at my family budget and say that is what a cut means.

Mr. EDWARDS of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I just wanted to maybe challenge the point that was made earlier, although I am in agreement with the point the gentleman was trying to make. I believe it was the gentleman from Florida who made the suggestion that the other side has not been willing to come forth with anything. In fact, while they have not been willing to put their names on a document and say here is our total package, here is how we are going to structure the budget to reach the Gramm-Rudman-Hollings targets, here is how we prove we can govern—they keep saying they can govern, but they have not been willing to do it, but they have certainly come forth with proposals. They have come forth with proposals to raise taxes over and over again. One of our colleagues has referred to the new Speaker of the House as Mr. Tax of the Week, always a new tax idea.

They have proposed that we cut our defense budget so severely that I think it would seriously damage our military credibility and our ability to defend the country. And the other thing they have done, and they have repeatedly done, is to say maybe we ought to move away from the $108 billion, maybe we ought not to live within Gramm-Rudman-Hollings, maybe we ought to tell the American people we did not really mean it that we were going to balance the budget.

So with all due respect, while they are not willing to put forth a specific document, there is no question they have certainly had proposals.

Mr. ARMEY. I think the gentleman from Oklahoma is absolutely right.

If I can make a point, the need they have spoken of for a tax increase is not a need to maintain current spending levels because they can do that and meet Gramm-Rudman-Hollings. They need to raise your taxes so they can spend more, and Lord have mercy, I hate to guess at what it is they want to spend our tax dollars on this time.

Mr. BOULTER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Texas.

Mr. BOULTER. Mr. Speaker, I would say to my friend from Oklahoma [Mr. EDWARDS] that I read in the paper that not only do they propose to raise taxes by about $18 billion, but this whole strategy is designed, according to a Washington Times article of today, the whole strategy is designed to pressure, to pressure House Republican Members to join in with them on that.

Now we are not about to do that, are we?

Mr. ARMEY. I do not intend to join in any proposal that begins with surrendering on the obligation we accepted to meet the Gramm-Rudman-Hollings target and schedule, and instead to raise taxes so we can raise spending.

I know I have used more time than the gentleman has so graciously allowed me and I appreciate his patience and would yield back to the gentleman from Ohio and thank him again.

Mr. LATTA. I thank the gentleman for his comments.

Mr. BUECHNER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Missouri.

Mr. BUECHNER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I guess I stand here as a freshman Member who last Thursday, if I could say that at any one time in the 2 months that I have been privileged to be a Member of this body I thought that in that room there were more statesmen than there were politicians.

□ 1920

At that time, it seemed to many of us that we had a golden opportunity to really do something about what is a dark cloud hanging over this country, and that is the deficit, as the gentlewoman from Connecticut [Mrs. JOHNSON] had pointed out; that that dark cloud is still there.

What is worse is that a little ray of sunshine that had popped through was yanked from us before we could even sit down as equal members, not as members of any political party, but as equal members, and to discuss what we will do about this deficit. Instead, we had to hear about it through the press that we are going to start off what is clearly a political position.

It is not a meaningful position; it is not a position that in true budgetary sense can be dealt with, but is a political position.

Mr. BOULTER. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Texas.

Mr. BOULTER. Are you talking about the freeze?

Mr. BUECHNER. I am talking about the freeze.

Mr. BOULTER. Did the gentleman read—I bet he did—in today's Washington Times where it is reported that Mr. GRAY concedes that he could not support a spending freeze?

Mr. BUECHNER. Well I would say that that is just another part of what was a moment, I think, which this Congress would have been able to put on a par with the First Congress.

In the First Congress, they went in a room and they were able to decide things which literally were visionary; that dealt with times that had tried men's souls; and certainly the men and women at that time had risked their lives for freedom.

What we are trying to do in this Congress is free ourselves from the dark cloud of this deficit. That moment was snatched from us by what was obviously a political move. I am sorry that that day came about, and that we are forced to come here to present our case to the American people, Mr. Speaker, so that they understand that the majestic sham that the gentlewoman from Connecticut [Mrs. JOHNSON] so eloquently spoke of, has occurred.

We were denied an opportunity to go down in history as a Congress willing to deal with problems. Instead, we are faced with politics.

Mr. EDWARDS of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. LATTA. Certainly I yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. Mr. Speaker, several years ago the Congress adopted this policy of having a budget, and we would come up with two budgets during the year; and the second one would be binding, and that is how we are going to bring order to this place.

It was the most important piece of legislation potentially, creating the Budget Committee, that we had undertaken in a long time, because before that the appropriations process had no controls at all.

In order to make that work, this committee, of all the committees in the Congress, this committee is one where there should be a set procedure, with subcommittees and hearings and really taking a hard look at this; and from the very beginning over a period of months, involving the Members from both parties in a true bipartisan effort, but that is not the case.

Mr. BUECHNER. But that is not the case.

Mr. EDWARDS of Oklahoma. No; not an attempt to say, "Here it is, we've come up with something. You've got 24 hours to tell us what you want to do about it."

I think it is a shame, when the country is in the shape that it is in, economically, when we had the deficit that we have, that politics is being played by the gentlemen across the aisle.

One of the previous speakers referred to the comments by Mr. COELHO, the whip from the other party. To say that when we are trying so desperately to reach a balanced budget, that what we are going to do here is try to play 1988 politics with the American people's budget, I think is really worse than a sham. I think it is a deceit on the American people.

Mr. LATTA. Mr. Speaker, I yield to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I want to make the point that a crisis is never the result of a storm blowing up. It is the result of a whole series of actions over time.

If we look back to 1985, when we debated the 1986 budget, remembering that we are now in 1987 debating the 1988 budget—so I am looking 2 years back to when we were debating the 1986 budget.

During that time, the Democrat majority brought in a budget that would cut $50 billion. Now, at that time the deficit was manageable. Serious, tough, but manageable. I was not a member of the Committee on the Budget then; I was merely an interested and concerned Member of Congress who got together with a number of others not on the Budget Committee and went through the whole Budget Committee exercise ourselves; and we wrote a budget that cut $50 billion; we gave it to the Congressional Budget Office; CBO scored it, as we say, and agreed that in fact, that action would have cut $50 billion.

In contrast, the Democratic majority on the Budget Committee brought in a budget that had not been reviewed by the Congressional Budget Office. It was never scored by the CBO, but they stood here on the floor and said "It will cut $50 billion."

Within days, ladies and gentlemen, within days I remind you that once CBO took a look at that budget, which only took a couple of days, the $50 billion had dwindled to $28 billion. That is $12 billion seepage.

Now, we are not talking just dollars; we are talking the future of our economy. We are talking the trade deficit; we are talking democracy at work.

Well, at the end of a few days, the $12 billion had seeped, but at the end of the budget process, when the appropriations bills had been passed, those spending cuts that were adopted in that bill had dwindled to one-tenth of what the budget resolution had committed this House to. The Democratic budget resolution, backed up by the Democratic committee chairmen, had whittled away their own budget resolution so that the reality in that time of crisis was that the budget cuts in reality were one-tenth of what they had been out here in the rhetoric of the 1985 debate on the 1986 budget.

So let us look at 1986, when we were debating the 1987 budget. That budget, that year, came to the floor again—no Congressional Budget Office review—you have to ask yourself how serious are these proposals when they cannot be developed far enough in advance to be run through the Congressional Budget Office so that they can come here with somebody having said that this in fact will work.

Let us look at the outcome of the process in 1986 on the 1987 budget. Well, the record as of January 1987 is that we enacted $20 billion in cuts, but in January 1987 we were actually $27 in add-ons. We were spending $27 billion over what our own budget estimates had called for.

It is a miserable record. It is the cause of today's crisis. It is the reason Gramm-Rudman was passed, the reason we must continue to focus on the objectives that Gramm-Rudman committed us to, and indeed, the chairman, to demonstrate his seriousness, must put a Democrat mark on the table just as last year the Senate Republicans put a tough Republican mark on the table in this Congress and in this budget process, and I stand here as one deeply committed to addressing the deficit who says, "If you are going to lead the Nation, now is the time to demonstrate where you will take it."

GENERAL LEAVE

Mr. LATTA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

WOODY HAYES, A GREAT FOOTBALL COACH AND A GREAT AMERICAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. WYLIE] is recognized for 5 minutes.

Mr. WYLIE. Mr. Speaker, last Thursday morning, just as I was leaving my apartment for the office, an announcement came on television that Woody Hayes, the former Ohio State University football coach died this morning at the age of 74.

The announcement continued: "he is best known for slugging a Clemson football player in the 1978 Gator Bowl game."

Those might not be the exact words, but they are fairly close. The form of the announcement distressed me because I had lost a friend, and the Nation had lost a great American.

I was distressed more because the announcer said Woody Hayes was best remembered for a minor episode in the life of this great man which, those of us who knew him personally had long since forgiven and forgotten.

I first met Woody Hayes in 1952. I was immediately impressed by his colorful enthusiasm, which was infectious. My wife, Marjorie, and I came to know Woody and his wife, Anne, on a personal basis over the years, and I had intended to attend a memorial service at the First Community Church in Marble Cliff yesterday to tell Woody's wife, Anne, how much we would miss Woody and to say thanks to her for being the good friend that she is; but found it necessary, regretfully, to be here.

I was in a gathering of people with Woody during the summer; he loved to talk politics and ask me about my own campaign. He observed that I might have to work a little harder to get reelected this time, and said, "If there is anything I may do to be of assistance to you, I'd like to do it. Just let me know."

He said, "I think you've been an excellent Congressman, and deserve to be reelected." Well, that was high praise to me coming from the best-known and most famous constituent I have.

□ 1930

About a month later I asked Woody if he would be willing to host a riverfront "rally for WYLIE." He accepted immediately. He came to the rally, talked to those assembled in inspiring tones about me and why I should be reelected. He had an incomparable way of putting words together that made them stick in your mind. He stayed for 2 hours, signing autographs, having pictures taken, even though he had suffered a stroke in 1984 and a heart attack less than a year before and needed a cane to assist him in moving around. Later on as the campaign heated up, I asked Woody if he would do a television spot for me. He agreed without hesitation and it was one of the most effective magnificent television ads any candidate for public office could ever have hoped for.

Woody did not do that often. He picked his candidates.

He once endorsed Ben Espy when he was running for city council. Ben was running last in the polls.

So Woody endorsed him on a television ad which he ran for about a week before the election. Much to everyone's surprise, probably even Ben's, he won the election. Ben had played football for Woody and Woody knew him to be a good man. He said, and I add, "Even though a Democrat."

Certainly Woody Hayes was one of the greatest football coaches of all time. But he also taught character and the value of an education.

Rex Kern, his quarterback on the national championship team in 1968 said that 84 percent of the ball players that Woody coached graduated and when Rex went to play for the Baltimore Colts he said that only 2 out of the 15 recruits of that class had graduated from college and he was glad that he had gone to Ohio State.

Archie Griffin, the only two-time Heisman Trophy winner said when Woody came to his house to recruit him that all he talked about was the good education he could receive at Ohio State and never once mentioned football. Archie said he went home and told his father, "I am not sure he wants me to play football at Ohio State. All he talked about was getting a good education." And his father said, "That is a good place to go, son, he really does want you to play football."

He was also a remarkable historian. Woody wrote a book, "You Win With People." He had a deep sense of loyalty to his friends and a deep sense of compassion for ill persons and those in need.

I would like to quote from an editorial in the Columbus Dispatch of March 13 called, "The Greatest Day of My Life." It came when he addressed the winter commencement at Ohio State University in 1986. There he called on the graduates to "pay forward" returning the help they had received by helping other people. "So seldom can we pay back because those whom we owe, your parents and those people will be gone," he said.

Bob Green in an article in the Columbus Dispatch talks of having a dinner with Woody a couple of years ago at the Jai-Lai Restaurant. He quoted one of his sayings. "You see," Woody said, "the important thing is not always to win, the important thing is always to hope."

Then Woody quoted from a poem, one of his favorite poems that his dad used to quote from: "And in the night of death, hope sees a star, and listening love hears the rustle of a wing."

So although I could not be at the biggest memorial service in the history of the First Community Church, I wanted to use this forum which we as Members of Congress have available to us to say to Anne, his wife, Judge Stephen Hayes, his son, his daughter-in-law, Kathleen, and his two grandchildren, Phillip and Laura, that they were in my thoughts and that Marjorie and I would like to express our deepest sympathy on the great loss of your husband, father, and grandfather and to compliment Anne for the very gracious way in which she accepted the busy life of a husband who had so much dedication for others.

The article referred to follows:

[From the Columbus Dispatch, Mar. 13, 1987]

THE DAY WOODY DIED

Why did we love Woody Hayes? He was irascible, brash, domineering and intimidating. He made mistakes and never apologized. He had many qualities that people love to hate. He knew it and sometimes flaunted it.

But if you walked about Columbus yesterday, the day Woody died, you could hear his name everywhere. On the streets and in the offices. In fast-food restaurants and in courtrooms. In gas stations and in City Hall.

Woody was on the minds of the mighty and the meek, the professional and the laborer, the minister and the manager, those who knew him and those who only know of him. He was a hero to most, a man to be admired, a role model for children, a sage for adults.

We loved him because he engendered in each of us the desire for greatness. He taught that achievement required work, that success required sweat.

He taught us to expect adversity, and to believe in our ability to overcome it. His teachings were for each of us. To confine his legacy to the football field does the man a great injustice.

Though it is sometimes overlooked, he also was an educator, a professor in the College of Education. He also was a history buff. He saw in history lessons that applied not only on the football field but to the day-to-day challenges of life.

His football fame was, of course, of historic proportions. His Ohio State football teams were disciplined, determined squads that reflected the coach's passion for fitness and execution—and for victory. He became so closely identified with the university that his name was synonymous with OSU.

His sense of loyalty to friends and decency to those in need were also well-known. He was loyal to his players, of whom he demanded academic achievement as well as athletic excellence; loyal to his former players, staying in touch, counseling them with problems and personal decisions; and loyal to his staff. Three of his former assistants are now head coaches in the Big Ten.

"He was one of the greatest men I've ever known, and one of the greatest humanitarians," said Jack Nicklaus, a former Ohio State golfer who went on to an incomparable professional career.

But he did not belong just to the famous, nor to the athlete, nor to the history book. He did not stop living when his coaching career ended in 1978.

He looked for other ways to inspire and contribute. He was a frequent dinner speaker and talked to school classes. He visited many ill persons.

What he called "the greatest day of my life" came when he addressed the winter commencement at Ohio State in 1986. There, he called on the graduates to "pay forward," returning the help they had received by helping other people. "So seldom can we pay back because those whom you owe, your parents and those people, will be gone," he said.

We loved Woody Hayes because he challenged us to be the best we could be. We saw his faults, and recognized our own. But we saw his greatness, and recognized our own potential.

We'll remember the day Woody died, because that day a little bit of us died, too.

COMMEMORATING GREEK INDEPENDENCE DAY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. TORRICELLI] is recognized for 30 minutes.

Mr. TORRICELLI. Mr. Speaker, on March 25, 1821, the world witnessed another great triumph for democracy. Liberty, as in the American and French Revolutions, once again hurled her fury against the forces of oppression and misery.

Pericles, as reported by Thucydides, extolled the fallen Athenians in the Peloponnesian War by declaring, "that prosperity can be only for the free, and that freedom is the sure possession of those alone who have the courage to defend it." In their struggle for independence, the founders of modern Greece continued this tradition by fighting for democracy and freedom.

Western civilization owes a great debt to the Greek people. The concept of democracy, in which the supreme power to govern rests with the people, first came to full fruition in the fertile soil of Hellas.

Our two nations share a special relationship. The Founding Fathers of the United States of America drew heavily upon the political and philosophical experience of ancient Greece in forming our representative democracy. In their turn, the fathers of modern Greece looked to the American experience in forming their new government.

Today, we share more than a mere historical memory. The Government of Greece is a long-time ally and a member of the North Atlantic Treaty Organization. Moreover, our country benefits greatly from contributions and talents of Greek-Americans in the areas of education, the arts, law, medicine, science, government service, and private enterprise.

On January 21, 1986, the Senate and House of Representatives in Joint Resolution 308 designated March 25, 1987, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy." I offer my sincerest congratulations to the people of Greece and to Greek Americans on this occasion.

THE NEED FOR AN EFFECTIVE BUDGET

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 60 minutes.

Mr. GINGRICH. I thank the Speaker.

Mr. Speaker, I am taking this time to talk about the need for an effective budget which would help us control Government spending and bring the deficit under control, and the actions of the Budget Committee. I am looking forward to having a chance to talk with a number of my colleagues who are on that committee. I would be delighted to allow them to talk. I am going to start with the very distinguished gentlewoman from Illinois, who is a leader in the Republican Conference and who has been a leader on the Budget Committee.

Mr. Speaker, I yield to her.

Mrs. MARTIN of Illinois. I thank the gentleman from Georgia. I hope I would be able to talk with some of my colleagues while I am here. I regret I can no longer by law be on the Budget Committee. So I need from them some information on how the budget is proceeding this year.

Now I recognize that the Republicans do not control the House and so, therefore, you cannot necessarily tell me exactly how everything can move.

Mr. MACK. Will the gentlewoman yield?

Mr. GINGRICH. I yield to the gentleman from Florida.

Mr. MACK. The gentlewoman said something that kind of struck me for a moment. She said the Republicans do not control the House. Can the gentlewoman give me an idea of how long it has been since Republicans controlled the House?

Mrs. MARTIN of Illinois. I was not even a gleam in my parents' eyes, I am told. It was so long ago. Believe me, I am aging rapidly.

Mr. MACK. I think the year was 1954.

Mrs. MARTIN of Illinois. Well, then, I was a gleam.

Mr. GINGRICH. Yes, slightly more than a gleam but too young to know better.

Mrs. MARTIN of Illinois. But too young to remember.

Mr. MACK. The point I am making is it was 1954 was the last time that the Republicans controlled the House. Certainly since 1974 when the budget law was put together we have never controlled the budget process in this House.

Mrs. MARTIN of Illinois. I thank the gentleman for reminding me. I do not see any Democrats here so I have to ask you: Can you tell me just briefly the outlines of the Democratic budget that has been presented to your committee to make some of the changes that rightfully they will want to make?

Mr. DENNY SMITH. Mr. Speaker, will the gentlewoman yield?

Mr. GINGRICH. I yield to the gentleman.

Mr. DENNY SMITH. We have not seen the color of the paper, even, that their budget is written on. The morning paper reported that in fact Chairman GRAY, after caucusing with his Members, was unable to come up with any kind of a budget. So we are going to start with the 1987 budget and go from there.

Mrs. MARTIN of Illinois. Will the gentleman just wait, pause because I am taken a bit aback by that. Now the President by law has to turn in a budget. Certainly if he had been late on that, regardless of party, we would have stood up and complained that he was not fulfilling his obligation.

Now the President did turn in a budget.

Mr. DENNY SMITH. The President turned the budget in very early, by historical standards. It has been up here since the first week in January.

Mr. MACK. In fact, he complied with the Gramm-Rudman target for submitting his budget, which I believe was January 5, which is earlier than it had been done in the past.

Mrs. MARTIN of Illinois. Mr. Speaker, I would certainly not expect you to agree with everything in the President's budget because the Congress has a right to dispose. And it is the Congressional Budget Act.

So now with the President's budget ahead of one, what areas have the Democrats suggested, what parameters have they begun to tell the American people about so we can know what, under their leadership, is forthcoming from the Budget Committee?

Mr. DENNY SMITH. As the gentlewoman might remember, the Speaker has made a number of speeches around saying that it is necessary for the American people to pay more in taxes. As you and I both know, when we came to the Congress taxes were some $599 billion in 1981 and they are now going to be $842 billion. So we are not short of taxes.

Mrs. MARTIN of Illinois. $300 billion more in revenue and yet—so we have on one hand, we do have a suggestion from the majority to again, on working men and women and on senior citizens, on young people starting out, to impose a burden?

Mr. DENNY SMITH. We not only have a suggestion from the majority but from the leader of the majority, the Speaker, JIM WRIGHT, from Texas.

Mr. MACK. From Taxes?

Mr. DENNY SMITH. Taxes, Yes.

Mr. GINGRICH. If I may interrupt I am confused. Is the Speaker the Democratic leader from Taxes, T-a-x-e-s or Texas, T-e-x-a-s?

Mr. DENNY SMITH. I think you could make the point that he is from Taxes.

Mr. GINGRICH. So the Democratic leader is from Taxes and wants more taxes.

Mr. DENNY SMITH. And from Fort Worth, in Taxes.

Mrs. MARTIN of Illinois. Just to continue with the gentleman from Florida, who is a member of the committee, and as I recall an extraordinarily hard working member of the committee, and I hate to ask it again, but do you mean to tell me that with the months—we are now in mid-March, in fact yesterday was the Day of St. Patrick—there is still no Democratic document so that the American people can know the plan, difficult as it may be to achieve, to see where you can cut spending and to lay out the blueprint under this new leadership for America? There is nothing, there is no blueprint, there is no paper, there is no plan?

□ 1940

Mr. MACK. I think that the best way to answer that is, yes, there is no plan.

Let me give you, though, kind of a framework that seems to have leaked over the last several weeks and months. There is one thing that we do know for sure, that part of that plan is going to be raising taxes. Raising taxes.

We know that. It has been said over and over. As a matter of fact, there was an article in the paper today that implied that maybe the Democrats were using this change in strategy to try to have a markup session tomorrow with no formal proposal from them, have this markup in open session, and then it was questioned as to whether they were doing that in order to be able to back away from earlier suggestions that they were going to raise taxes.

The reaction was, "oh, no, we are not backing away from raising taxes." So the first framework that I would point out is that they want to raise taxes.

The second thing is clearly that they are moving away from the Gramm-Rudman target. The only plan that they have talked about so far talks about $36 billion in deficit reduction.

Mrs. MARTIN of Illinois. Is this the same Democratic Party that has complained bitterly about the trade deficit when there is at least one constant agreement, regardless if one is a protectionist or free trader, there is agreement that unless we lower the fiscal deficit, that the trade deficit continues? Is this that same party that will not now come up with a budget?

Mr. MACK. I would say that is correct.

Mrs. MARTIN of Illinois. If one were a senior citizen worried about Social Security, worried about the future of this Nation, what kind of answer is this for those people who have given so much to America?

Mr. MACK. I think that the answer is, and it frankly is the one that the Democrats fear to hear, and that is that they lack discipline. They lack discipline to come forward with a plan that shows the American people—although it would be different than the way I do it—the point that they have made over and over and over to us for the last several years is that the President has failed in leadership.

Now, I remind you that the President has come forward with his plan year after year. We sure have not seen theirs.

Mr. DENNY SMITH. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Oregon.

Mr. DENNY SMITH. Mr. Speaker, I think that what the majority whip, TONY COELHO, said, he called the Reagan budget a little white lie. Basically, he is unwilling to put his budget forth, or the Democrat Party's budget forth, but the President's budget is being berated as a little white lie, when they have no budget at all.

Mrs. MARTIN of Illinois. A rather dark gray lie.

Mr. DENNY SMITH. That is right.

Mrs. MARTIN of Illinois. Mr. Speaker, I still commend you for not just this special order, but for sitting in a Budget Committee where the frustration level must be high.

I would just say to anyone listening and watching that it will be very difficult to meet Gramm-Rudman guidelines. But the President did it, and I happen to differ with some of his priorities, but to then use the word "leadership," and to not meet that obligation is the saddest thing of all.

As a Democratic House and a Democratic Senate, we, not just Republicans, but American citizens, deserve to see their blueprint for America before we can go build a house.

I would just say that there is still a lot of dredging and draining to do in the majority party.

Mr. MACK. Mr. Speaker, again, I remember when the gentlewoman and I served on the Budget Committee that last several years. I guess we should have gotten a feeling that this was going to happen.

It was so obvious over the last several years that the House Democrats on the Budget Committee decided not to come forward with their own budget plan, if you will recall, until after the Republicans in the other body had taken the lead. The President came forward with his plan, the Senate Democrats came forward with their plan, and only then, at the last moment, would be we finally see a plan for the Democrats.

So I do not guess we really should be too surprised that here we are this year with the President's plan out January 5, and here it is here, March 18, and we have not seen their plan yet.

As I say, the only thing that we do know from them, all of the words that are coming out in the media, are raising taxes and moving away from the targets that were established under Gramm-Rudman.

Mr. DENNY SMITH. Mr. Speaker, I think that it is extremely important to talk a little bit about the Gramm-Rudman targets, too. The gentleman from Florida [Mr. MACK] was a cosponsor of that, Gramm-Rudman-Hollings-Mack. You are, unfortunately, at the tail end so you get dropped off as a word, but I think it is important that we, as responsible Members of this body, talk about the Gramm-Rudman target and why we put it in there.

We put it in there to try and get to the balanced budget. We could not get there in one year because no one has the corporate courage here. But one other thing that the Democrats have been saying, besides raise taxes, is that we cannot meet the target. We have not even tried. They have not even put their budget forth, and here we have a situation where they are saying that we are going to have to move those targets.

That surely is not the best way to do it.

I just wonder if the gentleman, as a cosponsor of that measure, would speak up, and maybe the gentleman in the well with the time, could talk a little bit on that point.

I think that is real critical, the American taxpayers.

Mr. MACK. Mr. Speaker, I thank the gentleman for raising that point and would just, maybe to set the stage, it is really hard for me to believe that it was only 15 months ago that this House, rather significantly, passed the Gramm-Rudman Emergency Deficit Balanced Budget Act. Only 15 months ago.

Mr. DENNY SMITH. December 1985.

Mr. MACK. December 1985. Fifteen months later and every effort is being made by the majority party, the party that has controlled this House every year, every budget cycle, every appropriations process since 1954, 15 months, and they are already trying to find a way to weasel out from under this $108 billion target.

Now, again you have to go back to 1985, I think, to get a feel for what was going on. There was a very strong move in the country that said that something had to be done, something had to be done in order to attack the deficit.

What we saw was that when we came back from a recess, there was such a strong grassroots effort that we were able to bring together legislation, and I might add, by being able to attach it to a request that increased the debt ceiling, we were able to force that legislation through the House. For the first time, the Congress of the United States put into law specific numbers about the goal, what we as a body were trying to accomplish.

We stated for the first time a specific amount of money that we were going to borrow, and if I can just add, having come out of the banking business, I have a tendency to look at it in the sense of the Congress establishing for the first time its own credit limit. In other words, we put a credit limit on probably the most expensive credit card in the history of mankind, this little voting card right here. We said that this little card could not go beyond a credit limit of $108 billion in the fiscal year 1988.

As the gentleman has indicated, already 15 months later, they are trying to figure out a way so that this can go back to the old way of just spending and spending and spending.

Mr. DENNY SMITH. Mr. Speaker, the gentleman is exactly right. What also has occurred, of course, the Supreme Court ruled unconstitutional the provision that was really going to provide us with the teeth to do what is necessary here, because the lack of courage here in this body, and in the other body, where we are unable to get enough people to vote to do what the average American would do, that is, have to balance his checkbook. We have the problem here of trying to argue out, sometimes in closed session, but most of the time in an open session where you are going to politically embarrass one side or the other.

□ 1950

That is what we are really talking about here. We are talking about politics as usual rather than trying to straighten things out for our children.

Mr. MACK. The gentleman is quite right. I hold this card up, and you may not be able to see what this is from where you are standing. This is not your ordinary credit card in the sense of its being American Express or Master Card or Visa. This is the voting card that each Member of Congress has, and I think that is probably close to a credit card, as I say, but it is a credit card drawing on the taxes or the earned wages of the American people. We take those dollars from them in the form of taxes, and also in the form of borrowing.

It is this card here that represents the borrowing, and this year, under Gramm-Rudman, what we said was that we could not borrow any more than $108 billion.

Let me just carry on to the point the gentleman was raising, and that is that with the sequester or the automatic enforcement mechanism being dropped out by the Supreme Court, the only discipline that is left in the law, frankly, is the target that we have all agreed on. If we move away from that $108 billion, we are just once again moving away and weakening the Gramm-Rudman deficit reduction plan.

This morning in the Republican conference we passed a resolution stating that the Republican conference here in the House reaffirms and will vigorously defend any attempt to move away from that $108 billion target.

So, Mr. Speaker, I am glad that the gentleman raised that point. I think it is an excellent point.

Mr. DENNY SMITH. Mr. Speaker, if the gentleman will yield again, I think it is just extremely important that those targets not be changed. The gentleman made a point this morning in our conference that was really telling. This is not the time to move the targets up. This is the time to stand firm on those targets so we can ensure that we reach that balanced budget by 1990.

I think nothing is more important in our service in the Congress. In my service here for the past 6 years, nothing has been more important to the future of this country than balancing the budget. We can always come up with another excuse for not balancing it. We always will.

There are balanced budget requirements in the laws already. As the gentleman pointed out, this is the first time we have ever set a limit on borrowing and trying to get to that balanced budget again, but we ultimately are going to have to have some kind of a constitutional amendment which will help balance the budget.

I think of all the things the President has talked about, that is going to be one of the really tough ones, because we are not going to get it approved in these last 2 years of the Reagan administration because the Democratic Party, under the leadership of "Tax" WRIGHT, is not going to be able to bring itself to balance the budget or adopt a balanced budget amendment to the Constitution. So unfortunately, I do not think we are going to have that as an opportunity. But let me say that the people who are watching out there in your district and my district and other Members' districts need to write to their Congressmen supporting a balanced budget amendment. That is one of the things we really need as a tool.

Will the gentleman agree with that?

Mr. MACK. I absolutely agree, yes. The reason we have to do that again is because the Congress can change the law any way it wants to, to avoid the very hard choices. The change they are seeking now is in the $108 billion.

The gentleman mentioned that there is already a law that requires a balanced budget, but that is waived every year, so the only way to really get it done is to put it in the Constitution.

Let me build on the point the gentleman made a minute ago. This is not the time to be moving away from the target. If someone is serious about getting a significant reduction in the deficit from fiscal year 1987 to fiscal year 1988, the way that is going to be done is to keep the pressure on by forcing us to get down to that $108 billion figure. If we would raise it, as some would suggest, to $135 or $140 billion, I am convinced that the plan you and I would see, while on the surface it might indicate $30 or $35 billion in budget reductions, would mean that the real savings out of that plan probably would be in the neighborhood of $20 billion, and a $20 billion reduction in the deficit is not something that is going to help very much.

Mr. DENNY SMITH. Mr. Speaker, if the gentleman will yield again, it might not even be that much because it is my understanding that within the next couple of weeks we are going to have a supplemental spending bill of $12 billion. That will come along in the next couple of weeks.

This is just a way of saying that we are going to use our credit card again regardless of what the ceilings were or what we set. So we have to have some help in the Constitution. We just do not have control over this corporate body. It is just an outrage that we do this.

Mr. MACK. Look at the game that is being played. We are being told by the Democrats that they cannot reach the target of $108 billion and they have got to move this thing up, and one of the reasons for that is because they say we were not able to get down in the savings as far as we wanted to last year. In other words, we failed last year.

But they also make the claim that there is enough room in the budget resolution that was passed to allow for $12 billion more to be added to the 1987 spending level. Then they want to come back in and tell us, "Well, gee, we just can't meet the $108 billion figure."

Mr. DENNY SMITH. The gentleman will remember, too, that it was not too long ago—it was either September 1985 or September 1986—that we rolled the pay of the military into September 30 out of the first day of October so we could move that back into a different fiscal year. There are a lot of outrages like that that occur in the operation to monkey with the numbers. It is not really an honest way to do business.

Mr. GINGRICH. Mr. Speaker, let me ask something. I am curious about this.

I do not serve on the Budget Committee, and I would like to get an answer. How many Republican staffers are there, and how many Democratic staffers are there on the Budget Committee? Does the gentleman have any idea?

Mr. MACK. I could give the gentleman a guess, and it would be pretty close. I believe on our side, the Republican side, we have 13, somewhere around that number, and the number I hear on the Democratic side is somewhere between 70 and 80.

Mr. GINGRICH. So they have something like five or six times as many staff members on the Democratic side than there are on the Republican side?

Mr. MACK. Yes, sure.

Mr. GINGRICH. And the chairman controls that staff. So the Democrats who control the House have now controlled the House for some 32 years. They have been in charge, they pass the budget bill, they control the Budget Committee, and they hire five or six times as many staff members. But the Democrats are in fact going to say to you in the morning that they like the Presidency and they are glad they have the Senate and they are glad they have the House, but gee, even with five times as many staff members, they cannot show us what they would do with the budget? Is that a correct evaluation?

Mr. MACK. I think that is absolutely right on target.

Mr. GINGRICH. Mr. Speaker, let me suggest to the gentleman that if he would have read Sunday's Washington Post, he would have discovered in an article by David Broder, who is one of the most prestigious political writers in America, some explanation of what you two are being put through. It is one page 1 and it is titled "Democrats Find Taxes Treacherous Territory." The article says, and I quote:

> Just when the Democrats thought it was safe to go back into the old political waters, that great white shark—taxes—has opened its jaws again.
>
> As the Democratic-controlled House Budget Committee heads into drafting sessions late this week on the fiscal 1988 budget, party leaders are having an acute attack of nerves. Two of the key figures—House Speaker Jim Wright (D-Tex.) and Ways and Means Committee Chairman Dan Rostenkowski (D-Ill.)—are fussing publicly with each other on the question of raising taxes to cushion spending cuts for defense and domestic programs. And others are running for cover.
>
> In an interview last week, the new speaker—who has proposed so many alternative revenue-raising ideas that Rep. Hank Brown (R-Colo.) has called him the "tax-of-the-month" man—said a bit defensively, "I know it's not a pleasant thing to hear, and I'm trying not to be abrasive. But I think I have a minimal responsibility to tell the truth."
>
> The truth—as Wright and House Budget Committee Chairman William H. Gray III (D-Pa.) see it—is that cutting the deficit significantly enough to satisfy even a broad interpretation of the target mandated by the Gramm-Rudman-Hollings statute will be impossible without new revenues and difficult even with them.

Now, it seems to me that what Broder has said is, quite simply, that the Democrats cannot bring themselves to put Government on a diet, and the Democrats are divided over whether or not to come forward publicly and say that Walter Mondale was right, that what they need is more taxes and more money from the American family. So the Democrats now are trying to play a game because they do not have the courage to come forward and say, "Look, given liberal Democratic values and liberal Democratic interest groups, it makes sense for the liberal Democratic House to raise taxes because the family budget is not nearly as important to the average liberal Democrat as the Government budget."

So they would rather have more money for the Government than revenue for the American family. In that context, then, I would say that Mr. Broder has put his finger on what is happening.

Mr. MACK. Mr. Speaker, will the gentleman yield further?

Mr. GINGRICH. I am glad to yield to the gentleman from Florida.

Mr. MACK. Mr. Speaker, let me just mention another article that appeared in the Washington Post today, also by David Broder, and it is entitled: "A 'Budget Summit' Is Possible."

In one of the paragraphs, it mentions that Reagan has submitted a budget and states that "it is a statement of administration priorities." The article goes on to say this:

> Democrats have a comparable obligation to apportion available dollars among defense, entitlements and domestic programs and to make it clear how much money they think the government should raise to pay for them.

In other words, I think what the press is saying is that "we have listened to you talk all these last several years about leadership on the budget issue." I think they are clearly saying, "we also recognize now that as a result of the election in 1986, with your control of the Senate and your continued control of the House since 1954, you at least have an obligation to come forward."

They have an obligation not just to tell those of us in the Congress what their plan is for raising taxes, reducing spending, or putting together a budget resolution that meets the target of $108 billion, but to at least level with the American people as to what their plan is. But they are scared to death. That is the word I got from several Members who have been talking with the Democrats. They are scared to death to come forward with their plan.

I think one of the things that really has them nervous is that all this rhetoric they have used in the last several years about lack of leadership is coming back to haunt them, and they really want to try to squirm out from under putting a plan on the table.

So I think that what we are doing here tonight is just in a sense kind of like round 1, and anyone who thinks that the budget is going to be determined tomorrow or the day after is sadly mistaken. There are going to be several rounds before it is all over.

☐ 2000

Mr. GINGRICH. Let me ask my friend from Florida, if you were the Democrats would you not be scared to come up and be blunt and say to the American people, Yes; we want to take more money out of your family budget; we want to take more money away from your own opportunities?

Mr. MACK. Again, if they believe that, I would put it in this context: It is not necessarily particularly easy for me or others who vote continuously to try to reduce Federal spending, it is not particularly easy to do that, but I happen to believe that that is the answer. So I am willing to vote on that kind of an issue. I am willing to put those ideas forward.

I would say that those individuals who clearly believe that the answer, and you know it as well as I do, quietly in conversations they will give this kind of "Listen, you and I both know," or "Everybody in their right mind knows that the only way to solve the problem is to raise taxes." All I am saying is is if that is what you believe, let us see the plan. Put it forward, let us debate it. You defend it. We will give you an alternative at that point but we feel we have the right to see your plan. After all, you do run this place, and after all, you have been running it since 1954.

Mr. GINGRICH. So what you and the other Budget Committee members have been reporting tonight to the House is that tomorrow the Democratic Party which has run the House for 32 years, the Democratic Party which controls the Speakership, the Democratic Party which hires six or seven as many staff members, the Democratic Party whose chairman gets the big office and the power of scheduling, that Democratic Party is going to come to the Budget Committee and say, "We have no plan, we have no budget." Here we are 75 days after Ronald Reagan sent his up, we have nothing, and they are going to blame the President for lack of leadership.

Mr. MACK. Again, it is absolutely amazing. Of course, we all know TONY COELHO and we enjoy him but I mean he really has got, I mean just about say anything. Again, I want to quote this out of the Post article. It says, calling the budget and deficit impasse the most important crisis we have and terming Reagan's budget a scam, get a load of this: "COELHO accuses the President of refusing to engage." I mean, engage what? What is the alternative? Where is their plan. What are their ideas? Come on TONY, you can do better than that.

Mr. GINGRICH. So you are saying it is not a choice between a liberal Democratic plan and President Reagan's plan, it is a choice between President Reagan's plan and an absolute vacuum among the liberal Democrats.

Mr. MACK. I think that is exactly right. In fact what we hear is that they are going to come tomorrow and just put last year's budget on the table.

Mr. GINGRICH. Would not the correct motion tomorrow morning then be to move that the Budget Committee instruct the chairman to create a mark, to move the budget, that the Budget Committee tell the chairman, "Sit down with your 60 or 70 staff members and propose a budget."

Mr. MACK. We have been trying to say that for quite some time but maybe that might be one more opportunity to make that statement.

Mr. GINGRICH. It would seem to me that the Democrats ought to have an opportunity to instruct their chairman that they would actually like him to do the job of the chairman. That might be a radical idea.

Mr. MACK. It is just over and over for the last several years. This is now my fifth year on the Budget Committee, and it really astounds me that now that they are in total control of the legislative process that they cannot come forward with their plan. It baffles me.

Mr. GINGRICH. Let me make one other point because the gentleman from Florida offered today in the Republican House Conference a resolution to keep the target at $108 billion in deficit which is the Gramm-Rudman target and there was a fairly overwhelming vote in favor of being firm. It does seem to me that we are trying to send two signals to the Democrats. One is that the country really wants to move toward a balanced budget and that is going to take real decisions, and the other is that when you have had a 60-percent increase in taxes collected since 1980, and we are collecting 60 percent more taxes now than we did in 1980, that that is probably enough. That the answer is not to raise taxes, the answer is to control the Federal Government and to control Government spending. I want to commend the gentleman for having had a tenacity and the drive and the persistence to go the Republican Policy Committee and to go to the House Republican conference, but I also want to report to the House that on the Republican side there was a clear signal that we think the Budget Committee should do its job. The President has done his job whether you like or dislike the President's budget, it is at least an effort in the right direction, and now it is the turn of the House Democratic leadership to do their job.

Mr. MACK. I think the gentleman is quite right. Again, if you want to be able to negotiate to a point, you have to have a point of beginning on both sides. For 3 months now or 2½ months we have seen at least there has been one proposal out there, one kind of blueprint about what the administration would do and we have been waiting, I think patiently. As a matter of fact, I think probably too patiently until tonight to ask the other side to come forward with their plan. I think it is very simple and very reasonable.

Mr. GINGRICH. I must ask one thing because this might lead to another interesting question in tomorrow's budget meeting. If the distinguished chairman of the Budget Committee, who is a powerful and important liberal Democrat in his own right, if he has had 60 or 70 staff people and they have had 75 days, I wonder in the tradition of the Tower Commission if we could not ask the chairman to make available to all Members of the House, the various staff proposals on the Democratic side.

Let's see what it is that they are so scared of they cannot even surface it. Let them bring out in the open whatever taxes they propose. Let them bring out in the open whatever budget cuts they propose. The President has had the courage to actually sit down and force one document, the budget proposal of the President of the United States. If the Democrats cannot come up with one document maybe they could submit for the record tomorrow during the budget hearing as an initial step, if they are not willing to assign the chairman to go back and actually write a budget, maybe the committee could ask the chairman to put on the record as a source of ideas—I mean, presumably, we have not had 75 days of the Democratic staff doing nothing—it is possible and I understand this House works in unusual ways, but presumably that is not what they have been doing. In that setting it might be useful if the chairman of the Budget Committee could allow all the Members, since he wants all the Members to help vote on the budget, maybe he could allow all the Members to look at all the proposals the Democratic staff has come up.

We have had, I think seven different taxes proposed so far.

Mr. MACK. I think that is a great idea but they will not even allow the one proposal that they have been working on for the last several days. They do not want that one to come out. What makes the gentleman think that he possibly would allow all these various ideas of how to raise taxes and how to continue spending what makes you think he would allow that to happen?

Mr. GINGRICH. I do not know, but it just seems to me that it is, not only is it a little silly for the House Democratic leadership to be saying to the President 75 days after you sent us your budget we have not done anything but, by the way, it is your fault, it seems to me equally silly for the Democratic Party which has been in control of the House for 32 years to turn to the Republicans and say, "Our 70 staff people could not figure it out and our majority could not figure it out, but, by the way, why do you not join with us and we will not show you any of the documents." The least the Republicans ought to insist on before they engage in the process is that the chairman release all of the background documents, because, after all, his party has five or six times as many staff on the Budget Committee and why should you participate in ignorance when he has—it is sort of like a gambler saying, "Gee, I have 52 cards, I will give you 5, I keep 47 and now we will play."

I think the best test of the chairman's sincerity tomorrow would be to say to him if you are really serious about a bipartisan effort, let us see all your staff documents and we will be delighted to try and work with you once we have read your staff documents and your staff memos and we understand what the options are, but do not give us 5 cards and you keep 47 and then pretend that we are playing a fair game.

Mr. MACK. That is something that we might pursue tomorrow morning.

Let me, if I may, express some closing remarks from my point of view on this issue. I start by reading an article in the New York Times, today's paper, and it says that:

> The House Democratic leadership, unable to assemble its own plan for cutting the budget deficit, shifted strategy today, partly in an effort to blame Republicans and the President for their problems.
>
> The new strategy is also aimed at educating the public on what many see as the need for a tax increase to reduce the deficit.

□ 2010

I guess the point I want to close with is that clearly the Democrats have now gotten to a point where the rhetoric of the last several years has caught up with them. They have had all this time to come forward with their plan, their proposal, their ideas, and they have failed to do so. That indicates to me two things: One is the lack of leadership, and two is the lack of discipline.

They claimed to the American people in 1986 in the elections that they had the ability to lead. They were disciplined enough to make the tough decisions in order to put a program together, to put a budget together in order to continue to reduce the deficits, to meet the targets of Gramm-Rudman and to solve these problems, and they have clearly failed to do either on the leadership end or from the point of view of discipline within their own party to accomplish the things they had said in the 1986 elections.

So I think it is going to be interesting tomorrow when we have an opportunity to see just how this thing is going to play out.

Mr. GINGRICH. I just want to say one thing in closing while the gentleman is here, and that is anyone who wants to check the record can go back and in the last month and a half before we adjourned in 1986 we were here on this floor saying again and again and again that the first time the Democrats had control of the Senate and the first time the Democrats have a chance to put up their agenda, they are going to try to raise taxes. Some Democrats came down and said, "Oh, we wouldn't do that," but I think it very, very revealing that as soon as there was a new Democratic Speaker, the very first thing that Democratic Speaker began saying was, "Let's tax this, let's tax pensions, and why don't we go ahead and tax pensions?"

Then he came up with other tax proposals. I think it is very revealing that the Democratic leadership neither has the courage to come to the House and say we are going to be for a tax increase, we are all united, here is our budget, nor do they have the courage to come to the House and say we are not going to be for a tax increase, we are going to cut spending. Here is our budget. Instead, what they are doing is playing a game.

If my good friend, TONY COELHO, was to call the President's activities a scam, I would just say the Democratic leadership has been a sham, that this entire process is a sad travesty of what should be happening and it is very unfortunate.

Mr. MACK. Mr. Speaker, will the gentleman yield further?

Mr. GINGRICH. I am very glad to yield to my friend, the gentleman from Florida.

Mr. MACK. Well, I just wanted to make one other comment, that this whole mentioning about taxes and this kind of nervous attitude and reaction, you kind of sense these guys are in a real frenzy. It almost seems like it is an addict that is looking for a fix. "Give me one more new tax proposal. I just have to have it. We have to have the new revenues to keep this thing going." When we know the answer is, go cold turkey.

Mr. GINGRICH. It does make you wonder, I would say, when they talk about going to the budget summit, how many secret tax plans the Budget Committee staff has and how many secret tax plans the Democratic leadership has. It would be fascinating if they had the courage to be as open with us as they would like the White House to be, it would be fascinating to see how many tax plans are already floating around the Democratic offices in this building.

I am glad to yield to my good friend, the gentleman from Texas [Mr. BOULTER], who is a Congressman from Texas, not a Congressman from taxes.

Mr. BOULTER. Well, that may be a comment on some of my colleagues from Texas, too. I thank the gentleman for yielding.

I cannot resist saying this, and I know this is somewhat controversial even among our own Members, but we did in sort of a not too courageous a fashion vote ourselves a congressional pay raise.

Now, what I think makes the situation more sickening is the fact that there are a lot of outrageous Members in this body, and I am not talking about those who felt like the pay raise was in order, but who asked the working men and women in America to take a tax increase to pay for that along with a lot of other programs.

I want to ask my friend from Georgia something. I do not know if the gentleman has discussed these newspaper articles today.

Mr. GINGRICH. Not all of them, but we would be glad to have the gentleman help us with them.

Mr. BOULTER. Well, it is reported in today's Washington Times that the reason we are going through this charade right now is,

> The Democratic strategy is designed to pressure House Republican Members to support taxes,

Talking about a tax increase. Is that the gentleman's understanding?

Mr. GINGRICH. My understanding is that the liberal Democrats are caught because on the one hand they desperately want to raise taxes. On the other hand they are afraid to go to the American people by themselves and propose it, so they are hoping to maneuver us into in essence giving them cover so they can get the money without taking the blame.

Mr. BOULTER. Now, the proposal that we are hearing is that we will start with a freeze, is that correct?

Mr. GINGRICH. What I have heard, and of course, I am not on the Budget Committee, so I only rely on my good friends, but what I have heard is that tomorrow morning the Democratic chairman of the Budget Committee is essentially going to come in with last year's budget and say, "None of the work that was done by the President counts, none of the ideas that my 70 staff people have been doing for the last 3 months counts. We have no ideas. Why don't we have an open brainstorming session?"

This is like the PTA in a small town. "Why don't we have an open brainstorming session and see who has a good idea?"

I suggested just before the gentleman came to my friend, the gentleman from Florida [Mr. MACK] that maybe the Republicans should say, "Mr. Chairman, if you really want bipartisanship, would you please open up all your file cabinets and let us have copies of all the staff proposals for the last 75 days so we can also know what the options are?"

Mr. BOULTER. Mr. Speaker, will the gentleman yield further?

Mr. GINGRICH. I am glad to yield to my friend, the gentleman from Texas.

Mr. BOULTER. The worst part of the idea is that according to again the Washington Times and the headline is, "Gray Proposes Outlay Freeze."

"Gray Proposes Outlay Freeze," but then in the article itself it says that,

> Mr. Gray concedes he does not support a spending freeze.

Mr. MACK. Mr. Speaker, if the gentleman will yield, what does he mean?

Mr. BOULTER. That is what I am asking both gentleman.

Mr. MACK. Mr. Speaker, will the gentleman yield further.

Mr. GINGRICH. I yield to the gentleman from Florida.

Mr. MACK. Does that mean, again, with these 70 staffers in 2½ months and the President's proposal, he has absolutely no idea what he wants to do, he is just going to take last year's budget, but he does not support that?

Mr. GINGRICH. Is it possible that the distinguished Democratic chairman of the Budget Committee does not know the difference between an outlay freeze, the words outlay freeze and spending freeze, he does not know they refer to the same thing?

Mr. BOULTER. Oh, I do not know.

Mr. MACK. Listen, I think clearly the chairman does know, he definitely does.

Mr. GINGRICH. Is this part of the same smoke cloud that is sort of designed to confuse everything?

Mr. BOULTER. I think this is gobbledygook. I will sum up the way I feel about it, if the gentleman will yield further.

Mr. GINGRICH. I am glad to yield to the gentleman from Texas.

Mr. BOULTER. They talk about a tax increase, the Democrats do, and say they are going to use it to reduce the deficit. But let us not forget, and I call your attention to this, that we passed the homeless appropriation bill, which was not included in the budget spending plan, that totals over $750 million.

Did the gentleman know that also there is a supplemental appropriations Democrat bill just waiting in the wings?

Mr. MACK. Mr. Speaker, will the gentleman yield for just a second?

Mr. GINGRICH. I yield to the gentleman from Florida.

Mr. MACK. When the gentleman mentioned the $725 or $750 million for the homeless, that was authorized for the homeless bill, I think I remember that there was an amendment offered that said that any of the money that had not been appropriated, any additional funds that were going to be appropriated had to be taken out of the foreign assistance account. Does anybody remember that?

Mr. BOULTER. Oh, yes.

Mr. MACK. If I am not mistaken, the majority of the Democrats voted against that, which in essence said, "We're not concerned about keeping the deficit at least to the level that it is now. We are so committed to this new program"—notice the word new—this new program, that they are actually going to increase the size of the deficit. They were not even willing to take it out of the foreign assistance account to keep us in a neutral position.

Mr. BOULTER. Plus also the gentleman from Pennsylvania [Mr. GRAY] is talking about $1 billion on AIDS research and is not agreeing to cover that by a reduction in something else; so I think it is obvious that they are not serious about reducing the deficit, but they are serious about getting us to participate with them in their nefarious deeds which the American people reject, and that is a tax increase, and they accuse the President of raising taxes. The President has not raised any taxes in the sense of broad stream taxes that can be used to fund any spending programs that the Democrats come up with. He has talked about user fees to pay for specific services.

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Mr. GINGRICH. Let me just say in closing that I think that what we are faced with here is that tomorrow we are going to see the spectacle—and I think people who are watching ought to think about this: If you are under 32, you were born after the Democrats took over the House.

I am serious. When did the gentleman's grandfather last coach the Athletics?

Mr. MACK. 1951. I think that maybe he technically was not the manager, then, but I assure you that when he was around——

Mr. GINGRICH. So literally the Democrats' control goes almost back to the era when your grandfather was still coaching and was running the Athletics in Philadelphia.

Mr. MACK. That is right.

Mr. GINGRICH. So it tells you a little bit about how much the world has changed. For 32 years the Democratic Party has controlled the House. For 32 years they have had the speakership, they have had the committees, they have passed the budget bill. We now have the spectacle, 75 days after Ronald Reagan sent up his budget, of a party which owns the staff structure, which has six or seven times as many staffers as the Republicans, coming tomorrow to play a game, to say, "We're not going to show you any of our studies, we're not going to show you any of our options, we're not going to let you see any of our proposals, but you have to help us."

I would just say that it is a little bit much to be told that our basic job in the House is to hang around and wait for them to decide that we can provide the camouflage for their tax increase; that if they want us in on the landing, as Lyndon Johnson used to say—another Texan—we ought to be in on the takeoff; that if the Democrats want to share with us a real opportunity to have equal staff, to have equal control, to have equal access to the schedule, to have equal studies, then it makes sense.

Mr. MACK. Mr. Speaker, would the gentleman yield?

Mr, GINGRICH. I yield to the gentleman from Florida.

Mr. MACK. I know that we have all been kind of acting as if we are about ready to wind this up, but I just could not help but make an additional comment. Does the gentleman know what I think that maybe they are scared of?

Mr. GINGRICH. What does the gentleman think that they are scared of?

Mr. MACK. Obviously they are scared. I mean, when they invite us, as they did a couple of days ago, to become involved in a bipartisan effort and then did not follow through with it, they are scared that if they come out with their proposal that it is possible that we might ask for a delay in the markup process while we go around the country holding hearings on their budget.

They do not want the American people to find out that they are really talking about raising taxes. I think that that is what they are afraid of. The longer they can hide what they intend to do, they think that they are better off, and I think what we need to do is to smoke them out.

Mr. GINGRICH. Let me make another comment, because as I have listened this evening and tried to understand the almost absurd maneuverings of the liberal Democrats in this situation, it finally began to dawn on me what this is like. When I was here as a freshman in 1979 and 1980—when the gentleman were both very young men out earning a living—when I was here as a freshman the Democrats had the House and the Democrats had the Senate, and they could not blame things on the Republicans. In the summer of 1979 they collapsed into chaos, and they could not solve anything.

The country began to look up here and see that they had 13-percent inflation, they had 22-percent interest rates, they were raising taxes, they were creating a liberal welfare state that we could not afford, and it was just a mess, because once they were responsible and you could see just how liberal they are and just how much they love big government and just how much they favor the welfare state, and just how weak they are on defense, it was pretty appalling.

What we are seeing now is that we have had 6 years where the Democrats could act irresponsibly because they always knew that they were going to go to conference with the Republican Senate, and they knew that there was a President downtown who would sort of protect them from themselves. It is a little bit like the teenager who thinks that he can go out and get drunk because dad will be there and make sure that he does not drive the car home.

Now all of a sudden they have the House and the Senate, and they are faced with the fact that if we actually make them do their job, since they claim to run this place, that they would—I might mention by the way that the distinguished Democratic leader from Texas is going to take a delegation to the Soviet Union in the near future. There are going to be three times as many Democrats as there are Republicans.

Mr. MACK. That makes me very scared.

Mr. GINGRICH. When you get to perquisites, when you get to the chauffeured limousine, when you get to the big office with the window, when you get to everything that makes them feel good about themselves, they are in charge. When you get to the tough decisions—how are we going to shrink the liberal welfare state? How are we going to get spending under control? How are we going to protect the American family from tax increases? They get very scared.

I hope that tomorrow the Republicans on the Budget Committee will give the liberal Democrats a chance to do one of two things—to either come forth with their plan and show us where they will raise taxes, or if they honestly and truly are incapable of governing, to open up a partnership where we have equal access to the information and equal staff, and then we can talk about producing a bipartisan budget.

I thank my friends on the Budget Committee for coming in and enlightening the House on the amazing spectacle in the Budget Committee.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DANIEL (at the request of Mr. FOLEY), for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CARPER, for 5 minutes, today.

(The following Members (at the request of Mrs. MORELLA) to revise and extend their remarks and include extraneous material:)

Mr. LATTA, for 60 minutes, today.

Mr. MOLINARI, for 5 minutes, today.

Mr. LAGOMARSINO, for 60 minutes, March 25.

Mr. DEWINE, for 60 minutes, March 25.

Mr. GINGRICH, for 60 minutes, today and March 19.

Mr. WYLIE, for 5 minutes, today.

(The following Members (at the request of Mr. CONYERS) to revise and extend their remarks and include extraneous material:)

Mr. BOLAND, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. DINGELL, for 5 minutes, today.

Ms. OAKAR, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Mr. FRANK, for 30 minutes, on March 19 and 60 minutes, on March 25.

Mr. MACKAY, for 60 minutes, on March 25.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DAUB, preceding the vote on House Concurrent Resolution 77, in the House today.

(The following Members (at the request of Mrs. MORELLA) and to include extraneous matter:)

Mr. GUNDERSON.
Mr. GINGRICH.
Mr. HOUGHTON.
Mr. BROOMFIELD.
Mr. LOTT.
Mr. LOWERY of California.
Mr. HOPKINS.
Mr. SMITH of New Hampshire.
Mr. HAMMERSCHMIDT.
Mr. CRANE in five instances.
Mr. DIOGUARDI.
Mr. VANDER JAGT.
Mr. SOLOMON in two instances.
Mr. PORTER.
Mr. SMITH of Oregon.
Mr. GILMAN in two instances.
Mr. GALLO in three instances.
Mr. RITTER.
Mr. GRADISON.
Mr. PURSELL in two instances.
Mr. CONTE.
Mr. BOEHLERT.
Mr. FIELDS in three instances.
Mr. WOLF.
Mr. DONALD E. LUKENS.
Mr. SPENCE.
Mr. WHITTAKER.
Mr. GEKAS.
Mr. COMBEST.

(The following Members (at the request of Mr. CONYERS) and to include extraneous matter:)

Mr. RODINO.
Mr. ROYBAL.
Mr. HAMILTON.
Mr. PEPPER.
Mr. ASPIN.
Mr. LEHMAN of California.
Mr. BROWN of California.
Mr. BRYANT.
Mr. DYMALLY.
Mr. CLARKE.
Mr. ANTHONY in two instances.
Mr. GUARINI in two instances.
Mr. ECKART.
Mr. MARKEY.
Mr. DANIEL.
Mr. MILLER of California.
Mr. LEVIN of Michigan.
Mr. JACOBS.
Mr. DORGAN of North Dakota.
Mr. TORRICELLI.
Mr. FRANK.
Mr. HALL of Ohio.
Mr. GRANT.
Mr. ST GERMAIN.
Mr. HUBBARD.
Mr. WALGREN.
Mr. DINGELL.

ADJOURNMENT

Mr. GINGRICH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 25 minutes p.m.), the House adjourned until tomorrow, Thursday, March 19, 1987, at 11 a.m.

EXECUTIVE COMMUNICATIONS ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

922. A letter from the Secretary of Energy, transmitting a copy of the Department's review of energy-related national security concerns covering all aspects of U.S. energy supply and demand; to the Committee on Energy and Commerce.

923. A letter from the Director, Defense Security Assistance Agency, transmitting reports of the listing of all outstanding letters of offer to sell any major defense equipment for $1,000,000 or more as of Director 31, 1986, and the listing of those that were accepted, pursuant to AECA section 36(a); to the Committee on Foreign Affairs.

924. A letter from the Secretary of Education, transmitting notification of a new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

925. A letter from the Administrator, Agency for International Development, transmitting the agency's annual report for fiscal year 1986 on equal employment opportunity and recruitment in the Foreign Service, pursuant to 22 U.S.C. 3905(d); jointly, to the Committees on Foreign Affairs and Post Office and Civil Service.

926. A letter from the Secretary of Health and Human Services, transmitting a report entitled, "Study of Health Insurance Designed to Supplement Medicare and Other Limited Benefit Health Insurance Sold to Medicare Beneficiaries", pursuant to 42 U.S.C. 1395ss(f)(i)(c); jointly, to the Committees on Ways and Means and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DINGELL (for himself and Mr. Thomas A. Luken):

H.R. 1674. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 respecting safety certification equality; to the Committee on Energy and Commerce.

By Mr. GILMAN:

H.R. 1675. A bill to amend section 123 of the Foreign Assistance Act of 1961, relating to private and voluntary organizations and cooperatives, in order to enhance the private-public partnership for foreign assistance; to the Committee on Foreign Affairs.

By Mr. ACKERMAN:

H.R. 1676. A bill to amend title IX of the act commonly called the Civil Rights Act of 1968, to prevent violence and intimidation directed against persons participating in tenant organizations; to the Committee on the Judiciary.

By Mr. ANTHONY:

H.R. 1677. A bill to amend the Tariff Schedules of the United States with respect to motor fuel, motor fuel blending stock, and naphthas, and for other purposes; to the Committee on Ways and Means.

By Mr. BOEHLERT (for himself, Mr. McHugh, and Mr. Wortley):

H.R. 1678. A bill relating to the prevention of circumvention of countervailing and antidumping duty orders; to the Committee on Ways and Means.

By Mr. CHENEY:

H.R. 1679. A bill to amend the Clean Air Act to control certain sources of sulfur dioxide to reduce acid deposition; to the Committee on Energy and Commerce.

By Mrs. COLLINS:

H.R. 1680. A bill to require the Secretary of Housing and Urban Development to establish energy conservation standards for public housing projects and to carry out a program to demonstrate the effectiveness of energy conservation measures in public housing projects; to the Committee on Banking, Finance, and Urban Affairs.

By Mr. DeWINE:

H.R. 1681. A bill to amend the Internal Revenue Code of 1986 to restore the 3-year basis recovery rule applicable to employees' annuities; to the Committee on Ways and Means.

H.R. 1682. A bill to amend the Tax Reform Act of 1986 to provide that the repeal of the 3-year basis recovery rule applicable to employees' annuities apply only to individuals whose annuity starting date is more than 90 days after the enactment of this act; to the Committee on Ways and Means.

By Mr. DioGUARDI:

H.R. 1683. A bill to amend the Immigration and Nationality Act to provide for additional immigration visa numbers of natives of certain foreign states which have had a significant decrease in immigration to the United States; to the Committee on the Judiciary.

By Mr. DORNAN of California:

H.R. 1684. A bill to amend the Impoundment Control Act of 1974 to provide that any deferral of budget authority proposed by the President shall take effect unless within 45 legislative days Congress completes action on an impoundment bill disapproving such proposed deferral, and for other purposes; jointly, to the Committees on Government Operations, and Rules.

H.R. 1685. A bill to amend the Impoundment Control Act of 1974 to provide that any rescission of budget authority proposed by the President take effect unless specifically disapproved by the adoption of a joint resolution; jointly, to the Committees on Government Operations, and Rules.

By Mr. DUNCAN:

H.R. 1686. A bill to amend the appendix to the Tariff Schedules of the United States to suspend the duty on bicycle tires and tubes; to the Committee on Ways and Means.

By Mr. ECKART:

H.R. 1687. A bill to amend the Tariff Act of 1930 to ensure that the countervailing duty laws apply to State-controlled-economy countries; to the Committee on Ways and Means.

By Mr. FIELDS:

H.R. 1688. A bill to amend the Panama Canal Act of 1979 to increase the investment of the United States by the amount of interest deposited in the Panama Canal Commission Fund and to transfer that amount to the miscellaneous receipts of the Treasury; to the Committee on Merchant Marine and Fisheries.

By Mr. FISH:

H.R. 1689. A bill to amend title 9 of the United States Code regarding arbitral awards; to the Committee on the Judiciary.

By Mr. FRANK:

H.R. 1690. A bill to amend title 39, United States Code, to provide free insurance up to the value of $100 on mail items; to the Committee on Post Office and Civil Service.

H.R. 1691. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income that portion of a governmental pension which does not exceed the maximum benefits payable under title II of the Social Security Act which could have been excluded from income for the taxable year; to the Committee on Ways and Means.

By Mr. GUARINI (for himself, Mr. Vander Jagt, Mr. Rangel, Mr. Jacobs, Mr. Matsui, Mr. Schulze, Mr. Coyne, Mr. Andrews, Mr. Daub, Mr. Levin of Michigan, Mr. Bonior of Michigan, Mr. Conte, Mr. Hawkins, Mr. Ford of Michigan, Mr. Jeffords, Mr. Howard, Mr. Kildee, Mr. Roe, Mrs. Martin of Illinois, Mr. Fawell, Mr. Penny, Mr. Rahall, Mr. Atkins, Mr. Pursell, Mr. Smith of Florida, Mr. Olin, Mr. de la Garza, Mr. Carr, Mr. Lagomarsino, Mr. Schuette, Mr. Eckart, Mr. Nowak, Mr. Mavroules, Mr. Horton, Mr. Hayes of Illinois, Mr. Wortley, Mr. Gaydos, Mr. Brown of Colorado, Mrs. Collins, Mrs. Bentley, Mr. Henry, Mr. Chandler, Mr. Clay, Mr. Crockett, Mr. Stokes, Mr. Barnard, Mr. Dwyer of New Jersey, Mr. Coble, Mr. Perkins, Mr. Murphy, Mr. DeWine, Mr. Hammerschmidt, Mr. Weber, Mrs. Vucanovich, Mr. Stallings, Mr. Manton, Mr. Scheuer, Mr. Towns, Mr. Badham, Mr. Biaggi, Mr. Boehlert, Mr. Owens of New York, Mr. Mollohan, Mr. Clinger, Mr. Swift, Mr. Hamilton, Mr. Swindall, Mr. McCloskey, Mr. Wolpe, Mr. Hertel, Mr. Ortiz, Mr. Bustamante, Ms. Kaptur, Mr. Gray of Illinois, Mr. Conyers, Mr. Valentine, Mr. Rodino, Mr. Dingell, Mr. Armey, Mr. Hefner, Mr. Solarz, Mr. Davis of Illinois, Miss Schneider, Mr. Gunderson, Mr. Wolf, Mr. Savage, Mr. Tauke, Mr. Price of Illinois, Mr. Mrazek, Mr. Mfume, Mr. Hastert, Mr. Upton, Mr. Yatron, Mr. Levine of California, Mr. Petri, Mr. Dornan of California, Mr. Weiss, Mr. Espy, Mr. Traxler, Mr. Dellums, Mr. Lightfoot, Mr. Boucher, Mr. Kastenmeier, Mr. Hughes, Mr. Dymally, Mr. Ackerman, Mr. Brown of California, Mr. Foglietta, Mr. McKinney, Mr. Feighan, Mr. Borski, Mr. Bilbray, Mr. Torres, Mr. Rinaldo, Mr. Wylie, Mr. Dreier of California, Mr. Davis of Michigan, Mr. Leath of Texas, Mr. Shumway, Mr. Smith of New Jersey, Mr. Fish, Mr. Wilson, Mr. Berman, Mr. Crane, Mr. Price of North Carolina, Mr. McHugh, Mr. Porter, Mr. Broomfield, Mr. Montgomery, Mr. Leland, Mr. Torricelli, Mr. Volkmer, and Mr. Sunia):

H.R. 1692. A bill to amend the Internal Revenue Code of 1986 to make permanent the exclusion from gross income for educational assistance furnished under certain educational assistance programs, and for other purposes; to the Committee on Ways and Means.

By Mr. HALL of Ohio (for himself and Mr. Bereuter):

H.R. 1693. A bill to amend the Foreign Assistance Act of 1961 to require increased funding for basic education in developing countries; to the Committee on Foreign Affairs.

By Mr. HERTEL:

H.R. 1694. A bill to amend title 10, United States Code, to restrict the purchase of foreign-made administrative motor vehicles by the Department of Defense; to the Committee on Armed Services.

By Mr. JEFFORDS (for himself, Mr. Kildee, Mr. Tauke, Mr. Waxman, Mr. McHugh, Mr. Fish, Mr. Solarz, Mr. Downey of New York, Mr. Henry, Mr. Beilenson, Mr. Frank, Mr. Owens of New York, Mr. Studds, Mr. Mrazek, Mr. Garcia, and Mr. Towns):

H.R. 1695. A bill to require a refund value for certain beverage containers, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LEVIN of Michigan (for himself, Mrs. Johnson of Connecticut, Mr. Pease, Mr. Matsui, Mrs. Kennelly, Mr. Berman, Mr. Crockett, Mr. Coelho, Mr. Fazio, Mr. Feighan, Mr. Frank, Mr. Fuster, Mr. Gephardt, Mr. Hamilton, Mr. Henry, Ms. Kaptur, Mr. Kastenmeier, Mr. Kolter, Mr. Leland, Mr. Manton, Mr. Martinez, Mr. Miller of California, Mr. Moakley, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Rangel, Mr. Rodino, Mr. Scheuer, Mr. Smith of Florida, Mr. Tallon, Mr. Towns, Mr. Weiss, Mr. Williams, Mr. Wolpe, and Mr. Fauntroy):

H.R. 1696. A bill to amend title IV of the Social Security Act to improve the AFDC program by requiring each State to establish a single comprehensive work program with a centralized intake and registration process, and providing for the participation of each AFDC applicant or recipient—through such comprehensive program—in an employment, training, or education program which has been selected by the State on the basis of its appropriateness for that particular applicant or recipient; jointly, to the Committees on Ways and Means, and Education and Labor.

By Mr. THOMAS A. LUKEN:

H.R. 1697. A bill to amend the Toxic Substances Control Act to assist States in responding to the threat to human health posed by exposure to radon; to the Committee on Energy and Commerce.

By Mr. McKINNEY (by request):

H.R. 1698. A bill to amend and extend certain Federal laws relating to housing, community and neighborhood development, and related programs, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. PACKARD:

H.R 1699. A bill to provide for the settlement of water rights claims of the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians in San Diego County, CA, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROYBAL:

H.R. 1700. A bill to establish a quality assurance system for homecare services provided under Medicare and Medicaid Programs, the Social Services Block Grant Program, and the Older Americans Act of 1965; jointly, to the Committees on Ways and Means, Energy and Commerce, and Education and Labor.

By Mr. RAHALL:

H.R. 1701. A bill to amend the Federal Aviation Act of 1958 to prohibit certain airline scheduling practices that result in passenger delays and inconveniences, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. SMITH of New Jersey (for himself and Mr. Saxton):

H.R. 1702. A bill to amend title 10, United States Code, to allow certain institutions that provide treatment for heart and lung conditions to receive reimbursement under the Civilian Health and Medical Program of the Uniformed Services; to the Committee on Armed Services.

By Mr. SOLOMON:

H.R. 1703. A bill to amend the Military Selective Service Act ot improve compliance with Selective Service registration requirements; jointly, to the Committees on Armed Services and Government Operations.

H.R. 1704. A bill for the relief of the assignees and descendents of Marcus P. Norton or their heirs; to the Committee on the Judiciary.

H.R. 1705. A bill to repeal the provisions of the Tax Reform Act of 1986 which limit the deductibility of contributions to individual retirement accounts; to the Committee on Ways and Means.

By Mr. HOCHBRUECKNER:

H.R. 1706. A bill to repeal the provision relating to the treatment of certain technical personnel which was added by section 1706 of the Tax Reform Act of 1986; to the Committee on Ways and Means.

By Mr. SOLOMON (for himself, Mr. Montgomery, and Mr. Hammerschmidt):

H.R. 1707. A bill to establish the Veterans' Administration as an executive department; to the Committee on Government Operations.

By. Mr. TORRICELLI (for himself, Mr. Jacobs, Mr. Biaggi, Mr. Smith of Florida, Mr. DioGuardi, Mr. Edwards of California, Mr. Regula, Mr. Gray of Illinois, Mr. Howard, Mr. Mfume, Mr. Berman, Mr. Rodino, Mr. St Germain, Mr. Solarz, Mr. Rose, Mr. Akaka, Mr. Feighan, Mr. Mrazek, Mr. Dwyer of New Jersey, Mr. Conyers, Mr. Hyde, Ms. Kaptur, Mr. Florio, Mr. Hawkins, Mr. Tallon, Mr. Manton, Mr. Clay, Mr. Wise, Mr. Daniel, Mr. Gallo, and Mr. Downey of New York):

H.R. 1708. A bill to promote the dissemination of biomedical information through modern methods of science and technology and to prevent the duplication of experiments on live animals, and for other purposes; to the Committee on Energy and Commerce.

By Mr. VANDER JAGT (for himself, Mr. Broomfield, Mr. Carr, Mr. Crockett, Mr. Davis of Michigan, Mr. Dingell, Mr. Ford of Michigan, Mr. Henry, Mr. Kildee, Mr. Levin of Michigan, Mr. Pursell, Mr. Schuette, Mr. Traxler, Mr. Upton, Mr. Wolpe, and Mr. Bonior of Michigan):

H.R. 1709. A bill to amend the Internal Revenue Code of 1954 to clarify the tax exempt treatment of self-insured workers' compensation funds; to the Committee on Ways and Means.

By Mr. WALGREN:

H.R. 1710. A bill to direct the Secretary of Health and Human Services to establish a grant program to fund research, training, and patient services in pediatric pulmonary medicine; to the Committee on Energy and Commerce.

By Mr. WAXMAN (for himself, Mr. Schumer, Mr. Berman, Mrs. Collins, Mr. Edwards of California, Mr. Frank, Mr. Hoyer, Ms. Kaptur, Mrs. Kennelly, Mr. Lehman of Florida, Mr. Leland, Mr. Levin of Michigan, Mr. Levine of California, Mr. Lowry of Washington, Mr. Matsui, Mr. McKinney, Ms. Oakar, Mr. Oberstar, Mr. Pepper, Mr. Rodino, Mr. Roe, Mr. Roybal, Mr. Sabo, Mr. Scheuer, Mrs. Schroeder, Mr. Sikorski, Mr. Stark, Mr. Swift, Mr. Synar, Mr. Walgren, Mr. Weiss, and Mr. Wyden);

H.R. 1711. A bill to amend title XIX of the Social Security Act to prevent, as a condition of receiving Medicaid benefits for a spouse in an institution, the impoverishment of the spouse still living in the community; to the Committee on Energy and Commerce.

By Mr. WHITTAKER:

H.R. 1712. A bill to require the establishment of certain grade crossing demonstration projects to improve the safety of rail transportation in the United States; to the Committee on Energy and Commerce.

By Mr. WHITTAKER (for himself, Mr. Lent, and Mr. Madigan):

H.R. 1713. A bill to improve the safety of rail transportation in the United States; to the Committee on Energy and Commerce.

By Mr. GILMAN (for himself and Mr. Manton):

H.J. Res. 190. Joint resolution to authorize and request the President to issue a proclamation designating May 3, 1987 and May 1, 1988 as "Solidarity Sunday for Soviet Jewry"; to the Committee on Post Office and Civil Service.

By Mr. DeWINE:

H.J. Res. 191. Joint resolution to designate September 1987 as "Partnerships in Education Month"; to the Committee on Post Office and Civil Service.

By Mr. MILLER of California (for himself, Mr. Hawkins, Mr. Jeffords, Mr. Slattery, Mr. Leland, Mr. Panetta, Mr. Wolpe, Mr. MacKay, Mr. McHugh, Mr. Traxler, Mr. Hall of Ohio, Mr. Gilman, and Mr. Conte):

H.J. Res. 192. Joint resolution to express the sense of the Congress that the Special Supplemental Food Program for Women, Infants, and Children should receive increasing amounts of appropriations in fiscal year 1988 and succeeding fiscal years; to the Committee on Education and Labor.

By Mr. SPENCE (for himself, Mr. Anderson, Mr. Bateman, Mr. Bennett, Mrs. Bentley, Mr. Blaz, Mr. Bliley, Mr. Bonior of Michigan, Mr. Borski, Mr. Brown of California, Mr. Bryant, Mr. Bustamante, Mr. Carper, Mr. Chapman, Mr. Chappell, Mr. Clay, Mr. Coble, Mr. Conyers, Mr. Courter, Mr. Crockett, Mr. Daub, Mr. de la Garza, Mr. Dellums, Mr. de Lugo, Mr. Derrick, Mr. DeWine, Mr. Dickinson, Mr. DioGuardi, Mr. Dixon, Mr. Dornan of California, Mr. Dymally, Mr. Dyson, Mr. Erdreich, Mr. Espy, Mr. Evans, Mr. Fauntroy, Mr. Flake, Mr. Flippo, Mr. Foley, Mr. Frost, Mr. Fuster, Mr. Gordon, Mr. Gradison, Mr. Gray of Illinois, Mr. Gray of Pennsylvania, Mr. Green, Mr. Gregg, Mr. Hall of Texas, Mr. Hayes of Illinois, Mr. Hefner, Mr. Henry, Mr. Horton, Mr. Howard, Mr. Hoyer, Mr. Hunter, Mr. Jenkins, Mr. Jones of Tennessee, Mr. Jones of North Carolina, Ms. Kaptur, Mr. Kasich, Mr. Kemp, Mrs.

Kennelly, Mr. Kostmayer, Mr. Lagomarsino, Mr. Lantos, Mr. Leland, Mr. Levin of Michigan, Mr. Lewis of Georgia, Mr. Lungren, Mr. McCloskey, Mr. McCollum, Mr. McHugh, Mr. Madigan, Mr. Martin of New York, Mr. Martinez, Mr. Mfume, Mr. Nichols, Mr. Nielson of Utah, Ms. Oakar, Mr. Owens of New York, Mrs. Patterson, Mr. Pepper, Mr. Perkins, Mr. Price of Illinois, Mr. Rahall, Mr. Ravenel, Mr. Ray, Mr. Regula, Mr. Rodino, Mr. Roemer, Mr. Savage, Mr. Scheuer, Mr. Schuette, Mr. Solarz, Mr. Spratt, Mr. Stokes, Mr. Sunia, Mr. Tallon, Mr. Tauzin, Mr. Towns, Mr. Traficant, Mr. Valentine, Mrs. Vucanovich, Mr. Walgren, Mr. Weber, Mr. Weiss, Mr. Wilson, Mr. Wise, Mr. Wolf, Mr. Wortley, Mr. Young of Florida, and Mr. Neal):

H.J. Res. 193. Joint resolution to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week"; to the Committee on Post Office and Civil Service.

By Mr. FRANK:

H. Con. Res. 81. Concurrent resolution to request that the President issue a proclamation designating July 4 of each year as the principal national permanent legal holiday; to the Committee on Post Office and Civil Service.

By Mr. ROE:

H. Con. Res. 82. Concurrent resolution designating May 3 as "Polish Constitution Day"; to the Committee on Post Office and Civil Service.

By Mr. WOLF (for himself, Mr. Armey, Mr. Bateman, Mr. Bevill, Mrs. Boxer, Mr. Courter, Mr. Dannemeyer, Mr. Daub, Mr. DioGuardi, Mr. Dwyer of New Jersey, Mr. Fauntroy, Mr. Fields, Mr. Frank, Mr. Frost, Mr. Gilman, Mr. Green, Mr. Hall of Ohio, Mr. Hiler, Mr. Hughes, Mr. Hunter, Mr. Kemp, Mr. Kildee, Mr. Lagomarsino, Mr. Lent, Mr. Levin of Michigan, Mr. Lewis of Florida, Mr. Lipinski, Mr. Lowery of California, Mrs. Martin of Illinois, Mr. McDade, Mr. McKinney, Mr. Moorhead, Mr. Owens of New York, Mr. Parris, Mr. Porter, Mr. Ritter, Mr. Robinson, Mr. Scheuer, Mr. Smith of New Jersey, Mr. Smith of Florida, Mr. Swindall, Mr. Walker, Mr. Weber, Mr. Wortley, Mr. Solarz, and Mr. DeWine):

H. Con. Res. 83. Concurrent resolution calling upon the President to express to the Soviet Union the strong moral opposition of the United States to the forced labor policies of the Soviet Union by every means possible, including refusing to permit the importation into the United States of any products made in whole or in part by such labor; jointly, to the Committees on Foreign Affairs and Ways and Means.

By Mr. ACKERMAN:

H. Res. 125. Resolution expressing the sense of the House of Representatives regarding the definition of the term "nonresident" used by the Internal Revenue Service; to the Committee on Ways and Means.

By Mr. DORNAN of California:

H. Res. 126. Resolution to repeal rule XLIX of the Rules of the House of Representatives relating to the establishment of statutory limit on the public debt; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. EARLY:

H.R. 1714. A bill for the relief of Kil Joon Yu Callahan; to the Committee on the Judiciary.

By Mr. MATSUI:

H.R. 1715. A bill for the relief of Reynaldo B. Nidoy and Bella Anderson Nidoy; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 3: Mr. Bruce, Mr. DeFazio, Mr. Fuster, and Mr. Mfume.

H.R. 12: Mr. Ford of Tennessee, Mr. Pursell, Mr. Fawell, Mr. Cooper, Mr. Traxler, Mr. Olin, Mr. Bonior of Michigan, Mr. Boner of Tennessee, and Mr. Kildee.

H.R. 31: Ms. Slaughter of New York.

H.R. 39: Mr. Mfume, Mr. Fascell, Mrs. Morella, and Mr. Flake.

H.R. 65: Mr. Gephardt, Mr. Roybal, Mr. Hawkins, Mr. Rodino, Mr. Florio, Ms. Oakar, Mr. Vento, Mr. Borski, Mr. Gray of Illinois, Mrs. Collins, Mr. Hertel, Mr. Hochbrueckner, Mr. Huckaby, Mr. Lehman of Florida, Mr. McKinney, Mr. Mfume, Mr. Murphy, Mr. Applegate, Mr. Ortiz, Mr. Ackerman, Mr. Price of Illinois, Mr. Rahall, Mr. DeFazio, Mr. Roe, Mr. Grant, Mr. St Germain, Mr. Solarz, Mr. Stangeland, Mr. Traficant, Mr. Traxler, Mr. Gilman, Mr. Weiss, Mr. Yatron, Mr. Smith of Florida, and Mr. Clay.

H.R. 192: Mr. Murphy, Mr. Smith of Florida, Mr. Boland, Mr. Frank, Mr. Kastenmeier, Mr. Clay, Mr. Atkins, Mr. Walgren, Mr. Kolter, Mr. Biaggi, Mr. Solarz, Mr. Mrazek, Mr. Lewis of Georgia, Mr. de Lugo, Mr. Waxman, Mr. Espy, Mr. Bustamante, Mr. Fazio, Mr. Wheat, Mr. DeFazio, Mr. Stokes, Mr. Feighan, Mr. Evans, Mr. Roe, and Mr. Levin of Michigan.

H.R. 274: Mr. Solarz and Mr. Martinez.

H.R. 275: Mr. Brennan.

H.R. 306: Mr. Robert F. Smith.

H.R. 347: Mr. Ackerman, Mr. Akaka, Mr. Atkins, Mr. Bennett, Mr. Bonior of Michigan, Mr. Carr, Mr. Conyers, Mr. Crockett, Mr. Dorgan of North Dakota, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Foglietta, Mr. Gejdenson, Mr. Gordon, Mr. Gray of Illinois, Mr. Hochbrueckner, Mr. Huckaby, Mr. Kastenmeier, Mr. Jacobs, Mr. Murphy, Mr. Owens of New York, Mr. Rahall, Mr. Russo, Mr. Wise, and Mr. Ford of Tennessee.

H.R. 372: Mr. Swindall and Mr. Coats.

H.R. 378: Mr. Wolpe and Mr. Berman.

H.R. 381: Mr. Hayes of Illinois, Mrs. Morella, and Mr. Evans.

H.R. 382: Mr. Torres, Mr. Crockett, Mr. Feighan, Mr. Hayes of Illinois, and Mr. Evans.

H.R. 384: Mr. Evans, Mr. Feighan, Mrs. Morella, and Mr. Roybal.

H.R. 385: Mr. Darden, Mr. Flippo, and Mrs. Morella.

H.R. 386: Mr. Kolter.

H.R. 387: Mr. Evans and Mr. Kleczka.

H.R. 388: Mr. DeFazio, Mr. Florio, Mr. Wolpe, Mr. Mfume, Mr. Erdreich, Mr. Gekas, Mr. Bilbray, Mr. Hayes of Illinois, Mr. Fascell, Mr. Bereuter, Mr. Myers of Indiana, Mr. Panetta, Mr. Latta, Mr. Solarz, and Mr. Espy.

H.R. 437: Mr. Gilman.

H.R. 457: Mr. Levine of California, Mr. Hochbrueckner, and Mr. Espy.

H.R. 459: Mr. Fish.

H.R. 470: Mr. Gordon.

H.R. 486: Mr. Frank and Mr. Inhofe.

H.R. 514: Mr. Walgren and Mr. Gilman.

H.R. 541: Mr. Borski.

H.R. 543: Mr. Richardson, Mr. Bonior of Michigan, and Mr. St Germain.

H.R. 575: Mr. Annunzio.

H.R. 579: Mr. Sunia, Mr. Kastenmeier, Mr. Mrazek, Mr. Mavroules, Mr. Edwards of Oklahoma, Mr. Horton, Ms. Oakar, and Mr. Moakley.

H.R. 602: Mr. Lancaster, Mr. Armey, Mr. Brown of Colorado, Mr. Clinger, Mr. DeLay, Mr. Emerson, Mr. McMillan of North Carolina, and Mr. Nielson of Utah.

H.R. 618: Mr. Coyne, Mr. Wise, and Mr. Scheuer.

H.R. 627: Mr. Tallon.

H.R. 637: Mr. Fazio and Mr. Owens of New York.

H.R. 671: Mr. Hayes of Illinois, Mr. Lehman of Florida, Mr. Garcia, Mr. Wortley, and Mr. Dwyer of New Jersey.

H.R. 678: Mr. Edwards of California, Mr. Yatron, Mr. Ford of Tennessee, Mr. Fauntroy, Mr. Biaggi, Mr. Conte, and Mr. Howard.

H.R. 679: Mr. Yatron, Mr. Ford of Tennessee, Mr. Fauntroy, Mr. Edwards of California, Mr. Biaggi, and Mr. Howard.

H.R. 680: Mr. Hayes of Illinois, Mr. Lehman of Florida, Mr. Garcia, Mrs. Boxer, Mr. Conte, Mr. Biaggi, Mr. Fauntroy, Mr. Ford of Tennessee, Mr. Yatron, Mr. Lancaster, Mr. Wortley, Mr. Dwyer of New Jersey, and Mr. Atkins.

H.R. 776: Mr. Hawkins, Mr. DeFazio, Mr. Owens of New York, Mr. Evans, Mr. Downey of New York, Mr. Espy, Mr. Mineta, Mr. Vento, Mr. Jeffords, Mr. Sikorski, Mr. Studds, Mr. Weiss, and Mr. Wise.

H.R. 788: Mr. Armey and Mr. Nielson of Utah.

H.R. 789: Mr. Kasich.

H.R. 792: Mr. Swindall, Mr. Smith of Florida, and Mr. Downey of New York.

H.R. 805: Mr. Nielson of Utah.

H.R. 810: Mr. St Germain.

H.R. 919: Mr. Bilirakis, Mr. Marlenee, and Mr. Lewis of Florida.

H.R. 941: Mr. Atkins, Mr. Bevill, Mr. Perkins, and Mr. Morrison of Connecticut.

H.R. 953: Mrs. Boxer, Mr. Brennan, Mr. Hochbrueckner, Mr. Anderson, and Mr. Hughes.

H.R. 954: Mr. Lewis of Georgia.

H.R. 957: Mr. Swift, Ms. Snowe, Mr. Florio, and Mr. Mavroules.

H.R. 958: Mr. Daniel, Mr. Daub, Mr. Yatron, and Mr. Bustamante.

H.R. 985: Mr. Hayes of Louisiana, Mr. Tauzin, Mr. Madigan, and Mr. Emerson.

H.R. 1003: Mr. Akaka, Mr. Beilenson, Mrs. Bentley, Mr. Borski, Mr. Crockett, Mr. de la Garza, Mr. Dellums, Mr. de Lugo, Mr. Donnelly, Mr. Edwards of California, Mr. Feighan, Mr. Flake, Mr. Ford of Tennessee, Mr. Frank, Mr. Gilman, Mr. Gray of Illinois, Mr. Hayes of Illinois, Mr. Jones of North Carolina, Mr. Lancaster, Mr. Lehman of Florida, Mr. Leland, Mr. Levine of California, Mrs. Lloyd, Mr. Martinez, Mr. Mineta, Mr. Moakley, Ms. Oakar, Mr. Olin, Mr. Rahall, Mr. Rangel, Mr. Richardson, Mr. Roe, Mr. Sikorski, Mr. Solarz, Mr. Staggers, and Mr. Towns.

H.R. 1013: Mr. Traxler, Mr. Neal, Mr. Gejdenson, Mr. Martinez, Mr. Johnson of South Dakota, Mr. Wilson, Mr. Smith of Florida, Mr. Dellums, Mr. Hayes of Illinois, Mr. Miller of California, Mr. Leland, Mr. Frank, Mr. Studds, Mr. Olin, Mr. Mavroules, Mr. Towns, Mr. Pease, Mr. Scheuer, Mr. Edwards of California, Mr. Fauntroy, Mr. Udall, Ms. Oakar, Mr. Berman, Mr. Mrazek, Mr. Garcia, Mr. Lehman of Florida, Mr. Savage, Mr. Atkins, Mr. Bevill, Mr. Bustamante, Mr. Volkmer, Mr. Eckart, Mr. Bonior of Michigan, Mr. Hughes, Mrs. Boxer, Mr. Feighan, Mr. Rangel, Mr. Hawkins, Mr. DeFazio, Mr. Kildee, Mr. Evans, and Mr. Wolpe.

H.R. 1020: Mr. Saxton, Mr. Mfume, Mr. Campbell, Mr. Weiss, Mr. Ravenel, and Mr. Wolpe.

H.R. 1036: Mr. Rostenkowski, Mr. Pickle, Mr. Rinaldo, Mr. Anderson, Mr. Craig, Mr. Dellums, Mr. Mfume, Mr. Oberstar, Mr. Swindall, Mr. Walgren, Mr. Erdreich, and Mr. Neal.

H.R. 1054: Mr. Hayes of Illinois, Mr. Hawkins, Mr. Levine of California, Mr. Cardin, Mr. Crockett, Mr. Coleman of Texas, Mr. Bryant, Mr. Rangel, and Mr. Borski.

H.R. 1068: Mr. Sensenbrenner and Mr. Frank.

H.R. 1076: Mr. Garcia, Mr. Espy, and Mr. Biaggi.

H.R. 1101: Mr. Lewis of Georgia.

H.R. 1119: Mr. Hughes and Mr. Gray of Pennsylvania.

H.R. 1161: Mr. Applegate, Mrs. Byron, Mr. Carper, Mr. Edwards of California, Mr. Evans, Mr. Frost, Mr. Hayes of Illinois, Mr. Hochbrueckner, Mr. Jontz, Ms. Kaptur, Mr. Levin of Michigan, Mr. Madigan, Mr. Martinez, Mr. Matsui, Mr. Morrison of Connecticut, Ms. Oakar, Mr. Penny, Mr. Rangel, Mr. Sabo, and Mr. Traxler.

H.R. 1166: Mr. Lagomarsino.

H.R. 1234: Mr. Fauntroy.

H.R. 1272: Mr. Levin of Michigan and Miss Schneider.

H.R. 1302: Mr. Stratton, Mr. Solomon, and Mr. Hamilton.

H.R. 1310: Mr. Penny, Mr. Jones of North Carolina, Mr. Boulter, Mr. Jeffords, Mr. Lightfoot, Mr. Weber, and Mr. Marlenee.

H.R. 1342: Mr. Frost, Mr. Richardson, and Mr. Espy.

H.R. 1372: Mr. Hawkins.

H.R. 1425: Mr. Dorgan of North Dakota and Mr. Garcia.

H.R. 1468: Mr. Walgren, Mr. Roe, Mr. Wise, Mr. Synar, and Mr. Darden.

H.R. 1524: Mr. Lujan and Mr. Dornan of California.

H.R. 1546: Mr. Traficant, Mr. Ackerman, Mr. Roe, Mr. Stangeland, Mr. Smith of Florida, Mr. Solarz, Mr. Mrazek, Mr. Walgren, Mr. Wolf, and Mr. Frank.

H.R. 1559: Mr. Frenzel.

H.R. 1572: Mr. Neal.

H.R. 1622: Mr. Harris.

H.J. Res. 7: Mr. Chandler.

H.J. Res. 8: Mr. Coughlin.

H.J. Res. 9: Mr. Porter, Mr. Hastert, Mr. Combest, Mr. Inhofe, and Mrs. Saiki.

H.J. Res. 40: Mr. Lehman of Florida, Mr. Valentine, Mr. Hoyer, Mr. Jones of North Carolina, Mr. Miller of Ohio, Mr. Dellums, Mr. Bevill, Mr. Solarz, Mr. Spratt, Mr. MacKay, Mr. Hyde, Mr. Gunderson, Mr. Coble, Mr. Levin of Michigan, Mr. Savage, Mr. Moody, Mr. Ravenel, and Mr. Garcia.

H.J. Res. 54: Mr. Ackerman, Mr. Anderson, Mr. Berman, Mr. Brennan, Mr. DioGuardi, Mr. English, Mr. Evans, Mr. Foglietta, Mr. Gray of Pennsylvania, Mr. Hochbrueckner, Mr. Hoyer, Mr. Jones of North Carolina, Mr. Kasich, Mrs. Kennelly, Mr. LaFalce, Mr. Lancaster, Mr. McGrath, Mr. Manton, Mr. Nowak, Mr. Price of North Carolina, Mr. Sisisky, Mr. Smith of New Jersey, Mr. Spence, Mr. Spratt, Mr. Staggers, Mr. Traxler, Mr. Udall, Mrs. Vucanovich, and Mr. Weber.

H.J. Res. 62: Mr. Jeffords and Mr. Gordon.

H.J. Res. 84: Mr. Brown of California, Mr. Levine of California, Mr. Hughes, Mr. Tauzin, Mr. Fish, Mr. Weiss, Mr. Gray of Illinois, Mr. Lantos, Mr. Martinez, Mr. Livingston, Mr. Synar, Mr. Callahan, Mr. Spratt, Mr. Moakley, Mr. Frank, Mr. Johnson of South Dakota, Mrs. Patterson, Mr. Richardson, Ms. Snowe, Mr. Lehman of Florida, Mr. Nielson of Utah, Mr. Akaka, Mr. Henry, Mr. Rose, Mr. Pepper, Mr. Kolter, Mr. Crockett, Mrs. Byron, Mr. Hopkins, Mrs. Morella, Mr. St Germain, Mr. Mfume, Mr. Weber, Mr. Hoyer, Mr. Lipinski, Mr. Hayes of Illinois, Mr. Lowry of Washington, Mr. English, Mr. Swindall, Mr. Young of Florida, Mr. Markey, Mr. Lewis of California, Mr. MacKay, Mr. Early, Mr. Gonzalez, Mrs. Bentley, Mr. Coelho, and Mr. Leland.

H.J. Res. 100: Mr. Frost, Mr. McMillen of Maryland, Mr. Wheat, Mr. English, Mr. Jeffords, Mr. Gray of Illinois, Mr. Kildee, Mr. Martinez, Mr. Clinger, and Mr. Young of Alaska.

H.J. Res. 111: Mr. Manton.

H.J. Res. 112: Mr. Horton, Mr. LaFalce, Ms. Slaughter of New York, and Mr. Jeffords.

H.J. Res. 119: Mr. Frost, Mr. Kostmayer, Mr. DioGuardi, Mr. Green, and Mr. Rowland of Georgia.

H.J. Res. 134: Mrs. Patterson, Mr. McMillen of Maryland, Mr. Brennan, Mr. Frost, Mr. Fields, Mr. Sunia, Mr. English, Mr. Bevill, Mr. Burton of Indiana, Mr. Callahan, Mr. Carr, Mr. MacKay, Mr. Hopkins, Mr. Clay, Mr. Chapman, Mr. Ritter, and Mr. Owens of New York.

H.J. Res. 140: Mr. Fish, Mr. Stokes, Mr. Pepper, Mr. Boucher, Mr. Gray of Pennsylvania, Mr. Valentine, Mr. Walgren, Mr. Gordon, Mr. Richardson, Mr. Regula, Mr. Yatron, Mr. Pickle, Mr. Wolpe, and Mr. Manton.

H.J. Res. 145: Mr. Gray of Illinois, Mr. Fauntroy, Mr. Bevill, Mr. Mrazek, Mr. Donnelly, Mr. Spence, Mr. Darden, Mr. Bonior of Michigan, Mr. Dwyer of New Jersey, Mr. McMillen of Maryland, Mr. Savage, and Mr. Weiss.

H.J. Res. 150: Mr. Anderson, Mr. Berman, Mr. Bevill, Mr. Biaggi, Mr. Bliley, Mr. Boner of Tennessee, Mr. Borski, Mrs. Boxer, Mr. Brennan, Mr. Bustamante, Mr. Clay, Mr. Conte, Mr. Daub, Mr. Dwyer of New Jersey, Mr. Erdreich, Mr. Fascell, Mr. Fazio, Mr. Fish, Mr. Flippo, Mr. Frost, Mr. Gray of Illinois, Mr. Green, Mr. Hall of Texas, Mr. Hayes of Illinois, Mr. Henry, Mr. Hertel, Mr. Hochbrueckner, Mr. Horton, Mr. Howard, Mr. Jones of Tennessee, Mr. Jones of North Carolina, Mr. Kasich, Mr. Lagomarsino, Mr. Lehman of Florida, Mr. Levin of Michigan, Mr. Levine of California, Mr. Lipinski, Mr. Martinez, Mr. Mazzoli, Mr. Moakley, Mr. Montgomery, Mr. Mrazek, Mr. Natcher, Mr. Neal, Mr. Nielson of Utah, Ms. Oakar, Mr. Owens of New York, Mr. Parris, Mr. Quillen, Mr. Rahall, Mr. Richardson, Mr. Roe, Mrs. Roukema, Mr. Rowland of Georgia, Mr. Scheuer, Mr. Sikorski, Mr. Solarz, Mr. Tauzin, Mr. Towns, Mr. Volkmer, Mr. Weiss, Mr. Wolf, Mr. Wortley, Mr. Yates, and Mr. Young of Florida.

H.J. Res. 151: Mr. Young of Alaska, Mr. Gray of Illinois, Mr. Broomfield, Mrs. Kennelly, Mr. Lagomarsino, Mr. Wolf, Mr. Erdreich, Mr. Smith of Florida, Mr. Dwyer of New Jersey, Mr. Wortley, Mr. Horton, Mr. Wilson, Mr. McHugh, Mr. Solarz, Mr. Jenkins, Mr. Bateman, Mr. Boland, Mr. Inhofe, Mr. Roe, Mr. Bevill, Mr. Daniel, Mr. Stump, Mr. de la Garza, Mr. Bustamante, Mr. Fascell, Mr. Lungren, Mr. Dornan of California, Mr. Solomon, Mr. Fazio, Mr. Biaggi, Mr. Badham, Mr. McGrath, Mr. Lipinski, Mr. Rangel, Mr. Fish, Mr. Dannemeyer, Mr. Martinez, and Mr. Neal.

H.J. Res. 152: Mr. Rahall and Mr. Whitten.

H.J. Res. 158: Mr. Bevill, Mr. Bustamante, Mr. Coyne, Mr. Daniel, Mr. Daub, Mr. Dixon, Mr. Dymally, Mr. Espy, Mr. Fish, Mr. Hatcher, Mr. Hyde, Mr. Jones of North Carolina, Mr. Lehman of Florida, Mr. Lewis of California, Mr. Lewis of Georgia, Mr. Madigan, Mr. Matsui, Mr. McGrath, Mr. Miller of Ohio, Mr. Moakley, Mr. Nielson of Utah, Mr. Richardson, Mr. Ritter, Mr. Savage, Mr. Sunia, and Mr. Volkmer.

H.J. Res. 160: Mr. Ackerman, Ms. Oakar, Mr. Mfume, Mr. Pepper, Mr. Savage, Mr. Lewis of Georgia, Mr. Towns, Mr. Espy, Mr. Atkins, Mr. Chandler, Mr. Bustamante, Mr. Bonior of Michigan, Mr. Dwyer of New Jersey, and Mr. Lipinski.

H.J. Res. 163: Mr. Fuster, Mr. Wylie, Mr. Schumer, Mr. Sundquist, Mr. Rogers, Mr. Sweeney, Mr. Fields, Mr. Lewis of California, Mr. DeLay, Mr. Stenholm, Mr. Espy, Mr. Gallo, Mr. Kemp, Mr. Bustamante, Mr. Pashayan, Mr. Badham, Mr. Daub, Mr. Andrews, Mr. Shaw, Mr. Craig, Mr. Feighan, Mr. Lagomarsino, Mr. Boner of Tennessee, Mr. Porter, Mrs. Lloyd, Mr. Erdreich, Mr. McGrath, Mr. Bevill, Mr. Tallon, Mr. Vento, Mr. Levin of Michigan, Mr. Fazio, Mr. Panetta, Mr. Bates, Mr. Fauntroy, Mr. Lancaster, Mr. Martin of New York, Mr. Gray of Illinois, Mr. Boucher, Mr. Gordon, Mr. Frost, Mr. Hall of Texas, Mr. Chapman, Mr. Bryant, Mr. Ortiz, Mr. Boulter, Mr. Wilson, and Mr. Applegate.

H.J. Res. 171: Mr. Hefner, Mr. Rowland of Georgia, Mr. Valentine, and Mr. Solarz.

H.J. Res. 178: Mr. Aspin, Mr. Atkins, Mr. Bennett, Mr. Callahan, Mr. Carper, Mr. Conyers, Mr. Crockett, Mr. Dixon, Mr. Dornan of California, Mr. Durbin, Mr. Dymally, Mr. Fauntroy, Mr. Fazio, Mr. Flake, Mr. Gray of Pennsylvania, Mr. Kolter, Mr. Lehman of California, Mr. Lewis of Georgia, Mr. Lowry of Washington, Mr. Martinez, Mr. Miller of California, Mr. Nichols, Ms. Oakar, Mr. Olin, Mr. Owens of Utah, Mrs. Patterson, Mr. Pepper, Mr. Perkins, Mr. Ravenel, Mr. Ray, Mr. Rose, Mr. Sabo, Mr. Savage, Mr. Sawyer, Mr. Spence, Mr. Spratt, Mr. Stokes, Mr. Sunia, Mr. Wilson, Mr. Panetta, and Mr. Guarini.

H.J. Res. 180: Mr. Walgren, Mr. Sunia, and Mr. Gray of Illinois.

H.J. Res. 189: Mr. Barton of Texas, Mrs. Boxer, Mr. Chapman, Mr. de la Garza, Mr. Espy, Mr. Fish, Mr. Kastenmeier, Mr. Lagomarsino, Mr. Livingston, Mr. McGrath, Mr. Manton, Mr. Rhodes, Mr. Ritter, Mr. Stenholm, and Mr. Valentine.

H. Con. Res. 30: Mr. Marlenee, Mr. Edwards of Oklahoma, Mr. Swift, Mr. Coleman of Missouri, Mr. Lowery of California, Mr. Rose, Mr. Alexander, Mrs. Roukema, Mr. Rogers, Mrs. Smith, of Nebraska, Mrs. Martin of Illinois, Mr. Bereuter, Mr. Hatcher, Mr. Schaefer, Mr. McCollum, Mrs. Boggs, Mr. Davis, of Illinois, Mr. Sweeney, Mr. Perkins, Mr. Kostmayer, Mr. Ritter, Mr. Torricelli, Mr. Leach of Iowa, Mr. Williams, Mr. English, Mr. Fuster, Mr. Miller of Washington, Mr. Schulze, Mr. Livingston, and Mr. Dwyer of New Jersey.

H. Con. Res. 42: Mr. Clinger.

H. Con. Res. 63: Mr. Berman, Mr. Wise, and Mr. Fazio.

H. Con. Res. 66: Mr. Solarz, Mr. Leland, Mr. DioGuardi, Mr. Smith of Florida, Mr. Manton, Mrs. Kennelly, Mr. Bustamante, Mr. Dwyer of New Jersey, Mr. Levin of Michigan, Mr. Lewis of Georgia, Mr. Stokes, Mr. Owens of New York, Mrs. Boxer, and Mr. Sikorski.

H. Con. Res. 67: Mr. Fish, Mr. Rinaldo, Mr. Miller of Washington, and Mr. Martinez.

H. Res. 23: Mr. Fields.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1516: Mr. DeLay.

EXTENSIONS OF REMARKS

THE CHALLENGE OF AMERICAN CITIZENSHIP

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. ST GERMAIN. Mr. Speaker, each year the U.S. Veterans of Foreign Wars and its Ladies Auxiliary conduct the Voice of Democracy script writing contest. This year more than 300,000 secondary school students participated in the contest competing for the seven national scholarships which are annually awarded as top prizes. The contest theme this year was "The Challenge of American Citizenship."

I would like to take this opportunity to submit to the RECORD this year's fourth-place winning script. The author is Susan F. Fennessey of 16 Holly Meadow Road, Little Compton, RI. Susan is the daughter of Tom and Frances Fennessey. I join with the residents of Rhode Island's First Congressional District in saluting Susan for such an outstanding achievement. Her essay reads as follows:

THE CHALLENGE OF AMERICAN CITIZENSHIP

I can hear trumpets in the distance. Trumpets and drums beating slowly. There's excitement all around. The drums are getting louder now, steadily announcing the arrival of the marchers. It's a parade. They're turning the corner and heading right up the main street of yesterday. And there's a band. It's beginning to play. They are almost in front of me and I can see their faces, faces with a patriotic glow. I know these people. They look *so* familiar. They *are* America. These are the proud citizens that have made our country grow into the great nation that it is today.

Leading the parade are the signers of the Declaration of Independence and the Patriots of the American Revolution. I see a group of American Indians. They gave us their best—their land. I see former slaves walking hand in hand. They worked hard for their citizenship. It took a war, constitutional amendments, and countless marches, to ensure their rights. I see immigrants, the faces that melted into the population pool of American citizenship, and Presidents. There's George, and Abe and FDR. And there's Ike. They liked Ike. Elizabeth Stanton and Clara Barton, now those were courageous women. The parade passes slowly. Doughboys, all in a row. They were over there to keep us safe over here. There go the boys from Normandy Beach, Pork Chop Hill, and Khe Sahn. They're all marching. The band is blaring gloriously going by for all to see, passing in review, down the road, memories slowly fading out of sight.

Now that was a parade! I wonder? I wonder will there be a parade next year? Will there be more patriots to carry the torch for America, lighting the way for future citizens and striving to keep them from the throes of anarchy? Will we continue to maintain the military strength needed to keep other countries from threatening our shores? And, will our fellow countrymen begin the fight against hunger and poverty with the same determination that enabled us to overcome the odds in World War II? Will our educational leaders strive to foster the kind of climate needed to raise quality learning in our schools? Will we begin the programs necessary to take care of the elderly, the senior citizens, the very people who fought to preserve the freedom we now enjoy. Will Americans join together to eradicate the drug menace the way they joined hands across America? And, will our leaders work to successfully negotiate a path away from the nuclear abyss?

These are the challenges that parade before us today. These are the challenges that must be met if America is to remain great. But, how can we do this? What are those things that we must do as citizens to secure the blessings of liberty mentioned in the great Declaration? The answer to this question can be found in the example set by those super citizens that have paraded through the reviewing stand of America. Those qualities that they so admirably flourished, must now be imitated by the youth of today. *Courage.* We must have courage to do what is right even in the face of overwhelming odds. *Strength.* We must possess the kind of military might needed to keep our nation strong. *Vision.* We need the vision to vote for those who will work hard and make a difference where it is needed. *Respect.* Respect the rights of other nations and promote an understanding between the world's constantly growing population. *Knowledge.* Through education we must obtain the knowledge necessary to find solutions to these seemingly overwhelming problems. *Sharing.* We must share with the world the multitude of gifts that have been bestowed on America.

We cannot let the rest of mankind go wanting while we have so much. And *love.* We must love our God, our nation, and the family that is our world. If we practice these qualities, if we follow the example of the great Americans who have gone before us, we will meet these challenges, and the parade of American citizenship will march on.

WE HAVE NOT FORGOTTEN SOVIET JEWS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. BROWN of California. Mr. Speaker, America is based upon the principle that all people have the right to freely practice their religion. Our Founding Fathers fled religious suppression and tyranny to populate this great land of ours. They wanted to establish a land in which people could worship their Creator in whatever form they desired. This philosophy is one that we can certainly be proud of, but it is also one which compels us to act when the religious minorities of other nations are being persecuted. Of special concern is the particularly brutal treatment of Jews by the Soviet Government.

Soviet Jews are the victims of covert and overt governmental oppression. The government maintains a systematic practice of anti-Jewish propaganda. Jews are not allowed to celebrate their holy days, nor are they permitted to organize cultural events or religious seminaries. They are denied the equal usage of higher educational facilities. Jewish teachers are routinely arrested for their attempts to promote Jewish culture. Hebrew, the language of the Jewish people, is the only language in the U.S.S.R. which is legally forbidden.

I believe that we have an obligation to actively denounce governmentally sponsored injustice. The need to act is even more urgent today. The number of Jews allowed to leave the Soviet Union and migrate to Israel for religious freedom has reached an all time low. The Soviet administration asserts that the decline in emigration is due to a decline in the number of Jews wishing to leave. This is untrue. There are an estimated 750,000 Jews who wish to emigrate to Israel, and are currently not being permitted to do so. This refusal is in direct violation of the Helsinki Final Act, Principle VII, which the U.S.S.R. has signed. As many of you know, this act established the worldwide standards for human rights, which all signatories have promised to abide by.

The future for improving the conditions for Jews in the Soviet Union seems to be bright. Premier Gorbachev has shown interest in resolving the human rights abuses that plague the Soviet Union. The release of Soviet dissident Anatoly Shcharansky indicates the productive climate that now exists for progress toward freedom of religion for all citizens of the Soviet Union.

Many Members of Congress, myself included, and the President, are committed to encouraging the Soviets, through improved diplomatic understanding, to stop this abuse of fundamental human rights. We can only hope that by making our dedication to the cause of religious freedom heard in the Soviet Union, the situation will improve. I believe that through negotiations, we can resolve this, and other important issues between the superpowers.

The United States has maintained a practice of promoting universal human rights. In the 100th Congress we will continue this crusade, with one guiding objective of freeing Soviet Jews. The 99th Congress showed overwhelming support for Soviet Jewry, and I hope that through continued efforts of the 100th Congress that, finally, Jews desiring to emigrate to Israel may have the chance to do so free from religious persecution.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

INEQUITY IN THE TARIFF SCHEDULE

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. ANTHONY. Mr. Speaker, I am pleased today to introduce legislation which corrects an inequity in the tariff schedule of the United States which creates substantial risks to the domestic petroleum refining industry and our national security.

The domestic refining industry is as essential to our national security as an assured supply of crude oil. The Nation's industrial base and military are fueled by refined products. Because we cannot escape some level of dependence on crude oil imports, it is imperative that we maintain enough domestic refining capacity to meet the Nation's civilian and military needs. If we can't be self-sufficient in crude oil production, we must be self-sufficient in refining capacity. We have invested over $16 billion in taxpayer money to build and fill the strategic petroleum reserve to guard against future oil import disruptions. The SPR won't work if we don't have enough refining capacity to use it when the time comes.

Since 1981, U.S. refining capacity has been declining, while imports of gasoline and other light refined products such as naphtha have been increasing—both in real terms and as a percentage of U.S. consumption. U.S. refining capacity fell from 18.6 million barrels a day in 1981 to 16.1 million barrels a day in 1983 due mainly to the end of U.S. oil price controls, declining demand and the shutdown of the smaller, less efficient U.S. refineries. Since 1983, however, capacity has continued to fall as imports have increased. According to EIA, current capacity is 15.5 million barrels a day. But that number is misleading.

According to the engineers at the National Petroleum Council, some 470,000 barrels of that capacity have been closed down for over 2 years and should more realistically be classified as inoperable. When we talk about domestic refining capacity, the realistic availability is 15 million barrels per day at 100 percent capacity utilization. Obviously, that rate of utilization is unsustainable.

The National Petroleum Council's new study of the U.S. refining industry concludes that the industry is near its maximum capacity to produce gasoline and other light products. Any "happy talk" about excess U.S. refining capacity is squelched by the report of the NPC engineers. Unless we streamline and modernize the U.S. gasoline tariff, subsequent demand increases will have to be met by imports. The major output of U.S. refineries is motor fuel. Its production and sale are the basic determinate of industry profitability. To the extent that these imports continue to increase, the economic viability of our refining base is eroded and our ability to respond to an emergency is impaired.

It just doesn't make sense to compound our energy import dependence by increasing refined product imports at the expense of more U.S. refineries. But our existing tariff structure works to do just that.

The current U.S. motor fuel tariff—a flat rate tariff of 1.25 cents per gallon—has been in effect since at early as 1958, when gasoline cost about 11.55 cents a gallon wholesale. The ad valorem equivalent of the tariff in 1958 was 10.8 percent. While crude oil and gasoline prices have multiplied many times since 1958, the U.S. motor fuel tariff has remained fixed and thus has fallen to a fraction of its original value.

At current gasoline prices of about 50 cents a gallon wholesale, the U.S. import tariff on an ad valorem equivalent basis is only 2.5 percent. The EEC would impose a tariff of 6 percent ad valorem on any U.S. gasoline export—at current prices, 3 cents a gallon. As crude oil prices begin to rise again, and along with them the price of gasoline, the inequity multiplies. This has served to create a one-way trade in gasoline from European refiners to the American market. In fact, there are many forms of unequal tariff and nontariff barriers to refined imports into the EEC and Japan that compound the problem for U.S. refiners.

The outmoded U.S. tariff has made this Nation the dumping ground for the world's excess gasoline production—not only from the EEC, but from the State-owned oil companies in countries such as Venezuela, India, Algeria, Saudi Arabia, Brazil, China, and Romania.

Governments now own or control approximately half of the free world's total refining capacity. Adding the refineries of the nonmarket economies, Government control over refining is overwhelming. Refineries owned or controlled by governments can continue to operate regardless of their profit levels. Because the Governments and the State oil companies own the crude oil and natural gas feedstocks as well as the refineries, their profits cannot be measured by transparent and normal accounting standards. Excess production from the world's refineries distorts world trade and will tend to flow to the United States because of the tariff disparities and nontariff controls in the other major consuming countries.

The U.S. refining sector must also comply with strict U.S. environmental regulations which have increased U.S. refiners' gasoline production costs in relation to their foreign competitors. These costs fall into two areas: pollution abatement and lead phasedown. The Congressional Budget Office and the Environmental Protection Agency have analyzed these costs. Their analyses indicate a competitive disadvantage for U.S. refiners of at least 2.7 cents per gallon. However, independent refiners believe that this understates the cost disadvantage produced by unilateral U.S. environmental regulations. To be fully effective in today's market, a tariff would have to offset U.S. refiner pollution abatement costs of 1.05 cents per gallon and lead phasedown disadvantages of up to 9 cents per gallon.

The legislation I am proposing will help to stop the hemmorage of our energy security with a new tariff schedule for gasoline and gasoline blendstock imports. My bill directly incorporates the ITC's April 1985 recommendation to streamline the tariff schedule and incorporate an "actual use" test for gasoline and blendstocks to replace the "chief use" test. This allows existing, lower tariff rates to continue for petrochemicals and other types of feedstocks. My bill replaces the fixed rate tariff with an ad valorem rate tariff, equal to the EEC tariff of 6 percent ad valorem, to establish a tariff based on reciprocity. This will serve to offset unfair diversion of imports to the U.S. market and to help offset the higher environmental costs borne by U.S. refiners.

SOLOMON AMENDMENT

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. SOLOMON. Mr. Speaker, today I am introducing legislation extending the scope of the Solomon amendment to encompass private sector corporations.

The original Solomon amendment, conditioning Federal Education assistance to the registration requirement, was approved by a vote of 303 to 95 in the House. In 1983 Congress overwhelmingly approved my amendment conditioning benefits under the Job Training Partnership Act Program to the registration requirement. And again, Congress conditioned Federal employment to the requirement to register with the Selective Service. The legislation today extends these laws to cover taxpayer financed employment.

What more appropriate condition is there than to request an individual who benefits directly from a taxpayer financed contract to fulfill the obligation he has under the law to an important national security program?

That message this legislaltion conveys is that if you expect to receive the benefits of society, you must meet the minimum requirements of citizenship by registering with the Selective Service System.

Although the program of peacetime registration is a success, we still have young men who refuse to register. The on-time compliance level and the high level of nonregistrants in certain regions of the country is still a serious problem.

If Congress authorized a draft today, the system would bypass those who have ignored the law and call up only those who have abided by the law. This legislation, if enacted, would be one more strong inducement to comply with the law. It will improve registration compliance and help ensure that the young men of this Nation are treated in a fair and equitable manner.

Public awareness is an important aspect of this legislation. Every day almost 5,000 young men turn 18 and must register with the Selective Service. This type of legislation and the publicity it receives send a very effective message to the young men in our country: If you expect the benefits of our society, you must meet the responsibilities of citizenship.

I agree with those who say peacetime registration is a success. However, I disagree with those who use this argument to say that this type of legislation is no longer needed. As I already stated, almost 5,000 young men turn 18 every day and there is no better mechanism to get the registration message across to this dynamic population. It is this very type of legislation which has made the peacetime registration program a success and which will keep it a success.

This measure also addresses the fairness question. The original Solomon amendments applied mostly to middle- and lower-income people seeking Federal education and job training benefits. This amendment would apply to any young man—no matter what his or his family's income level—who applies for employment with a corporation under U.S. contract.

Mr. Speaker, this action would not require any additional paperwork for U.S. business. Under the bill young men would simply have to certify they have registered by checking a box on the employment application. No proof of registration would be required during the application process and the legislation leaves open the possibility of an individual simply registering at the post office at the time of application. All that would be required to monitor the program would be a random cross check with the Selective Service compliance file. The costs are negligible.

This bill has also been carefully drafted so that it could not in any way interfere with or jeopardize an important Government contract. The language of the legislation states that the President may waive the application of the requirement on any contract in the interest of national security.

All this amendment does is request corporations that benefit from a Government contract to encourage compliance with the program of peacetime registration.

Peacetime registration is a straightforward and vital contribution to the maintenance of our Nation's defense. Peacetime registration contributes up to 2 months to our national readiness posture in the event America must mobilize. Linking Government related employment to the registration requirement is a practical and inexpensive way to ensure the effectiveness and fairness of the program of peacetime registration.

A BIRTHDAY TRIBUTE TO MR. TOM MONAGHAN, THE PIZZA TIGER

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. PURSELL. Mr. Speaker, I rise today to recognize and pay tribute to an outstanding businessman, sportsman, and citizen, Mr. Tom Monaghan of Michigan, on the occasion of his 50th birthday on March 25, 1987.

Mr. Monaghan's story is one of success—the American dream—particularly for pizza lovers and baseball fans.

It was 27 years ago when Mr. Monaghan, then 23, and his brother James borrowed $500 to purchase a humble pizza store in the Ann Arbor, MI, area. Never in their wildest dreams did they imagine this business expanding across the United States from coast to coast with more than 2,500 units and be worth the millions of dollars it is today.

Raised as an orphan, Mr. Monaghan is chairman and president of Domino's Pizza, the second largest and fastest growing pizza chain in our Nation. His success demonstrates the value of hard work, honesty, and dedication to the principles that have made America great.

A civic minded man and sports fan, Mr. Monaghan purchased the Detroit Tigers baseball team in the winter of 1984 and watched the squad rocket into first place in the American League East with an unprecedented 35-5 start. Of course, the rest is history, as the Tigers continued their tear through October, winning the World Series for the first time since 1968.

I value the opportunity to know and work with Tom Monaghan. He is an inspiration for all Americans to reach as high and climb as far as their God-given talents will take them. On the occasion of his 50th birthday, I ask my colleagues in the House of Representatives to join me in offering him the warmest wishes for continued good health and success in all his future endeavors.

WIC FOOD FOR LIFE RESOLUTION

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. MILLER of California. Mr. Speaker, today I am pleased to introduce House Joint Resolution 192, the WIC Food for Life resolution.

Our resolution expresses the sense of Congress that the Special Supplemental Food Program for Women, Infants and Children [WIC] be expanded so that additional, and eventually all, medically needy and eligible women and infants may participate in this proven, cost-effective nutrition program.

I am joined in introducing this bill by the distinguished chairman of the Education and Labor Committee, Congressman Augustus Hawkins, as well as other Members who play critical roles in overseeing and funding the WIC Program, including Congressmen James Jeffords, Jim Slattery, Mickey Leland, Leon Panetta, Howard Wolpe, Buddy MacKay, Matthew McHugh, Bob Traxler, Tony Hall, and Benjamin Gilman.

The WIC Program was created by legislation I authored together with Senator Hubert Humphrey in 1975. The program provides high protein foods to low-income pregnant and nursing women, infants, and young children certified to be at nutritional risk. However, currently, fewer than half of the eligible women, infants, and children in need of WIC benefits can be served because of insufficient funding.

This resolution expresses our strong support for the highly successful WIC Program, and calls for gradually extending the program to more of the eligible population. Over the next 4 years, the number of women, infants, and children served would increase from less than 50 percent to 65 percent of the eligible low-income women, infants, and children. In addition, the resolution calls for effective outreach to identify those at nutritional risk who are eligible.

WIC has repeatedly been proven one of the Federal Government's most successful and cost-effective programs. The National Evaluation of the WIC Program released last year by the U.S. Department of Agriculture demonstrated that participation in WIC significantly improves the health and nutritional status of high risk women and children. This comprehensive evaluation found that WIC participation reduces late fetal deaths by one-third; reduces by 15 to 25 percent the number of premature births among high risk minority and white mothers; reduces the incidence of low birth weight, the leading cause of infant mortality; brings more women into prenatal care earlier, according to the Institute of Medicine, early and adequate prenatal care is the key to reducing low birth weight; and improves the diets of participating women.

In addition, this evaluation showed that WIC participation improves the likelihood that children will have a regular source of medical care and be better immunized. Promising evidence also emerged which indicates improved cognitive development among infants of participating WIC mothers, and among preschoolers who became WIC participants as infants.

The Select Committee on Children, Youth, and Families' report, "Opportunities for Success: Cost-Effective Programs for Children," affirmed that WIC is one of the Federal Government's most cost-effective programs. A Harvard University School of Public Health study demonstrated that every dollar spent on the prenatal care component of the WIC Program potentially saves $3 in later health care costs. A recent Missouri Health Department study has also shown that for every dollar spent on WIC's prenatal care program, $0.49 was saved in Medicaid expenditures during the first 45 days of life alone.

This important and cost-saving program has enjoyed wide bipartisan support over the years because it works. To deny high risk pregnant women, infants, and children the benefits of this program because of limited funding is inhumane, shortsighted, and costly.

The resolution I am introducing today expresses the sense of the Congress that WIC's benefits should steadily be available to more and more women, infants, and children who need them, and that the Congress should provide sufficient support to reach that goal.

H.R. 109: REINSTATING FAVORABLE TREATMENT OF CAPITAL GAINS: KEEPING THE LIFEBLOOD OF THE U.S. ECONOMY FLOWING

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. CRANE. Mr. Speaker, recently Congress passed a tax bill which supposedly was a dramatic and important overhaul to our byzantine Tax Code. We have all been told that this reform will result in a system that is simple, fair, efficient, and promotes economic growth. Unfortunately, nothing could be further from the truth, and that is why I voted against this so-called reform.

The provisions of this bill which increased fairness for some taxpayers, achieved this noble goal at the expense of others. The elimination of the IRA deduction for most current IRA holders and the many retroactive provisions are certainly unfair. In regards to simplicity, the two volumes—totaling over 1,800 pages—of new tax legislation ensures that the revised Tax Code and the Treasury regulations interpreting the bill will be a taxpayer's nightmare and a tax attorney and accountant's dream.

But an even more substantial basis for my opposition to this bill is those provisions that will have a devastating effect on economic growth in this country. Econometric studies by Chase Econometrics, Lawrence Meyer & Associates, and Data Resources Institute all show that the tax reform bill will reduce economic growth and raise the cost of capital. The corporate tax burden is raised by $121 billion over 5 years, the Investment Tax Credit is retroactively eliminated, and there are dramatically reduced IRA and 401(k) savings incentives. The most dangerous provision of all, however, one which will most certainly have a negative impact on economic growth, is the elimination of preferential treatment for capital gains.

Capital gains are those that result from the sale of capital assets, such as stocks and bonds. Until passage of this tax reform bill, long-term capital gain (long-term gain is that resulting from the sale of a capital asset held for longer than 6 months), was entitled to preferential tax treatment. In general, 60 percent of the long-term capital gain was excluded from tax. The highest effective tax rate on a long-term capital gain was, therefore, 20 percent (40 percent of the long-term gain subject to tax times the highest marginal tax rate, 50 percent).

The issue of the taxation of capital gains is undoubtedly one of the most controversial issues in public finance, and yet, based on recent experience, I can see no logical reason for this issue to be a controversial one. In the early 1970's, Congress doubled the maximum tax rate on capital gains from 20 to 50 percent. The motivation for this dramatic increase was ostensibly to increase tax revenues, but these high capital gains tax rates caused those years to be some of the most unproductive in recent history in terms of capital investment and small business growth. Many businessmen and high technology innovators still refer to those years as the "dog days of the entrepeneur." The venture or risk capital needed to begin and finance the growth of new corporations virtually disappeared. A period of economic stagnation ensued, and many corporations went under, went deeply into debt, or in the case of many new high technology companies, were forced to sell or license their products to foreign corporations.

Mr. Ed Zschau, a Congressman from the State of California who retired his seat at the end of the 99th Congress, was a young entrepreneur just starting out in "Silicon Valley" at this time, who somehow managed to survive this difficult period. As he related almost 2 years ago today to the New York Times.

> In the early 1970's when my company was first getting off the ground, venture capital sources had pretty much dried up. What I did, and what many other companies had to do, was to seek capital from foreign companies. But in order to get the money, we had to sell licenses or technology or go into joint ventures. Unfortunately, we sold a lot of our good stuff off.—(N.Y. Times, 1/9/85, p. D1)

What a crime! American genius, American ingenuity and American entrepreneurial skills being leased or sold to our foreign competitors for lack of venture capital to finance their development.

Then, in 1978, behind the leadership of the late Congressman Bill Steiger, Congress acted to reduce the capital gains tax rates from 49 to 28 percent. The results were astonishing, even to those who had proposed the reduction: Within a mere 18 months, more than $1 billion of new venture capital poured into funds for investment in new and growing companies. With a further reduction to 20 percent in 1981, the United States experienced a virtual explosion of investment and capital formation. This "explosion" has resulted in over 1 million new jobs since 1978, and contrary to the predictions of many, has actually increased capital gains tax revenues. In 1979, the first year of the Steiger tax cut, the Treasury Department collected $11.7 billion in capital gains tax revenues, up from $8.1 billion collected in 1977 and $9.3 billion collected in 1978. So much for the expected decline in revenues.

Despite these lessons, the tax reform bill which we have recently passed completely repeals the capital gains deduction, which is far worse than just raising the capital gains tax rate. Why have we failed to note such recent history, whose lessons are crystal clear? At a time when incentives for growth and investment are so critical, especially given increasing foreign competition, it makes absolutely no sense to decrease incentives that serve to benefit directly the formation of capital, the very substance of what is needed to create new jobs and keep American industries competitive with those of foreign countries. Without new investment capital, the entire Nation suffers from factories that are not built, jobs that are not created, and goods that are not produced.

Most experts agree that this provision will have devastating effects on the formation of capital and will undoubtedly result in a marked capital gains tax revenue loss over the next few years. Capital will become more expensive and our productivity innovation and economic growth will therefore be reduced. There will follow a concomitant reduction of Federal revenues.

Furthermore, this provision will have the effect of dramatically increasing the capital gains taxation for lower and middle income taxpayers who were never subject to a maximum capital gains rate of 20 percent, even under the law in effect before this reform. Take for example, a retired individual who holds stock as a portion of his security for his retirement. This individual must often sell his stock holdings to provide income on which to live. Under the law in effect prior to passage of this tax reform, the tax rate on such gain would have been 20 percent at most, but for a lower income taxpayer certainly less. Under this tax reform, however, the entire amount of the gain realized on the sale of these capital assets will be subject to taxation as ordinary income. For a person on a fixed income, struggling to make ends meet, the difference between these two amounts can be critical.

Because I believe that we should not repeat the blunders of a decade ago by discouraging venture capital formation and investing, I have introduced H.R. 109, legislation that would restore preferential capital gains tax treatment to a maximum rate of 10 percent. My legislaton is known as a the William Steiger bill, in memory of the man who led the fight to reduce the capital gains tax rate back in 1978. By enacting this legislation Congress can avert a diastrous period of economic stagnation and malaise. We won't force entrepeneurs in this country to seek financing abroad to develop and implement their innovations. New jobs will continue to be created and the innovation that has characterized American industry for so long will be permitted to flourish only if there is an incentive to form capital. I hope that Congress will act to keep the lifeblood of the U.S. economy—venture capital—flowing as strongly as it has since 1981.

URGENT NEED FOR A NEW COMPREHENSIVE ENERGY POLICY: THE ARCTIC NATIONAL WILDLIFE REFUGE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. FIELDS. Mr. Speaker, I am today continuing my series of speeches on the need for, and the essential components of, a new comprehensive energy policy for this Nation.

This statement, which is the fifth in the series, will focus on the 1.5 million acres of the Alaskan coastal plain and its vast oil and gas potential.

By way of background, the Alaskan coastal plain in the far northeastern corner of the State represents less than 8 percent of the 19 million acres of the Arctic National Wildlife Refuge [ANWR] and a mere one-half of 1 percent of the State of Alaska.

ANWR is one of the 36 national parks, forests, and wildlife units created or expanded by Congress with the enactment of the Alaska National Interest Lands Conservation Act of 1980 [ANILCA]. In total, that act affected some 103 million acres of which nearly one-third, 32.4 million acres, were designated as wilderness.

Mr. Speaker, section 1002(H) of ANILCA required the Department of the Interior to undertake a 5-year study of the wildlife and energy values of the coastal plain and to report its findings and recommendations to the Congress.

On November 24, 1986, Mr. William P. Horn, Assistant Secretary for Fish and Wildlife and Parks, issued a draft report strongly recommending that the entire 1.5 million acres be made available for oil and gas leasing.

In his statement, Mr. Horn noted that the coastal plain is "the most outstanding oil and gas frontier remaining in the United States."

The draft report has concluded that this area may contain as much as 29.4 billion barrels of oil and 64.5 trillion cubic feet of natural gas.

In fact, the accumulated geological and geophysical data indicate there is a 95 percent probability that the coastal plain contains more than 4.8 billion barrels of oil and 11.5 trillion cubic feet of natural gas. By way of comparison, Prudhoe Bay, which is located 100 miles to the west, contains some 9 billion barrels of reserves, which is the single largest oil field ever discovered in North America. Since 1948, only two oil fields, Prudhoe Bay and Kuparuk, have been discovered which contain more than 1 billion barrels of recoverable oil.

Mr. Speaker, the coastal plain, which lies directly between Prudhoe Bay and the oil-rich MacKenzie Delta, is our highest prospect for a supergiant oil field and America's best, if not last, chance to stem the tide toward further import dependence.

Without significant new discoveries, we can expect to be dependent upon foreign sources for 60 to 75 percent of our petroleum needs by the year 2000.

We must find 32 billion barrels of oil during the next 10 years to replace what is currently being used, and all of the onshore basins in the United States with the greatest potential for giant fields have already been explored, except the coastal plain of ANWR.

At a time when our domestic energy industry is struggling for its survival and conserving its limited financial resources, it must have an opportunity to explore the most promising Federal lands, and there is no disagreement that the coastal plain is the best place to look.

While concerns have been raised about the potential impacts of opening this area, vis-a-vis the Porcupine caribou herd, our energy industry has demonstrated its ability to explore for, develop, and produce oil in the Alaskan Arctic without significant adverse impacts on either wildlife or the environment.

The Prudhoe Bay experience has taught those who wish to listen that energy development, wildlife conservation, and the environment can coexist and, in fact, even thrive.

It is interesting to note that those now arguing in favor of locking up the energy resources of the coastal plain as wilderness are using the same arguments heard during the debate over Prudhoe Bay and the building of the Trans-Alaska pipeline.

Despite their predictions of "doom and gloom", the Prudhoe Bay Central Arctic caribou herd has thrived. Its population has increased from about 3,000 to over 13,000 animals during the last 10 years.

Based on what has happended at Prudhoe Bay over the past decade, there is every reason to believe that, if the coastal plain is developed in a safe and careful manner, there will be little, if any, adverse impact on either wildlife or the environment. In fact, it is probable that the Porcupine herd will thrive in the same manner as their Prudhoe Bay caribou cousins.

In the coming months, serious decisions will be made concerning the future of the coastal plain of ANWR. At this point, our legislative options include H.R. 39, a bill which has been introduced to designate the entire 1.5 million acres of the Alaskan coastal plain as wilderness.

Mr. Speaker, H.R. 39 is an ill-conceived and dangerous proposal which will lock up forever our best hope of finding sizable oil and gas reserves. This bill, which could more accurately be entitled the OPEC Relief Act of 1987, will guarantee that we will suffer severe energy shortages and that we will never achieve even a semblance of energy independence.

With Prudhoe Bay production—which is currently 20 percent of our energy needs—expected to decline by 400,000 barrels per day by 1990, we must either domestically replace these resources or import more of our energy from unstable foreign sources.

And, since it is likely that at least 10 years will be required from the time of discovery to production, we must begin the process of leasing the coastal plain now.

By enacting H.R. 39 we will surrender our national security to the political whims of the OPEC cartel. And if the past is any indication of the future, we can expect bitter days ahead for the American people in the 1990's with higher inflation, more joblessness, and a return to gasoline lines.

What is tragic about this debate is that Members are being told that the coastal plain is one of Alaska's so-called crown jewels.

This is simply not true. In fact, during the debate on the Trans-Alaska pipeline, one major environmental group noted that "the Arctic National Wildlife Refuge range has practically no exceptional or unique natural values in its northern foothills and narrow coastal plain sections". In addition, almost all environmental groups argued that the pipeline should be built through the heart of what is now the coastal plain of ANWR.

Mr. Speaker, as an alternative, I would strongly suggest that, instead of locking up these irreplaceable domestic reserves, we allow industry access to those 1.5 million acres. In fact, I am a cosponsor of a bill, H.R. 1082, the Artic Coastal Plain Leasing Act, which accomplishes that purpose. I urge every Member to support this important proposal.

At the same time, I urge Secretary of the Interior Don Hodel to endorse the coastal plain draft report and to submit it to Congress for our approval.

Mr. Speaker, in summary, the benefits of developing the coastal plain are innumerable. These include: The creation of from 138,000 to 1,021,000 jobs on a nationwide basis; a net national economic benefit of $8 billion; the potential of doubling our oil reserves; a strengthening of our economy; a reduction in our dependence on foreign oil; a lower trade deficit; and a needed source of income to the U.S. Treasury.

Mr. Speaker, I am convinced that every potential environmental impact can be minimized and that the coastal plain of ANWR can be developed safely and successfully.

What is at stake is no less than the future of our economy, the survival of the domestic oil industry, and our energy security into the next century.

In order to have a comprehensive national energy policy, we must allow industry to explore, develop, and produce the vast potential energy resources of the Alaskan coastal plain.

I urge my colleagues to join with me in approving the necessary legislation this year.

ENHANCING THE PRIVATE-PUBLIC PARTNERSHIP FOR FOREIGN ASSISTANCE ACT OF 1987

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. GILMAN. Mr. Speaker, today I am introducing H.R. 1675, legislation which will enhance the private-public partnership for foreign assistance by strengthening the role of United States and indigenous private voluntary organizations and cooperatives in the delivery of U.S. humanitarian assistance for improving the lives of millions of people. The bill, Enhancing the Private-Public Partnership for Foreign Assistance Act of 1987, will expand the efficiency and effectiveness of U.S. foreign assistance programs at a time of shrinking Federal resources given the stringencies of the Federal budget. Through the fuller utilization of private, as contrasted to government-to-government, channels of assistance, U.S. taxpayer's dollars will be stretched through leveraging up to five times as much private resources which are contributed annually by the American public to the 189 registered U.S. private voluntary organizations [PVO's] and cooperatives.

The bill does not increase foreign assistance. Rather, it calls for shifting U.S. foreign assistance dollars in our bilateral humanitarian programs to these more effective private channels of private voluntary organizations and cooperatives. While the legislation includes several modest earmarks, the intention is that U.S. official resources, which otherwise would be provided on a government-to-government basis, shall be shifted to more direct private approaches. Further, the bill reverses a general decline in the percentage of funding provided to PVO's and cooperatives.

Today, U.S. PVO's raise over $1.6 billion in private contributions, more than our total official bilateral functional assistance accounts provided through the U.S. Agency for International Development [AID]. Worldwide, the figure is above $4 billion in such private contributions to all types of private voluntary agencies.

Private voluntary organizations have emerged historically from the expressed concerns of individual citizens and private organizations about those suffering in this country and throughout the world. PVO's manifest the values that Americans hold in their religious convictions and their individual consciences. The success of these private agencies flows directly from their commitment to humanitarian values and their ability to reach out to the less fortunate on a people-to-people basis.

Over the years, the partnership between these private groups and the U.S. Government has not been without tension, given their different roles. However, in general the partnership has been fruitful. Private voluntary organizations working with our Government have become an ever-increasingly effective vehicle for channeling American humanitarian assistance from both public and private sources to those in greatest need.

PVO's have a number of special characteristics that enable them to reach the poorer groups in countries where they operate. Some of the factors contributing to this effectiveness include their organizational flexibility and innovativeness, their ability to mobilize local resources, their capacity to work outside of Government channels and their ability to work in remote areas beyond the reach of other support systems. PVO effectiveness in bringing these unique characteristics to bear derives from the autonomy that these agencies enjoy as a result of their ability to mobilize financial, volunteer and inkind contributions from the private sector.

PVO's are especially effective in conducting low-cost, rural-based, innovative development programs which complement official development programs. In particular, they tend to serve the poorest, neediest and most difficult-to-reach populations in the Third World. PVO's reach those least able to help themselves and least likely to be served by their own governments or international donor agencies.

Private voluntary organizations have been called on by the Congress, the executive branch and the American people to do more. The recent famine in Africa provides dramatic evidence of the confidence that we place in private organizations and their capacity to respond effectively and on short notice.

A recent AID study (KMA & Associates) indicates that in fiscal year 1985, 13.2 percent of AID's development assistance expenditures, including ESF projectized assistance, was provided through private sector organizations. Of that total, 8.8 percent went through PVO's.

For the same year, in complying with section 123(f) of the Foreign Assistance Act, AID reported that about 20 percent of its appropriations were provided through U.S. and indigenous PVO's. Whatever the reasons for this discrepancy in figures, the fact is that AID's utilization of PVO's has steadily declined since 1985. Only 16.9 percent of its fiscal year 1988 request will flow through PVO's. The bill will reverse this trend.

Looking more broadly at the fiscal year 1988 total Administration request for U.S. economic assistance of over $9 billion, less than 10 percent or $890 million is provided through people-to-people channels of United States and indigenous PVO's, cooperatives, private businesses, peace corps, Inter-American Foundation, PVO-refugee programs, American schools and hospitals, food-for-work and other programs. All of the remaining programs, about $8.5 billion, are provided only on a government-to-government basis.

This legislation, in a very modest way, begins to redress this imbalance in funding between governmental and private people-to-people approaches. It would begin to increase the proportion of funding for AID programs by PVO's and cooperatives which represents only 3 percent of the total U.S. economic assistance request through shifting some resources from more traditional government-to-government to these people-to-people channels.

The bill "Enhancing the Private-Public Partnership in Foreign Assistance" expands section 123 of the Foreign Assistance Act, which contains the basic mandate for the U.S. Government to supplement with public funding and to work closely with private voluntary organizations and cooperatives in overseas development efforts.

The bill directs AID to provide significantly increased resources through PVO and cooperatives as private assistance channels, which have proven to be efficient and effective in having a sustainable and lasting impact on the poor. Additionally, AID is encouraged to develop regular mechanisms for consultation and to provide support to enhance the organizational capacities of U.S. private voluntary organizations.

The bill includes a specific mandate to the U.S. Agency for International Development for development education and to work closely with private voluntary organizations to inform the American public about development issues.

The bill recognizes the key role of private indigenous organizations in the implementation of self-help economic assistance programs.

The bill creates a new mandate for AID to work with private voluntary organizations in U.S. Government local currency programs. This builds on earlier legislative intent for the greater use of local currencies by private organizations in the Caribbean Basin Initiative. It complements the 1985 Food Security Act, section 108 local currency program, for private development activities under Public Law 480, Food for Peace.

The bill directs that not less than $20,000,000 for each fiscal year 1988 and 1989 shall be provided to design, initiate, support, expand and enhance nonemergency programs of title II of Food for Peace (Public Law 480) and section 416. This provision restores funding for these activities to earlier levels.

The bill takes note of the important role of private voluntary organizations in maintaining and restoring the resource base in developing countries, as well as their support for sustainable, environmentally sound agricultural development. This provision relates, for example, to the efforts by these private organizations in fighting desertification in sub-Saharan Africa, and Haiti.

The legislation creates a $20 million small grants program in AID to private U.S. organizations for lending activities by indigenous community groups. This section provides a single location within AID for supporting innovative credit programs by private organizations to reach the poor in developing countries. It builds on successful private sector programs for the creation of credit unions, revolving funds, and specialized banks for the poor. Funding for this program would come from government-to-government programs which provide resources for similar activities.

The bill raises the legislative minimum for total development assistance funds dedicated to programs by private voluntary organizations. The current floor is increased from 13.5 to 15 percent, and the target, from 16 to 25 percent over the next four fiscal years. This section also revises the current formula to encourage the greater use of private organizations in development projects of Economic Support Fund through including all projectized ESF projects within the funding formula and that amount channeled through private voluntary organizations in reaching the 15-percent floor and 25-percent target. The increased floor is intended to reverse recent declines in AID funding through PVO's, yet the floor is still less than current PVO levels requested in fiscal year 1988.

Finally, the bill codifies conflicting privateness provisions contained in authorization and appropriations acts. This section merely clarifies existing law and combines legislative report language into a single formula.

Mr. Speaker, H.R. 1675, represents a lot of hard thinking and years of learning from congressional investigations. Accordingly, I urge my colleagues to support this legislation.

Mr. Speaker, I request that a full copy of this legislation be inserted at this point in the RECORD.

Africare, Agricultural Cooperative Development International, Air Serv International, Alan Guttmacher Institute, American Institute of Cooperation, American ORT Federation, Association of Near East Refugee Aid (ANERA), Association of Texas Electric Cooperatives, Blue Ridge EMC.

Breakthrough Foundation, Brother's Brother Foundation, CARE, CENEX, Children's Survival Fund, Columbia University School of Public Health, Concern America, Cooperative Housing Foundation, Credit Union National Association, Direct Relief International.

Eritream Relief Committee, Experiment in International Living, Family Health International, Farm Credit Services of St. Paul, Food for the Hungry, Foster Parents Plan, Foundation for International Community Assistance (FINCA), Foundation for Peoples of the South Pacific, Global Water, Grassroots International.

Heifer International, Helen Keller International, Hermandad, Interchurch Medical Assistance, International Catholic Migration Commission, International Eye Foundation, International Institute of Rural Reconstruction, Land O' Lakes, League Insurance Companies, MAP International.

Meals for Million/Freedom from Hunger Foundation, Mercy Corps International, Minnesota Association of Cooperatives, National Cooperative Business Association, National Council of Farmer Cooperatives, National Farmer Union, National Resources Defense Council, National Rural Electric Cooperative Association, Nationwide Insurance, OEF International, Operational California.

Paul Carlson Medical Program, Pan American Development Foundation, Pathfinder Fund, Pax World Foundation, Planned Parenthood of NYC, Inc., Planning Assistance, Population Crisis Committee, Project Concern International, Save the Children Federation, Sierra Club, Sister Cities International.

Surgical Aid to Children of the World, Technoserve, Trickle Up Programs, U.S. Committee for Refugees (ACNS), U.S. Overseas Cooperative Development Committee, Volunteers in Overseas Cooperative Assistance, Washington State Council of Farmer Cooperatives, World Relief Corporation, World Vision Relief Organization, Young Men's Christian Association (YMCA) of the USA/International Division, Young Women's Christian Association (YWCA) of the USA, Zero Population Growth.

H.R. 1675

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

(1) by redesignating subsections (b) through (h) as subsections (i) through (o), respectively; and

(2) by inserting after subsection (a) the following new subsections:

"(b)(1) United States private and voluntary organizations and cooperatives have proven to be an efficient and effective means of providing people-to-people assistance which has sustainable and lasting impacts in benefiting the lives of the poor. In reflecting American values and generosity and in leveraging public funds with private resources, assistance provided through private and voluntary organizations and cooperatives builds long-term friendships for the United States. Accordingly, the Administrator of the agency primarily responsible for administering this part shall increase the involvement in assistance programs of these private nonprofit channels for the delivery of assistance, without compromising their private and independent nature. Such increased involvement should include increased consultation with, and increased direct funding through, private and voluntary organizations and cooperatives.

"(2) The Administrator primarily responsible for administering this part shall undertake to—

"(A) develop specific mechanisms for regular consultation, in the formulation of development strategies for countries and sectors, with private and voluntary organizations and cooperatives which have development experience and expertise relevant to those countries and sectors; and

"(B) provide appropriate assistance to those organizations and cooperatives to support improvements in their planning, management, evaluation, and coordination activities.

"(c) The Congress encourages the Administrator of the agency primarily responsible for administering this part to fully support and encourage development education programs. Private and voluntary organizations and cooperatives can play an important and unique catalytic role in development education to inform, motivate, and involve United States citizens in programs about developing countries or in the development process. Such programs—

"(1) increase the understanding of Americans about the importance of the developing world;

"(2) transfer factual information on global, social, economic, and political structures and problems;

"(3) foster understanding of development as a process that involves all nations;

"(4) create a broad global consciousness and awareness of transnational problems;

"(5) promote values and attitudes which encourage a feeling of responsibility to correct injustices; and

"(6) engage citizens in activities which lead to the improvement of the quality of life for all peoples.

"(d) The Congress encourages the fuller utilization of private indigenous organizations and cooperatives in the implementation of activities authorized by this part. Public and private technical and financial assistance from United States private and voluntary organizations and cooperatives can accelerate the strengthening of these organizations and their ability to assist the poor.

"(e) In order to enable them to undertake additional development activities in furtherance of section 102, United States and indigenous private and voluntary organizations and cooperatives shall be provided with increased amounts of local currencies owned by the United States or generated through United States Government agreements with host countries under this part, the Agricultural Trade Development and Assistance Act of 1954, or under section 416(b) of the Agricultural Act of 1949. The Administrator of the agency primarily responsible for administering this part is encouraged to assist in the creation and support of foundations, credit unions, cooperatives, small lender banks, and other institutions for the utilization of these currencies. The Administrator is encouraged to provide financial assistance in dollars to initiate and supplement private resources of United States private and voluntary organizations and cooperatives for technical assistance and administrative costs associated with such local currency programs with partner institutions in foreign countries.

"(f) Not less than $20,000,000 in each of fiscal years 1988 and 1989 shall be made available to private and voluntary organizations and cooperatives under this chapter and chapter 4 of part II to design, initiate, expand, and enhance food assistance programs that reach the poor in conjunction with food made available under title II of the Agricultural Trade Development and Assistance Act of 1954 and section 416(b) of the Agricultural Act of 1949.

"(g) The Congress finds that one of the most effective and least costly ways to maintain and restore the natural resource base in developing countries can be through small-scale, affordable, participatory projects using methods suited to the local environment. Assistance under this part may support private and voluntary organizations in carrying out resource conserving development projects, training, and education programs to promote sustainable agricultural development practices. Particular emphasis should be placed on agricultural and rural development projects which utilize environmentally sound land and water management technologies, including agro-forestry, water harvesting, soil conservation, reforestation, range and pasture management, small-scale irrigation systems, family gardens, park management, renewable and decentralized energy techniques, and the training of local staff on more effective community-based extension techniques that promise greater choice, improved communications, and the more active involvement of farmers in projects utilizing these technologies.

"(h) The Administrator of the agency primarily responsible for administering this part shall use not less than $20,000,000 of the funds made available to carry out this part for each of fiscal years 1988 and 1989, or an equivalent amount in local currencies, for a program pursuant to which grants are made to United States private and voluntary organizations and cooperatives for use in financing small loan activities of private indigenous organizations in furtherance of section 102. The program established pursuant to this subsection shall be administered separately from other programs of the agency.".

(b) Funding Levels.—Subsection (m) of that section (as so redesignated by subsection (a) of this section) is amended to read as follows:

"(m)(1) For each of the fiscal years 1988 through 1992, not less than 15 percent of the funds described in paragraph (2) shall be made available for the activities of private and voluntary organizations and cooperatives, and the President shall seek to channel not less than 25 percent of the funds described in subparagraph (A) of paragraph (2) for the activities of private and voluntary organizations and cooperatives.

"(2) Paragraph (1) applies with respect to the aggregate of—

"(A) the funds appropriated to carry out sections 103, 104(b), 104(c)(1), 104(c)(2), 105, 106, 121, and 491 of this Act; plus

"(B) if the President so determines, the funds used for the activities of private and voluntary organizations and cooperatives under chapter 4 of part II of this Act.".

(c) Non-Federal Funding Requirement.—Subsection (n) of that section (as so redesignated by subsection (a) of this section) is amended to read as follows:

"(n) Funds made available to carry out this part may not be made available to any United States private and voluntary organization (other than a cooperative development organization) which obtains less than 20 percent of its total annual funding for international activities from sources other than the United States Government. In calculating the amount of Government support received by an organization, there shall be excluded the value of commodities (and related transportation) made available for overseas distribution and the value of contracts for services, grants, and other activities initiated primarily by the agency primarily responsible for administering this part.".

WEST VIRGINIA'S VOICE OF DEMOCRACY WINNER

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. MOLLOHAN. Mr. Speaker, every year, the Veterans of Foreign Wars of the United States pays tribute to America while encouraging the youth of this country to take stock of what it means to be an American. Through its Voice of Democracy competition, the VFW has helped give thousands of young people the chance to put into words the patriotic thoughts and feelings that have been nurtured through 200 years of American history.

This year, the VFW Voice of Democracy winner from West Virginia is a young woman from my hometown of Fairmont—Megan Margaret Carpenter. I am pleased and honored to submit her winning Voice of Democracy speech in the Record as evidence of the patriotism and love of country that is needed to keep America the greatest Nation on Earth.

I am honored to have known Megan and her family for many years. She is a talented and bright young woman who deserves the honor she has won from our friends in the VFW.

The Challenge of American Citizenship

(By Megan Margaret Carpenter)

When I was in the fifth grade, I was a typical female student. I liked to jump rope, spend the night with friends and talk about how "disgusting" boys were. My favorite subject was art, and I thought history was boring. That is, until one day, when I really paid attention in class. That was the day when I first began to realize the challenge set before us by our ancestors, as citizens of the United States of America.

Our teacher, Mrs. Johnson, showed us some pictures in class of famous events in United States history. I could almost feel the excitement and enthusiasm in that Philadelphia room in 1776 as the signing of the Declaration of Independence took place. I could easily share the emotion of the people when President Abraham Lincoln read the Emancipation Proclamation in 1863. And without hestitation, I felt the shock and surprise of America as the bombing of Pearl Harbor took place. And above all, I could hear Neil Armstrong proclaim, "One small step for man, one giant leap for mankind," as, in 1969, the United States of America successfully sent a man to the moon.

Yes, I was able to observe the challenge which we have the privilege to fulfill. But at that time, I was not yet sure what my part was.

As a high school student, I am now capable of understanding my role as a citizen of America, the land of opportunity. I not only look forward to the challenges that lie ahead, I can go beyond looking the word up in a dictionary or watching from the sidelines. I am now participating in the development of the forces of our society. I have the obligation to be aware of national affairs, as well as events in my own locality. By reading the newspapers, watching the evening news on TV and by simply keeping my eyes and ears open, I can be alerted to terrorism, crime, drugs, and the health problems of our nation. I can participate in election procedures, and become involved in many volunteer programs around my community.

For I am not just a citizen of America. I am a citizen of America. My generation will be establishing the challenges of tomorrow. Therefore, it is up to me to live up to the roles our ancestors established for us.

As a future adult and fulfledged American citizen, I will be faced with many challenges. I must choose a career and train to fulfill the obligations of that field. Helping America maintain her world position in business and industry will be my most difficult responsibility.

Apathy is often a by-product of a successful society. It is my challenge to continually strive for a better society.

ANOTHER EMPLOYER BURDEN

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. HUBBARD. Mr. Speaker, I want to share with my colleagues the February 11 letter which I received from my friend K.A. Cormney, president of the Campbell House Inn in Lexington, KY, where I have visited on many occasions while traveling to and from the First Congressional District of Kentucky and, prior to 1975, during the period of my 8 years service in the Kentucky Senate at nearby Frankfort.

Too often, we in the House have not realistically viewed the burdens we have placed on small businesses. K.A. Cormney is concerned about the administration's budget proposal which would require employers to pay Social Security tax on the cash tips received by their employees. In simple terms, he graphically illustrates the burden this plan would impose upon small and medium-sized businesses.

I urge my colleagues to read the letter from Kilbern Cormney which follows:

Hon. Carroll Hubbard, Jr.,
House of Representatives, Rayburn House Office Building, Washington, DC

Dear Congressman Hubbard: As a medium-sized restaurant operator I would like to inform you of my opposition to President Reagan's recent recommendation in his budget proposal that employer's pay Social Security tax on employees' cash tips.

My reasons are very simple. Cumulatively, the waitresses are already making more than I am. Example: A waitress in my restaurant who takes in $400.00 in an evening is most likely to receive $70-80.00 in tips. Keep in mind that this is in addition to the wages paid. What happens to the $80.00 goes something like this:

Gross receipts	$400
Actual food cost at 40 percent	−160
Labor cost at 30 percent	−120
Overhead/operations cost at 20 percent	−80
Net receipts	$40

So, as you can see, the waitresses already make approximately twice what the "house" makes.

I am well aware of the principal of passing along the costs of doing business but I am just as aware of this principal being the forerunning cause of inflation and the reason more small- and medium sized-businesses are forced to go under.

I will appreciate your consideration and concern regarding this and other similar costly legislation.

Sincerely,

K.A. Cormney,
President, the Campbell House Inn, Harrodsburg Road, Lexington, KY.

STATE RADON PROGRAM DEVELOPMENT ACT OF 1987

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. THOMAS A. LUKEN. Mr. Speaker, today I am introducing legislation to provide Federal technical and financial assistance to States to establish or expand programs to respond to radon pollution.

At a time when many of the environmental hazards we confront are man made, it is somewhat ironic that much of the Nation's radon pollution is a natural phenomenon produced by soil and rock. Nevertheless, this colorless and odorless gas poses a serious health threat when it enters homes, schools, and offices through cracks, pipe seals or other avenues, and attaches itself to the lungs of the thousands of Americans exposed to it. The Environmental Protection Agency has cited radon gas as the No. 1 environmental cancer risk. EPA estimates that radon causes up to 20,000 lung cancer deaths annually. Researchers have identified homes in which radiation levels from radon are the equivalent of having a Three Mile Island accident occur in the neighborhood once a week, and whose water supply is contaminated to a level equal in effect to smoking seven packs of cigarettes a day.

In 1986, Congress enacted the Radon Gas and Indoor Air Quality Research Act, recognizing the need to determine the scope and effects of radon pollution. Several agencies and States have also allocated resources to this problem. Unfortunately, the EPA, which indisputably should be a leader in assessing radon pollution, spent only slightly more in 1986 than the State of New Jersey to abate this problem. I am attaching a State-by-State listing of radon pollution measurements found by recent research which suggests to me that current efforts are grossly inadequate. Moreover, considering that 5 to 10 million homes may have hazardous levels of radon gas—it is clear that we cannot afford to allow this situation to be lost in a bureaucratic shuffle, fall victim to a shortsighted budget-cutting drive, or be deprioritized by bureaucrats who lack sufficient funding or impetus from the Congress.

Currently, while at least 20 States have acknowledged serious radon problems, none has the resources necessary to respond effectively to the situations in their States. New Jersey, Pennsylvania, and a handful of other States which have very serious problems have responded with limited State programs, but these would benefit from short-term grants. The dosimeters which detect radon pollution are not costly, and many of the hazards encountered can be abated by solutions which are neither elaborate nor expensive—actions as simple as locating and patching leaks in pipes and walls, or improving ventilation systems. But localized problems are not being solved as they should be because efforts are not coordinated.

My bill, the State Radon Program Development Act of 1987, and companion legislation introduced into the other body by Senators Mitchell and Chafee, seek to establish the framework necessary for the EPA to provide the assistance that States need to abate radon pollution. Under this legislation, the EPA will design and implement training programs to teach State and local officials proper radon detection, monitoring, and mitigation techniques; help the States to establish or augment their own programs to deal with current radon pollution; establish a national clearinghouse on radon-related information; and certify radon measurement devices and demonstrate such technology. The EPA will also administer a $10 million grant fund for each of fiscal years 1988, 1989, and 1990 which will provide assistance to States in their efforts to build effective radon-related programs. Under this latter provision, grants will be available for certain activities including radon surveys, development of educational materials, purchase of laboratory equipment and measurement devices. Federal assistance will be limited to 75 percent of the cost of the State program, and no State shall receive more than 15 percent of Federal funds available in any fiscal year.

Finally, while we have some data that indicate hazardous levels of radon contamination in schools, we do not now know how prevalent this problem is because the necessary research has not been undertaken. This legislation provides an additional $1.5 million to the

EPA to conduct a statistically significant survey of school buildings in the country to determine the level of radon contamination in schools.

Mr. Speaker, I strongly believe that this legislation responsibly addresses the Nation's No. 1 environmental cancer risk. I urge my colleagues to join me and support this important legislation.

INDOOR RADON MEASUREMENT RESULTS BY STATE AS REPORTED BY TERRADEX

State	Number of measurements	Radon levels (pCi/l)		Percent over 4 pCi/l [1]
		Median	Average	
Alaska	21	2.82	4.30	38.1
Alabama	54	1.47	2.28	18.5
Arkansas	4	3.37	4.29	50.0
Arizona	86	.66	6.78	19.8
California	519	.70	1.37	3.9
Colorado	165	3.33	16.31	38.8
Connecticut	89	1.89	2.55	16.9
Delaware	27	.93	1.58	7.4
District of Columbia	32	.81	6.43	18.7
Florida	198	1.24	5.95	16.7
Georgia	46	.99	2.31	15.2
Hawaii	1		.36	0
Idaho	463	2.83	5.88	39.1
Illinois	116	1.59	2.25	18.1
Indiana	32	1.58	3.04	28.1
Iowa	63	2.24	3.11	31.7
Kansas	12	1.97	4.59	25.0
Kentucky	58	1.28	2.52	12.1
Louisiana	24	.62	.97	4.2
Maine	1,337	1.71	13.19	24.5
Maryland	65	2.23	4.28	20.0
Massachusetts	136	1.65	2.49	15.4
Michigan	71	1.58	3.06	19.7
Minnesota	175	3.37	11.22	45.1
Mississippi	10	1.22	1.26	0
Missouri	39	.64	1.37	7.7
Montana	235	2.99	4.50	32.8
Nebraska	12	2.64	5.02	33.3
Nevada	308	1.56	4.49	14.3
New Hampshire	46	3.49	7.84	43.5
New Jersey	2,217	1.96	5.23	25.9
New Mexico	533	2.03	4.26	26.6
New York	2,294	1.25	2.63	14.8
North Carolina	27	1.34	1.73	7.4
North Dakota	37	2.08	3.91	21.6
Ohio	341	2.96	4.78	36.7
Oklahoma	11	.95	1.34	0
Oregon	3,236	.74	1.19	4.3
Pennsylvania	14,968	5.05	15.07	57.9
Rhode Island	7	.64	22.95	14.3
South Carolina	15	.70	1.25	6.7
South Dakota	603	2.29	6.67	28.4
Tennessee	430	2.03	3.33	28.6
Texas	441	.58	.74	.2
Utah	27	1.98	2.83	13.5
Virginia	169	.77	2.24	13.0
Washington	7,972	.54	1.01	3.3
West Virginia	11	.63	7.64	18.2
Wisconsin	192	1.85	2.45	17.7
Wyoming	116	4.55	14.24	52.6
East coast [2]	231	2.35	7.13	30.7
Northwest [2]	935	1.05	2.30	12.2
United States	[3] 39,536	1.83	7.73	30.3

[1] Equivalent to 0.02 WL.

[2] Designation by Terradex for those measurements where State was not identified in Terradex records.

[3] Total includes 218 radon measurements for which Terradex was unable to categorize by State or region.

THE CHALLENGE OF AMERICAN CITIZENSHIP

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. JACOBS. Mr. Speaker, the following is a script written by Jenniva Samantha Crowley for the Voice of Democracy broadcast, sponsored by the Veterans of Foreign Wars.

The essay speaks and speaks well for itself.

THE CHALLENGE OF AMERICAN CITIZENSHIP

Even in the best of families, parents and teens often find themselves in a dispute over one thing or another. The teen often declares that he should be able to go and do as he pleases because that is his right. The parent is quick to remind the youth that he has certain responsibilities such as doing homework, helping around the house, and cleaning his room. The argument quickly becomes one of rights versus responsibilities. American citizenship is also a matter of rights and responsibilities. The rights we are given rather than the responsibilities are what most people consider when they think about citizenship. We as citizens are very proud of the rights our country provides for us. One right which binds all citizens together is the right to vote and take an active part in our own government. Each citizen should feel that he was involved in every peace treaty, every bill passed into legislature, and every amendment to the constitution because we each have the right to vote for the representatives who carry out these national decisions. We are also each given the right to protection by law. Laws are created to reduce chaos by providing limits and perimeters. Often times when an animal is frightened, it is calmed more easily when it is leashed or confined. In much the same way, laws provide just enough structure to give citizens a sense of security. Another important right is the right to go and do as we please. I feel that this right is the most enjoyable we have as American citizens because it provides the satisfaction of feeling that we are each in control of ourselves. Although our rights are very dear to us, the challenge of American citizenship lies in our responsibilities. The way in which each person upholds and expands his every duty is what determines the growth, freedom, and future of this country. We each have the responsibility to understand the rules and processes of our legal system. Many individuals spend much of their time and effort creating sound laws and coordinating efficient legal processes. It is the least we can do as citizens to read and study our laws in order to gain the best possible understanding. In order for our legal system to work to our advantage each citizen must truly understand the content and purposes of each law. Another citizen responsibility which directly effects the future of our country is that of educating our young people and preparing them to be strong leaders. Each adult citizen should be aware that he is a role model for youth everywhere.

The youth of today are the leaders of tomorrow, and if our country is going to remain strong, American adults must make education a priority. Parents who value education and stress the accomplishments of their children are likely to instill the same values in their youth thus giving our country potentially outstanding leaders for the future. Finally, perhaps our most challenging responsibility is remembering and honoring all of the Americans who have fought for our civil rights. We must learn from the wars our country has taken part in. If we forget those who have fought for the rights of our country, then we must relive their wars and bloodshed. In most family quarrels, once the parent and teen have exchanged words, the teen demands that certain rights are maintained, while the parents insists that important responsibilities are met. The lesson to be learned is that in all cases including that of American citizenship, rights and responsibility go hand in hand.

A LANDMARK IN COMMUNITY SERVICE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. BROWN of California. Mr. Speaker, I would like to recognize and congratulate the Community Services Department of San Bernardino in my congressional district. The staff and volunteers of CSD's Food Distribution Program have recently achieved a landmark in community service. Since 1982, they have distributed 10 million pounds of food to San Bernardino's low-income community.

The staff and volunteers who have contributed to the success of this program are: Ronald Heningburg, Lawrence Bains, Peter Ramirez, Florence Frias, Fannie Lang, Gerald Wilson, Jacqueline Wilson, Harley Green, Conrado Garcia, Rachel Feir, Elizabeth Brown, Edwin Brown, Lorena Nelson, Dorothy Grant, Rodolfo H. Castro, Patricia L. Nickols, Delia Mendoza, Charlesetta Jacobs, Andrea Adams, Carolyn Debevec, Kathy Richardson, Sharon Parker, Martha Oehlberg, Darron Haywood, James Nish, Ardell Myers, Clive Warner, Sally Warner, Jeff Butts, Dave Sampson, Kathy Kivley, Charles Adams, Jr., Natalie Hoody, Ed Ortiz, Manuel Resendez, Will Greer, David Quarterman, Rocky Albanese, June Martin, and John Avilez.

Additional staff to be recognized are: LeeAnn Carrel, Elizabeth Akut, Marvel Killins, Eileen Thaxton, Doris Batiste, Norma Palomino, Rachel Vejar, Carrie Isaac, Jeffrey Chism, Susan Campos, Jenny Alvarado, and Norma Castro.

Rodolfo Castro and Patricia Nickols began the program in 1982. Operating out of a conference room in a local community action center, they distributed about 90,000 pounds of food during their first year. In 1985, San Bernardino County built a warehouse for the CSD. Now, the program distributes over 3.5 million pounds of surplus USDA commodities per year, and has been rated as one of the outstanding programs in California by the State department of education.

Although the program's staff is small, they have enlisted a dedicated group of permanent volunteers. Together, they oversee the bimonthly distribution at the many distribution sites, where community groups such as military veterans and women's organizations volunteer to work. The program relies heavily on the spirit of community service: About 95 percent of its workers are volunteers.

Every other month, the staff and volunteers distribute such staples as cheese, butter, powdered milk, cornmeal, and rice to at least 25,000 low-income households. During the months in which there is no mass distribution, the program works through community-based organizations. Churches, unions, and food banks are among the groups that help to distribute food on a daily basis.

The program covers San Bernardino County, the largest county in the continental United States. At 20,167 square miles, it is larger than many of our Northeastern States. San Bernardino County includes urban areas, Indian reservations, deserts, and mountains: All of which are served by the program.

This year, the Food Distribution Program will receive about $160,000 through the USDA and about $100,000 in community action funds. The Community Services Department is always on the lookout for other funding sources.

The Federal USDA Commodities Program has helped to alleviate hunger across the Nation. The CSD Food Distribution Program is an excellent example of local level commitment. Its staff and volunteers derive their satisfaction from knowing that they are helping to feed the hungry. Indeed, this brief tribute may seem superfluous to them when compared to the feeling they get from serving one of their community's most urgent needs. They truly are unsurpassed in their level of service.

POINDEXTER GENERAL STORE—NATIONAL HISTORIC SITE

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. ANTHONY. Mr. Speaker, I would like to take this opportunity to commemorate the Poindexter General Store located in Ogemaw, AR. This well-known landmark in the area has been placed on the National Register of Historic Places by the U.S. Department of the Interior making it the 14th property in Ouachita County to be added to the official inventory of significant historic sites in the United States.

The Poindexter General Store, is believed to be the oldest full-time operating general store in Arkansas. Only one other, the Wolff Store in Bingen, AR, is known to be older. Although the Wolff Store is only open for part-time business, like the Poindexter General Store, it also continues to provide down home service to long-time customers.

The continued existence of both of these stores is a tribute to the important traditional values of the smaller community. The general store is a cornerstone of Americana. Unlike the fast paced in and out atmosphere of today's supermarkets, the general store provides services to its customers beyond the array of goods on its shelves.

For years, townspeople gathering in the store on and around its ever-present porch have taken part in a lively exchange of views with friends and neighbors. The atmosphere of the general store has prompted a forum for political and social debate on issues ranging from foreign policy, domestic problems, societal changes, the weather and the fishing prospects.

This portion of America must be preserved so that future generations will have the opportunity to enjoy this center of community exchange that has played such an important part in the lives and economies of our Nation's smaller cities and towns.

BRUEN RESCUE SQUAD CELEBRATING 50 YEARS OF SERVICE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. SOLOMON. Mr. Speaker, I am pleased to insert in the RECORD that on April 4 of this year the W.F. Bruen Rescue Squad will celebrate its 50th anniversary.

Organized as the Citizen Heights Rescue Squad in 1937, the Bruen Rescue Squad was featured in the April 1932 issue of "Emergency Services N.Y." The squad covers a 24.9 square mile area in the 24th Congressional District, including the town of East Greenbush and part of the town of Schodack.

The squad survived the funding cutbacks and manpower shortages of World War II and has since provided local residents with an increasing array and flexibility of services. From its 1,253 ambulance responses in the 1940's, it has seen that number increase to 2,389 in the 1950's, 4,044 in the 1960's, and 6,153 in the 1970's. The 1970's also saw the squad open its membership to woman volunteers.

Mr. Speaker, the more than 20,000 responses of the Bruen Rescue Squad only begin to tell the story of its important contribution to the community it serves. Its blood pressure clinics, CPR courses and other activities over the past 50 years make it a typically American example of public service at its best. I know that all Members of Congress join me in saluting the Bruen Rescue Squad, wishing it a happy 50th anniversary, and looking forward to its second 50 years.

HOUSE RESOLUTION 17: REQUIRE A ROLLCALL VOTE ON ALL APPROPRIATIONS AND REVENUE-RAISING MEASURES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. CRANE. Mr. Speaker, I recently introduced legislation, House Resolution 17, that would revise current House voting procedures. My bill would require a rollcall vote for passage on measures raising spending or taxes including resolutions making appropriations, joint resolutions making continuing appropriations, and conference reports.

Consider the following:

In February 1985, an emergency famine relief and recovery in Africa bill appropriating $1 billion was passed by voice vote. In other words, $1 billion of the taxpayer's money was spent without them knowing how their Representatives voted.

In July 1985, an energy and development bill appropriating $15 billion was passed by voice vote. Again, huge sums of money were being spent and constituents could only guess as to how they were being represented.

In December 1985, passage of the House version of the Tax Reform Act of 1985 left constituents in the dark once again. The tax measure alone was estimated to shift over $141 billion in taxes from individuals to corporations over the following 5 years.

At midnight on October 3, 1984, just before Congress adjourned for the year, a massive $470 billion continuing appropriations resolution was passed by voice vote; an appropriation which is more than twice the size of our current deficit. This measure alone proved to be the largest single expenditure made in the history of civilization prior to that date—of course, the continuing appropriations resolution passed by Congress last October surpassed that record.

A quick look at the House voting procedures used to gain passage of these bills illustrates a failure on the part of Congress to account for its actions. It is a total perversion of the concept of representative government to permit voice-voting practices on tax and spending issue. Such practices can hardly be considered the basis for honest decisionmaking when Congress is not held accountable for such critical votes. Important issues demand the efforts of Members to take a stand. Anything less does violence to the system. We need to bring the actions of Congress into the "sunshine" for the public to see. If elected Representatives have the courage to make and stand by decisions that affect the entire Nation at large, then those same Representatives should have the courage to stand by those decisions and not hide behind the anonymity of a voice vote. Such courageous measures would reflect the quality and not the quantity of many votes upon which members of Congress decide. By taking cover under voice-voting procedures, constituents will never be able to know how their elected Representatives vote on the various bills that control the use of their tax dollars.

James Madison said it best, arguing for the newly drafted Constitution in 1787 and 1788: "It will not be denied that power is of an encroaching nature and that it ought to be effectually restrained from passing the limits assigned to it." Later, in the same essay, he stated that "the legislative department alone has access to pockets of the people" and therefore, he explained, its authority should also be restrained. In conclusion, he emphasized:

> If angels were to govern men, neither external nor internal controls on government would be necessary. In framing a government which is to be administered by men over men, the great difficulty lies in this: You must first enable the government to control the governed; and in the next place, oblige it to control itself.

We need only look at the estimated deficit for fiscal year 1987 of $173.2 billion to understand that the power of the legislative department to pick the pockets of Americans has not been effectually restrained. The fact that we have a horrendous $173.2 billion deficit paints a bleak picture of Congress as a responsible decisionmaking body. Despite our efforts to put the blame on someone else, the fact remains that no President or executive agency votes to control the taxpayer's money. It cannot be denied that Congress is, in fact, the body imbued with the constitutional power to spend and tax. And Congress alone was there in the middle of the night when the $470 billion continuing appropriations resolution was passed.

We must not forget the words of John Marshall who said "The power to tax involves the power to destroy." And indeed, Congress is destroying the confidence of the people through the lack of responsibility that this body is demonstrating in its decisions not to go on record. For this reason alone, Members of Congress owe it to their constitutents to give special consideration to all spending and revenue measures. Elected Representatives have no greater voting responsibility than on measures raising their constitutents' taxes and spending their constituents' money. Such items demand an approval in which the vote of each member is made public. With billions of dollars being processed through the Government's hands each day, Congress tends to lose sight of the value of each tax dollar. The voting procedures of the House of Representatives help facilitate this process through the passage of bills by voice vote. Undoubtedly, legislators are a little less than angels, and their authority in spending and taxing ought to be restrained. I believe a rollcall vote for each appropriation and revenue-raising measure will help provide that restraint and ensure the confidence of the American people in the ability of Representatives to control the use of the American taxpayers' money in a responsible manner.

Now is the time for Congress to stand up and represent the people in the way that our forefathers intended. Especially in times such as these, when spending decisions should be under close scrutiny, it is essential that legislators stand behind their individual decisions to vote for or against each such item. The Constution gives Congress the authority to spend the taxpayer's money. It is up to Congress to use that trust in a forthright manner.

Now is the time for Congress to own up to its responsibilities. For many years now, Members of Congress have proposed changes in House voting procedures. A need for change existed long ago. The moment for taking this courageous step is now, during the historic 100th U.S. Congress. I urge my colleagues to rise in support of House Resolution 17, which I am introducing to change the Rules of the House of Representatives to require a rollcall vote on the passage of bills making appropriations and bills providing revenue.

SOLIDARITY SUNDAY FOR SOVIET JEWRY 1987

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. GILMAN. Mr. Speaker, the past several months have brought about some unusual changes in the Soviet Union as Secretary Gorbachev implements his policy of "glasnost." Quite suddenly, Nobel Peace Prize winner and eminent Soviet scientist Andrei Sakharov and his wife, Yelena Bonner, were allowed to return to Moscow from a lengthy term of exile in the closed city of Gorky. What followed was a series of events in which a number of human rights activists were released from their prison and labor camp terms, including Soviet Jewish Prisoners of Conscience Iosef Begun and Roald Zelichenok.

Yet, for the vast majority of Soviet Jews, including these two courageous men, the freedom for which they yearn so deeply continues to be denied. In an effort to promote awareness of the plight of these hundreds of thousands of individuals, my colleague, Mr. MANTON, and I have introduced legislation designating May 3, 1987, and May 1, 1988, as "Solidarity Sunday for Soviet Jewry."

Each year, the Coalition to Free Soviet Jews sponsors a massive rally at Dag Hammarskjold Plaza, opposite the United Nations in New York City, at which hundreds of thousands of concerned men, women, and children express their solidarity with those beleaguered refuseniks behind the Iron Curtain. Last year, Anatoly Shcharansky addressed the almost quarter million people in attendance. It is a day of incredible cohesiveness for each participant.

The freedom to demonstrate, which we take so easily for granted, is denied to all in the Soviet Union. When Boris Begun led a group in demonstrating for his father's release in Moscow, they were kicked and beaten and dragged away. It is a tribute to their courage that they did not relent in their pursuit of Iosef's freedom.

We cannot know the pain, the isolation, discrimination, and harassment that surround the life of a Soviet Jew who has applied to leave. There are almost 400,000 Soviet Jews who have made their desires known, yet in 1986 only 914 were allowed to emigrate for purposes of family reunification. Clearly, this is not in keeping with either the letter or spirit of the Helsinki Final Act, to which the Soviet Union is signatory. To the contrary, on January 1, 1987, the Soviet Union implemented emigration guidelines which now limit family reunification to first degree relatives only, thereby severely impinging on the right of family reunification.

Moreover, the treatment being meted out to Soviet Jewish Prisoners of Conscience continues to threaten their very lives. Yuli Edelshtein, a young activist, was sentenced to 3 years in a labor camp. Last year, in what appears to have been a suspicious accident, he fell and his femur was broken in several places and his urethra ruptured. Appeals to have proper medical authorities care for him were made, yet he was not allowed to be treated in Moscow. After many months in a body cast, Yuli returned to the labor camp. At first it appeared as though he was recuperating, but just last week we learned that he has been readmitted to the prison hospital at Novosibirsk. His body is swollen with edema, and because the problem of his urethra was never really attended to properly, he runs the risk of renal failure.

Mr. Speaker, efforts are underway in Congress to communicate our concern for Yuli to Soviet Secretary General Gorbachev, Soviet Ambassador Dobrynin, and Secretary of State Shultz. Under the aegis of Senator BOSCHWITZ, an appeal is being telegrammed this afternoon. Yet, Solidarity Sunday is that one concerted effort, taken on a massive level, which has endured and grown over the years, "Glasnost" notwithstanding, Soviet Jewry needs our support. They need a "glasnost" of their own.

So that our colleagues will have an opportunity to review this legislation prior to their cosponsorship, I ask that the full text of this measure, House Joint Resolution 190, be printed at this point in the RECORD, and I urge my colleagues to cosponsor this important component of our struggle for human rights in the Soviet Union.

H.J. RES. 190

To authorize and request the President to issue a proclamation designating May 3, 1987, and May 1, 1988, as "Solidarity Sunday for Soviet Jewry".

Whereas on May 3, 1987, and May 1, 1988, the constituent agencies of Coalition to Free Soviet Jews will sponsor "Solidarity Sunday for Soviet Jewry" in reaffirmation of the American people's resolve to secure freedom for Soviet Jews and other beleaguered individuals;

Whereas Americans of all faiths will join with the Coalition in public expressions of solidarity with the more than 2.5 million Jews in the Soviet Union;

Whereas the right to emigrate freely and to be reunited with one's family abroad is being denied by Soviet authorities to Soviet Jews and other groups in direct contravention of the Universal Declaration of Human Rights, the Helsinki Final Act, and Madrid Concluding Document, to all of which the Soviet Union is signatory;

Whereas the Government of the Soviet Union has implemented new emigration restrictions designed to make the process of obtaining an emigration visa even more difficult;

Whereas the emigration of Soviet Jews has been severely restricted in recent years, hovering at 1,000 per year or less from a high of 51,320 in 1979;

Whereas those Soviet Jews and other persons who have applied to leave the Soviet Union have been subjected to expulsion from jobs and schools, exile from major Soviet cities, constant surveillance and harassment, and even arrest and imprisonment on false charges;

Whereas the Government of the Soviet Union continues to persecute its Jewish citizens and deny them even those few rights and privileges accorded other recognized religions in the Soviet Union;

Whereas the Government of the Soviet Union discriminates against Jewish cultural and religious activities by banning and suspending Hebrew and Jewish cultural classes, arresting Hebrew teachers on false criminal charges, attacking Hebrew teaching circles as "subversive", promoting anti-Semitic ideology under the cloak of "anti-Zionism", and harassing those Soviet Jews who seek only to exercise their right to practice their religious and cultural heritage;

Whereas the Government of the Soviet Union will not succeed in isolating Soviet Jews from their friends in the free world so long as those who cherish liberty and human rights continue to speak out on behalf of beleaguered people everywhere; and

Whereas "Solidarity Sunday for Soviet Jewry" will serve as an expression of American determination to continue efforts to obtain freedom for Soviet Jews who are prisoners of conscience, to have exit visas granted to refuseniks, many of whom have sought permission to emigrate for up to fifteen years, and to secure the free exercise of religious beliefs and cultural expression for all minorities: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating May 3, 1987, and May 1, 1988, as "Solidarity Sunday for Soviet Jewry" and calling upon the people of the United States, State and local government agencies, and interested organizations to observe these days with appropriate ceremonies, activities, and programs.

ERADICATING GUINEA WORM DISEASE

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. DORGAN of North Dakota. Mr. Speaker, yesterday the Select Committee on Hunger heard testimony on an achievable world health challenge: eradicating Guinea worm disease from the face of the Earth.

Guinea worm disease is a waterborne, parasitic ailment which affects some 10 million victims each year. Some 140 million people remain at risk to the disease, chiefly in Africa, India, and Pakistan. Besides causing incalculable human misery, Guinea worm disease forces children out of the classroom and adults out of the harvest fields. It therefore contributes substantially to the problems of hunger and agricultural backwardness in many Third World countries.

In Togo, the disease causes a loss of 40 million workdays in the farm sector each year.

Burkina Faso loses an amount equal to 10 percent of its per capita income each year.

The World Bank estimates that annual global losses of market goods total about $1 billion.

Yet, we have the capability of preventing and eradicating Guinea worm disease. The World Health Organization has adopted this as its first eradication goal since the successful attack on small pox. A well-coordinated effort involving U.N. health agencies, host governments, and the U.S. Agency for International Development could provide the leadership for such a global campaign.

The Hunger Committee will soon issue a detailed set of recommendations outlining a positive role for the United States in this campaign. Meanwhile, I call to the attention of my colleagues a WHO fact sheet, published in September 1986, which describes the nature and prevention of Guinea worm disease: a scourge to development and a source of world hunger.

GUINEA WORM DISEASE

Guinea worm—also called dracunculiasis—is a water-borne parasitic disease. WHO estimates that some 5 to 10 million cases of guinea worm occur annually, distributed over 20 sub-Saharan African countries and Southern Asia. In some African villages, over half of the adult population is affected.

Guinea worm is transmitted entirely by drinking water. The cycle of disease begins when a mature female worm, living in the tissues of an infected person, pierces an area of skin which is in contact with contaminated water—usually in open surface sources such as stagnant ponds or "step wells".

As the mature worm pierces the person's skin it causes an ulcer. When this ulcer comes in contact with water, it discharges larvae into the water. These larvae then infect a microscopic crustacean named cyclops.

If people drink water contaminated with the infected cyclops they become infected with an immature form of the parasite, which grows inside the body over the next twelve months.

The disease manifests itself when thin worms, each two to three feet long, emerge from the victim's skin. The worms usually come out from the foot or lower leg, but can appear on any part of the body.

Because the worms emerge only fractions of an inch each day, and cause so much pain in the affected part of the body, they can cripple people for several weeks or longer. Guinea worm incapacitates large numbers of farmers during critical periods when they should be planting or harvesting their crops. It reduces agricultural production and the self-sufficiency of affected villages considerably.

Guinea worm also causes children to miss school for several weeks, either because they themselves are too crippled to walk or because they have to replace a crippled parent on the family farm.

Victims cannot develop any immunity to guinea-worm and there is no effective treatment once a person is infected. The disease dies out after a year, however, if the cycle of infection is broken.

PREVENTION IS POSSIBLE

The International Drinking Water Supply and Sanitation Decade (1981–1990) is an opportunity to eliminate guinea-worm from the remaining endemic areas, and thus eradicate it from the globe. Several countries, including the USSR and Iran, have eliminated this disease already.

In 1980, India began a national Guinea Worm Eradication Programme. Nigeria held its first National Conference on Guinea Worm Disease in March 1985, and the World Health Organization supported the first African Regional Workshop on Dracunculiasis at Niamey, Niger, in July 1986.

Health education is vital to prevent guinea worm. In Burkina Faso, health education alone reduced prevalence from 24 percent to 3.5 percent in one village and from 54 percent to 8.4 percent in another village in one year.

Guinea worm can be completely prevented by boiling all drinking water or filtering it before it is drunk.

A new "wonder filter" has been developed for this purpose through research carried out in Burkina Faso and supported in part by the UNDP/World Bank/WHO Special Programme for Research and Training in Tropical Diseases.

This filter makes use of a fine-mesh monofilament nylon gauze, which filters out even the smallest cyclops larvae rapidly, effectively and at the low cost of about 80 US cents per filter. Its acceptability is now being tested among the farmers of Burkina Faso and in some parts of India.

Another effective method for temporary control of guinea worm is to treat all sources of drinking water with Temephos (Abate) every six weeks during and just before the rainy season, which is also the season for guinea worm transmission. Temephos is a very safe chemical already being widely used in West Africa against a different infection, river blindness (onchocerciasis).

The best long-term solution for preventing guinea worm is to provide a protected source of drinking water such as deep wells or piped water supplies. Piped water reduced guinea worm incidence from over 60 percent to zero in two years in a town in Nigeria.

SLAVE LABOR RESOLUTION

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. WOLF. Mr. Speaker, I rise to ask my colleagues to join me in sending a strong message to the President asking him to express in word and action the opposition of the United States to the forced labor policies of the Soviet Union by enforcing existing United States law which prohibits the importation of goods made by enslaved labor. Today I am introducing a concurrent resolution to express this message to the President.

Evidence from key law enforcement and intelligence agencies illustrates a flagrant disregard for human rights in the Soviet Union. We must not economically underwrite such a violation of human rights by providing a market for forced labor-made goods.

The State Department in its 1983 report to Congress confirms that the Soviet Union has the largest forced labor system in the world. Forced labor is used to produce large amounts of primary and manufactured goods.

In this system are an estimated 4 million prisoners in 1,100 camps, 10,000 of whom are political and religious prisoners. There are separate camps for adults, boys aged 10 to 18, and women with children. Men, women, and children alike, however, are forced to produce goods, meeting sometimes outrageous quotas under conditions of extreme hardship with inadequate food, clothing, and medical care.

Because of the harsh penalties inflicted, traditional forms of protest are not an option for these laborers. A camp director can legally extend a prisoner's term at whim; the prisoners have no recourse. For merely falling short of their production quota, they can be denied family visiting privileges, canteen privileges, and be moved to a punishment cell, according to a letter by the late political prisoner Anatoly Marchenko. Breaking equipment is one way the prisoners have attracted the attention of their camp directors. More tragic efforts include self mutilation to ease the exhaustive workload, and at worst, suicide.

From the Soviet Union, we receive products such as tea, wood cabinets, agriculture implements, electrical motors, and various mined minerals, all suspected of having been produced by forced labor. As emigre Nathan Shcharansky asserts, "It is difficult to find anything produced in the Soviet Union that is not somehow connected to forced labor."

We have eyewitness testimony and reports from our own government that the above items are often produced using slave labor. Section 307 of the 1930 Tariff Act requires that we have reasonable evidence that goods are a product of forced labor before we can prevent their entry. I submit that this evidence is available.

Production of goods by forced labor violates internationally recognized human rights agreements. The Soviets, however, regularly rely on forced labor to improve their economy. Not only is forced labor used to create manufactured goods, but there is a predictable pattern of crime crackdown preceding implementation of large construction projects to secure more slave laborers in the Soviet force. Often the officials will institute corrective labor as punishment, where the accused will report to an assigned place to work daily, receive a cut in pay, and live in off-camp premises. "When authorities need convict labor they expect the judicial system to supply it," the State Department confirms.

The Soviet Union may feel free to violate international agreements; indeed, slave labor is allowed for in their constitution. However, the United States must uphold our own law. We need to examine our trade policies with the Soviet Union, and do what we can to restrain this violation of human rights.

In the past, there has been overwhelming congressional support for U.S. Government enforcement of section 307 of the 1930 Tariff Act. Let's send this message again: that we expect our Government to uphold the law, and stop entry of goods into our country produced by enslaved labor.

SECTION-BY-SECTION ANALYSIS: SLAVE LABOR RESOLUTION

This resolution calls upon the President to express to the Soviet Union by every means possible United States opposition to the U.S.S.R.'s slave labor policies.

The 1983 State Department report on forced labor in the U.S.S.R., the CIA list of items produced by forced labor, and the International Commission on Human Rights conclusions are cited, all conforming the Soviet use of slave labor for all types of production.

Past congressional effort to persuade the President to express opposition to the forced labor policies is noted, as is the existed law that prohibits importation of products made by slave labor.

In addition to the request to express in the firmest terms possible the strong moral opposition of the U.S. to the slave labor policies of the Soviet Union, the President is asked to instruct the Secretary of the Treasury to enforce Section 1307 of Title 19, United States Code.

H. CON. RES. 83

Whereas in its February 1983 report to the Congress on forced labor in the Union of Soviet Socialist Republics, the Department of State confirmed that Soviet forced labor is used "to produce large amounts of primary and manufactured goods for both domestic and Western export markets", and that such labor is used as an integral part of Soviet national economy;

Whereas the Central Intelligence Agency has compiled a list of over three dozen products made by Soviet forced labor and imported by the United States, and that items on the September 27, 1983, list include chemicals, gold, uranium, aluminum, wood products, and glassware;

Whereas the International Commission on Human Rights has concluded that the Soviet Union "continues the deplorable practice of forced labor in manufacturing and construction projects" and that prisoners "are forced to work under conditions of extreme hardship including malnutrition, inadequate shelter and clothing, and severe discipline";

Whereas the Congress is on record as opposing forced labor, having enacted a prohibition (which has been codified in section 1307 of title 19, United States Code) on the importation of goods made with such labor and having passed in the Ninety-eighth Congress by unanimous vote a resolution calling such practices morally reprehensible and calling upon the President to express to the Soviet Union the opposition of the United States to such policies;

Whereas the prohibition enacted by the Congress declares that "goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited";

Whereas there is ample knowledge of the Soviet forced labor system to require enforcement of the prohibition codified in section 1307 of title 19, United States Code;

Whereas the delay in enforcing the law brings into question the commitment of the United States to protest the inhumane treatment of prisoners in the Soviet Gulag, an estimated ten thousand of whom are political and religious prisoners according to the Department of State: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the President should express to the Soviet Union in the firmest possible terms the strong moral opposition of the United States to the slave labor policies of the Soviet Union by every means possible, including refusing to permit the importation into the United States of any products made in whole or in part by such labor.

SEC. 2. The President is hereby requested to instruct the Secretary of the Treasury to end the delay in enforcing section 1307 of title 19, United States Code.

NATIONAL HISTORICALLY BLACK COLLEGES WEEK

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. SPENCE. Mr. Speaker, I am today introducing a House joint resolution to authorize and request the President to designate the week of September 21, 1987, through September 27, 1987, as "National Historically Black Colleges Week." Joining me in authoring this legislation are 111 original cosponsors. This large number of original cosponsors, clearly indicates the broad support which exists, on both sides of the aisle, for passage of this resolution. I am pleased that so many of my colleagues have recognized the merits of honoring these fine institutions of higher learning.

It is my distinct privilege, Mr. Speaker, to offer this legislation to commemorate the important role which our historically black colleges have played in providing a high standard of education for a large portion of our Nation's black population. Collectively, hundreds of thousands of black Americans have received their postsecondary educations at the 101 historically black colleges and universities in the United States. I am proud to say that six of these institutions are located in the State of South Carolina. Furthermore, five of these six great schools; namely, Allen University, Benedict College, Claflin College, South Carolina State College, and Voorhees College, are located in the congressional district which I have the honor to represent. The other institution, Morris College, is located in the district which is represented by my colleague, Mr. SPRATT, who is also supporting this measure. These six schools have proven themselves to be a vital component of the higher education system of South Carolina, in that they have a long and distinguished history of providing the training which is required for productive participation in our rapidly changing society.

Mr. Speaker, recent statistics indicate that our Nation's historically black colleges and universities have graduated 60 percent of the black pharmacists in the United States, 40 percent of the black attorneys, 50 percent of the black engineers, 75 percent of the black military officers, and 80 percent of the black judiciary. This is a most impressive contribution to the educational needs of our Nation.

Through the passage of this resolution, Mr. Speaker, Congress can reaffirm its support for historically black institutions of higher learning, and appropriately recognize their important role in American society. I look forward to working with my colleagues on this legislation, and I ask unanimous consent that a copy of this joint resolution appear as an extension of my remarks. Thank you.

H.J. RES. 193

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

To designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week".

Whereas there are 101 Historically Black Colleges and Universities in the United States;

Whereas such colleges and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas such institutions have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of the Historically Black Colleges are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House Representatives of the United States of America in Congress assembled, That the period commencing September 21, 1987, and ending on September 27, 1987, is designated as "National Historically Black Colleges Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups to observe such week with appropriate cetemonies, activities, and programs, thereby demonstrating support for Historically Black Colleges and Universities in the United States.

CHILDREN'S LUNG DISEASE RESEARCH NEEDS GREATER EMPHASIS

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. WALGREN. Mr. Speaker, today I am introducing legislation to focus Federal resources on pediatric pulmonary research, training, and services. This bill would remove the pediatric pulmonary centers program from the current Maternal and Child Health Block Grant Program and would create a program of assistance to centers specializing in pediatric pulmonary research, clinical training, and model services and treatment. The purpose of this bill is to recognize that the amount of respiratory illness is so great that it should be addressed separately, and not as part of cancer block grant.

THE TOLL OF CHILDREN'S LUNG DISEASE

The incidence of children's respiratory disease is shocking. Most of the disabilities and deaths among children are the result of respiratory disease. One-third of the infants who die in the first year of life are victims of respiratory disease. Some experts say that Sudden Infant Death Syndrome, which accounts for 5,000 deaths a year, may be due to abnormalities in the control of breathing. Pulmonary disease causes more hospitalization, more time lost from school, and more disruption of family activity than any other illness—18 percent of all children—12.2 million—suffer from chronic respiratory conditions. Pediatric asthma costs the country $610 million in medical bills each year. Respiratory disease accounts for over half of all acute illness among children.

There is growing evidence that premature birth, childhood respiratory infections, and the exposure of children to pollutants contributes to the development of adult lung disease. Lung diseases now account for more than 20 percent of all physician contacts and account for more lost workdays than any other category of illness.

In the 1960's, Congress established the Pediatric Pulmonary Centers Program, to increase the supply of trained pediatric lung specialists and provide a network of facilities covering a full range of pulmonary services for children. Because of authorization changes over the years, and ups and downs in funding, the original goals have not been realized. In 1981, pediatric pulmonary centers were folded into the maternal and child health services block grant in the Omnibus Budget Reconciliation Act—a move I did not support. Under current law, the Secretary of Health and Human Services is authorized to use 10 percent to 15 percent of the total amount for the block grant for programs of regional or national significance. Pediatric pulmonary centers are one such program, but must compete with many other worthwhile needs. In addition, the existing centers have found funding in recent years to be uncertain and the funding process protracted. It is very difficult to develop a solid, reliable program with such "fits and starts" at the Federal level.

Today there are eight centers tenuously hanging on with a Federal commitment of $2 million.

In the $200 billion Federal deficit climate of today it is difficult to promote increased funding for anything. But in health research and health care, we know investment of public funds pays for itself several time over in the immediate future. There is really no reasonable defense of an administration budget that increases military R&D by 18 percent and cuts health research by 10 percent.

What we do not spend in preventing disease, we will spend in "correcting" and curing diseases, which costs government and society more.

It is clear that the more we know about lung diseases and the better we can treat them, the healthier our people will be and the less tax revenue will be required to be committed to health care "entitlement" programs in the future.

I urge my colleagues to join with me in support of this legislation.

HOMER F. BRIGGS: EDUCATOR, LEADER, FRIEND

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. BROWN of California. Mr. Speaker, I wanted to share with my colleagues today the story of a very special educator in my district, Mr. Homer F. Briggs.

Mr. Briggs first came to the Ontario-Montclair School District as a student at Central School in 1921. He became the first male elementary schoolteacher in the Ontario-Montclair School District when he started teaching sixth grade at Euclid School in 1935. He was subsequently appointed teaching principal of Grove School in 1939 and principal of Vina Danks School in 1940. He became assistant superintendent for business in the Ontario-Montclair School District in 1947, and began his record of 21 years as district superintendent in 1951.

During his retirement, Homer turned the focus of his efforts toward city government, and was elected to three terms as an Ontario city councilman. He also continued with his other myriad interests; he was selected as Lion of the Year and installed in the San Bernardino County Educators Hall of Fame. Homer was a feature speaker at the district centennial in May 1985. He told us then: "That's what it's all about—doing things for kids—for people."

With Homer's death on November 28, 1986, our community lost a great leader and a devoted friend.

On March 5, 1987, the Ontario-Montclair School District honored Homer by naming the administration building at 950 West "D" Street in Ontario the Homer F. Briggs Education Center. I want to join my friends in the Ontario-Montclair School District in saluting a great educator, Homer F. Briggs.

ELEVATE ADMINISTRATOR OF VETERANS' AFFAIRS TO THE CABINET

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. SOLOMON. Mr. Speaker, the legislation I am introducing today would give better representation to the over 28 million veterans in our country. The legislation would elevate the position of the Administrator of Veterans' Affairs to Cabinet level and elevate the Veterans' Administration to a Federal department.

Every major veterans organization in this country has made this issue one of their top priorities for the 100th Congress and I ask all my colleagues to join in supporting this bipartisan effort. There is no cost to the U.S. Treasury.

The Veterans' Administration ranks second only to the Department of Defense in number of personnel with over 244,000 and it has a budget of over $28 billion.

The Veterans' Administration administers the largest health care system in the free world, employing over 12,000 doctors and more than 30,000 nurses.

The Veterans' Administration Compensation and Pension Program allocates in excess of $14 billion each year to disabled veterans and their dependents.

The Veterans' Administration G.I. Loan Program is one of the largest housing activities in the Federal Government and its G.I. Education Program interacts with virtually every college and training institution in the country.

The Veterans' Administration, now an independent agency, is larger than any one of the Departments of State, Interior, Labor, Commerce, Transportation, Energy and Justice.

As the ranking member of the Veterans' Affairs Committee I am proud to introduce this legislation to honor and benefit all veterans. If you agree that America's veterans have earned the right to be heard at the highest levels of the American Government please join in supporting this important veterans' legislation.

CHILD ABUSE AND NEGLECT RATE HIGH FOR HOMELESS CHILDREN

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. MILLER of California. Mr. Speaker, I wish to bring to the attention of my colleagues a recent study conducted by Traveler's Aid International that was released yesterday by the Child Welfare League of America. Traveler's Aid studied transient homeless families in eight cities and found that the children are more likely to be neglected and abused, be absent from school, or be committed to foster care, than children in the general population.

This study supplements the conclusion of a report by the Select Committee on Children, Youth and Families, "Abused Children In America: Victims of Official Neglect": child abuse and child neglect increased nationwide approximately 55 percent from 1981-85.

In addition the select committee recently heard testimony that violence, neglect, and child abuse are common experiences for the increasingly numerous homeless children and families.

I urge my colleagues to read the Washington Post article which summarizes the findings of the new Traveler's Aid study.

CHILD NEGLECT RATE HIGH FOR HOMELESS

(By Patrice Gaines-Carter)

Children who are members of homeless families are more likely to be neglected and abused, be absent from school or end up in foster care than children in the general population, according to a study released yesterday by the Child Welfare League of America.

"Homelessness is a children's problem," said David S. Liederman, the group's executive director, speaking at a news conference at the Washington Hilton, where the league is meeting this week.

The study of transient families and single people, conducted by Traveler's Aid International in eight cities, including the District of Columbia, found that 43 percent of the traveling school-age children were not in school. The average age of homeless children was 6; the average age of the mothers was 29 and of the fathers 34.

Social workers suspect abuse in 10 percent of children on the road, which they say may be three times the national rate. The foster care rate of children left behind by families and singles was three to six times higher than that of the general population. The most common reason given for homelessness was loss of job, the survey found.

The survey, a pilot for a national effort, was conducted at Traveler's Aid sites in the District; Tampa, Fla.; Detroit; Milwaukee; Salt Lake City; San Francisco, and Houston. In the District, most people interviewed were adults traveling alone, but most of them had children staying elsewhere, said Penelope L. Maza, the welfare league's director of research.

Social workers interviewed 404 homeless adults traveling alone and 163 homeless families traveling with 331 children. The adults who were traveling alone had 103 children staying elsewhere, including in foster care. The survey found that for every 10 homeless adults interviewed, eight children were affected.

"There were families and people still trying to improve their quality of life," said Liederman, who called the school delinquency figure "a staggering percentage."

Traveler's Aid stations across the country are seeing increases in the numbers of homeless families, said Judy A. Hall, executive director of Traveler's Aid International, who called their clients "the hidden homeless" who travel from one area to another seeking jobs and housing.

"We're talking about families who were self-supporting, who have lost everything and are still seeking the American dream," said Hall. "The average American worker today is just two paychecks away from being in the same predicament as these families."

"These are very little children subjected to stress in their formative years, children whose development may have been hindered by homelessness," she said.

According to the study, a caseworker at one agency observed children who were in a family that had lived in a car for six weeks, en route from the Midwest to the Southeast in search of jobs. The 13-month-old looked bewildered when given toys to play with on the floor.

Liederman said that as many as 400,000 children across the country may have a homeless parent or be homeless themselves.

H.R. 110: EXCLUDE TIPS FROM GROSS INCOME

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. CRANE. Mr. Speaker, I have introduced legislation, H.R. 110, addressing the horrendous administrative mess caused by the present taxation of tips. The treatment of tips under our Federal income tax is a source of agony for both taxpayers and tax collectors. Although a tip is a voluntary and gratuitous gift, current law requires it to be reported as part of the gross income of the recipient. The administration proposes to take this one step further. It has included in its fiscal year 1988 budget a proposal to require employers to pay Social Security employer taxes on the full amount of wages and cash tips which employees report they receive.

The law requiring tax on these voluntary gifts has created a never-ending administrative nightmare. The proposed expansion of the FICA withholding requirement would oblige employers to withhold money which the employer never receives. The current reporting and filing requirements for tip income are already overwhelming small businesses. It is economically impossible for an employer to act as a surrogate auditor—attempting to record and force tax payment on small tip amounts collected daily by employees. I urge my colleagues to support H.R. 110 so that we might put an end to this needless paperwork burden levied on those who can least afford it and bring some simplicity to the Tax Code.

Since 1954, the Internal Revenue Service has been increasingly burdened with an unrealistic legal requirement. Wary of massive tax avoidance, due to the failure of many workers to report their tip income, the IRS is spurred to delve further and further into the personal records of taxpaying employers and employees. The result is a poorly administered tax, inviting encroachment into the private lives of citizens, taxpayer nonconformance, and hostile resentment of our tax reporting system.

Most of us realize that the tax on tips is administratively impossible to proctor and collect. A congressional mandate was made which could not be fulfilled, rendering the law an hypocrisy. Because compliance cost is economically prohibitive, the law-abiding employer cannot be effectively law-abiding. This paradox forces honest men and women outside of the law, while simultaneously decreasing the credibility and force of law. The result has been a broadening of the noncriminal underground economy, estimated to be as great as $500 billion in 1984. Enactment of this bill would account for a significant portion of the underground economy, relieving the Government's frustration over tax avoidance.

Tip income should not be considered equal to a salary earned income. Salary income is secure, consistent and contractually guaranteed. Tips are voluntary, gratuitous, and subject to the sole discretion of the customer. Those employees receiving them lack certainty and security in their take home pay which fluctuates on a daily basis. Providing them with a tax benefit compensates for this insecurity, so as to equalize their position with the secure wage earner. Removing tips from gross income is another pro-labor proposal targeted at the "little guy." Cab drivers, bartenders, bellhops, waitresses, porters, and others collecting tips, would have tax free cash available for savings and investment. While workers who fail to report their tip income are forced to spend the money on consumption, rather than show unreported additions to their income, tax free tips would allow workers to save and invest this money without fear of IRS investigations.

In addition, this legislation would provide greater efficiency to the Tax Code. The service industry as a whole would improve if tips were given tax free status. Tax free tips would provide an important incentive to workers and would enhance the quality of work in the service industry. The minimum wage laws would be unaffected by this bill, and employers would still be in compliance with the law.

Excluding tips from gross income would simplify the Tax Code during a period when the public is still wondering where to find the simplicity which is claimed to exist somewhere in the voluminous Tax Reform Act of 1986. H.R. 110 would eliminate much of the compliance and administrative difficulties, ease the frustration over the growing underground economy, promote tax equity and provide important tax benefits to the foundation of our labor class. I urge Members to consider the public's call for tax simplification, tax fairness, and tax efficiency, and support the exclusion H.R. 110.

THE PANAMA CANAL INTEREST ACT OF 1987

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. FIELDS. Mr. Speaker, I am today introducing a bill to further resolve a problem in Public Law 96-70 dealing with the payment of interest on the U.S. investment in the Panama Canal.

As some of my colleagues may recall, in the last Congress we adopted and the President signed into law a bill, H.R. 664 (Public Law 99-195), which directed that the interest payment on our original investment in the Panama Canal be paid directly into the general fund of the U.S. Treasury and not the Panama Canal Commission Fund.

This proposal was necessary because of some ambiguous language contained within the Panama Canal Act of 1979 which caused the diversion of some $62 million in U.S. taxpayer funds between October 1, 1979, and December 31, 1985.

While H.R. 664 could have simply transferred the $62 million and all future interest payments to the U.S. Treasury, the bill was drafted so that it affected only prospective interest payments.

As the author of this legislation, I chose not to seek a transfer of the previously deposited funds because they were needed by the Panama Canal Commission in order to avoid a serious cash-flow shortage at the beginning of each fiscal year.

With the problem of all future interest payments now resolved, the key remaining issue involves the level of our investment in the canal upon which our interest payments are to be calculated.

The bill I am proposing today would raise the principal on our investment in the canal to the level where it should have been had no interest funds been diverted in the past.

With the enactment of this legislation, the Department of the Treasury would be authorized to add the $62 million that is deposited in the Panama Canal Commission Fund to the level of our principal investment, which is approximately $82 million, and to calculate our yearly interest payment by multiplying that figure by the prevailing interest rate.

Let me emphasize that this bill does not transfer the $62 million to the general fund of the U.S. Treasury. While I am sure that there is support for such an effort, I have again decided not to seek a transfer of those funds because such an action would have an adverse impact on the operational requirements of the Panama Canal Commission.

At the same time, while I have no desire to damage our longstanding relationship with the Republic of Panama, there is no debate or controversy over the fact that these interest payments on our investment in the canal should be properly deposited in the United States Treasury.

Mr. Speaker, I would urge my colleagues to join with me in supporting this effort to ensure that the taxpayers of this Nation enjoy the benefits of a full and accurate Panama Canal interest payment.

SOVIET ARMS PERPETUATE THIRD WORLD MISERY

HON. DONALD E. "BUZ" LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. DONALD E. LUKENS. Mr. Speaker, I rise today to call attention to the Soviet Union's policy regarding aid to the Third World. In the over 40 years since the end of World War II, the United States has given or loaned foreign governments more than $321 billion in aid.

A number of critics of our Nation's foreign aid programs have criticized our supplying arms to countries attempting to protect democracy or their citizens. Before these critics raise their voice again I would suggest that they read this excellent article by Smith Hempstone in the March 13, 1987, issue of the Washington Times. This article, "Gunsmith to Third World," highlights the Soviet Union's position as the No. 1 supplier of arms to the Third World.

[From the Washington Times, Mar. 13, 1987]

GUNSMITH TO THIRD WORLD

(By Smith Hempstone)

In the four decades since the end of World War II, the United States has loaned or given foreign governments more than $321 billion in aid.

The Soviet Union, over roughly the same period, has earmarked a smaller amount—about $250 billion—but spent the money in radically different ways.

For every dollar in economic aid delivered in recent years, Moscow has transferred more than $4 in military assistance to its satellites, surrogates, and allies. By 1982, the Soviet Union had become the leading supplier of military hardware to the Third World.

Between 1979 and 1983, for instance, the Kremlin provided $51.3 billion worth of arms to nearly 80 less-developed countries, about 37 percent of the total stockpiled during this period.

During these years, when the United States was emphasizing economical aid, the Soviet Union provided the Third World 57 percent of its surface-to-air missiles (as against 23 percent from the United States), 56 percent of its supersonic combat aircraft (as against 14 percent from the United States), 50 percent of its helicopters (as against 9 percent from the United States), and 48 percent of its tanks (as against 13 percent from the United States).

Other major players in the world arms mart include Britain, France, and Brazil.

When it comes to economic aid, the United States and its Western allies provide assistance to more than 150 underdeveloped nations, although nearly half of all American aid goes to two nations, Israel and Egypt.

Of the $4 billion in economic aid the Soviets will dispense this year, more than 60 percent will go to 10 client states, with 65 poor countries receiving none. Big recipients of Soviet aid in recent years have included nations such as Afghanistan, Vietnam, Angola, Nicaragua, Syria, Cuba, Ethiopia, Iraq, Guinea, and Libya.

Communist economic aid relies heavily on personnel exchanges, with about 126,000 Soviet, Cuban, and East European "technicians" employed in the non-Communist nations of the Third World.

Similarly, nearly 100,000 students from the Third World are enrolled in Soviet, Cuban, and East European universities and institutes. This program, which has grown every year since 1970, provides obvious opportunities for long-term intelligence gathering, recruiting, subversion, and propaganda dissemination. These opportunities have not been wasted.

While Moscow's record in economic assistance is not good—it features shoddy goods at high prices—Soviet bloc aid sometimes seems attractive to Third World nations. More often than not, it can be obtained despite debt problems or poor economic prospects, economic and monetary reforms are seldom insisted upon, and repayment in commodities frequently is allowed.

But Third World nations have also discovered that the Soviets are principally interested in grandiose, high-visibility projects that frequently become money-losers, give their aid mostly to Marxist states, and cannot compete with the West when it comes to volume of aid.

The Warsaw Pact's contribution to the global economic foreign aid package frequently comes to less than 10 percent of the total. In two recent years—1983 and 1984—the Soviet Union extracted from the Third World more in interest and principal payments on old loans than it dispensed in new credits.

The Soviet Union, while it is a major purveyor of arms to Africa, played virtually no role in alleviating the effects of the recent African famines, perhaps because it cannot feed itself. In one recent year (1984), Moscow provided only about $15 million in food relief; in that same year, Western donations, led by those of the United States, exceeded $1 billion.

Soviet and East European economic aid to Cuba (where there was no famine), in 1980 was worth $680 million. In addition, Cuba receives preferential prices for her sugar and nickel, and in the past has paid artificially low prices for Soviet oil. The collapse of the world price of oil, however, all but eliminated the petroleum subsidy.

Soviet arms have three advantages when compared with American or West European weapons: they are cheap, simple to operate, and relatively easy to maintain, having been designed for the unsophisticated troopers of the Red Army. But they are also inferior, as the Syrians discovered during the 1982 Israeli invasion of Lebanon, when Israel's American fighters in a single day eliminated all the Syrian aircraft committed to the struggle, with the loss of only one Israeli plane.

Insofar as economic aid is concerned, socialist theory and practice enjoyed a certain vogue in the Third World from 1946 until and beyond the collapse of colonialism in the 1960s. But experience since then has shown that socialism, while it may be helpful in distributing economic benefits, cannot create the wealth the Third World lacks.

This disenchantment became public in 1985 when the Organization of African States, meeting in Addis Ababa (the capital of a nation that practices a crude form of African neo-Marxism), admitted that the primacy accorded to the state as an engine of economic development "has hindered rather than furthered" such development.

It took a lost generation of development to teach the Third World leaders that simple fact.

A CONSERVATIVE'S LAMENT

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. GINGRICH. Mr. Speaker, the attached essay by Paul Weyrich is the finest statement of the real meaning of the Iranian mess anyone has made. Paul understands that the real issues aren't personality or second or third level staffers, but the fundamental challenge to American strategy, the American Constitution, and to the capacity to survive in a dangerous world.

I commend them to everyone as a serious backdrop against which to measure the activities of the Iran Committee.

A CONSERVATIVE'S LAMENT—AFTER IRAN, WE NEED TO CHANGE OUR SYSTEM AND GRAND STRATEGY

(By Paul M. Weyrich)

As proponents of a strong foreign policy and defense, conservatives have a special responsibility. Our advocacy brings with it the burden of doing the job competently. We must be leaders in thinking deeply and carefully about America's role in the world, about relating goals to means and about our national strengths and weaknesses and the opportunities and constraints they impose. If we fail to do this, we lose our legitimacy as advocates.

In the Iran-contra mess, conservatives have failed. Obviously, they failed in the way the matter was handled. But the failure is really much more profound than that. The scandal is not a disease, but a symptom. It is a symptom of some underlying contradictions in our national strategy and national institutions.

Conservatives should have identified and addressed these long ago, but we did not. Now, conservative leaders seem to be looking little if at all beyond the details of the scandal—and how to distance themselves from it. That merely compounds the failure.

Instead, as conservatives, we should be taking the lead in looking for the roots of the crisis. There are three.

First, our national strategy is outdated, dysfunctional and insupportable. Essentially it is still containment, a strategy developed in the late 1940s. It was an arguable strategy even then. But at least we had the power to carry it out. We had only one rival: the Soviet Union. Europe and Asia were both power vacuums. We moved to fill those vacuums, lest the Soviets do so.

Today, the situation is vastly different. Europe, Asia and the Middle East are power centers, not vacuums. The concept of a superpower is waning rapidly. The world includes many other forces—China, Islamic nationalism, Polish Catholicism—which are more powerful locally than either the United States or the Soviet Union.

In pursuit of containment, we still thrust ourself into everything that happens around the world. But what we put forward, increasingly, is weakness, not strength. In a world where we control far less of the total sum of power than we did forty years ago, we cannot do otherwise. The real strength is no longer there. We are propping up a hollow facade, vast commitments unsupported by either capabilities or popular will. So we stumble from failure to failure: in Southeast Asia, in Iran, in Lebanon and now in the Iran-contra mess.

It is time for a new national grand strategy. Nothing less will address the real problem. Conservatives have a responsibility to take the lead in developing one.

Second, there is a basic contradiction between the structure of our government and our role as a great power. Our government was designed not to play great-power politics but to preserve domestic liberty. To that end—at which it has been remarkably successful—it was structured so as to make decisions difficult. Separation of powers, congressional checks on executive authority, the primacy of law over *raison d'etat*—all of these were intentionaly built into our system. The Founding Fathers knew a nation with such a government could not play the role of great power. They had no such ambition for us—quite the contrary.

For about 20 years after World War II, we were able to act as a great power without running into this contradiction. We could do so because we had only one serious rival, and even over that rival, our superiority was immense. Now, we have to play on a much more crowded and competitive field. Our institutions are not adequate to the game. If the executive does what it must in the international arena, it violates the domestic rules. If the Congress enforces those rules, as it is supposed to do, it cripples us internationally. Since Watergate, some 140 measures have been passed by Congress to restrict the president's power to conduct foreign policy.

As conservatives, we have to help the nation face a stark choice: either modify our institutions of government to play the game of great power, or move back toward our historic, less active foreign policy.

Third, our current system institutionalizes amateurism. Unlike European parliamentary democracies, we have no "shadow cabinet," no group of experts who are groomed by their party for decades before they take high office. Our presidents can be peanut farmers or Hollywood actors. They can choose their top advisors either from among "professionals" who may not share their goals or supporters who often have no background or expertise in policy. Either way, they lose, and so does the country. The current crisis could not make the point better: our foreign policy was set by an admiral and a Marine lieutenant colonel, neither of whom had any background in the field. The resulting failure is not their fault. The system by which they were chosen is defective.

If we are going to be a serious nation, we need a serious system for selecting our leaders and advisors. We need some type of shadow government, in which leaders and top advisors can be identified and developed, and through which our politics can be better focused on policy choices. The world is a professional league, and we cannot win fielding amateur teams.

If the crisis leads us to get at the systemic problems it manifests, it will, on the whole, have been a good thing. But that is not what we are doing. We are letting ourselves be captured by the symptoms and ignoring the disease.

We—especially conservatives—owe the country something better. On foreign policy and the institutions that make it, it is time for us to show some leadership—or give it over to someone who can do a better job.

SMALL BUSINESS PERSON OF THE YEAR

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. GEKAS. Mr. Speaker, President Reagan has designated May 10–16 as Small Business Week. Throughout that week, the U.S. Small Business Administration will honor individuals who have been selected as "Small Business Person of the Year" from their respective States, and the national winner as well.

Today, I am pleased to inform my colleagues in the U.S. Congress that Mr. Paul R. John, Ritz-Craft Corp. of PA, Inc., a manufacturer of mobile and modular homes in Mifflinburg, PA, has been named the 1987 Pennsylvania "Small Business Person of the Year" by the U.S. Small Business Administration.

Mr. John, who was nominated for Small Business Person of the Year by the Williamsport, PA, SCORE chapter [Service Corps of Retired Executives], which is sponsored by SBA, was selected from among 13 candidates nominated by chambers of commerce and other small business groups throughout Pennsylvania. I was happy to write a letter last year in support of Mr. John's nomination.

Mr. John has proven that good employees, a quality product, and good management can overcome poor economic conditions to create a successful company. In 10 short years, Mr. John has guided the growth and expansion of Ritz-Craft from its meager beginnings of 60 employees and a sales volume of $5 million to its current strength of 500 employees and a sales volume of $38 million. Noting that this 10-year period contained some of the worst economic years in our local, State, and national histories, this has been no small accomplishment.

Additionally, Mr. John's insistence on using local area suppliers for his raw materials significantly aided the other small businesses in the local economy.

For the record, I would like to enter the following narrative supplied by SCORE—Williamsport Chapter 234, which tells the story of how Mr. Paul John "beat the odds":

BEATING THE ODDS: PAUL JOHN AND THE RITZ-CRAFT CORP. OF PA, INC.

Ten years ago, Paul R. John and three other investors bought a failing plant, in a depressed region, from a failing corporation.

Since then, the new company they formed has never had an unprofitable year, and has grown to be their town's second largest employer. Under Paul John's leadership, Ritz-Craft Corp.'s 60-person workforce has grown to more than 420. Physical plant has quadrupled in size, from 64,000 to 270,000 sq. ft. Sales, $5 million in the first year, have climbed to $33 million, with $39 million projected for fiscal 1986.

All this was accomplished against the odds: the Northeast in 1976 was in the economic doldrums. Pennsylvania, like other states, experienced tight money, high interest rates, and high unemployment. The rural town of Mifflinburg was no exception.

The Wickes Corporation, a major firm, owned a string of plants that made manufactured housing: mobile homes and doublewides. All of these plants, including the Mifflinburg facility, were failing—except one. Located in Minnesota, it was run by Paul John.

Paul had served with Wickes for 14 years, in a variety of capacities. He held corporate staff positions as Vice President of Manufacturing and Director of Production. In the field, Paul ran the only one of 16 plants to turn a profit.

Moved here to save the Mifflinburg plant, Paul turned a profit in the first year. It was small—sales were only $3 million—but it was a profit.

At the end of that year, Paul decided to buy the operation. The plant superintendent, purchasing agent, and sales manager became principals, and the four raised money to purchase Wickes stock. Paul remortgaged his home and put up his entire savings for his share. All the principals signed personal guarantees with Wickes.

Meanwhile the banks were not interested in lending money for what appeared to be an uphill battle. Loan money was tight or unavailable. All Paul had to offer was a track record. Luckily, that was a good one.

On the strength of that, and the value of the plant itself, a bank finally agreed to finance the building. However, the bank would not lend the group working capital.

This meant that Paul John's new company, Ritz-Craft Corporation of Pennsylvania, Inc., had to generate immediate cash flow. He employed a number of strategies.

Purchasing close to a half-million dollars in existing inventory, the group arranged a six month payback at 6%. Other liabilities were extended as much as possible. The lawyer agreed to spread out closing costs. Suppliers extended credit time. Dealers prepaid orders to help ease the cash crunch. Even the one week lag before the first employee paychecks went out played a role.

After a few years, the bank did finally advance a line of credit for operating expenses. Ritz-Craft has never once drawn upon it.

Ironically, banks now look to Ritz-Craft to bank (with repurchase agreements) every loan made to a Ritz-Craft dealer for the purpose of buying inventory.

Ritz-Craft produced about 425 homes in its first year. In 1985 the number had grown to 1600 homes a year, and the firm projects 1900 for fiscal 1986.

Paul John attributes this growth, primarily, to the quality of his employees. Because of economic conditions, labor has been abundant, and jobs are valued highly by those who obtain them. Many plant workers grew up on farms, where hard work is understood, and a strong work ethic prevails. Ritz-Craft employees take great pride in their work. The plant experiences very low turnover.

Such employees are invaluable in producing a quality product, the second key to the firm's success. Ritz-Craft Homes must meet exacting quality control standards. Independent inspectors, as well as internal Quality Assurance Personnel, ensure that Ritz-Craft homes conform to building codes for the 13 states in which they are sold.

Paul introduced design changes that improved quality. He uses 2 x 6s for walls, instead of 2 x 4s. His homes have 6" of R19 insulation. Sheeting is glued as well as nailed. Sprayed foam is used to fasten drywall ceilings, for improved aesthetics and durability. Ritz-Craft designs can be configured in many ways, offering consumers, dealers, and contractors more choices within budget ranges.

Because 50-75% of Ritz-Craft's business comes from referrals, the company provides energetic follow-up service. All homes are warranted for a full year, and Ritz-Craft often provides no-charge service beyond the warranty period. Although running the service department is expensive, it ensures customer satisfaction.

The third factor in Ritz-Craft's success story is good management coupled with strategic planning.

Because good employees are an integral part of the firm's success, Paul provides an environment designed to nurture those employees. There is constant communication about company goals and the employees' part in achieving them. There is also frequent praise for work well done. Paul promotes from within, creating opportunities for advancement. He provides in-house training for plant and sales employees. His non-union workforce includes several mentally and physically handicapped individuals, and he hires full-time people—a small group of college students during summer months and the office cleaning persons are the only part-timers. Paul also provides fully-paid health insurance and a retirement plan.

The firm's responsiveness to, and anticipation of, market trends, provides job security and company growth. Strategic planning enabled Ritz-Craft to weather the bad years of the recession without losing money.

The original plant built mobile homes and double-wides. During the years of high interest rates, consumers were still able to get or afford installment financing for these products. As interest rates continued to climb, Ritz-Craft expanded the plant to take advantage of the trend toward mobile homes.

Meanwhile, research into another product line was underway.

After three years of planning, and with the help of an $800,000 loan from the Snyder County Industrial Development Authority, Ritz-Craft built a second plant to manufacture modular homes. As interest rates came down, and consumers could afford mortgages, they began buying modular homes. Because Ritz-Craft offers both product lines, the firm can avoid peaks and valleys in sales, ensuring stable employment.

The firm continues to plan for the future. Plant number three, which will be complete in early 1987, will produce two-story modular homes, townhouses, and condominiums. It is being built with the help of a Union County Industrial Development Authority loan—$1.4 million—plus another $400,000 specially requested by UCIDA from the Governor. Besides providing increased production capacity, the third plant will allow Ritz-Craft to reach new markets.

During the recession, Ritz-Craft designed smaller homes for tighter budgets. The firm is at work now on designs for future lean years. All engineering and design work is done in-house, and is computerized; computers are used for administration, as well.

This careful planning and good management have paid off: Ritz-Craft has always been profitable, even during the recession. The firm has never borrowed operating capital. It holds the highest Dun & Bradstreet ratings, and is in excellent credit standing with all suppliers.

While the manufactured housing industry, as a whole, has been struggling, Ritz-Craft operates at maximum capacity. Despite the fact that Ritz-Craft Homes are not "low-end" models—typically selling for about $1,000 more than competitive homes—Ritz-Craft ranks in the top five of East Coast manufacturers for volume produced and sold. Paul now serves as a Director of the Pennsylvania Manufactured Housing Association, and as a Director of the Industrial Housing Manufacturers' Association.

Closer to home, Ritz-Craft's impact on the community has been considerable. The second largest employer in Mifflinburg, Ritz-Craft is a major customer of the number one employer, Yorktowne Cabinets. Paul is committed to purchasing raw materials and supplies locally: virtually all his needs are filled by firms in Union and Snyder County. At the local hardware store, alone, Ritz-Craft's monthly bill comes to around $8,000. As many as 150 secondary jobs may be linked to Ritz-Craft's success, while payroll for Ritz-Craft employees has grown from $500,000 to over $7 million. The firm belongs to both local and state Chambers of Commerce.

Paul's personal contributions to the community, primarily conducted through his church, have been substantial, but anonymous, so he declines to provide details. One activity he will discuss is volunteering, with his family, labor to help remodel the church. Other community service focuses on youth. Paul serves on the Board of Directors of the Susquehanna Council, Boy Scouts of America. He is actively involved in making improvements to nearby BSA Camp Karoondinha. Ritz-Craft also sponsors a Little League team, two men's softball teams, and a girl's softball team that has won the National Championship.

Paul John's firm serves the public in another way: Ritz-Craft Homes are an affordable alternative for those who might not otherwise be able to own a home. They go up quickly on the buyer's lot, keeping labor costs to a minimum. With the prices of homes and labor sky-high in the Northeast, Ritz-Craft homes offer average-income families a quality alternative. Its employees—and their boss—are proud.

EMPLOYEE EDUCATIONAL ASSISTANCE ACT

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. GUARINI. Mr. Speaker, today Mr. VANDER JAGT and I, along with more than 125 of our colleagues, are introducing the Employee Educational Assistance Act of 1987. This bill would amend the Internal Revenue Code of 1986 to make permanent section 127, the exclusion from gross income for educational assistance benefits. This provision is due to expire on December 31, 1987.

The Employee Educational Assistance Act of 1987 has broad bipartisan support. It has also been widely endorsed by business, labor, and the academic community. In addition, a companion bill has been introduced in the Senate by Senators MOYNIHAN and HEINZ.

Section 127 was enacted in 1978 to eliminate the confusion created by Treasury Regulation 162-5 as it related to the taxation of career-related employee educational assistance benefits. Prior to the enactment of section 127, Treasury Regulation 162-5 required employees to demonstrate that educational assistance benefits awarded to them by employers were strictly job-related or they were considered taxable income. This regulation had a profound impact on lower level employees, since they had more narrowly defined job descriptions while management-level employees could justify a broad range of education assistance courses as job-related. The impact of this ruling was particularly pronounced for women and minority workers who sought to upgrade their skills but were precluded from doing so because of the severe restrictions on nontaxed educational assistance and because they could not afford the loss of income from their paychecks that withholding for Federal taxes would have caused them.

For 9 years, section 127, the employee educational assistance provision has enabled more than 7 million American workers to upgrade their skills and further their education. Section 127 is a small but critical tax incentive that promotes training and retraining in the workplace. It encourages workers to keep up to date with new competitive, technological and industrial developments, and provides incentives for upward mobility. Employers, faced with the prospect of laying off workers, are in some cases retraining them through the educational assistance program. Finally, section 127 enables universities to offer tuition aid to employees who are graduate-level teaching and research assistants.

Mr. Speaker, in our efforts to seek ways of improving the U.S. competitive standing in the global marketplace it is crucial that we make this soon-to-expire provision a permanent part of the Tax Code. The legislation that my colleagues and I are introducing today will do just that. Our bill continues the current cap of $5,250 of excludable educational assistance, with a provision for annual indexing of the cap.

The bill also continues a current law provision under section 127(c)(8) allowing graduate teaching and research assistants to receive full tuition scholarships even if they provide some teaching or research services. Without section 127(c)(8), graduate students would be precluded—under section 117—from excluding tuition received in exchange for teaching or research services. This provision was added to section 127 in 1984 to allow graduate teaching and research assistants to receive tax-free tuition scholarships, even in those circumstances where they provide teaching or research services and such services are not a specific degree requirement. The purpose of the amendment was to place graduate students who perform teaching and research on an equal par with graduate students who received scholarships that had no teaching or research requirements.

The recently enacted Tax Reform Act of 1986, however, included a requirement under section 117 that tuition reduction, to the extent it represented compensation for services, be subject to tax. At the same time, Congress extended section 127 through the end of 1987 and the House Committee Report notes the continued application of 127(c)(8) to graduate students. Since enactment of the 1986 act, there has been some confusion as to the continued validity of section 127(c)(8) because of the changes made to section 117. The bill that I and my colleagues are introducing today merely clarifies that section 127(c)(8) continues to allow tax-free graduate tuition remission, even where some teaching services are provided.

Mr. Speaker, section 127 is an essential element to this Nation's overall quest to remain competitive internationally. Our competitive position depends on maintaining the linkage between the academic community and the work place, between scholarship and applied research. The value we place on the continuing education and training of our work force should be reflected by incentives in our tax policy. Mr. VANDER JAGT and I invite our colleagues to join us in cosponsoring this important legislation.

THE FEDERAL CREDIT REFORM ACT

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. GRADISON. Mr. Speaker, the Federal Government is by far the Nation's most active banker. It holds $252 billion in direct loans and $450 billion in guaranteed loans. Last year, it disbursed $42 billion in new direct loans and provided $159 billion in loan guarantees. Federal credit activity has grown at rates considerably greater than those for total Federal outlays, and this was true even during the latter half of the 1970's when outlays were growing at double digit rates.

The administration has recently released its credit reform proposal. I will soon introduce this credit reform package in the House. In an effort to provide my colleagues with the necessary information on this important legislation, I have included a factsheet developed by the President with my remarks. The text of the President's message on this legislation appears on page S3106 of the CONGRESSIONAL RECORD of March 12, 1987.

FACTSHEET ON FEDERAL CREDIT REFORM ACT OF 1987

The Administration's credit reform proposal corrects widely recognized shortcomings in the way credit is treated in the budget. The proposal would:

Measure accurately and equitably the benefits and subsidies of Federal credit programs;

Put the cost of direct loan credit programs on an expenditure basis equivalent to other kinds of Federal spending;

Recognize the cost of guaranteed loans at the time these loans are made;

Encourage delivery of benefits in the form most useful to the needs of beneficiaries; and

Improve the allocation of resources among credit programs and between credit and other spending.

The credit reform proposal would change the present system of accounting for credit programs so that the Congress, the Administration, and the public could evaluate the costs and benefits of Federal credit programs the way they now do grants, purchases, or transfers of income.

CONTEXT OF CREDIT REFORM

The reform of the budgetary treatment of credit programs is part of a much broader, six-year effort to improve the management of the government. A major part of that effort has involved a much-needed tightening of the government's management of its credit programs, including origination of loans, servicing and debt collection.

The President will shortly transmit to Congress his Management Report for FY 1988 which will include initiatives in numerous other management areas. Credit reform is a key element of the President's Management Improvement Program: Reform '88.

CURRENT TREATMENT OF CREDIT IN THE BUDGET

In fiscal year 1986, the Federal Government disbursed $42 billion in new direct loans and provided $159 billion in loan guarantees. At the end of fiscal year 1986, the Federal Government held $252 billion in direct loans and $450 billion in guaranteed loans. Despite this huge volume of resources, the budget does not properly reflect credit transactions. The current budgetary treatment of Federal credit programs results in an inaccurate measure of their costs. As a result, the budget provides an inappropriate guide to the allocation of resources involving credit and, not surprisingly, an ineffective means of control. Whereas the present budget records the true cost of Federal purchases, grants and transfers, it does not do so for credit.

For direct loans, the present budget measures net cash flow—the new loans to borrowers minus interest received and repayments of previous loans. This is misleading in four ways:

(1) The gross disbursement of new loans overstates their cost to the government because the government now owns a financial asset with a real market value;

(2) The fact that loans are expected to be repaid leaves the impression that, over time, they are costless, but this is not so because Federal credit programs provide subsidies to borrowers;

(3) The subtraction of repayments on previous loans confuses the effect of current decisions; and

(4) The budget accounts do not contain information on how much of the new loan is a financial asset and how much is a subsidy or expenditure.

For loan guarantees, the present budget does not record any costs unless, and until, defaults occur. At the time the commitment to guarantee is made, a loan guarantee is measured as a "free good" when compared with either a grant or a direct loan.

BACKGROUND OF CREDIT REFORM

Because of the inadequacies of the present budgetary treatment of credit transactions, a separate credit budget was created to record, and to place some limitation on, the volume of new direct loan obligations and new guaranteed loan commitments. The credit budget has focused attention on the decisions that commit the Government to new expenditures. But it does not show the size of the subsidies or expenditures; it shows only the total volume of credit assisted. Thus it does not distinguish between programs with deep subsidies, like the P.L. 480 export credits program with a 95 percent subsidy, and those with smaller ones, like the Rural Electrification Administration's loans to electricity distributors with a 13.1 percent subsidy. Most seriously, however, the credit budget is separate from the unified budget, so that tradeoffs between credit and other spending are not made. Because the subsidy element is not separated, the tradeoffs would probably be incorrect if the comparison were made.

The inadequacies of current budgeting for credit have been recognized in two bills that the Congress considered during the past few years. Several versions of the "Market Plan" were proposed by Senator Trible and Congressman Gradison. The later versions of the bill simplified the original proposal by modifying the requirements to sell all newly issued and existing loans and to reinsure all new loan guarantees. The "Appropriations Plan" proposed by Senator Heinz would estimate the true cost of credit programs and require agencies to request appropriations for them; it would create a central revolving fund for the unsubsidized portions of direct and guaranteed loans.

CREDIT REFORM DOES NOT AFFECT PROGRAM GOALS OR RESOURCES

Credit reform is an improved budget management tool. It does not, by itself, alter programs or resource allocation.

Nothing in credit reform alters the credit programs that the Congress has enacted or changes the existing authority of agencies to operate credit programs. Agencies will continue to arrange and approve direct loans and loan guarantees in the way they do now.

It does nothing to alter the Congress's discretion to establish the amount of loans that may be granted. What it does do is to put the budgetary resources provided to credit programs through the appropriations process on an equal footing with the budgetary resources provided to other programs.

It does nothing to alter the existing legal or contractual rights of the borrowers.

The proposed budgetary treatment of credit affects the deficit only to the extent that loan assets are sold and guaranteed loans are reinsured. The "scoring" of the Administration's credit reform proposal is itself deficit neutral.

Credit reform uses loan asset sales and guaranteed loan reinsurance as a management tool to help establish the true value of Federal credit programs and as a vehicle to use the private sector to manage collections. The primary purpose of the loan sales is not to reduce the deficit—it is for good credit management. The deficit savings achieved by loan asset sales are increasingly offset by the loss of payments of principal and interest as well as by outlays for the purchase of reinsurance for guaranteed loans. In sum, the Administration would support credit reform with loan asset sales and guaranteed loan reinsurance even if there were no impact on the deficit at all.

SUBSIDIES: KEY TO CREDIT REFORM

A new Federal credit revolving fund would be established within the Treasury Department. In addition to funding loans and overseeing the sale of direct loans and the reinsurance of guaranteed loans, a major responsibility of the fund is estimating the subsidies for agency loans.

A large part of the ultimate success of this plan will depend on the ability of the fund to establish correct subsidy values for direct loans and loan guarantees. The subsidy estimate should provide a measure of the grant-equivalent costs of the current period loan obligations and guarantee commitments. One way to estimate that subsidy is to sell the direct loans or reinsure loan guarantees. This approach would determine the grant-equivalent costs of a direct loan by comparing the market value of the loan with its face value. The grant-equivalent costs of a loan guarantee would be measured as the cost of getting the private sector to assume the liability, i.e., the cost of reinsurance. If loans are sold or reinsured, then all management aspects of the loan are taken into account—administrative costs, cost of capital, default risks, after-tax return on investment, availability of credit, and statutory forbearance provisions.

However, it is not necessary to actually sell or reinsure all loans to estimate the grant-equivalent costs. It is possible to estimate the cost of comparable loans made in competitive markets by reviewing data that are available from private sector loan transactions. Although this approach is subject to a margin of error, it has the advantage of avoiding problems that arise in selling or reinsuring certain types of loans. The credit reform proposal would estimate subsidies by using a mix of actual loan sales and reinsurance with estimates made by the fund using private sector loan data. For example, in FY 1988, out of $3.6 billion in direct loan disbursements, sales of $1.8 billion are planned, resulting in receipts of $1.5 billion. In the same year, out of $176 billion in guaranteed loan commitments, it is anticipated that about $8 billion of reinsurance will be purchased at a cost of $0.5 billion.

HOW THE PLAN WOULD WORK

Credit transactions would be measured in significantly new ways under the credit reform proposal.

For direct loans:

Federal agencies would be required to obtain appropriations equal to the estimated grant-equivalent subsidy of the direct loans they make.

An agency would continue to accept and process applications for new direct loans as it does now. As loans are disbursed to recipients, the agency would pay the fund for the subsidy represented by those disbursements. That subsidy payment would be recorded as an outlay of the originating agency. The fund itself would provide the unsubsidized balance of the loan amount through the use of its permanent indefinite budget authority.

Direct loans would be sold to the public or held by the fund if they were exempt from sale. If the loans were sold, the sales would be made on a nonrecourse basis and the collections from the sale would be an offsetting collection to the fund. (Nonrecourse means that the private sector would accept risks of the loans acquired; no Federal guarantee would accompany them.) If the loans were held, the agency would service the loan on behalf of the fund. Principal and interest payments received by the agency would be forwarded to the fund.

Not all direct loan programs will be included in the credit reform proposal. Those now planned for exclusion are the CCC commodity loan program, which is more of a commodity purchase program than a credit program, and direct loans that result from defaulted guaranteed loans, which are more of an extension of the loan collection process than they are new loans. In addition, several programs will be included in the credit reform proposal but will be exempt from requirements to sell loan assets. For example, international loans with foreign policy ramifications and loans made by financial regulators will not be required to be sold. The actual decision about which loans to sell and which to hold should be left to the discretion of the Secretary of the Treasury or representatives, who are the officials with ultimate responsibility for operating the fund, subject to normal Office of Management and Budget review.

For loan guarantees:

Federal agencies would be required to obtain appropriations equal to the estimated grant-equivalent subsidy of the loan guarantees they make.

Agencies would continue to accept and process applications for new guaranteed loans as they do now. At the same time as a guaranteed loan is issued by a lender, an agency would pay the fund for the subsidy represented by that loan. The subsidy payment would be recorded as an outlay of the originating agency. This procedure means that, for the first time, loan guarantees would require the use of budgetary resources. The agency would also transfer to the fund the fees paid by the borrower.

Guaranteed loans could either remain a contingent liability of the fund or be reinsured with the private sector. If reinsured, the cost of reinsurance would be an outlay of the fund and the cost of any future defaults would be borne by the private reinsurer. If the loans were held by the fund, they would continue to be insured by the Government. The subsidies and fees, plus the interest thereon, would constitute a reserve; the cost of any future defaults would be borne by the fund.

Eventually it is anticipated that almost all guaranteed loans will be reinsured, but this aspect of the program will be phased-in over a 5-year period in order to allow the reinsurance industry to develop. As the insurance industry becomes more familiar with the type of risks guaranteed by the Government, reinsurance markets can be expected to develop for the full range of Federal guarantees. For 1988, it is expected that reinsurance will be purchased for only a portion of the housing and student loans guaranteed by the Government. Meanwhile, the Working Group on Federal Credit Policy will be developing guidelines for reinsuring loan guarantees as well as looking into how to improve the collections process.

FUNCTIONS OF THE FUND

Treasury would assume the following administrative management functions in order to implement credit reform:

Establish an automated accounting and control systems to keep track of the status of the fund's lending activity and ensure that agency credit activity is limited to the amounts appropriated for subsidy costs.

Estimate the subsidy value for loans so that the program agency can request appropriations for the subsidy amount.

Provide oversight of loan asset sales that will be conducted by program agencies. However, Treasury would have permissive authority to make such sales itself.

Provide oversight of insurance purchased from private insurers that will be done by program agencies. However, Treasury would have permissive authority to purchase such insurance itself.

Hold as collateral any assets that result from the default of borrowers. Treasury would oversee the liquidation of such collateral by program agencies, although Treasury would have permissive authority to sell such assets itself.

The credit revolving fund would be separate from the Federal Financing Bank (FFB) and the FFB will be gradually phased-out as the loans it currently holds are repaid.

REPEAL ESTATE, GIFT, AND GENERATION-SKIPPING TRANSFER TAXES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. CRANE. Mr. Speaker, I recently introduced, H.R. 119, legislation which will repeal the current law for taxation of estates, gifts, and generation-skipping transfers. I am introducing this bill in order to eliminate an egregious form of double taxation and bring about more simplicity in the Tax Code.

These three taxes are forms of double taxation because both the original funds and the transfers of money are taxed. Individuals pay taxes when wealth is created, that is, when compensation in the form of wages or salaries is received there is an individual income tax. When interest is received from savings there is a tax on interest income. When an individual makes money from the sale of an asset there is a capital gains tax. When an individual receives a dividend from an investment in stock that dividend is taxed. Estate, gift, and generation-skipping transfer taxes, instead of taxing the creation of wealth, tax the transfer of this already-taxed money. If we are to bring greater fairness to the Tax Code, a dollar should only be taxed once: when it is earned.

One of the rallying cries of tax reform during the 99th Congress was fairness. How fair is it to tax a dollar more than once? How fair is it to descend like a vulture upon the estate of the deceased and pick away at the already taxed money left to the family and friends of the one who passed away? How fair is it to set limits on the size of a gift an individual can give without a tax penalty? How fair is it to discourage grandparents, through a stiff generation-skipping transfer tax, from setting up trusts for their grandchildren or great-grandchildren in order to safeguard their financial security?

Another rallying cry of the historic tax reform legislation was simplicity. However, the generation-skipping transfer tax provisions are so complex that only a small number of estate planning specialists can profess to have any understanding of them. In addition, the complexity creates serious compliance problems and even competent counsel, as well as professional trustees, often encounter extreme difficulty in ascertaining whether or not a taxable event that would trigger the generation-skipping transfer tax has occurred. And assuming that such an event has been identified, there is much difficulty in accurately calculating the amount of such tax. Simple elimination of the generation-skippikng transfer tax will do much in moving toward the goal of simplicity while losing only a marginal amount of revenue, since the revenues lost from the elimination of all three taxes would account for a reduction of only about 1 percent of Federal revenues from individual income taxes.

When Congress enacted the so-called tax reform bill last year, it failed to meet the President's goal of simplification, fairness, and growth. The retention of the estate, gift, and generation-skipping transfer taxes is but one area where tax reform failed. I urge my colleagues carefully to consider H.R. 119. Money should only be taxed once: when earned. Once an individual earns his money, he should be free to do whatever he wants to do with his money without penalty. If an individual wants to use those already-taxed dollars as a gift, to set up a trust for his descendants, or to build an estate which will safeguard the financial security of his or her inheritors, the Federal Government should not interfere by levying a tax on this type of transfer.

PROTECTING FARMERS' RIGHTS

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. DENNY SMITH. Mr. Speaker, today I am introducing legislation to protect the rights of those farmers and processors directly affected by EPA's actions under the emergency suspension provisions of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA).

This bill, if enacted, would allow those "persons adversely affected" to request an expeditied hearing to modify the emergency suspension order. Although emergency suspensions are rare, EPA's recent action on the chemical dinoseb has shown the need for this legislative remedy.

Under current law, only the registrants can request such a hearing once an emergency suspension is ordered. Should the registrants decide to forgo the expedited hearings, as they did in the case of dinoseb, farmers face a much more cumbersome process, known as a subpart D hearing, to try to obtain an emergency use exemption. Their other alternative is to wait until the outcome of the lengthy cancellation hearing, which can take almost 2 years.

When a chemical is labeled for use on so-called minor crops, registrants have little or no incentive to request an expedited hearing in the hopes of modifying the emergency suspension order. In addition, EPA has limited—and often inaccurate—information pertaining to pesticide usage on minor crops. Unfortunately, what may be considered minor crops in Washington, DC, are often the backbone of regional economies. We must ensure that "persons adversely affected" have the right to present their case to the EPA in a timely manner once an emergency suspension is invoked.

This bill would simply bring the emergency suspension procedure in line with the other procedures under FIFRA regarding changes in label requirements or the cancellation of pesticide registrations. I urge my colleagues to join with me in protecting the rights of the farmers and processors who contribute so much to our Nation's economy.

H.R.—

A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit persons adversely affected by an emergency suspension order to request an expedited hearing on the order.

Be it enacted by the Senate and House of Representatives of the United States of America is Congress assembled, That section 6(c)(3)(ii) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136d(c)(3)(ii)) is amended to read as follows:

"(ii) no person other than the registrant, any person adversely affected by the order of suspension, and the Administrator may participate".

LAURA KERR WINS VOICE OF DEMOCRACY CONTEST SPONSORED BY VFW

HON. LARRY J. HOPKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. HOPKINS. Mr. Speaker, I am pleased to recognize Laura Beth Kerr of Simpsonville for being chosen the Kentucky winner of the Voice of Democracy broadcast scriptwriting contest, sponsored each year by the Veterans of Foreign Wars of the United States and its Ladies Auxilliary.

The theme of the contest this year was "The Challenge of American Citizenship." Out of 300,000 high school applicants, 50 finalists were chosen, one from each state.

Laura is a junior at Shelby County High School in Shelbyville, and is secretary of the Beta Club, secretary of the Drama Club and chairman of the Drama Club Scholarship Committee.

The theme of her winning essay is deceptively simple—it is a challenge to all citizens of the United States to uphold their end of a contract with the Nation—and I believe the words of her condition are meant for each of us:

> American citizenship is more than mere glory, it is a challenge—will you meet this challenge? Will you uphold your contract as a citizen, or will you sit back and apathetically watch our respected Nation turn to dust? The choice is yours. Don't let 210 years of work die away into nothingness because you wouldn't do your part and accept the true challenge of American citizenship.

I commend Laura on her award, and challenge her to future excellence. A full text of her essay follows:

THE CHALLENGE OF AMERICAN CITIZENSHIP

(By Laura Kerr)

Ah America! Land of the free, home of the brave! A country of purple mountains, fields of wheat, and subcultures as variant as the stars. We have the honor and privilege to live in this great country of freedom and democracy—a country respected and idolized throughout the world. We have the singular honor of being called U.S. citizens.

But just what does being a United States citizen mean? Some would say "It means being honored and envied by people in less fortunate countries". Others might reply, "It means being born an American. You know, living here, pledging allegiance to the flag, and voting in elections". But being a citizen entails so much more. Pledging allegiance to the flag, for example, is a serious commitment. It is more that a boring recitation that everyone memorizes in the 5th grade. The pledge of allegiance says, in essence, "I will stand up for my country through thick and thin, and I know that though we are many factions of individuals, we are all united under God's watchful eye and with his support we cannot fail in our endeavors". The flag is our trademark. It tells the world that America stands for "liberty and justice for all". This equality, however, can only last through our preservation of it. In order to "secure the blessings of liberty for ourselves and our posterity", we must each take our citizenship very seriously. American citizenship is more than honored grandeur, it is a contract that is valid from tenderest infancy to the dark shadows of death. This contract of citizenship requires each man, woman, and child to be committed to the purpose of serving their country. Every citizen must find a way to become a part of America's future—it is not an option, but a burden of the conscious that reason and rhetoric cannot alleviate. Society has provided a position of service for all. Teachers instill the responsibility of citizenship into the young, lawyers protect the good and see that the bad are rightly reprimanded, even construction workers serve our country by altering and enhancing its appearance. The opportunities exist, the question is, "Will Americans uphold their contract of citizenship"?

The time has come for the people of the United States to wake up and realize what they are taking for granted. We are a fortunate people, but there is no guarantee that we will remain that way. We live in peace, yet the threat of war lurks about our doorstep. The time for apathy has passed. We must prepare this generation and the generations to come for the future. We simply cannot let the responsibilities of American citizenship rot and decay in a flag on the wall of the schoolroom. We must each uphold our duties as loyal residents of the U.S. How can we sit back on election day and let someone else make decisions for us? The government exists to serve us and we, in turn, must serve it. The burden lies on our shoulders to elect responsible leaders—leaders who will make decisions that effect not only us, but our children as well. The leaders we elect today could determine whether or not our country stays out of war. It is the duty of each of us to see that the people in power serve the country before themselves. We determine the fate of our nation—we must not let it die.

American citizenship is indeed an honor—an honor that we too often take for granted—an honor that will perish unless we begin working today to preserve it. We've never been promised tomorrow. American citizenship is more than mere glory, it is a challenge—will you meet this challenge? Will you uphold your contract as a citizen, or will you sit back and apathetically watch our respected nation turn to dust? The choice is yours. Don't let 210 years of work die away into nothingness because you wouldn't do your part and accept the true challenge of American citizenship.

A SOLUTION TO BRITTLE BOOKS FOUND IN WESTERN WISCONSIN

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. GUNDERSON. Mr. Speaker, earlier this month, the Subcommittee on Postsecondary Education held an oversight hearing on the problem of "brittle books" in our Nation's libraries and schools. Typically, most would consider the situation of decaying books easily remedied by greater use of computers and microfilm. Certainly these are two options, but a corporation in the town of Clear Lake, with a population of 899 in Wisconsin's Third Congressional District, offers an alternative.

Roughly, 30 to 40 percent of the books in our libraries and schools across the country are becoming or already are brittle. This means that the pages of the book crumble when turned or used.

The Nova Tran Corp., in Clear Lake, WI, has developed an advanced technology to help address the problem of brittle books. Parylene is the technology used by Nova Tran to preserve books and documents. Parylene is a transparent protective coating also used to protect electronic microcircuitry from corrosion and moisture. Parylene's conservation properties will work well to preserve books and other written materials.

The subcommittee oversight hearing reflects the need to find alternatives to make books available for use by future generations. Some have suggested that our educational system and libraries should move away from books in favor of computers and microfilming of written materials. While these technologies are vitally important, we should also preserve our literature and history in its original state.

For a greater understanding of the Nova Tran technology to preserve our Nation's books and documents, I encourage my colleagues to read the following article titled "Reprieve From Rot."

[From World, January/February 1987]

REPRIEVE FROM ROT

(By Bruce Humphrey)

America's libraries are full of rotten books.

They're not poorly written, and they're not X-rated. They're literally decomposing—becoming "brittle," in scientific jargon.

Bruce Humphrey, a product manager at UCC's wholly owned subsidiary Nova Tran Corporation, in Clear Lake, Wis., is determined to help, using a unique Carbide product: *Parylene.*

"Some older books are so brittle the pages shatter when turned," says Humphrey. "Books crumble even as they stand undisturbed on library shelves."

A layman might assume that relatively few, very old books are at risk. Not so. The number of books, documents, and maps known to be brittle runs into the billions—thirty to forty percent of the contents of U.S. libraries.

And books printed today may deteriorate faster than ever due to higher acid content.

"Until the middle of the nineteenth century, paper was a luxury item," Humphrey explains. "It had high rag content—large amounts of cotton and flax—which provided alkaline properties and built-in preservation. With the Industrial Revolution came paper based on cheap, widely available wood pulp, making it possible to meet exploding public demand. But making pulp-based paper involves using chemicals that leave an acid residue, the villain that eats away at paper.

Scientists have discovered how to remove acid from book pages, but until recently, still sought a coating that could protect the pages for decades to come.

Humphrey has been searching for now applications of Parylene since he joined Nova Tran in 1981. The product has been used primarily in the electronics, defense, and aerospace industries, where it forms a plastic-like coating that protects delicate microcircuitry from all forms of hostile environments.

Humphrey sent some treated paper samples to the Library of Congress, and received an enthusiastic challenge: "Great! Find a way to treat whole books—lots of them."

So far, Humphrey has succeeded in developing a special application that makes it possible to coat all the pages in a book evenly in a single treatment, placing four to six books at one time in a standard UCC Model 1050 Parylene deposition chamber.

Torture tests have included bending the corner of a Parylene-treated page in a 20-year-old paperback book back and forth and creasing it after each flexure. After 1,000 cycles, the corner had not broken. By comparison, uncoated pages of old books can break after just one flexure. After the test, microscopic examination showed that most of the individual cellulose fibers in the treated page had failed, and the paper was held together by the Parylene, which penetrated the surface and surrounded each fiber.

Other tests have included soaking treated pages in water for six months, exposing them to sunlight out-of-doors for six months, attacking them with sulfuric acid and various chemicals—all without destroying the paper, which remained strong and flexible.

Not much data on the long-term durability of Parylene exists yet, but the experiments are part of a ten-year-long Library of Congress research project on paper-strengthening methods. Says Humphrey confidently: "Our technology is by far the most advanced. There's nothing else in the world like Parylene."

THIN COATING—FAT REWARDS

A typical Parylene protective coating on paper is about 500 angstroms thick—1,000 times thinner than a plastic sandwich bag. Incredibly thin as it is, that colorless, invisible coating has virtually no pinholes and is highly resistant to chemical attack because it is insoluble in most known chemicals.

Parylene polymer was developed by Carbide scientists at the South Charleston Tech Center, and in Bound Brook, N.J., during the 1950s and commercialized in the mid 1960s (winning a Kirkpatrick Award honorable mention, one of the chemical industry's highest honors, in 1967). In has become indispensable to the electronics industry for protecting microcircuitry against moisture and chemical corrosion.

Nova Tran Corporation, based in Clear Lake, Wis., started out as an independent licensee of Parylene systems, providing custom coating services. Today, as a wholly owned UCC subsidiary, it continues to do custom coating, while also marketing Parylene deposition systems and conducting research on additional applications. Parylene sales and deposition equipment manufacture are handled by the Coating Materials Department in Indianapolis.

To date, the most exotic use of Parylene has been to coat the deuterium-tritium targets that Los Alamos, N.M., scientists bombard with very high intensity laser beams in their efforts to generate electricity by atomic fusion.

As manufactured at Bound Brook, N.J., Parylene is a white powder. To work its magic, 4he power is first vaporized in a vacuum at approximately 320 degreew F. The vapor is then Heated to 1256 degrees F, at which temperature it splits in half chemically. The resulting monomer (a chemical compound that can combine with another monomer to make a very large molecule called a polymer) is then fed into a room-temperature vacuum deposition chamber.

There, it polymerizes on the surface of any object(s) in the chamber, creating a perfectly uniform, optically clear coating.

H.R. 115: BAR STATES FROM TAXING SOCIAL SECURITY BENEFITS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. CRANE. Mr. Speaker, recently, I introduced H.R. 115, a bill to prohibit State governments from taxing Social Security benefits. This bill is necessary because the 1983 Social Security Amendments enacted into law during the 98th Congress sigificantly reduce Social Security benefits for middle-income retirees. Without this bill, many of these same individuals are also being forced to pay additional taxes on their Social Security benefits, thus reducing their benefits even further. Pensioners in nine States face the possibility of paying State taxes on their benefits.

Many States have laws that are parallel with the Federal taxation practices. Therefore they use the adjusted gross income reported on the Federal tax forms as the basis for an individual's income to compute State tax liability. Although some States have taken legislative action to provide a State income tax exemption for Social Security benefits included in Federal adjusted gross income, many have not. Unless specific legislation to the contrary is enacted in States adopting current Federal code provisions, Social Security benefits will automatically be included in those States' income tax bases. The incentive behind such a tax by the States is the tens of millions of dollars in potential revenues for needy State treasuries. While revenues from the Federal tax on Social Security benefits will be passed along by the Treasury to the Social Security trust fund, the revenues from a State tax on Social Security benefits do not go back into the Social Security trust fund. Instead, most State governments would use the revenues to trim their State budget deficits and finance future State programs. The States, in an effort to increase their revenues, are at the same time further penalizing those individuals who do save for their retirement. This double taxation of Social Security benefits by the Federal Government and the States creates an unjust burden on these recipients and a large disincentive for those who would otherwise want to continue working to supplement their income. Social Security recipients often live on very low incomes and cannot afford the added burden of State taxation.

When the 1983 Social Security Acts were passed, the intention of the amendments was not to allow States to tax Social Security benefits. The intention was to restore solvency to the system upon which so many Americans depend. This bill will remedy this unfair burden levied on Social Security recipients and restore justice to the system. I therefore urge my colleagues to rise in support of H.R. 115.

AFGHANISTAN DAY

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. PORTER. Mr. Speaker, today is Afghanistan Day, a day to celebrate the culture and strength of the Afghan people. Since Soviet troops invaded Afghanistan 8 years ago, thousands have been killed, and millions have fled. Day in and day out we have watched while the Afghan people struggle against the Red army.

Lately we have reports that this limited Soviet invasion has spilled over into neighboring Pakistan. Moscow's invading armies are no longer stopping at the Afghan border. From 1985 to 1986 Soviet attacks into neighboring Pakistan have tripled. The attacks are ruthlessly aimed at the 3 million Afghan refugees who have fled their homeland to escape from the killing and bloodshed.

The new Soviet peace proposals show that the resistance is making an impact. Afghanistan Day is about pain and suffering, Mr. Speaker, but recently it is also a message of hope. The Soviet leadership has seen the growing strength of the resistance.

Let us hope that they willl now see the futility of continuing their 7-year attempt to enslave the courageous Afghan people and withdraw.

CHARLES E. BENNETT SETS SERVICE RECORD FOR FLORIDA IN HOUSE

HON. BILL GRANT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. GRANT. Mr. Speaker, Congressman CHARLES E. BENNETT is one of the most respected persons ever to serve in the Congress. For over 38 years he has served with diligence, honesty, and integrity.

That fact is well known.

What is not well known is the fact that he has now served in the U.S. House of Representatives longer than any other Floridian—breaking the record set by former Congressman Bob Sikes, who served 19 terms before retiring to a well deserved rest in his hometown of Crestview, FL.

It is not just the fact that my friend and colleague has served so long, it is the fact that he has served so well that makes this event so special to this body and to all of Florida.

In paying tribute, I could not find words more appropriate than those used by Florida State Society president Ed Yawn last week when a plaque was presented to Congressman BENNETT to honor his accomplishment.

Here is what my friend, Mr. Yawn, had to say:

CHARLIE BENNETT did not threaten Noah with holding up appropriations for the Ark unless he named it the U.S.S. *Florida*.

And Bob Sikes, CLAUDE PEPPER and Amory Underhill—not CHARLIE BENNETT—were responsible for Florida's successful reentry into the Union.

Bob said that other than that, Mr. BENNETT has had a hand in everything important that's happened to Florida and the Nation from the opening of the 81st Congress on through the recent rebuilding of the Navy and last session's omnibus drug legislation.

There are voters in Jacksonville who've never seen a ballot without Mr. BENNETT'S name on it—unless he ran unopposed—and their now-voting children haven't either.

He's also come unscathed through four reapportionments, which—as a political achievement—ranks right up there with the unbroken service, 19 reelections and the rollcalls.

Currently chairman of the Florida delegation, as well as dean, he also is chairman of the House Armed Services Seapower Subcommittee and the Democratic chairman of the Military Reform Caucus. He twice chaired the Ethics Committee and wrote the Government Service Code of Ethics.

If I were to list the legislation that bears his mark, or the awards he has received, I would talk far too long. And I am already approaching that point.

So, I'll conclude now with two more pertinent facts and the presentation that is the reason for this gathering.

The words honor, privilege, able, honorable, and distinguished get a lot of use in these meeting halls on both sides of the Hill, and quite often the people who speak them even mean what they say.

But their routine use makes it tough on people like me. For there are times when no other words will come close to the truth. And this is one of those times.

Tonight it is our privilege to honor Congressman CHARLES E. BENNETT for 38-years of unbroken service in the U.S. House of Representatives. No Floridian has served longer—or better. This is why we honor him.

In those years, Mr. BENNETT has never missed a legislative rollcall. He has cast at least 16,000 recorded votes, which is an all-time record for the Congress.

This also is almost more diligence than even Florida deserves, and it covers nearly 20 percent of the Nation's history.

The previous champion of unbroken service, Congressman Bob Sikes, wanted to be here tonight for the formal transfer of the title. But he could not make the trip. So he asked me to set the record straight on a few of those rollcalls.

Congressman and Mrs. Bennett—Jean—have three children.

He enlisted in the Army as a private at age 31 on the outbreak of World War II and rose to captain. For distinguished and gallant service in the war, he was made a member of the Infantry OCS Hall of Fame, where the motto is, I believe, "Follow Me."

The inscription on our commemorative plaque reads: "To Congressman CHARLES E. BENNETT upon the establishment of a new record of more than 38-years of continuous service in the U.S. House of Representatives on behalf of the people of the State of Florida with deep appreciation and affection from the members of the Florida State Society."

Mr. BENNETT, the emphasis is on deep appreciation and affection. I know I speak for all of the Florida State Society when I say you have our unanimous consent and our urging to extend your service for as long as you choose and into the next generation of voters.

In short, you lead and we'll follow. If we had a hall of fame, you'd be there.

Ladies and gentlemen, fellow Floridians and guests, please prepare to give some real and warm down-home recognition to the man behind a lifetime of able, distinguished, diligent, and gallant service above and beyond duty.

Mr. Speaker, that was quite a tribute and I wanted to use Ed's remarks in paying tribute to a gentleman I greatly admire. There are a few other facts which I would like to include in these remarks.

His legislation made "In God We Trust" our national motto. He has twice been chairman of the House Ethics Committee.

BENNETT has been the principal sponsor of important environmental, conservation, and national park legislation that has become law. He received the Izaak Walton League Award for "Outstanding Conservation Accomplishments." He authored legislation to require buildings to be accessible to the handicapped.

His successful military legislation provided needed ships for the Navy, advances in military housing. His legislation also established a scholarship program for doctors for the Armed Forces. He authored legislation creating the Arms Control Agency and recently enacted legislation allowing the military services to assist in interdicting drug smugglers.

He has authored and enacted legislation in the areas of anticrime, auto safety, historic preservation, Federal aid to education, and in improvements in government efficiency and economy. He has been awarded the "Distinguished Service Award," the highest honor given by the President's Committee on Employment of the Handicapped, this for vocational rehabilitation legislation.

BENNETT has received six "Watchdog of the Treasury Awards" from the National Association of Businessmen for his strong support of fiscal responsibility in government. The Jacksonville Congressman also received the "Minuteman of the Year Award" from the Reserve Officers Association, and he was chosen by the Non-Commissioned Officers Association for its highest award for legislative action. The Navy League gave him the highest award for civilian service to the military.

BENNETT practiced law in Jacksonville before election to Congress and was active in civic affairs, the Jacksonville Jaycees. He also served in the Florida House of Representatives in 1941.

During World War II, he led guerrilla fighters in the Philippines in the Northern Luzon mountains and was awarded the Silver Star for gallantry in action. The Philippines decorated him with the Legion of Honor, the highest award for a non-Filipino. He was elected to the Infantry Hall of Fame by the Fort Benning Officer Candidate School. He served as National President of the University of Florida Alumni Association in 1972.

BENNETT is serving his 20th term in Congress and represents the Third District of Florida, which includes most of Duval County and all of Nassau County. He is an elder in the Riverside Avenue Christian Church in Jacksonville.

It is not so much that he has served so long but rather that he has served so well. All of us are richer for CHARLES E. BENNETT having served in the Congress.

A TRIBUTE TO GROVER CLEVELAND AND TO HIS HOMETOWN, CALDWELL TOWNSHIP, NJ

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. GALLO. Mr. Speaker, it is my privilege to rise today to join the people of New Jersey and their other representatives to recognize the 150th anniversary of the birth of our Nation's 22d and 24th President, Grover Cleveland.

President Cleveland was born in the manse of the First Presbyterian Church in historic Caldwell Township where his father served as the Presbyterian minister. Caldwell, originally including the now separate municipalities of Essex Fells, Fairfield, North Caldwell, Roseland, and West Caldwell, was named after James Caldwell, the fighting parson of the American Revolution.

Grover Cleveland, fifth of nine children, was born 150 years ago today. Although a number of Presidents have chosen to retire in our fair State, Grover Cleveland is the only President to have been born within our borders. Even though he first held elected office in New York State prior to being elected twice to the highest office in our land, his distinguished career reflects honorably on his birthplace. As the Representative of the Eleventh District, which includes Caldwell, I am pleased to participate today in this special congressional tribute to President Cleveland and to the West Essex communities where he was born.

RAYMOND SCHULTZ AND SISTER CITIES

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. PEPPER. Mr. Speaker, just over 30 years ago, President Dwight D. Eisenhower set into motion a concept which in the ensuing years has captured the hearts of millions of Americans in a program dedicated to furthering peace and understanding in our troubled world.

I am speaking of the Sister Cities program which currently unites nearly 800 cities, towns and villages in the United States with some 1,200 communities in 87 nations of the world. In our country alone, more than 100 million Americans reside in sister cities.

This growing national program is furthered by Sister Cities International which, I am proud to say, will be moving to new permanent national headquarters in Alexandria, VA and dedicating their building on March 26, 1987.

I am particularly proud of the fact that a constituent of mine, Raymond R. Schultz of Hialeah, FL, has served as chairman of the national building fund of Sister Cities International. It is largely through his dedication and commitment that the goal of the association to purchase a new building has become a reality.

Raymond R. Schultz is best described as a man who devotes his time and enormous energy to helping other understand not the differences between nationalities, but rather the similarities and common bonds we all share.

His interest in international affairs began in 1972 when he was elected president of the Hialeah Sister Cities Committee, a position he held for 6 years. Under his stewardship, the Hialeah Sister Cities program won numerous national honors and international attention.

In 1974, Raymond Schultz was elected to the national board of directors of Sister Cities International. He was elected vice president of the organization in 1976, a position he holds today.

In addition to his regular duties, he agreed to serve as chairman of the Central American Emergency Committee of the association where he devoted his considerable talents and energies to helping the victims of natural disasters in Central America. He was honored in 1984 by the U.S. Department of State and the Agency for International Development with their highest civilian award which read, in part, "He donated his time, expertise, and personal resources and facilities toward the U.S. Government's Relief and Preparedness Program for Latin American and the Caribbean. Because of his personal commitment to this program many thousands have benefited."

In 1983, he was called upon to devote his attention to the critical need for a national headquarters building for Sister Cities International and agreed to chair the effort to raise the necessary funds to make this dream a reality.

His most recent honor came on February 3, 1987 which was declared "Ray Schultz Day" by the Board of County Commissioners of Dade County, FL. He was cited for his deep involvement in many community activities since he moved to Hialeah in 1964 and for his volunteer service to Dade County.

At great personal and economic sacrifice, Raymond Schultz has provided the consistent leadership, energy and motiviation to the Sister Cities building project that has contributed to its success. He truly represents the outstanding dedication and commitment of all sister city volunteers.

To Ray Schultz and the tens-of-thousands of sister city volunteer across this Nation, the new Sister Cities International building represents a symbol of their many accomplishments over the 30 years the program has been effectively and dramatically furthering its goal of international understanding and cooperation.

For instance, Des Moines, IA is putting together a consortium to establish a 1,000-acre demonstration farm center near Shijiahzuang, China where the two sister cities will work together to bring new agricultural technologies and techniques to the people there.

Sapporo, Japan recently gave permanent space in its new exhibition hall to Portland, OR so local businesses could exhibit their products on a rotating basis.

Hundreds of citizens of Dayton, OH journeyed to Augsburg, Germany to help that city celebrate the 1,000th anniversary of its founding in 1986. In honor of its American sister, Augsburg declared a "Dayton Day" during the height of the celebration.

Roanoke, VA has a continuing project with its sister city, Kisumu, Kenya to assist disadvantaged youth to find a better way of life through training and education.

Riverside, CA and Ensenada, Mexico organized and formed a lifeguard and rescue association which has saved hundreds of lives.

Prescott, AZ made a major donation of supplies, including an ambulance, 70 refurbished school desks, wheelchairs, and other supplies for a retirement center in Caborca, Mexico.

Every year, thousands of young people travel to and from sister cites around the world to live in a family setting and to experience new cultures and ideas. Because the national program is 30 years old, many of the original young people who traveled abroad are now assuming places of leadership in their own communities. They are assets to their communities and to the Nation as they bring their experiences, knowledge and understanding to the decisions that must be made in our role as a world leader. These young professionals are providing a vital role in this process and the Sister Cities program can be counted on to increase the number of young people participating in the future. They are indeed a precious national resource.

As the 1980's unfold, the worldwide network of sister cities is expanding rapidly as more and more cities discover they can work together to find solutions to common problems that go far beyond the original concept of the program—to encourage better understanding between the people of the world. For developed and developing nations alike, the growth of cities and metropolitan areas follow similar patterns and presents the same challenges to government officials and citizens.

What does a sister city relationship offer that ordinary contacts with other countries don't?

First, a sister city relationship is undertaken with the long view in mind. For any relationship to develop, time is essential—time to learn, time to trust, time to understand.

Second, a sister city relationship stimulates community interest in culture, history, art and the study of foreign languages. It also helps to improve local relations, because people come together to work for a common objective.

Third, a sister city relationship invariably brings young people into program activities. These young people are going to be the future leaders. Exposing them to an indepth cross-cultural experience, including language training, is the best possible investment that can be made.

Fourth, a sister city relationship opens a "door" to the country and its culture, because of the link with a city in that country. Many U.S. cities have undertaken multiple affiliations with counterparts in different countries, thus opening doors around the world.

Fifth, it provides invaluable experience in the field of international relations gained, not passively, but through direct personal contact with a real and participating partner.

The excitement of the sister cities program and its appeal to the cities of the world cannot be described in one project—or even several. The real excitement of this program involves the people and their commitment to help solve some of the problems that confront this century, that only people working together in concert can hope to resolve. Eight hundred U.S. cities involved in this program are not enough, 3,000 are not enough, let's set our sites at 5,000 or more in this program by the turn of the century. Think what a "powerful force for peace" we would have.

ALLENTOWN, PA, MILITARY ORDER OF THE PURPLE HEART

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. RITTER. Mr. Speaker, I am pleased to honor the Military Order of the Purple Heart, Lehigh Valley Chapter 190, Allentown, PA. The distinguished members of this group, each of whom paid a special price for our freedom, kindle and rekindle the flame of freedom in each of our hearts. They remind us that our way of life is indeed precious. Following, are my remarks at their March 14, 1987, anniversary banquet in honor of Gen. George Washington:

We have a responsibility to ourselves, our children, our community and our nation to view the world with open eyes, open minds and open hearts. . . . We have a responsibility to leave a legacy of real peace to those who follow us. To accomplish this, we first need to add new dimension to the meaning of peace as it is understood by our fellow Americans. Indeed, the true definition of peace must be understood and accepted by all the free people of the world. If free peoples do not comprehend the ingredients of their own peaceful existence, they will not be able to protect it for themselves, no less help others achieve it.

These essential ingredients are captured in the credo printed in this evening's program where it says, "The Military Order of the Purple Heart believes that peace is man's second most urgent goal; the first, is freedom." I would add, that it is impossible to pursue peace—peace as we understand it—without pursuing freedom. They cannot be separated. Where one goes, the other follows. If freedom is achieved, peace will follow. Where there is no freedom, there is no peace . . . only submission and repression.

So, just what are the ingredients included in a recipe to promote peace and freedom? They are the common freedoms granted in democratic societies denied by tyrannies. In other worlds, real peace cannot be enjoyed under tyranny and to the extent societies repress certain critical freedoms, they keep true peace from their people.

Let me describe five freedoms essential to peace . . . and counter to tyranny. (You may know of others you consider important.)

1. EXPRESSION AND DISSENT

The freedom to express dissenting views, views critical of any established order.

2. ASSEMBLY

The freedom to assemble, to gather for political purposes even if such purposes run counter to the established order.

3. PRIVACY

The freedom to conduct lawful personal and political activities in privacy, free from government spying or suppression.

4. ECONOMY

The freedom to support oneself and one's family without dependence on the state. Here, private property and private enterprise are essential. State run economies pervade the most represssive, least peaceful societies . . . the total dictatorships. There, if you disagree, you lose your job, your livelihood, your shelter, your food. If we fear monopolies in relatively free economies and pass laws against them, just imagine the power of the monopoly where the government owns everything . . . where government officials are the monopolists over the people and their daily work lives. What a fertile field for corruption!

5. SPIRITUAL

To be at peace, people must have the freedom to worship as they choose and not forced to worship the god of the state. Secular state ideologies which actively suppress a people's religious beliefs pervade the most warlike, the most repressive and the least peaceful of societies . . . the totalitarian societies. Without spiritual freedom the human soul is not at peace.

While totalitarian societies are the main usurpers of peace and freedom, any society which takes away the freedoms we speak of also diminishes the peace of their people. So there you have it—Freedom of expression and dissent, freedom of assembly, freedom to pursue privacy and property, and freedom of religion—a recipe, a prescription for peace if you will, where freedom is the insurance policy and free peoples are the guarantors.

And, this freedom, as you who have earned the distinguished Purple Heart well know, does not come cheap. There is a price we pay for peace and freedom, yet it is tiny compared to the price we pay under tyranny. When free, peaceful people value their way of life, they are prepared to defend it against tyranny. Free, peaceful people, must never be ashamed of their arms and armies which deter tyranny and preserve peace and freedom. There is a great difference between a gun in the hand of criminal and the gun in the hand of an officer of the law. Indeed, there is an enormous difference between the arms and armies of those protecting peace and freedom and of those who would take it away.

Yes, peace and freedom is seen as the mortal enemy by the tyrannical. With peace and freedom, leaders are held accountable for their actions, misdeeds or crimes. That is why tyrannies are never able to withstand the scrutiny of their own people and why peace and freedom is so contagious and ideal that tyrannies seek to crush it before it spreads.

In sum—peace and freedom removes the ill-begotten privileges of tyrants.

While still under the umbrella of peace and freedom, I would like to discuss the Strategic Defense Initiative (SDI). So much of the SDI debate has focused on its technical feasibility that its purpose—to preserve peace and freedom—is often ignored.

AMERICA'S DEFENSE OF PEACE AND FREEDOM: THE CASE OF SDI

We have no interest in oppressing any nation of the world. Indeed, we were the true victors after World War II, and we liberated, then built up, the lands we conquered. Today they are free. Because of the example and support of the U.S.A., free societies flourish world wide. Today 90% of Latin America lives under democracy! This has not happened while free peoples were weak. To the extent free peoples are not bullied by tyrants, they remain free. Defense of freedom is a moral and historical necessity.

Our strategic defense policy rests on the idea of mutually assured destruction (MAD).

Until now, the only way of protecting ourselves from extinction, or more probably blackmail, has been to threaten the Soviets with nuclear holocaust. A strange and dangerous logic, produced by our ability to visit destruction on a foe, has told Americans that the best way to preserve peace and freedom is to risk everything on the hope that our totalitarian adversaries who neither respect, nor have, peace and freedom, won't dare fire a shot. However, as our defensive technologies have caught up to offensive technologies, there is an alternative.

For the first time since the end of World War II, there is hope that we can move from our security posture based on threats of massive nuclear retaliation to a posture which depends on defense.

Most do not know that if a nuclear missile was fired at the United States, our only alternative would be to watch it hit or fire back. And, then how many do we fire back? . . . one? . . . all? That's right. We currently have no ability to defend ourselves against a nuclear attack. And, shocking as it may sound, many opponents of SDI argue that this is good; that we don't want to scare the Soviets into believing that we could stop their weapons and so have the opportunity to fire ours first; that we could use SDI as part of a first strike strategy. But, let's get back to the basics of peace and freedom. Free societies at peace don't strike first . . . they don't seek to terrorize. The free United States is not, and can never be, the moral equivalent of the totalitarian Soviet Union.

Space has been militarized as it is the space in which intercontinental weapons travel. For 15 years the Soviets have gone ahead with their version of SDI. What kind of world would it be if tyrants controlled the space above the globe. SDI could demilitarize space by preventing nuclear missiles from using it.

This Congressman is for SDI as a sane alternative to MAD, an alternative that allows us to defensively preserve our peace and freedom.

Peace and freedom applies across the board. A realistic definition of peace will result in policies that preserve and promote peace and freedom. And, it is to those policies that I am committed.

All of you take pride in America serving as the beacon of peace and freedom to the entire world. With all our nation's faults, there has never existed in all of human history a greater experiment in peace and freedom than the land called America.

AWARD HONORS RICHARD (RICK) MOORE OF DALLAS

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. BRYANT. Mr. Speaker, Richard (Rick) Moore of Dallas fights crime during his working hours as a corporal in the Dallas Police Department and serves as a tireless volunteer and president of his youngest son's elementary school Parent-Teachers Association during his spare time.

His superior achievements in both areas led to my recognition of him as winner of my "Congressional Citizenship Award" for February 1987.

Although Mr. Moore's achievement as a police officer rank him among the top in his chosen profession, it's doubtful that many people anywhere have combined law enforcement and involvement in elementary education to the extent Mr. Moore has.

As a 17-year veteran of the police department, Corporal Moore has received at least 25 commendations from fellow police officers and the citizens he protects. He has won the police department's Certificate of Civic Achievement, an award bestowed only when Dallas police officials feel a member of their ranks has devoted enough service to merit the recognition. He has been named officer of the month and he has received the top rating for a Dallas officer for at least 10 straight years.

He has also served as field training officer and recruit class advisor, training at least 16 rookie officers in the former capacity.

"Our field training officers are our very best officers," reports his immediate superior, Sgt. Larry Barbee. "They do the single most important job in the department: They're directly responsible for training rookies to be the type of officers we want them to be."

As the father of Alex, an eighth grader at Florence Middle School in Dallas, and Nathan, a fifth grader at John Quincy Elementary School in Dallas, Rick Moore has been active in PTA work for 9 years. He attended school in the same area where his family now lives and he patrols that same neighborhood for the Dallas Police Department. His most recent police commendation came in September 1986 when he spent 2½ hours on the telephone in a successful attempt to convince a suicidal teenager to lay down a loaded shotgun and receive help.

That success came as no surprise to Adams Elementary principal Dr. Paul Riddle, who taught both Rick Moore and Rick's wife when the latter were students at W.W. Samuell High School in Dallas.

"Rick is invaluable to the community in that he lives here, he works here, and all the school children know and respect him," said Dr. Riddle. "He was a tremendously impressive student and he's a tremendously impressive adult. But probably the best thing he does is be a father. His sons are outstanding students, just like their parents, and one reason they are is because their father related so well to them."

Adds Adams Elementary staffer Kitty Morris, "Anything I ask him to do, he finds a way to get it done. He's here all day Thursdays and Fridays, his days off. He handles fund-raising drives for the school, he talks to classes about safety and crime, he works with individual students on their academic problems, he's a teacher's aide when we need material run off on the copying machine. You name it, Rick Moore will do it."

Rick Moore explains his deep commitment this way: "I feel if I can reach kids at an early age it helps improve the image they have of police officers. It also gives me a way to get involved with and monitor my own two sons' progress. And besides, I'm the oldest of nine kids, so it's the most natural thing in the world for me to be around a lot of kids."

TRIBUTE TO POLICE HEROES JOHN E. SAWA AND LARRY EUGENE SMALL

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. BIAGGI. Mr. Speaker, I rise today with a heavy heart and the deepest of respect to pay tribute to two of law enforcement's fallen heroes, Maryland State Troopers John E. Sawa and Larry Eugene Small.

Like so many before them, Mr. Speaker, both of these courageous troopers died a violent death while performing their duties. Those of us who have served in the law enforcement profession learn to expect and prepare for the gravest of risks, but there was no way to prepare for the totally unexpected deaths of Troopers Sawa and Small.

As they sat in their patrol car yesterday shortly before dawn on a median strip along I-95 north, a moving van laden with furniture veered off the road and hit them broadside. A drunken driver was at the wheel of that moving van. The driver, who received only minor injuries, was charged in the deaths.

Those are the cold, hard facts, and some may even conclude from this that Troopers Sawa and Small were simply at the wrong place at the wrong time. Maybe so, but how many of the rest of us are required by our job responsibilities to sit on the median strip of a heavily traveled interstate highway in the dark of night. Those two troopers were certainly not fearful of losing their lives as they sat on that median strip, but they were at far greater risk than most of us face in our working environment.

In fact, the deaths of Troopers Sawa and Small force us to look at the broader issue of what has been termed "accidental" law enforcement deaths. The FBI Uniform Crime Report lists the following categories for "accidental" police deaths: automobile accidents; motorcycle accidents; aircraft accidents; struck by vehicles—traffic stops, roadblocks, et cetera; struck by vehicles—directing traffic, assisting motorists, et cetera; accidental shootings—crossfires, mistaken indentities, firearm mishaps; accidental shootings—training sessions; accidental shootings—self-inflicted; and others—falls, drownings, et cetera.

Frankly, I am troubled by this term. I know it is certainly not the FBI's intent, nor the intent of anyone else, but the term "accidental death" seems to imply that it could have happened to anyone, or that it was somehow the result of an officer's carelessness. In fact, the dictionary definition says as much. Webster's defines accidental as: "occurring unexpectedly or by chance; happening without intent or through carelessness and often with unfortunate results."

In some cases, this may be true, but largely these accidental police deaths are directly attributable to the job responsibilities of a law enforcement officer, and often these deaths are the result of someone else's carelessness, not the fallen officer's. For example, how many of the rest of us are exposed to the dangers of a traffic stop or roadblock situation—66 law enforcement officers died that way in the last 10 years. How many of the rest of us are exposed to the dangers of directing traffic, or assisting motorists—78 law enforcement officers died that way in the last 10 years. How many of the rest of us are exposed to the dangers of accidental shootings during job training exercises—11 law enforcement officers died that way in the last 10 years. Or, how many of the rest of us are exposed to the dangers of falls and drownings during rescue attempts—33 law enforcment officers died that way in the last 10 years.

Mr. Speaker, we ask a lot of our law enforcement officers and sometimes it costs them their lives. How do we, as a society, respond to these deaths? We pause, for a moment, but after some kind words and a few tears, all but a few lives are left unchanged—most notably the police survivors.

That is a major reason why, 2 years ago, Congress authorized a National Law Enforcement Memorial to be built in our Nation's Capital. As chairman of the organization in charge of building that memorial, I am proud to report that substantial progress is being made toward our goal. The memorial, which was approved unanimously by Congress, will be financed totally through private contributions. Based on the response thus far, I am confident that the National Law Enforcement Memorial will be one of our Nation's great success stories.

For the survivors, the memorial will remind them that the sacrifice of their loved one was not in vain and will not be forgotten. For active law enforcement officers, the memorial will remind them that their work and sacrifice is fully recognized and highly valued. For other Americans, it will remind them that law enforcement is a uniquely perilous and demanding profession. For all, it will be a symbol of enormous pride.

Let me stress, Mr. Speaker, that this memorial will make no distinction between Federal, State, or local officers; between those who suffer felonious deaths and those who suffer accidental deaths, nor between those who died 100 years ago and those who die 100 years from now.

The memorial will help us gain a greater appreciation of the law enforcement profession, and also the very special people who serve that profession—people who willingly risk their lives for the good of others—people like John Sawa and Larry Eugene Small.

John Sawa was 40 years old and a 5-year member of the Maryland State Police. He came from a family of troopers. His brother, Gerard M. Sawa is a State trooper, and his father, John S. Sawa, is a retired State police lieutenant. John Sawa has been highly praised as a hard worker who received a number of commendations for speed and alcohol enforcement work on Maryland's highways. Like so many fallen officers before him, he is survived by a wife and two children.

Larry Small was just 21 years of age, and had just graduated from the Maryland Police Academy December 19. He was a very promising trooper who was assigned to work with Trooper Sawa during his probationary period.

Both of these brave and selfless law enforcement officers will be sorely missed, but never forgotten.

At this time, Mr. Speaker, I wish to insert a Washington Post article discussing the tragic deaths of John Sawa and Larry Small:

TWO MARYLAND TROOPERS DIE AS VAN HITS CRUISER ON I-95

(By Paul W. Valentine)

There were few troopers better for Maryland State Police novice Larry Eugene Small, 21, to accompany on the road yesterday than John E. Sawa, 40, a five-year member of the force who came from a family of troopers.

But there was little to prepare either for what happened as they sat in their patrol car before dawn on the median strip of I-95 north of Baltimore.

A northbound moving van laden with furniture suddenly veered off the roadway and barreled broadside into their patrol car, rolling over it and dragging it at least 100 feet, police reported.

Both troopers were killed.

Sawa died at the scene.

Small, who had graduated from the State Police Academy December 19, was flown by helicopter to the University Hospital Shock Trauma Center in Baltimore, where police said he died of massive internal injuries about four hours later.

The driver of the van, identified as Carl Douglas Cates, 34, of San Antonio, was charged with drunk driving and two counts of homicide by motor vehicle while intoxicated.

Cates and a passenger in the van escaped with minor injuries, police said.

Cates was ordered held in lieu of $76,000 bond at Harford County Detention Center.

The fatalities were the first for the Maryland State Police since two troopers died in a helicopter crash in Baltimore on January 19, 1986.

In yesterday's crash, Sawa, who lived in suburban Baltimore with his wife and two children, was praised by police officials as a hard worker who had received several commendations for speed and alcohol enforcement work on the state's highways.

Sawa's brother, Gerard M. Sawa, also is a state trooper, police said, and his father, John S. Sawa, is a retired state police lieutenant.

"He was a damned good trooper," said state police spokesman Chuck Jackson.

Small, who lived in Cardiff, MD, had been assigned to work with Sawa during his probationary period.

"He also was promising to be a hell of a good trooper," said Jackson.

According to police, Sawa and Small had stopped on the I-95 median strip about 4:20 a.m. yesterday near Havre de Grace to exchange paperwork with another trooper, Sgt. Michael Ey, 33, who was driving a second patrol car.

The two cars were parked side by side, police said, when Ey suddenly saw the moving van veer off the inner lane of the roadway 100 yards away and rush toward them on the median strip.

Ey drove his own car out of the path of the van and shouted to Sawa and Small to do the same, police said, but it was too late.

After rolling over their car, police said, the moving van fell on its side in the median strip.

Sawa and Small "were just at the wrong place at the wrong time," said Jackson.

THE NEW GI BILL

HON. DAN DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. DANIEL. Mr. Speaker, only circumstances beyond my control could have prevented my being present yesterday to vote in support of H.R. 1085, to make permanent the New GI Bill.

Back in the early 1950's I was privileged to bring into the management training program of my employer the first fruits of the original GI bill. Enacted in the closing days of World War II, this bill made it possible for those whose lives had been interrupted by the war to secure the training and education necessary to return them to the place they would otherwise have attained, had their lives not been disrupted by military service. I saw first hand that the program worked to the distinct advantage of the Nation and the individuals involved.

In the intervening years, the program has undergone changes, but the goal has remained the same—to return those we ask to serve the Nation in the military service to an appropriate role in civilian life. It is one Government program which has worked magnificently.

It was a privilege for me to cosponsor the bill which was before the House yesterday, and had I been on the floor I would have proudly cast my vote to make this program permanent.

TRADE AND COMPETITIVENESS LEGISLATION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, March 18, 1987, in the CONGRESSIONAL RECORD:

The 100th Congress has made trade legislation a top legislative priority. Bills are already under serious consideration in both the House and the Senate, and the administration has changed its approach of past years by submitting its own trade and competitiveness package to the Congress. Although legislation is needed, I doubt that it will be as effective as its proponents claim. Even if a package quickly becomes law, it may have only a modest impact on U.S. competitiveness.

The reasons for the push for legislation are not difficult to understand. Our trade deficit hit a record $170 billion last year; just 6 years ago, we were running a trade surplus. Two million workers have lost jobs in recent years because of a flood of imports, from textiles and steel to electronics and biotechnology. What's at stake is more than immediate markets. If the United States loses its competitive edge, it would mean fewer good jobs, shrinking incomes, and a declining standard of living for everyone. The Nation's security could be threatened, too, with a shift in the balance of power to Western Europe and Japan. The burden of our huge debts financed by foreign creditors could eventually sap the vitality of the American economy.

America's recent decline in international commerce is not a transitory, easily corrected phenomenon. For months, our primary emphasis has been to bring down the value of the dollar in order to boost U.S. exports by making their price more competitive overseas. It has not worked that way. The dollar has declined some 40 percent against the Japanese yen, but our monthly trade deficits have scarcely changed. January's $14.8 billion trade deficit is a telling reminder that, important as the dollar's devaluation is, more is involved.

Some feel that the solution is attacking unfair trade practices by our competitors. This approach could be the centerpiece of congressional action this year to improve our trade balance. While the world as a whole would be better off without trade impediments such as dumping, subsidies, and closed markets, their role in our trade deficit is often overstated. These barriers are no more prevalent now than they were in the 1970's when we had much smaller deficits. Our exports have actually increased steadily in recent years, indicating that the worsening of our trade deficit has been due mainly to our importing and consuming too much. Recent estimates suggest that eliminating foreign trade barriers would improve our trade deficit by no more than $10 billion.

My sense is that our declining competitiveness is due to several long-term structural problems in our system, not easily solved by quick-fixes. American products suffer in global markets from an image of being of poor quality. By one estimate, 15 to 40 percent of the cost of almost any U.S. product today is for the waste embedded in it. The typical U.S. factory worker is the highest paid in the world, but his productivity increases have not kept up with those of his foreign counterparts. We have always led the world in science and research, but have fallen behind other countries in developing commercial applications for our discoveries. American management has been faulted for opting for short-term profit over long-term gain, failing to make the needed investment in new plants and equipment, and devoting more attention to exploiting tax loopholes or engaging in takeovers than to improving their products. Much of the blame also clearly rests with Washington. We have not kept our economic policies in order, have been slow to develop a comprehensive trade policy, and have cut back investments in America's economic future.

The need for long-term investment to boost our productivity is addressed by the competitiveness packages. Proposals include expanding Federal programs for basic research, adult literacy, and math and science education, and emphasizing retraining over assistance for U.S. workers displaced by foreign products. Although investment in our future is probably the most important long-term step we can take to improve U.S. competitiveness, many of these measures will not have any discernible impact on the trade deficit for years. Another problem is that policymakers are severely restricted in what they can do. Their two principal policy tools—adding new savings and investment incentives to the Tax Code and increasing the budget with new spending programs—are increasingly off limits. Our huge Federal deficits and the substantial military buildup in recent years make new spending very difficult, and the Congress may be unwilling to reopen the Tax Code soon after last session's major overhaul.

Other worthy initiatives which do not require new tax incentives or spending programs are under consideration: Reducing outdated and unnecessary federal regulations that put our companies at a competitive disadvantage, modifying sections of U.S. antitrust laws, addressing the product liability crisis, and reviewing the export of American technology that previously had been restricted on national security grounds. Also under consideration are measures to stimulate the dollar's decline against a broader range of our competitors' currencies, and to reduce the debt burden of less developed countries, which represent some of our best potential markets.

Important as a trade bill may be, the main problem with competitiveness initiatives is that the Federal Government cannot legislate success. The best thing that the Government can do is to provide a sound economy in which enterprises and individuals can flourish. The budget deficits must come down, real interest rates must be reduced, and we must have a more balanced mix of fiscal and monetary policy. In the end, the competitiveness of American industry rests primarily on improved performance in manufacturing and production. More important than any particular piece of legislation are fundamental U.S. attitudes about personal saving and consumption, product quality, and productivity.

Raising productivity and improving our competitiveness takes time. Yet I am feeling better about our position. America is focusing more on the critical issues of competitiveness in a manner that holds the promise of great success.

ALLEVIATE WORLD HUNGER

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. HALL of Ohio. Mr. Speaker, today I, along with my distinguished colleague from Nebraska [Mr. BEREUTER], have introduced legislation to expand basic education efforts undertaken by the U.S. Agency for International Development. As Chair and Vice-Chair of the International Task Force of the Select Committee on Hunger, we believe this initiative is an indispensible step in our efforts to alleviate world hunger.

It is clear that education is necessary to promote the social and economic development of people and nations. Education develops the necessary knowledge, skills and productive capacities of the work force, providing skilled labor for both the industrialized and informal sectors of the economy. It is therefore vital that poor and malnourished people have basic reading, writing, and arithmetic skills if they are to work for their own economic development.

The U.S. Government can be proud of its efforts to help malnourished people in other countries. However, many development assistance programs are greatly hindered by low literacy levels of the target population. Illiterate people are much less able to take advantage of assistance in agriculture, water and sanitation, health and family planning than their more educated peers.

Investments in education, particularly in primary education, earn a very high rate of return on those investments. The poorer the country, the higher the payoff for teaching its citizens to read, write, and perform basic arithemetic skills. It has been shown that farmers with only 3 years of schooling can increase their yields by 6 percent a year compared to farmers without a primary education. Basic education also reduces rates of infant mortality by 36 infants per 1,000 live births. Each individual year of a mother's education results in an average child mortality decline of 3.5 percent.

I believe that our foreign assistance programs should be doing more to ensure that people in less developed countries have access to basic education. While it is clearly each country's responsibility to educate its own citizens, there are many opportunities for the U.S. Agency for International Development to increase the efficiency and effectiveness of educational systems in the AID-assisted countries.

The bill I am introducing today will earmark 50 percent of the Agency for International Development's education resources for basic education. Currently only about 20 percent of education funding promotes basic literacy development. I believe this is a crucial element of our foreign assistance program which must be maintained. This bill seeks to do just that.

MICHIGAN CARES

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. VANDER JAGT. Mr. Speaker, I am today introducing a bill in conjunction with a great majority of my Michigan colleagues that will greatly clarify the tax exempt status of self-insured workers' compensation funds. These funds are totally and vitally important to over 6,000 Michigan employers and well over 2 million Michigan workers who can rely on these self-insured funds for workmen's compensation coverage. From these numbers alone, it is understandable why our Michigan Congressional delegation is unified in pressing for appropriate legislative action. I had first introduced this bill alone, H.R. 1489, just to get the ball rolling. Now, I am honored to do so for practically the entire Michigan delegation with special appreciation to Congressman JOHN DINGELL.

I want to quickly point out that this is not a Michigan bill. It is not a Michigan problem. It is not a Michigan solution.

This legislation is vital and important to funds that exist and extend coverage and hope in some 25 other States. Now that this Michigan initiative has been introduced, we shall be seeking the support and help of the entire membership of the House of Representatives. We need legislation to preserve and protect the integrity of these funds which are under attack by the Internal Revenue Service. IRS is wrong. And, we shall prove it conclusively.

"SAWMILL" CHRONICLES LIFE IN THE OUACHITA MOUNTAINS

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. HAMMERSCHMIDT. Mr. Speaker, 6 years ago the University of Arkansas Press was established in my district on the main university campus in Fayetteville, AR. In this short time period of time the press has produced many volumes of prominence and distinction. Literary journal ranging from the New York Times Book Review to the Library Journals and Publishers Weekly have commented on various works which have been published by this press.

This past December the University of Arkansas Press published another notable piece, which I would like to proffer to my colleagues. The book "Sawmill", chronicles life in the Ouachita Mountains of Arkansas and Oklahoma from 1900 to 1950. The author, Kenneth L. Smith, an Arkansas native, conducted more than 300 personal interviews, did extensive research, and collected numerous onsite photographs.

In addition to its scientific contribution, "Sawmill" provides a unique glimpse into the history of the mountain dwellers. These hardy and skillful people spent a lifetime struggling to build an existence from the rocky hillsides. This is perhaps the most significant aspect of Smith's book—the story of man's interaction with his natural environment and how despite the shortcomings and mistakes which were made, a legacy of self-reliance and determination was made a part of our State's history.

As for the mistakes, well today the reforestation of the Ouachitas has produced a mountain range that is once again covered with new growth. The difficult lessons that were learned through the Ouachita mountaineers will not be forgotten. Kenneth Smith's "Sawmill" documents these lessons in a way that can be implemented both today and by future generations.

BAYARD RUSTIN CELEBRATES HIS 75TH BIRTHDAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. RODINO. Mr. Speaker, Bayard Rustin, a name synonymous with human rights, economic justice, labor reform and international freedom, is celebrating his 75th birthday on March 18 and I wanted to call this special day to the attention of my colleagues.

I, along with many prominent civil rights leaders, have long valued this guidance and counsel, and most important his friendship. Bayard has always been in the forefront of civil and human rights struggles and over a long period of time, I have admired his dedication and leadership concerning these matters. In fact, he has been an inspiration to all persons seeking to help the poor, underprivileged and oppressed of this world. Born and raised in West Chester, PA, Bayard was an outstanding student, athlete, and musician. He attended Wilberforce University, Cheyney State College, and the City College of New York. He earned his way through school at odd jobs and by singing as a gifted tenor with Josh White's Carolinians and with Leadbelly at New York's Cafe Society.

A dedicated Quaker, Bayard has been associated with the Fellowship of Reconciliation [FOR], the Congress of Racial Equality [CORE] and A. Philip Randolph's March on Washington Movement. In his drive for the elimination of discrimination in the Armed Forces, he was instrumental in securing President Truman's order eliminating segregation in the Armed Forces.

In the early days of the Montgomery, AL, bus boycott, Bayard's extensive background in the theory, strategies, and tactics of nonviolent action proved invaluable to Martin Luther King.

In honor of A. Philip Randolph, his mentor, who was a noted labor and civil rights activist, Bayard Rustin in 1964 helped found the A. Philip Randolph Institute. The institute has over 180 local affiliates which have sponsored voter registration drives and programs to strengthen relations between the black community and the labor movement.

In addition to advancing the cause of civil rights at home, Bayard has been vigilant in supporting human rights struggles abroad. As vice chairman of the International Rescue Committee, he has become intimately involved in refugee affairs. He has traveled the world working to provide food, medical care, education and humanitarian assistance to refugees and to focus public concern on their difficult plight.

In 1975, Bayard Rustin organized the Black Americans to Support Israel Committee which has pressed for the release and movement of Soviet Jews and Ethiopian Jews seeking to immigrate to Israel.

Bayard Rustin is a recipient of numerous awards and honorary degrees from Harvard, Yale, Brown, and New York University.

Mr. Rustin currently serves as cochairman of the A. Philip Randolph Institute and president of A. Philip Randolph Education Fund.

On this important day, I wish Bayard Rustin continued success in his pursuits for the betterment of mankind and many, many more fruitful years with his family and friends. Above all, I wish to extend him our heartfelt thanks for having dedicated his unique talents and energies to making this world a better place to live.

I know many of my colleagues in the House join with me in extending our congratulations and birthday wishes to Bayard on this joyous occasion.

FURTHER TURKISH ENCROACHMENTS ON CYPRUS VIOLATE U.N. RESOLUTION

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. BROOMFIELD. Mr. Speaker, recent reports indicate that Turkish civilians, including dependents of Turkish soldiers, have moved into the Varosha-Famagusta areas of Cyprus. After the Turkish invasion of Cyprus in 1974, U.N. Security Council Resolution 550 forbade any attempt to settle any part of Varosha by people other than its legitimate inhabitants. The recent effort to move into that area violates Resolution 550 and reduces the chances for a just and lasting settlement of the situation on Cyprus.

I wrote recently to the U.S. Ambassador to the United Nations to ask about U.N. efforts to redress the new Turkish incursion into the Varosha-Famagusta area. My letter to him of February 23, 1987, and the response of March 5, 1987, follow:

HOUSE OF REPRESENTATIVES,
Washington, DC, February 23, 1987.

Hon. VERNON WALTERS,
U.S. Representatives to the United Nations, United Nations Plaza, New York, NY.

DEAR MR. AMBASSADOR: I wish to express my concern about recent reports that Turkish civilians, including dependents of Turkish soldiers, are moving into the Varosha-Famagusta area of Cyprus. I would ask that you encourage the United Nations to investigate this unsettling development promptly.

The United Nations undertook to administer the Varosha-Famagusta area in 1974, after the Turkish invasion of Cyprus. Resolution 550 of the Security Council forbids any attempt to settle any part of Varosha by people other than its legitimate inhabitants. Unfortunately, over 29,000 of the displaced original residents of that area are now living as refugees in their own land.

This recent Turkish action to move into the Varosha-Famagusta area could destroy all hopes for a just and peaceful resolution of the long-standing problems on Cyprus. The timing of the Turkish action also is disturbing since it comes on the heels of reports of an increase in Turkish troop levels on Cyprus and an upgrading and modernization of the weaponry of those troops.

Your efforts to represent the policies of the United States to achieve withdrawal of Turkish forces from Cyprus are much appreciated.

With best wishes, I am,

Sincerely,

WILLIAM S. BROOMFIELD,
Ranking Minority Member.

DEPUTY REPRESENTATIVE OF THE UNITED STATES IN THE UNITED NATIONS SECURITY COUNCIL,
March 5, 1987.

Hon. WILLIAM S. BROOMFIELD,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN BROOMFIELD: In the absence of Ambassador Walters, I am replying to your letter of February 23, 1987 concerning recent developments in the Varosha area of Cyprus.

The U.N. Secretariat is actively seeking to resolve the issue through quiet diplomacy. While in Nicosia in early February, Under-Secretary-General for Special Political Affairs Marrack Goulding discussed the issue with Mr. Denktash and made the following statement:

". . . Mr. Denktash assured me that he had no intention to change the status quo in the fenced-in area of Varosha. He told me that only two hotels were being used for the housing of students. He said that this was a strictly temporary measure and that those hotels would be evacuated as soon as alternative accommodations had been arranged for the students who are present there. In the name of the Secretary-General, I pressed that the alternative accommodations should be arranged as soon as possible, so that the status quo could be restored as regards those two hotels."

The United States fully supports these U.N. Secretariat efforts. We are hopeful that the Secretariat's efforts will lead to a satisfactory resolution of the issue.

As you know, Varosha is one of the issues which must be resolved within the context of an over-all settlement of the Cyprus question. Under his good offices mission the Secretary-General is continuing his efforts to engage the parties in productive negotiations. We strongly support his efforts and believe his good offices mission provides the most effective way to reach an over-all settlement.

With all good wishes,

Sincerely,

PATRICIA M. BYRNE,
Acting Permanent Representative.

PAT BRAMER: BEST ALL AROUND ATHLETE IN BERKSHIRE COUNTY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to Pat Bramer of Hinsdale, MA, who was recently named best all around athlete in Berkshire County.

The people of Hinsdale are rightfully proud of Pat and his accomplishments. He is a fine athlete, who has excelled in soccer, basketball and baseball. Not being selfish with his talents, Pat has given his time and energy to help younger athletes by helping to coach baseball and soccer.

Mr. Speaker, as I am sure you are aware, western Massachusetts has a long tradition of excellence in education. Pat, in keeping with this tradition, is an outstanding scholar. He certainly is a well rounded individual.

The town of Hinsdale and the Lions Club of Hinsdale will be honoring Pat on March 29, and that day will be known as Pat Bramer Day in Hinsdale. I would like to take this opportunity to offer my congratulations to Pat. The people of Hinsdale have every right to be proud of him.

EAST OLEAN WELLFIELD SUPERFUND PROJECT

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. HOUGHTON. Mr. Speaker, thank you for the opportunity to submit in the CONGRESSIONAL RECORD the city of Olean's statement concerning the East Olean Wellfield Superfund Project. I urge my colleagues to read this statement, since it presents one city's attempt to cleanup a local contaminated site under the Superfund law. I believe that they will find it interesting.

A STATEMENT CONCERNING THE EAST OLEAN WELLFIELD SUPERFUND PROJECT, FEBRUARY 18, 1987

We are the City Attorney and Director of Public Works for the City of Olean, New York. The following represents our views based upon detailed knowledge of the superfund project involving contamination of Olean's municipal well fields by a common industrial solvent.

Olean has 18,000 residents who are offered a high quality of life, and some of the amenities of communities having vastly larger populations. However, the community has experienced a trend of declining population and relatively high unemployment. So, an important component in the fabric of the community is its several industries which employ several thousand area residents. The community and its industries have a history of cooperation.

Some time in the past, some of these industries legally disposed of trichloroethylene (TCE) by depositing it in the ground, where it ultimately found its way into the ground water. The result was contamination of several municipal water wells by "plumes" of migrating trichloroethylene. As TCE has now been identified as a possible human carcinogen, those presumably innocent acts of the past have resulted in the community having become involved in an EPA/Superfund remediation project.

In 1981, when the problem was identified, the County Health Department and the City Department of Public Works thought the problem could be addressed and resolved if devices known as airstrippers were employed. The airstrippers would be part of the municipal water system and presumably with the installation of such devices, the dangerous materials in the water supply would be filtered out.

In 1981, the community requested the United States Environmental Protection Agency and the New York counterpart agency, the Department of Environmental Conservation, to become involved. The project seemed straightforward enough: Superfund monies were available and those agencies had available resources and expertise to bring about the prompt remediation of the community's problem.

The decision to involve the EPA and DEC, at the time, seemed a logical one. It appeared the job would be best handled by agencies established to address such matters. In hindsight, the decision was probably a mistake.

It is now six years later. Leterally millions of public and private dollars have been expended and the project has not yet finished its design stage. (Interestingly, all the studies resulted in recommendations that airstrippers be utilized—something known almost from the beginning.) Further the process itself has alienated involved industries and frustrated municipal and county officials.

The Environmental Protection Agency is charged with the administration of the Superfund. That federal law is written in such a way that one important activity of the Environmental Protection Agency in each project is to identify the party or parties responsible for the contamination. Reponsible Parties once determined must pay, if they can, for all expenses incurred directly and indirectly in the remediation and thereafter for the operation and maintenance of the remediated facility. These are very big dollar matters.

In the City of Olean's project, there are essentially three identified Responsible Parties. All have engaged experts and are prepared, if necessary, to assert in Court that their respective Corporations were not responsible (or responsible only in part) for the problem at the municipal wells. These experts are hydrologists, chemists, physicists, geologists and other consultants who have expertise in the arcane sciences associated with the movement of subsurface contamination from the place of deposit to other places. We do not know how much has been spent on consulting experts to date; however, we know the sum is very substantial.

All of the alleged Responsible Parties have, in addition, hired attorneys and all are being well represented. There are currently nine attorneys involved on behalf of the parties and it is fair to say each respective party is fairly well positioned in the event of a lawsuit intent on definitively establishing the responsibility of the parties.

In September, 1985, nearly five years after the problem was identified, the City of Olean put forth an extraordinary proposition. In an effort to break through and move the project forward, it made a simple proposal believed to be in everyone's best interest. Its Common Council sought to bring about an unprecedented environmental coalition. To that end it resolved that the City of Olean would "undertake the operation and maintenance" of the completed facility if (1) the involved industries would agree among themselves to volunteer to actually do the remediation, and (2) the EPA would waive the prior incurred costs. This proposal would have cost industry several million dollars to install the airstrippers and would have cost EPA about 1.9 million dollars, the prior costs incurred to that point in time. The City of Olean for its part, over the long term, would expend indefinite but presumably manageable sums of money for operation and maintenance.

It is now nearly a year and a half later, and neither of the components of that resolution has been realized; that is, no voluntary agreement among the responsible parties has been reached, nor has EPA relented in its prior cost demands. Those in City government feel a comprehensive public/private agreement has thus far failed to occur because (1) the Environmental Protection Agency continues to be unwilling, or unable by law, to waive the prior incurred costs associated with the project; and (2) the EPA is legally unable to involve the City as a voluntary participant in the remediation process.

In January, 1986, the Environmental Protection Agency invoked its powers to compel remediation. These are complex legal proceedings, however, the effect may be summarized simply. If the named industries do not undertake remediation pursuant to the direction of the Environmental Protection Agency, EPA will do it and the long-term costs to proven responsible parties could be at least three times greater than if industry did the work themselves.

Not surprisingly, a cost-benefit-risk analysis by involved Corporations resulted in a decision by two of the three responsible parties to begin the project. The third industry has since tentatively agreed to involve itself in this effort.

All alleged Responsible Parties would now very much like to have the City formalize by agreement its resolution to undertake the operation and maintenance *without the participation of the EPA* in the development of the agreement. Indeed, since September, 1986, there has been serious exploration between the City and industry of what such a "side agreement" might look like. Regrettably what has crystalized from that dialogue is that the side agreement alternative is exasperatingly difficult to achieve—perhaps impossible to achieve because numerous technical and legal issues must be resolved to make such an agreement; and EPA, the player with all the cards, is not party to the dialogue. The vision of the 1985 Resolution was to create a "three-legged stool" among the City, EPA and industry, that would maintain a balance between the shifting concerns of the involved parties. The stability of the coalition is undermined if one party, USEPA, refuses to participate. This results in a two-legged stool which is inherently unstable.

The City is thus witness to an unusual scenario. While it is a legally uninvolved third party it recognizes that it is nevertheless part of the equation and, therefore, wishes to meaningfully participate in the process of remediating an environmental hazard within its borders that affects the quality of water its citizens consume.[1]

However, by law, "responsibility" has taken on a perverse definition undermining effective local municipal participation in remediation matters. As a result, Superfund projects seem to be driven by legal strategy and bureaucratic response. In such an environment public interest becomes secondary to red tape and the consequent wrangling among all parties.

We assert the philosophy of the Environmental Protection Agency and the language of the Superfund legislation needs to be changed. It needs to be changed in recognition that the environment, when contaminated, demands speedy remediation and given the staggering costs involved, remediation is best realized by a partnership, alliance or coalition of efforts. Local governments *are* involved and must have the opportunity, if they choose, to participate.

If Olean had it to do again, perhaps it would have undertaken the entire project itself and kept the EPA elsewhere. Expectations have not been met. It was envisioned that this project would take 18 months from beginning to end and be done properly. Instead for six years the East Olean municipal water wells have been closed and the City has been using a costly alternative water source of debatable quality . . . debatable because the hypothesized risk of cancer from the alternative source, though legal, is presumed to be approximately the same as from the closed wells.[2] Costly because the annual cost to operate the alternative source significantly exceeds the operating cost of the closed wells.

The City of Olean's experience is a first-generation superfund experience, and having been through it, those of us who know have no doubt that our experience, and those of numerous other communities facing similar problems, will ultimately result in a substantive revision of the law. We expect in time there will be in place other options for addressing these imponderable issues. These options will result because of a shift in the thrust of the underlying law. That shift will probably be:

A re-definition of the term responsibility. While consideration must be given to willful contaminating acts as opposed to innocent acts, ultimately involved communities and their tax dollars will be authorized and encouraged to be part of the process. It will be recognized that municipal governments have at least as much "responsibility" for environmental hazards within its boundaries as industries made Parties as a result of the unintended consequence of legal acts.

Secondly, the concept of a public-private sector Environmental Coalition will take on legal substance as a preferred first alternative to the tedious adversarial system now in place. In environmental law there is a joke that says it all:

Question: How many persons are necessary to remediate a superfund environmental hazard?

Answer: Forty. Thirty-nine lawyers and someone to run the bulldozer.

Stated differently, the philosophical underpinnings of the law itself will shift, encouraging rather than discouraging, the concept of developing a Project Partnership. Environmental issues are a national concern critical to our future, and this City's experience demonstrates they are not best addressed, in the first instance, in a bureaucratic, adversarial setting.

We have seen the legal and technical representatives of industry and the Environmental Protection Agency and all are effectively doing the job they have been hired and paid to do. They do not, however, have as a first priority the best interests of this community in mind. They have the best interests of their client in mind. That is not as it should be, but that is what is required under the current law.

The public is not being well served by such an approach. This community may be criticized for taking other than an adversarial stance with respect to these matters, but through two administrations and six years the underlying motivation of the public officials of this community has been "we've all in this together, let's resolve the problem and move on to other things." That stance is arguably naive; however, at the turn of the century, we think it will be law.

THE RESEARCH ACCOUNTABILITY ACT

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. TORRICELLI. Mr. Speaker, today, I am reintroducing the Research Accountability Act. The purpose of the this bill is to correct the longstanding deficiency in the way this country manages its biomedical research enterprise. While we spend billions of dollars annually for research, there is no way that scientists can readily and economically find out what has been done before, so as to avoid performing duplicative research. The Research Accountability Act will serve both the scientific community and the taxpayer, and will result in more productive, efficient and innovative research.

The legislation stipulates that the National Library of Medicine, an arm of the National Institutes of Health, shall make available to all of the Nation's medical libraries the full text of published research results using modern information technology. It further provides for the establishment, within the facilities of the National Library of Medicine, a National Center for Research Accountability, staffed by specialists in the biomedical information sciences, who would conduct a full text literature search prior to the funding of grant proposals involving the use of live animals. This provision is restricted to live animal research, because it continues to be the research method of choice, in addition to the fact that there is deep public disquiet over the duplication of experiments on live animals.

Mr. Speaker, the problem of duplicative and redundant biomedical research is not new. The National Library of Medicine, an arm of the National Institutes of Health, has existed, under various names, since 1836. Today, on its computerized facilities, the National Library of Medicine disseminates bibliographic information and sometimes a brief abstract, but then the serious researcher must find the full-text documents. This often requires a farflung search reaching to seven regional medical libraries across the Nation. This search is often so frustrating and time consuming that it is sometimes referred to as "the paper chase," and only as a last resort does the library provide the documents to the scientist.

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[1] In addition to the high-minded ideals of bringing about a prompt, quality remediation, responsibly supporting its industry and service of the public interest by promoting a coalition to resolve the TCE problem, the City has at least one practical consideration in desiring to be part of the process:

Thirty years ago the City of Olean operated a landfill in the area of the contamination. All available data supports the proposition that the landfill is not a contributor to the current problems; however the City could nevertheless be brought into the fray as a "third party" defendant in the ripple effect should court proceedings ever result from this remediation project. While being a party to lawsuits is a common municipal experience, avoidance of litigation, particularly involving environmental matters, is preferable.

[2] Shortly after the 1981 discovery of TCE in the East Olean well field, the New York Department of Health suggested and ultimately pressured the City to shut down the contaminated wells and instead utilize surface water treated at the City's 63 year old filtration plant. This advice was questioned by some local officials since filtration plants, through the disinfection process, produce presumed carcinogens known as triholomenthanes. These local officials, including one of the undersigned, felt the presumed cancer risk associated with TCE in well water was merely being traded off for a presumed cancer risk associated with triholomethanes in filtration plant water.

In 1984, the fundamental question was posed again, this time, in writing to the EPA: Were not the presumed cancer risks from the filtration plant and the contaminated wells roughly equivalent? To date, nearly two and a half years later, no direct reply has been received. Perhaps EPA's unwillingness or inability to answer the question is because the Superfund laws collide with mandates contained within the Safe Drinking Water Act which have necessitated the development of a dual standard of water quality regarding exposure to presumed cancer risks. Specifically allowable cancer risks, pursuant to EPA regulations for triholomethanes in filtration plants, are approximately one hundred times greater than the risk EPA will allow for TCE in ground water.

Mr. Speaker, to add to the difficulty, published scientific literature doubles every 10 to 15 years. It has reached such massive proportions that no individual scientist could devote the necessary time to finding what has been done, currently or historically. In fact, the huge volume of biomedical information is so vast that neither grant reviewers nor the funding agencies can readily find out what has been done before, not even in specialized fields.

It makes no sense for our Government to go on spending billions of dollars annually to biomedical research, while it is virtually impossible for scientists to find out what has already been done. Figures are hard to come by, but the following will provide some indication of present expenditures. The annual appropriation for the National Institutes of Health alone is now over 6 billion annually. According to an internal National Institutes of Health memorandum, 55 percent of this money is spent for animal research—for a total of over $3 billion.

The acute nature of the problem can be illustrated by the fact that cancer research alone, which uses large numbers of animals, is published in 1,500 journals worldwide. Also, as reported in Science in 1972—178:471-9, 25 to 50 percent of all scientific publications are never used. Thus, while billions of dollars are being spent for biomedical research, the results are not reaching the scientific community. It is this situation at which the Research Accountability Act is directed.

The bill would not affect ongoing research. It would become operative only with new grant applications. Furthermore, it is not aimed at experiments in which a researcher or team of researchers wish to confirm the results of experiments performed by another. Rather, the bill is addressed to widespread duplication and redundancy of the kind of experiments which appear in great quantity.

Since the modern technology is now at hand, this legislation, for the first time, gives the Congress and the American people the opportunity to address this enduring problem of efficient, cost-effective, full-text biomedical data storage and retrieval. Solving it will require the expertise of the high-technology biomedical information sciences, supplied by specialists from both inside and outside Government.

This bill will create the most modern, up-to-date, medical library in the world capable of providing our scientists, researchers, teachers, and students with almost instantaneous references and information; and would eliminate the tragic duplication of experiments on live animals.

I encourage my colleagues in the House to support this legislation.

LEGAL SERVICES COOPERATION CHAIRMAN SHOULD GO

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. FRANK. Mr. Speaker, recently, President Reagan's appointee as the Chairman of the Legal Services Corporation, W. Clark Durant III called for the abolition of the organization whose board he chairs at the President's appointment. This is the latest in a long and fortunately futile—assault by the Reagan administration on the simple notion that we should provide legal assistance for those who are too poor to afford it on their own. Fortunately, many sectors of our society, including both Houses of Congress, have rejected the notion that there is something radical in saying that we are proud of our legal system and think that people who are desperately poor ought to have access to it. The Legal Services Corporation offers a very great bargain—we purchase through it good legal services for very poor people at a far lower price than we could otherwise achieve under any other circumstances. We are lucky that there have been so many bright and dedicated young men and women willing to forgo far higher salaries in the private practice of law to serve in the Legal Services Program. I regret that Congress has not been more generous in recognizing their great public service, but we have at least prevented the administration from abolishing them altogether.

Mr. Durant in his speech to the Bar Association suggested that we need not provide legal services to the poor this way, but could allow them to be the recipients of voluntary services from lawyers and legal services from people who would be allowed to practice law although not licensed. Mr. Durant's views on the deregulation of the legal profession deserve discussion. But in the context in which Mr. Durant advanced them, as a partial justification for abolishing the Legal Services Corporation, they become in fact an invitation for a two-class legal system in which wealthy people buy high priced and highly qualified talent, while the poor are left to an untried and unregulated system which may serve some well and will obviously serve others very badly.

The leaders of the organized bar in this country have been very forthright in their defense of the Legal Services Corporation. While many members of the private bar often find themselves being opposed in litigation by Legal Services lawyers who are representing low-income clients, the Bar Association understands well that this is an important part of an overall legal system which does justice to people regardless of income. I believe the Bar Association and its leaders deserve a great deal of credit for their diligent support of the Legal Services Corporation.

Recently, Bar Association leaders continued to act in this tradition by repudiating Mr. Durant's call for the abolition of this important program to help the desperately poor. American Bar Association President Eugene Thomas urged Mr. Durant to resign, given Mr. Durant's assault on the organization he is supposed to guide. And this call was also made by two of the cofounders of Bar Leaders for the Preservation of Legal Services for the Poor, an organization of leading lawyers from around the country. Michael Greco, of Boston, who is a past president of the Massachusetts Bar Association and now president of the New England Bar Association is one of those who has been very active in this organization. I am proud to have been able to work closely with Mr. Greco as he has exemplified the finest traditions of the organized bar in defending the rights of the poor. His remarks on Mr. Durant's position seem to be particularly apposite.

Mr. Speaker, I ask that the news release from Bar Leaders for the Preservation of Legal Services for the Poor and the press release from the American Bar Association on the subject of Mr. Durant's effort to abolish that Legal Services Corporation be printed here.

The articles follow:

BAR LEADERS CALL FOR RESIGNATION OF LEGAL SERVICES CORPORATION BOARD CHAIRMAN

NEW ORLEANS, LA, February 13, 1987.—Two co-founders of "Bar Leaders for the Preservation of Legal Services for the Poor," an ad hoc group of state and local bar leaders around the country, today called for the resignation of the Chairman of the Legal Services Corporation (LSC) Board, W. Clark Durant III of Detroit. The Legal Services Corporation is the congressionally created organization which provides federal funds to deliver free legal services to poor people throughout the nation.

The call was made in response to Durant's speech before the American Bar Association Board of Governors yesterday in which he urged the "replacement of the Legal Services Corporation." Durant, who by statute is required to support and defend the purposes of the LSC as spelled out in the Legal Services Corporation Act, said that the Corporation "cannot be reformed in the present context."

He further lauded President Reagan for calling for zero funding for the Legal Services Corporation during each year of his presidency and termed the annual zero funding message a "courageous act."

Durant went on to blame the inability of the Legal Services Corporation to "maximize access to justice for the poor" on "laws protecting (the) legal profession (which) make it a cartel." These laws, according to Durant, "limit or distort supply (of legal services) and create dislocations in the marketplace." The poor would be better served, said Durant, if unregulated entrepreneurs were allowed to enter the free marketplace to handle the poor's legal needs.

Michael S. Greco of Boston, Massachusetts, a co-founder of the "Bar Leaders" group, immediate past president of the Massachusetts Bar Association and President of the New England Bar Association, said, "Mr. Durant's speech is both extraordinary and irresponsible. It is now quite evident to bar leaders across the country that Mr. Durant should step aside as Chairman and as a member of the LSC Board. Mr. Durant has now made his personal views public, and they clearly conflict with his statutory responsibilities as Chairman of the LSC Board."

Greco was joined by fellow co-founder L. Jonathan Ross of the Manchester, New Hampshire Bar Association and a director of the New England Bar Association, who added, "Mr. Durant clearly can no longer execute his fiduciary responsibility as Chairman of the Legal Services Corporation Board. He should resign immediately, and any other LSC Board members who were a party to his remarks before the ABA or who subscribe to his statements should follow him out the door."

REMARKS OF EUGENE C. THOMAS, PRESIDENT OF THE AMERICAN BAR ASSOCIATION, IN RESPONSE TO W. CLARK DURANT'S SPEECH TO THE ABA BOARD OF GOVERNORS—FEBRUARY 12, 1987

On behalf of the Association, I say that there is no American more dedicated to the idea of a free marketplace of ideas than the American lawyer. We do not avoid differing views, and we do not avoid those who differ with us. In that spirit, I am glad that you have given us a very candid and articulate statement of your philosophy, one that I think, in your position as chairman of the Legal Services Corporation board, it is important for us and for all Americans to understand and understand well.

I would like to ask you, however, in light of the view that you espouse and the cause that you champion, do you feel that you can continue to serve as chairman of the board whose purpose, whether you agree or disagree with that purpose and its structure, is quite at odds with the philosophy you have just articulated?

The legal profession in America, Mr. Durant, is committed now, today, to the help of the poor with legal services as they require them and, as you have said, we all believe it must be provided consistent with the very principles or this nation.

The critical need is not adequately addressed with the resources that are now available, and in the view of the profession, as it speaks through the American Bar Association, in large part that is traceable to the inadequacy of the resources of the federal funding. It is also the product of a philosophical difference between many of the providers who have dedicated their lives, literally, to this effort and the philosophy that I know you sincerely subscribe to and other believe.

But, nonetheless, it is today the policy of the American Bar Association that this country must continue, with great loyalty, its provision of resources to support the legal services for the poor. The volunteer lawyer component of that is a critical and important part, and is realized by an intelligent, coordinated, cooperative relationship between the Corporation and its funded programs and staff and the volunteers of the private bar.

You do raise provocative questions, questions which I assure you will be referred for consideration by appropriate germane entities of the Association.

Nonetheless, I wouldn't want any poor person who picked up the newspaper tomorrow, to think that by virtue of this open forum there is any question whatsoever about the dedication, the commitment, and the willingness to fight, if need be, of this Association to protect the provision of legal services to the poor. And that includes the preservation of the federal funded commitment of the core, basic service program.

I know that that is not a view you share, and I don't say it to you on this occasion in anyway to be an inhospitable host, but we must never permit anyone in the public to despair of the commitment of this profession as it speaks thru the ABA.

ABA PRESIDENT SAYS LEGAL SERVICES CORPORATION CHAIRMAN SHOULD RESIGN DUE TO CONFLICT OF INTEREST

NEW ORLEANS, Feb. 13.—American Bar Association President Eugene C. Thomas today said W. Clark Durant should resign from being chairman of the board of the federal Legal Services Corporation, saying Durant has a conflict of interest.

"If he wishes to commit himself to a zero budget, to a removal of the footings and foundations from beneath the Legal Services Corporation, that's his privilege. It's a free country and we're all entitled to espouse our ideas. But he should not do that and at the same time hold the responsible position of chairman of the board or even of a director of the corporation where his obligation is to accomplish the purposes of the entity, and the purposes are to serve the poor and to make the system work."

Thomas pointed out that he was expressing his own view, and not a position taken by the ABA.

Thomas called Durant's suggestion, made yesterday in remarks to the ABA Board of Governors, an "incredible and dangerous proposal, of all things in the Bicentennial year of our Constitution."

LSC provides federal support for civil legal assistance programs for poor persons, and Thomas said "the Constitution presupposes that we shall protect the dignity of all people here and that includes the poor and that necessitates legal services as legal services may be required by the poor."

"To have the chairman of this board charged with this responsibility by the people of America under duly enacted legislation—to have that chairman stand up and propose again at this hour zero funding and to applaud it as an heroic, courageous position is startling and disturbing to me. I want to say here that every effort that I can bring to bear will be made to defeat that position, and every effort that the American Bar Association can bring to bear will be brought to protect the program of legal services for the poor . . . to make America work for all its people."

Thomas characterized the arguments made by Durant as "dangerous and misleading persuasive bits of sophistry designed to suggest that the solution for poor people is to send them into the marketplace of America to compete for legal services on the basis that one would compete for any offered service or commodity in this land. The idea that these people should go out in a world where they would have to provide funds for services that they need desperately" is "absurd and illogical," said Thomas.

Thomas spoke at a news conference during the ABA's 1987 Midyear Meeting in New Orleans, scheduled to run through Tuesday.

FARM DISASTER ASSISTANCE ACT OF 1987

HON. JAMES McCLURE CLARKE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. CLARKE. Mr. Speaker, I am very pleased that on Tuesday the House passed H.R. 1157, the Farm Disaster Assistance Act of 1987, which will increase the amount of disaster relief available to farmers whose crops were destroyed by natural disaster last year.

This bill includes language similar to legislation introduced February 19 by Representative ROSE, Representative JONES, and myself, which would allow growers who suffered severe crop loss due to frost and freeze to apply for the aid appropriated in Public Law 9-591, the Continuing Appropriations Act for 1987. Although drought, flood, and hail were covered by the $400 million provided for disaster assistance, frost and freeze as qualifiers for aid were excluded.

In my own western North Carolina district many apple growers lost nearly all their crops due to severe freeze. An estimated 100 counties across the United States were declared disaster counties in 1986 due to harsh frost and freeze. With this bill, these impacted farmers will be able to receive their fair share of emergency relief.

I would like to thank Chairman DE LA GARZA for his support of this amendment to H.R. 1157 and for the assistance to these farmers. While I realize this is a first step in providing disaster relief, I hope that the Appropriations Committee will move expeditiously to approve the needed funds.

PHILLIP RUNKEL: ON THE STATE OF EDUCATION IN MICHIGAN

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. PURSELL. Mr. Speaker, it is with great pleasure that I commend to my colleagues a March 16, 1987, Detroit Free Press article regarding the State of Michigan's superintendent of public instruction, Dr. Phillip Runkel.

Dr. Runkel has recently announced that he will soon be leaving his current position to assume the duties of president of Northwestern Michigan College in Traverse City, MI.

As superintendent of public instruction, Dr. Runkel has served the people of Michigan most admirably. His honesty, integrity, and commitment to advance the quality of education in the State of Michigan, make him an invaluable resource to the State's educational system.

As a member of the Appropriations Subcommittee on Labor, Health and Human Services and Education, I have had the opportunity to work with Dr. Runkel several times. I regret his departure from his current position where he has excelled, but am pleased with his decision to remain in Michigan.

The following article is an edited transcript of an interview Dr. Runkel recently had with Detroit Free Press Editor Joe Stroud and the Free Press editorial board about school finance reform, dropouts, and other issues that have concerned him as superintendent of public instruction. It is an excellent article that deserves a careful reading by my colleagues in the House of Representatives.

The article follows:

[From the Detroit Free Press, Mar. 16, 1987]

PHILLIP RUNKEL ON THE STATE OF EDUCATION IN THE STATE

Unfinished agenda—Talk a little about what you see as the unfinished agenda for education in the state.

Runkel: Let's start with school finance reform. I am going to stay with that. Ed (Edgar) Harden (head of the State Board of Education's blue-ribbon panel on school finance reform) has asked me to stay as co-chair. The board at the college has said that's fine. So I'm going to stay with that whole process. That, I think, is a very important agenda that needs to be addressed in our state in terms of equity, dollar equity, but also, it's my hope that we'll build in some kind of program accountability as well. Finance by itself is important, but there needs to be something to assure the citizens of this state that the quality is going to be maintained and improved.

The other agenda item is we just recently issued a report on dropouts, a whole at-risk student population in our state. We've tried to focus in on it, but there's an awful lot to do.

Recently, we released our science test (results). I am concerned about that. Before I leave, we'll bring together some of the major industrial businesses that deal directly with science, some 40 to 50 corporations, businesses in Michigan to assist us in dealing with that neglected area.

The other item is the whole business of preparing and training and retraining professional staff members. That's a big load. We've got quite a few things going on there. We have a periodic review program. This is the first time we have done that. We certainly have now administrative certification in place. We're developing a whole new strategy, CEUs (Continuing Education Units), which we think can drive change in the colleges of education, or community colleges; intermediate districts or local school districts could have qualified programs be approved. The whole business of how we upgrade the profession is important.

Maybe the most critical of all issues (is) good teachers.

Teachers—What about the preparation of teachers? What are we doing right? What are we doing wrong?

Runkel: There are several reports out now—Holmes, Carnegie, etc. I tend to think that probably we have concentrated too much of the training in the colleges of education, particularly content area, in many cases.

So No. 1, the content area ought to be shared. If you're taking biology at Michigan State, you take it in the field, and not biology for teachers, etc.

Second, the whole internship-practice teaching issue needs to be looked at. Practice teaching is not a very practical way, where you're out a semester in a class. I can support the idea of a fifth year, where you actually are an intern, actually being paid out there before you get your final license.

Another issue is how you attract good people into the business. I don't think you can expect that salaries are the only reason that people are attracted to teaching. We ought to be able to attract bright young people who are committed to a social agenda, to improving our society, our country, as well as for teaching.

The other issue, I think, (is) that we have to find a way to give teachers the power to make some decisions. The bureaucracy can't be all-consuming. The teacher has to be able to manage and to do some things and have some power to do those things. That will improve our profession.

Those are just a few points. A lot of changes are occurring. There's momentum toward change. I believe we ought to be looking at attracting people who may have retired early from business or whatever field to do some teaching. Everyone doesn't have to teach all day. You have 50 to 60 PhDs who are retiring from Midland every year, Dow Chemical. You can use these people on a flexible kind of schedule. You look at different ways of staffing. We ought to be trying a different kind of management system so we staff schools differently. All of those things are attainable. They don't necessarily cost a lot of money.

The colleges of education, in my view, have to have a sense of mission about children. They have to be able to create that mission with the people who are going to be future teachers. Education is an emotional, sensitive issue. People who are good have that sense of mission. I think that can be a motivating factor and can make a difference.

Dropouts—What is a dropout strategy that makes some sense?

Runkel: The short-range strategy is identifying caring people. If in every school somebody really tries to work with potential dropouts, it can make a difference. But too many times people aren't really interested in holding those kids. That's the first point.

I do believe strongly that you have to start early, particularly with urban kids, poor kids. Pre-schools can make a difference. With a support base at that early hour, kids start developing successful patterns. I think when people have success, they tend to stay in school.

There has to be a long-range plan, and you have to have data, and you have to hold people accountable. The shortrange issue is the middle schools. If you have a chance to save kids, it's got to be at the middle school level, the intermediate level. There has to be major emphasis on the last two years of middle school in reducing class size and giving more personal attention and support, and the first two years of high school.

I don't have a problem with youth camps; I don't think we can send all of our kids to youth camps. We have to find ways to deal with them in our schools. I do support alternative centers. I do support looking at a mix of size of schools. We ought to have some schools where the numbers are smaller.

We held a workshop last fall, about 1,000 people. Our goal was to build a network of those people because they are people who care, who have a sense of mission on this issue, and to look at a whole series of different strategies. I don't think just throwing money at the problem is the answer.

Science—What about science education?

Runkel: Our numbers indicate now, first of all, we're not teaching science at a lot of places we should be—I'm talking across the board; I'm talking upper elementary.

I don't see anything wrong with having a science specialist, moving some kids three or four times a week when they need it. I think you can do it within your allocated resources.

What we have found at the high schools, is that it's starting to swing back up now, the number of kids taking science courses. There hasn't been enough attention paid to the curriculum, period. We ought to look at how we organize ourselves to teach science at the early levels. We have a program in Michigan called M★ STAR (Michigan Statewide Telecommunication Access to Resources, video programming for classroom use), which is a national program; it hooks television up; we've got a lot of kids on the program. We ought to be using that. We train teachers in that; teachers teach that; teachers develop the programs.

There have got to be some requirements for somebody to take science. Our recommendation is two years of science in high school. Of the four major curriculum areas, the percentage of kids taking two years of science is the lowest. When Kennedy said we were going to beat the Russians to the moon, we threw a lot of money, a lot of equipment at science, and we did better for a period of time.

We have a program now where we get some federal dollars for retraining teachers and so forth. I think that will be increased because it's not only a Michigan problem; it's a national problem. We've got a plan where we're talking about the next 18 months and that includes workshops, training teachers, placing emphasis, developing materials on a series of issues, long-range plans to build some science centers, where we can have an ongoing thing. Again, there is nothing sacred. There is nothing wrong with being flexible in certification and other areas where you can hire people who have made a contribution in the science community who could teach a class or two where you start looking for a different kind of strategy. We trained, I think, last year eight physics teachers in Michigan. What you're having are chem majors teaching physics. Obviously, you can talk about the dollars, because a physicist can make a lot more money than going into the classroom. But there's got to be some creativity in how you solve that problem because you're not going to be able to equalize those dollars.

Finance—What do you do about school finance?

Runkel: I think the groundswell is starting to build. We (the state Board of Education's blue-ribbon panel on school finance reform) had our second meeting the other day. I know Doug Roberts (deputy superintendent of public instruction) was over to talk to the (Rep.) Lynn Jondahl (D-E. Lansing) committee (House Taxation Committee). There is, I think, in both the House and Senate, leadership of both the Republicans in the Senate and the House a feeling that something needs to be done. I think if we can keep building on that and we can bring the forces together, I think we can get some legislation to deal with the problem.

I believe Michigan citizens support quality education. It has to be more than finance; they have to be assured that the schools are going to perform effectively in my view. It has to be tied to something more than just shifting the property tax to the sales tax. There has to be some accountability in that. The good thing about—we've had two meetings; we've had really good attendance. Every legislator's been there through the whole thing—those six or seven legislators we've had. Now we've broken up into subcommittees on educational quality, on revenue, on distribution—and these committees will be reporting back through the process. Ed Harden is a good leader; he's a good facilitator; he knows how to work with people well. So I think this commission has a chance to bring some things out.

Successor—What advice have you given or will you give your own board on your successor?

Runkel: None. It's tempting, and I know I have calls on people; I'll try to give them an honest appraisal of a person, but it's a hard thing. I know many of the people who are interested personally. They've got to feel the ownership in that deal; they've got to feel they picked the right person.

Detroit—What special advice would you have for the City of Detroit?

Runkel: I've thought about how you organize—are we organized right? I was opposed to the decentralization, and we did change the law; decentralization had really no accountability, no financial accountability. I think one of the considerations has to be: Can it function as a large organization? We have to raise that issue—to look at that and say: Do we divide Detroit into five school districts, give them taxing authority, etc.? I'm not saying I'm in support of that, but it's a question that ought to be raised.

That's one of the issues—that we're organized to be most effective. Irrespective of people, irrespective of the size of the place, how do we do that? That's the first question.

The second question, I would say, is that the schools need to be empowered, given power enough to be creative, to resolve some of their own issues and problems. So I would be supportive of school-based site management, where they get X amount of bucks—boom, they make some decisions.

For example, I give you at Cody High School $4 million to operate. You can (change) your staff; you can reduce staff here; you can do some different kinds of things. That's your money; you manage it. I'll hold you accountable.

Home schools—Would you apply a similar standard to home schools or private schools? Why not just measure them by the results?

Runkel: I think there's a little different issue, okay? We have been, by the way, working with them. We've been meeting with a group of their leaders.

The state does have a role in terms of who teaches kids. Would you go to the extreme and say that a 10th-grade dropout could teach? I don't think the private schools would accept that because most of their people can make certification. I'll tell you right now that with the little bit of checking we've done, they can at least make temporary certification under our present statutes. It's a matter of finding a strategy to bring that to some kind of closure; and we've been meeting with them, and we're doing fine.

I still think in those schools, you've got to have certain types of standards for teachers to meet. I think that's got to happen. I think kids ought to have that protection.

What future do you foresee for the Detroit office of the State Board of Education?

Runkel: I think it will maintain itself, I really do. They're being funded through desegregation for another year. I'm supportive of the office. I'd like really to place more resources there.

What is its proper role? Is it monitoring?

Runkel: It was established as an office to monitor desegregation. We have tried to expand its role, particularly with the Detroit schools, but we're still funded under that deal so we've got to be a little careful, you know, how we do it. It should probably be even strengthened with additional staff or greater co-ordination of the staff.

We've been working with the task force on voc ed. We're starting to work with Detroit on school improvement strategies. We've developed some training sessions for student leaders, not major things, but there's a lot more that we can do. Probably, if I was to hang around another five years, it would be something I'd really want to get my teeth in. I want to say this for print—Detroit schools are high priority.

Teachers—How can you ever as a matter of public policy get at the question of how you get good teachers?

Runkel: There are ways you can do that. I think you've got to recognize, first of all, good teachers. Somehow you've got to find a way to recognize them and give them a whole series of psychological awards if you can't give them economic awards.

I also believe that if you go to school-site-based management, and if you measure outcomes with some resources, there's going to be pressure on to have good teachers. What's (the) pressure now to change a person? It's all negative. You've got to go through a tenure hearing. You don't mind taking on some negative things if there are some positive things on the other side of the fence.

We're doing some things with the Teacher of the Year thing. We're trying a lot more recognition kinds of programs. That's probably not enough, but it's a start.

INTRODUCTION OF RAILROAD SAFETY REAUTHORIZATION AND IMPROVEMENT ACT OF 1987

HON. BOB WHITTAKER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. WHITTAKER. Mr. Speaker, the safety of rail transportation affects millions of Americans—whether as shippers of freight, as train passengers, as motorists traversing grade crossings, or as neighbors of railroad rights-of-way. In one way or another, almost all of us are vulnerable to a lapse in the safety of our rail transportation system. I am introducing the Railroad Safety Reauthorization and Improvement Act of 1987 today to help assure that our rail safety programs keep pace with current needs and new challenges, while maintaining a responsible level of funding.

Recent events on the busiest of our passenger routes, the Northeast corridor, vividly illustrate the need for new efforts to reduce the risk of accident due to human or mechancial error. We can no longer forgo making use of available technology to eliminate the possibility of human action—accidental or deliberate—that could defeat the electronic signals and cause a catastrophic collision or derailment. Automatic speed control equipment, already in place on Amtrak's locomotives, should be required of all carriers using the corridor. Otherwise, just as a chain is no stronger than its weakest link, the earlier investment in infrastructure and onboard equipment can be undercut by a single locomotive lacking the necessary receiver. This bill requires the installation of appropriate equipment on all locomotives used on the corridor, but on a feasible schedule to be determined in a public-comment rulemaking.

We also know from recent accidents that testing for drug and alcohol abuse among train crews and others in safety-sensitive jobs can only be fully effective if done preventively through a well-constructed and tightly targeted system of random testing. This bill provides for such a system; it makes the basic legislative judgment on the need for testing and defines the boundaries of the testing program, but leaves the details of implementation with the Department of Transportation, where such responsibility belongs.

Grade-crossing mishaps produce almost 58 percent of all rail fatalities in the United States. Although State and Federal authorities have made commendable progress in reducing accidents, there are still thousands of crossings that are totally uncontrolled, with no markings whatever. This bill establishes demonstration projects to evaluate simple and relatively inexpensive measures such as reflectorization of road surfaces and sign posts and the use of stop or yield signs as means of reducing the level of grade-crossing deaths. If they prove effective, such techniques could be made a part of ongoing State and Federal programs to improve grade crossings.

Because of the tremendous potential for death and injury in rail mishaps, we need a new emphasis on deterring safety violations, whether by carriers or by their individual employees. This legislation extends the safety jurisdiction of Federal authorities to allow the disqualification of proven safety violators from safety-sensitive positions, while at the same time toughening the system of penalties that can be levied against carriers for safety violations. Such a balanced and evenhanded approach is the best way to show the industry and the Nation that we are serious about improving rail safety.

Our Federal safety programs must keep up with changes in the transportation system. The funding levels included in this bill reflect continuing support for the Federal and State—grants-in-aid—rail safety programs, reflecting Reagan administration estimates of funding needs. The legislation also looks ahead to changing transportation technologies by clearly delineating the safety jurisdiction of Federal authorities over advanced inter-city transportation systems, such as electromagnetic guideway or magnetic levitation systems. This should help assure that our safety programs are able to keep abreast of new emerging forms of ground transportation.

Rail safety has received considerable attention lately, apparently because of the tragic loss of live in recent accidents. But our safety efforts are a continuing and vital Federal repsonsibility. It is our duty to assure that the safety of the national rail system is vigilantly guarded and continually improved. I believe we can best discharge that obligation by enacting the Railroad Safety Reauthorization and Improvement Act of 1987.

APPOINTMENT OF JOHN LAWE AS GRAND MARSHAL OF ST. PATRICK'S DAY PARADE

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. DIOGUARDI. Mr. Speaker, I rise today to pay tribute to an outstanding American citizen in the Irish community, John E. Lawe, who will be the grand marshal of the St. Patrick's Day Parade today in New York City.

John Lawe emigrated from Ireland in 1949, and got his start in the transportation industry as a bus cleaner. For the next 17 years, he served as a bus cleaner and driver in Manhattan. It was during this time that Mr. Lawe began his work with organized labor, first being elected to the position of shop steward.

John Lawe gained the respect of his colleagues and fellow workers and climbed the union ladder. In 1977, Mr. Lawe was elected president of Local 100. His remarkable performance in that office led to a unanimous election as president of the Transport Workers Union of America in 1985, representing the interests of 100,000 workers.

John Lawe has always been dedicated to the fight for the preservation of the rights of transportation workers. He played a crucial role in the 1980 New York City transit workers strike by putting his own career on the line by casting the deciding vote to end an 11-day-old strike and get people back to work.

Mr. Lawe's concerns also reach far beyond the workplace. He has committed his life toward seeking economic and political freedom for Catholics in British-occupied Ireland. He is dedicated to the cause of uniting his Irish homeland and halting the gross violations of human rights occurring each day in that country.

In addition, John Lawe has always been an active participant in community affairs. He is a prestigious member of the business community, a family man and role model for us all. Mr. Speaker, I would like to take this time to congratulate Mr. John Lawe on his appointment as grand marshal of the St. Patrick's Day Parade and wish him and the entire Irish community well on this special day.

CONGRESSMAN MICHEL ON THE CONTRAS

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. LOTT. Mr. Speaker, the distinguished Republican leader in the House of Representatives, Mr. MICHEL, gave a forceful speech yesterday on the subject of U.S. policy in Central America. His words very effectively laid out the problem and the response we need to make as a Congress, as a nation, not only this year, but over many years. The American people have a right to the facts and they do not have them. These remarks will help fill in the gaps. I would like each of you to take the time and read his thoughtful remarks which I am inserting in the CONGRESSIONAL RECORD at this point:

CONGRESSMAN BOB MICHEL SPEECH BEFORE THE CHEMICAL MANUFACTURERS, MARCH 17, 1987

You have shown a true understanding of the American melting pot theory by inviting a first generation American of French ancestry to speak to you on Saint Patrick's Day.

For many years, I have watched former Speaker Tip O'Neill celebrate this day in high style. And it was real fun to join in the festivities.

Since Jim Wright became Speaker, the important day is March 2nd which is Sam Houston's birthday and also Texas Independence Day.

I can't complain because March 2nd also happens to be my birthday. And if you're a real trivia buff that also happens to be the birthday of Secretary Gorbachev.

So much for dates except to say today we doff our hats to the Irish and in the spirit of the day I shall proceed not as Bob Michel but as Bob O'Michel.

I've spoken to this group before and we have generally covered the legislative agenda in our preliminary remarks before taking your questions.

Today I'd like to do something a bit different and talk to you for a few minutes about something a bit more "long-range" in perspective.

And that is United States policy toward Central America.

Notice I did not say United States policy toward Nicaragua. Or United States policy toward the democratic resistance in Nicaragua.

No, the problem goes far beyond one country or one group.

It involves the future of Central America. And, since the future of that region, in our own hemisphere, is intimately involved with our own, it involves the future of the United States.

We passed a bill last year, signed into law by President Reagan, certifying that $100 million would go to aid the contras. Tomorrow the Senate is going to take up a measure involving a question of disapproval of $40 million already earmarked for the democratic resistance—known as the contras.

Last week in the House we voted on one version of the Democratic leadership's proposal to deny the contras these funds.

We who support aid to the contras lost that vote by a 34-vote margin. But we got 40 Democrats voting with us, an amazing show of strength considering the fact the Speaker has made anti-contra policy a litmus test of party loyalty for House Democrats.

If the Senate votes approval tomorrow, that's the end of this aspect of the question. The funds will go to the contras.

If the Senate votes disapproval, we in the House will soon face a straight up or down disapproval vote.

And, in any case, even if the funds were to be disapproved in both Houses, the President will veto such a bill. And we have the votes to sustain a veto.

Somewhere down the line this year we are going to be voting on a new aid request for the contras, $105 million.

And that is the legislative battleground.

Don't for one moment think I am speaking only of dry-as-dust legislative maneuvering.

What we do in the Congress this year will determine the future of Central America, or Mexico, of Panama and ultimately, of the United States foreign policy, for years, perhaps decades.

Cleared of the complicated legislative maneuvering, the issues are clear.

Either Nicaragua will rejoin the family of Central American nations as a democracy or else it will continue to serve as a launching ground for aggression by a Communist government intent upon dominating—either by conquest or pressure—the entire region.

Either we in the United States support democracy in Central America by sending aid to Costa Rica, Honduras, El Salvador and Guatemala at the same time we are aiding the contras or else all hope for democracy in the region is doomed.

Either we show our support for the general outline of peace proposal offered by President Arias of Costa Rica or else we will just let the Central American democracies drift along without support for their own initiatives for peace and justice.

Military aid to the contras; economic aid to the four Central American democracies; support of the general outlines of the Arias peace plan, without embracing its specifics—these are the three tenets of our policy toward Central America.

The Sandinista movement is Marxist-Leninist—in plain words, a Communist party in the classic mold.

This government has suspended all civil rights in Nicaragua. It has declared war against the Church in Nicaragua. It supports a "People's Church" of clergy disloyal to their own bishops.

By way of quick review, immediately after the Sandinistas took power, the United States sent that government $118 million.

We did so because we were told that if we did so the Sandinistas would act moderately. But in fact the Sandinistas were already a hard-bitten dedicated bunch of Leninist ideologues, with a plan to destabilize the region.

They currently have the largest standing army in Central America. They have tanks—not used for defense, but offense. They have Soviet helicopter gunships. They have over 500 million dollars in aid from the Soviet Union.

They have PLO advisors. In fact long before they took power, they were linked with the PLO and one of the Sandinista martyrs was killed by Israelis when he tried to hijack an airplane with his PLO friends.

So all the nonsense about these so-called Sandinista Nicaragua patriots is nonsense.

Augusto Sandino, after whom they take their name, never was a Communist.

And if he were alive today, he wouldn't be joining a group who have sold their people to an alien ideology.

We have had Congressional delegations shuttling back and forth between Central America and here for 2 or 3 years now.

And every single time they return, you hear those with open minds say, "I've changed my mind. I've been to the region, I now support President Reagan because I've seen for myself what the situation is."

There is not a single recorded instance of anyone in Congress going down there as a committed supporter of the contras and altering their support after they returned.

The Sandinistas are a vanguard for the communist domination of the region.

Opposed to them are up to 15,000 peasants, the contras, young and old, who want nothing but democracy in their country.

They have been smeared as supporters of Somoza. But the fact is that most of them were children when Somoza was in power. They are genuine patriots and willing to fight and die for their freedom.

All they ask from us are the tools to do the job.

They don't have to win big set-piece battles as we did in WWII. All they have to do is sustain a presence in Nicaragua and prove the Sandinistas are unable to move them out.

The contras can do it if they get sustained nominal support. They can do more. They can rally people to their cause as they already have.

I support a policy first of all that supports the contras with military aid.

That is the linch-pin. That is the essential element.

We must do other things—but without military aid to the contras, all our efforts are worthless.

But as we aid them, we must also support sending $300 million of economic assistance to the four Central American democracies.

And finally I say we also support the process, the general outline of the Arias peace initiative.

Oversimplified, the Arias peace proposal seeks to negotiate a settlement in which the Sandinista government would live up to its promises made in 1979 with respect to democracy and human rights.

Common sense tells us that the Sandinistas will never negotiate so long as they have no reason to do so if pressure from the contras is doomed by Congressional action.

There was a Washington Post headline two Sunday's ago that read:

SOVIET DELEGATION VISITS NICARAGUA TO REAFFIRM SUPPORT

While Gorbachev is reaffirming support for fellow Communists, the Democratic leadership in the Congress is asking us to take support away from the democratic resistance.

If it were not so tragic, it would be comic. Only last week we celebrated the 40th anniversary of the Truman Plan that saved Greece and Turkey from communist aggression.

And, just the same as today, there were those 40 years ago who told us that those we aided weren't worthy of our aid. They had too many faults, we were told.

But Harry Truman, God bless him, hung in there and we sent the aid and saved two nations.

If we did that for the eastern flank of Western Europe in the 1940's, shouldn't we do as much or more for our own hemisphere, our own backyard, today?

There are, in my view, two bad ways of going about dealing with the crisis of Central America.

The first bad way is to think all we have to do is aid the contras and forget about the democracies. I think this is short-sighted and not in our best interests. We must aid the contras, yes, but we must also aid the democracies with economic aid and by showing them we take seriously peace proposals they themselves have initiated.

And the second bad way—the very worst way—to help Central America is to do what the Democratic leadership wants us to do which is to abandon the contras and depend solely on negotiations and economic aid.

Has anyone, anywhere ever heard of a communist government negotiating itself out of power unless there was force or the threat of force in the equation?

The answer, of course, is no. And the communists in Nicaragua—call them Marxist-Leninist ideologues if it makes you feel more scholarly—are never to even begin thinking about negotiating unless they are convinced that they cannot solidify the revolution with contras pressure among them.

We are told the contras cannot win.

We are told the contras have never taken a town.

But it took the Sandinistas 17 years to achieve their goal. Seventeen *years.* We aren't talking about such a time-frame for the contras.

But will history record that in the last quarter of the 20th century it was the Communists who had the patience to see it through and that the democracies couldn't fight that long, twilight war John F. Kennedy spoke of?

When President Reagan came to office there were two Communist dictatorships in the Central American/Caribbean area and only one democracy.

Today there are four democracies and only one dictatorship.

Let me say a few words about Grenada, where our action, in connection with the eastern Caribbean democracies, resulted in a democracy in Grenada.

I know it is fashionable in some circles to deride the Grenada victory for democracy.

I know in some quarters it is considered a sign of sophistication to sneer at the victory because Grenada is a small island with a small population.

But I ask these critics: How small do you have to be before you are not entitled to enjoy freedom?

In 1789, we were a small nation in terms of population. We were about 4 million in number. France had a population of 25 million. Great Britain, 15 million. But our size didn't matter. What mattered was that we were bent on freedom and independence.

And that is exactly what the vast majority of Central Americans want and what the Nicaraguan people want.

If we can aid them through support for the contras, support for the democracies and support for the democracies own peace proposal—what is wrong with that?

We are told by Democrats that if the Soviets attempt to place a missile in Nicaragua, the Democrats will support "appropriate action".

But does anyone truly believe that Gorby is going to do something as stupid as that?

Why should he? All he has to do is wait. And if the House and Senate Democrats take the guns out of the hands of the contras, the inevitable Communist domination of the region will follow just as surely as the night follows the day.

And that night will be a dark night of the soul for Honduras, Guatemala, Costa Rica, and El Salvador.

And Mexico will look south and see nothing but a strong militant, armed and implacable Communist regional domination.

And Panama and countries to the south will look north and see the same thing.

Now, if I understand my friend the Speaker, Jim Wright and the Majority Leader Tom Foley correctly, at that point, if the Soviets start to install offensive weapons, the Democrats will become hawks, cheering us on as the U.S. takes all appropriate action in reprisal.

Who is kidding whom?

The Democratic leadership, who won't give money to aid those who want to fight now, tell us that at the "appropriate" time they will be like tigers.

Are the Democrats telling us they will ask an American President to send troops to rid the region of Communist domination of Central America?

Or do they mean they will ask a President to retaliate against Moscow itself?

What do the Democrats mean and when will they really mean it?

The President's view is that we forestall such a calamity now. Not when the Sandinistats dominate the region but now—and do it with Nicaraguans, not Americans.

That's the choice.

Tomorrow the Senate takes the next step. I look forward to joining with those who believe as I do that the cause of the 15,000 contras, the largest guerilla force ever assembled in Central America is the cause of freedom, a cause which with aid to the democracies and a peace process, can save this hemisphere from a crisis.

Thanks for hearing me out on a subject that too often gets told only in headlines. A headline is a nice thing but it can't explain the complexity of this issue.

Again, thank you and let's go to your questions.

MARY TENN WINS VFW CONTEST

HON. ROBERT C. SMITH

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. SMITH of New Hampshire. Mr. Speaker, the Veterans of Foreign Wars in conjunction with its ladies auxiliary annually conducts a scriptwriting contest known as the Voice of Democracy Scholarship Program. This program provides a total of seven scholarships ranging in value from $1,000 for the seventh prize to $14,000 for the first prize. More than 250,000 students participated in the contest this year, the theme of which was "The Challenge of American Citizenship."

I first want to commend and thank the VFW for providing such a tremendous opportunity to so many of our Nation's young people. We need more private initiatives like this, especially during these times of fiscal austerity. Second, I am extremely proud that this year's winner from New Hampshire, Mary Elizabeth Tenn, is a resident of my district. I extend my sincere congratulations to Mary who is a senior at Manchester Central High School. I also want to take this opportunity to share her excellent script with the rest of my colleagues:

On May first, 1986 my family celebrated one of the happiest days of our lives. After years of waiting, frustrations and visa delays my cousins came to America. They came from a country filled with hatred, horror, and bombs. They had lived a life of terror and fear. Today however, their life is filled with hope and opportunity because they live in America—"The Land of the Free." Unlike my cousins, by birth I have the right, the claim, and the challenge to help in the real business of democracy. My parents have always taught me that a democratic society flourished only when citizens like myself are active, involved, and knowledgeable about the process of government. At home I have further learned that citizenship challenges me to make a positive difference. As Everett Hale once said "I am only one. But I am one. I cannot do everything. But I can do something."

I must rise to the challenge of being an informed conscientious and active citizen—knowing that knowledge is the driving force that pushes and challenges America on. At school, through my concern, commitment, and involvement I must meet the challenge of citizenship and be counted to work for school government, run for office, and vote in student elections. As a young adult citizenship challenges me to take part in my community, to join a political party, and to become involved in important issues. Besides voting I must grasp the many opportunities I have to participate and to share in the immense wealth and power of America because I am a citizen. No one knows what kind of lives we young Americans will create for ourselves in the future amidst these challenges. But truly, the opportunities are there for us to stretch our minds to create new visions of man and his place in the world. The challenge of America lies in her people. This challenge means responsible participation by enlightened citizens, whether youth or adult.

If we wish to preserve and protect our traditional principles and values my generation is challenged to reach new heights in understanding and cooperation. This new agenda must be a vision of the future that incorporates the noble values from America's past. For as the proverb says "Where there is no vision the people perish."

As an American I am forever challenged to do the impossible. I must plant my dream of a stronger and better America and be prepared to face the challenges and problems of our day: The sky rocketing budget, poverty, social injustice, and the prevention of nuclear war. In the words of Andrew Jackson "Honest conviction is my courage. The Constitution is my guide."

As America approaches the year 2000, I sincerely hope that the citizens of my generation, the youth of our Nation, will accept the challenge of citizenship by actively participating in helping to shape the 21st century into a world of peace and prosperity for all. In the words of Eleanor Roosevelt "Tomorrow is now."

As my cousins have learned to live free is both a privilege and a challenge; but to die free we must constantly strive for a better America and for a better world where liberty's flame will always beam bright as it did in 1776 when our Nation stood brave and free. This is the challenge of American citizenship.

REPRESENTATIVE LEVIN INTRODUCES WELFARE REFORM

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. LEVIN of Michigan. Mr. Speaker, today I am reintroducing the Work Opportunities and Retraining Compact of 1987 [WORC]. The bill is similar to legislation Senator MOYNIHAN and I introduced last year and he will shortly introduce identical legislation in the Senate. This year WORC is supported by Members on both sides of the aisle. Representative NANCY JOHNSON and Senator JOHN CHAFEE are joining with Senator MOYNIHAN and me to introduce WORC.

There is growing consensus on the need for welfare reform. And the common ground that has been established is that work and training must be at the core of any comprehensive welfare reform. WORC meets that essential test.

I believe an effective welfare-work linkage will be the leading edge of broader welfare initiatives such as minimum benefits, better health care, and improved educational opportunities for poor children. Until there is a public understanding that our welfare programs are actively helping people move up the economic ladder, progress in these other areas will be more difficult.

WORC will offer new hope and opportunity to the 3½ million families now receiving aid to families with dependent children [AFDC]. No longer will welfare mean just a check, it will also mean a chance. For the first time States will be required to offer education, training, and employment assistance to those on welfare.

In turn, welfare recipients with children above the age of 3 will have to register, be counseled, assessed and referred to an appropriate education, training, or work activity. WORC maintains flexibility by letting each State decide whether the actual participation in education, training or work will be mandatory.

Child care, transportation, and other necessary support services must be provided to help participants succeed while in training, and for a year after to ease the transition to work. The bill contains performance standards to ensure State accountability and financial incentives will reward States that succeed.

WORC builds on successful initiatives in a number of States including Massachusetts, Michigan, Maine, California, and Illinois. Recent studies by the GAO and the Manpower Demonstration Research Corporation [MDRC] have shown that work and training welfare initiatives like those in WORC can have a real, if modest, impact in helping those on welfare find employment. The WORC bill closely parallels the welfare reform proposal put forward by Republican and Democrat Governors last month at their recent Washington meeting.

I am pleased that 33 House Members are joining with Representative JOHNSON and me to introduce WORC and I hope that others of our colleagues will join with us in this important effort.

TRADE WOES

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. ECKART. Mr. Speaker, there has been much focus on the issue of international trade recently. With last year's record trade deficit of nearly $170 billion and continued high deficits this year, it is imperative that we work to improve our trade laws so that American manufacturers, businesses, and workers are allowed to complete evenly and fairly in the global marketplace.

Recently, the U.S. Court of Appeals for the Federal Circuit reached a decision which could hamper our efforts to attain this goal of fair trade. Today I am introducing legislation to reverse this erroneous decision.

The court of appeals ruled last year that countervailing duty laws are not applicable to so-called nonmarket economy countries. These countries, most notably the Soviet Union, China, and other Soviet bloc nations, would be free to export unfairly subsidized goods into the United States, further displacing American workers as a result of unfair foreign trade practices.

Countervailing duty laws are an important weapon in our arsenal to combat unfair and illegal trade practices, namely foreign government subsidies. The General Agreement on Tariffs and Trade [GATT] recognizes the inequity of such government subsidies. Thus, GATT provides for the application of countervailing duties to compensate for any unfair competitive advantage which foreign manufacturers may have as a result of foreign government subsidies. U.S. countervailing duty law is in compliance with GATT and has been in existence since 1897.

The International Trade Court upheld the applicability of U.S. countervailing duty law to imports from nonmarket economy countries, only to be overturned by the appeals court. I believe the court of appeals decision is wrong and should be reversed. Nonmarket economy countries, just as any other government, can easily subsidize domestic production. Additionally, Congress certainly did not intend to exempt these nations, which are primarily Communist states, from countervailing duty laws. It is important to note that countervailing duty laws can still be applied to all other nations which provide government subsidies.

Imports from these nonmarket countries have steadily increased during the last decade. This court decision will only exacerbate our trade woes and should be reversed.

THE HOUSE ACTS TO MAKE PERMANENT THE GI BILL EDUCATIONAL ASSISTANCE PROGRAM

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. YOUNG of Florida. Mr. Speaker, by approving H.R. 1085, legislation I cosponsored to make permanent the Veterans' Educational Assistance Program under the GI bill, the House took an important step today in ensuring that our Nation's military continues to attract the best and brightest talent into our All Volunteer Force.

The GI bill has provided our Nation's veterans with educational benefits and opportunities for more than 40 years. The 99th Congress modified the program in 1985 to provide a more attractive benefit package to military recruits and to serve as an incentive for Americans serving in the Armed Forces to consider reenlisting.

The new GI bill, which is available to personnel who enlisted after July 1, 1985 but would expire June 30, 1988, without action by Congress, consists of two parts. The first is a $300 monthly grant for up to 36 months, funded by the Veterans' Administration, for military personnel who have served either on active duty and 4 years of reserve duty, who have a high school diploma or the equivalent, and who are honorably discharged.

In addition to this grant, the Department of Defense provides supplemental benefits on an accrual basis of up to $400 per month for personnel in critical skill areas and up to $600 per month for personnel who complete the initial service requirement and reenlist either for an additional 5 years of active duty or for a combination of 2 years of active duty and 4 years of reserve duty. Selected reservists are entitled to up to 36 months of educational assistance payments of $140 if they enlist, reenlist, or extend service for at least 6 years.

As a member of the House Appropriations Subcommittee on Defense, I know how important the GI bill has been in efforts to recruit high quality military personnel. More than half of all recruits are signing up for education benefits under the program. In the end, it is the quality and dedication of America's service men and women who ensure our national security.

Mr. Speaker, the chairman of the Veterans' Affairs Committee, my colleague from Mississippi, Mr. MONTGOMERY, for whom this legislation has appropriately been named, and the ranking minority member, Mr. SOLOMON, are to be commended for their leadership in moving this important legislation. The small investment we make by providing educational benefits for the men and women of our Armed Forces reaps immeasurable returns by attracting dedicated Americans to our country's All Volunteer Force that keeps the peace and protects our treasured freedoms and liberties.

MOVE TOWARD FAIR TRADE

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. BOEHLERT. Mr. Speaker, Congress is moving rapidly to enact tougher trade laws and as part of that effort, I am introducing legislation to crack down on circumvention of antidumping orders. The bill would allow the Government to disregard minor alterations to existing or new products when determining their import classification—whether the product is steel, machine tools, typewriters, or any number of large consumer items like TV's or stereos.

Each year American companies spend millions of dollars to win dumping cases. After years in litigation some of these companies are able to prove dumping. The U.S. Government then prudently issues an antidumping order. A tariff is imposed on the imported product and some type of equality returns to the marketplace.

Unfortunately, the story has not ended here. Despite this victory it is often hollow. The end result is often that the antidumping order is circumvented, no tariffs are collected, and tens of millions of dollars do not find their way to the U.S. Treasury. Even worse, the real loss is that more jobs and industries end up being sent abroad.

Mr. Speaker, this bill puts an end to the circumvention of antidumping laws, laws which our foreign competitors avoid not through complex legal maneuvering as you might expect, and not by the development of some new high-technology process. No, instead they change the production process or add a minor feature with only one purpose: To change the product's import classification. This means they can circumvent U.S. law, stop paying the tariff of the Treasury and ensure our domestic manufacturers are at a competitive disadvantage.

The time to stop these gimmicks is now. As we move forward to address the trade problems of our Nation, I'll be working with my colleagues to see that my legislation is included in the trade bill working its way through Congress.

TIMBER RECEIPTS

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. LEHMAN of California. Mr. Speaker, my colleague, Representative NORMAN SHUMWAY, has introduced legislation to clarify existing law with regard to distribution of timber and mineral receipts generated from activities on Federal lands. I am very pleased to be a cosponsor of this legislation. Particularly for small Western communities, their share of these receipts is very important now and has been for most of this century. As local communities strive to provide basic services, these Federal receipts help compensate for the lack of tax base which results from large amounts of Federal land.

In recent years, the administration has proposed budgets which would change timber and mineral receipt programs from "gross" to "net". In effect, if Congress were to agree to these proposals we would decimate the local share of the receipt programs to the severe detriment of our local schools and roads. I wish to make it absolutely clear that in my opinion, neither the timber nor the mineral receipt programs can be changed from a "gross" to a "net" formula under the law as it exists today. I would strongly oppose any reduction in the Federal timber receipt formula, as would the vast majority of Western Congressmen. The burden is on the administration to request this unfortunate and ill-advised reduction in Federal land receipt payments. If Congress does not agree to change the formula, existing law can only be interpreted to continue the program on a "gross receipt" basis.

In summary, Mr. Speaker, I strongly support Congressman SHUMWAY'S bill as a message to this administration that Congress is opposed to any proposal to reduce Federal land receipts. This opposition is widespread and bipartisan. I urge my colleagues to enact the Federal Lands Receipts Clarification Act of 1987, and I remind this administration that even if we do not enact this bill, existing law requires that the Federal Government make timber and mineral receipt payments on a "gross" receipt basis. Thank you.

DR. DAN MORGAN'S GUIDANCE CHURCH CELEBRATES 20TH ANNIVERSARY

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. DYMALLY. Mr. Speaker, it is my privilege and pleasure to have the opportunity of paying tribute to an outstanding clergyman who is an exemplary citizen and a model human being. Dr. Daniel L. Morgan built the Guidance Church of Religious Science from idea to reality. This Sunday Dr. Morgan and his flock celebrate the 20th anniversary of the church which is located at 7225 South Crenshaw Boulevard in Los Angeles, CA.

On the occasion of this joyful commemoration, I would like to share with my colleagues a brief look back at "Dr. Dan's" distinguished career.

Dr. Morgan's devoted and eloquent teachings of God, the Living Spirit Almighty and the Kingdom of Heaven within man is a legend in the Church of Science of Mind. He has truly lived the doctrine of the church, having helped many in his congregation to disentangle themselves from their suffering, their limited circumstances, their fears, and their failures.

Dr. Morgan was born in Pittsburgh, PA. He married his childhood sweetheart, the former Vernell Bennett. He and his lovely wife are the proud parents of two daughters. Chantee, the eldest, attends the University of California, Santa Cruz. Voviette attends the University of California at Berkeley.

Dr. Morgan attended Cleveland State University. He received his bachelor's degree from the University of La Verne; his master's degree from American Baptist Seminary of the West in Berkeley; and his doctorate from the United Church of Religious Science. He completed ministerial training in 1963. Since 1966, Dr. Morgan has held a series of key posts within the United Church of Religious Science, the United Clergy of Religious Science, and the Gathering.

In addition to being the founder of the Guidance Church, Dr. Morgan founded and was a faculty member of the Southwest Chapter of the Institute of Religious Science. After being selected as the Minister of the Year in 1976, Dr. Morgan became the first recipient of the Small Ballentine Henley Award for the minister who has contributed the most to the school of ministry. In 1982, he received the highest ministerial honor bestowed by the United Church of Religious Science, the Doctorate in Religious Science. In 1984 he received the 20-year pin for continuous meritorious service to the United Church.

Dr. Morgan was the vice president of the District United Church. In addition, he was the treasurer of the Interdenominational Ministerial Alliance. He is a Prince Hall Mason and is the current president of the Ecumenical Center for Black Church Studies Board.

The Guidance Church of Religious Science was founded in 1967. The first service to be held at the 7225 Crenshaw Boulevard location was held on September 7, 1970, and the church itself was dedicated 2 weeks later. In those early days, though the sanctuary and foyer were bare and the cement uneven, the practitioners were all aesthetically happy to know that Reverend Dan had a real church from whose pulpit he could expound the truth that is science of mind. With the help of his wife and the staff volunteers, Dr. Morgan began worship in the new church. There were three church organizations: the Hostess Club, the Ladies Auxiliary, and the Women's Guild. These organizations supply the bulwark of support to the church.

Significant milestones in the growth of the church have been reached in constant, faithful succession under Reverend Morgan's leadership. The changes have been remarkable. The Book Stand became the Book Center, stocking increasing numbers of metaphysical works for the illumination of all students. The minister's study was beautifully furnished. The plain glass window in the sanctuary and foyer were replaced with stained glass. The once small choir is now large, and its annual concerts are renowned.

As the church continued to expand, the need for space increased. In 1973, the Youth Building was erected. Additional property was purchased. As the number of worshippers grew, more space was needed for Sunday services. So, the alternative was to conduct two Sunday services. In 1977, the church's growth was marked by the initiation of a morning service radio broadcast on KJLH. Accredited classwork in the science of mind has grown to regularly fill classrooms in the Southwest Chapter of the Institute of Religious Science.

The direction of continuing growth and development for the Guidance Church of Religious Science has been brilliantly charted by Dr. Morgan and his board of trustees, ministerial staff, church organizations, and members and friends. Guidance Church will continue its dynamic and historic movement toward ever greater expression. The church and Dr. Morgan are institutions in our community. I salute them both and wish them all success in the next 20 years.

SKIN CANCER: NATIONAL CONFERENCE TO DEVELOP A NATIONAL PROGRAM

HON. EDWARD B. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. ROYBAL. Mr. Speaker, skin cancer, including the potentially fatal malignant melanoma, is reaching epidemic proportions according to the American Academy of Dermatology.

In 1987, it is estimated that 25,800 people will have contracted melanoma, and in 1987, 5,800 patients are expected to die.

The incidence of skin cancers of all kinds is rising alarmingly. According to the academy, in 1930 only 1 person in 1,500 could expect to contract a melanoma in his or her lifetime, but by 1985 that number had increased to 1 in 150. And that upward trend has not abated. In 1987, the lifetime risk of contracting a melanoma is now 1 in 135. Should the incidence of melanoma increase at the same rate, it is expected that by the year 2000, 1 in 90 Americans will develop this disease during their lifetimes.

However, the virulent form of skin cancer, melanoma, is not the only form of skin cancer to pose a threat to the health of the American public. Of the carcinomas, basal cell and squamous cell are also on the rise. The American Cancer Society has estimated that upward of 450,000 Americans may suffer from skin cancer in any year, and yet skin cancers are largely preventable. All forms of skin cancer, if detected early, including melanoma, can usually be cured.

On May 1, 1987, the American Academy of Dermatology is convening a National Conference on Skin Cancer to develop a national program of prevention and detection to deal with this serious public health problem.

Two years ago the American Academy of Dermatology initiated a public education campaign on the prevention and detection of skin cancers. That campaign has met with extraordinary success. The Washington Post last year, for example, proclaimed that "* * * this year's hands-down winner as the medical-media disaster of the year has been exposure to the Sun."

However, the academy has gone beyond simply informing the public of the menace of skin cancer. For the past 2 years it has encouraged local skin cancer screening programs all across the United States. Last year these skin cancer screening programs took place in 33 States. More than 42,000 Americans were screened by better than 1,000 dermatologists. Two hundred sixty-two melanomas were identified, many of them unsuspected, with the result that many lives were saved. Also, in the 1986 campaign, 3,049 basal cell carcinomas were found, along with 393 squamous cell carcinomas and 10,336 other Sun-caused lesions.

I am very pleased to say that last March, the House Select Committee on Aging, under my chairmanship, held a hearing on skin cancer prevention and detection among the aging, which was helpful in informing the public.

Surveys indicate that Americans are aware of the risks of overexposure to ultraviolet radiation. Yet their infatuation with the Sun continues. To address this national problem, the academy will hold a national conference of organizations involved with cancer research, health professionals, and business representatives on May 1, 1987, in Washington, DC.

Invitations will also be sent to all Federal agencies which have responsibility for American citizens who spend a great deal of time in the Sun—such as those Federal agencies responsible for parks, beaches, boating, et cetera. Additionally, leaders from State governments, from local governments, from industries having a large number of persons at risk, and from sporting organizations will also be involved.

I urge all of my colleagues to attend and hope that Federal Government agencies, with responsibilities in this area, will send their employees as participants.

RECONCILING ENDS AND MEANS

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 18, 1987

Mr. ASPIN. Mr. Speaker, yesterday I addressed the issue of why ends and means tend to become so divorced in the process of formulating national security policy, why the correlation between our national security objectives and our military forces is so weak, and what is responsible for the perennial "strategy/force mismatch" that the Joint Chiefs of Staff have so long lamented.

Today I would like to go on in this series marking the pioneering national security policy hearings by the Armed Services Committee's Defense Policy Panel by outlining one of the possible ways of tying ends and means together.

Perhaps the major problem with the current process of formulating national security policy is the lack of what engineers call feedback—a comparison of where one wants to go with where one is actually headed, with signals sent to the rudder whenever the two don't match. Instead, engineers would call the current system an open loop in that it mandates no corrections if the actual course departs from the intended.

National security policy objectives—where we want to go—are set at the outset, but our military forces—how we're going to get there—are set in what often seems to be an entirely different process. Even at the outset, there is rarely if ever any attempt to specify the objectives with enough precision even to permit a useful estimate of the necessary forces. Rarely if ever is there feedback to ensure that if the prospective forces wouldn't be enough to carry out the prospective policies, then either more money is allocated to the forces, or less ambitious objectives are chosen, or both. So we rarely even start out with matched means and ends.

Policy seems to be chosen at one time in one forum; forces seem to be chosen subsequently at many times and in many forums. But because of the current lack of feedback, even if the ends and means were balanced at the beginning, they would not stay that way for long. The means—the proposed military forces—are buffeted by one force or another all the way through the process, while the ends are hardly considered.

Some form of feedback is essential as the process proceeds from the President and the Secretary through the JCS, to the military departments, back to the Secretary, then back to the President and the OMB, over to the Congress, and finally back to the military departments. The changes imposed for one reason or another in each of the steps should be monitored and evaluated, and either the ends, or the means, or both should be modified to ensure that one is compatible with the other.

But though feedback is needed throughout the process, the most serious absence in the current linear system is in the initial selection of national security policy. Feedback later in the process can react to events and bring the means and goals back together, but each correction brings with it some turbulence: Complex and detailed programs for forces must be altered; officially proclaimed policy objectives have to be modified; the changes involve many agencies and people working under tight deadlines; opportunities for confusion abound. Feedback is necessary, but the practical limits to the turbulence the system can tolerate make it important to minimize the need for corrections along the way. For that, there is no substitute for getting started in the right direction in the first place: The most important problem with the current system lies in the matching of ends and means in the initial selection of national security policy.[1]

THE INITIAL SELECTION OF NATIONAL SECURITY POLICY

THE NEED FOR PRECISION AND DETAIL AT THE START

Certainly no recent administration has failed to state its national security policy objectives in one way or another. But the more broad and sweeping these statements are, the less controversial and less useful they tend to be for determining military force requirements. For example, here is one such statement:

> America's most basic national security objective is to preserve the United States as a free nation at peace, with its fundamental institutions and values intact.[2]

Few would disagree with that objective, but many would disagree about the forces needed to ensure it. Part of the problem is that determining what forces it would take to achieve some specific military objective is an uncertain art rather than a precise science. But a larger problem lies in interpreting exactly what military objectives stem from such a broad policy objective.

Attempts to clarify that point by more precise statements soon make it clear that objectives, other than the most general, are not immutable. Once past the generally uncontroversial, "requirements" give way to alternatives and the need for choice. An example, continuing with the citation I mentioned a moment ago:

> From this objective flow supporting objectives for which a defense strategy and military programs must be formulated. These are to * * * Protect U.S. economic interests worldwide by maintaining steady access to energy supplies * * *.[3]

Presumably, the stipulation that what we mean to protect are U.S. economic interests means that it is not our policy to protect access to all energy sources worldwide, but only those on which the U.S. economy depends. That raises the question of the extent to which the U.S. economy depends on access to Persian Gulf oil. On the one hand, though we do depend on the Persian Gulf for some of our imports, the amount is relatively small, particularly in comparison with the dependence of some of our allies. But on the other hand, we have a sharing agreement with those allies in the event of a cutoff; implementing that agreement could reduce our imports much more sharply. Would that be enough to jeopardize U.S. economic interests?

Thus, the statement is ambiguous and open to interpretation. It does not resolve the choice between vastly different alternative national security policies: To defend or not to defend the access to Persian Gulf oil. And that choice has the most profound implications for the size and structure of the Armed Forces, not to mention the defense budget.

The point is that the decisions at the highest level as to national security policy cannot be limited to broad generalities. If ends and means are to be aligned from the beginning, the President and his advisers must face up to the potential costs of the means before they commit themselves to the ends. Those costs cannot be estimated even roughly on the basis of broad generalities; the proposed national security policy must be stated with enough precision to allow a reasonable estimate of the necessary forces.

THE NEED FOR EXPERTS AT THE START

This does not mean, of course, that the President himself must work through every detail of military force structure. But it does mean that national security policy should not be roughed out by some small and senior group working in isolation, with the details to be worked out later by more specialized experts at the lower levels; those details may turn out to contain some unacceptable surprises for the senior group. It means instead that a considerable amount of detailed expertise must be brought into the process before—not after—the policy is chosen.

That group of experts must be at the beck and call of the President and his advisers for at least three purposes:

First, experts are needed to spell out the costs of proposed policies, costs in this sense meaning costs in the broadest terms—not just dollars, but the potential effects on the economy and on other national objectives, both public and private;

Second, when those policies are too imprecise to deduce their costs, experts are needed to work with the President to resolve the ambiguities—not simply so that men with green eyeshades can come up with dollar figures but—much more importantly—so that having added a note of rigor and discipline, the President and his advisers can be more confident that they have thought through the implications of proposed policies; and

Third, because of their familiarity with a wide range of potential objectives, capabilities, and costs, experts are needed to suggest what alternative policies might be open to the President.

This group of experts should presumably be an adjunct to the National Security Council, with representatives at the working level from the Departments of State, Defense, and presumably the Treasury; the Director of Central Intelligence; and the President's Council of Economic Advisers.

Professional military advice from the Department of Defense is a matter of special interest. Responsible estimations, however rough, of the military forces required to carry out specific policies would obviously be of paramount importance. Yet the task would require a formidable expertise and prompt answers, particularly in light of the many alternatives that should be considered in any comprehensive review of potential national security policies.

The primary repository of such expertise, dispassionate and free of parochial interests, should be the Joint Staff. Prior to the Goldwater-Nichols legislation amending the National Security Act, however, preparatory training for positions on the Joint Staff was very much the exception rather than the rule, the average experience level amounted to less than a year and a half, repeat tours were severely restricted, such duty was not viewed as career enhancing, and there were no safeguards to prevent retaliation against officers who had failed to uphold the positions of their parent services when they returned after a tour on the Joint Staff.

The reform of the Joint Chiefs of Staff system, and the establishment of a highly trained, experienced, and professional Joint Staff, free to render dispassionate judgments as to military force requirements without concern about jeopardizing their careers, offers an unprecedented opportunity to improve the development of national security policy.

AN ANALYTICAL ROUTINE AT THE START

While there is no inherently correct way of approaching the selection of national security policy, the following eight-step process is at least one possibility. My primary purpose in describing it in some detail is not so much to prescribe how the executive branch should carry out its responsibilities as to outline some fundamental issues in which the administration and the Congress should share a common interest.

First. The first step would be for the President and his advisers to lay out a national security policy, much as is done now, based on precedence, common sense, and objectives generally perceived as desirable. There would, however, be one important difference: Instead of announcing and committing the Nation to that policy, it would be accepted only tentatively, serving merely as a place to start serious deliberation.

Second. The second step would be to estimate the friendly and opposing force balances for each of the conditions under which that policy might require the use of military force. For example, our likely policy as a member of NATO would be to continue to aid in the defense of Europe against the Warsaw Pact. As part of this step, then, estimates would be made of the current and projected military strength of the Warsaw Pact, accounting not only for sheer numbers, but also for their quality and training, the rate at which they could be mobilized and deployed for combat, the reliability of the satellite nations, and similar factors. A comparable analysis would be made of NATO forces, and the two compared. Similar comparisons would be made for all other areas of the world that the policy would embrace.

Third. In the third step, the comparison would be evaluated in terms of what the balance is and will be, versus what it should be if we are to meet the objectives inherent in the proposed national security policy. If U.S. forces are already more than adequate, there might be opportunities for savings to be applied to other objectives. If not, the difference between what's needed and what's available would define in gross terms the additional forces we would need if the proposal were to become our policy.

Fourth. The fourth step would be to define, in enough detail to permit at least rough costing, the forces that would be needed to redress any imbalances—or to define the forces that could be discarded if the balances exceeded the requirements of the tentative policy. In drawing up such a list, care would have to be taken to develop the most efficient combination of forces so that costs would not be overstated and we would not despair of policies that are actually within our reasonable grasp. In so doing, many balances would have to be struck among forces or capabilities that compete for resources. For example:

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[1] Mismatches between means and ends do not always stem from a lack of feedback in the process; sometimes the mismatch is deliberate in an attempt to deter beyond our capability to actually carry out our announced policies. But in such deliberate cases, the danger in "bluffing" is presumably recognized, unlike cases in which the mismatch is unwitting.

[2] "Report of Secretary of Defense Caspar W. Weinberger to the Congress on the FY 1986 Budget, FY 1987 Authorization Request and FY 1986-90 Defense Programs", Feb. 4, 1985, Part I ("Peace with Freedom"), p. 25.

[3] Ibid., p. 25.

The balance between strategic nuclear and conventional forces. Though nuclear forces clearly dominate in determining our military strength, conventional forces clearly dominate in determining our military budget. Because we need both kinds of capability if we are to be able to cope with contingencies at all levels, we must strike a balance between the two in both cost and capability. The decision is never simple: Though there is no need greater than that of avoiding nuclear war, allocating evermore resources to nuclear forces at the expense of conventional forces is no answer; nonnuclear wars are less devastating, but they are also more likely. Furthermore, a weakness in conventional forces could actually precipitate precisely what we were trying to avoid by strengthening our nuclear forces: nuclear war. But because an insufficient emphasis on strategic nuclear forces could have an equally devastating result, a prudent balance must be struck.

A second important balance would be the one between near-term and long-term risks. If our principal concern is with near-term contingencies, say within the next year or two, then we should emphasize the training and readiness of the military forces we already have. In budgetary terms, that implies emphasis on the operation and maintenance accounts, and on the portion of the procurement accounts that funds readily available spare parts.

But if our principal concern is with contingencies in the more distant future, then we should take advantage of the extra time we have to embark on the necessarily time-consuming process of modernizing and expanding our forces. In budgetary terms, that implies emphasis on the research and development and the weapon system procurement accounts.

Obviously, we cannot emphasize everything simultaneously. Thus, a budgetary balance must be struck in light of a judgment as to the relative risk of near-term and long-term contingencies. That balance may be complicated by differing prospects for strategic and conventional forces, and differences among conventional forces earmarked for different parts of the world.

A third important balance to consider is the one between the initial and the sustaining capability of conventional forces. The capability of conventional forces in the initial days of fighting is enhanced by emphasizing forward deployment in peacetime, locally pre-positioned equipment, strategic mobility, and firepower rather than sustainability. On the other hand, capability beyond the initial period is enhanced by generous stocks of munitions and spare parts, maintenance and battle damage repair facilities, replacement troops and equipment, and an extensive logistic support system.

Too much emphasis on sustaining capability at the expense of initial capability risks an early defeat; the opposite risks eventual exhaustion. Thus there must be yet another choice regarding the balance between capabilities competing for the same resources.

A fourth important balance is the one between the initial and the sustaining capability of strategic nuclear forces. A prolonged thermonuclear exchange would severely tax command and control facilities and raise difficult questions regarding the continuity of government. Yet having as our only alternative a single spasm response to any Soviet attack, no matter what its character, would clearly be unsatisfactory.

Thus, a balance must be struck between forces to ensure an adequate early response and increasingly expensive and problematical provisions to ensure forces and a command system that would survive repeated exchanges.

And a fifth balance to be considered is the one between capabilities in various parts of the world. Forces that would be ideal for operations in one theater are unlikely to be ideal for the others. For example, there are important differences between Central Europe and Southwest Asia:

In Europe, we can be reasonably sure of which nations would be involved on which sides of a war, and where the fighting would be. In Southwest Asia, an area vastly larger than Central Europe, neither the participants nor the battlefields could be predicted years in advance with much certainty.

Southwest Asia has only a fraction of Central Europe's logistic infrastructure—roads and trucks, rail lines and trains, canals and barges, and telephone systems. Furthermore, there is no parallel in Southwest Asia to the host nation support agreements that help to ease the burden of supporting U.S. forces in Europe.

Central Europe is dotted with urban areas and both military and commerical air bases; Southwest Asia has comparatively few of either.

Thus, forces designed for Southwest Asia must emphasize logistics far more than forces designed for Europe. Because of political and geographic uncertainties, they must rely on maritime, rather than land-based, pre-positioning to support the initial units. That shipping, as well as shipping to sustain operations, must be able to use shallow-depth ports with limited facilities, or even to unload over the beach in the absence of harbors. The combat units need proportionately much more combat service support to cope with longer supply lines, poor and scarce roads, a general dearth of potable water, and little peacetime infrastructure on which to draw.

Because forces can hardly be optimized for Europe and for Southwest Asia simultaneously—much less for other areas of interest as well—one more balance must be struck. The choice may be to give great priority to one area over all the others, or it may be to spread the resources as evenly as possible.

Thus, there are many questions to be resolved regarding the balances within our military forces that would meet the requirements of any particular national security policy most efficiently. If they are ignored, they will eventually be resolved implicitly by default. But if the burden of the means is to be understood—as it should be—before the ends are endorsed, these issues should be resolved explicitly in the initial stages of policy formulation because they so powerfully influence what the forces, and thus what the cost, would be.

Beyond the issues of balance, there are other aspects of policy that must be addressed before any realistic estimate of force requirements is possible. Among them are the emphasis on crisis stability in the design of strategic nuclear forces, the emphasis on damage limitation, the importance we attach to extended deterrence and the inclusion of friends and allies under our nuclear umbrella; the relative emphasis on arms control as opposed to unilateral measures; specific objectives in various areas of the world, for example, only to limit penetrations, or to restore the status quo ante, or to punish aggression by some degree of conquest and liberation, and—especially important—the degree of simultaneity of crises in different areas of the world with which we will be prepared to cope.

Fifth. If additional military forces would be needed, the fifth step in exploring a proposed national security policy would be to consider, in consultation with our allies, what portion they might supply. The rest, of course, would be the new military forces the United States would have to add, should this become our chosen policy. When we pick a policy that counts on help from our allies, we should judge not only the reliability of that help as best we can, but also our position should that help not actually materialize.

Sixth. A major choice to be made in the sixth step is how quickly we would add any requisite new military forces, were we to adopt this policy. The more slowly we rectify an unsatisfactory balance, the longer the danger of an unsatisfactory military outcome will persist, and the more opportunity for an offsetting buildup on the other side. But the more rapidly we try to rectify the balance, the greater the near-term cost and the longer the delay in achieving other national objectives.

Seventh. Then, having first laid out a tentative policy; second, estimated the current and future force balances in the areas affected by the policy; third, at least roughly determined the implications of the policy for additional, or fewer military forces; fourth, defined a reasonably efficient mix of such forces; fifth, estimated what portion of them we, as opposed to our allies, would have to furnish, or could retire; and sixth, how quickly we would furnish, or retire, them; [4] the seventh step in this process of exploring a possible national security policy would be to estimate the year-by-year costs of the new U.S. defense program that such a policy would require. But informative as that might be, still more can and should be done to inform the President's decision whether to select the proposed national security policy or to look for a better alternative.

Eighth. Though security is the most important, it is not the only great national objective. The President's responsiblity is to propose the best balance among all our national objectives, defense and nondefense, public and private, given the bountiful but inescapably limited resources of the Nation.

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[4] For simplicity, these steps have been described as a sequence. However, some would have to be taken in parallel because they are interrelated. For example, the future forces estimated in Step 2 would have to correlate with the time taken in Step 6 to redress the balance.

To help him in that task, the eighth and final step in the exploration of the tentative national security policy would be, through estimates of its effect on the economy, to give him some indication of its marginal effect on our ability to achieve objectives other than that of ensuring the national security. With year-by-year cost estimates of the required defense program in hand, predictions could be made regarding such parameters as the deficit, inflation, unemployment, and the growth rate of the GNP. The absolute accuracy of such predictions would always be questionable, but their relative accuracy should be more than adequate for comparison of alternative policies. Thus, by considering more than just the costs of defense budgets in isolation, such economic analyses could give the President a much clearer understanding of what the Nation would have to give up for what it would gain under alternative national security policies.

Once having worked through the implications of the first tentative national security policy, the President would almost certainly want to explore some variations before making any final choice. Perhaps he might want to modify the objectives, or the amount of risk he would be willing to accept in the military force balances, or the time to build the new forces, or the assumptions regarding allied contributions, or any of the other factors affecting ends and means. The possible variations are limitless, and the President could not delay his final selection forever, given the tyranny of the budgetary calendar. Nonetheless, if a President is to set a comprehensive and sensible policy, he must address fundamental issues such as these, lest events decide those issues for him.

AN OVERVIEW OF THE INITIAL PROCESS

That eight-step initial process would represent a significant departure from the practices of previous administrations. I have described it not to imply that it is the only conceivable way of tying ends and means together, but only to illustrate the kinds of issues that should be resolved at the highest level, that should be resolved at the beginning, and that should be of concern to the Congress. But because it would involve far more detailed analyses and comparisons at the earliest stages of policy formulation, it could be controversial on at least two grounds:

First, would it place too great an emphasis on estimates and calculations of issues that are not well-suited to quantitative analysis, and

Second, would it involve the President in an inappropriate and impractical level of detail?

As to the issue of estimates and calculations, it is quite true that there is no mathematical formula that could incontrovertibly quantify the risk, or lack thereof, in any particular force balance ratio. Indeed, there are various ways of estimating what those ratios are in the first place, and not all of them provide identical answers.

But the fact that the estimates and calculations are subject to some uncertainty does not mean that they can tell us nothing at all, that it would be better to ignore them, that guessing is preferable to research, and that adjectives are more revealing than arithmetic. Obviously the raw mathematical calculations would have to be tempered by experienced judgment, particularly that of the most expert and professional of military officers. But the issues embodied in the kinds of estimates and calculations outlined above cannot be ignored if there is to be any hope of a reasonable alignment of ends and means.

The analytical process itself also has a value beyond what the numbers and the ratios can reveal. The very act of adhering to such a process is as least as important and beneficial in that it imposes a note of comprehensiveness, rigor, and discipline in this most important of all Presidential decisions. Some of the issues may be hard to resolve; this sort of process at least makes them hard to overlook.

As to involving the President in unnecessary detail, none of the issues outlined above is trivial or beneath a President's thoughtful attention. For example,

Deciding how to split the budget between strategic nuclear and conventional forces;

Deciding whether we should emphasize preparations for contingencies in the near term or the long term;

Deciding whether to emphasize combat capability on D-day as opposed to sustaining the battle thereafter;

Deciding how to allocate our resources among the defense of Europe, the defense of the Middle East, the defense of South Korea and Japan, and the potential to handle lesser contingencies elsewhere;

Deciding how much military help from our allies to count on in various contingencies;

Deciding what to assume regarding the Eastern European satellites' loyalty to the Warsaw Pact in time of war;

Deciding the rate at which we will plan to redress any unsatisfactory military balances; and

Deciding on the allocation of the resources of the United States between national security and other objectives in both the public and private sectors.

None of these could be considered details. None are matters of fact; all are judgments; and all have fundamental effects on the requirement for military forces.

Whether a particular President chooses to resolve those issues personally or to delegate some or all of them to subordinates is a matter of managerial style. But they all are judgments of a Presidential stature. If ends and means are to be aligned at the beginning—and if they are not, it is unlikely that they will be later—issues such as these must also be resolved at the beginning, which means at the Presidential level. To the degree that they are ignored, the burden of the means required to ensure the ends will be ignored, as it has so often in the past.

Thus, it is true that such an initial process would be a significant departure from practices of the past. It is true that it would involve more explicit estimates and calculations; adjectives are no substitute for arithmetic when it comes to decisions that profoundly affect the numbers in many future budgets.

It is also true that such a process would involve more specific judgments than many Presidents have made prior to announcing national security policies; but without such judgments to crystallize what a national security policy really means, it is impossible to estimate the requisite forces, or their cost, or, for that matter, the President's actual willingness to fund them later when he must fit them into a real budget.

AFTER THE INITIAL SELECTION

As I noted earlier, the reason for so much attention to the initial selection of national security policy is that unless ends and means are reasonably matched at the outset, they are unlikely to become matched thereafter. Yesterday I described some of the forces to drive means and ends apart. In addition, the world changes: New intelligence becomes available, economic pressures ebb and flow, the initial estimates—made under the pressures of time and the many alternatives to be considered—are unlikely to be as accurate as subsequent estimates and calculations, and the Congress is sure to impose its will to one degree or another. Therefore, feedback is necessary to keep the ends and the means aligned when the inevitable changes occur after the initial selection.

To ensure proper feedback, some agency would have to be assigned the responsibility of monitoring the changes. Because they could occur in the areas of responsibility of several departments and agencies, the Assistant to the President for National Security Affairs presumably should be the watchdog, though that would be a matter for each administration to decide.

Monitoring would be, of course, only the first step. When ends and means began to diverge, one or the other or both of them would have to be altered to bring them back together. For example, if the Congress should deny some of the funding requested for the defense budget, it might be necessary to scale back the objectives, or at least their dates of achievement. Minor changes could presumably be accommodated at the departmental level; accommodating major changes could require reopening the initial selection process with full Presidential participation.

Mr. Speaker, that concludes my remarks for today. I will wind up this series tomorrow with the subject of the requisites for proper congressional involvement in national security policy.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, March 19, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 20

9:30 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Office of the Secretary of the Treasury, and the National Treasury Employees Union.
SD-116

Budget
Business meeting, to mark up the concurrent resolution on the fiscal year 1988 budget for the Federal Government.
SD-608

Governmental Affairs
Oversight of Government Management Subcommittee
To continue hearings on the Independent Counsel Statute.
SD-342

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Federal Emergency Management Agency.
SD-124

Foreign Relations
International Economic Policy, Trade, Oceans and Environment Subcommittee
To hold hearings to review the economic and foreign policy implications of the decline of the U.S. dollar.
SD-419

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
Business meeting, to mark up S. 320, School Dropout Demonstration Assistance Act of 1987.
SD-430

2:00 p.m.
Budget
Business meeting, to mark up the concurrent resolution on the fiscal year 1988 budget for the Federal Government.
SD-608

MARCH 23

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold hearings to review the revenue increases proposed in the President's proposed budget for fiscal year 1988.
SD-215

Labor and Human Resources
Employment and Productivity Subcommittee
To hold hearings on the guaranteed job opportunity program.
SD-562

2:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, in behalf of funds for the Agricultural Stabilization and Conservation Service, Commodity Credit Corporation, and the Federal Crop Insurance Corporation.
SD-138

3:00 p.m.
Armed Services
Strategic Forces and Nuclear Deterrence Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense, focusing on selected chemical and theater nuclear weapons issues.
SR-222

MARCH 24

9:00 a.m.
Labor and Human Resources
Labor Subcommittee
To hold joint hearings with the House Committee on Education and Labor's Subcommittee on Labor-Management Relations on pension reform.
SD-430

9:30 a.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for the Department of Defense, focusing on the strategic defense initiative (SDI).
SD-192

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to review Federal drug interdiction capabilities and coordination, focusing on efforts to establish a comprehensive command, control, communications and intelligence system for Federal interdiction efforts.
SD-342

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for certain activities of the Agency for International Development.
S-126, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Bureau of Land Management, Department of the Interior.
SD-192

Armed Services
Strategic Forces and Nuclear Deterrence Subcommittee
To resume closed hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense, focusing on the strategic defense initiative program.
SR-222

Judiciary
To resume hearings on the President's proposed budget request for fiscal year 1988 for the Department of Justice, focusing on the Immigration and Naturalization Service.
SD-226

2:30 p.m.
Energy and Natural Resources
Research and Development Subcommittee
To hold hearings to review the current status of renewable energy technologies.
SD-366

MARCH 25

9:00 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to resume markup of S. 659, to establish agricultural aid and trade missions to assist foreign countries to participate in United States agricultural aid and trade programs.
SR-332

Armed Services
To hold open and closed hearings on U.S. military strategy in the area of responsibility of the U.S. European command.
SR-325

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Judiciary
Antitrust, Monopolies and Business Rights Subcommittee
To hold hearings on airline deregulation.
SD-226

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, in behalf of funds for the Rural Electrification Administration.
SD-138

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of State, and the U.S. Arms Control and Disarmament agency.
S-146, Capitol

Finance
To hold hearings to examine the impact of imports and foreign investment on national security, and related provisions as contained in S. 285, S. 490, S. 470, S. 694, and H.R. 3.
SD-215

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

1:30 p.m.
Armed Services
Readiness, Sustainability and Support Subcommittee
To resume open and closed hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense.
SR-222

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1988 for energy and water development, focusing on nuclear weapons issues.
SD-116

MARCH 26

9:00 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business.
EF-100, Capitol

9:30 a.m.
Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for the Department of Defense, focusing on the strategic defense initiative (SDI).
SD-192

Banking, Housing and Urban Affairs
International Finance and Monetary Policy Subcommittee
To hold hearings on third world debt issues.
SD-538

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review the Federal Aviation Administration's management of the airport and airway trust fund.
SR-253

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on State and local government control efforts in non-attainment areas.
SD-406

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Credit Subcommittee
To resume oversight hearings on the status of the farm credit system.
SR-332

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Peace Corps, African Development Foundation, and the Inter-American Foundation.
S-126, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Environmental Protection Agency.
SD-124

Finance
To resume hearings to review catastrophic health insurance issues, focusing on the role of private insurance and financing alternatives for catastrophic protection.
SD-215

Labor and Human Resources
Employment and Productivity Subcommittee
Labor Subcommittee
To resume joint hearings on S. 538, to implement the recommendations of the Secretary of Labor's Task Force on Economic Adjustment and Worker Dislocation.
SD-430

1:30 p.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on industrial design production.
SD-226

2:00 p.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Office of the Secretary and the Office of the Inspector General, Department of Transportation.
SD-192

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1988 for the National Telecommunications and Information Administration, Department of Commerce.
SR-253

2:30 p.m.
Energy and Natural Resources
Research and Development Subcommittee
To resume hearings to review the current status of renewable energy technologies
SD-366

MARCH 27

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Environmental Protection Agency, and the Council on Environmental Quality.
SD-124

Finance
Health Subcommittee
To hold hearings to examine the role and performance of utilization and quality control peer review organizations under the Medicare program.
SD-215

MARCH 30

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.
SD-192

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.
SD-192

MARCH 31

9:00 a.m.
Armed Services
Strategic Forces and Nuclear Deterrence Subcommittee
To hold closed hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Energy, focusing on military applications provisions.
SR-222

9:30 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on health effects of ozone and carbon monoxide in non-attainment areas.
SD-406

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, in behalf of funds for the Foreign Agricultural Service, Food for Peace Program (P.L. 480), and the Office of International Cooperation and Development.
SD-138

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for migration and refugee assistance, U.S. emergency refugee assistance fund, international narcotics control, and anti-terrorism assistance.
S-126, Capitol

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.
SD-192

Foreign Relations
To resume hearings on proposed legislation authorizing funds for fiscal year 1988 for foreign assistance programs.
SD-419

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.
SD-192

APRIL 1

9:00 a.m.
Armed Services
Strategic Forces and Nuclear Deterrence Subcommittee
To resume hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense, focusing on the strategic defense initiative research program and its compliance with existing Treaty obligations.
SD-106

Rules and Administration
Business meeting, to consider pending legislation and administrative business.
SR-301

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, and the Jewish War Veterans.
334 Cannon Building

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

10:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Commodity Futures Trading Commission, and the Food and Drug Administration of the Department of Health and Human Services.
SD-138

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development.
SD-124

Appropriations
Military Construction Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on Air Force and Air Force Reserve Components.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.
SD-192

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for international organizations of the Department of State.
S-146, Capitol

Judiciary
Courts and Administrative Practice Subcommittee
To hold hearings on S. 548, Retiree Benefits Security Act of 1987.
SD-226

1:30 p.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Office of Personnel Management, the Federal Election Commission, and the Advisory Commission on Intergovernmental Relations.
SD-124

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Strategic Petroleum Reserve, Naval Petroleum Reserve, and the Office of Emergency Preparedness.
SD-116

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.
SD-192

APRIL 2

9:30 a.m.
Commerce, Science, and Transportation
Foreign Commerce and Tourism Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1988 for the U.S. Travel and Tourism Administration, Department of Commerce.
SR-253

Energy and Natural Resources
Research and Development Subcommittee
To hold oversight hearings on the clean coal technology program.
SD-366

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development.
SD-124

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the St. Lawrence Seaway Development Corporation, and the Architectural Transportation Barriers Compliance Board.
SD-138

Foreign Relations
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1988 for the Department of State, U.S. Information Agency, Board for International Broadcasting, and the U.S. Arms Control and Disarmament Agency.
SD-419

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on the provisions of S. 506, to require the inclusion of copycode scanners in digital recording devices.
SR-385

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Indian Health Service of the Department of Health and Human Services, and the Navajo and Hopi Indian Relocation Commission.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.
SD-192

APRIL 3

9:30 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the United States Postal Service.
SD-116

Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 58, to make permanent and increase the income tax credit for increasing research activities, and proposals regarding the allocation of domestic research expenses.
SD-215

APRIL 6

9:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

10:00 a.m.
Appropriations
Military Construction Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on Caribbean Basin Construction Program.
SD-192

APRIL 7

9:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review the implementation of the airport improvement program.
SR-253

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on S. 675, authorizing funds for fiscal years 1988-1992 for programs of the Endangered Species Act.
SD-406

2:00 p.m.
Energy and Natural Resources
Research and Development Subcommittee
To hold hearings on the President's budget request for fiscal year 1988 for the Department of Energy's Office of Energy Research for the Superconducting Super Collider (SSC).
SD-366

APRIL 8

9:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review the national airspace system plan.
SR-253

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 568 and S. 573, bills to protect patent owners from importation into the United States of goods made overseas by use of a United States patented process, and S.

635, to protect intellectual property rights.
SD-226

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs, focusing on nuclear fission, uranium enrichment, and the nuclear waste management.
SD-192

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Securities and Exchange Commission and the Civil Rights Commission.
S-146, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

APRIL 9

9:30 a.m.
Energy and Natural Resources
Research and Development Subcommittee
To resume oversight hearings on clean coal technology program.
SD-366

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Interstate Commerce Commission, and the Research and Special Programs Administration of the Department of Transportation.
SD-138

1:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

1:30 p.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To continue hearings on S. 635, to protect intellectual property rights, focusing on section 115 (patent misuse), and section 116 (licensee challenges to patent validity).
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.
SD-192

APRIL 10

9:30 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Treasury, U.S. Postal Service, and general government.
SD-192

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the National Aeronautics and Space Administration.
SD-124

APRIL 21

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

APRIL 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Education, focusing on the Office of the Secretary, and salaries and expenses.
SD-192

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To resume hearings on S. 635, to protect intellectual property rights.
SD-226

10:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Small Business Administration, and the Federal Trade Commission.
S-146, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Geological Survey, Department of the Interior.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs, focusing on the Department of Energy national laboratories.
SD-116

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Education, focusing on compensatory education for the disadvantaged, special programs, impact aid, bilingual education, immigrant and refugee education, education for the handicapped, rehabilitation services and handicapped research, special institutions (includes American Printing House for the Blind, National Technical Institute for the Deaf, and Gallaudet College), and vocational and adult education.
SD-192

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Earthquake Hazards Reduction Act (P.L. 95-124).
SR-253

10:00 a.m.
Appropriations
Military Construction Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on Army and Army Reserve Components.
SD-124

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs, focusing on Atomic Energy Defense activities.
SD-116

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on the Office of the Secretary and the Office of the Solicitor.
SD-192

2:30 p.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Education, focusing on student financial assistance, guaranteed student loans, higher education, higher education facilities loans and insurance, college housing loans, Howard University, education research and statistics, and libraries.
SD-138

APRIL 24

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Federal Home Loan Bank Board, Neighborhood Reinvestment Corporation, and the National Institute of Building Sciences.
SD-124

APRIL 27

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development, focusing on certain activities of the Department of Energy.
SD-192

APRIL 28

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for security assistance programs.
S-126, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on the Bureau of Mines, and the Office of Surface Mining, Reclamation and Enforcement.
SD-192

APRIL 29

10:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Justice, focusing on the Office of Attorney General, Immigration and Naturalization Service, and the Federal Prison System.
S-146, Capitol

APRIL 30

9:30 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on territorial governments.
SD-124

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for defense security assistance programs.
S-126, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Urban Mass Transit Administration of the Department of Transportation, and the Washington Metropolitan Transit Authority.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on territorial affairs.
SD-192

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Smithsonian Institution, Woodrow Wilson International Center for Scholars, and the Holocaust Memorial Council.
SD-138

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

10:00 a.m.
Appropriations
Military Construction Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on defense agencies.
SD-192

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the U.S. Supreme Court, and for the Department of Justice, focusing on the Federal Bureau of Investigation, Drug Enforcement Administration, and the U.S. Marshals Service.
S-146,Capitol

2:30 p.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

MAY 7

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for fossil energy, and clean coal technology programs.
SD-192

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Federal Aviation Administration, and the General Accounting Office (FAA operations).
SD-138

2:30 p.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development, and independent agencies.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed estimates for fiscal year 1988 for the Federal Aviation Administration of the Department of Transportation, and the

General Accounting Office (R, E&D, F&E, Airport Grants).

SD-138

2:30 p.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-192

MAY 12

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for certain export financing programs.

S-126, Capitol

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Legal Services Corporation, and the Equal Employment Opportunity Commission.

S-146, Capitol

MAY 13

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for foreign assistance programs.

S-126, Capitol

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Commerce, Justice, State, the Judiciary, and related agencies.

S-146, Capitol

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Transportation and related agencies.

SD-138

MAY 14

10:00 a.m.

Transportation and Related Agencies Subcommittee

To hold hearings on proposed estimates for fiscal year 1988 for the Department of Transportation and related agencies.

SD-138

MAY 15

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development, and independent agencies.

SD-124

MAY 20

10:00 a.m.

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Judiciary Conference, Commission on the Bicentennial of the Constitution, U.S. Sentencing Commission, and the State Justice Institute.

S-146, Capitol

JUNE 23

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings to review proposed budget estimates for fiscal year 1988 for the Department of State.

SD-192

CANCELLATIONS

MARCH 20

9:30 a.m.

Armed Services

To resume hearings on the national security strategy of the United States.

SR-222

MARCH 23

9:30 a.m.

Energy and Natural Resources

To hold oversight hearings to review the Department of the Interior's proposed 5-year Outer Continental Shelf leasing plan.

SD-366

MARCH 24

2:00 p.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed legislation authorizing funds for fiscal year 1988 for the National Aeronautics and Space Administration's space station program.

SR-253

HOUSE OF REPRESENTATIVES—*Thursday, March 19, 1987*

The House met at 11 a.m.

Rev. Eugene J. O'Brien, S.J., Fordham University, New York, NY, offered the following prayer:

To the God who is Lord and Father of us all who gave us our heads and our hearts, our homes and our homeland, and all this heart-filling, heartbreaking world, let us bow our heads and pray:

Father, clear our heads of small and selfish thoughts so that we may savor Your wisdom;

Father, cleanse our hearts of anxious, angry feelings so that they may open with Your generosity;

Father, protect our homes from our hurting, heedless ways so that they be our haven of understanding and of love;

Father, bless our homeland, with Your peace and our pride so that it may be a beacon for Your weary world; and

Father, stretch our heads and hearts and our sometimes tired arms to embrace all Your world and all its people, Your beloved sons and daughters, our fractious brothers and sisters, so that we strengthen them with our faith in You, and lift them with hope in themselves, and heal them with this weary world's one and only healing, our love—and Yours—today and all our days. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

REV. EUGENE J. O'BRIEN, S.J.

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, it is a personal privilege and special honor for me to welcome Father Eugene J. O'Brien to our Nation's Capital, and to thank him for delivering today's opening prayer.

Father O'Brien is a most distinguished and respected theologian, educator, and administrator from my hometown of the Bronx. Presently, he serves as assistant to the president of Fordham University, one of our Nation's finest institutions of higher learning. However, his impressive credentials also include four decades of teaching and administration at such other prestigious schools as Fairfield College Prep in Fairfield, CT, Mount St. Mary's College in Emmitsburg, MD, and St. Peter's Prep in Jersey City, NJ.

But, more than anything else, I will always value the 19½ years of outstanding service Father O'Brien provided as headmaster of Fordham Prep in the Bronx. His job there was to prepare his students for college and the professional challenges that awaited them. He did his job well and thousands of parents are indebted to him for the profound influence he has had on their children's lives—I know, I am one of those parents.

My own son, Mario, Jr., attended Fordham Prep under the tutelage of Father O'Brien and he is the better man today for having done so. Upon Mario's graduation from Fordham Prep he attended Columbia University, although he was accepted at such other prestigious schools as Harvard and Yale. Today he is a fine young attorney—a son who has made his parents very proud.

I want to publicly thank Father O'Brien for helping prepare him, and so many other young people for such rewarding lives, and for being a close and valued family friend.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 19. Joint resolution to designate March 20, 1987, as "National Energy Education Day."

The message also announced that the joint resolution (S.J. Res. 81) entitled "Joint resolution disapproving the provision of additional assistance to the Nicaraguan democratic resistance pursuant to title II of the Military Construction Appropriations Act of 1987" did fail to pass the Senate.

The message also announced that pursuant to Public Laws 94-304 and 99-7, the Chair on behalf of the Vice President appoints Mr. D'AMATO, Mr. HEINZ, Mr. McCLURE, and Mr. WALLOP, to the Commission on Security and Cooperation in Europe.

The message also announced that pursuant to sections 276(h)-276(k), of title 22, of the United States Code, as amended, the Chair on behalf of the Vice President, appoints Mr. GRAMM as vice chairman of the Senate delegation to the Mexico-United States Interparliamentary Group during the 100th Congress.

The message also announced that pursuant to sections 42 and 43, of title 20, of the United States Code, the Chair on behalf of the Vice President appoints Mr. GARN as a member of the Board of Regents of the Smithsonian Institution, vice Mrs. KASSEBAUM, resigned.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have asked to proceed for this 1 minute to inquire of the distinguished majority leader the program for the balance of this week and next week.

Mr. FOLEY. Mr. Speaker, will the distinguished Republican leader yield?

Mr. MICHEL. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, the program for today is the consideration of the funding of committees resolution.

The program for next week will include the House meeting at noon on Monday, the 23d of March, in pro forma session and on Tuesday, March 24, at noon to consider under suspension of the rules H.R. 568 to establish the San Pedro Riparian National Conservation Area in Arizona.

On Wednesday, March 25, and the balance of the week, the House will consider, subject to a rule being granted, the first concurrent resolution on the budget for fiscal 1988.

Conference reports may be brought up, of course, at any time, and a further program may be announced later.

Mr. MICHEL. I thank the gentleman from Washington.

IN MEMORIAM TO MRS. JOHN McVAY

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

The SPEAKER pro tempore. Without objection, the gentleman from Illinois is recognized for 1 minute.

There was no objection.

Mr. MICHEL. Mr. Speaker, the recent death of Mrs. John McVay—known affectionately to all who knew her as Ann—marked the passing of one of most able, dedicated and well-liked employees of the House. Mrs. McVay began her service here in the House with the late Les Arends of Illinois in 1969. Later she transferred to the Journal Clerk's Office and until her death she served as the minority enrolling clerk of the House.

Ann was always willing to take the time to help others in the office when needed. This was true even when she had her own troubles.

She was a very talented person who was proficient in many areas. Ann loved to garden and was very knowledgeable about the subject. She loved to sew and make outfits for herself and others and was also excellent at crafts and needlepoint.

Ann shared these gifts with others by showing them how to make things so that they in fact felt they had accomplished something. When the task was over, Ann shared in that person's happiness.

Ann McVay was one of those unsung, effective, public servants whose dedication and patriotism are so important to this institution and to democracy.

She was a good friend and we will all miss her.

□ 1110

She was a very dear friend, and I am sure I share the sentiments of all the Members of this House and the staff, who will miss her greatly.

The SPEAKER pro tempore (Mrs. SCHROEDER). We thank the gentleman from Illinois for his very moving 1 minute.

ADJOURNMENT UNTIL MONDAY, MARCH 23, 1987

Mr. FOLEY. Madam Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on noon on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Madam Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1044

Mr. ANDERSON. Madam Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1044.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

APRIL SHOWERS WON'T BRING MAY FLOWERS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Madam Speaker, the adage "April showers bring May flowers" will have to be revised this year. This new saying will be "April showers may bring disaster."

The advent of spring, which starts tomorrow, Madam Speaker, means increased precipitation in areas across the country and the Great Lakes, already at record high levels, are threatening to go even higher.

It is not just private landowners who are threatened by the high water levels. Public water plants, public recreational areas and public roads are located on the Great Lakes' shoreline and all are in further danger of sustaining severe water damage.

There is no fast or easy solution to the problem. It is not as simple as "pulling the plug" and diverting the water elsewhere. We also cannot mandate Canada to close its hydropower facilities which divert up to 4 billion extra gallons of water into the Great Lakes.

It is going to take a cooperative effort, Madam Speaker, among all Great Lake States and Members of this body to address the problem. I hope we can work together as a group to formulate a plan that will be beneficial to all involved and I will have more to say on this soon, Madam Speaker.

PAKISTANI NUCLEAR PROLIFERATION

(Mr. MARKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARKEY. Madam Speaker, the Pakistani nuclear scientist, Mr. Abdul Khan, recently said that Pakistan has a nuclear bomb.

We have a law that says we will not assist a nation which is building a nuclear bomb. The question is, Do we mean what we say?

The Pakistani Government claims that its nuclear program is purely peaceful. If that's true, they can sign the Non-Proliferation Treaty and open their reactors to international inspection.

But if it's not true, Congress cannot stand idly by while General Zia thumbs his nose at American law and American nonproliferation policy.

Last month, the American Ambassador warned the Pakistanis about their nuclear program, and urged them to sign the NPT.

But then the State Department turned around and urged Congress to exempt Pakistan from the Glenn-Symington nonproliferation amendment.

Enough is enough, Madam Speaker. It's time for us to stand up to General Zia.

I intend to ensure, by legislation, that Pakistan cannot continue building a nuclear bomb while it gets American assistance.

There should be no waiver of the Glenn-Symington requirements and no aid to Pakistan until it complies with nonproliferation law.

There are already too many nuclear bombs in too many countries. It's time to show we're serious about nuclear nonproliferation.

BALANCED BUDGET AMENDMENT INTRODUCTION

(Mr. WELDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON. Madam Speaker, less than 2 years ago, Congress passed the historic Gramm-Rudman-Hollings law to incrementally achieve a balanced budget by 1991. Yet already this year we're hearing Members of this body call for increased annual spending limits under Gramm-Rudman.

What kind of message does this send to the American people? I think it says that despite a raging $2 trillion debt, Congress still lacks the self-discipline to get the deficit under control.

As a mayor of a city and as chairman of a county government, I was required to balance local budgets despite intense public pressures to increase spending. It's time Congress learns to do the same.

That's why I am introducing the balanced budget/tax limitation amendment to the Constitution. This amendment will impose fiscal discipline on Congress and the executive branch, by mandating two simple requirements:

First, it would require Congress to adopt a balanced budget for each fiscal year. Only a three-fifths majority of both Houses or a state of war could waive this requirement.

Second, it would limit tax increases each year to the growth in national income, unless Congress specifically votes for a tax increase.

I am honored to be able to introduce this bill which our esteemed colleague, Barber Conable, introduced when he served in the House of Representatives.

Madam Speaker, the American people want deficit reduction and a healthy economy. They want a balanced budget. Already, 32 States have passed legislation calling for a balanced Federal budget. Now Congress should do its part to get serious budget reduction back on track. The balanced budget amendment will ensure that this happens, and I urge my colleagues to support this long-overdue legislation.

SUPPORT NATIONAL TISSUE AND ORGAN DONOR AWARENESS WEEK

(Mr. DYMALLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DYMALLY. Madam Speaker, Kevin Lorenzo Reid is a 2-year-old black child who has been hospitalized in Pittsburgh's Children's Hospital since March 10, 1987. He is suffering from biliary atresia a degenerative liver disease which requires a liver transplant. This condition causes liver disease, jaundice and cirrhosis of the liver in children.

Biliary atresia, is a disease of unknown causes which produces inflammation and obstruction of bile ducts. Kevin's life and the lives of his family have been grossly impaired due to the emotional and physical strain of his condition.

Therefore, with my two distinguished colleagues, Mr. Nelson of Florida and Mr. Espy of Mississippi, I urge our colleagues to support the National Tissue and Organ Donor Awareness Week.

PROVIDING FOR EXPENSES OF INVESTIGATIONS AND STUDIES BY STANDING AND SELECT COMMITTEES IN THE 1ST SESSION OF THE 100TH CONGRESS

Mr. GAYDOS. Madam Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 108) providing amounts from the contingent fund of the House for the expenses of investigations and studies by standing and select committees of the House in the 1st session of the 100th Congress, and ask for its immediate consideration.

PARLIAMENTARY INQUIRIES

Mr. WALKER. I have a parliamentary inquiry, Madam Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WALKER. Madam Speaker, why were the 1-minute speeches suddenly cut off when Members were waiting to deliver 1-minutes in the House?

The SPEAKER pro tempore. The Chair will state that the Speaker had made a prior agreement with the minority leadership that we would suspend 1-minutes and move to the business of the House because of many Members' prior arrangements, and that we would go back to 1-minutes after the business of the day had been completed.

That was a prior agreement between the Speaker and the minority leader as soon as House Administration was ready to proceed with the business that was on the floor today.

Mr. WALKER. I have a further parliamentary inquiry, Madam Speaker. It seems to me that—I am glad to know that there was an arrangement made. The fact is that the Chair did take some and not all; it seems to me that Members who came with the idea of making a 1-minute at this point are being inconvenienced when somebody else just decides that it is time to act.

The SPEAKER pro tempore. When the Committee on House Administration sought recognition, we then recognized them. They did not seek recognition before.

In the interim, let me assure the gentleman that anyone who wants to give 1-minutes will not be interrupted after the business of the House is done, and that many who wanted to do 1-minutes went back to their offices because they were told that the 1-minutes would be suspended, and that is why there were so few. So we will proceed as soon as we are ready to.

Mr. WALKER. I thank the Chair.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. Res. 108

Resolved, That there shall be paid out of the contingent fund of the House in accordance with this primary expense resolution not more than the amount specified in section 2 for investigations and studies by each committee named in such section, including expenses—

(1) in the case of a committee named in section 3, for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946; and

(2) in the case of a committee named in section 4, for provision of assistance for members of professional staff in obtaining specialized training under section 202(j) of such Act.

Sec. 2. The committees and amounts referred to in the first section are: Select Committee on Aging, $1,541,002; Committee on Agriculture, $1,624,233; Committee on Armed Services, $1,994,779; Committee on Banking, Finance and Urban Affairs, $3,243,480; Select Committee on Children, Youth, and Families, $737,986; Committee on the District of Columbia, $351,000; Committee on Education and Labor, $3,282,893; Committee on Energy and Commerce, $4,803,752; Committee on Foreign Affairs, $2,811,950; Committee on Government Operations, $3,044,936; Committee on House Administration, $1,066,500; Committee on House Administration—House Information Systems, $7,960,000; Select Committee on Hunger, $616,217; Permanent Select Committee on Intelligence, $58,000; Committee on Interior and Insular Affairs, $1,658,920; Committee on the Judiciary, $2,398,260; Committee on Merchant Marine and Fisheries, $1,954,560; Select Committee on Narcotics Abuse and Control, $750,000; Committee on Post Office and Civil Service, $1,518,600; Committee on Public Works and Transportation, $2,179,686; Committee on Rules, $591,000; Committee on Science, Space, and Technology, $3,268,625; Committee on Small Business, $1,080,500; Committee on Standards of Official Conduct, $400,000; Committee on Veterans' Affairs, $691,102; and Committee on Ways and Means, $3,182,000.

Sec. 3. (a) Of the amounts provided for in section 2, each committee named in subsection (b) may use not more than the amount specified in such subsection for consultant services under paragraph (1) of the first section.

(b) The committees and amounts referred to in subsection (a) are: Select Committee on Aging, $5,000; Committee on Armed Services, $40,000; Select Committee on Children, Youth, and Families, $5,000; Committee on the District of Columbia, $15,500; Committee on Education and Labor, $80,035; Committee on Energy and Commerce, $25,000; Committee on House Administration, $75,000; Committee on House Administration—House Information Systems, $400,000; Permanent Select Committee on Intelligence, $5,000; Committee on Interior and Insular Affairs, $7,500; Committee on the Judiciary, $100,000; Select Committee on Narcotics Abuse and Control, $25,000; Committee on Post Office and Civil Service, $100,000; Committee on Science, Space, and Technology, $10,000; Committee on Small Business, $20,000; Committee on Standards of Official Conduct, $300,000; Committee on Veterans' Affairs, $29,000; and Committee on Ways and Means, $12,000.

Sec. 4. (a) Of the amounts provided for in section 2, each committee named in subsection (b) may use not more than the amount specified in such subsection for specialized training under paragraph (2) of the first section.

(b) The committees and amounts referred to in subsection (a) are: Select Committee on Aging, $1,000; Committee on Armed Services, $7,000; Committee on the District of Columbia, $2,500; Committee on Education and Labor, $10,000; Committee on Government Operations, $1,000; Committee on House Administration, $12,000; Committee on House Administration—House Information Systems, $180,000; Committee on Interior and Insular Affairs, $2,000; Committee on the Judiciary, $2,000; Committee on Merchant Marine and Fisheries, $5,200; Committee on Rules, $3,000; Committee on Science, Space, and Technology, $11,600; Committee on Small Business, $600; Committee on Standards of Official Conduct, $3,000; and Committee on Veterans' Affairs, $2,500.

Sec. 5. The Committee on House Administration

(1) shall, through House Information Systems, develop, operate, maintain, and improve computer and information services for the House, including direct computer and information systems support for Members, committees, administrative offices, and other governmental entities, and shall conduct necessary investigations and studies of such services;

(2) is authorized to receive reimbursement for services under paragraph (1) and to expend amounts so reimbursed in accordance with policies of the committee; and

(3) is authorized to provide for professional development programs, office and personnel management consultation services, and periodic publication of hand books, guides, bulletins, and other items necessary for the House.

Sec. 6. Payments under this resolution shall be made on vouchers authorized by the committee involved, signed by the chairman of such committee, and approved by the Committee on House Administration.

Sec. 7. Amounts shall be available under this resolution for investigations and studies carried out during the period beginning at noon on January 3, 1987, and ending immediately before noon on January 3, 1988.

Sec. 8. Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Administration.

Sec. 9. The Committee on House Administration shall have authority to make adjustments in amounts under section 2, if necessary to comply with an order of the President issued under section 252(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 or to conform to any reduction in appropriations for the purposes of section 2.

Mr. GAYDOS (during the reading). Madam Speaker, I ask unanimous consent that the resolution be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Committee amendment in the nature of a substitute: Strike out all after the resolving clause and insert:

Resolved, That there shall be paid out of the contingent fund of the House in accordance with this primary expense resolution not more than the amount specified in section 2 for investigations and studies by each committee named in such section, including expenses—

(1) in the case of a committee named in section 3, for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946; and

(2) in the case of a committee named in section 4, for provision of assistance for members of professional staff in obtaining specialized training under section 202(j) of such Act.

Sec. 2. The committees and amounts referred to in the first section are: Select Committee on Aging, $1,361,144; Committee on Agriculture, $1,549,145; Committee on Armed Services, $1,609,250; Committee on Banking, Finance and Urban Affairs, $2,976,788; Select Committee on Children, Youth, and Families, $674,812; Committee on the District of Columbia, $291,326; Committee on Education and Labor, $3,125,887; Committee on Energy and Commerce, $4,577,717; Committee on Foreign Affairs, $2,655,583; Committee on Government Operations, $2,653,359; Committee on House Administration, $1,062,359; Committee on House Administration—House Information Systems, $7,378,998; Select Committee on Hunger, $577,446; Permanent Select Committee on Intelligence, $58,000; Committee on Interior and Insular Affairs, $1,630,203; Committee on the Judiciary, $1,877,727; Committee on Merchant Marine and Fisheries, $1,927,270; Select Committee on Narcotics Abuse and Control, $620,482; Committee on Post Office and Civil Service, $1,451,977; Committee on Public Works and Transportation, $2,090,184; Committee on Rules, $569,740; Committee on Science, Space, and Technology, $2,163,977; Committee on Small Business, $907,655; Committee on Standards of Official Conduct, $400,000; Committee on Veterans' Affairs, $548,321; and Committee on Ways and Means, $3,168,083.

Sec. 3. (a) Of the amounts provided for in section 2, each committee named in subsection (b) may use not more than the amount specified in such subsection for consultant services under paragraph (1) of the first section.

(b) The committees and amounts referred to in subsection (a) are: Select Committee on Aging, $5,000; Committee on Armed Services, $40,000; Select Committee on Children, Youth, and Families, $5,000; Committee on the District of Columbia, $15,500; Committee on Education and Labor, $80,035; Committee on Energy and Commerce, $25,000; Committee on House Administration, $75,000; Committee on House Administration—House Information Systems, $400,000; Permanent Select Committee on Intelligence, $5,000; Committee on Interior and Insular Affairs, $7,500; Committee on the Judiciary, $100,000; Select Committee on Narcotics Abuse and Control, $25,000; Committee on Post Office and Civil Service, $100,000 Committee on Science, Space, and Technology, $10,000; Committee on Small Business, $20,000; Committee on Standards of Official Conduct, $300,000; Committee on Veterans' Affairs, $29,000; and Committee on Ways and Means, $12,000.

Sec. 4. (a) Of the amounts provided for in section 2, each committee named in subsection (b) may use not more than the amount specified in such subsection for specialized training under paragraph (2) of the first section.

(b) The committees and amounts referred to in subsection (a) are: Committee on Armed Services, $7,000; Committee on the District of Columbia, $2,500; Committee on Education and Labor, $10,000; Committee on Government Operations, $1,000, Committee on House Administration, $12,000; Committee on House Administration—House Information Systems, $180,000; Committee on Interior and Insular Affairs, $2,000; Committee on the Judiciary, $2,000; Committee on Merchant Marine and Fisheries, $5,200; Committee on Rules, $3,000; Committee on Science, Space, and Technology, $11,600; Committee on Small Business, $600; Committee on Standards of Official Conduct, $3,000; and Committee on Veterans' Affairs, $2,500.

Sec. 5. The Committee on House Administration—

(1) shall, through House Information Systems, develop, operate, maintain, and improve computer and information services for the House, including direct computer and information systems support for Members, committees, administrative offices, and other governmental entities, and shall conduct necessary investigations and studies of such services;

(2) is authorized to receive reimbursement for services under paragraph (1) and to expend amounts so reimbursed in accordance with policies of the committee; and

(3) is authorized to provide for professional development programs, office and personnel management consultation services, and periodic publication of handbooks, guides, bulletins, and other items necessary for the House.

Sec. 6. Payments under this resolution shall be made on vouchers authorized by the committee involved, signed by the chairman of such committee, and approved by the Committee on House Administration.

Sec. 7. Amounts shall be available under this resolution for investigations and studies carried out during the period beginning at noon on January 3, 1987, and ending immediately before noon on January 3, 1988.

Sec. 8. Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Administration.

Sec. 9. The Committee on House Administration shall have authority to make adjustments in amounts under section 2, if necessary to comply with an order of the President issued under section 252(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 or to conform to any reduction in appropriations for the purposes of section 2.

Mr. GAYDOS (during the reading). Madam Speaker, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. Gaydos] is recognized for 1 hour.

Mr. GAYDOS. Madam Speaker, I yield 1 minute to my colleague, the gentleman from Pennsylvania [Mr. Gekas].

RESTORING INCOME AVERAGING FOR FARMERS

Mr. GEKAS. Madam Speaker, I thank the gentleman from Pennsylvania [Mr. Gaydos] for yielding.

Madam Speaker, this has to do with reform of tax reform. This Congress of ours is going to have to grapple with the issue of trying to put right some of the wrongs that were embedded into the tax reform that is now the law of the land.

□ 1120

Income averaging was wiped out by tax reform and this hit our farmers right in the solar plexus.

I am today introducing a bill to restore income averaging for farmers who have suffered a natural disaster in the preceding taxable year. In those narrow circumstances where a tornado or some natural disaster wipes out an entire crop and therefore the income of a farmer, we ought to give that individual the right to income average, to balance off that tremendous loss against other earning years. I ask that the Members of the House cosponsor this legislation as quickly as possible.

Madam Speaker, I thank the gentleman for yielding.

Mr. GAYDOS. Madam Speaker, I yield the customary 30 minutes to the gentleman from California [Mr. Badham], the ranking minority member of the Subcommittee on Accounts, for purposes of debate only, pending which I yield myself such time as I may consume, with the understanding that any additional time I may yield will be subject to the specific limitation, for debate purposes only.

Madam Speaker, before I explain the committee amendment, I wish to thank all of the members of the Accounts Subcommittee for their hard work in considering each budget request from the respective committees.

Attendance at each of the sessions was excellent.

The product which I present to the House has the support of a united subcommittee. It is not perfect, but it does reflect the best possible agreement that could be crafted in the spirit of reasonable compromise.

In particular, I wish to thank the minority members of the subcommittee, **Bob Badham**, **Bill Thomas**, and **Pat Roberts** for their thoughtful hard work. **Bill Thomas** must clearly be singled out for his perfect attendance and discerning analyses. His contribution to the work of the subcommittee was exceptional. Additionally, I am grateful to **Bill Frenzel** for participating ex officio in the subcommittees' budget review process. He played a significant role in constructing this agreement. In my judgment, the minority members made constructive and significant contributions to the policies which guided our deliberations.

On the majority side, **Al Swift**, **Mary Rose Oakar**, **Tony Coelho**, **Bill Clay**, **Sam Gejdenson**, and **Leon Panetta** are to be commended for their consistently effective hard work during the subcommittee's deliberations.

If nothing else, this year represents a victory for the congressional decisionmaking process. The 3-hour subcommittee markup session must stand out as a model to others. It demonstrated that Members with different views can reach a sound rational consensus if attempted with consideration, cooperation, and good faith.

Additionally, I wish to thank all the chairmen and ranking minority members from the respective committees and their staffs. Their cooperation with the Accounts Subcommittee enabled us to evaluate all the budgetary requests in a thorough and timely manner.

The committee amendment in the nature of a substitute is the product of the deliberations of the Subcommittee on Accounts over each committee's budgetary request. The subcommittee's proposed amendment was subsequently adopted unanimously without change by the full committee on House Administration. It represents a truly bipartisan agreement. The amendment provides a total authorization of $47,907,433 for investigations and studies by all the standing and select committees of the House including HIS, with the exception of the Committees on Appropriations and the Budget, for 1987. This total amount represents an 8.93-percent increase over the total 1986 authorization of $43,978,584. The actual dollar increase over 1986 is $3,928,849. The sum total of all the budget requests for 1987 was $52,809,981, representing a 20.8-percent increase over the 1986 authorization. The amendment's proposed authorization for 1987 cuts the total budget requests by $4,902,548. Furthermore, the proposed 1987 authorization is $105,772 less than the total amount of $48,013,205 authorized for 1985.

Compared to 1980, the proposed 1987 authorization represents only an 8.87-percent increase. In 1980, the sum total authorization of all the committee expense resolutions was $44,005,969. Thus, 7 years later, the proposed total authorization is only $3,901,464 greater than in 1980. Viewed from another important vantage point, over the 7-year period of 1981 through 1987, when the Accounts Subcommittee was chaired by either **Frank Annunzio** or myself, the average annual growth rate is 1.27 percent if the pending amendment is approved.

Additionally, for 1984, the year prior to my chairmanship of the subcommittee, the total actual authorization was $45,815,766. The proposed authorization contained in the pending amendment is only $2,091,667 larger than the 1984 level for a 4.57-percent increase. For the period of 1985 through 1987, during which I have chaired the subcommittee, the average annual growth rate is 1.52 percent. Thus, using the vantage points of 1980 and 1984, these dollar increases and average annual growth rates do not appear to be excessive or unreasonable.

In making its determinations, the subcommittee did not use any set mathematical formula. Instead, it evaluated each budget proposal on its own merits. Proposed spending levels in each of the respective budget categories and anticipated work loads were examined very carefully. Increased funding was based on such factors as the pay comparability increase, merit raises, increased travel plans and the need for additional personnel. It should be noted that due to the effect of sequestration in 1986, there was no pay comparability salary adjustment for Federal employees, including legislative branch employees, and, additionally, very few committee employees received any merit salary increases in 1986. Furthermore, due to sequestration, committees' travel activities were dramatically restricted. Many committees, also, had to cut personnel. This situation significantly affected the ability of many committees to discharge their legitimate oversight and legislative responsibilities.

The final product, embodied in this amendment, attempts to direct most of the large dollar increases to major legislative standing committees which had justified substantial anticipated work loads for 1987 to the subcommittee, such as Ways and Means, Energy and Commerce, Armed Services, Banking, Foreign Affairs, the Judiciary, and Interior. Some small committees, such as Veterans' Affairs and House Administration were, also, awarded significant and justifiable large percentage increases. On the other hand, a judgment was made to treat four select committees uniformly by providing them with only a 3-percent increase for pay comparability salary adjustments and inflation. A decision was also made not to increase the authorized funds for HIS above its 1986 level until the Committee on House Administration had the opportunity to make a detailed review of the activities, functions, and direction of HIS.

Most importantly, since for the fiscal year beginning on October 1, 1987, the appropriations level has not been established, and since the possibility of sequestration does exist, the amendment provides authority for the Committee on House Administration to make adjustments in the authorized amounts if necessary to comply with an order of the President issued under section 252(a) of the Balanced Budget and Emergency Deficit Control Act of 1985, or to conform to any reduction in the applicable appropriations. Similar authority was granted to this committee through the 1986 omnibus primary expense resolution.

On the subject of discrimination based on gender in the determination of compensation for committee employees, I wish to indicate that the provisions of clause 9 of House rule 43 govern such determinations. Enforcement of this clause is within the jurisdiction of the Committee on Standards of Official Conduct. However, as chairman of the Subcommittee on Accounts, I have encouraged the committee chairmen and the ranking minority members to review their compensation practices on a continuing basis to assure compliance with clause 9 of House rule 43. This encouragement was made on the record during the hearings on the individual primary expense resolutions and in the annual budget review meetings between the staff of the Accounts Subcommittee and the staff directors of the respective committees. During the past 3 years improvements have been made. More and more women are occupying key policy making positions at the subcommittee and full committee levels, for example, women hold the positions of staff director of the Committee on Education and Labor and chief counsel of the Committee on the Judiciary. On the Committee on House Administration, the minority staff director is a woman and three of the six subcommittees have a woman as top staff person. On the Committee on Ways and Means, three of the six subcommittees have women as staff directors. These are but a few of many examples indicating substantial progress.

Finally, I urge my colleagues to vote in favor of the committee amendment in the nature of a substitute and the resolution.

Madam Speaker, I reserve the balance of my time.

Mr. **BADHAM.** Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of House Resolution 108, the committee funding resolution for calendar year 1987.

□ 1130

First of all, I would like to thank all of the members of the Accounts Subcommittee, and particularly the chairman, the gentleman from Pennsylvania [Mr. GAYDOS], for all of his dedication and guidance during this process which was somewhat different this year. It was, indeed, again not an easy process at all.

Each committee budget request deserves careful consideration. Each committee budget request has special needs, and it is our job to ensure that the proper needs are met with appropriate funding amounts.

However, it is also our job to determine what fat and what lean is in these budget requests and to separate them into different categories, of course.

The total amount requested from all committees, including standing committees, select committees, and House Information Systems was $52,809,981, which was 20 percent over the amount that was authorized in 1986.

We managed to cut these budget requests by almost $5 million, $4,902,548, to be exact, and bring the total amount authorized for 1987 down to $47,907,433, or an 8.93-percent increase over 1986 total authorization.

We all remember that last year, the year of Gramm-Rudman-Hollings cuts, for committee budgets, that meant a 9.1-percent reduction across the board last year. For that event made this year even more difficult because each committee came to the Committee on House Administration, the Subcommittee on Accounts, and reported to us that each committee, in its own right, had suffered greatly under the last year's cut of 9.1 percent, and each claimed to need special attention this year.

We on the Subcommittee on Accounts knew this to be true from our own experiences on this and the other committees upon which we serve.

Committee travel in the United States was down; numbers of hearings were reduced; employees were furloughed in some cases, so we were particularly sensitive to the greater needs of all the committees as they tried to make up for lost time of last year with the cut.

However, we want Gramm/Rudman to stand as a model, not as some legislative aberration that occurred in 1 year and then would be ignored and put on the shelf forevermore. That is why we worked hard to cut those requests and bring budgets down to a reasonable level while, at the same time, allowing room for the committees to do the jobs for which they are assigned.

We feel that we have done that with this package, so I am pleased to be able to support this resolution, as I have not always supported these resolutions in the past.

We feel that the modest increase is the best we could do, given the circumstances and the particular needs throughout the committee system for the upcoming year. We on the minority side are particularly grateful to the chairman, the gentleman from Pennsylvania [Mr. GAYDOS], for the matter in which he conducted the hearing schedule.

It was different this year from previous years in that, rather than handle two or three committees in 1 day and then decide their fate at the end of the day, we decided it would be fitting, indeed proper, to handle all the committee's testimony and then go over them in the relationship that each committee had to the whole amount that we thought was available.

We felt included on the minority side; we felt to be a part of the nuts and bolts that make up this budget process. I think the process worked smoothly. I think the process under the tremendous constraints, we felt, worked well.

I urge my colleagues to support House Resolution 108, the committee funding resolution for 1987.

Mr. **GAYDOS.** Madam Speaker, I ask unanimous consent to include in the RECORD at this point, the remarks of the chairman of the Committee on House Administration, Mr. ANNUNZIO, who is unable to be with us today.

The **SPEAKER** pro tempore (Mrs. SCHROEDER). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ANNUNZIO. Madam Speaker, as chairman of the Committee on House Administration, I am delighted at the manner in which the gentleman from Pennsylvania [Mr. GAYDOS] and the gentleman from California [Mr. BADHAM] and the other members of the subcommittee, from both sides of the aisle, approached the committee funding measure this year.

Last year, every committee of the House was subject to the crippling effect of sequestration. Some cut or furloughed personnel; most eliminated field hearings, witness fees, and publications. All committees cut costs—some more, and some less. We all paid the penalty to help this debtor Nation begin the long climb out of the huge deficit hole.

As happens every year, there are Members who oppose these funding resolutions. The committees of the House will be subject to the first of many blows the floor will strike as we struggle to deal with the trillion plus dollar debt that hangs over us all. But, bear in mind that the committees of the House are the heart and soul of the Congress.

It is through the committee system that the American people have a strong and direct voice on legislative matters. If we cut too deep, we reduce our ability to respond to the people. This year, we come to the floor with a resolution that is reasonable and economical, and that will serve the American people.

We who serve on the House Administration Committee have the responsibility of carefully scrutinizing each expenditure, and the gentleman from Pennsylvania and his subcommittee have done that.

I urge your support and vote for House Resolution 108.

Mr. **GAYDOS.** Madam Speaker, I yield 3 minutes to the gentleman from California [Mr. PANETTA], a member of the committee, for purposes of debate only.

Mr. **PANETTA.** Madam Speaker, first of all, I want to commend the chairman of the subcommittee and the ranking member and all of the members for the cooperation that they showed in putting this resolution together.

I want briefly to address the budget issues that are raised with regard to this funding resolution.

First of all, I think Members ought to know that the increase here, the average increase, is about 8.9 percent for each of the committees. Last year, however, as a result of sequestration, all committees were cut 10 percent. So in effect we are not even getting back to the same level of funding remaining after sequestration last year.

In addition to that, the funding here is less than what was funded for the committees in 1985. In 1985, the funding was $48 million; for this year, we are talking about $47.9 million. So we have not even reached the level of funding that was provided for the committees in 1985.

In addition to that, for those who ask the question: "Does this meet the budget resolution baseline," the answer to that is, "Yes," because the appropriation that we are using here was, in fact, adopted last year. The appropriation under the legislative branch appropriations bill met the 302(b) spending levels provided in the budget resolution.

So the proposal that we bring here, within is the budget resolution levels. Furthermore, we have cut almost $5 million from the levels requested by the various committees, and in addition to that, we have included language that would make the committees again subject to sequestration if, in fact, we reach that point later this year.

So this resolution does a very adequate job in not only trying to provide sufficient funding to the committees, but in meeting our budget needs as well.

For that reason, I urge the membership to support this resolution.

Mr. BADHAM. Madam Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. FRENZEL], the vice chairman of the committee.

Mr. FRENZEL. Madam Speaker, I rise in support of the matter before the House. It is not my normal style to support an 8.9-percent increase in spending for anything. It is also not my normal practice to support this particular resolution.

However, for reasons which I will describe a little more fully as we move along, I believe this year the committee funding resolution is one that is worthy of the support of the Members of this House.

First, I want to give a little redundant praise to the chairman of the Subcommittee on Accounts, the gentleman from Pennsylvania [Mr. GAYDOS], and to the gentleman from Illinois [Mr. ANNUNZIO], who chairs the full committee, for opening up the process so that we could jointly do a better job this year.

This year was really the best. This is a subcommittee which normally works very well. It is not a very partisan subcommittee. It has requests that overwhelm it. It tries to do the best it can for each of the petitioners at its bar.

This year, I think we had, however, the best meetings of this subcommittee, where we tried very hard to take into account the differences in the requests, the differences in the committee loads.

Again, I congratulate the chairman for his leadership in this regard.

I want to also restate, as one of the reasons why I am supporting this amendment, the remarks of the gentleman from California [Mr. PANETTA], who indicated that this resolution is, indeed, a small amount less than the amounts that we expended in 1985. Therefore, it takes us back more than 2 years. Remember, we are talking about 1987 dollars, and so, in fact, we have had a good deal less than a current service budget for the committee.

Now, reverting to my normal curmudgeonly style, I would say that there is no committee of this House that could not operate with less.

□ 1140

Were I king, I would see that they did operate with less. Nevertheless, I think we have made the best of what is before us, and I am particularly pleased with the allocation between the committees, where the subcommittee worked very hard, particularly with some thorny problems that relate to the Committee on Armed Services and some equally thorny problems relating to the Committee on Foreign Affairs, where we were able at the last minute to convert some resources to that committee in recognition of the particular burdens they were bearing.

I also want to invite the attention of the House to the fact that this $47,900,000 figure represents only a fraction of what we spend on our committees. We should remember that each of the standing committees has a statutory staff as well, so instead of this being $47 million, the total cost for all of our committees is going to be above $90 million. Each standing committee has a statutory staff of 30 people, which normally averages out to be about a million and a half dollars in each payroll for each committee.

So when the Members look through the list that has been provided to them and see that the Energy and Commerce Committee is the grand champion spender with $4.6 million, they should remember that it also has another $1.6 million, so it is actually spending in excess of $6 million.

However, they should not accuse it of being the champion spender because not included in this resolution is the amount of money required to fund the Budget Committee and the Appropriations Committee, both of which have a direct draw on the contingency fund. Actually the largest creditor is the Appropriations Committee, with over $8 million of expenditures, particularly due to the fact that it has what is called associate staff, that is, staff members allocable to the committee members themselves and not serving the whole committee. That is one of the problems we face.

The SPEAKER pro tempore (Mrs. SCHROEDER). The time of the gentleman from Minnesota [Mr. FRENZEL] has expired.

Mr. BADHAM. Madam Speaker, I yield 1 additional minute to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Madam Speaker, another problem we have is the section 5(d) rule which provides that vice chairmen of committees and chairmen be allocated certain staff slots. This has been a very hard one for the committee to work with. The proliferation of subcommittees has expanded that particular rule to a point where it is almost an intolerable burden for us to bear. I have often recommended that that rule be changed. Until it is, we are fighting an element which is almost beyond our control.

To summarize, Madam Speaker, the committee has done as good a job as could be done. I wish it were more money, but in recognition of a particularly distinguished job, I am going to vote for the resolution and I urge all Members to do so.

Mr. GAYDOS. Madam Speaker, I yield such time as he may consume to the distinguished gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Madam Speaker, I rise in support of House Resolution 108, the committee funding resolution for 1987.

At the outset I, too, would like to commend and thank the gentleman from Pennsylvania [Mr. GAYDOS] and the ranking member, the gentleman from Minnesota [Mr. FRENZEL] and the members of the Subcommittee on Accounts. The task before them is a difficult one and entails long, arduous hours of deliberations. That task is made even more difficult by the overriding desire to reduce budget deficits, yet at the same time to provide adequate funds for the committees of the House to discharge the responsibilities mandated to them effectively and wisely.

Madam Speaker, the area of foreign affairs has not always been a popular one. However, the work of the Committee on Foreign Affairs is as important to the national interests as is the work of any department or agency of the executive branch. As I stated in my justification before the Subcommittee on Accounts, while we are not charged with funding the Armed Forces, we are responsible for the funding of and oversight over the departments and agencies of the Government whose major responsibilities are to formulate and execute those policies and programs that insure that war does not occur. This is a fact that is too often overlooked.

In addition, several developments in the international arena have combined to increase the responsibility and workload of our committee. In particular, the issues of arms control, international terrorism, the war on illegal drugs, and recently, the international impact of the dreaded acquired deficiency syndrome have moved center stage and are of primary concern to the American people.

I am grateful to the Committee on House Administration for its efforts to restore the funds cut in 1986. Those cuts resulted in a sharp curtailment of committee operations last year, particularly during the first fiscal period when it was necessary to suspend, among other things, domestic travel and witness expense, to cancel computer equipment, and to furlough all employees 1 day each month for 5 months. However, I believe we were still able to achieve a record of accomplishments for which we can be proud.

Our budget for 1987 was developed very carefully and realistically in terms of supporting the committee's projected legislative and oversight activities and need for computer equipment, and was prepared in concert with the subcommittees and the minority. In this connection, I would like to take this opportunity to thank my colleague from Michigan, the ranking minority member, Mr. BROOMFIELD, for his invaluable input, cooperation, and support during the budget process.

In closing, I urge the Members of the House to support House Resolution 108, as reported from the Committee on House Administration.

Mr. BROOMFIELD. Madam Speaker, will the gentleman yield?

Mr. FASCELL. I am delighted to yield to the ranking minority member of the committee.

Mr. BROOMFIELD. Madam Speaker, I rise in support of the statement of the distinguished chairman of the Foreign Affairs Committee in support of House Resolution 108.

I would like to express my appreciation for the great work done by the House Administration Subcommittee on Accounts, chaired by Mr. GAYDOS the ranking minority member, Mr. BADHAM, for their understanding and support for the Foreign Affairs Committee budget request.

Each year, the members of the House Administration Committee have a very difficult task in considering and reviewing the budget requests of their colleagues, and I think they have done an excellent job of weighing the requests against the tight budgetary constraints.

I would particularly like to commend Chairman FASCELL for his outstanding support and cooperation for the minority's needs of the Foreign Affairs Committee. The chairman has concurred with the minority on the budget request which we presented to him, and he has been extremely fair in the allocation of resources to the committee Republicans.

This year will be a very busy year for the Foreign Affairs Committee, having before it a number of 2-year authorization bills, arms control issues, and legislative cleanup after the Iran-Contra investigation is completed. I think that the chairman's budget request for the Foreign Affairs Committee meets our needs to successfully fulfill the committee's obligations and responsibilities.

Chairman FASCELL and I stand together on our committee budget and we ask our colleagues to support our request.

Mr. BADHAM. Madam Speaker, I yield 4 minutes to the distinguished gentleman from Wisconsin [Mr. SENSENBRENNER].

Mr. SENSENBRENNER. Madam Speaker, I rise in opposition to the resolution.

Last year I believe that the Committee on House Administration and the House as a whole did a good job in responding to the Gramm-Rudman dictates in tightening up committee funding procedures. I am afraid that the loosening of the purse strings this year has been a little too large, witness some of the activities which have already gone on in the Committee on the Judiciary.

On February 13, 1986, the then staff director of the Committee on the Judiciary, Garner J. Cline, issued a memorandum to subcommittee counsel informing them, among other things, that in order to meet the Gramm-Rudman reduction, "effective immediately no domestic travel will be approved for Members or staff, and no approval will be granted for reimbursement of witnesses' expenses. All witnesses are to be advised in advance that they must pay their own travel and other expenses."

Madam Speaker, the full text of the subcommittee staff memorandum is as follows:

> COMMITTEE ON THE JUDICIARY,
> *Washington, DC, February 13, 1986.*
>
> To: Subcommittee Counsel.
> From: Garner J. Cline, Staff Director.
>
> The Judiciary Committee's appropriation for 1986 has been cut as a result of the Gramm-Rudman amendment and our Committee activities will have to be modified accordingly.
>
> The first segment of our appropriation—covering the period from January 3 to October 1, 1986—represents a 10.07% cut over last year's funding.
>
> In order to meet this reduction, effective immediately no domestic travel will be approved for Members or staff, and no approval will be granted for reimbursement of witnesses' expenses. All witnesses are to be advised in advance that they must pay their own travel and other expenses.
>
> Some cuts may be required in other categories of the budget in order for the Committee to stay within the new spending restriction.
>
> I urge the cooperation of the Subcommittee staffs in the effort to carry out the work of the Committee this Session within the budget limitations placed on us.

Apparently, Madam Speaker, this memorandum has not been countermanded, but the Subcommittee on Civil and Constitutional Rights headed by the distinguished gentleman from California [Mr. EDWARDS], has already started on a spending spree for witness expenses.

At hearings that were held last month on alleged FBI break-ins relating to movements opposed to the administration's Central American policy, over $2,000 in witness expenses was sent to four selected witnesses who came to testify before the subcommittee. One of those witnesses, Mr. Frank Varelli, told the subcommittee that the organizations that were being investigated were being investigated for political purposes. However, on cross-examination he admitted that just last year he had been trying to peddle information to the John Birch Society that subversive elements were infiltrating the FBI and were affecting their activities. So much for Mr. Varelli's credibility.

□ 1150

Yet he was paid $410 to come to Washington to put on this spectacle. Furthermore, he brought along his attorney, Douglas Larson, who was paid $497.75 to promote the lawsuit that he had filed against the U.S. Government on Mr. Varelli's behalf.

It seems to me that the original edict of the staff director of the Committee on Judiciary was in the taxpayers' best interests and in the best interests of preventing the taxpayers funds from being used to promote media events. That has not been the case and that is one of the reasons why I believe that the committee allocation, at least insofar as the Judiciary Committee, is a little bit too high.

Furthermore, another one of the selected witnesses who got their travel expenses paid was a Rev. Donovan Cook from Seattle, WA. The Reverend Cook had been able to scrape together the money to make frequent trips to El Salvador since 1983, but nonetheless was not able, apparently, to pay for his own way here.

I think that this is an example of what happens when there is too much of an allocation for committee expenses. We will be seeing expenses paid to witnesses for media events to promote a certain philosophy and those expenses will be paid only for selected witnesses that might comport with the committee chairman's viewpoint.

I believe that the Committee on House Administration ought to get this resolution back to redo it so that we can continue running the committees on a tight ship rather than wasting the taxpayers' money as I have just described.

Madam Speaker, I would like to include the report of travel authorized by the Committee on the Judiciary for this hearing.

U.S. HOUSE OF REPRESENTATIVES, REPORT OF TRAVEL AUTHORIZED, COMMITTEE ON THE JUDICIARY

Traveler	Dates of travel		Purpose of trip	Itinerary	Estimated cost			
	From	To			Per diem	Other	Transportation	Total
Donovan Cook	Feb. 17	Feb. 20	Attend subcommittee hearings on breakins at organizations opposing U.S. Central American policy.	Seattle to Washington, DC, and return	$100	$89.37	$346	$535.37
Gustav Schultz	Feb. 18	do	do	San Francisco to Washington, DC, and return	100	54.95	587	741.95
Frank Varelli	Feb. 19	do	do	Dallas to Washington, DC, and return	100		310	410.00
Douglas Larson	do	do	do	do	100	87.75	310	497.75

Mr. GAYDOS. Madam Speaker, I yield 2 minutes to the gentleman from California [Mr. Edwards].

Mr. EDWARDS of California. I thank the gentleman for yielding me this time.

Madam Speaker, I think the House Administration Committee did a very good job.

Madam Speaker, the gentleman from Wisconsin [Mr. Sensenbrenner] spoke about some witnesses that came to hearings of the subcommittee that I chair; one from Seattle, one from San Francisco and two from Dallas. The real problem is that the gentleman from Wisconsin really does not like oversight, especially of the FBI.

He expressed concern that we spent about $2,000 to hold 2 days of hearings on what seems to be a pattern of politically motivated break-ins across the country, including charges that FBI agents themselves carried out unauthorized break-ins. This was not the first time one of the witnesses mentioned by the gentleman, Mr. Varelli, a former FBI informant, was flown to Washington at taxpayers' expense. In 1983, the FBI paid to fly him to Washington; he spoke at an FBI conference and gave tips on how to infiltrate organizations which he now says were peaceful groups. How much did that cost?

We learned at our hearing that the FBI paid this individual with taxpayers' money to compile a terrorist photograph album, which he did, including entries on nuns and Senators and Members of this House of Representatives. Now, how much did that cost, Madam Speaker?

Our hearings lasted 2 days. We had 14 witnesses, 9 of whom came from out of town. We reimbursed four of them for travel expenses. We had an obligation to pursue these issues, and I think that despite what the gentleman says, the taxpayers' money was very well spent.

Mr. BADHAM. Madam Speaker, I yield 3 minutes to the gentleman from California [Mr. Dannemeyer].

Mr. DANNEMEYER. I thank the gentleman for yielding me this time.

Madam Speaker, I rise in opposition to the resolution and since the rules do not permit any debate in connection with a motion to recommit, which I intend to offer at the appropriate time, I will address my comments to that motion to recommit.

Over the years, this annual exercise in authorizing and appropriating money for investigative staff has evolved in a certain way. It has evolved in a way so as to protect the tender tentacles of the innards of this institution. By that I mean 4 or 5 years ago we used to see the resolution for each committee on the floor standing alone. Then we could examine whether or not the amount that would be appropriated was fair and vote up or down.

Would you believe the unbelievable? We actually beat a few a few years ago. Then the powers that be went back to the drawing board and they said, "Well, now, we cannot tolerate this; we will bring it to the floor under a procedure where they will not have to stand singly. We will put them all in one lump;" which is what we have today.

They also have structured the rule in another interesting way so as to protect the tender innards of this institution; they have brought it under a procedure whereby nobody can offer an amendment. Now, is that not interesting? Some of us believe that we are in an era that is considering the $200 billion-plus Federal deficit; that we should be authorizing no more than what was spent last year. I happen to be of that opinion. But the way this matter is structured, no one can offer an amendment.

We still have a few rights in the minority around this place. The majority has not yet denied us the ability to offer a motion to recommit, and that is what I intend to offer.

My motion to recommit will not freeze; it will actually permit an increase of expenditure of 6.7 percent over what was spent in calendar year 1986. I think that is most reasonable. That is actually more than we authorized for the Federal workers in terms of their COLA, 3 percent, and Social Security recipients of 1.3 and I believe that if this resolution is approved in the manner that is before us, Members, we should be aware that spending could rise in calendar year 1987 by 16.3 percent over what was spent in 1986.

The authorization level is an increase of 8.9, but if we approve it, the spending could actually go up by 16.3 and I believe that is unreasonable.

Mr. GAYDOS. Madam Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. Rostenkowski].

Mr. ROSTENKOWSKI. I thank the gentleman for yielding me this time.

Madam Speaker, I rise in strong support of the House committee funding authorization, House Resolution 108. This resolution strikes the proper balance between the legitimate funding needs of the committees and the overall need for fiscal restraint.

I am, of course, most familiar with those portions of the resolution which affect the Committee on Ways and Means. Because Ways and Means had always been frugal in the expenditures of public funds, we have maintained a major committee operation on a relatively low aggregate budget. We on the Committee on Ways and Means are proud of this record and, I would point out, our budget requests have always been made on a bipartisan basis. The Committee on Ways and Means' requests to the Committee on House Administration reflected our judgment for the minimum amount necessary for Ways and Means to be responsive to the broad-ranging issues within our diverse jurisdiction.

The Ways and Means Committee's 1987 budget, like the resolution itself, must be compared to the 1985 budget in order to provide a proper perspective on the growth of the budget. The Ways and Means Committee's 1987 budget will represent an increase of 4 percent on an annual basis in comparison to 1985. On an overall basis, this resolution now before us provides less funds than were provided in 1985.

Madam Speaker, last year's funding resolution inflicted severe limitations on all of the committees in the House. The resolution before us today provides the funds that are necessary to enable us to properly run the committees of the House and fulfill our legislative obligations in the 100th Congress.

Madam Speaker, I certainly endorse what my good friends on the House Administration Committee have done, particularly Mr. Gaydos, the subcommittee chairman. I realize that this is not an easy task. In order for us to continue to function and properly represent the legislative branch of Government costs money. I just hope that the adoption of this resolution and the vote by which it will pass is a tribute to the members of that committee.

☐ 1200

Mr. BADHAM. Madam Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. Madam Speaker, I thank the gentleman for yielding me this time.

Madam Speaker, when it comes to being generous to ourselves, that generosity knows no bounds. Yesterday we spent $890 million in pork barrel. That means that 44 States will not even get as much as they got in 1988 for highways because we took care of ourselves first.

Today we have a committee funding resolution before us and here because all of the money goes to ourselves, guess what, we are going to increase the spending. We are going to increase it by $4 million.

Now, what does $4 million mean? We talk about millions of dollars around here like it is water going over Niagara Falls.

Now, $4 million is the equal of about 1,300 American working families paying every dime in taxes just to fund our increased spending. Think about that, 1,300 working families are going to pay every dime of taxes this year just to fund the increased spending on our committees in this body, and what are they going to buy? We have already got staff tripping over staff in a lot of these committees. We have got so much staff that we have run out of rooms on Capitol Hill to house them, so we have had to go off Capitol Hill and find buildings off Capitol Hill to put the staff in and we are asking the American people to go even further and for 1,300 families to do nothing but pay taxes so that we can have all this increase.

I suggest that is wrong. I suggest we at least should have been given the opportunity to offer amendments on this floor to try to cut back on some of that increase.

I think it is an appalling episode when you cannot even look at this bill and suggest that there are places to be cut and that the House ought to vote on amendments. It tells you something about just how closed we have come around here when 1,300 American working families are going to pay every dime in taxes to increase our funding, and yet we cannot even say, "Enough is enough." These are times that demand frugality. This is not a frugal resolution in my opinion. It should be defeated and reworked.

I thank the gentleman again for yielding this time.

Mr. GAYDOS. Madam Speaker, I yield 2 minutes to the distinguished gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Madam Speaker, I rise in support of House Resolution 108, the committee funding resolution. In particular, I want to applaud the fine work of the Committee on House Administration, its distinguished chairman, Mr. ANNUNZIO, the Subcommittee on Accounts, and its distinguished chairman, Mr. GAYDOS.

They have wrestled diligently with a challenging and difficult task. The result has been reasonable and fair to all concerned. I commend them for their work, and thank them for their cooperation.

Mr. BADHAM. Madam Speaker, I yield 2 minutes to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Madam Speaker, I rise in opposition to this resolution.

I, too, had prepared an amendment for this and being a freshman, I did not realize that you cannot get there from here because of the rules that are put on it, but I do oppose this resolution.

We are spending money we simply do not have. It had to stop somewhere. If it does not stop under our own roof in our own budget, where can it stop? How can we expect anybody else to pull in their belts if we are not willing to.

I cannot believe what I have heard here this morning. I cannot believe that we talk about a budget of $47 million for the investigative functions of our committee and we talk about it as if it is a lean and mean kind of budget, that we are really tucking it in and we act like we were really put upon last year because we did not have all the money we thought we should have had. We talk about a budget that is over twice the rate of inflation, a budget increase that is over twice the rate of inflation as if we are really being fiscally conservative. This is an increase I do not think we can afford at a time when the Budget Committee is about to recommend that we renege on our promise to eliminate the budget deficit by 1991. This is something we cannot afford when the Government is borrowing over 10 cents of every dollar it spends. This is something we cannot afford at a time when we are going to be forced to ask our constituents to tighten their belts to pay for our fiscal irresponsibility.

How can we ask the agencies to conserve the way we are asking them to conserve when we spend almost 9 percent over what we had last year?

I know that the committee considered very carefully the priorities and I commend them for that. I would not presume to tell them what the priorities ought to be, but what I would like to see is a freeze.

Madam Speaker, if there is a motion to recommit, I would support that; if not, I would hope we would defeat the resolution.

Mr. BADHAM. Madam Speaker, I yield 4 minutes to the gentleman from California [Mr. THOMAS], a member of the committee.

Mr. THOMAS of California. Madam Speaker, I thank the gentleman for yielding me this time.

I would like to compliment the subcommittee chairman and the ranking member and all members of the subcommittee. This is always a very difficult committee. It is extremely difficult when we try to make decisions in today's context.

In listening to my various colleagues in terms of their concerns about the committee funding budget that we have put together this year, let me give you a couple ideas about decisions that were in front of us as we were making our decisions.

The gentleman from Wisconsin said that the Judiciary Committee was a little bit too high. I agreed with him. I thought it should have been cut. Over half a million dollars was cut out of the Judiciary budget. It was a little bit too high, but as you go through and say that one committee was maybe a little bit too low, I happen to think the Interior Committee was a committee that was a little bit too low; another one was a little bit too high and another one was a little bit too low. What you have to do is ask yourselves in toto, is it reasonable? Is it appropriate? I think the answer is "yes."

The gentleman from California indicated that what he wanted to do shortly was to provide a motion to recommit and he complained here in the well about the fact that he was not able to vote on each and every committee.

I have examined his motion to recommit and what he asks us to do is look at the committees in toto. He does not provide specific structuring of committees in his motion to recommit. He takes the same approach that the committee is offering the body today.

Mr. DANNEMEYER. Madam Speaker, will the gentleman yield?

Mr. THOMAS of California. I do not have very much time, may I say to the gentleman.

The gentleman from Pennsylvania indicates that his conscience will not let us deal with this. I think if the gentleman will examine the Budget Committees of 10 years ago, we have done a remarkable job of trying to hold the line.

Have we held the line? No.

Have we done a pretty good job of holding the line? The answer is "yes."

If you will examine what this committee is doing today and combine it with last year's budget and plug in inflation, I think you will find that the total dollars available after adjustment for inflation is less than last year.

I just left a Budget Committee meeting and I will tell the gentleman from Colorado that if we could do in the Budget Committee for the Federal budget what we have done with this particular budget from last year to this year, would we applaud? Absolutely.

I would ask my colleagues to examine each and every committee and then consider it in toto. Is it reasonable? Is it appropriate?

I think if you examine it in toto, I think you will find that the answer is "yes."

Mr. DANNEMEYER. Madam Speaker, will the gentleman yield?

Mr. THOMAS of California. I yield to the gentleman from California.

Mr. DANNEMEYER. Madam Speaker, I will point out to my colleague that I would have been inclined to pursue the policy that he has described of being specific with respect to certain committees that I think are in excess of what they should be receiving, but the moment my motion to recommit would contain that kind of specificity, the Parliamentarian up there at the desk would object that I have gone too far in drafting my motion to recommit.

I mention this because I think that it is another illustration of how the institution is preventing as much as it can any effort to deal effectively with reducing any particular committee, giving us only an up-or-down vote on the whole issue.

Mr. THOMAS of California. Madam Speaker, I think that if the gentleman would examine each and every committee in terms of the adjustments that were made, although some Members have made the argument that it is approximately a 9-percent—an 8.9-percent—increase, and there was a reduction last year—a 9.3-percent reduction—that it basically is a restitution.

I think that really is a superficial examination of the decisions that were made in the subcommittee and accepted by the committee. I think that we will find that each and every committee was examined on its individual merits or demerits, and adjustments were made. Some committees got absolutely no increase from last year; other committees got over an 18-percent increase. Why? Because we felt that the requests were justified. We went through and looked at each and every committee and made the decision.

The appropriations are in a total amount distributed among committees.

Once again I would ask Members of this body to examine our effort and support it.

Mr. GAYDOS. Madam Speaker, may I inquire as to how much time I have remaining?

The SPEAKER pro tempore (Mrs. SCHROEDER). The gentleman from Pennsylvania [Mr. GAYDOS] has 6 minutes remaining and the gentleman from California [Mr. BADHAM] has 3 minutes remaining.

Mr. DE LA GARZA. Madam Speaker, I wish to express my support of House Resolution 108, which provides funding for the standing and select committees in the House, including the Committee on Agriculture. The Subcommittee on Accounts and the Committee on House Administration have developed a reasonable funding authorization which is only $3,928,849 over the 1986 authorization and is $105,772 less than the total authorization for 1985.

It is essential that the committees of the House are provided with sufficient funds to carry out their legislative and oversight responsibilities. A review of the agendas proposed by the committees for this year indicates that this will be one of our busiest sessions and there are critical and complex issues which must be dealt with by the committees. We all sustained reductions in funding in 1986; it is therefore essential that we have adequate resources to enable us to meet our responsibilities during this session.

The Committee on Agriculture, throughout its history, has prudently administered its funding and will continue to do so. We remain one of the lowest funded standing committees of the House despite our extensive and complex jurisdictional obligations. The majority and minority members of our committee have traditionally worked together in the interests of effectively meeting our responsibilities to the U.S. Congress and the people of this Nation.

The Committee on House Administration has cited us for our equitable distribution of resources and for our record of fiscal management. The committee will again be faced with a heavy workload during this difficult year of continuing problems for American agriculture. I hope my colleagues will fully support House Resolution 108, which will enable us to do the work with which we have been entrusted.

Mr. MONTGOMERY. Madam Speaker, I rise in support of House Resolution 108 authorizing funds for the 1987 expenses of the committees of the House. House Resolution 108 contains $548,321 for the Veterans' Affairs Committee. This amount essentially restores the cuts the committee was required to make in 1986 to comply with the Gramm-Rudman reductions imposed on all committees and to bring our funding back to the 1985 level. I regret the resolution does not contain the funds requested to fill four minority subcommittee slots on the committee as provided for under the rules of the House. We will try again next year.

Our budget is the third lowest of the standing committees, although we oversee one of the largest and most important agencies of the Federal Government, with 172 medical centers, 227 outpatient clinics, 189 readjustment counseling centers, 16 domiciliaries, 58 regional offices, and over 240,000 employees.

I want to bring to the Members' attention an important pilot project being conducted by our committee in cooperation with the Clerk of the House, the Committee on House Administration, the Joint Committee on Printing, House Information Systems, and the Government Printing Office to reduce congressional printing costs.

Although this project does not directly affect the resolution under consideration today, it has shown that the committees of Congress can save a tremendous amount of the taxpayers' money by drastically reducing congressional printing costs through computerized publishing applications. I recommend these new printing procedures to all committee chairmen.

Although the committee's request was reduced by $143,000, I support the resolution and urge its adoption.

Mr. HAWKINS. Madam Speaker, I rise in support of House Resolution 108, the omnibus primary expenses resolution.

With respect to funding for the Committee on Education and Labor, the amount provided in the resolution would simply restore the committee's resources to the 1985 level without including increases for inflation since 1985.

The reduction in 1986 funds necessitated substantial cutbacks in the committee's activities: Some staff positions were eliminated, vacancies were not filled, salaries were not adjusted for cost-of-living or merit, and many important trade and professional journals were canceled or not renewed because of lack of funds. Travel was virtually banned for the first 6 months of the year and was sharply restricted for the remainder of the year. In my view, the important and necessary oversight activities of the committee were adversely affected by the reduction in travel.

The committee's agenda for the first session is an extremely demanding one. We have already begun consideration of an omnibus elementary and secondary reauthorization which will entail extensive field hearings. We are also moving in response to the leadership directive to report out education, training, employment and worker readjustment as a part of the omnibus trade bill. In addition, the committee will address work and training aspects of welfare reform, reauthorizations of the Older Americans Act, and several workplace and labor related bills, including a review of the Davis-Bacon Act.

The amount requested in the funding resolution is the minimum needed to permit the committee to conduct its business during this session. I assure the House that the money provided the committee in this resolution will be wisely spent and properly disbursed.

Summary of committee budget follows:

COMMITTEE BUDGET 1987—SUMMARY

House Resolution 80 (cosponsored by Rep. Jeffords) provides a total of $3,031,126 (Majority $629,995; Minority $629,995; eight Subcommittees at $221,392—$1,771,136).

Increase is 15% over last session's budget, which sequestration reduced by 9%. 1987 budget request is 5% less than requested in 1985.

(1) Salaries: Cost of living 3% for 1987. Virtually no raises in 1986. 1986: $2,257,497; 1987: $2,667,693; Increase $410,196.

(2) Travel: Majority, Minority and Subcommittees all project significant increases in field hearings and investigations (ECIA reauthorization; oversight). 1986: $76,660; 1987: $153,338; Increase $76,678.

(3) Equipment: Committee took advantage of one-time purchase plans out of 1986 funds, resulting in reduction in request. 1986: $176,072; 1987: $109,652, Decrease −$66,420. (Note: total 1986 funds invested in one-time purchases: $60,302.46).

(4) Witnesses: Need for testimony from sources unable to pay their way. Sequestration prevented expenditures for this purpose. 1986: $359; 1987: $11,500; Increase $11,141.

(5) Consultants: Cheaper to use temporary expertise than hire permanent professional staff. Specific proposal in Attachment #3. 1986: $196.50; 1987: $2,500 (Murphy); Increase $2,303.50.

(6) Publications: Need for appropriate professional publications to get uptodate input on technology and developments. Numerous publications cancelled last year because of sequestration. 1986: $36,854; 1987: $47,595; Increase $10,741.

(7) Phones: Over 4% increase in inflation indicates a modest increase needed for communication costs. 1986: $13,199; 1987: $17,520; Increase $4,321.

(8) Unexpended Balance: $63,734 (2.2%) being returned as of this date (including anticipated charges). Majority: $13,816; Minority : $27,621; Subcommittees $21,297.

(9) Money apportioned in our Committee budget to Majority, Minority and Subcommittees. Unexpended balances for the various elements differ as a result.

(10) Sequestration: 9% reduction in 1986 funds resulted in curtailment in almost all areas of Committee activity—especially personnel, travel and publications.

(11) Staffing: As of January 3, 1987, there were 36 Majority employees (20 Standing, 16 Investigating, no interns).

Mr. BROOKS. Madam Speaker, I rise in support of House Resolution 108, which will provide funding for the committees of the House for the 1st session of the 100th Congress. The resolution, as brought to the floor by the Committee on House Administration, is a prudent and carefully drawn measure that will permit the committees to operate in an efficient and cost effective manner.

Madam Speaker, the committees of this House play the central role in the House's discharge of its responsibility for legislating and overseeing the activities and programs of the Federal Government. It is obvious that if we in the House are to fulfill our constitutional role, our committee structure must be provided with adequate resources to do the job.

Because of extreme budget restraints, committees of the House have operated over the past year with severely diminished funding resources. Through a spirit of cooperation and dedication on behalf of both the majority and minority, we have been able to function under these conditions without seriously impairing the quality of the work we produce. However, speaking as the chairman of the standing committee with primary oversight responsibilities, I think it will be difficult to continue successful operations interminably under these circumstances.

Some of the work done by the committees of the House can be delayed temporarily in order to save money in the short term. Hearings can be put off, legislation postponed, investigations carried over to a succeeding Congress, and so on. But, we cannot expect to go on like this forever without losing the comprehensiveness and continuity that is necessary to maintain successful operations of the legislative branch.

The funding level proposed for the committees in House Resolution 108 represents a modest increase over previous years' amounts. It does not provide for the full amount my committee had requested, but the Committee on House Administration has carefully analyzed the committees' budget requests and has come forward with a resolution that it feels will permit the committees to operate at an adequate funding level. In my view, House Resolution 108 represents the bare minimum of what we need to carry out our constitutional responsibilities in this body, and it deserves our support.

Mr. BADHAM. Madam Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from California [Mr. BADHAM] is recognized for 3 minutes.

Mr. BADHAM. Madam Speaker, I would just say to the Members that I support this resolution. It is not the world's most perfect resolution, but within the constraints and parameters with which we found ourselves, not due so much even to this year but to previous years' past actions, we found ourselves in a framework that pretty well tied us in.

This is basically a virtual no-growth-since-1985 resolution; in fact, there is a slight decline in constant dollars from 1985. I think that that is fair, because we did, over the years that I have been trying to on our side achieve cuts, we have done that, and now it is time to move ahead.

I would just like to say, because some committees were mentioned, that the committee on which I serve, the Committee on Armed Services, which is responsible for the oversight of military activities of the United States throughout this world, to the tune of about $300 billion a year—we have one of the smallest staffs of any standing committee, authorizing committee, in the House of Representatives. It is smaller than Banking, smaller than Education and Labor, smaller than Energy and Commerce, smaller than Foreign Affairs, smaller than Government Operations, Interior, Judiciary, Merchant Marine, even Public Works and Science and Technology.

The fact is that we seem to do a reasonably good job in that arena and in that area with a very small staff. We have had to have staff increases this year just to keep up with the mandates given by this body and by the other body of this Congress to talk about arms reduction, to talk about procurement reform, to talk about test-ban treaties and that sort of thing, and we have had to do that with an ever smaller and ever decreased staff.

This year has helped us through the efforts of this committee, and so I ask that this resolution be adopted, so that we might get together and get on with the work of the Congress of the United States.

Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GAYDOS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I would like to remind my colleagues that as a practical matter, all we are doing is dividing up something that already has been authorized in the budget. I would not be so brash as to suggest at this time that the arguments being made here are too late in the wrong place. All we did as a committee—and I would invite any Member to join the committee—all we have done as committee members is take an item, voted on and authorized by our colleagues, and try to—using all the equitable methods at our disposal—to divide it up equally.

Committees being what they are and self-serving declarations and statements being rather prevalent in the area, I would suggest that it is very difficult at best to try to respond to a committee chairman who is in dire need after taking substantial—and I want to emphasize that—substantial cuts last year, and tell him that his needs and requests as submitted to us are unreasonable.

We had committee chairmen make staffs work 3 days a week. We had certain committees that fired people, personnel whom they had with them 15 and 18 years—fired them, and had to reduce their staffs, 14 and 15 in number.

I think that the committee as such has done an admirable job. For instance, this committee since 1980—and this is a matter of statistics and not me speaking or puffing, but a matter of statistics—this committee since 1980 has increased each year this amount of money for these particular requests 1.27 percent. That is an 8.87-percent overall total in 7 years. Now if that is not frugality, I want to find it here somewhere. Do not forget that those figures should reflect and do reflect cost-of-living increases, additional burdens and investigations that we have had—I did not cause them.

I would like to, if it were humanly possible, have some of our Members here sit with us. It is a thankless job. We try to be as fair and equitable as we can.

Let me respond to the one accusation made by my real good friend from Pennsylvania—I do not want to take the time, but I have to respond. He was talking about staff inflation and what was happening—we have people running out of our ears, and all the people working on the Hill, no parking places and things like that. But look at the facts; just look at these facts.

I submit that there is no longer here an explosive staff growth as characterized in the mid-1970's and stemming from a variety of factors. We have right now here the staff figures that show a slowdown which occurred even before Congress enacted Gramm-Rudman. This is a matter of statistics. In 1979, for example, there were 2,027 staff for House standing, select, and special committees. At the end of 1984, before Gramm-Rudman, there were 1,919 such staff, for a 5.3-percent reduction.

Now those are facts, those are figures, those are not accusations drawn out of a hat. With the passage of Gramm-Rudman, this committee has been responsible, we have responded. Last year this committee without any explanation cut everybody 9 percent across the board, and our chairman and our committee suffered—a 9-percent cut. I tried in my opening remarks call the attention of my colleagues and make a specific point of the fact that we have October, November, and December which may be subjected to a possible sequestration order, as we did the year before, when we sent notices to all the committees and we suggested to them and told them that they had to cut back. This may occur this time also.

Madam Speaker, I want to conclude by saying that in good conscience and in due respect to my colleagues who serve on that committee, I, with every fiber in my body, state as a matter of record and in good conscience that I thought and I think that the committee did an excellent job by dividing up as equitably as possible all the money that had already been voted upon and doing such in such a manner that we had responses back—I would say in 95 percent of the cases—from the chairmen and those affected that they were completely in accord with what we had done under the existing circumstances.

I am going to ask my colleagues to support this in-house resolution, support it because it is fair and it is just under the circumstances.

Mr. GILMAN. Madam Speaker, will the gentleman yield?

Mr. GAYDOS. I yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

Madam Speaker, I rise in support of House Resolution 108, authorizing funding for the House standing and select committees for the 1st session of the 100th Congress.

I would like to point out to my colleagues, however, that while the standing committees received increases in their budgets, ranging from 5 percent for the Committee on the District of Columbia to nearly 21 percent for the Armed Services Committee, the select committees, consisting of the Committees on Aging, on Children, Youth and Families, on Hunger and on Narcotics Abuse and Control, received only a 3-percent increase in their budgets.

As the ranking minority member of the Narcotics Select Committee, I can assure my colleagues that the 3-percent increase puts the work of our select committee in a no-growth situation and comes at a time when the Congress and the President have enacted into law the Antidrug Abuse Act of 1986, which is one of the most far-reaching, and comprehensive antidrug measures to become law. This no-growth increase in our budget also comes at a time when we are conducting oversight hearings on the implementation of the legislative initiatives contained in the Antidrug Abuse Act.

In my view, the budgetary requests of select committees should be based on each select committee's budgetary merits rather than being treated identically with meager across-the-board increases.

Madam Speaker, I submit that to do otherwise is inequitable to the budgetary needs of each select committee and does not adequately serve the objectives that each select committee is trying to achieve.

□ 1220

Mr. GAYDOS. Madam Speaker, having said what I did in asking my colleagues to support the resolution, I move the previous question on the committee amendment in the nature of a substitute and on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mrs. SCHROEDER). The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

MOTION TO RECOMMIT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Madam Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman from California opposed to the resolution?

Mr. DANNEMEYER. I am, Madam Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DANNEMEYER moves to recommit House Resolution 108 to the Committee on House Administration with instructions that they report such resolution back to the House authorizing funds for 1987 at levels not exceeding those authorized for 1986.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. DANNEMEYER. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Pursuant to the provisions of clause 5 of rule XV, the Chair announces that she will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of the passage of the resolution.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 127, nays 268, not voting 38, as follows:

[Roll No. 36]

YEAS—127

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bentley
Bereuter
Bilirakis
Boehlert
Boulter
Brown (CO)
Buechner
Bunning
Burton
Callahan
Cheney
Coats
Coble
Combest
Conte
Coughlin
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeWine
DioGuardi
Dornan (CA)
Dreier
Early
Emerson
Fawell
Fields
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Houghton
Hunter
Inhofe
Jacobs
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
McCandless
McMillan (NC)
Meyers
Miller (OH)
Miller (WA)
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Regula
Rhodes
Ridge
Ritter
Rogers
Roth
Rowland (CT)
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Stump
Sundquist
Sweeney
Swindall
Tauke
Upton
Vander Jagt
Walker
Weber
Weldon
Whittaker
Wolf
Wortley
Young (FL)

NAYS—268

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Aspin
Atkins
Badham
Barnard
Bateman
Bates
Bennett
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Boner (TN)
Bonior (MI)
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Clarke
Clay
Clinger
Coelho
Coleman (TX)
Conyers
Cooper
Courter
Coyne
Crockett
Darden
Davis (MI)
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Huckaby
Hughes
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McGrath
McHugh
McKinney
McMillen (MD)
Mfume
Mica
Michel
Miller (CA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Ravenel
Ray
Richardson
Rinaldo
Roberts
Robinson
Rodino
Roe
Roemer
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers

Stallings
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Taylor
Thomas (CA)
Thomas (GA)
Torres
Towns
Traficant
Udall
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Wylie
Yates
Yatron

NOT VOTING—38

Annunzio
AuCoin
Beilenson
Bliley
Bonker
Chappell
Coleman (MO)
Collins
Daniel
de la Garza
DeLay
Edwards (OK)
Frost
Garcia
Gephardt
Gray (IL)
Harris
Holloway
Hubbard
Kemp
Lancaster
Livingston
Lowery (CA)
Lujan
Matsui
McEwen
Nagle
Rose
Roukema
Saiki
Smith (FL)
Solomon
Stangeland
Stark
Tauzin
Torricelli
Traxler
Young (AK)

□ 1240

Mr. ROSTENKOWSKI and Mr. MacKAY changed their votes from "yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mrs. Schroeder). The question is on the resolution, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 280, noes 117, not voting 36, as follows:

[Roll No. 37]

AYES—280

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Aspin
Atkins
AuCoin
Badham
Barnard
Bateman
Bates
Bennett
Bentley
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boner (TN)
Bonior (MI)
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carr
Chapman
Clarke
Clay
Clinger
Coelho
Coleman (TX)
Conte
Conyers
Cooper
Courter
Coyne
Crockett
Darden
Davis (MI)
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lott
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McKinney
McMillen (MD)
Mfume
Mica
Michel
Miller (CA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pashayan
Pease
Penny
Pepper
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Ray
Richardson
Rinaldo
Roberts
Robinson
Rodino
Roe
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Taylor
Thomas (CA)
Thomas (GA)
Torres
Towns
Traficant
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron

NOES—117

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bereuter
Bilirakis
Boulter
Brown (CO)
Buechner
Bunning
Burton
Callahan
Carper
Chandler
Cheney
Coats
Coble
Combest
Coughlin
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeWine
DioGuardi
Dornan (CA)
Dreier
Early
Emerson
Fawell
Fields
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Houghton
Hunter
Inhofe
Jacobs
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lewis (FL)
Lightfoot
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
McCandless
McCollum
McMillan (NC)
Meyers
Miller (OH)
Miller (WA)
Moorhead
Morrison (WA)
Nielson
Oxley
Packard
Parris
Patterson
Petri
Pursell
Regula
Rhodes
Ridge
Ritter
Roemer
Rogers
Roth
Rowland (CT)
Saxton
Schaefer
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Slaughter (VA)
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Stump
Sundquist
Sweeney
Swindall
Tauke
Upton
Walker
Weber
Weldon
Whittaker
Wolf
Young (FL)

NOT VOTING—36

Annunzio
Beilenson
Bliley
Boland
Bonker
Chappell
Coleman (MO)
Collins
Daniel
de la Garza
DeLay
Edwards (OK)
Frost
Garcia
Gephardt
Gray (IL)
Harris
Holloway
Kemp
Lancaster
Lewis (CA)
Livingston
Lowery (CA)
Lujan
McEwen
Nagle
Ravenel
Rose
Roukema
Saiki
Stangeland
Stark
Tauzin
Torricelli
Traxler
Young (AK)

□ 1250

The Clerk announced the following pair:

On this vote:

Mr. Lewis of California for, with Mr. Bliley against.

Mr. McCOLLUM changed his vote from "aye" to "no."

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GAYDOS. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER pro tempore (Mrs. Schroeder). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AFGHANISTAN DAY

Mr. DYMALLY. Madam Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 63) to designate March 21, 1987, as Afghanistan Day, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Madam Speaker, reserving the right to object, I do not object, but would simply like to inform the House that the minority has no objection to the legislation now being considered.

Madam Speaker, under my reservation, I yield to the gentleman from Michigan [Mr. Levin], who is the chief sponsor of House Joint Resolution 188, to designate March 21, 1987, as Afghanistan Day.

Mr. LEVIN of Michigan. Madam Speaker, as the sponsor of the House joint resolution commemorating March 21 as Afghanistan Day, I rise in strong support of Senate Joint Resolution 63.

When the Soviets invaded over 7 years ago, little of the American public knew where Afghanistan was, much less the ramifications of this unprovoked attack. Today, the ongoing struggle of the Afghan people is a constant reminder to Americans and the world at large of the terrible cost of armed aggression.

This Congress has set aside March 21 to commemorate the heroic struggle of the Afghan people ever since Soviet divisions swept into Afghanistan, but time and the death and destruction caused by this unprovoked invasion have not stood still. This past year has witnessed an increase in the bloody military operations of the Soviets and their Afghan surrogates that have driven 3 million Afghans into exile. Last June, the European Parliament adopted a resolution condemning the slaughter of 1½ million Afghans since the invasion. In 1986, Soviet and Kabul regime aircraft violated Pakistan's airspace 757 times and inspired 233 terrorist incidents inside Pakistan.

Madam Speaker, 1986 also saw the deceptive withdrawal of six Soviet regiments, a "national reconciliation" scheme which leaves a regime opposed by an overwhelming majority of the Afghan people, and a cease-fire proposal with no provision for the withdrawal of the remaining troops numbering over 100,000.

The depth of this House's solidarity with the Afghan people is evident in the strong support of the leadership in bringing this resolution up in this expedited manner. I would like to thank my colleague from Michigan [Mr. Broomfield], the ranking member of the Foreign Affairs Committee and a strong supporter of a free Afghanistan, for his assistance and lead sponsorship. I would also like to thank Chairman Dymally and his staff for their great assistance in bringing this resolution to the floor today.

Mrs. MORELLA. Madam Speaker, further reserving the right to object, I yield to the gentleman from Michigan [Mr. Broomfield].

Mr. BROOMFIELD. Madam Speaker, as a cosponsor I strongly support this resolution commemorating March 21 as Afghanistan Day. The Afghan people have faced more than 7 long years of Soviet military occupation. Our country has been blessed with over 120 years of domestic peace. We can scarcely imagine the untold sufferings and hardships which are a daily part of the lives of a people existing under a military occupation.

The statistics which accompany this brutal invasion are staggering. Close to one-third of the entire population has been forced to flee the country. The majority of these refugees are now in Pakistan where they are placing an incredible burden on an already strained economy. The Soviets, in attempts to crush Afghan resistance, have resorted to unconscionable military tactics. This includes the reported use of chemical weapons, deliberate destruction of crops and livestock and state-sponsored terrorism which have combined to leave over a million dead.

Today, I urge your support in adopting this resolution to recognize the ongoing struggle of freedom from oppression of the Afghan people. We must stand resolved that the principles of self-determination and respect for the rights of mankind will not be forgotten. Let us hope that with each gesture of disapproval the Soviet Union will move that much closer to a complete withdrawal of its armies and the acceptance of the sovereign integrity of the Afghan people.

Mrs. MORELLA. Madam Speaker, I rise in support of Senate Joint Resolution 63, calling upon the President to issue a proclamation designating March 21, 1987, as "Afghanistan Day."

We cannot ignore the Soviet military occupation of Afghanistan and we must keep alive the public interest since the Afghan situation is no longer receiving the media coverage it deserves.

We must demonstrate over and over again the nature and extent of Soviet crimes in Afghanistan. As the leader of the free world, the United States is expected to pursue a policy of firmness against Soviet imperialism. This is one case where we can be certain that all countries of the free world will respect our leadership, especially those people who share the Muslim religion which is being suppressed by Soviets in Afghanistan.

I urge my colleagues to join me in supporting this resolution.

Madam Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. Res 63

Whereas more than seven years have passed since the unprovoked Soviet invasion of the nonaligned country of Afghanistan;

Whereas close to one hundred and fifteen thousand Soviet troops are continuing a brutal attempt to crush the nationwide Afghan resistance to the Soviets and the Marxist regime they installed;

Whereas indiscriminate air and artillery bombardments, deliberate attempts to generate refugees, and the destruction of livestock, crops, and property remain a key instrument of Soviet and Kabul regime policy;

Whereas Soviet and Kabul regime actions in Afghanistan violate the following international covenants: the 1949 Geneva Conventions and Customary International Law; article 7 of the International Covenant on Civil and Political Rights; and the 1954 Hague Convention;

Whereas the military operations of the Soviets and their Afghan surrogates have driven almost three million refugees into Pakistan, placing an almost intolerable burden on its economy, social service system, and ecology;

Whereas the United Nations General Assembly has in eight resolutions called for the "immediate withdrawal of foreign troops from Afghanistan", and a recent United Nations Human Rights Commission report concludes that the continuation of a military solution in Afghanistan will "lead inevitably to a situation approaching genocide";

Whereas, the twentieth semiannual report of the United States Department of State on the implementation of the Helsinki Final Act observes that Soviet policies in Afghanistan are: "in direct and willful violation of the general principles set forth in the Helsinki Final Act, including respect of the inviolability of frontiers, territorial integrity of states, and self-determination of peoples";

Whereas, in June 1986, the European Parliament overwhelmingly adopted a resolution on the situtation in Afghanistan which condems: "The deaths of some one and a half million Afghans since the beginning of the Soviet intervention, out of the total population of fifteen million, while four and a half million refugees have had to flee to Pakistan and Iran and a million Afghans are surviving in extremely difficult conditions within the country itself";

Whereas Soviet and Kabul regime aircraft have violated Pakistan's airspace seven hundred and fifty-seven times during 1986, killing forty-six innocent people and wounding seventy-seven;

Whereas over two hundred and thirty-three Soviet and Kabul-inspired terrorist incidents took place in Pakistan during 1986, often in circumstances calculated to cause the deaths of innocent civilians;

Whereas recent developments such as the deceptive withdrawal of six Soviet regiments, a "national reconciliation" scheme which leaves a regime opposed by an overwhelming majority of the Afghan people, and a ceasefire proposal with no provision for the withdrawal of Soviet forces suggest no change in the Soviet goal in Afghanistan;

Whereas the only credible indicator of Soviet commitment to negotiated political settlement in Afghanistan will be their agreement at the Geneva negotiations to a prompt and complete withdrawal of all their troops and full self-determination for the Afghan people;

Whereas, since the Soviet invasion of Afghanistan, the Congress has in numerous resolutions declared the solidarity of the American people with the struggle of the Afghan people against the Soviet invaders; and

Whereas the people of Afghanistan observe March 21 as the traditional start of their new year and as a symbol of their nation's rebirth: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating March 21, 1987, as Afghanistan Day, and calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ENERGY EDUCATION DAY

Mr. DYMALLY. Madam Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 19) to designate March 20, 1987 as "National Energy Education Day," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

□ 1300

The SPEAKER pro tempore (Mrs. SCHROEDER). Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Madam Speaker, reserving the right to object, I do not object, and I rise in strong support of Senate Joint Resolution 19, designating March 20, 1987, as "National Energy Education Day."

As a member of the House Subcommittee on Energy Research and Production, I have become acutely aware of the importance of supporting and maintaining an economical energy policy.

By designating March 20, 1987, as National Energy Education Day we can bring to the attention of the American people a deeper and meaningful understanding of our energy needs. It will afford an opportunity to our educators and community leaders to focus attention on our energy needs and issues not only in today's society, but will help shape our attitude toward energy policy in the future. A reliable and economical supply of energy is essential to the well-being of all Americans.

I urge my colleagues to join me in supporting this resolution.

Madam Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S. J. RES. 19

Whereas a reliable and economical supply of energy is essential to the future well-being of the United States;

Whereas the development and implementation of an enlightened energy policy requires that the public be adequately informed of the issues and alternatives;

Whereas ongoing quality energy education programs in America's schools and communities will continue to play an important role in educating the public regarding energy issues;

Whereas the annual celebration of "National Energy Education Day" (NEED) brings together students, teachers, school officials, and community leaders to focus attention on the need for energy education in our Nation's schools and communities; and

Whereas such a celebration should be conducted in a manner which encourages a deeper understanding of the energy changes and challenges that have and will continue to shape America's future: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to promote and enhance energy education programs at all grade levels of public and private schools throughout the United States, March 20, 1987, is designated National Energy Education Day". The President is requested to issue a proclamation calling upon the people of the United States, and all educational institutions, to observe such a day with appropriate ceremonies and activities, and encourage appropriate Federal agencies to participate in the observance of such a day and to cooperate with persons and institutions conducting such ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DYMALLY. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 39

Mr. DAVIS of Illinois. Madam Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 39. I have approval of the Chairman of the Committee on Interior and Insular Affairs, Mr. UDALL.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

A PRESCRIPTION FOR PREVENTING TEEN PREGNANCY

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Madam Speaker, I commend to my colleagues today an article written in the Washington Post by Eunice Kennedy Shriver, who is executive vice president of the Joseph P. Kennedy, Jr., Foundation, which works in and has major programs in mental retardation and adolescent pregnancy. I quote from that article as follows:

> To transform our schools into contraceptive dispensaries is to give a strong message that sex in adolescence is okay, that it is an approved extracurricular activity. "Do what you please but do be careful" is the message we would be sending.

Mrs. Shriver goes on to eloquently and forcefully speak against the programs of simply establishing school-based health clinics as a means of preventing teenage pregnancy, indicating that we must look at the much broader question. I quote from the article again, as follows:

> Adolescent needs will be fulfilled only when we begin to understand that teen-age pregnancy concerns the whole person, the family, the community and the society, not just the sexual act of the individual at risk. It involves moral and ethical issues, not simply mechanical solutions. It requires, above all, communities that care.

Madam Speaker, there is a great deal to listen to in this article, entitled "Rx for Teen Pregnancy," which appeared in today's Washington Post. I trust my colleagues will look it up in today's Washington Post.

CONGRESS SHOULD DEFEAT HOUSE RESOLUTION 108

(Mr. INHOFE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INHOFE. Madam Speaker, I rise today to express my opposition to House Resolution 108, a bill being considered by the House today to provide for funding of the 25 committees of the House of Representatives, and proposed tax increases as advocated by the Speaker of the House.

At this time of massive Federal budget deficits—fiscal year 1987 deficit exceeded $220 billion—you would think that Congress would subject itself to some degree of budgetary restraint in order to do its part to control the deficit. While this would be a logical assumption, it is far from the truth.

The legislation before the House today would increase funding for all 25 House committees and the House Information Systems [HIS] for fiscal year 1987. The resolution would increase spending on House committees from a total of $44 million in 1986 to over $47.9 million in 1987. This represents a 9-percent increase—well over last year's funding and—well over last year's inflation rate of 1.4 percent. Last year's rate was the lowest in 25 years. This funding covers only investigative costs of the committees and does not take into account the additional money that will be required to hire staff, pay for travel, and various other expenses.

I urge my colleagues to reject this resolution and let the American people know that Congress is willing to subject itself to necessary budget restraint in order to control the Federal deficit.

On another matter, I am appalled at the recent remarks made by the Speaker of the House in favor of raising taxes by $20 billion for 1988 and ignoring the Gramm-Rudman deficit reduction targets. A March 5 article that appeared in the Washington Post highlighted the Speaker's proposal to tax stock market transactions that would raise as much as $17 billion a year. The Speaker also indicated that he supports deferring tax cuts to certain individuals as another way to raise additional revenues to reduce the deficit.

A week before the Speaker made his statement on raising taxes, the two Budget Committee chairmen of Congress had announced that they had no intention of drafting budgets that would be in accord with the Gramm-Rudman deficit reduction target of $108 billion for 1988. The chairmen have concluded that a $108 billion deficit for fiscal year 1988 is not enough for them. They believe Congress should abandon the Gramm-Rudman target and are proposing to perpetuate the shameful and fiscally unresponsible budgets that have been produced by the Democratic leaders of this body in the past.

I, wholeheartly reject their views, and I will oppose their efforts to force higher taxes on the American people as a way to reduce the deficit. The problem is not that we do not pay enough taxes—the problem is that Congress is out of control and cannot quench its insatiable desire to spend more money.

In contrast, I support and urge my colleagues to support the resolution that was passed by the House Republican Conference yesterday to mandate that Congress remain fully committed to the Gramm-Rudman target for a balanced budget by fiscal year 1991. I will oppose any attempt to deviate from this target and will instead focus my energy on ways to reduce spending and control the deficit without forcing new and unnecessary taxes on the American people.

Congress can and must do better to produce a responsible budget and stop spending money that we do not have. The American people have elected us to make the tough decisions and control excessive budget expenditures without taking the easy way out by simply increasing taxes. If we fail, serious economic consequences will result and threaten the survival of this great Nation.

I urge Members to join with me in opposing any new tax increase and work instead to pass a budget that falls within the realistic targets of the Gramm-Rudman Deficit Control Act. The future of our Nation depends upon the responsible action of Congress.

NATIONAL SPACE GRANT COLLEGE AND FELLOWSHIP ACT OF 1987

(Mr. ANDREWS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS. Madam Speaker, today I am introducing along with Senator BENTSEN the Space Grant College and Fellowship Act of 1987, an act to increase the momentum in our Nation's space science and research programs.

Our national space program has fallen on hard times. Meanwhile, the Soviets, the Japanese, and the Europeans are moving forward aggressively in space development. For example, the Europeans are spending 10 to 15 times more than the United States on microgravity research.

If these conditions persist, we will assuredly fall behind in developing the potential of outer space. We must not let that happen.

To put America back in the lead, we must help our universities focus on space research. Under NASA's direction, this program will do just that by investing seed money, matched by State and private funds, in research programs at our universities. The bill is based on the successful land-grant college system of 1862 and the sea-grant program.

It is my belief that this legislation will energize space research and commercialization by fostering public-private partnerships. By harnessing our best researchers to the challenges we face, our Nation can assure itself the lead in space into the next century.

I urge my colleagues to support this bill. Just as the 37th Congress in 1862 had the foresight to pass the Land-Grant College Act that helped Americans develop the Western frontier, now let us establish space colleges to help us pioneer the space frontier.

INTRODUCTION OF LEGISLATION TO EFFECT CERTAIN HABEAS CORPUS REFORMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 5 minutes.

Mr. LUNGREN. Madam Speaker, in 1969, an Iowa jury convicted Robert Anthony Williams of raping and murdering a 10-year-old girl in the city of Des Moines. Following his trial, Mr. Williams began a remarkable judicial odyssey that illustrates the urgent need for criminal justice reform that takes lawbreakers as seriously as they take their assaults on the law-abiding citizens of our country.

Mr. Williams first appealed his conviction to the Iowa Supreme Court. That tribunal upheld the jury's decision. Mr. Williams' petition for review was denied by the U.S. Supreme Court. He then turned to the Federal district court, alleging that his conviction violated his constitutional rights. The judge agreed with his claim and ordered him to be retried without the use of evidence that had led police to the victim's body. The State of Iowa appealed the case to the Eighth Circuit Court of Appeals which upheld the district court ruling. The State then brought the case back before the U.S. Supreme Court which held that, although Williams had been advised of his Miranda rights five times, statements made to him by the detective out of the presence of counsel violated Williams right to counsel. As a result, it was ordered that Williams would have to be retried.

Williams was retried in Iowa and a jury of his peers convicted him again. Williams subsequently took his case back to the Iowa Supreme Court, the Eighth Circuit Court of Appeals and finally the U.S. Supreme Court. The Supreme Court concluded that the "inevitable discovery" rule—a rule stating that the evidence would have been discovered independent of the statement of the defendant—applied in this case. The Supreme Court thus upheld his conviction.

Madam Speaker, it strikes me as obscene that it has taken 17 years for our judicial system to end the agony of the family of the murdered girl. Imagine 17 years of uncertainty and pain suffered by an innocent family! It is even more obscene that extended delays in the administration of justice occur frequently in our legal system. Remarkably, over 8,000 habeas corpus petitions—petitions asking a court to rule on the legality of one's detention or imprisonment—are filed each year in Federal district courts. According to a 1984 report by the Bureau of Justice Statistics, more than 30 percent of State prisoner habeas corpus petitions filed in Federal courts were filed by persons who had filed one or more previous Federal habeas corpus petitions. And more than 26 percent of all habeas corpus court decisions are themselves appealed. Worst of all, empirical studies indicate that only 3 percent of all habeas petitions result in any form of relief.

Madam Speaker, we know that most crimes are not followed by arrest and conviction. Yet when arrest and conviction do occur, there is the perception that the law allows for an endless stream of appellate and collateral review. This view, as much as any other factor, has the effect of undermining public confidence in the criminal justice system. For the sake of that confidence, for the sake of a grossly overburdened judicial system, and for the sake of the families of victims of crime who anxiously await the resolution of the personal tragedies engendered by crime, it's high time that we brought our habeas corpus statutes into the 20th century. To accomplish that end, I have once again introduced legislation—H.R. 1333—that would have the effect of eliminating the excessive features of current habeas corpus law while yet retaining the historical purpose of the "Great Wit."

My bill would establish a 1-year statute of limitations period for the filing of petitions by State prisoners, which would run from the time of exhaustion of State remedies. Exception to this statute of limitations could arise where State action violated Federal law, or where the habeas petition is grounded in a subsequently recognized Federal right, or in the existence of new facts.

In addition, the bill would vest in appellate court judges the authority to issue certificates of probable cause for appeal in habeas corpus proceedings. It would allow a Federal court to deny a habeas petition on the merits without requiring prior exhaustion of State remedies. It would require Federal habeas courts to refrain from granting relief with respect to matters that have been fully and fairly adjudicated in State proceedings in order to enhance the finality of State criminal adjudications and avoid duplicative litigation of claims that have been adequately considered.

In concurrence with the U.S. Supreme Court decision in Wainwright versus Sykes, the legislation mandates that regardless of whether or not the petitioner deliberately bypassed State procedures, certain types of procedural defaults by a petitioner may not be excused unless the petitioner could establish "cause" and "actual prejudice" as a result of the default. The 1987 version of my legislation recognizes recent protections afforded petitioners by the U.S. Supreme Court by recognizing that the habeas corpus relief should be granted where there is evidence that a constitutional violation asserted in the claim probably resulted in a factually erroneous conviction or sentencing decision.

Madam Speaker, this area of the law is one of the remaining provisions of the President's original crime control agenda which has yet to be acted upon. Habeas corpus reforms can play an integral role in the overall effort to raise substance above the dilatory procedural tactics which have robbed our criminal justice system of the certainty of punishment. We've talked about getting tough on crime. We've talked about getting tough on drugs. It's my belief that we must bolster the tough talk with tough legislation—legislation which helps to establish a credible deterrent to crime. A reform of our habeas corpus statutes will represent an important step in that regard.

□ 1310

H.R. 1085, THE MONTGOMERY GI BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. WYLIE] is recognized for 5 minutes.

Mr. WYLIE. Madam Speaker, because I found it necessary to be off the floor during debate on the Montgomery GI bill and because of a personal interest I have in the legislation, I wish to express my strong support today of the action taken on Tuesday in approving H.R. 1085, the Montgomery GI bill. This legislation is appropriately named because of the dedication and perserverance of my good friend, Chairman MONTGOMERY that these educational benefits for our all volunteer armed services were originated and brought to the floor for a vote. It was his unwaivering commitment to these men and women in uniform that brought the legislation to the House floor that will benefit young veterans and their country for generations to come.

I also believe that we should give special thanks to Congressman SOLOMON, the ranking member of the full Veterans' Affairs Committee, Congressman DOWDY, chairman of the Education, Training and Employment Subcommittee and Congressman CHRIS SMITH, the ranking member of the subcommittee.

Since enactment of the first GI bill in 1944, over 18 million veterans and service personnel have received educational assistance under three GI bills. These include 7.8 million under the World War II GI bill, and I was one of those 7.8 million who most likely would not have been able to attend Harvard Law School, if it had not been for the GI bill, almost 2.5 million servicemen received educational assistance under the Korean conflict GI bill, and over 8 million under the Vietnam-era GI bill.

Although the primary purpose of the new GI bill is to provide a readjustment educational benefit to our young men and women following service, the bill has also established itself as a major recruitment and retention tool. During the month of November 1986, 84 percent of all new Army recruits signed up for the new program; 54 percent of the Navy; 64 percent of the Marine Corps, and 44 percent of the Air Force. Dollar for dollar, the Montgomery GI bill program is the most cost-effective means of recruitment now in existence.

The Montgomery GI bill provides a low cost and patriotic means for the men and women who elect to serve their country to further their education and fully achieve their potential as American citizens.

H.R. 1085 is a fulfillment of our national obligation to assist servicemembers in their efforts to be well educated and employable members of our society.

As a readjustment tool for veterans returning to the civilian world, the GI bill is a proven success. And, as an investment in the young men and women who have served their country, the GI bill is a proven success. I join my colleagues in urging quick action by the other body.

GEOGRAPHY AWARENESS WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Madam Speaker, I rise today to introduce a resolution declaring the week of November 15 to November 21, 1987, as "Geography Awareness Week." This resolution complements one I recently introduced on foreign languages and international competitiveness that was offered as part of the observance of National Foreign Language Week. Senators BRADLEY and STAFFORD introduced an identical resolution on Geography Awareness Week in the U.S. Senate 2 days ago.

There is considerable evidence for the need to increase our attention to the important discipline of geography. In 1946, only 46 percent of college students tested in a nationwide survey at one top State university could name all of the Great Lakes. In 1984, the news was even worse: Only 12 percent of students surveyed at one top State university could name all of the Great Lakes. In 1950, 84 percent of these college students knew that Manila was the capital of the Philippines; by 1984, this number had shrunk to 27 percent. Furthermore, almost 70 percent of these students could not name a single country in Africa between the Sahara and South Africa.

This news is not only shocking; it is frightening. We depend on a well-informed populace to maintain the democratic ideals which have made and kept this country great. When 95 percent of some of our brightest college students cannot locate Vietnam on a world map, even after our extensive involvement in that country, we must sound the alarm. When 63 percent of the Americans participating in a nationwide survey by the Washington Post cannot name the two nations involved in the SALT talks, we must acknowledge that we are failing to sufficiently educate our citizens to compete in an increasingly interdependent world.

This ignorance of geography, along with a comparable lack of knowledge of foreign languages and cultures, places the United States at a disadvantage with other nations economically, politically and strategically. We cannot expect to remain a world leader if our populace does not even know who the rest of the world is!

In 1980, a Presidential commission found that U.S. companies fare poorly against foreign competitors partly because Americans are often ignorant of things beyond our borders. As Gov. Gerald Baliles said in a Southern Governors Association report, "Americans have not responded to a basic fact: the best jobs, largest markets, and greatest profits belong to those who understand the country with which they are doing business."

Japan's remarkable recovery since the end of the war has been the greatest economic success story of the century, much to the chagrin of many of her competitors. The success can be attributed to a number of factors, but I do not think we can underestimate the importance of Japan's international marketing strategies, including especially its strong emphasis on other languages and cultures. The Japanese have deliberately prepared their businessmen and other professionals to operate in a global marketplace, with multicultural customers. They have learned the language, analyzed the needs, grasped the culture, and tried to understand the basic psyche of all potential consumers. It is estimated, for example, that there are 10,000 Japanese businessmen who speak English in the United States, while less than 1,000 Japanese-speaking American businessmen are in Japan.

One of the key themes and tasks for this Congress is restoring America's competitiveness in a highly complex, rapidly changing world. Improving our knowledge of the geography, language and culture of other lands is a concrete, attainable and important goal in the context of international trade and our place in the world economy. It is a substantial way to give content to the buzzword of competitiveness.

The understanding necessary to accomplish this, as I have said, can come only from knowledge of the peoples, cultures, resources and languages of other nations. This is the sort of knowledge that the study of geography seeks to impart. However, the discipline of geography is seriously endangered in this country. Departments of geography are being eliminated from many institutions of higher learning, and less than 10 percent of elementary and secondary school geography teachers have even a minor in the subject.

Madam Speaker, we are a nation with worldwide involvements. Our global influence and responsibilities demand an understanding of the lands, languages and cultures of the world. It is for this reason that I am today introducing this resolution to focus national attention on the integral role that the knowledge of world geography plays in preparing our citizens for the future of our increasingly interdependent, interconnected world. It is my hope that this will be just one step in a revitalization of the study of geography in this country. All of our citizens should have access to the type of education that will help them appreciate the great beauty and diversity of this Nation, and its place in an even more diverse world.

For your convenience, the text of the resolution follows:

H.J. Res. 195

Joint resolution to designate the period commencing November 15, 1987, and ending November 31, 1987, as "Geography Awareness Week."

Whereas the United States of America is a truly unique nation with diverse landscapes, bountiful resources, a distinctive multiethnic population, and a rich cultural heritage, all of which contributes to the status of the United States as a world power;

Whereas geography is the study of people, their environments, and their resources;

Whereas historically, geography has aided Americans in understanding the wholeness of their vast nation and the great abundance of its natural resources;

Whereas geography today offers perspectives and information in understanding ourselves, our relationship to the Earth, and our interdependence with other peoples of the world;

Whereas 20 percent of American elementary school students asked to locate the United States on a world map placed it in Brazil;

Whereas 95 percent of American college freshmen tested could not locate Vietnam on a world map;

Whereas 75 percent of Americans responding to a nationwide survey could not locate El Salvador on a map, while 63 percent could not name the two nations involved in the SALT talks;

Whereas over 20 percent of American teachers currently teaching geography have taken no classes in the subject and, therefore, do not have the training necessary to effectively teach geographic concepts;

Whereas departments of geography are being eliminated from American institutes of higher learning, thus endangering the discipline of geography in the United States;

Whereas traditional geography has virtually disappeared from the curricula of American schools while still being taught as a basic subject in other countries, including Great Britain, Canada, Japan, and the Soviet Union;

Whereas an ignorance of geography, foreign languages, and cultures places the United States at a disadvantage with other countries in matters of business, politics, and the environment;

Whereas the United States is a nation of worldwide involvement and global influence, the responsibilities of which demand an understanding of the lands, languages, and cultures of the world; and

Whereas national attention must be focused on the integral role that knowledge of world geography plays in preparing citizens of the United States for the future of an increasingly interdependent and interconnected world: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing November 15, 1987, and ending November 21, 1987, is designated as "Geographic Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

WE NEED ANSWERS AND WE NEED ANSWERS FAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CONYERS] is recognized for 5 minutes.

Mr. CONYERS. Madam Speaker, the Senator from Wyoming has created deep concern in the other body and this one by suggesting that the President, at tonight's press conference, not answer any questions concerning Iran and the Contra affair that currently has the executive branch embroiled in the most serious matter of illegal conduct since Watergate.

I would hope that the President of the United States chooses not to follow his friend and ardent supporter's advice in this regard. I think that Mr. SIMPSON's advice to the President after 4 months of no press conferences would create an absolute scandal in addition to all of the problems that the American people are concerned with.

We need answers and we need answers fast. As one who called for the special prosecutor in October of last year, and we finally were able to get one, and as one who intervened in the court process to ask that the special prosecutor have the widest latitude in tracing these endless branches of inquiry that keep opening up every week, and which I have applauded, and as one who has urged that the President take his State of the Union Address on January 27 and convert it to an opportunity where he tells the American people; First, what all of his subordinates know and knew about the matter and then, second, what he himself knew and then perhaps have someone else tell us what he forgot, then we would be able to get to the bottom of this matter.

In the present circumstance, we have so many limited grants of immunity flying around that the next thing I might expect the Senator from Wyoming to do is ask that the President be granted some form of limited immunity.

So I think that the President should not take just 30 minutes, which leaves an average of about 8 to 12 questions to be asked by members of the press who have been waiting for 4 solid months, but he should take 60 minutes or an hour and 30 minutes or 2 hours and finally sit down with the press, forget about the prepared speeches and all of the modern devices for communicating with the American people, but sit down with the press and talk with them about the Iran-Contra matter which is on all of our minds.

□ 1320

There are contradictions that have to be addressed. There are so many unanswered questions that it seems to me this is the least that the President can do under these circumstances; and a final recommendation that perhaps we ought to have press conferences from the executive branch of the Government every 2 weeks until we have resolved this matter.

THE FAMILY WELFARE REFORM ACT OF 1987

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. PANETTA. Madam Speaker, I rise in support of the Family Welfare Reform Act of 1987 which was developed by the Honorable HAROLD FORD of Tennessee, and his colleagues on the Public Assistance Subcommittee of the Committee on Ways and Means.

I am pleased to be a cosponsor of this legislation which includes a comprehensive, and much-needed, restructuring of the oldest welfare program in the United States—the Aid to Families with Dependent Children [AFDC] Program which was created in 1935. I have the honor of serving as chairman of the Agriculture Committee's Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition. This subcommittee has jurisdiction over the Food Stamp Program, which is a relative newcomer in our social welfare system—having only been established as a national program in 1972.

AFDC would be replaced by a new Family Support Program, which would be restructured to achieve the objective spelled out in the new program's name—support of families. This objective would be achieved through the following changes:

Benefits would be extended to families in which both the father and mother are present. This would remove the tragic financial incentive in the current AFDC Program for families to break up in order for the mother and children to receive welfare benefits. With this change, the Family Support Program would conform to the practice in the Food Stamp Program which extends benefits to everyone in a family who lives in the same household.

A new employment and training program for participants in the Family Support Program would be created. This program would allow States flexibility to design an employment and training approach which would best fit local conditions. This flexibility was incorporated in the Food Stamp Employment and Training Program enacted in the Food Security Act of 1985 (Public Law 99-198). Employment and training resources would be targeted to teen parent families, long-term recipients and families with young children.

To ensure that mothers can go to work or enter training without worrying about the welfare and safety of their children, increased funding for day care would be provided.

Work would be rewarded by ensuring that participants in the Family Support Program who work receive higher incomes than those who do not, and Medicaid benefits would be continued for recipients trying to make the transition from welfare to work.

The Child Support Enforcement Program would be restructured to ensure that parents meet their obligation to support their children.

The Family Welfare Reform Act of 1987 represents a sound basis on which to start reforming welfare. There are, however, two areas in which further work is needed if we are to achieve true welfare reform. These areas involve jurisdiction of House committees other than the Committee on Ways and Means.

The first is improved coordination and program simplification between the two largest welfare programs which provide benefits to families with children—Food Stamps and the Family Support Program. The Family Welfare Reform Act of 1987 would establish an advisory group to report on specific measures needed to ensure common policies in these two programs. This report would be submitted to the President and the Congress within 1 year after enactment of the Family Welfare Reform Act. The advisory group would be modeled after the Social Security Commission of a few years ago which included representation from the executive and legislative branches as well as public and private groups interested in the issue. The advisory group to simplify the Food Stamp and Family Support Programs would include membership from the Departments of Agriculture and Health and Human Services, State Governors, State and local welfare administrators, Members of Congress, welfare advocates, and other appropriate persons.

I laud the creation of this advisory group but am concerned that we could end up with simply another study unless we start action now. We should not forget that what forced the compromise back in 1983 which saved the Social Security Program was not the Social Security Commission itself but the threat that the Social Security trust funds would go broke if no action was taken. There is no decision-forcing deadline in welfare reform. Therefore, I propose that the downpayment on improved program simplification and coordination be made now through inclusion in welfare reform this year of a series of changes to simplify the two programs. We should commit ourselves to adopting this year a simplification package which would be budget neutral.

My second concern is that we all ensure that employment and training for welfare recipients is coordinated. Unfortunately, over the years, we have tended to proliferate employment and training programs—in part out of frustration that the current delivery system does not reach welfare recipients. That is the reason why we have a separate employment and training program for food stamp and AFDC recipients. Since we are embarked on welfare reform, I think we should seize the opportunity to develop a coordinated employment and training system which will ensure that welfare recipients are not confronted with a bureaucratic maze as they attempt to obtain the skills needed to make the transition from welfare to work. Achievement of this objective will require careful coordination between the Committees on Education and Labor, Ways and Means, and Agriculture.

The Family Welfare Reform Act of 1987 represents an excellent first step toward welfare reform. Now it is the responsibility of the other committees in the House which have jurisdiction over programs that affect welfare recipients to ensure that we truly create a reformed welfare system that provides adequate benefits and real opportunities to make the transition from welfare to work.

THE NEW GI BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Madam Speaker, on Tuesday, by a vote of 401 to 2, the House passed and sent to the Senate H.R. 1085, a bill that would make the new GI bill permanent.

I did my best to recognize everyone who played a major role in developing the original bill, H.R. 1400, which we enacted in 1984, as well as H.R. 1085. When so many people are involved in a major piece of legislation, one always runs the risk of forgetting to mention some key players. I'm afraid I have done just that. Madam Speaker, I shall attempt to correct the permanent RECORD to include five people that did an awful lot of work on the new GI bill from the very beginning until the vote yesterday.

Mrs. Candis Sniffen, legislative assistant for our committee, has been deeply involved in the new GI bill from the very beginning when the staff began a series of meetings with the military services back in 1980.

Another key individual has been Mr. Richard Shultz, an attorney for our committee, who has provided me with expert counsel in military matters, especially in the area of Reserve and National Guard affairs.

Mr. Bob Cover of the Legislative Counsel's Office did all of the drafting of the first bill I introduced in January 1981, H.R. 1400. Mr. Joe Womack of the Legislative Counsel's Office did all of the drafting of H.R. 1085 and legislation enacted last year to improve the program. If the new GI bill is made permanent, Bob Cover and Joe Womack will have played a major role in helping to bring about this new education program for our armed services. It is fitting that Bob and Joe are members of the team since they are responsible for drafting a lot of the legislation that comes out of the House Armed Services Committee, as well as the Committee on Veterans' Affairs. I want Bob and Joe to know that all members of the Committee on Veterans' Affairs, and the staff, appreciate the many hours they spent in helping develop this program.

I'm also grateful to Mr. Hugh Evans, Senate legislative counsel who worked with Bob in putting together the conference agreement as part of the DOD Authorization Act of 1984. Hugh has worked closely with us for many years and he is a recognized expert in the areas of military and veterans' affairs.

THE FAIR TRADE AND ECONOMIC JUSTICE ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 5 minutes.

Mr. PEASE. Madam Speaker, I am pleased to be joined by 34 of my colleagues today in introducing the Fair Trade and Economic Justice Act of 1987. This bill treats as an unfair trade practice the competitive advantage in international trade that some countries derive from the systematic denial of internationally recognized worker rights; that is, freedom of association; the right to organize and bargain collectively; a prohibition on the use of forced or compulsory labor; a minimum wage for the employment of children; and acceptable conditions of work with respect to wages, hours of work, and occupational safety and health.

Currently, the General Agreement on Tariffs and Trade and the United States Code spell out the rules with regard to capital subsidies and dumping to promote fair competition, but not for labor practices. Anything goes. The current rules in world trade condone competition at any cost as far as workers are concerned.

But trade is not and should not be viewed as an end in itself. Fair competition in world trade should renounce labor repression and it should be structured by rule and in practice to improve the living standards of workers as well as manufacturers and consumers. Therefore, we are committed to seeing this legislation become a part of the omnibus trade bill to be brought to the House floor before the end of April.

It is vital that the 1987 debate on trade avoid more rhetoric and center on constructive measures that spread trade's benefits as widely as possible. Trade can play a positive role in advancing the interests of a broad range of American businesses, consumers, and workers, while promoting gains in living standards in developing countries.

As international trade expanded rapidly after World War II, the United States gained trading partners across the developing world. At present, these poorer nations account for over a third of U.S. trade. There is, however, one especially heavy cost. Some governments rely on the brutal repression of their labor forces to produce goods cheaply for export:

In South Korea, 61 union leaders are serving long-term prison sentences for labor organizing.

In Chile, strike votes must be taken by open ballot under the surveillance of police or military authorities, marking strike advocates for retaliation.

In Taiwan, the right to strike is barred under penalty of death.

Labor repression has become a potent weapon in the arsenal of unfair trading practices that some foreign nations deploy to break into U.S. markets. Its impact on competing industries in the United States is similar to foreign government subsidies to exporters or dumping.

As the Congress strengthens its trade laws to advance fair trade and to authorize actions against unfair trade practices, it should recognize that the rights of workers are as much at stake in the trading system as the rights of producers and consumers.

Two important steps have already been taken:

First. The Trade and Tariff Act of 1984 contains language that limits the U.S. granting of trade preferences (under the Generalized System of Preferences—GSP) to countries that respect internationally recognized worker rights. The GSP, first adopted in 1974, grants duty-free treatment on imports into the United States for about 3,000 products from 140 developing countries. The 1984 changes prohibit the President from designating any country for GSP benefits which has not taken steps to afford internationally recognized worker rights to its labor force. Worker rights are defined to include: the right to association; the right to organize and bargain collectively; a prohibition on compulsory labor; a minimum age for the employment of children; and acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.

Second. In 1985, new language in the reauthorization of the Overseas Private Investment Corporation [OPIC] restricts OPIC insurance and other operations to countries that have taken steps to adopt and implement laws respecting worker rights.

The United States has also embraced the trade/worker rights link as a primary negotiating objective in the new trade round at the General Agreement on Tariffs and Trade [GATT].

The challenge that remains is to make labor repression an unfair trading practice in a new trade bill. Such an amendment was adopted as part of the 1986 trade bill that passed the House with an impressive bipartisan majority. The amendment placed labor repression alongside denial of market access, barriers to establishing a business in a foreign country, and violation of intellectual property rights as unfair trading practices against which the United States could take action. A motion to delete this provision was soundly defeated on the House floor by a 137-to-276 vote.

In the previous legislative campaigns, variations of seven questions have been raised about the trade/worker rights link. It is worthwhile to address each briefly in turn:

QUESTIONS

1. Isn't making trade preferences contingent on worker rights a form of backdoor protectionism?

Just the opposite is true. Public confidence in an open trading system depends on improvements in worker rights overseas. How, otherwise, can U.S. workers face imports from South Korea, Chile or any other country in which basic labor rights are nonexistent, wages are but a fraction of ours, and to which U.S. multinational companies can transfer capital and technology at a drop of a hat? American workers are, and will continue to be, at an unfair disadvantage in competing with their counterparts in such countries.

However, improvements in working and living conditions abroad that the exercise of worker rights make possible can remove the affront felt by workers in the United States when repression is used to subsidize production. U.S. workers expect to see tangible evidence that trade with the United States fosters real gains for developing country workers. Without the improvement in labor rights conditions abroad, the pain of dislocation will continue to feed opposition to the current trade system.

2. Do a set of internationally recognized worker rights exist that can serve as a gauge in trade legislation?

They certainly do. Internationally recognized worker rights, as recognized in the GSP and OPIC legislation, are spelled out in bedrock International Labor Organization (ILO) conventions. These conventions were adopted after negotiations unique to the ILO. Representatives of U.S. management participated fully and equally with representatives of the U.S. government and U.S. labor. Most other national governments have taken the next step of ratifying these conventions:

105 countries have ratified convention No. 11 on the right of association and the right to organize;

113 countries have ratified convention No. 98 pertaining to the right to organize and bargain collectively;

109 countries have ratified convention No. 105 calling for the abolition of forced labor;

69 countries have ratified convention No. 5 fixing an age of 14 years as a minimum age for industrial employment;

46 countries have ratified convention No. 1 pertaining to hours of work and 32 countries have ratified convention No. 131 calling for the establishment of a system of minimum wages to cover wage earners.

In terms of U.S. law, the State Department, in appendix 2 of its 1986 Country Reports on Human Rights, defines each of the five "internationally recognized worker rights" for purposes of reporting and enforcing the Trade and Tariff Act of 1984.

3. Isn't the U.S. being hypocritical in expecting other governments to respect rights based on ILO covenants that the United States Congress has not formally ratified?

No. The U.S. Congress has long been reluctant to ratify international accords that will constrain U.S. law. For example, the Congress has never ratified the major GATT rules. It has nonetheless complied with GATT rules as though they were binding. Concerning worker rights, the important point is that the United States has adopted and enforced domestic laws that guarantee each of the five basic rights enumerated in the legislation.

4. Don't these worker rights standards seek to dictate a U.S. minimum wage and OSHA standards for the rest of the world?

Absolutely not. Four of the five rights, enumerated in the legislation are absolute rights. Either a country has child labor or it doesn't. Either it prohibits compulsory labor of it doesn't. The same is true of the rights to organize and to bargain collectively. Only the fifth right, the right to minimum standards with respect to health, safety and wages, requires subjective judgments. This right is deliberately phrased to take into account a country's level of development. It recognizes that, to a certain extent, differentials in wages between countries reflect different standards of living and economic systems.

As the costs of capital and the levels of productivity move closer across countries, however, labor costs have emerged as the major factor that differentiates costs of production in different countries. Unfortunately for workers across the globe, this leads to enormous pressure for governments to compete by offering the lowest wages possible. It also leads to violations of the already quite low minimum wage standards in many developing countries. The labor standards that now exist in the GSP attempt to hold governments accountable only to whatever minimum wage standards they have already set for their own country. Also, by pinpointing the right to organize and bargain collectively, they stress the need to give workers the right to negotiate acceptable working conditions.

5. Is U.S. legislation linking trade and worker rights, as certain developing countries governments claim, a form of intervention into the sovereign affairs of other nations?

No. First, the labor standards enumerated in the legislation are ones that most governments claim on paper to support: most of the violators have signed ILO conventions to this effect. Hence, this is not a case of imposing U.S. regulations; they are internationally recognized standards to which most countries are bound by international law.

Second, we do not propose that the U.S. automatically cut off trade with any nation on work rights grounds. Rather, the United States should have explicit authority to penalize egregious worker rights violators, not only by witholding trade preferences as the GSP law now provides, but by permitting broader discretion for sanctions—as it now provides for against violators as it does against other unfair trading practices.

It should come as little surprise that the governments most vehemently opposed to the trade/worker rights link tend to be the least democratic and the worst violators of the broad range of human rights, e.g. South Korea, Taiwan, Chile and Zaire.

6. Aren't worker rights a function of the stage of a country's development? Won't they tend to improve as countries develop?

Some have advanced this hypothesis as an argument to drop the trade/worker rights link and instead focus on measures to help advance development in the developing world. We applaud these efforts, but the premise is not borne out by experience. Pharis Harvey, director of the North American Coalition for Human Rights in Korea, surveyed more than a dozen Asian countries to gauge their respect for the 5 worker rights set in the GSP and OPIC legislation. He discovered that a few of the least developed (e.g. Papua New Guinea and Fiji) scored quite well on basic rights; and several of the more developed (e.g. South Korea, Taiwan and Indonesia) scored quite poorly. The vital point, and one of the basic premises of the ILO, is that all workers around the world should be guaranteed certain basic rights.

7. Can legislation that advances the trade/worker rights link actually improve worker rights overseas?

Even though the legislative history of linking trade and labor rights is quite short, there are already positive signs that it can help advance worker rights. Evidence prepared by U.S. human rights, religious and labor groups over the past year, in connection with enforcement of the GSP provision, has demonstrated fundamental violation of worker rights in several countries.

Presentation of this evidence before the U.S. government prompted the U.S. Trade Representative's Office to send delegations to these countries to advise them that unless worker rights were improved, they would lose GSP status. In January 1987, the President invoked the worker rights clause to drop Paraguay, Romania and Nicaragua from the GSP, and to issue a warning against Chile. The benefits that accrue to developing nations through access to the vast U.S. market are ample incentive to improve working conditions if that is the price to retain access.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Ravenel) to revise and extend his remarks and include extraneous material:)

Mr. Wylie, for 5 minutes, today.

(The following Members (at the request of Mr. Andrews) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Panetta, for 5 minutes, today.

Mr. Conyers, for 5 minutes, today.

Mr. Montgomery, for 5 minutes, today.

Mr. Pease, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Ravenel) and to include extraneous matter:)

Mr. Conte.

Mr. Gilman in three instances.

Mr. Rinaldo.

Mr. DeLay.

Mr. Bereuter.

Mr. Boulter.

Mr. Gradison.

Mr. Donald E. Lukens.

Mr. Fawell.

Mr. Davis of Michigan.

Mr. Lightfoot.

(The following Members (at the request of Mr. Andrews) and to include extraneous matter:)

Mrs. Schroeder.

Mr. Leland.

Mr. Lipinski.

Mr. Synar.

Mr. Matsui.

Mr. Kolter in two instances.

Mr. Beilenson.

Mr. Hoyer.

Mr. Aspin.

Mr. Traxler.

Mr. Bruce.

Mr. Roe.

Mrs. Byron.

Mr. Rodino.

Mr. Weiss.

Mr. Lowry of Washington in two instances.

ADJOURNMENT

Mr. PANETTA. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 22 minutes p.m.), under its previous order, the House adjourned until Monday, March 23, 1987, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

927. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend chapter 5 of title 37, United States Code, to make permanent the special pay provisions for enlistment and reenlistment bonuses, and for other purposes; to the Committee on Armed Services.

928. A letter from the General Counsel, Federal Emergency Management Agency, transmitting a draft of proposed legislation to amend the National Flood Insurance Act of 1968, as amended, to extend certain authorities thereunder, and for other purposes, pursuant to 31 U.S.C. 1110; to the Committee on Banking, Finance and Urban Affairs.

929. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Review of Receipts and Disbursements of the Office of the People's Counsel Agency Fund", pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

930. A letter from the Secretary of Education, transmitting the 20th annual report on progress in the operation of the National Technical Institute for the Deaf during the fiscal year ending September 30, 1986, pursuant to 20 U.S.C. 4332; to the Committee on Education and Labor.

931. A letter from the Member, Federal Council on the Arts and the Humanities, National Foundation on the Arts and the Humanities, transmitting the Federal Council on the Arts and the Humanities' 11th annual report on the Arts and Artifacts Indemnity Program for fiscal year 1986, pursuant to 20 U.S.C. 977; to the Committee on Education and Labor.

932. A letter from the Comptroller General, General Accounting Office, transmitting a list of all General Accounting Office reports issued during the month of February, 1987, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

933. A letter from the Administrator, General Services Administration, transmitting a report of the agency's activities under the Freedom of Information Act for calendar year 1986, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

934. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a report on the Corporation's compliance with the Government in the Sunshine Act during calendar year 1986, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

935. A letter from the Director, Office of Information and FOIA Officer, Department of Agriculture, transmitting the Department's calendar year 1986 annual report of its activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

936. A letter from the Administrator of Veterans' Affairs, Veterans' Administration, transmitting notification of an altered Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

937. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a copy of the report of the Director, Bureau of Prisons, Department of Justice, setting forth the findings and conclusions of the Director's investigation into allegations of a violation of law and regulation and a waste of funds at the Federal Correctional Institution, Texarkana, TX, pursuant to 5 U.S.C. 1206(b)(5)(A); to the Committee on Post Office and Civil Service.

938. A letter from the Administrator, Aeronautics and Space Administration, transmitting a draft of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes, pursuant to 31 U.S.C. 1110; to the Committee on Science, Space, and Technology.

939. A letter from the Administrator of Veterans' Affairs, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to make certain improvements in the educational assistance programs for veterans and eligible persons; to repeal the education loan program; and for other purposes; jointly, to the Committees on Veterans' Affairs and Armed Services.

940. A letter from the General Counsel, Federal Emergency Management Agency, transmitting a draft of proposed legislation to authorize appropriations for the Emergency Food and Shelter Program, pursuant to 31 U.S.C. 1110; jointly, to the Committees

on Agriculture and Banking, Finance and Urban Affairs.

941. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the 12th annual report of the Corporation's Office of Consumer Affairs for the year 1986, pursuant to 15 U.S.C. 57a(f)(6); jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. SCHROEDER (for herself, Mr. Ackerman, Mr. Atkins, Mr. Bates, Mr. Beilenson, Mr. Bennett, Mr. Berman, Mr. Borski, Mrs. Boxer, Mr. Bryant, Mr. Bustamante, Mr. Clay, Mr. Clinger, Mrs. Collins, Mr. DeFazio, Mr. Downey of New York, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Edwards of California, Mr. Espy, Mr. Fascell, Mr. Fauntroy, Mr. Fazio, Mr. Foglietta, Mr. Frank, Mr. Frost, Mr. Gray of Illinois, Mr. Jacobs, Mr. Johnson of South Dakota, Mr. Kleczka, Mr. Lancaster, Mr. Leland, Mr. Levine of California, Mr. Lewis of Georgia, Mr. Martinez, Mr. Miller of California, Mr. Mineta, Mr. Morrison of Connecticut, Mr. Mrazek, Ms. Oakar, Mr. Porter, Mr. Rahall, Mr. Roe, Mr. Sabo, Mr. Scheuer, Mr. Sikorski, Mr. Solarz, Mr. Towns, Mr. Traxler, Mr. Wise, Mr. Glickman, and Mr. Yates):

H.R. 1716. A bill to provide to employee of Government contractors protection against reprisal for disclosure to an appropriate Government official of information which the employee reasonably believes evidences misconduct relating to the contract with the Government; to the Committee on Education and Labor.

By Mr. JONES of North Carolina (for himself, Mr. Davis of Michigan, Mr. Bennett, Mr. Howard, Mr. de la Garza, Mr. Anderson, Mr. Bonker, Mr. Hughes, Mr. Oberstar, Mr. Hutto, Mr. Tauzin, Mr. Foglietta, Mr. Hertel, Mr. Dyson, Mr. Lipinski, Mr. Borski, Mr. Carper, Mr. Bosco, Mr. Tallon, Mr. Thomas of Georgia, Mr. Ortiz, Mrs. Boxer, Mr. Manton, Mr. Pickett, Mr. Bateman, Mr. Saxton, Mrs. Saiki, Mr. Studds, Mr. Moakley, and Mr. Sweeney):

H.R. 1717. A bill to provide for a stronger competitive position for the United States in the understanding and wise use of ocean, coastal, and Great Lakes resources by strengthening the National Sea Grant College Program and by intiating a new Strategic Marine Research Program, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. KASTENMEIER:

H.R. 1718. A bill to amend title 35, United States Code, with respect to patented processes and the patent cooperation treaty; to the Committee on the Judiciary.

By Mr. BERMAN (for himself and Mr. Miller of Washington):

H.R. 1719. A bill to protect the public's right to receive and communicate information freely beyond U.S. borders, and to ensure the right of international travel; to the Committee on Foreign Affairs.

By Mr. FORD of Tennessee (for himself, Mr. Rostenkowski, Mr. Foley, Mr. Coelho, Mr. Gray of Pennsylvania, Mr. Downey of New York, Mr. Pease, Mr. Matsui, Mrs. Kennelly, Mr. Donnelly, Mr. Andrews, Mr. Gibbons, Mr. Rangel, Mr. Stark, Mr. Jacobs, Mr. Gephardt, Mr. Guarini, Mr. Anthony, Mr. Flippo, Mr. Dorgan of North Dakota, Mr. Coyne, Mr. Levin of Michigan, Mr. Moody, Mr. Dingell, Mr. Miller of California, Mr. St Germain, Mr. Leland, Mr. Waxman, Mr. Panetta, Mr. Wheat, Mr. Fauntroy, Mr. Espy, Mr. Mfume, Mr. Visclosky, Mr. Dellums, Mr. Lowry of Washington, Mr. Oberstar, Mr. Price of Illinois, Mr. Richardson, Mr. Robinson, Mr. Dymally, Ms. Oakar, Mr. Rahall, Mr. Lewis of Georgia, Mrs. Collins, Mr. Bustamante, Mr. Frank, Mr. Clay, Mr. Alexander, Mr. Dixon, Mr. Owens of New York, Mr. Kennedy, Mr. Owens of Utah, Mr. Flake, and Mr. Mineta):

H.R. 1720. A bill to replace the existing AFDC program with a new family support program which emphasizes work, child support, and need-based family support supplements, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives; referred to the Committee on Ways and Means, and in addition referred to the Committee on Education and Labor for consideration of such provisions of title I of the bill as fall within the jurisdiction of that committee under clause 1(G), rule X, and to the Committee on Energy and Commerce for consideration of such provisions of title IV of the bill as fall within the jurisdiction of that committee under clause 1(H), rule X.

By Mr. DAUB (for himself, Mr. Tauke, Mr. Stangeland, Mr. Henry, Mr. Hall of Texas, Mr. Montgomery, Mr. Jones of North Carolina, Mr. Baker, Mr. Nichols, Mr. Dyson, Mr. Wortley, Mrs. Vucanovich, Mr. Spence, Mr. Clay, Mr. Weldon, Mr. Nielson of Utah, Mr. Young of Alaska, Mr. Hefner, Mr. Espy, Mr. McEwen, Mr. Solomon, Ms. Kaptur, and Mr. Mfume):

H.R. 1721. A bill to amend title II of the Social Security Act to provide for an improved benefit computation formula for workers who attain age 65 in or after 1982 and to whom applies the 5-year period of transition to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 (and related beneficiaries) and to provide prospectively for increases in their benefits accordingly; to the Committee on Ways and Means.

By Mrs. BYRON:

H.R. 1722. A bill to amend the Migrant and Seasonal Agricultural Worker Protection Act, to encourage mediation and conciliation prior to bringing rights of action under that act, to permit reasonable attorneys' fees in certain cases in which a final order is entered in favor of the defendant, and for other purposes; to the Committee on Education and Labor.

H.R. 1723. A bill to amend the Legal Services Corporation Act to ensure that the provision with respect to the payment of attorneys fees is strengthened, and for other purposes; to the Committee on the Judiciary.

By Mr. COURTER:

H.R. 1724. A bill to require the President to submit to Congress annual reports on the proceedings of the Standing Consultative Commission established under the ABM Treaty of 1972; to the Committee on Foreign Affairs.

By Mr. DAVIS of Michigan (for himself and Mr. Lent):

H.R. 1725. A bill to amend title XI of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

By Mr. GEKAS (for himself and Mr. Gray of Illinois):

H.R. 1726. A bill to restore income averaging for farmers who have suffered a natural disaster in the preceding taxable year; to the Committee on Ways and Means.

By Mr. LOWRY of Washington (for himself, Mr. Studds, Mr. Bonker, Mr. Hughes, Mr. Panetta, Mr. AuCoin, Mr. Carr, Mr. Swift, Mr. Tauzin, Mr. Dicks, Mr. Foglietta, Mr. Hertel, Mr. Wyden, Mr. Chandler, Mr. Tallon, Mr. Carper, Mrs. Boxer, Mr. Borski, Mr. Lipinski, Mr. Bosco, Mr. Manton, Mr. Miller of Washington, Mr. Saxton, and Mr. DeFazio):

H.R. 1727. A bill to initiate strategic ocean and coastal resources research, to improve the National Sea Grant College Program, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. GOODLING (for himself, Mr. Ford of Michigan, and Mr. Jeffords):

H.R. 1728. A bill to amend the National School Lunch Act to provide for limited extension of alternative means of providing assistance under the school lunch program; to the Committee on Education and Labor.

By Mr. HYDE (for himself, Mr. Armey, Mr. Barton of Texas, Mr. Bliley, Mr. Boulter, Mr. Bunning, Mr. Burton of Indiana, Mr. Coats, Mr. Craig, Mr. Daniel, Mr. Dannemeyer, Mr. Davis of Illinois, Mr. DeLay, Mr. DeWine, Mr. Dreier of Califorina, Mr. Dornan of California, Mr. Emerson, Mr. Fields, Mr. Gingrich, Mr. Grandy, Mr. Gray of Illinois, Mr. Hastert, Mr. Holloway, Mr. Hunter, Mr. Hutto, Mr. Kemp, Mr. Kyl, Mr. Lagomarsino, Mr. Lent, Mr. Livingston, Mr. Thomas A. Luken, Mr. Donald E. Lukens, Mr. Lungren, Mr. Mazzoli, Mr. Mollohan, Mr. Moorhead, Mr. Nielson of Utah, Mr. Packard, Mr. Parris, Mr. Petri, Mr. Rhodes, Mr. Roth, Mr. Rowland of Connecticut, Mr. Sensenbrenner, Mr. Shumway, Mr. Smith of New Jersey, Mr. Smith of New Hampshire, Mrs. Smith of Nebraska, Mr. Solomon, Mr. Spence, Mr. Stangeland, Mr. Stenholm, Mr. Sweeney, Mr. Swindall, Mr. Tauzin, Mr. Volkmer, Mrs. Vucanovich, Mr. Walker, Mr. Weber, Mr. Wortley, and Mr. Young of Florida):

H.R. 1729. A bill to prohibit the use of Federal funds for abortions except where the life of the mother would be endangered, and to prohibit the provision under title X of the Public Health Service Act of Federal family planning funds to organizations that perform or refer for abortions, except where the life of the mother would be endangered, and for other purposes; to the Committee on Energy and Commerce.

By Mr. KASICH:

H.R. 1730. A bill to provide for the establishment of a Joint Committee on Intelligence; to the Committee on Rules.

By Mr. LIGHTFOOT:

H.R. 1731. A bill to establish the Agricultural Export Reserve, and to define its functions; jointly, to the Committee on Agriculture and Foreign Affairs.

By Mr. GIBBONS:

H.R. 1732. A bill to amend the Internal Revenue Code of 1954 to provide for the reimbursement to State and local law enforcement agencies for costs incurred in investigations which substantially contribute to the recovery of Federal taxes; to the Committee on Ways and Means.

By Mr. MINETA:

H.R. 1733. A bill to make it clear that the space station being planned and developed by NASA is to be used for civilian purposes only; to the Committee on Science, Space, and Technology.

By Ms. OAKAR:

H.R. 1734. A bill to amend the Federal employee health benefit provisions of title 5, United States Code, to increase Government contribution rate, to extend coverage for employees who are separated due to reductions in force, to require carriers to obtain reinsurance or stop-loss insurance (or to otherwise demonstrate financial responsibility), to assure adequate mental health benefit levels and otherwise limit benefit reductions, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PEASE (for himself, Mr. Conte, Mr. Brown of California, Mr. Hayes of Illinois, Mr. Owens of New York, Mr. Dellums, Mr. Martinez, Mr. Frank, Mr. Torres, Ms. Kaptur, Mr. Levin of Michigan, Mr. Coyne, Mr. Berman, Mr. Savage, Mr. Towns, Mr. Traficant, Mr. Boland, Mr. Oberstar, Mr. Sabo, Mr. Rahall, Mr. Conyers, Mr. de Lugo, Mr. Evans, Mr. McDade, Mr. Edwards of California, Mr. Smith of Florida, Mr. Vento, Mr. Moody, Mr. Feighan, Mr. Kildee, Mr. Ackerman, Mr. Fauntroy, Mr. Hochbrueckner, Mr. Kolter, and Mr. Jontz):

H.R. 1735. A bill to treat the denial of internationally recognized worker rights as an unfair and unreasonable trade practice, and for other purposes; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 1736. A bill to provide for the payment of impact aid to certain school districts; to the Committee on Education and Labor.

By Mr. RIDGE (for himself, Mrs. Johnson of Connecticut, and Miss Schneider):

H.R. 1737. A bill to provide access to trade remedies to small businesses, and for other purposes; jointly, to the Committees on Ways and Means and Small Business.

By Mr. RINALDO:

H.R. 1738. A bill to amend the Internal Revenue Code of 1954 to increase to $150,000 the amount of group-term life insurance which may be provided by an employer and excluded from the gross income of an employee; to the Committee on Ways and Means.

By Mr. ROE (by request):

H.R. 1739. A bill to authorize appropriations for carrying out the National Climate Program for fiscal years 1988 and 1989; to the Committee on Science, Space, and Technology.

H.R. 1740. A bill to authorize appropriations for the fiscal years 1988 and 1989 for the Office of Commercial Space Transportation of the Department of Transportation; to the Committee on Science, Space, and Technology.

H.R. 1741. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes; to the Committee on Science, Space, and Technology.

By Mr. SAXTON (for himself, Mr. Leland, Mr. Horton, Mr. Smith of New Jersey, Mr. Courter, Mr. Gallo, and Mrs. Roukema):

H.R. 1742. A bill to amend title 39 of the United States Code to grant local governments the discretion to assign mailing addresses to sites within their jurisdiction; to the Committee on Post Office and Civil Service.

By Mrs. SCHROEDER:

H.R. 1743. A bill to protect copyright computer programs from illegal copying; to the Committee on the Judiciary.

By Mr. VENTO (for himself, Mr. Udall, Mr. Richardson, Mr. Lagomarsino, and Mr. Miller of California):

H.R. 1744. A bill to amend the National Historic Preservation Act to extend the authorization for the historic preservation fund; to the Committee on Interior and Insular Affairs.

By Mr. WATKINS:

H.R. 1745. A bill to amend the 1984 Tariff and Trade Act; to the Committee on Ways and Means.

By Mr. WAXMAN (for himself and Mr. Madigan):

H.R. 1746. A bill to amend the Public Health Service Act to extend certain preventive health service programs, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WILSON:

H.R. 1747. A bill to deauthorize the Rockland Lake water resources project, Texas; to the Committee on Public Works and Transportation.

By Mr. GILMAN (for himself, Mr. Leland, Mrs. Roukema, Mr. Hall of Ohio, Mr. Bereuter, Mr. Panetta, Mr. Fazio, Mr. Gejdenson, Mr. Kostmayer, Mr. Ackerman, Mr. Espy, Mr. Flake, Mr. Bilbray, Mr. Mfume, and Mrs. Patterson):

H.J. Res. 194. Joint resolution designating October 16, 1987, as "World Food Day"; to the Committee on Post Office and Civil Service.

By Mr. PANETTA:

H.J. Res. 195. Joint resolution to designate the period commencing November 15, 1987, and ending November 31, 1987, as "Geography Awareness Week"; to the Committee on Post Office and Civil Service.

By Mrs. PATTERSON (for herself, Mr. Derrick, Mr. Ravenel, Mr. Spence, Mr. Spratt, Mr. Tallon, Mr. Roybal, Mr. Rowland of Georgia, Mr. Espy, Mr. Roe, Mr. Sunia, Mr. Hefner, Mr. Kostmayer, Mr. Towns, Mr. Staggers, Mr. Boner of Tennessee, Mr. Howard, and Mr. Lagomarsino):

H.J. Res. 196. Joint resolution to designate the week of May 10, 1987, through May 16, 1987 as "Senior Center Week"; to the Committee on Post Office and Civil Service.

By Mr. WELDON (for himself, Mr. Schulze, Mr. Flippo, and Mr. Jenkins):

H.J. Res. 197. Joint resolution proposing an amendment to the Constitution relating to Federal budget procedures; to the Committee on the Judiciary.

By Mr. RANGEL:

H. Con. Res. 84. Concurrent resolution expressing the sense of the Congress that the mail fraud charges brought against Marcus Garvey by the Federal Government were not substantiated and that his conviction on those charges was unjust and unwarranted; to the Committee on the Judiciary.

By Mr. MATSUI (for himself, Miss Schneider, Mr. Ritter, Mr. Pickle, Mr. Gephardt, and Mr. Stallings):

H. Res. 127. Resolution relating to the semiconductor antidumping enforcement agreement; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 25: Mr. Wise and Mr. Bennett.

H.R. 162: Mr. Bosco, Mr. Yatron, Mr. Stokes, Mr. Howard, Mr. Akaka, Mr. Boland, Mr. Davis of Michigan, Mr. Hertel, Mr. St Germain, and Ms. Oakar.

H.R. 276: Mr. Kastenmeier, Mr. Kolter, Ms. Kaptur, Mr. Garcia, Mr. Feighan, Mr. Hawkins, Mr. Fish, and Mr. Hayes of Illinois.

H.R. 303: Mr. Nielson of Utah, Mr. Lujan, Mr. Weldon, Mr. Gingrich, Mr. Johnson of South Dakota, Mr. Young of Alaska, Mr. Hall of Ohio, Mr. Lewis of Florida, Mr. Mica, Mr. Sunia, Mr. Jeffords, and Mr. McDade.

H.R. 371: Mr. Mineta and Mr. Dixon.

H.R. 573: Mr. Fascell.

H.R. 593: Mr. Oxley and Mr. Savage.

H.R. 603: Mr. Bateman, Mr. Porter, Mr. Whittaker, Mr. Rowland of Connecticut, Mr. McKinney, Mr. Edwards of Oklahoma, Ms. Snowe, Mrs. Vucanovich, Mr. Ford of Michigan, and Mrs. Saiki.

H.R. 666: Mr. Dreier of California, Mr. Eckart, Mr. Lancaster, Mr. Hammerschmidt, Mr. Lewis of Florida, Mr. Armey, Mr. Fish, Mr. Henry, and Mr. Sensenbrenner.

H.R. 709: Mr. Gejdenson and Mr. Solarz.

H.R. 738: Mr. Eckart, Mr. Grant, Ms. Oakar, and Mr. Miller of Washington.

H.R. 778: Mr. Price of Illinois.

H.R. 896: Mr. Dwyer of New Jersey and Mrs. Bentley.

H.R. 922: Mr. Rangel and Mr. Stallings.

H.R. 924: Mr. Inhofe, Mr. Towns, Mr. Huckaby, Mr. Wilson, and Mr. Clinger.

H.R. 951: Mr. Sensenbrenner, Mrs. Saiki, Mr. Marlenee, and Mr. Parris.

H.R. 957: Mr. Owens of New York, Mr. Howard, and Mr. Martinez.

H.R. 960: Mr. Dornan of California, Mr. Applegate, Mr. Lagomarsino, Mr. Solomon, and Mr. Swindall.

H.R. 1002: Mr. Garcia and Mr. Porter.

H.R. 1050: Mr. Watkins.

H.R. 1069: Mr. Feighan.

H.R. 1095: Mr. Fields, Mr. Bateman, Mr. Barton of Texas, Mr. Volkmer, Mr. Moorhead, Mr. Armey, Mr. Parris, Mr. Sunia, and Mr. Livingston.

H.R. 1186: Mr. Kolter, Mr. Hayes of Illinois, Mr. Coyne, Mr. Bryant, Mr. Erdreich, Mr. Leland, Mr. Frank, Mr. Dymally, Mr. Lipinski, Mr. Savage, Mr. Nowak, Mr. Sabo, Mr. Kostmayer, Mr. Ford of Tennessee, Mr. Atkins, Mr. Clay, Mr. Chapman, Mr. de la Garza, Mr. Hall of Texas, Mr. Martinez, Mr. Murphy, Mr. Rahall, Mr. Gray of Illinois, Mr. Jontz, Mr. Dwyer of New Jersey, Mr. Rangel, Mr. Conyers, Mr. Moody, Mr. Brooks, Mr. Gonzalez, Mr. Ackerman, Mr. Crockett, Mr. Hochbrueckner, Mr. Annunzio, Mr. Borski, Mr. Bonior of Michigan, Mr. Perkins, Mr. Hertel, and Mrs. Kennelly.

H.R. 1228: Mr. Wolf, Mr. Bevill, Mr. Latta, Mr. Gray of Illinois, Mr. Williams, Mr. Craig, Mr. Oxley, Mr. Emerson, Mr. Scheuer, Mr. Henry, Mr. Gilman, Mr. Bartlett, Mr. Montgomery, Mr. Parris, Mr. Owens of New York, Mr. Berman, and Mr. Lagomarsino.

H.R. 1244: Mr. Bustamante, Mr. Ackerman, Mr. Hawkins, Mr. Atkins, Mr. Dellums, Mr. Lantos, Mr. Hayes of Illinois, Mr. Jeffords, Mr. Dannemeyer, Mr. Vento, and Mr. Garcia.

H.R. 1281: Mr. Stangeland, Mr. Leland, Mr. Huckaby, Mr. Torres, Mr. Boucher, Mr. Davis of Michigan, Mr. Lewis of Georgia, Mr. Towns, Mr. Roe, Mrs. Collins, Mr. Price of Illinois, Mr. Rodino, Mr. Bustamante, Mr. Kastenmeier, Mr. McCloskey, Mr. Perkins, Mr. Upton, Mr. Wilson, Mr. Hayes of Illinois, Mrs. Vucanovich, Mr. Gilman, and Mr. Robinson.

H.R. 1282: Mr. Parris, Mr. Dornan of California, Mr. Young of Florida, Mr. Oxley, and Mr. Porter.

H.R. 1313: Mr. Fish, Mr. Eckart, Mr. Hughes, Mr. Sensenbrenner, Mr. Evans, Mr. Clinger, Mr. Inhofe, Mr. Ballenger, and Mr. Derrick.

H.R. 1483: Mr. Solarz, Mr. Fauntroy, Mr. Owens of New York, Mrs. Boxer.

H.R. 1524: Mr. Wilson, Mr. Roberts, Mr. Armey, and Mr. Livingston.

H.R. 1536: Mr. Oxley, Mr. Stump, Mr. Hyde, Mr. Parris, Mr. Bereuter, and Mr. Montgomery.

H.R. 1560: Mr. Andrews, Mr. Jenkins, Mrs. Kennelly, Mr. Gregg, and Mr. Chandler.

H.J. Res. 32: Mr. McMillen of Maryland, Mr. Smith of New Hampshire, Mr. Regula, Mr. Ritter, and Mr. Garcia.

H.J. Res. 132: Mr. Cardin, Mr. Bilbray, Mr. Fish, Mr. Hayes of Illinois, Mr. Walgren, Mr. Weldon, Mrs. Vucanovich, Mr. Lewis of Georgia, Mr. Mfume, Mr. Jacobs, Mr. Mineta, Mr. Eckart, and Mr. Robinson.

H.J. Res. 180: Mr. Bennett, Mr. Lagomarsino, Mr. Horton, Mr. McGrath, Mr. Bustamante, and Mr. Dornan of California.

H.J. Res. 182: Mr. Bartlett, Mr. Fuster, Mr. Stump, Mr. Gray of Pennsylvania, Mr. Slaughter of Virginia, Mrs. Vucanovich, Mr. Rangel, Mr. Wyden, Mr. Kildee, Mr. Wheat, Mr. Nichols, Mr. Fish, Mr. Vento, Mr. Baker, Mrs. Smith of Nebraska, Mr. Borski, Mr. Lehman of California, Mr. Crockett, Mr. Grandy, Mr. Dellums, Mr. Ridge, Mr. Brennan, Mr. Applegate, Mr. Atkins, Mr. Parris, Mr. Markey, Mr. Leach of Iowa, Mr. Ravenel, Mr. Gordon, Mr. Gejdenson, Mr. Houghton, Mr. Solomon, Mr. Anderson, Mr. Hastert, Mr. DeFazio, Mr. Coelho, Mr. Packard, Mr. Fawell, Mr. Natcher, Mr. Badham, and Mr. Dixon.

H. Con. Res. 31: Mr. Davis of Illinois, Mr. Holloway, Mr. Daub, Mr. Bevill, Mr. Durbin, and Mr. Tauke.

H. Con. Res. 63: Mr. Akaka and Mr. Pease.

H. Res. 53: Mr. Holloway, Mr. Price of Illinois, Mr. Durbin, Mr. Lancaster, and Mr. Fish.

H. Res. 68: Mr. Emerson, Mr. Ballenger, Mr. Florio, Mr. Horton, and Mr. Wilson.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 39: Mr. Davis of Illinois.

H.R. 1044: Mr. Anderson.

SENATE—*Thursday, March 19, 1987*

(Legislative day of Tuesday, March 17, 1987)

The Senate met at 10:30 a.m. and was called to order by the Honorable Bob Graham, a Senator from the State of Florida.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Thus saith the Lord, let not the wise man glory in his wisdom, nor let the mighty man glory in his might, let not the rich man glory in his riches; but him that glorieth glory in this, that he understandeth and knoweth Me, that I am the Lord which exercise loving kindness, judgment and righteousness in the Earth. For in these things I delight, saith the Lord.—Jeremiah 9:23-24.

Father in heaven, none of us escapes the peril of ego. Whether in high place or low, this common human frailty can victimize any of us. We acknowledge humility as a virtue—we eschew egotism which breeds the superiority complex. We acknowledge this temptation to be relentlessly present in places of power and influence. We enjoy adulation even when we appreciate its danger. Help us, gracious Father, to take seriously the word of the prophet Jeremiah and to remember the word of the Lord: "For whosoever exalteth himself shall be abased; and he that humbleth himself shall be exalted."—Luke 14:11. Grant to each of us and all of us the grace to resist the poison of ego and emulate the authentic humility of our Lord in whose name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Stennis).

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, March 19, 1987.

To the Senate:

Under the provisions of Rule I, Section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Bob Graham, a Senator from the State of Florida, to perform the duties of the Chair.

John C. Stennis,
President pro tempore.

Mr. GRAHAM thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Mr. BYRD. I thank the Chair for the Chair's indulgence.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. BYRD. Mr. President, the Senate will, following the orders for the recognition of the two leaders under the standing order, proceed to special orders. There are 12 special orders for the following Senators, each to be recognized for not more than 5 minutes: Proxmire, Armstrong, Reid, Pressler, Melcher, Exon, Heinz, Grassley, Dole, Byrd, Helms, and Wilson.

Now, Mr. President, I ask unanimous consent that my time under the order be transferred to the control of Senator Wilson.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, there were four orders that will be canceled this morning—the orders for Mr. Dole, myself, Mr. Helms, and Mr. Wilson. I hope this will not happen too often. I secured those four orders with the understanding that Senator Wilson would need 20 minutes, so it was my intention to transfer the control of my time to Mr. Wilson. That was the understanding that Mr. Dole had. That was the understanding that Mr. Helms had. I am now informed that Mr. Wilson doesn't want his time. So we have a 20-minute gap. I hope we will be able to get on the motion to proceed that much earlier and that Senators will be prepared for debate on that motion or for a vote.

Mr. President, I ask unanimous consent that I may reserve my time under the standing order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

CONTRA AID AND THE HIGHWAY BILL

Mr. DOLE. Mr. President, let me indicate, as I have stated to the distinguished majority leader, Senator Byrd, we did meet this morning at 9:30 to discuss how we might approach the so-called moratorium resolution as it deals with aid to the Contras. We did not have any final resolution, but we are still meeting, staff is meeting.

I have suggested that a number of our people get together on the highway conference report to see whether or not there can be something worked out, because I know the majority leader would like to get that done today if possible. There may be some who would prefer to amend the concurrent resolution and send it back to the House to take care of some of the objections the administration might have to the highway bill. But we will work with the majority leader on that and, hopefully, we can have some answers by the time we complete all the special orders this morning.

I have also notified those who wished to speak on the motion to proceed to be here a little early.

U.S. ENERGY SECURITY

Mr. DOLE. Mr. President, this week marks the first significant effort by the administration in quite some time to assess the state of our Nation's energy security.

A report issued by the Department of Energy points to a bleak picture, one in which we are leaving ourselves open once again to become hostages to unreliable foreign suppliers of crude oil.

Tomorrow, the President's Domestic Policy Council will meet to review the report, and to work with the President to make recommendations to the Congress on possible solutions to this crisis-in-waiting.

CRISES OF THE PAST

Having suffered through two oil crises in the 1970's, it seems ludicrous that we are simply sitting idly by as another is about to occur. Yet nothing in the Department's report suggests the importance of early—and proper—action.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

If we have learned nothing else from the 1970's, it is that the marketplace is better able to manage the energy shortages than are Federal programs seeking absolute control over the exploration, production, refining, transportation and marketing of our resources.

At the same time, however, we must recognize that foreign producers are able to manipulate the world market of crude oil and petroleum products at their whim. And, make no mistake, our Nation is dependent on crude oil and natural gas, and we will be for quite some time into the future.

CURRENT SUPPLY

In just 2 years, we have increased our reliance on imported crude oil from 27 percent to 38 percent. That figure may not seem alarming until we recognize that the 1973 crisis was created by an OPEC embargo at a time when we were only 35 percent dependent on foreign suppliers.

In just 1 year, we have decreased domestic production of crude oil by 10 percent, or well over 800,000 barrels per day. Fortunately, production from Alaska's North Slope has increased by over 200,000 barrels per day in this past year, or we might well already be feeling the effects of the first energy crisis of the 1980's.

We cannot, however, simply count on the North Slope to pull us through, since production there has reached its peak, and will now begin to decline. Proposals to begin exploration in the Arctic National Wildlife Refuge are pending before Congress, and we must move aggressively to determine a balanced use of these lands if we are to replace the loss of production from the North Slope.

RESPONSIBILITY OF CONGRESS

As I have said, the President will be making his recommendations to Congress, as is required by last year's reconciliation bill, or an amendment to that bill. However, Congress does have a responsibility in this matter. A comprehensive review of current laws—both those which hinder development, and those which could be used to enhance it—must be made at the earliest possible date.

Many Senators favor the imposition of an import fee on crude oil, while others have called on an easing of unreasonable environmental and tax statutes. Clearly, the report by the Department of Energy has helped to frame the debate, although I do believe the report falls desperately short informing either the President or the American public of the tragic consequences that inattention to the problem will bring.

Mr. President, the programs approved by Congress to address the two oil crises in the 1970's were not very helpful, and did hamper our recovery from them. I believe that we waited too long—waited until we were in the midst of disaster—until we acted.

This time, we have fair warning and the time to make reasonable, responsible and effective solutions based on the goal to increase domestic production of crude oil and natural gas.

So I hope that both the President and the Congress and the appropriate committees in Congress which have begun hearings on energy security will move in the matter with reasonable speed. I commend Senator BENNETT JOHNSTON of Louisiana, chairman of the Energy Committee, and Senator BENTSEN, chairman of the Finance Committee, and I hope we take appropriate action fairly soon.

For those of us who live in "oil patch" States, it is a rather desperate time. The State of Kansas is certainly not a big oil production State, but in certain areas the unemployment rate has doubled and tripled in the past year-and-a-half just because of the distress in the oil industry.

A BICENTENNIAL MINUTE

MARCH 19, 1920: STATE REJECTS TREATY OF VERSAILLES

Mr. DOLE. Mr. President, 67 years ago today, on March 19, 1920, this Chamber served as the setting for the final act of one of the greatest dramas in American political history. Several months earlier, President Woodrow Wilson had personally delivered to the Senate a bulky copy of the peace treaty ending World War I. On that occasion, he had been escorted by Henry Cabot Lodge, who, as a result of the return of the Senate to Republican control in the elections of 1918, served as both majority leader and chairman of the Foreign Relations Committee. In a dramatic speech to the Senate, the President urged quick consent to the treaty's ratification. He expected no changes and assumed that the Senate, which had never before rejected a treaty, would grant its approval.

Following protracted hearings, Lodge reported the treaty to the Senate with four so-called reservations, directed at provisions for a League of Nations, and 45 specific amendments. Democratic supporters of the President and a number of Republican "mild reservationists" voted down the amendments and returned the treaty to the committee for further consideration.

At that point, President Wilson set out on a 9,500-mile tour of the West to bring popular pressure on the Senate for approval without change. During that trip, he suffered a stroke. With a stricken President more determined than ever to hold on, Lodge brought the treaty before the Senate in November 1919. It contained 14 reservations, but no specific amendments. The Senate decisively defeated the treaty.

As sympathy for the President faded and with the 1920 elections on the horizon, loyal Democrats came under increasing pressure to support the treaty with its reservations. On March 19, as the final vote approached, two members of the President's Cabinet worked the Senate floor to prevent defections. With the galleries jammed and the atmosphere electric with tension, the Senate failed to achieve the necessary two-thirds majority to approve the treaty. This action mortally wounded the League of Nations as a visible defense against a Second World War.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF SENATOR PROXMIRE

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 5 minutes.

Mr. PROXMIRE. I thank the Chair.

TIME FOR THE CONGRESS TO BLOW THE WHISTLE ON THE MERGER MANIA

Mr. PROXMIRE. Mr. President, how do we account for the direct, frontal clash between the Reagan administration and the leaders of American business on hostile corporate takeovers? Isn't the Reagan administration the strongest probusiness administration in this century, perhaps in the entire history of the country? Yes, indeed. How do we explain this sharp clash on this critical issue? And, it is critical.

In 1986, this country saw 9 of the 10 largest mergers in the history of our country! Think of that. Nine of the ten largest mergers ever! Did the administration contest this merger mania? No, the administration actually reduced the number of antitrust cases brought by 25 percent.

Over the last several years, millions of jobs have been lost because of hostile takeovers. Hundreds of communities have been deprived of their economic base. Corporate executives have distracted their attention from the tough and exacting task of running a large corporation to fighting takeovers. But above all, these takeover raids have left American corporations up to their ears in debt.

The Goodyear Corp. fought off a takeover bid by skyrocketing their debt by some $4 billion. Union Oil of California did the same, Unocal increased its debt from $1.2 billion to $5.2 billion. Now consider the burden of that debt. Servicing cost on that immense debt amounts to several million dollars every working day. What does that mean? That means the corporation has to scrap the plans it has made for research and development designed to improve their product and reduce its cost. It means the corporation cannot afford to spend the money it could otherwise spend in manpower training to upgrade the skills of their work force. It means Goodyear and Unocal cannot afford to buy the new equipment they could otherwise buy to function at a lower cost.

Now, Mr. President, apply that to the thousands of corporations that have been taken over in recent years and ask yourself what price this country has paid in lost competitiveness because of the merger mania.

This massive transfer of debt for equity has another damaging side effect for the American economy. It has made many corporations far more vulnerable to the next recession. Last year, 1986, was a reasonably good year. The economy grew at a moderate rate. How did American corporations do? They suffered a significant increase in failures. The mergers have continued on into 1987. They promise to be even greater and more numerous in coming years. Now, what happens when the country suffers the next recession. Thousands of corporations that could have withstood the many months of losses will not be able to live through the next recession. Profits will turn to losses. That debt service must be met. In many cases corporations won't make it. They will sink into bankruptcy.

Mr. President, some will argue that the corporate raiders go after concerns that are incompetently run. They say takeovers bring in new, more efficient management. Does it? Prof. Michael Scherer of Swarthmore College in Philadelphia has made a 6-year study of what has happened to several thousand corporations taken over in recent years. Did they become more or less profitable? Dr. Scherer found no improvement in profits. He did find that after several years, profits deteriorated.

So, Mr. President, there you have what the raiders would call the stockholders' real bottom line. Let us set aside the jobs lost, the heartbreaking disruption of communities, the cataclysmic reduction in research and development, the sharp drop in manpower training, the inability of corporations to buy more efficient equipment. Forget the huge increase in the vulnerability of American corporations to the next recession. Consider only that bottom line—the net proft available to be paid out to stockholders; assume for the moment that this is all that counts.

According to the Scherer study, that bottom line tells us that in the long run, even the stockholders are worse off. Of course, it is true that the stock of the corporation put into play did in most cases rise for a while. The investment bankers enjoyed huge fees. The arbitrageurs made many millions. And let's face it: those stockholders who came in on a short-term basis for the ride, and then got out, cleaned up. Yes, there are a few big winners from this takeover game. But consider the list of losers: over the years in this country, there were millions who lost their jobs. The country as a whole lost a significant degree of its competitiveness. Hundreds of communities lost their principal businesses. The next recession will be longer and deeper because some of those corporations which have surrendered their equity for debt will go bankrupt. And in the long run, even the stockholders—the long-term stockholders—will lose.

So, Mr. President, can there be a real question of where the interests of this Nation lie? Isn't it time that we blow the whistle on this hostile takeover mania? Hasn't this probusiness administration made a serious blunder in supporting action that is not promoting American business but undermining it?

RECOGNITION OF SENATOR REID

The ACTING PRESIDENT pro tempore. The Senator from Nevada [Mr. Reid] is recognized for 5 minutes.

FAIR CAMPAIGN ENFORCEMENT ACT

Mr. REID. Mr. President, "Government is a trust, and the officers of the Government are trustees; and both the trust and the trustees are created for the benefit of the people."

One of our predecessors, Henry Clay, said that in 1829, and it holds as true today. We are trustees, and we bear to the people the highest possible level of duty to fulfill that trust. Of late, I fear, we have most grievously failed in that trust.

For the past few elections, it has become increasingly clear that the Election Code we created to ensure fair proceedings in Federal campaigns is not doing the job.

In part, that failure is one of legislative foresight and the ingenuity of lawyers. We left loopholes through which money has flooded. I am confident that S. 2, the Boren-Byrd bill, sufficiently dams that torrent.

Over the past weeks, though, I have brought to the attention to this body another defect in the system. That failure is one of enforcement. The Federal election laws we now possess are simply not being adequately enforced by the Federal Election Commission.

I do not wish today to point a finger of blame. There is more than enough to go around. In part, we must bear responsibility for the lack of strong statutory enforcement procedures and for underfunding of the FEC. We all recognize that they face a tremendous task with extremely limited resources.

In part, unfortunately, the Commission has developed built-in institutional timidity. Its supervision of the politically powerful, and the overwhelming mass of material with which it must deal during each campaign, have combined to severely limit the FEC's enforcement of campaign laws.

The Fair Campaign Enforcement Act which I am introducing today will cure those ills. In essence, it does three things:

First, it requires imposition of substantial penalties for violations of the law, while permitting the Commission to obtain court approval to waive those penalties for inadvertent violations. It also mandates reference of criminal matters to the Attorney General.

Second, it substantially reduces the time period during which the Commission may consider without action a complaint alleging violation of Federal election laws.

Finally, the act revamps the procedure for instituting a private claim under the election laws. It permits a speedier adjudication, and easier access to the courts in any district where jurisdiction would normally lie, where the Commission has failed to reasonably pursue a violation.

To discourage frivolous litigation, any civil penalty recovered in a civil suit would be paid to the United States, with an additional mandatory award of attorneys, fees and costs to the prevailing party.

This legislation was not developed in a vacuum. It was designed to complement Boren-Byrd and existing laws, and was written with the sage advice and cooperation of Senator Boren's staff. I am, accordingly, delighted and honored that Senator Boren has agreed to be an original cosponsor of this bill.

Mr. President, this legislation is necessary and effective, and I sincerely hope that every Member of this body will choose to cosponsor it. This is a time when we must rise above partisanship, for the evil which we seek to cure is a disease which equally effects both parties, and which has stricken the body politic with the symptoms of malaise and nonparticipation which we presently see increasing with every election.

I spoke earlier of our position as a public trust. Part of the duty imposed by that trust is self-regulation, and it is in that spirit, and to fulfill that obligation, that I offer this legislation today.

Mr. President, I ask unanimous consent that the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 780

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 309(a)(4)(A) of the Federal Election Campaign Act of 1971 is amended—

(1) in clause (i) by striking out "Commission shall attempt" and inserting in lieu thereof "Commission may attempt";

(2) in clause (i) by striking out "90 days" and inserting in lieu thereof "45 days"; and

(3) in clause (ii) by striking out "the Commission shall attempt, for a period of at least 15 days" and inserting in lieu thereof "the Commission may attempt, for a period of no more than 15 days".

SEC. 2. Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 is amended by—

(1) striking out "may include" and inserting in lieu thereof "shall include";

(2) striking out "does not exceed" and inserting in lieu thereof "shall equal"; and

(3) striking out "any contribution or expenditure" and inserting in lieu thereof "all contributions or expenditures".

SEC. 3. Section 309(a)(5)(B) of the Federal Election Campaign Act of 1971 is amended by—

(1) striking out "may require" and inserting in lieu thereof "shall require";

(2) striking out "does not exceed" and inserting in lieu thereof "shall equal"; and

(3) striking out "any contribution or expenditure" and inserting in lieu thereof "all contributions or expenditures".

SEC. 4. Section 309(a)(5)(C) of the Federal Election Campaign Act of 1971 is amended by striking out "may refer" and inserting in lieu thereof "shall refer".

SEC. 5. Section 309(a)(6)(A) of the Federal Election Campaign Act of 1971 is amended by—

(1) striking out "any violation of" and inserting in lieu thereof "any violation of violations of"; and

(2) striking out "any contribution or expenditure involved in such violation" and inserting in lieu thereof "all contributions or expenditures involved in such violation or violations".

SEC. 6 Section 309(a)(6)(C) of the Federal Election Campaign Act of 1971 is amended by striking out "the court may" through the period at the end of the sentence and inserting in lieu thereof "the court shall impose a civil penalty which shall equal the greater of $10,000 or an amount equal to 200 percent of all contributions or expenditures involved in each such violation or violations.".

SEC. 7. Section 309(a)(8)(A) of the Federal Election Campaign Act of 1971 is amended by—

(1) striking out "Commission to act on" and inserting in lieu thereof "Commission to reasonably pursue";

(2) striking out "120-day" and inserting in lieu thereof "60-day"; and

(3) striking out "for the district of Columbia" and inserting in lieu thereof "for the district in which the person against whom the action is brought is found, resides or transacts business".

SEC. 8. Section 309(a)(8)(C) of the Federal Election Campaign Act of 1971 in amended to read as follows:

"(C) In any proceeding under this paragraph, unless the court declares within 60 days after the date the petition was filed under subparagraph (A), that the dismissal of the complaint or the failure to act is not contrary to law, the complainant may bring, in the name of such complainant, a civil action to remedy the violation involved in the original complaint. Any award of a civil penalty made under this paragraph shall be made in favor of the United States, provided, however, that in addition to any such civil penalty, the court shall award to the prevailing party in any action under this paragraph, all attorneys' fees and actual costs reasonably incurred in the investigation and pursuit of any such action, including those attorneys' fees and costs reasonable incurred in bringing or defending any such action before the Commission.".

EXPLANATION OF BILL

Section 1. This section makes optional the mandatory requirement that the Commission engage in informal attempts to prevent or correct violations where there is probably cause to believe a violation has occurred. It also reduces that informal conciliation period from a maximum of 90 days to a maximum of 45 days, and changes the 15 day minimum for conciliation during the 45 days preceeding an election to a 15 day maximum.

The purpose of section 1 is to substantially reduce and make optional the time period for informal conciliation, and to cap the open-ended conciliation period of section 309(a)(4)(A) (ii).

Section 2. This section is designed to required the Commission to impose effective penalties in any conciliation agreement where the Commission determines a violation has occurred. At present, the statute permits the Commission to enter into a conciliation agreement which requires the payment of no civil penalty.

In order to deter violations and to encourage consultation with the Commission prior to action in questionable case, this Section mandates the imposition of a substantial penalty in all cases when a conciliation is reached after a determination that a violation has occurred. That penalty must equal the total of all violations determined by the Commission, or $5,000, whichever is greater.

Section 3. This section is designed to require the Commission to impose effective penalties in any conciliation agreement where the Commission determines an intentional violation has occurred. At present, the statute permits the Commission to enter into a conciliation agreement which requires the payment of no civil penalty.

In order to deter wilful violations and to encourage consultation with the Commission prior to action in questionable case, this section mandates the imposition of a very substantial penalty in all cases where a conciliation is reached after a determination that a knowing and wilful violation has occurred. That penalty must equal twice the total of all violations determined by the Commission, or $10,000, whichever is greater.

This section is designed to eliminate the cost-effectiveness of intentional violations, and to make such conduct unproductive, no matter what the underlying resources of any regulated committee or person.

Section 4. This section eliminates the discretion of the Commission regarding reference of a finding (after an initial high threshold test) of criminal conduct to the Attorney General and makes such reference mandatory. It is designed to leave prosecutorial discretion with the Attorney General, rather than with the Commission.

Section 5. This section is designed to make it clear that the Commission's authority to take action under the Act includes any pattern of violations or conspiracy, and that in any civil action which the Commission chooses to institute, it must pursue all violations by any named defendant which the Commission has been unable to correct or prevent.

Note that Section 309(a)(6)(B) remains unchanged, and that the Court retains discretion regarding the size of any civil penalty in an action instituted by the Commission where the Commission has not determined the existence of a knowing and wilful violation. That discretion was left with the Court, but removed from the Commission, to leave the Commission the option to seek a judicial determination in cases where it feels the maximum penalty mandated by Section 2 is inappropriate.

Section 6. This section is designed to mandate imposition of a substantial civil penalty if a Court determines the existence of a knowing and wilful violation or violations. The rationale is the same as the expressed in the commentary to section 3.

Section 7. This section is designed to expedite the available of civil relief to an aggrieved complainant. At the present time any action must be filed in Washington, D.C., and a finding by the Court that the Commission has taken any action whatsoever mandates dismissal of a civil claim, whether or not that action constitutes a reasonable pursuit of a potential violation.

This section reduces from 120 to 60 days the time period which an aggrieved person must wait before seeking judicial redress, and it permits the filing of the action in any United States District Court which would normally have jurisdiction over the person whom the complainant claims has violated the Act.

Most importantly, it changes the standard for review of Commission action from "failure of the Commission to act" to failure of the Commission "to reasonably pursue." That change provides a cause of action where the District Court does not affirmatively find that the Commission has reasonably pursued a Complaint before it, and is designed to encourage the Commission to institute discovery procedures and investigations in an expeditious fashion.

Section 8. This section entirely replaces the present procedure under which the filing of an action is permitted in the name of complainant. The present section fosters delay by prohibiting action until 30 days after the Court affirmatively determines the existence of a failure to act. There is no time period within which the Court must make that determination.

The new section permits the filing of a civil action to enforce the Act and seek civil penalties in the complainant's name unless, within 60 days after a petition is filed, the Court affirmatively determines that the dismissal of the complaint or the failure to act was not contrary to law.

To discourage frivolous lawsuits, or those for improper purposes, any monetary award made under the section is paid directly to the United States, and there is an additional mandatory award of attorneys fees and costs to the prevailing party.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TRANSFERRING THE TIME OF SENATOR ARMSTRONG TO SENATOR HOLLINGS

Mr. BYRD. Mr. President, I understand that Mr. Armstrong does not wish to control the time under his order. I ask unanimous consent that Mr. Hollings control that time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Carolina.

Mr. HOLLINGS. I thank the distinguished majority leader for his usual courtesy and his cooperation in this regard.

SDI

Mr. HOLLINGS. Mr. President, I have become very disturbed with respect to the Strategic Defense Initiative Program. I had heard of the "scholarly" presentation by my distinguished colleague from Georgia, so I studied that very closely and I studied Judge Sofaer's opinion on the ABM Treaty. And I have watched the strategy develop by the opponents of SDI, which caused me, in turn, to send a letter to the President asking that he not panic, and that he not negotiate a fallback position on his interpretation of the ABM Treaty. Such a step would make SDI so costly as to be prohibitive and, in effect, would kill the program.

No one has any illusions that the President is going to deploy anything in space. He will be lucky next year to launch a shuttle. But we will not be launching any part of a projected SDI program. That will be left to the next administration.

But by these delays, Mr. President, what occurs is that the cost escalates like it has in the manned space station. Two years ago the cost of the space station was $8 billion. Now this morning's news says it is $21 billion. That is what really is at issue with SDI.

If the opposition to SDI can delay it, they can defeat it. They are very clever and they are very calculating in their strategy. I hate to see my distinguished colleague from Georgia being used in this regard because there is no constitutional crisis as far as the treaty is concerned. I can tell you that—especially after reviewing the pertinent documents to this issue. The Senator's presentation over a 3-day period was nearly as long as the debate on the treaty itself—98 pages—and the treaty is only 9 pages.

The long analysis primarily focuses on the ratification process and places more emphasis on it than on the treaty and the negotiation process. The treaty is different than a bill or an act. If you and I look to the intent of the Congress, then we look to that debate. But herein we have a treaty that was not amended. There is no reservation to that particular treaty. And what we are doing in that scholarly analysis, in essence, is analyzing the particular questions and statements by Senators, letters from the Pentagon and opinions by some of the negotiators. All of this was going on, of course, while we were engaged in deep debate on the SALT I Treaty.

However, if you look at the negotiation record—and I counsel everybody to look at Judge Sofaer's opinion that is filed in the Capitol—you come to very different opinions from what transpired during the ratification process. Let me back up for one moment and state that Judge Sofaer's opinion should be made unclassified. There is no reason for any secrecy 15 years after the treaty. I can understand the need to protect negotiators so there is candor and give and take between the countries. But 15 years later, and particularly at this time with this issue, there is no reason to maintain classification.

Back to the point, Mr. President. A study of the Sofaer opinion will show a scholarly presentation of the negotiation record.

What occurred is that our negotiators tried to obtain a prohibition against futuristic or exotic advancements in ABM technology. They tried again and again but they always faced the Soviet position of not limiting futuristic ABM systems. And it was finally after more than 10 attempts that they conceded to the Soviets, and agreed to article D of the agreed statements to the ABM Treaty. Article D clearly allows ABM systems based on other physical principles—and the research and testing—and deployment after consultation. Article V of the treaty itself does not indicate in any manner restraints on futuristic systems based on principles other than those currently existing in 1972—regardless of what's been stated on the Senate floor.

The negotiation record definitely places everything into perspective—and distinguishes between the intent of limitations on current systems in 1972 and future ABM systems based on other principles.

There is no narrow or broad interpretation. There is the actual interpretation and it is the one stated by President Reagan.

Unless there is an ambiguity, there is no reason to refer to the negotiations ratification or whatever a Senator chooses to do; you can always find Senators on the floor who like in the Contra debate will get up and say I am voting for the Contra aid because I think it brings about peace. Another will say, I vote for Contra aid and this is all and no more. Another will give a separate reason. You can get all kinds of statements. That does not change the formal document or treaty. The only way it can be changed is by a reservation which may make resubmittal and renegotiation necessary. The ambiguity in this issue has been introduced by SDI opponents who insist on a unilateral U.S. adherence to an interpretation not substantiated by the treaty or negotiation record.

I ask unanimous consent—with my thanks to the distinguished majority leader under the limited time—to include in the Record my letter to the President on this particular matter. I will be asking the leader for time in the near future to elaborate further with respect to this position because there is not any question in my mind that this is a thrust and move to kill SDI.

I ask unanimous consent to include the letter in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, DC, March 17, 1987.

The President,
The White House, Washington, DC.

Dear Mr. President: When you determined that the ABM Treaty did not prohibit the research and development of the Strategic Defense Inititative program, I was encouraged to see good common sense being used in the formulation of our defense policy. It was clear when the Treaty was ratified in 1972 that it did not mean the end of ABM technological improvements. Your decision is consistent with the terms of the Treaty and recognizes that recent and promising ABM advancements hold the key to our national security in the future.

However, I am troubled by recent press reports suggesting that you will moderate this position in order to accommodate critics and forego for some period of time adoption of action in accordance with your interpretation of the Treaty. I understand that along with this delay, some consideration may be given to negotiating with the Soviets an even more restrictive view of permitted activities than those allowed under the so-called "narrow interpretation."

Such a reversal of your interpretation of the Treaty would prove disastrous to our national defense for two important reasons. First, it would result in unilateral U.S. compliance with a restrictive view of the Treaty not substantiated by either the negotiation record or the Treaty itself. Second, by accepting the idea that Soviet agreement is necessary to determine or clarify what is permitted under the Treaty, the Soviets will become the arbiters of our rights and obligations. In effect, we would be letting them dictate our defense programs and policies.

I have spent considerable time reviewing the history of the ABM Treaty, the intent of the negotiators on both sides and the treaty itself. I have also reviewed the ratification in the light of one who voted for that ratification. There are points of confusion:

1. The manifest intent and determination by U.S. negotiators that future ABM technologies be prohibited and the manifest intent of the Soviet negotiators that future technologies not be prohibited or restricted. The Soviets won. Research and development of futuristic technologies were not restricted nor was deployment except for the requirement that prior thereto there be consultation between the Soviets and the U.S. Obviously, the one party determined to deploy would learn the cost from the other party opposing deployment at the time of consultation. But even deployment itself was not prohibited;

2. Some of the witnesses at the ratification proceedings made statements that research, development or deployment of futuristic technologies were prohibited by the Treaty. These statements were made without authority and in the context of "selling" or "puffing their wares." They did not want to appear to be losers in the negotiations. Very little attention was given to futuristic technologies in the debate. I voted against SALT I. I have always maintained that SALT is a Soviet strategy to Stop America's Lead in Technology. I do not believe that you can stop someone from thinking, and the research and testing of thought is unverifiable. We cannot tell at the moment what the Soviets are testing from their space stations;

3. The negotiation record on futuristic technology is unambiguous. It is only in the case of an inconsistency or ambiguity that we look at the ratification statements of witnesses and Senators to clarify the ambiguity and determine the intent. Individual Senators habitually give individual reasons for a vote in the Senate but certain it is that the individual rationale cannot change, in this case, the treaty itself. Nor can different statements of different witnesses. Herein, opposition to SDI creates an ambiguity from a failure to have the Soviets agree to restrict futuristic technologies. To adopt the opposition's restricted view of ABM is to disregard the treaty itself and the negotiation record;

4. Your interpretation of the ABM Treaty is not "tricky" or "new." Your Administration is the first to give serious study to the Treaty and the negotiation record. The three Presidents that are being quoted have had no reason to study in depth the treaty nor the negotiation record. They had no reason to distinguish between a broad or narrow interpretation. Unfortunately, once serious study was given for the first time—former National Security adviser McFarlane announced it on a Sunday news show without conferring or communicating—Secretary Shultz was appalled. Your first attention to the interpretation was with McFarlane and his authority and Secretary Shultz and his dilemma. In a tactful way, you satisfied both by holding to the interpretation but saying it wasn't necessary to implement it until you conferred with our allies and others. This confusion has given impetus to the anti-SDI forces;

5. The Senate opponents of SDI believe that if you are convinced that there is trouble in the Senate, to save SDI you may compromise by adhering to the strict interpretation in exchange for budget support. They also know that to amend the treaty, you would have to go to the Soviets which puts you in an impossible position. For a strict interpretation, the Soviets would have to dismantle the Krasnoyarsk radar. This they have refused to do. But, there is no "Constitutional crisis." Rather the thrust here is to stop testing which in turn stops research which in turn stops SDI.

It is clear to me the Treaty allows the development of the SDI program, and prior to deployment consultation is provided for in Article D of the Agreed Statements of the Treaty. Now, fifteen years later, you are asked by some in Congress to unilaterally implement a policy our negotiators failed to achieve.

Such a course of action would seriously undermine our national defense. Our ability to pursue a robust and effective program exploring the feasibility of strategic defense is critical in the face of the massive Soviet strategic offensive build-up. We should not make hasty decisions about the obligations, we and the Soviets have under the ABM Treaty nor embark upon a course of action which effectively gives the Soviet Union *veto power* over the strategic defense of our nation. Your decision to proceed with research and testing of SDI is in compliance with the Treaty, and I urge you to continue. Make no mistake, a compromise on the Treaty is to compromise and end SDI.

With kindest regards, I am

Sincerely,

ERNEST F. HOLLINGS.

Mr. HOLLINGS. I thank the distinguished majority leader.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina yields the floor.

RECOGNITION OF SENATOR EXON

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Nebraska [Mr. EXON] is recognized for not to exceed 5 minutes.

Mr. EXON. I thank the Chair.

INTRODUCTION OF SENATOR EDWARD ZORINSKY'S AGRICULTURAL SURPLUS COMMODITY REDUCTION ACT OF 1987

Mr. EXON. Mr. President, I rise today on behalf of our departed colleague, Senator Ed Zorinsky.

If the Good Lord had not taken Ed from us 2 weeks ago, he was prepared to introduce the legislation which I am proposing on his behalf today.

Ed Zorinsky worked tirelessly on behalf of America's farmers and ranchers. He knew that we must change those provisions of the 1985 farm bill which have so adversely affected American agriculture. He knew that we cannot continue to produce more than we can sell without continuing to penalize farmers and taxpayers alike.

Therefore, Mr. President, I now introduce the Agricultural Surplus Commodity Reduction Act of 1987 on behalf of our friend and colleague Senator Zorinsky.

This legislation will make several meaningful and important changes to the 1985 farm bill. First, it calls for a binding referendum on mandatory production controls for wheat based on a national marketing quota. Production controls on wheat would be imposed if at least 50 percent of eligible producers vote in the affirmative. As an important safeguard, the maximum wheat set-aside would not exceed 35 percent. The Secretary of Agriculture will also consider a marketing loan in conjunction with this program and the Conservation Reserve Program will be continued.

Regarding feed grains, these producers would be allowed an exemption of the 15 percent voluntary paid land diversion from the $50,000 payment limitation. The deficiency payment date would also be advanced to March.

For soybeans, a loan rate of $4.77 and a marketing loan for crop years 1988 through 1990 would be established.

Regarding exports, this legislation mandates across-the-board eligibility for the Export Enhancement Program. Finally, the annual use of at least $30 million worth of surplus Commodity Credit Corporation commodities is established for the development of the ethanol or liquid fuels processing industries.

Now, for our friend Ed Zorinsky, I ask unanimous consent that the bill and the remarks he had planned to deliver to the U.S. Senate regarding this important measure be entered into the CONGRESSIONAL RECORD.

This legislation is a living memorial to Ed Zorinsky. He worked so hard to develop it. I hope the U.S. Senate will see fit to enact it.

I thank the Chair.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

There being no objection, the statement and bill was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR EDWARD ZORINSKY, AGRICULTURAL SURPLUS COMMODITY REDUCTION ACT OF 1987

Mr. President, today I am introducing farm legislation because the 1985 farm bill has proved ineffective in raising net farm income. The most significant obstacle to increasing farmer income is the tremendous surplus and the capacity to overproduce that together have worked to drive down the price that farmers receive for their commodities.

The Agricultural Surplus Commodity Reduction Act of 1987 is designed to direct the course away from overproduction. The legislation includes provisions for wheat, feed grains, soybeans, export enhancement, and ethanol.

The supply management program for wheat I am presenting today is similar to the program I pushed for in the 99th Congress. The Secretary of Agriculture would be mandated to implement a marketing quota program for wheat if approved in a national referendum of wheat producers. A nonrecourse loan rate of $4.65 per bushel would begin with the 1988 crop year, and target prices and deficiency payments would be eliminated.

The wheat program would work as follows:

The Secretary of Agriculture will announce no later than May 15, 1987, a national marketing quota for wheat.

The quantity of the national quota will be the amount of wheat the Secretary estimates is necessary to meet anticipated annual demand, taking into account domestic consumption, export requirements, emergency food aid needs, and sufficient carryover stocks. I want to emphasize that the Secretary's estimate of export requirements should be maintained at least at current levels, for reasons I will discuss later.

The national marketing quota will then be apportioned among wheat farmers based on historic plantings during the base period of 1981 to 1985.

No later than August 1, 1987, the Secretary will conduct a national referendum by mail ballot. To be eligible to vote, a producer must have produced a crop of wheat during at least two of the 1981 to 1985 crop years for wheat on a farm with a wheat acreage base of at least 40 acres.

If at least 50 percent of the eligible producers vote in the affirmative, the Secretary must implement marketing quotas.

If the Secretary fails to limit quotas sufficiently to increase market prices above the established loan rate of $4.65, the producer may forfeit his grain as repayment on the loan.

Opponents have claimed that mandatory supply management programs would relinquish our export markets. In reality, we are relinquishing our export markets under current programs.

The volume of annual wheat exports, for example, has declined by almost 50 percent from marketing year 1981-82, despite a continual decline in price over this same period. More critically, the value has declined by an astonishing 58 percent. Where we have traditionally exported 60 percent of our wheat, we now export only 44 percent, based on the 1985-86 marketing year.

Although the absence of a competitive price has often been blamed for the decline in exports, other factors, such as the strength of the dollar, grain quality problems, and past embargoes have also been contributing factors.

If we are to compete on the basis of price in the international market, we must acknowledge that, as long as the international market price is below our domestic cost of production, we can be price-competitive only to the extent that we are willing to subsidize our exported grain.

Opponents of marketing quotas have also resorted to claims that the imposition of a mandatory program would result in set-asides of 55 percent or more. Such statements reflect a misunderstanding of how the type of program I have long advocated can and should work. In fact, for crop year 1988, the legislation provides that the maximum set-aside will not exceed 35 percent.

In addition, my program does not place strict limits on production; it does limit the number of bushels of wheat a farmer can market per year. Thus, it would be possible for a producer who wishes to create his own reserve to produce over and above his marketing quota in year 1, and then adjust his production in latter years as protection against unforeseen disasters, thereby reducing or even eliminating the need for expensive crop insurance and disaster payments. Of course, it would be the Secretary's duty to adopt rules and regulations to prevent the unauthorized marketing of wheat.

Since there would no longer be incentives for today's intensive farming practices that are designed to produce higher yields on limited acreage, planted acreage could in fact increase while per-unit costs of production decline.

Furthermore, estimated production of wheat for crop year 1986 was 2.166 billion bushels, while estimated total disappearance for marketing year 1986 was 2.175 billion bushels. Thus, for 1986, supply and demand were already in balance. By bringing into the Government program those acres that are not currently enrolled, the percentage of idled acres under the program could actually decline.

The Government, of course, must dispose of the vast carryover stocks that the Government has accumulated over the years. These surpluses suppress the natural value that a balance of supply and demand establishes for the commodity.

With that in mind, the following actions should accompany the implementation of a mandatory supply management program:

First, the Secretary of Agriculture should use his discretionary authority to implement an across-the-board, long-term export enhancement program using surplus Government commodities in such a manner as will ensure that U.S. wheat will remain competitive in international markets.

Second, as either a complement or an alternative to export enhancement, consideration should be given to the use of a marketing loan in conjunction with a mandatory program.

Either mechanism effectively establishes a two-price system for our wheat, whereby domestic prices are sustained at a level that will afford a reasonable return to the producer, and export prices are reduced to a level that is internationally competitive.

The cost of such an export program would be more than offset by the reduction in current Federal farm program outlays that adoption of a marketing quota program would achieve.

Third, Government surpluses could be further reduced by the continued use of payments-in-kind, where such payments do not adversely affect the market.

Fourth, surplus stocks could be used to a greater extend for ethanol and other alternatives uses.

Finally, the long-term retirement of marginal land, much of which is wheat ground, could and should be continued through the conservation reserve program.

Again, speculative statements concerning the level of set-aside acres in a mandatory program that uses a bushel-based marketing quota system are irrelevant.

Opponents express concern also that the marketing quota program will dramatically increase the consumer's cost of food.

The 14 percent of disposable income that Americans spend on food is the lowest in the world. Nonetheless, increasing the price a farmer receives for a bushel of wheat would increase the cost of a loaf of bread by approximately 3.3 cents. In fact, the wrapper on the loaf of bread costs more than the wheat used to make the bread.

I have been asked why my marketing quota program proposal includes only wheat. Let me emphasize that I support mandatory supply management programs for any commodity for which an excessive surplus exists, and have cosponsored legislation to that effect in the past.

However, there are a number of factors that compel me to pursue a separate program for wheat, not the least of which is the 1986 nonbinding wheat poll in which wheat growers expressed their clear support for such a program.

In addition, wheat, unlike feed grains and soybeans, is consumed directly by humans. Therefore, increases in the price of a bushel of wheat are more directly—and more equitably—passed on to consumers.

Feed grains and soybeans, on the other hand, pass through a more complex food chain, and the consumer is more price sensitive with regard to the meat end product. This results in the increased costs being absorbed by middlemen, some of whom, such as livestock feeders, may be in as weak a financial position as the farmer.

Also, wheat-growing operations tend to be less diversified than feed grain or soybean operations, leaving wheat producers more vulnerable to market fluctuations and less able to weather low grain prices for extended periods of time.

Furthermore, due to low prices, over 300 million bushels of wheat are being fed annually to livestock. Increased prices will eliminate the use of wheat as livestock feed, thereby increasing the consumption of feed grains.

Mr. President, we are simply producing more wheat than we can consume or dispose of. This has led to the accumulation of massive Government surpluses, accompanied by plummeting market prices and skyrocketing Government expenditures. The need for an effective, predictable supply management program is overwhelming.

Conceptually, supply management merely entails bringing production into balance with demand. It is the most fundamental tenet of the marketplace. As a former businessman, I can assure you that the absence of effective supply management would bankrupt any business, just as it is bankrupting our Nation's farmers and adding to the burden of our Nation's taxpayers.

The feed grains title will accomplish two objectives: First, feed grain producers would be allowed an exemption of the 15 percent voluntary paid land diversion from the $50,000 payment limitation; and second, the deficiency payment date would be moved from the end of the 12-month marketing period to the end of the 5-month marketing period.

Participation in the additional diversion program by Nebraska farmers will be severely limited without this exemption from the payment limit. Medium-sized farmers producing 150 bushels of corn per acre on 500 acres are already up against the payment limitation. These producers will obviously be unable to participate in the program. This legislation will eliminate this restriction, allow farmers to take more land out of production, and thus help reduce feed grain surpluses.

Feed grain deficiency payments are also moved up to March, so farmers will have the income when they need it the most—in the spring, prior to planting. Deficiency payments for feed grains would be calculated on a 5-month weighted average price—the system used before enactment of the 1985 farm bill. The change would assure equity with wheat producers, since Congress passed similiar legislation for wheat payments late last year.

The oats provision of this legislation would allow farmers the opportunity to plant more oats without losing farm program benefits on other crops. For crop years 1988 through 1990, producers could plant oats beyond their oat base only if planting occurs on land that is highly erodible. Thus, oats production would be allowed only where it would contribute to conservation efforts to reduce erosion. In addition to furthering conservation efforts, this provision would provide farmers with the option of producing one of the farm commodities not in surplus.

The soybean title would establish a loan rate of $4.77 and mandate a marketing loan for soybeans for crop years 1988 through 1990. Under the 1985 farm bill, the Secretary of Agriculture has discretionary authority to implement a marketing loan program for soybeans.

This marketing loan allows a soybean producer to take out a loan and repay the loan at the lower of either the loan rate of $4.77 or the prevailing market price. Because farmers are able to repay their loan at a lower rate, they are more likely to repay that loan, and not forfeit their grain to the Government. Such a program will also work to increase our Nation's exports of soybeans, as U.S. prices become more competitive.

The export enhancement provisions mandate across-the-board eligibility for the program, as originally intended in the 1985 farm bill. We must offer surplus commodities as bonuses to all nations, to encourage the world to buy U.S. farm products.

The current administration practice of limiting bonuses for political reasons to only a few countries will have to come to an end, if we truly want to increase agricultural exports. The United States has lost $26 billion in agricultural exports since 1980, and unless we make full use of this tool, the situation may get worse for wheat and feed grains.

Only through pressure of the State Department have we been able to open the program up to the Soviet Union, the People's Republic of China, and Iraq. While I am pleased by these offers, I don't believe Congress should have to run through this exercise with the State Department every time we catch wind of an interested buyer. This legislation eliminates the need of future congressional intervention.

The last title of the bill mandates an annual use of at least $30 million worth of surplus Commodity Credit Corporation commodities for development of ethanol or liquid fuels processing industries. The funds would be distributed to States in such a manner that no one State would be able to receive more than $5 million per year.

The increased use of ethanol puts surplus U.S. grain to productive use, expands the market for grain, and reduces our dependence on foreign oil.

I urge my colleagues to support this legislation.

S. 781

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That this Act may be cited as the "Agricultural Surplus Commodity Reduction Act of 1987".

TITLE I—WHEAT

SUBTITLE A—MARKETING QUOTAS

PROCLAMATION OF NATIONAL MARKETING QUOTAS

SEC. 101. Effective only for the 1988 through 1990 crops of wheat, section 332 of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"PROCLAMATION OF MARKETING QUOTAS

"SEC. 332. (a) As used in sections 332 through 338:

"(1) The term 'base period' means the 1981 through 1985 crop years for wheat.

"(2) The term 'marketing quota period' means the three marketing years for which marketing quotas are proclaimed by the Secretary under subsection (b).

"(b) The Secretary shall proclaim national marketing quotas for wheat—

"(1) for each of the 1988 through 1990 marketing years for wheat by May 15, 1987; and

"(2) for each of the 1991 through 1993 marketing years for wheat by April 15, 1990, if marketing quotas for the 1988 through 1990 marketing years for wheat were approved by producers in a referendum under section 336.

"(c) The quantity of the national marketing quotas for wheat for any marketing year shall be a quantity of wheat that the Secretary estimates is required to meet anticipated needs during such marketing year, taking into consideration domestic requirements, export demand, emergency food aid needs, and adequate carryover stocks: *Provided,* That the marketing quota for the 1988 and 1989 crop of wheat shall not be less than 65 percent of the average number of bushels of wheat that the Secretary determines was annually produced in the United States during the quota base period.

"(d) If, after the proclamation of a national marketing quota for wheat for any marketing year, the Secretary determines that the national marketing quota should be terminated or increased to meet a national emergency or a material change in the demand for wheat, the Secretary shall adjust or terminate the national quota.".

MARKETING QUOTA APPORTIONMENT FACTOR

SEC. 102. Effective only for the 1988 through 1993 crops of wheat, section 333 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1333) is amended to read as follows:

"MARKETING QUOTA APPORTIONMENT FACTOR

"SEC. 333. (a) The Secretary shall establish a marketing quota apportionment factor for each crop of wheat for which a national marketing quota is proclaimed under section 332.

"(b) The apportionment factor shall be determined by dividing—

"(1) the national marketing quota for such crop of wheat; by

"(2) the average number of bushels of wheat that the Secretary determines was annually produced in the United States during the base period—

"(A) increased by the quantity of wheat that the Secretary determines would have been produced during such years except for—

"(i) drought, flood, or other natural disaster, or other conditions beyond the control of producers; and

"(ii) participation in any acreage reduction, set-aside, or diversion programs for wheat during such crop years, as determined by the Secretary; and

"(B) decreased by such quantity of wheat that the Secretary determines fairly reflects the quantity of wheat produced during the base period on cropland placed in the Conservation Acreage Reserve established by section 1231 of the Food Security Act of 1985, adjusted as provided for in subparagraph (A) (i) and (ii).".

FARM MARKETING QUOTAS

SEC. 103. Effective only for the 1988 through 1993 crops of wheat, section 334 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1334) is amended to read as follows:

"FARM MARKETING QUOTAS

"SEC. 334. (a) For each crop of wheat for which a national marketing quota has been proclaimed under section 332, the Secretary shall establish a farm marketing quota for each farm on which wheat was planted for harvest, or considered planted for harvest, during the base period.

"(b) The farm marketing quota shall be equal to the product obtained by multiplying—

"(1) the average number of acres of wheat planted for harvest, or considered planted for harvest, on the farm during the base period, reduced by the percentage of the cropland on the farm, if any, that has been placed in the Conservation Acreage Reserve established by section 1231 of the Food Security Act of 1985; by

"(2) the average county or individual proven yield for wheat on the farm during the base period, as determined by the Secretary on such basis as the Secretary determines will provide a fair and equitable yield; by

"(3) the marketing quota apportionment factor.

"(c) For the purposes of this section, wheat shall be considered to have been planted for harvest on the farm in any crop year to the extent that the Secretary determines that wheat was not planted for harvest on the farm because—

"(1) of drought, flood, or other natural disaster, or other condition beyond the control of the producers, as determined by the Secretary; or

"(2) the producer on the farm participated in any acreage reduction, set-aside, or diversion program for wheat during such crop years.

"(d) If the national marketing quota is increased for any marketing year under section 332(c), the Secretary shall increase each farm marketing quota by the same percentage as the national quota was increased.

"(e) If the Secretary finds that the farm marketing quotas established under this section for farms producing a particular type of wheat will not be sufficient to meet anticipated demand for that type of wheat during any marketing year, the farm marketing quotas for farms located in a county designated by the Secretary as a county that (1) is capable of producing that type of wheat, and (2) has produced that type of wheat for commercial food products during at least one of the five years immediately preceding the year in which the crop is harvested shall be increased by such percentage as the Secretary determines is necessary to meet demand for such wheat. No increase shall be made with respect to any farm marketing quota on a farm unless the producer agrees to plant for harvest on the farm only that type of wheat except as may otherwise be permitted by the Secretary. Any increase in the farm marketing quotas under this section shall be in addition to the national marketing quota proclaimed for the marketing year and shall not be considered in determining subsequent national or farm marketing quotas.".

MARKETING PENALTIES

SEC. 104. Effective only for the 1988 through 1993 crops of wheat, section 335 of the Agricultural Act of 1938 (7 U.S.C. 1335) is amended to read as follows:

"MARKETING PENALTIES

"SEC. 335. (a)(1) The marketing of wheat produced on a farm in excess of a farm marketing quota shall be subject to a penalty payable to the United States on each bushel of wheat so marketed at a rate per bushel equal to 75 percent of the loan rate established for the crop of wheat involved under the Agricultural Act of 1949.

"(2) The penalty provided for in paragraph (1) shall be collected from the producers—

"(A) in the case of wheat marketed by sale to a person within the United States, by the person who acquired the wheat from the producer through the deduction of an amount equivalent to the penalty from the price paid the producer or other means authorized by the Secretary; and

"(B) notwithstanding the provisions of section 372(a), in the case of wheat marketed through a warehouseman or agent, by the warehouseman or agent through the deduction of an amount equivalent to the penalty from the price paid to the producer or other means authorized by the Secretary.

"(3) If the buyer, warehouseman, or agent fails to collect the penalty as provided for in paragraph (2), such buyer, warehouseman, or agent and all persons entitled to share in the wheat marketed from the farm or the proceeds thereof shall be jointly and severally liable for such penalty.

"(4) The penalty shall be paid directly by the producers in (A) the case of wheat marketed directly to any person outside the United States and (B) in all other cases in which wheat is marketed, including, but not limited to, feeding livestock and poultry and other uses. Each producer having an interest in the crop of wheat subject to the penalty shall be jointly and severally liable for the entire amount of the penalty.

"(b)(1) Any person who knowingly acquires wheat from or sells wheat for a producer on a farm in excess of a farm marketing quota and fails to collect the penalty under section (a) shall be subject to an additional penalty on each bushel of wheat so acquired or sold at a rate per bushel equal to two times the loan rate established for the crop of wheat involved under the Agricultural Act of 1949 and shall be deemed guilty of a felony, and upon conviction thereof shall be subject to a fine of not more than $10,000 or imprisonment of not more than 5 years, or both.

"(2) Any producer who markets wheat in excess of a farm marketing quota that is subject to a penalty under this section and who knowingly makes any false representation to a person described in subsection (a)(2) (A) or (B) that the wheat so marketed is not subject to such penalty shall be liable for an additional penalty on each bushel of wheat so marketed at a rate per bushel equal to two times the loan rate established for the crop of wheat involved under the Agricultural Act of 1949 and shall be deemed guilty of a felony, and upon conviction thereof shall be subject to a fine of not more than $10,000 or imprisonment of not more than 5 years, or both.

"(c) If any producer falsely identifies, or fails to certify, the acreage planted to wheat for harvest or fails to account for, or falsely certifies, the disposition of any wheat produced on such planted acreage in accordance with regulations issued by the Secretary—

"(1) a quantity of wheat equal to the product obtained by multiplying—

"(A) the farm program payment yield, as determined by the Secretary under title V of the Agricultural Act of 1949; by

"(B) the planted acreage,

shall be deemed to have been marketed in excess of the farm marketing quota; and

"(2) each producer having an interest in the crop of wheat on the farm shall be jointly and severally liable for the penalty on the quantity determined under paragraph (1) at a rate per bushel equal to two times the loan rate established for the crop of wheat involved under the Agricultural Act of 1949, and such producers shall not be eligible for loans, purchases, or payments with respect to the crop of wheat under the Agricultural Act of 1949.

"(d) Any person who falsely certifies as to the disposition of wheat produced on a farm in excess of a farm marketing quota shall be deemed guilty of a felony and upon conviction thereof shall be subject to a fine of not more than $5,000 or imprisonment of not more than five years, or both.

"(e) If, prior to the marketing of any wheat from the farm, satisfactory proof is not furnished to the Secretary as to the manner in which wheat in excess of the farm marketing quota will be disposed of or stored, the Secretary shall require collection of the penalty provided for in subsection (a) on a proportion of each unit of wheat marketed from the farm equal to the proportion that the wheat available for marketing from the farm in excess of the farm marketing quota is of the total quantity of wheat available for marketing from the farm. The Secretary shall authorize the disposal of excess wheat through delivery to the Secretary. Any wheat delivered to the Secretary shall become the property of the United States and shall be disposed of by the Secretary for relief purposes in the United States or in foreign countries.

"(f) Wheat produced in a calendar year in which marketing quotas are in effect for the marketing year beginning therein shall be subject to such quotas even though it is marketed prior to the date such marketing year begins.

"(g)(1) Wheat subject to a farm marketing quota may be carried over by the producer from one marketing year to one or more subsequent marketing years, and may be marketed without incurring a penalty under this section in a subsequent marketing year, to the extent that—

"(A) the total quantity of wheat available for marketing from the farm in the marketing year from which the wheat is carried over does not exceed the farm marketing quota for such year;

"(B) the total quantity of wheat available for marketing in the subsequent marketing year (including any quantity of excess wheat carried over and released from the storage requirements of paragraph (2)) does not exceed the farm marketing quota for the subsequent marketing year; or

"(C) if no marketing quotas are in effect for the subsequent marketing year, as provided for in paragraph (2).

"(2) Wheat produced on a farm in excess of a farm marketing quota and carried over by the producer for marketing in a subsequent marketing year shall be stored by the producer in a manner prescribed by the Secretary that will ensure that, except as provided in paragraph (3), such wheat will not be marketed during—

"(A) any marketing quota period for which marketing quotas have been proclaimed under section 332 and approved by producers in a referendum under section 336, and

"(B) for the three marketing years immediately succeeding a quota period if marketing quotas are not in effect during such years.

"(3)(A) During any marketing year in which the Secretary terminates a national marketing quota under section 332, wheat carried over from a previous marketing year may be released from the storage requirements of this subsection and marketed without penalty in such quantities as the Secretary determines necessary to meet the national emergency or material change in demand.

"(B) During each of the three marketing years described in paragraph (2)(B), one third of the excess wheat that is in storage at the beginning of the first marketing year thereof shall be released from the storage requirement of paragraph (2) and shall be available for marketing without penalty under paragraph (1)(C).

"(C) If the quantity of wheat produced on a farm during any year in which marketing quotas are in effect is less than the farm marketing quota for such crop, a quantity of excess wheat shall be released from the storage requirement of paragraph (2) and shall be available for marketing without penalty to the extent authorized by paragraph (1)(B).

"(4) During any crop year that wheat was not planted for harvest, or considered planted for harvest, on the farm on an acreage that the Secretary determined was sufficient to produce a quantity of wheat equal to the farm marketing quota for such crop, no wheat from a previous year crop may be marketed without penalty under this subsection during the marketing year for the crop involved unless the Secretary determines that during such year—

"(A) the total of (i) the acreage of cropland on the farm devoted to a conserving use in excess of the average acreage devoted to a conserving use in the normal course of farming operations during the base period (adjusted by the Secretary to reflect any cropland on the farm subsequently placed in the Conservation Acreage Reserve established by section 1231 of the Food Security Act of 1985) and (ii) the acreage on the farm planted or considered planted to wheat for harvest is at least equal to the acreage determined by the Secretary as sufficient to produce the farm marketing quota;

"(B) the producer has met any normally planted acreage requirements on the farm imposed by the Secretary under section 1001(c) of the Food and Agricultural Act of 1977; and

"(C) the producer has complied with any requirement with respect to acreage planted for harvest to other crops prescribed by the Secretary under section 107E(i) of the Agricultural Act of 1949.

For the purposes of this provision, wheat shall be considered to have been planted for harvest on the farm during the crop year to the extent that the Secretary determines that (i) wheat was not planted because of drought, flood, or other natural disaster, or other condition beyond the control of the producer, as determined by the Secretary.

"(5) Any depletion in the amount of wheat stored under this subsection, except depletion resulting from a cause beyond the control of the producer shall be subject to a penalty at a rate per bushel equal to two times the loan rate for wheat under the provisions of the Agricultural Act of 1949 that was in effect during the quota period in which such wheat was stored. Each person having an interest in the wheat shall be jointly and severally liable for the penalty.

"(6) Excess wheat stored under this subsection may be marketed without penalty to the extent it is replaced by wheat of a subsequent year crop as authorized under regulations prescribed by the Secretary allowing the rotation of grain in storage.

"(h) Until the amount of the penalty provided by this section is paid, a lien in favor of the United States for the amount of the penalty shall be in effect on—

"(1) the wheat with respect to which such penalty is incurred, and

"(2) all other wheat that the person liable for payment of the penalty has, or subsequently acquires, an interest.

"(i) A person liable for the payment or collection of a penalty on any quantity of wheat shall be liable also for interest thereon for the date the penalty becomes due at a rate per annum equal to the rate of interest that was charged the Commodity Credit Corporation by the Treasurer of the United States on the date such penalty became due.".

REFERENDUM

SEC. 105. Effective only for the 1988 through 1993 crops of wheat, section 336 of the Agricultural Adjustment Act of 1938, is amended to read as follows:

"REFERENDUM

"SEC. 336. (a) If national marketing quotas for wheat are proclaimed under section 332, the Secretary shall, not later than August 1 of the calendar year in which such national marketing quotas are proclaimed, conduct, by mail ballot, a referendum of eligible producers to determine whether they favor or oppose marketing quotas for such period.

"(b) Any producer who produced wheat on a farm with a wheat base of at least 40 acres during at least two of the crop years of the base period shall be eligible to vote in the referendum.

"(c) Not later than 30 days after conducting such referendum, the Secretary shall proclaim the results of such referendum.

"(d) If the Secretary determines that more than 50 percent of the producers voting in the referendum approve marketing quotas, the Secretary shall proclaim that marketing quotas will be in effect for the marketing quota period.".

AUTHORITY OF SECRETARY TO PRESCRIBE MEANS OF MARKETING QUOTA WHEAT

SEC. 106. Effective only for the 1988 through 1993 crops of wheat, the Agricultural Adjustment Act of 1938 is amended to add a new section 337 as follows:

"AUTHORITY OF SECRETARY TO PRESCRIBE MEANS OF MARKETING QUOTA WHEAT

"SEC. 337. During any marketing year in which quotas are in effect under this Act, the Secretary may require producers to market wheat subject to a farm marketing quota in a manner prescribed by the Secretary that provides purchasers, warehousemen, or agents a method of determining whether the wheat so marketed is in excess of a farm marketing quota and subject to a penalty. The Secretary may require the use of marketing cards, marketing certificates, or any other adequate means of identification as the Secretary may determine."

TRANSFER OF FARM MARKETING QUOTAS

SEC. 107. Effective only for the 1988 through 1993 crops of wheat, section 338 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1338) is amended to read as follows:

"TRANSFER OF FARM MARKETING QUOTAS

"SEC. 338. (a) Except as provided in subsection (b), farm marketing quotas shall not be transferable.

"(b) In accordance with regulations prescribed by the Secretary for such purpose—

"(1) the farm marketing quota for a farm for any marketing year, or any portion thereof, may be voluntarily surrendered to the Secretary by the producer; and

"(2) the Secretary may reallocate any farm marketing quotas so surrendered to other farms having farm marketing quotas on such basis as the Secretary may determine.".

NONAPPLICABILITY OF CERTIFICATE REQUIREMENTS

SEC. 108. Section 309 of the Food Security Act of 1985 is amended by striking out "1991" and inserting in lieu thereof "1994".

SUSPENSION OF LAND USE, WHEAT MARKETING ALLOCATION, PRODUCER CERTIFICATE PROVISIONS, AND CERTAIN QUOTA PROVISIONS

SEC. 109. (a) Section 310 of the Food and Security Act of 1985 is amended—

(1) in subsection (a), by striking out "crop" and inserting in lieu thereof "and 1987 crops"; and

(2) in subsection (b), by striking out "1990" and inserting in lieu thereof "1993".

(b) Section 311 of the Food Security Act of 1985 is amended by striking out "1990" and inserting in lieu thereof "1993".

NONAPPLICABILITY OF SECTION 107 OF THE AGRICULTURAL ACT OF 1949

SEC. 110. Section 312 of the Food Security Act of 1985 is amended by striking out "1990" and inserting in lieu thereof "1993".

NORMALLY PLANTED ACREAGE

SEC. 111. Section 1001 of the Food and Agricultural Act of 1977 is amended by—

(1) striking out "1990" each place it appears; and inserting in lieu thereof "1993"; and

(2) amending subsection (c) to read as follows:

"(c) Notwithstanding any other provision of law, whenever marketing quotas are in effect for any of the 1988 through 1993 crops of wheat, the Secretary of Agriculture may require, as a condition of eligibility for loans, purchases, and payments for any commodity under the Agricultural Act of 1949 that the acreage normally planted to crops designated by the Secretary, adjusted as considered necessary by the Secretary to be fair and equitable among producers, shall be reduced by a quantity equal to—

"(1) the acreage that the Secretary determines would normally be planted to wheat on a farm; minus

"(2) the acreage on the farm that the Secretary determines is sufficient to produce the quantity of wheat equal to the farm marketing quota established for the farm under section 334 of the Agricultural Adjustment Act of 1938.".

Subtitle B—Loan Rates for the 1988 Through 1993 Crops of Wheat

SEC. 120. (a) In section 107D of the Agricultural Act of 1949—

(1) strike out subsection (a)(2);

(2) strike out "for which marketing quotas are not in effect," each place it appears in subsections (a)(3), (a)(4)(A), (c)(1)(G), and (c)(1)(H);

(3) strike out subsections (c)(1)(B) and (c)(1)(F);

(4) strike out "marketing quotas are in effect and" in subsection (d)(3)(A);

(5) strike out "for which marketing quotas are not in effect" in subection (d)(3)(A)(i);

(6) strike out subsection (d)(3)(B); and

(7) add at the end thereof a new subsection as follows:

"(i) Except as otherwise provided, this section shall be effective for any crop of wheat for which marketing quotas are not in effect.".

SEC. 121. Effective only for the 1988 through 1993 crops of wheat, the Agricultural Act of 1949 is amended by inserting after section 107D a new section as follows:

"SEC. 107E. Notwithstanding any other provision of law, for any crop of wheat for which marketing quotas are in effect—

"(a)(1) Except as provided in paragraph (2), the Secretary shall make available to producers loans and purchases for each of the 1988 through 1993 crops of wheat at such level as the Secretary determines will maintain the competitive relationship of wheat to other grains in domestic and export markets after taking into consideration the cost of producing wheat, supply and demand conditions, and world prices for wheat.

"(2) The loan and purchase level determined under paragraph (1) shall not be less than $4.65 per bushel for each of the 1988 through 1993 crops of wheat.

"(3) Any loan and purchase level determined under this section shall be uniform throughout the United States and shall not be adjusted for location under any provision of this Act or other law.

"(4) The quantity of wheat produced on a farm during any crop year for which a producer may receive loans and purchases under this section shall be limited to the farm marketing quota on the farm for such crop of wheat established under section 334 of the Agricultural Adjustment Act of 1938.

"(5) For the purposes of this section, if the quantity of wheat produced on a farm during any crop year is less than the farm marketing quota on the farm for such crop, wheat of a previous crop for which marketing quotas were in effect that was produced on the farm in excess of the farm marketing quota for such crop that is eligible for release from the storage requirements and available for marketing without penalty under section 335(g) of the Agricultural Adjustment Act of 1938 shall, at the option of the producer, be considered produced in the crop year involved to the extent that the quantity of wheat produced on the farm during such year is less than the farm marketing quota.

"(b)(1) Except as provided in subparagraph (3), if the Secretary determines that the producers on a farm are prevented from planting wheat on any portion of the acreage intended for wheat to wheat or other nonconserving crops because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the Secretary shall make a prevented planting disaster payment to the producers in an amount equal to the product obtained by multiplying—

"(A) the number of acres so affected but not to exceed an acreage that the Secretary determines is sufficient to produce a quantity of wheat equal to the farm marketing quota established for the crop under section 334 of the Agricultural Adjustment Act of 1949 minus the acreage, if any, actually planted on the farm to wheat; by

"(B) the farm program payment yield determined by the Secretary for the crop under Title V of this Act; by

"(C) a payment rate equal to 40 percent of the loan rate for the crop.

"(2) Except as provided in subparagraph (3), if the Secretary determines that because of drought, flood, or other natural disaster, or other condition beyond the control of the producers, the total quantity of wheat that the producers are able to harvest is less than the farm marketing quota for the crop established under section 334 of the Agricultural Adjustment Act of 1938, the Secretary shall make a reduced yield disaster payment to the producers at a rate equal to 40 percent of the loan rate for the crop for the deficiency in production below farm marketing quota.

"(3) Producers on a farm shall not be eligible for—

"(A) prevented planting disaster payments under paragraph (1) if preventing planting crop insurance is available to the producer under the Federal Crop Insurance Act with respect to the wheat acreage of the producers; or

"(B) reduced yield disaster payments under paragraph (2) if reduced yield crop insurance is available to the producer under the Federal Crop Insurance Act with respect to the wheat acreage of the producers; or

"(C) prevented planting disaster payments under paragraph (1) or reduced yield disaster payments under paragraph (2) to the extent that the producer has excess wheat of a previous crop for which marketing quotas were in effect that is (1) in storage and available for marketing without penalty under section 335(g) of the Agricultural Adjustment Act of 1938 and (2) eligible at the option of the producer to be considered as produced in the crop year involved under subsection (a)(5).

"(4)(A) Notwithstanding paragraph (3), the Secretary may make a disaster payment to producers on a farm under this subsection if the Secretary determines that—

"(i) as the result of drought, flood, or other natural disaster, or other condition beyond the control of the producer, the producers on a farm have suffered substantial losses of production either from being prevented from planting wheat or other nonconserving crops or from reduced yield;

"(ii) such losses have created an economic emergency for the producers;

"(iii) crop insurance indemnity payments under the Federal Crop Insurance Act and other forms of assistance made available by the Federal Government to such producers for such losses are insufficient to alleviate such economic emergency; and

"(iv) additional assistance must be made available to such producers to alleviate such economic emergency.

"(B) The Secretary may make such adjustments in the amount of payments made under this paragraph with respect to an individual farm so as to assure the equitable allotment of such payments among producers, taking into account other forms of Federal Disaster assistance provided the producers for the crop involved.

"(5) Payments made by the Secretary under this provision may be made in the form of cash or from stocks of wheat held by the Commodity Credit Corporation. If made in wheat, such wheat shall be available for marketing by the producer during the marketing year for the crop without penalty to the same degree as wheat produced on the farm within the farm marketing quota under section 334 of the Agricultural Adjustment Act of 1938. Such wheat shall not be eligible for loans and purchases under this section.

"(c)(1) If the failure of a producer to comply fully with the terms and conditions for loans and purchases under this section precludes the making of such loans and purchase, the Secretary may, nevertheless, make such loans and purchases in such amounts as the Secretary determines are equitable in relationship to the seriousness of the failure.

"(2) The Secretary may authorize the county and State committees established under the Soil Conservation and Domestic Allotment Act to waive or modify deadlines or other program requirements in cases in which lateness or failure to meet such other requirements does not affect adversely the operation of the program.

"(d) The Secretary may issue such regulations as the Secretary determines necessary to carry out this section.

"(e) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

"(f) The provisions of section 8(g) of the Soil Conservation and Domestic Allotment Act, relating to assignment of payments shall apply to payment under this section.

"(g) The Secretary shall provide for the sharing of payments made under this section among the producers on the farm on a fair and equitable basis.

"(h) The Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

"(i) The Secretary shall require, as a condition for loans, purchases, or payments for any crop of wheat under this section, that the producers on a farm may not plant acreage of another commodity for which there is an acreage limitation program in effect in excess of the crop acreage base for the crop for the farm.".

PRODUCER STORAGE PROGRAM FOR WHEAT AND FEED GRAINS

SEC. 122. Wheat produced on a farm during any crop year in excess of the farm marketing quota under section 334 of the Agricultural Adjustment Act of 1938 should not be eligible for original or extended price support loans under section 110 of the Agricultural Act of 1949 except to the extent that such wheat is considered produced on the farm during such crop year under section 107E(a)(5) of such Act.

EXTENSION OF THE RESERVE

SEC. 123. Section 301(i) of the Food Security Wheat Reserve Act of 1980 is amended by striking out "1990" both places it appears and inserting in lieu thereof "1993".

ADVANCE ANNOUNCEMENT

SEC. 124. The provisions of section 406(b) of the Agricultural Act of 1949 shall not be applicable to any of the 1988 through 1991 crops of wheat if marketing quotas under section 332 of the Agricultural Adjustment Act of 1938 are in effect for the 1988 through 1990 crops of wheat.

WHEAT ACREAGE BASE

SEC. 124. Sections 504(b)(1)(B) of the Agricultural Act of 1949 is amended by adding the following new clause at the end thereof:

"(iii) If marketing quotas for wheat under section 332 of the Agricultural Adjustment Act of 1938 are in effect for the 1988 and any subsequent crop year, the wheat acreage base on a farm for the 1988 crop year shall be determined as provided for in this subsection, and the wheat acreage base for any subsequent crop year for which marketing quotas are in effect, and the first crop year thereafter shall be the same acreage as the wheat acreage base on the farm determined for the 1988 crop year.".

TITLE II—FEED GRAINS

EXCLUSION OF FEED GRAIN LAND DIVERSION PAYMENT FROM PAYMENT LIMITATION

SEC. 201. Effective only on the 1987 through 1990 crops of feed grains, section 1001(1) of the Food Security Act of 1985 (7 U.S.C. 1308) is amended by inserting "(excluding any land diversion payments described in section 105C(f)(5) of the Agricultural Act of 1949 (7 U.S.C. 1444e(f)(5))" after "land diversion payments".

ESTABLISHED PRICE PAYMENT DATE FOR FEED GRAINS

SEC. 202. Effective only for the 1986 through 1990 crops of feed grains, section 105(c)(1)(D)(ii) of the Agricultural Act of 1949 (7 U.S.C. 1444(c)(1)(D)(ii) is amended by striking out "wheat, received by producers during" and inserting in lieu thereof "feed grains, received by producers during the first 5 months of".

TITLE III—OATS

"EXEMPTION TO PROTECT WHEAT PROGRAM BENEFITS

"SEC. 301. Effective for the 1988 through 1990 crops of wheat only, paragraph (2) of section 107D(n) of the Agricultural Act of 1949 is amended by adding at the end thereof:

"SEC. 107D(n)(1). The Secretary shall not require that, as a condition for eligibility of a producer on a farm for loans, purchases, or payments under this section with respect to the 1987 crop of wheat, the acreage planted for harvest on the farm to oats not exceed the crop acreage base for oats to the extent that—

"(A) oats are planted for harvest on cropland on the farm on fields of which highly erodible land as defined in section 1201 of the Food Security Act of 1985 is predominate; and

"(B) the production of oats on such land is exempt from the provisions of section 1211 of such Act.".

"EXEMPTION TO PROTECT FEED GRAIN PROGRAM BENEFITS

"SEC. 302. Effective for the 1988 through 1990 crops of feed grains only, notwithstanding the provisions of subsection (f) (1) and (2), paragraph (2) of section 105C(n) of the Agricultural Act of 1949 is amended by adding at the end thereof:

"SEC. 105C(n)(1). The Secretary shall not require that, as a condition for eligibility of a producer on a farm for loans, purchases, or payments under this section with respect to the 1987 crop of corn, grain sorghums, and barley the acreage planted for harvest on the farm to oats not exceed the crop acreage base for oats to the extent that—

"(A) oats are planted for harvest on cropland on the farm on fields of which highly erodible land as defined in section 1201 of the Food Security Act of 1985 is predominate; and

"(B) the production of oats on such land is exempt from the provisions of section 1211 of such Act.".

TITLE IV—SOYBEANS

SUPPORT PRICE FOR SOYBEANS

SEC. 401. Effective only for the 1988 through 1990 crops of soybeans, section 201(i) of the Agricultural Act of 1949 (7 U.S.C. 1446(i)) is amended by striking out

"$4.50" each place its appears in paragraphs (1)(C) and (2) and inserting in lieu thereof "$4.77".

MARKETING LOANS FOR SOYBEANS

SEC. 402. Effective only for the 1988 through 1990 crops of soybeans, section 201(i)(3) of the Agricultural Act of 1949 (7 U.S.C. 1446(i)(3)) is amended—

(1) in subparagraph (A), by striking out "If" and all that follows through "the Secretary may" and inserting in lieu thereof "The Secretary shall"; and

(2) in subparagraph (B), by striking out "If" and all that follows through "the Secretary" and inserting in lieu thereof "The Secretary".

TITLE V—EXPORT ENHANCEMENT

SEC. 501 Section 1127 of the Food Security Act of 1985 is amended—

(1) in subsection (b)—

(A) by striking out "and" at the end of paragraph (4);

(B) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new paragraph:

"(6) shall not prohibit or limit the participation of an interested exporter, user, processor, or foreign purchaser in the program established by this section in violation of the policy prescribed in section 1133(a).".

(2) in subsection (h), by striking out "1990" and inserting in lieu thereof "1993".

(3) by adding at the end of subsection (i) a new sentence as follows: "In any year in which a national marketing quota for wheat under section 332 of the Agricultural Adjustment Act of 1938 is in effect, the Secretary shall carry out the program authorized by this section at a level that will ensure the export of the quantity of wheat that the Secretary considered as needed to meet export demand in establishing the national marketing quota for such year.".

TITLE VI—AVAILABILITY OF SURPLUS AGRICULTURAL STOCKS FOR LIQUID FUELS AND ETHANOL PRODUCTION

SEC. 601. Section 423 of the Agricultural Act of 1949 is amended—

(1) in subsection (a), by striking "may" and inserting in lieu thereof "shall"; and

(b) by adding at the end thereof, a new subsection as follows:

"(d) During each of the fiscal years ending September 30, 1988, through September 30, 1990, the Commodity Credit Corporation shall make available an amount not less than $30,000,000 in value of surplus of grain owned by the Corporation, under terms and conditions prescribed by the Secretary, to States that carry out programs for the development of an ethanol or liquid fuels processing industry in their jurisdictions. The total value of grain that a State may receive under this subsection in any fiscal year shall be limited to $5 million. To be eligible for grain under this provision, a State must agree not to reduce the amount of grain or other assistance that would normally be provided by the State under its program during such year.

THE UNITED STATES IS MISSING THE BARTER TRAIN

Mr. EXON. Mr. President, after years of economic dominance, the United States finds itself in a most uncomfortable situation. For 6 years our Nation has been intoxicated with the "feel good" policies of supply side economics. While the Washington crowd talked of "the dawn of America" and told the Nation that "America was on the move," some serious warning aches and pains were ignored in the Nation's economic body.

Now that the intoxicant is wearing off, America is waking up to one of its worse economic "hangovers" ever. The economic statistics of 1986 illustrate how negligent the Nation's leadership has been. In 1986, the annual budget deficit topped a record $220 billion and the accumulated national debt broke through the $2 trillion barrier, the trade deficit hit a record $168 billion, and the Nation became the world's largest net debtor nation.

These records were set against a backdrop which included a continuing depression in rural America and a new crisis in the Nation's oil producing States. After years of strength in agriculture trade, the United States actually imported more food than it exported for several months during 1986. Also of concern is the fact that our Nation's dependence on foreign oil returned close to its preembargo levels.

Rather than search for new answers to the Nation's economic problems, the administration has clung to its dogmatic principles of supply side economics and free trade.

The solutions to the Nation's decaying economic status are as complex as the causes for our current difficulty. Certainly the most effective measure to restore the Nation's economic health would be to place the Federal Government on a balanced diet of deficit reduction. In addition, there are other smaller, less dramatic, but important therapies which can help nurse our Nation out of its supply side hangover.

One small step which could help the Nation restore its international position would be to better utilize the trade technique of barter. It has been estimated that barter accounts for 25 percent of world trade. The United States has been woefully slow to respond to this trend. A recent article by Columnists Jack Anderson and Dale Van Atta appropriately noted that "Shunning barter agreements means turning our back on a rapidly growing portion of world trade."

The 1985 farm bill included authorization for the Secretary of Agriculture to institute a pilot program to use surplus commodities to acquire strategic or other materials that the United States does not domestically produce in sufficient amounts.

I am sad to report, Mr. President, that the Department of Agriculture has been very slow to use this authority. Secretary Lyng reported to Congress on January 29, 1987, that "no agreements have been concluded for this pilot program." In fact, in several other areas, the administration has been active in its opposition to barter. This attitude represents another lost opportunity for the American economy. It is like a passenger arguing the merits of steam locomotion while the diesel trains pull away from the station. The United States cannot afford to be left off this train.

We live in an era where America must think creatively about trade problems. The United States faces a serious deterioration of its economic strength while our prospective customers are strapped by massive international debt or economic recession due to declining commodity prices. As Economist Eliot Janeway, a long-time advocate for barter has, noted, these negatives can be multiplied into positives. Just as in mathematics, $-2\times-2=+4$, difficult problems can be paired to produce positive solutions. Take, for example, Third World nations and the troubled U.S. rural economy.

The U.S. Government operated a barter program from 1950 to 1973 to dispose of surplus agriculture commodities, acquire strategic materials and to acquire goods and services for U.S. overseas development and military programs. During that period, $6.65 billion worth of agricultural commodities were exported. The programs were suspended in 1973 when Government-held agricultural surpluses dwindled to nothing.

The current agricultural stockpile greatly exceeds the levels of the 1950's and 1960's. The time is right to take a new look at barter. The United States should expand its efforts to use barter as a way of engaging developing and nonmarket economies into mutually beneficial commerce. Rather than fight the growing interest in barter transactions, the administration should board the barter train to give a lift to our troubled agricultural sector.

Debt-ridden Third World nations, particularly those rocked by the recent decline in oil prices, should be offered barter opportunities to exchange grain for their oil or materials. Such a strategy would allow Third World nations to obtain agricultural staples in exchange for a product which they hold in abundance. In the case of nonmarket economies, with currencies of little use to the United States, barter could be a new avenue for mutual cooperation.

In the 1985 farm bill, the Congress attempted to prod the administration into exploring the benefits of barter.

The Congress should continue to encourage the administration to dispose of surplus commodities through bartered exchanges. The administration should also examine the possibility of bartering processed and semiprocessed goods. New forms packaging can make American food products virtually indestructible. This value added also means jobs for American workers.

A barter office and information bank should be established in the Department of Commerce to facilitate and encourage private sector barter transactions. In addition, our State and Defense Departments should examine their expenditures to see if barter transactions using food products could better pay for goods and services purchased abroad. Essentially anywhere cash is spent, commodities paid in kind could be used. Where such a transaction would not compete with existing U.S. commerce, or in cases where such transactions could open the door in a new market, the Department of State and the Department of Defense should use surplus commodities to help pay its foreign bills. Our Government should look at our commodity surplus as a special bank account that can be drawn upon when the use of commodities or food products will not displace existing U.S. trade.

In the long term, the United States should also examine the possibility of negotiating a multilateral treaty between the key agriculture nations and the developing Third World which would barter agricultural commodities for environmental protection. The Third World, starving for development, has often turned to the conversion of delicate tropical environments into agricultural land. In an era of shrinking tropical forests and surplus crops, such action does not make sense. In defense of the developing nations, there are few options available to these struggling nations. It is unrealistic to expect that these nations would forsake their future for the benefit of the developed world or some abstract concern about the global environmental protection.

This long-term creative use of the world's food surplus could preserve the global environment, establish reliable relationships built on food security, stem the growth of the global grain surplus, and spur constructive development in the Third World.

Mr. President, I raise these points for discussion and consideration. The U.S. Congress must look for new solutions to the growing trade deficit. In the short term, the administration already has the authority to facilitate and use barter to open markets where traditional trade transactions have failed. The United States should use all of its tools available to fix the trade problem. In the long term, we also need to look at ways which can move food to hungry people and prevent the destruction of fragile land.

As a member of the Senate Commerce Committee, I look forward to our discussions on the 1987 trade bill and will encourage my colleagues to look at the uses of barter as a tool of international trade.

Mr. President, I ask unanimous consent that the February 20, 1987, article on barter written by Jack Anderson and Dale Van Atta be printed in the RECORD as read. I also ask unanimous consent that the January 29, 1987, letter from Secretary Lyng to the Speaker of the House be printed in the RECORD as read.

Thank you, Mr. President.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 20, 1987]

WORLD BARTERING LEAVES U.S. IN THE COLD

(By Jack Anderson and Dale Van Atta)

For most Americans, the word "barter" conjures up a vision of explorers swapping colored beads and other trinkets with innocent natives for ivory, furs or precious gems. For tax dodgers, barter is the foundation of an underground economy that trades one service for another—dental work for plumbing repairs, perhaps—with no cash changing hands to attract the attention of the Internal Revenue Service.

On the international scene, barter has a fancy name—countertrade—and it involves much more than trinkets or a new swimming pool. Barter is big business. Unfortunately, the U.S. government has been slow to pick up on this growing trend, and as a result is being left out in the cold, stubbornly insisting on cash deals.

In 1976, countertrade accounted for a mere 2 percent of the world's total trade of about $1 trillion. Now it's a different story entirely. The Organization for Economic Cooperation and Development estimates that countertrade accounts for up to 10 percent of world trade.

At the high end of the estimates, a Commerce Department cable we've seen suggests that country-to-country barter agreements cover at least 25 percent of total world trade. In fact, states the cable, "if crude oil barter and other types [such as arms deals] are included, countertrade-related trade should exceed $1 trillion in 1986." In other words, the barter share of world trade today is the equivalent of all world trade just 10 years ago.

The estimates are just that, of course, because many participating governments—like Iran's—won't disclose their barter arrangements.

"The best barter deal is the one you don't hear about" is an industry maxim.

Barter is attractive because it helps a country preserve its foreign exchange reserves, assures a stable supply of essential imports, expands exports and facilitates technology transfers.

For whatever reason, barter is growing despite behind-the-scenes U.S. opposition. A separate Commerce Department study showed that in 1984, at least 100 countries ordered state-owned or private companies to engage in barter agreements. It has become an essential part of world trade.

One such deal that actually made it into the headlines—mainly because of the Reagan administration's vain attempt to stop it—was the Soviet natural-gas pipeline to Central Europe. The customer governments provided equipment, labor and financing for construction of the pipeline in return for a guaranteed amount of gas once it became operational.

Although officially neutral on the subject, the U.S. government actively tries to discourage barter agreements. U.S. representatives to international economic bodies argue against the booming countertrade trend. And the IRS understandably makes life difficult for U.S. merchants involved in international barter deals.

Our sources believe it's time for the government to rethink its position. Shunning barter agreements means turning our backs on a rapidly growing portion of world trade, to say nothing of the American heritage of bartering expertise: Manhattan island was acquired by canny Dutch settlers for $24 worth of junk jewelry.

DEPARTMENT OF AGRICULTURE,
Washington, DC, January 2, 1987.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: We are reporting here the status of the pilot barter program authorized in Section 1129 of the Food Security Act of 1985. This pilot program provides for the barter of Commodity Credit Corporation commodities for strategic and other materials that the United States does not produce domestically in sufficient amounts. The materials received may be used to meet domestic requirements or fulfill stockpile goals.

As of this date, no agreements have been concluded for this pilot program. It remains our intent to comply with the Act by developing the two specified pilot projects, along with appropriate evaluations. Efforts to initiate substantive discussions will continue with several countries with food and currency reserve shortages which offer potential for obtaining strategic materials.

We remain hopeful that agreements can be negotiated with mutually agreeable terms to usefully test this pilot program.

An identical letter has been sent to the President of the Senate.

Sincerely,

RICHARD E. LYING,
Secretary.

RECOGNITION OF SENATOR PRESSLER

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from South Dakota [Mr. PRESSLER] is recognized for not to exceed 5 minutes.

INCREASED USE OF ETHANOL AND METHANOL

Mr. PRESSLER. Mr. President, today I am submitting a sense of the Congress concurrent resolution urging the Federal Government to encourage the increased use of ethanol and methanol to reduce air pollution, U.S. grain surplus, and provide other benefits. The legislation is an effort to positively address several serious problems facing the United States.

The first of these problems is air pollution. Air pollution continues to be a major problem in the United States. The Environmental Protection Agency's most recent count found 76 metropolitan areas in violation of ozone standards. An estimated 60 urban areas are not expected to meet the clean air deadline for ozone of December 31, 1987. Under current law, sanctions will be imposed on these communities. Some areas, such as Denver, CO, have encouraged the use of ethanol blended fuels to reduce auto emissions. Studies have determined that a 10-percent blend of ethanol with gasoline significantly reduces auto emissions.

Mr. President, I serve on the Environment and Public Works Committee, as does the presiding officer. We are struggling to try to find ways to solve the acid rain problem and other pollution problems. Certainly, the use of ethanol and methanol or a blend would be a great step forward.

If all of the urban areas in violation of the ozone standard required a 10-percent blending of ethanol in all gasoline, air pollution would be significantly reduced. Ethanol not only reduces auto emissions but also boosts the octane level of gasoline. Car manufacturers have recommended the increased use of ethanol blended fuels.

To further reduce auto emissions several demonstration projects have been implemented to demonstrate the feasibility of methanol fueled buses. For example, the Environmental Protection Agency and General Motors have a demonstration project in New York using methanol powered buses. City buses, which generally run on diesel fuel, are major contributors to air pollution in urban areas. Diesel trucks and buses, emit 30 to 70 times more toxic particulate matter than conventional engines. That is something to remember in our trucks in urban areas, that the diesel trucks and buses emit 30 to 70 times more toxic matter than conventional engines. The shift to clean burning methanol significantly reduces bus emissions.

Along with the environmental benefits the increased use of methanol and ethanol will help reduce the U.S. dependence on foreign oil imports. Several weeks ago Secretary of the Interior Hodel warned that the United States will face another energy crisis if we continue on our current course. Currently, 38 percent of our domestic oil consumption is imported. This is higher than in 1973 when we had our first energy crisis. We seem to be going full cycle. Some event could trigger another shortage and we would be back where we were in those gasoline lines of 1973 and 1974. The drop in oil prices has resulted in reduced oil exploration in the United States and forced many wells to be shut down. It could take years to gear up oil exploration and drilling in the United States. Increased use of ethanol and methanol will reduce the amount of gasoline and diesel fuel used by automobiles.

The increased use of ethanol will also provide an expanding market for U.S. grain. A primary source of ethanol in the United States has increased from 16 million bushels in 1980 to 240 million bushels in 1985. Currently the United States has huge surpluses of corn. Farm program costs reached a record level last year. A substantial portion of farm program costs are storage, land set-aside and price support payments. All of these costs would be reduced with the increased usage of corn. Estimates are that ethanol production increases corn prices by approximately 10 cents per bushel. The General Accounting Office estimated that the demand for corn in ethanol production reduced farm program costs by $129 million in 1982. The savings were estimated at $623 million in 1985.

Methanol can be produced from a number of sources such as coal, wood, urban waste and even sea water. In fact, in Florida, Mr. John Perry is conducting some very exciting research on methanol production and its use. The Perry Energy System is designing a system to produce methanol from sea water.

The commercial development of such a process could provide the world with an abundance of clean affordable energy. We must continue to encourage this type of innovative research and development.

The disposal of urban waste continues to be a growing problem which increased use of methanol could address. As suburbs continue to expand, land available for landfills becomes more limited. If this urban waste can be effectively used to produce methanol, air pollution will not only be reduced, but the problem of disposing of urban waste will also be addressed.

Mr. President, the concurrent resolution I am submitting today is a first step in trying to address several serious problems facing the United States in a positive manner. The Federal Government, through the Departments of Agriculture, Energy, and Transportation and the Environmental Protection Agency, can do a great deal to assist and encourage the use of ethanol and methanol.

I urge my colleagues to join me in support of the concurrent resolution and efforts to increase the use of ethanol and methanol.

I ask unanimous consent that the text of the concurrent resolution be printed in the RECORD.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

S. CON. RES. 36

Whereas air pollution continues to be a significant problem in the United States;

Whereas the use of ethanol and methanol in motor vehicles have been proven to reduce hydrocarbon emissions and the formation of ozone;

Whereas ethanol has been proven to be an excellent fuel additive;

Whereas methanol has been proven to be an effective substitute for diesel fuel and gasoline;

Whereas ethanol and methanol can be produced from several renewable sources, including agricultural crops, wood and urban waste.

Whereas the United States has an extremely large, price-depressing surplus of grain with at least a 60 percent carryover of the 1985-86 corn crop production; and

Whereas many urban areas are seeking methods to reduce auto emissions to meet clean air standards; therefore, it is

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the United States Departments of Agriculture, Energy, Transportation, and the Environmental Protection Agency in Coordination with State, metropolitan, and local governments should work to establish the use of ethanol blended and methanol fuels to reduce both pollution and surplus grain stocks, and effectively utilize urban wastes; and

(2) these agencies should provide information, technical assistance, and other assistance in order to educate, develop, and establish such programs as needed to provide the American people with cleaner air, more efficient fuel, and increased economic vitality.

RECOGNITION OF SENATOR MELCHER

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized for not to exceed 5 minutes.

Mr. MELCHER. I thank the Chair.

THE PEOPLE OF THE UNITED STATES ARE CONFUSED

Mr. MELCHER. Mr. President, I can understand why the people of the United States can be confused by the vote taken here yesterday in releasing another $40 million for the Contras in Nicaragua, because the people throughout the country are hearing from Washington about the pressure and the needs for reducing the Federal deficits and getting toward a balanced budget. Also, when they review what their State legislatures are doing, they hear about pressure for lack of funds, the need for more revenues, trying to balance the State's budget. Then they ponder just what we are doing here in Washington, saying, "Oh, we have $40 million, another $40 million to send down to the Contras in Nicaragua."

Mr. President, the people in this country have a right to be confused and have a right to wonder just what we are about here as we delve into the President's budget and as the rest of the population delves into the President's budget to see what is proposed for this coming year. Consider this: the President's budget for the elderly would cut Medicare $6 billion. For low-income heating assistance, that would just be wiped out. For housing for the elderly, there would be no action, no further action, on it; just forget about that. Forget Medicaid, put a cap on it.

All of these proposed cuts hit home. For instance, that last one, a Medicaid cap, would mean that if there is only so much money from the Federal Government, then the States would have to make up the balance.

Mr. President, what I think all of this says to us is that the people of this country are wondering whether we have established priorities of where cuts should be made. If those priorities have been established, are these the type of cuts that we want—so much taken out of the hides of the elderly of this country? Or, if you want to look at it from the other side of the age spectrum, less money for education of America's youth? I think the people of this country would like us to have an established priority that puts them first, puts their needs first, and establish the budget on that basis.

For my part, I share the confusion that most of the people of this country have over the generosity, or the ability, or just having the guts of sending the money down to the Contras in Nicaragua while, at the same time, cutting these other programs that affect Americans here at home.

Yes, Mr. President, I think people of this country have a right to be confused in pondering the vote we took here yesterday to release another $40 million for the Contras.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR GRASSLEY

The PRESIDING OFFICER (Mr. HEFLIN). The distinguished Senator from Iowa is recognized.

Mr. GRASSLEY. I thank the Chair.

PROGRESS ON STATISTICAL POLICY FOR AN AGING SOCIETY

Mr. GRASSLEY. Mr. President, I rise today to discuss an unglamorous, but critical topic—Federal statistical programs and their importance to this body as we prepare in the coming years to address the "graying of America."

Recently, I saw a publication from the U.S. Bureau of the Census that dramatically depicted what the age structure of the U.S. population will look like in the 21st century and also reminded me of the importance of our Federal statistical resources in trying to come to grips with the public policy issues which will be created by these population changes.

This publication provided graphic evidence of a phenomenon all of us in this body have been hearing a great deal about for some time now—the aging of the U.S. population. But that's hardly news.

POPULATION RECTANGLE REPLACES POPULATION PYRAMID

But there is a real eyeopener here, and that is how much more extensively the age structure will change in the next century than it has so far in this century. In the words of the census paper, "the age structure will be dramatically different from anything we have experienced before." We are all used to thinking in terms of the classical population pyramid, in which the peak of the pyramid constitutes the very old and the base of the pyramid the young. What we are going to see by the year 2030 is nothing less than the replacement of this classical pyramid by something that looks much more like a rectangle because older people are going to be so numerous relative to other age groups.

NEED TO RESIST AGE STEREOTYPING

Now, it is important not to fall into the trap that many of us here in the Congress seem so prone to fall into—that of embracing a negative stereotype of all older people and lamenting what this population rectangle is going to mean in the way of additional problems. Clearly—and survey after survey of the elderly has shown this—the overwhelming number of older people, at least up to the age of 70, and for many even after 70, get along well and do not need to be treated by us as though they were helpless and doddering.

INCREASE IN NUMBERS, HOWEVER, WILL MEAN NEW CHALLENGES

It is true, however, that the sheer increase in the numbers of older people, and especially of the very old, in the early decades of the next century is going to mean also that that minority of older people who do experience problems in health and functional well-being is going to grow considerably in absolute terms. The number of people who are going to need nursing home care, the number of people with dementia, the number of people who experience hip fractures are all going to increase greatly in the next century. And this growth will present challenging public policy problems.

THE USEFULNESS OF DATA AND THE INTERAGENCY FORUM ON AGING-RELATED RESEARCH

The Census Bureau publication to which I referred earlier also gives some indication of how useful properly developed data on this segment of our population can be in shaping our perception of the issues involved and in the development of appropriate policy.

With respect to this, I am happy to report that a project launched by several foresighted executive branch officials, led by Dr. Frank Williams, the Director of the National Institute on Aging, and Dr. John Keane, the Director of the Bureau of the Census, is beginning to bear fruit.

I refer to the Interagency Forum on Aging-Related Statistics, a project which has been described to me by knowledgeable people as perhaps the most important development with respect to statistical policy on the elderly in a decade. I am particularly pleased that there is progress to report because some of us in Congress were able to contribute in a small way to this project.

Frank Williams and John Keane perceived that the coming rapid changes in our population, to which I have referred, will confront our society with challenges of historic proportions. They understood that agencies at every level of government, including the staff offices that directly support our work in Congress—the Congressional Research Service, the GAO, the Office of Technology Assessment, and the Congressional Budget Office—depend heavily on the Federal statistical system in order to understand and interpret changes that are underway and to plan effectively for the future. They were particularly sensitive to the need, in a time of fiscal constraint, for collaboration among Federal statistical agencies so that we could get better mileage out of our Federal statistics for the same amount of money.

Last year, Senator COCHRAN and I, jointly through the Subcommittee of Governmental Affairs, which oversees Federal statistical policy, and the Subcommittee on Aging, which oversees the Older Americans Act, held a hearing on "Statistical Policy for an Aging Society" at which we reviewed with Drs. Williams and Keane and other experts the need in this area and their plans for addressing these needs. Subsequently, at our request, the Appropriations Committee provided a small amount of money to support the work of the interagency forum.

I am happy to be able to say that, since that time, the forum has proceeded ahead and is making noteworthy progress:

Among other things:

Forum participants are working with the Census Bureau to be sure that the 1990 census, which obviously will be a major source of data on the old as we head toward the 21st century, gathers the most critically needed information on the elderly;

The Bureau of the Census and the National Center for Health Statistics will begin publishing an annual statistical report on older people—the census will report on social, economic and demographic status of the elderly, and the Center will report on health status;

They have had numerous meetings with technical staff of agencies to see how data from different surveys might be matched to expand the analytical potential of our Federal survey efforts.

Mr. President, I, with others in this body concerned to see that we make policy for our aging society on a sound basis, will be following closely the efforts of the Interagency Forum. I fully expect that, as this project continues, we will continue to see improvements in our ability to bring appropriate statistical resources to bear on the policy issues raised by the aging of our population.

The PRESIDING OFFICER. We have no orders outstanding at this time. Senators are free to seek recognition.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of morning business not to exceed 5 minutes and that Senators may speak therein up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR EDWARD ZORINSKY

Mr. NUNN. I am proud to associate myself with the remarks of my colleagues about and to have served with Ed Zorinsky. Ed Zorinsky was a man who brought a strong sense of independence, firm convictions, a profound understanding of rural life and farm issues, and devotion to the people of Nebraska to this Chamber.

He learned early in his political career that you must sometimes defy traditional methods to achieve your goals. When then-Omaha Mayor Zorinsky saw his Republican party bypassing him for the Senate nomination, Zorinsky simply changed parties and was elected in the fall. Word had it that when Ed Zorinsky heard the Republicans calling him turncoat and the Democrats an opportunist, he joked, "They're both right."

He was called a maverick in the Senate and his constituents applauded the label. They knew his independence was born from strong convictions and a sense of devotion to Nebraska. He would not be confined by the old rules. He was a politician who put the public interest first, even when it did not necessarily coincide with public opinion. He was not a politician who would always vote down party lines, or down regional lines. This could be seen most plainly in his approach to Latin America. He refused to side with President Carter on the Panama Canal Treaty; he refused to side with President Reagan on support for the Sandinistas. He voted by the issues and had to be convinced on each score.

During the farm crises of 1985, Ed Zorinsky brought a wealth of knowledge and understanding to a volatile issue. When farming communities were turning slowly in the winds of economic change, Edward Zorinsky was fighting on the floor of the Senate for long-term agricultural policies that would ensure the success for agriculture for years to come. His advice and counsel were sought during the tortuous debates over commodities programs. In this arena he was proven an able negotiator where many were grabbing for pieces of the ever shrinking budget pie.

Ed Zorinsky took the long view on an issue. Though he fought for commodity programs for Nebraska, he also recognized that the U.S. farmer was competing in the marketplace of global agriculture. He knew that the American farmer, alone, could not compete against the treasuries of Europe or the barriers of Japan. Ed Zorinsky worked to see the formation of a national commission on agricultural trade and export policy, a move that seems especially provident in light of the current trade picture.

History will judge Edward Zorinsky as a man who made an impact on his times and a man who affected in a positive way the lives of those persons he touched. His streak of Nebraska independence, his sense of devotion to the people of his State and their way of life made important contributions to this Chamber. I will miss him.

BRYCE HARLOW

Mr. NUNN. Mr. President, when I came to Washington as a newly elected Senator in 1972, I was given some advice that was considered standard advice for freshmen of both houses and both parties. I was advised to get in touch with Bryce Harlow. His exceptional knowledge of Washington, it was said, could be helpful to me and help me avoid pitfalls.

In my case, the source of this advice gave it the force of a command. It came from my great uncle, Carl Vinson. He had spent 50 years in the House and was a major committee chairman for more than half of that tenure. He had developed a profound respect for Bryce among the countless individuals he had encountered during his half century here. Up until his death in 1981, Uncle Carl would ask me about Bryce before inquiring about any other individual in Washington.

The subsequent years provide his advice to be especially sound and Bryce was an indispensable advisor for me as well as many of my colleagues. Bryce Harlow's death was profound loss for my family, me and everyone else who claimed kinship with Uncle Carl. With sadness, Mr. President, I want to join other colleagues in paying tribute to him.

In 1949, my great uncle became chairman of the House Committee on Armed Services, formed by the consolidation of the Military Affairs Committee and the Naval Affairs Committee. In assuming this responsibility, Uncle Carl selected Bryce Harlow as his top staff man. Today, Bryce would have been called the chief of staff or staff director, but titles were less exalted in the late forties and he was called the chief clerk. Bryce had come to Washington several years earlier to work for the Library of Congress. He had served on the staff of Gen. George Marshall during World War II, when he first caught the attention of Uncle Carl.

Carl Vinson and Bryce Harlow worked side by side during one of the most eventful eras in the history of the House Armed Services Committee in the late forties and early fifties. It was a period of great achievement for Congress and the country, and Bryce Harlow played an indispensable role.

In January 1953, Dwight Eisenhower was inaugurated as a new Republican President and Bryce Harlow was recruited to become the top House-side lobbyist on the newly formed White House staff. President Eisenhower showed great wisdom in turning to this Oklahoma Democrat for this important role, and the choice has proved to be historic. Bryce's ability to work with figures like Speaker Rayburn and Chairman Vinson was an indispensable ingredient of the spirit of bipartisanship that marked the Eisenhower years.

In 1958, Bryce became the head of the Office of Congressional Relations at the White House. After an absence from the Government for 8 years, he returned to the White House for several years in 1969 to fill the same post under President Nixon. With each passing year, his stature increased as an advisor to Presidents. President Johnson first knew him as a Member of the House, had worked closely with him as majority leader and is known to have respected his advice as President. Bryce was well known as an unpaid advisor for Presidents Ford and Reagan.

There is one legend, Mr. President, that illustrates Bryce's work as an advisor to Presidents. As the story goes, Bryce was having a telephone conversation with President Johnson one day during the transition in late 1968 and early 1969. During this conversation, a secretary handed him a note saying that President Eisenhower was telephoning, was on the line himself and wanted to hold. This placed Bryce in the uncomfortable position of attempting to concentrate on a conversation with the President of the United States while watching a flashing button signaling that a former President, General of the Armies, and revered American was waiting to talk to him. At that moment, the door opened and an excited young aide entered to tell him to drop whatever he was doing because the President-elect wanted to see him immediately. Bryce apparently managed to juggle all three with grace and calm.

Mr. President, one must ask what quality separated Bryce Harlow from countless other ambitious men and women who come from Oklahoma, Georgia, California, and other places for careers in Washington. One eulogy referred to his sound judgment. He was a man of wit and clever wordsmith and phrasemaker, and these qualities have been mentioned in recent editorials and tributes.

While I agree that he possessed many qualities, Mr. President, the primary factor that separated him from others is embodied in one word—trust. Bryce Harlow was trusted by everyone—Republicans and Democrats, legislators and executive officials, those with power and those who sought it. This trust was earned with a career of integrity, patriotic commitment, and hard work. His death is a loss for the country, for my family, especially because of his association with my great uncle, and for me.

SENATOR EDWARD ZORINSKY: IN MEMORIUM

Mr. HOLLINGS. Mr. President, this Chamber has been filled repeatedly in recent days with words of mourning, words of praise for Ed Zorinsky. The U.S. Senate has lost one of its authentic independent voices, as man of allegiance first and foremost to Nebraska and to the American farmer.

Certainly, a great void has been left on the Senate Agriculture Committee, where Ed chaired the key Subcommittee on Production and Price Stabilization. As the distinguished minority leader remarked last week, rural America never had a better friend than Senator Zorinsky. Ed spoke out passionately about the economic plight of the American farmer. He vocally opposed President Carter's embargo of grain sales to the Soviet Union, pointing out that it caused more hardship to Americans than the Soviets. Likewise, Ed fought for fair prices and fair trade practices to help American agriculture through its current troubles.

Much has been made of Ed's free thinking on the subject of party membership and allegiance. He once joked that when Republicans called him turncoat and Democrats called him opportunist, "I told them they both were right."

It is more to the point to remember that Ed was a man of consistent and genuine conservative conviction. He was nonpartisan in the best sense of the word, constantly seeking compromise and consensus both in committee and on the floor. We will miss his contribution to the legislative work of the Senate. Most of all, we will miss his friendship.

TRIBUTE TO THE LATE ALEXANDER McQUEEN QUATTLEBAUM

Mr. THURMOND. Mr. President, I rise today to pay tribute to Mr. Alexander M. Quattlebaum, an outstanding South Carolinian who recently passed away. To his wife Lou and his fine family, I extend my deepest sympathy.

I have known and admired Mr. Quattlebaum for many years. He was a respected engineer, businessman, civic leader, churchman and patron of the arts and humanities who made invaluable contributions to his State.

An engineering graduate of Clemson College, Mr. Quattlebaum received a master's degree in civil engineering from Cornell University and a doctoral degree from the University of Iowa. He was a fellow of the American Society of Civil Engineers and national director of the Association of General Contractors of America.

He taught civil engineering at Clemson before entering military service in 1942. He served in Australia, New Guinea and the Philippines during World War II and was promoted to the rank of lieutenant colonel in the U.S. Army Corps of Engineers. He was awarded the Bronze Star for valor and numerous other service medals.

In 1947, he organized Harllee-Quattlebaum Construction Co. in Florence and served as its president until he retired in 1972 and moved to Georgetown. After his retirement, he remained active as the chairman of the board.

He was elected to the board of trustees of Clemson University in 1958 and served for 16 years there after which he was elected a trustee emeritus for life. In 1974, he was appointed by the Governor to the South Carolina Commission of Higher Education. He also served as a trustee of Presbyterian College and the State college board. He received a doctor of humanities degree from Francis Marion College in 1977.

Mr. Quattlebaum was one of the organizers of Peoples Bank of South Carolina and served on its board of directors and that of Bankers Trust of South Carolina. He was a trustee of Brookgreen Gardens and Spoleto Festival USA and curator, treasurer and vice president of the South Carolina Society.

He was also a member, deacon and elder of Georgetown Presbyterian Church and moderator of Harmony Presbytery.

He endowed two McQueen Quattlebaum professorships in engineering and the McQueen Quattlebaum Faculty Achievement Award at Clemson University in honor of his father, also a civil engineering graduate of Clemson. He also endowed Presbyterian College with the Quattlebaum Honor Scholarships, which offers full grants to eight students of exceptional ability.

In addition, he established in 1985 the Gian Carlo Menotti artist-in-residence endowment at the College of Charleston and the Quattlebaum apprenticeship for College of Charleston students in Spoleto Festival USA.

Alexander Quattlebaum was a true renaissance man whose interests extended far beyond his profession. He was a dedicated patron of the arts and the humanities. He valued education and invested his resources to promote it. He was ever mindful of his civic responsibilities, a devoted husband, father, and a man of deep faith.

He was a person of outstanding character and conviction, a patriotic American who carried out his duties with ability, integrity and courage. He was loved, respected, and admired by all who knew him.

Mr. President, a true leader is one who approaches life asking what he can give to it rather than what he can take from it. Alexander Quattlebaum was such a man. He gave generously of himself in everything to which he turned his energies—in his military service, professional duties, church work, civic involvement, and interest in the arts and humanities. South Carolina and this Nation have lost one of their finest in his passing.

Mr. President, I ask unanimous consent that the following articles which appeared in the Charleston News and Courier be printed in the RECORD, and I ask my colleagues to join me now in honoring this truly great American.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the News and Courier, Charleston, SC, Mar. 13, 1987]

A.M. QUATTLEBAUM

The harvest of a full life is still with us, despite the death on Tuesday of Alexander McQueen Quattlebaum at the age of 73. Mr. Quattlebaum reaped from a successful career as the president of a construction company he founded, and as a banker, the bounty that allowed him to become a generous benefactor.

His name lives on in professorships he endowed at Clemson University, at Presbyterian College and at the College of Charleston. His name became synonymous with the arts in the Lowcountry. He was a director of Spoleto Festival USA and of Brookgreen Gardens. His interests extended to state history, and he served as curator, treasurer and vice president of the S.C. Historical Society. He will be remembered for his service to the youth of this state, to the Boy and Girl Scouts as well as his commitment to education.

Mr. Quattlebaum distinguished himself as an engineer, as a soldier and as a business man. He made his mark in many fields but gave his heart in service to his church, his community, his state and his country.

[From the News and Courier, Charleston, SC, Mar. 12, 1987]

RETIRED GEORGETOWN BUSINESSMAN ALEXANDER QUATTLEBAUM DIES

GEORGETOWN.—Alexander McQueen Quattlebaum, 73, a plantation owner and retired president of Harllee-Quattlebaum Construction Co., dies Tuesday at his residence.

The funeral will be at 2 p.m. Thursday in Georgetown Presbyterian Church. Burial, directed by Goldfinch Funeral Home of Conway, will be in Lakeside Cemetery.

Mr. Quattlebaum was a son of McQueen Quattlebaum and Elizabeth McCall Harllee Quattlebaum. He was an engineering graduate of Clemson College. He received a master's degree in civil engineering from Cornell University and completed doctoral work at the University of Iowa. He was a fellow of the American Society of Civil Engineers and was a national director of the Association of General Contractors of America.

He taught civil engineering at Clemson before entering military service in 1942. He served in Australia, New Guinea and the Philippines during World War II and attained the rank of lieutenant colonel in the Army Corps of Engineers. He was awarded the Bronze Star and numerous service medals.

In 1947, he organized Harllee-Quattlebaum Construction Co. in Florence and served as president until he retired in 1972. He remained active as chairman of the board of the company.

Mr. Quattlebaum moved to Arundel Plantation, near Georgetown, after his retirement. The plantation had been passed on to him in 1955. At that time, he was also the owner of Milton Plantation, located on the Pee Dee River.

In 1958, he was elected to the Board of Trustees of Clemson University. He served for 16 years, after which he was elected Trustee Emeritus for life. He was a member of the S.C. Commission of Higher Education, 1974-78. Also, he was elected a trustee of Presbyterian College in 1974, a position he held to the present.

In 1977, he was awarded an honorary doctor of humanities degree by Francis Marion College in Florence. Two years later and again in 1983, he was elected a trustee of the S.C. State College Board.

Mr. Quattlebaum was one of the organizers of the Peoples Bank of South Carolina and was on its board of directors. Later, he was on the board of directors of Bankers Trust of South Carolina. He was a member of the board of trustees of Brookgreen Gardens, the board of directors of Spoleto Festival U.S.A., and was curator, treasurer and vice president of the S.C. Historial Society.

David Moltke-Hansen, director of the S.C. Historical Society called Mr. Quattlebaum "a receptive, devoted student and a remarkable friend, not only to the historical society, but to art and cultural institutions around the state. His dedication to history and education has made him one of the most generous supporters that this state has ever seen.

"He will be sorely missed, not only because of his caring and generosity, but because of his business acumen and realism. His foresightedness will be displayed in the S.C. Regional Conference on the planning of the Columbus Quincentenary. Under his advice and leadership, the South is leading the nation in the planning of the Quincentenary," Moltke-Hansen said.

Mr. Quattlebaum was a past president of the S.C. Wildlife Federation. He also served on the boards of Myrtle Beach Farms in Myrtle Beach, the Burroughs and Collins Co., the Jerry Cox Co. and the Burroughs Co. of Conway.

In Florence, he was active in the Florence Chamber of Commerce and the United Way. He was finance chairman of the Girl Scouts and Boy Scouts for construction of new camps, was president of the Pee Dee Area Council of the Boy Scouts of America and received the Silver Beaver award for outstanding service.

Mr. Quattlebaum was a supporter of higher education and the arts. He endowed two McQueen Quattlebaum professorships in engineering and the McQueen Quattlebaum Faculty Achievement Award at Clemson University in honor of his father. He endowed to Presbyterian College the Quattlebaum Honor Scholarships, which provides full grants to eight students.

In 1985, he established the Gian Carlo Menotti Artists-in-residence Endowment at the College of Charleston and the Quattlebaum Apprenticeship for College of Charleston students in Spoleto Festival U.S.A.

He was a past moderator of the Harmony Presbytery and deacon and elder of Georgetown Presbyterian Church.

Surviving are his wife, Lucille Godfrey Quattlebaum; three sons: Alexander Quattlebaum Jr. and Thomas Quattlebaum, both of Charleston, and Donald Quattlebaum of Florence; a daughter, Lucille Swaback of Phoenix, Ariz.; a brother, Cephas Quattlebaum of Charlotte, N.C.; and 10 grandchildren.

COMPETITIVE EQUALITY BANKING ACT OF 1987

Mr. PROXMIRE. Mr. President, last week the Banking Committee reported out the Competitive Equality Banking Act of 1987. That bill and its accompanying report were filed with the Senate today and we hope to take it up on the floor next week. The following members of the Banking Committee, although their names for technical reasons cannot be on the bill that was filed, want it to be known that if this were a newly introduced bill, they would want to be listed as original cosponsors. The Senators in addition to me are: Senators CRANSTON, RIEGLE, SARBANES, DODD, DIXON, SASSER, SANFORD, GRAHAM, and HEINZ.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, will the Chair state what the question is before the Senate?

The PRESIDING OFFICER. Morning business is concluded.

MORATORIUM ON ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

The PRESIDING OFFICER. The Senate will resume consideration of the pending question, which the clerk will report.

The legislative clerk read as follows:

The motion to proceed to the joint resolution (H.J. Res. 175) to impose a moratorium on United States assistance for the Nicaraguan Democratic Resistance until there has been a full and adequate accounting for previous assistance.

The Senate resumed consideration of the motion to proceed to the joint resolution.

Mr. BYRD. Mr. President, I hope the Senate will be able today to proceed to the consideration of the joint resolution on the moratorium. At the present moment, the question is on the motion to proceed. I will have a few minutes of comments on the motion.

If any other Senators wish to discuss the motion, I would suggest that they come to the floor and be prepared to discuss it. Otherwise, the Chair is required to put the question.

ORDER OF PROCEDURE—CONFERENCE REPORT ON HIGHWAY BILL

Mr. BYRD. Mr. President, during the afternoon, I would hope that the Senate could take up the conference report on the highway bill. The distinguished Republican leader and I have been discussing this. This is a matter of great importance to the States. It is important to the States to be able to plan for the construction season which is going to be upon us quickly. I hope that the Senate can turn to that matter during the afternoon and dispose of it. It has been around for a long time.

This is legislation that died in conference last year, and the conferees have worked hard, following the prompt action of both Houses already this year to pass the highway legislation. The conferees have acted to report back to their respective Houses, and I hope we can proceed during the afternoon to dispose of the conference report on the highway measure.

Mr. SYMMS. Mr. President, will the majority leader yield for a question?

Mr. BYRD. I yield.

Mr. SYMMS. Mr. President, I hope we could proceed with the highway bill before the majority leader would try to proceed with the pending motion. I know that this Senator and several others would probably be prepared to discuss proceeding to the previous question on this issue, but I think the highway issue is one we should try to get before us.

Mr. BYRD. Very well. I would suggest that the staff notify the managers and let them come over and call up the conference report. While they are doing that, I will proceed with some comments on the pending motion on the moratorium.

Mr. SYMMS. I say to the majority leader that I would not want to see the conference report brought up until the House concurrent resolution with respect to the Symms amendment on the speed limit is attached to that conference report.

Mr. BYRD. This Senator respects the views of the distinguished Senator. I am certainly willing and ready to proceed to the conference report on the highway bill, and I would hope that Senators would be prepared to debate that and to act on it and get it down to the President for his signature.

Mr. SYMMS. Will the majority leader yield?

Mr. BYRD. Yes.

Mr. SYMMS. The majority leader is talking about sending it down with the concurrent resolution with respect to the 55-mile-per-hour speed limit attached to it, is he not?"

Mr. BYRD. I would like to see action on both, and I am ready to yield the floor to the managers to call up the conference report. In other words, I am not going to hold the floor against action on the highway matter.

There is time this afternoon to talk about both and to complete action on the highway matter and also to proceed on the motion to take up the moratorium. I share with the distinguished Senator the concern about the importance of getting the highway legislation to the President.

My comments on the motion to proceed to take up the moratorium resolution will be brief. In the meantime, Senators who are interested in getting to the conference report can come over and we can handle that.

What I am saying is that I am amenable to——

Mr. SYMMS. I am sure that the distinguished floor manager, the Senator from New York, has discussed this with the majority leader. But the agreement that was reached in conference was that the House would vote up-or-down on the Symms amendment, which they did yesterday; and either way the vote came out, we would then either have no Symms amendment on the speed limit or we would have one on the speed limit on the conference report that would be attached and sent to the President. That is the agreement the conferees agreed to, and I think several of us feel bound to that. I say that to the majority leader.

That puts us in the position that we cannot proceed with the conference report on the highway bill until we resolve that we are going to move forward with the concurrent resolution with reference to the speed limit. I think that is where the Senate is. I think we could do the speed-limit concurrent resolution first, and then we could pass the conference report and send it to the President for his signature.

Mr. BYRD. Mr. President, is not the conference report a privileged matter?

The PRESIDING OFFICER. (Mr. FORD). The distinguished majority leader is correct. It is a privileged matter.

MORATORIUM ON ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

The Senate continued with the consideration of the motion to proceed to the joint resolution (H.J. Res. 175).

Mr. BYRD. Mr. President, I take it that no Senator wishes me to yield, so I shall proceed to discuss the motion to proceed to take up the House joint resolution, House Joint Resolution 175, which is a joint resolution to impose a moratorium on United States assistance to the Contras pending an accounting of the funds that have already been spent or should have been spent.

Tonight President Reagan will hold his first press conference in 4 months. This will be the President's first press conference since his address to the Nation on March 4, the first Presidential press conference since the President spoke about his direct involvement in the Iran-Contra affair after the report of the Tower Commission.

In his address to the Nation on March 4, President Reagan accepted in full the recommendations of the Tower Commission, but questions, indeed many questions, still linger in the minds of many Americans regarding the President's role in the whole affair.

The issue has not gone away and so the President should not be surprised. When the press asks questions of the President, the press is asking questions because millions of Americans have questions, millions of Americans have a nagging suspicion that the truth has not yet come out. They suspect and, therefore, they do not trust; and because they do not trust, the credibility of the Presidency suffers.

The President himself has indicated that while the American people love him they do not believe what he has said in every instance about this nagging question.

The press should be asking questions that are very much on the minds of the American people. The President, for example, stated in his address of March 4 that he undertook the original Iran initiative in order to develop relations with those who might assume leadership in a post-Khomeini government. That was the President's assertion and it has been his assertion ever since the Iran scandal broke.

Last November, the President declared that his administration did not trade weapons or anything else for hostages, "Nor will we," he said. He asserted that it was not his policy or the policy of his administration at the time.

It is an assertion that the President still maintains to this day, apparently. Indeed, it is the fundamental assertion on which President Reagan's credibility rests.

There was no official arms for hostage policy he claims. The arms for hostage swap was not part of the strategy, he has said. His policy of reaching out to moderate elements in a strategic opening simply "deteriorated in its implementation into trading arms for hostages." Those are the President's words of March 4.

The President said in his March 4 address,

> A few months ago I told the American people I did not trade arms for hostages. My heart and my best intentions still tell me that it is true, but the facts and the evidence tell me it is not. As the Tower Board reported, what began as a strategic opening to Iran deteriorated in its implementation into trading arms for hostages. This runs counter to my own beliefs, to administration policy and to the original strategy we had in mind.

Mr. President, the President did not have to read the Tower board report to know that this was an arms-for-hostages deal and indeed it did not, as he said, "deteriorate in its implementation," into trading arms for hostages. And indeed, it is not true that, to quote the President, "This runs counter to my own beliefs, to administration policy." It did not run counter to his own belief. It did not run counter to his policy. It did not run counter to the administration policy. Nor did it merely deteriorate in its "implementation" into an arms-for-hostage deal.

The President stated more than 14 months ago—on January 17, 1986—when he signed his name to the following "Finding":

> I hereby find that the following operation in a foreign country (including all support necessary to such operation) is important to the national security to such operation, is important to the national security of the United States, and due to its extreme sensitivity and security risks, I determine it is essential to limit prior notice, and direct the Director of Central Intelligence to refrain from reporting this finding to the Congress . . . until I otherwise direct.

What did the President authorize here?

> Assist selected friendly foreign liaison services, third countries and third parties which have established relationships with Iranian elements, groups, and individuals sympathetic to U.S. Government interests and which do not conduct or support terrorist actions directed against U.S. persons, property or interests, for the purpose of: (1) establishing a more moderate government in Iran, (2) obtaining from them significant intelligence not otherwise obtainable, to determine the current Iranian Government's intentions with respect to its neighbors and with respect to terrorist acts, and (3) furthering the release of the American hostages held in Beirut and preventing additional terrorist acts by these groups. Provide funds, intelligence, counter-intelligence, training, guidance and communications and other necessary assistance to these elements, groups, individuals, liaison services

and third countries in support of these activities.

What activities? One such activity was that of furthering the release of the American hostages.

I shall read further from the President's "Finding": "The U.S. Government will act to facilitate efforts by third parties and third countries to establish contact with moderate elements within and outside the government of Iran" by what? "by providing these elements with arms, equipment and related materiel in order to enhance the credibility of these elements in their effort to achieve a more pro-United States Government in Iran by demonstrating their ability to obtain requisite resources to defend their country against Iraq and intervention by the Soviet Union. . . ."

The Presidential "Finding" is dated January 17, 1986, signed by Ronald Reagan.

So what we have here is a Presidential "Finding"—an authorization to provide funds, to provide intelligence, to provide training, guidance, communications, to facilitate efforts by third parties and third countries, to establish contact with so-called moderate elements within and outside the Government of Iran and to provide such elements with what? Arms. For what purposes? I have stated the three purposes that were outlined, the third of which was "furthering the release of the American hostages held in Beirut and preventing additional terrorist acts by these groups."

Now the President signed this authorization 14 months ago, on January 17, 1986. It has his signature on it. In other words, he authorized 14 months ago the arms-for-hostage deal. Right here in the authorization, written in the English language, plain as the nose on your face, is his signature, Ronald Reagan.

So, then, how could this effort to begin a strategic opening to Iran have deteriorated "deteriorated in its implementation into trading arms for hostages"? That is what the President himself authorized.

How, then, could the arms-for-hostages swap have run "counter" to the President's "own beliefs," or counter "to administration policy"? How could it have done so? He signed the policy. He authorized it. Furthermore, he directed the CIA "to refrain" from telling Congress until he otherwise directed; until he otherwise directed.

So, the word "deteriorated" is a very strange word to use about a Presidential policy. It suggests that in this instance things just got out of hand, because somebody had the best of intentions; a case of bad results with good ends; no harm intended, no harm done.

So the President was looking one way while the policy went another way. These things happen. And that is the impression we are being given.

But if one reads the report of the Tower Commission, the President's assertion that his policy was not an arms-for-hostages policy seems to be very much in conflict with the Presidential "Finding" of January 17, 1986, which he himself signed and which is printed in the Tower Commission report on page B-60.

Also, there is a memorandum which accompanied the finding. The Tower report stated, much to my surprise, that the President did not read this memorandum that was attached at the same time to the "Finding" which the President signed. As to the memorandum itself, we were told in the Tower Commission report that the President was briefed on it but did not read it. That is an amazing observation.

The subject matter of the memorandum is "Covert action finding regarding Iran." And in that memorandum it is very clearly stated as to what we are talking about. I will just select one paragraph therefrom:

> The Iranians have indicated an immediate requirement for 4,000 basic TOW weapons for use in the launchers they already hold.
>
> The Israeli's are also sensitive to a strong U.S. desire to free our Beirut hostages and have insisted that the Iranians demonstrate both influence and good intent by an early release of the five Americans. Both sides have agreed that the hostages will be immediately released upon commencement of this action. Prime Minister Peres had his emissary pointedly note that they well understand our position on not making concessions to terrorists. They also point out, however, that terrorist groups, movements, and organizations are significantly easier to influence through governments than they are by direct approach. In that we have been unable to exercise any suasion over Hizballah during the course of nearly two years of kidnappings, this approach through the government of Iran may well be our *only* way to achieve the release of the Americans held in Beirut. It must again be noted that since this dialogue with the Iranians began in September, Reverend Weir has been released and there have been no Shia terrorist attacks against American or Israeli persons, property, or interests.
>
> Therefore it is proposed that Israel make the necessary arrangements for the sale of 4000 TOW weapons to Iran. Sufficient funds to cover the sale would be transferred to an agent of the CIA. The CIA would then purchase the weapons from the Department of Defense and deliver the weapons to Iran through the agent. If all of the hostages are not released after the first shipment of 1000 weapons, further transfers would cease.
>
> On the other hand, since hostage release is in some respects a byproduct of a larger effort to develop ties to potentially moderate forces in Iran, you may wish to redirect such transfers to other groups within the government at a later time.
>
> The Israelis have asked for our urgent response to this proposal so that they can plan accordingly. They note that conditions inside both Iran and Lebanon are highly volatile. The Israelis are cognizant that this entire operation will be terminated if the Iranians abandon their goal of moderating their government or allow further acts of terrorism. You have discussed the general outlines of the Israeli plan with Secretaries Shultz and Weinberger, Attorney General Meese and Director Casey. The Secretaries do not recommend you proceed with this plan. Attorney General Meese and Director Casey believe the short-term and long-term objectives of the plan warrant the policy risks involved and recommend you approve the attached Finding. Because of the extreme sensitivity of this project, it is recommended that you exercise your statutory prerogative to withhold notification of the Finding to the Congressional oversight committees until such time that you deem it to be appropriate.

The "Memorandum for the President" was "from John M. Poindexter" and was "prepared by Oliver North."

But it also indicated, in the Tower report and by a note on the memorandum initialed by Admiral Poindexter, that "The President was briefed verbally from this paper," and the "VP, Don Regan," and someone else whose name I cannot decipher "were present."

It is somewhat amazing that the President would not have read the memorandum, but be that as it may, the President did sign the "Finding" authorizing the arms for hostage deal and instructed the CIA not to inform the Congress. So, Mr. President, one might ask what was this "Finding" if it wasn't an arms for hostage policy? The United States seems to have been paying ransom for hostages and not doing a very good job at it. This is disturbing, and I am sure disturbing to the American people because it is now being reported that millions of dollars in profits from the Iran arms sales were paid to the very groups that are still holding Americans as hostages. America has reportedly paid $2 million to $3 million to the Global Islamic Movement to support the bed and board arrangement to cover the expenses incurred by the kidnapers holding the hostages, if the reports are true.

So what are the American people to think? When the President of the United States is asked questions about the Iran-Contra affair, those questions are legitimate questions. The American people have a right to know. The press did not make up the controversy, and the American people did not suddenly begin to doubt the President because they all got out of bed on the wrong side some several months ago.

The controversy has arisen and the doubts continue because the President had an arms-for-hostages policy. There were, in fact, two policies. There was a public policy, which was the correct policy. The public policy was not to sell arms to Iran. There was an embargo on arms to Iran. President Carter set that embargo in place.

Last year at the economic summit seven industrial nations, including the United States, all agreed that they would not make concessions to terrorists and that would include no sale of arms to terrorist countries.

So what was happening here was simply that we had a public policy, and we went abroad, and urged our allies to support that public policy. It was the right policy. The United States was reportedly not wanting to take sides in the Iran-Iraq war and second, as the President himself stated repeatedly, we would make no concessions to terrorists. We would enter into no deals with terrorists. That was the right policy. And our allies were urged to support that policy. But surprisingly, and unfortunately, there was a secret policy. That secret policy was the policy that I have just been talking about, the policy that the President himself subscribed to, and attached his name to; namely, authorizing the transfer of arms to Iran, and one of the purposes being to secure the release of American hostages.

So we had a public policy that was right. But we had a secret policy that was wrong. We got caught. We got caught in the secret policy.

That is why the credibility of our Nation has been impaired.

The secret policy was in direct contravention of the stated policy of the administration; namely, that it would never deal with terrorists.

Mr. President, the American people are entitled to know the answers to these questions. And they are entitled to the facts. I hope that the President will be able to illuminate in his press conference tonight such facts as will explain what happened, why, and also I hope that the select committees of the Congress will press ahead expeditiously in their efforts to develop the facts.

It was reported that funds were diverted from sales of arms to Iran to the Contras. The American people are entitled to know what the facts are in that regard. Yesterday, the Senate voted to send $40 million more to the Contras. The American people are entitled to know how the previous moneys have been spent that have been provided to the Contras as a result of actions by the Congress. The American people are also entitled to an accounting of what happened to the diverted funds. The Contras have not been without assistance. The Contras have been funded. They have been funded by public moneys appropriated by the Congress. They have been funded by private sources. They have been funded by other governments. And they have been funded by the diversion of moneys from the arms sales made to Iran.

Why should not the American people have an accounting? Why should there not be an accounting of the moneys already spent? Every person listening to this debate, every person watching this debate is entitled to know what happened to the moneys that have been spent. It is your taxpayers' dollars. That is what we are talking about. The $40 million yesterday that the Senate voted by a very close vote to give to the Contras is your money; it is the taxpayers' money. This money could have built bridges. It could have helped the poor. It could have built roads. It could have bought food for hungry Americans. It could have provided homes for homeless Americans. Yet, it is going to the Contras who have not shown by their skill, their prowess, their ingenuity, their talents, or battles that they have been able to secure one inch of territory, or that they have been able to secure the loyalty, devotion, dedication, and support of the people of Nicaragua. They have been unable to provide a viable political alternative.

The administration has gone down this road, never veering to the right or to the left. The only road is that of supporting the Contras.

The administration has not fully utilized the other tools, the other instruments of foreign policy—the diplomatic, economic, and political instruments of foreign policy. It has only focused on the one instrument, and that is the military.

The Contras, the Contras, the Contras. That is the only solution that has been offered by the administration.

The Contras have had ample opportunity to prove that they can accomplish some goals. One goal would be the support of the native people there, the Nicaraguan people. They have not been able to do that.

Yet we are being asked again and again and again to just spend a few more million; yet the administration has been unwilling to show its faith in the democratic process, unwilling to utilize the instruments of diplomacy. It always comes back saying, "Give me more, more, more, more money, your money, the taxpayers' money."

Well, what about an accounting? "No, no, no. Let us not have an accounting."

Why the resistance? Why the opposition to an accounting of the moneys that have been spent? What is wrong with that?

Perhaps those of us who have had these questions and who have not supported this $40 million would be more willing to support such funding. If we could have an accounting. Who knows? What is wrong with having an accounting of how the American people's tax dollars have been spent before asking for more?

What about the moneys of the private givers? What about them? How have their moneys been spent? Would we need another $40 million if we knew how much money had come from private sources or how much money had come from the diversion of arms sales?

No. We are asked to buy a pig in a poke, forget the money that has already been appropriated. "We do not want an accounting of that. Just give us more. More."

The American people are entitled to know where their hard-earned tax dollars have gone, to whom they were given, who received those moneys, who spent those moneys, and for what? What did the American people get in return for their hard-earned tax dollars, dollars that came from the sweat of their brow?

That money could be better spent for things here in this country. The American people are in need. We have pockets of poverty in this country. People are out of jobs. Young people want to get an education.

The President's budget would slash education by 28 percent; and eliminate vocational education. Education is the first line of defense.

It is a kind of Johnny-come-lately administration to the subject of trade and competitiveness, yet they want to cut funds for education which will enable our young people to compete in the future; cut the funds for scientific research. But, do not cut the funds for the Contras, they say, and do not have an accounting of those moneys that have already been spent.

The American people are entitled to that accounting and every Senator in here should have to answer to the American people for a refusal to vote for an accounting of the moneys that have been spent already.

Mr. President, that is what the motion here is about, the motion to proceed to the consideration of House Joint Resolution 175, a joint resolution to impose a moratorium on further Contra funding until there has been a full and adequate accounting for previous assistance.

We require accountings from the departments of Government when they come up to the Congress and ask for additional moneys. "How did you spend the moneys last year? How were those moneys spent? What is the record? How many new positions did you fill? You have been a steward of the people's moneys in connection with this program. How much money do you have left from last year's appropriations?"

So we then make a determination as to whether or not we will appropriate additional moneys, partly based on the record of how the previous moneys were spent on programs, on personnel, on offices, or for equipment, whatever. That is what those of us who support this motion here are asking for in the case of moneys to the Contras.

Speaking of Federal budgets, last February, on February 28, the President in his weekly radio address once again blamed the Congress for the Federal budget deficit and the possibility of new taxes. As surely as night follows day, "a huge tax burden will be thrust on the American people."

On March 13, he said, "All these tax hike schemes have about as much chance of flying as a dead duck." Well, if one looks closely at the President's budget, it is clear that not all the President's "ducks" are in a row. The President's budget contains increases in taxes. The President's budget contains increased revenues. Twenty-two billion dollars in increased revenues; six billion dollars in new or increased taxes.

Unfortunately, he wants to say one thing while his policies do another, his budget does another. I wonder if the President's aides have told him that there are new and increased taxes in his own budget. More taxes. More moneys for the Contras.

Why should there not be an accounting? Why should the American people not have an accounting of the moneys that have been spent?

Mr. President, I hope that the Senate will vote to proceed to the joint resolution providing a moratorium until there is an accounting of the funds that have already been spent on the Contras.

If the managers are interested in having the conference report on highways called up, I would be happy to accommodate them.

Mr. President, I yield the floor.

Mr. **HELMS** addressed the Chair.

The **PRESIDING OFFICER** (Mr. SIMON). The Senator from North Carolina is recognized.

Mr. **HELMS**. Mr. President, I have listened with great interest and admiration to the distinguished Senator from West Virginia, during which time he raised some relevant questions, one being, How about an accounting of the funds already sent to the Contras?

I shall be glad to go with the Senator from West Virginia to the Senate Intelligence Committee, where there is now and has been a full accounting of the funds. I will join the Senator in requesting that this information be made a matter of public record. I have not seen it, but I know it is there. Other Senators who have seen it know it is there.

Mr. President, Ronald Reagan does not need any defense from me. He still is regarded more highly by the American people than the Congress of the United States. True enough, the major media and the opponents of the President and the opponents of the President's party have done everything they can to exacerbate the situation.

I do not blame them for that; that is their right. But when we begin to absolve the Congress of the United States from any responsibility on the deficit and the enormous national debt, I am moved to wonder when it was that the President was allowed, under the Constitution, to spend one dime that had not been appropriated by the Congress of the United States.

The truth of the matter is that we in the Senate and those in the House of Representatives, where spending measures originate under the Constitution, are responsible. Some of us have been saying that for years. I do not think there has been a time during the nearly 15 years that I have been in the Senate that I did not vote to reduce Federal spending at every opportunity.

I wish we could get on to the business of the American people. The Senate spoke by a close margin yesterday on the Contra issue and that was a very volatile political and philosophical issue. I understand that. I have no grievance with any Senator who disagreed with this Senator, who feels that the American people, once given the facts, will understand that it is their hide that is at stake in this issue.

We have said over and over again that Central America is ripe for a takeover by the Soviet Union. I did not say by the Sandinistas; I did not say by Fidel Castro, because they are surrogates of the Soviet Union.

We should revisit the warnings that were sounded by many years ago, when the New York Times and CBS and many politicians were proclaiming that Fidel Castro was not a Marxist, as had been suggested or declared; that he was just an agrarian reformer who was going to do good for the Cuban people. The New York Times, day after day, repudiated any suggestion that Fidel Castro was a Communist. But Fidel Castro verified it immediately upon taking charge in Havana. He said, "I have been a Communist since I was 15 or 16 years old; I am a Communist now; and I will be a Communist until the longest day I live."

He has proved that. Cuba is exporting revolution in every direction. Somebody said the other day that Cuba is now the largest country in the world. They have their troops in Africa and they have their troops in Nicaragua. They have fanned out over such a broad area that Cuba is now the largest country in the world.

I wish, Mr. President, that we could put an end to this bashing of the President of the United States. I say again what I have said in previous days, that at least it must be said by future historians that it was not Ronald Reagan who jerked the rug from beneath the freedom fighters in Nicaragua; it was Congress, by throwing roadblock after roadblock in his path and in the paths of others who understand what the issue is and what the peril is.

Mr. President, I hope we can move on to something else, but this Senator is prepared to talk at some length about the motion to proceed. I say that with all due respect and friendship for my friend from West Virginia. I just wish we could get on to some other business. If he can work it out to move to the highway bill or some other legislation, that would certainly suit the Senator from North Carolina. If not, I am prepared to stay here as long as anybody else.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **BYRD**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BYRD**. Mr. President, I hope that Senators on both sides of the aisle who may be interested in speaking on the pending motion will avail themselves of the opportunity. Both the distinguished Senator from North Carolina and I have spoken briefly on the motion. I do not desire to speak again, at the moment certainly; I may have had my say for the day. But if Senators want to speak either for or against the motion to proceed to the moratorium, they should come to the floor and avail themselves of the opportunity. Now is a very good moment when nobody seeks recognition. I hope we will not spend the rest of the afternoon, just the Senator from North Carolina and I, holding the floor. We can proceed to a vote on the moratorium if Senators are willing, but if they want to speak, I urge them to come to the floor.

Mr. **HELMS**. Mr. President, I share the view of the distinguished majority leader. I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **BYRD**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. DASCHLE). Without objection, it is so ordered.

Mr. **BYRD**. Mr. President, the distinguished acting Republican leader, Mr. HELMS, the ranking minority member of the Committee on Foreign Relations, is on the floor, and he and I have already addressed the pending motion.

If no Senator wishes to speak, it is my understanding that the Chair is required to put the question. May I ask the Chair, am I correct in that?

The **PRESIDING OFFICER**. The Senator is correct.

Mr. **BYRD**. I am prepared for the Chair to put the question. I am not prepared to sit here all afternoon with just two Senators on the floor, the Senator from North Carolina and myself, as much as I enjoy his company. If Senators want to speak on the motion, they ought to get on the floor and start talking.

Is it the intention of the distinguished Senator to speak or does he intend to put in a quorum call, if I should yield the floor?

Mr. HELMS. I will, I say to my friend the majority leader, suggest the absence of a quorum and then it can go live.

Mr. BYRD. Mr. President, I will be happy to yield the floor, if that is the intention of the distinguished Senator from North Carolina. I join him in suggesting the absence of a quorum, and it will be a live quorum, Mr. President. We either need to have a showdown on this motion or take the floor and deliver our remarks, or whatever remarks we wish to say, but there is no point in just sitting here and looking at one another and keeping everybody here. We can just recess and go out for the day if that is all we have to do. But we have business to do. I hope during the afternoon we can get on the highway bill conference.

QUORUM CALL

Mr. BYRD. Mr. President, both the Senator and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum Vote No. 7]

Bond
Byrd
Danforth
Daschle
Durenberger
Hatfield
Helms
Sanford

The PRESIDING OFFICER. A quorum is not present. The clerk will call the roll of the absentees.

Mr. BYRD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendence of absent Senators and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia [Mr. BYRD]. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] and the Senator from New Jersey [Mr. BRADLEY], are necessarily absent.

Mr. DOLE. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Oregon [Mr. PACKWOOD], and the Senator from Wyoming [Mr. SIMPSON] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 88, nays 6, as follows:

[Rollcall Vote No. 32 Leg.]

YEAS—88

Adams
Baucus
Bentsen
Biden
Bingaman
Bond
Boschwitz
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Warner
Wilson
Wirth

NAYS—6

D'Amato
Gramm
Proxmire
Quayle
Wallop
Weicker

NOT VOTING—6

Armstrong
Boren
Bradley
Kassebaum
Packwood
Simpson

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quorum call, a quorum is now present.

MORATORIUM ON ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

Mr. BYRD. Mr. President, the question is on the motion to proceed to the consideration of the House-passed joint resolution that places a moratorium on further Contra funding until an accounting can be had of the funds that have already been provided. I hope that we can proceed with a vote on the motion to proceed. At any time no Senator seeks recognition, the Chair has the duty to put the question, so I hope that Senators will stay on the floor. I hope more than that that they will just not talk and we can vote on the motion to proceed. But certainly, Senators have a right to speak, and I want them to be protected in that right. If Senators are not going to be here seeking recognition, the Chair has that duty to put the question.

I spent considerable time this morning, with the Senator from North Carolina and me just sitting here looking at one another. I enjoy his company, but we have work to do. Both he and I have work to do. I made what I thought was a rather impassioned and eloquent, persuasive speech, but nobody was here to listen to it. So I put the quorum in and it became live so Senators would know that we do have a matter of importance before the Senate.

If Senators are not going to speak, I hope they will let us vote on proceeding to take up the motion.

I thank the Senators for their indulgence.

FOR ACCOUNTABILITY IN GOVERNMENT SPENDING

Mr. CRANSTON. Mr. President, I do not seek recognition in order to delay a vote. I would like to see a vote at the earliest opportunity. I would like to speak briefly on what I feel this vote is all about.

The people of our country and its taxpayers are entitled to know what their money is being used for, how it is being used, how it is being spent. That is basically the issue now, accountability.

The current crisis in American foreign policy and in our Government itself was brought about by individuals who took actions without accountability either to the Congress or to the American people. We have seen evidence in recent weeks, compiled by the President's own Commission, that this administration has been conducting a Central American policy outside of the law. The Tower Commission report demonstrates beyond a doubt that the White House was actively involved in procuring funding for the Contras during a period when direct or indirect Government assistance was forbidden by law. These actions were taken despite the President's having said in connection with congressional approval of Contra funding last year:

> I want to state unequivocally that we will not augment this $100 million through the use of CIA or any other funds that have not been approved by the Congress for this purpose.

We all know that the exact opposite happened. The price we pay for deceptions like this in terms of retaining the confidence and trust of the American people and our allies is immeasurable. If we are to restore the confidence of the American people in the ability of their Government to carry out a sound and effective foreign policy, we must show them that we demand accountability for our policymakers and from those who we presume to call our allies.

Let us review the evidence which has been uncovered thus far of illegal funding for the Contras.

In violation of the law, over $50 million has been raised for the Contras over the last 2 years by a fundraising network coordinated by NSC officials operating from the basement of the White House. Total unauthorized funding of $53 to $73 million has been reported thus far by the Tower Commission, Attorney General Meese, and the State Department.

These moneys include the following: $25 million from one foreign official, identified in the press as King Fahd of Saudi Arabia, reported by the Tower Commission; $8 million in weapons and other shipments through another country, identified in the New York Times as Guatemala, reported by the Tower Commission; $10 to $30 million generated by the sale of American weapons to Iran reported by Attorney General Meese. The Tower Commission subsequently identified $19.8 million in proceeds from the arms sales that has not been accounted for; and $10 million from Brunei, solicited by the State Department.

The Tower Commisison reports that White House officials arranged all of these donations and diversions, and organized a supply network providing aid to the Contras with the assistance of CIA, Pentagon and State Department personnel.

In addition to our lack of knowledge about the disposition of these funds, we still do not know what happened to more than half of the so-called humanitarian aid which Congress authorized for the Contras in 1985. A General Accounting Office audit of these funds could only account for about $13 million out of the $27 million authorized.

It would be irresponsible to send more American tax dollars to an unknown fate in Central America when we still cannot account for the whereabouts of legally authorized assistance for the Contras, and no one can tell us how much money the Contras have received illegally in the meantime.

Finally I note that, given the claims that the Contras are suffering only because they lack funds, one wonders what they have done with all this illicit money. What have they done with it? I, for one, would argue that at the very least, we should reduce whatever Contra funding the administration requests for the Contras by the amount of money the administration steered to them outside of the law.

If this administration is going to insist on going against the will of the American people, I think the least we in Congess owe them is some accounting of where these millions of dollars have gone.

That is what this debate here today is really all about—accountability. The question before us today is not whether or not the Contras are worthy of American support. Those of us on one side of the issue and those on the other have long since agreed to disagree about the merits of providing aid to the Contras. The question we are asking here today is: Will this administration continue its recent, and welcome, trend of taking responsibility for its actions, or will it continue its former practice of neglecting oversight as to the whereabouts of American taxpayers money, as well as other funds solicited by this administration?

I think most of us in Congress agree that we must have accountability in the conduct of U.S. foreign policy.

So the joint resolution we would like to consider very soon by being able to pass a motion to proceed to that resolution would call for an accounting of this money. It is fiscally irresponsible to propose spending more money, to proceed to spend more money, when there are all these questions about what has happened to the money we have already authorized. I therefore hope we will soon get to this matter, that those who are preventing us from voting on the resolution to proceed to that matter will stop, get out of the way, and let us proceed.

So let us end this filibuster and let us vote to proceed, then vote for the joint resolution asking for an accounting.

I yield the floor.

Mr. ADAMS. Mr. President, I do not rise to in any way limit or put off the voting on the motion to proceed. I think we should vote on the motion to proceed as promptly as possible, and I hope that this will not be filibustered because it is very important to the American people that on the issue of Contra aid they have a full accounting of their money.

This comes from a broad spectrum of American people, not only those who favor cutting off Contra aid because the policy is wrong—and I happen to join with those people; I think it is wrong from our historical perspective of what occurred to this Nation in Vietnam—but I also think that it is a wrong policy for our leadership in this hemisphere. But there is another group of people in the United States that may not have the strong feelings that I do in opposition to Contra aid who feel there should at least be an accounting of the moneys that have been sent before sending any more. It is tragic that we cannot move immediately to a vote which would state that we will account for the moneys that have been sent.

This matter becomes worse every day. It is not a matter of simply saying that things occurred in the past and therefore we should be very careful about whether accounts were sent through the Cayman Islands or whether accounts were sent through Swiss bank accounts or that money was raised from various private sources or there had been a privatization of American foreign policy. We get down to the fundamental fact that this whole policy is unraveling day by day by day in the United States. And it started unraveling long ago. But since the last votes were cast by the 99th Congress, we have had the Tower Commission report.

The Tower Commission report indicates—and it is on page CCCXXI. I am going to read from section (c)—

> The NSC Staff and Support for the Contras. Inquiry into the arms sale to Iran and the possible diversion of funds to the contras disclosed evidence of substantial NSC staff involvement in a related area: Private support for the contras during the period that support from the U.S. Government was either banned or restricted by Congress. There are similarities in the two cases. Indeed, the NSC staff's role in support of the contras set the stage for its subsequent role in the Iran initiative. In both, Lieutenant Colonel North, with the acquiescence of the National Security Adviser, was deeply involved in the operational details of the covert program. He relied heavily on private U.S. citizens and foreigners to carry out the key operational tasks. Some of the same individuals were involved in both. When Israeli plans for the November Hawk shipment began to unravel, Lieutenant Colonel North turned to the private network that was already in place to run the contra support operation. This network, under the direction of Mr. Secord, undertook increasing responsibility for the Iranian initiative. Neither program was subjected to rigorous and periodic interagency overview. In neither case was the Congress informed. In the case of contra support, Congress may have been actively misled.
>
> These two operations differ also in several key aspects. While Iran policy was the subject of strong disagreement within the executive branch, the President's emphatic support for the contras provoked an often bitter debate with the Congress. The result was an intense political struggle between the President and the Congress over how to define U.S. policy toward Nicaragua. Congress sought to restrict the President's ability to implement his policy. What emerged was a highly ambiguous legal environment.

(Mr. DASCHLE assumed the chair.)

Mr. ADAMS. Mr. President, this and the other matters which are presently pending, about which we will know more as the months go by, indicate a responsibility on the part of the Congress of the United States to be involved in a simple accounting for where the money went. In addition to that, to have an accounting for the one type of operation that I have quoted from the Tower report. I remind my colleagues that the Tower Commission report was not a partisan document. It was a document created by a former Republican Senator, and a former National Security advisor in a Republican administration. It cries out for examination by the Congress to carry out its duty to determine where public funds are spent. This brings a whole new group of people into this debate in every State, every city, every county of this Nation. They are asking, "Where did our money go? If we are going to have money vanishing in Miami bank accounts or in the Cayman Islands or in Swiss bank accounts, that is both Government money and money from other nations, why couldn't we at least take our Government money and spend it on the great needs that we have within our Government?

Another source of resentment is the fact that if the Contras were labeled "welfare mother," we would examine where the food stamps have gone, we would examine if she were qualifying for aid from the United States, but here we have an operation where we have clear original evidence and every day we have the building of evidence by both select committees of the Congress and by other special prosecutor units saying we are trying to determine who was in charge, who spent the money, who received the money, who built the facilities, why did they build the facilities.

This is a matter of simple justice for the American taxpayers and for those who are having their moneys from tax resources severely restricted in this country, in fact removed from them. This ranges from the agricultural community to those who have no unemployment benefits, to those who have received nothing in the past attempts to build jobs within their communities.

So this debate becomes a much deeper and more significant one than just on foreign policy issues. It becomes one of how do we spend our money, how do we build the economic might of the United States as well as the foreign military might.

How are we running this policy? People look to the Congress of the United States, and they look particularly to the Senate of the United States, to account for moneys that are being spent. A great many Members in this body have spent a great amount of time accounting for moneys in various programs.

I say to those who have asked for an accounting and have rigorously pursued it with domestic programs, can we do no less than pursue this in our foreign operations, particularly when we have already found from the findings of the Tower Commission and from the statements that are made daily in the national press that we have a significant problem of what happened to $27 million?

Now, there may be a great deal more money. We do not even know yet how much money came off the top of the Iran sales. Every day, as this begins to unfold in front of the Senate of the United States, we will each be asking, as we move to proceed with a motion for a moratorium, until we can get an accounting, which is what you do in circumstances like this, why it was that we were not saying, "Wait a minute. Let us account for this before we spend any more."

It is a fundamental power of the Congress. The President may have, under the Constitution, certain foreign policy powers, but the Congress of the United States, and only the Congress of the United States, controls the powers of the purse. This motion to proceed on the House joint resolution regarding a moratorium goes directly to the power of the purse.

I have heard my colleagues indicate enormous economic difficulties in their States. I share that concern. The timber industry in my State is decimated. The agricultural industry in my State is in great trouble. Many of the cities are in trouble because they are having funds removed from them from the Federal level, and they cannot raise their local taxes. Yet they are required by law and by the courts to provide certain services.

(Mr. HARKIN assumed the chair.)

Mr. CONRAD. Mr. President, will the Senator yield?

Mr. ADAMS. I am happy to yield to the Senator, without yielding the floor, for whatever comments he may wish to make, on my time.

Mr. CONRAD. I ask the distinguished Senator from Washington a question. I am a member of the Senate Budget Committee and I know that he served on the House Budget Committee. I am concerned with the precedent that we set if we do not have an accounting of funds before we send more money down to Nicaragua or anywhere else in Central America—for that matter, anywhere else in the world.

We have a situation in which over the last 6 years we have doubled the national debt. We have annual budget deficits running nearly $200 billion a year and have become a debtor nation for the first time in 71 years. I think we have a responsibility to fiscal restraint and fiscal responsibility that requires us to send a clear signal, domestically and internationally, that we account fully for funds that are expended.

If we had a situation in this country in which we had sent $27 million for some program, as we have done in the case of humanitarian assistance to Nicaragua, and we could account for only one-third of that money and could not account for two-thirds of it—and, in fact, of the $9 million that we can account for of humanitarian assistance, some $80,000 went for grenades. It is a curious notion of humanitarian assistance. If we had a similar situation in any other program where two-thirds of the money could not be accounted for, I think we would have very serious questions on the floor of the U.S. Senate and the House of Representatives and, indeed, from this administration.

People would be wondering: Where did the money go? Why can we not account for a public expenditure? What kind of precedent and what kind of example are we setting for this country and for the rest of the world as to the kinds of economic fiscal policy coming out of Washington, DC?

So I ask the Senator from Washington, who served on the House Budget Committee, Do we not have an obligation in this process? We are just entering into the new budget phase. Do we not have some clear responsibility to get an accounting for those funds before we go any further?

I know that in my home State of North Dakota, which is in deep trouble economically, we are facing a depression in the agricultural economy, and we are facing a depression in the energy economy. We have a situation that is so serious that the people of the State would be outraged at the notion that we would send additional aid anywhere in the world without having an accounting for what has already gone there.

I am interested, as a former chairman of the House Budget Commitee, as to how the Senator from Washington would react. What kind of precedent would it set us us to send additional dollars before we have had a full accounting?

Mr. ADAMS. I think it would be a horrifying prospect to sit as chairman of the Budget Committee and to realize that we have certain limits that we have to meet under Gramm-Rudman and to defend the proposition that we are not willing to account for funds that are under serious charge at the present time—and I mean serious charge by such groups as the Tower Commission.

My friend, the Senator from North Dakota, is an expert in local financial affairs, and therefore his comments as to what is happening at the local level are very important. The local levels are starving to death for revenues. They are unable to meet their obligations. To have an amount of money of this size—and I think it will grow larger as the revelations come forth during the next few months—would cause local officials to be in the kind of trouble that some of our Federal officials involved in this NSC-type operation are involved in now.

As chairman of the Budget Committee, I am appalled by the fact that we are not prepared to move forward with an accounting.

We are going to have a budget resolution on this floor, and when it is, we are going to find that nearly every group in the United States will have to either stay at current levels or will be cut, or we will have to be going into the type of programs that are set forth in the President's budget which have been repeatedly rejected by Congress and therefore are not viable options, or we will have to consider some type of revenue enhancement, or we will have to consider drastic cuts in the defense budget as well as in the domestic budget; because if we were to appropriate or authorize no new money for the defense budget, we would be caught in the trap that we have an enormous financial bow wave in front of us that is going to cause the outlays in that budget to escalate every year for the next number of years.

Mr. CONRAD. Mr. President, will the Senator yield?

Mr. ADAMS. I yield for a question.

Mr. CONRAD. Just to make a further comment and to ask a further question before I conclude.

Many of us agree that there is a crisis in Central America. I have just come from my home State, and the Central America we see a crisis in is North Dakota, South Dakota, Iowa, and Nebraska. There is a crisis.

If we were to send a signal to the people of the heartland that we accept sending money anywhere out of this country and we are not able to get a full accounting for what has happened to that money, I think we would be subjected to the greatest vilification and the most serious questioning we could imagine, and deservedly so; because our people expect that we, as their representatives, spend money prudently and that even when we make a mistake, we at least know where the money has gone.

I ask my friend, the Senator from Washington, once again: Do we not have a clear obligation to get a full accounting before we send additional money anywhere out of this country, given the extreme stress that some parts of our country are feeling? Do we not have that clear obligation?

Mr. ADAMS. I thank the Senator.

I feel that we have a clear obligation to account for any moneys that not only have gone out of the United States but also, to pick the worst case, to first investigate those. The worst case in this instance is, where has the money gone that has supposedly gone to the Contras?

A number of us are familiar with the operations that go on in banking in the Cayman Islands. I do not know how many other Members have been in the Cayman Islands but I have been there. I know their system at one point had grown larger than the Swiss banking system in terms of closed accounts. We have closed accounts there that money is moving in and moving out of.

However, it is the policy of the Cayman Islands if we can establish a criminal activity is taking place they will open those accounts. But how do we establish a criminal activity unless we audit our own matters before we start?

The Senator from North Dakota is absolutely right. You cannot start one of these cases, and I say this as an old prosecutor and former U.S. attorney, unless you have the evidence. The kind of evidence we are going to be able to get with people taking the fifth amendment the way they have are the documents. How do you get the documents? You conduct an audit. How do you conduct an audit? You shut off the money and you squeeze down on everybody until they show you where the money has gone, and the only way you are going to get cooperation in this case is if the people who are receiving the money start to cooperate. The only time they are going to start to cooperate is when they stop getting money.

So if you shut off the money to the Contras, they are going to begin to join with the same forces in the United States and say, "we are willing to tell you where the money went."

They may not know. If they do not, then we have a program that is so much worse than anybody can believe. We do not have a difference in opinion or a difference in political philosophy or a difference in budgeting. We just have plain chaos out there.

We have somebody going out on the streets, and if they did it in my city I know what would happen, and throwing money on the streets and saying "All you folks out there that need a little money come in and pick it up, and if you pick it up you can have it." Then when somebody says "How much money did you send out?" I think you can say, "I think it was $27 million." And they say, "Where did it go?" And you say, "Well, I gave it to the folks. They were out there in the street and they needed it."

So as you have given it to them, you wonder then where it went.

What would happen in any city in America if, say, the assessor—and my friend from North Dakota has been an assessor—if he were to say, "Well, I have collected some money from the property taxes and I have decided that my farmers out there really need a little money," and they do, and if he said, "I just sort of drove around the State in North Dakota and I have given a little money here and a little money there, and some of it went for mortgages and I think I can find a couple of those, but you will have to ask the folks who got the mortgage."

So if you go out there and you ask the folks who got the mortgage, they begin to think, wait a minute, now, how or why should I cooperate in this? But if he says to them, "I have to have this accounting. If we don't have an accounting, then there is not going to be any more assistance for anything out here." Then they begin to talk about it.

We have here what seems to me such a simple proposition of the Congress carrying out its responsibilities and an accounting for the money. The bill has passed the House. It is here. It is a moratorium that says we do not want to send any more until we have an accounting for what we have, and that proposition should be one that we can all unite in and simply do the accounting.

Mr. CONRAD. Mr. President, will the Senator yield for one further question?

Mr. ADAMS. I am happy to yield.

Mr. CONRAD. One final question.

My friend from Washington I think is making the correct point and hopefully through repetition, if nothing else, we convince people of how serious it is that we do have an accounting. That is very basic.

I want to be sure that we do not send an inadvertent message here, however, because I for one have listened to the distinguished Senator from North Carolina, and I think many of the points that I hear him make about the Sandinista regime are precisely right. I am convinced for one that the Sandinista regime is repressive, denies press freedom, and basically are a dictatorship of the left, and I for one do not support dictatorships of the left or right.

Again I would repeat I think much of what I have heard from the distinguished Senator from North Carolina, the Senator from New Hampshire, and others who have commented on the makeup of the Sandinista regime are right on the mark.

They are a group I do not respect, have no time for, and I think constitute an organization and assumption of power that does not enjoy popular support.

At the same time, I think it is inappropriate for us to conclude that the only alternative open to us is to send an additional $40 million down and that is going to make a difference, that that is going to allow the Contras to be successful.

I for one am convinced that in terms of successfully combatting the Sandinista regime, we must find a way to deny them popular support, and I very much fear that when you have big Uncle Sam down in a very obvious way providing financial assistance and military assistance to the contra forces, all you do is buttress that Sandinista regime.

I am deeply concerned that, when you buttress that Sandinista regime by providing the external threat that they can use to point out to their people that is coming from outside, you simply strengthen their hands internally.

I am very quick to point out and agree perhaps even with my distinguished colleague from North Carolina that it is very difficult to overcome a Marxist regime once it is in place. There is no question about that.

The question is, How do we do it most effectively?

The one thing I am convinced we do not do is we do not send dollars down that cannot be accounted for because that undermines our own credibility, that costs us public support here at home and ultimately undermines the system for which many of us have such great respect.

So with that, I say to my friend from Washington, I would simply conclude by asking him once again, "Do we not have a fiscal responsibility, a management responsibility, indeed a moral responsibility, to fully account for the money that has gone there before we send any more?"

Mr. ADAMS. I would answer the Senator from North Dakota we absolutely do. I think this is essential if we are going to maintain our credibility in not only Central America but the entire hemisphere.

I wanted to mention, Mr. President, additional evidence in this case regarding the accounting procedures. On December 5, 1986, the General Accounting Office, which is the body called upon by the Congress of the United States to do examinations of accounting procedures for the House and the Senate, did an examination of the flow of money that was going into the Contra operation. This is a letter from the U.S. General Accounting Office, dated December 5, 1986, to the Honorable Michael D. Barnes, chairman of the Subcommittee on Western Hemisphere Affairs, Committee on Foreign Affairs of the House of Representatives.

> DEAR MR. CHAIRMAN: This report responds to your October 15, 1986 request, that we monitor compliance with the legislation that made $27 million available for humanitarian assistance to the Nicaraguan Democratic Resistance. A key provision of that law requires the President to establish appropriate procedures to ensure that program funds are not used for other than humanitarian purposes.
>
> The assistance program was administered by the State Department's Nicaraguan Humanitarian Assistance Office, NHAO. The NHAO control procedures we reviewed were not sufficient to ensure that the funds were used as intended by law.
>
> According to NHAO the governments of certain Central American countries did not permit NHAO to set up operations in the region as originally intended. Instead of its own control, NHAO said it relied primarily on intelligence reports to provide information on purchases and deliveries.
>
> According to NHAO individuals and officials, the intelligence reports were initially sporadic but became increasingly frequent in detail.
>
> We were denied access to these reports and thus cannot comment on their comprehensiveness or adequacy. We realize the constraints on NHAO control over expenditures and deliveries in the region given its inability to operate openly there.
>
> The State Department maintains that intelligence reports show that the goods and services under this program have reached the intended beneficiaries, but the Department did not provide us evidence to support this assertion. As far as we could determine, most transactions could not be fully tracked or verified.
>
> In response to allegations NHAO investigated some transactions and confirmed two cases of misuse of funds. Due to the absence of verifiable controls and inability to audit work in the region, we cannot say whether these cases are indicative of a significant problem or isolated cases as the State Department maintains. These matters are summarized below in detail.
>
> As of September 4, 1986, NHAO had disbursed $26.8 million. NHAO authorized these payments based on invoices, receipts, and other documentation, indicating that goods and services had been provided by U.S. and regional suppliers. According to the receipts, about 64 percent ($17.0 million) was spent on goods and services purchased in the region; $9.8 million was paid to U.S. suppliers. The receipts indicated that the bulk of the funds (about $24 million) went for food, pharmaceuticals, transportation, and clothing.

It goes on to explain that they have tried to continue to verify this. They have been unable to do so.

I do not understand why it is that anyone would at this point oppose a motion to proceed with the termination of paying more money until we can check these intelligence reports, these receipts, whether or not they exist, plus the other moneys which are now just being uncovered that I referred to in the Tower report that apparently have been skimmed from Iran sales.

I think the American people really want to know where their money is going. And the only way that you can determine where money is going is, as I say, through the obtaining of documents and through a paper or electronic trail which can be obtained once you get enough documents to start with the appropriate indictments to open up the bank records in the Cayman Islands. And, yes, you can also open records under certain conditions in the Swiss bank accounts.

We have been met with frustration in the Senate of the United States by its committees and others in attempting to determine what this actual operation was. We are convinced, many of us, that this operation amounted to no more than taking American foreign policy and putting it in private hands. I think we need to know that. And the only way we can find that out is by putting sufficient pressure on the recipients that they come up with the kind of documents that I have referred to in the GAO report; documents that either say this arrived, it was spent, we saw it, we used it or not.

Therefore, I hope, Mr. President, that this body will proceed immediately with the motion to proceed and thereafter with an immediate vote on the moratorium resolution and that it goes through and that the President signs it and that we go and find out where this money went. We owe the American people no less. And I will remind my colleagues of this when the budget comes to the Senate floor and I will do this not out of any spirit other than cooperation, but I will remind them, as various Senators are criticizing particular U.S. programs, for either the nonpayment back of funds or the auditing of funds as to where they went, and particularly when you are dealing with checks to people who are in a poverty level in the United States, that we would not even account or move to vote to account for funds that we sent abroad.

I want to go back to one statement that was made by my colleague from North Dakota. I think that the people of the United States are as interested when they talk about Central America of the Central American portion of the United States as they are the Central American portion of this hemisphere. And with that interest, they want to know where our money is going. I think that everybody, regardless of their political philosophy, owes a duty to the people of the United States to vote for this and say we will proceed with that accounting before we send any more.

I thank the Chair for the time that we have had to begin the debate on this. We do not want to delay it. I hope that we would move to a vote on the motion to proceed this afternoon so we could go immediately to the substance, and various Members of the Senate have been deeply involved as some of us have only recently been involved in monitoring these things, as we have had testimony.

I see my distinguished colleague, the Senator from Rhode Island, who is chairman of the Foreign Relations Committee, is on the floor. He held extensive hearings on the Iran matter. We certainly began to hear, those of us on that committee at that time, that there was grave doubt as to where this money went and what kind of operation was going on. We certainly, at least in my mind, had it established that there was a back channel operation. What we are concerned about now is that we may be in the worst of all worlds, that there is neither a front channel or a back channel, that there is no channel at all.

Therefore, I hope we move with the motion to proceed and that we vote for that and for the moratorium as passed by the House of Representatives and we get on with this business so that we can determine the fiscal affairs of the United States in a responsible manner.

I thank the Chair for the time.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Thank you, Mr. President.

Mr. President, it appears to me that this issue was voted on very clearly yesterday. It was voted on in the other body and the motion was defeated here. There is an appropriate accounting taking place right now by two standing committees, one of the other body and one of this body. That is what the investigative special committees are doing, and many of our distinguished colleagues are serving on those committees and getting those answers.

So this is really not a debate about accounting or accrual. This is a debate this afternoon, if we move forward with this motion, which I am opposed to moving forward with the motion, to go back over the same ground and see if it is not possible to send a message down to Central America that somehow there is a lot of indecision in the United States as to whether or not they are willing to stand up for the Contras, for an opportunity for the original revolution in Nicaragua to reach and meet its goals.

Many of the people that were involved in the revolution in 1978, in 1979, and in 1980 in Nicaragua found that their revolution had been betrayed, betrayed, Mr. President, by their own leaders. They now have a very authoritarian, tyrannical, oppressive government of the worst nature. They use terror and force to enforce the laws of their land and to keep order in Nicaragua today.

I would just read a quote: "The revolution kills individuals and intimidates thousands." That was not something that was said recently. That was said by Leon Trotsky commenting on the policy of Red terror in "Democracy Versus Dictatorship" in 1922.

Mr. President, I do not know how many times we in this Chamber and the United States of America have to go back over the same ground and repeat history. I said it on the floor yesterday. Jeffersonian democracies are very hard to find in Third World countries and we have to make a choice between which side we are on.

It is very interesting that our adversaries—the big promoters of darkness, of terror in this world, of poverty, of oppression—the Soviet Union, are the people who have no trouble deciding which side they are on. In fact, they have a doctrine that, once a country falls to a Communist dictatorship, it will be their policy in the future to try to keep that country in that same position and condition.

Mr. President, I appeal to my colleagues and say that we made a mistake in the late 1950's and early 1960's in that we did not liberate Cuba. We made a mistake. All one has to do is visit Cuba and see the disappointment on the faces of the Cuban people, the lack of happiness there, the lack of opportunity for them, the lack of freedom, if you will, and know that we made a mistake in the United States of America that we did not provide support for those people in the early 1960's who were willing to liberate our good friends in Cuba so that they could be a part of the Western Hemisphere, in a friendly community of nations, where they could trade, do business, and be a part of the Western Hemisphere and a part of friendship of the United States.

Mr. President, there is no regime more barbaric, no regime that violates human rights more in a manner more constant and permanent than the Sandinista regime in Nicaragua today. It is not an issue of accounting. The accounting is available.

I see my distinguished colleague from Nevada, a member of the Intelligence Committee, on the floor. I would just ask my colleague a question and I would yield to him on the basis of a question and not to have it counted as a second speech.

The PRESIDING OFFICER (Mr. DIXON). Without objection, it is so ordered.

Mr. SYMMS. It is my understanding that there is an accounting that our distinguished colleague was talking about available to us in S. 407 for any Senators who want to see it; is that correct?

Mr. HECHT. Mr. President, the distinguished Senator from Idaho is absolutely correct. The CIA and State Department spokesmen have assured the Senate Intelligence Committee members that they have maintained detailed fiscal records on the handling of these appropriated funds, including disbursement controls.

What we are talking about here is $60 million of approved and appropriated funds. I have heard the testimony like you have the last 2 days, and there are different avenues coming together.

What they are talking about is commingling and some alleged outside money. What I am talking about is what the CIA and State Department have said, the appropriated funds. They have volunteered to allow Senate Intelligence Committee representatives to examine these accounts if desired. I would like to also note that some committee members and staff have had frequent detailed periodic briefings from both agencies on their handling of this project during the past 7 months.

Repeating what the minority leader said yesterday, we have been told that the House Intelligence Committee staff has examined these accounts and found them to be satisfactory.

I hope that will clear up any question the Senator from Idaho might have.

Mr. SYMMS. I thank my good friend from Nevada for that point.

I would like to make the point, Mr. President, that this is not a question of accounting. This is a question of whether we are willing to accept the status quo in Nicaragua or whether we are willing to support the friends who are pushing for an opportunity to have a democratic system in Nicaragua where people can have an opportunity to join in with the community of nations and have a rather free country.

More people left Nicaragua under repression of the Sandinistas in the last years that have been there than in all the time during the so-called bad years of the Somoza regime. In all of the years that Somoza was in power, less people left the country. I made that observation yesterday. I think it is over 200,000 if my memory recalls correctly. There are over 200,000 exiles now who left Nicaragua because of the oppression in the past 5 years from this oppressive regime.

The Sandinistas now hold, Mr. President, more political prisoners than any other government on the Latin American mainland. That is really what the issue is about. Are we willing to support those people who want to overthrow the oppressive, barbaric regime in Nicaragua or do we want to let the status quo exist in Nicaragua, and then the next President of the United States, if not this President, will be in a situation where American troops will have to be used to try to pry loose from the jaws of the Soviets and the Cubans the tight grip they will get on those people?

The issue is not about accounting. It is not about anything else. I respect my colleagues, but I do not disagree more with them on this issue.

The fact of the matter is that there is a Communist dictatorship that is getting a stranglehold on the mainland of the Americas that will be pushing the revolution into the surrounding countries and into Mexico.

I remember my good friend, the late Senator Jackson, from Washington, who made the statement time and time again when we were debating the issue on El Salvador. He said, "My colleagues"—he said it on the floor of this Senate—"the issue is not El Salvador. The issue is Mexico. The issue is not Nicaragua. The issue is Mexico." It has long been a goal of the Soviet Union to stir up a revolution in Mexico so the United States of America would have problems on our southern borders and would have to weaken our commitment to the national alliance in Europe, thereby giving the Soviets the upper hand in the Western European front.

That is clearcut. That is what the issue is all about. If we cannot see that, if we cannot look at the mistakes that were made by not helping those people who wanted to liberate Cuba back in the early 1960's, had we made clear that we would support those people instead of joining in with the Kennedy-Khrushchev agreements which were not kept by the Soviets, which were violated—but the United States kept our side of the bargain. Our side of the bargain was that we would not help the forces of freedom that wanted to liberate Cuba, that we would not support any efforts on the part of resistance movements on the island of Cuba, that we would stay out of it if the Soviets did not put offensive weapons into Cuba.

Over the 20-year period there is a clear-cut record that they have had offensive weapons in Cuba. They have violated the Kennedy-Khrushchev agreements. They violated the Kennedy-Khrushchev agreements from the day they were all agreed to. Yet the United States has kept up with its commitment. In my view that has been a tragic mistake to our policy not only here in this hemisphere but our policy around the rest of the world, because we must, if we are going to be successful, have a foreign policy that is clearcut, that is decisive, that supports those people who support the goals that we believe in, and give them the opportunity to seek the freedom that we have enjoyed in this country.

If the United States, if we in this hemisphere will not support the Contras, then I say, Mr. President, who will? If we cannot support the Contra freedom fighters in this hemisphere, this close to our country, then I think we will be lucky if we survive throughout the end of this century without having a major conflict, where American troops will be committed in large numbers to try to restore some kind of civility and order in the continent, in the North American Continent, in Mexico, and in Central America, because our security will be at risk.

Mr. President, I shall now read excerpts from a State Department publication released in August 1986 entitled "Sandinista Prisons—A Tool of Intimidation."

> The Sandinistas use the prison system in Nicaragua to hasten consolidation of their totalitarian regime by imprisoning those who express opposition to the revolution. To make room for the increased numbers of Nicaraguans they arrest, the Sandinistas have expanded the system and crowded more prisoners into existing cells. Somoza kept an average of 600 political prisoners. The Sandinistas, with at least 6,500 political prisoners and more than 2,000 former National Guardsmen behind bars, now hold more political prisoners than any other regime on the mainland of Latin America. In the entire hemisphere, only Communist Cuba hold more political prisoners. Nevertheless, some human rights groups ignore political imprisonment as a tool of Sandinista repression.
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> As a regular practice, the Sandinistas frame political dissidents on criminal charges. "Crimes" include criticism of the regime and failure to spy on neighbors for the government. By jailing victims without telling them why, the Sandinistas intimidate the victims and others who observe the process.
>
> Abuse of prisoners is widespread and serious. The Sandinistas torture prisoners physically and psychologically; they routinely ignore civil rights, such as habeas corpus, right to counsel, and to be informed of charges; and they murder them.
>
> The human suffering caused by the Sandinistas prison system is incalculable. Eyewitness and victim accounts reveal the effect on the victims of abuse of power. The Sandinistas goal is consolidation of Marxist-Leninist control of Nicaragua through intimidation of the population.

One of the places they keep many of these prisoners is at La Palmera, a prison near Granada, one of the seven prison facilities built and expanded in Nicaragua in the 7 years since the Sandinistas came to power.

What it really is is a detention area with a wire fence, a very crude barracks area and very rough, tough living conditions. And the treatment that the people receive in that prison is very, very bad by any standards on this Earth.

> Driven by a fear of people's opinions, the totalitarian state imprisons citizens whose thoughts and acts are outside the narrow band of permitted orthodoxy.
>
> Marxist-Leninist regimes invariably control most aspects of daily life. One technique of intimidation and repression is short- and long-term imprisonment. One result is a greatly increased prison population. Despite the blatant use of imprisonment as a tool of repression and the increase in the number of political prisoners under the Sandinista regime in Nicaragua, most human rights organizations have ignored this aspect of government repression.
>
> Political prisoners are those imprisoned for their beliefs or political acts, regardless of the actual charge. The term political prisoner does not include those who have gone beyond advocacy and dissent to commit violent acts or other crimes.
>
> During the Sandinista era, Nicaragua has greatly increased its number of political prisoners. The independent Permanent Commission on Human Rights of Nicaragua (CPDH) estimates that the Sandinistas are holding 6,500 political prisoners. According to the CPDH, Somoza held about 600 political prisoners. Without including the political prisoners held in the General Directorate of State Security (DGSE, from its Spanish initials) prison system, the government-sponsored National Commission for the Promotion and Protection of Human Rights (CNPPDH) released a figure of 7,591 prisoners. This new figure represents a 50 percent increase over 1983.
>
> According to the Department of State Human Rights Report for Nicaragua in 1983, the Sandinistas held about 5,000 prisoners in that year. Precise figures for the number of uncharged political prisoners and DGSE prisoners cannot be obtained, and the statistical picture is muddled by Sandinista pronouncements. For example, on April 28, 1986, Comandante Daniel Ortega claimed the Sandinistas held only 3,500 prisoners. Ortega spoke just before El Nuevo Diario, the government-subsidized newspaper, published the CNPPDH figure of 7,591 as the total for Nicaraguan prisoners. Whatever set of figures is used, there appears to be at least a tenfold increase in political imprisonment in Nicaragua.

I would appeal to my colleagues, with this kind of activity going on, I do not know what it takes for us to see what is really happening. It is a very, very clear-cut issue. We voted on it yesterday. The worst thing we could do, in this Senator's judgment, is to continue to send signals around the world that we are not a reliable friend, supporter, partner, ally that can be counted on; that our word cannot be counted on, to bring this issue up repeatedly. This has been voted on repeatedly in the Senate. The money has been appropriated. It is in the process. The worst thing that we can do to give heart to the Sandinistas and lost heart and faith for the Contras is to have an unclear message coming from the United States of America.

Daniel Ortega has been quoted to say that this war will not be won or lost in Nicaragua. It will be won or lost in the Congress of the United States.

Mr. President, I have seen it happen on numerous occasions. It happened in the Vietnam conflict. I hear my colleagues come in and say we do not want to make the same mistake we made in Vietnam.

You better believe we better not make the same mistake we made in Vietnam because it is not 9,000 miles from home. It is right here. It is close to home.

There are 120 million people living between the Panama Canal and the Southeastern border of the United States. If we are not prepared for a massive influx of immigrants voting with their feet, walking north, seeking freedom, then we better be prepared to support the Contras' efforts and support them in a fashion strong enough and clear enough so that they will be able to achieve victory and get a new government in Nicaragua that will not oppress the people. Otherwise, Mr. President, as sure as we are here, we will see history repeating itself. We will see the same situation that happened in Cuba. We will see the same situation that happened in Southeast Asia.

As a matter of fact, in Southeast Asia, where such a tremendous commitment was made by the finest of the American youth, the battle was won time and time again on the battlefield. It was lost right here in Washington, DC.

Not to digress too much, Mr. President, but in 1972 when the North Vietnamese Army made their spring offensive and they came out with 800,000 troops, 800 tanks, and massive armored columns, the South Vietnamese Army and American air power turned the tide on that and there were 400,000 North Vietnamese casualties; 600 of the 800 tanks were knocked out. The North Vietnamese Army was decimated and limped back to the north. They were decimated in the spring of 1972 and that was without American ground forces.

So the Americans had accomplished what the original goal was, to prepare the South Vietnamese so they could defend themselves.

They defended themselves against a major armored attack, won the battle, and then, at that point in time, the

U.S. Congress lost faith and stopped voting aid, eventually, to support the South Vietnamese Government. Finally, psychology worked against the South Vietnamese and they lost the struggle. Therefore, we had made that tremendous commitment all for naught.

When I look back in history and see what happened preceding the Vietnam conflict and the Cuban affair—Cuban fiasco, as I call it—had we at that time supported the freedom fighters who wanted to restore liberty to Cuba, it would have changed the entire course of Western civilization, in my opinion, and it certainly would have changed the situation that we are in in Nicaragua.

So I would say to my colleagues we should not bring this issue up. We voted on it yesterday. It is better left undiscussed. What we should be thinking about doing is to do the things that are necessary so that victory will be achieved by the Contras, so that we can get a government we can work with, so we can get a government that will work as they are doing in El Salvador, to try to expand reforms, expand the democratic process, expand people's abilities to be able to govern themselves.

If we can stay on that kind of course, then we will be successful in Nicaragua and we will not have to ask U.S. Marines, soldiers, naval personnel, and Air Force personnel to participate in this conflict. We can avoid that by giving a firm, clear signal today.

Mr. President, we talk about human rights on this floor. We heard all the great debates here last year with respect to Africa and South Africa, and the failure of the South African Government to give the proper human rights.

Right now in Nicaragua we should examine what is really happening.

The experience of the witnesses differ but their testimony paints a consistent picture of Sandinista prisons.

Alvaro Baldizon, in particular, derived specific information from his job as an investigator looking at reported human rights abuses. His job was to ascertain the facts to enable the government to concoct plausible cover stories. As a militant of the Sandinista party, cleared for much of the most secret information of the Ministry, he had intimate knowledge of the operations of the Ministry of Interior and the DGSE. After becoming aware of the full implications of his role, Baldizon considered resigning his position. Unable to do so without spending a year in military detention, he secretly planned to leave Nicaragua. After managing his escape in July 1985, he came to the United States and made his story public. His reports have been supplemented and substantiated by other ex-Sandinista officials and by other testimony.

DGSE agents Javier Torres and Rigoberto Wilford joined the stream of refugees from Nicaragua in 1985. They have also presented information on the activities of their former organization.

Mateo Guerrero fled Nicaragua in early 1985 from his position as Executive Director of the CNPPDH, the official government human rights commission for Nicaragua. Like Baldizon, Guerrero became disillusioned when he realized that his role was not to protect the victims of human rights abuses, but to protect the government from the international consequences of its actions.

Alberto Gamez Ortega, a college friend of Sandinista Minister of the Interior Tomas Borge, has been openly critical of the Somoza regime. Within six months of the revolution the Sandinista had appointed him Vice Minister of Justice. By November 1982, he had become disillusioned with the Sandinista system of justice and resigned. Almost immediately Gamez went from an administrator of the Sandinista justice system to one of its victims. He was held in Managua's *El Chipote* prison for two and a half months. Five months after his release he was able to visit Costa Rica for treatment of health problems, and never returned to Nicaragua.

Ismael Reyes, Director of the Nicaraguan Red Cross during the latter years of the Somoza regime, continued in that position under the Sandinistas until the regime drove him into exile in 1983.

Wesley Smith, an American, lived in Central America for two years. He later traveled through the area and conducted investigations and interviews on a private foundation grant, interviewing hundreds of victims of the Sandinista system in Nicaragua, Honduras, and Costa Rica. He consolidated the interviews in a report titled, "The Sandinista Prison System: A Nation Confined," released in March 1986. Smith's interviews confirm the information provided by Baldizon, Guerrero, and Reyes on conditions in the Sandinista prison system.

This report focuses on the conditions under which political prisoners are held in Nicaragua. Although various estimates for the number of political prisoners exist, including the published Sandinista figures, the suspension of habeas corpus in political cases and the large number of clandestine arrests make it difficult to determine how many political prisoners the Sandinistas hold at any given time. And the numbers cannot tell the story of the so-called "floating prison population"—those Nicaraguans who are arrested and rearrested and held for short periods under stressful conditions to deter them from future resistance or disagreement with the regime. They suffer their ordeals in obscurity, but the effect of their personal lives is catastrophic. As Leon Trotsky, the revolutionary companion of Lenin, said of the policy of the "Red Terror": "The revolution. . . kills individuals, and intimidates thousands." In Nicaragua, political detention is designed to intimidate the entire country and to end opposition to the Sandinistas. The effect of this intimidation on political life in Nicaragua is devastating.

Mr. President, I think my colleagues will be most interested in this.

PRISON ADMINISTRATION—BORGE'S RESPONSIBILITY

The Sandinistas run three different kinds of prisons, but sometimes the distinctions blur.

The Nicaraguan Ministry of Interior (MINT), headed by Comandante Tomas Borge, centrally controls the entire penal system. The MINT, which has more than 200 Cuban advisers, is also responsible for foreign intelligence, internal security, police, and investigation services. The Penal Directorate (SNP) of the MINT operates the prisons under the *Sistema Penitenciario.* The MINT's DGSE operates those under *Operaciones.*

I might just make a note, Mr. President, that under Mr. Somoza, one prison was run by the national government. In this case, we have three different kinds of prisons.

Prisons described as *Sistema Penitenciario* are theoretically ordinary criminal prisons. The DGSE secret police run the *Operaciones* prisons. However, as other interviewees have reported, these distinctions are theoretical, since political prisoners may be charged under criminal statutes (sometimes with grossly faked evidence), prisoners are mixed, and, at any rate, the entire prison system is under Borge's control. *Sistema* facilities are usually larger than *Operaciones,* which hold 500 or fewer prisoners. Defectors and other sources have identified at least 23 Sandinista prisons in Nicaragua, although Somoza had only 19.

The Sandinistas have also created *Granjas,* model minimum security prison farms which hold trustee prisoners, low-ranking ex-members of the National Guard, those about to finish their sentences, and prisoners who have served as informers. Sandinista tour guides show these facilities to visitors as typical of prisons of Nicaragua.

That is not the kind of prisons they have in Nicaragua, but they show those when people go down to visit Nicaragua, to show them how wonderful things are in this wonderful land.

Former prisoners and defectors confirm the existence of clandestine DGSE facilities. Alvaro Baldizon has reported at least 20 clandestine jails, many of which are isolated houses where 5 or 10 prisoners are held in complete secrecy. There are also 48 local police stations throughout the country, each with a few ordinary holding cells.

ARBITRARY INCARCERATION

Some people held by the Sandinistas are clearly political prisoners. Others are probably political prisoners, but have been jailed under trumped-up criminal charges. Former Sandinista government officials have reported that the Sandinistas routinely frame mid-level political opponents on false criminal charges. Using criminals in their employ, the secret police break into opponents' homes and automobiles to plant evidence such as narcotics, then stage raids to "discover" the evidence.

The Sandinistas use short-term jailing and interrogation to inhibit opposition activity. Frequently, political and religious leaders are required to report to *El Chipote* prison or the State Security interrogation facility "Casa 50" (House Number 50) at a specified date and time. The secret police then detain them for 6-48 hours. This short-term jailing technique is often applied to lawyers who attempt to defend political prisoners.

This, Mr. President, has a way of dampening their enthusiasm to defend the political prisoners after a 48-hour tour in a prison. It has an intimidating effect on the population.

ACCUSATIONS

Offenses that may result in arrest include failure to attend Sandinista Defense Committee (CDS) meetings, objecting to the draft, or a too vigorous practice of religion. Evangelical Protestant groups are frequently the target of such action. For example, shortly after the October 15, 1985, restatement of the State of Emergency, the DGSE summoned principal Protestant leaders to *El Chipote*. Those summoned included the current and former presidents of the National Council of Evangelical Pastors (CNPEN), the head of the Alliance for Children (a children's Bible study organization), the national director of the Bible Society, and the pastor of the First Evangelical Church of Managua. Eight Catholic priests from the Managua area were called in during November 1985. Their offenses included mentioning "political issues" in their homilies and asking the government for the return of Church offices and properties seized by the government.

Any expression of opposition to the regime can result in sudden arrest or a citation to report to prison. Often, when the primary purpose has been to intimidate, the detainee is neither informed of the nature of the offense nor formally charged. Since the Sandinistas have taken charge, the police have the power, without referring cases to a court, to impose administrative punishment of up to two years for "offenses against the state" such as cattle rustling, distribution of drugs, insult to authority, and economic crimes such as hoarding and speculation. Police court sentencing does not permit the right to legal counsel, habeas corpus, or appeal. Thus the police can and do arbitrarily sentence victims for as much as two years in prison without reference to any other authority.

Other offenses that can result in detention under the rubric "offenses against the state" include: Selling grain on the open market, refusing to join the militia, selling foodstuffs on prohibited days, professing counterrevolutionary ideology, investigating Sandinista abuses, organizing civic opposition to the Sandinistas, criticizing the government, feeding armed resistance fighters, refusing to work on government cooperatives, refusing to conduct neighborhood vigilance, counterrevolutionary activities, presenting legal defenses for political detainees, membership in the National Guard.

Mr. KENNEDY. Mr. President, would the Senator be willing to yield for a question without losing his right to the floor?

Mr. SYMMS. Yes, Mr. President, if it is not charged against me as a second speech.

Mr. KENNEDY. I wonder if the Senator could give some idea of how long he intends to speak? There are several of us who want to speak in favor of the joint resolution.

Mr. SYMMS. I say to the Senator that I should be able to complete my remarks, I would think by 4 o'clock or somewhere in that area.

Mr. KENNEDY. I thank the Senator. I just wanted to note that there are a number of Senators who want to speak in favor of the joint resolution. We will have that opportunity, I guess, sometime after 4.

Mr. SYMMS. I thank my good friend from Massachusetts.

Mr. President, I think that as we discuss this issue and talk about what really is at stake here, it is important that we do understand that kind of government it is that some of us would like to see overthrown in Nicaragua. I think that is shown by "Inside the Prisons." It is very important that we should most certainly recognize that this is where a lot of the intimidation is coming from.

One of the most feared of all is the former secret police facility in Managua, El Chipote. People are terrified at being sent there.

Population density in the Sandinista prisons is much greater than during Somoza's era, and the size of individual facilities has been increased. During Somoza's reign Nicaraguan prisons held about 600 political prisoners, according to the CPDH. The Sandinistas have increased the number of prisons in Nicaragua, and expanded some facilities. There has also been a tenfold increase in the number of political prisoners. Examples of expansion include the 1983 additions and construction in progress on a new addition to the *Carcel Modelo* (Model Prison) in Tipitapa, which had been Somoza's main incarceration facility. According to Ismael Reyes, each cell in the *Carcel Modelo* held one prisoner during the Somoza regime; now these same cells hold four to seven prisoners. Moreover, defectors report that about 35,000 people have passed through the prison system since 1979, including regular inmates and the "floating prison population." As opposed to the shorter detentions which may be used for those interrogated at *El Chipote*, periodic detentions of the "floating prison population" range in duration from a few hours or days to a month or six weeks. The purpose is intimidation. Release is sometimes offered if the victims agree to cooperate with the DGSE by providing information on fellow citizens.

Most feared of all the Sandinista prisons is *El Chipote*—the former Somoza secret police facility in Managua. Since the Sandinistas took over, *El Chipote* has been remodeled. The former classic bar-type cell doors have been replaced with solid metal plate doors with a tiny window. Underground cells are ventilated only by a narrow air tube, or one slot in the solid metal door. Cells are brightly lighted or totally dark. In most cells, the only toilet facility is a hole in the floor—usually with flourescent paint around the edges to guide the prisoner in the darkness.

El Chipote and other prisons feature small cells about one meter high and a half-meter long and wide called *La Chiquita*, or "The Little One." Between interrogation sessions, victims are made to wait in these tiny cubicles, in which the prisoner can neither sit nor stand, but must rest with back and knees jammed against opposite walls. Some are nearly air tight, with a small tube in the top as the sole ventilation system.

The February 1986 report of the Permanent Commission on Human Rights (CPDH) estimates that there were 9,000 prisoners in Nicaragua, of which 6,500 are political prisoners. The latter number does not include the former National Guardsmen still held in prison, though most are, in fact, political prisoners. Many have never been charged with crimes, but are incarcerated solely on the basis of their former association with the Guard. The Sandinistas imprisoned these Guardsmen after special trials which amounted to mass condemnation rather than individual consideration of specific crimes. Exact numbers of prisoners are difficult to verify because habeas corpus for political crimes was effectively suspended under the State of Emergency initially declared in March 1982, and periodically reinstated, most recently in October 1985. Without habeas corpus, political prisoners can be detained without judicial consent or record. The sharp increase in arrests, which began with the new emergency decree of October 15, 1985, has continued in 1986. For example, more than 300 Catholic lay workers, Protestant evangelists, and ordinary farmers were recently jailed in the Nueva Guinea area in January 1986. An additional 150 persons were arrested in Matagalpa and about 200 in Juigalpa.

Ex-Sandinista officials report widespread corruption within the Penal Directorate. Corrupt practices include renting prisoners out to labor for the profit of the prison staff, selling for profit products produced by prisoners, coercing sexual favors from wives of inmates, and appropriating packages sent by the Red Cross and religious organizations.

TORTURE

According to Nicaraguan refugees, the Sandinistas torture and murder prisoners. The secret police interrogate prisoners with the assistance of Cuban advisers, who routinely participate in the physical abuse. Besides physical torture, DGSE interrogators psychologically torture the prisoners. Middle-class prisoners frequently are the victims of this psychological torture, which leaves no scars to show to international visitors. And the middle class is particularly vulnerable to the psychological torture used, since exposure to the harsh conditions of the prisons is completely alien to their daily life. DGSE interrogators often physically torture peasant prisoners, since they are unlikely to be protected by well-connected family or by the possibility of revelation of their suffering to the international media. The Sandinistas also murder prisoners. Bodies of prisoners killed by security forces are routinely photographed with weapons so the Sandinistas can claim they were Contras killed in combat, and the number slain is added to government claims of rebel casualties.

Psychological tortures include:
Subjection to fake executions,
Detention of family members,
Use of recorded screams attributed to prisoners' family members crying out under torture,
Forcing victims to exercise naked before their guards, who taunt them on their performance,
Uninterrupted darkness,
Extended solitary confinement,
Disruption of psychological rhythms by randomly varying periods of light and darkness and feeding intervals,
Firing unloaded pistols into the open mouth of the victim.

That is what this government of the Sandinistas is all about. It is a government of intimidation, of terror, of oppression.

Physical methods of torture include:
Confinement in barrels of cold water for long periods,
Hanging by the hands,
Placement in hot boxes,
Confinement to *La Chiquita*,
Repeated movement from hot to cold cells,
Placement in neck-deep sewage pits,
Beatings with rolled wet towels,
Multiple rape,

Physical beatings with bare knuckles or boxing gloves,
Forced standing for long periods,
Denial of food,
Attacks by trained dogs,
Beatings with wooden clubs,
Prolonged forced staring into the sun,
Subjection to pain-inducing sound,
Electrical shock to genitalia.

Mr. President, these are terrifying things to think about and this is the government that some of us think should be changed. We think the contras should have the opportunity to change a government that imposes this on its people, fellow Americans I might say, Mr. President. These are not people 9,000 miles away. These are fellow Americans in this continent, in the North American Continent. They are our neighbors. These are some personal accounts that I think would be of great interest to some of my colleagues.

I have a quote from one of those prisoners. He says, "I was in jail for 2 years and never saw a judge."

Few outside visitors are able to see other than the model prison facilities, particularly the farms that the Sandinistas exhibit to foreigners. Neither the International Red Cross nor Mateo Guerrero, head of the official Sandinista human rights organization, could observe DGSE facilities or attend to prisoners there.

Because the Sandinistas can force it to end its operation at any time, the nongovernmental CPDH must limit its activities. Protected from closure only by its international reputation and the Sandinistas' fear of worldwide negative publicity, the CPDH has developed a methodology which allows it a limited ability to investigate cases. To avoid provoking further limitations, the CPDH investigates only those cases brought directly to its offices. Formal pursuit of a case requires signed and sworn affidavits. Few people are willing to risk prosecution by the government for formalizing their complaints. The CPDH reports that many cases are brought to it informally, and it estimates that Nicaraguans denounce only one in ten Sandinista abuses. Peasants in areas far from Managua have little inclination to make the trip to Managua on the slim chance that exposing themselves to imprisonment will result in help for a missing relative.

Some who have survived the prison system and escaped from Nicaragua were interviewed in Honduras and Costa Rica. Others have been interviewed by U.S. Embassy officers and visitors from Washington, D.C., or have publicized their experiences after leaving Nicaragua. A small sample of their experiences is presented here.

Labor leader Eugenio Membreno was imprisoned in November 1983 after publicly debating members of the Sandinista labor union (CTS). The case shows how petty the motivation for a political arrest can be. Membreno states:

We were finally sentenced to 50 days in prison for what the judge called "ideological differences." One of the CTS [Sandinista union] members asked the judge that we be condemned. When he was asked why, the CTS leader said, "Because the CTN [Membreno's union] leaders think they were borne by Tarzan's mother." That meant that we thought we were supermen and so the Sandinista said, "That is why I think they should be condemned." That was one of the accusations against us by one of the witnesses at the trial.

Methods of interrogation can accomplish their terrorist purpose without leaving a mark. A prisoner who must remain unidentified because he is still in Nicaragua described an incident that happened to him at one of the small rural clandestine facilities of the type reported by Baldizon:

[The prison guards] lined us up in the back of the yard right next to the swimming pool. Our hands were tied behind our backs and they would walk by and push us into the pool one by one. They would let us start drowning and then they would pull us out of the water and make us confess our "counterrevolutionary" activities as we gasped for breath.

A prisoner who had been in El Chipote reported:

They took me to El Chipote and put me into a cubicle for what must have been one hour. You could hardly breathe in the cell and it was pitch black. They then took me out and interrogated me. I was placed into a larger cell later on. During the days I sweated it was so hot and in the night the cells got real cold. During the night I could hear the screams and cries of women coming from other cells.

Silvia Guzman Guerrero was arrested on May 17, 1985, on accusations made by Sandinista Defense Committee members that she had engaged in unspecified "counterrevolutionary activities." Although no evidence for the charges was ever presented, she experienced the following:

I was taken to the prison El Chipote in the middle of the night. As we got close to the Intercontinental Hotel I was told to put my head to the floor of the car, which I did. I was conducted into the prison which is located at the top of the hill behind the hotel. They took all my personal information and then one [Sandinista soldier] took me to a cell no more than 32 inches wide. I felt like I was going to suffocate and after about 15 minutes I started to cry. They then took me and put me into a larger cell that had four beds in it. It was totally dark in this cell as well. At noon the next day we were taken out of El Chipote and sent to Las Tejas in Matagalpa. In Matagalpa we went for four days without water. We were given gallo pinto [rice and beans] to eat but the food was spoiled. I was number 7009 and my father was number 7007 because I had an opportunity to see him at the other end of the hall during one occasion. He was released after 15 days in Las Tejas. I was never taken before a judge or tribunal but they repeatedly said we had been condemned for four years.

Others confirm that formal charges were not brought against them. Jose Rivera, 32 years old, reported on conditions he experienced:

The treatment one receives in La Modelo is very severe. They don't let you sleep. When you are lying down in the middle of the night they throw water on you and take you out for interrogation. I and other prisoners believe they have killed many prisoners because they are taken out for interrogations and they never return. They had never judged me for any crime because they said there were too many prisoners to judge immediately. I was in jail for two years and never saw a judge.

Denis Correa reports his personal experience of the difficulty for outside observers to learn the truth about the prisons:

We always knew when the journalists would arrive because we started receiving good attention. They permitted us to wash our clothes and those who had none were given some. On certain occasions they put bicarbonate in our food so our stomachs appeared full. You could never speak to a journalist even if you trusted him because the guards were always in their presence. Whenever the journalists did ask questions we of course said nothing. Others felt pressured to say the food was good and so they did.

Jimmy Hassan was picked up on October 31, 1985, for his activities as the National Director of the Campus Crusade for Christ in Nicaragua. After a short detention, he was released but given a citation to report to State Security for further interrogation. In the interrogation at El Chipote he endured typical psychological torture routines, such as La Chiquita, the cold room and the Sandinista trick of firing an unloaded pistol at the victim. He was then taken to the State Security jail which lies just behind the Intercontinental Hotel in Managua. He soon realized that many of his colleagues had been arrested also:

And finally they said that they were going to begin proceedings to arrest my wife because I had not wanted to confess my links with the counterrevolutionaries. Again they took me to the hallway of the two-by-two cell. They opened the door and inside the room there was one of the members of the Campus Crusade. They shut that door and opened another one. There was another staff member completely nude. And then they shut that door and opened another one, and in that room there was a young women involved in the movement, completely nude. They shut the door and opened another one and put me in. About an hour later they took me out of the cell and back in the cold room. Here they told me that all my fellow staff members had confessed everything and that they didn't need my confession, but that they wanted to give me another opportunity.

Hassan was then released:

When I arrived in my house I found my wife; they had not arrested her. You see, when I was in the cold room the second time I began to hear the crying of a woman and the officer told me that possibly she was my wife. So when I was set free there at my office I thought that my wife was arrested.

After his arrest, Hassan's relatives, friends, and staff members were interrogated and told they were prohibited to contact him on pain of arrest. Yet he states:

I would like to state that I am a privileged person because dozens of Nicaraguan Christians have passed through much more painful experiences than mine. They have suffered much more, especially the churches in the countryside, and especially those that have very little communication with the city.

Mr. President, the reason why I share some of these experiences with people is that what we are talking about is not an accounting question. We are talking about whether or not we in the United States are willing to help overthrow an oppressive government, such as the one that exists in Nicaragua today, and overthrow it so that we will be able to help the people who share goals for freedom, for liberty, for democracy, for an opportunity for self-government, for freedom to work, for freedom of religion, for freedom of the press, and for the other things we take for granted in this country. That is the kind of thing that is going on.

Just to pause and reflect a little about it, Mr. President: For the average Nicaraguan, the danger of political imprisonment under these cruel conditions is an everyday existence, this thread of intimidation. Of the intelligence information and other testimony cited to my colleagues, it is interesting to note that constantly the weaving thread of intimidation on the population is the main effort that they are making. It is few people in terms of the whole population, but enough so that there is a constant threat for all the people in the population so they know they are supposed to toe the line and do what the government tells them.

> Of the intelligence information and other testimony cited in this publication, the most troubling facts are the increase of political prisoners under the Sandinista regime, the abuse of prisoners, and the intimidating effect on the entire Nicaraguan population of the DGSE's ability to arrest anyone and to hold prisoners under abominable conditions until their will is broken or they die.
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> Ismael Reyes, former President of the Nicaraguan Red Cross, assisted imprisoned Sandinistas during the Somoza period. He compares the prisons under Somoza and under the Sandinistas:
>
> Somoza, the monster, allowed me (as President of the Red Cross) to visit Sandinista leaders (Tomas Borge, Luis Carrion, Carlos Nunez, Marcio Jaen) in the Model Prison and in the embassies where they had sought asylum. [This group included the revolutionaries Joaquin Cuadra, Ricardo Coronel-Kautz, Miguel D'Escoto, and Sergio Ramirez.]
>
> Somoza, the criminal, allowed me to visit Carrion in jail whenever his parents requested me to do it. He allowed me to visit Borge in jail for medical attention by one of our doctors and for his relatives to see him, etc. He allowed me to visit Nunez and attend to his tuberculosis treatment in the jail; to visit Jaen and keep him informed about his mother who carried on a hunger strike in our institution.
>
> Somoza, the murderer, allowed Tomas Borge to call me on the phone at night from the Model Prison, asking for favors.
>
> He allowed me to visit Colonel Larios in prison after he had led an unsuccessful insurrection in the army, and he allowed me to transfer a group of relatives of the Sandinista prisoners from the Nunciatura to the Red Cross headquarters, to take care of them and provide them medical attention during their hunger strike.

I am going on, Mr. President, with the Ismael Reyes quotes, where he was allowed to visit the prisoners who are now some of the people who head up the Nicaraguan Government. I continue what he is saying, Mr. Reyes:

> The Sandinista government never allowed me to see Colonel Larios (former Minister of Defense in the Sandinista regime) in the Model Prison, and they would shoot dead any warden who allowed a prisoner to make a phone call, for they consider it a crime of treason. I am not defending Somoza. I am comparing two very grave evils that have different degrees of monstrosity.
>
> Never a supporter of Somoza, but thoroughly familiar with his prison system, Reyes now criticizes the Sandinistas for their misuse of imprisonment. For the average Nicaraguan, the danger of political imprisonment under cruel conditions continues. For those who have not been imprisoned, the example of their compatriots reminds them of the price of dissent. Intimidation of the people is an effective weapon in consolidating Marxist-Leninist control.

Mr. President, I think it is important that when we discuss this here today, we recognize that this is a government of intimidation. It is a government of tyranny. It is a standard model Marxist-Leninist government that is setting up a base camp on the mainland of the Americas, that this Congress in 1962 voted to not let happen.

We voted on the same language in 1982 and we voted that we would use force if necessary to stop the export of the revolution from Cuba of the Marxist-Leninist revolution to the mainland of the Americas so that the Monroe Doctrine could be enforced. That is what this body voted on and it voted on more than one occasion, and the House voted on it and it passed. It was signed into law. And then we have voted on the issue of aid to the Contras, time and time again.

Every time we have the issue of aid to the Contras, we have furious debates and we have close votes, and I think it is important that we do discuss these issues, and it is entirely fitting that it is carefully considered, but we have done it. We have done it over and over again.

So I would say for us to even bring this issue up today after yesterday's vote, it is most frustrating and this Senator thinks that it will be a mistake to even bring it up and discuss it because here we are after yesterday's vote, after last year's action we are being asked to renege on a commitment that we have already made. We are being asked to place a moratorium on further aid to the Contras. This is vacillation of the worst, most dangerous kind.

Surely, we cannot afford to go back on last year's commitments and deny the further funding of the dollars that we have already pledged. It is, Mr. President, in my view we have pledged this. We have a dismal history of vacillation and indecision already, and it is now time for us to stand firm.

If we wish to debate the wisdom of continuing to increase sustained aid to the Nicaraguan freedom fighters, you know in my view we have already done it. We have already taken that position. We have voted on it yesterday. I think that there is no reason to go further.

The continued existence of the democratic resistance to the Sandinista regime depends on what happens here.

Our effectiveness and credibility as an international power depends on our willingness to keep our commitments.

If we fail to keep our commitments, Mr. President, the only thing made clear in this entire muddled debate will be that the United States cannot be counted on to support freedom and oppose communism and Communist expansionism even in our own back yard. That is really what the issue is.

Despite the incredible amount of media attention given to Central America, or maybe because of it, Nicaraguan issue continues to be clouded by false and misleading information. The confusing tangle of conflicting testimony the news media has helped to weave has combined with our endless vascillation to completely confuse the public. As a result, although the public interest in Central America and United States policy there is high, public understanding of the situation is not high.

We must build a consensus for a firm policy in Central America, a consensus based on a goal that we all share, and that is encouraging democratization of the region.

I have also had the opportunity to review press accounts of the situation there, reports of the human rights groups, one that I just shared with my colleagues, comments from constituents who have visited the region. I am convinced and I have come to the conclusion that the President's policy in support of the Nicaraguan freedom fighters is correct.

I would say that it might be time and I think it is long past since time that I would think that the Commander in Chief could well serve the Nation by breaking diplomatic relations with the Sandinista regime and making life more difficult for them, give more support to the Contras, do it well enough so that we will be successful, roll back the Brezhnev doctrine, show people around the world that freedom can prevail over authoritarianism and tyranny, that freedom works and tyranny fails.

I have long been concerned about the problems in Central America, especially about their effect on the future of representative government in this hemisphere and the security of the United States. My views on the situation in El Salvador, Honduras, Guatemala, and Nicaragua are based on detailed analysis of State Department, CIA, DIA, and Defense Department intelligence; on information and insight gained from congressional hearings, my personal visits to the region, the many visits of members of my staff—who have served as official poll watchers for the Nicaraguan, Guatemalan, and El Salvadoran elections, and discussions with refugees and officials of the nations of Central America. I also carefully study press accounts of the situation there, reports of human rights groups and comments from constituents who have visited the region.

My study has led me to conclude that the President's policy in support of the Nicaraguan freedom fighters is correct and should be supported.

This policy is based on what I think are several valid assumptions:

First. Whatever ambiguity there may have been in the beginning, it is now absolutely clear that the Sandinista regime is a militaristic, expansionist Communist dictatorship which is a threat to its neighbors and the stability of the region;

Second. Peaceful negotiations, in the absence of a military threat, are ineffective in deterring Sandinista aggression. History shows that Communist revolutionaries do not seize power to give it up through negotiations;

Third. Force, applied through the Contras, is the only way to achieve what negotiations alone can not, of increasing the opportunity for representative government, democracy with a small "d" of Nicaragua, and the elimination of the Sandinista threat to the region.

Though the Contras may not be perfect, Mr. President—and they are not perfect—they are an indigenous, prodemocratic movement which needs and deserves our aid. Without our aid, their fight to liberate their country is doomed. Debate and another vote on the Senate floor that would send some kind of a wrongful signal would be the worst possible thing that could happen.

I mentioned earlier the trials and tribulations that this Nation went through in Southeast Asia. As a Member of the House, I had the opportunity to go to Southeast Asia in 1975. I visited with the ARVN troops in NHA Trang and they were just starting to come under attack at that time. In fact, there were some incoming artillery and they were making preparations for what turned out to be a major attack by the North Vietnamese army. This eventually led to the downfall. This was in the spring of 1975, in late February.

Psychologically, the worst thing for the South Vietnamese troops was the concern that they were not going to have another vote in the House of Representatives of the United States for ammunition supplies. So the word was out among the troops that we may be out of ammunition by the 1st of June. It was not good for the psychology of an army to begin to believe it. We had Members of the American Congress that would go over and tell them that. So that was a great psychological deterrent to the ability of the officers of the South Vietnamese army to be able to encourage them to fight and participate in the war.

I went on to Cambodia and visited Phnom Penh. It was surprising how good the morale was of the Cambodian troops. At that time they had about a 10-kilometer perimeter around the city. I had the opportunity to go up and visit the battalion headquarters. I was quite impressed at the ability for them to keep discipline in the Cambodian forces that we were supporting, but they knew that the United States was pulling out on them and left them hanging there.

So what I am saying is that it is very, very important that we not show any sign of weakness at this point so that, psychologically, the Contras have every opportunity to know that we stand firmly behind them and there will be no turning backward on them; that we will be there, we will continue to buy them ammunitions, rifles, medical supplies, and things that they have to have to achieve the revolution that they are seeking.

Mr. President, I think that the premises that I outlined are valid and they can be demonstrated by the study of the present situation in Central America and the history of the Sandinista regime.

The fact that the Sandinistas are a Communist, pro-Soviet military dictatorship is best proven by analyzing their own words and actions. Top Sandinista leaders have been forthright in declaring their intentions. Like Hitler in Mein Kampf, they have carefully and publicly laid out their plans. But, like the isolationists of the 1930's, many of us prefer not to hear.

Here is a small sampling of some of the statements made by Sandinista leaders:

Comandante Humberto Ortega, Nicaragua's Minister of Defense, said in a speech in August 1981:

> Marxism-Leninism is the scientific doctrine that guides our revolution. . . . We cannot be Marxist-Leninist without Sandinismo, and without Marxist-Leninism, Sandinismo cannot be revolutionary. . . . Our doctrine is Marxist-Leninism.

Tomas Borge, the Minister of Interior and overseer of censorship and internal security, stated in September 1983 that he was a Communist and that:

> You cannot be a true revolutionary in Latin America without being a Marxist-Leninist.

Bayardo Arce, the comandante in charge of elections, made an unusually candid speech in May 1984 in which he stated that the elections were a "nuisance" and should be used to "demonstrate that the Nicaraguan people are for Marxism-Leninism." He admitted that:

> If we did not have the war situation imposed on us by the United States, the electoral problem would be totally out of place in terms of usefulness.

True to its Communist nature, the Sandinista regime, as many of my colleagues on both sides of this issue have noted, is a Cuban-style dictatorship. Were it not for the pressure from the Contras and the spotlight of international opinion, they would surely be more ruthless and repressive than they are now.

A report late last year by the Permanent Human Rights Commission of Nicaragua, which I have just been discussing, states that there are over 6,900 political prisoners in Nicaraguan jails—this means that Nicaragua has the most political prisoners of any Latin American country. Since then, according to the U.S. State Department, several thousand new prisoners have been added.

Because of systematic, institutionalized human rights abuses, persecution of the Catholic Church, Evangelical groups, Jews, political parties, labor unions, Miskito Indians and the private sector, over 200,000 Nicaraguans have become refugees since 1979—a number which far exceeds the total refugees from all the years of Somoza's pre-Sandinista government.

The example of the Miskito Indians is, and ought to be, often quoted. In a land of torment and persecution, the Miskitos have been the most vilely repressed. In reviewing a the PBS documentary on the plight of the Miskitos, the New York Times said, "there is compelling evidence that the Nicaraguan Government murders innocent people."

According to the New York Times, "49 Miskito villages along the Coco River were burned down by the Sandinista soldiers; 65 bombs were dropped on six villages in 11 days." People were "hanged, machine gunned and burned." Before the Sandinistas took control of Nicaragua, the Miskitos were not refugees. Now, over one fourth of the Miskito Indians have fled Nicaragua and its concentration camps.

As the New York Times reviewer concluded, "the Nicaraguan Government uses the full resources of the State to carry out domestic policy and oppress peaceful people. This is a devastating indictment."

This barbaric repression is not limited to the Miskito Indians. As the International League of Human Rights says, "repression of human rights in Nicaragua is systematic and widespread."

The U.S. State Department Country Reports on Human Rights Practices for 1986 states that:

> Major human rights abuses in 1986 included mass arrests of civilians on vague charges of counterrevolutionary activity; torture and abuse of prisoners; disappearances; summary executions of civilians and prisoners of war; the continuing involuntary relocation of rural residents; civilian deaths resulting from the Sandinista military's indiscriminate use of artillery and air bombardment; the closure of the opposition newspa-

> per *La Prensa* and Radio Catolica, operated by the Catholic Archdiocese of Managua—the last vestiges of the independent, non-government—controlled mass media; and the forced exile of a leading bishop, the Curia's spokesman, and a priest.

The suppression of religion and freedom of the press is now nearly total in Nicaragua. Even in the darkest days of the repressive Somoza regime this was not true. Pope John Paul II has issued strong attacks on the Nicaraguan Government for expelling Catholic Bishop Pablo Antonio Vega Montilla. He described the expulsion as an act out of the "dark ages . . . an almost incredible act" which he "deeply deplored."

The expulsion which "deeply saddened" the Pope was only one attack in a long and determined Sandinista war on the Catholic Church in Nicaragua. Jews have also been persecuted by the Sandinistas. All the synagogues in Nicaragua have been closed and the entire Jewish population has fled rather than remain to be persecuted.

One of the reasons for this is because the Sandinistas always hated the Jews because Mr. Somoza had been one of the first supporters of Israel back in 1948 and it provided arms for the infant movement in Israel for independence and freedom back in 1948 at that time. And there had been a grudge there for all that time, so that the Sandinistas started persecuting the Jews and they have run them out of the country.

The Sandinista closing of La Prensa, in retaliation for last June's House vote for Contra aid, eliminated the last semi-free newspaper in Nicaragua. La Prensa, which operated throughout the Somoza regime, was literally boarded up by the Sandinistas. Violetta Chamorro, La Prensa's owner and editor, has been an outspoken critic of the Sandinista dictatorship, as her husband was against the Somoza regime. Her words, from a letter she sent to Nicaraguan President Daniel Ortega, are a powerful condemnation of Nicaragua's dictators, she said:

> Your Sandinista Party has already created a great concentration camp in Nicaragua, but the Nicaraguan people are not losing their liberating spirit and will never lose it even in the worst of the gulags which your mind is able to conceive.

The Nicaraguan people are clearly suffering great hardships. But, the threat posed by an unchecked Sandinista regime in Nicaragua is not limited to its own people. Supplied and trained by the Soviets, Cubans and a wide variety of international Communists and terrorists, the Nicaraguan military force is stronger than any other in Central America. It is now nearly as strong as the combined forces of all its neighbors.

In the fall of 1979, immediately after seizing power, the Sandinistas began an incredible military buildup. By early 1985, the active duty strength of Nicaragua's Army had reached 62,000 and active reserves and militia increased the total to 119,000. The massive infusion of weapons and material from the Soviet Union has given the Sandinista army a sophisticated, mechanized capability unrivaled in Central America.

When they grabbed power in 1979 the Sandinistas inherited three World War II tanks from Somoza's national guard. By 1984 they had an armored force of over 110 Soviet T-55 tanks and about 30 PT-76 light tanks. They also have received about 200 other armored vehicles, mostly BTR-152 and BTR-60 armored personnel carriers. These numbers continue to increase.

In addition to these formidable ground forces the Nicaraguans are also bolstering their naval forces with imports from the Soviets, North Koreans, and Cubans. Their air force has become a potent threat with the introduction of the deadly MI-24 Hind helicopter gunship, which has been supplied by the Soviet Union.

Added to this enormous Sandinista material and manpower reserve is the presence of hundreds of Soviet, Cuban, North Korean, PLO, Libyan, and East European troops and advisors.

These military forces have no application other than aggression against Nicaragua's neighbors and repression of Nicaragua's citizens. The Sandinistas have been candid about their determination to use these resources to expand their Communist revolution. The infamous Sandinista "72 Hour Document" states:

> The foreign policy of the Sandinista People's Revolution is based on the full exercise of national sovereignty and independence on the principle of revolutionary internationalism.

Interior Minister Tomas Borge has declared:

> This revolution goes beyond our borders. Our revolution was always internationalist from the moment Sandino fought his first battle.

And Bayardo Arce has admitted:

> We cannot cease being internationalist unless we cease being revolutionaries.

Nicaragua's neighbors are aware of and fear the threat posed by the militaristic Sandinistas. In addition to last year's, much-publicized Nicaraguan invasion of Honduras, the Sandinistas have consistently violated the frontiers of their neighbors since the beginning of their regime. Their support of the Communist rebels in El Salvador is well-documented by State Department and Congressional Intelligence Committee reports.

Carlos Jose Gutierrez, the Foreign Minister of Costa Rica said in a 1985 interview:

> Nicaraguan planes and helicopters have violated Costa Rican airspace many times in the last 3 months. Nicaragua is responsible for 34 major border incidents since 1983, including an ambush of a patrol of Costa Rican rural police inside Costa Rica in May in which two policemen died * * *. Nicaragua is placing the peace of the region in great peril.

He continued by saying:

> Most Central America leaders want the Sandinistas removed from power. They continue to be a threat; once they consolidate they will be more of a threat.

The Sandinista determination to use their military outside Nicaragua was bluntly stated in the threat delivered by Daniel Ortega on the MacNeil-Lehrer Newshour in June 1986. Of the American military advisors in Honduras, Ortega states:

> Those military advisors that are being sent to train the terrorists who attack our people are going to run the very same risks that the terrorists run when they attack us.
>
> Moderator MacNeil then asked, "Do you mean that American advisors could be killed?"
>
> Ortega answered: "That simply means that they may die."

The simple meaning of this threat is obvious. Ortega not only demands the right to attack his neighbors, he reserves the right to kill American advisors who are attempting to help these nations defend themselves.

Mr. President, I regret that these problems cannot be solved peacefully. U.S. efforts to find a peaceful solution in Central America have been persistent and well-documented. But for real peace to be possible, both sides must want it. The Sandinistas have shown no willingness to negotiate any meaningful restrictions on their aggression or their military buildup.

From the beginning, the United States attempted to work with the new Nicaraguan Government to achieve a peaceful transition from the Somoza dictatorship to democracy. But democracy was not in the plans of the Sandinista commandantes, despite their pledge to the Organization of American States to implement it.

American attempts at diplomacy and friendship were rebuffed and answered with Sandinista support for subversion in El Salvador. In 1979, this Congress voted to give the post-Somoza government of Nicaragua $75 million in aid. Total U.S. aid to the Sandinistas approached $130 million. By January 1981, President Carter was forced by the continuing Sandinista subversion, terrorism, and aggression to begin cancellation of the U.S. aid program.

Since that time, numerous American attempts at peaceful negotiation have received no encouragement from the Sandinistas. In fact, each time the Congress defeats a Contra aid bill the Sandinistas embark on some new folly, such as the invasion of Honduras, or Ortega's celebrated "friendship trip" to Moscow.

Much has been said in this debate about the "Contadora peace process." But the facts reveal that it is not viable and that the Sandinistas will not participate faithfully.

I support and applaud the goals of the Contadora nations. The Sandinistas, of course, do not. I support the demilitarization of the region, but the Sandinistas, obviously, do not.

I support the demilitarization of the region. The Sandinistas do not. So this means there is no alternative. That is to pour on the help and support for the Contras so that it will be the Contras that will reach success and victory, and it will not ultimately end up having to be American troops that will be used to achieve freedom in that region.

The "Contadora process" is proceeding at a very slow pace, an unacceptably slow pace for those being oppressed by the Sandinistas in Nicaragua and those in El Salvador, Costa Rica, and Honduras who are being victimized by Sandinista-supported guerrillas. In addition, the Contadora plan cannot creditably guarantee the dismantling of the large Nicaraguan military machine, or the ending of the enormous Soviet and Cuban presence in Nicaragua. The Sandinistas have rejected any proposal which would allow inspection by OAS representatives of their compliance with any Contadora agreement.

(Mr. CONRAD assumed the chair.)

Mr. SYMMS. Mr. President, Contadora is a good idea and a noble effort which I support, but in practical terms it will neither solve the problem fast enough to keep it from spreading, nor bring about a solution which will eliminate the threat of an aggressive Nicaragua.

Effective negotiation of the Contadora proposals must be accompanied by the use of force. And the only way we can apply force without involving the military forces of the United States and spilling the blood of American men is to support the indigenous democratic forces of Nicaragua. These are the Contras.

The Contras are freedom fighters. Theirs is a cause which we have a moral duty to support. The democratic opposition to the Sandinistas is a direct result of the Sandinista failure to implement the goals of the anti-Somoza revolution. The Contra mission is to retrieve a stolen revolution.

The Sandinistas, as a small part of a pluralistic, anti-Somoza revolution, pledged to democratize post-Somoza Nicaragua. But, after the revolution they proceeded to turn their guns against their partners in the struggle against Somoza. The Sandinistas have reneged on their promises to the OAS and the people of Nicaragua. The Sandinistas have simply replaced one dictatorship with another.

Since 1981, over 20,000 people have joined the Contras in taking up arms against the Sandinistas. These people represent the democratic aspirations of the Nicaraguan people. The Contra ranks are composed largely of peasants, former Sandinistas and longtime Nicaraguan human rights activists. According to Robert Leiken, the Carnegie Endowment's Central American Analyst:

> The Contras have grown into a diverse army of 20,000 that is now a popularly based vanguard for a widespread and growing rebellion.

A myth has arisen, and I have heard it repeated on the floor during our debates, that the Contras are all "Somocistas." This is simply false. There are more Somocistas in the Sandinista government than in the Contra organizations. Over 30 top leadership positions in the Sandinista government are held by former Somocistas. There are far more Sandinistas fighting with the Contras than former Somoza supporters.

Figures are hard to get and necessarily rough, but of the 17,000 members of the FDN, the largest Contra organization, only about 150 are former Somoza national guard members. The top leadership of the FDN is composed of long-time Somoza opponents, such as Adolfo Calero and Alfonse Robelo. Those Contras previously associated with Somoza are greatly outnumbered by the democratic leaders who were long and ardent opponents of Somoza.

Over 30 percent of the FDN members are former Sandinistas who turned to the FDN when the Sandinistas betrayed the revolution. The other large Contra groups do not have any former Somoza guardsmen and are composed entirely of peasants, former Sandinistas and Miskito Indians.

The Contras are often charged with being murderers and terrorists. These charges are Sandinista generated slander.

In a guerrilla war fought in a nation which tightly controls its press, it is difficult to get reliable information, even so, none of the charges of Contra atrocities have been substantiated by anyone but Sandinistas, or people held in their custody. During Senate investigations of one of these atrocities, many of the witnesses against the Contras were found to have been paid or threatened by the Sandinistas to perjure themselves.

According to the State Department, the Sandinista government regularly blames the opposition for abuses committed by Sandinista forces. The armed democratic resistance has consistently sought to direct its military operations only against military or strategic targets.

Nevertheless, the war in Nicaragua is a guerrilla civil war, not without risk—or threat to innocent bystanders. The Contras are not perfect, few governments in Central America are, much less guerrilla movements. But we should support the Contras as the best by far the best—alternative in this conflict.

Foreign policy is often the art of choosing the best of imperfect alternatives. Jeffersonian democrats are scarce in Third World nations. But we can and must make a choice. As we have often learned, inaction brings the worst of results.

Surely, for the people of Vietnam, Diem and Thieu were better alternatives than Le Duan and the ruthless Communists. Lon Nol was an easy choice in Cambodia over the murderous Pol Pot. And the Shah was certainly preferable to the insane Ayatollah. In Nicaragua, the Contras are clearly a better alternative for the people of Central America than the despotic-Soviet-controlled Sandinistas.

It is in our interest to encourage democracy and freedom in the Western Hemisphere. It is necessary and honorable for us to support and protect our friends and allies in Central America from aggression from Nicaragua and Cuba. For our own security we cannot afford to have a Soviet puppet-state on our Southern flank. President Reagan's support for the Contras is a wise policy necessary to preserve our security and Central America's freedom.

Some opponents of this support claim that it is a violation of international law. Such protests have no basis in international law. United States Military Aid to the Contras is within the law according to the United Nations Charter. Article 51 specifically protects the right of "individual or collective self-defense if an armed attack occurs against a member of the United Nations." The OAS Charter reaffirms this basic right to collective self-defense, as does the Rio Treaty. The United States is involved in aiding the Nicaraguan Contras because we have a duty to ourselves and our allies in the region to help stop Sandinista aggression in Central America.

Obviously, United States military aid to the Contras represents American use of force against the Sandinista government. But this use of force is justified by continuing aggression of Nicaragua against its neighbors. The fact that Nicaragua has, since 1980, been directly and militarily involved in attempting to overthrow Costa Rica, El Salvador and Honduras—all of which are democratic United States friends—is affirmed by the United States State and Defense Departments, the United States Congress, the Governments of El Salvador, Honduras and Costa Rica, the Contadora nations, the Kissinger Commission and the Sandinistas themselves.

United States aid to the pro-democratic Contras represents a minimal effort to support our friends in the region who are under attack.

Direct American intervention in Central America is not necessary at this time, nor do I believe it will be necessary in the future if we continue to provide substantial military aid to the Contras.

But, if we are irresponsible enough to allow the Soviets and their clients—Nicaragua and Cuba—to continue their destabilization and military conquests in the region, this might change. If we are shortsighted enough to squander our credibility by reniging on our promise to aid the Contras, then we may see the situation deteriorate dramatically. If we are foolish enough to abandon the Contras and let these fighters wither on the vine because of our neglect, then we may be forced to replace them with American fighting men.

Elimination of the Contras would be an enormous tragedy for Nicaragua and the region of Central America. Democracy is spreading quickly in Latin America. Throughout the region despots of both the left and the right have been ousted and replaced with fledgling democracies. El Salvador and Guatemala are, with our help and encouragement, on the way to developing a stable democratic tradition. Grenada and Haiti have both been given a second chance by timely and prudent United States assistance.

Nicaragua and Cuba are the glaring exeptions. In Cuba, democracy has been extinguished. In Nicaragua it is still flickering, thanks to the Contras and the aid we have provided them. If the Contras are crushed, Sandinistas and Cubans will turn their attention to extending their control to other nations in the region.

The liberal left has not had a good record on Central America. In 1983, liberals in the Senate opposed assistance to El Salvador. To help a corrupt government against infiltrating Communist guerrillas, they argued, would demean the moral integrity of the United States. In May of 1984 the House voted 121 to 208 to give military aid to the embattled Government of El Salvador. Changes in only 44 votes would have spelled disaster for El Salvador—such was Congress' meager commitment to democracy in El Salvador. How many of us now regret the passage of that bill? Did it result in another Vietnam? Of course not.

El Salvador today, largely because of American assistance, has a chance for a stable democratic future. Two elections have demonstrated the overwhelming desire of the people there to live in a democratic society. The Salvadoran Government has begun implementation of many democratic reforms. Human rights abuses have dropped dramatically. President Duarte has successfully rallied the people against the Sandinista-supported rebels.

Congress and the American people should be proud of our Nation's role in this transformation. We should continue our commitment and our aid to El Salvador to ensure that these gains are not lost.

Now the focus is Nicaragua. This time congressional liberals and their supporters in the public and the media say it is immoral for the United States to help native democratic guerrillas against a totalitarian Communist government.

In reality, it seems the left opposes any use of American military aid to support democracy in Central America. Should this attitude become policy, it will place the United States in a dangerous position; it will destroy our flexibility in the region. If we adopt this isolationist policy, we will have no option but direct U.S. intervention when the situation becomes desperate.

Many people in my State have become so concerned about Nicaragua that they have visited that country. Their interest is commendable and their intentions are admirable, but they cannot get a proper perspective on the situation there from a short, Government-controlled visit. Their "Potemkin village" tours never include a stop-off at the local political prison, or a weekend in a Miskito concentration camp. They come home convinced that the Sandinistas are deacons of democracy and friends of freedom.

They have been deceived into believing these tours are representative. One might easily visit the Soviet Union and see no evidence whatsoever of gulags or labor camps for political prisoners. This does not mean they do not exist.

These naive Americans, for all their good intentions, have been and are being used by the Sandinistas as pawns in the Communist propaganda offensive against the democratic resistance in Nicaragua.

It is puzzling that so many educated, prosperous, middle class Americans are willing to accept the word of a "Marxist dictator over the testimony of their own Government. We have seen this phenomenon over and over again, in 1917 Russia; in 1949 China; in 1959 Cuba; in Vietnam, throughout our involvement there; and now in Nicaragua. The irony is that these Americans because of their education and their prosperity, would have been the first people to be executed had they lived in any of these nations when the Communists came to power. And they would have been the first imprisoned by the Sandinistas in 1979.

In his trip to the United States last year, Daniel Ortega used well the platform given him by these naive and idealistic Americans. In his attempt to spread disinformation, Ortega knows no shame. In a speech to a church group in New York he said:

> I too represent a people who are fundamentally religious. Christ is a part of our revolution.

"His words were met," according to the New York Times, "with a thunderous ovation and shouts of Viva Nicaragua Libre."

It is sad to see American citizens duped by an enemy's propaganda, but having listened to many anti-Contra speeches on this floor and having been subjected for 8 years to the relentless media campaign against them, it is easy to understand why the public is so confused about this issue.

In 1958, a misguided isolationism caused the United States to sit idly by as Fidel Castro seized power in Cuba. Castro, too, had duped many into believing he was a nationalist with no ties to the Soviet Union and no interest in Communist economics or plans for totalitarian dictatorship. When Batista fled on New Year's Day in 1959, many Americans cheered the downfall of a despot, not realizing they had witnessed the birth of an even greater monster.

In Cuba, as in Nicaragua, it did not take long for the Communists to reveal their real agenda. Castro quickly installed a pro-Soviet regime and imprisoned and executed his political opponents. Castro's rise to power in Cuba brought nearly 700,000 refugees to the United States.

With his massive Soviet-supplied military machine, Castro has exported his revolution all over the Southern Hemisphere.

Through our passivity, we allowed Castro a foothold. Later, through our weakness, we guaranteed the safety of his squalid little empire by making a mess at the Bay of Pigs and concluding the Kennedy-Khrushchev agreements. We have paid an exorbitant price for both mistakes.

The only thing we have gained from the disaster in Cuba is experience—experience which we should be able to draw upon now. Yet, we are making the same mistakes in Nicaragua—a nation on the mainland of our own continent. We seem to have learned nothing from our lesson in Cuba.

The Sandinistas, though, have learned well from Cuba's experience. Both their strategy and their dictatorship are much the same.

The evidence that Nicaragua is militarily aggressive is overwhelming. It can only be denied by those seeking to apologize for that regime who deliberately ignore the facts. It is equally clear that the Sandinistas are wholly dependent on and committed to the Soviet Union and Cuba. The military buildup in Nicaragua and its continuing human rights violations cannot be denied, nor can the ongoing genocide of the Miskito Indians.

The major difference between Cuba and Nicaragua is that in Nicaragua we have an indigenous force of freedom fighters to support. The only hope for liberation of Cuba is invasion from the outside. The Nicaraguan people are still struggling to free themselves from the inside. They look to us for help.

In Nicaragua, the United States has allies in the field. The Contras are willing to die in the struggle to restore democracy to their country. All they ask from us is financial and material support. That is a small price to pay for freedom and security.

We have already committed ourselves to this policy; we have already voted to give the Contras this money which they need to survive. We must not now retract our pledge and sentence them, and democracy in Central America, to extinction.

When we examine the Nicaraguan problem, we must recognize that the Sandinistas are ideologically and philosophically opposed to the United States and what we stand for. Whether or not we support the Contras, the Sandinistas will remain—by their choosing—our enemies. In their minds they are crusaders, fighting as the vanguard to destory classical Western culture.

We must recognize, also, that the Sandinistas do not control their own destiny. Through their absolute military and economic dependence on the Soviet Union, the Cubans and the East bloc, they have traded away any autonomy which they may have won in the revolution.

In view of this, I believe that it is time for a fundamental change in United States policy toward the Sandinistas. We should be clear and unequivocal in our approach to the crisis in Central America.

First, we should break all relations—diplomatic and otherwise—with the Communist dictators of Nicaragua. These relations, established in the hope that we could develop a peaceful cooperative relationship with post-Somoza Nicaragua, no longer serve any purpose.

Second, the Government of the United States should officially recognize a provisional Nicaraguan Government constituted by the Contras and other pluralistic elements in Nicaragua. Those who are bravely opposing the Sandinista dictatorship need to know that the United States stands squarely behind them.

Third, we should provide whatever material support is necessary for the newly recognized provisional government of free Nicaragua to force the Sandinistas to reach an accord with the democratic forces in Nicaragua. If the Sandinistas prove unwilling to do this, we should supply the arms necessary to oust them from power.

We must take these actions not only out of legitimate concern for the people of Nicaragua and Central America, for the national security of the United States as well. If we fail to act, if the Contras cease to exist and the Sandinistas are allowed to further entrench themselves, it will only be a matter of time before the threat they pose becomes so great and so direct that U.S. forces will have to be committed to protect our interests, our neighbors and our borders.

The United States must not sit idly by as Central America is infected with the cancer which has consumed much of Asia, Europe, and Africa. I believe that we must act decisively to stop the spread of that cancer and cut it out of this continent.

Mr. President, I ask unanimous consent that a document by Dr. Claudio Benedi, presented to the Organization of American States on November 10, 1986, be printed at this point in the RECORD. This is an excellent report on the importance of the Monroe Doctrine to restore the freedom of the Cuban people. Dr. Claudio Benedi is my good friend, and he is a great Washington representative of the Cuban Junta Patriotica. He is a great and heroic freedom fighter who has a strong mind and a gallant heart.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

JUNTA PATRIOTICA CUBANA—CUBAN PATRIOTIC BOARD AREA METROPOLITAN DE WASHINGTON

November 10, 1986.

"Watching in silence as a crime is committted is tantamount to committing it."—Jose Marti.

"Pacta Sunt Servanda"—One contracts freely, but is bound by the agreement.—Father Francisco De Vitoria.

Honorable Chairman of the Sixteenth Ordinary Period of Sessions, General Assembly of the Organization of American States (OAS).:

Honorable Chancellors, Ambassadors and Representatives of the American States:

Distinguished Representatives of the Americas:

In our condition of participants in the Inter-American System, who have been born in the Cuban State, and fulfilling a historical duty, at the same time exercising a right, we are honored to address you and, through your intercession, the peoples and governments of the Americas, in order to reiterate the posture of the Cuban People and its rights in the concert of American Nations, of which we are a part. We perform this, additionally, in our capacity as representative on behalf of all organizations affiliated to the Cuban Patriotic Board.

The Cuban State, whence we issue, is a part of the Inter-American System, and a member of the Organization of American States (OAS). What is excluded is the present Marxist-Leninist regime, because of its being incompatible with the Inter-American System, as declared by the Eighth Consultation Meeting of Foreign Relations Ministers, assembled in accordance with the Inter-American Treaty of Reciprocal Assistance (Treaty of Rio), said Resolution being in full force.

The OAS is an Organization of American States, and the Cuban State is a member of it. The Cuban State has signed with the American States that you represent, the treaties, covenants, agreements and resolutions that are in force in the Inter-American System, the oldest and most representative of all regional systems in the world. But, both you and we have "bound ourselves to the Agreement."

We reiterate that the Cuban State is a member of the OAS, as it is recorded both legally and morally and has been widely acknoweldged in your previous deliberations, since that State must have some form of representation: "We are the voices of those who lack a voice."

The present totalitarian regime prevailing in Cuba is a stated & recognized satellite, that represents in our Hemisphere the Soviet neo-colonialism. It has never been representative of the Cuban People, it being even more incompatible with the latter than with the Inter-American System, because of its being contrary to the former's history, traditions, culture, morals and idiosyncrasies. Nobody can deny that such a regime is a vehicle for the interference of an extra-continental power (the Soviet Union) in the internal affairs of the Americas.

At the Ninth Inter-American Conference, held in Bogotá, Colombia, Resolution No. 32 was passed that, among other items, reads: "2. Condemns the methods of all systems that tend to suppress political liberties and rights, especially the actions of International Communism or any other totalitarianism."

At the Tenth Inter-American Conference, held in Caracas, Venezuela, in which the Inter-American System maintained its historical sequence in the defense of freedom, political rights and confrontation with Marxism-Leninism, an agreement was passed in its Resolution No. 43, that among other items reads: "Denouncing the aggressive nature of the International Communist Movement, which constitutes within the complex of international circumstances a special and immediate threat to the peace and security of American States and to the rights inherent to all of them, to pursue in a free and spontaneous manner their own political culture and economic life, without any intervention from other states in their internal affairs." Part One of said Resolution condemns "the activities of the International Communist Movement, because it constitutes an intervention in the Inter-American affairs." And it underlines the determination of the American States to take any necessary steps to protect their political independence from the intervention of international communism, which acts in the interest of a foreign despotic system. This is what Castro and his regime are doing nowadays, and the Nicaraguan regime as well: "To act in the interest of a foreign despotic system." Consequently, it is expected of you, by virtue of those agreements to which you are bound, to take any necessary steps to protect political independence against the intervention of International Communism." That is the challenge, and we are bound to that. The Patriots of the Americas and the peoples of Cuba and Nicaragua, that have already been subjugated by International Communism, are awaiting your help to get themselves liberated.

Furthermore, we quote the statement adopted by the Seventh Consultation Meeting of Foreign Relations Ministers of the Americas, assembled in accordance with the Treaty of Rio, equivalent to the NATO in the Americas. This body, gathered at San José, Costa Rica, stated:

"1. The intervention or threat of intervention, including a conditional one, on the part of an extra-continental power in the internal affairs of any American Republic is hereby condemned, and we underline that the acceptance of the threat of intervention of an extra-continental power by any American State, endangers the solidarity and security of the Americas, which forces the OAS to condemn and reject it as well with an equal energetic posture."

At the Ninth Consultation Meeting of Foreign Relations Ministers, assembled in accordance with the Treaty of Río and gathered at the OAS' see, upon request from the Government of Venezuela, in 1964, it was agreed:

"1. That the present regime of Cuba, since its installation in 1959, has developed, supported and conducted in various manners a policy of intervention in the American Continent, with methods, propaganda, funding, training in sabotage and guerrilla operations, supplies of armaments and assistance to movements that seek to subvert national institutions through the use of force, with the aim to install communist regimes. . ."

"2. That assistance to subversion generally adopts the form of political aggression."

The Ninth Consultation Meeting resolved:

"a. To condemn the present regime in Cuba as an aggressor, and due to its intervention in the internal affairs of other States, in violation of their territories and sovereignties."

After this condemnation, various meetings and conferences of a subversive nature were held in Cuba, among those the Tri-Continental Conference of Asia, Africa and the Americas, from which surged the "OLAS" (Spanish acronym for Latin-American Solidarity Organization), which is clearly subversive. Training and indoctrination schools were created for terrorism and subversion. Forty seven of these schools are presently in operation, where many thousands of Latin-Americans, Africans and Asians have been "educated" in subversion and terrorism over the years.

The press in this Hemisphere denounces that there has been a meeting at La Habana, Cuba, of the so-called "Second Latin-American & Caribbean Encounter for Popular Education". This "popular education" comprises, among other subjects, subversion & terrorism.

Cuba is presently a "sanctuary" for terrorists, guerrilleros and subversive agents. They train, seek refuge, obtain supplies and equipment there. In many instances, they leave Cuba in the company of Cuban guerrilleros.

A base for nuclear submarines has been built in Cienfuegos, Cuba, to repair and resupply Soviet nuclear submarines that sail through Caribbean waters towards the shores of Latin-America and the United States. One of these submarines, carrying twelve nuclear missiles, had an accident only a month ago, exploded and the results of this explosion were so serious that it sank at a distance of only 1,200 miles from New York. Those very dangerous nuclear weapons are under the sea, threatening the Americas, and it is not known that any due protective measures have been taken, nor any protestations have been made.

Latin-America has signed and ratified the Treaty of Tlatelolco on the Proscription of Nuclear Weapons from Latin-America. The Soviet base that Cuba is presently neither signed nor ratified that Treaty, thus remaining available for the introduction of nuclear weapons in this Hemisphere. The American States have not done anything to prevent that.

The Soviet Union signed and ratified Protocol II of the Treaty of Tlatelolco, thus obliging itself to not introducing nuclear weapons in Latin-America, but it has done so in Cuba at the "science and patience" of the States in this Hemisphere, such as pirates did in previous centuries. But pirates lacked nuclear weapons, while the Soviet Union does have them.

Two nuclear power plants are being built in Cuba at Cienfuegos, precisely where the Soviet Union has its base for nuclear submarines. Those two nuclear power plants, and a third one that was announced by Castro last October 20, less than a month ago, pose a dual peril for the Americas: (a) The technology with which they are being built is Soviet technology, the same one that failed at Chernobyl shortly ago and that also failed at two nuclear plants built in Finland, only 30 miles away from its Capital, Helsinki. These two latter nuclear power plants have had to be condemned, since they were about to explode, in the same fashion as the one at Chernobyl did. Scientists and nuclear energy experts say that those being built in Cuba do not meet safety standards and constitute an extremely high danger for all of the Americas; (b) Nuclear power plants for peaceful uses can be readily converted to military uses, and there is no guarantee that this will not occur. That is why action must be taken rapidly and energetically. The Cuban Patriotic Board has requested, and it is reiterating before this continental forum that the General Assembly of the OAS constitutes, its petition to assemble a Consultation Meeting of Foreign Relations Ministers, in accordance with the Treaty of Rio, to confront this threat that is primarily a threat for the Cuban People, but also for the rest of the nations in this Hemisphere.

Furthermore, the Cuban regime has nowadays a very extensive variety of warplanes, MiG-23's and MiG-27's, capable of transporting nuclear warheads. MiG-27's have a wide range of operation and are much more dangerous, as offensive nuclear weapons, than the IL-28's which were stationed in Cuba in 1962 and provoked the so-called "nuclear missiles crisis." There are also more than 12 Soviet Bear bombers, TU-95-D and TU-95-F. The Bear TU-95-F are anti-submarine warplanes, capable of attacking targets both on land and at sea. The Soviets now have these planes in Cuba on a permanent basis. There are, besides, twelve airfields for warplanes & bombers built by the Soviets in Cuba. Senator James A. McClure denounced before the U.S. Senate plenum that the Soviet Union had introduced all of these offensive armaments in Cuba: Bombers & attack planes of the latest models, capable of transporting nuclear weapons; nuclear submarines; surface ships also capable of transporting nuclear weapons, as well as the capabilities and the threat posed by the Soviet nuclear base in the Caribbean that Cuba has become. All of these statements were supported by several Senators, and its publication in the Congressional Record was approved.

Only a month ago, the U.S. Senators denounced on the Senate floors, and their proposal was unanimously approved by acclamation, that the Soviet Union had violated the Inter-American Treaty for Reciprocal Assistance (TIAR), also known as the Treaty of Rio, which is the equivalent of the NATO for the Americas, because of having introduced enormous amounts of armaments in Cuba and Nicaragua, some of them offensive and nuclear. After being approved, said Resolution was also included in the Congressional Record.

The so-called "Kennedy-Khrushchev Agreement" was also denounced as having been violated. This denouncement was also included in the Congressional Record. This action indicates that, for U.S. Senators, the "Kennedy-Khrushchev Understanding" has no value or effect whatsoever.

It has been verified that Soviet submarines, of the "Golf" and "Echo" types, have visited Cuba in several opportunities. Precisely during the preparation for this OAS General Assembly Meeting, as a mockery and provocation against the States assembled here, a Soviet flotilla is visiting La Habana, Cuba, made up by surface and submarine vessels, among them two anti-submarine ships, a conventional submarine, a tank-ship and other nonspecified ships. This is the twenty-sixth "visit" by Soviet Navy ships to Cuba in the last few years. This flotilla is under the command of Soviet Fleet Vice-Admiral Fiodor T. Starochilov, who replaced the Chief of the Black Sea Fleet. This flotilla was to remain in Cuba for "several days".

The Soviet Brigade Stationed in Cuba. There is a Soviet military brigade stationed in Cuba, with over 3,800 soldiers and officers. We have been able to ascertain that there are in Cuba 25,000 Soviet military, disguised as diplomats, technicians, "civilian advisers," sports consultants and other fallacious titles. They have overtaken military command posts, in violation of the Treaty of Rio, the OAS Charter and all convenants and resolutions that are in force within the Inter-American System.

The Brezhnev Doctrine of Limited Sovereignty. This doctrine is being applied in Cuba "de facto" nowadays. In Hungary, Czechoslovakia, Poland, Afghanistan and other nations subjugated by the Soviet Union, the latter has introduced hundreds of thousands of troops, tanks and warplanes to stifle in blood the rebellions of those nations who refuse to live in slavery, while in Cuba the Soviets have introduced their troops in order to prevent an uprising on the part of the Cuban people and, in case this occurs, to drown it in blood as well. All of this also violates the Treaty of Rio, the OAS Charter and all treaties, covenants and resolutions in force in the Americas. That is why we request the expulsion of Soviet troops (an extra-continental power) from the territory of the Americas. We request for this to be included in the Consultation Meeting of the Foreign Affairs Ministers, to be assembled in accordance with the Treaty of Rio.

The so-called "Kennedy-Khrushchev Understanding": This nefarious "understanding" held between Kennedy and Khrushchev, violates all existing treaties in the Inter-American System, especially the Treaty of Rio and the OAS Charter. President Ronald W. Reagan, of the United States, has said that such an understanding is abrogated, that it has been violated and that it has no effect or value whatsoever, because of which it cannot be applied to Cubans who fight for the freedom and independence of Cuba. We request your cooperation in order for that understanding to be declared null and void, and for us to be given the support that other nations in the Americas have enjoyed to achieve their freedom and independence. A democratic and free Cuba was always willing to give those of you who needed it the necessary support and assistance; now it is your turn to do likewise for us.

Institutional and "De Facto" Violations of Human Rights in Cuba. Human Rights protected under the American Declaration of the Rights and Duties of Man and the American Convention of Human Rights and the United Nations' Universal Declaration of Human Rights are being violated in Cuba. There exists in Cuba the oldest, most cruel, inhuman and degrading system of political imprisonment in the Americas and perhaps in the world. The Cuban people have lost all of its rights. Cuban men and women have been deprived of all of their rights and attributes, because the Communist regime states that the totalitarian state is the only one having all rights. Thus it has been declared in the so-called Socialist Constitution of 1976, in the Criminal Code and all other "legal in-so-called Socialist Constitution of 1976," in the Criminal Code and all other "legal instruments" that are in force there. A transculturation has taken place, alien and foreign to the Cuban people's traditions, history and culture. A confrontation has taken place in Cuba between two diametrically opposite systems, that are irreconcilable: The Marxist-Leninist system and the democratic system, the latter comprising our Western Judeo-Christian civilization, an inalienable heritage of the Americas.

Several European and American organizations have undertaken investigations about the number of political prisoners existing presently in Cuba, among them Amnesty International, and they have stated that there are 15,000 political prisoners, both male & female, in the communist dungeons in Cuba. This figure has been picked up by the Annual Report on Human Rights issued by the U.S. Department of State.

There is a Historical Group of Political Prisoners in Cuba, made up by hundreds of political prisoners who have been in the dungeons for over 20 years. Several of them have been recently freed, as in the cases of Ambassador Dr. Andrés Vargas Gómez, the coffee workers' leader Sturmio Mesa and others who spent over 20 years in prison. Commander Ricardo Montero Duque and Ramón Conte Hernádez, who spent over 25 years in the communist dungeons, were also released shortly ago. Mr. Ramón P. Grau Alsina was in prison over 21 years due to the "felony" of having taken more than 20,000 children out of Cuba. When he was arrested, he had already a list with over 29,000 children and youngsters to be taken out as well. Dr. Ricardo Boffill, who is in asylum at the French Embassy in Havana, and an extensive list that we omit in order to not overwhelm this Assembly, although we are prepared to submit the names of all of them. We are also ready to submit names from women political prisoners in Cuba, about whom a book has been recently published (Female Political Prisoners in Castroite Cuba, by Esther P. Mora Morales, edited by "Ideal Magazine," Miami, Florida). Among them is Mrs. Paulina ("Polita") Grau Alsina, who as Ramón Grau San Martín. Dr. Tomás Regalado Molina has at your disposal a long list of prisoners in the Historical Prison System.

We also have the "Plantados," those political prisoners who have rejected communist indoctrination and consequently have spent over 20 years in prison. Some of them have been locked up in the so-called "Tapiadas" (walled-up punishment cells) for long periods of time, without any sunlight, windows or bars. Others have been locked up in "gavetas" (drawers) built for only one prisoner, but holding two or three of them.

Cuban political prisoners, both male and female, have been the subjects of medical experiments by Soviet, Cuban and other affiliated nations' physicians. They have been tortured physically and mentally, as this has been described in the book entitled "Against All Hope," written by Cuban political prisoner Armando Valladares, who has divulged for the world to learn about the Cuban Gulag, expounding what the Inter-American Commission on Human Rights had already included in its seven Reports on Human Rights Violations in Cuba.

Said Commission has resolved to prepare the Eighth Report about Violations of Human Rights in Cuba, upon request submitted by the Cuban Patriotic Board.

Furthermore, the Inter-American Commission on Human Rights of the OAS has submitted to this General Assembly, upon our request, an Annual Report in which it has included the Institutional and De Facto Violations of Human Rights in Cuba. Said report states that human rights are still being violated in Cuba and that there does not exist a State of Laws in Cuba, with citizens lacking the most elementary political and civil rights, all of which configurates a totalitarian regime.

All of that is now occurring in Cuba, Honorable Chancellors and Ambassadors, while you are assembled here in the Sixteenth General Assembly. The oppressed people of Cuba awaits your response, morally and legally.

A "Parallel OAS": As evidenced by the Honorable Chancellor of Colombia, Don Julio Londono Paredes, emphasizing that his Government shall not recognize any other Inter-American organism but the Organization of American States: "Colombia cannot think of the existence of any organism to replace the OAS". He has made this statement because such a danger exists, within the political reality. Parallel organisms to the OAS have already been created, in the political, economical, social and educational realms. While the Fifteenth General Assembly of the OAS was being held in Cartagena, Colombia, on December, 1985, a majority of Chancellors went to Caracas, leaving their alternates in Cartagena, to meet under the chairmanship of Carlos Rafael Rodriguez, vice-president of Cuba, who represented the Soviet Union and its satellite regime in Cuba. This is a mockery of treaties, covenants and resolutions in force within the OAS, and violates the Resolution adopted at Punta del Este, Uruguay, in the Eighth Consultation Meeting of Foreign Affairs Ministers, assembled in accordance with the Treaty of Rio, which stated: "The Marxist-Leninist doctrine is incompatible with the Inter-American System." That Resolution is still in force.

The Warsaw Pact in the OAS: The Hungarian Ambassador to the White House, Dr. Hazi, delivered at the office of the Secretary General of the OAS, Hon. Joao Clemente Baena Soares, a message from the member nations of the Warsaw Pact to those of the OAS. What does that message read? Why is it that its contents have not been divulged? What has the Warsaw Pact to do with the internal affairs of the Americas?

Cuba is not a "Captive Nation": In order to bring about a pattern of inaction and a juridical and political violation of treaties, covenants and resolutions that are in force in the Americas, several voices, heretofore isolated, have said that "Cuba is a captive nation, hence submitted to the Brezhnev Doctrine."

Quite the contrary, Cuba is a satellite of the Soviet Union, submitted to a tributary and feudal treatment within Soviet neo-colonialism, an obedient puppet to the dicta of its metropolis, Moscow, but never a "captive nation." It is not and it cannot be a captive nation, because the Cuban State is a member of the OAS, a signatory of the Treaty of Rio, a member of the Inter-American System, and the so-called "non-aligned nations" elected Castro (and therefore the Cuban regime) to preside over that organization. Any affirmation to the effect that Cuba is a captive nation, besides being a political & juridical error with unforeseeable consequences, is an affront to the Cuban people.

The present Cuban Government cannot be admitted to the OAS: It was excluded from the Inter-American System at Punta del Este, Uruguay, during the Eighth Consultation Meeting of Foreign Affairs Ministers, assembled in accordance with the Inter-American Treaty for Reciprocal Assistance (TIAR), known as "Treaty of Rio", through a resolution that stated: "The Marxist-Leninist Doctrine is incompatible with the Inter-American System" and: "Any government declaring itself as Marxist-Leninist would 'ipso facto' be outside the Inter-American System" and its juridical and political organization, the OAS. Not so the Cuban State, which would continue to be a member of the Inter-American System and of the OAS. This Sixteenth General Assembly, as we proved in the case of the Fourteenth Extraordinary General Assembly and the Fifteenth Ordinary General Assembly, lacks all authority to readmit the present government of Cuba, since its having been excluded by the Treaty of Rio, that is a separate protocol of which only 22 American States are participants, not 32, which is the total number of those making up the OAS. History and the Forefathers of the Americas would be noticing what State(s) would be those that today, in the face of the threat to freedom, independence, sovereignty and peace of the Americas, would dare to declare Marxism-Leninism compatible with the Inter-American System. This would negate the values, principles, traditions, history, culture and the Judeo-Christian civilization, that make up the Inter-American System.

Breaking the juridical, political & ideological structures of the Inter-American System to admit an enemy whose stated and avowed objective is to destroy that System, would be an affront to the Americas and a desertion from the ideals of the exalted men and women who forged the Inter-American System and created the OAS and the Treaty of Rio, among other juridical, political, ideological and military instruments to defend it.

The Joint Resolution of the U.S. Congress of 1962, signed by the President of the United States of America and thus became a Public Law, updated by the Symms Amendments of 1982 and 1984 (the latter with favorable votes from 73 Senators and only 3 against) obliges the United States to fight jointly with Freedom-Loving Cubans and the OAS, to attain self-determination (freedom) for the Cuban people. It is a present message to all the States of the Americas to act jointly with Cubans in order to expel from this Hemisphere a foreign power, an extra-continental power (the Soviet Union) that shackles freedom and independence in Cuba . . . and also in Nicaragua. The other American States have the floor now. The time has come for definitions and the adoption of postures "in the face of the common enemy, in a common strategy and a common cause."

To this Honorable General Assembly we declare and request:

1. Our reiteration as to the right for the Voice of the Cuban State to be heard, the Voice of Those who Lack a Voice.

2. That compliance with the treaties, covenants, agreements and resolutions in force within the Inter-American System is a moral and legal imperative.

3. That a Consultation Meeting (Organ for Consultation) be convoked with undeferable urgency, in accordance with the treaties in force (especially the Treaty of Rio), to apply it to the case of Cuba, pursuant to that which we have stated and denounced in this document of summoning to our nations and States of the Americas, to achieve freedom and independence in Cuba and, with that, security and peace in the Americas. Liberation for Nicaragua will be a natural consequence of that process of consolidation of democracy and eradication of communism.

4. That all Cubans, those subjugated within Cuba and the million-plus of us who make up the largest exodus recorded by the History of the Americas, are only one nation that fights for a free and democratic Cuba, together, drawing upon the experiences of the past, from the present, without looking backwards, but forward.

5. That we reject any type of coexistence, detente or negotiation with the satellite regime of the Soviet Union in Cuba.

6. That the General Assembly of the OAS would reiterate the condemnation of Institutional and "De Facto" Violations of Human Rights in Cuba. Those violations are in the Constitution and Laws in force there, against the human rights of political prisoners, especially the "plantados", and against the whole Cuban people as well.

7. That freedom is a natural and inalienable right of men, women and peoples, and there cannot be any freedom in the Americas while there is no freedom in Cuba.

8. That there ought to be compliance in full of the Resolution of the Eighth Consultation Meeting of Foreign Affairs Ministers, assembled in accordance with the Treaty of Rio at Punta del Este, Uruguay, that declared that "the Marxist-Leninist doctrine is incompatible with the Inter-American System."

9. That the OAS would designate from its ranks a Decolonization Committee to liberate Cuba and Nicaragua from Soviet neo-colonialism.

10. That this General Assembly would agree to designate a Commissioner for Political Refugees, since this problem is already affecting millions of peoples in the Americas.

11. That member States of the Treaty of Tlatelolco would declare that Cuba has not signed that Treaty because it maintains its territory open for nuclear weapons from the Soviet Union, has a base for nuclear submarines at Cienfuegos and is in the process of building three nuclear power plants that endanger the people of Cuba and all nations in the Americas. That it be sentenced to dismantle the base for submarines and nuclear power plants, and to expel the Soviets who are building the latter. Furthermore we request a specific condemnation to the Soviet Union for having violated the Treaty of Tlatelolco, which it signed and ratified.

12. That this General Assembly would agree upon exercising the Collective Action that has been recognized and is in force in the treaties and covenants of the Inter-American System and the OAS, against Soviet intervention in Cuba and Nicaragua.

13. That independence and freedom for almost all the peoples of the Americas were attained by Collective Action from patriots and nations of the Americas, against the intervention of extra-continental powers. Bolivar, San Martin, O'Higgins, Miranda, Sucre, Páez, are examples for this. Chile, Perú, Bolivia and Ecuador, to mention only a few, could not have achieved their independence at that time if the other American States had not intervened on their behalf, even without the existence of treaties and covenants that are in force at the present time. The United States intervened to achieve independence for Mexico—and this intervention was decisive in the defeat of Maximilian—in the same manner as France, Spain and Cuba, in a determining fashion, intervened to attain independence for the United States of America.

14. That representation would be recognized for us on behalf of the Cuban State, that is a member of the Inter-American System and of the OAS, since what is excluded is the present Marxist-Leninist government, a satellite of the Soviet Union.

15. That it be declared that the present satellite government of Cuba is aligned and alienated towards the Soviet Union.

16. That Cuban Freedom Fighters be aided (both inside and outside Cuba) as other Freedom Fighters are assisted in countries subjugated by Soviet neo-colonialism, such as Nicaragua and Afghanistan.

17. That our belligerence as Cuban Freedom Fighters be established and acknowledged, as it was done on the last century by several dignified governments in the Americans, although we shall continue to fight with or without that recognition, as we have been doing thus far.

18. That Cuban Freedom Fighters imprisoned in Venezuela be released, such as Dr. Orlando Bosch, as well as in Mexico, the United States and other nations.

19. That the Soviet Union be condemned for the announcement made during the celebration of the 67th. Anniversary of the Bolshevik Revolution, to the effect that it will intervene in the internal affairs of the Americas to "liberate Grenada" and consolidate Cuba and Nicaragua, in violation of all treaties, covenants, agreements and resolutions presently in force in the Americas, as well as the Monroe Doctrine, that was so useful during the last century to preserve freedom and independence in those peoples of the Americas that had been recently liberated.

20. That this document be circulated among the American States and an adequate treatment be afforded to it by this Sixteenth General Assembly of the OAS, since the Cuban State continues to be a member of the Inter-American System and its juridical and political organization, the Organization of American States.

We demand of you the same treatment afforded your States by the free & democratic Cuban State in the past, and remain yours with our greatest consideration.

Dr. Manuel Antonio de Varona, Chairman of the Cuban Patriotic Board, Former Prime-Minister and Former President of the Cuban Senate.

Dr. Claudio F. Benedi Beruff, Washington Representative for the Cuban Patriotic Board. Founder & Ex-Director of the Coffee Federation of the Americas (FEDECAME); Ex-Secretary of the Board of Directors of Pan-American Coffee Bureau, re-elected for six consecutive times; Co-Writer of the World Coffee Agreement; Proponent of Legislation for the Coffee Institute in Honduras and Panama.

Mr. SYMMS. Mr. President, I yield the floor.

Mr. BYRD. Mr. President, the Senate is presently considering a motion to proceed to the consideration of House Joint Resolution 175, to impose a moratorium on further funding to the Contras until an accounting has been made with respect to previous funding.

I will offer a cloture motion at this point. I would then like to go to the consideration of the conference report on the highway bill.

I am not sure I will be able to get back to this matter today though I hope we will be able to, depending upon how long we are on the highway bill and other matters. The highway bill is a very pressing matter, important to all of the States. The construction season is coming on rapidly. It is important that the States know how to plan with respect to the forthcoming construction season.

CLOTURE MOTION

Mr. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of H.J. Res. 175, a joint resolution to impose a moratorium on United States assistance for the Nicaraguan democratic resistance until there has been a full and adequate accounting for previous assistance.

Harry Reid,
Barbara Mikulski,
Wendell Ford,
Kent Conrad,
Tom Daschle,
Brock Adams,
Howard M. Metzenbaum,
William Proxmire,
David Pryor,
Terry Sanford,
Tom Harkin,
Jim Sasser,
Daniel Inouye,
George J. Mitchell,
Alan Cranston,
J. James Exon,
Claiborne Pell,
Robert C. Byrd,
Paul Sarbanes, and
Daniel P. Moynihan.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, before I ask the Chair to lay down the conference report, does the distinguished Republican leader wish to say anything?

Mr. DOLE. Yes. The vote would then occur on his cloture motion on Monday; is that correct?

Mr. BYRD. Yes. The Senate will not be in on Saturday. It will occur on Monday.

Mr. DOLE. I wonder if the distinguished majority leader would have any words on the remainder of the day and what will happen on Monday.

Mr. BYRD. Yes. I thank the distinguished Republican leader.

Mr. President, for the remainder of the day, the Senate will consider the conference report on the highway bill and hopefully the resolution that is attendant thereto.

If those matters are disposed of, or if there is a hiatus at some point, there is another matter on the calendar that I believe can be disposed of this afternoon. That is Senate Resolution 164, offered by Mr. WILSON, a resolution calling on the President to respond to violations by Japan of the United States-Japan agreement on semiconductors.

Mr. DOLE. Will that require a rollcall?

Mr. BYRD. It does not require a rollcall, but it would not hurt anything to have one because it is a very important matter and I think it might be well to send a message to Japan to show how the Senate feels about the matter. I am not presently asking for a rollcall vote, but I would be surprised if there is not a rollcall vote on that.

In any event, once the highway matter has been disposed of in one way or another, and any other matters that are cleared for action on the calendar, the Senate will resume consideration of the motion to proceed to the consideration of the moratorium resolution on the Contra funding. This would continue into tomorrow. There may be rollcall votes yet today. There may be rollcall votes tomorrow.

I understand there is some resistance to going to the joint resolution to provide for a moratorium on Contra funding. Quorum calls can occur. Motions can be made to get the sergeant at arms to help establish a quorum, and other votes may occur on motions, and so on.

I would say to the distinguished Republican leader that there is a very good likelihood for rollcall votes this afternoon and a good likelihood of rollcall votes tomorrow.

The vote on the cloture motion will occur on Monday. I will be happy to discuss with the distinguished Republican leader the hour on Monday that he would prefer to come in or would prefer to have the vote on the cloture motion. We will be able to decide that.

So there will be at least one rollcall vote on Monday.

Mr. DOLE. I thank the distinguished majority leader.

Mr. BYRD. I thank the Republican leader.

SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT—CONFERENCE REPORT

Mr. BYRD. Mr. President, I submit a report of the committee of conference on H.R. 2 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The bill clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2) to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of March 18, 1987.)

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that during consideration and votes on the conference report on H.R. 2, the highway reauthorization measure, and House Concurrent Resolution 77, the following staff of the Committee on Environment and Public Works be granted the privilege of the floor: Peter Prowitt, Bailey Guard, Kathy Cudlipp, Micke Weiss, Nadine Hamilton, Dan Dant, Marc Litt, Martha Pope, Grace Reef, Jean Lauver, Taylor Bowlden, Rich Innis, Vic Maerki, and Johnny Brousard.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I am pleased to bring the conference report on H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987, to the floor at this time.

The Nation has now gone 170 days, near to one-half of a year, without a highway program, the longest such time in the modern history of the Nation. We are right to the verge of a period in which many States, including that of the distinguished Presiding Officer, will find, owing to their weather conditions, that if they do not promptly begin construction, the winter will close in before they can conclude. So that, in effect, if we do not act quickly, for some States, we will not have acted at all, and there is no State that will not in some way be impaired.

Yesterday, the House of Representatives approved this measure by a vote of 407 to 17. I hope that in the White House, I hope that in the Department of Transportation, that vote is recorded: 407 to 17. I cannot doubt that we will have an equal vote again in the Senate and that we will act today. It is not clear how the administration will respond. From the beginning, they have kept their distance, offered little advice, much criticism; but we will soon see.

Mr. President, I was not a member of the Subcommittee on Surface Transportation and Highways in the previous Congress, nor was I a member of the committee of conference which was not able to reach agreement toward the end of the 99th Congress. I have just assumed the chairmanship and it was with some measure of uncertainty that I commenced this committee of conference with otherwise virtually the same members who had not been able to agree in the latter part of last year. At that time, I said that there was no certainty that we would get a bill this year, as we had failed to do the previous year. I said we could succeed, but we would have to work together to do it.

I report that we did work together. We have come to you with a unanimous conference report. Every member of the House agreed, every Member of the Senate agreed.

The conferees faced several difficulties. There were the demonstration projects which established new programs in different parts of the country to demonstrate new techniques, sometimes merely to demonstrate influence. I am aware of that. These are mixed reasons. There was an inclination to allow the States to increase the 55-mile-per-hour speed limit on rural interstate sections, the mileage which is the largest portion of the system. There was the question of establishing funding levels which would meet budget targets, yet provide the funds that would maintain adequate investment in this part of the Nation's infrastructure.

My fellow conferees are deserving of my greatest gratitude and of that of the Senate, in my view. Here, on the floor, are the distinguished chairman of the committee, Mr. BURDICK; and our chairman emeritus, as we are pleased to call him, Mr. STAFFORD; and Mr. SYMMS, ranking member of the Subcommittee on Water Resources, transportation infrastructure. There were also Mr. MITCHELL, Mr. CHAFEE, amd Mr. BREAUX. They represented their position in the Senate with purpose, clarity, good humor, and with repeated and telling effect. We were greeted with equally formidable Representatives from the House, most notably the chairman of the Committee on Public Works, Mr. HOWARD. Still, with perseverance, we made daily progress. We worked without exception, day in, day out.

We met only five times, Mr. President, in public. It was our judgment that the conference committee meetings ought to record progress and they did. In a short five meetings, we reached a conclusion.

H.R. 2 provides the funding required. This is a moment the Senate might take to consider: H.R. 2 provides the funding to complete the Interstate and Defense Highway Program begun under President Eisenhower in 1956, the largest public works project in this history of the world. We decided on a 5-year bill, Mr. President, although the Senate passed a 4-year authorization program. We thought we would go to 5 years to say now we have done this program; in a sense, we have finished the highway structure of the country, much as the day came when the railroads were built and the airline routes—well, we thought—were completed, and we would go on to other things. But we thought this would be the right thing to do, finish this job.

The 5-year reauthorization provides $68.6 billion in budget authority for the interstate construction to be completed, for continued maintenance, the interstate substitute program, and then, of course, the primary and secondary road programs, urban highway programs, bridge programs, and others.

The bill provides more. It is, after all, a surface transportation act, not just a highway bill. In it you will find $18.9 billion for mass transit assistance, for a total of $87.5 billion.

With respect to highways, Mr. President, it might be useful at the outset to note that actual budget authority and actual budget outlays for highways in this current year, under this legislation, will be below those of last year. We are going to hear other things said in the corridors and rooms around this building. I stand here to say to my colleagues that whatever you hear is wrong and is misrepresentation.

The 1986 legislation provided $14.6 billion per year in budget authority, $13.9 billion—you might round it to $14 billion—in outlays. This year, we go down from a budget authority of $14.6 to $13.5 billion. We go down in outlays from $13.951 billion to $12.940 billion—a billion dollars down in outlays. That is the actual money spent.

What does this reflect? In large measure, it reflects that we are completing the Interstate System. And indeed, in 5 years' time, we may see a very different program—or indeed, we will see. But anyone who speaks of this program as raising outlays on highways is speaking an untruth or ought to demonstrate that that is the fact when this conference and this Senate say otherwise.

We think this is a sound bill and a sound program. The highway trust fund from the Committee on Finance—I was a member of that conference as well—is reauthorized for another 5 years through September 30, 1993. It is in good shape.

Mr. President, I point out to the Senate that there is currently in the highway trust fund a year's surplus of funds. We have more than $10 billion in the trust fund now and they come in on a regular basis. We are as securely funded as any activity in the Federal Government could be.

May I note with respect to the financing aspects of the bill that there was a discussion of the imposition on Canadian tractor-trailers of the long-term use fees that American trailers use. That had the potential of some difficulty between our two countries. It was worked out to the satisfaction of both, with the desire that I know the distinguished Presiding Officer would share, that we look to the time when we have the least possible regulations on movement north and south across the Canadian border of normal commerce in tractor-trailers.

After this 5-year bill, the highway program will undergo significant reform. We are about to enter a new era. The system is built. We are now increasingly in the business of restoring and resurfacing and rehabilitating roads and bridges. Between a third and a half of our outlays for highways this year already will be essentially on maintenance. By 1991 we expect that more than half will be. And there are other things yet to do.

In this bill, we broach the issue of toll financing of new facilities, a matter of some special interest to New Yorkers, if I may say, but only in an indirect manner. Section 120 of the bill, at the proposal of the distinguished junior Senator from Florida, a welcome new member of our committee, permits for the first time Federal aid financing for seven noninterstate toll facilities as part of a pilot program. We may want to do more of or less of as we go through a 5-year reexamination of these internal improvements that go in direct succession to Alexander Hamilton's proposals of 1797, if memory serves in that regard.

We provide that a Federal share of not more than 35 percent can be applied to the costs of construction, operation and maintenance of such facilities.

We find several States in areas where traffic volume is growing that have an interest in participating in such a program because their population is growing faster than their highway funds, and tolls provide the revenues needed to finance immediate construction rather than longer, stretched out activities.

If I could ask the patience of the Senate for just a moment, I would pause to note that New York State built the first segment of the Interstate Highway System. Franklin D. Roosevelt first proposed the measure as a large national enterprise, and in 1942 the New York State Legislature proposed the first segment, now the Thomas E. Dewey Thruway, named for the Governor of New York, a very distinguished Governor indeed. And a great civil engineer, only recently passed away, Bertram Tallamy, was asked to take on the planning, the design, the construction of the thruway in the old trade route up the Hudson and across the Mohawk to the Middle West. Ground was broken at Liverpool, New York, in 1946, and a decade later Mr. Tallamy went on to Washington under President Roosevelt to take his design, his method to be that of the Interstate System itself. The Interstate System is the New York thruway built large and at length. Alas, we built ours with State money and imposed tolls.

In 1956 it would have been a matter of no effort to ask that we be included, and our bonds be paid off gradually. We failed to do that, and it was not until many years later, in 1978, that a provision was added to the Highway Act of that year which enabled New York to begin sharing the so-called 4R funds, on condition that it take its tolls off when the bonds are paid off.

I am now speaking to any New Yorker who may be listening on this occasion. It took me until 1981 to get the thruway to enter into an agreement to do this. In 1996 the tolls will, in fact, disappear if the State legislature makes the effort to do so. It has not yet done so. The disposition to keep tolls on once they are imposed is no different from that of any other tax, and I put my colleagues on notice to this effect. Eighty-five percent of the population of our State lives within 30 miles of the thruway.

Mr. President, that is on a parochial matter. I would like to speak now to a much more significant and painful matter, and to repeat a comment I made when this bill first came to the floor. I am referring to the behavior of the National Highway Traffic Safety Administration and its Director, Miss Diane Steed, during the past 2½ months. In the course of the Senate debate on the highway provisions of this act and the subsequent committee of conference, the issue of highway safety came up repeatedly and most specifically, of course, with respect to the effect that might be expected from raising the speed limit on rural sections of the interstate system.

First as floor manager, as I mentioned, and later as chairman of the conference I had occasion repeatedly to note publicly the seemingly complete absence in any of our discussions of any material, any counsel, any presence even of the National Highway Traffic Safety Administration. At one point in the conference I described this as a reckless disregard of duty.

It happens that in the 1960's I was part of the group which considered the question of highway safety and gradually evolved the idea of a highway traffic safety administration. I was colleague and friend of a great New York public servant, William Haddon Jr., who only recently passed away, who was the first administrator. If Bill Haddon had been on the job, he would have been at our conference outside the door waiting to provide his advice, working up data, giving us counsel, giving us the best judgment of the best people available on the questions we asked, with no professional capacity to make judgments of that kind and very little data. We had nobody from the National Highway Traffic Safety Administration. I want to say once again, nobody. I have not seen such a dereliction of duty in my time in the Senate.

But I do not want to dwell on that. I want simply to state that we have a major highway program; that we have not got a moment to spare in getting it under way, not a moment even for me to continue talking, save to add that the mass transit facilities provisions of this bill are just as important as the highway title. They are important to large cities. They are important to small towns. Every time you see a bus in America you will almost certainly see a form of public transportation for which some funds are being provided just as they are provided for the highways. That is in this bill, too. They are part of the highway trust fund, a portion of the tax dedicated to it.

Mr. President, I am proud to bring this bill to the floor in the company of two extraordinary public men who have worked on the subject for years. I say in conclusion, I hope someone downtown in the White House is listening. You can have this bill passed near unanimously by the House, and which will be passed near unanimously by the Senate, and which is universally desired, or you can have no bill at all. We have gone 170 days without a highway program. This is H.R. 2. We did not wait to get to it. We went right to it. We passed S. 185 in the Senate. The House passed H.R. 2. We went to conference. We had very serious disagreements, one of which we brought. We brought the 65-mile an hour issue to the House. They did not want it, but then they said the highway program is more important and by a narrow vote, which they accepted and which they did not have to take, we now have back our will in this measure. Now, if it is vetoed, we will, of course, attempt to override the veto. If we fail, it is not at all clear when we will get around to this subject again. I would think that we would not leave Washington without trying a second time, perhaps in October.

A year without a highway program is like a year without a summer. You might think spring has been extended a long time and not notice that summer has gone by until autumn has come, and then it is January, and there is no hay in the barn and there is no corn in the silo and there is no food in the land, and you wonder what you did. Only the heavens can make us do without a summer—the heavens or the nuclear scientists. We do not know which.

This administration has it in its power to destroy half the highway contractors of this country, has it in its power to put out of work upward of 700,000 men and women; and if it wishes to do it, it can be done. The consequences are unknowable, but the fact that there will be consequences ought to be clear.

The administration could accept this bill, a good bill, and get on with other matters, or it can enter a crisis of its own creation. Let no one come to this Chamber or the other Chamber asking what happened to the highway bill. We will have passed it before the day is out.

I see that the distinguished chairman of the committee is on the floor as well as the chairman emeritus. It would be beyond my stature in this august Chamber to choose between them. That is something only the Presiding Officer can do.

The **PRESIDING OFFICER.** The Senator from North Dakota.

Mr. **BURDICK.** Mr. President, I am pleased that we are beginning consideration of the conference report on H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987. This reauthorization legislation is long overdue and urgently needed.

The House has passed the conference report by a vote of 407 to 17, and I hope the Senate will also agree, so that this vital transportation bill can be enacted into law without further delay.

It was a great disappointment last year when conferees were unable to reach agreement with the House on similar legislation.

Funding for the Federal-aid Highway Program, one of the most important activities within the jurisdiction of the Committee on Environment and Public Works, has been frozen since October 1, 1986, when highway apportionments for fiscal year 1987 should have been released.

With the start of the 100th Congress, new highway legislation (S. 185) was introduced in the Senate, cosponsored by nearly all the members of the committee.

A new bill, S. 387, was reported unanimously on January 21, and it passed the Senate by a vote of 96 to 2 on February 4.

Once again we faced a very difficult conference, and although I prefer S. 387 and the approach it takes to the highway program, I recognize the need for compromise and decisive action if States are to receive their highway funding in time for this year's construction season.

In working out an agreement, I want to salute the fine efforts of Senator MOYNIHAN, who chaired the conference and serves as chairman of the Water Resources, Transportation, and Infrastructure Subcommittee; Senator STAFFORD, the former chairman of the committee, who laid so much of the groundwork for swift action this year; Senator SYMMS, the very able ranking member of the subcommittee; and our fellow conferees, Senators MITCHELL, BREAUX, and CHAFEE.

The conference report provides a total of $68.6 billion in new authorizations for the Federal-aid Highway Program over the 5-year life of the bill. An annual obligation limitation of $12.35 billion is established for each fiscal year from 1987 through 1991.

It has been almost 2 years since the committee began work on this legislation. Extensive hearings have been held. Both the House and the Senate have twice passed bills to reauthorize the highway program.

If the conference report is not enacted this month, I fear there will be severe and prolonged disruptions in the construction and repair of our highway system and in our economy overall.

According to a recent study by The Road Improvement Program [TRIP], the loss of each $1 billion in highway spending results in the loss of 41,600 jobs throughout the economy.

The American Association of State Highway and Transportation Officials [AASHTO] found in a January survey that 767 highway projects valued at $1.1 billion have already been lost to the 1987 construction season.

Moreover, if legislation is not enacted by April 1, AASHTO says that States will have lost 1,425 projects worth over $2 billion. The survey findings get progressively worse month by month.

The Surface Transportation Assistance Act of 1982 included the first gas tax hike in 23 years and the last major reauthorization of the program.

Since then, with a 50-percent increase in funding available, there has been steady improvement in the condition of our highways and bridges. The conference report before us will extend those taxes and allow that progress to continue.

The highway trust fund is funded by the gas tax and other highway user fees, and it provides dedicated revenues for the financing of the Federal-Aid Highway Program.

For the past 6 months, motorists have paid their user fees into the trust fund but those moneys have stayed there unused and unspent. We must allow highway taxes to be put to work for their intended purpose on highway improvements.

I would like to briefly mention some of the major features of the conference report on H.R. 2. Interstate construction funds will be administratively released in the future, sparing States the delays that have occurred over the past couple years.

It is anticipated that over the life of the bill, the Interstate System will finally be completed.

Of importance to 28 States, including North Dakota, is the agreement to retain the existing interstate 4R formula.

Also continued is the one-half percent minimum apportionment for all States that have completed or nearly completed their interstate construction program.

Over the next 5 years, as many as 38 States will be half-percent States, and in this way all States will continue to participate in the program.

The bill maintains a strong Federal commitment to the primary, bridge, secondary, urban, safety, minimum allocation, interstate substitution, Federal lands, and emergency relief programs.

There are also several new programs aimed at improving the effectiveness of the Federal-aid Highway Program and preparing for the post-interstate era.

These include a major new research initiative, the Strategic Highway Research Program [SHRP]; a block grant demonstration program; incentives for private sector participation; and a pilot program for toll financing projects.

Two of the most contentious issues in conference last year and again this year were demonstration projects and the speed limit.

A compromise was agreed to on projects which includes cost-sharing, a one-half percent minimum for all States, and funding significantly below the levels sought by the House.

I have opposed demonstration projects in the past, but I think this is the best resolution possible if we want Federal-aid highway apportionments made in time for the start of the spring construction season.

On the speed limit, the House agreed to vote on the Senate provision separately and that measure has carried by a vote of 217-206. The Senate voted last month 65-33 in favor.

I cosponsored this amendment with Senator SYMMS to allow States to raise the speed limit to 65 mph on rural interstates. If the conference report and the concurrent resolution on the speed limit pass, States will have that option.

I am persuaded that Governors and State legislators will be as mindful of highway safety needs in their States as anyone can be.

Finally, let me recognize our dedicated, able staff who have worked many long hours to bring about this conference agreement.

My thanks to Peter Prowitt, his predecessor Lee Fuller, Mike Weiss, Nadine Hamilton, Marc Litt, Grace Reef, Johnny Broussard, Bailey Guard, Jean Lauver, Taylor Bowlden, Rich Innes, and the fine support staff on both sides.

The conference report on H.R. 2 represents the best compromise available to us at this time. There is no doubt that further delays will lead to major transportation and economic problems in this country.

I hope we can avoid that and move quickly toward winning passage and enactment of this legislation.

Mr. DANFORTH. Mr. President, as reported by the conference committee, H.R. 2 authorizes construction of a much-needed commuter bypass highway in St. Charles County, MO. Improvement of existing roads and construction of new bridges across the Missouri River will be necessary to relieve traffic congestion in the St. Louis-St. Charles corridor, and the Federal-Aid Highway Act of 1987 would boost this effort.

It is my understanding that Federal funds appropriated pursuant to section 149(a)(54) of H.R. 2, authorizing a bypass highway linking I-70 in St. Charles County with I-270 in St. Louis County, could be applied by the State of Missouri to any route or combination of routes that would accomplish the purpose of alleviating traffic congestion in that area. I ask the distinguished chairman of the Environment and Public Works Committee if he could confirm my understanding of this provision.

Mr. BURDICK. I would be pleased to respond to the senior Senator from Missouri. My interpretation of this paragraph is that Federal funds could be used as the Senator suggests.

Mr. DANFORTH. Mr. President, I thank the distinguished manager for his time and for his comments.

Mr. METZENBAUM. Mr. President, I rise for purposes of a colloquy with the chairman.

As the chairman knows, the Main Avenue Bridge in Cleveland is in despicable condition; one of the neediest bridges in the country. Is it the intent of the Committee on Environment and Public Works that bridge discretionary funds be applied to completion of the remaining priority bridge repair, the Main Avenue Bridge project initiated with bridge discretionary assistance on January 31, 1984, pursuant to provisions of the Surface Transportation Assistance Act of 1982?

Mr. BURDICK. Yes; the Senator is correct. It is the intent of the Committee on Environment and Public Works that work on this bridge be completed with bridge repair discretionary funds as intended in 1982.

Mr. METZENBAUM. Mr. President, I thank the chairman and the members of the committee and the full committee chairman; and I certainly want to support the bill and the conference report.

Mr. BURDICK. I yield the floor.

Mr. STAFFORD. Mr. President, I am pleased that the conference report for the Federal-Aid Highway Act of 1987 is before the Senate today. I regret that this conference report was not before the Senate last October when authorizations for the program expired.

I want to express my appreciation to the able chairman of the Environment and Public Works Committee, Senator BURDICK, for his efforts in bringing this conference report to the Senate. The chairman of the Water Resources, Transportation, and Infrastructure Subcommittee, Senator MOYNIHAN, also deserves our gratitude for guiding a difficult conference to completion.

The reminiscence of the Senator from New York about the years of Franklin Roosevelt and the New York Thruway reminded the Senator from Vermont that when the interstate actually began to be constructed under President Eisenhower, the Senator from Vermont, then the State's Lieutenant Governor, had the privilege of dedicating the first segment of the interstate in Vermont back—I think it was about 1957.

So, both my neighbor, Senator MOYNIHAN, and I have watched the growth of the interstate concept from the New York Thruway on until this moment.

I also want to recognize the significant contribution of the ranking member of the Water Resources, Transportation, Infrastructure Subcommittee, Senator SYMMS. He has been involved from the very beginning of this highway legislation, first in providing leadership as the chairman of the Transportation Subcommittee and for the past few months as the ranking member.

Federal-aid highway apportionments should have been distributed to the States on October 1, 1986. The 6-month delay the program has already experienced has hurt the States and localities in their ability to provide needed transportation services. And it has hurt numerous industries which are involved in providing these services.

While States had approximately $6 billion in apportionments carried over from previous years that they could spend, the apportionments were unevenly distributed among the States and were often in categories which could be used only for low-priority projects. Many States have been unable to advance highway projects during the last few months because of winter weather. However, we are now at the beginning of the 1987 construction season for all States. Further delays at this point will significantly disrupt the States' Highway Program.

This is the dilemma. States and localities need these funds to provide transportation services. The construction season is beginning and any further delay at this time means that States will lose part of this construction season. But should we settle for a bill at any price. We may have to ask ourselves that question.

This legislation will provide approximately $68 billion in new authorizations for the Federal-Aid Highway Program for fiscal years 1987 through 1991. An additional $1.4 billion is made available in fiscal year 1992 for interstate construction. There is an obligation ceiling of $12.35 billion on the program for each of these fiscal years. The authorization levels per year have been reduced compared to what was authorized for the highway program in fiscal year 1986 by the Surface Transportation Assistance Act of 1982, as was pointed out by the earlier speakers. The revenues coming into the highway trust fund cannot sustain the 1986 level of authorizations over the long term.

There are many provisions in this bill which I support. However, certain policies contained in the highway legislation before us will send the program in the wrong direction.

The policy direction in the highway title which causes me the greatest concern and I noted it was mentioned by the chairman of the committee, Senator BURDICK, is the tremendous proliferation of demonstration projects. There have always been a handful of projects of a demonstration type with any major reauthorization bill. This bill has over 120 demonstration projects. This is a dramatic departure from longstanding policy and one it seems to me in the wrong direction.

The Highway Program has been one of the most successful Federal-aid programs because it has been a true Federal-State partnership. The Federal Government has provided funds in broad categories and it has been the State and local governments which have determined which project goes forward. I continue to believe that it is the State and local officials who are in the best position to know what their area's transportation priorities are.

I recall, Mr. President, when I had the privilege of serving my State as its Governor that our Highway Transportation Department knew every mile of every highway in our State, its condition and what its needs might be so that they could at any time determine what priorities for spending State, Federal, and local money might be to keep our highway system within the State up.

I believe every State still has a system like that in detail. I fear that a large proliferation of demonstration projects will simply intrude heavily into the opportunities which States now have to determine where and when their money and Federal money may be spent.

We have so many projects in this bill that Members of Congress are going to be considered remiss in protecting their State or district if they do not have a project. In fact, they are going to have to have projects just to stay even with everyone so their State does not lose money. If this program becomes a project-by-project authorization, legislation will be delayed in the future for years while Congress tries to divide up the pie.

I can see the time, Mr. President, when somebody might believe there could be 535 demonstration projects making up the Federal highway bill if we continue in the trend beyond the next 5 years that we see starting here.

We have already seen the delays caused by demonstration projects both in the release of the interstate construction apportionments during the last few years and in reaching agreement on this highway bill.

If demonstration projects become the way of doing business, support for the user fee based highway program as we know it today will erode. This will no longer be a Federal program with national goals and priorities.

Demonstration projects are often represented as additional funding above the regular program. There is no such thing. We have a limited amount of money available for the highway program. It is constrained by the amount of user fee revenues coming into the trust fund and by the spending limits of the budget resolution. We can either spend this money on demonstration projects or apportion to the States through the broad categories of the regular program.

But if the trend we see continues, the States will not have the opportunity to expend through the broadcasters of their regular programs and established by their priorities.

A further disturbing issue is the preferential treatment demonstration projects receive regarding obligational authority. Since 1979 States have been limited each year in what they can collectively spend during a specific year. The obligation ceiling on the Federal-Aid Highway Program for fiscal years 1987 through 1991 in this conference report is $12.35 billion. Authorizations for the program exceed this amount for each year. The obligation ceiling was reduced in response to concerns raised by the Senate Budget Committee regarding outlays in the fiscal years 1988-1991. This means that States will not be able to spend all the available apportionments in the major categories such as interstate construction, interstate 4R, primary, bridge, urban and secondary. Spending in these regular programs will be squeezed downward.

However, the new Federal money made available for demonstration projects is outside this obligation ceiling and will not have to contribute anything to these savings. Only the regular Federal programs will have to contribute to the savings that must be made. And if more savings have to be made in the future due to budgetary constraints, Congress will most likely make these savings by reducing the obligation ceiling even further. This means that once again the demonstration projects are protected from any reductions while the regular program spending will be cut.

Further, 30 percent of the demonstration projects will be paid for by the interstate construction discretionary fund, the interstate 4R discretionary fund, the bridge discretionary fund and the interstate substitute discretionary fund.

We have stated many times that completing the interstate and preserving the capital investment of the Interstate System through the Interstate 4R category is the Federal Government's most important responsibility in this program. The bridge needs of this country have also been emphasized over and over. Yet this bill directs the Secretary to use these discretionary funds, whose purpose is to address particularly urgent needs in these important programs, for demonstration projects.

I was very disappointed that this bill did not contain any reform measures to the Highway Beautification Act. In 1986 the Senate passed highway legislation 99 to 0 that contained meaningful reforms to a program which now does nothing but protect the industry it is supposed to regulate. It was a deep disappointment for me when the Senate defeated more modest reforms this year.

The House highway bill contained even more limited billboard reforms but it would have taken a small step toward effective control of billboards. However, when the Senate conferees receded to the House provision and offered to accept it, the House conferees would not even stand by their own provision. In fact, the House conferees wanted to retreat further and provide even more benefits to the billboard industry than they now have. The result is that we are continuing the situation of tying the hands of the States and localities who want to improve their environment and take down billboards by denying them the ability to provide for amortization. We are requiring them to pay cash compensation and we are providing no cash. In the meantime big, new billboards are going up all over the country. It is still my hope that Congress will bring true reform to the Highway Beautification Act in the future.

It was a deep disappointment for me when the Senate defeated more modest reforms this year.

Finally, I am concerned with the direction this legislation takes in the area of Buy America requirements for transit rolling stock, although I am pleased to say that Buy America provisions in the highway portions of the bill have been dropped. The legislation requires that new assembly facilities must increase domestic content from 50 percent to 60 percent by 1991. I realize existing facilities are grandfathered at the 50 percent requirement for all contracts entered into before April 1, 1992. At that time, if Congress does not extend the grandfather provision, even existing facilities will have to meet the 60 percent domestic requirement. We are not doing our country a favor by threatening to put companies assembling rolling stock out of business. These companies are providing jobs for Americans. If they are discouraged or prevented from doing business here, transit agencies and States will be at the mercy of foreign suppliers or a monopoly domestic supplier all at much higher costs.

Mr. President, up to this point I have outlined the problems I see with this legislation. But, as I said at the outset, there are provisions in this conference agreement which I think are good ones and which deserve support.

The legislation will hopefully provide sufficient money to finally complete the Interstate System by 1992. Until the time of completion, all States will participate in the interstate construction program by receiving a one-half percent minimum. If a State has completed its portion of the Interstate System, it can use these funds first for Interstate 4R projects and then for other projects on the Federal-aid system.

The final conference agreement also contains a mechanism to guarantee that interstate funds will be released to the State on October 1 of each year. Further interstate cost estimates will be submitted to Congress by the Secretary of Transportation. If Congress has not acted by October 1 to approve these cost estimates, the Secretary is directed to make certain administrative adjustments and release the money on October 1.

And my friend, the chairman of the committee, will remember, as I do, the long delays that occurred in some past years because we were unable to pass ICE's, interstate cost estimates, here in the Senate.

We have also continued the existing formula for the Interstate 4R formula. This means that both lane miles and vehicle miles traveled will be taken into account. The House change to the Interstate 4R formula would have considered only population factors and ignored lane miles. I believe it is very important to consider both population and area factors.

Federal participation is also continued in the primary, secondary, urban, bridge, construction safety programs, Federal Lands and Emergency Relief Programs. There is some additional flexibility provided to the States. They are permitted to transfer any costs of open-to-traffic segments on the Interstate System out of the interstate cost estimate and spend those funds on Interstate 4R projects. States can also transfer up to 20 percent of their Interstate 4R funds to the primary system.

I am pleased that the conference agreement includes a provision contained in the Senate bill which encourages the preservation of historic bridges. These bridges are an important part of our country's transportation history. In many cases they can still make an important contribution whether it is related to education, transportation, or economic development.

The conference agreement includes an important new research initiative which I hope will result in making the highway dollars we do have go further. The Strategic Highway Research Program will be funded out of the States' apportionments at a level of approximately $30 million per year for 5 years.

The funding level of the program is always a major concern. This legislation will not provide enough money for the States and localities to meet all their highway needs. The Federal Government will most likely never provide as much money as the States believe they need. In order to provide States with the flexibility to explore additional means of financing highway projects, the Senate included a provision that would allow States to combine Federal-aid funds with toll revenues to finance new, noninterstate roads and bridges, and to expand existing noninterstate roads where additional capacity is necessary. The Federal share for these projects would be limited to 35 percent. And this was explained in some detail by Senator MOYNIHAN in his opening remarks.

The conference agreement permits a limited pilot program with 7 States participating in this toll financing procedure.

An important concern during the next decade will be the safety of our highways and the people who use them. One of the controversial issues which had to be resolved by the conferees was the speed limit. The Senate voted by a large majority to permit States to raise the speed limit up to 65 miles-per-hour on rural interstates. Yesterday the House voted 217-206 to permit the States to raise the speed limit. I continue to support the 55 mile-per-hour speed limit. If Congress decides to permit States to set higher speed limits, increased attention must be given to the use of seat belts, the safe design of cars and trucks, and safety improvements to highways and bridges.

Mr. President, this is not a perfect piece of legislation, as I have suggested in the course of my remarks, but it is probably the best piece of legislation that we can put together at this time. There is a considerable probability that the President will veto this legislation. It is unfortunate that all involved parties could not work something out together that everyone could endorse. A sustained veto will not serve anyone well. If the President does veto this bill, and if Congress sustains the veto, I hope everyone will sit down together immediately and craft a compromise that the President can sign and that Congress can support. But, in the interest of moving ahead with our highway program, I hope the White House will find that this is an acceptable piece of legislation.

Mr. MOYNIHAN. Mr. President, may I join the distinguished chariman emeritus, as we like to say as a mark of our affection, the senior Senator from Vermont, in his comments about the highway billboard legislation. We did our best. We were not able to prevail. We will be here another day. Things are no worse than they were, which cannot be said of every highway bill that has come along in recent years. We simply, in the end, had to settle for things that did not get in the conference agreement.

The distinguished Senator from Illinois wishes to speak right now. But, for the moment, I would ask for the yeas and nays on the conference report.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DIXON. Mr. President, I yield to my friend, the distinguished Senator from North Carolina.

Mr. SANFORD. Mr. President, I must oppose the conference report on H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987.

The timely passage of a reasonable bill fairly allocating highway and transit funds among States is essential to North Carolina, and I have worked toward this goal in our Banking Committee and at every other opportunity. And while no bill addressing such a complex situation can please everyone, I feel that we in the Senate produced such a reasonable bill.

Today's budgetary crisis dictates that we must meet transportation needs in the most efficient way possible. We also should ensure that no

State shoulders too much of the burden in paying for these needs.

Now, North Carolina has traditionally been exceptionally benevolent in its support of transportation programs. In fact, we rank as the No. 2 donor State in terms of the highway trust fund since 1957—meaning we have received only about 83 cents for every dollar we have contributed. North Carolina has long been among the Nation's leaders with its outstanding system of hard surface roads, but we have gone without our fair share for far too long.

When one examines mass transit funding, we find that North Carolina has been even more generous. Like other States, North Carolina pays 1 cent for every gallon of gasoline sold into the mass transit account. Like other States, we also contribute our share of general revenue funds used for mass transit programs. But when we take these two figures together, we find that, unlike some other States, North Carolina gets back less than 20 cents on the mass transit dollar.

This unintended generosity would have continued under the Senate version of H.R. 2. But given the urgency of releasing funds to all the States represented by my colleagues, I supported this legislation as a reasonable compromise under the circumstances.

I am unable, however, to support in good conscience the conference report we are now to consider. This report meets neither the standards necessitated by strict fiscal restraints nor the standards of fair distribution among States.

In fact—according to Department of Transportation figures—when we compare the conference report to the Senate version of H.R. 2, we find that 34 of the 50 States are net losers. North Carolina stands to lose some $32 million a year to the net winners between now and fiscal year 1991. Any plan that cuts funding for 31 States while raising Federal spending by over $10 billion does not seem to be a step toward either fairness or fiscal responsibility.

I believe that the States are in the best position to decide how to use their share of highway funding, and am troubled by the inclusion of nearly $1 billion worth of "demonstration projects" in the conference report. I further feel that we must move toward a more equitable distribution of Federal transportation funds, including some form of minimum allocation for mass transit. I am certain that such issues will be the subject of much future discussion.

The conference report clearly represents a step in the wrong direction. The State of North Carolina has taken a firm official position opposing this measure. This is a matter primarily for State determination, and the State is willing to absorb for a time the difficulties posed by further delay. Our State will attempt to press ahead with necessary projects in the short term, but we do not want to be locked into an inequitable situation in the long term.

Mr. President, the Senate version of H.R. 2, although not perfect, reflected a reasonable compromise—a compromise acceptable in terms of both fiscal responsibility and allocation between States. Unfortunately, the same cannot be said for the conference report, and I cannot support this bill in the present form.

Mr. DIXON. Mr. President, I would like to take a few moments of the Senate's time to discuss the conference agreement on the mass transit title of the Surface Transportation and Uniform Relocation Assistance Act of 1987. At the outset, I would like to thank my colleagues, Senator PROXMIRE, the chairman of the Senate Banking Committee, and Senator CRANSTON, the chairman of the Housing Subcommittee, for giving me the privilege of managing the transit bill on the Senate floor and leading the Senate conferees in our negotiations with the House.

I think the conference agreement is a good one. It reauthorizes Federal transit programs through 1991, maintaining our commitment and support to public transportation systems around the Nation.

Specifically, the bill authorizes a total of roughly $17.9 billion in fiscal years 1987 through 1991. This is roughly $125 million below the Congressional Budget Office baseline for these years. The conference report authorizes $2.6 billion less over the 5-year period than the House bill proposed. On a 5-year basis, it authorizes roughly $1.6 billion over the Senate levels, but as the totals demonstrate, the conference settlement was much closer to the Senate levels than to the House levels.

These numbers may sound large, but it should be noted that transit spending has fallen over 30 percent since 1982. Under the conference agreement, even in 1991, the last year of the bill, proposed transit spending will be at least $450 million below the amount made available in fiscal 1982. The conference agreement therefore supported a hold-the-line transit program; the limited growth provided for is actually below the current services baseline.

Admittedly, the settlement is well above the administration budget recommendations. However, the administration proposed ending all general revenue support for transit, providing for an overall transit program of less than $1.4 billion per year. The administration has made that proposal for the past 3 years, and Congress has rejected it for the past 3 years. It was not creditable when first proposed, and it is not creditable now.

I think it should also be pointed out that the administration essentially stayed away from the conference process. I do not know why the administration chose not to discuss their concerns with me, Senator CRANSTON, Senator PROXMIRE, or Chairman HOWARD or Congressman ANDERSON on the House side. I do know, however, that the Senate conferees would have been more than willing to sit down with the Secretary of Transportation to discuss her concerns over the bill, and I think the administration made a serious mistake by forfeiting its opportunity to enter into such discussions.

I know the administration is now urging Senators to vote against the conference report. I hope my colleagues will consider the fact that the administration avoided any serious discussions of its concerns when the bill was before the conference, as they consider the administration's request.

The transit title of the conference substitute makes one major change in the transit program. The change is commonly known as "blending." Essentially, the substitute provides that, in fiscal year 1988 and thereafter, any amounts authorized out of the mass transit account—the transit gas tax funds—over $1 billion annually, will be split on a 50-50 basis between the discretionary grant program and the formula program.

This change has two principal objectives:

First, to ensure that the bulk of transit assistance continues to be provided under formula; and

Second, to ensure that every State in the Union gets assistance from the trust fund to meet its transit needs.

Mr. President, I think it is vital that the bulk of transit assistance be provided under formula. Discretionary programs are too easily politicized, and make it difficult, if not impossible, for small- and medium-sized transit systems, to get the financial assistance they need. For that reason, I introduced S. 315, a bill that ensures that 70 percent of all funds available to transit are distributed under formula. The conference report before the Senate now does not go that far. However, it is an important step in the right direction. It explicitly links any growth in the section 3 discretionary grant program above $1 billion annually to growth in the formula program.

I also think it is vital to ensure that every State in the Union is able to receive funding from the mass transit account. There was a lot of discusison when the transit amendment was on the Senate floor about the 80-percent minimum return issue—a proposal which would guarantee every State an amount from the section 3 program equal to 80 percent of the revenue from the 1-cent transit gas tax attributable to the State. I could not and do not support that idea. I believe it is important to ensure that the limited transit funds available be allocated on the basis of transit need, and that the transit funds should not be diverted to the highway program. However, I do recognize the Senate's feeling that gas tax funds are special, and that every State which pays the tax ought to receive some Federal assistance from this source.

The conference agreement provides $200 million by fiscal year 1991 which will be distributed under the existing transit formula to meet transit needs. I am well aware that this amount is not enough to satisfy all of those who are interested in the 80-percent issue, but I do believe that we have established an important precedent.

I also want to make it clear that I am committed to doing everthing I can in the future to build on that precedent. To those of my colleagues who have been particularly interested in the 80-percent issue I want to say "I hear you, and I pledge to continue to work to see that gas tax funds available to the transit programs are allocated in a way that ensures that all States receive gas tax funds under a formula based on their transit needs."

Mr. President, I also want to take this opportunity to comment on the way the conference handled the Los Angeles metrorail issue. Provisions requiring the Department of Transportation to issue a full-funding contract to complete phase I and to construct phase II of this project were included in both the Senate and House bills. The House bill also included provisions attempting to guarantee the Los Angeles project $870 million in discretionary grant program funds over 5 years and short-circuiting the NEPA environmental impact statement process.

The conference bill ensures that NEPA is not overridden. On the funding issue, the bill permits Los Angeles to obligate not to exceed $870 million out of the amounts available for new starts under the section 3 discretionary grant program by the end of fiscal 1991. Importantly, the way the conference substitute is worded, the Appropriations Committee will continue to be able to earmark new start funds as they do currently. Under the conference agreement, if Los Angeles is able to proceed with its project on the most expeditious and cost-effective construction schedule, but appropriations is unable to provide all the funding Los Angeles would need to meet that schedule in a given year, Los Angeles is given the right to incur expenses in advance with the guarantee that those expenses will be redeemed in fiscal years 1992 through 1994—assuming sufficient funds are available. Essentially, therefore, financing for the Los Angeles project is stretched out over 8 years—a schedule which helps ensure that the project can be accommodated under the transit program without undermining its ability to meet the needs of other cities who have new start projects underway, or which, like the city in my own backyard, St. Louis, are seeking to build new rail systems or extensions of existing systems, over the life of this bill. It also helps ensure that Los Angeles's funding needs can be met without undermining the ability of the discretionary grant program to meet the need for rail modernization and bus project funding.

Mr. President, the conference report also contains a number of provisions that will improve program efficiency and help ensure that the limited funds available are used for the best projects. For example, the substitute contains criteria for new rail projects, while ensuring that projects close to decisions under the existing system, like St. Louis, do not have to start over again. It contains construction management oversight provisions authored by my good friend from New York, Senator D'AMATO, that will help ensure that major construction projects are handled in the efficient, cost-effective manner that has been missing at times in the past.

The bill does not have the obligation ceilings included in the House bill. It does contain provisions that require that, in any year where the obligation ceiling is less than the new budget authority provided, the reduction should first be taken out of the blended part of the program, while protecting to the extent possible, the basic $1 billion section 3 program.

There are many other provisions of the legislation that I could explain at this time. However, the conference report was printed in the CONGRESSIONAL RECORD yesterday, so I will not take additional time to do so now. I would simply like to take this opportunity to thank my warm friend from New York, Senator D'AMATO, for the leadership he has provided, and for his hard work in bringing the bill to this point. Without strong bipartisan cooperation, this legislation would not be before us today.

I also want to say to my colleagues that this is a bill that is worthy of their support. I urge the Senate to pass this conference report with the overwhelming vote that it deserves. The transit and highway programs have been expired for the past 6 months. We need to enact this conference report now. We cannot afford further delay.

The PRESIDING OFFICER (Mr. WIRTH). Is there further debate on the legislation?

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The distinguished minority leader.

Mr. DOLE. Mr. President, I certainly commend all those who brought this conference report to the floor. But I think in fairness, I should state that I have just received a letter from the President, dated today, March 19, in which he indicates that the conference report will be vetoed in its present form. I would just quote from the letter. He said:

> . . . I strongly support the House and Senate efforts to allow States to raise the speed limit to 65 m.p.h. on rural Interstate highways, overall the measure is seriously flawed.
>
> It is distressing that Congress would turn legislation needed to meet nationwide highway and transit needs into a vehicle for special interest projects such as the Boston Central Artery project.

Later on in the letter, he indicates that:

> Over five years, the bill would exceed my request by $9.1 billion. We simply cannot afford these expenditures at a time when we are struggling so valiantly to reduce the deficit. This excessive spending is further aggravated by provisions in the conference agreement that continue to distribute transit trust funds unfairly to fewer than 20 cities, such as the Los Angeles Metro System. Moreover, these funds are earmarked for "new starts", transit systems that are often not economically viable.

He concludes by indicating:

> If this bill is presented to me in its current form, I will return it to the Congress without my signature.

I would also include in the RECORD a State-by-State comparison of the conference report versus the Senate-passed bill. And I think there was a lot of interest in the Senate-passed bill, and a lot of support for the Senate-passed bill.

As I understand, we can vote on the conference report in the next 10 or 15 minutes. Then I assume there may be an effort to bring up the resolution with reference to the speed limit. That will be objected to. That will go to committee. I am not certain when that will be reported out, but maybe sometime early next week. Or maybe if something happens in the committee, it would not be reported out.

When that comes up, it will be subject to amendment. I think it is fair to say that there may be some amendment offered at that time to alleviate some of the concerns expressed by the President in the letter threatening a veto.

I think if you look at the 5-year life of the legislation, broken down by States, the losses over 5 years—and I am not the expert because the experts are Senator MOYNIHAN and Senator STAFFORD—Kansas does not do too badly. We only lose about $10 million. But some States, such as Alabama, North Carolina, Pennsylvania, Wisconsin, Washington State, and others—a lot of States lose a lot of money.

Forty-one States, I am advised, will receive lower apportionments under the conference report than under the Senate-passed bill, S. 387. It translates into a loss to States of $391.7 million annually or $1.96 billion over the 5-year life of the legislation.

In addition to lower apportionment levels, States lose spending authority under the conference agreement. Because of the inclusion of costly demonstration projects, conferees were forced to lower the highway program obligation ceiling to compensate for the large amount of money outside the obligation ceiling. Consequently, States would be allowed to spend only 95 cents of every dollar apportioned to them. Thus, the losses to States in formula funds noted above would be even greater.

That is a matter we will have to take into consideration when we vote on the conference report.

I do not quarrel with the efforts made by the conferees. I know the House position. We would have had a bill last year had it not been for the intransigence on the part of some in the other body. I do not quarrel with them. They have their own views and their right, obviously, to try to make certain their views are heard and, if possible, accepted.

For the reasons stated, the President has indicated he cannot support the conference report.

Mr. President, I ask unanimous consent that the letter from the President and the chart showing a State-by-State comparison and how much each of the 41 States lose be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC., March 19, 1987.

HON. ROBERT DOLE,
Republican Leader, U.S. Senate,
Washington, DC.

DEAR BOB: I am writing to express my grave concerns with the conference agreement on the bill (H.R. 2) which reauthorizes highway and transit programs. While I strongly support the House and Senate efforts to allow States to raise the speed limit to 65 m.p.h. on rural Interstate highways, overall the measure is seriously flawed.

It is distressing that Congress would turn legislation needed to meet nationwide highway and transit needs into a vehicle for special interest projects such as the Boston Central Artery project. I strongly object to the unprecedented provisions in the bill that would provide extra Federal funds for 152 so-called "highway demonstration" projects. If special interest projects are authorized, they should, at most, be funded from within States' regular allocation of highway funds, as the Senate bill proposed. States, not Congress, should determine their highway needs and priorities.

I am equally concerned, that despite our mutual interest in controlling Federal spending, the bill provides excessive funding levels for mass transit programs. Over five years, the bill would exceed my request by $9.1 billion. We simply cannot afford these expenditures at a time when we are struggling so valiantly to reduce the deficit. This excessive spending is further aggravated by provisions in the conference agreement that continue to distribute transit trust funds unfairly to fewer than 20 cities, such as the Los Angeles Metro System. Moreover, these funds are earmarked for "new starts", transit systems that are often not economically viable.

If this bill is presented to me in its current form, I will return it to the Congress without my signature.

Sincerely,

RON.

STATE-BY-STATE COMPARISON: CONFERENCE REPORT VS. SENATE-PASSED BILL (S. 387)

House and Senate conferees have completed negotiations on a $87 billion highway, highway safety and transit reauthorization bill. Under the highway title of the bill, the Department of Transportation estimates that:

41 states will receive lower apportionments under the conference report than under the Senate-passed bill, S. 387.

This difference in apportionments translates into a loss to states of $391.7 million annually, or $1.96 billion over the five year life of the legislation. Broken down by state, the losses over 5 years are as follows:

	Million
Alabama	$122.5
Alaska	13.5
Arkansas	70.5
California	80.5
Colorado	59.0
Connecticut	8.0
Delaware	11.0
Florida	25.5
Georgia	107.5
Hawaii	106.5
Idaho	34.5
Indiana	149.0
Kansas	10.5
Kentucky	81.5
Louisiana	120.5
Maine	26.5
Maryland	63.5
Minnesota	73.0
Mississippi	68.5
Missouri	69.5
Montana	16.5
Nebraska	12.5
Nevada	11.0
New Hampshire	9.5
New Jersey	71.0
New Mexico	18.5
North Carolina	161.5
North Dakota	16.0
Ohio	241.0
Oregon	24.5
Pennsylvania	149.5
South Dakota	17.0
Tennessee	134.0
Texas	489.0
Utah	53.5
Vermont	10.5
Virginia	82.0
Washington	125.5
West Virginia	1.7
Wisconsin	108.5
Wyoming	18.0
District of Columbia	32.0
Puerto Rico	3.1

In addition to lower apportionment levels, states lose spending authority under the conference agreement. Because of the inclusion of costly demonstration projects, conferees were forced to lower the highway program obligation ceiling to compensate for the large amount of money outside the obligation ceiling. Consequently, states would be allowed to spend only 95 cents of every dollar apportioned to them because of the lower ceiling. Thus, the losses to states in formula funds noted above would increase.

The PRESIDING OFFICER. Is there further debate?

The Senator from New York.

Mr. MOYNIHAN. Mr. President, I believe the Senators from Texas, Arkansas, and Montana wish to appear for a brief statement. They are not at the moment on the floor.

That being the case, might I take this occasion to express the very deep gratitude for any Senator associated with this enterprise. It has been an extraordinarily complex undertaking. There was an inordinate amount of time expended on this program.

I wish to express our gratitude to the staff members who made this possible: Marc Litt of my staff, Mike Weiss, Nadine Hamilton, and Peter Prowitt, our staff director, have given extraordinary effort, week in and week out; along with Johnny Brousard, Jean Lauver, Bailey Guard, and Taylor Bowlden.

On the House side, Mr. President, I would like to express our appreciation to Dick Sullivan, a valued New Yorker who has been on the staff of the Committee on Public Works for so many years; and to Clyde Woodle, without whom we would not be here today.

And, of course, in particular to our colleagues on the conference: Representative HOWARD, chairman of the House Committee on Public Works and Transportation; Representative ANDERSON, chairman of the Subcommittee on Surface Transportation; Representative ROE, chairman of the Subcommittee on Water Resources; Representative HAMMERSCHMIDT, ranking member of House Committee on Public Works and Transportation; and Representative SHUSTER, ranking member of the Subcommittee on Surface Transportation.

Mr. President, pending the arrival of our colleagues, in response to the President's letter I would like it known once again that the budget authorization in the budget outlays in this present fiscal year are lower in round numbers by $1 billion this year than they were last year. That is the essential fact. It reflects the final or closing phase of the Interstate Highway Program.

The effort to prevent our spending in infrastructure what we need in infrastructure arises in the Office of Management and Budget out of a clear desire not to spend money for whatever purpose needed in order to accumulate the unspent funds in a trust fund, a dedicated fund, for the simple purpose of dealing with an unworkable, irrational, increasingly deranged budget deficit which the administration has brought about on its own, and which it cannot address in the only direct, in my view, forthright and honorable way available to them.

A veto, should it come, will bring an effort to override and if the effort to override fails we cannot predict the future of a profoundly important segment of this economy which affects every county, every city, and an extraordinary range of individuals and firms throughout this country.

I cannot accept that this will now happen, which is certainly indicated by the lack of any cooperation. I do not want to say any, but with near total collapse of cooperation between the executive and legislative branches that we have seen in the past.

Four years ago, the distinguished Secretary of Transportation, Mr. Lewis, practically lived in a room off the Senate floor as we tried to work out, and did finally, the highway bill. Nothing of that sort was in evidence this year.

What we see, instead, is a decision in advance even of our deliberations and vote.

Mr. President, I am informed that the distinguished Senators who wished to speak do not wish to. I also see my friend from Idaho [Mr. SYMMS] prepared to speak.

Mr. President, I am informed that the distinguished majority leader will put his statement into the RECORD.

Mr. SYMMS. Mr. President, I have been temporarily off the floor, but I have heard the remarks of my colleagues from New York, Vermont, and North Dakota.

It is my hope that the President will carefully look at what is in this bill. I am aware of what is in the highway side of the bill and I hope that, based on the highway side of the bill, he will choose not to veto the bill.

We have worked hard for 2 years. It has been a bipartisan effort by all Senators on the Public Works Committee. It is not a perfect bill. It is not quite as good as the bill that passed the Senate, but by and large, it is a good piece of legislation, much improved from what passed the House.

I hope the President will carefully look this bill over. He has not cast a veto yet and I hope he will choose not to.

I yield back my time.

Mr. HEFLIN. Mr. President, I would like to pose a few questions to the chairman of the Committee on Environment and Public Works pertaining to the "Buy America" provisions of the highway bill.

Mr. Chairman, some interest, and certainly concern, has been expressed to me regarding the precise definition of "manufactured products" under section 165(a) of the Surface Transportation Assistance Act of 1982. Under existing law construction aggregates such as crushed stone, sand and gravel, and slag are not considered "manufactured products."

It is my understanding that this specific provision of the Surface Transportation Assistance Act of 1982 was not amended by the "Surface Transportation and Uniform Relocation Assistance Act of 1987." Is that understanding correct?

Mr. BURDICK. Yes; the Senator is correct. It is not the intent of Congress, to revise the definition of "manufactured products," since no specific changes were made in section 165(a) of the Surface Transportation Assistance Act of 1982.

Mr. HEFLIN. Then it is my understanding that the definition of "manufactured products" under the Federal-Aid Highway Act of 1987 and the Federal Mass Transportation Act of 1987 will not be changed.

Mr. BURDICK. The Senator is correct. By excluding any changes pertaining to the definition of "manufactured products," construction aggregates such as crushed stone, sand and gravel, and slag should not be interpreted as "manufactured products" as it applies to any section of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

Mr. RIEGLE. Mr. President, I would like to comment briefly on the provision in this highway bill which pertains to the application of the heavy vehicle use tax on Canadian trucks.

During the markup of this legislation, Senator DANFORTH and I offered the amendment to impose the heavy vehicle use tax on Canadian trucks. This is an identical amendment to one that was agreed to last year in the 99th Congress. We felt that there was no clear rationale for any exemption from these taxes, and that when coupled with apparent barriers to entry into Canadian markets the exemption served to give Canadian operators a clear advantage over United States companies. The Finance Committee concurred in this judgment, and unanimously agreed to the amendment.

Due to concerns that were raised by the Canadian Government regarding the imposition of this tax, an agreement was negotiated which reduced the tax from the full 100 percent to the 75-percent level contained in the final version of this legislation. We recognize that the Canadians have efforts currently underway, to deregulate their industry and to increase market access for United States operators. I believe, however, that the tax is appropriate in order to restore some measure of parity between the two nations, and that the 75-percent level is an acceptable compromise.

In discussions with the Canadian Government, I did receive assurances that they would work with their provinces to remove whatever barriers might exist and to achieve a 90-day processing period of all applications that are filed by United States carriers. I am certain that this is possible, and that the Canadian Government is making good faith efforts to enhance transborder trucking relationships.

Mr. ROCKEFELLER. Mr. President, I would like to ask the chairman a question about the 12-percent excise tax on heavy trucks and trailers. The tax was scheduled to expire at the end of September next year. I understand that the bill would extend it for another 5 years.

Is it the chairman's understanding that the tax applies where a company simply repairs a vehicle that has been in use for several years?

I know of two cases where this is of interest. One case involves a company in the truck rental business. The company buys a truck brand new from the manufacturer, pays the excise tax, and then rents the truck to a customer for a period of years. At the end of the lease, the company takes back the truck, cleans up the vehicle by making repairs, and then rents the truck to another customer.

The other case involves a company in the business of repairing highway tractors. Fleet owners and local dealers often bring in tractors for maintenance and repair that have been on the road for as many as 6 or 7 years.

A heavy truck or highway tractor generally lasts about 12 to 15 years, but like any machinery, the mechanical problems and breakdowns increase toward the end of the life cycle. Generally, when a truck is brought in for maintenance after having been on the road for several years, the person making the repairs tries to replace not only the parts that are worn out, but also parts that can be expected to wear out over the next couple of years. This kind of preventive maintenance ensures that the truck will remain on the road a greater percentage of the time. The alternative would be to replace each part separately each time the truck breaks down.

In both my examples, the repairs are the same. They vary from vehicle to vehicle. Each truck has the engine overhauled or replaced. A truck engine in a large tractor-trailer truck generally lasts only about 3 years under normal use. Otherwise, one truck may be repainted and given new fan belts, batteries, brakes, and a new exhaust system. Another truck may be repainted and given a new bumper, wheels, and floormats. Another truck may be repainted and given new tires, fender cowls, brakes, drums, u-joints, and a battery. In another case, the truck is given new door locks, water pumps, rocker arms, brakes, muffler, cab mounts, heater cables, and tail lights, while repairs are made on its air-conditioning, rear door, blower, electrical system, shift linkage, steering assembly, and clutch.

The useful life of the truck is not extended by the repairs. The only aim is to ensure that the truck continues to run reliably. My question is whether we intend the tax to be triggered by this kind of normal maintenance.

Mr. BENTSEN. As a general rule, the repair of an automotive vehicle is not subject to the retailers excise tax. There can be situations, however, in which the repair of a vehicle is so extensive that the useful life of the vehicle is extended to the point where the vehicle becomes functionally comparable to a new vehicle. It is the extent and functional result of the restoration that is determinative of whether the tax applies. Such a determination must be made on the basis of an analysis of the facts and circumstances of each case. As stated in Revenue Ruling 71-584, the assembly of a truck-trailer by combining a so-called glider kit with salvaged parts from a used tractor constituted "manufacturing." In addition, when the repairs made to one of the taxpayer's vehicles are sufficiently extensive to increase the useful life of the vehicle to approximately the same degree as does the installation of a glider kit, these repairs will also constitute "manufacturing."

However, it could well be possible for a taxpayer to make extensive repairs which do not include, for example, replacement of the cab and rail system with new components—such as in a glider kit—without triggering the tax. Substantial repairs may be done to a vehicle under these guidelines without constituting manufacturing as long as it is determined under a facts and circumstances test that such repairs do not extend the useful life of the vehicle to the point where the vehicle becomes functionally comparable to a new vehicle.

Mr. MITCHELL. Mr. President, I am pleased that the Senate is finally considering the conference report on the Surface Transportation and Uniform Relocation Assistance Act of 1987.

As we all know, authorizations for the Federal-Aid Highway Program expired on September 30, 1986. Since that time, States and local governments across the United States have delayed or indefinitely postponed thousands of projects. While the Senate and House each approved highway bills during the first few weeks of the session, 42 days of negotiations between the Chambers have considerably slowed the bill's path toward enactment.

The conference report on which we will vote today represents a compromise between the House, the Senate, and the administration. The bill would reauthorize the Federal-Aid Highway Program at $67.31 billion over 5 years, with an obligation limit each year set at $12.35 billion.

This level of authorization continues to be possible because of the increased gas tax revenues authorized by the Surface Transportation Act of 1982. The tax title in the conference report largely extends the 1982 revenues earmarked for the highway trust fund. Except for a few minor items such as the New Mexico waste isolation project, the Federal-Aid Highway Programs are funded 100 percent from the trust fund. Such minor programs comprise less than .0003 percent.

Today, our Nation's Interstate Highway System is over 97 percent complete. The conference report authorizes $15.5 billion through 1991 to complete the Interstate System. In addition, I am pleased that the conference report continues to allocate one-half of 1 percent of the interstate funds to those States who placed top priority on completing their Interstate Systems, often at the expense of other primary and urban roads badly in need of rehabilitation or construction.

The conference report continues a strong Federal role in bridge, secondary, urban, safety, transportation research, Indian reservation, and public land programs. In addition, the conference report continues the Disadvantaged Business Enterprise Program, with modifications to more accurately reflect the composition of each State's population.

The Federal-Aid Highway Program, in its purest sense, is really about economic development and jobs. For Maine, my home State, its $56.2 million in annual commitment to highway repair and construction means creating or preserving thousands of jobs each year.

I am particularly pleased that the conference report provides Federal funds for a bypass which would provide acutely needed access to Brunswick Naval Air Station and Bath Iron Works, in the Brunswick-Topsham area of Maine.

Over 15 years ago, local residents and selectmen of the towns of Brunswick and Topsham began promoting the bypass to the Maine Department of Transportation. In 1979, an areawide committee was formed. In 1980, after both the Brunswick Town Council and Topsham Board of Selectmen endorsed the bypass plan, officials from both towns met with 11 midcoast region legislators to discuss the bypass program.

Unfortunately, while the area residents continued to push for bypass funding, the area community grew by 22 percent. The shipyard now has over 8,000 employees, and the naval air station grew to a community of 4,700. Last, but not least, the area is located on the State's largest summer tourism route—Route 1—which follows the coast from the southernmost tip near New Hampshire north to Canada. All of these factors have led to 23,000 vehicles each day crossing the current two-lane bridge connecting the towns and allowing access to the defense facilities. With the other rural routes that connect with the bridge onto Main Street, the area is referred to as the "pool table" by all who visit and reside within a 30-mile radius.

Since December 1981, I have worked with Federal, State, and local officials to authorize Federal funds for the Brunswick-Topsham bypass. With the passage of this legislation today, what once seemed a dream will now become a reality.

I have heard time and time again that the administration would veto the bill if demonstration projects were funded. This bill provides $178 million in new budget authority each year for the next 5 years for demonstration projects. That amounts to less than 1 percent of the entire highway title. In addition, those funds come out of the highway trust fund—not general revenues. In effect, each citizen in each State is paying for these projects when they pay the 9-cent-per-gallon Federal excise tax. I firmly believe that the highway trust fund, funded by the people through excise taxes, should be allocated to highway programs as authorized by Congress.

The administration threatens to veto the bill because we are using the highway trust fund appropriately. That simply does not make sense. Excise taxes are raised for the sole purpose of creating a trust fund from which to fund highway programs. If we aren't to fund highway programs with the trust fund, for what should we tell the people we are using their taxes?

The administration has circulated a packet of information to each Senate office, each State DOT, and each Governor's office citing how much money each State would lose in highway apportionments because of the amount of money provided for demonstration projects. This is simply inaccurate.

As we all know, the highway trust fund is not exempt from the sequester orders under the Gramm-Rudman Act. Last year two events occurred which led to reduced funding for highway programs this year. The first event was the March 1 sequester order which reduced highway programs between 4.3 and 5.8 percent depending on the program and the manner in which its funds were actually released by the Treasury Department. The second event was the budget resolution adopted by the Congress last year. That resolution adopted spending guidelines and limits for the next several fiscal years in conformance with the Gramm-Rudman targets. In order to avoid a procedural point of order, the conferees adopted spending levels in accordance with the fiscal year 1987 budget resolution. All apportioned funds are in line with the targets set in the budget resolution.

The small amount of additional funds provided for demonstration projects, do not affect apportioned funds. They are from the Secretary's discretionary account which is not apportioned to the States and from the surplus in the highway trust fund. To say that these funds reduce the level of apportionments made to the States is simply wrong.

I continue to believe that this conference report is a reasonable compromise. I would like to commend the Senator from New York, PAT MOYNIHAN, for a stellar performance as chairman of the conference committee. In addition, I would like to thank the other members of the committee and their staffs for the hundreds of hours spent on this bill and for the final product which I firmly believe will enhance our Nation's highway programs.

Transportation plays a critical role in the economic well-being of our country, and I hope the administration will recognize the necessity in enacting this legislation. I request that the following resolution adopted by the Maine State Legislature urging the Congress to expediently enact highway legislation be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

JOINT RESOLUTION MEMORIALIZING THE 100TH CONGRESS OF THE UNITED STATES TO PROMPTLY ENACT ENABLING LEGISLATION TO CONTINUE THE FEDERAL-AID HIGHWAY PROGRAM

We, your Memorialists, the Senate and House of Representatives of the State of Maine in the First Regular Session of the One Hundred and Thirteenth Legislative Session, now assembled, most respectively present and petition the Congress of the United States, as follows:

Whereas, the 99th Congress adjourned without reauthorizing the Federal-aid Highway Program with the result that the program ran out of money on September 30, 1986; and

Whereas, on December 31, 1986, the State of Maine exhausted its consolidated primary, secondary, urban system and bridge funds; and

Whereas, the State cannot undertake essential new federally assisted contracts without assurance that the 100th Congress will promptly enact reauthorization legislation; and

Whereas, prompt action is vitally necessary to prevent loss of the entire 1987 construction season in Maine; now, therefore, be it

Resolved, That we, your Memorialists, do hereby respectfully urge the members of the 100th Congress of the United States to reauthorize the Federal-aid Highway Act at the earliest possible time, by reaffirming areas of agreement between the House and the Senate conferees, which were reached in the closing hours of the 99th Congress, as a starting point, and be setting aside for separate consideration those issues in connection that prevented passage of this vitally important legislation in 1986; and be it further

Resolved, That suitable copies of this Memorial, duly authenticated by the Secretary of State, be transmitted to the President of the Senate and the Speaker of the House of Representatives in the Congress of the United States and to each Member of the Maine Congressional Delegation.

Mr. DOMENICI. Mr. President, I have cast my vote in support of the highway conference report. The Congress has been working on this legislation for the past 3 years. It is now critical for us to complete our work. Many States, such as my State of New Mexico, have run out of highway construction funds. The major construction season will soon commence. The States need their highway funds.

However, Mr. President, I must also express my concern over the radical departure this legislation takes from past procedures. This bill contains 171 demonstration projects, with a Federal commitment out of the highway trust fund of well over $1 billion. This is unprecedented, Mr. President.

The Federal-aid Highway Program has been one Federal program largely immune from special projects added by the Congress. The States have always set their own priorities under the program. With this conference report we take a giant step away from past procedures that have served us very well.

Despite these reservations, I must admit that the bill does contain a demonstration project in my State; a project that I strongly support. It is a new road between two major cities—Los Alamos and Santa Fe. I have been working with my State Highway Department and the city governments of Los Alamos and Santa Fe for some time to ensure that this road becomes a reality.

Construction of this road will provide a more direct route between the two cities to accommodate the ever increasing traffic flow. In addition, the road will be used to ship low-level nuclear waste from Los Alamos National Laboratories to the new low-level repository, the Waste Isolation Pilot project, near Carlsbad, NM, that will soon be opened.

If demonstration projects are to be included in this bill, then I am pleased that funds are available for the Los Alamos-Santa Fe road. However, I am confident that if the Congress took a position against these projects, that this New Mexico project would be built because the State considers it a high priority.

While there are 171 new projects, 13 States don't have a demonstration project in this bill; although each of those is guaranteed one-half of 1 percent of the new funds made available. We can all be sure that when we consider the next highway reauthorization, all 13 of those States will be at the head of the line for a demonstration project.

Which leads us to the fundamental problem. The Federal-aid Highway Program has been one of our more successful Federal programs. The Federal Government establishes some general guidelines, but after that, it simply collects the Federal gas tax and turns the funds back to the States. The States set the priorities for construction; they are the most qualified to do so.

Mr. President, let me digress for a moment to discuss the relationship of this conference report to the budget. As I understand the scoring of this conference report by the chairman of the Budget Committee, the only budget act point of order is for violating section 303(a).

The section 303(a) point of order lies against the provision of new direct spending authority in a fiscal year for which there is not yet a budget resolution. Because the conference report provides contract authority, a form of direct spending, in fiscal year 1988 through fiscal year 1992, the 303(a) point of order applies.

While the administration has labeled this conference report as a budget buster, no fiscal year 1987 section 311 or section 302(b) point of order applies. The reason for the lack of a fiscal year 1987 point of order lies in the way CBO scores highway and transit programs.

For the purposes of current level, the measure we use to determine the deficit, spending for highway and transit programs has already been included at the levels provided in the fiscal year 1987 continuing resolution.

If this conference report were to increase highway and transit outlays above those in the continuing resolution, a section 311 and section 302(b) point of order would apply. This conference report, however, actually provides less spending than the fiscal year 1987 continuing resolution.

In the outyears, the conference report assumes a highway obligation limitation of $12.35 billion each year. This is consistent with the levels assumed in the budget resolution for the outyears. It is in the area of programs exempt from the obligation limitation, however, where spending shoots up.

These exempt programs include the demonstration projects, minimum allocation, and emergency relief. The budget resolution assumed that these obligations would be $500 million a year in the outyears. CBO scores the conference report as providing over $1.0 billion a year in exempt obligations in fiscal year 1988 and beyond. Much of the increase is due to the demonstration projects.

I would point out that last fall, the Environment and Public Works Committee produced a highway bill, S. 2405, that met the levels of reconciliation in the budget resolution. Because the highway conference was deadlocked, the highway savings were eventually dropped from the reconciliation bill.

In relation to last year's Senate bill and reconciliation, this conference report adds $2.0 billion in highway obligations from fiscal year 1987 to fiscal year 1990. As I have pointed out, all of this increased spending occurs outside of the obligation limitation. Mr. President, I ask unanimous consent that at this point I may insert into the RECORD a table comparing this conference agreement with the fiscal year 1987 Budget Resolution S. 2405 for highway budget authority and total obligations.

In addition, the transit program levels exceed those in last year's Senate bill. In particular, for the section 3 discretionary grant program, this conference agreement provides budget authority of $1.1 billion in fiscal year 1987, which grows to $1.4 billion in fiscal year 1991. Last year's bill limited section 3 authorizations to $1.0 billion in fiscal year 1987 and $1.1 billion in fiscal year 1988 through fiscal year 1990.

Because the transit discretionary grant authorizations provide contract authority, the outyear section 303(a) point of order also applies to the transit title of the conference agreement. As with the highway programs, the contract authority provided in the transit conference agreement exceeds both the assumptions in the fiscal year 1987 budget resolution and the levels in last year's Senate-passed bill.

Because of these high outyear spending levels, which would constrict our spending choices in the future, and because of the unsound policy inherent in the inclusion of demonstration projects, I have reluctantly cast my vote in support of the conference agreement.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SPENDING TOTALS FOR FEDERAL-AID HIGHWAYS

[Dollars in billions and fiscal years]

	1987		1988		1989		1990		1991	
	Budget authority	Total obligations [1]	Budget authority	Total obligations	Budget authority	Total obligations	Budget authority	Total obligations	Budget authority	Total obligations
Fiscal year budget resolution	13.50	13.05	13.05	13.00	13.50	13.00	N/A	N/A	N/A	N/A
S. 2405 (Senate bill last year)	13.05	13.15	13.05	13.15	13.05	13.15	13.05	13.15	N/A	N/A
Conference agreement	13.50	13.15	13.70	13.40	13.70	13.45	13.85	13.50	13.85	13.60
Change from fiscal year 1987 budget resolution assumptions		+0.10	+0.20	+0.40	+0.20	+0.45	N/A	N/A	N/A	N/A

[1] Total obligations equals the obligation limitation plus obligations from programs exempt from the obligation limitation (demonstration projects, minimum allocation, and emergency relief).

Mr. D'AMATO. Mr. President, I rise in support of the conference agreement to accompany H.R. 2, the highway and transit authorization.

The bill contains funds desperately needed by the States to carry out their transportation programs for highways, transit, and highway safety. This bill also contains an extension of the current excise taxes to support the highway trust fund.

As a conferee on the transit title of the bill, I am pleased with the conference product. The transit authorizations total $17.85 billion over the 5-year life of the bill. H.R. 2 represents a balanced response to our citizens' transit needs, while meeting the test of budget restraint. The transit programs are essentially frozen at current levels. These funds will be used to support rehabilitation of our aging transit systems, as well as to construct meritorious new transit starts. They will meet the Nation's ongoing bus needs, for both rural and urban areas. The bill includes provisions for project management oversight, to ensure that our Federal investment is well-spent. Furthermore, the conferees supported the provision which allows grants for improved transit system security.

As with any significant legislative package, there are strong feelings in the House, Senate, and within the administration on transportation funding levels and Federal policy. There have been veto threats at every step in this bill's consideration, but I must report to my colleagues that I feel such threats are unfounded. I questioned the Federal Highway Administrator this morning on the administration's position. Although he could not provide a definite response, he acknowledged that a crisis in the Highway Program would be the result of a veto.

I trust the administration comes to realize that this bill is the best possible compromise between the two Houses. Of course, the administration must exercise its constitutional responsibility to pass judgment in the final product. I feel, however, a veto would be unwise and, I feel, unsustainable.

The conference agreement deserves the support of the Senate and I urge its adoption.

Mr. KERRY. Mr. President, I rise today in strong support of the highway bill conference report which we will today pass and send to the President. It is a fine bill and will provide much needed assistance to the many States who have exhausted their available Federal funding for road construction and improvements. Passage of this legislation will finally complete the Interstate Highway System.

Of great importance to Massachusetts is the decision of the conferees to include the authorization for interstate funding for Boston's central artery/tunnel project. This project, which will take several years to complete, is imperative for the continued health and vitality of greater Boston. For any commuter, trucker, or visitor who has spent time in the bumper-to-bumper traffic that is the rule for many hours of the day on the present central artery, the news that this bill will soon be enacted is very welcome.

The passage of this bill is also good news to many other communities in Massachusetts and throughout the Nation who will now begin the construction of some important highway projects.

I also want to add my name to those urging the President to sign H.R. 2 when it reaches his desk. It is my hope that Secretary Dole will not recommend a veto and will recognize that while the Department of Transportation cannot endorse each and every one of the demonstration projects that are authorized in this bill, there are larger goals that will be realized by the enactment of this legislation. To veto this bill would do little else but delay the distribution of some greatly needed funds to our States. It would be an exercise in political futility which could not come at a worse time for our States.

Mr. REID. Mr. President, I rise in support of the conference report to accompany H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987. The painstaking efforts of the House and Senate conferees to resolve differences in the two versions of the highway reauthorization bills deserve mention and commendation.

The conference report authorizes Federal-aid funds for highway, highway safety, and public transportation programs for 5 years. Some have complained that under the legislation before us, the majority of States will actually lose money. It is true that States will be receiving less under H.R. 2 than they were under the law passed in 1982. But, this is because we must comply with Budget Act requirements which set forth a lower obligational authority—not because of the demonstration projects in the bill. The demonstration projects represent 1.3 percent of the total funds in the conference report. Admittedly, the conference report before us is not perfect. But, it is a fair and reasonable effort to address the varied and legitimate concerns of the 100 Members of the Senate and the 435 Members of the other body.

There is a definite urgency involved in passing this legislation. First of all, the conference report provides each State the opportunity to get on with a myriad of highway-related projects. Second, if this legislation is not quickly enacted, America is in danger of losing its construction season, along with thousands of jobs. More importantly, Mr. President, the conference report will assure the completion of our Interstate Highway System, begun more than 30 years ago.

For these reasons, I support the conference report on the Surface Transportation and Uniform Relocation Assistance Act and urge my colleagues to do the same. Thank you.

Mr. LAUTENBERG. Mr. President, I rise in support of the conference report on the Surface Transportation Authorization Act of 1987.

This bill has been a long time in coming. As the distinguished floor manager of this bill stated, "We have gone 170 days without a reauthorization." In the absence of a reauthorized highway bill, States are facing critical shortages. With adoption of the conference report today, those States can look to get their highway programs back on the road.

This bill contains many important provisions, both for highway projects and for mass transit. It authorizes $87.5 billion in highway funding over 5 years.

My State, New Jersey, will receive approximately $313 million for its Highway Program in fiscal year 1987. These funds are sorely needed. Congestion on our roads has become a major problem in our State. It threatens our continued economic growth. With the funds authorized in this bill, important projects will get underway that will address New Jersey's transportation needs.

With enactment of this bill, the completion of Route 21 in Passaic County, NJ will become a reality. This project is of vital importance to the county, and has been long in coming. It will complete a gap in our State's primary system, and provide for economic development in distressed areas.

Route 21 was cited as a priority by the Senate. The conferees have reaffirmed the importance of this project, and paved the way for it to move ahead. I am pleased that, through this legislation, Route 21 will finally come to pass.

The highway bill also contains a provision I sponsored, along with my colleague from New Jersey, Senator Bradley. This provision will put the Delaware River Joint Toll Bridge Commission on solid financial footing. It will allow the commission to collect a reasonable toll on the I-78 crossing of the Delaware River. New tolls on existing bridges under the jurisdiction of the commission are expressly disallowed. This provision will save the taxpayers of New Jersey and Pennsylvania millions of dollars each year, now spent to support the commission.

Mr. President, the transit title of this bill is of critical importance to urban States such as New Jersey. What highways are to rural States, mass transit is to urban States. The funds authorized by this bill will enable transit-dependent States to maintain current services, and expand services to better serve their populations.

New Jersey can expect to receive approximately $117 million in section 9 funds under this bill. This funding provides vital capital and operating assistance, enabling mass transit to continue operating throughout New Jersey.

The section 3 program has been of great importance to New Jersey. These funds have enabled New Jersey to meet the transit demands of a growing population, and help make our transportation network more effective and efficient for the thousands of commuters and travelers who depend on public transportation every day.

I do have some concerns over certain provisions in this report. As chairman of the Transportation Appropriations Committee, I am concerned about restrictions placed upon distribution of discretionary funds.

The Transportation Subcommittee, as the subcommittee with responsibility for appropriating transit funds, has traditionally reviewed annual needs, and disbursed funds accordingly. As chairman, I would intend to continue this practice of allocating funding to those categories as needed and appropriate.

However, I would observe that annual transit needs cannot be precisely anticipated. In some years, shortages of local matching funds, delays in construction, and other factors might mean that the needs in one category may lag behind another. In those situations, earmarking deprives us of the flexibility we need to appropriate wisely.

I would like to commend the work on this bill by the line managers. With their leadership, this bill has become a reality.

Mr. President, this highway bill is not a perfect bill. But it is, on the whole, a sound bill, and deserves to be signed into law. It was passed by an overwhelming margin in the House, by a vote of 407 to 17. I expect that we will see a similar margin in this body.

I know the President has threatened to veto this bill. That would be a mistake. This bill is essential to our States. We talk about competition and economic growth. Few things are more important to our economy than our transportation network. Further delay of the Highway Program through a veto would be unacceptable. I hope the President will sign this bill into law quickly, so that our State highway programs can get back on their feet.

Mr. FORD. Mr. President, I rise in strong support of the conference report on H.R. 2, the Federal-Aid Highway Act. This bill will bring us badly needed construction funds, and I am grateful for that, but I would like to focus my comments on the conferee's action with respect to the Highway Beautification Act.

As my colleagues know, the report before us contains no language pertaining to the Highway Beautification Act. Although peripheral to the issue of highway construction, the matter of billboard control consumed a great deal of the time and efforts of the conferees and their staff. Ultimately the House receded to the Senate, but it was not before some interesting machinations took place.

At the beginning of the negotiations, the Senate offered to recede to the House position, which would have frozen the number of billboards erected as of July 1, 1987. The House demurred. In actuality, the House position was no longer acceptable to certain elements of the billboard industry, despite the fact that this freeze was the exact same proposal they had supported last fall. As a result, they attempted throughout the conference to expand the House language to accommodate the very special interests of literally only a select few of the largest billboard companies. Fortunately, the Senate conferees would not accept this outrageous attempt to punch holes in the Highway Beautification Act. Instead, they opted to retain current law rather than permit a weakening of the act and the creation of a monopoly for these giant companies. I congratulate the Senate conferees on the wisdom of their decision.

As my colleagues remember, in early February when the Federal Aid Highway Act was before the Senate, I spoke on behalf of fairness and equity, charging that the idea of a freeze or cap squashed competition within the billboard industry and played into the hands of the big companies who would seek to create a monopoly for themselves. I did not—and do not, dispute the fact that the Highway Beautification Act needs to be amended and that stricter enforcement is absolutely necessary. However, I asked that we regulate, not punish. I suggested that before we added new language to the act, we thoroughly examine the entire issue and the potential economic repercussions of what was then before us.

There are other ways to control the proliferation of billboards in this Nation than the creation of a monopoly, Mr. President, and the conference report before us gives us a chance to revisit the problem in a thoughtful and serious manner. I would like to pursue the issue of billboard control with those of my colleagues who have a strong interest in the subject and create some legislation that would allow orderly and controlled use of billboards along America's highways.

Mr. HELMS. Mr. President, a great many people who have followed the process leading to this conference report contend that the Senate was snookered out of its shoes. They say—and they are largely correct—that this conference report is, in fact, scarcely more than the original House version of the highway bill, H.R. 2, which stands for House Resolution 2.

Back home in North Carolina, H.R. 2 has been given a little different label. They call it the Highway Robbery Act of 1987. Frankly, my review of the bill indicates that title is accurate.

North Carolina's Secretary of Transportation Jim Harrington has advised Tar Heel taxpayers to be on the alert for a new form of highway robbery that takes from all the States and gives to a few. It takes the trust out of the highway trust fund.

Mr. President, the effects of this highway bill are subtle, but robbery is robbery. The citizens of North Carolina are being robbed by this legislation, and they are not alone.

If you compare the conference report before us with the bill passed by this Senate earlier in the session, you will find that 40 States receive less money under the conference proposal. Let me repeat: The pending conference report cuts the funding for 40 States. Only 10 States are better off under the conference bill. All the rest of us are losers.

I cannot detail the effect on every State, but North Carolina Transportation Department officials have provided me with information about what will happen to my State. I suspect many other States will suffer similarly.

Here's what this legislation does to North Carolina: This year the Federal Government will collect more than $345 million—from the pockets of North Carolina citizens. Now, our folks down in North Carolina think when they pay this money at the gas pump that it will go into the Federal highway trust fund. And they assume that it will be returned—in fair proportion—to go to work for them in the form of highway improvements.

But, Mr. President, under this legislation they will be woefully wrong. Of the over $345 million North Carolina will actually pay into the fund, $37 million will go to transit systems of big cities outside our State. Another $38 million will be used to fund pork barrel projects in selected congressional districts.

During the 5-year life of this proposed legislation, nearly a billion dollars in pork barrel projects will be funded. That money is skimmed off the top of the highway trust fund before State apportionments are even calculated.

This dramatically reduces the Federal highway apportionments to North Carolina and many other States. For a State like North Carolina, which historically has been shortchanged in highway construction and maintenance dollars, this is a devastating blow. North Carolina will receive $160 million less under the Highway Robbery Act of 1987 than it would have received under the Senate bill.

I don't have the figures for the other States. But remember, North Carolina is not alone. There are 40 States that are losers.

This legislation purely and simply violates the trust the citizens have placed in us. As I said, it takes the "trust out of the trust fund."

What this program will cost many of our States is reason enough to oppose it. But the precedent set by this legislation will, I believe, be much worse than its cost in dollars.

This legislation destroys the relationship that has been the cornerstone of the State/Federal highway partnership for decades. Traditionally, the Congress has developed funding formulas and approved appropriations. The States have always decided how, when and where to use the money.

That is proper. States are in the best position to do that. But the demonstration projects in this bill ignore that principle. With those demonstration projects, the Congress is setting road building priorities, and that alone is reason enough to oppose this conference report. And that, Mr. President, is what I intend to do.

Mr. QUAYLE. Mr. President, today we will consider the conference report on H.R. 2, the Federal Aid Highway Act of 1987. As we all know, Federal highway programs expired at the end of September 1986. Since then, State governments across the Nation have been forced to suspend hundreds of highway projects, delaying completion of the Interstate System and causing unemployment in the construction and related sectors. In the State of Indiana, over 130 projects valued at $114 million have been postponed, hindering commerce and economic development in Hoosier communities.

As some of my colleagues will recall, in early January I sent a letter to the distinguished chairman of the Committee on Environment and Public Works that was cosigned by 42 Senators. In this letter, we pointed out the potential for unemployment in the construction sector if a highway bill were not passed prior to spring. We further urged speedy consideration and resolution of the many contentious issues that characterized this bill. I commend my colleagues who have worked through a difficult conference with the House of Representatives, often making significant compromises in order to complete action on the legislation.

I was encouraged by the House of Representatives' approval yesterday of the Senate's provision to allow States to increase the speed limit to 65 miles per hour on rural interstates. I voted in favor of this provision when it was offered as an amendment to the Senate bill.

I am further pleased to note that the conference report includes language to provide for an administrative approval of the interstate cost estimate [ICE] in future years to apportion interstate construction funds. Such a provision will prevent senseless delays in Interstate System funding. Unfortunately, in past years the ICE approval had become bogged down in Congress with controversial amendments. Under the provision in the conference report, if Congress does not enact an ICE in fiscal years 1988-92, the Secretary of Transportation is required to adjust the last ICE submitted to Congress and use that as the basis for making a timely release of interstate construction funds.

The conferees having completed their work, it is now our turn to act. I encourage speedy passage of the conference report, which was approved by the House of Representatives yesterday. The measure is the result of our legislative process, and, as such, it is characterized by many compromises. I am certain that some will find fault with it. However, the patience of the American people has run out. Highway funding must be released now or the summer construction season will be lost in many States, causing thousands of Americans to lose their jobs. It would be nothing short of irresponsible if we allowed this to happen.

Mr. KASTEN. Mr. President, I support this conference report. For almost 6 months this Nation has operated without a Highway Program. The disruption to the States, contractors, and workers who implement the building and maintenance of the most extensive highway system in the world has already been significant. Wisconsin and the other States cannot wait any longer for Congress to act.

This is not a perfect piece of legislation. It is one in which just about any Senator can find provisions to which he objects. I much prefer S. 387, and I strongly object to the demonstration projects included in this bill. But I also appreciate the work of the members of the Senate committees who have dealt with the complicated highway and transit issues that are before us now. The conferees of both the House and Senate are equally deserving of praise for the hard work and spirit of compromise that has resulted in this 5-year authorization of our highway and transit programs.

I have heard from the Wisconsin Department of Transportation and the Wisconsin Road Builders Association and the message has been delivered loud and clear—we want this bill now. They, too, recognize the faults, have studied the measure closely and still request that we act favorably. The State of Wisconsin has not yet had to cancel any projects because they have undertaken to fund the State's projects in this interim period with transfers from other accounts. They are out on a limb for the good of the State. To further delay passage of this bill would be cutting this limb out from under them.

I can understand why the President has problems with this bill. However, I urge him to sign this piece of legislation. I urge him to look at the overwhelming vote in the House and what I expect will be the significant support this bill will have in this body as well. I will support this legislation with its faults and urge my colleagues to do likewise.

Mr. CONRAD. Mr. President, I rise in support of the conference report on the Highway Program reauthorization. The committee is to be commended for its expeditious handling of this vital measure.

Spring officially begins 2 days from now. For a State like North Dakota with an extremely short construction season, to have begun spring without a highway bill would have been disastrous. It is imperative that the President sign this measure to make sure the funding reaches the States without further delay. Both the jobs lost and the conditions of the highways after winter required quick action and compromise by both Houses. We have accomplished that.

I realize that the President has indicated problems with the bill. But because of the measure's importance and the fact that it commands overwhelming bipartisan support, he should not veto the measure. It would be devastating to States like mine to see the opportunities for highway construction dwindle away while gasoline tax revenues pile up unused in the highway fund.

The final bill accommodates the transportation needs of rural States like North Dakota. By retaining the minimum allocation for small States and the division between urban and rural States for repair, the Nation is guaranteed that there will be good roads from Rugby to Williston as well as Philadelphia to Boston.

Again, I would like to commend the work of the committee, and also of my distinguished colleague, the Senior Senator from North Dakota, QUENTIN BURDICK for his work in drafting this bill and steering it so deftly to passage.

Mr. CHAFEE. Mr. President, it is my belief that the Senate produced an excellent highway bill especially in that it enhanced the flexibility of the States in assigning spending priorities. Any priority projects that a Member inserted for his or her State, had to be paid for by that State's regular highway allocation.

The House bill was quite different in that it included an unprecedented number of demonstration projects inserted by different Members for their States with the provision that such projects would be paid for from highway trust funds outside of the State's regular allocation.

The special projects authorized in this bill would increase Federal highway authorizations by $1.4 billion over the next 5 years. The ultimate exposure of the highway trust fund will be even greater, however, since the projected total cost of these projects is over $8 billion—far above what is being authorized. Of the amount authorized, $900 million is held outside the obligation ceiling governing each State's apportionment. This amounts to a raid on the trust fund, to which motorists throughout the country contribute, in order to pay for these special interest projects.

During the meetings of the Senate conferees, I vigorously protested our agreeing to the acceptance of any of the House projects funded in such a manner. However the Senate conferees voted to accept some projects and that is what we have in this conference report.

Because there is much that is good in the highway bill and because there was no option left to improve it further, I signed the conference report and will vote for the bill on the Senate floor.

However, I remain deeply concerned by the budgetary crisis facing our country. To solve this requires some reduction in spending. I am opposed to cutting programs such as education, Medicare and Medicaid, woman and infant care programs, school lunches, and other programs so vital to the poor, the young, and the old.

If there arises another chance to reduce the extraordinary highway expenditures in this bill I will support such an effort.

Mr. SYMMS Mr. President, I am pleased we're here today to consider the conference report on the Federal-aid Highway Act of 1987 and the other titles that comprise the Surface Transportation Assistance Act of 1987. I want to congratulate my distinguished colleagues Senators BURDICK, MOYNIHAN, MITCHELL, BREAUX, STAFFORD, and CHAFEE for their willingness to spend long hours in tough negotiations with the House conferees. Those negotiations have produced an imperfect highway authorization bill but a bill that I believe we can and should support.

The bill authorizes $68.6 billion over 5 years for construction, reconstruction, maintenance, and safety projects on the Nation's highways and bridges. All of the funds come from user fees paid into the highway trust fund by highway users across the Nation, and the trust fund can easily sustain this level of spending over 5 years.

The bill includes a $12.35 billion annual obligation limitation and approximately $1.1 billion of the annual budget authority is outside the obligation ceiling. The amounts outside the ceiling include approximately $800 million in the minimum allocation category, $100 million in emergency relief funds, and $178 million in demonstration project funds.

The bill incorporates a number of programmatic changes and other provisions for which the administration has expressed its support. It gives the States greater spending flexibility than they have under current law. It allows Federal participation on seven toll projects, and it includes a compromise, which I believe to be a reasonable compromise, on the question of interstate eligibility for the I-90 and I-93 highway projects in Boston. Finally, the conference report eliminates the South Africa provision that was included in the House-passed bill.

In addition, this conference report comes to us from the House with an accompanying resolution to correct the enrollment of the bill by adding the speed limit provision which this body has passed twice before by a 2 to 1 margin. In the eyes of most people who pay highway user fees, this may be the most important part of the bill. I hope the Senate will adopt this provision without further delay.

I share the concern of many of my colleagues with respect to the demonstration projects included in this conference report. However, it is my firm belief that we could not be here today without some agreement which included some Federal funding for demonstration projects. If I'm correct, then I submit that the agreement before us today is an agreement that we can and should support.

The bill provides $178 million annually in funding for demonstration projects which is on top of the regular program and outside the obligation limitation. In addition, $107 million in matching funds will come from the Secretary's discretionary accounts, and the States will have to have to match these funds with $71 million in non-Federal dollars. The percentage breakdown is 50 percent new Federal money, 30 percent from the Secretary's discretionary accounts, and 20 percent non-Federal money.

Notwithstanding my philosophical opposition to the demonstration projects, I believe this agreement incorpoates a measure of fiscal responsibility that is sufficient to warrant its approval by the full Senate. I urge my colleagues to adopt the conference report and the concurrent resolution on speed limits without amendment.

HIGHWAY BILL: CARVING UP THE PORK

Mr. EVANS. Mr. President, we in Congress have demonstrated a continuing inability to meet the important deadlines we establish for ourselves. We do not pass our budget resolutions on time; we do not pass our appropriations bill on time; and we do not pass our highway bills on time. Our failure to meet schedules written into law causes significant problems for State and local governments and all those who receive Federal funds.

Procrastination is particularly egregious in the case of highway funding legislation. We have a trust fund dedicated to highway financing. Federal fuel taxes flow into this trust fund and are released through acts of Congress. Now, those funds are piling up because Congress has plugged the faucet.

The funds should be flowing to the States for necessary construction projects. For northern States the delay is particularly troublesome because they have a relatively short contruction season. Careful planning of construction is therefore a paramount interest. Such planning is difficult at best when they have no assurance of funding.

Therefore, I am generally pleased that we are moving ahead with highway funding legislation. But the conference report has at least one flaw so fundamental and which manifests such extreme fiscal irresponsibility that I will vote no on the bill.

Ostensibly, the bill authorizes spending money for the National Interstate System. Yet the bill contains 171 special interest, demonstration projects which most assuredly are not in the national interest.

The projects will cost more than $1.3 billion in Federal funds over the next 5 years. They represent an outright assault on the highway trust fund by a greedy few.

In the Senate, we have come to our senses in the last few years and done away with demonstration projects because we recognized they are unnecessary hard on the otherwise sleek physique of the highway program.

When my colleague from North Dakota, Senator Burdick, introduced the Senate version of the highway bill, he clearly indicated his opposition to these special slabs of pork.

> I continue to believe that states and local governments know their transportation priorities and needs best. That is why I am concerned about the proliferation of demonstration projects paid for entirely with federal funds.

Senator Burdick, the chairman of the Environment and Public Works Committee, indicated in that same statement that 4 years ago the House included 10 special projects in their highway bill. Last year, the House included 100 projects.

Concluding his statement, Senator Burdick stated: "The regular highway program is underfunded, in my view, and it will be even more so if these kinds of projects are allowed to mushroom."

And mushroom they have. This year we have not 10, not 100, but 171 special demonstration projects. Are they in the national interest? I think not. Here are a few examples of what we will be demonstrating:

First, methods of accelerating project construction and resolving environmental concerns among Federal and State agencies.

Second, methods of relieving traffic congestion and enhancing economic development.

Third, the advantages of joint development and use of air rights in the construction of a deck over a depressed portion of an interstate route, and on and on.

No wonder the public does not believe that Congress can control spending. At every opportunity we indulge our selfish appetites. In this bill $356 million would be allocated yearly to building monuments to self-interest.

Eighty percent of the cost of the projects comes directly out of the Federal treasury; $178 million would be in new money outside the obligation ceiling with an additional $107 million coming from discretionary accounts.

Thus, the demo projects breach the spending limits we have agreed to set for the national program and siphon money from high-priority projects throughout the Nation which are funded from the discretionary accounts.

Mr. President, 40 years ago my father was a county road engineer. Before he came to the job the prevailing practice was to operate the road program offices as separate duchies. That ensured that the engineer in charge of a particular district had the potholes on his street filed first. Spending decisions were made not on the basis country priorities, but individual whim.

Apparently we haven't learned much in 40 years.

The President has indicated he will veto this bill if we do not strip the demo projects from the bill. I hope he does. We must stop this unabashed cheating on our fiscal diet.

Mr. BYRD. Mr. President, I support this conference agreement on the Federal-Aid Highway Act, and I am pleased that the conferees have been able to reach agreement on a bill that affects every State in the Union. As is the case in other States, the release of these highway construction moneys are of primary importance to my State of West Virginia. Without this authorization, highway construction projects will be further delayed, and the construction season will be lost.

I am pleased to note that the conferees have agreed to several provisions that are of particular importance to West Virginia, including the authorization of construction of the New River Parkway, provisions to allow the West Virginia Turnpike Commission to renegotiate its indebtedness, and the authorization of preliminary engineering and design for the construction of the Chelyan Bridge.

The conferees also agreed to an amendment I offered on the Senate floor to raise the cap on the emergency relief fund from $30 million to $100 million. These disaster assistance moneys were crucial to West Virginia in repairing and rebuilding its highways and bridges that were either damaged or destroyed in the November 1985 flood. Permanently raising the cap on the amount of money a State may receive from the emergency relief fund for disaster assistance will prevent delays in getting recovery efforts underway in the future when disasters occur.

I commend the conferees for reaching agreement on this bill, and I hope that the President will act quickly to sign this measure into law in order that the highway moneys can begin to flow to the States before the 1987 construction season is lost.

Mr. MOYNIHAN. Mr. President, I would be derelict not to express the gratitude of all conferees that the Senator from Idaho, with his usual great good humor and skill, has carried the concerns of his State and the country into this conference committee. I hope the outcome is equally successful.

Mr. President, I urge the adoption of the conference report.

Mr. STAFFORD. Mr. President, the Senator from Vermont is advised that the Senator from Delaware [Mr. Roth] is on his way here and may wish to speak briefly before we have the vote. If there is no objection, I would suggest the absence of a quorum until he arrives to say if he wishes to make a statement.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, so there will be no doubt by anyone on the floor or who may be observing the proceedings, following the adoption of the conference report, which I hope will be overwhelming—and I am sure it will be—we shall turn to the concurrent resolution, which is the arrangement by which the House proposed that the conference report be amended to provide essentially the Senate provisions with respect to the 65-mile-an-hour speed limit; that is to say, the provisions that were passed in this Chamber will be then included in the Record.

That measure comes to us as a freestanding measure and is subject to a motion to proceed and other arrangements, such as a 1-day layover. So we shall have to deal with that afterwards. But as the distinguished minority leader has said, we will deal with it.

Mr. SYMMS. Mr. President, if the distinguished Senator will yield, I would like to make one more point to my colleagues. I hope the President can also make this consideration.

There are a lot of important things in this bill for many, many parts of the country, but there is one thing that will be part of this entire package when we get all the parliamentary work done that the American people want. That is the action that was taken in the other body yesterday and the action we took here with respect to the 65-mile-an-hour speed limit. If this bill gets embroiled in a veto fight, I think we will then be in a position where our House colleagues may not be as congenial to the Senate as they have been on this issue and we could end up losing the most popular part of the bill. I hope my colleagues will keep that under consideration, because the American people are not going to get involved in the Demonstration projects and the Boston Tunnel, but they will certainly be involved if something happens and the 65-mile-an-hour speed limit is lost. I hope we can avoid that happening.

Mr. MOYNIHAN. Mr. President, if I may continue in complete agreement with the Senator from Idaho, although our views differed at the time the Senate considered the measure, and indeed, a majority of the Senate conferees were not of the view he expressed, a two-thirds majority of this body was. We went to conference with instructions to insist on the Senate's position and we did. And we prevailed. It is not our intention to go back on the instructions we received from this body.

We returned to this body, our mission accomplished. But I have to say—and the Senator from Idaho will not doubt me, I am sure—that the measure to which he refers, the 65-mile option, only passed the House of Representatives by a vote of 217 to 206, a margin of 11 votes. If we should somehow reject it here, we cannot reasonably expect that the House will be receptive to such an arrangement, which was a negotiated arrangement in the tradition of committees of conference that have been underway for 100 years in this body.

We have to accept that they will feel that we have said that we want things that they did not want in return but insisted that they take things they did not want. We must expect an impasse, the same impasse that means we have gone 170 days without a highway program.

This is not a prospect easily to be contemplated. We would devastate the American economy. If there are those who wish that to happen—there are some who have gotten as near as to make the matter already—I do not want to see it happen. The Senator from Idaho does not, the Senator from Vermont does not, the Senator from North Dakota and the Senator from Illinois do not. We hope to get the strongest support we can get from the Senate today. So we will no doubt be heard.

I do not want to think for a moment that the President cannot change his view in this matter. I think the voice of this body will be heard.

I see the distinguished Senator from Delaware is on the floor.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Delaware [Mr. Roth].

Mr. ROTH. Mr. President, I rise in strong opposition to the conference report that we will be voting on today. The legislation that we are considering is a 5-year $86 billion highway and mass transit bill for fiscal years 1987 through 1992.

I understand that the construction season is almost here, and many States are running out of money and delaying safety and construction improvement projects. However, we are faced here with a situation that is both appalling and contrary to good fiscal responsibility for two good reasons.

The term "highway robbery" was never so appropriate as in describing this bill. Unfortunately the victim is the taxpayer. This bill robs our constituents of the money they deserve and the allocations they have paid for. To insert specific demonstration projects in 36 States and the District of Columbia is unwarranted and constitutes highway robbery.

Forty-seven of the fifty States will lose money under the formula allocation of this bill as compared to their fiscal year 1986 apportionments. There is no reason to fill this bill with frivolous and unnecessary and long-lasting pork barrel projects that may cost us over $8 billion. The decrease is due in part to Congress inability to deal with the budget deficit. As the Wilmington News Journal stated: "Uncle Sam Simply Must Stop Being Uncle Sugar."

Mr. President, I urge my distinguished colleagues to face these times of large budget deficits with fiscal constraint and consciousness. We must not allow everybody's pet projects to get the best of us at the expense of the American taxpayer.

The second item that seriously concerns me is the excessive costs this bill spends on mass transit. It is $9.1 billion more than the administration requested. We cannot continue to force-feed these mass transit programs that very often can and should be undertaken by the local communities. As my distinguished colleague and good friend from Colorado has stated on several occasions, I believe that mass transit can do much to revitalize this country and local communities, but this is not the way to do it. I concur wholeheartedly.

Mr. MOYNIHAN. Mr. President, I urge the overwhelming adoption of the highway and mass transit legislation conference report before us.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden] and the Senator from Illinois [Mr. Simon], are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois [Mr. Simon], would vote "yea."

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. Armstrong] and the Senator from Pennsylvania [Mr. Heinz], are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. Heinz], would vote "yea."

The PRESIDING OFFICER (Mr. Shelby). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 79, nays 17—as follows:

[Rollcall Vote No. 33 Leg.]

YEAS—79

Adams
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Domenici
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Grassley
Harkin
Hecht
Heflin
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski

Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Sarbanes
Sasser
Shelby
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Weicker
Wilson
Wirth

NAYS—17

Dole
Evans
Garn
Gramm
Hatch
Hatfield
Helms
Humphrey
McClure
Nickles
Roth
Rudman
Sanford
Simpson
Trible
Wallop
Warner

NOT VOTING—4

Armstrong
Biden
Heinz
Simon

So the conference report (H.R. 2) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. CRANSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. Mr. President, the Senate is not in order and Senators may wish to know what the outlook is for the rest of the day.

The PRESIDING OFFICER. The Senate will be in order.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, while the distinguished Senator from South Carolina [Mr. HOLLINGS], who is chairman of the Committee on Commerce, is on the floor and the two managers, and others who are interested in pressing forward today, if at all possible, on the highway legislation, I would like to inquire as to whether or not it would be possible to get consent to discharge the Committee on Commerce from further consideration of House Concurrent Resolution 77, which is the resolution that would make technical corrections in the enrollment of the bill H.R. 2. May I ask would there be objection?

Mr. WEICKER. Mr. President, will the majority leader yield?

Mr. BYRD. I yield.

Mr. WEICKER. I object.

Mr. BYRD. I thank the distinguished Senator from Connecticut.

Could the distinguished chairman of the committee, Mr. HOLLINGS, assure the Senate as to when such a resolution might be reported?

Mr. HOLLINGS. Mr. President, I have talked, if the majority leader will yield, to my ranking minority member, Senator DANFORTH, and others on the other side and the chairman of our subcommittee, the Senator from Nebraska, and we will report it right back out. We hope to meet at 10 o'clock in the morning and put it back to you without a report so you would not be under that 3-day rule and it would be up to the Senate how you want to consider it.

I happen to be on the other side. I have argued the other side twice and lost twice. I have been heard, and that is good enough. That is the way we feel. We ought to try to expedite the highway bill itself.

Mr. BYRD. I thank the distinguished Senator. I have been on the other side of the question, too.

I, like he, however, am willing to proceed because it is important that the States get highway money quickly because the construction season is coming on.

Mr. HOLLINGS. That is right.

Mr. BYRD. I thank the distinguished Senator.

That resolution would be reported out of his committee tomorrow?

Mr. HOLLINGS. By 11 o'clock.

Senator WEICKER can come to the meeting.

Mr. WEICKER. Can I talk?

Mr. HOLLINGS. Yes.

Mr. BYRD. Then, Mr. President, may I in a moment ask the distinguished manager and the ranking minority member how they wish to proceed. Suppose I do that now.

Mr. MOYNIHAN. May I ask my distinguished majority leader, would the matter have to then lay over a day to be reported out?

Mr. BYRD. That matter can be taken care of by simply adjourning tomorrow briefly. I will recess over this evening until tomorrow.

Mr. MOYNIHAN. If the distinguished majority leader is willing to do that, then I would hope we might proceed directly to the matter and finish the bill.

Mr. BYRD. Tomorrow.

Mr. MOYNIHAN. Yes.

Mr. BYRD. Very well.

Let me ask, so that Senators will know, if there will be any further rollcall votes today.

There is a resolution on the calendar which I think is cleared to be called up, and I do not believe that there will be much debate on it. It is Senate Resolution 164, Calendar Order No. 367, on page 13 of the Calendar of Business, and that calls on the President to respond to the violations by Japan of the United States-Japan agreement on semiconductors.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. McCLURE. I am very much interested in that. I hope we can take very early action on it.

But there is some disposition on the part of some to want to have a vote on the resolution in order simply to underscore the determination of the Senate that the administration ought to deal with this question.

Mr. BYRD. Yes.

Mr. McCLURE. I certainly would not demand the rollcall vote if it will hold up its consideration.

Mr. BYRD. The rollcall vote is wanted. Mr. WILSON is going to ask for the yeas and nays and as I understand it we could vote on that fairly shortly.

Mr. McCLURE. Yes.

Mr. BYRD. All right.

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. BYRD. I yield to the distinguished Republican leader.

Mr. DOLE. Mr. President, let me get back to the earlier matter, and that is the resolution that would be reported out as I understand tomorrow. The committee will meet at what—11 o'clock, or——

Mr. HOLLINGS. We are ready to vote. I think it would be reported out promptly unless my distinguished colleague from Connecticut maneuvers some machinations. I do not know about or rule I have not heard or whatever I do not know. I think we will meet as soon as we get a quorum. We will vote, report out, without a report is my understanding.

Mr. DOLE. My understanding is once the resolution comes to the floor, when it is before the Senate, it is open to amendment, is that correct?

Mr. BYRD. Yes. It would be.

Mr. DOLE. I want to indicate there will be an amendment to the resolution. It may be either Senate bill. It may be the bill we passed earlier, so that 41 States will not lose about $2 billion, that may be offered to that authorization.

So I just alert those who may want to be here tomorrow if in fact that is the order of business tomorrow there could be an amendment or two on the resolution.

Mr. BYRD. Very well.

I yield to the distinguished Senator from Arkansas.

Mr. PRYOR. Mr. President, we are having a little difficulty hearing in this part of the Chamber. I am wondering if we could, in a little more detail, spell out the program for tomorrow. I think the leader said no more votes tonight, is that correct?

Mr. BYRD. No. There will be at least one more rollcall vote today.

Mr. PRYOR. Are we also saying there will be at least one rollcall vote tomorrow, on Friday?

Mr. BYRD. Yes; I think that is what I am hearing.

Mr. DOLE. At least.

Mr. BYRD. At least.

Mr. PRYOR. At least one. If we stay around here tomorrow, we are at least guaranteed one, are we not, or two or three? I am just trying to say that if we come here and sit around all day and cancel a lot of schedules—I certainly recommend we start this process next week—but if we are going to be here to vote, that is fine.

Mr. BYRD. May I say to the distinguished Senator, I cannot assure him that there will be a rollcall vote tomorrow. I would not purport to do that. But I would say that the prospects are that there will be a rollcall vote or rollcall votes tomorrow. This highway legislation is preeminently important to all, and the managers of the resolution are here. The distinguished Senator from South Carolina has indicated that his committee will report it out early.

When that report reaches the floor, it would be my intention to adjourn for 1 minute or so, then that makes the resolution in order as having been on the calendar for one legislative day, and we will try to proceed to it.

The distinguished Republican leader has indicated that there will be amendments thereto, and there could very well be rollcall votes on those amendments, unless somebody gets the floor and just talks for the rest of the day. In that case, of course, there would not be a rollcall vote.

Mr. PRYOR. I thank the Senator.

Mr. BYRD. If I had to bet one way or the other, which I do not do very much of, I would bet there will be.

That being the case, I wonder if we could get a time agreement on Senate Resolution 164 so that all Senators may know how soon the vote will come and could then go home?

Mr. President, I ask unanimous consent that when the Senate proceeds to the consideration of Calendar Order No. 36, Senate Resolution 164, there be a time limitation thereon of not to exceed 20 minutes, to be equally divided between Mr. WILSON and Mr. BENTSEN; that no amendments be in order thereto, with the exception of one by Mr. MURKOWSKI, which I understand is going to be accepted by Senators; that no motion to recommit be in order; and that upon a motion to reconsider there be no time for debate thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

JAPANESE VIOLATIONS OF THE UNITED STATES-JAPAN AGREEMENT ON SEMICONDUCTORS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 36.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 164) calling on the President to respond to violations by Japan of the United States-Japan agreement on semiconductors.

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. Who yields time?

Mr. WILSON. Mr. President, I rise in support of Senate Resolution 164. This resolution, which calls on the President to respond forcefully to Japanese violations of the United States-Japan semiconductor agreement, was submitted last week. As the sponsor of the resolution, I was pleased to be joined by a bipartisan group of cosponsors: The Senator from Arizona, Mr. McCAIN; the Senator from Maine Mr. MITCHELL; the Senator from Missouri, Mr. DANFORTH; the Senator from New Mexico, Mr. DOMENICI; the Senator from Texas, Mr. BENTSEN; the junior Senator from New Mexico, Mr. BINGAMAN; the Senator from Colorado, Mr. WIRTH; the Senator from West Virginia, Mr. ROCKEFELLER; the Senator from Montana, Mr. BAUCUS; and the Senator from Minnesota, Mr. DURENBERGER.

I ask unanimous consent, Mr. President, to add as cosponsors the Senator from Idaho, Mr. McCLURE; the Senator from Iowa, Mr. GRASSLEY; the Senator from Connecticut, Mr. WEICKER; and my colleague from California, Senator CRANSTON; and also the distinguished majority leader, Senator BYRD; Senator EXON, Senator HOLLINGS, Senator SYMMS, Senator GARN, Senator BOND, and Senator MURKOWSKI.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, I also want to particularly thank the distinguished chairman of the Finance Committee for signing on as an original cosponsor of Senate Resolution 164 and for moving it quickly through the committee. That committee, and its staff, is exceptionally busy handling the many trade bills that are pending before it, and I thank the committee for bringing the resolution to the floor in such a timely fashion.

Mr. President, American industry faces many hurdles in trying to make sales in the fiercely competitive international marketplace. Of course it must present to potential buyers innovative, quality products at attractive prices. But, these are the everyday problems of all businessmen and women.

What American businesses face overseas is unrelenting official and officially inspired private barriers that make innovation, quality, and pricing moot issues. After all, innovation, quality, and pricing mean nothing in a foreign market when the so-called host government has posted "Do Not Enter" signs at every port of entry.

Such is the case with semiconductors—and more.

Last summer the United States entered into an agreement with the Government of Japan that was designed to end three unfair trading practices by the Japanese in the semiconductor market: First, Dumping of semiconductor chips by Japanese companies in the United States market; second, dumping of semiconductor chips by Japanese companies in third countries; and third, a closed semiconductor market in Japan. While there appears to have been compliance with agreement to end the first practice—dumping in the United States—the Japanese have continued to dump chips in third countries and the Japanese market is more closed than ever.

Our negotiators, led by U.S. Trade Representative Clayton Yeutter and Secretary Malcolm Baldrige and their deputies, Michael Smith and Bruce Smart, have made exceptional efforts to bring the Japanese into compliance with the agreement—all to no avail.

It is now time to add up the harm caused by the breaches of the agreement, liquidate the damages, and begin collection proceedings—in the form of retaliation.

The administration is poised to retaliate—pending certain analyses now being performed by the Department of Commerce.

And if we do retaliate, the sanctions are scheduled to be invoked on April 1—no fooling.

The Japanese have engaged in every conceivable overt and covert policy to prevent access to foreign semiconductor manufacturers, and have extended their insidious and destructive policy to markets throughout the Far East—and to our own shores—through Japanese-based cartels and predatory pricing, and most recently, through attempted corporate acquisition.

The case against Japan and its semiconductor companies has its roots in the official Japanese policy of infant-industry protection that the Japanese erected years ago for its fledgling semiconductor industry. This policy, as the name implies, was designed to allow a new and important industry to develop in Japan. The policy included explicit import restraints—as compared to today's hidden restraints—as well as capital allocation. The policy also limited the number of Japanese entrants and fostered vertical integration. It is this last artificial device—the fostering of vertical integration—that is a very great part of the problem that U.S. companies are suffering under today.

Vertical integration involves the process of producing finished products as well as the components contained in those products. For example, Fujitsu produces supercomputers and the semiconductors contained in them. Likewise, Hitachi produces consumer stereo products and video cassette recorders and the chips that make them operable.

There is nothing inherently wrong with vertical integration. Two of our country's great computer companies—Hewlett-Packard and IBM—are vertically integrated, in part, producing chips for their own consumption.

What makes vertical integration in Japan objectionable is that it was created by the Japanese Government's interference in the free marketplace. As a result, it is so entrenched that only remedial Japanese Government intervention can undo the damage.

It is not enough that the Japanese Government says that it no longer—through MITI—controls the semiconductor industry.

The Japanese Government created the vertically integrated Japanese semiconductor industry. The fact that Japan has now unleashed it does not absolve it of parental responsibility. And, the responsibility for this monster is particularly significant for, unlike in all of those grade B Japanese horror movies, the Japanese semiconductor Godzilla is now destroying everything but Tokyo.

There are many reasons why President Reagan must respond forcefully against Japan's continuing predatory trade practices.

The Japanese semiconductor market is as closed today as it was 10 years ago when the Japanese infant industry protection policy was in full bloom. Indeed, after having established a historical market share of 10-11 percent of the Japanese market, United States companies have actually lost market share since the United States-Japan semiconductor agreement was signed last summer.

As long as Japan maintains a closed market, Japanese semiconductor producers will obtain inflated profits from sales in Japan by which they are able to subsidize discount prices overseas. In other words, with inflated profits at home, Japanese semiconductor companies can aim for market share overseas—with no regard for profit. No industry that lacks government support or a large protected market can follow a market share sales strategy for very long. But, the Japanese companies have a firm foundation created by the closed home market, and they know that their United States competitors do not benefit from this type of luxury. With only a little patience, the Japanese realize that their closed market/market share strategy will ultimately lead to the demise of their competitors—and then to inflated profits worldwide.

Another reason that we must respond is highlighted by the recently canceled purchase of Fairchild Industries by Fujitsu.

The major cost of bringing a new, high technology product to market is not the manufacturing cost. It is the cost of R&D—research and development. Fujitsu is a major force in the semiconductor industry and a growing force in the supercomputer industry. When a company like Fujitsu has the luxury of inflated profits flowing from a protected home market, it need not recover any of its R&D costs from sales outside of Japan. All R&D costs can be amortized from sales in Japan.

If the Fairchild-Fujitsu deal had been allowed to go through, among the many bad effects would have been the ability of Fujitsu to expand its predatory pricing practices—free from the threat of penalties under U.S. antidumping trade laws, because our trade laws apply only to foreign-made goods.

Of course, Fujitsu and other Japanese companies need not buy United States companies—they can simply open up shop here, as many have done.

So, if we do not retaliate now to crack open the Japanese market, the growth of Japanese facilities in the United States will soon leave us with less and less against which to retaliate.

Finally, the President must act now against unfair Japanese trade practices in the semiconductor marketplace if he hopes to convince the Congress that he has truly found religion in the temple of free and fair trade.

How can we trust the President to forcefully represent our economic interests during multilateral trade negotiations with friends and foes alike at the new GATT round if he cannot beneficially resolve a bilateral trade dispute with a close ally? How can we leave to Presidential discretion the prosecution of trade complaints and the levying of tough sanctions upon a positive finding under the important but somewhat vague notion of "unfairness," as set out in section 301 of the Trade Act of 1974, if the President will not deal harshly where there is abundant evidence of violations of a separately negotiated, explicitly stated agreement with the Japanese?

Those in this body who support expanded trade and who oppose protectionism for steel, cars, shoes, and other industries, who want to work closely with the President to remedy the effects of foreign unfair trade practices, and who want to leave the President with adequate discretion in carrying out his international economic responsibilities, need to have their faith renewed. If not now, when?

Some may say that retaliation against the Japanese would constitute protectionism. Milton Friedman said on ABC's "Nightline" this past Tuesday that administration opposition to the Fujitsu purchase of Fairchild was a case of protectionism just as have been the so-called voluntary restraint agreements on automobile and steel imports. He went on to say that as with cars and steel, such protectonism will lead to a less-productive, less-innovative, and less-competitive industry.

Well, it is protectionism to erect artificial barriers to fairly traded products or services. And by this measure, the steel and car VRA's are protectionist.

But there is a valid and vitally important distinction between protectionism and the retaliation that is required to combat protectionism practiced against us by our trading partners. It is not protectionism to respond to clearly unfair trading practices such as closed markets and predatory pricing.

Yes, our auto industry asked for and received a limitation upon Japanese automobile imports to protect United States carmakers against fair competition from better built, better priced, fairly traded imported cars. That was American protectionism—very much at the expense of the American consumer—and it was a serious error.

Quite differently in this instance, the U.S. semiconductor industry does not seek to limit imports of semiconductors or any other products. Indeed, in 1984 it supported legislation that eliminated U.S. tariffs on all semiconductor trade. Rather, it is simply asking the U.S. Government to assume the obligation of fighting the Japanese Government and the interlocking, exclusive market which it created—and which is at the base of the problem.

Mr. President, it is my sincere hope that our disagreement with the Japanese over semiconductor trade will soon be resolved. However, last summer's agreement was a formal, written promise. That promise was broken. We cannot allow another promise to forestall forceful action.

There must be an end to patience—an end to tolerating broken promises. It is time either for Japanese compliance with the agreement—or United States retaliation. Levies must be placed on products containing Japanese-made semiconductors. This will penalize the Japanese and not have the effect of encouraging United States producers to move offshore.

These levies should remain in effect until a record of 6 to 12 months of compliance with the agreement has been conclusively documented. Only in this way can we force an end to the unfair Japanese practices and punish them for prior noncompliance.

Clearly, if we want to maintain a domestic semiconductor industry—for economic and national security reasons—and if we want to exhibit a credible trade policy, we must break the Japanese predatory semiconductor strategy, even if our retaliation against their products precipitates a trade war.

Indeed, the point is that we are already at war with Japan. The problem is that we have not been fighting back.

It is time that we started fighting back—now.

I urge my colleagues to make an overwhelming showing in favor of the pending resolution. In this way, we can express our anger and our determination that we will not sit idly by when presented with unfair trading practices—particularly when such practices are in direct violation of an explicit bilateral agreement.

I am going to yield time to other Members of this distinguished body in order that they may be heard, and at the conclusion, Mr. President, I will ask for the yeas and nays.

Mr. DOMENICI. Will the Senator yield 2 minutes?

Mr. WILSON. I yield 2 minutes to the distinguished Senator from New Mexico.

Mr. DOMENICI. Mr. President, I reserve my 2 minutes and yield to the Senator from Texas.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

Mr. BENTSEN. Mr. President, the Committee on Finance has favorably reported a resolution, introduced by Senator WILSON, calling on the President to take all appropriate and feasible action under section 301 of the Trade Act of 1974 to remedy violations by Japan of the United States-Japan agreement on semiconductors. When Senator WILSON brought this resolution to me, I agreed to expedite its consideration by the Finance Committee because I believe it is imperative to act on this matter now. I am now seeking expedited action by the Senate for the same reason.

On September 2 of last year the Government of Japan agreed to stop the dumping of Japanese semiconductors both in the United States and in third country markets, and to increase access to the Japanese market for American semiconductor producers. In the 6 months since that agreement was signed, Japan has failed to live up to its commitments. The dumping problem persists, and the Japanese market remains closed to American firms.

The Senate should act now because deadlines set by the administration for Japan's compliance with the agreement have already passed, and there is no reason to believe that any compliance by Japan will be forthcoming unless we support firm and tough action by our Government.

Japan's failure to abide by the terms of this agreement is an all too familiar scenario. Our Government works out an agreement to resolve unfair trade practices by Japan, only to have that agreement ignored by the Japanese in practice. It is essential that the administration followup on this agreement to ensure compliance with its terms, and essential that the administration have the unqualified support of the Congress in this effort.

The establishment of a fair competitive environment for American producers of microchips is a matter of vital concern to the United States. The United States has long been a leader in semiconductor technology. Moreover, a recent report of the Defense Science Board Task Force confirms that the continued existence of a healthy U.S. semiconductor industry is essential to the national security. We simply cannot afford to let our ability to compete in the semiconductor market be lost. Equally importantly, we cannot allow foreign producers to drive the United States out of this market through unfair trading practices and barriers to access to foreign markets.

This resolution calls for nothing more than for Japan to live up to an agreement it has already made. It urges the President to take all appropriate actions that are available to him under section 301 to remedy Japan's violations of the agreement and prevent further violations; to serve as an incentive for compliance; to compensate the United States for the harm caused by noncompliance; and to prevent further injury. As set forth in the resolution itself, this is not a call for restrictions on trade in semiconductors, but for expansion of that trade. It is aimed at enforcing the commitments made by Japan and achieving the objectives of the agreement. The resolution urges that any actions taken by the President should be focused so as to directly penalize those who have acted inconsistently with the agreement, and notes that the actions may be directed at products which contain semiconductors so as to avoid adverse affects on U.S. semiconductor users.

I urge prompt consideration and approval of this resolution.

I yield back time to the Senator from New Mexico.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I had reserved the 2 minutes that have been yielded to me. I claim those 2 at this moment. They have been yielded by the Senator from California.

Mr. WILSON. Mr. President, I yield 2 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I support Senate Resolution 164. I support this important resolution because no industry should be the victim of a "international high-tech bait and switch."

America's semiconductor industry needs—and deserves—the help of our Government to stop unfair trade practices.

The industry filed and won trade cases. Instead of tariffs, they accepted what they thought would be an enforceable agreement that would address adequately its grievances.

But what happened? Five months after the agreement was signed, nothing has changed. The Japanese are still dumping microchips at below cost on the U.S. market, and the largest semiconductor market in the world, Japan, is still more or less closed to the American product.

The agreement was signed on September 2, 1986. Consultation between the United States and Japanese Governments shows clearly that the Japanese Government and the Japanese semiconductor companies have violated—and continue to violate—that agreement, despite warnings by our negotiators last October, again in November, and once again in January of this year.

The President issued a Federal Register notice giving the U.S. Trade Representatives and the Secretary of Commerce the authority to take retaliatory action under section 301 should he determine that the agreement is being violated. A deadline for compliance was set.

Sanctions should begin March 31 unless the Japanese begin to comply with the third-country dumping and market access provisions of the agreement.

Mr. President, March 31 is 12 days away.

With that date so close, it seems appropriate to outline a plan of action to respond to these agreement violations:

We should identify those Japanese companies violating the agreement and ensure that the U.S. actions are directed at those specific companies.

We should identify enforcement actions that would not affect adversely those semiconductor users that are not violating the agreement.

We should quantify the measures needed to ensure compliance. For example, we should set a level of retaliation comparable to the injury that the industry has suffered as a consequence of the loss of access to the vital Japanese market, and the cost to us of the dumping.

I have asked for a meeting with key administration officials, plus members of the industry, at which we could discuss the actions that need to be taken.

That meeting is scheduled for tomorrow. I don't see how we can do anything other than to enforce vigorously this agreement.

Let me outline some of the problems. The key to a competitive semiconductor industry is "volume production."

The unfair trade practices of the Japanese are precisely those which have prevented American companies from achieving "volume production."

By limiting access to the largest market in the world—Japan—the Japanese Government has provided Japanese companies with the built-in advantage in terms of production volume. And by maintaining a world price on microchips at less than they cost to produce, the Japanese have prevented American companies from maintaining a position in the market.

United States access to the Japanese semiconductor market has held at 10 percent—unimproved since the trade cases were filed. And that is unimproved since the early 1970's.

The semiconductor industry is key to our economy, and vital to our security.

Semiconductors are central to the electronics industry. Without semiconductors, there is no effective electronics industry, and industry that in America has more employees than the steel industry, the auto industry, and the aerospace industry combined.

Right now, our semiconductor industry represents 188,000 U.S. jobs and contributes $17 billion to our gross national product. Microelectronic devices are key to computers, telecommunications equipment, and other electronic products which account for annual sales of $230 billion, plus 2,500,000 American jobs.

But if we allow that industry to disappear because the agreement was not enforced, the damage could go well beyond those jobs.

Historically, our leadership in electronic technology has been key to our defense strategy. Electronics represents over 15 percent of the Defense budget.

We now have a situation where our weapons systems, including modern tactical aircraft, missiles, ships, tanks, and satellites, must rely, to some degree, on foreign-supplied semiconductors.

Unless this agreement is enforced, we may find America's defense based on a rule of: "You buy it from the Japanese, or you don't buy it."

How absurd.

This dependence makes us vulnerable to supply disruptions of key electronic components. Already, the Japanese are becoming selective about the quality of semiconductor materials they export to America.

Mr. President, we must enforce that trade agreement. I believe passage of Senate Resolution 164 will send a strong statement to that effect: Enforce what is fair.

I urge each of my colleagues to vote in favor of the resolution.

Mr. President, semiconductors are central to the electronics industry. Let me just tell the Senate what that means. Without semiconductors there is no effective electronics industry, an industry that in the United States has more employees than the steel industry, the auto industry, and the aerospace industry combined.

Mr. President, we have argued from time to time on the floor about international trade, about tariffs, about parity, and about fairness. But the U.S. Government already found that the Japanese were violating our trade laws. The Japanese agreed they were. Both countries entered into an agreement.

Twelve days from now, according to that agreement, the U.S. Government is supposed to have in place their compliance or do something about it. From everything I can determine, nothing has happened. Instead of opening their markets, they are more restrictive. Instead of restraining their dumping, they are dumping more in third world countries than they were before.

The reason we are here on the floor is because we are frightened for the new industry in America, our future, and we are frightened that we are not going to enforce an agreement against the Japanese which they already acknowledge are violating our trade laws.

We urge our President, who filed this lawsuit against them, and entered into an agreement with them, to enforce it, and to make sure the Japanese do not get away with anything this time.

I yield the floor.

Mr. BYRD. Mr. President, would the distinguished Senator from Texas yield me a little time?

Mr. BENTSEN. I am delighted to yield the distinguished majority leader 3 minutes.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. I thank my chairman.

Mr. President, I support this resolution calling on the President to enforce our agreement with Japan on semiconductors. When our negotiators reach trade agreements, the administration should strictly enforce their compliance. In this case, it appears that the Japanese industry has not complied with the agreement. If the United States is going to maintain credibility in our trade policy, it certainly must respond vigorously when foreign commitments are not fulfilled.

Semiconductors are critical components in many high technology products. In the interests of our economic strength and our national security, we must maintain a strong, a vital domestic semiconductor industry. Japan understands the importance of the semiconductor industry. That is why Japan has so carefully nurtured the industry over the years.

This whole situation reinforces my conviction that we need to enact comprehensive trade legislation. The trade problems of the semiconductor industry are not unique. The semiconductor industry's foreign competitors have been given considerable support by their governments. Other vital U.S. industries face similar government-supported competition.

United States negotiators have reached trade agreements with Japan on many industries over the years, agreements that have failed to live up to their press releases. In fact, for 6 years, we have been reaching agreement after agreement with Japan. Yet, last year our total exports to Japan were little changed from 1980. Meanwhile, our imports from Japan have risen by 2½ times.

Mr. President, the Senate should not need to pass resolutions like the one before us today. The Senate should not need to urge the President to enforce our trade agreements. Every foreign government should expect—as a matter of course—that the United States will strictly enforce agreements. Today, the sad fact is that our trade competitors assume that the President will be lenient. Our trade policy lacks credibility.

Mr. President, the Senate should pass this resolution by an overwhelming margin. But, later this year, we should also pass legislation that restores credibility to our trade policy so that resolutions like these are no longer necessary.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. WILSON. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has 1 minute 20 seconds remaining.

Mr. WILSON. How much time remains to the distinguished Senator from Texas?

The PRESIDING OFFICER. Three minutes 45 seconds.

Mr. WILSON. Mr. President, I wonder if I might prevail on my colleague to yield the remainder of his time, if he is not going to use it, with 1 minute to Senator McClure, 1 minute to Senator Wirth, 1 minute to Senator McCain, and also, Senator Murkowski has an agreed-upon amendment. I will yield him 1 minute of my time.

Mr. BENTSEN. Are there other Senators on this side who wish to speak?

Mr. President, I have 3 minutes 45 seconds remaining?

The PRESIDING OFFICER. The Senator is correct.

Mr. BENTSEN. The Senator from Texas will reserve 1 minute of his time and the remainder of his time he will allocate to the Senator from Alaska, the Senator from Idaho, and the Senator from Arizona.

Mr. WILSON. Will the Chair indicate for the benefit of those Senators when their minute has expired?

The PRESIDING OFFICER. The Chair will so indicate.

Mr. BENTSEN. I will give my last minute to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the Senator from Texas not only for yielding time but also for his initiative in bringing this matter to the floor so promptly.

Mr. President, I am not going to repeat all the arguments which have been made, but I think it does need to be said that we spent a year and a half coming to an agreement with the Japanese. We have watched for 8 months to see if they are going to comply, and the evidence is that they do not intend to comply.

Just yesterday, evidence came out by way of an invoice of Japanese companies selling in this market at below the dumping price.

I have today acquired a copy of another invoice that shows another Japanese company doing precisely the same thing.

I think it is time for us to call an end to that kind of a process.

Mr. President, I rise in support of Senate Resolution 164. I am compelled today to ask that the administration take all appropriate and feasible action to enforce the U.S.-Japan agreement on semiconductors.

Mr. President, many in this body are probably not aware that a Boise, ID, firm, Micron Technology, was one of the first to bring the practices of the Japanese to our attention.

In June 1985, Micron filed the first dumping action against the Japanese on 64k DRAMS. In July the Semiconductor Industry Association pursued a 301 case attempting to increase market access in Japan. It was not until December that the administration self-initiated a dumping action for 256k and above semiconductors.

Mr. President, Micron has been very active in pushing this administration to take action and level the playing field with the Japanese. They were relieved when the agreement was reached last year and felt that it was fair.

As part of that agreement, the Japanese Government agreed to stop dumping below-cost semiconductors in the United States and third-country markets.

We traveled a long and winding road to bring that accord to fruition. The U.S. industry, spearheaded by Micron, proved beyond a doubt that they were being harmed irreparably by Japanese competitors—competitors that were selling computer chips at below-market levels in an effort to drive the U.S. industry out of the marketplace.

Despite the agreement, Mr. President, the today situation is the same. The Japanese have paid no attention to the terms of the accord and continue to undercut the U.S. industry.

Just yesterday, officials from Micron Technology announced that it had acquired an invoice that showed a Japanese chip manufacturer was selling memory chips in Southeast Asia for a price at least 20 percent below what industry analysts say is the lowest fair-market value stipulated under the August agreement.

Two newspaper articles that appeared in today's editions of the Idaho Statesman and Wall Street Journal very nicely outlined the circumstances of the case. I will ask that they be printed in the RECORD at the conclusion of my remarks.

Regrettably, Mr. President, I think this new evidence is just the tip of the iceberg. In fact, shortly after I finished reading those two articles it was brought to my attention that Micron had obtained yet another invoice that shows another Japanese firm has been dumping chips. In this case, the invoice price was even lower than the first.

Mr. President, I find the whole situation disgusting. These cases are proof-positive that the Japanese have undercut the terms of the agreement and are dumping chips on the market.

This evidence gives us ample reason to take forceful action. The Japanese must learn that bilateral agreements with the United States are to be honored. It is time for action.

I am proud to rise in support of Senate Resolution 164. As Senator WILSON has stated, the objective of the resolution is not protectionism. What we want is fair trade and timely compliance by the Government of Japan with our trade agreement.

Until the Japanese show their good faith, we have no choice but to stand up for what is right and fair.

I ask unanimous consent that the two articles to which I referred be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 19, 1987]

MICRON TECHNOLOGY SAYS JAPANESE FIRMS, STILL VIOLATE CHIP PACT

(By Peter Waldman)

Micron Technology Inc, rebutting official contentions in Tokyo that Japan's microchip makers are complying with the Semiconductor Trade Agreement, produced evidence purporting to show that Japanese chip dumping continues in Southeast Asia.

The Boise, Idaho-based manufacurer of memory chips, released an invoice dated yesterday that showed that a Hong Kong-based unit of Japan's Oki Electric Industry Co. sold a certain type of memory chip for a price at least 20 percent below what U.S. executives and industry analysts say is the lowest fair-market value assigned to a Japanese chip maker under the agreement.

Such a sale, if completed, would violate the pact's antidumping terms. Dumping occurs when a manufacturer sells products at prices below production costs. Micron has had losses for nearly two years, in part because of aggressive pricing by Japanese competitors.

The evidence, which Micron said it gathered at the request of the Commerce Department, may provide new ammunition for Secretary of Commerce Malcolm Baldrige and U.S. Trade Representative Clayton Yeutter, who U.S. trade-policy officials say favor retaliatory sanctions against Japanese chip makers found violating the trade agreement.

A meeting of the cabinet-level Economic Policy Council is scheduled for next week to decide what sanctions, if any, should be imposed on Japanese violators.

Meanwhile, the Senate Finance Committee increased pressure on the Reagan administration to impose sanctions on the Japanese for violating the semiconductor accord. The panel approved a resolution calling on the president to respond to Japanese violations of the pact. The resolution is expected to be considered on the Senate floor either today or next week.

The chip accord, signed last summer, forbids Japanese chip makers from selling dynamic random-access-memory chips, or D-rams, below certain fair-market values calculated by the Commerce Department. The values are supposed to reflect each Japanese producer's cost of production plus and 8 percent profit margin. Micron said the invoice price of $1.95 per chip in the Oki sale contrasts with a fair-market value for that company of more than $3 per chip.

Joseph Parkinson, Micron's chairman, said the Oki invoice "reflects the continuous and intentional violations" of the trade agreement by Japanese D-ram producers. Mr. Parkinson also blamed Japanese dumping for the layoffs of 50,000 to 60,000 U.S. chip assemblers and for huge losses posted by U.S. companies. "we either take a step now and retaliate, or we will see the end of D-ram production in the United States followed by other targeting of our industries," he said.

Oki officials did not answer repeated phone calls to the company's semiconductor-division offices in San, Jose, Calif.

[From the Idaho Statesman, Mar. 19, 1987]

MICRON: INVOICE PEGS JAPANESE TO VIOLATION

(By David Ensunsa)

Micron Technology Inc. officials said Wednesday they have acquired an invoice from a Japanese semiconductor chip manufacturer that proves the Japanese have violated a trade agreement with the United States.

The invoice from the Hong Kong office of OKI Electronics Ltd., dated March 18, is for the shipment of 5,000 chips of 256-kilobit dynamic random-access memory (D-RAM) at a price per chip of $1.95. The U.S.-Japan Trade Agreement, signed in August 1986, sets a minimum price of about $3 for the cost of production of one chip.

The invoice was obtained at the request of Bruce Smart, undersecretary of Commerce for international trade, which has given repeated warnings to the Japanese for undercutting prices. Boise-based Micron is the last remaining major U.S. producer of semiconductor chips.

Micron officials urged Wednesday that immediate tariffs be placed on semiconductor chips produced in Japan.

"We need some protection to keep industry alive in America," J.R. Simplot, Micron's largest stockholder, said at a news conference. "We've got to give this thing some real attention."

Jim Garrett, vice president of sales and marketing, said the company lost $11 million in its most recent quarter, and $33 million in 1986. "It's 100 percent attributable to the Japanese," he said.

A tariff of 25 cents should be put on each 64-K chip and $1 on each 256-K chip entering this country, Garrett said.

The U.S. has charged that such key chips—the engines of computers—have been sold at less than fair market price in other countries, and that some of those chips have been re-exported to the U.S. Japanese officials on Tuesday denied those charges.

"They (Japanese) are trying to prolong this until it's not relevant any longer," Micron Chairman Joe Parkinson said. "If they can do it in this market they can do it in any market."

Garrett suggested that a tariff also be placed on products that use Japanese chips, such as computers and televisions.

The Japanese are strenuously opposing such measures, he said. "It's hard for a U.S. company to compete with the entire government of Japan."

Simplot said it was imperative that Micron receive support from the Commerce Department in order to correct the problem.

"They're going to put us out of business," Simplot said. "They're got our money. They're tough. We need some help."

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, after 1½ years of agonizing negotiations, the United States and Japan reached an agreement which was applauded by all of us in Congress because we thought it would avert very serious difficulties between the two nations. The basis of those agreements were that the Japanese would cease and desist from dumping their chips into third-country markets. It would stop dumping chips into U.S. markets, and they would open their market for U.S. products.

So far, Mr. President, we have a win, a loss, and a draw.

Yes; the Japanese, as far as we can tell, have stopped dumping their chips into United States markets. We have no indication that there is any opening of Japanese markets to United States products, and certainly third-country dumping has continued at an alarming degree, even increasing, by many estimates.

Mr. President, we cannot include solemn agreements with our allies, in this case Japan, and have them blatantly violated, and expect to maintain good relations, at least the kind we have enjoyed with the Japanese since World War II.

We have before us an agreement made in good faith which has been violated. These violations must be met with an adequate response by our Government, as of March 31. I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 39

Mr. MURKOWSKI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI], for himself, Mr. ROTH, and Mr. DOMENICI, proposes an amendment numbered 39.

At the appropriate place in the Resolution, insert the following:

Since in April 1985, the Government of Japan, pursuant to Market Opening Sector Specific negotiations with the United States, agreed to permit equity participation of up to 33 percent by foreign firms in a new Japanese telecommunications service company;

Since that company would provide competition with Kokusai Denshin Denwa (KDD) in the provision of international telecommunications services via a fiber optics, trans-Pacific cable (from Japan to the United States through Alaska);

Since an international consortium consisting of Japanese, United States, and United Kingdom companies has been formed to compete with KDD, and to construct the trans-Pacific cable and to provide telecommunications services to Japanese, United States and European consumers,

Since this consortium would enhance critical communications services for agencies of the United States Government such as the Department of Defense, and would create significant opportunities for the sale of U.S. technology and equipment for fiber optic cable and other project components,

Since recent action by the Japanese Ministry of Post and Telecommunications indicate that Japan may not permit 33 percent foreign equity participation in any consortium formed to compete with KDD, but instead may support only a 3 percent foreign equity participation,

Since such action by the Ministry of Post and Telecommunications would undercut the credability of the MOSS process casting serious doubt on a negotiated approach to solving services trade problems with Japan,

Therefore, be it declared,

That the President should immediately take all appropriate actions to communicate with the Government of Japan to insure that the commitment made by Japan under the terms of the Market Opening Sector Specific (MOSS) telecommunications negotiations for 33 percent equity participation by foreign firms in any consortium formed to compete with KDD be fulfilled.

Mr. MURKOWSKI. Mr. President, I want to recognize that this has been cleared by the chairman of the Finance Committee, Senator BENTSEN, and Senator WILSON has agreed to it.

The purpose of having the clerk read the amendment was so that my colleagues could be alerted. This situation occurred yesterday when we became aware of the fact that the Japanese had seen fit to apparently withdraw from its 33-percent equity participation of foreign firms in the construction of the $450 million fiber optic cable across the Pacific Ocean. The indication is that the Japanese have decided to limit that 33-percent participation to 3 percent and, in effect, build the cable and lay it themselves.

As a consequence, there will be a meeting held in Tokyo on Monday, and it is appropriate that we make every effort to urge our President to communicate our desire that Japan go ahead and basically concur with the agreed-upon MOSS procedure.

Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. BENTSEN. Mr. President, I made one mistake in giving away all of my time.

Mr. MURKOWSKI. I was under the impression that if the clerk read the amendment, it was not charged against the time.

Mr. BENTSEN. What impression?

Mr. MURKOWSKI. I was under the impression that when the clerk read the amendment, that was not charged against my time.

The PRESIDING OFFICER. The Senator from Alaska is correct.

Mr. BENTSEN. What I am saying is that we have examined the amendment to the resolution by the distinguished Senator from Alaska and see no objection to it. I think it is timely. I am very pleased to support it. I know of no objection on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 39) was agreed to.

Mr. MURKOWSKI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WILSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from California [Mr. WILSON].

Mr. WILSON. Mr. President, I yield to the Senator from Colorado [Mr. WIRTH].

Mr. WIRTH. Mr. President, I thank the distinguished chairman of the Finance Committee for graciously yielding time to me.

The urgency of the situation has been outlined very carefully by the previous speakers. We came to an agreement and that agreement has to be enforced. I think by voting quickly and overwhelmingly on this resolution, the Senate can also reflect its sense of urgency about the importance of this industry to our economy today, to our economy in the future, and to our defense industry. What we are talking about is the basis of the computer industry of the future, the basis of the information industry of the future, much of our satellite industry, and so much of long-term importance to the United States, as well as enormous importance to our national security interests.

The Defense Science Board recently underlined its concern with a very good report which will be debated by this body and into which there will be a great deal of input to the Department of Defense and to the Armed Services Committee. Our quick voting here by a very large majority is going to underline that urgency. I commend the Senator from California for bringing up this resolution. Once again, I thank the distinguished Senator for yielding time to me.

Mr. WILSON. Mr. President, I thank my friend from Colorado for his support. I thank all my colleagues.

I ask unanimous consent that Senator ROTH be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, last summer the Japanese Government made a commitment to control the export price of its companies' semiconductors and to increase United States market share in Japan. The purpose of the agreement was to halt the flood of less than fair value pricing of Japanese semiconductors that was harming United States producers.

The Japanese Government has been unable to control the price of exports and has not been able to increase United States market share. The agreement very simply stated that the Japanese Government would control its producers in return for America suspending its antidumping cases. Japan's obvious violations of the agreement are, in essence, a breach of contract.

Mr. President, Micron Technologies held a press conference yesterday documenting OKI Electric Industry Inc. noncompliance with the agreement by producing an invoice from the company. I include Wall Street Journal and Idaho Statesman articles on the press conference for the RECORD.

If this agreement is not upheld, how good is any agreement made by the United States? How much respect will Ambassador Clayton Yeutter receive when he goes to Geneva to negotiate with the new GATT round? What will we do should Brazil violate the GATT? Mr. President, it is imperative that we take firm action.

In a recent meeting with Deputy U.S. Trade Representative Michael Smith, I found a willingness on the part of our negotiators to stand up for American industry by voicing a willingness for retaliation should the agreement fail. This resolution is a little like preaching to the choir. However, it is important for Japan to realize that the United States Congress stands squarely behind the administration in its attempts to have Japan live up to written agreements.

I ask unanimous consent to have printed in the RECORD the articles from the Wall Street Journal and the Idaho Statesman.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MICRON TECHNOLOGY SAYS JAPANESE FIRMS STILL VIOLATE CHIP PACT

(By Peter Waldman)

Micron Technology Inc., rebutting official contentions in Tokyo that Japan's microchip makers are complying with the Semiconductor Trade Agreement, produced evidence purporting to show that Japanese chip dumping continues in Southeast Asia.

The Boise, Idaho-based manufacturer of memory chips, released an invoice dated yesterday that showed that a Hong Kong-based unit of Japan's Oki Electric Industry Co. sold a certain type of memory chip for a price at least 20% below what U.S. executives and industry analysts say is the lowest fair-market value assigned to a Japanese chip maker under the agreement.

Such a sale, if completed, would violate the pact's anti-dumping terms. Dumping occurs when a manufacturer sells products at prices below production costs. Micron has had losses for nearly two years, in part because of aggressive pricing by Japanese competitors.

The evidence, which Micron said it gathered at the request of the Commerce Department, may provide new ammunition for Secretary of Commerce Malcolm Baldrige and U.S. Trade Representative Clayton Yeutter, who U.S. trade-policy officials say favor retaliatory sanctions against Japanese chip makers found violating the trade agreement.

A meeting of the cabinet-level Economic Policy Council is scheduled for next week to decide what sanctions, if any, should be imposed on Japanese violators.

Meanwhile, the Senate Finance Committee increased pressure on the Reagan administration to impose sanctions on the Japanese for violating the semiconductor accord. The panel approved a resolution calling on the president to respond to Japanese violations of the pact. The resolution is expected to be considered on the Senate floor either today or next week.

The chip accord, signed last summer, forbids, Japanese chip makers from selling dynamic random-access-memory chips, or D-rams, below certain fair-market values calculated by the Commerce Department. The values are supposed to reflect each Japanese producer's cost of production plus an 8% profit margin. Micron said the invoice price of $1.95 per chip in the Oki sale contrast with a fair-market value for that company of more than $3 per chip.

Joseph Parkinson, Micron's chairman, said the Oki invoice "reflects the continuous and intentional violations" of the trade agreement by Japanese D-ram producers. Mr. Parkinson also blamed Japanese dumping for the layoffs of 50,000 to 60,000 U.S. chip assemblers and for huge losses posted by U.S. companies. "We either take a step now and retaliate, or we will see the end of D-ram production in the United States followed by other targeting of our industries," he said.

Oki officials did not answer repeated phone calls to the company's semiconductor-division offices in San Jose, Calif.

MICRON: INVOICE PEGS JAPANESE TO VIOLATION

(By David Ensunsa)

Micron Technology Inc. officials said Wednesday they have acquired an invoice from a Japanese semiconductor chip manufacturer that proves the Japanese have violated a trade agreement with the United States.

The invoice from the Hong Kong office of OKI Electronics Ltd., dated March 13, is for the shipment of 5,000 chips of 256-kilobit dynamic random-access memory (D-RAM) at a price per chip of $1.95. The U.S.-Japan Trade Agreement, signed in August 1986, sets a minimum price of about $3 for the cost of production of one chip.

The invoice was obtained at the request of Bruce Smart, undersecretary of Commerce for international trade, which has given repeated warnings to the Japanese for undercutting prices. Boise-based Micron is the last remaining major U.S. producer of semiconductor chips.

Micron officials urged Wednesday that immediate tariffs be placed on semiconductor chips produced in Japan.

"We need some protection to keep industry alive in America," J.R. Simplot, Micron's largest stockholder, said at a news conference. "We've got to give this thing some real attention."

Jim Garrett, vice president of sales and marketing, said the company lost $11 million in its most recent quarter, and $33 million in 1986. "It's 100 percent attributable to the Japanese," he said.

A tariff of 25 cents should be put on each 64-K chip and $1 on each 256-K chip entering this country, Garrett said.

The U.S. has charged that such key chips—the engines of computers—have been sold at less than fair market price in other countries, and that some of those chips have been re-exported to the U.S. Japanese officials on Tuesday denied those charges.

"They (Japanese) are trying to prolong this until it's not relevant any longer," Micron Chairman Joe Parkinson said. "If they can do it in this market they can do it in any market."

Garrett suggested that a tariff also be placed on products that use Japanese chips, such as computers and televisions.

The Japanese are strenously opposing such measures, he said. "it's hard for a U.S. company to compete with the entire government of Japan."

Simplot said it was imperative that Micron receive support from the Commerce Department in order to correct the problem.

"They're going to put us out of business," Simplot said. "They've got our money. They're tough. We need some help."

Mr. WILSON. Mr. President, in summary, long ago, Japan placed a "Do Not Enter" sign upon its markets. Last September, they entered into an agreement. They broke that promise. There must be an end to patience and an end to tolerating broken promises. It is time either for Japanese compliance or for U.S. retaliation.

I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the resolution. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Arkansas

[Mr. BUMPERS], the Senator from Florida [Mr. CHILES], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I further announce that, if present and voting, the Senator from Delaware [Mr. BIDEN] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Indiana [Mr. QUAYLE] are necessarily absent.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 93, nays 0, as follows:

[Rollcall Vote No. 34 Leg.]

YEAS—93

Adams
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Burdick
Byrd
Chafee
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NOT VOTING—7

Armstrong
Biden
Bumpers
Chiles
Heinz
Quayle
Simon

So the resolution (S. Res. 164), as amended, was agreed to.

The PRESIDING OFFICER. The preamble is agreed to.

The resolution (S. Res. 164), with its preamble, reads as follows:

S. RES. 164

Whereas the maintenance of a healthy domestic semiconductor industry is essential to the development of the United States economy and the preservation of the national security of the United States;

Whereas the United States semiconductor industry is a world leader in semiconductor technology and has demonstrated its competitiveness in all markets to which it has free access;

Whereas concurrent with three antidumping cases filed against Japanese companies in 64K DRAMs, EPROMs and 256K and above DRAMs, the United States Trade Representative on July 11, 1985, initiated an investigation into Japanese dumping of semiconductors in the United States market and lack of access for United States companies to the Japanese semiconductor market pursuant to section 301(d)(2) of the Trade Act of 1974, as amended;

Whereas on September 2, 1986, the Ambassador of Japan to the United States and the United States Trade Representative signed the agreement between the Government of Japan and the Government of the United States of America concerning trade in semiconductor products which has been determined by the President to be an appropriate response to the practices of the Government of Japan with respect to trade in semiconductors, pursuant to section 301(d)(2) of the Trade Act of 1974, as amended;

Whereas in return for Japan's pledge of increased sales in the Japanese market and avoidance of dumping in all markets, the administration waived the imposition of dumping duties in two antidumping cases and suspended action under section 301;

Whereas during the last six months, collection of substantial dumping penalties against Japanese companies have been foregone;

Whereas during the last six months dumping has continued and there has been no increase in access to the Japanese market;

Whereas these acts represent violations of a trade agreement negotiated pursuant to the provisions and authority of section 301 of the Trade Act of 1974, as amended;

Whereas the President has determined that any failure by the Government of Japan to meet the commitments and objectives of the agreement would be inconsistent with a trade agreement or an unjustifiable act that would burden or restrict United States commerce;

Whereas the faithful implementation of the commitments and objectives of the agreement is the only effective means of addressing the twin problems of access for foreign semiconductor companies to the Japanese market and the prevention of dumping of semiconductors by Japanese companies; and

Whereas the Government of Japan has failed to meet the commitments that it made in the agreement signed on September 2, 1986: Now, therefore, be it

Resolved, That it is the sense of the Senate that:

The President should immediately take all appropriate and feasible actions under section 301 of the Trade Act of 1974—

(A) to remedy and prevent further violation of the agreement by Japan;

(B) to serve as an incentive for compliance;

(C) to compensate the United States for the harm suffered on account of non-compliance by Japan; and

(D) to prevent further injury to the United States.

Such actions should serve to increase, rather than restrict, international semiconductor trade and be aimed at enforcing commitments and achieving the objectives of the agreement, both with respect to market access and the prevention of dumping in the United States and other markets;

Such actions should be focused so as to directly penalize those who have acted inconsistently with the terms of the agreement; and

Such actions may be directed at products which contain semiconductors so as to avoid any adverse effects on United States semiconductor users.

SEC. 2. (a) Since in April 1985, the Government of Japan, pursuant to Market Opening Sector Specific negotiations with the United States, agreed to permit equity participation of up to 33 percent by foreign firms in a new Japanese telecommunications service company;

Since that company would provide competition with Kokusai Denshin Denwa (KDD) in the provision of international telecommunications services via a fiber optics, trans-Pacific cable (from Japan to the United States through Alaska);

Since an international consortium consisting of Japanese, United States, and United Kingdom companies has been formed to compete with KDD, and to construct the trans-Pacific cable and to provide telecommunications services to Japanese, United States, and European consumers;

Since this consortium would enhance critical communications services for agencies of the United States Government such as the Department of Defense, and would create significant opportunities for the sale of United States technology and equipment for fiber optic cable and other project components;

Since recent action by the Japanese Ministry of Post and Telecommunications indicate that Japan may not permit 33 percent foreign equity participation in any consortium formed to compete with KDD, but instead may support only a three percent foreign equity participation;

Since such action by the Ministry of Post and Telecommunications would undercut the credibility of the MOSS process casting serious doubt on a negotiated approach to solving services trade problems with Japan;

(b) Therefore, be it declared that the President should immediately take all appropriate actions to communicate with the Government of Japan to insure that the commitment made by Japan under the terms of the Market Opening Sector Specific (MOSS) telecommunications negotiations for 33 percent equity participation by foreign firms in any consortium formed to compete with KDD be fulfilled.

Mr. WILSON. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, there will be no more rollcall votes today.

MESSAGE FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVAL

A message from the President of the United States announced that on March 17, 1987, he had approved and signed the following enrolled bill:

S. 83. An act to amend the Energy Policy and Conservation Act with respect to energy conservation standards for applicances.

MESSAGES FROM THE HOUSE

At 10:45 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2) to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the Relocation Assistance Program, and for other purposes.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1085. An Act to amend title 38, United States Code, to make permanent the new GI bill educational assistance programs established by chapter 30 of such title, and for other purposes; and

H.R. 1157. An Act to provide for an acreage diversion program applicable to producers of the crop of winter wheat harvested in 1987, and otherwise to extend assistance to farmers adversely affected by natural disasters in 1986.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 77. "A concurrent" resolution to make a correction, relating to the maximum speed limit, in the enrollment of the bill H.R. 2.

At 3:45 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolutions, each without amendment:

S.J. Res. 19. Joint resolution to designate March 20, 1987, as "National Energy Education Day"; and

S.J. Res. 63. Joint resolution to designate March 21, 1987, as "Afghanistan Day".

ENROLLED JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 19. Joint resolution to designate March 20, 1987, as "National Energy Education Day"; and

S.J. Res. 63. Joint resolution to designate March 21, 1987, as "Afghanistan Day".

The enrolled joint resolutions were subsequently signed by the President pro tempore (Mr. STENNIS).

MEASURES REFERRED

The following concurrent resolution was read; and referred as indicated:

H. Con. Res. 77. A concurrent resolution to make a correction, relating to the maximum speed limit, in the enrollment of the bill H.R. 2, to the Committee on Commerce, Science, and Transportation.

MEASURES PLACED ON THE CALENDAR

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1085. An Act to amend title 38, United States Code, to make permanent the new GI bill educational assistance programs established by chapter 30 of such title, and for other purposes; and

H.R. 1157. An Act to provide for an acreage diversion program applicable to producers of the crop of winter wheat harvested in 1987, and otherwise to extend assistance to farmers adversely affected by natural disasters in 1986.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, March 19, 1987, he had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 19. Joint resolution to designate March 20, 1987, as "National Energy Education Day"; and

S.J. Res. 63. Joint resolution to designate March 21, 1987, as "Afghanistan Day".

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-50. A resolution adopted by the City Council of Nederland, TX, opposing proposed action of the Department of Commerce requiring turtle exclusion devices on towing trawls in the Gulf of Mexico; to the Committee on Commerce, Science, and Transportation.

POM-51. A resolution adopted by the House of Representatives of the State of Alaska; to the Committee on Energy and Natural Resources.

"HOUSE RESOLVE NO. 2

"Whereas the foreign export of Alaska North Slope crude oil would provide an incentive for further domestic oil exploration and development; and

"Whereas further oil exploration and development would enhance the nation's energy and economic security; and

"Whereas the petroleum industry is presently experiencing severe economic difficulties; and

"Whereas Japan, Korea, and Taiwan have expressed an interest in purchasing Alaska North Slope crude oil to diversify their energy sources; and

"Whereas the export of Alaska North Slope crude oil would decrease the federal trade deficit with these nations; and

"Whereas a Taiwanese company will take first delivery of Alaska Cook Inlet royalty oil in 1987 under an oil export license issued by the U.S. Department of Commerce; and

"Whereas a Korean company has already begun taking delivery of Alaska Cook Inlet oil; and

"Whereas it is far more costly to ship Alaska North Slope crude oil through the Panama Canal and to the Gulf Coast than to ship the oil directly to the Pacific Rim; and

"Whereas under the International Energy Agreement, the United States is required to export crude oil to participating nations in the event of a worldwide disruption of oil supplies;

"Be it resolved that the House of Representatives respectfully requests the United States Congress to enact laws providing for the export of Alaska crude oil, regardless of the oil's point of production within the state; and be it

"Further resolved that the Alaska Congressional delegation is urged to continue using its best efforts to obtain passage of legislation permitting the foreign export of Alaska crude oil, regardless of the oil's point of production within the state.

"Copies of this resolution shall be sent to the Honorable Ronald Reagan, President of the United States; the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; the Honorable Jim Wright, Speaker of the U.S. House of Representatives; the Honorable Robert Byrd, Majority Leader of the U.S. Senate; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress."

POM-52. A concurrent resolution adopted by the Legislature of the State of Minnesota; to the Committee on Environment and Public Works:

"H.R. No. 66

"Whereas, the Congress of the United States adjourned on October 18, 1986, without having enacted an extension of the federal highway program; and

"Whereas, as a result of this failure to enact an extension, the federal highway program officially expired September 30, 1986; and

"Whereas, expiration of the program has meant that federal highway user taxes are still being collected but the revenues are not being distributed to the states for needed highway improvements; and

"Whereas, Minnesota would be entitled to over $250,000,000 in federal funds which are not now being distributed because of the expiration of the program; and

"Whereas, swift action by the Congress early in its 1987 session is necessary if Minnesota and other states are to be able to use the federal funds to which they are entitled during the 1987 construction season; and

"Whereas, the unavailability of federal funds during the 1987 construction season would cause a major setback in Minnesota's efforts to strengthen its economy through safer and more efficient transportation: Now, therefore, be it

"Resolved by the Legislature of the State of Minnesota that it urges the Congress of the United States to enact an extension of the federal highway program, and thereby make available to Minnesota and other states the federal aid which their taxpayers have provided, at the earliest possible date: Be it further

"Resolved that the Secretary of State of the State of Minnesota is directed to prepare certified copies of this resolution and

transmit them to the President and Secretary of the United States Senate, the Speaker and Chief Clerk of the United States House of Representatives, and to Minnesota's Senators and Representatives in Congress."

POM-53. A joint resolution adopted by the Legislature of the State of Montana; to the Committee on Environment and Public Works:

"H.J. Res. 0005

"Whereas, the 99th Congress of the United States failed to reauthorize the Federal Surface Transportation Program Reauthorization Act; and

"Whereas, this failure to take action will bring the federal-aid transportation program to a standstill early in 1987; and

"Whereas, highway users have continued to pay taxes into the highway trust fund but have not received any benefit from these taxes in fiscal 1987; and

"Whereas, the lack of reauthorization will adversely affect the quality of Montana's highway transportation system; and

"Whereas, the failure has adversely impacted the economic strength and viability of Montana's construction industry; and

"Whereas, the continued failure to act could have the effect of eliminating thousands of construction-related jobs in Montana in 1987; and

"Whereas, Montana has created and funded solely with state money a reconstruction trust fund to provide badly needed dollars for its deteriorating roads; and

"Whereas, low asphalt and concrete prices now make highway construction an excellent investment, now, therefore, be it

Resolved by the Senate and the House of Representatives of the State of Montana: (1) That the 100th Congress of the United States be urged to take immediate action to approve the Federal Surface Transportation Program Reauthorization Act for fiscal 1987 and beyond.

"(2) That the Secretary of State send copies of this resolution to the Speaker of the United States House of Representatives, the President of the United States Senate, and all members of the Montana Congressional Delegation."

POM-54. A concurrent resolution adopted by the Legislature of the State of Minnesota favoring enactment of an extension of the Federal Highway Program; to the Committee on Environment and Public Works.

POM-55. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Environment and Public Works:

Joint Resolution

"We, your Memorialists, the Senate and House of Representitives of the State of Maine in the First Regular Session of the One Hundred and Thirteenth Legislative Session, now assembled, most respectfully present and petition the Congress of the United States, as follows:

"Whereas, the 99th Congress adjourned without reauthorizing the Federal-aid Highway Program with the result that the program ran out of money on September 30, 1986; and

"Whereas, on December 31, 1986, the State of Maine exhausted its consolidated primary, secondary, urban system and bridge funds; and

"Whereas, the State cannot undertake essential new federally assisted contracts without assurance that the 100th Congress will promptly enact reauthorization legislation; and

"Whereas, prompt action is vitally necessary to prevent loss of the entire 1987 construction season in Maine; now, therefore, be it

"Resolved: That we, your Memorialists, do hereby respectfully urge the members of the 100th Congress of the United States to reauthorize the Federal-aid Highway Act at the earliest possible time, by reaffirming areas of agreement between House and Senate conferees, which were reached in the closing hours of the 99th Congress, as a starting point, and by setting aside for separate consideration those issues in contention that prevented passage of this vitally important legislation in 1986; and be it further

"Resolved: That suitable copies of this Memorial, duly authenticated by the Secretary of State, be transmitted to the President of the Senate and the Speaker of the House of Representatives in the Congress of the United States and to each Member of the Maine Congressional Delegation."

POM-56. A concurrent resolution adopted by the Legislature of the State of South Carolina; to the Committee on Finance:

"A Concurrent Resolution

"Whereas, the federal Old Age, Survivors and Disability Insurance progam, established pursuant to Title 2 of the federal Social Security Act (42 USC Sec. 401 et. seq.), was established in order to provide, among other persons, the elderly with an adequate income to meet basic needs and live in a dignified manner; and

"Whereas, persons who have similar wage history receive greater old age benefits under this program if they reach age sixty-two during, or prior to, 1978, than if they reach age sixty-two after 1978; and

"Whereas, several bills have been introduced in the United States Congress to alleviate this disparity, including H.R. 4093; and

"Whereas, it is clearly unjust to permit persons reaching age sixty-two after 1978 to continue receiving as much as one hundred dollars a month less in benefits than those persons with similar wage histories reaching that age during, or prior to, 1978. Now, therefore, be it

"Resolved by the Senate, the House of Representatives concurring: That the General Assembly memorializes the Congress and the President of the United States to enact legislation equalizing the old age benefit levels received under the Social Security program by all persons with similar wage histories, regardless of the date when they become age sixty-two, and be it further

"Resolved, That a copy of this resolution be forwarded to the President and Vice-President of the United States, the Speaker of the House of Representatives, and each Senator and Representative in the South Carolina congressional delegation."

POM-57. A concurrent resolution adopted by the Legislature of the State of Indiana; to the Committee on Finance:

"House Concurrent Resolution No. 3

"Whereas, The ten million Social Security beneficiaries born during 1917 through 1921 (the so-called "notch victims") receive up to 24 percent less than beneficiaries born before 1917 with identical work histories; and

"Whereas, Notch victims receive no credit for earnings after 61 years of age under current law; and

"Whereas, The notch law discriminates on no basis besides age; and

"Whereas, A group especially hard hit by the notch discrimination is composed of World War II veterans; and

"Whereas, The notch problem is a grave injustice, an injustice that is unworthy of a great government like the United States: Therefore, be it

"Resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate Concurring:

"Section 1. That we urge the Congress to enact legislation to correct the injustice created by the notch in the Social Security law that discriminates against persons born during 1917 through 1921.

"Section 2. That copies of this Resolution be sent to the presiding officers and to the majority and minority leaders of both houses of Congress and to each member of Congress representing the people of Indiana."

POM-58. A petition from the World Federation of Free Hungarian Jurists relating to the Country Reports on Human Rights Practices for 1986; to the Committee on Foreign Relations.

POM-59. An Act adopted by the Legislature of the State of Alaska; to the Committee on Foreign Relations.

"A Bill

"Be it enacted by the people of the State of Alaska:

"Section 1. Declaration of policy. It is the policy of the State of Alaska: (1) to recognize that the greatest challenge facing the Earth is to prevent the occurrence of nuclear war by accident or design;

"(2) to recognize that the nuclear arms race is dangerously increasing the risk of a holocaust that would be humanity's final war;

"(3) to promote a mutual and verifiable freeze followed by reductions in nuclear warheads, missiles, and other delivery systems in order to halt the nuclear arms race and to reduce the risk of nuclear war.

"Section 2. Implementation. (a) The Governor shall conduct the affairs of state and carry out state programs in conformity with this policy.

"(b) The Lieutenant Governor shall deliver copies of this Act to Congress and the President of the United States.

"Section 3. Effective date. This initiative shall be effective when enacted according to law."

POM-60. A resolution adopted by the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Veterans' Affairs:

"Whereas, The city of New Bedford has for more than thirty-five years had an outpatient clinic servicing the veterans in the New Bedford area; and

"Whereas, This outpatient clinic handled approximately six thousand patient visits per year in an area with more than eighty-two thousand veterans; and

"Whereas, These eighty-two thousand veterans will require as they attain an elderly age even more medical services; and

"Whereas, The New Bedford area is more than thirty-five miles from the projected medical center in the city of Providence in the State of Rhode Island; and

"Whereas, The people living in the greater New Bedford area are clearly upset by the suggested closing of their outpatient clinic requiring them to travel to another State; and

"Whereas, The greater New Bedford veterans organizations are clearly opposed to any closing of the Veterans Administration facilities in the city of New Bedford; therefore be it

"*Resolved,* That the Massachusetts House of Representatives go on record as opposed to said closing; and be it further

"*Resolved,* That copies of these resolutions be forwarded by the Clerk of the House of Representatives to the President of the United States, to the National Director of the Veterans Administration, to General Thomas K. Turnage, Veterans Administration Administrator, the presiding officer of each branch of Congress, the Honorable Alan Cranston, Chairman, Senate Committee on Veterans Affairs, the Honorable G. V. Sonny Montgomery, Chairman, House Committee on Veterans Affairs, and to the members thereof from this Commonwealth."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INOUYE, from the Select Committee on Secret Military Assistance to Iran and the Nicaraguan Democratic Opposition:

Special Report on the Refusal of Richard V. Secord to Testify (Rept. No. 100-16).

By Mr. NUNN, from the Committee on Armed Services:

Special Report on the Activities of the Committee on Armed Services During the 99th Congress (Rept. No. 100-17).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment:

S. 623. A bill to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1988, 1989, and 1990, and for other purposes (Rept. No. 100-18).

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 790. An original bill to regulate nonbank banks, impose a moratorium on certain securities and insurance activities by banks, recapitalize the Federal Savings and Loan Insurance Corporation, allow emergency interstate bank acquisitions, streamline credit union operations, regulate consumer checkholds, and for other purposes; (with additional and supplemental views) (Rept. No. 100-19).

By Mr. BIDEN, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 5. A joint resolution designating June 14, 1987, as "Baltic Freedom Day."

S.J. Res. 18. A joint resolution to authorize and request the President to issue a proclamation designating June 1 through June 7, 1987, as "National Fishing Week."

S.J. Res. 22. A joint resolution to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week."

S.J. Res. 47. A joint resolution to designate "National P.O.W. Recognition Day."

S.J. Res. 52. A joint resolution designating the week of May 10, 1987, through May 16, 1987, as "National Fetal Alcohol Syndrome Awareness Week."

S.J. Res. 55. A joint resolution designating the week of May 10, 1987, through May 16, 1987, as "National Osteoporosis Prevention Week of 1987."

S.J. Res. 57. A joint resolution to designate the period commencing on May 3, 1987, and ending on May 10, 1987, as "National Older Americans Abuse Prevention Week."

S.J. Res. 58. A joint resolution to designate the month of April 1987 as "National Child Abuse Prevention Month."

By Mr. BIDEN, from the Committee on the Judiciary, with an amendment and an amendment to the title:

S.J. Res. 60. A joint resolution to authorize the President to proclaim the last Friday of April each year as "National Arbor Day."

By Mr. BIDEN, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 64. A joint resolution to designate May 1987 as "Older Americans Month."

S.J. Res. 67. A joint resolution to designate the month of May 1987 as "National Digestive Diseases Awareness Month."

S.J. Res. 69. A joint resolution to designate the week beginning April 20, 1987, as "World Population Awareness Week."

S.J. Res. 70. A joint resolution commemorating the 40th anniversary of the Marshall Plan.

S.J. Res. 74. A joint resolution to designate the month of May 1987 as "National Cancer Institute Month."

S.J. Res. 84. A joint resolution to designate October 1987 as "National Down Syndrome Month."

S.J. Res. 85. A joint resolution to designate the period commencing on August 2, 1987, and ending on August 8, 1987, as "International Special Olympics Week," and to designate August 3, 1987, as "International Special Olympics Day."

S.J. Res. 96. A joint resolution designating April 3, 1987, as "Interstate Commerce Commission Day."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BUMPERS, from the Committee on Small Business:

James Abdnor, of South Dakota, to be Administrator of the Small Business Administration; and

Charles R. Gillum, of Virginia, to be Inspector General, Small Business Administration; pursuant to previous order of the Senate, referred to the Committee on Governmental Affairs for not to exceed 20 days.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. BIDEN, from the Committee on the Judiciary:

Edward Leavy, of Oregon, to be U.S. circuit judge for the ninth circuit;

Morton I. Greenberg, of New Jersey, to be U.S. circuit judge for the third circuit;

Malcolm F. Marsh, of Oregon, to be U.S. district judge for the district of Oregon;

Frederick J. Hess, of Illinois, to be U.S. attorney for the southern district of Illinois for the term of 4 years;

P. Raymond Lamonica, of Louisiana, to be U.S. attorney for the middle district of Louisiana for the term of 4 years;

O. Evans Denny, of Delaware, to be U.S. marshal for the district of Delaware for the term of 4 years;

Blaine Skinner, of Idaho, to be U.S. marshal for the district of Idaho for the term of 4 years;

James L. Meyers, of Louisiana, to be U.S. marshal for the middle district of Louisiana;

Francis K. Peo, of New York, to be U.S. marshal for the northern district of New York for the term of 4 years;

Eugene V. Marzullo, of Pennsylvania, to be U.S. marshal for the western district of Pennsylvania for the term of 4 years; and

John T. Callery, of Tennessee, to be U.S. marshal for the western district of Tennessee for the term of 4 years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. REID:

S. 780. A bill to amend the enforcement provisions of the Federal Election Campaign Act of 1971; to the Committee on Rules and Administration.

By Mr. EXON:

S. 781. A bill to provide for the reduction of the surplus supply of certain agricultural commodities, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SPECTER:

S. 782. A bill to protect the public interest in stable relationships among communities, professional sports teams and leagues and in the successful operation of such teams in communities throughout the Nation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HEINZ:

S. 783. A bill to amend the Tariff Schedules of the United States to correct the tariff rate inversion on certain iron and steel pipe and tube products; to the Committee on Finance.

By Mrs. KASSEBAUM:

S. 784. A bill to provide that receipts and disbursements of the Highway Trust Fund and the Airport and Airway Trust Fund shall not be included in the totals of the budget of the United States Government as submitted by the President or the congressional budget; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, providing that if one Committee reports, the other Committee has thirty days of continuous session to report or be discharged.

By Mr. QUAYLE:

S. 785. A bill to strengthen worker retraining assistance programs under the Job Training Partnership Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GARN (for himself, Mr. PROXMIRE, Mr. THURMOND, Mr. BUMPERS, Mr. GRAMM, Mr. HECHT, Mr. SYMMS, Mr. HELMS, and Mr. NICKLES):

S. 786. A bill to amend the Export Administration Act of 1979 and the Federal Deposit Insurance Act to authorize controls on the export of capital from the United States, to control exports supporting terrorism, to prohibit ownership of United States banks by controlled countries, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BAUCUS (for himself and Mr. DURENBERGER):

S. 787. A bill to require the Environmental Protection Agency to publish a more stringent ambient air quality standard for ozone, a one hour ambient air quality standard for sulfur dioxide, and a fine particulate ambient air quality standard; to the Committee on Environment and Public Works.

By Mr. McCAIN (for himself, Mr. Evans, Mr. Inouye, Mr. Burdick, Mr. Simpson, and Mr. DeConcini):

S. 788. A bill to encourage Indian economic development; to the Committee on Finance.

By Mr. BIDEN (for himself, Mr. DeConcini, Mr. Chiles, Mr. Byrd, Mr. Nunn, Mr. Leahy, Mr. Kerry, Mr. Heflin, Mr. Metzenbaum, Mr. Moynihan, Mr. Dodd, Mr. Pryor, Mr. Ford, Ms. Mikulski, Mr. Melcher, Mr. Matsunaga, Mr. Bingaman, Mr. Rockefeller, Mr. Sasser, Mr. Kennedy, Mr. Levin, Mr. Pell, Mr. Simon, Mr. Hollings, Mr. Mitchell, Mr. Graham, Mr. Cranston, Mr. Inouye, Mr. Fowler, and Mr. Lautenberg):

S. 789. A bill to provide the framework necessary to pursue a coordinated and effective national and international narcotics control policy; to the Committee on the Judiciary.

By Mr. PROXMIRE from the Committee on Banking, Housing, and Urban Affairs:

S. 790. An original bill to regulate nonbank banks, impose a moratorium on certain securities and insurance activities by banks, recapitalize the Federal Savings and Loan Insurance Corporation, allow emergency interstate bank acquisitions, streamline credit union operations, regulate consumer checkholds, and for other purposes; placed on the calendar.

By Mr. DeCONCINI (for himself and Mr. Hatch):

S. 791. A bill to amend the copyright law, title 17 of the United States Code, to provide for protection of industrial designs of useful articles; to the Committee on the Judiciary.

By Mr. PELL (by request):

S. 792. A bill to authorize appropriations for fiscal years 1988 and 1989 for the Inter-American Foundation; to the Committee on Foreign Relations.

By Mr. PELL (by request):

S. 793. A bill to authorize appropriations for the African Development Foundation; to the Committee on Foreign Relations.

By Mr. METZENBAUM (for himself, Mr. Lautenberg, Mr. Inouye, Mr. Specter, Mr. Wirth, Mr. Weicker, Mr. Sanford and Ms. Mikulski):

S. 794. A bill to amend chapter 13 of title 18, United States Code, to impose criminal penalties and provide a civil action for damage to religious property and for injury to persons in the free exercise of religious beliefs; to the Committee on the Judiciary.

By Mr. CRANSTON:

S. 795. A bill to provide for the settlement of water rights claims of the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians in San Diego County, California, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. DURENBERGER (for himself and Mr. Baucus):

S. 796. A bill to amend the Clean Air Act to establish revised and additional ambient air quality standards and to control interstate air pollution; to the Committee on Environment and Public Works.

By Mr. METZENBAUM (for himself, Mr. Lautenberg, Mr. Inouye, Mr. Specter, Mr. Wirth, Mr. Weicker, Mr. Sanford, and Ms. Mikulski):

S. 797. A bill to require the Attorney General to collect data and report annually about hate crimes; to the Committee on the Judiciary.

By Mr. WEICKER:

S. 798. A bill to amend the Internal Revenue Code of 1986 and title 31, United States Code, to increase the tax on diesel fuel and gasoline for highway use in order to reduce the Federal deficit, and the public debt through the Public Debt Repayment Trust Fund; to the Committee on Finance.

By Mr. GLENN (for himself, Mr. D'Amato, Mr. Moynihan, and Mr. Simon):

S. 799. A bill to provide for the protection from shoreline erosion of improvements to residential real property contiguous with the Great Lakes; to the Committee on Environment and Public Works.

By Mr. BREAUX:

S. 800. A bill to authorize appropriations for fiscal year 1988 for certain maritime programs for the Department of Transportation and the Federal Maritime Commission; to the Committee on Commerce, Science, and Transportation.

By Mr. JOHNSTON (for himself, Mr. Bradley, Mr. Breaux, Mr. Bumpers, Mr. DeConcini, Mr. McCain, Mr. McClure, Mr. Matsunaga, Mr. Murkowski, Mr. Nickles, and Mr. Stevens):

S. 801. A bill to facilitate the national distribution and utilization of coal; to the Committee on Energy and Natural Resources.

By Mr. DeCONCINI (for himself, Mr. Conrad, Mr. Daschle, Mr. Harkin, Mr. Hollings, Mr. Kennedy, Mr. Kerry, Mr. Leahy, and Mr. Simon):

S.J. Res. 99. Joint resolution to express the sense of the Congress that the Special Supplemental Food Program for Women, Infants, and Children should receive increasing amounts of appropriations in fiscal year 1988 and succeeding fiscal years; to the Committee on Appropriations.

By Mr. PELL (for himself and Mr. Inouye):

S.J. Res. 100. Joint resolution to affirm the national policy of metric conversion benefiting the United States; to the Committee on Commerce, Science, and Transportation.

By Mr. CRANSTON:

S.J. Res. 101. Joint resolution designating June 19, 1987 as "American Gospel Arts Day"; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself, Mr. D'Amato, Mr. Riegle, Mr. Sarbanes, Mr. Dodd, Mr. Dixon, Mr. Graham, Mr. Sasser, Mr. Garn, Mr. Heinz, Mr. Bond, and Mr. DeConcini):

S.J. Res. 102. Joint resolution to designate the week beginning April 11, 1987, as National Community Development Week; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for himself, Mr. Dole, Mr. Inouye, Mr. Rudman, Mr. Mitchell, Mr. Nunn, Mr. Sarbanes, Mr. Heflin, Mr. Boren, Mr. McClure, Mr. Hatch, Mr. Cohen, and Mr. Trible):

S. Res. 170. Resolution to direct the Senate Legal Counsel to bring an action to enforce a subpoena and order of the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition; considered and agreed to.

By Mr. PRESSLER:

S. Con. Res. 36. Concurrent resolution expressing the sense of Congress with respect to the use of ethanol and methanol in reducing air pollution, and for other purposes; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. REID:

S. 780. A bill to amend the enforcement provisions of the Federal Election Campaign Act of 1971; to the Committee on Rules and Administration.

(The remarks of Mr. Reid and the text of the legislation are printed earlier in today's Record.)

By Mr. EXON:

S. 781. A bill to provide for the reduction of the surplus supply of certain Agriculture, Nutrition, and Forestry.

(The remarks of Mr. Exon and the text of the legislation are printed earlier in today's Record.)

By Mr. SPECTER:

S. 782. A bill to protect the public interest in stable relationships among communities, professional sports teams and leagues and in the successful operation of such teams in communities throughout the Nation, and for other purposes; to the Committee on Commerce, Science, and Transportation.

PROFESSIONAL SPORTS COMMUNITY PROTECTION ACT

Mr. SPECTER. Mr. President, today I am introducing the "Professional Sports Community Protection Act of 1987." This bill is designed to resolve several problems relating to the ownership and relocation of professional sports teams. It is premised on the judgment that professional sports teams, for a variety of reasons, affect the public interest.

My involvement with these issues is long standing. As long ago as the 97th Congress, I introduced legislation—S. 2821—to deal with the relocation issue in a way which protected the proprietary interests of owners as well as the interests of sports leagues, fans, stadium authorities, and municipalities. While my interest in the 97th Congress was general, my interest in the 98th Congress was more acute: In late 1984, it appeared that the Philadelphia Eagles football team might be sold and relocated to another State. I immediately began a series of discussions with NFL Commissioner Pete Rozelle and other key individuals to ensure that Philadelphia did not lose its team. While we solved that problem and the Eagles remained in Philadelphia where they belong, I was convinced by that episode that we need to resolve the relocation issue and related matters once and for all.

Accordingly, I introduced the "Professional Football Stabilization Act of 1985"—S. 172—in the early days of the 99th Congress. Other Senators also introduced legislation on this issue: S. 259 by Senators Eagleton and DANFORTH; S. 298 by Senator DECONCINI; and S. 287 by Senators Gorton and Mathias. Each bill had a different approach, but each had as its goal a fair and effective resolution of these issues. Hearings were held in both the Commerce Committee and the Judiciary Committee. The Commerce Committee considered S. 259 and S. 287 on February 4 and 20, 1985. The Judiciary Committee, on February 6, March 6, and June 12, 1985, considered S. 172, S. 259 and S. 298. A number of interested Senators and their staffs worked for a period of many months with each other and with the many interested parties—including the sports leagues themselves—to reach an agreement that would be acceptable to all and would protect the interests of fans and communities.

Remarkably, and perhaps in testimony to the good faith and common interest of all those involved, a compromise proposal did result not long after a November 1985 meeting in Senator DOLE's office, attended by interested Senators and their staff members. An approach was agreed upon by all of the Senators who had introduced the above-mentioned bills. The National Football League, which had been actively involved in the compromise negotiations, indicated its unequivocal approval of the new proposal.

But for the then ongoing lawsuit brought by the U.S. Football League against the National Football League, I am convinced that the compromise proposal would have become law. Because of the U.S. Football League's lawsuit, however, some Senators were opposed to any resolution of the relocation issue, fearing that congressional action might create, albeit unintentionally, some litigation advantage for the National Football League. As a result, the compromise proposal was not brought to the floor—notwithstanding that it had the support of every Senator who had introduced legislation on this issue.

Mr. President, I recite this lengthy background to demonstrate that the bill I am introducing today—which is, verbatim, the compromise proposal agreed upon in late 1985—is not a starting point, but may well be an appropriate ending point. Now that the U.S. Football League matter is resolved, I believe that the Congress should move to adopt this proposal, which was agreed upon by virtually every interested party. It would be a shame, in my view, if we wasted the benefit of our many months of work and negotiations on these issues and returned instead to square one—with several Senators reintroducing their own, highly divergent proposals. It is for precisely that reason that I am introducing this bill—the compromise proposal—rather than reintroducing the bill I authored in 1985. I will be frank in stating that I would be extremely disappointed if the National Football League took a different approach, and backed away from the previously agreed upon solution.

Our agreement in late 1985 included not just the bill I am introducing today but a series of colloquies which were to have taken place among certain interested Senators. I would like to summarize those colloquies in my statement today, as they obviously were viewed as shedding great light on the meaning of the bill itself.

First, there would have been a colloquy stating that "where a team can successfully operate in its present location, and its proposed transfer is connected to a sale, the sponsors believe significant weight should be given to bona fide retention offers at fair market value from persons who meet league ownership criteria" and that "the bill creates a rebuttable presumption in favor of retaining well-supported teams in their existing home territories."

A second colloquy would have clarified the bill's effect on revenue sharing. The colloquy would have stated that:

First, the bill specifically avoids addressing nontelevision revenue sharing because there is "no reason to stretch this legislation to encompass issues which presently are not problems;"

Second, the bill "does not affect the 1961 Sports Telecasting Act or its interpretation," and that "we are in no way facilitating moves of games now broadcast on free network television to pay/cable;".

A third colloquy involved the status of relocations between cities in the same "home territory." The colloquy noted that while "moves between cities in the same home territory—are outside the fundamental purposes of this bill," they were of some concern. The colloquy would have explained that the bill subjected such proposed relocations to objective criteria but not "to the same rigorous criteria and procedures" which applied to relocations to a new home territory entirely.

A fourth colloquy would have made clear that the bill's disclaimer regarding lawsuits filed by a competing professional sports league included "lawsuits brought by sports leagues other than those playing the same sport as the defendant."

Mr. President, I am sure many of my colleagues noted with interest recent reports that the National Football League has entered into an agreement whereby certain of its games would be telecast on pay/cable television, rather than on free network television. This event, and the question as to its antitrust status under the 1961 sports telecasting statute, only serves to highlight the extent to which professional sports in this country affect public interest, and the long history of Congress' interest in such matters. I urge my colleagues to join me in supporting a compromise proposal now, when there are no proposed relocations pending or under discussion, and we thus are free to approach the issue objectively.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 782

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Professional Sports Community Protection Act of 1987."

FINDINGS

SEC. 2. The Congress finds that it is in the public interest—

(1) to preserve stability in the relationship between professional sports teams and the communities in which such teams may successfully operate;

(2) to encourage professional sports leagues to operate with policies that promote the successful operation of their member clubs;

(3) to promote the equitable and prompt resolution of disputes arising from the interstate operations of such leagues as they concern the location of professional sports teams;

(4) to discourage the relocation of professional sports teams receiving local support; and

(5) to encourage expansion of professional sports leagues, by promoting stability in the location of professional sports teams through enforcement of rules or agreements for the division of revenues of such leagues or member clubs and for the selection of owners of such member clubs, in accordance with the provisions of this Act.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "antitrust laws" has the meaning given to such term in the first section of the Clayton Act (15 U.S.C. 12) and in the Federal Trade Commission Act (15 U.S.C. 41 et seq.);

(2) "home territory" means the geographic area within which a member club operates and plays the majority of its home games, as defined in the governing agreement or agreements of the relevant league on January 1, 1987, or upon the commencement of operations of any league after such date;

(3) "interested parties" includes representatives of the local government for the locality in which a member club's stadium or arena is located, a member club which has furnished notice under section 5 of this Act, and the owner or operator of such stadium or arena; the term may include any other affected party, as so designated by the relevant league;

(4) "local government" means a city, county, parish, town, township, village, or any other general function governmental unit established by State law;

(5) "member club" means any member of a professional sports league;

(6) "person" means any individual, partnership, corporation, or any unincorporated association, or any combination or association thereof, or any political subdivision;

(7) "professional sports league" or "league" means an association composed of two or more professional sports teams which has adopted, accepted or put into effect rules for the conduct of professional sports teams which are members of that association and the regulation of contests and exhibitions in which such teams regularly engage, and which has been engaged in competition in such sport for more than seven years;

(8) "professional sports team" means any group of professional athletes organized to play major league football, basketball or hockey and which is also a member of a league subject to the provisions of this Act; and

(9) "stadium" or "arena" means the principal physical facility within which professional sports team plays the majority of its home games.

LAWFUL AGREEMENTS

SEC. 4. (a) It is not unlawful by reason of the antitrust laws for a professional sports league or its member clubs, in accordance with the provisions of this Act, to enforce rules or agreements authorizing the members of such league to decide whether a member club may change its home territory.

(b) It is not unlawful by reason of any provision of section 1 of the Sherman Act (15 U.S.C. 1) for a professional sports league or its member clubs, in accordance with the provisions of this Act—

(1) to enforce rules or agreements within such league requiring the member clubs to participate in, or share among themselves the revenues produced by, any contract for the sale or transfer of all or any part of the rights of such member clubs in the sponsored telecasting of any games of such league, if such sharing promotes comparable economic opportunities for member clubs; and

(2) to enforce rules or agreements establishing procedures and standards for the selection of the owners of member clubs, if such procedures and standards provide that (A) such selection shall require approval by not more than three-fourths of such member clubs, and (B) such selection is not to be exercised in a discriminatory manner.

(c) If any owner of a professional sports team violates any rule or agreement adopted pursuant to this section, the relevant professional sports league may bring a civil action in a district court of the United States which has jurisdiction over such action under section 1331 of title 28, United States Code, to enjoin such owner from such violation. The district court may enjoin such violation or any other action which would be a violation of any such rule or agreement.

(d) This section shall not apply with respect to any suit commenced under the antitrust laws by a competing professional sports league.

NOTICE OF PROPOSED CHANGE IN HOME TERRITORY

SEC. 5. (a) Any person seeking to change the home territory of a member club to a location other than the location of such member club's home territory shall, in accordance with this section, furnish notice of such proposed change at least six months before the commencement of the season in which the member club is to play in such other location.

(b) Such notice shall be furnished to representatives of the relevant professional sports league, the owner or operator of the member club's stadium or arena, and the local government for the locality in which such stadium or arena is located. Such notice shall—

(1) be in writing and delivered in person or by certified mail;

(2) by published in one or more newspapers of general circulation within the member club's home territory; and

(3) contain as statement of the member club's intention to change its home territory, an identification of the proposed new location of such member club, a summary of the reasons for such change in home territory, information regarding the factors specified in section 6(b) of this Act, and the date on which such change is scheduled to become effective.

(c) The professional sports league shall make a determination with respect to the location of such member club's home territory within two months after receipt of the notice required by this section. In making such a determination, the league shall conduct proceedings at which interested parties are afforded an opportunity to present oral or written testimony regarding a change in the location of a member club's home territory. The league shall keep a record of all such proceedings.

DECISIONS ON TEAM LOCATIONS

SEC. 6. (a) No person may change the location of the home territory of a member club unless—

(1) such person furnishes the notice required by section 5 of this Act; and

(2) the professional sports league determines, in accordance with subsection (b) of this section, that a change in the home territory of such member club is justified.

(b) In determining under this section whether a change in the location of the home territory of a member club is justified, the league shall consider the findings of this Act and make specific findings regarding—

(1) the adequacy of such member club's existing stadium or arena in relation to other stadiums or arenas within such league;

(2) the adequacy of facilities related to or in the vicinity of such stadium or arena, including transportation, vending, retail and other facilities;

(3) the desire and ability of the owner or operator of such stadium, arena or facilities and officials of local government to remedy any inadequacies in such stadium, arena or facilities, or to provide other incentives or arrangements which would make it justified for such member club to continue to be located in its home territory;

(4) the extent to which such member club has, directly or indirectly, received public financial support by means of construction of any publicly financed stadium, arena, or playing facility, special tax treatment, or other form of public financial support, and the extent to which such support continues or remains unamortized;

(5) the effects of such change on any contract or agreement regarding a member club's current location which has been entered into by such member club and any public or private party;

(6) the extent to which the ownership or management of such member club has contributed to any circumstance that might demonstrate the need for a change in the member club's home territory;

(7) the amount of such member club's operating revenues from sports operations, including net revenues from ticket and other stadium or arena receipts from games played in the member club's stadium or arena, in relation to the median and average levels of revenues for other member clubs in the three seasons preceding the date of the member club's notice furnished under section 5 of this Act;

(8) the extent of any net operating losses experienced by such member club, exclusive of depreciation and amortization, in the three seasons preceding the date of the member club's notice furnished under section 5 of this Act;

(9) the extent to which fan support for such member club has been demonstrated by attendance, ticket sales, and other factors while the member club has played in its home territory;

(10) the number of professional teams playing the same sport as the member club which are currently conducting sports operations in the member club's home territory and in the proposed location of such member club, and the effects that the proposed change in the location of the home territory of such member club may have on such teams, their leagues, and communities and fans;

(11) any bona fide offer to purchase such member club at fair market value, if such offer includes continued location of such member club in its home territory;

(12) the extent to which such member club has engaged in good faith negotiations concerning reasonable arrangements under which such member club would continue to be located in its home territory and in its stadium or arena (or a suitable alternative facility in its home territory); and

(13) such other factors as the league determines may be appropriate, if such factors are in writing and are consistent with the findings of this Act.

(c)(1) No person may relocate a member club to a different city within such member club's home territory unless—

(A) such person furnishes the notice required by section 5(a) of this Act; and

(B) the professional sports league determines, in accordance with subsection (b) of this section, that such a relocation is justified.

(2) In determining under this subsection whether a relocation to a different city within a member club's home territory is justified, the league shall consider and make specific findings regarding—

(A) the adequacy of such member club's existing stadium or arena in relation to other stadiums or arenas within such league and the stadium or arena to which it is proposed that the member club relocate;

(B) the adequacy of facilities related to or in the vicinity of the member club's existing stadium or arena, including transportation, vending, retail or other facilities, in relation to the facilities in the vicinity of the stadium or arena to which it is proposed that the member club relocate;

(C) the desire and ability of the owner or operator of such member club's existing stadium, arena or facilities to remedy any inadequacies in such stadium, arena or facilities in relation to the desire and ability of the owner or operator of the stadium, arena or facilities to which it is proposed that the member club relocate to remedy any inadequacies in such stadium, arena or facilities;

(D) the extent to which the proposed relocation would facilitate or conflict with the member club's ability to continue to service its existing ticketholders or to continue to broadcast its games throughout its home territory in accordance with established broadcasting patterns;

(E) the extent to which such member club has, directly or indirectly, received public financial support by means of construction of any publicly financed stadium, arena or playing facility, special tax treatment, or other form of public financial support, and the extent to which such support continues or remains unamortized;

(F) the effects of the proposed relocation on any contract or agreement regarding a member club's current location which has been entered into by such member club and any public or private party; and

(G) such other factors as the league determines may be appropriate, if such factors are in writing and are consistent with the findings of this Act.

JUDICIAL REVIEW

SEC. 7. (a) A determination by a league under section 5(c) of this Act may be reviewed in a civil action brought in accordance with this section by—

(1) a member club which has furnished notice under section 5 of this Act;

(2) the owner or operator of such member club's stadium or arena, or the owner or operator of any facility in which such member club seeks to play the majority of its home games; or

(3) the local government for the locality in which the stadium or arena of such member club is located.

(b)(1) To enforce compliance with this Act, a league or any interested party may commence a civil action in accordance with this section to enjoin the failure of—

(A) any member club, person or league to comply with section 5 of this Act;

(B) any member club or person to comply with a decision of a league made pursuant to section 5 or 6 of this Act; and

(C) any member club, person or league to comply with a decision of any court made pursuant to this section.

(2) An action under this subsection may not be brought in a district of a State in which the member club is currently located or proposes to relocate.

(3) For purposes of this subsection, any person or league against whom an action is brought under this subsection is deemed to be doing business in any district in which any sponsored telecasts of such league or any member club of such league are broadcast.

(c)(1) Any civil action brought under this section must be commenced within thirty days of such determination. Such action must be brought in a district court of the United States which has jurisdiction over such action under section 1331 of title 28, United States Code. No such action may be brought in any district of a State which contains—

(A) such member club's home territory; or

(B) the proposed location of such member club.

(2) Upon motion of any party, the district court may, for the convenience of the parties or in the interests of justice, transfer any such action to any district which has jurisdiction over such action under section 1331 of title 28, United States Code, other than a district specified in paragraph (1)(A) or (B) of this subsection.

(d) The district court shall set aside such a determination by a league only if the district court finds that such determination was not supported by substantial evidence on the record taken as a whole, or was obtained by corruption, fraud or undue means. The district court may grant such declaratory and equitable relief as may be appropriate, including injunctive relief and specific performance.

(e) In any case where interested parties have not been afforded an opportunity to present oral or written testimony in accordance with section 5(c) of this Act, the district court may, by order, require the relevant professional sports league to conduct additional proceedings at which such testimony may be presented, and to reconsider its determination under such section based on such testimony. Within thirty days after the date of any such order, such league shall reconsider and resubmit its determination to the district court, and the district court shall review such determination in accordance with the provisions of this section.

FORMULATION OF POLICIES CONCERNING EXPANSION

SEC. 8. (a) Within six months after the date of enactment of this Act or within one year after the provisions of this Act become applicable to a professional sports league, whichever is later, such league shall formulate and adopt a suitable policy consistent with the provisions of this Act setting forth the criteria and standards it will use in determining when and where any future expansion of such league will occur, and the number of member clubs which may be added by any such expansion, except that such policy shall not include a determination by such league that it will never expand.

(b) In implementing such policy, each professional sports league shall solicit and consider the views of—

(1) State and local government officials;

(2) owners and operators of stadiums and arenas; and

(3) sports fans and the general public. Professional sports leagues shall fully consider the views of persons representing communities from which member clubs have, without prior league approval, relocated within five years before the effective date of this Act.

(c) Criteria and standards developed by professional sports leagues under this section shall, at a minimum, address—

(1) the population and other demographic characteristics of communities or regions;

(2) the geographical balance of the league's member clubs;

(3) the legitimate interests of communities from which member clubs have, without prior league approval, relocated within five years before the effective date of this Act;

(4) identification with and commitment to a community by prospective franchise owners;

(5) minimum guidelines for stadiums, areas or other facilities which will qualify a community to be considered for an expansion franchise;

(6) the capacity of a community to provide competitive stadium and related facilities in relation to other such stadiums and facilities within the league; and

(7) any demonstrated capacity of a community to support a professional sports franchise.

(d) Within thirty days after the adoption of such policy, such league shall transmit a copy of such policy to the Secretary of Commerce. The Secretary of Commerce shall publish such policy in the Federal Register.

(3) If a league fails to adopt and transmit a policy as required by this section, the provisions of this Act shall have no force and effect with respect to such league after the final day permitted by this section for such transmittal.

INAPPLICABILITY TO CERTAIN MATTERS

SEC. 9. Nothing contained in this Act shall—

(1) alter, determine, or otherwise affect the applicability or inapplicability of the antitrust laws, the labor laws, or any other provision of law to the wages, hours, or other terms and conditions of employment of players in any professional sports league, to any employment matter regarding players in any such league, or to any collective bargaining rights and privilege of any player union in any such league;

(2) alter, determine, or otherwise affect the applicability or inapplicability of the antitrust laws or any Federal or State law regarding telecasting, including the Act entitled "An Act to amend the antitrust laws to authorize leagues of professional football, baseball, basketball, and hockey teams to enter into certain television contracts, and for other purposes", approved September 30, 1961 (15 U.S.C. 1291 et seq.), to any agreement between any professional sports league or its member clubs and any person not affiliated with such a league for the telecasting of the games of such league or its member clubs on any form of television;

(3) affect any contract, or provision of a contract, relating to the use of a stadium or arena between a member club and the owner or operator of any stadium or arena or any other person;

(4) except as provided in this Act, alter, determine, or otherwise affect the applicability or inapplicability of the antitrust laws to any act, contract, agreement, rule, course of conduct, or other activity by, between, or among persons engaging in, conducting, or participating in major league football, basketball or hockey; or

(5) affect in any manner any lease obligation between a professional sports team and any stadium, corporation or other person.

OVERSIGHT

SEC. 10. The Committee on Commerce, Science, and Transportation of the Senate shall conduct periodic oversight hearings on the effects of this Act no less often than annually for the first three years after the date of enactment of this Act. As part of such hearings, the Committee shall specifically review the operation of section 8 of this Act.

EFFECT ON STATE LAW

SEC. 11. Notwithstanding any other provision of law, no State or local government may maintain or enforce any law or regulation that imposes any limitation on the rules, agreements, or conduct of any professional sports league or member club which is inconsistent with this Act.

EFFECTIVE DATE

SEC. 12. This Act shall apply to any change or proposed change in the home territory of a member club which occurs on or after January 23, 1985.

By Mr. HEINZ:

S. 783. A bill to amend the Tariff Schedules of the United States to correct the tariff rate inversion on certain iron and steel pipe and tube products; to the Committee on Finance.

TARIFF INVERSION

● Mr. HEINZ. Mr. President, I am introducing legislation today which is designed to correct the tariff rate inversion between steel pipe and tube products and the raw materials necessary to produce these products, namely, carbon and stainless sheet and strip.

The carbon and stainless steel pipe and tube producers have been suffering for a number of years from an anomoly in the Tariff Schedules of the United States. As a general rule, the United States and its major trading partners subscribe to the principle that higher value-added items bear higher duties. Unfortunately, U.S. tariff rates are inverted between steel pipes and tubes and their raw materials, which are basic steel mill products made by integrated steel producers.

This inverted tariff occurred as a result of rampant inflation in the United States during the 1970's and was inadvertently left uncorrected when the United States converted to the new tariff schedules. For example, in 1952 the duty rate for sheet was 0.175 cents per pound compared to 0.375 cents per pound for the majority of pipe products. In 1960, the tariff for sheet was increased to 10 percent ad valorem while the duty for pipe remained at the 1958 specific rate of 0.30 cents per pound. With steel selling at approximately $50 a ton in 1958, the duty on sheet was approximately $5 a ton compared to a $6 a ton duty on pipe. By 1975, steel prices had more than quadrupled, and the duties on steel sheet were over a $20 a ton compared to the specific rate for pipe which remained constant at $6 a ton.

The inverted tariff is inequitable and provides an unfair competitive advantage to the foreign exporters of pipe and tube products to the U.S. market. The existence of the inverted tariff has contributed to the fact that foreign steel pipe and tube producers have gained a major foothold in the U.S. market. The results have been devastating. I urge my colleagues to reflect on the cost of imports to this industry:

While imports currently account for approximately 24 percent of all steel products, pipe and tube imports are in excess of 50 percent of the U.S. market. Import penetration went from 26.1 percent in 1979 to 60 percent in 1984 for all pipe and tube products.

This tariff inversion provides an incentive for foreign producers to convert flat-rolled products to tubing offshore and thus benefit from the lower duties in effect on pipes and tubes.

Imports have displaced at least 15,000 workers in the pipe and tube industry, a reduction of 50 percent. Many of these workers are located in regions which are already devastated economically.

The inverted tariff depresses pipe and tube prices in comparison to sheet prices, squeezing profit margins and increasing losses for pipe and tube producers.

Under the steel VRA program, shifting of imports into pipe and tube products has occurred under the flexibility provision of the agreements. The lower duty on pipe and tube encourages this shifting.

The bill which I am introducing today will help to alleviate the burden on the domestic pipe and tube industry caused by the unfair inverted tariff. This bill helps to correct the inequity in the Tariff Schedules of the United States by bringing the duties on carbon and alloy steel pipe and tube products in line with the duties charged for their raw materials. My proposal would result in a column 1 duty for most carbon pipe products of 4.9 percent compared to the current levels which range from 0.5 to 2.7 percent. In the case of specialty pipe and tube products, my proposal would raise these duties to 9.5 percent from current levels of 3.9 to 4.9 percent.

This tariff inversion does not conform with the policy established by the United States and its major trading partners for the overwhelming majority of product categories generally and for metals specifically. I would note, moreover, that all of our major trading partners, including Japan, Korea, Canada, and the European Community, have higher duty rates on pipe and tube products than on sheet and plate. In fact, their rates of duty are uniformly higher than the duty rate I am proposing.

The pipe and tube segment of the domestic steel industry operates some of the most modern and efficient mills in the world. It has continually invested in its facilities to both lower the costs of production and advance their capability to produce more sophisticated products. Steel pipes and tubes are among the most important basic industrial materials of the 20th century. They are an essential component in the infrastructure of America, a key ingredient in the systems which bring us water, energy, electricity, and other crucial aspects of modern day living.

Maintaining domestic sources of steel pipe is critical to America's national security. These products are vital components of military and civilian powerplants throughout the country, including tubing for nuclear reactors. Oil country tubular goods [OCTG], which are used to retrieve petroleum or natural gas from the ground or ocean deposits, are critical to domestic energy independence. I would point out to my colleagues that imports have so devastated this segment of the pipe and tube industry that only 5 firms out of 22 OCTG-producing companies are still in production. This is a shameful state of affairs when you consider that the United States accounts for an estimated 65 percent of worldwide consumption of these products.

Pipe and tube products are also components of military vehicles, tanks, warships, and other sophisticated military equipment. The aerospace industry uses hydraulic line tubing, instrumentation tubing, and structural members made with stainless and other alloy pipe because of their unique corrosion resistance, strength, and special properties.

Our access to basic necessities such as petroleum, heat, power, light, and sanitation depend on steel pipe and tube products. Our very way of life, as well as the capability to defend it, would be at risk without maintaining a vigorous domestic industrial base in these products.

Finally, Mr. President, I would like to point out that this legislation will greatly benefit the U.S. basic integrated steel industry as well as the steel pipe and tube industry. By leveling the playing field through a correction of this inverted tariff, Congress can help stem job losses in all segments of the industry and encourage U.S. steel industry efforts to reinvest and modernize for future years. I urge my colleagues to support this legislation.●

By Mrs. KASSEBAUM:

S. 784. A bill to provide that receipts and disbursements of the highway trust fund and the airport and airway trust fund shall not be included in the totals of the budget of the U.S. Government as submitted by the President of the congressional budget; pursuant to the order of August 4, 1977, referred jointly to the Committee on Governmental Affairs and the Committee on the Budget.

INFRASTRUCTURE FAIRNESS ACT

● Mrs. KASSEBAUM. Mr. President, I am today introducing legislation that I hope will result in the release of revenues in the aviation and highway trust funds that are being held hostage in the name of deficit reduction. The measure would also—I might add—increase the honesty with which the Government reports Federal spending policies to the Nation. My colleague and friend from Kansas, Congressman WHITTAKER is introducing identical legislation today in the House.

This bill provides that, for budgetary accounting purposes, transactions in the airport and airways trust fund and the highway trust fund would be treated the same as transactions in the Social Security trust fund. If enacted, the measure would end the current practice of disguising the actual size of the Federal deficit by offsetting shortfalls in general revenues with surpluses in trust fund revenues. Once that practice is prohibited, the pressure to maintain large and growing balances in such trust funds will disappear. We should then be able to proceed with long delayed improvements in the transportation infrastructure of the Nation.

Specifically this legislation would first, provide for a separate accounting of the receipts and disbursements of the airport and highway trust funds from the general receipts and expenditures of the Federal Government. Trust fund receipts would not be included in the totals of the President's annual budget submission to Congress, nor would they be included in the annual congressional budget. Second, aviation and highway trust fund spending would be exempt from any general budget limitation imposed by statute on expenditures of the Federal Government. Such spending would be governed by the availability of funds as represented by unobligated balances in the trust funds.

When the trust funds for highways and aviation were created, they were created with an understanding that revenues collected from those using the systems would be expended for systems improvements. Today billions of dollars collected from those who use the Nation's highways and airways rest in trust fund accounts for the sole purpose of disguising the size of our annual deficits. This is clearly an abuse of trust that the traveling public is becoming less and less willing to sanction.

We sometimes wonder why the American public is cynical. It is not hard to understand why highway and aviation users are cynical. They agreed to fund a trust as a means of securing a more modern, efficient, and safe system of transportation. In return they are receiving minimal spending from growing trust fund balances which are being used to shield the deficit spending of a government that is willing to neither reduce expenditures nor increase revenues to achieve a budgetary balance. I don't know who first coined the phrase, "Honesty is the best policy," but I am sure he wasn't familiar with the congressional budget process.

Mr. President, in closing I invite my colleagues to join me in cosponsoring this bill and I ask unanimous consent that the text of the measure be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 784

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This act may be cited as the "Infrastructure Fairness Act of 1987."

SEC. 2. BUDGETARY TREATMENT OF THE TRUST FUND OPERATIONS.

(a) IN GENERAL.—The receipts and disbursements of the Highway Trust Fund and the Airport and Airway Trust Fund allocable to the transportation-related operations of each such trust fund—

(1) shall not be included in the totals of—

(A) the budget of the United States government as submitted by the President, or

(B) the congressional budget, and

(2) shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States government.

(b) TRANSPORTATION-RELATED OPERATIONS.—For purpose of subsection (a), the transportation-related operations—

(1) of the Highway Trust Fund are the disbursements, and the receipts allocable to such disbursements, under—

(A) paragraph (1) of section 9503(c) of the Internal Revenue Code of 1986 (relating to expenditures from the Highway Trust Fund for the federal-aid highway program), and

(B) paragraph (3) of section 9503(e) of such code (relating to expenditures from the Mass transit Account); and

(2) of the Airport and Airway Trust Fund are the disbursements, and the receipts allocable to such disbursements, under paragraph (1) of section 9502(d) of the Internal Revenue Code of 1986 (relating to expenditures from the Airport and Airway Trust Fund for the airport and airway program).

(c) EFFECTIVE DATE.—This section shall apply to fiscal years beginning after September 30, 1987.●

By Mr. QUAYLE:

S. 785. A bill to strengthen worker retraining assistance programs under the Job Training Partnership Act, and for other purposes; to the Committee on Labor and Human Resources.

JOB TRAINING PARTNERSHIP WORKER RETRAINING ASSISTANCE AMENDMENTS ACT

● Mr. QUAYLE. Mr. President, I am introducing today a bill to authorize $980 million for 1988 for a consolidated Worker Retraining Program. This legislation will meet the pressing needs of dislocated workers around the Nation without regard to their reason for dislocation.

This legislation is based on the administration's proposal contained in their competitiveness package, the Trade Employment Productivity Act of 1987, to provide for one consistent Worker Retraining Program at the Federal level. This bill would amend title III of the Job Training Partnership Act [JTPA] to provide a new program for rapid response to worker dislocation by providing basic readjustment and retraining services.

Mr. President, several other pieces of legislation to provide for new worker retraining programs have been introduced by other colleagues, but most of these readjustment packages are tied to legislation commonly referred to as "plant-closing" legislation. I am referring to the proposed legislation that would establish a Federal mandate to provide an advance notice to employees regarding the shutdown of a plant or business.

We all know that this plant-closing legislation is extremely controversial and threatens to tie up any legislation it is attached to. This proposal to increase funds for worker readjustment is too important to allow that to happen. That is why I am introducing this bill as a free-standing bill so that it can be considered unencumbered by the prospective battles over plant-closing legislation.

Let me briefly illuminate with a more personal reason. In Indianapolis, several major employers have recently indicated that they will be closing their plants. Hundreds, possibly thousands, of workers in the Indianapolis area will be affected by these shutdowns, and the workers will need assistance. I see this legislation I am introducing today as a way to help these dislocated workers, and to do so quickly. More money will be available under this bill to help more employees find new jobs. This is the goal I am after—getting people jobs.

The major objectives of the legislation are to establish an early readjustment capacity for workers and firms in each State; to provide comprehensive coverage to workers regardless of the cause of dislocation; to emphasize training and employment services rather than income support; to provide early referral from the unemployment compensation system to adjustment services as an integral part of the adjustment process; to foster labor, management, and community partnerships with government in addressing worker dislocations; and to provide the flexibility to target funds to the most critical dislocation problems.

The eligibility of workers would be the same as under title III of JTPA, and includes workers displaced by plant closings, mass layoffs, and other experienced workers suffering permanent job loss, regardless of the cause of dislocation. Unemployed farmers, and other self-employed individuals would also be eligible.

This is a key change, which will result in all workers being treated the same, despite their reason for dislocation. There is little rationale to maintain our two current dislocated worker training programs, title III and TAA. Once an individual loses his or her job, the only important thing is the provision of services to help that person find a new job. Having two programs is confusing to employees and often slows down the provision of services as companies or workers try to figure out for which program they are eligible.

The services provided would be in two broad categories: Basic readjustment services, including assessment, counseling, and job search assistance, and retraining services, including classroom and on-the-job training and relocation assistance.

A rapid response capability by the State would be established to assist workers affected by dislocation as quickly as possible. One of the key findings by the Secretary of Labor's

Task Force on Economic Adjustment and Plant Closings showed that the earliest notification possible leads to more effective delivery of public and private services to the workers.

Governors would have statewide planning and oversight responsibility for grants, which would be made to substate areas. These substate areas could be one or more current service delivery areas [SDA] under JTPA.

Thirty percent of the funds would be allocated to each State for readjustment services and rapid response capability, with further allocation to substate areas. Fifty percent of the funds would be held for each State to draw on as needed, up to a predetermined State target. The remaining 20 percent of the funds would be held by the Secretary of Labor for discretionary grants.

The legislation also includes several provisions contained in administration proposals to better focus the public employment service [ES]. States would have increased responsibility for determining the best mix of services to meet their needs, but those services would include assessment and testing, labor market information, job search assistance and referral to programs operated under JTPA. Greater coordination between the ES and JTPA would be required.

Because of the need for increased worker retraining funds, I hope my colleagues will choose to support this legislation and move it rapidly. As mentioned before, this program is too important to be tied up in a difficult political battle over mandatory plant closing legislation.

Mr. President, I ask that a copy of the legislation be printed in the RECORD following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 785

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Job Training Partnership Worker Retraining Assistance Amendments Act".

TITLE I—AMENDMENT TO THE JOB TRAINING PARTNERSHIP ACT

SEC. 101. Title III of the Job Training Partnership Act is amended to read as follows:

"TITLE III—WORKER RETRAINING PROGRAM

"SHORT TITLE

"SEC. 301. This title may be cited as the 'Worker Retraining Act.'

"FINDINGS AND PURPOSES

"SEC. 302. (a) The Congress finds that:

"(1) One of the great strengths of the American free enterprise system has been its flexibility and capacity to adapt to the changing requirements of the marketplace. That flexibility will be severely tested in the years ahead by an accelerated rate of technological change and the increasing pressure of foreign competition. A critical factor in America's ability to adjust to change will be the adaptability of its workforce. An inability to adapt could result in chronic unemployment among dislocated workers with resultant social costs and loss or underutilization of their valuable work experience and talents.

"(2) Large scale layoffs and plant closures can also have profound impacts on local economies if the workers so displaced are not quickly and gainfully reemployed.

"(3) Typically, dislocated workers are mature individuals with experience in the labor market and family obligations. In order to ensure a successful transition to new jobs, it is essential that assistance be provided rapidly and effectively. Such a rapid response requires the cooperation of both management and labor and can be greatly facilitated by firms' providing voluntary, advance notice of impending layoffs or closures.

"(b) The Congress further finds that—

"(1) there is a clear public interest in expediting the rapid return of dislocated workers to full-time, productive employment in those skills and occupations which are in demand in the labor market. This public interest relates to the need for dislocated workers' adjustment rather than to the specific cause of their dislocation;

"(2) experience has demonstrated that, when properly geared to the needs of these workers, training and employment programs can play an important role in the adjustment process;

"(3) the public interest in successful worker readjustment is shared by all levels of government. While leadership and policy direction in addressing this national problem is properly the role of the Federal Government, specific programmatic solutions must be found at the State and local government levels in cooperation with business, labor, and local communities.

"(c) Consistent with these findings, the purposes of this title are to—

"(1) enhance the international competitiveness of the American economy;

"(2) facilitate the return of dislocated workers to productive employment;

"(3) establish an early readjustment capacity for workers and firms in each State;

"(4) provide comprehensive coverage to workers regardless of the cause of their dislocation;

"(5) emphasize training and reemployment rather than income support;

"(6) provide early referral from the unemployment compensation system to adjustment services as an integral part of the adjustment process;

"(7) offer broad flexibility at the State and local levels to try new approaches, as well as to use approaches that have proven to be effective in helping different types of dislocated workers; and

"(8) promote management, labor, and community partnerships with government in addressing worker dislocations.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 303. (a) There are authorized to be appropriated to carry out this title $980,000,000 for fiscal year 1988 and such sums as may be necessary for each succeeding fiscal year.

"(b) From the amounts appropriated pursuant to subsection (a)—

"(1) 30 per centum shall be available to carry out parts A and B;

"(2) 50 per centum shall be available to carry out part C; and

"(3) 20 per centum shall be available to carry out part D.

"DEFINITIONS

"SEC. 304. For the purposes of this title the following definitions apply—

"(1) The term 'basic readjustment services' means those services and activities specified in section 354.

"(2) The term 'dislocation event' means a plant closing, a mass layoff, or other layoffs of a permanent nature in which workers are not subject to recall or are otherwise unlikely to return to their previous positions; and in the case of any layoff, the term does not include any worker who is likely to return to their previous industry or occupation. Such an event may include natural disasters which result, or are likely to result, in permanent loss of employment for workers. A 'dislocation event' may also be the cessation, or the process of cessation, of self-employment with resulting loss of livelihood in operation of a business enterprise, including farming and ranching.

"(3) The term 'early notification' means the timely communication of decisions adversely affecting employment levels at a place of employment to affected employees and to an official or officials designated to receive such communications by the Governor or substate grantee.

"(4) The term 'early readjustment assistance' means those basic readjustment services provided before, during, and immediately after a dislocation event. Such services ordinarily include one or more of the following: assessment of educational needs and abilities, and vocational interests and aptitudes; determination of occupational skills; provision of labor market information; counseling; job development; job search assistance; and job placement assistance.

"(5) The term 'labor-management committee' means a voluntary committee comprised of employer and employee representatives of a business enterprise, formed to assist in the adjustment of employees who are, or are expected to be, dislocated. Such committees may also include a neutral chairperson selected by the committee members.

"(6) The term 'local elected official' means the chief elected executive officer of a unit of general local government in a substate area.

"(7) The term 'private industry council' means the council established pursuant to section 102 of the Job Training Partnership Act.

"(8) The term 'rapid response' means contact typically within forty-eight hours, with employees, employers, or both, upon notification or knowledge of a dislocation event.

"(9) The term 'rapid response capability' means one or more specialists or an interdisciplinary team of specialists formed to establish on-site contact with employer and employee representatives within a short period of time after becoming aware of a current or projected dislocation event.

"(10) The term 'retraining services' means those services and activities specified in section 375.

"(11) The term 'service provider' means a public agency, private non-profit organization, or private-for-profit entity that delivers educational, training or employment services.

"(12) The term 'State' means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(13) The term 'substate area' means that geographic area in a State established pursuant to section 313.

"(14) The term 'substate grantee' means that agency or organization selected to administer programs pursuant to section 314.

"Part A—Service Delivery System and Basic Program Requirements

"Subpart 1—Service Delivery System

"SECRETARY/GOVERNOR AGREEMENTS

"Sec. 311. (a) The Governor, as the grant recipient under this title, shall have responsibility for establishing systems and programs in accordance with the provisions of this title to assure that, to the maximum extent possible, eligible participants are provided with services which enable them to once again become productive members of the workforce.

"(b) No amounts appropriated for parts A, B, and C for any fiscal year may be allotted by the Secretary for programs established under this title, except pursuant to a Secretary/Governor Agreement.

"(c) The Secretary/Governor Agreement required by subsection (b) shall provide for an assurance by the Governor that all systems and programs established and operated with amounts appropriated under this title shall be established pursuant to and operated in accordance with the provisions of this title.

"STATE RESPONSIBILITIES

"Sec. 312. (a)(1) Each State shall ensure the establishment of a rapid response capability either directly or through substate grantees. Such rapid response capability shall be available throughout the State to respond to significant dislocation events.

"(2) The rapid response capability shall be for the purpose of assessing the need for, and initially providing, early readjustment assistance, including ongoing activities associated with the formation of voluntary joint labor-management committees. The rapid response capability may also include, but need not be limited to—

"(A) incentives to encourage employers to give early notification of dislocation events;

"(B) emergency assistance centers geared to individual plant closings;

"(C) the development of direct service delivery teams; and

"(D) the development of a system for early identification of prospective dislocation events.

"(3) Incentives that may be provided to employers may include, but are not limited to, the following:

"(A) financial incentives afforded by State unemployment compensation laws; and

"(B) other benefits and services provided under State law pursuant to section 319.

"(4) Joint labor-management committees voluntarily established to respond to actual or prospective worker dislocation may include, but are not limited to—

"(A) shared participation by workers and management;

"(B) a neutral chairperson to oversee and guide the activities of the committee;

"(C) the ability to respond flexibly to the needs of affected workers and to the nature of the problem as perceived by workers and management.

"(5) A method established to promote labor-management committees may include a staff of facilitators who engage in the gathering of information related to economic dislocation and in the formation and continuing support of such committees. The facilitators may have the authority to—

"(A) immediately assist in the establishment of the labor-management committee;

"(B) provide to the committee a list of respected individuals from which the committee may select an impartial chairperson. The chairperson may provide advice and leadership to the committee and prepare a final report on its activities;

"(C) serve as ex officio members of the committee;

"(D) serve as resource persons providing the committee with technical advice as well as information on sources of assistance;

"(E) facilitate the selection of worker representatives in the event no union is present;

"(F) collect information on potential closings or layoffs; and

"(G) assist the local community in developing its own coordinated response and in obtaining access to State economic development assistance.

"(b) Each State shall establish linkages between the unemployment compensation system and the worker readjustment program system. Such linkages may include financial incentives to be provided to employers through amendments to the State unemployment compensation law, but shall include—

"(1) criteria for early identification of those having the most difficulty in finding employment;

"(2) mechanisms for referring individuals to readjustment services early in the unemployment compensation benefit period;

"(3) methods to prepare the unemployment compensation system to assume new responsibilities and to coordinate effectively with worker readjustment service providers; and

"(4) measures taken to ensure that participants in readjustment assistance services are exempted from work search requirements in accordance with the provisions of section 317.

"(c) Each State shall require that—

"(1) services be provided only to eligible participants as provided in section 318;

"(2) allowable services as determined to be necessary by the Governor, be available in all substate areas;

"(3) substate areas and substate grantees be designated in accordance with sections 313 and 314;

"(4) the State training and employment council and private industry councils shall perform the functions required under section 316;

"(5) funds be allocated and reallocated among substate areas for programs authorized in parts B and C in accordance with sections 352(d), 357, and 372(f);

"(6) planning instructions, guidance, and other appropriate information be issued, designed to provide for the effective and efficient management of resources and programs;

"(7) appropriate technical assistance be provided;

"(8) there be monitoring, assessment, and evaluation of the program by such State; and

"(9) substate reporting requirements be established in accordance with section 165, and that such reports be reviewed and analyzed.

"(d) The Secretary/Governor Agreement shall be executed on or before the first day of September immediately preceding the fiscal year for which funds are to be made available under this title. The Governor or the Secretary may at any time thereafter propose modifications to the Agreement, except that no modification of the Agreement shall be effective unless agreed to by both parties. The Agreement shall remain in effect until any mutually agreed upon termination date or until the Agreement is terminated by law or by the Secretary.

"DESIGNATION OF SUBSTATE AREAS

"Sec. 313. (a) The Governor of each State participating in programs established under parts B and C shall, after receiving any recommendations from the State training and employment council, designate substate areas for the State which shall consist of one or more service delivery areas.

"(b) The Governor shall designate as a substate area any service delivery area with a population of five hundred thousand or more.

"(c) With respect to service delivery areas having a population of less than five hundred thousand, the Governor may designate as a substate area any service delivery area or any combination of two or more contiguous service delivery areas.

"(d) All service delivery areas within a State shall be designated either as substate areas or as parts thereof.

"SUBSTATE GRANTEES

"Sec. 314. (a) A substate grantee shall be designated for each substate area, which grantee shall be responsible for providing within such substate area activities specified in parts B and C pursuant to an agreement with the Governor and in accordance with the substate plan provided for in section 315. The substate grantee may provide such services directly or through contract, grant, or agreement with service providers.

"(b) A substate grantee shall be designated for each substate area in accordance with an agreement between the Governor, the local elected official, and the private industry council. Whenever a substate area is represented by more than one such official or council, the respective officials and councils shall each designate a representative, in accordance with procedures established by the Governor, to negotiate an agreement with the Governor regarding the designation of the substate grantee. In the event agreement cannot be reached on the selection of a substate grantee, the Governor shall select the substate grantee.

"(c) Entities eligible for designation as substate grantees include—

"(1) private industry councils in the substate area;

"(2) service delivery area grant recipients or administrative entities (as defined in section 4 of the Job Training Partnership Act);

"(3) private nonprofit organizations;

"(4) units of general local government in the substate area, or agencies thereof;

"(5) local offices of State agencies; and

"(6) other public agencies, such as community colleges.

"(d) The agreement negotiated pursuant to subsection (b) shall describe arrangements agreed upon for the selection of service providers.

"SUBSTATE PLAN

"Sec. 315. No amounts appropriated for any fiscal year may be provided to a substate grantee unless the Governor has approved a substate plan submitted by the substate grantee describing the manner in which activities will be conducted within the substate area to implement parts B and C, including—

"(1) the rapid response capability;

"(2) the means for assisting in the establishment of labor-management committees;

"(3) the means for involving labor organizations where appropriate in the development and implementation of services;

"(4) the means for delivering services to eligible participants;

"(5) the means for implementing the statewide linkage between payment of unemployment compensation and early participation in worker readjustment program services and activities established pursuant to parts A, B, and C;

"(6) the means to be utilized to identify and select program participants;

"(7) the performance goals to be achieved, including estimates of placements;

"(8) the criteria to be applied in determining and verifying program eligibility;

"(9) the means whereby coordination with other appropriate programs and systems will be effected, particularly where such coordination is intended to provide access to the services of such other systems for program participants at no cost to the worker readjustment program; and

"(10) a detailed budget, as required by the State.

"RESPONSIBILITIES OF STATE TRAINING AND EMPLOYMENT COUNCILS AND PRIVATE INDUSTRY COUNCILS

"SEC. 316. (a) The State training and employment council shall be responsible for—

"(1) providing advice to the Governor regarding the designation of substate areas;

"(2) providing advice to the Governor regarding the method for distribution of funds received under part B;

"(3) providing advice to the Governor with respect to substate plans submitted to the Governor for approval under section 314;

"(4) providing advice to substate grantees and private industry councils on activities related to identifying and providing services to dislocated workers;

"(5) providing for review, monitoring, and evaluation at the State level of the programs authorized under this title;

"(6) promoting the coordination of programs authorized under this title with other appropriate and complementary State programs, including those providing economic development, education, training, and social services; and

"(7) to the maximum extent practicable, coordinating services provided under this title with Job Training Partnership Act programs and public employment service operations.

"(b) Private industry councils shall be responsible for—

"(1) participating with the Governor and the local elected officials to identify the substate grantee that will be responsible for the provision of services, and to determine the arrangements for the selection of service deliverers;

"(2) providing policy guidance for and exercising oversight with respect to basic readjustment services and retraining services in the substate area in which they are located;

"(3) commenting, as appropriate, on approved programs under part D operating within the service delivery areas in which they are located;

"(4) to the maximum extent practicable, coordinating services provided under this title with Job Training Partnership Act programs and public employment service operations;

"(5) working with employers and community representatives to implement the Governor's system of incentives that will encourage early notification of dislocation events; and

"(6) participating in the design and implementation of the early readjustment assistance systems for the substate area in which they are located, including providing support for rapid response teams and/or assisting in the establishment of labor-management committees, as appropriate.

"APPROVED TRAINING

"SEC. 317. Participation by any individual in any of the programs authorized in this title shall be deemed to be acceptance of training with the approval of the State within the meaning of any other provision of Federal law relating to unemployment benefits.

"PARTICIPANT ELIGIBILITY

"SEC. 318. (a) Each State is authorized to establish procedures to identify substantial groups of eligible individuals who—

"(1) have been terminated or laid off or who have received a notice of termination or layoff from employment, are eligible for or have exhausted their entitlement to unemployment compensation, and are unlikely to return to their previous industry or occupation;

"(2) have been terminated or who have received a notice of termination of employment, as a result of any permanent closure of a plant or facility;

"(3) are long-term unemployed (that is, at least fifteen weeks) and have limited opportunities for employment or reemployment in the same or a similar occupation in the area in which such individuals reside, including any older individuals who may have substantial barriers to employment by reason of age; or

"(4) were self-employed (including farmers and ranchers) and are unemployed as a result of general economic conditions in the community in which they reside or because of natural disasters, subject to subsection (b).

"(b) The Secretary shall establish categories of self-employed individuals and of economic conditions and natural disasters by regulation.

"(c) Only eligible individuals described in this section are authorized to receive services. Such services may be provided without regard to the residence of the individual.

"AUTHORITY OF STATE LEGISLATURE

"SEC. 319. State companion legislation and State supplementary appropriations are encouraged for services similar to those authorized under this title, and for complementary purposes such as business assistance services, income support for participants, and incentives for employers who voluntarily provide advance notice of dislocation events.

"Subpart 2—Additional Program Requirements

"LABOR CONSULTATION

"SEC. 321. Where a labor organization represents a substantial number of employees who are engaged in similar work or training in the same area as that proposed to be funded under this title, an opportunity shall be provided for such organization to submit comments with respect to such proposal.

"Subpart 3—Federal Administrative Provisions

"ADMINISTRATIVE PROVISIONS

"SEC. 331. The Secretary shall prepare and submit to the Congress an annual report on worker readjustment programs as part of the annual report required by section 169(d). The Secretary shall include in such report—

"(1) a summary of the achievements, failures, and problems of the programs authorized in this title in meeting the objectives of this title; and

"(2) a summary of major findings from research, evaluation, pilot projects, and experiments conducted in the previous fiscal year.

"PART B—BASIC READJUSTMENT SERVICES

"EXPENDITURES FOR BASIC PROGRAM

"SEC. 351. Governors and substate grantees are authorized to expend amounts made available under this part to their respective States or substate areas in accordance with the provisions of this part, the substate plan, and other applicable provisions contained in this title.

"ALLOTMENT OF FUNDS FOR BASIC SERVICES

"SEC. 352. (a) The Secretary shall allot amounts appropriated to carry out part A and this part for any fiscal year among the several States as follows:

"(1) one-third of such amount shall be allotted among the States on the basis of the relative number of unemployed individuals who reside in each State as compared to the total number of unemployed individuals in all the States;

"(2) one-third of such amount shall be allotted among the States on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all States. For purposes of this paragraph, the term 'excess number' means the number which represents unemployed individuals in excess of 4.5 per centum of the civilian labor force in the State; and

"(3) one-third of such amount shall be allotted among the States on the basis of the relative number of individuals who have been unemployed for fifteen weeks or more and who reside in each State as compared to the total number of such individuals in all the States.

"(b) The Governor may retain an amount not to exceed 10 per centum of the amount allotted to the State under this part, or a minimum amount established by the Secretary, for overall State level administration, technical assistance, coordination of the programs authorized in this title, and the conduct of early notification and rapid response activities.

"(c) The Governor may retain an additional amount not to exceed 10 per centum of the amounts allotted to the State under this part, or a minimum amount established by the Secretary, to be allotted at the discretion of the Governor for activities allowable under parts A, B, or C.

"(d) The Governor shall allocate the remainder of the amount allotted to the State under this part to all substate areas for basic readjustment services authorized in this part, based on an allocation formula prescribed by the Governor, which utilizes the most appropriate information available to the Governor to distribute amounts to address the State's worker readjustment assistance needs. Such information may include, but is not limited to—

"(1) insured unemployment data;

"(2) unemployment concentrations;

"(3) plant closing and mass layoff data;

"(4) declining industries data;

"(5) farmer-rancher economic hardship data; and

"(6) long-term unemployment data.

"SELECTION OF SERVICE PROVIDERS

"SEC. 353. (a) Service providers under this part and part C shall be selected by substate grantees for designated substate areas pursuant to the arrangements agreed upon in the substate agreement described in section 315.

"(b) The primary considerations in the selection of service providers shall be the effectiveness of the agency or organization in delivering comparable or related services based on demonstrated performance, in terms of the likelihood of meeting performance goals, cost, quality of education or training, and characteristics of participants.

"ALLOWABLE BASIC READJUSTMENT SERVICES AND ACTIVITIES

"SEC. 354. Basic readjustment services and activities authorized under this part may include but are not limited to—

"(1) development of individual readjustment plans for participants in programs under this title;

"(2) implementation of voluntary early notification procedures;

"(3) rapid response capability which may include rapid response contingency grants for planning and administrative expenses involved in developing effective programmatic responses to dislocation events;

"(4) early readjustment assistance;

"(5) counseling;

"(6) testing;

"(7) orientation;

"(8) assessment, including evaluation of educational attainment and participant interests and aptitudes;

"(9) determination of occupational skills;

"(10) provision of future world-of-work and occupational information;

"(11) job placement assistance;

"(12) labor market information;

"(13) job clubs;

"(14) local job search;

"(15) job development;

"(16) self-directed job search; and

"(17) retraining services as authorized under section 375, subject to the provisions of section 376(a).

"SUPPORTIVE SERVICES AND BENEFITS

"SEC. 355. (a) Where it is determined by the substate grantee to be necessary to facilitate participation in the program authorized in this part, the substate grantee is authorized to provide appropriate supportive services to participants.

"(b) Availability of supportive services shall terminate no later than the one hundred and eightieth day after the participant has completed other services under this part.

"(c) There shall be no benefits paid for participation in basic readjustment service activities, except for unemployment compensation payments for which participants are otherwise eligible which shall be provided with funds other than funds under this title.

"(d) Supportive services and benefits authorized by section 374 may be provided to part B participants receiving retraining services pursuant to section 354(17).

"COST LIMITATIONS

"SEC. 356. (a) No more than 15 per centum of the amounts expended under this part by any substate grantee may be expended for administrative costs for the program authorized under this part.

"(b) No more than 15 per centum of the amounts expended in any fiscal year by any substate grantee shall be expended by such substate grantee for the supportive services and benefits authorized under section 355.

"(c) Minimum and maximum cost limitations shall be applicable to the accrued expenditures for each fiscal year.

"REALLOTMENT; REALLOCATION

"SEC. 357. (a)(1) For program years beginning July 1, 1989, and thereafter, the allotment from funds appropriated for this part may be reduced by the amount that the unexpended balance at the end of the prior program year exceeds 20 percent of the State's allocation for this part for that fiscal year and the unexpended balance from the program year prior to that program year.

"(2) Amounts available pursuant to paragraph (1) of this subsection shall be reallotted to States by the Secretary in accordance with the States' need for and ability to use the funds for the purposes of this Part.

"(b) The Governor may reallocate part B basic grant funds among substate grantees within the State through mutually agreeable voluntary transfers, or involuntarily whenever the Governor determines minimum expenditure levels approved in substate plans will not be achieved prior to the end of each fiscal year. The Governor shall establish and issue procedures for the reallocation of any funds prior to the reallocation of any funds under this subsection.

"PART C—WORKER READJUSTMENT TRAINING PROGRAM

"EXPENDITURES FOR WORKER READJUSTMENT TRAINING

"SEC. 371. Governors and substate grantees are authorized to expend amounts made available by the Secretary under this part to their respective States or substate areas in accordance with the provisions of this part, the substate plan, and other applicable provisions contained in this title.

"ALLOTMENT OF FUNDS

"SEC. 372. (a) The Secretary shall allot amounts appropriated to carry out this part in accordance with this section.

"(b)(1) The Secretary shall for each fiscal year establish an annual availability target for each State. Unless otherwise agreed upon by the Secretary and the Governor, the annual availability target for each State in shall be determined by applying the formula contained in section 352(a).

"(2) For program years beginning July 1, 1989, and thereafter, the allotment from funds appropriated for this part may be reduced by the amount that the unexpended balance at the end of the prior program year exceeds 20 percent of the State's allocation for this part for that fiscal year and the unexpended balance from the program year prior to that program year.

"(3) Amounts available pursuant to paragraph (1) of this subsection shall be reallotted to States by the Secretary in accordance with the States' need for and ability to use the funds for the purposes of this Part.

"(e) The Governor of any State may request that the Secretary change that State's availability targets. Any such request shall be based on previous expenditure experience or demonstrated need. The Secretary is authorized to approve any such request, subject to the availability of appropriations under this part.

"(f) Each State may establish procedures similar to those in subsections (b), for each substate grantee.

"(g) The Secretary is also authorized to establish procedures whereby the Governor of any State desiring to expend amounts made available under this part for purposes of part B may request the approval of the Secretary to do so. If the Secretary approves any such request, the amounts approved for the purposes of part B shall reduce the State's current availability targets, but shall not affect any allotments under section 352(a).

"COST LIMITATIONS

"SEC. 373. (a) No more than 15 per centum of the amounts expended under this part by any substate grantee may be expended for administrative costs for the program authorized under this part.

"(b) No more than 15 per centum of the funds expended in any fiscal year by any substate grantee shall be expended by such substate grantee for the supportive services and benefits authorized under section 374.

"(c) Minimum and maximum cost limitations shall be applicable to the accrued expenditure for each year.

"SUPPORTIVE SERVICES AND BENEFITS

"SEC. 374. (a) Where it is determined by the substate grantee to be necessary to facilitate participation in the program authorized under this part, the substate grantee is authorized to provide appropriate supportive services to participants.

"(b) Availability of supportive services shall terminate no later than the one hundred and eightieth day after the participant has completed training or other services under this part.

"(c) Whenever it is determined by the substate grantee to be necessary to facilitate an individual's participation in the program authorized in this part, the substate grantee is authorized to provide the following benefits from funds under this part to participants:

"(1) Any participant eligible for or receiving unemployment compensation who enrolls for retraining services in accordance with procedures established by the State may be paid a weekly benefit not to exceed the individual's average weekly amount of regular compensation payable under the State's unemployment compensation law. Such a benefit may be paid for any authorized period of retraining provided subsequent to exhaustion of all compensation payable under any State or Federal unemployment compensation law. Procedures established by the State shall provide that a participant shall be participating in retraining services by no later than the end of the tenth week of the participant's initial unemployment compensation benefit period in order to be eligible for such a benefit. Such procedures may be established by the State pursuant to section 319(b).

"(2) Needs-based payment as approved by the local substate grantee.

"ALLOWABLE SERVICES AND ACTIVITIES

"SEC. 375. Each substate grantee is authorized to provide training services under this part to eligible participants, with special emphasis on experienced workers. Such services may include, but are not limited to—

"(1) entrepreneurial training;

"(2) classroom training;

"(3) occupational skill training;

"(4) on-the-job training;

"(5) out-of-area job search;

"(6) relocation;

"(7) basic and remedial education;

"(8) literacy and English for non-English speakers' training; and

"(9) other appropriate training activities directly related to appropriate employment opportunities identified by the individuals, private industry council or councils, in the substate area.

"READJUSTMENT TRAINING PLANS

"SEC. 376. (a) Any allowable training services authorized under this part shall be provided in accordance with a readjustment training plan developed by the substate grantee for the substate area.

"(b) Such readjustment training plan shall include—

"(1) procedures to assess participants' current education skill levels and occupational abilities;

"(2) procedures to assess participants' needs, including educational, training, employment, and social services;

"(3) a description of services and activities to be provided in the substate area; and

"(4) a list of goals for the substate area.

"(c) Eligible readjustment training participants shall receive either retraining services, a voucher, or a certificate of continuing eligibility.

"(d) To the maximum extent feasible, training services shall be provided through systems of individual vouchers that permit participants to seek out and arrange their own training. Training opportunities identified with approved service providers shall, pursuant to the voucher, be arranged through a grant, contract, or otherwise between the substate grantee and the service provider identified in the voucher.

"(e) The substate grantee is authorized to issue to any eligible individual who has applied for the program authorized in this part a certificate of continuing eligibility. Such a certificate of continuing eligibility may be issued for periods not to exceed one hundred and four weeks. No such certificate shall include any reference to any specific amount of funds. Any such certificate shall state that it is subject to the availability of funds at the time that any such training services are to be provided.

"(f) Any individual to whom a certificate of continuing eligibility has been issued under subsection (e) shall remain eligible for the program authorized under this part for the period specified in the certificate, notwithstanding section 318, and may utilize the certificate in order to receive the retraining services, subject to the limitations contained in the certificate.

"PART D—NATIONAL RESERVE PROGRAM

"EXPENDITURES FOR THE NATIONAL RESERVE PROGRAM

"SEC. 391. (a) The Secretary is authorized to expend amounts appropriated for this part for activities authorized in this part, subject to any other applicable provisions contained in this title.

"(b) In order to facilitate the conduct of the allowable activities under this part, the Secretary is authorized to make such grants and enter into such contracts or other agreements as the Secretary deems to be appropriate.

"(c) The Secretary shall annually establish criteria for the application for and disbursement of amounts appropriated for this part.

"ALLOWABLE ACTIVITIES

"SEC. 392. (a) Amounts appropriated for this part may be used to provide services of the type described in parts B and C in the following circumstances:

"(1) mass layoffs caused by natural disasters, when the workers are not expected to return to their previous occupations;

"(2) other mass layoffs;

"(3) industrywide projects; and

"(4) multistate projects.

"(b) Amounts appropriated for this part may also be used to provide services of the type described in parts B and C whenever the Secretary (with agreement of the Governor) determines that an emergency exists with respect to any particular distressed industry or any particularly distressed area to provide emergency financial assistance to dislocated workers. The Secretary may make arrangements for the immediate provision of such emergency financial assistance for these purposes with any necessary supportive documentation to be submitted at a date agreed to by the Governor and the Secretary.

"(c) Amounts appropriated for this part may be used to provide staff training and technical assistance services to States, communities, businesses and labor organizations, and other entities involved in providing adjustment assistance to workers. Applications for technical assistance funds shall be submitted in accordance with procedures issued by the Secretary. Amounts appropriated for this part may be used for experimental and demonstration activities and for the purposes of carrying out section 394. Not more than 5 per centum of the funds appropriated for this part in any fiscal year shall be expended for the purpose of this subsection.

"PROPOSALS FOR FINANCIAL ASSISTANCE

"SEC. 393. (a) In addition to any financial assistance provided under section 392, the Secretary is authorized to provide services of the type described in parts B and C under proposals for financial assistance. Proposals for financial assistance under this part shall be submitted to the Secretary, through the Governor of the State in which the project described in the proposal is to operate.

"(b) With respect to multistate projects, the proposal shall be submitted by the Governor of one State and shall include the concurrence of the Governor or Governors of each of the other State(s) in which the project is to operate.

"(c) Any proposal for financial assistance under this part shall contain evidence of review by the local private industry council or councils when the project is to operate within one or more service delivery areas served by such council or councils. Multistate proposals, industry-wide proposals, and funds allotted by the Secretary under section 392(b) shall not be subject to this requirement.

"(d) Any proposal under this section which is intended to provide services to a substantial number of members of a labor organization shall be submitted only after consultation with such labor organization. Any such proposal shall contain evidence of such consultation.

"FEDERAL WORKER READJUSTMENT ADVISORY COUNCIL

"SEC. 394. (a) The Secretary shall establish a Federal Worker Readjustment Advisory Council (hereinafter referred to as the 'Federal Council').

"(b) Members of the Federal Council shall be appointed for a term of not more than three years by the Secretary, who shall designate a representative of business and industry to be chairperson. The Federal Council shall be composed as follows:

"(1) one-half of the membership of the Federal Council shall be representatives of business and industry (including agriculture), including such individuals who serve on State training and employment councils and private industry councils;

"(2) one-fourth of the membership of the Federal Council shall be representatives of labor organizations; and

"(3) one-fourth of the membership of the Federal Council shall be representatives of State legislatures, the Governors, local elected officials, and educational institutions.

"(c) The members shall serve without compensation.

"(d) The Federal Council shall review information on worker dislocation and the performance of programs operated under this title, and shall make recommendations to the Secretary with respect to ways to improve the effectiveness of such programs and services.

"(e) The Federal Council shall meet at such times and in such places as it deems necessary. The meetings shall be subject to the provisions of the Federal Advisory Committee Act as appropriate.

"(f) The Secretary is authorized and directed to make available to the Federal Council the Department's services, personnel, facilities, and information to the greatest practicable extent to enable the Federal Council to perform its functions under the title.

"(g) The National Commission for Employment Policy established under section 472 of the Job Training Partnership Act shall make available to the Federal Council information which would enable the Federal Council to perform its functions under the title".

AMENDMENTS TO THE JOB TRAINING PARTNERSHIP ACT AND RELATED PROVISIONS

SEC. 102. (a) The Job Training Partnership Act (29 U.S.C. 1501 et seq.) is amended—

(1) by inserting at the end of section 102(c)(1)(A) a new sentence as follows: "In making appointments of private sector members to the council, recognition should be given to the responsibilities of the council under the Wagner-Peyser Act and consideration given to appointing members of the business community who have served in an advisory capacity in providing employment services";

(2) in section 122, by—

(A) striking the references in the heading and subsection (a)(1) to "State job training coordinating council" and inserting in lieu thereof "State Training and Employment Council";

(B) striking the word "nongovernmental member" in subsection (a)(2) and inserting in lieu thereof "private sector member";

(C) striking "One-third" in paragraph (A) of subsection (a)(3) and inserting in lieu thereof "Not less than one half", and by adding at the end of that paragraph the following: "In making appointments of private sector members to the council, recognition should be given to the responsibilities of the council under the Wagner-Peyser Act and consideration given to appointing members of the business community who have served in an advisory capacity in providing employment services"; and

(D) striking "20 percent" in paragraphs (B), (C), and (D) of subsection (a)(3) and inserting in lieu thereof "15 percent"; and

(3) in section 1, by striking the reference in the table of contents to section 122 and inserting in lieu thereof:

"Sec. 122. State Training and Employment Council".

TECHNICAL AMENDMENT

SEC. 103. Title II of the table of contents of the Job Training Partnership Act is amended to read as follows:

"TITLE III—WORKER READJUSTMENT PROGRAM

"Sec. 301. Short title.
"Sec. 302. Findings and purposes.
"Sec. 303. Authorization of appropriations.
"Sec. 304. Definitions.

"PART A—SERVICE DELIVERY SYSTEM AND BASIC PROGRAM REQUIREMENTS

"Subpart 1—Service Delivery System

"Sec. 311. Secretary/Governor agreements.
"Sec. 312. State responsibilities.
"Sec. 313. Designation of substate areas.
"Sec. 314. Substate grantees.
"Sec. 315. Substate plan.
"Sec. 316. Responsibilities of State training and employment councils and private industry councils.
"Sec. 317. Approved training.
"Sec. 318. Participant eligibility.
"Sec. 319. Authority of State legislature.

"Subpart 2—Additional Program Requirements

"Sec. 321. Labor consultation.

"Subpart 3—Federal Administrative Provisions

"Sec. 331. Administrative provisions.

"PART B—BASIC READJUSTMENT SERVICES

"Sec. 351. Expenditures for basic program.
"Sec. 352. Allotment of funds for basic services.
"Sec. 353. Selection of service providers.
"Sec. 354. Allowable basic readjustment services and activities.
"Sec. 355. Supportive services and benefits.
"Sec. 356. Cost limitations.
"Sec. 357. Reallotment; reallocation.

"PART C—WORKER READJUSTMENT TRAINING PROGRAM

"Sec. 371. Expenditures for worker readjustment training.
"Sec. 372. Allotment of funds.
"Sec. 373. Cost limitations.
"Sec. 374. Supportive services and benefits.
"Sec. 375. Allowable services and activities.
"Sec. 376. Readjustment training plans.

"PART D—NATIONAL RESERVE PROGRAM

"Sec. 391. Expenditures for the national reserve program.
"Sec. 392. Allowable activities.
"Sec. 393. Proposals for financial assistance.
"Sec. 394. Federal Worker Readjustment Advisory Council.".

EFFECTIVE DATE; REPEALER

SEC. 104. This title shall take effect on October 1, 1987 or upon the date or enactment, whichever is later.

TITLE II—WAGNER-PEYSER ACT AMENDMENTS

SHORT TITLE

SEC. 201. This title may be cited as the "Employment Services Act of 1987."

STATEMENT OF PURPOSE

SEC. 202. Section 1 of the Wagner-Peyser Act (29 U.S.C. 49 et seq.) is amended to read as follows:

"SECTION 1. The purpose of this Act is to enhance the effectiveness of public employment services throughout the nation by increasing State and private sector responsibility for the planning, management, financing, and delivery of these services.".

DEFINITIONS

SEC. 203. Section 2 of the Wagner-Peyser Act is amended by striking "and" at the end of paragraph (4), by striking the period at the end of paragraph (5), and by adding at the end thereof the following:

"(6) the term 'public employment services' includes the provision of sufficient resources necessary to deliver such services, and to provide related administrative and support functions, on a Statewide basis;

"(7) the term 'State Training and Employment Council' has the same meaning given that term under the Job Training Partnership Act (29 U.S.C. 1501 et seq.); and

"(8) the term 'program year' means the twelve-month period commencing on July 1 of any Federal fiscal year.".

AUTHORITY OF THE SECRETARY

SEC. 204. Section 3 of the Wagner-Peyser Act is amended to read as follows:

"SEC. 3. (a) The Secretary shall disseminate information that may be of assistance to States in the provision of public employment services, and may undertake such research, analysis, job classification programs, test development, statistical studies, automation design and other activities, including technical assistance, as will further these activities, and shall maintain a system for clearing labor between the States.

"(b) The Secretary may provide guidance to the States with respect to their provision of public employment services, with particular attention toward promoting State review of the need for the activities set forth in section 7(a) of this Act and in the implementation of national priorities.

"(c)(1) The Secretary may enter into agreements with the Governor of any State pursuant to which—

"(A) the State carries out any authority vested in the Secretary by this Act, or vested in the Secretary by any other Act, where the Secretary determines that such activities are consistent with the provision of State public employment services, for such reimbursement as may be agreed upon and consistent with applicable law; or

"(B) the Secretary carries out any activity authorized pursuant to subsections (a) or (b) of this section which is specifically requested by a State and for which reimbursement from the State to the Department of Labor is provided.

"(2) Reimbursements received pursuant to this subsection shall be credited to the appropriation financing the activity.

"(d)(1) The Secretary is authorized to enter into an agreement with the Governor of Guam pursuant to which Guam will provide public employment services after July 1, 1990, for such periods of time, for such Federal contribution, and on such conditions as may be agreed upon.

"(2) There is hereby authorized to be appropriated such sums as may be necessary to provide for the implementation of this paragraph.

"(e) The Secretary is authorized to make such rules and regulations as may be necessary to carry out the provisions of this Act, and may establish performance standards for activities under this Act which shall take into account the differences in priorities reflected in State annual plans.".

STATE AGREEMENT

SEC. 205. Section 4 of the Wagner-Peyser Act is amended to read as follows:

"SEC. 4. In order to obtain financial assistance pursuant to section 5 of this Act, the Governor of any State which desires to receive such financial assistance shall enter into an agreement with the Secretary of Labor for the receipt thereof. Such agreement may be entered into by the Secretary at his discretion, and only upon a determination that the State will comply with the requirements of this Act in the provision of public employment services.".

AUTHORIZATION OF APPROPRIATIONS; AVAILABILITY OF FUNDS

SEC. 206. Section 5 of the Wagner-Peyser Act is amended to read as follows:

"SEC. 5. (a) There are hereby authorized to be appropriated for any fiscal year such sums as may be necessary to support public employment services in the States.

"(b) The Secretary shall from time to time certify to the Secretary of the Treasury the amount of the payment to be made to the various States for any program year in accordance with the requirements of sections 4 and 6 of this Act.

"(c) The amounts made available to a State pursuant to this section shall be available for expenditure for the program year in connection with which the funds were provided and for the two succeeding program years.".

PROVISION OF PUBLIC EMPLOYMENT SERVICES

SEC. 207. Section 7 of the Wagner-Peyser Act is amended to read as follows:

"SEC. 7. (a) In providing public employment services, States shall give particular attention to the need for—

"(1) assessment and testing activities for identifying worker strengths and weaknesses;

"(2) labor market information to workers and employers;

"(3) vocational counseling, job search, and job finding skills training to workers capable of finding their own jobs; and

"(4) referral to programs operated pursuant to the Job Training Partnership Act, educational institutions, private placement agencies, social service agencies for those workers who need assistance in finding jobs, and referral of workers for placement in specific positions.

"(b) In providing public employment services under this Act, the States shall comply with regulations (including, until they are revised, any regulations in effect prior to the effective date of this subsection) issued by the Secretary to ensure the fulfillment of obligations under section 14 of this Act and under chapters 41 and 42 of title 38, United States Code.

"(c)(1) Nothing in this Act shall be construed to prohibit a State from charging a reasonable fee for a particular service to any party which benefits therefrom, nor construed to authorize the charging of such a fee which is otherwise prohibited by law, rule, or regulation.

"(2) Nothing in this Act shall be construed to preclude a State from making referrals of workers to agencies which may charge for their employment assistance services.".

PLAN REQUIREMENTS

SEC. 208. Section 8 of the Wagner-Peyser Act is amended—

(1) by striking subsection (a) and inserting in lieu thereof:

"(a) The Governor of any State providing public employment services shall prepare an annual plan for provision of those services developed in accordance with the procedures set forth in this section.";

(2) in subsection (b)—

(A) in paragraph (1), by striking "employment service" and inserting "State" in lieu thereof;

(B) in paragraph (3), by striking "State job training coordinating council (established under such Act)" and inserting "State training and employment council" in lieu thereof, and by striking "employment service and";

(C) in paragraph (4), by striking "State job training coordinating council" and inserting "State training and employment council" in lieu thereof, and by striking "employment service" and inserting "State" in lieu thereof; and

(D) in paragraph (5), by striking "employment services" and inserting "State" in lieu thereof, by striking "State agency" and inserting "State" in lieu thereof, and by striking "State job training coordinating council" and inserting "State training and employment council" in lieu thereof;

(3) by striking subsection (c) and inserting in lieu thereof:

"(c) The annual plan for the provision of public employment services, or a summary thereof, shall be published by the Governor, and a copy of the plan promptly transmitted to the Secretary.";

(4) in subsection (d), by striking "or Federal employment office," in the first sentence thereof, and by striking the second sentence thereof;

(5) by striking subsection (e); and

(6) by adding a new subsection at the end of such section as follows:

"(f)(1) The private industry council for a service delivery area (designated under the Job Training Partnership Act) shall review and evaluate the provision of public employment services under this Act in such service delivery area, and shall provide policy guidance with respect to local labor market conditions and needs.

"(2) The State Training and Employment Council shall review, monitor and evaluate the activities of the State in providing public employment services.".

TECHNICAL AMENDMENTS

SEC. 209. The Wagner-Peyser Act is further amended—

(1) by striking "under this Act" in sections 9(a)(1), 9(a)(2), 9(b)(1), 9(c), 10(b)(1), 10(b)(2)(A), 10(b)(2)(B) and 10(c) and by inserting in lieu of each thereof "under sections 3, 5, and 14 of this Act";

(2) by inserting "under sections 3, 5, and 14 of this Act" immediately after "funds" each place it appears in section 10(a);

(3) in section 11, by striking subsection (a), by striking "(b)", and by striking "the Director is authorized and directed" and inserting in lieu thereof "the Governor of a State is"; and

(4) by striking sections 12 and 13.

ADMINISTRATIVE PROVISIONS

SEC. 210. (a) Any reference in Federal law or regulation to any State or local employment, or public employment, agency, office or system, or to the staff thereof, with reference to planning, budgeting, receipt of funds, reporting and recordkeeping requirements, or as the performer of specific duties shall be read as referring to whatever entities, at the State or local level as appropriate, the Governor of a State may determine as providers of public employment services as defined by the Wagner-Peyser Act.

(b) Any reference in Federal law or regulation to the head, director, or other officer of authority with respect to any entity described in subsection (a) of this section shall be read as referring to the Governor of a State.

(c) Any reference in Federal law or regulation to the United States Employment Service, or to any official thereof, shall be read as referring to the Secretary of Labor.

(d) Any reference in Federal law or regulation to the Federal-State employment service system or program shall be read as referring to the State public employment services defined in the Wagner-Peyser Act.

(e) Any reference in Federal law or regulation to a State Job Training Coordinating Council shall be read as referring to a State Training and Employment Council.

(f) Subsection (a)(1) of section 3202 of title 39, United States Code, is amended by striking subparagraph (E) of such subsection, inserting "and" at the end of subparagraph (D) thereof, and redesignating subparagraph (F) thereof as subparagraph (E).

EFFECTIVE DATE; REGULATIONS

SEC. 211. (a) The amendments made by this title shall take effect with respect to State program years commencing on the first July 1 following the date of enactment of this Act.

(b) The Secretary shall, within six months of the date of enactment of this title, revise regulations of the Department affected by the provisions of this title and the amendments made by this title.●

By Mr. GARN (for himself, Mr. PROXMIRE, Mr. THURMOND, Mr. BUMPERS, Mr. GRAMM, Mr. HECHT, Mr. SYMMS, Mr. HELMS, and Mr. NICKLES):

S. 786. A bill to amend the Export Administration Act of 1979 and the Federal Deposit Insurance Act to authorize controls on the export of capital from the United States, to control exports supporting terrorism, to prohibit ownership of U.S. banks by controlled countries, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

FINANCIAL EXPORT CONTROL ACT

● Mr. GARN. Mr President, today I am introducing the Financial Export Control Act. I should say reintroducing since it is an expansion and refinement of S. 812, the financial controls bill I introduced in the 99th Congress. S. 812 granted the President authority to control the transfer of money and other financial resources from the United States to countries against which we maintain national security export controls. This bill would again provide that authority and would extend it to terrorist countries as well.

The bill would also expand Presidential export control authority to cover exports of goods and services that would likely support or be used to commit an act of terrorism against U.S. citizens, benefit a person committing such acts, or a country identified by the Secretary of States as supporting terrorism. Finally, it would amend the Federal Deposit Insurance Act to prohibit control of U.S. banks by controlled countries as defined in the Export Administration Act.

As reconfigured, my bill fills importnat gaps in the arsenal of controls we maintain to protect our national security. It recognizes that, despite a major overhaul of the Export Administration Act in 1985 that strengthened our export control system, the President lacks authority to block financial flows to adversary countries that may be used to fund the purchase of sensitive technology or other activities inimical to our interests. He is also limited in the control he can exercise over the flow of goods and technology to international terrorists.

It is incredible that with the amount of effort we have put into controlling flows of technology to the East bloc and combatting international terrorism over the last 5 years that we do not now address the equally critical problem of financial flows to our adversaries. Hard currency is the fuel of the Soviet Empire and international terrorist network. It keeps Nicaragua, Cuba, Vietnam, and Afghanistan afloat. It buys terrorist bombs and funds hostage takers. And when the Soviet Union finds a willing seller in the West and evades our export controls, they have to use hard currency to purchase their bargains and save themselves billions in weapons development costs. This means, Mr. President, that the Soviet ability to obtain the sensitive goods and technology from the West that are turned against us in Soviet weapon systems is directly related to their ability to obtain hard currency.

In making the case for the expanded authorities in this bill, I would like to focus on the key problem of Western loans funding Soviet adverturism. To do this, the role of Soviet borrowing must be examined in the context of the country's hard currency earning potential. The Soviet export base is limited. The quality of Soviet manufactures is generally too low to attract markets in the West, except for arms exports. Consequently export sales are limited to raw materials and subject to the vagaries of commodity price cycles.

In a normal year, oil and natural gas exports account for about 60 percent of hard currency earnings. Recently, falling oil prices have taken a heavy toll on Soviet earning capacity. In 1983 and 1984, oil and natural gas accounted for almost $19 billion of their export income. Between 1984 and 1986, oil and gas earnings fell well over 40 percent—to an estimated $10 to $11 billion.

The Soviets can take some measures to offset falling earnings, like selling additional gold, but such steps cannot make up a dramatic shortfall as has occurred in the last couple of years. Instead, when markets shrink or prices drop, the Soviets must turn to borrowing in the West. Soviet bloc countries have accumulated roughtly $100 billion of Western loans, with more than one-third to the Soviet Union. In addition, the Soviets have access to billions in ready reserves in the form of Western deposits with Soviet-owned banks in the West.

While obviously the Sovets have been successful in tapping Western financial resources, getting new money is not always easy. For example, in the early 1980's lending by Western banks to all East bloc countries dried up due to the debt problems of Poland and other Soviet allies. Western banks were also made uncomfortable by the furor over their deep involvement in lending to the Soviet bloc at the same time that these countries were brutally repressing their own citizens.

Under these circumstances, the Soviets were hard pressed to borrow in the West. If the recent drop in Soviet hard currency earnings had occurred during this period, the Soviets would have been under tremendous pressure to reduce subsidies to the Soviet Empire and curtail anti-United States activities in the West.

In the last couple of years, however, Western banks have resumed their lending to the Soviet bloc. It is estimated that $3 billion was loaned in 1984, triple the level of the year before. Just as Soviet export earnings began to plunge between 1984 and 1986, Western bankers came to the rescue. At first it was the Europeans, but slowly interest began to grow among American bankers.

In 1984, First Chicago began lending to East Germany—$75 million at 1 percentage point above the London Interbank offered rate [LIBOR], far below prevailing rates for lending to the East Germans at the time. In 1985, Citibank put together a half billion dollar East German package at a slightly smaller spread—seven-eighths of a point over LIBOR for 7 years with a 3-year grace period. Then in 1985, First Chicago began working directly with the Soviet Union, arranging a deal that committed $400 million to the Soviet trade bank in the form of a banker's acceptance. At the end of 1986, the Federal Reserve reported $2 billion of United States bank loans outstanding to the Soviet Union.

United States banks were not only becoming comfortable lending directly to the Soviet Union, but showing themselves ready to make untied, no-purpose loans that put ready cash into Soviet hands. The banks did not even take the trouble to arrange deals that linked funds received to particular exports or specific projects. Finally, a week ago, First Chicago took another big step to ensure that the Soviets are not short of cash in these lean times. The bank announced a $200 million loan to the Soviet Union at an incredible one-eighth of a point over LIBOR. This loan is untied and is reported to have a substantial grace period as well. The Soviets have set a goal of $5 billion of new new borrowing to meet their hard currency needs in 1987 and First Chicago has started them on their way.

Mr. President, I doubt that any of First Chicago's other customers, from struggling farmers right up to prime corporate borrowers, could get this kind of deal from their bank. Is First Chicago offering concessional assistance to failing farmers, or exporters that have lost overseas markets, or attempting to help our friends and allies in the developing world that are struggling with a heavy debt burden? Not likely. Instead they are developing new and attractive markets and long-term working relationships with the Soviet bloc. And while they offer the Soviets ready cash, First Chicago brags in the press about the fees they will earn acting as Soviet investment banker, developing a secondary market in Soviet debt. These concerns about our banks' lending apply equally to attempts by the Soviets to gain access to hard currency through acquisition of United States banks, which would be proscribed by my bill.

What noble purposes will these funds and this access to Western markets serve? Are they going to expand human freedoms or increase individual opportunity? No one believes that. Can it be demonstrated that the United States will receive a direct benefit from these loans. First Chicago claims that since the Soviets buy United States grain, their cash will go to fund United States exports. But there is no such link in this deal. Who ever heard of funding food imports on 8-year terms? Food sales are typically cash, or short-term credit deals. The most generous U.S. Government food export financing program offers 3-year terms. This is cash that the Soviets and their allies are going to use to fund their activities in the West—buying Western high technology, funding their allies, and aiding and abetting terrorism.

I do not deny that they also probably intend to buy grain, maybe even U.S. grain, and import other goods to prop up their faltering economy. But I would like to see them, based on their own resources, have to make the hard choices to meet the basic needs of their citizens, fund necessary domestic investment to rejuvenate their economy, or undertake international adventures inimical to our interests. Any help we give reduces their burden to maintain peace at home while abusing the peace abroad.

The arguments I have been pursuing with regard to Western financial support for the Soviet bloc apply equally to the provisions in my bill regarding financial flows to terrorist countries and export controls on terrorist groups. We cannot fund the guns or export the technologies that will be used to kill our citizens at some foreign airport. The President must have additional authority in these areas to protect U.S. interests. And in fact, expanding authorities as I am proposing in order to thwart the full range of our adversaries would help resolve a nagging criticism of the current use of authorities available to the President.

In recent years, the President has used the International Emergency Economic Powers Act to address a number of international crises. It is argued that declaration of an international state of emergency in response to limited international threats to U.S. security by individual countries weakens support for Presidential discretion in full-scale national emergencies. This is legitimate but unfortunately, at present the President has no alternative course available if the situation calls for curbs on both trade and financial flows. My bill would provide financial control powers that would obviate the need to use IEEPA outside the context of a true national emergency.

In summary, I believe my bill would provide vitally needed authorities to the President. These issues were the subject of hearings in the Banking Committee during the 99th Congress. S. 812 attracted a dozen cosponsors and my office alone received more than 2,000 pieces of mail in support of it. It has been redrafted to address additional concerns raised during this process, and is being reintroduced by a bipartisan group of nine Senators. I urge expeditious action on this bill by my fellow Senators so that the President will have the authority he needs to control the bankrolling of or adversaries.

I also ask unanimous consent that the text of the bill and two pieces of supporting information be included in the RECORD at this point. The first is a portion of testimony by Larry Brady, former Assistant Secretary of Commerce for Export Administration, before the International Finance Subcommittee of the Banking Committee in a March 17 hearing. The second is an article from the National Security Record by Roger W. Robinson on the role of East-West finance in Western security.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 786

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Financial Export Control Act".

FINDINGS

SEC. 2. Section 2 of the Export Administration Act of 1979 is amended by adding at the end thereof the following:

"(14) Loans and other transfers of capital to the Soviet Union and its allies, especially untied, no-purpose loans and interbank deposits, from public and commercial sources significantly increase the ability of those countries to obtain sensitive goods and technology and to more easily divert funds to purposes inimical to United States interests, thereby damaging the security interests of the United States and its allies.".

DECLARATION OF POLICY

SEC. 3. Section 3 of the Export Administration Act of 1979 is amended—

(1) in paragraph (2)(B), by striking out "and" after the semicolon;

(2) in paragraph (2)(C), by striking out the period and inserting in lieu thereof a semicolon;

(3) by adding at the end of paragraph (2) the following:

"(D) to restrict the export of capital, the extension of credit, the making of loans, or the transfer of financial resources to destinations or persons outside the United States in order to promote the national security, including antiterrorism, interests of the United States; and

"(E) to restrict the export of goods and technology where the President determines that such export (i) will likely support or be used to commit acts of terrorism against United States citizens, (ii) will likely benefit persons committing such acts, or (iii) will benefit countries supporting international terrorism, as defined pursuant to section 6(j) of this Act.".

CONTROLS AUTHORITY

Sec. 4. The Export Administration Act of 1979 is amended by inserting after section 8 the following new section:

"CAPITAL CONTROLS; ANTITERRORISM

"Sec. 8A. (a) Capital Controls Authority.—(1) In order to carry out the policy set forth in section 3(2)(D) of this Act, the President may prohibit, curtail, monitor, or otherwise regulate the export or transfer, or participation in the export or transfer, of money or other financial assets, including the making of a loan or the extension of credit, subject to the jurisdiction of the United States or exported or transferred by any person subject to the jurisdiction of the United States—

"(A) to the government of any controlled country, or

"(B) to the government of any country designated pursuant to section 6(j) as a country supporting international terrorism, or to any political subdivision thereof or any organization or association owned by or acting for or on behalf of such government or political subdivision thereof.

"(2) The authority conferred by this subsection shall be exercised by the Secretary of the Treasury, in consultation with the Secretary of Defense, the Secretary of Commerce, and such other departments and agencies as the Secretary of the Treasury considers appropriate.

"(b) Antiterrorism Controls Authority.—(1) In order to carry out the policy set forth in section 3(2)(E) of this Act, the President may prohibit, curtail, monitor, or otherwise regulate the export or transfer, or participation in the export or transfer, of goods and technology subject to the jurisdiction of the United States or exported or transferred by any person subject to the jurisdiction of the United States if the President determines that such export—

"(A) will likely support or be used to commit an act of terrorism against the person or property of a United States citizen, or

"(B) will likely benefit persons committing such an act or benefit countries defined pursuant to section 6(j) of this Act as countries supporting international terrorism.

"(2) The authority conferred by this subsection shall be exercised by the Secretary, in consultation with the Secretary of Defense, the Secretary of State, and such other departments and agencies as the Secretary considers appropriate, and shall be implemented by means of export licenses issued by the Secretary.

"(c) Negotiations With Other Countries.—(1) The Secretary of the Treasury, in consultation with the Secretaries of State, Defense, and Commerce, and the heads of other appropriate departments and agencies, shall conduct negotiations with other countries regarding their cooperation with controls imposed pursuant to subsection (a).

"(2) The Secretary of State, in consultation with the Secretaries of Commerce and Defense, and the heads of other appropriate departments and agencies, shall conduct negotiations with other countries regarding their cooperation with controls imposed pursuant to subsection (b).".

PROCEDURES

Sec. 5. Section 10 of the Export Administration Act of 1979 is amended—

(1) in subsection (a)(1), by striking out "All export license applications" and inserting in lieu thereof "Except as provided in subsection (p), all export license applications";

(2) in subsection (j)(1), by inserting before the period ", except in the case of any license that may be required pursuant to section 8A(a) of this Act, in which case the Secretary of the Treasury shall establish such procedures"; and

(3) by adding at the end thereof the following new subsection:

"(p) Capital Controls Licensing Procedures.—(1) Any export license applications required pursuant to section 8A(a) of this Act shall be submitted by the applicant to the Secretary of the Treasury. All determinations with respect to any such application shall be made by the Secretary of the Treasury.

"(2) To the extent necessary, the Secretary of the Treasury shall seek information and recommendations from the Government departments and agencies concerned with aspects of the United States domestic and foreign policies and operations having an important bearing on the policy set forth in section 3(2)(D) of this Act.".

ENFORCEMENT

Sec. 6. Section 12 of the Export Administration Act of 1979 is amended—

(1) in the second sentence of subsection (c)(1), by inserting before the period the following: ", or in the case of information obtained with respect to section 8A(a) of this Act, unless the Secretary of the Treasury so determines"; and

(2) in subsection (e), by striking out "The Secretary" and inserting in lieu thereof "Except with regard to the authority provided under section 8A(a), the Secretary".

ANNUAL REPORT

Sec. 7. Section 14(a) of the Export Administration Act of 1979 is amended—

(1) by striking out "and" at the end of paragraph (19);

(2) by striking out the period at the end of paragraph (20) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(21) actions taken by the President and the Secretary of the Treasury to carry out the policies set forth in section 3(2)(D) of this Act, as described by the Secretary of the Treasury in a report submitted for inclusion as a part of the Secretary's annual report required by this section.".

ADMINISTRATIVE AND REGULATORY AUTHORITY

Sec. 8. Section 15 of the Export Administration Act of 1979 is amended—

(1) by inserting ", the Secretary of the Treasury," after "the President" in subsection (b); and

(2) by inserting "or the Secretary of the Treasury" after "Secretary" each place it appears in the first sentence of subsection (c).

DEFINITIONS

Sec. 9. Section 16 of the Export Administration Act of 1979 is amended—

(1) in paragraph (7) by striking out "and" after the semicolon;

(2) in paragraph (8) by striking out the period and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following:

"(9) the term 'extension of credit' includes loans, credit sales, the supplying of funds through the underwriting, distribution, or acquisition of securities, the making or assisting in the making of a direct placement, or otherwise participating in the offering, distribution, or acquisition of securities; and

"(10) the term 'loan' includes any type of credit, including credit extended in connection with a credit sale.".

CONTROLLED COUNTRY OWNERSHIP OF BANKS

Sec. 10. Section 7(j) of the Federal Deposit Insurance Act (12 U.S.C. 1817(j)) is amended—

(1) in paragraph (6)(A), by inserting "nationality," after "personal history,";

(2) by inserting "(A)" after "(15)" at the beginning of paragraph (15);

(3) by inserting at the end of paragraph (15) the following:

"(B) Any person who willfully violates any provision of this subsection, or any regulation or order issued by the appropriate Federal banking agency pursuant to this subsection, shall upon conviction be fined not more than $100,000, or imprisoned for not more than 10 years, or both."; and

(4) by adding at the end thereof the following:

"(17) The appropriate Federal banking agency shall disapprove any proposed acquisition under this subsection which would result in the ownership or control of an insured bank by a country defined as a controlled country pursuant to the provisions of the Export Administration Act of 1979 or a national, agency, or instrumentality of any such country.".

REMARKS OF LARRY BRADY, FORMER ASSISTANT SECRETARY OF COMMERCE FOR EXPORT ADMINISTRATION, BEFORE THE SUBCOMMITTEE ON INTERNATIONAL FINANCE AND MONETARY POLICY, COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS, U.S. SENATE; MARCH 17, 1987

Mr. Chairman, in closing, I would like to make a few general observations on our international economic policy generally as it relates to the export control system. Strategic and economic assessments of proposed regulatory and legislative changes are not cleancut nor have all the comprehensive implications of those proposals been discussed. What is the implication for instance of a more liberalized East-West technology transfer policy on trade patterns, OECD competitiveness, and the competitiveness of the high-debt LDCs. To frame this issue properly, we need to keep in mind that the single greatest impediment to East-West trade is not the COCOM controls but the lackluster economic performance of the CEMA countries.

Throughout the 1970's, while most developed countries moved ahead, Eastern Europe managed to slide into the debt crisis. In the early 1980's, world raw material prices collapsed, dragging down the USSR's economy. Since then East-West trade has remained in the doldrums. A major inhibiting factor—in addition, to those I have mentioned—is the inability of the CEMA countries to produce goods that are competitive on international markets. The granting of MFN treatment helps a little, but it does not go to the root of Eastern Europe's inability to earn hard currency with which to finance imports. I repeat—it is their inability to finance imports that acts as the greatest barrier to expanded East-West trade. COCOM's export control regulations—though important to the management of trade flows—are actually the least important part of the equation.

The East Europeans are now turning to us to help them solve their competitiveness problems. They have embarked upon an export-led growth strategy—as many developing countries have done—that is based upon technology imports and product exports. To be specific, given their hard currency constraints they are asking for our credits, our technology, and guaranteed access to our markets so that they can diversify their export base.

In short, even if we liberalize the controls, there will be no substantial boost to U.S. exports. It is only if we provide the credits, the know-how, and the markets will East-West trade begin to rise above present, modest levels.

Why is this a bad idea? It is because it would degrade our national security arms control prospects, as I pointed out above. In addition, there are dangers we face in building the USSR's export capacity. The Soviets mercantilist trade practice have crippled Eastern Europe's development and could threaten western industries. We need to remember that the Soviets are pushing very aggressively to move away from their dependence on oil as an export earner, so they are prepared to take forceful steps to penetrate western markets. Unlike the PRC, the Soviet Union is unable to qualify for membership in the GATT or the other international economic institutions. Its much-vaunted reforms fall far short of what is required to introduce free market principles by which fair pricing of goods can be determined. Also, the USSR is certainly not committed to the stability of the international financial system, as demonstrated by its unrelenting attacks on the Baker Plan, so any enhancement of its international economic role should be viewed with great skepticism.

We also need to remain aware of the special needs of the developing countries, particularly the democratic, high-debt LDCs. I needn't point out that the LDCs are also clamoring for credits, technology, and market access. It seems to me that we should be looking to meet their needs first. These countries—whose very survival depends upon access to OECD markets—have the most to lose once the East European joint ventures come on stream. Exports of intermediate range goods from the Soviet Bloc—such as textiles, machine tools, and electronic equipment—would displace sales from the developing world.

Mr. Chairman, My remarks have been intended to draw your attention to the fact that we should have our eyes wide open about what impact proposed legislative and regulatory changes will have on the control system, on the strategic balance, and on American competitiveness.

WESTERN SECURITY AND EAST-WEST FINANCE

Declining hard currency earnings threaten the success of Mikhail Gorbachev's economic modernization program and are hobbling the USSR's ability to compete in the high technology race with the West. The Soviet leadership has responded to its foreign exchange shortfall by cutting imports, stepping up borrowing in international financial markets, and by launching a broad economic offensive toward the West. At the same time, the ability of the Reagan Administration's national security agencies to help manage East-West economic and financial issues has been seriously weakened by the establishment of an economic policy council that periodically excludes them.

Last May, our West European allies administered a major setback to Moscow's long-term strategy of dominating Western Europe's gas markets and increasing its hard currency earnings. The allies decided not to participate in another major gas-for-pipe compensation deal involving the proposed second strand of the huge Soviet gas pipeline that runs from the Siberian fields to Western Europe. The West Europeans instead concluded a $64 billion agreement to develop the Norwegian Troll gas field, as a way of strengthening Western Europe's energy security. That decision alone will eliminate billions of dollars in annual hard currency earnings that Moscow has been counting on for the mid-1990's and beyond. This important development, catalyzed by the so-called "pipeline dispute," is a major policy achievement for the Reagan Administration and the Atlantic Alliance.

Total Soviet hard currency income will fall from about $32 billion in 1985 to an estimated $26 billion this year, further reducing the cash available to Gorbachev to bolster his economic modernization program, to support Moscow's client states, to promote international terrorism, and to run a worldwide intelligence network. The hard currency shortfall also compels Moscow to squeeze the economies of its East European satellites even more than usual.

Unfortunately, the reaction of several Western banks and governments to Moscow's economic and financial overtures has been to offer the Soviets subsidized grain and other products, and large untied loans (not tied to a specific purpose) at extremely favorable rates.

Concerning East-West trade, the ability of the USSR to expand non-strategic trade with the West will be seriously constrained if world energy prices and demand remain depressed. Last year exports of oil and gas represented over half of the USSR's total hard currency earnings. When one adds estimated earnings from arms sales of about $6 billion, these combined earnings jump to between two-thirds and three-quarters of Moscow's total annual hard currency income.

The remainder of Soviet hard currency earnings are comprised of gold sales, interest on assets and miscellaneous exports. With a drop of roughly $6 billion in oil and gas income this year, the USSR's projected hard currency earnings of $26 billion hardly represent an impressive annual income for a superpower. By comparison, General Motors' 1986 revenues should be about three times higher, even in a troubled year for the automaker.

WESTERN BANKS TO THE RESCUE

The Soviet Union has three major ways of responding to this sharp decline in hard currency earnings. It can:

Sharply curtail Western imports (or defer delivery and payment for items already contracted);

Sell more gold and arms; and

Increase Western borrowings.

Any sustained cut-back in imports, however, could severely impede Gorbachev's economic modernization program, with potentially serious political ramifications for the Soviet leader. The Soviets likewise will be reluctant either to dip into their gold reserves or to unload so much gold on the world market that it might depress the price. Finally, the low price of oil is creating liquidity problems for Iraq, Syria and other countries that buy Soviet arms, reducing their purchases. Although a domestic ruble cost (not hard currency), the estimated price tag of about $900 million for the Chernobyl clean-up also came at a bad time for the Soviet economy.

As a consequence, the Soviets have embarked on a binge of new borrowing on Western financial markets. Soviet borrowing resulted in an increase of roughly $5 billion in the Soviet net foreign debt last year and probably will add another $5 billion by the end of this year. This high level of Soviet foreign borrowing may well persist for the next several years, depending on world energy prices. For example, Plan Econ, Inc., estimates that the gross foreign debt of the USSR will increase from about $29 billion in 1985 to $53 billion by 1990.

UNITED LENDING TO SOVIETS

An area of East-West finance that requires close scrutiny is that of untied, no-purpose lending by Western banks. This kind of lending permits the Soviets and other potential adversaries to easily divert borrowed funds for any purpose they choose, including activities inimical to Western security interests. Given the Soviets' hard currency shortfall, a cash flow analysis indicates they are using borrowed funds to support a substantial share of their global commitments and activities.

The strategic problems associated with untied lending could be remedied by Western commercial banks, particularly those in Europe and Japan, voluntarily adopting lending guidelines to discipline and monitor the use of borrowed funds. The adoption of such voluntary lending principles would not impede the conduct of legitimate non-strategic East-West trade. This would only involve internal bank decisions to concentrate on traditional forms of lending, such as equipment loans, tightly-structured project loans, and short-term commodity financing with loan maturities matched against the duration of the underlying transaction.

It would also require the careful monitoring of aggregate interbank deposits in Soviet-owned banks. Some commercial banks have always maintained disciplined lending policies with regard to loans to the Soviet Union and Eastern Europe. It now is appropriate for these commercially prudent procedures to be adopted by all Western lenders.

The forms of untied lending which comprise the bulk of unguaranteed commercial bank loans to the East include:

Balance of payment loans for no specific purpose;

Loans with excessive maturity structures, for example, three-year loans for grain transactions which take only 180 days or less to complete;

"Project loans" that actually are used for other purposes;

Interbank deposits in Soviet-owned banks; and

The expected underwriting of Soviet Euronotes and bonds, which soon may be important new instruments of untied Soviet borrowing from the West.

It is worth noting that large-scale untied lending was one of the underlying causes of the current international debt crisis, along with a collapse in commodity prices, disinflation, and capital flight. As a result, lenders now require more debtor nations to demonstrate productive uses for borrowed funds and identify specific sources of payback whenever possible. Certainly the same standards that are applied to loans to our friends in Latin America should be applied by Western banks to the Soviet Union and East European borrowers.

SOVIET TRADE OFFENSIVE

In addition to offsetting its hard currency earning shortfalls with accelerated borrowing in the West, the USSR's Ministry of Foreign Affairs has launched a global "trade offensive" to secure as many commercial benefits from Western partners as possible. Components of this offensive are:

A serious effort to join the General Agreements on Tariffs and trade (GATT);

An exploratory effort to join the International Monetary Fund (IMF) and World Bank;

The likely issuance of the first Soviet Euronotes and bonds since the 1917 revolution;

An even more aggressive campaign to increase the illegal acquisition of Western technology;

The encouragement of joint ventures with Western partners and the decentralization of some economic decisionmaking; and

A decision to permit limited private enterprise in the service and agricultural sectors.

The political tactics being employed by the Soviets to secure Western economic and financial concessions are as varied as granting grave visitation rights to Japanese whose relatives are buried on the Soviet-held islands off northern Japan, the release of selected dissents and members of divided families, a possible increase in Jewish emigration, and public exaggeration of the significance of economic reforms.

It would not be surprising if Gorbachev were soon to press the U.S. to grant a one-year "trial" waiver of the Jackson-Vanik and Stevenson amendments to the Trade Act of 1974, which tie U.S.-Soviet trade to freer Soviet emigration. This request could come at a time when Jewish emigration is at its lowest level in over a decade. The selective release of a few prominent, high-visibility dissidents does not appear to indicate a change in the general policy of restrictive controls on emigration. It remains to be seen whether Moscow's desire to secure most-favored-nation trading status and renewed access to official U.S. credits from our Export-Import Bank is strong enough to lead to a policy shift in this area.

The Soviets probably also will seek U.S. support, if not financing, for their ambitious offshore oil development project in the Barents Sea north of the Kola Peninsula, and possibly for other Soviet energy projects as well.

Future untied Soviet Euronotes and bonds eventually could be subscribed to by institutions as varied as banks, brokerage firms and pension funds, as well as individuals. As a result, millions of Western and Japanese citizens could become unwitting underwriters of Soviet global adventurism. From Moscow's perspective, the sale of Soviet notes and bonds to the West may also create influential new groups with vested interests in promoting Western economic and financial concessions to the USSR.

The question is: how will the United States and our Western allies respond to this flurry of Soviet economic initiatives designed to obtain large-scale financing and increased trade concessions? In the case of the U.S., the answer will depend in large part on the dynamics of the government's interagency process and the kind of analysis, options and recommendations placed before the President for decision.

A FLAWED POLICY PROCESS

Between July 1982 and April 1985, Cabinet-level recommendations on international economic matters with significant foreign policy implications were generated by the Senior Interdepartmental Group on International Economic Policy (SIG-IEP). This Cabinet body, chaired by the Secretary of Treasury, reported through the National Security Advisor to the President. The executive secretary function was handled by the National Security Council staff.

The process worked like this: when a U.S.-Soviet trade issue, for example, had to be decided, the issue would be discussed in the SIG-IEP, after which the NSC staff would prepare for the President an analysis of the issue and options for dealing with it that reflected the SIG-IEP deliberations. When appropriate, the national security advisor's own summary recommendation was included. In many cases, a full NSC meeting would be held after the SIG-IEP had completed its work so that Cabinet members could present their views to the President face-to-face.

Once the President had made a decision, a directive was prepared by the NSC and distributed to the relevant agencies, often assigning a particular agency responsibility for implementing the decision. It was under the auspices of the SIG-IEP that the President succeeded in achieving an allied consensus on the key security aspects of East-West economic relations during his first term.

In April 1985 an important change was made in this policy process. The SIG-IEP was collapsed into a new Economic Policy Council (EPC). A major reason for this decision, made suddenly by the White House with minimal inter-governmental consultation, was to streamline the economic policymaking apparatus. Another reason was considerably more subtle and manifested itself in the structure and membership of the Economic Policy Council. The NSC, CIA and the Defense Department, all important members of the SIG-IEP, were excluded as regular members of the new EPC.

The chairman of the EPC is the President when he is in attendance. When he is not, the Secretary of Treasury is chairman. The important secretariat function was transferred from the NSC to the Office of the Chief of Staff of the White House. Taken together, these steps now place foreign economic policy firmly in the hands of officials who often are more concerned about domestic economic and political considerations than about the crucial security dimensions of international economic and financial issues.

Decision papers for the President on foreign economic matters now are predominantly prepared by the Office of the Chief of Staff in coordination with the Treasury Department. The national security agencies (NSC, CIA, and DOD) are invited to attend EPC meetings when the secretariat considers it appropriate, but invitations are often communicated at the last minute, preventing an adequate review of the issues.

Some negative implications of the diminished role of the national security agencies in international economic decisionmaking are apparent. An example is the President's recent decision to offer subsidized wheat to the Soviet Union, and then to increase the subsidy when the Soviets refused to buy. The list of Cabinet-level opponents of grain subsidies for the Soviet Union was impressive: the Secretaries of State and Defense, the National Security Advisor, and the Director of Central Intelligence all reportedly were opposed. The outcome on this issue tells a good deal about the influence and inclinations of those who now administer the international economic policy process.

The flawed rationale underlying the subsidized grain decision resulted in unnecessarily estranging important allies such as Australia and Canada, establishing an unfortunate precedent for U.S. trade policy, and contravening the spirit of three allied agreements on East-West economic relations. Despite this major U.S. policy concession, the Soviets spurned the U.S. subsidy offer and failed to honor their annual grain purchase obligations for the second consecutive year. It is impossible to say whether the President would have made the same decision if the SIG-IEP still had been in existence, but it is unlikely.

CONCLUSION

The reduced participation of the national security agencies in the process of formulating international economic and financial policy holds potentially serious risks for U.S. relations with our major allies and for the long-term security of the United States. A new or modified organizational structure should be established by the Administration to restore the role of the security agencies and provide the President with more comprehensive advice from his principal national security advisers on international trade, economic and financial issues.

In addition, the Administration should publicly encourage a more disciplined approach by Western commercial banks to East-West finance and urge our allies to do the same. While more disciplined Western lending policies will not entirely eliminate the improper use of loan disbursements and deposits for purposes potentially harmful to Western security interests, the general adoption of such guidelines would reduce Soviet flexibility to divert borrowed money in this way. Sensible lending policies would also help ensure that every dollar, deutsche mark, and yen loaned to the East-bloc is tied to the creation of Western exports and jobs.

Given present uncertainties in U.S. foreign policy resulting from the controversy over arms transfers to Iran, the Soviets may well follow their historical pattern of seeking to exploit what they may perceive as U.S. disarray with new or bolder foreign adventures. The Administration could slow significantly the Soviet ability to divert borrowings from the West to finance a possible surge of adventurism by encouraging our allies to endorse voluntary guidelines by Western banks for more disciplined lending to potential adversaries. The Administration's recent decision to oppose publicly Soviet IMF/World Bank membership is a step in the right direction.

(This article is derived in large part from remarks by Roger W. Robinson, President of RWR Inc., and Senior Director for International Economic Affairs, the National Security Council, 1982–85, before the U.S.-Soviet Trade Forum on September 25, 1986.)●

● Mr. PROXMIRE. Mr. President, almost 2 years ago, on March 28, 1985, I joined Senator GARN in introducing S. 812, the Financial Export Control Act. I am pleased today to be able to join him in introducing an improved and expanded version of our original bill.

S. 812, as originally introduced, amended the Export Administration

Act, in order to give the President discretionary authority to control bank loans and other extensions of credit from American banks and corporations to the Soviet Union and its Eastern bloc allies. This bill would again give the President that discretionary authority. It would, however, also provide him with the same authority to control the flow of financial transfers from banks to countries that support international terrorism—the so called 6(j) countries because they are defined under the provisions of 6(j) of the Export Administration Act. Currently the countries so designated are Syria, Libya, Southern Yeman, Iran, and Cuba. These countries are placed on the 6(j) list by the Secretary of State. Finally this new bill incorporates provisions of a bill introduced by Senator MOYNIHAN in the last Congress, and amends the Federal Deposit Insurance Act to prohibit the acquisition of FDIC insured banks by nationals of controlled countries as defined in the Export Administration Act. This bill is designed to fill important gaps in the authorities the President presently has to safeguard our country's national security.

Let me emphasize that this bill does not cut off bank loans to the Soviet bloc or even to countries sponsoring terrorism. It authorizes, but does not direct, the President to control transfers of capital to such countries.

Why should the President have authority to control loans by our banks to the Soviet Union and its allies? Well for one thing we know that the Soviets have a massive, well managed and carefully targeted progam to acquire our militarily critical technologies. This program enables the Soviets to save both time and money in their military R&D program. They in effect, illegally and surreptitiously purchase military technologies we develop at considerable expense to our taxpayers. More careful review of loans by United States banks to the Soviet bloc can reduce the amount of discretionary dollars they have available for such purposes.

I am not opposed to all bank loans or other extensions of credit to the Eastern bloc. Some loans may in fact be needed to finance the purchase by Eastern European countries of nonstrategic goods, whose purchase helps our workers, farmers, and industry, and which do not strengthen those countries militarily. Any such sales are already reviewed by our Government under the provisions of the Export Administration Act to ensure they are consistent with our national security and foreign policy interests. So bank loans to finance the sale of such goods are not a problem. What bothers me are cases where our banks make loans to the Soviet bloc without regard to their purpose. Our banks sometimes make loans to the Soviets or East Germans that are not tied to specific purchases, thus, giving the Soviets hard currencies for unspecified purposes. Such loan extensions can undermine our political objectives in those countries or even our security interests in other countries. Why do our banks make such loans? Obviously because they can be profitable. As I said in 1985 the profit motive is laudable, but on occasion it may need to be tempered by other considerations.

The Soviets claim that they are opposed to tying trade to aspects of bilateral relations which have no bearing on trade. I disagree absolutely with that Soviet view. I believe trade with the Soviet Union should be supervised by our Government and handled as part of our strategic dialog with that country. Giving the President the authority to review and manage extensions of credit to the Eastern bloc will better serve U.S. interests in that dialog. The Department of Defense in an August 27, 1985, letter supporting the enactment of our earlier legislation said if the President had such authority it would be helpful in "influencing private bankers in the direction of greater restraint." DOD was particularly concerned about bank loans not tied to the purchase of nonstrategic goods as such loans made additional hard currency available to the Soviets. In a 1985 letter DOD stated that "even a small reduction in the level of hard currency available to the Soviets will require the Soviet bloc to make more difficult choices between competing demands." Our Government then should have a right to examine credit deals with the Soviets as it does the export of goods.

In 1985, the Treasury Department testified that the Reagan administration did not want the discretionary authority to regulate credit to the Soviets. Such legislation, Treasury said, would be contrary to the message of the Reagan/Gorbachev 1985 meeting in Geneva. I do not believe such an argument has any merit and neither did many of the agencies advising the President such as the Justice and Defense Departments. Hopefully the President's new advisers will help change his mind on this matter.

Giving the President discretionary authority over loans to the countries labeled by the Secretary of State as supporting international terrorism also makes sense. Presently there is not much evidence that U.S. banks are making many loans to such countries. But the situation could change and the President should have such authority available if he finds he needs it to help safeguard American lives and property from terrorists.

Prohibiting the Soviets and its allies from owning United States banks also makes sense. There is presently no law prohibiting such ownership and in 1986 our intelligence agencies discovered the Soviets were secretly trying to buy three banks in northern California's Silicon Valley. These banks were financing numerous companies making the same high-technology goods that we do not allow to be exported to the Soviet bloc. It would be much easier for the Soviets to get such goods if their United States bank financed the company that made them. So this provision of our new bill is also needed and makes sense.

I am pleased to join Senator GARN and several other of my colleagues from both parties in sponsoring this legislation.●

By Mr. BAUCUS (for himself and Mr. DURENBERGER):

S. 787. A bill to require the Environmental Protection Agency to publish a more stringent ambient air quality standard for ozone, a 1-hour ambient aid quality standard for sulphur dioxide, and a fine particulate ambient air quality standard; to the Committee on Environment and Public Works.

AMBIENT AIR QUALITY STANDARD LEGISLATION

● Mr. BAUCUS. Mr. President, today Senator DURENBERGER and I are introducing legislation to require the Environmental Protection Agency to publish a more stringent ambient air quality standard for ozone, exposure both hourly and over 6-hour periods of time; a 1-hour standard for sulfur dioxide and a small particulate standard.

The basic purpose of the Clean Air Act is to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of its population.

To achieve this protection, the Environmental Protection Agency is required to issue air quality criteria for air pollutants which accurately reflect the latest scientific knowledge. Air quality criteria are to be useful in indicating the kind and extent of all identifiable effects on public health or welfare which may be expected from the presence of such pollutant in the ambient air.

Based upon these criteria, the Environmental Protection Agency is required by the act to establish national ambient air quality standards. The national primary ambient air quality adequate margin of safety protects public health. The Agency was then required to set secondary ambient air quality standards which would protect public welfare.

Congress, in requiring the Environmental Protection Agency to establish air quality criteria and set ambient air quality standards, recognized that over time additional research would challenge the appropriateness of these standards. The Agency would then need to revise the standards. The law provided for this review. Beginning in 1980 and then reoccurring at 5-year intervals, the Agency is required to undertake a review of air quality criteria and to make appropriate changes to the ambient standards.

The Environmental Protection Agency, while continuing the research, has found itself either unwilling or unable to complete a review of the criteria documents. More importantly, the Agency has not used these criteria documents updates to then change the standard. In other words, to ensure amibient air quality standards protect public health and welfare, based upon new research findings.

If the Environmental Protection Agency is to move forward and protect public health, congressional prodding must force the completion of these research reviews. The Agency is failing to carry out the basic intent of the Clean Air Act.

This legislation will require the Agency to complete this review. The Agency must then promulgate new standards. The criteria document for ozone and sulfur dioxide and small particulates must be revised in 3 months. Standards are then required to be revised based upon these criteria documents in 9 months. Failing to complete this review, the ozone standard shall be set at 0.08 ppm. In the case of sulfur dioxide should the Agency fail to complete its review, a 1-hour standard of 0.2 parts per million will take effect. While no fallback standard for a 6-hour ozone standard or small particulate standard is included in the legislation, the Agency is required to promulgate those standards in 9 months.

The existing ozone standard is not adequately protecting public health. The results of health research data available to the Agency indicates the standard needs to be tightened. Ozone is able to pass through the nasal passages and lodge deep in the lungs where cell damage and other harmful effects can occur. Human health effects have been demonstrated to be both consistent and reproducible.

Levels of ozone exposure of 0.7 ppm have been found to cause chest pain, coughs, decreased pulmonary functions, narrowing of the airways and an increase in sensitivity to the inhaled pollutants. Vigorous exercise leads to adverse health effects at much lower ozone concentrations in the 0.12-to-0.15-ppm range.

Epidemiological studies indicate that lung function tends to decrease as the ambient ozone concentration increased. These studies have demonstrated that at a constant level of exposure, lung decrement continues as a function of exposure time. Thus, unlike many of the other air pollutants which trigger a short-term reaction, in the case of ozone, lung damage continues throughout the length of exposure.

Particularly disturbing are results from a health study indicating that children exposed to ozone levels of 0.12 ppm for 4 days while attending day camp, experienced lung function changes that did not return to normal for 1 week after the exposure incident. Finally, it appears that in people with asthma, the rates of attack correlate with levels of ozone. The persistent nature of health effects caused by ozone calls for a 1-hour standard and a 6-hour standard to be set at a level which protects health with an adequate margin of safety.

Since 1982, health reasearch data has indicated that the 1-hour standard for sulfur dioxide is too lax. Health effects data indicated direct effects occurring at levels as low as 0.1 ppm.

During February of this year, the Clean Air Scientific Advisory Committee completed its review of the 1986 addendum to the 1982 staff paper on sulfur dioxide.

The Clean Air Advisory Scientific Committee found a majority of committee members believe that the effects reported in the clinical studies of asthmatics represent effects of significant public health concern.

It was the committee's conclusion that a large, consistent data base exists to document the bronchoconstructive response in mild to moderate asthmatics subjected in clinical chambers to short-term, low levels of sulfur dioxide while exercising. A majority of the committee found that the scientific evidence supporting the establishment of a new 1-hour standard is stronger than it was in 1983. There was strong but not unanimous support for a new 1-hour standard for sulfur dioxide exposures.

But whether or not a 1-hour sulfur dioxide standard will be promulgated by the Administrator is less than clear. The health data provided strong and convincing evidence in support of a tighter standard in 1982 but the Administrator failed to set one. Rather, the Agency opted for more study and no actions.

It is apparent, that for the Clean Air Act to get back on track and to once again begin to take steps to protect public health, Congress must mandate a review of the ambient standards.

Similar to sulfur dioxide and ozone, the Environmental Protection Agency has had a small particulate standard under review for quite some time. The Agency has set a timetable to move forward with this standard. The small particulate standard is included in this legislation to encourage EPA to complete its review of a small particulate standard. There is a clear need for a small particulate standard because small particulates are capable of setting deep into the lung. The CASAL review completed in July of last year reaffirmed the need for a small particulate standard.

Protection of people and the environment was the overriding reason for enacting the Clean Air Act in 1970. Criteria documents are the foundation of the act. These documents are as important today as they were when the law was passed. The legislation I am introducing today will insure that health research continue to form the basis in setting standards and that standards be set at a level to protect public health.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 787

"(3) Not later than nine months after the enactment of this subsection, the Administrator shall promulgate an additional national primary ambient air quality standard for photochemical oxidants (ozone) that is consistent with subsection (b) and that is based on concentrations over a rolling average period of not more than six hours, unless, based on the criteria issued under section 108(c), the Administrator finds that there is no significant evidence that such a standard for such a period is requisite to protect public health.

"(f)(1) Not later than three months after the enactment of this subsection, the Administrator shall publish revised air quality criteria for sulfur dioxide.

"(2) Not later than nine months after the enactment of this subsection, the Administrator shall promulgate a national primary ambient air quality standard for sulfur dioxide for a one hour period that is consistent with subsection (b) [and that is more stringent in effect than the national primary ambient air quality standard for sulfur dioxide in effect as of February 1, 1987]. In the event the Administrator fails to promulgate a national primary ambient air quality one hour standard for sulfur dioxide in accordance with this paragraph by the date nine months after the enactment of this subsection, on and after such date there shall be a national primary ambient air quality one hour standard for sulfur dioxide which shall be 0.2 parts per million of sulfur dioxide.

"(g)(1) Not later than three months after the enactment of this subsection, the Administrator shall publish revised air quality criteria for particulates.

"(2) Not later than nine months after the enactment of this subsection, the Administrator shall promulgate a national primary ambient air standard for fine particulates that is consistent with subsection (b) and that is more stringent than the national primary ambient air quality standard for particulates in effect as of February 1, 1987.".●

By Mr. BIDEN (for himself, Mr. DECONCINI, Mr. CHILES, Mr. BYRD, Mr. NUNN, Mr. LEAHY, Mr. KERRY, Mr. HEFLIN, Mr. METZENBAUM, Mr. MOYNIHAN, Mr. DODD, Mr. PRYOR, Mr. FORD, Ms. MIKULSKI, Mr. MELCHER, Mr. MATSUNAGA, Mr. BINGAMAN, Mr. ROCKEFELLER, Mr. SASSER, Mr. KENNEDY, Mr. LEVIN, Mr. PELL, Mr. SIMON, Mr. HOLLINGS, Mr. MITCHELL, Mr. GRAHAM, Mr. CRANSTON, Mr. INOUYE, Mr. FOWLER, and Mr. LAUTENBERG):

S. 789. A bill to provide the framework necessary to pursue a coordinated and effective national and international narcotics control policy; to the Committee on the Judiciary.

NATIONAL NARCOTICS LEADERSHIP ACT

● Mr. BIDEN. Mr. President, in the final days of the last session, Congress responded to what I consider the most pressing social problem facing this Nation: drug abuse. And while this legislation, the Anti-Drug Abuse Act of 1986, contained many important provisions—including tough new criminal penalties, more funds for drug law enforcement, and a nationwide commitment to education and treatment—it failed to provide one critical component: a framework for leadership.

Today, I am introducing legislation that we will soon consider in the Judiciary Committee that would place the responsibility for leading the Federal Government's struggle against drug trafficking and abuse with one Cabinet level official. This proposal, commonly referred to as the "drug czar," has been previously considered by both Houses of Congress and has passed by overwhelming majorities.

The need for action is clear. Yesterday, the Office of Technology Assessment released a comprehensive study of our interdiction efforts along the border. Among its major findings: First, responsibilities of the Federal drug interdiction agencies are fragmented and overlapping, and second, data on drug smuggling, the trafficking system and interdiction activities are inadequate for effective planning and management. In 1983, the General Accounting Office released a study calling for stronger central oversight in the Drug Control Program. I have recently asked GAO to update their review of the overall drug policy of the Federal Government by focusing on the National Drug Enforcement Policy Board, which is supposed to be the top-level office for drug policy. In a recent hearing I discussed this with the Attorney General who continues to argue that the Policy Board is making the tough decisions on our drug strategy. I disagree and one only needs to look at what happened yesterday.

In hearings before the Permanent Subcommittee on Investigations when Coast Guard Commandant Paul Yost and Customs Commissioner William von Raab bickered openly about which ageny was supreme in our Drug Interdiction Program. Right now, both agencies are conducting marine and air interdiction programs, often in conflicting directions. No official, not the Attorney General, not the President, no one has sat down and said "the Coast Guard is doing this, and the Customs Service is doing that." Let's face it, there's a finite amount of money that can be spent on drug control. The difficult decisions involve where to spend it and through which agencies. The hearings yesterday pointed out that no one is making these decisions in the interdiction area and as a result our drug control dollars are being wasted as agencies continue their petty turf battles and bureaucratic rivalries.

Or we can look at the broader issue of priorities, goals, and objectives in the Federal Drug Control Program. One only need to look at the President's budget proposal for fiscal year 1988 to see the problem.

For several years now we have recognized that rigorous law enforcement alone will not solve the drug problem. Despite the valiant efforts of police departments across this country, we have come to realize that we must also attack the demand side of the equation if we are to solve America's drug habit. The President, the Attorney General, and the Administrator of the Drug Enforcement Administration, have recognized this.

One would think, therefore, that the President's budget would reflect the priority we have attached to educating our children about drugs and treating those who have already fallen prey to the lure of narcotics.

Unfortunately, the budget reflects a full scale retreat from the commitment Congress signaled in the passage of the Anti-Drug Abuse Act last session. In the new budget, education and prevention programs have been slashed $200 million—a 40-percent reduction.

The question begs itself—why the disparity between our actions and our rhetoric?

I submit the answer lies in the fact that there is a vacuum in leadership in the struggle against drug abuse. Simply put, there is no single official in charge of the Federal struggle against drug trafficking and abuse in America. The budget is only the most recent example. Each agency head is only interested in pursuing their own narrow agenda. The Secretary of the Treasury oversees the Customs Service and the Internal Revenue Service, both of which play a major role in enforcing our Federal drug laws. Should we expect him to forego an increase in his budget to finance drug education initiatives? Of course not.

The fact is that there is no single person responsible for making these difficult decisions, not only in the budget process, but in all phases of the struggle against drugs. We all want to look like the tough guy against drugs. We want tough penalties and more DEA agents and more pushers going to prison. And who could argue with that? I can't. I have drafted laws to do just that.

But as I mentioned before, the answer does not lie in a blind devotion to drug law enforcement alone. The answer lies in education of our children and treating those who are addicted to drugs. The problem is that these initiatives are not very popular. Addicts are not a powerful constituency.

And that's precisely the point. That's where leadership comes into play. Treatment and education programs may not be popular, but that's what we need to do. And I submit, that if there was one person who Congress and the American people could hold responsible for stemming the tide of drug abuse in America that the President's budget would look a lot different in regard to drug control spending. Because 5 years down the road we could measure if this official had been successful. This official would have the incentive to implement effective programs, not just those that are politically popular.

The National Narcotics Leadership Act would provide a framework for effective leadership in this area.

This act would place the responsibility for leading the Federal Drug Control Program. Cabinet level status is essential if this person is to have the clout necessary to end the bureaucratic infighting and petty agency turf battles that consistently have undermined the Federal Drug Control Program.

This official would be responsible for developing and implementing the U.S. Government's policy with respect to illegal drugs. Specifically, this official would be responsible for developing a long-range national and International Drug Control Strategy—a blueprint for action for the Federal Government and this country to follow in our struggle against drug abuse—with our priorities explicitly spelled out. Along these lines, this official would have the responsibility to plan program budgets with respect to drug programs. This authority is necessary to avoid the very type of budget problems I have described previously.

And for the first time in the history of our efforts to control drug trafficking and abuse in this country—which date back over 100 years—one official would have the authority to coordinate both law enforcement and demand reduction programs.

This bill is substantially similar to past versions I have introduced in the Senate. In fact this legislation has passed the Senate on two separate occasions. Like the bills introduced in 1982-83, The National Narcotics Leadership Act would create a Cabinet level officer to coordinate and implement the Federal Drug Control Program. Unlike past versions, however, this bill also includes a crucial forfeiture provision that was included in the

Senate passed version of the Anti-Drug Abuse Act, but was dropped in the final informal conference with the House.

This provision would provide that the proceeds from all forfeiture actions, after the payment of agency expenses, would be channeled directly back to drug control initiatives, including both Federal and State/local initiatives and both demand reduction and law enforcement programs. In this way, every available resource would be marshaled in our struggle against drug abuse in America.

As I mentioned previously, this drug coordination proposal has passed the Senate on two separate occasions, most recently in 1983 on a vote of 63 to 33. Twice before the Members of this body have recognized the merit of this legislation and have cast their vote to send this bill to the President.

During the debate on this bill, several of my colleagues approached me and asked whether I thought this bill would really make a difference. They asked, "If the President hasn't supported this bill in the past, do you really think it will work." This is a very good question, and it shows the desire of my colleagues to seek effective approaches to the drug problem.

And my answer then was this: even with this mechanism, if the President doesn't vest this person with the political clout necessary to make the hard budget decisions and the difficult policy choices necessary to respond to the drug crisis, then it won't work. The President must demonstrate the political will to take on the bureaucracies to make our drug program work.

But without this mechanism, even if the President really wanted to achieve a comprehensive, long term strategy the existing structure would be insufficient. Each of my colleagues knows how entrenched the bureaucracy can become. Without some central, coordinating mechanism in place, with the statutory and political authority to do the job, each agency will continue to pursue its own narrow agenda, with little or no concern for the effectiveness of the overall program.

In sum, there is an acute lack of leadership in the Federal Drug Control Program. The National Narcotics Leadership Act would provide one-half of the answer to this problem. It would provide the statutory mechanism necessary to develop and implement a long term, comprehensive Drug Control Program.

The other half of the answer must come from outside Congress. The political authority must come directly from the President, so that one single official will have the authority to make the difficult budgetary and policy decisions that must be made. And, more importantly, the authority to see these decisions through.

I can assure my colleagues that this legislation will receive swift and thorough review in the Judiciary Committee and I am confident that you will once again see the merit of this legislation. But most of all, I hope the President will see the merit of this proposal as well.

I ask unanimous consent that the bill and accompanying articles be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 789

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Narcotics Leadership Act of 1987".

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—The Congress hereby makes the following findings:

(1) The flow of narcotics into the United States is a major and growing problem.

(2) The problem of illegal drug activity and drug abuse falls across the entire spectrum of Federal activities, both nationally and internationally.

(3) Illegal drug trafficking is estimated to be a $100,000,000,000 a year industry in the United States.

(4) The annual consumption of heroin in the United States remains in the range of four metric tons, sustaining one-half a million addicts, while cocaine consumption has increased sharply, with approximately five million to six million Americans using cocaine regularly.

(5) Drug abuse poses a threat to our most precious resource, our young people; with almost two-thirds of the graduating high school class of 1985 having used an illicit drug and 17 percent having used cocaine, the highest rate ever recorded since the survey has been taken.

(6) Such significant indicators of the drug problem as drug-related deaths, emergency room visits, hospital admissions due to drug-related incidents, and addiction rates are soaring.

(7) Increased drug trafficking is strongly linked to violent, addiction-related crime and studies have shown that over 90 per centum of heroin users rely upon criminal activity as a means of income.

(8) Much of the drug trafficking is handled by syndicates which results in increased violence and criminal activity because of the competitive struggle for control of the domestic drug market.

(9) Any effective solution to the Nation's drug problem must involve a comprehensive approach from all levels of government, combining rigorous law enforcement and supply reduction initiatives with efforts to reduce the demand for drugs through education, research, and treatment.

(10) The magnitude and scope of the problem requires a Director of National Drug Control Policy with the responsibility for the coordination and direction of all Federal efforts by the numerous agencies.

(11) Such a director must have broad authority and responsibility for making management, policy, and budgetary decisions with respect to all Federal agencies involved in attacking this problem so that a unified and efficient effort can be made to eliminate the illegal drug problem.

(b) Purpose.—It is the purpose of this Act to ensure—

(1) the development of a national policy with respect to drug abuse and control;

(2) proper direction and coordination of all Federal agencies involved in the effort to implement such a policy; and

(3) that a single, competent, and responsible high-level official of the United States Government, who is appointed by the President, by and with the advice and consent of the Senate, and who is accountable to the Congress and the American people, will be charged with the responsibility of coordinating the overall direction of United States policy, resources, and operations with respect to drug control and abuse.

SEC. 3. ESTABLISHMENT OF OFFICE.

(a) Establishment of Office.—There is established in the executive branch of the Government an office to be known as the "Office of the Director of National Drug Control Policy" (hereafter in this Act referred to as the "Office of the Director").

(b) Director and Deputy Directors.—(1) There shall be at the head of the Office of the Director, a Director of National Drug Control Policy (hereafter in this Act referred to as the "Director").

(2) There shall be two deputy directors of the Office of Director (hereafter in this Act referred to as the "Deputy Directors") as follows:

(A) A Deputy Director for Demand Reduction to be responsible for prevention, treatment, research, and private sector initiatives; and

(B) A Deputy Director for Drug Law Enforcement to be responsible for domestic drug law enforcement, border interdiction, and international narcotics control programs.

The Deputy Directors shall assist the Director in carrying out the Director's functions under this Act.

SEC. 4. APPOINTMENT AND DUTIES OF THE DIRECTOR AND DEPUTY DIRECTORS.

(a) Appointment.—(1) The Director and the Deputy Directors shall be appointed by the President, by and with the advice and consent of the Senate.

(2) The Director and the Deputy Directors shall each serve at the pleasure of the President. No person may serve as Director or a Deputy Director for a period of more than four years unless such person is reappointed to that same office by the President, by and with the advice and consent of the Senate. No person shall serve as Director or a Deputy Director while serving in any other position in the Federal Government.

(3) The Director shall be entitled to the compensation provided for in section 5312 of title 5, United States Code. The Deputy Directors shall be entitled to the compensation provided for in section 5314 of title 5, United States Code.

(b) Function of Director.—The Director shall serve as the principal director and coordinator of United States operations and policy on drug control and abuse.

(c) Responsibilities of Director.—The Director shall have the responsibility, and is authorized to—

(1) develop, review, implement, and enforce United States Government policy with respect to drug control and abuse;

(2) direct and coordinate all United States Government efforts to halt the importation, manufacture, distribution, and use of illicit drugs within the United States;

(3) direct and coordinate all United States Government efforts and programs to reduce

the demand for illicit drugs through education, prevention, research and treatment;

(4) develop in concert with other governmental entities budgetary priorities and budgetary allocations of entities of the United States Government with respect to drug control and abuse;

(5) prepare a National and International Drug Control Strategy as provided in section 5; and

(6) coordinate the collection and dissemination of information necessary to implement United States policy with respect to drug control and abuse.

(d) POWERS OF DIRECTOR.—In carrying out his responsibilities under subsection (c) the Director is authorized to—

(1) direct, with the concurrence of the Secretary or Director of the Cabinet level agency employing such personnel, the temporary reassignment of Government personnel within the United States Government in order to implement United States policy with respect to drug control and abuse;

(2) procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for the grade of GS-18 of the General Schedule;

(3) accept and use donations of property from all Government agencies; and

(4) use the mails in the same manner as any other department or agency of the Executive Branch.

(e) AUTHORITY OF DIRECTOR.—Notwithstanding any other provision of law, the Director shall have the authority to direct each department or agency with responsibility for drug control to carry out the policies established by the Director consistent with the general authority of each agency or department.

(f) INTELLIGENCE AUTHORITY.—Notwithstanding any other provision of law, the Director shall undertake no activities inconsistent with the authorities and responsibilities of the Director of Central Intelligence under the provisions of the National Security Act of 1947, as amended, or Executive Order 12333.

(g) GENERAL SERVICES ADMINISTRATION SUPPORT.—The Administrator of General Services shall provide to the Director on a reimbursable basis such administrative support services as the Director may request.

SEC. 5. PREPARATION AND SUBMISSION OF NATIONAL AND INTERNATIONAL DRUG CONTROL STRATEGY

(a) DEVELOPMENT AND SUBMISSION OF THE DRUG STRATEGY.—(1) The Director shall submit to the Congress, within 180 days after the date of enactment of this Act, and on February 1st of each year thereafter, a full and complete National and International Drug Control Strategy (hereafter in this section referred to as the "Drug Control Strategy"). If necessary, sections of the Drug Control Strategy that involve classified information may be presented to Congress in closed proceedings.

(2) The Drug Control Strategy shall be a forward looking blueprint for the Federal Government and the Nation to follow in reducing drug abuse, and shall contain projections for program and budget priorities and realistic and achievable projections for drug seizures, availability, purity, and drug usage for the next five years.

(3) Commencing with the second report, the Drug Control Strategy shall include a full and complete report reflecting accomplishments with respect to the United States policy and priorities in the previous year.

(b) GOALS AND PRIORITIES.—The Drug Control Strategy developed pursuant to subsection (a) shall include a full and complete list of goals and priorities in the areas of—

(1) international narcotics control;

(2) domestic and border drug law enforcement;

(3) reducing the demand for drugs, through education, prevention, treatment, and research; and

(4) cooperative efforts between the Federal and State and local governments in the area of drug control.

In addition, the Drug Control Strategy shall contain a full and complete assessment of how the budget priorities developed pursuant to subsection (a) reflect and implement the Federal drug control strategy.

SEC. 6. TERMINATION OF THE NATIONAL DRUG ENFORCEMENT POLICY BOARD.

(a) TERMINATION.—The National Drug Enforcement Policy Board is terminated 90 days after the appointment of the Director. Upon such termination, all records and property of the National Drug Enforcement Policy Board shall be transferred to the Office of the Director. The Director of the Office of Management and Budget shall take such actions as are necessary to facilitate such transfer.

(b) REPEAL.—(1) Chapter XIII of title II of the Comprehensive Crime Control Act of 1984 (Public Law 98-473) is repealed.

(2) Sections 103, 201, 202, 203, 204, and 206 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act (21 U.S.C. 1103, 1111, 1112, 1113, 1114, and 1116) are repealed. Section 205 of such Act is redesignated as section 201.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

For the purpose of carrying out this Act, there are authorized to be appropriated $1,000,000 for fiscal year 1988, and such sums as may be necessary for each of the four succeeding fiscal years, to be available until expended.

SEC. 8. ESTABLISHMENT OF SPECIAL FORFEITURE FUND.

(a) ESTABLISHMENT OF SPECIAL FORFEITURE FUND.—(1) There is established in the Treasury of the United States a fund that shall be known as the Special Forfeiture Fund (hereinafter referred to in this subsection as the "fund"). The fund shall be available without fiscal year limitation in such amounts as may be specified in appropriations Acts for the following purposes:

(A) Federal drug law enforcement agencies and programs;

(B) Federal drug abuse agencies and programs relating to drug abuse education, prevention, treatment, and research;

(C) State and local law enforcement agencies for drug law enforcement; and

(D) State, local, and nonprofit agencies with responsibilities for drug abuse education, prevention, treatment, and research.

(2) There shall be deposited in the fund all unobligated amounts remaining at the end of each fiscal year from the Department of Justice Assets Forfeiture Fund (28 U.S.C. 524(c)) and from the Customs Forfeiture Fund (19 U.S.C. 1613a), except that an amount not to exceed $10,000,000 may be carried forward and available for appropriation in the next fiscal year in the Department of Justice Assets Forfeiture Fund and the Customs Forfeiture Fund.

(3) Amounts in the fund which are not currently needed for the purposes of this subsection shall be kept on deposit or invested in obligations of, or guaranteed by, the United States.

(4) The President shall submit, as part of the Budget, a separate and detailed request for the use of the amounts in the fund. This request shall reflect the priorities of the Federal Government's National and International Drug Control Strategy. Not less than 10 per centum of the funds disbursed under this subsection shall be distributed for each of the subparagraphs of paragraph (1). The disbursement of funds pursuant to subparagraph (C) of paragraph (1) shall be administered through the Bureau of Justice Assistance.

(5) Funds disbursed under this subsection shall not be used to supplant existing funds, but shall be used to supplement the amount of funds that would be otherwise available.

(6) The President shall submit to both Houses of Congress, not later than four months after the end of each fiscal year, a detailed report on the amounts deposited in the fund and a description of expenditures made under this subsection.

(b) DEPARTMENT OF JUSTICE FUND.—Section 524(c) of title 28, United States Code, is amended by—

(1) redesignating clause (8) as clause (9); and

(2) inserting after clause (7) the following:

"(8) For fiscal years 1988, 1989, 1990, 1991, and 1992, there are authorized to be appropriated $75,000,000 for the purposes described in paragraph (1). At the end of each fiscal year, any unobligated amounts in the fund shall be deposited in the Special Forfeiture Fund (as established by section 8 of the National Narcotics Leadership Act of 1987), except that an amount not to exceed $10,000,000 may be carried forward and available for appropriation in the next fiscal year.".

(c) CUSTOMS FUND.—Section 613a of the Tariff Act of 1930 (19 U.S.C. 1613a) is amended by adding at the end thereof the following:

"(h) For fiscal years 1988, 1989, 1990, 1991, and 1992 there are authorized to be appropriated $75,000,000 for the purposes described in subsection (a) of this section. At the end of each fiscal year, any unobligated amounts in the fund shall be deposited in the Special Forfeiture Fund (as established by section 8 of the National Narcotics Leadership Act of 1987), except that an amount not to exceed $10,000,000 may be carried forward and available for appropriation in the next fiscal year.".

SEC. 9. COORDINATED BUDGET SUBMISSION FOR FEDERAL DRUG CONTROL AND ENFORCEMENT AGENCIES.

Section 1105(a) of title 31, United States Code, is amended by adding at the end thereof the following:

"(26) a detailed request, in consultation with the Director for National Drug Control Policy, for Federal agencies responsible for drug abuse prevention and treatment and drug law enforcement.".

SEC. 10. EFFECTIVE DATE.

This Act and the amendments made by this Act shall be effective 90 days after the date of enactment of this Act.

THE VERY FIRST SECRETARY

(By A.M. Rosenthal)

Here is a question for Messers. Dole, Bush, Hart, Bumpers, Kemp, Gephardt, Du Pont, Dukakis, and all others who are dreaming the big dream:

Would you please give us the name of the person you would appoint as the First Cabinet Secretary for Narcotics Control? And while you are at it kindly give us an idea of how much money you will ask Congress for to fund the new department, what scope it will have, and what objectives you will set for the United States effort against drugs, at home and abroad, during each year of your first administration.

Also, please discuss this during the primary campaigns in specifics instead of telling us you will study it hard and let us know after the convention. Thank you.

No President has seen fit to create a department and Secretary to pull together all the Federal agencies, all the Federal programs and all the federally funded local programs and let people know what is going on at home and abroad in the fight against the drug disease. That is because our governments and the nation never really committed themselves to the "war" against drugs.

No war can be fought without a commander, a command staff, a strategy and the enlistment of the public.

The new Secretary must be somebody of national stature. For one thing, somebody strong enough to take over or direct—not just "coordinate"—anti-narcotics work now scattered among the departments of State, Treasury, Justice, Defense, Health, Education, and who knows where else.

But the real job will be to make the public feel that the fight against drugs is their responsibility, not something left to Washington or City Hall. That means giving the citizens the information they need. The bad news as well as the comforting items about seizures of drug shipments that sound so impressive but are such a pitifully tiny part of what is coming into the country.

The new Secretary will take it as part of the job to let the American public know, regularly and often, which countries abroad are not doing all they should or could to fight drug production and transportation. He will tell the truth about the commercial, military or diplomatic interests of the United States that block available legal action to cut economic aid to countries that are not working fully to fight drug production.

Then Americans can let themselves be heard as to whether they agree or not.

The Secretary will describe to the American people the full arsenal of weapons we could use if we really put a high priority on fighting drugs. Almost nobody talks about this except in the private conversations of the professional drug fighters and they are running out of hope the Government will act: economic boycott, forbidding air traffic from or to our airports, naval blockade. And the Secretary will tell Americans and the world exactly what it will take to get us mad enough—or scared enough—to take action.

The new member of the cabinet will figure out exactly what it takes to fight effectively at home: how much money is needed for hospitals, halfway houses, research, for criminal investigation, prisons, courts.

Then she or he will tell us what the total will be and go out and fight for it. It may mean more taxes. The total drug budget for 1988 is about $3 billion, which is less than three-tenths of 1 percent of the total budget.

He or she will use every bit of armtwisting, organized lobbying and political clout normally reserved for such things as military spending, welfare, farm subsidies. The Secretary will use them to pressure Congress. Even more important, the Secretary will pressure the public and engage with it by telling the truth, often and in detail, so that there is no hiding place for any of us.

Who will do it? Lee Iacocca, Jesse Jackson, Elizabeth Dole, Mario Cuomo, Jeane Kirkpatrick, Jimmy and/or Rosalynn Carter, Edward Kennedy, Bill Bradley, Charles Rangel, Howard Baker. Or another man or woman of renown, self-confidence, passion and talent willing to give up present career and devote total energy to fighting everything that blocks the effort, including the President who made the appointment if that has to be. Send your suggestion for the Secretary to all candidates.

Someday the First Secretary will be appointed, invested with wide authority and armed with funds and a mandate of accountability to the American people. When that day comes we will have put our treasury and our hearts where our mouth is now. The war against drugs will at last commence.

Isn't there time to take that first step yourself, Mr. Reagan?

A CLASH ON PRIMACY IN WAR ON DRUGS

(By Mary Thornton)

Officials from the U.S. Customs Service and the Coast Guard clashed yesterday over which agency should have greater authority in the air and sea war against narcotics trafficking.

The dispute occurred at a hearing before the Senate permanent subcommittee on investigations that focused on the growing supply of cocaine and other illegal drugs in the United States and the reported lack of coordination among the agencies involved in enforcement.

Adm. Paul A. Yost, commandant of the Coast Guard, said he thinks the Coast Guard should have command of the drug interdiction effort in all areas "over, on and under seas." He said Customs' authority should begin at the land border and that Customs' personnel and equipment assigned to air interdiction duties should be put under the command of the Coast Guard.

But Customs Commissioner William von Raab said he believes that Customs has primary authority not only in air interdiction but also in sea interdiction within three miles of the U.S. shoreline. He added that Customs shares jurisdiction with the Coast Guard in a sea zone that stretches from three to 12 miles offshore. (The federal Drug Enforcement Administration has the lead in most drug investigations within U.S. borders or in cooperation with foreign countries.)

Von Raab expressed amazement at Yost's contention that the Coast Guard is the lead agency in air enforcement, since Customs has a fleet of more than 90 operating aircraft designated for that purpose, while the Coast Guard has only two that it obtained late last year.

Frank Ault, a retired Navy captain who recently worked as a consultant for Customs, charged that Customs is "miscast" in its role as the lead agency in the tactical war by air and sea to intercept and capture drug traffickers. He said that Customs is trying to "act like military guys."

Ault recommended that the military take charge of the tactical war on drugs and said that the Coast Guard would be most appropriate "because they're going to be out there 24 hours a day anyway" for sea rescue and fisheries operations.

Von Raab argued that it is wrong to suggest that "we should handle [drug interdiction] like an attack on an aircraft carrier. . . . The purpose is not to destroy the target but to arrest the target and then prosecute the individuals in the aircraft."

Meanwhile, Sen. Lawton Chiles (D-Fla.) reminded Ault that the military historically has refused to become involved in the war on drugs despite requests by Congress. "The military would not do anything in drug interdiction. . . . We tried to lead the military dragging and kicking into the war on drugs."

Yost said that the Coast Guard is ready to assume a primary role in the drug war and would welcome becoming the recipient of any military funds or equipment transferred to drug enforcement.

Meanwhile, von Raab and Yost said they resolved one interagency battle this week by agreeing to share command of a new "command, control, communications and intelligence" center being set up by Customs in south Florida with funding provided to Customs in the Anti-Drug Abuse Act approved by Congress last fall. Customs and the Coast Guard will trade the command position every two years.

Subcommittee Chairman Sam Nunn (D-Ga.) complained that jurisdictional disputes like this one give the impression that the National Drug Enforcement Policy Board, headed by Attorney General Edwin Meese III, "is not doing its job. . . . We've got a vacuum [there]."

Yost agreed: "We do need somebody who's going to kick rear end and name names."●

By Mr. DECONCINI. (for himself and Mr. HATCH):

S. 791. A bill to amend the copyright law, title 17 of the United States Code, to provide for protection of industrial designs of useful articles; to the Committee on the Judiciary.

INDUSTRIAL INNOVATION AND TECHNOLOGY ACT

● Mr. DECONCINI. Mr. President, today Senator HATCH and I are introducing legislation that offers important new safeguards for industrial innovations. This legislation is long overdue and extends to U.S. manufacturers the same type of intellectual property protection that is offered by our major trading partners.

There is a great deal of talk in the Halls of Congress these days about making U.S. industry more competitive in this interdependent economic world. This is a laudable goal and there are many ways to achieve it. Business must undertake its own efforts to bring its costs in line with foreign competition. But Government has a role too. And in the particular area where I offer legislation today, only Government can help.

I say that because only the Federal Government can revise our intellectual property laws to provide a measure of protection for technological innovations. Our patent laws have to a large extent not kept pace with the rapid increase in technological advancement the last several decades. Nor has the law kept pace with the extensive copying that is taking place throughout the world. It has been estimated that U.S. manufacturers lose as much as $20 billion a year because of pirated designs. This translates into a loss of

American jobs and a disincentive to companies to invest in new product development.

Who is affected by this industrial piracy? Unfortunately, the answer to that question is that a broad range of American businesses and their employees—usually those within their industries which are contributing most to keeping this country productive and competitive—are losing out to copyists. The disadvantaged industries include manufacturers of: trucks, sporting goods, construction equipment, luggage, furniture, automobiles, hardware and power tools.

U.S. manufacturers have little legal protection from those who copy their ideas and products because our present system rarely proves adequate. For an industrial design to be protected under our current copyright law, the artistic features of the article must be capable of an independent existence apart from the overall shape of the article to which the artistic features are applied. And to be eligible for a patent under our current patent law, a designer or manufacturer must be able to prove that the design is unobvious from the viewpoint of the ordinary designer. While an improved design for an existing product may differ from the original, it may not be different enough to meet these high standards. As a result, at least two-thirds of the design patents which are litigated prove unenforceable in court.

What is the track record? The U.S. Patent and Trademark Office issues about 3000 design patents a year. As I mentioned, as many as two-thirds of these are ultimately overturned. In Japan, by contrast, over 30,000 design registrations are issued each year. Over 60,000 are issued in West Germany. Other industrial countries like the United Kingdom and France issue similar high numbers of design registrations.

I believe it is time for the United States to acknowledge that we must update and modernize our intellectual property laws. If Congress is inattentive to this problem, not only will we continue to penalize our designers and to stifle innovation, we will continue to lose jobs to the commercial copyists of the marketplace who appropriate for their own profit, without any cost to themselves, the works of American innovators.

My legislation would amend the copyright law and provide a 10-year form of protection for industrial designs that are original and distinctive. The international standard is generally 15 years so we are not overextending our coverage by any means. Furthermore, the protection would not extend to designs which are commonplace, which are dictated by the utilitarian function of the article that embodies the design, or which differ from prevailing designs only in insignificant detail. Designers and manufacturers would file for design protection with the Registrar of Copyrights. This protection would enable proprietors of the design to prevent unauthorized imitation of their products. Disputes would be handled in the courts. But with the new standards as set out in this bill, there should be a sharp drop in the number of suits and of registrations that are not upheld.

Mr. President, my Subcommittee on Patents, Copyrights and Trademarks held preliminary hearings a month ago on this and other intellectual property issues. We heard from a number of witnesses who support a new industrial design registration for the reasons I have outlined. Similar legislation has been introduced in the House by a bipartisan group of Congressmen. However, I understand that there are some concerns about the application of this legislation, particularly in the area of automobile crash parts. I plan to hold a hearing on this specific legislation March 26 at which time we will have the opportunity to address these concerns. As we begin this process, I am eager to work with interested parties and hear their suggestions on how we might further define the boundaries of this new form of protection.

Let us pass this bill during this session of Congress and bring our intellectual property laws up-to-date. It may be one of the most sensible things Congress can do this year to make a more level playing field.

Mr. President, I ask unanimous consent that the text of this bill be printed, in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 791

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Industrial Innovation and Technology Act of 1987".

INDUSTRIAL DESIGNS

SEC. 2. (a) Title 17, United States Code, is amended by adding at the end thereof the following new chapter:

"CHAPTER 10—PROTECTION OF INDUSTRIAL DESIGNS OF USEFUL ARTICLES

"Sec.
"1001. Designs protected.
"1002. Designs not subject to protection.
"1003. Revision, adaptations, and rearrangements.
"1004. Commencement of protection.
"1005. Term of protection.
"1006. The design notice.
"1007. Effect of omission of notice.
"1008. Infringement.
"1009. Application for registration.
"1010. Benefit of earlier filing date in foreign country.
"1011. Oaths and acknowledgments.
"1012. Examination of application and issue or refusal of registration.
"1013. Certification of registration.
"1014. Publication of announcements and indexes.
"1015. Fees.
"1016. Regulations.
"1017. Copies of records.
"1018. Correction of errors in certificates.
"1019. Ownership and transfer.
"1020. Remedy for infringement.
"1021. Injunction.
"1022. Recovery for infringement.
"1023. Power of court over registration.
"1024. Liability for action on registration fraudulently obtained.
"1025. Penalty for false marking.
"1026. Penalty for false representation.
"1027. Relation to copyright law.
"1028. Relation to patent law.
"1029. Common law and other rights unaffected.
"1030. Administrator.

"DESIGNS PROTECTED

"SEC. 1001. (a) The author or other proprietor of an original design of a useful article, which design is intended to make the article attractive or distinct in appearance to the purchasing or using public, may secure the protection provided by this chapter upon complying with and subject to the provisions hereof.

"(b) For the purposes of this chapter—

"(1) a 'useful article' is an article which in normal use has an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information. An article which normally is a part of a useful article shall be deemed to be a useful article.

"(2) the 'design of a useful article', hereinafter referred to as a 'design', consists of those aspects or elements of the article, including its two-dimensional or three-dimensional features of shape and surface, which make up the appearance of the article. The design must be fixed in a useful article to be protectable under this chapter;

"(3) a design is 'original' if it is the independent creation of an author who did not copy it from another source;

"(4) typeface consists of a set of letters, numbers, or other symbolic characters, whose forms are related by repeating design elements consistently applied in a notational system; and

"(5) 'typeface' is a design subject to protection under this chapter when the repeating design elements in the combinations employed in a notational system are (A) original, (B) attractive or distinct, and (C) incorporated in a useful article whose normal use is in composing text or other cognizable combination of characters.

"DESIGNS NOT SUBJECT TO PROTECTION

"SEC. 1002. (a) Protection under this chapter shall not be available for a design that is—

"(1) not original;

"(2) staple or commonplace, such as a standard geometric figure, familiar symbol, emblem, or motif, or other shape, pattern, or configuration which has become common, prevalent, or ordinary;

"(3) different from a design excluded by paragraph (2) only in insignificant details or in elements which are variants commonly used in the relevant trades;

"(4) dictated solely by a utilitarian function of the article that embodies it;

"(5) composed of three-dimensional features of shape and surface with respect to men's, women's, and children's apparel, including undergarments and outerwear; or

"(6) a semiconductor chip product which is protected under chapter 9 of this title.

"(b) In no case does protection for a design under this chapter extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such design.

"REVISIONS, ADAPTATIONS, AND REARRANGEMENTS

"SEC. 1003. Protection for a design under this chapter shall be available notwithstanding the employment in the design of subject matter excluded from protection under section 1002(a) (2) through (4), if the design is a substantial revision, adaptation, or rearrangement of such subject matter. Such protection shall be independent of any subsisting protection in subject matter employed in the design, and shall not be construed as securing any right to subject matter excluded from protection or as extending any subsisting protection.

"COMMENCEMENT OF PROTECTION

"SEC. 1004. The protection provided for a design under this chapter shall commence upon the date of publication of the registration pursuant to section 1012(a) or the date the design is first made public as defined by section 1009(b), whichever occurs first.

"TERM OF PROTECTION

"SEC. 1005. (a) Subject to subsection (b) and the provisions of this chapter, the protection herein provided for a design shall continue for a term of ten years from the date of the commencement of protection as provided in section 1004.

"(b) All terms of protection provided in this section shall run to the end of the calendar year in which they would otherwise expire.

"(c) Upon expiration or termination of protection in a particular design, as provided in this chapter, all rights under this chapter in such design shall terminate, regardless of the number of different articles in which the design may have been utilized during the term of its protection.

"THE DESIGN NOTICE

"SEC. 1006. (a) Whenever any design for which protection is sought under this chapter is made public as provided in section 1009(b), the proprietor shall, subject to the provisions of section 1007, mark it or have it marked legibly with a design notice consisting of the following three elements:

"(1) the words 'Protected Design', the abbreviation 'Prot'd Des.', or the letter 'D' within a circle thus D or the symbol *D*;

"(2) the year of the date on which protection for the design commenced; and

"(3) the name of the proprietor, an abbreviation by which the name can be recognized, or a generally accepted alternative designation of the proprietor; any distinctive identification of the proprietor may be used if it has been approved and recorded by the Administrator before the design marked with such identification is registered.

After registration the registration number may be used instead of the elements specified in paragraphs (2) and (3).

"(b) The notice shall be so located and applied as to give reasonable notice of design protection while the useful article embodying the design is passing through its normal channels of commerce. This requirement may be fulfilled, in the case of sheetlike or strip materials bearing repetitive or continuous designs, by application of the notice to each repetition, or to the margin, selvage, or reverse side of the material at reasonably frequent intervals, or to tags or labels affixed to the material at such intervals.

"(c) When the proprietor of a design has complied with the provisions of this section, protection under this chapter shall not be affected by the removal, destruction, or obliteration by others of the design notice on an article.

"EFFECT OF OMISSION OF NOTICE

"SEC. 1007. The omission of the notice prescribed in section 1006 shall not cause loss of the protection or prevent recovery for infringement against any person who, after written notice of the design protection, begins an undertaking leading to infringement, except that such omission shall prevent any recovery under section 1022 against a person who began an undertaking leading to infringement before receiving written notice, and without knowledge of the design protection, and no injunction shall be had unless the proprietor of the design shall reimburse such person for any reasonable expenditure or contractual obligation in connection with such undertaking incurred before written notice of design protection, as the court in its discretion shall direct. The burden of providing written notice shall be on the proprietor.

"INFRINGEMENT

"SEC. 1008. (a) It shall be infringement of a design protection under this chapter for any person, without the consent of the proprietor of the design, within the United States or its territories or possessions and during the term of such protection, to—

"(1) make, have made, or import, for sale or for use in trade, any infringing article as defined in subsection (d) hereof; or

"(2) sell or distribute for sale or for use in trade any such infringement article, except that a seller or distributor of any such article who did not make or import such article shall be deemed to be an infringer only if—

"(i) he induced or acted in collusion with a manufacturer to make, or an importer to import such article (merely purchasing or giving an order to purchase in the ordinary course of business shall not of itself constitute such inducement or collusion); or

"(ii) he refuses or fails upon the request of the proprietor of the design to make a prompt and full disclosure of his source of such article, and he orders or reorders such article after having received notice by registered or certified mail of the protection subsisting in the design.

"(b) It shall not be infringement to make, have made, import, sell, or distribute, any article embodying a design created without knowledge of, and copying from, a protected design.

"(c) A person who incorporates into his own product of manufacture an infringing article acquired from others in the ordinary course of business, or who, without knowledge of the protected design, makes or processes an infringing article for the account of another person in the ordinary course of business, shall not be deemed an infringer except under the conditions of clauses (i) and (ii) of paragraph (a)(2) of this section. Accepting an order or reorder from the source of the infringing article shall be deemed ordering or reordering within the meaning of clause (ii) of paragraph (a)(2) of this section.

"(d) An 'infringing article' as used herein is any article, the design of which has been copied from the protected design, without the consent of the proprietor, except that an illustration or picture of a protected design in an advertisement, book, periodical, newspaper, photograph, broadcast, motion picture, or similar medium shall not be deemed to be an infringing article. An article is not an infringing article if it embodies, in common with the protected design, only elements described in paragraphs (1) through (4) of section 1002(a).

"(e) The party alleging rights in a design in any action or proceeding shall have the burden of affirmatively establishing its originality whenever the opposing party introduces an earlier work which is identical to such design, or so similar as to make a prima facie showing that such design was copied from such work.

"(f) It is not an infringement of the exclusive rights of a design owner for a person to reproduce the design in a useful article or in any other form solely for the purpose of teaching, analyzing, or evaluating the appearance, concepts, or techniques embodied in the design, or the function of the useful article embodying the design.

"APPLICATION FOR REGISTRATION

"SEC. 1009. (a) Protection under this chapter shall be lost if application for registration of the design is not made within one year after the date on which the design was first made public.

"(b) A design is made public when, by the proprietor of the design or with his consent, an existing useful article embodying the design is anywhere publicly exhibited, publicly distributed, or offered for sale or sold to the public.

"(c) Application for registration may be made by the proprietor of the design.

"(d) The application for registration shall be made to the Administrator and shall state (1) the name and address of the author or authors of the design; (2) the name and address of the proprietor if different from the author; (3) the specific name of the article, indicating its utility; (4) the date, if any, that the design was first made public, if such date was earlier than the date of application; (5) affirmation that the design has been fixed in a useful article; and (6) such other information as may be required by the Administrator. The application for registration may include a description setting forth the salient features of the design, but the absence of such a description shall not prevent registration under this chapter.

"(e) The application for registration shall be accompanied by a statement under oath by the applicant or his duly authorized agent or representative, setting forth that, to the best of his knowledge and belief (1) the design is original and was created by the author or authors named in the application; (2) the design has not previously been registered on behalf of the applicant or his predecessor in title; and (3) the applicant is the person entitled to protection and to registration under this chapter. If the design has been made public with the design notice prescribed in section 1006, the statement shall also describe the exact form and position of the design notice.

"(f) Error in any statement or assertion as to the utility of the article named in the application, the design of which is sought to be registered shall not affect the protection secured under this chapter.

"(g) Errors in omitting a joint author or in naming an alleged joint author shall not affect the validity of the registration, or the actual ownership or the protection of the design if it is shown that the error occurred without deceptive intent. Where the design was made within the regular scope of the author's employment and individual authorship of the design is difficult or impossible to ascribe and the application so states, the name and address of the employer for whom the design was made may be stated instead of that of the individual author.

"(h) The application for registration shall be accompanied by two copies of a drawing or other pictorial representation of the useful article having one or more views, adequate to show the design, in a form and style suitable for reproduction, which shall be deemed a part of the application.

"(i) Where the distinguishing elements of a design are in substantially the same form in a number of different useful articles, the design shall be protected as to all such articles when protected as to one of them, but not more than one registration shall be required.

"(j) More than one design may be included in the same application under such conditions as may be prescribed by the Administrator. For each design included in an application the fee prescribed for a single design shall be paid.

"BENEFIT OF EARLIER FILING DATE IN FOREIGN COUNTRY

"SEC. 1010. An application for registration of a design filed by any person or his assignees who has previously duly filed an application for registration of the same design in a foreign country shall have the same effect as if filed in the United States on the same date on which the application was first filed in any such foreign country, if—

(1) such foreign country affords similar privileges in the case of an application filed in the United States or to citizens of the United States, and

(2) such application in the United States is filed within six months after the earliest date on which any such foreign application was filed.

"OATHS AND ACKNOWLEDGMENTS

"SEC. 1011. (a) Oaths and acknowledgments required by this chapter may be made before—

"(1) any person in the United States authorized by law to administer oaths,

"(2) any diplomatic or consular officer of the United States authorized to administer oaths when made in a foreign country, or

"(3) any official authorized to administer oaths in the foreign country concerned, whose authority shall be proved by a certificate of a diplomatic or consular officer of the United States, and shall be valid if it complies with the laws of the State or country where made.

"(b) The Administrator may, by rule, prescribe that any document to be filed in the Office of the Administrator which is required by any law, rule, or other regulation to be under oath, may be subscribed to by a written declaration. Such declaration shall be in such form as the Administrator may prescribe and shall be in lieu of the oath otherwise required.

"(c) Whenever a written declaration, as permitted in subsection (b), is used, the document must warn the declarant that willful false statements and the like are punishable by fine or imprisonment, or both, pursuant to section 1001 of title 18, and may jeopardize the validity of the application, document, or a registration resulting therefrom.

"EXAMINATION OF APPLICATION AND ISSUE OR REFUSAL OF REGISTRATION

"SEC. 1012. (a) Upon the filing of an application for registration in proper form as provided in section 1009, and upon payment of the fee provided in section 1015, the Administrator shall determine whether or not the application relates to a design which on its face appears to be subject to protection under this chapter, and if so the Administrator shall register the design. Registration under this subsection shall be announced by publication. The date of registration shall be the date of publication.

"(b) If, in the judgment of the Administrator, the application for registration relates to a design which on its face is not subject to protection under this chapter, the Administrator shall send the applicant a notice of refusal to register and the grounds therefor. The applicant shall have three months after the notice of referral is sent to request, in writing, reconsideration of his application. After consideration of such a request, the Administrator shall either register the design or send the applicant a notice of final refusal to register.

"(c) Any person who believes he is or will be damaged by a registration under this chapter may, upon payment of the prescribed fee, apply to the Administrator at any time to cancel the registration on the ground that the design is not subject to protection under the provisions of this chapter, stating the reasons therefor. Upon receipt of an application for cancellation, the Administrator shall send the proprietor of the design, as shown in the records of the Office of the Administrator, a notice of such application, and the proprietor shall have a period of three months after the date such notice was mailed to present arguments in support of the validity of the registration. It shall also be within the authority of the Administrator to establish conditions, by regulation, under which the opposing parties may appear and be heard in support of their arguments. If, after the periods provided for the presentation of arguments have expired, the Administrator determines that the applicant for cancellation has established that the design is not subject to protection under the provisions of this chapter, he shall order the registration stricken from the record. Cancellation under this subsection shall be announced by publication, and notice of the Administrator's final determination with respect to any application for cancellation shall be sent to the applicant and to the proprietor of record.

"(d) When a design has been registered under this section, the lack of utility of any article in which it has been embodied shall be no defense to an infringement action under section 1020, and no ground for cancellation under subsection (c) of this section or under section 1023.

"CERTIFICATION OF REGISTRATION

"SEC. 1013. Certificates of registration shall be issued in the name of the United States under the seal of the Office of the Administrator and shall be recorded in the official records of such Office. The certificate shall—

"(1) state the name of the useful article,

"(2) state the date of filing of the application,

"(3) state the date of registration,

"(4) state the date the design was made public, if such date the design was made public was earlier than the date of filing of the application, and

"(5) contain a reproduction of the drawing or other pictorial representation showing the design.

Where a description of the salient features of the design appears in the application, such description shall also appear in the certificate. A certificate of registration shall be admitted in any court as prima facie evidence of the facts stated therein.

"PUBLICATION OF ANNOUNCEMENTS AND INDEXES

"SEC. 1014. (a) The Administrator shall publish lists and indexes of registered designs and cancellations thereof and may also publish the drawings or other pictorial representations of registered designs for sale or other distribution.

"(b) The Administrator shall establish and maintain a file of the drawings or other pictorial representations of registered designs, which file shall be available for use by the public under such conditions as the Administrator may prescribe.

"FEES

"SEC. 1015. (a) There shall be paid to the Administrator the following fees:

"(1) On filing each application for registration or for renewal of registration of a design, $15.

"(2) For each additional related article included in one application, $15.

"(3) For recording an assignment, $3 for the first six pages, and for each additional two pages or less, $1.

"(4) For a certificate of correction of an error not the fault of the Office, $10.

"(5) For a certification of copies of records, $1.

"(6) On filing each application for cancellation of a registration, $15.

"(b) The Administrator may establish charges for materials or services furnished by the Office, not specified in this section which are reasonably related to the cost thereof.

"REGULATIONS

"SEC. 1016. The Administrator may establish regulations, not inconsistent with law, for the administration of this chapter.

"COPIES OF RECORDS

"SEC. 1017. Upon payment of the prescribed fee, any person may obtain a certified copy of any official record of the Office of the Administrator, which copy shall be admissible in evidence with the same effect as the original.

"CORRECTION OF ERRORS IN CERTIFICATES

"SEC. 1018. The Administrator may correct any error in a registration incurred through the fault of the Office, or, upon payment of the required fee, any error of a clerical or typographical nature not the fault of the Office, occurring in good faith, by a certificate of correction under seal. Such registration, together with the certificate, shall thereafter have the same effect as if the same had been originally issued in such corrected form.

"OWNERSHIP AND TRANSFER

"SEC. 1019. (a) The property right in a design subject to protection under this chapter shall vest in the author, the legal representatives of a deceased author or of one under legal incapacity, the employer for whom the author created the design in the case of a design made within the regular scope of the author's employment, or a person to whom the rights of the author or of such employer have been transferred. The person or persons in whom the property right is vested shall be considered the proprietor of the design.

"(b) The property right in a registered design, or a design for which an application for registration has been or may be filed, may be assigned, granted, conveyed, or mortgaged by an instrument in writing, signed by the proprietor, or may be bequeathed by will.

"(c) An acknowledgment as provided in section 1011 shall be prima facie evidence of the execution of an assignment, grant, conveyance, or mortgage.

"(d) An assignment, grant, conveyance, or mortgage shall be void as against any subsequent purchaser or mortgagee for a valuable consideration, without notice, unless it is recorded in the Office of the Administrator within three months from its date of execution or prior to the date of such subsequent purchase or mortgage.

"REMEDY FOR INFRINGEMENT

"SEC. 1020. (a) The proprietor of a design shall have a remedy for infringement by a civil action instituted after the date of the issuance of a certificate of registration of the design.

"(b) The proprietor of a design may have judicial review of a final refusal by the Administrator to register the design, by a civil action brought for infringement and shall have a remedy for infringement by the same action if the court adjudges the design subject to protection under this chapter, if (1) he has previously duly filed and duly prosecuted to such final refusal an application in proper form for registration of the design, and (2) he causes a copy of the complaint in the action to be delivered to the Administrator within ten days after the commencement of the action, and (3) the defendant has committed acts in respect to the design which would constitute infringement with respect to a design protected under this chapter.

"(c) The Administrator may, at his or her option, become a party to the action with respect to the issue of registrability of the design claim by entering an appearance within sixty days after such service, but the Administrator's failure to become a party shall not deprive the court of jurisdiction to determine such issue.

"(d) The parties to an infringement dispute under this chapter may determine such contest or any aspect thereof by arbitration, within such time as may be specified by the Administrator by regulation. Such arbitration shall be governed by the provision of title 9 to the extent such title is not inconsistent with this section. The parties shall give notice of any arbitration award to the Administrator, and such award shall, as between the parties to the arbitration be dispositive of the issues to which it relates. The arbitration award shall be unenforceable until such notice is given. Nothing in this subsection shall preclude the Administrator from determining whether a design is subject to registration in a cancellation proceeding under section 1012(c).

"INJUNCTION

"SEC. 1021. The several courts having jurisdiction of actions under this chapter may grant injunctions in accordance with the principles of equity to prevent infringement, including, in their discretion, prompt relief by temporary restraining orders and preliminary injunctions.

"RECOVERY FOR INFRINGEMENT

"SEC. 1022. (a) Upon finding for the claimant, the court shall award such claimant damages adequate to compensate for the infringement, but in no event shall such award be less than the reasonable value. In addition, the court may increase the damages to such amount, not exceeding $50,000 or $1 per copy, whichever is greater. The damages awarded in any of the above circumstances shall constitute compensation and not a penalty. The court may receive expert testimony as an aid in determining the amount of damages to be awarded.

"(b) Alternatively, the court may award the claimant the infringer's profits resulting from the sale of the copies if it finds that the infringer's sales are reasonably related to the use of the claimant's design. In such a case, the claimant shall be required to prove only the infringer's sales and the infringer shall be required to prove its expenses against such sales.

"(c) No recovery under paragraph (a) or (b) shall be had for any infringement committed more than three years prior to the filing of the complaint.

"(d) The court may award reasonable attorney's fees to the prevailing party. The court may also award other expenses of suit to a defendant prevailing in an action brought under section 1020(b).

"(e) The court may order that all infringing articles, and any plates, molds, patterns, models, or other means specifically adapted for making the same be delivered up for destruction or other disposition as the court may direct.

"POWER OF COURT OVER REGISTRATION

"SEC. 1023. In any action involving a design for which protection is sought under this chapter, the court, when appropriate, may order registration of a design or the cancellation of a registration. Any such order shall be certified by the court to the Administrator, who shall make an appropriate entry upon the record.

"LIABILITY FOR ACTION ON REGISTRATION FRAUDULENTLY OBTAINED

"SEC. 1024. Any person who shall bring an action for infringement knowing that registration of the design was obtained by a false or fraudulent representation materially affecting the rights under this chapter, shall be liable in the sum of $1,000, or such part thereof as the court may determine, as compensation to the defendant, to be charged against the plaintiff and paid to the defendant, in addition to such costs and attorney's fees of the defendant as may be assessed by the court.

"PENALTY FOR FALSE MARKING

"SEC. 1025. (a) Whoever, for the purpose of deceiving the public, marks upon, or applies to, or uses in advertising in connection with any article made, used, distributed, or sold, a design notice as specified in section 1006 or any other words or symbols importing that the design is protected under this chapter, knowing that the design is not so protected, shall be fined not more than $500 for every such offense.

"(b) Any person may sue for the penalty, in which event, one-half shall go to the person suing and the other to the use of the United States.

"PENALTY FOR FALSE REPRESENTATION

"SEC. 1026. Whoever knowingly makes a false representation materially affecting the rights obtainable under this chapter for the purpose of obtaining registration of a design under this chapter shall be fined not less than $500 nor more than $1,000, and any rights or privileges he may have in the design under this chapter shall be forfeited.

"RELATION TO COPYRIGHT LAW

"SEC. 1027. (a) Nothing in this chapter shall affect any right or remedy now or hereafter held by any person under chapters 1 through 8 of this title.

"(b) When a pictorial, graphic, or sculptural work in which a copyright subsists under chapters 1 through 8 of this title is utilized in an original ornamental design of a useful article by the copyright proprietor or under an express license from such proprietor, the design shall be eligible for protection under the provisions of this chapter.

"RELATION TO PATENT LAW

"SEC. 1028. (a) Nothing in this chapter shall affect any right or remedy available to or held by any person under title 35.

"(b) The issuance of a design patent for an ornamental design for an article of manufacture under title 35 shall terminate any protection of the design under this chapter.

"COMMON LAW AND OTHER RIGHTS UNAFFECTED

"SEC. 1029. Nothing in this chapter shall annul or limit (1) common law or other rights or remedies, if any, available to or held by any person with respect to a design which has not been registered under this chapter, or (2) any trademark rights or right to be protected against unfair competition.

"ADMINISTRATOR

"SEC. 1030. The Administrator and Office of the Administrator referred to in this chapter shall be the Register of Copyrights and Library of Congress, respectively.".

(b) The table of chapters at the beginning of title 17, United States Code, is amended by adding at the end thereof the following:

"10. Protection of industrial designs of useful articles .... 1001".

SEVERABILITY CLAUSE

SEC. 3. If any provisions of this Act or the amendments made by this Act or the application of any such provision to any person or circumstance is held invalid, the remainder of this Act or the application to other persons or circumstances shall not be affected thereby.

AMENDMENT OF OTHER STATUTES

SEC. 4. Title 28 of the United States Code is amended by—

(1) inserting "designs," after "patents," each place it appears in section 1338(a);

(2) inserting "design," after "copyright," in section 1338(b);

(3) inserting "and registered designs" after "copyrights" in section 1400(a); and

(4) amending section 1498(a) to read as follows:

"(a)(1) Whenever a registered design or invention described in and covered by a patent of the United States is used or manufactured by or for the United States without license of the owner thereof or lawful right to use or manufacture the same, the owner's remedy shall be by action against the United States in the Court of Claims for the recovery of his reasonable and entire compensation for such use and manufacture.

"(2) For the purposes of this section, the use or manufacture of a registered design or an invention described in and covered by a patent of the United States by a contractor, a subcontractor, or any person, firm, or corporation for the Government and with the authorization or consent of the Government, shall be construed as use or manufacture for the United States.

"(3) The court shall not award compensation under this section if the claim is based on the use or manufacture by or for the United States of any article owned, leased, used by, or in the possession of the United States, prior to, in the case of an invention, July 1, 1918, and in the case of a registered design, the effective date of this section.

"(4) A Government employee shall have the right to bring suit against the Government under this section except where such employee was in a position to order, influence, or induce use of the registered design or invention by the Government. This section shall not confer a right of action on any design registrant or patentee or any assignee of such design registrant or patentee with respect to any design created by or invention discovered or invented by a person while in the employment or service of the United States, where the design or invention was related to the official functions of the employee, in cases in which such functions included research and development, or in the making of which Government time, materials, or facilities were used.".

EFFECTIVE DATE

SEC. 5. This Act and the amendments made by this Act shall take effect one year after the date of enactment of this Act.

NO RETROACTIVE EFFECT

SEC. 6. Protection under chapter 10 of title 17, United States Code, as added by this Act, shall not be available for any design that has been made public as provided in section 1009(b) of title 17, United States Code, prior to the effective date of this Act.

SCOPE

SEC. 7. Section 113 of title 17, United States Code, is amended by adding at the end thereof the following new subsection:

"(d) Protection under chapters 1 through 8 of this title of a work in which copyright subsists shall not terminate with respect to its utilization in useful articles whenever the copyright proprietor or its authorized person has obtained registration of a design of a useful article embodying said work under the provisions of chapter 10 of this title.".●

● Mr. HATCH. Mr. President, today I rise in support of the Industrial Innovation and Technology Act of 1987, a bill to provide for protection of industrial designs of useful articles and enforcement of patents, copyrights, and trademarks in international trade.

Most countries in the world, including Japan, have effective copyright-like protections for industrial designs—the shape and appearance of a product as distinguished from its function or workings. However, here in the United States, this type of design protection is minimal, if not in fact nonexistent. U.S. manufacturers have attempted to protect their industrial designs through the use of existing patent laws, but these patent laws have not adequately protected designs because most designs cannot meet the necessary test of being new and unobvious.

U.S. patent laws are generally applied to original inventions and ideas, thereby making it difficult to apply the necessarily rigorous statutory and regulatory standards of patent protection to industrial designs. The common situation which therefore occurs is that a manufacturer, in attempting to improve the design on an existing product, produces an item that is different from the original, but not different enough to meet patent law standards.

This problem is further exasperated by the fact that design patents, if achieved under the U.S. system, are very difficult to enforce in the courts. This generally stems from the difficulty substantiating the unobvious standard for a design. In addition, other criteria, such as functionality and ornamentality often preclude enforcement. As a result, manufacturers have testified that "most design patents which are litigated prove unenforceable in court."

To meet this problem, there have been various proposals for copyright protection for original and distinctive designs. The legislation that is being introduced today by Senator DECONCINI would provide protection, comparable to that now found among our foreign competitors, for a period of 10 years. This protection would extend to a wide range of products—basically any product with distinctive content. This protection would extend to internal or not readily visible components.

Legitimate questions have been raised about the restriction of sale of legitimate aftermarket replacement parts as a result of this bill. For example, distinctive auto shapes and designs may well be protected by the bill. This could frustrate the auto replacement parts industry and increase the costs of auto insurance for fender-bender accidents. I join this legislation with the confidence that competitiveness in the markets for metal, plastic, and glass parts used in the repair of damaged automobiles, vans, and other vehicles. Consumers ought to continue to benefit from the extensive price competition that presently exists in the manufacture and sale of these crash parts. We would want to be careful not to preempt an areas of marketplace competition and turn it into a monopoly.

I would strongly urge all of my colleagues to give this legeislation the careful consideration that it deserves and provide the United States manufacturing industry a much needed protection for today's highly competitive marketplace.●

By Mr. PELL (by request):

S. 792. A bill to authorize appropriations for fiscal years 1988 and 1989 for the Inter-American Foundation; to the Committee on Foreign Relations.

INTER-AMERICAN FOUNDATION AUTHORIZATION

● Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to authorize appropriations for the Inter-American Foundation for fiscal years 1988 and 1989.

This proposed legislation has been requested by the Inter-American Foundation and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the president of the foundation to the President of the Senate dated February 17, 1987.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 792

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 410(s)(2) of the Foreign Assistance Act of 1969 (22 U.S.C. 290f(s)) is amended to replace the phrase "$11,969,000 for the fiscal year 1986 and $11,969,000 for the fiscal year 1987" with the phrase "$11,300,000 for the fiscal year 1988 and such sums as may be necessary for the fiscal year 1989". Amounts appropriated under this paragraph are authorized to remain available until expended.

INTER-AMERICAN FOUNDATION,
February 17, 1987.

Hon. GEORGE BUSH,
President, U.S. Senate,
Washington, DC.

DEAR MR. PRESIDENT: The Inter-American Foundation respectfully submits proposed legislation amending the Foreign Assistance Act of 1969 to authorize the sum of eleven million three hundred thousand dollars ($11,300,000) for Fiscal Year 1988, and such sums as may be necessary for Fiscal Year 1989.

The Office of Management and Budget advises that there is no objection to the presentation of this draft proposal to the Congress, and that its enactment would be in accord with the program of the President.

If there are any questions, please contact us.

Sincerely,

DEBORAH SZEKELY,
President.●

By Mr. PELL (by request):

S. 793. A bill to authorize appropriations for the African Development Foundation; to the Committee on Foreign Relations.

AFRICAN DEVELOPMENT FOUNDATION AUTHORIZATION

● Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to authorize appropriations for the African Development Foundation for fiscal year 1988 and 1989.

This proposed legislation has been requested by the African Development Foundation and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the letter from the president of the foundation to the

President of the Senate dated February 18, 1987.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 793

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AUTHORIZATION OF APPROPRIATIONS

Section 510 of title V of the International Security and Development Cooperation Act of 1980 (22 U.S.C. 2151) is amended by deleting "$3,872,000 for fiscal year 1986 and $3,872,000 for fiscal year 1987" in the first sentence, and inserting $6,754,000 for fiscal year 1988 and such sums as may be necessary for fiscal year 1989" in lieu thereof.

AFRICAN DEVELOPMENT FOUNDATION,
February 18, 1987.

Hon. GEORGE H.W. BUSH,
Vice President of the United States and President of the Senate, U.S. Senate, Washington, DC.

DEAR MR. PRESIDENT: I herewith transmit a bill to amend the International Security and Development Cooperation Act of 1980 to authorize appropriations for the Foundation for Fiscal Year 1988.

The bill authorizes the appropriation of $6,754,000 for the Arican Development Foundation for Fiscal Year 1988, and such sums as may be necessary for Fiscal Year 1989.

The Office of Management and Budget advises that there is no objection to the presentation of this proposal to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

LEONARD H. ROBINSON, JR.,
President.●

By Mr. METZENBAUM. (for himself, Mr. LAUTENBERG, Mr. INOUYE, Mr. SPECTER, Mr. WIRTH, Mr. WEICKER, Mr. SANFORD, and Ms. MIKULSKI):

S. 794. A bill to amend chapter 13 of title 18, United States Code, to impose criminal penalties and provide a civil action for damage to religious property and for injury to persons in the free exercise of religious beliefs; to the Committee on the Judiciary.

FEDERAL REMEDIES FOR RELIGIOUS VIOLENCE

● Mr. METZENBAUM. Mr. President, today, I am introducing a bill which will provide a strong Federal remedy for violence against persons who seek to exercise their right to the free exercise of religion. This bill provides Federal criminal and civil remedies for the destruction of religious property and the use of violence to interfere with the free exercise of religion.

Religious violence is not new, but there has been a resurgence in recent years. The violence has been targeted at Jewish, Protestant, and Catholic worshippers. Black as well as white congregations have been victimized. In 1986 alone, there were incidents of religious violence in many States, including California, Maryland, North Carolina, Oregon, Idaho, New Jersey, Ohio, New York, Connecticut, and Tennessee. This kind of violence and intimidation is just one aspect of a disturbing reawakening of prejudice and bigotry in this country.

It is important that the Congress provide a remedy for this conduct. Some State statutes now provide remedies for religious violence, but the effectiveness and enforcement of these statutes vary from State to State.

Federal criminal statutes provide only limited protection from religious violence. The courts have held that statutes which provide civil remedies for racial discrimination by private individuals do not cover vandalism and destructive acts motivated by hostility to a religious group. In *Shaare Tefila Congregation* v. *Cobb,* 785 F.2d 523 (4th Cir. 1986), the court of appeals held that vandalism of a synagogue could not be remedied under the Federal civil rights laws because the court felt that the claim was not based on racial discrimination. This case is now before the Supreme Court and the introduction of this bill should not be construed as an effort to reverse this decision or as indicating agreement with the decision of the court of appeals. The plaintiffs may well have a valid claim in that case under current law on the basis that the facts show racial discrimination or otherwise support a finding of liability.

Despite the fact that the plaintiffs may still be able to prevail in this particular case, the fact remains that the federal civil rights laws do not provide a criminal or civil remedy for purely private conduct based solely on religious discrimination. Consequently, there may be no remedy under the civil rights laws for wanton destruction of a church or synagogue because of religious prejudice.

The bill I am introducing today has two basic provisions. First, any person who travels in interstate commerce and damages religious property because of the religious character of the property or obstructs any person in the free exercise of religion is subject to criminal penalties. Second, any person who suffers personal injury or damage to property from such conduct can recover damages in a civil case. These provisions would provide a Federal remedy, for example, for a religious congregation whose church is damaged by persons motivated by religious intolerance.

Our Nation has historically been committed to assuring the free exercise of religion, conduct protected by the Constitution. In cases where these fundamental liberties are threatened by others, it is appropriate that there be a specific remedy based on Federal law.

I urge my colleagues to support this measure, which is designed to protect persons of all religious faiths in their exercise of this fundamental right.

I ask unanimous consent that a copy of the bill be inserted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 794

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CRIMINAL PENALTIES AND CIVIL ACTION FOR DAMAGES TO RELIGIOUS PROPERTY AND INJURY TO PERSONS IN THE FREE EXERCISE OF RELIGIOUS BELIEFS.

(a) OFFENSE.—Chapter 13 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 247. Damage to religious property; injury to persons in the free exercise of religious beliefs

"(a) Whoever, travels in, or uses a facility or instrumentality of, interstate or foreign commerce and subsequently—

"(1) defaces, damages, or destroys any religious real property, because of the religious character of that property; or

"(2) obstructs, by force or threat of force, any person in the enjoyment of that person's free exercise of religious beliefs;

shall be punished as provided in subsection (b) of this section.

"(b) The punishment for a violation of subsection (a) of this section shall be—

"(1) if death results, a fine in accordance with this title and imprisonment for any term of years or for life, or both;

"(2) if serious bodily injury results, a fine in accordance with this title and imprisonment for not more than fifteen years, or both; and

"(3) in any other case, a fine in accordance with this title and imprisonment for not more than five years, or both.

"(c) Any person injured personally or in his business or therefore in any court of competent jurisdiction and shall recover any damages such person sustains. An action for injuries brought under this subsection shall not depend on a prior criminal conviction based on such injuries.

"(d) As used in this section—

"(1) the term 'religious real property' means any church, synagogue, religious cemetery, or other religious real property; and

"(2) the term 'serious bodily injury' means bodily injury that involves a substantial risk of death, unconsciousness, extreme physical pain, protracted and obvious disfigurement, or protracted loss or impairment of the function of a bodily member, organ, or mental faculty.".

(b) TECHNICAL AMENDMENT.—The table of sections for chapter 13 of title 18, United States Code, is amended by adding at the end the follOwing new item:

"247. Damage to 0eligious property; injury to persons in the free exercise of religious beliefs".

By Mr. CRANSTON:

S. 795. A bill to provide for the settlement of water rights claims of the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians in San Diego County, CA, and for other purposes; to the Select Committee on Indian Affairs.

SAN LUIS REY INDIAN WATER RIGHTS SETTLEMENT ACT

• Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to provide for the settlement of water rights claims of the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians in San Diego County, CA. The bill is identical to legislation Senator PETE WILSON and I sponsored in the 99th Congress, S. 2676, as reported by the Select Committee on Indian Affairs. I'm pleased to say that Congressman RON PACKARD is sponsoring companion legislation in the House.

Around the turn of the century the United States set-aside Indian reservations in the San Luis Rey River valley for five bands of Mission Indians—the La Jolla, Rincon, San Pasqual, Pauma and Pala. At the same, the predecessor of Escondido was busy appropriating water in the area under State law and building the Escondido Canal to convey the water to Lake Wohlford for storage.

Thirty years later, in the 1920's, Vista's predecessor purchased the 42,000 acre Warner Ranch and built a dam on its western boundary, thereby controlling the headwaters of the San Luis Rey River. Then Escondido and Vista combined their resources and since 1922 have controlled and diverted nearly 90 percent of the San Luis Rey River water which originates above the intake to the Escondido Canal, which is located on the La Jolla Indian Reservation upstream from the four other Indian reservations.

The Federal Government was directly involved in these developments. Acting for the United States on behalf of the Indians the Secretary of the Interior between 1892 and 1924 granted Federal licenses and permits and entered into a series of contracts with the predecessors of Escondido and Vista to protect their water rights and the rights-of-way for the Escondido Canal.

All parties abided by these various licenses, permits and contracts until 1969 when the Indians filed suit in Federal District Court seeking to have all the contracts and permits declared void, to have their water rights adjudicated, and to recover substantial damages from Escondido and Vista. Escondido and Vista dispute the Indians' claims and also contend that the Federal Government should be held responsible for any losses they may sustain in the litigation because they relied upon the actions of the Federal Government when they invested millions of dollars in constructing and maintaining water systems.

After 18 years the water rights suit still has not gone to trial. The trial, scheduled to begin in November 1985, was postponed to enable the parties to the litigation to concentrate their efforts on enactment of this legislation which they all support.

The legislation is premised on the belief that the Indian water rights dispute should be resolved in a manner that is least disruptive to existing non-Indian uses of the San Luis Rey River water and that the settlement should enable the Indians to develop viable economically self sufficient communities.

The settlement consists of two basic parts: First, division of the local water and the costs associated with its development and distribution among the Indians, Escondido, and Vista; and second, purchase by the Indians and delivery to their reservations of Central Valley project [CVP] water.

In detail, the settlement provides that instead of the historical 90-10 split between Escondido and Vista on the one hand and the Bands on the other, the parties will divide the local water 50-50. To accomplish this end, Escondido and Vista have agreed to share with the Bands use of the existing facilities. They also have agreed to purchase from the Bands any water the Bands do not use on reservation for 90 percent of the cost of obtaining water from their alternative source (MWD and SDCWA) for the first 7,000 acre feet per year and 80 percent of that cost for the remainder. To assure the Bands a reliable supply of water even in the most severe drought conditions, Escondido and Vista have agreed to guarantee the Indians a minimum of 7,000 acre-feet of local water for on reservation use. Escondido and Vista would continue to bear all costs of operating, maintaining, or replacing Henshaw Dam, the Escondido Canal, Wohlford Dam and Vista would continue to be solely responsible for repaying the $7 million indebtedness it incurred in 1980 in connection with a flow retardation structure in front of Henshaw Dam. The Bands would pay all costs of covering or undergrounding Escondido Canal. Finally, the Bands, Escondido and Vista would share the costs of operating, maintaining, replacing and further developing the Warner wellfield facilities.

Since the 18,000 acre-feet of water produced by the San Luis Rey River system per year is not enough to meet the needs of all five Bands and provide sufficient water to justify Escondido and Vista's continued involvement and investment in the river, the settlement provides the Bands 22,700 acre-feet of CVP water at a cost of approximately $100 an acre-foot. The water would be delivered through existing State, MWD, and SDCWA facilities and the Indians would pay all of the cost of using these facilities.

In addition the Federal Government would sell the Indians approximately 72.6 million kwh of electricity required to deliver the water to the reservations, less than 1 percent of the power generated by the CVP, and would be taken at times when generation exceeds the amount needed to satisfy the Federal Government's contract obligations. The Bands would pay the operation and maintenance costs, but not the capital costs of the CVP. The Indians could use the CVP water or sell it to others, but the revenues would have to be used for economic development of the reservations and could not be distributed to individuals. The Bands agree to sell 6,000 acre-feet per year of the CVP water to Escondido and Vista.

The bill also includes a provision to ensure that provision of water of the Mission Indians will not result in any added water costs for any CVP customers. Nonetheless, I know there are other concerns about the sale of water outside CVP service area.

There is presently 1.1 million acre-feet of uncontracted Central Valley project yield, but an even greater demand for water within the CVP service area. To correct a serious groundwater overdraft problem of 1.5 million acre-feet annually in five San Joaquin Valley counties, Mid Valley Water Authority is seeking authorization for the Mid Valley Canal which could provide 650,000 acre-feet of CVP water to the area. This is a critical project, one I support. And there are other legitimate water needs within the CVP service area.

As I indicated last year, if there is interest, I'm willing to amend the bill to provide for the conservation of 23,000 acre-feet of water in the CVP service area over the next 20 years to compensate for the 23,000 acre-feet provided the Mission Indians. Such a water conservation effort paid for by the Federal Government would help mitigate any impact the bill might have on potential CVP water contractors.

Mr. President, I am introducing the legislation today so that Congress can consider the merits of this negotiated settlement of the San Luis Rey water rights dispute. I believe a negotiated settlement is far preferable to the litigation that is likely to continue for years otherwise. Under this proposed settlement, the dispute can be resolved sooner, in a manner that fulfills the Federal Government's trust responsibility to the Bands, and at a small cost to the Federal Government, both in absolute terms and in comparison to the costs of other recent Indian water rights settlements.

I want to stress that the parties to the San Luis Rey water rights dispute—Escondido, Vista, and the five Bands of Mission Indians—support this proposed settlement. Additionally, the settlement concept has been developed in close consultation with Department of the Interior officials.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 795

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "San Luis Rey Indian Water Rights Settlement Act".

SEC. 2. DEFINITIONS.

For purposes of this Act—

(1) BANDS.—The term "Bands" means the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians which are recognized by the Secretary of the Interior as the governing bodies of their respective Reservations in San Diego County, California.

(2) CENTRAL VALLEY PROJECT.—The term "Central Valley Project" means the Federal reclamation project located in California which was reauthorized by section 2 of the Rivers and Harbors Act of August 26, 1937 (50 Stat. 850) and the Rivers and Harbors Act of October 17, 1940 (54 Stat. 1199) as amended and supplemented.

(3) FIRM PROJECT WATER.—The term "firm project water" means water developed by the Central Valley Project, the availability of which is subject to proportionately shared shortages.

(4) INDIAN WATER AUTHORITY.—The term "Indian Water Authority" means the San Luis Rey River Indian Water Authority, an inter-tribal Indian entity established by the Bands.

(5) LOCAL ENTITIES.—The term "local entities" means the City of Escondido, California; the Escondido Mutual Water Company; and the Vista Irrigation District.

(6) PROJECT USE POWER.—For the purpose of this Act only, the term "project use power" means Central Valley Project hydroelectric power and power from other sources used in the operation of the Central Valley Project irrigation facilities and for other purposes specifically authorized by Congress.

(7) SAN DIEGO AQUEDUCT.—The term "San Diego Aqueduct" means the water conveyance facilities operated and maintained by the San Diego County Water Authority and used to convey imported water into San Diego County.

(8) SETTLEMENT AGREEMENT.—The term "settlement agreement" means the agreement to be entered into by the United States, the Bands, and the local entities which will resolve all claims, controversies, and issues involved in all the pending proceedings among the parties.

SEC. 3. CONGRESSIONAL FINDINGS; LOCAL CONTRIBUTIONS; PURPOSE.

(a) CONGRESSIONAL FINDINGS.—The Congress finds the following:

(1) The Reservations established by the United States for the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians on or near the San Luis Rey River in San Diego County, California, need a reliable source of water.

(2) Diversions of water from the San Luis Rey River for the benefit of the local entities commenced in the early 1890s and continue to be an important source of supply to those communities.

(3) The inadequacy of the San Luis Rey River to supply the needs of both the Bands and the local entities has given rise to litigation to determine the rights of various parties to water from the San Luis Rey River.

(4) The pendency of the litigation has—

(A) severely impaired the Bands' efforts to achieve economic development on their respective Reservations,

(B) contributed to the continuation of high rates of unemployment among the members of the Bands,

(C) increased the extent to which the Bands are financially dependent on the Federal Government, and

(D) impeded the Bands and the local entities from taking effective action to develop and conserve scarce water resources and to preserve those resources for their highest and best uses.

(5) In the absence of a negotiated settlement—

(A) the litigation, which was initiated almost 20 years ago, is likely to continue for many more years,

(B) the economy of the region and the development of the Reservations will continue to be adversely affected by the water rights dispute, and

(C) the implementation of a plan for improved water management and conservation will continue to be delayed.

(6) An agreement in principle has been reached under which a comprehensive settlement of the litigation would be achieved, the Bands' claims would be fairly and justly resolved, the Federal Government's trust responsibility to the Bands would be fulfilled, and the local entities and the Bands would make fair and reasonable contributions.

(7) The Bands and the local entities have agreed that the settlement agreement shall include the following provisions:

(A) The waters of the San Luis Rey River Basin which originate above the intake to the Escondido Canal and are now or in the future developed by the Bands or the local entities shall be shared equally between them.

(B) The local entities shall guarantee that a minimum of 7,000 acre-feet of such developed water shall be available to the Bands annually to the extent needed for use on their Reservations.

(C) In satisfying the provisions of subparagraphs (A) and (B)—

(i) the local entities shall contribute the water development, conveyance, and storage benefits made possible by the following facilities, all of which they have developed, financed, and constructed and shall maintain and, if necessary, replace—

(I) the Henshaw Dam and Reservoir,

(II) the Escondido Canal, and

(III) the Wohlford Dam and Reservoir;

(ii) the local entities shall also contribute the water development benefits of the existing Warner Ranch wellfield and related facilities, which are wholly owned and have been developed, financed, and constructed by the local entities; and

(iii) the Bands and the local entities shall share the costs of operating, maintaining, and, if necessary, replacing and further developing the Warner Ranch wellfield and related facilities.

(D) The local entities shall be obligated to purchase the Bands' share of the local water that is surplus to the Bands' needs at a cost of 90 percent of the local entities' cost of purchasing water from their alternative source for the first 7,000 acre-feet per year and 80 percent of such cost for the remainder.

(E) The Bands shall be responsible for providing the funding for covering the Escondido Canal where it traverses portions of the San Pasqual Indian Reservation or placing such Canal underground.

(b) PURPOSE.—It is the purpose of this Act to provide for the settlement of the reserved water rights claims of the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians in San Diego County, California, in a fair and just manner which—

(1) will provide the Bands with a reliable water supply sufficient to meet their present and future needs;

(2) promotes conservation and the wise use of scarce water resources in the upper San Luis Rey River System;

(3) establishes the basis for a mutually beneficial, lasting, and cooperative partnership among the Bands and the local entities to replace the adversary relationships that have existed for several decades; and

(4) fosters the development of an independent economic base for the Bands.

SEC. 4. SETTLEMENT OF WATER RIGHTS DISPUTE.

Sections 5, 6, 7, and 8 of this Act shall take effect only when—

(1) the United States; the City of Escondido, California; the Escondido Mutual Water Company; the Vista Irrigation District; and the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians have entered into a settlement agreement providing for the complete resolution of all claims, controversies, and issues involved in all of the pending proceedings among the parties;

(2) the Secretary of the Interior determines that all legal requirements necessary to implement or fulfill the provisions of the settlement agreement have been satisfied, including—

(A) the enactment of any legislation which is required in order for any party to fulfill its obligations under the settlement agreement or this Act, and

(B) the execution of any contracts necessary to fulfill the provisions of the settlement agreement or this Act; and

(3) stipulated judgments or other appropriate final dispositions have been entered in all pending proceedings by all parties.

SEC. 5. DUTIES OF THE UNITED STATES AND THE INDIAN WATER AUTHORITY WITH RESPECT TO DELIVERY OF WATER.

(a) DELIVERY OF WATER.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Interior shall deliver, through Federal and non-Federal facilities, annually and in perpetuity, 22,700 acre-feet of firm project water to the Indian Water Authority at a point in the San Diego Aqueduct in the vicinity of the Bands' Reservations and on a schedule to be agreed upon by the Secretary of the Interior and the Indian Water Authority.

(2) OBLIGATIONS OF THE INDIAN WATER AUTHORITY.—

(A) OPERATION AND MAINTENANCE.—The Indian Water Authority shall reimburse the United States for the operation and maintenance costs, but not for construction costs, incurred in the delivery of water pursuant to paragraph (1) at the rate charged for Central Valley Project irrigation water. The construction costs associated with providing such water shall be nonreimbursable.

(B) CONVEYANCE.—The Indian Water Authority shall pay all costs associated with conveying the water described in paragraph (1) through non-Federal facilities, and all costs, including construction costs, associated with conveying the water from the point of delivery in the San Diego Aqueduct to the Bands' Reservations.

(3) LIMITATIONS ON WATER DELIVERY OBLIGATION.—The Secretary of the Interior shall not be obligated to deliver the water described in paragraph (1) if—

(A) such delivery would require the construction of new Federal facilities,

(B) consent to the use of non-Federal facilities cannot be obtained from the owners and operators of such facilities, or

(C) necessary contracts and permits have not been executed or amended.

(4) LIMITATION ON ADDITIONAL WATER COSTS.—The Secretary of the Interior shall take such steps as may be necessary to ensure that the delivery of water under subsection (a)(1) will not result in any added water costs for any Central Valley Project contractors.

(5) RELATIONSHIP TO STATE LAWS.—The water described in this subsection shall be subject to section 8 of the Act approved on June 17, 1902 (43 U.S.C. 383) (commonly known as the "Reclamation Act of 1902"), but nothing in this Act or any other law shall require compliance with the State laws governing changes in the places of use, purposes of use, or points of diversion of the water described in this subsection in the water rights permits for the Central Valley Project.

(b) USE OF PROJECT USE POWER FOR PUMPING.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Interior shall use project use power from the Central Valley Project to deliver the water referred to in subsection (a)(1) from the Sacramento-San Joaquin Delta to the Indian Water Authority. If the Central Valley Project hydroelectric resources are inadequate to meet this obligation, the Secretary of Energy is authorized to obtain or acquire such additional power as may be needed to accomplish the delivery of the water referred to in subsection (a)(1) until such time as adequate amounts of project use power can be made available from the Central Valley Project.

(2) OBLIGATIONS OF THE INDIAN WATER AUTHORITY.—The Indian Water Authority shall reimburse the United States at the project use rate for irrigation water for the operation and maintenance costs, but not for construction costs, incurred in providing the power referred to in paragraph (1). The construction costs associated with providing such power shall be nonreimbursable. Such operation and maintenance costs shall be based on the project use rate for irrigation water pumping.

(3) LIMITATION ON USE OF CERTAIN POWER.—In fulfilling the requirement of paragraph (1), the Secretary of Energy shall not utilize any power that is needed—

(A) for other project use purposes, or

(B) until after December 31, 2004, for Central Valley Project firm power customers to the extent of any contract or obligation in existence on the date of the enactment of this Act or for such additional period as may be covered by any such existing contract or obligation.

(4) LIMITATION ON ADDITIONAL POWER COSTS.—The Secretary of the Interior and the Secretary of Energy shall take such steps as may be necessary to ensure that the provision of power under paragraph (1) will not result in any added power costs—

(A) for project use purposes, or

(B) until after December 31, 2004, to Central Valley Project firm power customers to the extent of any contract or obligation in existence on the date of the enactment of this Act or for such additional period as may be covered by any such existing contract or obligation, nor shall any added power costs incurred during the term of any existing contract or obligation be accrued or passed on to Central Valley Project firm power customers following the expiration of such contract or obligation.

(c) DELEGATION OF AUTHORITY.—The Secretary of the Interior and the Secretary of Energy are authorized to enter into such agreements and to take such measures as each such Secretary may deem to be necessary and appropriate to fulfill any obligation of such Secretary under this Act.

SEC. 6. ESTABLISHMENT, STATUS, AND GENERAL POWERS OF SAN LUIS REY INDIAN WATER AUTHORITY.

(a) ESTABLISHMENT OF INDIAN WATER AUTHORITY APPROVED AND RECOGNIZED.—

(1) IN GENERAL.—The establishment by the Bands of the San Luis Rey Indian Water Authority as a permanent inter-tribal entity pursuant to duly adopted ordinances and the power of the Indian Water Authority to act for the Bands are hereby recognized and approved.

(2) LIMITATION ON POWER TO REPEAL OR REVOKE ORDINANCES.—The ordinances referred to in paragraph (1) may not be revoked or repealed, and the power described in such paragraph may not be surrendered, except by Act of Congress.

(3) LIMITATION ON POWER TO AMEND OR MODIFY ORDINANCES.—Any proposed modification of any ordinance referred to in paragraph (1) must be approved by the Secretary of the Interior and no such approval may be granted unless the Secretary finds that the proposed modification will not interfere with or impair the ability of the Indian Water Authority to carry out its responsibilities and obligations pursuant to this Act and the settlement agreement.

(b) STATUS AND GENERAL POWERS OF INDIAN WATER AUTHORITY.—

(1) STATUS AS INDIAN ORGANIZATION.—To the extent provided in the ordinances of the Bands which established the Indian Water Authority, such Authority shall be treated as an Indian entity under Federal law with which the United States has a trust relationship.

(2) POWER TO ENTER INTO AGREEMENTS.—The Indian Water Authority may enter into such agreements as it may deem necessary to implement the provisions of this Act and the settlement agreement.

(3) INVESTMENT POWER.—Notwithstanding paragraph (1) or any other provision of law, the Indian Water Authority shall have complete discretion to invest and manage its own funds.

(4) LIMITATION ON SPENDING AUTHORITY.—All funds of the Indian Water Authority which are not required for administrative or operational expenses of the Authority or to fulfill obligations of the Authority under this Act, the settlement agreement, or any other agreement entered into by the Indian Water Authority shall be invested or used for economic development of the Bands, the Bands' Reservation lands, and their members. Such funds may not be used for per capita payments to members of any Band.

(c) INDIAN WATER AUTHORITY TREATED AS TRIBAL GOVERNMENT FOR CERTAIN PURPOSES.—The Indian Water Authority shall be considered to be an Indian tribal government for purposes of section 7871(a)(4) of the Internal Revenue Code of 1954.

SEC. 7. POWERS OF INDIAN WATER AUTHORITY AND BANDS OVER WATER AND POWER RESOURCES.

(a) USE OF WATER.—In addition to any right, power, or authority the Indian Water Authority or the Bands may have under any other provision of this Act or any other law or rule of law, such Authority shall have the right to devote—

(1) any water resources obtained pursuant to this Act or the settlement agreement, and

(2) any other water resources that they may have or acquire,

to any beneficial use, including any agricultural, municipal, industrial, commercial, mining, or recreational use.

(b) DISPOSITION OF WATER.—

(1) IN GENERAL.—The Indian Water Authority may use, lease, sell, exchange, control, and manage any water resource described in paragraph (1) or (2) of subsection (a) on or off the Reservations of the Bands.

(2) RESTRICTION ON ALIENATION OF WATER RIGHTS.—The Indian Water Authority may not permanently alienate any right to any water resource described in paragraph (1) or (2) of subsection (a), except to the local entities as part of the settlement agreement.

(3) APPROVAL OF WATER CONTRACTS BY SECRETARY.—Any sale, lease, or exchange of any water resource shall be made pursuant to a contract entered into by the Indian Water Authority and approved by the Secretary of the Interior as trustee for such Authority.

(c) CONTRACTS RELATING TO POWER.—Subject to the approval of the Secretary of the Interior, the Indian Water Authority may enter into such contracts relating to the power described in section 5(b)(1) only as are necessary to provide for the pumping and delivery of 22,700 acre-feet of firm project water described in section 5(a)(1).

SEC. 8. SECRETARY OF THE INTERIOR'S EXCLUSIVE AUTHORITY OVER GOVERNMENT AND INDIAN LANDS.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of the Interior is exclusively authorized, subject to subsection (b), to lease, grant rights-of-way across, or transfer title to any Indian tribal or allotted land or any land subject to the authority of such Secretary which is used, or may be useful, in connection with the operation, maintenance, repair, and replacement of the system used to divert, convey, and store the waters of the San Luis Rey River for the local entities, together with all appurtenant facilities, including the Rincon and Bear Valley powerplants.

(b) APPROVAL BY INDIAN BANDS; COMPENSATION TO INDIAN OWNERS.—Any disposition of Indian tribal or allotted land by the Secretary of the Interior under subsection (a) shall be subject to the approval of the governing Indian Band. Any individual Indian owner or allottee whose land is disposed of by any action of the Secretary of the Interior under subsection (a) shall be entitled to receive just compensation from the Indian Water Authority or the local entities.

SEC. 9. RULES OF CONSTRUCTION.

(a) RESERVED WATER RIGHTS.—No provision of this Act shall be construed as altering or affecting the determination of the following questions of law:

(1) Whether reserved water may be put to use, or sold for use, off of any Reservation to which reserved water rights may attach other than the Reservations established for the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians.

(2) Whether reserved water may be put to use, or sold for use, off the La Jolla, Rincon, San Pasqual, Pauma, and Pala Indian Reservations in the absence of this Act.

(b) LIMITATION ON SALES OR DISPOSITIONS OF POWER.—No provision of this Act shall be construed as authorizing the Indian Water

Authority to sell electric power to any retail customer or to dispose of any electric power provided pursuant to this Act separately from the water described in section 5(a)(1).

(c) Eminent Domain and Application of Federal Laws.—No provision of this Act shall be construed as authorizing the acquisition by the Federal Government of any water or power supply or any water conveyance or power transmission facility through the power of eminent domain or any other nonconsensual arrangement. Nor shall the transportation of the water provided pursuant to this Act through non-Federal facilities subject those facilities or other water transported through those facilities to any Federal law to which they would not otherwise be subject.

(d) Status and Authority of Indian Water Authority.—No provision of this Act shall be construed as creating any implication with respect to the status or authority which the Indian Water Authority would have under any other law or rule of law in the absence of this Act or if section 6 does not take effect.

SEC. 10. COMPLIANCE WITH BUDGET ACT.

To the extent any provision of this Act provides new spending authority described in section 401(c)(2)(A) of the Congressional Budget Act of 1974, such authority shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.●

By Mr. DURENBERGER (for himself and Mr. Baucus):

S. 796. A bill to amend the Clean Air Act to establish revised and additional ambient air quality standards and to control interstate air pollution; to the Committee on Environment and Public Works.

NATIONAL AMBIENT AIR QUALITY AMENDMENTS ACT

● Mr. DURENBERGER. Mr. President, today I am introducing legislation which will require the Environmental Protection Agency to establish a series of new ambient air quality standards under the Clean Air Act. The health-based or primary standards required by this legislation include regulations for sulfur dioxide, nitrogen dioxide, ozone and acid aerosols. This bill also provides for new secondary or welfare-based standards for ozone and fine particles.

In addition to ambient air quality standards, this bill also includes provisions with respect to implementation of the new secondary standards and control of transboundary air pollution. The bill amends section 110 and 126 to give States which are damaged by air pollution generated in other States more effective tools to challenge interstate air pollution in EPA proceedings and in Federal courts.

This legislation is needed. Under current law EPA is to revise national ambient air quality standards periodically to reflect new research and studies on the health and welfare impacts of ambient concentrations of air pollution. Despite accumulated evidence that some of the existing standards are not adequate to protect health and welfare, EPA for much of this decade has failed to discharge its mandate to review and revise the existing ambient air quality standards.

Senators are well aware of the problems caused by interstate air pollution. Many Senators have sponsored or cosponsored acid rain control legislation in this Congress. There are three major acid rain bills pending before the Committee on Environment and Public Works already.

But Senators should not believe that acid rain is the only transboundary air pollution problem or that these acid rain bills will make it possible to deal effectively with other interstate pollution problems under the Clean Air Act. In addition to acid rain we have the problem of ozone pollution which is also a significant interstate problem. As many as 70 metropolitan areas of the Nation will fail to meet the health-based, primary ozone standard by December 31 of this year as required by law. In many of those areas interstate pollution is a significant contributing cause for the failure to be in attainment. Some State and local officials will tell you that in their area they could eliminate emissions entirely and still not meet the primary standard because of interstate effects.

Mr. President, this is not an ozone nonattainment bill. The legislation I am introducing today is not designed to resolve the public policy issues raised by continuing nonattainment with respect to the ozone standard. I am sure that the Committee on Environment and Public Works will address the nonattainment problem directly and in the near-term. In fact, we have hearings on that subject scheduled for next week. But while we are looking at nonattainment for the existing 1-hour standard, we must not overlook the health research which suggests that the existing standard may not be adequate and the very certain evidence that serious damages to our agricultural economy is caused by ozone at existing levels.

Mr. President, in addition to introducing this bill today, I will also be cosponsoring legislation that is being introduced by Senator Baucus which deals with a similar range of concerns. I have very much appreciated the opportunity to work with the distinguished Senator from Montana in developing this legislation. The bill I am introducing has benefited in several respects from the useful suggestions of the Senator and his staff.

Mr. President, there are two types of national ambient air quality standards. Primary standards are health-based. They are set at a level which is protective of public health with an adequate margin of safety. Cost is not a factor in setting these primary standards. A margin of safety is included to protect sensitive populations and to reflect any uncertainty in the data or health hazards which may not have yet been identified by research.

EPA has set primary standards for six widespread air pollutants: sulfur dioxide, nitrogen dioxide, carbon monoxide, total suspended particulates, ozone, and lead. Once a standard is set, States are required to develop implementation plans—the so-called SIP's—to assure the standards are attained. National primary ambient air quality standards are one of the three or four fundamental features of the Clean Air Act. It is important that they work well and fully reflect the most recent research and study on the health effects of air pollution.

Secondary standards are established to protect public welfare concerns including soils, waters, crops, forests, buildings, and other materials, visibility, and wildlife. Current law imposes no deadlines for achieving secondary standards.

Mr. President, what follows is a very brief review of each of the standards required by this legislation.

There are currently two primary standards for sulfur dioxide, one averaged over a year and one reflecting a maximum 24-hour exposure. This bill requires the EPA to consider, and if warranted, propose a 1-hour standard for sulfur dioxide which would be in addition to the standards which already exist. The Environmental Protection Subcommittee recently held hearings on the health effects of acid rain precursors which conclusively demonstrated, for those of us who participated, that a 1-hour standard is needed. Such a standard also reflects the recommendations of EPA's air quality staff paper. If the Administrator fails to fully consider the need for a 1-hour standard, this bill would establish a statutory standard at 0.2 parts per million.

The current primary standard for nitrogen dioxide is based on an annual arithmetic average. For some time there has been concern that this standard does not adequately protect public health from short-term peak exposures. In 1977 the Congress amended the Clean Air Act to require EPA to consider a 3-hour nitrogen dioxide standard. But EPA declined to set a short-term standard when the Administrator determined that there was insufficient research to set a short-term level. This bill would require EPA to reconsider the need for a short-term standard in light of more recent health effects research on peak exposures.

One of the widespread air pollutants of continuing concern is sulfate, a transformation product of sulfur dioxide that can travel over long distances and is most certainly a precursor of acid rain. In its report entitled, "Acid Rain and Transported Air Pollutants," the Office of Technology Assessment found evidence to conclude that:

> A reasonable estimate of the magnitude of health risk posed by current levels of sulfates and other particulates is about 50,000 premature deaths (2 percent of total deaths) per year in the United States and Canada.

The current sulfur dioxide standard does not apply to sulfates. I considered including a primary sulfate standard in this bill, but was persuaded that the broader class of pollutants called acid aerosols, which would include sulfates, nitrates, and their transformation products, is more appropriately the focus of a primary standard. This group of pollutants would also include nitrate and its acidic transformation products. EPA is by the provisions of this bill required to consider and, if warranted, establish a primary, health-based standard for acid aerosols.

Ozone is an air pollutant formed in the ambient air as a result of a series of complex chemical reactions involving hydrocarbons and nitrogen oxides emitted from stationary and mobile sources, atmospheric oxygen and sunlight. At ambient concentrations often measured during warmer months, ozone can adversely affect human health, agricultural crops, forests, ecosystems, and materials. Interactions of ozone with nitrogen oxides and sulfur oxides may also contribute to the formation of acidic precipitation. Typical short-term, that is 1 hour, ozone levels range from 0.01 parts per million in some isolated rural areas to as high as 0.35 parts per million in Los Angeles and its environs.

Currently, there is a national primary ambient air quality standard for ozone over a 1-hour period which is 0.12 parts per million. But there is also new evidence which calls into question the adequacy of that standard to protect public health with an adequate margin of safety. The legislation which I am introducing today will require EPA to review the existing 1-hour standard and to consider the need for a standard over a longer period of time, perhaps a 6- or 8-hour primary standard, to protect populations that would be sensitive to subchronic exposures.

If the Agency fails to set a subchronic standard, this bill would establish a statutory 1-hour standard of 0.08 parts per million which may be adequate to protect health with respect to subchronic effects. This mechanism reflects a recent recommendation from an EPA staff paper on ozone damages which concludes:

> The range of 1-hour (ozone) levels of concern for standard-setting purposes is 0.08 to 0.14 * * *. Insufficient quantitative data are currently available to support the basis for a long-term standard, but concern for serious chronic effects suggests a need to set a 1-hour standard which protects against multiple peak and elevated chronic exposures.

The legislation mandates collection of the requisite quantitative data to come to a conclusion on a subchronic primary standard. Failing compilation of this needed research, the bill puts in place a protective, statutory 1-hour standard of 0.08 parts per million.

As to the secondary effects of ozone on crops and forests, the evidence of adverse damage is rapidly accumulating. In a recent report the Office of Technology Assessment offered the following prespective:

> To assess the risks to crops from transported air pollutants, OTA has estimated the benefits that might result from reducing ozone concentrations to natural background levels. Data from field experiments were used to estimate ozone effects on crop productivity for peanuts (a sensitive crop), soybeans (sensitive/intermediate), wheat (intermediate), and corn (tolerant). These "dose-response" relationships were combined with 1978 ozone monitoring data and 1978 agricultural statistics. Results suggest that if ozone concentrations had been reduced to natural background levels in 1978, corn yields would have increased by 2 percent, wheat by 5 percent, soybeans by 13 percent, and peanuts by 24 percent. As measured by 1978 crop prices, ozone caused about a 6- to 7-percent loss of agricultural productivity, of which almost two-thirds stemmed from soybean losses.

Mr. President, this 7 percent loss in productivity cost the farmers of this Nation approximately $2 billion in the year studied.

Although the evidence of damage is overwhelming, it is not clear at this time whether the secondary ozone standard should be short term, long term or both. The EPA staff paper reviewing ozone research includes the following conclusions and recommendations with respect to the welfare effects of ozone concentrations:

> Effects of (ozone) on vegetation and ecosystems have been demonstrated to occur from both short-term and long-term exposures. Although there are a limited number of studies in which short-term (1-2 hour) exposures have resulted in growth and yield reduction, there is a growing body of evidence that repeated peaks above a given level are important in eliciting plant response.
>
> In regard to long-term exposures, the bulk of the evidence indicates that growth and yield losses occur in several plant species exposed to seasonal concentrations of (ozone), typically characterized as the daily daylight mean over the growing season. In addition, evidence indicates that forests experience cummulative stress as a result of chronic exposure to (ozone).
>
> Serious consideration should be given to setting a long-term standard in the range of 0.04-0.06 parts per million to protect crops as well as trees and other native vegetation. The level of such a standard will be influenced by the protection from long-term exposures of concern afforded by the 1-hour standard.

Mr. President, the final standard required by this bill is a secondary standard for fine particles of very small size the principal purpose of which is visibility protection.

As I said a moment ago, Mr. President, under current law the secondary ambient air quality standards are not enforceable. There is no deadline for compliance. The law says that States shall attain the secondary standards within a "reasonable time." The bill I am introducing amends the law. It provides that the secondary standards for ozone and very fine particles will be attained by a date certain. EPA is to set the ozone standard not later than January 1, 1992. States will have 9 months after that date to submit a revised implementation plan to assure that the new standard will be attained. Compliance is to be achieved within 3 years. Current law also includes provisions which would allow short extensions of the date to submit a plan and a 2-year extension of the compliance date.

These same requirements would apply to the new secondary standard for fine particles, but would come due at a date approximately 1 year later.

Finally, Mr. President, let me briefly describe the interstate pollution provisions which are included in this bill. Most of these provisions have been introduced in this Chamber previously. Many were included in the bill, S. 798, which was reported by the Committee on Environment and Public Works in the 98th Congress.

The Clean Air Act contains two provisions which are principally addressed to interstate pollution, section 110(a)(2)(E) and section 126. Neither of these sections has worked very well.

Section 110(a)(2)(E) is designed to impose controls on a particular source, if that source would prevent the attainment of an air quality standard in an adjacent or downwind State. There are three problems that have become evident in the structure of this provision. It applies to particular sources, whereas the failure is more usually caused by the combined pollution of a group of sources in one or more States. It only applies to air pollutants for which ambient air quality standards have been established, but frequently the pollutants are transformed to other unregulated compounds which cause the transboundary problem. Sulfur dioxide is controlled, but sulfates, an intermediate pollutant in the transformation which produces acid rain, is the actual air pollutant which is experienced in downwind States. Third and finally, it is not clear how a State is to demonstrate that a particular source or even a group of sources is causing nonattainment or other air pollution problems. The bill I am introducing attempts to address each of these issues. It requires EPA to promulgate regulations to implement this section of the act and to make clear the evidence that a State could use to demonstrate damage from the interstate transport of pollutants.

Section 126 provides a process by which EPA is to resolve interstate disputes regarding air pollution. Although several States have presented petitions to EPA under this section, the Agency has failed to act. The amendments in this bill will allow the petitioning States to move into Federal court to seek prompt review of their claims.

Mr. President, that concludes my review of the specific elements of this bill. I say again that it is not an acid rain bill. It is not an ozone nonattainment bill. It is designed to address a different set of concerns—related concerns, but different concerns. I am sure that some will say that it contemplates a control program too cumbersome to deal effectively with the problems it addresses. Perhaps there is some truth in that view. But it is an amendment to the Clean Air Act which attempts to use the existing provisions of the act to resolve real and continuing air pollution problems. We will be considering acid rain and ozone specific strategies over the next few months. And as we do we may develop mechanisms more effective for these air pollution problems. Nevertheless, transboundary pollution other than acid rain or ozone will continue to be a problem and it is appropriate and important that we make an effort to repair the Clean Air Act so that it can be effective in resolving these problems.

In addition to the interstate provisions, the other principal focus of this bill is an updating of the national ambient air quality standards to assure that the Clean Air Act fully reflects the most recent health research.

Mr. President, I would ask that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 796

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "National Ambient Air Quality Amendments Act of 1987."

AMBIENT AIR QUALITY STANDARDS

SEC. 2. Section 109 of the Clean Air Act (42 U.S.C. 7409) is amended by adding the following new subsections after subsection (c) and relettering the remaining subsections accordingly:

"(d) The Administrator shall, not later than twelve months after the date of enactment of this subsection, propose a national primary ambient air quality standard for sulfur dioxide concentrations over a period of not more than 1 hour which is consistent with subsection (b)(1) unless, based on criteria issued under section 108, the Administrator first finds that there is no significant evidence that such a standard is requisite to protect public health allowing an adequate margin of safety. After notice and opportunity for public comment on a proposed standard, but not later than January 1, 1990, the Administrator shall promulgate such a standard, unless the Administrator has made a finding that such a standard is not requisite to protect public health allowing an adequate margin of safety. In the event the Administrator fails to promulgate a national primary ambient air quality standard for sulfur dioxide or fails to make the finding provided for in this subsection, on and after January 1, 1990 there shall be a national primary ambient air quality standard over a 1 hour period for sulfur dioxide which shall be 0.2 parts per million of sulfur dioxide expected to be exceeded not more than once per year and which shall be in addition to any other standard for sulfur dioxide which has been established.

"(e) The Administrator shall, not later than twelve months after the date of enactment of this subsection, propose a national primary ambient air quality standard for nitrogen dioxide concentrations over a period of not more than 1 hour which is consistent with subsection (b)(1) unless, based on criteria issued under section 108, the Administrator finds that there is no significant evidence that such a standard is requisite to protect public health allowing an adequate margin of safety. After notice and opportunity for public comment on a proposed standard, but not later than January 1, 1990, the Administrator shall promulgate such a standard, unless the Administrator has made a finding that such a standard is not requisite to protect public health allowing an adequate margin of safety. In the event the Administrator fails to promulgate a national primary ambient air quality standard for nitrogen dioxide or fails to make the finding provided for in this subsection, on and after January 1, 1990 there shall be a national primary ambient air quality standard over a 1 hour period for nitrogen dioxide which shall be 0.3 parts per million of nitrogen dioxide expected to be exceeded not more than once per year and which shall be in addition to any other standard for nitrogen dioxide which has been established.

"(f) The Administrator shall, not later than thirty months after the date of enactment of this subsection, propose a revision of the national primary ambient air quality standard for ozone concentrations. The proposed revised primary ozone standard shall include a primary standard over a 1 hour period and a primary standard which addresses subchronic human health effects and which is averaged over a period not to exceed 24 hours both of which standards shall be consistent with subsection (b)(1) unless, based on criteria issued under section 108, the Administrator first finds that there is no significant evidence that either or both of such standards is requisite to protect public health allowing an adequate margin of safety. After notice and opportunity for public comment on proposed standards, but not later than July 1, 1991, the Administrator shall promulgate such revised standards, unless the Administrator has made a finding that either or both such standards is not requisite to protect public health allowing an adequate margin of safety. In the event the Administrator fails to promulgate a national primary ambient air quality standard for the subchronic human health effects of ozone concentrations or fails to make the finding with respect to such standard provided for in this subsection, on and after July 1, 1991 there shall be a national primary ambient air quality standard over a 1 hour period for ozone concentrations which shall be 0.08 parts per million of ozone expected to be exceeded not more than once per year and which shall be in addition to any other standard for ozone which has been established.

"(g) The Administrator shall, not later than thirty-six months after the date of enactment of this subsection, propose a national primary ambient air quality standard for acid aerosols along with their precursors including sulfates, nitrates and other fine particles which shall be in addition to any national primary ambient air quality standard for particulate matter which has been established and which is consistent with subsection (b)(1) unless, based on criteria issued under section 108, the Administrator first finds that there is no significant evidence that such a standard is requisite to protect public health allowing an adequate margin of safety. After notice and opportunity for public comment on a proposed standard, but not later than January 1, 1992, the Administrator shall promulgate such a standard unless the Administrator has made a finding that such a standard is not requisite to protect public health allowing an adequate margin of safety.

"(h) The Administrator shall, not later than thirty-six months after the date of enactment of this subsection, propose a national secondary ambient air quality standard or standards for ozone concentrations consistent with subsection (b)(2) unless, based on criteria issued under section 108, the Administrator finds that there is no significant evidence that such a standard is requisite to protect soils, waters, crops, forests, vegetation, materials, visibility or other elements of public welfare. The proposed standard or standards shall take into account both short-term and seasonal effects of ozone concentrations on crops and forests. After notice and opportunity for public comment on a proposed standard or standards, but not later than January 1, 1992, the Administrator shall promulgate such a standard or standards, unless the Administrator has made a finding that such a standard or standards is not requisite to protect public welfare as provided in this subsection. In no event shall any such standard be identical to the national primary ambient air quality standard for ozone absent a determination by the Administrator, based on criteria issued under section 108, that an identical standard is nevertheless adequate to protect soils, waters, crops, forests, vegetation, materials, visibility or other elements of public welfare.

"(i) The Administrator shall, not later than thirty-six months after the date of enactment of this subsection, propose a national secondary ambient air quality standard for fine particles with an aerodynamic diameter smaller than or equal to 2.5 micrometers consistent with subsection (b)(2) unless, based on criteria issued under section 108, the Administrator finds that there is no significant evidence that such a standard is requisite to protect crops, waters, forests, vegetation, materials, visibility or other elements of public welfare. After notice and opportunity for comment on a proposed standard, but not later than January 1, 1992, the Administrator shall promulgate such a standard, unless the Administrator has made a finding that such a standard is not necessary to protect crops, waters, forests, vegetation, materials, visibility or other elements of public welfare.".

IMPLEMENTATION OF SECONDARY STANDARDS

SEC. 3. (a) Section 110(a)(1) of the Clean Air Act is amended by striking the last sentence and inserting in lieu thereof, "Each State shall conduct separate public hearing on the elements of its plan (or revisions thereof) implementing national secondary ambient air quality standards.".

(b) Section 110 (a)(2)(A) of the Clean Air Act is amended by striking "and" before "(ii)" and by inserting at the end thereof, "and (iii) in the case of a plan implementing a national secondary ambient air quality standard for ozone or fine particles as required by section 109(h) and (i), it provides for the attainment of such secondary standards as expeditiously as practicable but (subject to subsection (e)) in no case later than three years from the date of approval of such plan (or any revision thereof to take account of a revised secondary standard);".

(c) Section 110(b) of the Clean Air Act is amended by adding at the end thereof, "Only one such extension shall be made for any state for any secondary standard or revision thereof.".

(d) Section 110(e) of the Clean Air Act is amended by adding at the end thereof—

"(3) Subject to the same conditions which apply to an extension under paragraph (1), upon application of a Governor of a State at the time of submission of any plan implementing a national secondary ambient air quality standard for ozone concentrations or for fine particles, the Administrator may extend the three-year period referred to in subsection (a)(2)(A)(iii) for not more than two years for an air quality control region.".

INTERSTATE POLLUTION

SEC. 4. (A) SECTION 110(a)(2)(E) OF THE CLEAN AIR ACT IS AMENDED—

(1) by inserting "or sources" after "source";

(2) by striking "prevent" and inserting in lieu thereof "interfere with";

(3) by inserting after "visibility," the following: "or (III) contribute to atmospheric concentrations or loadings of pollutants (whether or not a national primary or secondary ambient air quality standard has been promulgated for such pollutant) for their transformation products or the deposition of such pollutants or transformation products which may reasonably be anticipated to cause or contribute to an adverse effect on public health or welfare or the environment in any other State or foreign country,"; and

(4) by adding at the end thereof, "Not later than January 1, 1989 the Administrator shall promulgate regulations for the implementation of this subparagraph. Such regulations shall specify the methodology (including modeling of atmospheric transport and transformation processes) which the Administrator deems sufficient to demonstrate a violation of this subparagraph or section 126. After the date on which such regulations are promulgated, the Administrator shall review all plans submitted (including plans previously submitted) pursuant to this section to assure compliance with this subparagraph and section 126.".

(b) Section 110(a)(4) of the Clean Air Act is amended by striking "within such State".

(c) Section 126 of the Clean Air Act is amended as follows:

(1) by adding a new subsection as follows:

"(d) Emissions of an air pollutant which, by itself or in combination, reaction, or transformation, adversely affects the public health or welfare of another State, is in violation of this section.".

(2) in subparagraph (B) of subsection (a)(1), by striking "in excess of the national ambient air quality standards";

(3) in subsection (b)—

(A) in the first sentence, following "major source", by inserting "or group of sources";

(B) by striking "110(a)(2)(E)(i)" and inserting in lieu thereof "110(a)(2)(E) or this section"; and

(C) by adding at the end thereof, "Any petition pursuant to this subsection not granted or denied within 180 days after such hearing shall be deemed denied and shall be reviewable under section 307.";

(4) in subsection (c)—

(A) in the first sentence, following the words "violation of", inserting "this section and";

(B) striking "110(a)(2)(E)(i)" wherever it appears and inserting in lieu thereof "110(a)(2)(E) or this section";

(C) in paragraph (2) insert before the period the phrase, "or to continue operation in violation of subsection (d) more than two years after the date of such finding without the installation of reasonably available control technology."

(d) Section 302(h) of the Clean Air Act is amended by inserting "precipitation," following "effects on" the second time it appears and by inserting before the period a comma and "whether caused by transformation, conversion, or combination with other air pollutants.".

(e) Section 304(a)(1) of the Clean Air Act is amended by inserting a comma after "Act"; by striking "or"; and by inserting at the end thereof "or, (C) section 110(a)(2)(E) or 126,".●

By Mr. METZENBAUM (for himself, Mr. LAUTENBERG, Mr. INOUYE, Mr. SPECTER, Mr. WIRTH, Mr. WEICKER, Mr. SANFORD, and Ms. MIKULSKI):

S. 797. A bill to require the Attorney General to collect data and report annually about hate crimes; to the Committee on the Judiciary.

COLLECTION OF HATE CRIME STATISTICS

● Mr. METZENBAUM. Mr. President, today I am introducing legislation to require the Justice Department to collect data on crimes motivated by religious, ethnic, or racial prejudice.

There is no comprehensive, accurate system in place today for the collection of statistics on racial, ethnic, or religious violence. Consequently, we have no systematic way of determining whether our society is growing more tolerant, or, as recent evidence suggests, more hostile to minorities of this Nation.

The recent well-publicized incidents of racial violence in Howard Beach and Forsyth County, GA, have refocused our attention on the problem of racial violence. And it is well that they have, because the evidence indicates that we have not reached the point where hate crimes are a thing of the past.

The State of Maryland, one of the few States with a strong reporting requirement, has averaged about 400 incidents per year. New York City has witnessed an increase in these incidents of 32 percent per year. The California Attorney General's Commission on Racial, Ethnic, Religious and Minority Violence concluded last year that hate violence was occurring in every part of California and was growing.

The Community Relations Service of the Justice Department, the only Federal agency charged with mediating racial and ethnic disputes, reports a 42-percent increase in racial incidents and a tripling of these incidents between 1980 and 1986. The Director of the Agency said last month that:

> We . . . cannot afford to be sanguine about potential implications, for if left unattended, these incidents could spread like a cancer. Governors' offices, police departments, and community groups from Rhode Island to Idaho to California are requesting . . . assistance.

The Director said that he is

> generally in favor of a mechanism designed to collect uniform data on hate incidents.

This bill requires the Attorney General to develop a system for obtaining data for 1988, and for the succeeding 4 years, about crimes which appear to be based on racial, ethnic, or religious prejudice. It is a modest bill, designed to provide information to enable us to better understand and cope with hate crimes.

This bill will not solve the problems of bigotry and prejudice in our society. It will not prevent the victimization of religious and racial minorities. But it will help us understand the problem. It will help us to learn if our society is becoming a more tolerant and civilized one or if we are moving backward.

I ask unanimous consent that a copy of the bill be inserted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 797

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ACQUISITION OF DATA AND REPORTS

Under the authority of section 534 of title 28, United States Code, the Attorney General shall develop a workable reporting system for the acquisition of data, for the calendar year 1988 and each of the succeeding 4 calendar years, about crimes which manifest racial, ethnic, or religious prejudice, including the crimes of homicide, assault, robbery, burglary, theft, arson, vandalism, trespass, and threat. The Attorney General shall annually publish a summary of such data.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS

There is authorized to be appropriated for fiscal year 1988 and each of the succeeding four fiscal years, such sums as may be necessary to carry out this Act.●

By Mr. WEICKER:

S. 798. A bill to amend the Internal Revenue Code of 1986 and title 31, United States Code, to increase the tax on diesel fuel and gasoline for highway use in order to reduce the Federal deficit, and the public debt through the Public Debt Repayment

Trust Fund; to the Committee on Finance.

REDUCTION OF DEFICIT AND PUBLIC DEBT REVENUE ACT

● **Mr. WEICKER.** Mr. President, today I rise to introduce legislation addressing two of this country's most ominous problems. An enormous budget deficit and the growing dependence upon imported oil and energy supplies. Today, the seriousness of these two issues are recognized by Congress and the administration alike.

In regard to the budget deficit, we have realized the peril that we place future generations in with the failure to effectively control expenditures and to responsibly raise revenues to provide for our country's needs. We have done much to reduce this overwhelming deficit but have much to do in eliminating it altogether. We cannot sacrifice education, health care systems, scientific research, the poor, the handicapped and the elderly in order to pay for the defense budget. More revenues are needed to reduce the deficit and continue our investments in humanity.

Mr. President, I believe that this country is entering an energy crisis that may well exceed the one we experienced in the late 1970's. Our use of imported oil is rising today at an unprecedented rate while domestic reserves are declining. The U.S. oil industry is reeling from low oil prices and we can literally see regions of this Nation that are in a depression. In only a few years this country will consume more imported oil than from domestic sources. As our Nation's oil reserves, and those of other countries decline, we will once again find ourselves heavily dependent upon Mideast oil supplies. The turbulence, political instability and animosity to Western nations that exists in the Persian Gulf can only create a grim foreboding in relying on that area for the energy to supply our economy.

The legislation I propose today is very simple. It would impose a 3-year tax upon gasoline from which the proceeds will go to reduction of the deficit and to encourage oil conservation and curb the import of foreign oil. Transportation in this country consumes over 60 percent of oil used every year. The enactment of this tax will reestablish a gas conservation ethic. From earlier calculations the proposed tax would raise over $50 billion in revenues to reduce the deficit and to support our energy security efforts. My proposal requires half of the generated revenues to specifically reduce the deficit. The remaining revenues would be directed to the Treasury to build America's future.

Critics of the gasoline tax point to its regressiveness and the possible impacts upon the economy. Let me point to the dangerous waters this country is entering with a huge national debt and weakening energy security. Even the administration recognizes that imposition of a gas tax would decrease gasoline demand, reduce oil imports, buffer the impacts of an oil energy crisis and reduce the Federal deficit.

It is time that this generation face its responsibilities and add to the well from which we have been drawing at whim and at will for years. The tragedy of our future may well be not the ravages to this country by enormous debts and an uncertain energy supply, but rather of the opportunities lost in paying our due to assure our Nation's security and wealth.

Mr. President, I ask unanimous consent that the bill I am introducing be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 798

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Reduction of the Deficit and Public Debt Revenue Act of 1987".

SEC. 2. INCREASE IN TAX ON DIESEL FUEL AND GASOLINE.

(a) IMPOSITION OF TAX.—

(1) DIESEL FUEL.—Subsection (a) of section 4041 of the Internal Revenue Code of 1986 (relating to imposition of tax on diesel fuel and special motor fuels) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) ADDITIONAL TAX IMPOSED TO REDUCE FEDERAL DEFICIT AND PUBLIC DEBT.—In the case of any liquid on which a tax is imposed under paragraph (1) (other than liquid used as fuel in aircraft), there is hereby imposed an additional tax determined from the following table:

"If the liquid is used or sold—	The additional tax rate is—
On or after October 1, 1987	10 cents a gallon
On or after October 1, 1988	20 cents a gallon
On or after October 1, 1989	30 cents a gallon.".

(2) GASOLINE IN 1987.—Subsection (b) of section 4081 of such Code (relating to imposition of tax on gasoline), as amended by section 521(a)(1)(A)(i) of the Superfund Revenue Act of 1986, is amended—

(A) in paragraph (1)—

(i) by striking out "and" at the end of subparagraph (A),

(ii) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", and", and

(iii) by adding at the end thereof the following new subparagraph:

"(C) the Federal deficit and public debt financing rate.", and

(B) in paragraph (2)—

(i) by striking of "and" at the end of subparagraph (A),

(ii) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", and", and

(iii) by adding at the end thereof the following new subparagraph:

"(C) the Federal deficit and public debt financing rate is determined from the following table:

"If the gasoline is sold—	The Federal deficit and public debt financing rate is—
On or after October 1, 1987	10 cents a gallon.
On or after October 1, 1988	20 cents a gallon.
On or after October 1, 1989	30 cents a gallon.".

(3) GASOLINE AFTER 1987.—Subsection (d) of section 4081 of such Code (relating to imposition of tax on gasoline), as amended by section 1703(a) of the Tax Reform Act of 1986 and section 521(a)(1)(A)(ii) of the Superfund Revenue Act of 1986, is amended—

(A) in paragraph (1)—

(i) by striking out "and" at the end of subparagraph (A),

(ii) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", and", and

(iii) by adding at the end thereof the following new subparagraph:

"(C) the Federal deficit and public debt financing rate.", and

(B) in paragraph (2)—

(i) by striking of "and" at the end of subparagraph (A),

(ii) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", and", and

(iii) by adding at the end thereof the following new subparagraph:

"(C) the Federal deficit and public debt financing rate is determined from the following table:

"If the gasoline is sold—	The Federal deficit and public debt financing rate is—
On or after October 1, 1987	10 cents a gallon.
On or after October 1, 1988	20 cents a gallon.
On or after October 1, 1989	30 cents a gallon.".

(b) FLOOR STOCK TAXES ON GASOLINE.—

(1) IN GENERAL.—On gasoline subject to tax at the Federal deficit and public debt financing rate under section 4081 of the Internal Revenue Code of 1986 which, on October 1, 1987, October 1, 1988, or October 1, 1989, is held by a dealer for sale, there is hereby imposed a floor stock tax at the rate of 10 cents a gallon.

(2) OVERPAYMENT OF FLOOR STOCK TAXES.—Section 6416 of such Code shall apply with respect to the floor stock taxes imposed by this subsection, so as to entitle, subject to all provisions of section 6416, any person paying such floor stock taxes to a credit or refund thereof for any of the reasons specified in section 6416.

(3) DUE DATE OF TAXES.—The taxes imposed by this subsection shall be paid at such time after each applicable October 1 as may be prescribed by the Secretary of the Treasury or his delegate.

(4) TRANSFER OF 50 PERCENT OF FLOOR STOCK TAXES TO PUBLIC DEBT REPAYMENT TRUST FUND.—For purposes of determining the amount transferred to the Public Debt Repayment Trust Fund for any period, 50 percent of the taxes imposed by this subsection shall be treated as if they were imposed by section 4081 of the Internal Revenue Code of 1986 with respect to the tax at the Federal deficit and public debt financing rate.

(5) DEFINITION AND SPECIAL RULE.—For purposes of this subsection—

(A) The term "dealer" includes a wholesaler, jobber, distributor, or retailer.

(B) An article shall be considered as "held by a dealer" if title thereto has passed to such dealer (whether or not delivery to him has been made) and if for purposes of consumption, title to such article or possession thereof has not at any time been transferred to any person other than a dealer.

(c) Conforming Amendments.—

(1) Paragraph (3) of section 4041(a) of the Internal Revenue Code of 1986 (relating to termination of tax on special fuels) is amended by inserting "paragraphs (1) and (2) of" after "imposed by".

(2) Subparagraph (B) of section 4041(b)(1) of such Code (relating to exemption for off-highway business use) is amended by striking out "paragraph (1)(B) or (2)(B) of subsection (a)" and inserting in lieu thereof "paragraph (1)(B), (2)(B), or (3) of subsection (a)".

(3) Section 4041(f)(3) of such Code (relating to exemption for farm use) and section 4041(g) of such Code (relating to other exemptions) are each amended by striking out "subsection (d)" and inserting in lieu thereof "subsections (a)(3) and (d)".

(4) Section 4041(n) of such Code (relating to tax on diesel fuel for highway vehicle use may be imposed on sale to retailer) is amended by adding at the end thereof the following new paragraph:

"(6) Treatment of additional tax to reduce federal deficit and public debt.—For purposes of this subsection, the tax imposed by subsection (a)(3) shall be treated as the tax imposed by subsection (a)(1).".

(5) Subsection (a) of section 6412 of such Code (relating to floor stock refunds) is amended by inserting "(at the Highway Trust Fund financing rate)" after "4081".

(6) Paragraph (2) of section 6416(b) of such Code (relating to special cases in which tax payments considered overpayments) is amended by striking out "paragraph (1)(A) or (2)(A) of section 4041(a)" and inserting in lieu thereof "paragraph (1)(A), (2)(A), or (3) of section 4041(a)".

(7) Subsection (h) of section 6420 of such Code (relating to gasoline used on farms) is amended by inserting "or at the Federal deficit and public debt financing rate" after "financing rate".

(8) Subsection (h) of section 6421 of such Code (relating to tax on gasoline used for certain nonhighway purposes or by local transit systems) (as in effect before its redesignation by section 1703(c) of the Tax Reform Act of 1986) is amended by inserting "or at the Federal deficit and public debt financing rate" after "financing rate".

(9) Paragraph (2)(A) of section 6427(b) of such Code (relating to refund for intercity, local, or school buses) is amended by inserting "with respect to section 4041(a)(1)" after "account".

(10) Subsection (n) of section 6427 (relating to fuels not used for taxable purposes) is amended—

(A) by striking out "section 4041(d)" and inserting in lieu thereof "subsections (a)(3) and (d) of section 4041", and

(B) by inserting "or at the Federal deficit and public debt financing rate" after "financing rate".

(d) Effective Date.—The amendments made by this section shall take effect on October 1, 1987.

SEC. 3. INCREASED REVENUES USED TO REDUCE FEDERAL DEFICIT AND PUBLIC DEBT.

(a) Amendments to Highway Trust Fund.—Paragraph (4) of section 9503(b) of the Internal Revenue Code of 1986 (relating to transfer to highway trust fund of amounts equivalent to certain taxes) is amended—

(1) by striking out "section 4041(d)" and inserting in lieu thereof "subsections (a)(3) and (d) of section 4041", and

(2) by inserting "or the Federal deficit and public debt financing rate" after "financing rate".

(b) 50 Percent of Additional Revenues Applied to Public Debt Repayment Trust Fund.—

(1) In general.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to establishment of Trust Funds) is amended by adding at the end thereof the following new section:

"SEC. 9510. PUBLIC DEBT REPAYMENT TRUST FUND.

"(a) Creation of Trust Fund.—There is established in the Treasury of the United States a trust fund to be known as the 'Public Debt Repayment Trust Fund', consisting of such amounts as may be appropriated or credited to the Public Debt Repayment Trust Fund.

"(b) Transfer of Certain Taxes.—There are hereby appropriated to the Public Debt Repayment Trust Fund amounts equivalent to 50 percent of the taxes received in the Treasury under the following provisions:

"(1) section 4041(a)(3) (relating to additional tax on diesel fuel), and

"(2) section 4081 (to the extent attributable to the Federal deficit and public debt financing rate).

"(c) Expenditures From Public Debt Repayment Trust Fund.—Amounts in the Public Debt Repayment Trust Fund are appropriated and available for—

"(1) the payment of interest on the public debt, and

"(2) the payment at maturity, or the redemption or purchase before maturity, of any obligation of the Government included in the public debt.

Any obligation of the Government that is bought, redeemed, or paid out of the Public Debt Repayment Trust Fund shall be cancelled and retired and may not be reissued. The Public Debt Repayment Trust Fund is available until all Government obligations included in the public debt are retired.

"(d) Obligation Defined.—For purposes of this section, the term 'obligation' means a direct obligation of the United States Government issued under law for valuable consideration, including bonds, notes, certificates of indebtedness, Treasury bills, and interim certificates issued for an obligation.".

(c) Clerical Amendment.—The table of sections for subchapter A of chapter 98 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new item:

"Sec. 9510. Public Debt Repayment Trust Fund.".

(d) Effective Date.—The amendments made by this section shall take effect on October 1, 1987.●

By Mr. GLENN (for himself, Mr. D'Amato, Mr. Moynihan, and Mr. Simon):

S. 799. A bill to provide for the protection from shoreline erosion of improvements to residential real property contiguous with the Great Lakes; to the Committee on Environment and Public Works.

GREAT LAKES EMERGENCY SHORELINE PROTECTION ACT

● Mr. GLENN. Mr. President, today, I am introducing, along with my colleagues, Senators Moynihan, Simon, and D'Amato, the "Great Lakes Emergency Shoreline Protection Act." This legislation will provide Great Lakes homeowners with the means to protect their property from the devastating effects of shoreline erosion.

This legislation is designed to encourage financial institutions to provide secured, federally guaranteed loans to residential property owners along the great Lakes for implementation of shoreline protection measures or for moving structures back from the shoreline. A similar bill has been introduced in the House of Representatives by Mr. Eckart and 23 of his colleagues.

The need for this legislation has never been more urgent. The Great Lakes water levels are at a record high, with Lake Erie being some 4 feet above normal. The most recent 6-month forecast prepared by the U.S. Army Corps of Engineers last September indicates that the lake levels will continue to increase. The high lake levels have already caused serious damage to property due to shoreline erosion and flooding. Streets, private homes and businesses throughout the basin are being washed into the lakes; valuable agricultural land in Ottawa County, Ohio, and elsewhere is being lost; and 27 counties in Michigan have been declared disaster areas.

Current programs are inadequate to deal with this problem. Protection from long-term flooding is addressed through the Advanced Measures program of the U.S. Corps of Engineers, and protection against loss of property due to short-term flooding is available through the National Flood Insurance Program, administered by the Federal Emergency Management Agency. Relief from gradual shoreline erosion, however, is not provided by any Federal program.

The "Great Lakes Emergency Shoreline Protections Act" has been designed to minimize the risk to the Federal Government by securing each loan by a lien on the improved property being protected, and by required State participation in the implementation of the program. The loan will be awarded for the purpose of protecting the principal residential property of citizens from shoreline erosion and flooding. The terms of the loan may be for up to 30 years and $50,000. The States would have the responsibility to determine the need for each loan under the terms of the act, to specify the use to which the loan could be put, and to prescribe certain terms of repayment, including the potential imposition of a state-levied adminstrative fee. The State would provide a subsidy of from 32 to 5 percentage points of the interest charged on each loan.

Overall, while the program will require some effort and expense on the part of the States, the bill gives each State many options for qualifying loan recipients and for determining the most appropriate property protection measures in each case.

The lead Federal agency for administering the shoreline erosion protection provisions would the U.S. Army Corps of Engineers. An authorization of $2 million per year for the 5 years of this bill is included for the program's administative costs.

Mr. President, this legislation requires some form of active participation by all parties, while keeping the cost to the Federal Government at a minimum.

I want to emphasize that the residential property owners along the Great Lakes need some assistance soon to alleviate the threat of encroaching high water levels. I am especially reminded of the increased amount of shoreline erosion which occurs when storms pass over the lakes. I recall, for example, that during a winter storm on December 2, 1985, the difference in the level of Lake Erie between Toledo and Buffalo was 16 feet, causing extensive shore erosion and millions of dollars in property damage. This past month, strong northerly winds across Lake Michigan resulted in the flooding of Chicago's Lake Shore Drive. The increased amount of damage and erosion which accompanied these storms serve as warnings for what lies ahead.

It is imperative that we address this problem now to relieve thousands of people from the prospect of losing their homes and property. Based on current trends, the Great Lakes Commission projects that lake levels may continue to increase for the foreseeable future, causing continued hardship for residential property owners on the Great Lakes.

Mr. President, I urge that the Senate give this legislation its early and favorable consideration. I ask unanimous consent that a summary of this legislation be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

EXECUTIVE SUMMARY: GREAT LAKES EMERGENCY SHORELINE PROTECTION ACT

I. PURPOSE OF ACT.

To encourage financial institutions to provide loans to residential property owners for implementation of shoreline protection measures or for moving structures back from the shoreline.

II. FINDINGS

(A) Great Lakes water levels have been steadily rising in recent years and have established new records. (B) Water levels have already caused damage, and there is a significant probability that there will be damage exceeding that of the past. (C) Owners of real property contiguous with the Great Lakes are having difficulty providing funds for protection from shoreline erosion.

III. ADMINISTRATION OF THE PROGRAM

(A) The Corps of Engineers will administer the program and will guarantee that the U.S. will reimburse a financial institution for 90 percent of any loss sustained as a result of default.

(B) The Corps of Engineers will establish a limitation on the maximum amount of interest that a lender can charge, based on prevailing interest rates.

(C) The Corps of Engineers will hold the improved property as security until the loan is paid off. In the event of default, the U.S. will reimburse the financial institution, then foreclose and sell the property. Superior lien holders will receive proceeds from the sale of the property before the U.S.

(D) In cooperation with the states, the Corps of Engineers will establish priorities for loans based on risk of damage.

IV. ELIGIBILITY FOR FEDERAL LOANS

(A) The improvement to be protected must have been in existence or under construction on the date of enactment unless the state establishes setback requirements for new construction, in which case, the eligibility requirement does not apply.

(B) The term of the loan cannot exceed 30 years and the aggregate amount of the loan cannot exceed $50,000 (the Corps of Engineers may increase the amount of an individual loan by $35,000 if justified).

(C) The states would subsidize, with respect to interest charges, 3 to 5 percent of the principal amount of the loan.

(D) States must certify that: (1) the borrower's plan for erosion control meets minimum engineering standards to be developed by the Corps in cooperation with the states; (2) the borrower meets standards established by the state with respect to effective procedures for moving residential structures; and (3) there is significant risk that the structure to be protected will be damage from erosion if no action is taken.

(E) States in determining whether to provide the subsidy, shall consider financial need of borrower and whether property to be protected is a principal residence.

V. ELECTIONS BY STATES WITH RESPECT TO CONDITIONS OF PROVIDING SUBSIDY

States may elect to: (1) recapture the subsidy to the borrower upon sale or disposition of the property; (2) determine whether subsidized loans should be used for moving structures back from the shoreline or for erosion control devices or for both; and (3) collect an administration fee, not to exceed 1%, to defray the costs of administering the program.

VI. ADDITIONAL CORPS OF ENGINEERS ROLES

(A) The Corps shall develop, within 120 days of enactment, minimum standards for construction of any shoreline erosion control device. The Corps will also assess the effectiveness of devices constructed under Section 54 of the Shoreline Erosion Control Demonstration Act of 1974.

(B) Within one year of enactment, the Corps with the states, shall complete a study to determine if owners whose homes are receiving seepage damage from high water tables as a result of high lake levels should be eligible for assistance under the program.

VII. REPORT ON THE EFFECTIVENESS OF THE PROGRAM

The Corps of Engineers will prepare a report to Congress. The Corps will assess the effectiveness of the erosion control devices constructed under the loan program, and the Corps will assess the effectiveness of the program itself. The report will be submitted within 4 years of enactment.

VIII. AUTHORIZATION OF APPROPRIATIONS FOR ADMINISTRATIVE COSTS

Appropriations of $2,000,000 are authorized for FY 1987 and each fiscal year from 1988 through 1992 for administrative costs of the program.●

● Mr. MOYNIHAN. Mr. President, I am pleased to cosponsor the Great Lakes Emergency Shoreline Protection Act with Senator GLENN and my other Great Lakes State colleagues. This legislation is designed to provide some relief to homeowners along the Great Lakes who are suffering from the effects of the highest water levels in the Great Lakes in this century.

The Great Lakes and their connecting channels make up the largest freshwater system of surface water in the world. Their total water surface area is almost 95,000 square miles. It is to be expected that the levels of the lakes will fluctuate in the short and long term due to natural variations in precipitation, evaporation, aquatic growth, storms, tides, and so forth. The current crisis on the banks of the lakes is the human problem brought on by the natural occurrence of elevated levels of water in the lakes.

THE NEED FOR THIS LEGISLATION

The levels of the Great Lakes have risen steadily in recent years; indeed, new records have been set and surpassed several times. These elevated levels have already caused significant damage to property on the lakes' shores. A brief visit to our Great Lakes shoreline makes clear the enormity of the problem. In some cases, the combination of unusually high water levels and strong wind and wave action have resulted in the loss of acres of lake shore property in a matter of hours.

In December of 1985 Lake Erie was the highest that it has been since the Army Corps of Engineers began keeping records in the late 1800's. A storm that arose during that month caused an estimated $1.3 million in damages in Erie and Chautauqua Counties in New York. Winds of nearly 70 miles per hour instantaneously drove the water level at Buffalo to a new record high. Such occurrences have distressed the residents of all the Great Lakes States.

There is every reason to believe that further increases in lake levels and resultant damage will occur.

DESCRIPTION OF THE LEGISLATION

This legislation will enable financial institutions to provide loans to residential property owners for construction of shoreline protection measures and for moving structures away from the eroding shoreline.

The act authorizes $2 million per year for the 5-year authorization period for administrative expenses of the program. It directs the Secretary of the Army to administer a program that will provide loans at below market rates, to help homeowners to protect or to move their houses. The Federal Government will guarantee these loans against default. The loans may be for a total of $50,000 over a 30-year term, and may be increased to $75,000 if the Secretary finds that the increase is justified. The aggregate amount of money loaned will depend upon the participation of the States and financial institutions. The implementation of this program requires no Federal appropriations beyond the costs of its administration.

The States must subsidize not less than 3 and not more than 5 percent of the interest charged on each loan, so that homeowners will have the advantage of a below market rate. In addition, the States must determine that each borrower's erosion control or house moving plans meet minimum engineering standards to be developed by the Corps of Engineers and the States. Priority for loans will be given to owners of properties that are at significant risk, and must be targeted for those most in need and those that require assistance to protect a principal residence.

Within 4 years of the enactment of this legislation the corps will report on the effectiveness of the program, and recommend necessary changes to Congress.

I urge my colleagues to join in support of this worthwhile and most necessary legislation.●

● Mr. D'AMATO. Mr. President, I rise today in support of the Great Lakes Emergency Shoreline Protection Act, and I commend my colleague from Ohio, Senator GLENN, for his leadership on this issue.

We are all aware that Great Lakes water levels are at an all-time high, with little hope of significant relief in the near future. Various proposals for diversions would have little effect in the long run, virtually no effect in the short run, and would be difficult to reverse if Great Lakes levels ever become dangerously low. In addition, diversions could simply move the problem from one area to another, causing flooding in the areas to which the water is diverted.

In short, Mr. President, it is clear that we must address this problem by looking for ways to protect property owners along the lakes from high water levels, rather than attempting to change those levels.

Currently, protection from long-term flooding can be addressed through the advanced measures program of the Army Corps of Engineers, while protection against loss of property due to short-term flooding is available through the National Flood Insurance Program administered by the Federal Emergency Management Agency. However, there is no Federal program to provide relief for homeowners along the Great Lakes who are experiencing gradual erosion problems.

The bill I am cosponsoring today, the Great Lakes Emergency Shoreline Protection Act, is designed to assist these homeowners through a program shared by the Federal and State governments. The program will encourage financial institutions to provide loans on residential property owners by guaranteeing the loans at the Federal level. States would participate in the program both by determining the need for the program and by providing a subsidy on the interest rate.

At the Federal level, this program will be administered by the Army Corps of Engineers. This will require an authorization of $2 million per year for 5 years.

The bill gives each State several options for qualifying loan recipients and for determining the most appropriate property protection measure in each case. However, it does set forth specific eligibility requirements. For example, the improvement to be protected must have been in existence or under construction on the date of enactment unless the State establishes setback requirements for new construction. The term of the loan cannot exceed 30 years, and the aggregate amount of the loan cannot exceed $50,000 unless the Corps of Engineers finds an increase justified. The States must subsidize from 3 to 5 percent of the interest charged on the loans.

States must certify that the borrower's plan for erosion control meets minimum engineering standards, and that there is a significant risk that the improvement to be protected will be damaged from erosion if no action is taken.

Mr. President, I believe this bill represents a reasonable approach to protect properties along the Great Lakes. It is an innovative, fiscally responsible approach, and I urge my colleagues to join me in cosponsoring this bill.●

By Mr. BREAUX:

S. 800. A bill to authorize appropriations for fiscal year 1988 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission; to the Committee on Commerce, Science, and Transportation.

MARITIME ADMINISTRATION AND FEDERAL MARITIME COMMISSION AUTHORIZATION

● Mr. BREAUX. Mr. President, I am particularly proud to be introducing the following measure as I have just today been named as the new chairman of the Merchant Marine Subcommittee of the Committee on Commerce, Science and Transportation.

Federal maritime issues are certainly no stranger to me. I was a very active player in this field while serving in the House on the Merchant Marine and Fisheries Committee. In Louisiana, waterborne commerce and ship building are a way of life and the Port of New Orleans, now our Nation's third largest, has long served as the point of departure for the multitude of products from the breadbasket of our Nation.

But it is more than just a parochial interest that makes me so proud to now take command of this subcommittee. The maritime industry is the foundation on which our Nation was built. It has provided the backbone for our domestic commerce and foreign trade. It has served admirably in the defense of our precious way of life in America.

As many of us are painfully aware, however, the U.S. maritime industry is not a healthy one. Plagued by the same overseas challenges of unfair subsidies and unrealistic labor costs that many of our industries face today, the carrying of cargo by U.S. ships has largely become the exception, not the rule. Some go so far as to predict that in the near future 80 percent of U.S. shipping companies will go bankrupt. Of course, U.S. shipyards are suffering a parallel demise.

As I said, the merchant marine has risen to the needs of this Nation both in times of peace and in times of war throughout the history of this Nation. I think it is now our turn to rise in defense of our maritime industry in its time of need. The bill I am introducing would provide for the authorization of appropriations for essential Federal programs administered by both the Maritime Administration [MarAd] and the Federal Maritime Commission. These most basic of maritime programs will be the first of many issues and problems in the maritime industry that I look forward with great anticipation to working on in the subcommittee.●

By Mr. JOHNSTON (for himself, Mr. BRADLEY, Mr. BREAUX, Mr. BUMPERS, Mr. DECONCINI, Mr. MCCAIN, Mr. MCCLURE, Mr. MATSUNAGA, Mr. MURKOWSKI, Mr. NICKLES, and Mr. STEVENS):

S. 801. A bill to facilitate the national distribution and utilization of coal; to the Committee on Energy and Natural Resources.

COAL DISTRIBUTION AND UTILIZATION ACT

● Mr. JOHNSTON. Mr. President, today I am introducing a bill that would facilitate the development of coal slurry pipelines. This measure would grant the Federal power of eminent domain to those interstate coal pipeline systems determined to be in the national interest.

Enactment of this legislation would provide an alternate means of transporting domestic coal. Excessive coal haulage rates result in unnecessarily high electric utility bills for consumers, contribute to our relentless foreign trade deficit, and hurt the competitiveness of our domestic coal industry in the world marketplace.

Nearly 60 percent of all domestic coal is shipped by rail. A substantial amount of this rail coal tonnage is captive, that is, one rail carrier provides the only means of transporting coal from the mine to the market.

Rail transportation costs comprise a significant portion of the delivered price of coal. In fact, it is estimated that these costs often account for up to 50 percent of the delivered price of coal. One study on competition in rail transportation of Wyoming coal states that coal rail transportation rates comprise as much as 75 percent of the delivered price of coal for Wyoming's major coal purchasers.

The cost of internal transportation directly impacts the competitive position of U.S. coal in the world marketplace. This costs us jobs and revenues. The Energy Information Agency estimates that the United States will import a total of 4.8 million tons of foreign coal in 1995, up from 2.0 million tons in 1985. This will result in an overall loss to the economy of about 2,500 jobs and $389 million in business revenue.

We are already importing coal from Colombia, Canada, and Australia. EIA projects that Colombian coal will, in 1995, displace 2.5 million tons of Kentucky coal (at a cost of 600 miners' jobs), and 0.3 million tons of West Virginia coal. Canadian coal is projected to displace 1.1 million tons of Utah coal—at a cost of 230 miners' jobs—and 1 million tons of Wyoming coal.

Several utilities are receiving shipments of Colombian coal. Just 2 weeks ago, a Florida utility reportedly agreed to a purchase of Australian coal. The buyer was quoted as saying that the Australian coal's competitive price played a major role in the decision to proceed.

Concurrently with these negative developments with respect to coal imports, the U.S. is suffering losses in terms of the coal export market. The U.S. has historically been the world's leading coal exporter, but in 1984, lost this position to Australia.

At a time when our domestic coal industry is being adversely affected by an oversupply of oil and coal and a reduction in energy demand, it makes sense to do everything possible to improve the competitive position of U.S. coal vis-a-vis foreign production. Over 600 operating U.S. coal mines were lost between 1980 and 1985. U.S. coal mine employment decreased by some 82,000 jobs between 1979 and 1986. I am convinced that the availability of alternative, competitive means of transporting domestic coal, such as coal slurry pipelines, will improve both the standing of our domestic coal in the world marketplace and the health of our coal industry.

My bill would grant Federal eminent domain authority for coal slurry pipelines found by the Secretary of Energy to be in the national interest. The bill provides, among other things, for: First, small and independent coal producer access to the pipelines; Second, the primacy of State water law; Third, compliance with environmental control laws; fourth, antitrust review; and Fifth, protection for historic, wildlife and conservation areas.

Similar legislation to provide Federal eminent domain authority has been considered by the Congress previously. Coal slurry pipeline legislation was approved by the full Senate in 1974. The Senate Energy and Natural Resources Committee favorably reported coal slurry pipeline legislation in the 97th and 98th Congresses. The bill I am introducing today is essentially the same version that was reported favorably by the committee in the 98th Congress. I have made technical corrections, eliminated redundancies, and added a new section relating to access to coal pipeline transportation contracts.

Mr. President, the bill I am introducing today would result in substantial savings to consumers, create thousands of new jobs in construction, manufacturing and service-related industries, and help to increase the competitiveness of U.S. coal. I urge my colleagues to support this measure and to join me as cosponsors of the legislation.

I ask unanimous consent that the text of this bill be printed in the CONGRESSIONAL RECORD followed by a section-by-section summary of this bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 801

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Coal Distribution and Utilization Act of 1985".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress hereby finds and declares that—

(1) the continuing dependence of the United States on foreign sources for petroleum and petroleum products entails grave national security risks, results in major balance-of-payment deficits, and increases inflation and unemployment in the domestic economy;

(2) the United States possesses extensive coal reserves that must be produced, distributed, and utilized to reduce the Nation's dependence on imported petroleum;

(3) domestic coal reserves cannot be developed and used for fuel unless adequate transportation systems and facilities exist for the efficient and economic distribution of large quantities of coal across great distances to markets in interstate and foreign commerce at competitive prices;

(4) the Nation's coal distribution system must include interstate coal pipeline distribution systems that will assist the Nation in the development and efficient utilization of coal resources;

(5) the construction of interstate coal pipeline distribution systems to distribute domestic coal will be facilitated by granting the power of eminent domain to certain interstate coal pipeline distribution systems;

(6) the construction of interstate coal pipeline distribution systems is a public use that justifies granting the Federal power of eminent domain to those systems for which a determination of national interest has been made pursuant to this Act;

(7) the water resources of the States are necessary for the development of other resources within those States, and State water laws or terms and conditions of permits and authorizations for the appropriation, use, and diversion of water that restrict, limit, or condition the export of water in interstate coal pipeline distribution systems are reasonable and permissible means for the protection of the resources and the public interests of States;

(8) State water law and interstate compacts are carefully balanced and structured systems for the allocation of water;

(9) the national interest is best served by developing interstate coal pipeline distribution systems pursuant to those State water laws, interstate compacts, and laws governing the interstate allocation of water, including, notwithstanding any adverse impact such law may have on interstate commerce, laws relating to or prohibiting the export or use of water within or outside the State granting or denying such export or use; and

(10) the need for a national coal distribution system is subservient to the national interest in the primacy of State water law, interstate compacts, and laws governing the interstate allocation of water.

(b) The purpose of this Act is to facilitate the development of interstate coal pipeline distribution systems by granting the Federal power of eminent domain to those interstate coal pipeline distribution systems that are determined to be in the national interest: *Provided,* That such development is subject to State water law, interstate compacts, and laws governing the interstate allocation of water.

DEFINITIONS

SEC. 3. For the purposes of this Act the term—

(1) "coal" means any of the recognized classifications of coal, including anthracite, bituminous, semibituminous, subbituminous, and lignite;

(2) "interstate coal pipeline distribution system" means any pipeline system the primary economic purpose of which is the distribution of coal in a liquid or solid state—

(A) from one or more points outside a State to one or more points within a State or between two or more points within a State through another State, or

(B) from one or more points within Alaska to one or more points in a foreign country. Such a pipeline system shall be deemed to be in interstate or foreign commerce if coal that enters the pipeline system is delivered for commercial use in a State other than Alaska, in a territory of the United States, or in a foreign country.

An interstate coal pipeline distribution system includes line pipe, valves, pumping stations, water supply pipelines, and such dewatering facilities as are necessary. Such systems shall not include rail, port, highway, or other ancillary coal-gathering or coal-storage facilities.

(3) "private lands" means any interest in any land other than interests—

(A) owned by the United States or agency thereof or owned by any State or any political subdivision thereof;

(B) held in trust by the United States for an Indian or Indian tribe or owned by an Indian or Indian tribe subject to a restraint against alienation imposed by the United States; or

(C) owned by a regional or village corporation established under the Alaska Native Claims Settlement Act, as amended, if such land was transferred to such corporation pursuant to said Act;

(4) "right-of-way" means such interest in private lands, excluding any interest in water, as may be necessary for construction, operation, and maintenance of an interstate coal pipeline distribution system;

(5) "Secretary" means the Secretary of Energy or his successor;

(6) "State" means a State of the United States and the District of Columbia; and

(7)(A) "State water law" includes but is not limited to all substantive and procedural State constitutional provisions, statutory law, judicial decisions, administrative regulations, and administrative decisions authorized by the State which apply to water; and

(B) in the case of any State water law which might be argued to be invalid as an improper burden, interference, or regulation of interstate commerce, such State water law shall not be deemed to be invalid for that reason insofar as such law applies to the export or use of water within or outside the State granting or denying the export or use of water for any interstate coal pipeline distribution system. State water law includes both existing law and that new law properly enacted or created in the future.

EMINENT DOMAIN AUTHORITY

SEC. 4. (a) AUTHORITY TO MAKE NATIONAL INTEREST DETERMINATION.—(1) Upon application of any person proposing to construct an interstate coal pipeline distribution system, who has filed and secured approval of a water permit or acquired other appropriate authorization to control, reserve, appropriate, purchase, transfer, use, export, divert, dedicate or claim water under State water law as provided in section 5, the Secretary shall determine whether the construction of such system is in the national interest.

(2) The determination of the Secretary under paragraph (1) shall be based on the record as a whole, taking into consideration each of the criteria set forth in subsection (b).

(b) FINDINGS.—In making a determination under subsection (a) the Secretary shall make findings concerning the extent to which the system—

(1) would help meet national needs for coal distribution and utilization considering, among other matters, alternative routes, or means of distributing coal;

(2) would enhance competition and provide new market outlets and opportunities for coal producers, including small and independent producers;

(3) would contribute to the national security by encouraging the displacement of imported petroleum, petroleum products, and coal with domestic coal;

(4) would result in economic benefits including—

(A) reduced coal transportation costs;

(B) reduced wholesale and retail electric rates; and

(C) enhanced reliability of supplies of both coal and electric energy; and

(5) would affect the environment, compared to the environmental impacts of alternatives, including—

(A) railroad transportation;

(B) alternative pipeline routes; and

(C) coal utilization facilities, including electric generating plants at coal mine sites and coal gasification plants.

(c) SMALL AND INDEPENDENT COAL PRODUCER ACCESS.—(1) For purposes of protecting small and independent coal producers, the Secretary shall require, as a condition of his determination under subsection (a), that the applicant, prior to application, shall offer to make available to such producers the lesser of—

(A) 10 per centum of the total pipeline capacity of the proposed interstate coal pipeline distribution system; or

(B) that portion of the total capacity necessary to satisfy the total interstate coal pipeline distribution system transportation demand of all such small and independent producers located in the geographic region (as determined by the Secretary) served by such pipeline;

under the same terms and conditions as other contracting entities.

(2) For purposes of this subsection, the term "small and independent coal producer" means a coal producer, or a broker or cooperative that represents individual coal producers—

(A) who produced two hundred thousand tons or less of coal during the calendar year preceding the calendar year in which the application is filed, and

(B) are not affiliated with any other company. For purposes of this subparagraph, a coal producer shall be treated as affiliated with another company if such company controls, is controlled by, or is under common control with such coal producer. The term "control" shall have the same meaning as provided by section 10102 of title 49, United States Code.

(d) PROCEDURES.—(1) Any decision under subsection (a) shall be made after notice and opportunity for presentation of written data, views, or arguments in accordance with section 553 of title 5 of the United States Code. If the Secretary, in his discretion, decides to hold hearings, the Secretary shall expedite such hearings and proceedings, and shall schedule all hearings, proposed findings and conclusions, exceptions and any recommended decisions so that the Secretary's final decision under this section shall be issued and completed within eighteen months from the date of receipt of a complete application, except that the Secretary may, for good cause, extend such eighteen-month period for additional periods of not more than ninety days.

(2) Within thirty days after receipt of an application for a determination under this section, the Secretary shall determine whether the application contains all of the information required for its consideration whereupon he shall, within seven days, publish notice of receipt of the application in the Federal Register. The Secretary shall further notify the Governor of each State in which the interstate coal pipeline distribution system will be located. Each notification shall identify the lands over which the interstate coal pipeline distribution system is to be constructed or operated and the water source to be used. If the Secretary determines that all of the required information is not in the application, he shall immediately notify the applicant of all the deficiencies in the application and provide a reasonable period of time for such applicant to provide additional information.

(3) Each applicant for such a determination shall reimburse the Secretary for administrative and other costs incurred by the Secretary in processing the application in such manner as the Secretary shall, by rule, prescribe.

(e) ANTITRUST REVIEW.—(1) Not later than ten days after any application for a determination under this section is received by the Secretary, the Secretary shall notify the Attorney General of the filing of such application and shall provide the Attorney General with a copy of such application and such other information as the Attorney General may request. The Attorney General shall conduct an antitrust review to determine the likely effects upon competition of approval of such application, and not later than one hundred and twenty days after the date of receipt of such notification shall advise the Secretary of the results of such review, including, but not limited to, findings, and recommendations concerning such terms and conditions as the Attorney General deems necessary to protect and promote competition. No application may be determined to be in the national interest under this section if the Attorney General advises the Secretary in writing that, on the basis of such review, approval of such application is not consistent with the antitrust laws.

(2) For the purpose of paragraph (1), the term—

(A) "antitrust laws" has the meaning such term has under section 1 of the Clayton Act (15 U.S.C. 12); and

(B) "antitrust review" has the meaning the term "antitrust investigation" has under section 2 of the Antitrust Civil Process Act (15 U.S.C. 1311).

(f) EMINENT DOMAIN AUTHORITY.—(1) Any person proposing to build an interstate coal pipeline distribution system, the construction of which has been determined by the Secretary to be in the national interest, may, after making good faith efforts to acquire such rights-of-way by negotiations between such person and private landowners, acquire rights-of-way over, under, upon, or through private lands by exercise of the power of eminent domain in the United States district court for the district in which such lands are located or in the appropriate court of the State in which such lands are located. In any action or proceeding to acquire rights-of-way under this section, such action or proceeding shall conform to the laws, practices, and procedures relating to the general eminent domain law of the State where the property is situated, except that in the case of any such State law, practice, or procedure, the effect of which would prohibit any acquisition under this section, or which discriminates against interstate coal pipeline distribution systems, such State law, practice, or procedure shall not be applicable.

(2) Nothing in this section shall be construed to permit any person to acquire any water right through the exercise of the power of eminent domain granted under this Act.

(3) No interstate coal pipeline distribution system constructed pursuant to the authorities of this section shall be considered to be a Federal project for purposes of the application for or assignment of water rights.

(4) Unless there is no feasible and prudent alternative to the acquisition of a right-of-way and reasonable planning is made to minimize harm resulting from the acquisition, no such right-of-way may be acquired through exercise of the power of eminent domain under this Act if such right-of-way is over, under, upon, or through—

(A) lands of National, State, or local historic significance as determined by the Federal, State, or local officials having jurisdiction thereof; or

(B) lands held by a qualified organization as defined in section 170(h)(3) of the Internal Revenue Service Code of 1954 primarily for wildlife refuge, sanctuary, recreational or natural resource conservation purposes.

(g) ALTERNATIVE ROUTES.—(1) Nothing in this section shall be deemed to prohibit the applicant from amending his application to request a right-of-way over any alternative route.

(2) The Secretary may require the relocation of any right-of-way sought pursuant to this Act upon a showing that—

(A) such relocation is necessary to enable the United States to realize fully the value of its mineral interest;

(B) such alternative route is available; and

(C) such relocation would not result in unreasonable expense.

(h) PAYMENT FOR FEDERAL COAL.—(1) Each application for a determination of national interest filed pursuant to subsection (a) shall list each instance where the proposed right-of-way crosses lands wherein the United States maintains a mineral interest regarding coal (hereinafter referred to as "Federal coal"). Not later than ten days after any such application is received by the Secretary, the Secretary shall notify the Secretary of the Interior of the filing of such application and shall provide the Secretary of the Interior with a copy of such application and such other information as the Secretary of the Interior may request.

(2)(A) The Secretary of the Interior shall evaluate the effects of approval of such application upon the ability of the United States to realize the value of such mineral interest as a result of approval of the application.

(B) The Secretary of the Interior shall—

(i) establish terms and conditions necessary to minimize the impact of such right-of-way on the establishment of logical mining units; and

(ii) determine the extent to which alternative routes are available which would minimize the impact of granting the right-of-way on the ability of the Federal Government to realize the value of Federal coal.

(C) The Secretary of the Interior shall establish the fair market value of the Federal coal precluded from being recovered as a result of the proposed right-of-way. The Secretary of the Interior shall also establish the amount of reduction of the fair market value of Federal coal which will be more costly to recover as a result of the proposed right-of-way.

(3) The Secretary shall thereafter establish such terms and conditions requiring the applicant to pay the United States the amount established by the Secretary of the Interior pursuant to subparagraph (C).

(i) RULES AND REGULATIONS.—The Secretary shall promulgate such rules and regulations as are necessary for the expenditious exercise of the authority granted in this section.

(j) ADDITIONAL REQUIREMENT.—In implementing this section, the Secretary shall be subject to the provisions of section 210 of Public Law 90-537, as amended (43 U.S.C. 1511).

PRIMACY OF STATE WATER LAW

SEC. 5. (a) No person, legal entity, or governmental entity (including the United States, a State or subdivision thereof), their agents, permittees, licensees, or transferees, or any interstate coal pipeline distribution system, shall control, reserve, appropriate, purchase, transfer, use, divert, dedicate, dispose of, distribute, acquire exercise, export or claim water, or any right or interest therein, for export or use within or outside the State granting or denying the export or use of water in an interstate coal pipeline distribution system, unless such control, reservation, appropriation, purchase, transfer, use, diversion, dedication, disposal, distribution, acquisition, exercise, export or claim takes place pursuant to and in compliance with the State water law of that State. Such State water law shall be enforced even though enforcement would result in the failure to build an interstate coal pipeline distribution system, and even though it would result in uneven and disparate effects on interstate commerce.

(b) In full recognition of its powers under Article I, section 8, of the United States Consititution, Congress expressly delegates to the States the power to regulate the use or export of water in interstate coal pipeline distribution system, through State water laws, notwithstanding any adverse impact such delegation may have on interstate commerce or on any interstate coal pipeline distribution system. This delegation expressly includes but is not limited to provisions of State water law which provide for the establishment or exercise of terms or conditions (including terms or conditions terminating use or relating to or prohibiting the export of water) on permits or authorizations for, interests in, or rights to control, reservation, appropriation, purchase, transfer, use, diversion, dedication, disposal, distribution, acquisition, exercise, export or claim of water for the export or use in any interstate coal pipeline distribution system.

(c) Nothing in this Act shall—

(1) impair the validity of or preempt any provision of State water law, or of any interstate compact governing water;

(2) alter the rights of any State to its apportioned share of the waters of any body of surface or groundwater, whether determined by past or future interstate compacts, or by past or future legislative or final judicial allocations;

(3) preempt or modify any State or Federal law or interstate compact dealing with water quality or disposal;

(4) confer upon any non-Federal entity the ability to exercise any Federal right to the waters of any stream or to any ground water resources; or

(5) affect water rights of any Indian or Indian tribe which were established by the setting aside of a reservation by treaty, executive order, agreement or Act of the Congress.

(d) No waters to which a Federal right can be asserted shall be used or exported in any interstate coal pipeline distribution system, unless authorized pursuant to and subject to State water law in the same manner as provided for in subsection (a).

APPLICATION OF STATE AND LOCAL LAWS OTHER THAN STATE WATER LAW

SEC. 6. With respect to any State or local law other than State water law, nothing in this Act shall impair the validity of or preempt such State or local law, regulation, or rule of law pertaining to the location, construction, operation, or maintenance of an interstate coal pipeline distribution system except where such State or local law, regulation, or rule of law discriminates against interstate coal pipeline distribution systems.

UNDERGROUND CONSTRUCTION

SEC. 7. All coal pipelines granted Federal powers of eminent domain, pursuant to the provisions of this Act, for rights-of-way and extensions thereof shall, to the maximum extent practicable, consistent with environmental protection, safety, and good engineering and technological practices, be located underground, and the person holding such right of Federal eminent domain shall replace sufficient topsoil on disturbed areas so that a vegetative cover, comprised of native species where practicable, can be reestablished at least equal in extent of cover as that which sustained the natural vegetation in the area.

CONTINUING JURISDICTION OF STATE PUBLIC UTILITY COMMISSIONS

SEC. 8. Nothing in this Act shall be construed to require any forms of automatic passthrough of, or preempt the ratemaking authority of any State utility regulatory agency or the Federal Energy Regulatory Commission with respect to costs related to construction, operation, and maintenance of any interstate coal pipeline distribution system, whether or not such costs have been provided for by contract between a utility and the interstate coal pipeline distribution system operator.

APPLICABILITY OF ENVIRONMENTAL CONTROL LAWS

SEC. 9. Any interstate coal pipeline distribution system authorized under this Act shall be subject to the requirements of the Federal Water Pollution Control Act, as amended (33 U.S.C. 466 et seq.), and any other applicable Federal environmental control laws.

WATER DISCHARGE REQUIREMENTS

SEC. 10. Prior to the issuance of any findings pursuant to section 4 of this Act, the Secretary shall notify the Administrator of the Environmental Protection Agency of his consideration of the application for a determination under subsection (4)(a). The Secretary and the person applying for such determination shall provide such information as the Administrator shall require to conduct a review of the ability of the proposed interstate coal pipeline distribution system to comply with Federal water discharge requirements. The Administrator shall have one hundred and twenty days from the date of receipt of such notification to conduct such review and to advise the Secretary with respect thereto. The Secretary shall not issue any findings pursuant to section 4 unless he has received a report from the Administrator of the Environmental Protection Agency advising that, in the judgment of the Administrator, it can reasonably be expected that the water discharge can meet the requirements of the Federal Water Pollution Control Act.

ACCESS TO COAL PIPELINE TRANSPORTATION CONTRACTS

SEC. 11. (a)(1) By filing a contract between a prospective shipper and a pipeline carrier with the Federal Energy Regulatory Commission (hereinafter referred to as the Commission), within ten business days of signing said contract, any person operating or proposing to operate an interstate coal pipeline distribution system may enter into contracts with one or more shippers of coal to provide transportation under specified rates, terms, and conditions but may not unreasonably discriminate by refusing to enter into similar contracts under similar rates, terms, and conditions with other shippers who are seeking service from the same origin areas to the same terminus areas and are ready, fit, willing, and able to enter into such contracts in a contemporaneous period. The term "ready, fit, willing, and able" as used in this section includes, but is not limited to financial fitness. Such contract filing shall include all rates, terms, and conditions of said contract.

(2) Service under a contract executed pursuant to paragraph (1) of this subsection is deemed to be a separate and distinct class of service. Persons operating interstate coal pipeline distribution systems shall be obligated to perform only those duties specified by the terms and conditions of any such contract in connection with the services provided under such contract. Service under such contracts shall not be interrupted for the purpose of prorating or allocating to other shippers the pipeline capacity committed to service under such contracts.

(b)(1) Any person operating or proposing to operate an interstate coal pipeline distribution system who files contracts under this section for the transportation of a volume of coal which is less than the volume of coal that would totally obligate the capacity of the pipeline shall, in the sixty-day period beginning on the date of the filing of such contract, enter into contracts with shippers who are ready, fit, willing, and able to enter into such contracts under rates, terms, and conditions similar to the rates, terms, and conditions contained in the contract that has been so filed. That person shall enter into such similar contracts in the chronological order in which binding written offers to enter into such similar contracts are submitted to such person. The obligation imposed by this subsection shall remain in effect—

(A) until the capacity of the pipeline is totally committed for providing transportation under contracts approved under this section, or

(B) until the end of the sixty-day period, whichever occurs first.

(2) Not later than the thirtieth day following the end of such sixty-day period, a shipper of coal may file a complaint with the Commission on the grounds that the person operating the interstate coal pipeline distribution system is violating this subsection.

(3) If, following a notice and an opportunity for a hearing, but not later than the thirtieth day following the filing of a complaint in accordance with paragraph (2) of this subsection, the Commission finds that the person is violating this subsection and has, with respect to the complaining shipper, an obligation under this subsection to enter into a contract, the Commission shall order that person to provide the service specified in the offer under such rates, terms, and conditions contained in the contract that is filed with the Commission under paragraph (1) of this subsection. In addition, if the Commission finds that a person is violating this subsection by entering into contracts with shippers of coal pursuant to paragraph (1) of this subsection in an order other than the order in which binding offers are submitted, the Commission shall establish the proper order of such for approval under subsection (c) of this section.

(4) The Commission may not approve, under this section, any contract for the transportation of coal by pipeline—

(A) if approval of such contract will result in the total tonnage of coal obligated to be transported by the pipeline in any period under contracts approved under this section exceeding the maximum capacity of the pipeline in such period; or

(B) if the provision of coal transportation services under such contract would result in a destructive competitive practice.

Summary of Coal Slurry Pipeline Legislation

Section 2 sets forth the findings and purpose of the bill which is to facilitate the development of interestate coal slurry pipeline systems by granting the Federal power of eminent domain to those systems that are determined to be in the national interest. Any such development shall be subject to state water law.

Section 3 sets forth the definitions within the bill. Significant among these is a definition of "state water law". This phrase, as defined, includes existing and future substantive and procedural statutory law, State constitutional provisions, judicial decisions and administrative law which apply to water. It also makes clear that State water law which might be invalid in the absence of this legislation on the grounds that it poses an impermissible burden on commerce, shall not be deemed invalid as it applies to interstate coal pipeline systems.

Section 4 sets forth procedures for granting and acquiring the Federal power of eminent domain. Subsection (a) requires the Secretary of Energy to determine whether the construction of the proposed interstate coal pipeline system would be in the national interest. Prior to a determination, the applicant must file and secure approval of a water permit or other appropriate authorization.

Section 4(b) requires the Secretary of Energy to make findings on five specified criteria as a basis for determining whether the pipeline is in the national interest. The criteria include transportation needs, competition, economic benefits, national security, and the environment.

Section 4(c) sets aside a portion of the capacity of the pipeline for small and independent producers, defined as those who produce 200,000 tons of coal or less, and are affiliated with other companies.

Section 4(d) provides for procedures and time limitations on proceedings required for the Secretary to make a national interest determination.

Section 4(e) requires the Attorney General to assess the effects upon competition of approval of the application for an interstate coal pipeline system. No application may be determined to be in the national interest if the application is not consistent with the antitrust laws.

Section 4(f) authorizes the use of Federal eminent domain power to those persons whose applications for constructing an interstate coal pipeline system have been determined to be in the national interest. This provision imposes certain limitations on rights-of-way that may be acquired by exercising the power of eminent domain.

Section 4(g) permits the applicant to amend his application to request a right-of-way over any alternative route. The Secretary may also require the relocation of any right-of-way under certain circumstances.

Section 4(h) requires the Secretary of the Interior to evaluate the effects of a proposed interstate coal pipeline system upon the ability of the United States to recover the value of affected mineral interests. The Secretary shall require the applicant to pay the fair market value of coal precluded from being recovered as a result of the proposed right-of-way.

Section 4(i) requires the Secretary of Energy to promulgate rules and regulations necessary to excercise the eminent domain authority provided for in this section.

Section 4(j) subjects the Secretary of Energy to certain additional requirements.

Section 5 establishes the primacy of State water law. Subsection (a) prohibits any person from using water for export or use in any interstate coal pipeline system, unless such export or use is pursuant to the substantive and procedural law of the State where the diversion takes place. State water law shall be enforced even if such enforcement means that an interstate coal pipeline system shall not be constructed.

Section 5(b) delegates to the State the power to regulate the export or use of water in an interstate coal pipeline system, even if absent this legislation, it would constitute an impermissible burden on interstate commerce.

Section 5(c) provides that this bill does not impair the validity of or preempt any provision of State water law or interstate compact governing the use of water.

Section 5(d) denies the use of any water for which a Federal right can be asserted unless it is authorized under State water law.

Section 6 provides that State and local laws and regulations other than State water law are not preempted by the bill unless such laws discriminate against interstate coal pipeline systems.

Section 7 requires underground construction, to the maximum extent practicable, of interstate coal pipeline systems. This section also requires the replacement of topsoil in disturbed areas.

Section 8 makes clear that nothing in this measure requires any form of automatic passthrough of, or preempts the ratemaking authority of any State utility regulatory agency or the Federal Energy Regulatory Commission with respect to costs associated with the interstate coal pipeline system.

Section 9 provides that interstate coal pipeline systems authorized by this bill are subject to the requirements of the Federal Water Pollution Control Act, and other relevant Federal environmental control laws.

Section 10 requires the Administrator of the Environmental Protection Agency to conduct a review of the ability of an interstate coal pipeline system to comply with Federal water discharge requirements. The Secretary shall not make a determination of national interest unless the Administrator reasonably expects that the water discharge from the proposed system can meet the requirements of the Federal Water Pollution Control Act.

Section 11(a) provides that any person who proposes to operate an interstate coal pipeline system, and files with the Federal Energy Regulatory Commission a contract between a prospective shipper and a pipeline carrier within ten business days of signing the contract, may enter into long-term contracts with one or more shippers of coal to provide transportation under specified rates, terms and conditions. Coal pipeline operators are obligated to perform only those duties specified by such contract. These contracts shall be enforceable and are not subject to prorationing once in effect.

Section 11(b) provides that in cases where the pipeline operator files a contract under this section for the transportation of a volume of coal which is less than the total pipeline capacity the operator shall enter into subsequent contracts with shippers in the chronological order in which written offers are submitted, provided the shipper is "ready, fit, willing, and able". This section also provides a shipper with the right to file a complaint with the Commissioner if access to the pipeline is denied by the pipeline operator in violation of this subsection. This provision further provides that the Commission may not approve a contract if it would result in a transportation obligation that exeeds the maximum capacity of the pipeline, or if it would result in a destructive competitive practice.

By Mr. DeCONCINI (for himself, Mr. Conrad, Mr. Daschle, Mr. Harkin, Mr. Hollings, Mr. Kennedy, Mr. Kerry, Mr. Leahy, and Mr. Simon):

S.J. Res. 99. Joint resolution to express the sense of the Congress that the Special Supplemental Food Program for Women, Infants, and Children should receive increasing amounts of appropriations in fiscal year 1988 and succeeding fiscal years; to the Committee on Appropriations.

INCREASED FUNDING FOR SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN

Mr. DeCONCINI. Mr. President, today I am pleased to introduce a Senate joint resolution which expresses the sense of the Congress that the Special Supplemental Food Program for Women, Infants and Children [WIC] should receive increasing amounts of appropriations in fiscal year 1988 and succeeding fiscal years. I am pleased to be joined in this effort by Senators Conrad, Daschle, Harkin, Hollings, Kennedy, Kerry, Leahy, and Simon.

WIC is a federally funded food program designed to improve the nutrition and health status of low-income pregnant, breast-feeding, and postpartum women, infants and preschool children who are at nutritional risk. Program benefits include the provision of highly nutritious supplemental food, nutrition education, and referral to health care.

At present, fewer than half of the eligible women, infants, and children in need of benefits can be served because of insufficient funding. This resolution calls for gradually extending the program to more of the eligible population. Over the next 4 years, the number served would increase from less than 50 to 65 percent of the eligibles.

WIC has repeatedly been proven one of the Federal Government's most successful and cost-effective programs. The National Evaluation of the WIC Program released last year by the U.S. Department of Agriculture demonstrated that participating in WIC significantly improves the health and nutritional status of high risk women and children. This evaluation demonstrated that WIC participation reduces fetal deaths by one-third; reduces by 15 to 25 percent the number of premature births among high risk minority and white mothers; improves the diets of pregnant women and children; brings more women into prenatal care earlier; improves the likelihood that children will have a regular source of medical care and be better immunized; and shows promising evidence of improved cognitive development among infants of participating WIC mothers, and among preschoolers who became WIC participants as infants.

A recent Harvard University School of Public Health study demonstrated that every dollar spent on the prenatal care component of the WIC Program potentially saves $3 in later health care costs; and a recent Missouri Health Department study has shown that for every dollar spent on WIC's Prenatal Care Program, $0.49 was saved in Medicaid expenditures during the first 45 days of life alone.

The proven success of the WIC Program warrants its expansion. To thwart the program's potential due to inadequate funding levels and to limit the number of vulnerable women and children whose health status can be improved, is shortsighted and unwise.

I urge my colleagues to join me in sponsoring this important and timely resolution.

An identical resolution has been introduced in the House by Congressman George Miller.

Mr. President, I ask unanimous consent that the joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 99

Whereas the 100th Congress wishes to assure a healthy, productive citizenry;

Whereas children are especially vulnerable to the effects of malnutrition;

Whereas 13 million children live in poverty;

Whereas children have been the fastest growing component of the poverty population;

Whereas the number of young children living in poverty has increased 41.2 percent between 1979 and 1985;

Whereas at no time in life is the need for good nutrition and adequate health care as critical as during pregnancy when the fetus is developing and during the initial years of the life of a child;

Whereas malnutrition causes a body to be more prone to illness and a mind to be less able to develop to its capacity;

Whereas malnutrition in early childhood may lead in the extreme to death and mental and physical retardation;

Whereas the infant mortality rate of the United States is unacceptably high;

Whereas 16 other industrialized countries have a lower infant mortality rate than that of the United States;

Whereas the Special Supplemental Food Program for Women, Infants, and Children (WIC) has been proven to have a major impact in reducing the incidence of low-weight births and late fetal deaths;

Whereas the WIC program decreases the rate of premature births, increases the proportion of poor pregnant women seeking prenatal care, increases head circumference of infants born to women who receive benefits under the WIC program during their pregnancies, improves diets for women, infants, and children, and reduces the incidence of anemia among women, infants, and children who are nutritionally at risk because of poverty;

Whereas the WIC program was proven to be cost-effective by a Harvard University School of Public Health study which indicated that every one dollar spent on the prenatal component of the WIC program potentially saves three dollars in later health care costs;

Whereas benefits afforded to participants under the WIC program result in significantly reduced health care costs and related costs incurred at the Federal, State and local levels; and

Whereas over half of the women, infants, and children eligible for benefits under the WIC program cannot now be served because of insufficient funds: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This joint resolution may be cited as the "WIC Food for Life Resolution."

SEC. 2. SENSE OF CONGRESS WITH RESPECT TO WIC APPROPRIATION.

It is the sense of Congress that—

(1) the WIC program should receive appropriations—

(A) for fiscal year 1988 in an amount sufficient to enable not less than 300,000 more eligible women, infants, and children to be served each month than were served in fiscal year 1987;

(B) for fiscal year 1989 in an amount sufficient to enable not less than 55 percent of eligible women, infants, and children to be served;

(C) for fiscal year 1990 in an amount sufficient to enable not less than 60 percent of eligible women, infants, and children to be served;

(D) for fiscal year 1991 in an amount sufficient to enable not less than 65 percent of eligible women, infants, and children to be served; and

(2) that appropriations for the WIC program should continue to be increased for each succeeding fiscal year until all eligible persons are being served;

(3) that the budget resolution for fiscal year 1988 should assume the appropriation of the amounts necessary to meet the goals described in paragraph (1); and

(4) that an effective outreach program should be conducted to identify women, infants, and children that are eligible for benefits under the WIC program.

By Mr. PELL (for himself and Mr. Inouye):

S.J. Res. 100. Joint resolution to affirm the national policy of metric conversion benefiting the United States; to the Committee on Commerce, Science, and Transportation.

AFFIRMING THE NATIONAL POLICY OF METRIC CONVERSION

● Mr. PELL. Mr. President, Americans have traditionally prided themselves on being first—especially in sharing with the rest of the world the benefits of our scientific research and technology. In one very important area of trade and technology, however, we are closer to the Middle Ages than we are to the 21st century. In standards of measurement, the United States now stands as one of just two nations in the world that have failed to officially adopt the Standard International [SI] or metric system of measurement.

Since the question of metric conversion has been debated in the United States since the days of Thomas Jefferson and John Quincy Adams, one may rightly ask: What difference does it make, after 200 years of debate, whether the United States officially embraces the metric system and adopts programs to affirmatively promote conversion in the private sector?

The answer is really very simple, and is at the root of what inspired the joint resolution Senator INOUYE and I are introducing today: The United States stands to gain untold millions in export trade we are currently losing because our nonmetric products are effectively excluded from international markets. The joint resolution Senator INOUYE and I are introducing reaffirms that the national interest would be served by expediting the metric conversion process, and calls upon the President to initiate specific programs to speed conversion as a means of reducing our trade deficit. The adoption of this joint resolution, particularly as part of the well-founded congressional preoccupation with the trade issue, would send a badly needed signal that the United States is back on track with the metric conversion process that is already largely completed in all other industrialized societies.

The machine tool industry is an example of a sector of our economy that would affirmatively benefit from a stronger national commitment to the metric conversion process. The United States was until recently the leader in the machine tool industry. Since 1978 the Common Market countries have required that all exports to their members be marked solely in metric units. In that same year, the United States, which previously had a very favorable balance of trade in machine tools, switched to what has become an increasingly unfavorable balance. The machine tool industry is especially metric-sensitive because it involves expensive capital equipment expected to last for 30 years or more. Industrial purchasers require machine tools geared to serve the needs of the next generation.

It is no surprise that the U.S. machine tool industry has a declining share of the overseas market, which is four times larger than the market of domestic clients. American companies currently rank a poor sixth in their share of the total world market, which is worth approximately $13 billion annually in production. By actively promoting metric conversion in the machine tool industry, our Government would open the door for new markets and thereby help to create new jobs in an ailing industry that is currently operating at only 57 percent of productive capacity.

That is only one example. The fact is, U.S. business will have to think in metrics or eventually be left behind. It is that simple. And it is time for our Government to assume a leadership position on the metric issue, instead of passively waiting for market forces to reverse our archaic system of measurement. The joint resolution Senator INOUYE and I are introducing, appropriately designated as Senate Joint Resolution 100, will signal our willingness to make expedited metric conversion a part of a new American trade policy, one designed to bring new markets and new jobs into an economy streamlined for the 21st century. Mr. President, I ask unanimous consent that the text of Senate Joint Resolution 100 be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 100

Whereas over a decade ago Congress passed the Metric Conversion Act of 1975 (15 U.S.C. 205a et seq.);

Whereas it is the policy of the United States Government to coordinate and plan the increasing use of the metric system;

Whereas significant achievements have been made in industry toward the use of the metric system, and Federal agencies have removed barriers which support and accommodate metrication to trade, travel, and communications;

Whereas the principal benefit of accelerating the metric changeover is an improvement in the ability of the Nation to export and compete more favorably in growing world markets;

Whereas United States trade deficits could be substantially reduced by the introduction of metric available products to our trading partners;

Whereas corporate policies toward manufacturing and international trade in the use of metrics can expand productivity and increase small business opportunity;

Whereas the metric changeover should continue to take place in the United States when it is in the best interests of the consumer and the producer; and

Whereas the Federal Government, by law or regulation should not discourage nor prohibit the voluntary process of metric transition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress finds that—

(1) the increasing use of the metric system has benefited the Nation over the last decade; and

(2) conversion to the metric system shall assist in reducing the trade deficit by making United States products more marketable in international trade, thereby preserving jobs, and bringing growth opportunities to the United States economy.

(b) The Federal government shall reaffirm the national policy set forth in the Metric Conversion Act of 1975 (15 U.S.C. 205a et seq.) and initiate specific programs to speed conversion to the metric system of measurement as a means of reducing the United States trade deficit, including new initiatives in the field of metric education.●

By Mr. CRANSTON:

S.J. Res. 101. Joint resolution designating June 19, 1987, as "American Gospel Arts Day"; to the Committee on the Judiciary.

AMERICAN GOSPEL ARTS DAY

Mr. CRANSTON. Mr. President, today I introduce Senate Joint Resolution 101, designating June 19, 1987, as "American Gospel Arts Day". An identical measure in the House is sponsored by the Honorable MERVYN M. DYMALLY.

Gospel—as it is lovingly and popularly known—is more than music, it is spirituality in art. It is a song of the soul, a hymn of the heart. It laughs, it cries, it nourishes and it consoles. Gospel sings of the anguish of enslavement and the dream of freedom: As with jazz, gospel music is rooted in the age of slavery, when the chants and tribal rhythms of a distant homeland soothed the pain of bondage.

Gospel music deserves our recognition and our celebration. Among its distinctions is its place as the forerunner of American popular music. Its artists—such as the great Mahalia Jackson, James Cleveland, Shirley Caesar—influenced many of today's top recording artists, including Aretha Franklin, Dionne Warwick, Gladys Knight, Al Green, and Ray Charles. Gospel's richness and its grace is simply unique—an indisputably American contribution to world music.

For over a century, June 19 has been celebrated by Black Americans as Emancipation Day—the precise date on which word of the end of slavery came to slaves in Texas. It is fitting that June 19, 1987, be officially designated as Gospel Arts Day and that it be observed with appropriate activities and ceremonies.

Mr. President, I ask unanimous consent that the text of my resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 101

Whereas Gospel music is an American art, a product of the fusion of the African and European cultures;

Whereas Gospel music is the forerunner of popular music in America;

Whereas Gospel music, as an art form, is an important part of our cultural heritage;

Whereas the black American church community, in which Gospel music has its roots, has historically been a source for peaceful social changes and a positive influence in all communities;

Whereas it is in the national interest to preserve Gospel music as an American art form, and promote recognition of the Gospel heritage; and

Whereas June 19 is traditionally observed in the black community as a special day of appreciation for black American cultural heritage and civil rights: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That June 19, 1987, hereby is designated "American Gospel Arts Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the

United States to observe such day with appropriate ceremonies and activities.

By Mr. CRANSTON (for himself, Mr. D'AMATO, Mr. RIEGLE, Mr. SARBANES, Mr. DODD, Mr. DIXON, Mr. GRAHAM, Mr. SASSER, Mr. GARN, Mr. HEINZ, Mr. BOND, and Mr. DECONCINI):

S.J. Res. 102. Joint resolution to designate the week beginning April 11, 1987, as "National Community Development Week"; to the Committee on the Judiciary.

NATIONAL COMMUNITY DEVELOPMENT WEEK

Mr. CRANSTON. Mr. President, I am pleased to introduce today, Senate Joint Resolution 102 which would designate the week of April 11 as "National Community Development Week."

For the past 12 years, the Community Development Block Grant Program has helped local communities respond to the vital needs of two-thirds of the population of the United States, particularly as they affect low- and moderate-income people. The CBDG Program has enabled communities to provide shelter for the homeless, day care for children, hot meals and health screening for elderly persons, loans for businesses, and better housing for families.

In Los Angeles, $2 million in community development funds is allocated annually to help meet the needs of the homeless by providing emergency food, clothing, and shelter. In San Francisco, the program has benefited 40 percent of the lower income population. It has enabled 14,000 residents to obtain their own homes and 17,800 public housing tenants to live in safer buildings and better conditions. Community development block grants have directly created jobs for over 5,000 people in construction through housing, economic development and community facility construction, and rehabilitation projects. These are just a few examples of the many benefits that community development programs have provided in neighborhoods across the country.

During the past few years, the Federal role in assistance has been cut dramatically. Program after program has been eliminated or crippled. The Community Block Grant Program has had to fill an enormous vacuum. Since fiscal 1980, CDBG has been cut by 43 percent in real terms. But it nevertheless has assumed increasing importance as an instrument for meeting pressing community problems.

That's why I urge my colleagues to recognize the week of April 11 as National Community Development Week. It will help to reaffirm our commitment to continue the proud tradition of working with those in need to provide services and skills that strengthen families, homes, and neighborhoods.

● Mr. D'AMATO. Mr. President, I rise today with the chairman of the Housing Subcommittee of the Senate Committee on Banking, Housing, and Urban Affairs to introduce legislation designating the week of April 11-18 as "National Community Development Week." I commend my colleague, Mr. CRANSTON, for his dedication to this cause, and I wholeheartedly support this effort.

Community development funding is an essential element in ensuring that communities are able to grow and prosper, providing jobs and security to members of those communities. Community development funding also plays a vital role in ensuring that individuals are provided with safe, affordable, and decent housing. This twofold emphasis, on employment and housing, allows individuals the opportunity to provide a stable home for their family and to have an income which helps to support the family. In sum, community development programs target the very core of what holds this Nation together—a strong, stable family structure.

The Federal Government's substantial role in community development around the country, through UDAG, HoDAG, and CDBG funding, provides a major impetus to the economies of needy communities around the country. These moneys target low-income areas in drastic need of assistance. The funding primarily is directed toward utilizing neighborhood facilities, improving specific community sites, and providing housing rehabilitation loans and grants.

Promoting this growth and stability is a goal that I am pleased to support. As the ranking Republican on the Subcommittee on Housing, I will continue to keep this a high priority.

I thank my colleague, Mr. CRANSTON, for his continued support of these vital programs, and I look forward to working with him to ensure stability and prosperity in communities across the country.

Thank you, Mr. President.●

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. BOREN, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

S. 12

At the request of Mr. CRANSTON, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Oklahoma [Mr. BOREN], and the Senator from Nevada [Mr. REID] were added as cosponsors of S. 12, a bill to amend title 38, United States Code, to remove the expiration date for eligibility for the educational assistance programs for veterans of the All-Volunteer Force; and for other purposes.

S. 24

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 24, a bill to amend title II of the Social Security Act to waive, for 5 years, the 24-month waiting period for Medicare eligibility on the basis of a disability in the case of individuals with acquired immune deficiency syndrome [AIDS], to require the Secretary of Health and Human Services to make grants to State and local governments for the establishment of programs to test blood to detect the presence of antibodies to the human T-cell lymphotrophic virus and to make grants to eligible State and local governments to support projects for education and information dissemination concerning acquired immune deficiency syndrome, and for other purposes.

S. 58

At the request of Mr. DANFORTH, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 58, a bill to amend the Internal Revenue Code of 1986 to make the credit for increasing research activities permanent and to increase the amount of such credit.

S. 79

At the request of Mr. METZENBAUM, the names of the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. WIRTH], and the Senator from Delaware [Mr. BIDEN] were added as cosponsors of S. 79, a bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes.

S. 93

At the request of Mr. INOUYE, the names of the Senator from North Dakota [Mr. BURDICK], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 93, a bill to provide that services furnished by a clinical psychologist in a rural health clinic need not be provided under the direct supervision of a physician in order to qualify for coverage under Medicare and Medicaid.

S. 104

At the request of Mr. INOUYE, the names of the Senator from South Dakota [Mr. PRESSLER], the Senator from Wisconsin [Mr. KASTEN], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of S. 104, a bill to recognize the organization known as the "National Academies of Practice."

S. 123

At the request of Mr. INOUYE, the names of the Senator from Mississippi

[Mr. Cochran], the Senator from Montana [Mr. Melcher], and the Senator from North Dakota [Mr. Burdick] were added as cosponsors of S. 123, a bill to amend title XVIII of the Social Security Act to provide that psychologist services are covered under part B of Medicare.

S. 402

At the request of Mr. Evans, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of S. 402, a bill to provide that during a 2-year period each item of any joint resolution making continuing appropriations that is agreed to by both Houses of the Congress in the same form shall be enrolled as a separate joint resolution for presentation to the President.

S. 416

At the request of Mr. Roth, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of S. 416, a bill to provide for a 2-year budget cycle, and for other purposes.

S. 498

At the request of Mr. Riegle, the name of the Senator from Connecticut [Mr. Dodd] was added as a cosponsor of S. 498, a bill to amend the Trade Act of 1974, to define as an unfair trade practice, the denial of internationally recognized worker rights, and for other purposes.

S. 514

At the request of Mr. Kennedy, the names of the Senator from Hawaii [Mr. Inouye], the Senator from Ohio [Mr. Glenn], the Senator from Indiana [Mr. Quayle], the Senator from Colorado [Mr. Wirth], the Senator from South Carolina [Mr. Thurmond], the Senator from Connecticut [Mr. Weicker], the Senator from Vermont [Mr. Stafford], the Senator from Iowa [Mr. Harkin], and the Senator from Delaware [Mr. Biden] were added as cosponsors of S. 514, a bill to amend the Job Training Act to establish an incentive bonus for the successful placement of certain employable dependent individuals, to provide targeting of assistance from certain carryover funds for such individuals, and for other purposes.

S. 523

At the request of Mr. Helms, the name of the Senator from Oklahoma [Mr. Nickles] was added as a cosponsor of S. 523, a bill to amend title 39, United States Code, to extend to certain officers and employees of the Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded to Federal employees under title 5, United States Code.

S. 686

At the request of Mr. Daschle, the name of the Senator from South Dakota [Mr. Pressler] was added as a cosponsor of S. 686, a bill to amend the Agricultural Act of 1949 to limit the quantity of milk protein products that may be imported into the United States.

S. 744

At the request of Mr. Mitchell, the name of the Senator from Montana [Mr. Baucus] was added as a cosponsor of S. 744, a bill to assist States in responding to the threat to human health posed by exposure to radon.

S. 764

At the request of Mr. Murkowski, the name of the Senator from Florida [Mr. Chiles] was added as a cosponsor of S. 764, a bill to deny funds for projects using products or services of foreign countries that deny fair market opportunities.

SENATE JOINT RESOLUTION 16

At the request of Mr. Riegle, the names of the Senator from Ohio [Mr. Metzenbaum], and the Senator from Indiana [Mr. Lugar] were added as cosponsors of Senate Joint Resolution 16, a joint resolution to designate the period commencing on April 5, 1987, and ending on April 11, 1987, as "World Health Week," and to designate April 7, 1987, as "World Health Day."

SENATE JOINT RESOLUTION 18

At the request of Mr. Wallop, the names of the Senator from Arizona [Mr. DeConcini], the Senator from Alaska [Mr. Stevens], the Senator from New York [Mr. Moynihan], and the Senator from Florida [Mr. Graham] were added as cosponsors of Senate Joint Resolution 18, a joint resolution to authorize and request the President to issue a proclamation designating June 1 through June 7, 1987, as "National Fishing Week."

SENATE JOINT RESOLUTION 39

At the request of Mr. Simon, the names of the Senator from Idaho [Mr. Symms], the Senator from Missouri [Mr. Bond], the Senator from Idaho [Mr. McClure], the Senator from Washington [Mr. Adams], the Senator from Maryland [Mr. Sarbanes], and the Senator from West Virginia [Mr. Rockefeller] were added as cosponsors of Senate Joint Resolution 39, a joint resolution to provide for the designation of the 69th anniversary of the renewal of Lithuanian independence, February 16, 1987, as "Lithuanian Independence Day."

SENATE JOINT RESOLUTION 44

At the request of Mr. Durenberger, the names of the Senator from Nebraska [Mr. Exon], the Senator from Ohio [Mr. Metzenbaum], the Senator from Montana [Mr. Baucus], the Senator from California [Mr. Cranston], the Senator from North Dakota [Mr. Conrad], the Senator from North Carolina [Mr. Helms], and the Senator from Illinois [Mr. Dixon] were added as cosponsors of Senate Joint Resolution 44, a joint resolution to designate November 1987 as "National Diabetes Month."

SENATE JOINT RESOLUTION 47

At the request of Mr. Cranston, the name of the Senator from Maine [Mr. Cohen] was added as a cosponsor of Senate Joint Resolution 47, a joint resolution to designate "National P.O.W. Recognition Day."

SENATE JOINT RESOLUTION 70

At the request of Mr. Trible, the names of the Senator from Hawaii [Mr. Inouye], and the Senator from Nebraska [Mr. Exon] were added as cosponsors of Senate Joint Resolution 70, a joint resolution commemorating the 40th anniversary of the Marshall plan.

SENATE JOINT RESOLUTION 85

At the request of Mr. Lugar, the name of the Senator from Massachusetts [Mr. Kennedy] was withdrawn as a cosponsor of Senate Joint Resolution 85, a joint resolution to designate the period commencing on August 2, 1987, and ending on August 8, 1987, as "International Special Olympics Week," and to designate August 3, 1987, as "International Special Olympics Day."

SENATE JOINT RESOLUTION 86

At the request of Mr. DeConcini, the name of the Senator from Mississippi [Mr. Stennis] was added as a cosponsor of Senate Joint Resolution 86, a joint resolution to designate October 28, 1987, as "National Immigrants Day."

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. Gore, the names of the Senator from North Dakota [Mr. Conrad], and the Senator from Michigan [Mr. Levin] were added as cosponsors of Senate Concurrent Resolution 20, a concurrent resolution to express the sense of Congress that funding for the vocational education program should not be eliminated.

SENATE CONCURRENT RESOLUTION 27

At the request of Mr. Durenberger, the name of the Senator from North Dakota [Mr. Conrad] was added as a cosponsor of Senate Concurrent Resolution 27, a concurrent resolution stating the sense of the Senate that the United States Department of Commerce and Special Trade Representative should initiate investigations of Canadian agricultural subsidies.

SENATE CONCURRENT RESOLUTION 35

At the request of Mr. DeConcini, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of Senate Concurrent Resolution 35, a concurrent resolution expressing the sense of the Congress regarding the imposition of charges for outpatient care provided in medical facilities of the uniformed services to retired members of the Armed Forces, dependents of retired members, and dependents of members serving on active duty.

SENATE RESOLUTION 164

At the request of Mr. LEVIN, his name was added as a cosponsor of Senate Resolution 164, a resolution calling on the President to respond to the violations by Japan of the United States-Japan agreement on semiconductors.

At the request of Mr. WILSON, the names of the Senator from Idaho [Mr. MCCLURE], the Senator from Iowa [Mr. GRASSLEY], the Senator from Connecticut [Mr. WEICKER], the Senator from California [Mr. CRANSTON], the Senator from West Virginia [Mr. BYRD], the Senator from Nebraska [Mr. EXON], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Idaho [Mr. SYMMS], the Senator from Utah [Mr. GARN], the Senator from Missouri [Mr. BOND], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Delaware [Mr. ROTH], and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Resolution 164, supra.

SENATE CONCURRENT RESOLUTION 36—RELATING TO THE USE OF ETHANOL AND METHANOL IN REDUCING AIR POLLUTION

Mr. PRESSLER submitted the following concurrent resolution; which was referred to the Committee on Governmental Affairs:

S. CON RES. 36

Whereas air pollution continues to be a significant problem in the United States;

Whereas the use of ethanol and methanol in motor vehicles have been proven to reduce hydrocarbon emissions and the formation of ozone;

Whereas ethanol has been proven to be an excellent fuel additive;

Whereas methanol has been proven to be an effective substitute for diesel fuel and gasoline;

Whereas ethanol and methanol can be produced from several renewable sources, including agricultural crops, wood and urban waste.

Whereas the United States has an extremely large, price-depressing surplus of grain with at least a 60 percent carryover of the 1985-86 corn crop production; and

Whereas many urban areas are seeking methods to reduce auto emissions to meet clean air standards; therefore, it is

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the United States Departments of Agriculture, Energy, Transportation, and the Environmental Protection Agency in Coordination with State, metropolitan, and local governments should work to establish the use of ethanol blended and methanol fuels to reduce both pollution and surplus grain stocks, and effectively utilize urban wastes; and

(2) these agencies should provide information, technical assistance, and other assistance in order to educate, develop, and establish such programs as needed to provide the American people with cleaner air, more efficient fuel, and increased economic vitality.

SENATE RESOLUTION 170 TO DIRECT THE SENATE LEGAL COUNSEL TO BRING AN ACTION TO ENFORCE A SUBPOENA AND ORDER OF THE SENATE SELECT COMMITTEE ON SECRET MILITARY ASSISTANCE TO IRAN AND THE NICARAGUAN OPPOSITION

Mr. BYRD (for himself, Mr. DOLE, Mr. INOUYE, Mr. RUDMAN, Mr. MITCHELL, Mr. NUNN, Mr. SARBANES, Mr. HEFLIN, Mr. BOREN, Mr. MCCLURE, Mr. HATCH, Mr. COHEN, and Mr. TRIBLE) submitted the following resolution; which was considered and agreed to:

S. RES. 170

Whereas, the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition ("Committee") is conducting an investigation under authority of Senate Resolution 23, 100th Congress;

Whereas, Senate Resolution 23 provides that the Committee shall do everything necessary and appropriate under the laws and Constitution of the United States to make the investigation and study specified in Senate Resolution 23, and empowers the Committee to obtain evidence by subpoena or order;

Whereas, pursuant to this authority, the Committee subpoenaed Richard V. Secord to appear before it at a hearing on February 26, 1987, and ordered him to sign a consent directive authorizing the release of foreign bank records which the Committee deems necessary for its investigation;

Whereas, Richard V. Secord has refused to comply with the order of the Committee;

Whereas, under section 703(b) of the Ethics in Government Act of 1978 (2 U.S.C. § 288b(b)), the Senate Legal Counsel shall bring a civil action to enforce the subpoenas of a Senate committee only when directed to do so by the adoption of a resolution by the Senate;

Whereas, under section 705(f)(1) of the Ethics in Government Act of 1978 (28 U.S.C. § 1364(a)), the Senate may authorize its committees to bring civil actions to enforce their subpoenas or orders; Now, therefore, be it

Resolved, That the Senate Legal Counsel shall bring a civil action in the name of the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition to enforce the Committee's subpoena and order to Richard V. Secord, and the Senate Legal Counsel shall conduct all related contempt proceedings.

AMENDMENTS SUBMITTED

NUCLEAR EMERGENCY PREPAREDNESS ACT

BIDEN AMENDMENT NO. 38

(Ordered referred to the Committee on Environment and Public Works.)

Mr. BIDEN submitted an amendment intended to be proposed by him to the bill (S. 408) to amend the Atomic Energy Act of 1954 to allow full participation by State and local governments in the licensing process for nuclear power facilities and to require that emergency planning extend to a minimum of 10 miles in radius around each nuclear power facility; as follows:

Redesignate subsection (d) of section 193 of the Atomic Energy Act of 1954, as added by section 3 of the bill, as subsection (e).

After subsection (c) of such section 193 insert the following:

"(d)(1) No construction license shall be issued by the Commission to any applicant with respect to a nuclear power plant unless the Commission finds, in consultation with State and local governments within the 10 mile zone around the nuclear power plant and the Federal Emergency Management Agency, that an emergency evacuation plan is feasible.

"(2) Nothing in this subsection shall affect emergency zone planning requirements or regulations for operating licenses for nuclear power plants.

● Mr. BIDEN. Mr. President, today I am introducing legislation to require more timely attention to emergency planning zones for nuclear powerplants. My proposal requires a utility to reach an informal agreement with State and local governments, before granting of a construction permit by the Nuclear Regulatory Commission, that emergency evacuation will be feasible for the 10-mile zone around a nuclear powerplant. Under existing regulations, questions or concerns about emergency planning do not have to be addressed until just before the plant is ready to go to full power, well after billions of dollars have been invested in its construction.

My proposal is an amendment to S. 408, of which I am a cosponsor. Senator KERRY's bill requires at least a 10 mile emergency planning zone around a nuclear powerplant, and plans must be approved by State and local governments in that zone. My amendment builds on that idea by requiring initial consideration of an emergency plan as early as possible, before a huge investment may be at risk.

Prior to the 1979 accident at Three Mile Island, the nuclear industry argued that an emergency plan for the communities around a nuclear powerplant was not needed. Nuclear power is so safe, it was claimed, and the risk of a meltdown so remote that it is not even worth planning for. Based on the information available at that time, there were few arguments to the contrary.

TMI changed all that. Glitches in nuclear plant operations that could lead to a catastrophic accident were shown to be both possible and frighteningly difficult to control. The accident at Three Mile Island was relatively slow developing, at least as far as the public was concerned, and evacuation was accomplished through increasingly broader recommendations as to who should leave.

But the lack of any plan left a chaotic mess for local authorities. An accident calling for a faster and more inclusive evacuation might well have proven impossible to handle. TMI brought home the fact that a workable emergency plan is an indispensable part of the safe operation of a nuclear powerplant.

After TMI, an emergency plan was required for an operating license to be issued. Whatever the rationale for not requiring a look at the feasibility earlier in the process, the current dispute over Shoreham and Seabrook shows that it is not a consideration that should be pushed back to such a late date. Construction of both plants is completed, and the owners are facing the possibility of enormous losses and bankruptcy if the plants do not start up. It is a situation nobody is happy with. This proposal will help make sure we do not find ourselves trapped in a similar corner in the future.

The requirement that the feasibility of emergency planning be reviewed prior to the start of construction, in combination with the proposals of Senator KERRY and existing requirements, sets a policy that assures the public that safety will not be a secondary consideration. Industry will also benefit from a policy that resolves vital questions early on, instead of nearly after the fact.

Under this policy, utilities will know, first, that they must plan on a 10-mile zone; and second, that an open review of evacuation feasibility will be done before work begins. The public is assured that the final details must still be approved before the nuclear plant can go to full power, and that State and local government concerns must be addressed. It is a policy to prevent the development of a Hobsian choice of an inadequate emergency plan or a bankrupt utility.

Mr. President, the Nuclear Regulatory Commission recently voted to publish a proposed rule to change the requirement for State and local participation in emergency planning. The Commission itself admits the proposal will be very controversial, but more important, it is a proposal that should be rejected because it takes us down the wrong road on this issue. The Commission's approach is to continue to delay a reconciliation of any controversy over emergency planning until the last minute, and then to give in to the utility if a conflict cannot be resolved. This policy tells communities that bureaucrats in Washington are better able to assess the feasibility of evacuation than the mayors of their towns.

The legislation I have proposed, in combination with S. 408, keeps the determination of adequate protection at the State and local level, where it belongs. But by requiring an analysis of emergency planning before construction begins, there should be no surprises when the details of the plan are worked on at the operating license stage. Utilities will not see their investment put at risk over a dispute that could have been avoided, and neighbors will not see their health and safety pushed aside. It is a policy that makes sense for everyone involved, and puts restored safety as the top consideration in emergency planning.●

JAPANESE VIOLATIONS OF UNITED STATES-JAPAN AGREEMENT ON SEMICONDUCTORS

MURKOWSKI (AND OTHERS) AMENDMENT NO. 39

Mr. MURKOWSKI (for himself, Mr. ROTH, and Mr. DOMENICI) proposed an amendment to the resolution (S. Res. 164) calling on the President to respond to the violations by Japan of the United States-Japan agreement on semiconductors; as follows:

At the appropriate place in the Resolution, insert the following:

Since in April, 1985, the Government of Japan, pursuant to Market Opening Sector Specific negotiations with the United States, agreed to permit equity participation of up to 33% by foreign firms in a new Japanese telecommunications service company;

Since that company would provide competition with Kokusai Denshin Denwa (KDD) in the provision of international telecommunications services via a fiber optics, trans-Pacific cable (from Japan to the United States through Alaska);

Since an international consortium consisting of Japanese, United States, and United Kingdom companies has been formed to compete with KDD, and to construct the trans-Pacific cable and to provide telecommunications services to Japanese, United States and European consumers,

Since this consortium would enhance critical communications services for agencies of the United States Government such as the Department of Defense, and would create significant opportunities for the sale of U.S. technology and equipment for fiber optic cable and other project components,

Since recent action by the Japanese Ministry of Post and Telecommunications indicate that Japan may not permit 33% foreign equity participation in any consortium formed to compete with KDD, but instead may support only a 3% foreign equity participation,

Since such action by the Ministry of Post and Telecommunications would undercut the credability of the MOSS process casting serious doubt on a negotiated approach to solving services trade problems with Japan,

Therefore, be it declared, That the President should immediately take all appropriate actions to communicate with the Government of Japan to insure that the commitment made by Japan under the terms of the Market Opening Sector Specific (MOSS) telecommunications negotiations for 33% equity participation by foreign firms in any consortium formed to compete with KDD be fulfilled.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on Thursday, March 26, 1987, at 2 p.m. in SR-332 to receive testimony of PIK certificates. For further information, please contact Carolyn Brickey of the committee staff at 224-2035.

Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry will hold a field hearing on Monday, March 30, 1987, at 10:30 a.m. at the Rural Development Center in Tifton, GA. It will focus on rural development and the health of our commodity programs. For further information, please contact Leslie Dach of the committee staff at 224-2035.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a hearing on March 27, 1987, at 2 p.m., in Senate Russell 485, on S. 727, a bill to clarify Indian treaties and executive orders with respect to fishing rights.

Those wishing additional information should contact the committee at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

Mr. BYRD. Mr. President, I have in my hand several unanimous-consent requests for committees to meet during the session of the Senate. These have all been cleared on the other side of the aisle. I have seven requests. I ask unanimous consent, inasmuch as they have been cleared on the other side and bear the initials and indications of committee approval and leader approval, that they be presented en bloc, that they be spread on the record severally and that they be agreed to.

Mr. HELMS. Reserving the right to object.

The PRESIDING OFFICER. The Senator from North Carolina reserves the right to object.

Mr. HELMS. Pardon?

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Is recognized.

The PRESIDING OFFICER. Is recognized.

Mr. HELMS. I thank the Chair.

Could I ask my friend, those various unanimous-consent requests, do they include a meeting of the Foreign Relations Committee this afternoon? There has been objection registered on that.

Mr. BYRD. That one is not in here.

Mr. HELMS. Very well. There is no objection on this side.

The PRESIDING OFFICER. The only request with regard to Foreign Relations Committee is that the committee be authorized to meet to resume hearings on S. 766, authorizing funds for fiscal year 1988 and 1989 for the Department of State, focusing on the U.S. contribution to the United Nations.

The PRESIDING OFFICER. The requests have been granted.

Does the majority leader have any additional requests?

Mr. BYRD. The distinguished acting Republican leader had raised a question about one of the requests that had to do with the Foreign Relations Committee meeting. I understand that the distinguished Senator has no objection to that request.

Mr. HELMS. No, because that meeting was held this morning anyhow. There is a question and an objection to one for this afternoon at 2 o'clock.

Mr. BYRD. Very well. Then all of the committee requests that were presented en bloc have been agreed to?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Very well.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, March 19, 1987, at 2 p.m. to hold hearings on S. 328, Prompt Payment Act Amendments of 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs, business meeting, be authorized to meet during the session of the Senate on Thursday, March 19, 1987, at 2 p.m. to consider S. 136 to establish a health promotion and disease prevention program to serve native Hawaiian communities, and S. 360, to improve the education status of native Hawaiians.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs, Subcommittee on Oversight of Government Management, be authorized to meet during the session of the Senate on Thursday, March 19, 1987, to hold oversight hearings on the independent counsel statute.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES AND NUCLEAR DETERRENCE

Mr. BRYD. Mr. President, I ask unanimous consent that the Subcommittee on Strategic forces and nuclear deterrence, of the Committee on Armed Services, be authorized to meet during the session of the Senate on Thursday, March 29, 1987, at 1 p.m. to resume closed hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense, focusing on selected bomber and tanker issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services, Subcommittee on Strategic Forces and Nuclear Deterrence, be authorized to meet during the session of the Senate on Thursday, March 19, 1987, to resume closed hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Thursday, March 19, 1987, to hold hearings on S. 557, Civil Rights Restoration Act of 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Thursday, March 19, 1987, to resume hearings S. 766, authorizing funds for fiscal years 1988 and 1989 for the Department of State, focusing on the U.S. contribution to the United Nations.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ANTITRUST, MONOPOLIES, AND BUSINESS RIGHTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary, Subcommittee on Antitrust, Monopolies, and Business Rights, business meeting, be authorized to meet during the session of the Senate on Thursday, March 19, 1987, at 1:15 p.m. to mark up S. 431 and S. 432, bills to strengthen the premerger reporting requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary, business meeting, be authorized to meet during the session of the Senate on Thursday, March 19, 1987, at 2 p.m. to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

PRESIDENT'S STEEL PROGRAM CONTINUES TO MISS THE MARK

● Mr. HEINZ. Mr. President, once again, but, I fear, not once and for all, the time has come to address the President's steel import restraint program. The President's program, which became effective October 1, 1984, is designed to reduce imports of finished steel mill products to 18.5 percent of the U.S. market. However, imports of finished steel took 21.6 percent of the American market last year while semifinished steel imports—intended to be 1.7 million tons a year—were over 2 million tons. While total imports of steel declined last year, increased imports from countries without voluntary restraints have helped keep the totals well above the level desired by the President under the import restraint program. Therefore, while the voluntary import restraint agreements [VRA's] have helped reduce the awesome surge of imports, the program's intent has never been fully realized.

Total imports of steel mill products amounted to 20.7 million tons last year—down from last year's total of 24.3 million. Of this, 15.5 million tons came from VRA countries, while just under 5.2 million tons came from countries without VRA's. Keep in mind, however, that countries with VRA's exported less to the United States last year than permitted by their agreements. In contrast, 26 countries which do not have VRA's with the United States increased their steel imports to the United States in 1986. Taken individually, the increase in tonnage from specific countries is slight. Yet in the aggregate these countries have amounted to an increase of almost a million tons. If non-VRA countries do not reduce their market share, and if VRA countries export steel to the full extent of their agreements—an outcome already predicted by the experts—then the President's program is in for some serious trouble. Canada, a prime example of this kind of problem, reached an all-time high of 3.2 percent of the market in 1984. Last year, however, their share went to 3.6 percent—a situation which, in my view, is untenable. There is no indication that they are willing to let up, either. Their total for the month of January was 401,000 tons, or 5.7 percent of our market.

Indeed, the tragedy of this program is that it encourages new entrants into our market. By negotiating VRA's one-by-one, we have capped the competitive producers and thereby opened the door to the noncompetitive to take their places. As each new producer enters, our negotiators rush off and seek an agreement—at some level greater than zero. But zero is what they would be entitled to if there were a free market in steel. As a result, having been awarded with a share of our market they don't deserve, they then hold on to it with all the resources they can muster—which means continued price suppression in our market and the continued postponement of any benefit to the domestic industry.

The President's program provides for further VRA negotiations when necessary. In my opinion, that time has long since come. The program should be made universal through the coverage of all countries and all products. If action is not taken, the President's goal will continue to recede into the distance. We must not allow this to happen.●

CONTRA AID

● Mr. BINGAMAN. Mr. President, yesterday I supported Senate Joint Resolution 81, Senator WEICKER's resolution of disapproval of the President's request for $40 million for the Contras. Let me explain my reasons.

I want to begin by emphasizing the importance of an American foreign policy built on bipartisan consensus here in the Congress, consensus and honesty between the executive and legislative branches, and broad-based support from the American public. Such unity in foreign policy is desirable, even necessary, if our policies are to succeed in a democracy such as ours. For it is only in a democracy that we are able to have a lively, public debate about the direction and solvency of our policies abroad. In such a context, a policy which has not been built on bipartisan consensus is doomed to failure.

This is particularly evident from the current American policy of backing the Contras in their war against the Nicaraguan Government. Supporters of Contra aid would squelch debate on the policy here; they tell us that it weakens our country's ability to function in Central and Latin America. Such voices have said that it is wrong for a U.S. Senator opposed to the policy to visit the region and meet privately with leaders there to discuss the policy, saying that it makes us look weak. Well, these people have missed the point. The fact is we operate, and our foreign policy must operate, in a democracy in which we publicly and freely debate these issues. So the goal should not be to quash debate about the effectiveness of Contra aid, but, instead, to formulate a policy which meets the test of bipartisan and public support here in the United States. Clearly, Contra aid does not meet those criteria.

AMERICAN INTERESTS IN CENTRAL AMERICA

We must begin by clearly defining American goals and interests in Latin America and then formulate a policy which will bring these goals to fruition. What are our interests there? First, I want to acknowledge this region's inherent strategic significance with respect to our global interests. When we speak of Central America, we can never forget that we are talking about our neighbors and about the future of much of the Western Hemisphere, our hemisphere. With that in mind, I think there are two overriding American interests in Central America. First, we have an interest in preventing the establishment of additional Soviet satellites in Latin America. Second, we have an interest—both in terms of our political and economic goals—in helping to establish and strengthen democratic governments in Central America.

How can we best serve those interests? Is Contra aid the most effective way to ensure an outcome most favorable to America's twin interests in warding off communism and supporting democracy? The answer is a resounding "No." Militarily, the Contras have little chance of succeeding in their war against the better equipped, better trained, and far larger Sandinista army. American military experts such as former Southcom General Gorman have said that the Contras cannot win.

In terms of Contra leadership, again we find that there is no reason for proclaiming a successful policy. From the beginning, the Contra movement has been primarily a disorganized group of resentful, violent men—many of whom began their careers in Somoza's justly despised National Guard. The administration, through the offices of Assistant Secretary of State Elliott Abrams and former National Security Council staffer Oliver North, has tried to market a different kind of Contra organization, the moral equivalent of our Founding Fathers, dedicated to democracy. Though the administration hoped for quite the opposite, its orchestration of the founding of UNO, the United Nicaraguan Opposition, only showed the extent of the Contras' political hollowness.

The recent resignation of Arturo Cruz, from UNO's leadership, further spotlights Contra impotence as a democratic force. In his letter of resignation March 9, Cruz said:

> The United Nicaraguan Opposition has clearly defined itself not as a pluralistic structure in the service of a goal equally pluralistic, but rather as an instrument of a small, exclusive circle.

Cruz, once the administration's great Contra hope, as a Contra leader dedicated to democracy, has proven too much of a democrat to tolerate Contra excesses. He made it clear that, even if the Contras were to overcome the Sandinistas militarily, the Contras would be pitiful democrats as leaders of Nicaragua. Until I am convinced that the Contras would bring democracy to Nicaragua, I will not support them. Our policy must seek not only an end to communism there, but also the establishment of democracy.

Our past experience with the Contras teaches me to be highly skeptical of their commitment to democratic governance. Instead of responsible democratic opposition to the Sandinistas, I have seen only evidence of their brutality and lack of respect for basic human rights. Most recently, we read reports of a Contra raid on the civilian village of Quisilala March 4. As the New York Times article about the attack said, this raid was only "the most recent in a continuing series of attacks by the United States rebels * * * against civilian targets." It is not too difficult to understand why the Contras have not garnered popular support among the Nicaraguan people. They might not like the Sandinistas too much, but they don't see the Contras as a legitimate alternative.

An Americas Watch Report on Human Rights in Nicaragua released last month concludes that the Contras have not improved their human rights performance, despite exhortations from the Congress and assurance of improvements by the administration. "A pattern of Contra violence against civilians has been evident since 1981," according to the Americas Watch Report. "But the escalating brutality of Contra practices—combined with the Contra human rights office's failure to carry out adequate investigations—leads Americas Watch to conclude that disregard for the rights of civilians has become a de facto policy of the Contra forces." Such conclusions make analogies between the Contras and the fathers of the American Revolution laughable.

In assessing the solvency of the Contra aid policy in achieving American interests in Central America, we must also ask about the policy's cost effectiveness. Hadn't we better know where our money has gone before giving the Contras another $40 million? We have asked and asked and still have not been told where the $27 million appropriated in 1985 has gone. We don't even have a proper accounting of the $60 million we appropriated 5 months ago. And where did the $20 to $40 million from the Iran arms sales go? How can we be sure the Contras even need another $40 million? I for one find it difficult to go back to New Mexico and tell voters more social and educational programs are being cut, but that we've sent another big check to the Contras. What's more, it's a check we won't be able to account for in a few months.

My point is that we cannot continue to pursue a policy which has no chance of succeeding. We cannot afford, fiscally and as far as American credibility in the region is concerned, to back those who cannot win military, who have no political agenda, who continue to violate human rights, and who are not willing to properly manage the funds we've given them thus far.

AN ALTERNATIVE POLICY

The policy alternative to funding the Contra's dirty war is to embark on a two-track policy of negotiation and economic assistance to the democracies of Central America. To begin with, we must genuinely support a negotiated settlement to the Nicaraguan conflict. Such support must begin with an end to our backing the Contras. We cannot be credible by calling for a negotiated settlement of the conflict on the one hand, and on the other, giving money to the Contras. Such actions are contradictory and wear thin on our allies in the region, such as Costa Rican President Oscar Arias, who oppose Contra aid and who are vigorously seeking a peaceful settlement. We must also make a commitment to strengthen civilian control in the four emerging Central American democracies—Costa Rica, El Salvador, Honduras, and Guatemala. More than our words, these countries and their civilian leaders need our economic help and constant pressure to continue the process of democratization.

Economic aid to the region is, in my mind, especially important. For the key to a successful U.S. foreign policy—again, a policy which meets the twin goals of opposing communism and supporting democracy—is to help build a credible model for the Central America region. The model must be a democratic one, one which is just economically and politically if it is to attract the allegiance of Latin Americans.

This idea is nothing new. We have recognized the desirability of helping to establish such a model before. Indeed, we thought we'd found such a model—one which was exportable to the other Central American countries—in El Salvador with the elections of 1984. But the reality since then has been less than exemplary. Instead of encouraging the civilian government there to follow through on the democratic reforms it promised when building a coalition of peasants, labor, and business in 1984, we have been blinded by our support for the Contras in Nicaragua. In the name of helping the Contras, we have strengthened the very Salvadoran military faction we sought to weaken with democratic elections. This has also been our course in recent years in Honduras and Guatemala.

In trying to get American policy in Central America back on the track, it is important to realize that the Sandinistas have also failed to create an exportable model for Central America. Supporters of Contra aid would have us believe that there is an immediate danger of communism spreading to Nicaragua's neighbors. The reality, however, is that, like the Nicaraguan people themselves, the Salvadoran, Honduran, and Guatemalan people realize that the answer is not the Marxist model offered by the Sandinistas. They have not been fooled, and, significantly for us, they are still searching for that model. They are looking for a political solution which will combine economic recovery and economic justice with human rights and political freedom.

We can help create that model by changing course in Central America. We had the opportunity to do that yesterday by voting for this resolution, by voting against sending another $40 million to the Contras. I regret that we did not take the advantage of that opportunity.●

RESIGNATION OF FAA ADMINISTRATOR DONALD ENGEN

● Mrs. KASSEBAUM. Mr. President, Adm. Donald D. Engen, who has served for the past 3 years as Administrator of the Federal Aviation Administration, has announced his plans to retire from that position. As chairman of the Aviation Subcommittee, and as ranking member, I have had the privilege of working closely with Admiral Engen. Based on that association, I can say without reservation that the aviation community is losing an exceptionally competent, as well as an extremely dedicated, public servant.

The last 3 years have not been easy ones for the FAA, or for Admiral Engen. The FAA has never been a place for shrinking violets. As Administrator, Admiral Engen faced what was perhaps the greatest series of challenges to confront the FAA since the agency was established in 1958. When he took the helm at FAA, Don Engen guided the agency with confidence and with a sense of direction that proved critical to the formulation and conduct of aviation policy in uncharted waters.

As Administrator of the FAA, he faced the task of rebuilding the air traffic control system after a devastating strike. He was charged with implementing the largest upgrade of FAA facilities to date under the National Airspace System Plan. His leadership proved critical to orderly accommodation of the explosive growth in commercial aviation that followed airline deregulation as well as the peaking, and then leveling off, which occurred in general aviation.

As he went about the task of formulating policy in this highly charge atmosphere, he was second guessed at every turn. Serving in an administration that was reluctant to allocate resources, Admiral Engen was forced to do more with less. Responsible to a Congress that showed no hesitation in demanding miraculous results, he became adept at producing miracles on a routine basis. Through it all he maintained a sense of purpose that allowed him to demonstrate not only his effectiveness under fire, but his grace as well.

I did not always agree with Don Engen, but I never found him disagreeable. His leadership at FAA made my job as Aviation Subcommittee chairman both more pleasant and easier than it otherwise could have been. It was a pleasure working with him, and I truly hope that I shall have the opportunity to do so again in the future.

Losing a leader of Admiral Engen's caliber will not be easy for the FAA. But knowing Don Engen as I do, I have no doubts that he is leaving an agency that is much better for his having been there. I wish him only the best and hope that he and Mary find much happiness in all that they choose to do.●

THE 75TH ANNIVERSARY OF THE GIRL SCOUTS

● Mr. RIEGLE. Mr. President, I rise today to pay tribute to the Girl Scouts of the United States of America who celebrated their 75th anniversary with the theme "Tradition with a Future" on March 12, 1987. Celebrations are being held throughout the country during this anniversary year, including many in my home State of Michigan.

Girl Scouts of America was founded by Juliette Gordon Low on March 12, 1912, in Savannah, GA, with a group of 18 girls. The movement has expanded to touch the lives of millions of girls, women, and men across the Nation. Today there are approximately 2,247,000 Girl Scouts in five program levels: Daisy Girl Scouts, Brownies, Junior Girl Scouts, Cadette Girl Scouts, and Senior Girl Scouts. Membership was extended to girls in kindergarten—or age 5—in 1984.

For 75 years, the Girl Scouts have contributed their influence and leadership to American society, becoming the largest voluntary organization for girls and women in the world. As they celebrate their anniversary this year, the Girl Scouts face the future with continued optimism and pride. They have responded promptly to contemporary issues facing the Nation and the world, by joining the campaign against substance abuse and child abuse. The organization also addresses the girls' current interests, as well as their future roles as women.

Through its flexibility and integrity, its concern for girls and other members of society, Girl Scouts of the United States of America continues to demonstate its relevance and vitality in a contemporary world. Girl Scouting is indeed a "tradition with a future."●

AFGHANISTAN: LETTERS FROM THE STATE OF CONNECTICUT

● Mr. HUMPHREY. Mr. President, last December the brutal Soviet occupation of Afghanistan entered its 8th year. The horrible condition of human rights in Afghanistan was recently described in a United Nations report as: "A situation approaching genocide."

As chairman of the Congressional Task Force on Afghanistan, I have received thousands of letters from Americans across the Nation who are outraged at the senseless atrocities being committed today in Afghanistan. Many of these letters are from Americans who are shocked at this Nation's relative silence about the genocide taking place in Afghanistan.

In the weeks and months ahead, I plan to share some of these letters with my colleagues. I will insert into the RECORD two letters each day from various States in the Nation. Today, I submit two letters from the State of Connecticut and ask that they be printed in the RECORD.

The letters follow:

DEAR SENATOR HUMPHREY: I just finished reading an article in Reader's Digest on the terrible situation in Afghanistan. As the chairman of the Congressional Task Force on Afghanistan, I would like to lend my support of your committee to end the flagrant disregard of Human Rights by the Soviets (inflicted upon the Afghanistan people).

I fully agree that the atrocities going on at this very moment in Afghanistan parallel the atrocities perpetrated by Nazi Germany in WWII. It is totally inexcusable for the world to turn its back on an entire country of people being subjected to this butchery.

Sincerely,

HOPE M. RICHARSON,
Rowayton, CT.

DEAR SENATOR HUMPHREY: I am writing to you after reading an article in the March issue of Reader's Digest about the atrocities that are going on in Afghanistan. I was shocked and horrified that all of this has been going on since 1979. If 35 percent of the population is either dead or in exile, what are we waiting for? Is there a limit that has to be reached before the United States can step in and help these poor people (if not with physical help, we could supply them with whatever they need to protect themselves)? After Hitler's massacre of the Jews, it seems to me that we could redeem ourselves a little by not turning our back on people in the same desperate situation.

Very truly yours,

CHERYL HELTKE,
Milford, CT.

NURSING HOMES FOR OLDER CITIZENS

● Mr. SIMON. Mr. President, some citizens in Salem, IL, have come up with an alternative to nursing homes for our older citizens. The Bob White Apartments may provide a good prototype for other communities. In a column I write for newspapers in my State I have featured this alternative to costly nursing home care. I ask that it be printed in the RECORD.

The article follows:

AN ILLINOIS BREAKTHROUGH IN ELDER CARE

(By Senator Paul Simon of Illinois)

One problem faced by growing numbers of our older citizens is that they have to enter nursing homes when they could avoid it if they were given just a little help, permitting them to maintain independent living.

Placing them in nursing homes is costly to these people emotionally.

And it is financially costly to them, to their families and to the nation.

But there are some positive answers surfacing, one of the finest in Salem, Ill.

Under the leadership of Larry Williams, the Marion County Housing Authority has purchased a small housing complex, the Bob White Appartments, and converted it into independent living units for the elderly.

All units now have an emergency call system to bring medical assistance to a resident within minutes. A licensed practical nurse makes daily checks. Social activities are offered.

They are two-bedroom apartment units that rent from $425 to $600 a month, depending on the service needed.

The difference in price is what you ask for in services. If you have your apartment cleaned, there is a special charge. If you ask for one or two or three meals a day, there is an additional charge. If transportation to a doctor's office or the grocery store is requested, that is an extra charge.

Overall costs average about one-half of what they would be in a nursing home.

Three of the residents in the Bob White Apartments were living in a nursing home until this became available.

And the simple stories of the others are encouraging.

The Rev. Kenneth Powell is 73. He and his wife lived in Lebanon, Ind., but moved to Salem to help care for his wife's mother who is 103. They have a hospital bed and wheelchair for the older woman. The housing authority installed a walk-in shower for her. The Powells are extremely happy with the arrangement and Pastor Powell, retired after 43 years in the ministry, serves as the unofficial chaplain for the complex.

Genevieve McLeod is 75. She and her husband lived in Ohio. When her husband became ill they moved to Salem to be near their son. They had planned to place her husband in a nursing home until they learned the Bob White Apartments were available. Her husband died after some months, but Mrs. McLeod continues to live there. She pays $20.50 a month to have her apartment cleaned. She fixes her own breakfast and lunch and pays $1.50 to $3.00 for her evening meal.

One of the residents of the apartment complex is 92 and one is 96.

There are craft classes in which almost all residents participate.

The Bob White Apartments are not paradise on earth, but they are substantial improvement in the lives of these people.

If the housing authority had to build the apartments from scratch it would be more costly. They took existing apartments that were for sale and enriched the lives of these people—and saved all of us some money.

Salem, Ill., is not the only place where this can happen.●

NUCLEAR LOGIC

● Mr. SIMON. Mr. President, there are times when public officials and journalists wonder if they are doing anything useful. Recently columnist James Kilpatrick had an idea for President Reagan that ought to be examined seriously. I have written about Kilpatrick's column in my weekly column. I ask that it be printed in the RECORD.

The column follows:

NO FLAW IN THIS LOGIC

(By Senator Paul Simon of Illinois)

Sometimes we miss the obvious.

It is true of government officials, of journalists, of all of us. We get so involved in day-to-day details that we lose sight of the big picture.

Public officials and journalists have a special opportunity and obligation to look at the big picture.

Neither profession is always appreciated, and sometimes for good reason.

But now and then someone breaks through to make a real contribution, and columnist James Kilpatrick has done that. Regarded as a spokesman for conservative causes, he told us what should be obvious:

"What would happen . . . if the President tomorrow should announce that without waiting upon a formal agreement with the U.S.S.R., he was scrapping half of our nuclear weapons, 5,600 of our (strategic nuclear) warheads? No strings attached. No conditions. No ifs, ands or buts. These fearful weapons would be publicly defused and destroyed. The whole world could come and watch. . . .

"With the whole world watching, Gorbachev would be virtually compelled to take similar unilateral action. . . . In January 1986, Gorbachev suggested a specific figure: 6,000 warheads for each nation. In the name of simple common sense, wouldn't such levels suffice? . . .

"Both the United States and the Soviet Union have accumulated strategic arsenals that are absurd, grotesque, ludicrous, terrifying—and wholly unnecessary to any rational concept of national security.

"By cutting our strategic arsenal in half, the United States would retain nuclear weapons with a destructive capacity roughly equal to 1.7 billion tons of TNT. That is enough to reduce the Soviet Union to a radioactive cinder, uninhabitable for the next hundred years. . . . And of course with a roughly equivalent arsenal, the Soviet Union would retain the capacity to do the same thing to the United States.

"The trouble is that both sides have become so obsessed with arms control that they have lost sight of straightforward arms reduction."

Wow!

I have read his column three times now. If there is a flaw to his thinking, I have not found it.

It would greatly reduce the risk of accidental war. It would save billions of dollars over a number of years. And for the first time in recent years it would put the United States on the offensive for peace. Our image around the world is not good.

The missile manufacturers and others will attack the Kilpatrick column.

But reflecting in his Virginia home, he has come up with a suggestion that ought to be examined seriously.

Since we can verify nuclear warheads without difficulty, what we do and what the Soviets do would be known by everyone. And even if they did not go along—and world opinion would make that difficult—we still have far more than enough warheads to destroy the Earth. We would still have the equivalent of approximately half a ton of TNT per person on Earth in nuclear warheads. That's plenty.

The other day I read that British writer Anthony Burgess was cleaning out latrines during World War II when an officer came through and asked him what he had done in civilian life. "I was a writer," Burgess told him. The officer responded, "At least now you're doing something useful."

There are times when public officials and journalists wonder if they are doing anything useful.

James Kilpatrick has done something useful and significant by pointing out the obvious.

CIVIL RIGHTS RESTORATION ACT OF 1987

● Mr. NUNN. Mr. President, today I am cosponsoring the Civil Rights Restoration Act of 1987. By cosigning this bill I am expressing my strong support for the purpose of this bill which is to reestablish clearly the intent of Congress with respect to our landmark civil rights statutes.

The Supreme Court's enunciation of the law in Grove City versus Bell has had an adverse impact on the enforcement of our antidiscrimination laws which protect minorities, women, the elderly and the handicapped. The goal of the Civil Rights Restoration Act of 1987 is to restore the law to the State in which it existed prior to Grove City. I support this goal.

This is a complicated, intricate area of the law. I will be following the bill's progress carefully and studying any amendments offered to insure that the purpose of the bill is fulfilled correctly.●

NATIONAL ENERGY EDUCATION DAY

● Mr. DOMENICI. Mr. President, I am pleased to join my distinguished colleagues in focusing our attention on energy education in our Nation's schools by designating March 20, 1987, as "National Energy Education Day" [NEED]. I recognize the need for energy education, and am pleased to be a cosponsor of this resolution which passed in the Senate yesterday.

Business journals chronicle our current energy sources and even forewarn us of another crisis similar to the oil embargo of 1973. The administration and congressional leaders are considering proposals to safeguard our energy future and provide incentives for domestic exploration and production. In today's world of international interdependence, the United States must necessarily establish a national energy policy for our national security.

We are the players on the scene today, but our children will be the players of tomorrow. They will likely face an entirely different environment, and will be asked to make more difficult energy choices. Our schools are currently preparing our children to meet the challenges and responsibilities of the world tomorrow. I am very pleased that this process has included the development of energy awareness and knowledge. For some 10 years now, the Nation's schools have been assimilating energy issues into their curriculum.

The development and wise use of conventional and alternate energy source will require an energy educated public. Our schools are ideally equipped to provide ongoing quality energy education programs to help ensure a citizenry able to meet the energy education challenges of the future.

In 1980, the Congress launched NEED to highlight the importance of energy education. This year on March 20, the Nation's schools will observe the sixth annual day of energy awareness. The celebration brings together students, teachers, school officials, and community leaders to focus attention on the growth of energy education in our Nation's schools and communities. The theme for 1987, "Energy Changes and Challenges," appropriately underscores the significant role education will play in shaping American's energy future.

I support the NEED Program and this important commemorative day directing us to acknowledge the growth of energy education and spread the word of the NEED Program on March 20, 1987.●

NAUM MEIMAN

● Mr. SIMON. Mr. President, I continue to be angered by the Soviet Union's disregard for the human rights agreements it has signed. Despite the Helsinki accords, blatant violations of human rights occur.

I certainly welcome reports of the release of Jewish and non-Jewish prisoners. Still, the Soviet Union can and must do better.

Naum Meiman has been a victim of this inhuman treatment. His wife, Inna, recently died of cancer here in Washington. Inna might still be alive today had the Soviet Government given her permission earlier to receive crucial treatment. Naum was not allowed to accompany his wife to the United States, nor to attend her funeral. His requests to emigrate continue to be denied.

Naum has only a few years left to enjoy life. I ask the Soviet government to grant Naum Meiman permission to emigrate immediately.●

AMENDMENT TO RULES OF PROCEDURE OF SENATE SELECT COMMITTEE ON SECRET MILITARY ASSISTANCE TO IRAN AND THE NICARAGUAN OPPOSITION

● Mr. INOUYE. Mr. President, at a closed meeting of the Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition which took place on February 26, 1987, the committee adopted an amendment to its Rules of Procedure.

The purpose of the amendment is to limit the statements or testimony of an immunized witness to responses to specific questions posed by committee members or staff, thereby effectively limiting the witness' immunity to those statements or that testimony. The amendment will deny to an immunized witness the opportunity to volunteer statements or testimony unnecessary to the committee's inquiry in an effort to expand the scope of the immunity received.

The amendment adds a new sentence at the end of committee rule 5.3. That rule in its entirety now reads as follows:

> 5.3 Statement.—Any witness desiring to make an introductory statement shall file 20 copies of the statement with the chairman or chief clerk 48 hours in advance of the appearance, unless the chairman determines that there is good cause for a witness's failure to do so. A witness may be required to summarize a prepared statement if it exceeds ten minutes. Unless the committee determines otherwise, a witness who appears before the committee under a grant of immunity shall not be permitted to make a statement or testify except to respond directly to questions posed by committee members or committee staff.●

ORDER FOR RECESS UNTIL 9:30 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until tomorrow at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR MORNING BUSINESS TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of morning business not to extend beyond 15 minutes and that Senators be permitted to speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIRECTING SENATE LEGAL COUNSEL TO BRING CERTAIN ACTION

Mr. BYRD. Mr. President, on behalf of myself, Mr. DOLE, Mr. INOUYE, Mr. RUDMAN, Mr. MITCHELL, Mr. NUNN, Mr. SARBANES, Mr. HEFLIN, Mr. BOREN, Mr. MCCLURE, Mr. HATCH, Mr. COHEN, and Mr. TRIBLE, I send to the desk a Senate resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 170) to direct the Senate Legal Counsel to bring an action to enforce a subpoena and order of the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 170

Whereas, the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition ("Committee") is conducting an investigation under authority of Senate Resolution 23, 100th Congress;

Whereas, Senate Resolution 23 provides that the Committee shall do everything necessary and appropriate under the laws and Constitution of United States to make the investigation and study specified in Senate Resolution 23, and empowers the Committee to obtain evidence by subpoena or order;

Whereas, pursuant to this authority, the Committee subpoenaed Richard V. Secord to appear before it at a hearing on February 26, 1987, and ordered him to sign a consent directive authorizing the release of foreign bank records which the Committee deems necessary for its investigation;

Whereas, Richard V. Secord has refused to comply with the order of the Committee;

Whereas, under section 703(b) of the Ethics in Government Act of 1978 (2 U.S.C. 288b(b)), the Senate Legal Counsel shall bring a civil action to enforce the subpoenas of a Senate committee only when directed to do so by the adoption of a resolution by the Senate;

Whereas, under section 705(f)(1) of the Ethics in Government Act of 1978 (28 U.S.C. 1364(a)), the Senate may authorize its committees to bring civil actions to enforce their subpoenas or orders: Now, therefore, be it

Resolved, That the Senate Legal Counsel shall bring a civil action in the name of the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition to enforce the Committee's subpoena and order to Richard V. Secord, and the Senate Legal Counsel shall conduct all related contempt proceedings.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PROGRAM

Mr. BYRD. Mr. President, the Senate will convene tomorrow at 9:30 a.m.

After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of morning business not to exceed 15 minutes. Senators will be permitted to speak therein for not to exceed 5 minutes each.

Upon the completion of routine morning business, the Senate will resume consideration of the motion to proceed to the consideration of the House joint resolution providing for a moratorium on Contra spending pending an accounting of the funds spent. Debate will ensue thereon. Rollcall votes could occur.

Mr. President, the Senate Committee on Commerce will meet early tomorrow, at the request of the chairman, Mr. HOLLINGS, and will report out the resolution that makes certain corrections in H.R. 2, and in particular would have, for example, a provision that deals with the speed limit.

There may be rollcall votes tomorrow. That is an important piece of legislation. I cannot say that there will be votes, but I cannot say there will not be. So I urge Senators to be prepared, in any event.

Mr. President, to continue with the program, on Monday, the Senate will resume consideration of the motion to proceed to the consideration of the moratorium resolution, in the event a vote has not, in the meantime, occurred on that motion sometime tomorrow, and a vote will occur on the motion to invoke cloture on Monday. I will try to arrange with the distinguished Republican leader and all Senators to have that vote occur at around 5 o'clock p.m. on Monday, but I cannot assure this at this time.

Votes can always occur that are not foreseen. For example, a vote may occur on instructing the Sergeant at Arms to request the attendance of absent Senators.

But other than procedural votes of that nature on Monday, provided the Senate completes its business on the highway bill and the attendant resolutions on tomorrow, I would expect no other rollcall votes on Monday prior to the cloture vote at 5 o'clock—if I can get unanimous consent to have that vote at 5 o'clock.

Does the acting Republican leader feel I could get that consent now?

If the Chair will indulge me momentarily, my colleague from West Virginia is in the Chair. We can do just about anything.

Mr. SIMPSON. About anything.

Mr. BYRD. Not everything.

Mr. SIMPSON. I beg your pardon, a Freudian slip.

Mr. BYRD. That was not a sadistic Freudian slip?

Mr. SIMPSON. No. I learned my lesson. There is a fine line between good humor and smart alecky and I crossed it and it has been a painful experience. My mother called me and I say that, Mr. President, that was a painful experience, but she is a lovely woman and I think she will eventually understand. She raised me after all.

I must say it is a distinction to see the junior Senator from West Virginia presiding and the senior Senator as majority leader, and I congratulate you in that role.

I reflect that when I was assisting in opening and closing this Chamber I had an extraordinary array of notes and papers, and I noted the majority leader concluded the day's business without a single note and that is the amazing part of his process and skill. He is indeed that in an extraordinary way.

So it is always a pleasure to watch that.

Thank you for your courtesy on this side with regard to the schedule. I am trying to find out whether we will be able to do that, but you have been helpful in giving us the schedule as to rollcall votes, and we appreciate that.

Mr. BYRD. Mr. President, I thank the distinguished assistant Republican leader.

Mr. President, Solomon had his problems, but he had a tremendous amount of wisdom. Sampson had his riddle, which does not trouble me too much.

But I have Senators who want to leave at 4 o'clock on Monday; I have Senators who will not arrive here until 5 o'clock on Monday. Could the Chair in some way, or somebody here, impart to me the answer to this riddle as to how I might resolve it and keep everybody happy?

I suppose we could begin the vote at 4 o'clock and let it run to 5 o'clock, which I do not like to do. I think that is a rather undesirable thing to do. It has been done before. It would not be exactly a precedent.

Mr. SIMPSON. Will the majority leader yield?

Mr. BYRD. Yes.

Mr. SIMPSON. I would say to the majority leader that the Republican leader has indicated to me—I have contacted him; he has left the Chamber, of course—that if he can visit with you in the morning, I think that we can resolve this. He has conflicts, we have several of the same conflicts here, and he would like that opportunity to visit with you in the morning. We think maybe we can accommodate all, hopefully, but he asked me to express that.

Mr. BYRD. Mr. President, this may help to resolve our problem. We will hold the matter in abeyance until tomorrow morning. I thank the distinguished Senator, my good friend.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until tomorrow morning at 9:30 o'clock.

The motion was agreed to; and, at 7:02 p.m., the Senate recessed until Friday, March 20, 1987, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 19, 1987:

THE JUDICIARY

Royce C. Lamberth, of Virginia, to be U.S. district judge for the District of Columbia vice Barrington D. Parker, retired.

DEPARTMENT OF JUSTICE

Marvin E. Breazeale, of Mississippi, to be U.S. Marshal for the southern district of Mississippi for the term of 4 years, reappointment.

IN THE AIR FORCE

The following students of the Uniformed Services University of the health sciences class of 1987, for appointment in the regular Air Force, effective upon their graduation under the provisions of section 2114, title 10, United States Code, with grade and date of rank to be determined by the Secretary of the Air Force:

Turgut Alagoz, [redacted]
Frank J. Archer, [redacted]
Gary I. Arishita, [redacted]
Howard P. Blount, [redacted]
James P. Brown, [redacted]
John T. Columbus, [redacted]
Joseph A. Cook, [redacted]
Moira Curley, [redacted]
Steven C. Decoud, [redacted]
Daniel J. Donovan, [redacted]
Russell D. Dumire, [redacted]
Charles D. Fowler, [redacted]
Clifford B. Freling, [redacted]
Michael K. Garey, [redacted]
Daniel C. Garner, [redacted]
Keith J. Haar, [redacted]
Kevin A. Hall, [redacted]
Byron C. Hepburn, [redacted]
David E. Holck, [redacted]
Pamela B. Homas, [redacted]
Daniel C. Hood, [redacted]
Jane Y. Ikeda, [redacted]
Nadine S. Ives, [redacted]
Arthur M. James, [redacted]
Timothy T. Jex, [redacted]
Scott L. Johnston, [redacted]
Neil L. Jorgensen, [redacted]
Christopher J. Lisanti, [redacted]
Robert E. Manaker, [redacted]
Kurt D. McCartney, [redacted]
Michael P. McGunigal, [redacted]
Jacquelyn I. McNeill, [redacted]
Mark D. Miller, [redacted]
Richard J. Montminy, [redacted]
Patric Y. Nassaux, [redacted]
Thomas A. Neal, [redacted]
Loretta M. Obrien, [redacted]
August C. Pasquale, [redacted]
Timothy L. Pendergrass, [redacted]
William J. Quartuccio, [redacted]
Cathy J. Schoorens, [redacted]
Richard K. Sharp, [redacted]
Lisa D. Somerson, [redacted]
Michael D. Stamatakos, [redacted]
Wayne K. Sumpter, [redacted]
James E. Turek, [redacted]
Kathryn C. Warehall, [redacted]
Beverly F. Wedda, [redacted]
Allen Wong, [redacted]

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of sections 593 and 8379, title 10 of the United States Code. Promotions made under section 8379 and confirmed by the Senate under section 593 shall bear an effective date established in accordance with section 8374, title 10 of the United States Code. (Effective dates in parentheses.)

LINE OF THE AIR FORCE

To be lieutenant colonel

Maj. Myron G. Ashcraft, [redacted], (11/9/86).

Maj. James J. Dolensky, [redacted], (12/6/86).

Maj. Roger D. Drummond, [redacted], (11/16/86).

Maj. William E. Mell, [redacted] (12/6/86).

Maj. Roger J. Mills, [redacted] (12/6/86).

Maj. Lawrence A. Moulton, [redacted], (11/1/86).

Maj. Ralph B. Stewart, Jr. [redacted], (9/29/86).

Maj. William J. Thompson, [redacted], (12/2/86).

Maj. George R. Vest, [redacted] (11/2/86).

Maj. Paul R. Zilic, [redacted] (12/6/86).

LEGAL CORPS

To be lieutenant colonel

Maj. Haywood R. Starling, Jr., [redacted] (12/6/86).

BIOMEDICAL SCIENCES CORPS

To be lieutenant colonel

Maj. Gary L. Love, [redacted] (11/16/86).

NURSE CORPS

To be lieutenant colonel

Maj. Germaine E. O'Donnell, [redacted], (12/6/86).

DENTAL CORPS

To be lieutenant colonel

Maj. Samuel Wofford, [redacted] (12/6/86).

IN THE AIR FORCE

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with grade and date of rank to be determined by the Secretary of the Air Force provided that in no case shall the officer be appointed in a grade higher than captain:

LINE OF THE AIR FORCE

Abel, Ralph J., [redacted]
Adam, Robin M., [redacted]
Adams, Donnell E., [redacted]
Adams, Michael J., [redacted]
Adams, Stephen A., [redacted]
Addington, Douglas D., [redacted]
Akers, Ernest O., Jr., [redacted]
Alban, Eric R., [redacted]
Alberti, Penelope M., [redacted]
Albright, Joe T., [redacted]
Algaze, Isaac [redacted]
Allen, Court C., [redacted]
Allen, Dean S., [redacted]
Allison, David L., [redacted]
Allred, Kirk B., [redacted]
Almario, Bayani J., Jr., [redacted]
Alsing, Stephen G., [redacted]
Alterio, Mark G., [redacted]
Amato, Steven L., [redacted]
Amelung, Brett S., [redacted]
Amidon, Paul F., [redacted]
Ancman, Cort B., [redacted]
Ancman, Eileen G., [redacted]
Andersen, Kelly E., [redacted]
Anderson, Michael G., [redacted]
Andrews, Douglas C., [redacted]
Andrews, Philip R., [redacted]
Angerhofer, Mark R., [redacted]
Appleby, Christopher M., [redacted]
Arceneaux, Michael P., [redacted]
Archuleta, Michael G., [redacted]
Arens, Matthew H., [redacted]
Ariola, Kenneth S., [redacted]
Armstrong, Anne C., [redacted]
Arnold, Gary B., [redacted]
Arnold, Mark D., [redacted]
Arnold, Russell C., [redacted]
Ash, Erin E., [redacted]
Ashpole, Mark R., [redacted]
Ashton, Robert P., [redacted]
Ashworth, James M., [redacted]
Austin, Wes C., [redacted]
Avery, Bryan S., [redacted]
Avery, Michael P., [redacted]
Avila, Carlos, [redacted]
Ayers, James R., [redacted]
Baca, Phillip P., [redacted]
Bachman, David L., [redacted]
Bacon, Dean F., [redacted]
Bagby, Larry P., [redacted]
Bailey, Kathryn M., [redacted]
Bailey, Richard C., Jr., [redacted]
Baker, David L., [redacted]
Baker, Jody B., [redacted]
Baker, Michael J., [redacted]
Bakke, David A., [redacted]
Balchunas, Norman J., Jr., [redacted]
Ballard, James E., [redacted]
Bane, Lennie M., [redacted]
Banks, Christopher E., [redacted]
Banks, Richard T., II, [redacted]
Barrett, Charlotte A., [redacted]
Barrett, Edward T., [redacted]
Barrett, Michael, J., III, [redacted]
Barron, Gary S., [redacted]
Barry, Michelle J., [redacted]
Bartholf, John P., [redacted]
Bashaw, Lynn E., [redacted]
Bass, Steven A., [redacted]
Batway, Marc C., [redacted]
Baugh, Franklin W., [redacted]
Baumgart, Chris W., [redacted]
Baxter, Michael R., [redacted]
Beaman, Budd F., [redacted]
Bean, Ricky M., [redacted]
Beaver, Martin W., [redacted]
Bedenbaugh, Michael A., [redacted]
Beebe, Kevin A., [redacted]
Beeker, Gregory L., [redacted]
Beeler, Terri C., [redacted]
Beerman, Raymond K. [redacted]
Beers, Suzanne M., [redacted]
Behne, Michael, D., [redacted]
Bell, Beverly Y., [redacted]
Bell, Larry D., [redacted]
Belz, Ray, [redacted]
Benack, Richard A., Jr., [redacted]
Bender, Kathleen L., [redacted]
Benson, David L., [redacted]
Berg, William J., [redacted]
Bergeron, Rene L., [redacted]
Berggren, James K., [redacted]
Berghoff, Thomas A., [redacted]
Bergjans, Theresa A., [redacted]
Berkowitz, David K., [redacted]
Bernard, Jeffrey T., [redacted]
Beste, Edward J., [redacted]
Beveridge, William J., [redacted]
Bieniewicz, Michael T., [redacted]
Billman, James R., [redacted]
Birch, John M., [redacted]
Bischoff, James R., [redacted]
Bittick, Judith D., [redacted]

Bjornson, Brian M., xxx-xx-xxxx
Black, Gregory J., xxx-xx-xxxx
Black, William E., xxx-xx-xxxx
Blackburn, Richard E., xxx-xx-xxxx
Blackham, Leslie A., xxx-xx-xxxx
Blackmon, Francine, xxx-xx-xxxx
Blackwell, Bart T., xxx-xx-xxxx
Blackwell, Keith G., xxx-xx-xxxx
Blair, Robert G., xxx-xx-xxxx
Blake, Dale A., xxx-xx-xxxx
Blanchard, Reginald F., xxx-xx-xxxx
Blanke, Harry H., III, xxx-xx-xxxx
Blanton, James P., Jr., xxx-xx-xxxx
Blasingame, James C., Jr., xxx-xx-xxxx
Blood, Max J., xxx-xx-xxxx
Boles, Dean K., xxx-xx-xxxx
Boling, J. Scott, xxx-xx-xxxx
Bolton, Edward L., Jr., xxx-xx-xxxx
Bono, Robert G., xxx-xx-xxxx
Borbet, Barbara L., xxx-xx-xxxx
Borer, Donald C., xxx-xx-xxxx
Bosselmann, Scott E., xxx-xx-xxxx
Bouchard, Joseph P., xxx-xx-xxxx
Boucher, Lionel H., xxx-xx-xxxx
Boulware, Tevis W., xxx-xx-xxxx
Bouthiller, Thomas John, xxx-xx-xxxx
Bowman, Hugh D., xxx-xx-xxxx
Bowyer, Reginald L., xxx-xx-xxxx
Boyce, Kevin M., xxx-xx-xxxx
Boyd, Jo Ann, xxx-xx-xxxx
Boyette, Marcus G., xxx-xx-xxxx
Bradshaw, Brian K., xxx-xx-xxxx
Branco, Antonio V., xxx-xx-xxxx
Brandenburg, Gil A., xxx-xx-xxxx
Brandt, Patrick J., xxx-xx-xxxx
Braudis, Rhonda J., xxx-xx-xxxx
Braunbeck, Paul A., Jr., xxx-xx-xxxx
Brenholdt, Gregory J., xxx-xx-xxxx
Breninger, Ronald L., xxx-xx-xxxx
Brenkert, Eric R., xxx-xx-xxxx
Brewer, David C., xxx-xx-xxxx
Brewer, Travis R., III, xxx-xx-xxxx
Brick, David A., xxx-xx-xxxx
Brigantic, Robert T., xxx-xx-xxxx
Brine, William R., xxx-xx-xxxx
Brinkman, Douglas G., xxx-xx-xxxx
Brinson, Lavoris J., xxx-xx-xxxx
Brooke, Dennis R., xxx-xx-xxxx
Brooks, Bud L., xxx-xx-xxxx
Brooks, Christopher K., xxx-xx-xxxx
Brooks, Claude, xxx-xx-xxxx
Bross, Jean M., xxx-xx-xxxx
Brown, Charles Everett, xxx-xx-xxxx
Brown, Charles S., xxx-xx-xxxx
Brown, Terrance J., xxx-xx-xxxx
Brozo, Steven M., xxx-xx-xxxx
Brubaker, Richard M., xxx-xx-xxxx
Brumbaugh, David A., xxx-xx-xxxx
Brunner, Alvin A., III, xxx-xx-xxxx
Bryant, Jerry W., xxx-xx-xxxx
Bryant, John A., xxx-xx-xxxx
Bryson, Alan A., Jr., xxx-xx-xxxx
Bubb, Kerrick W., xxx-xx-xxxx
Buchanan, Charles W., xxx-xx-xxxx
Buche, Mari W., xxx-xx-xxxx
Buck, Michael A., xxx-xx-xxxx
Buck, Michael S. M., xxx-xx-xxxx
Buckley Steven J., xxx-xx-xxxx
Buffkin, Eddy L., xxx-xx-xxxx
Bujold, David A., xxx-xx-xxxx
Bulger, Eric W., xxx-xx-xxxx
Buonanni, William S., xxx-xx-xxxx
Burbol, Edward J., xxx-xx-xxxx
Burgess, Steven A., xxx-xx-xxxx
Burgi, Ronald W., xxx-xx-xxxx
Burke Lloyd A., Jr., xxx-xx-xxxx
Bush, Edwin C., Jr., xxx-xx-xxxx
Bussey, Eugene W., Jr., xxx-xx-xxxx
Butler, Marshall L., xxx-xx-xxxx
Cadieux, Nancy L., xxx-xx-xxxx
Caison, Larry E., xxx-xx-xxxx
Caldwell, Stephen R., xxx-xx-xxxx
Callahan, Joseph T., III, xxx-xx-xxxx
Calvert, Robert A., xxx-xx-xxxx
Cameron, Philip S., xxx-xx-xxxx
Cammel, Douglas A., xxx-xx-xxxx
Campbell, Craig F., xxx-xx-xxxx
Campbell, David W., xxx-xx-xxxx
Campbell, Joseph P., xxx-xx-xxxx
Carey, Michael J., xxx-xx-xxxx
Carmen, John R., xxx-xx-xxxx
Carmena, Philip W., xxx-xx-xxxx
Carpenter, David R., xxx-xx-xxxx
Carroll, John E., xxx-xx-xxxx
Carter, Charles E., xxx-xx-xxxx
Carter, Donald C., xxx-xx-xxxx
Carter, Thomas C., xxx-xx-xxxx
Cartmel, Norman J., xxx-xx-xxxx
Castiglione, Paul C., xxx-xx-xxxx
Castle, James S., xxx-xx-xxxx
Castro, Wayne A., xxx-xx-xxxx
Catanich, Steven P., xxx-xx-xxxx
Catoe, Agnes M., xxx-xx-xxxx
Cavanaugh, Matthew J., xxx-xx-xxxx
Chambers, Brian J., xxx-xx-xxxx
Champigny, Norman E., xxx-xx-xxxx
Chandler, Dale P., xxx-xx-xxxx
Chandler, David W., xxx-xx-xxxx
Chandler, James L., xxx-xx-xxxx
Chandler, Tony A., xxx-xx-xxxx
Chappel, Brian E., xxx-xx-xxxx
Charlton, Larry A., xxx-xx-xxxx
Chatterley, Sidney E., xxx-xx-xxxx
Cheney, Susan M., xxx-xx-xxxx
Chersky, Brian A., xxx-xx-xxxx
Chin, Walter., xxx-xx-xxxx
Choiniere, Christine J., xxx-xx-xxxx
Christian, Anthony E., xxx-xx-xxxx
Chupein, Edward J., Jr., xxx-xx-xxxx
Church, John W., xxx-xx-xxxx
Clark, Anna M., xxx-xx-xxxx
Clark, David B., xxx-xx-xxxx
Clark, Mark A., xxx-xx-xxxx
Clark, Raymond P., xxx-xx-xxxx
Clark, Wesley J., xxx-xx-xxxx
Clifton, Richard A., xxx-xx-xxxx
Clites, Willard E., III, xxx-xx-xxxx
Clouse, Christopher J., xxx-xx-xxxx
Coan, Mark A., xxx-xx-xxxx
Cobbs, Stacey L., xxx-xx-xxxx
Coccie, Richard J., xxx-xx-xxxx
Colangelo, Michael G., xxx-xx-xxxx
Coleman, Larry A., xxx-xx-xxxx
Collins, Gregory R., xxx-xx-xxxx
Collins, Raymond E., xxx-xx-xxxx
Colombero, Craig S., xxx-xx-xxxx
Commons, Daniel L., xxx-xx-xxxx
Comtois, John H., xxx-xx-xxxx
Congdon, Jonathan D., xxx-xx-xxxx
Conley, James D., xxx-xx-xxxx
Conley, John H., xxx-xx-xxxx
Conlon, Gary P., xxx-xx-xxxx
Conner, Fred C. Jr., xxx-xx-xxxx
Conner, Michael P., xxx-xx-xxxx
Connors, Douglas G., xxx-xx-xxxx
Conrad, Brian T., xxx-xx-xxxx
Cook, Douglas C., xxx-xx-xxxx
Cook, Gregory P., xxx-xx-xxxx
Cool, Kristina E., xxx-xx-xxxx
Coons, Kenneth C., Jr., xxx-xx-xxxx
Cooper, Frank W., xxx-xx-xxxx
Coover, Miriam A., xxx-xx-xxxx
Copeland, Paul S., xxx-xx-xxxx
Corn, William S., xxx-xx-xxxx
Cornick, Jon C., xxx-xx-xxxx
Cornwall, James F., xxx-xx-xxxx
Cossano, Elizabeth M., xxx-xx-xxxx
Coveny, Robert F., xxx-xx-xxxx
Crabbe, Matthew L., xxx-xx-xxxx
Crabtree, Terrence J., xxx-xx-xxxx
Creamer, John P., III, xxx-xx-xxxx
Cresswell, Larry D., xxx-xx-xxxx
Crew, Raymond L., xxx-xx-xxxx
Crider, James R., Jr., xxx-xx-xxxx
Croker, Arthur S., xxx-xx-xxxx
Cronin, Susan E., xxx-xx-xxxx
Cross, Robert T., xxx-xx-xxxx
Crossnoe, William S., xxx-xx-xxxx
Crump, Jesse K., xxx-xx-xxxx
Cruz, Daniel P., xxx-xx-xxxx
Cruz, Ruben D., xxx-xx-xxxx
Culhane Robert J., xxx-xx-xxxx
Cuthbert, Randall G., xxx-xx-xxxx
Daggitt, Mark R., xxx-xx-xxxx
Dahlquist, James L., xxx-xx-xxxx
Daigle, Philip A., xxx-xx-xxxx
Daley, Dennis E., xxx-xx-xxxx
Dalsoglio, Douglas H., xxx-xx-xxxx
Daniels, David B., xxx-xx-xxxx
Danner, Dave A., xxx-xx-xxxx
Darby, James R., III, xxx-xx-xxxx
Darco, Richard M., Jr., xxx-xx-xxxx
Daubenspeck, Vincent L., II, xxx-xx-xxxx
Daugherty, Stephen D., xxx-xx-xxxx
Davidson, Daniel R., xxx-xx-xxxx
Davies, Arthur B., xxx-xx-xxxx
Davis, David L., xxx-xx-xxxx
Davis, James M., xxx-xx-xxxx
Davis, Jeffrey L., xxx-xx-xxxx
Davis, Jesse W., xxx-xx-xxxx
Davis, Joan M., xxx-xx-xxxx
Davis, Ricky A., xxx-xx-xxxx
Davis, Steven Todd, xxx-xx-xxxx
Dawson, Robert G., xxx-xx-xxxx
Dawson, Thomas A., xxx-xx-xxxx
Dean, James W., xxx-xx-xxxx
Deatherage, Roy J., xxx-xx-xxxx
Decker, Ann M., xxx-xx-xxxx
Deeds, Jeffrey A., xxx-xx-xxxx
Deguira, Paul T., xxx-xx-xxxx
Dehart, Paul J., xxx-xx-xxxx
Dekemper, William G., xxx-xx-xxxx
Delaney, Denis P., xxx-xx-xxxx
Delaney, William P., xxx-xx-xxxx
Dell, Douglas G., xxx-xx-xxxx
Dellies, Stephen J., xxx-xx-xxxx
Denno, Paul, xxx-xx-xxxx
Desaulniers, Donald P., xxx-xx-xxxx
Devault, William K., xxx-xx-xxxx
Deve, Ralph, xxx-xx-xxxx
Devereaux, Michele L., xxx-xx-xxxx
Devillez, Michael E., xxx-xx-xxxx
Dickerson, James R., xxx-xx-xxxx
Dickey, Timothy D., xxx-xx-xxxx
Dietrich, Richard C., xxx-xx-xxxx
Dillard, Wesley A., III, xxx-xx-xxxx
Dillon, Dennis D., xxx-xx-xxxx
Divich, Deborah S., xxx-xx-xxxx
Dodd, Christina M., xxx-xx-xxxx
Dohman, Arden L., xxx-xx-xxxx
Domholdt, Paul O., xxx-xx-xxxx
Domingos, Sandra, xxx-xx-xxxx
Donnelly, John F., xxx-xx-xxxx
Donovan, Chris E., xxx-xx-xxxx
Dortona, John G., xxx-xx-xxxx
Doskocz, Edward K., xxx-xx-xxxx
Douglas, Richard C., xxx-xx-xxxx
Downing, Benjamin H., xxx-xx-xxxx
Doyle, Thomas A., xxx-xx-xxxx
Drap, Richard J., xxx-xx-xxxx
Drenckhahn, Theron A., xxx-xx-xxxx
Dressel, Don M., xxx-xx-xxxx
Drylie, Michael E., xxx-xx-xxxx
Dubiel, Mark W., xxx-xx-xxxx
Duffey, Michael E., xxx-xx-xxxx
Dugan, Thomas G., xxx-xx-xxxx
Duke, Thomas L., xxx-xx-xxxx
Dumas, Vincent R., xxx-xx-xxxx
Dunic, Ronald L., xxx-xx-xxxx
Dunn, Guy W., xxx-xx-xxxx
Dunwoody, Joe M., Jr., xxx-xx-xxxx
Durano, Demosthenes C., xxx-xx-xxxx
Durham, Leslie A., xxx-xx-xxxx
Durham, Walter D., xxx-xx-xxxx
Durkin, Peter S., xxx-xx-xxxx
Dwelle, Bruce M., xxx-xx-xxxx
Dyer, Michael M., xxx-xx-xxxx
Earnest, Eric M., xxx-xx-xxxx
Edwards, James B., xxx-xx-xxxx
Edwards, Robb A., xxx-xx-xxxx
Egel, Gerard W., xxx-xx-xxxx
Eide, Randy D., xxx-xx-xxxx

Eldridge, James M., Jr., [redacted]
Elias, Janet, [redacted]
Ellia, Paul S., [redacted]
Elliott, Vincent L., [redacted]
Ellis, Drew M., [redacted]
Elsnau, James W., [redacted]
Emeric, Marcelo E., [redacted]
Engebritson, Mark A., [redacted]
Englebrecht, Alexandra R., [redacted]
Englehart, Dallas G., [redacted]
Ennis, Charles M., Jr., [redacted]
Eshleman, Tracey R., [redacted]
Eskridge, Robert L., [redacted]
Evans, Victor, [redacted]
Eves, Paul J., [redacted]
Fackler, Steven P., [redacted]
Fahrenkamp, Mark W., [redacted]
Faircloth, Agnes M., [redacted]
Faircloth, Danny L., [redacted]
Farago, Zoltan L., [redacted]
Farinelli, Tommy C., [redacted]
Feeser, Paul H., [redacted]
Fehrmann, Douglas H., [redacted]
Felder, Eddie L., Jr., [redacted]
Felder, Valerie D., [redacted]
Felker, Timothy R., [redacted]
Ferido, Alex C., [redacted]
Ferreira, David A., [redacted]
Fielding, Kenneth H., [redacted]
Fields, Jeffrey H., [redacted]
Finley, Bruce E., [redacted]
Fischer, Anne M., [redacted]
Fisher, Dennis W., [redacted]
Fisher, Jack J., [redacted]
Fisher, James M., [redacted]
Fisher, Robert C., [redacted]
Fisher, William H. III, [redacted]
Fitzgerald, Stephen A., [redacted]
Flick, Clifford C., [redacted]
Flinn, Robert D., [redacted]
Floyd, William E., [redacted]
Fly, Jason A., [redacted]
Flynn, James B., [redacted]
Flynn, Michael F., [redacted]
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Forman, Dale A., [redacted]
Forney, James I., [redacted]
Forrester, Robert G., [redacted]
Fortmann, Kristinia M., [redacted]
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Foster, Joseph, [redacted]
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Fox, Dean G., [redacted]
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Lackey, Jeanette R., [redacted]
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Lockwood, Francine P., [redacted]
Loeppke, Chris A., [redacted]
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Longest, Dwight A., [redacted]
Longo, Dean J., [redacted]
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Louis, Mark L., [redacted]
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New, Pamela L., [redacted]
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Paterick, David A., [redacted]
Patterson, Jack D., [redacted]
Patteson, Thomas W., [redacted]
Paulk, Jeffrey A., [redacted]
Payne, Jonathon S., [redacted]
Pearson, Bradley James, [redacted]
Pelle, Michael S., [redacted]
Perdigao, Alan J., [redacted]
Pereira, John J., [redacted]
Perrault, Andre R., [redacted]
Perryman, Jeff D., [redacted]
Peterson, Craig S., [redacted]
Peterson, Ulrik R., [redacted]
Peterson, Kurt T., [redacted]
Peterson, Mark R., [redacted]
Peterson, Robert A., [redacted]
Petruso, James J., [redacted]
Pfranzelt, Erich E., [redacted]
Pham, Alan A., [redacted]
Phillips, Andrew R., [redacted]
Phillips, Dennis G., [redacted]
Phillips, Don E., [redacted]
Piatkowski, Thomas E., [redacted]
Pierce, Steven K., [redacted]
Pierre, Lloyd A., Jr., [redacted]
Pigg, Charles K., [redacted]
Pitcher, Steve E., [redacted]
Platt, Acy C., Jr., [redacted]
Plowman, Michael J., [redacted]
Plumb, Scott W., [redacted]
Pofahl, Michael W., [redacted]
Poggi, Michael S., [redacted]
Poland, Lorina L., [redacted]
Policastro, James G., [redacted]
Poligala, Richard A., [redacted]
Poole, Timothy G., [redacted]
Powell, Nathaniel, [redacted]
Powers, Donna L., [redacted]
Price, Paul A., [redacted]
Price, Philip J., [redacted]
Primosch, Joseph H., [redacted]
Primus, Elegear J., [redacted]
Pryor, Homer L., [redacted]
Pugh, Cathy M., [redacted]
Pugliese, Joseph F., [redacted]
Pullum, Ronald E., [redacted]
Purdie, Scott T., [redacted]
Purtle, Steve O., [redacted]
Rabe, Paul A., [redacted]
Raffensberger, Mark E., [redacted]
Raiford, Harold, [redacted]
Ralston, Jeffrey A., [redacted]
Ramirez, Deanna R., [redacted]
Ramireztorres, Luis R., [redacted]
Ramos, Anthony, [redacted]
Ratcliffe, Robert W., [redacted]
Rawls, Thomas R., [redacted]
Ray, Brian S., [redacted]
Ray, Loye L. I., [redacted]
Raymond, Kevin F., [redacted]
Reading, Michael D., [redacted]
Rechner, Francis J., [redacted]
Recker, Terry L., [redacted]
Reeb, Frank S., [redacted]
Red, Harley D., Jr., [redacted]
Reed, Michael J., [redacted]
Reed, Scott E., [redacted]
Reese, Kenneth W., [redacted]
Reese, Matthew F., [redacted]
Reger, Michael T., [redacted]
Reich, Rosa M., [redacted]

Reitz, Brady R., [redacted]
Resendez, David, [redacted]
Reyes, David, [redacted]
Rhame, George F., [redacted]
Rhoads, Lynn L., [redacted]
Rhodes, Howard S., [redacted]
Rich, Todd L., [redacted]
Richards, Tami S., [redacted]
Richardson, Annita, [redacted]
Richardson, Bruce A., [redacted]
Richardson, Harry D., [redacted]
Ridder, Daniel M., [redacted]
Rieflin, Deborah A., [redacted]
Riehl, Michael D., [redacted]
Riffle, Theodore E., Jr., [redacted]
Rigau, Alberto, [redacted]
Rigby, Bradford E., [redacted]
Rikansrud, Ronald E., [redacted]
Rikli, Kristine M., [redacted]
Rima, Kevin L., [redacted]
Ritter, David L., [redacted]
Robb, Richard F., [redacted]
Robenalt, Timothy J., [redacted]
Roberts, John R., [redacted]
Robertson, Brian D., [redacted]
Robertson, David D., [redacted]
Robinson, Glenn E., [redacted]
Robinson, John G., [redacted]
Robinson, Louis J., Jr., [redacted]
Robinson, Randall L., [redacted]
Robinson, Randy L., [redacted]
Robinson, Todd G., [redacted]
Robinson, Toy D., [redacted]
Rodgers, David A., [redacted]
Rodriguez, Carmen S., [redacted]
Rodriguez, William., [redacted]
Roebuck, Craig M., [redacted]
Roelofs, John C., III, [redacted]
Rogers, Andy D., [redacted]
Rogers, David L., [redacted]
Rogers, Henry F., [redacted]
Rogers, Steven F., [redacted]
Roghair, Neil E., [redacted]
Rohlf, Leslie K., [redacted]
Romeo, Michael S., [redacted]
Rooks, Edward C., [redacted]
Root, Lisa, [redacted]
Rosado, Nydia A., [redacted]
Roseman, Thomas K., [redacted]
Rosmarin, Joseph D., [redacted]
Rothman, Max R., [redacted]
Rowe, Mark A., [redacted]
Rozumski, Henryk Z., [redacted]
Rumsby, Barbara L., [redacted]
Russ, Richard M., [redacted]
Ruthling, Frederick M., [redacted]
Rutledge, James H., III, [redacted]
Sadoski, Paul A., [redacted]
Salsbury, Daniel J., [redacted]
Sanders, William L., III, [redacted]
Sands, Craig A., [redacted]
Satterlee, Richard W., [redacted]
Sauvageau, Edward G., [redacted]
Savageau, John R., [redacted]
Sawtelle, William J., [redacted]
Schachtner, Terrance J. [redacted]
Schaefer, Larry J., [redacted]
Schaefer, Norman P., [redacted]
Schaefer, Thomas M., [redacted]
Scharff, Laurence D., [redacted]
Scheller, Phillip A., [redacted]
Schellinger, David L., [redacted]
Schiavi, Anthony E., [redacted]
Schiess, Thomas R., [redacted]
Schiphorst, John F. [redacted]
Schmidt, Lon G., [redacted]
Schmokel, Frederick W.D., [redacted]
Schneider, Alan C., [redacted]
Schrank, Edward C., [redacted]
Schreffler, Mark C., [redacted]
Schrock, Daisy O., [redacted]
Schuller, Thomas M., [redacted]
Schulte, Thomas D., Jr., [redacted]
Schultz, Thornton C., [redacted]
Schulz, Edward M., [redacted]
Schumacher, Gerald A., [redacted]
Schwake, Curtis H., [redacted]
Schwarz, Charles E., [redacted]
Schwarz, Peter H., [redacted]
Scotland, Jamie C., [redacted]
Sealey, David C., [redacted]
Seeber, Richard W., [redacted]
Seely, Darren Lee, [redacted]
Selken, Jon G., [redacted]
Severs, Hugh G., [redacted]
Shaffer, Daniel B., [redacted]
Shamburger, Jeanne K., [redacted]
Shand, Lawrence J., [redacted]
Shannahan, Joseph R., [redacted]
Shapiro, Stevi A., [redacted]
Shardy, Stephan T., [redacted]
Sharp, Robert A., [redacted]
Sharp, Scott T., [redacted]
Shaughnessy, Timothy M., [redacted]
Shaw, Keith, [redacted]
Shaw, Kelly A., [redacted]
Shelton, William M., [redacted]
Shepherd, Frederick L., III, [redacted]
Shepherd, Scott F., [redacted]
Shin, Jenny E.K., [redacted]
Shipley, Buford, W., Jr., [redacted]
Shirley, Carl D., [redacted]
Shoales, Gregory A., [redacted]
Shrader, Billy R., [redacted]
Shrader, Roy C., Jr., [redacted]
Shurtleff, Kimberly, [redacted]
Siefert, Stephen W., [redacted]
Sierawski, Stephen S., [redacted]
Sillart, Jeffrey E., [redacted]
Sillery, Eric D., [redacted]
Simmons, Vernon N., [redacted]
Simpson, Scott W., [redacted]
Sisson, James L., [redacted]
Sjurset, Gary A., [redacted]
Skeffington, Howard T., [redacted]
Skiba, Christopher M., [redacted]
Slade, David A., [redacted]
Slaton, James C., [redacted]
Slogar, Michael, [redacted]
Slogik, George A., [redacted]
Sly, Kevin D., [redacted]
Smith, Bennie K., [redacted]
Smith, Beverly J., [redacted]
Smith, Billy R., [redacted]
Smith, Dale R., [redacted]
Smith, Gregory A., [redacted]
Smith, Jeffrey O., [redacted]
Smith, Kevin C., [redacted]
Smith, Linda G., [redacted]
Smith, Michael A., [redacted]
Smith, Michael G., [redacted]
Smith, Randy E., [redacted]
Smith, Robin E., [redacted]
Smith, Thomas B., [redacted]
Smith, Thomas D., [redacted]
Smith, Thomas J., [redacted]
Smolinsky, Curt D., [redacted]
Snell, Michael P., [redacted]
Snowman, John B., [redacted]
Snyder, Reid M., [redacted]
Sohan, James T., [redacted]
Solis, Jose A., [redacted]
Sowers, Steven D., [redacted]
Spanburg, Craig S., [redacted]
Spanier, Lee J., [redacted]
Spann, Gregory N., [redacted]
Spano, Steven J., [redacted]
Spaulding, Edgar M., III, [redacted]
Spellman, Thomas P., [redacted]
Spencer, Laura L., [redacted]
Spina, Frank A., Jr., [redacted]
Spotts, Lisa H., [redacted]
Springs, Harold L., Jr., [redacted]
Sprouse, Michael L., [redacted]
Stack, Robert D., [redacted]
Stacy, Scott K., [redacted]
Stafford, Frank E., [redacted]
Stanley, Daniel W., [redacted]
Starr, William C., [redacted]
Staton, Phillip H., [redacted]
Stdenis, Carol E., [redacted]
Stec, Leonard J., [redacted]
Stephens, Thomas J., [redacted]
Stephenson, Scott D., [redacted]
Sternick, Mark J., [redacted]
Stewart, Bryon R., [redacted]
Stickel, Norman C., [redacted]
Stokes, Frank H., [redacted]
Stokes, Mark A., [redacted]
Stokes, Miles A., [redacted]
Stone, Mitchell A., [redacted]
Stonebraker, Jeffrey S., [redacted]
Stoner, Iyoki Carol L., [redacted]
Strand, Thomas R., [redacted]
Stringham, Stephan G., [redacted]
Stuart, Michael A., [redacted]
Stuckey, Richard M., [redacted]
Sturdevant, Reese C., [redacted]
Sturmer, Steven R., [redacted]
Stuwe, John E., [redacted]
Sugai, Lee Y., [redacted]
Sullins, Ronald E., [redacted]
Sullivan, Ian C., [redacted]
Sullivan, John E., III, [redacted]
Sunnarborg, Terrence L., [redacted]
Supinski, Stanley B., [redacted]
Suppan, Thomas E., [redacted]
Sutcliffe, Dennis D., [redacted]
Sutterfield, Rodney L., II, [redacted]
Sutton, Douglas W., [redacted]
Swan, George F., [redacted]
Swanson, Daniel C., [redacted]
Swartzmiller, Allan L., [redacted]
Swisher, Thomas W., [redacted]
Switzer, John K., [redacted]
Tackett, Jerry R.S., [redacted]
Tarka, Gary J., [redacted]
Tasiemski, Victor M., [redacted]
Taylor, Robert E., Jr., [redacted]
Taylor, Robert H., [redacted]
Taylor, Tony A., [redacted]
Tellier, Michael E., [redacted]
Terrell, Anthony K., [redacted]
Thering, Thomas W., [redacted]
Thibodeaux, Dwight D., [redacted]
Thoma, Donald L., [redacted]
Thompson, Stephen C., [redacted]
Thornton, Michael H., [redacted]
Thrasher, Albert A., III, [redacted]
Thress, Bradley D., [redacted]
Thrower, Thomas S., [redacted]
Tinsler, James E., Jr., [redacted]
Tirado, Nelson A., [redacted]
Tobin, Stacey R., [redacted]
Tocci, Carolyn G., [redacted]
Toensing, Thomas M., [redacted]
Tolbert, Wayne A., [redacted]
Toler, James H., [redacted]
Tolleson, Dale L., [redacted]
Tomlinson, Candace J., [redacted]
Touhill, Gregory J., [redacted]
Tourangeau, Stephen M., [redacted]
Toyofukuaki, Hunter K., [redacted]
Tracey, Andrew C., [redacted]
Trapp, Michael I., [redacted]
Tredo, Daniel C., Jr., [redacted]
Tri, Brian D., [redacted]
Trimmer, John E., Jr., [redacted]
Tripp, David M., [redacted]
Troidle, Kathleen M., [redacted]
Trotter, Morris G., [redacted]
Troyanowski, Rodney M., [redacted]
Tucker, Joseph M., [redacted]
Tucker, Michael G., [redacted]
Tuley, Benny W., [redacted]
Turmelle, Dwayne R., [redacted]
Turner, Aric D., [redacted]
Turner, Lisa A., [redacted]
Tweed, Mary F., [redacted]
Tyboroski, Markus H., [redacted]
Uland, Robert L., [redacted]
Ulrich, Terry A., [redacted]

Valdespino, Vincent C., [redacted]
Valentin, Margarita L., [redacted]
Vancise, Dana S., [redacted]
Vancleave, William D., [redacted]
Vanderhoven, John W., [redacted]
Vanderwerf, Stan L., [redacted]
Vandeveere, Mary K., [redacted]
Vandillen, Diederick, [redacted]
Vanmeter, Clay D., [redacted]
Vannatta, Todd R., [redacted]
Vantiger, Kenneth J., [redacted]
Varga, Ferenc, Jr., [redacted]
Vaught, James W., Jr., [redacted]
Vazquez, Rennie, [redacted]
Veeder, Timothy A., [redacted]
Veitch, Lisa R., [redacted]
Veley, Michael J., [redacted]
Verica, Robert J., Jr., [redacted]
Villegas, Daniel R., [redacted]
Vincent, Thelma D., [redacted]
Voeller, David G., [redacted]
Vomela, Robert W., [redacted]
Vontsolos, Mark A., [redacted]
Vorce, Theresa D., [redacted]
Voss, Christina E., [redacted]
Voss, Forrest W., [redacted]
Waggoner, Drexel G., [redacted]
Walbridge, Robert E., [redacted]
Walker, Jeffrey K., [redacted]
Walker, Steven J., [redacted]
Walker, Swen A., [redacted]
Wallace, Thomas L., [redacted]
Walls, Judson E., [redacted]
Walton, Jerry E., [redacted]
Wannamaker, Edward J., IV, [redacted]
Ward, Joseph S., Jr., [redacted]
Ward, Mark D., [redacted]
Wareham, Robert M., [redacted]
Warlick, Michael N., [redacted]
Watkins, David L., [redacted]
Watson, Jay A., [redacted]
Watson, Susan T., [redacted]
Watts, David S., [redacted]
Watts, Melissa M., [redacted]
Weaver, Andrew C., [redacted]
Webb, Charles L., III, [redacted]
Webber, Diana L., [redacted]
Webster, Blair, [redacted]
Weiland, Robert J., Jr., [redacted]
Weinsaft, Nathan A., [redacted]
Welch, Brian C., [redacted]
Welch, Michael F., [redacted]
Welch, Thomas E., [redacted]
Welhouse, David E., [redacted]
Weller, Eric F., [redacted]
Wells, Barrett L., [redacted]
Welter, James E., [redacted]
Welter, Leslie L., [redacted]
West, David W., [redacted]
West, Thomas C., Jr., [redacted]
Westvig, Sherman E., [redacted]
Westwood, Bernard D., Jr., [redacted]
Wetstein, Ann, [redacted]
Whitacre, Angela E., [redacted]
White, James K., [redacted]
White, John W., [redacted]
White, Richard L., [redacted]
White, Ronald K., [redacted]
White, Thomas F., [redacted]
White, Timothy G., [redacted]
Whitehurst, Ralph A., [redacted]
Whittemore, James G.V., [redacted]
Wierenga, Marvin W., Jr., [redacted]
Wietstruk, Eric C., [redacted]
Wilcox, Joel D., [redacted]
Wilde, Tyree L., [redacted]
Wilhelm, Gary L., [redacted]
Will, Scott A., [redacted]
Williams, Anthony R., [redacted]
Williams, Clifford V., [redacted]
Williams, David A., [redacted]
Williams, Horace B., III, [redacted]
Williams, James L., Jr., [redacted]
Williams, Layton E., [redacted]
Williams, Ted M., [redacted]
Williams, Terry L., [redacted]
Williamson, Derek J., [redacted]
Wilson, Gregory W., [redacted]
Wilson, Jeffrey A., [redacted]
Wilson, Jeffrey L., [redacted]
Wilson, Robert D., IV, [redacted]
Winfree, Paul K., [redacted]
Winkler, David R., [redacted]
Winslow, Richard J., [redacted]
Winslow, Thomas B., [redacted]
Winter, Karen P., [redacted]
Winter, Roger S., [redacted]
Wise, Stephen C., [redacted]
Witherspoon, Edward W., [redacted]
Witkowski, Catherine L., [redacted]
Wofford, Dennis W., [redacted]
Wolf, Bradley M., [redacted]
Wood, Fred L., [redacted]
Woodring, Jeffrey A., [redacted]
Woods, David S., [redacted]
Woodward, David W., [redacted]
Woolever, Daniel., [redacted]
Wooley, Dale A., [redacted]
Woollen, Matthew F., [redacted]
Wride, Richard A., [redacted]
Wright, Darrell L., [redacted]
Wright, Jeffrey B., [redacted]
Wrinn, Jonathan F., [redacted]
Wrotny, Marcus D., [redacted]
Wuchte, Thomas J., [redacted]
Wussler, Donald E., Jr., [redacted]
Wyatt, Marvin L., [redacted]
Wyneken, Brian P., [redacted]
Yahn, Robert A., Jr., [redacted]
York, Charlie E., [redacted]
Young, John M., [redacted]
Young, Pamela T., [redacted]
Youngs, Thomas B., [redacted]
Zacharko, Roman B., [redacted]
Zapf, Robert W., [redacted]
Zaun, Raymond B., [redacted]
Zeger, Vernon J., [redacted]
Zeh, David E., [redacted]
Zehr, David F., [redacted]
Zeitler, Robert J., [redacted]
Zielinski, Paul S., [redacted]
Zimmerman, Larry D., [redacted]
Zimsek, Daniel V., [redacted]
Zinni, Edmund L., [redacted]
Ziny, Andrew G., [redacted]
Zwartjes, Patrick W., [redacted]
Zwicker, Robert B., [redacted]

In the Air Force

The following cadets, U.S. Air Force Academy, for appointment as second lieutenants in the Regular Air Force, under the provisions of sections 9353(b) and 531, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

Abascal, Thomas A., [redacted]
Abbatiello, John J., [redacted]
Abbott, James E., Jr., [redacted]
Abercrombie, David I., [redacted]
Adams, Herbert P., III, [redacted]
Afflerback, Gerald E., [redacted]
Aldrian, Joseph M., [redacted]
Alesch, Teresa M., [redacted]
Allem, Rodger C., [redacted]
Allen, Aaron B., [redacted]
Allen, James T., [redacted]
Allen, Jeffrey L., [redacted]
Amin, David J., [redacted]
Amsler, Francis X., Jr., [redacted]
Anders, Eric W., [redacted]
Anderson, David J., [redacted]
Anderson, John T., [redacted]
Anderson, Theodore B., [redacted]
Andre, Terence S., [redacted]
Anspach, Christopher E., [redacted]
Applegate, Timothy M., [redacted]
Archibald, Ian G., [redacted]
Arcoleo, Kenneth A., [redacted]
Arizpe, Victor H., [redacted]
Arlinghaus, Mark R., [redacted]
Arriola, Mark J., [redacted]
Arthur, Joseph T., [redacted]
Arvin, Phillip J., [redacted]
Atchison, Scott B., [redacted]
Aunapu, Kevin J., [redacted]
Auzenne, Joshua P., [redacted]
Ayotte, Michael N., [redacted]
Ayyar, Balan R., [redacted]
Bachelier, Vincent J., [redacted]
Bachler, David M., [redacted]
Baczewksi, Gerald, [redacted]
Baggett, Debra A., [redacted]
Bakke, Christopher P., [redacted]
Baldauff, Regis J., [redacted]
Bampton, Matthew W., [redacted]
Bartels, Bradley D., [redacted]
Barton, Craig A., [redacted]
Barys, Alan J., [redacted]
Basudev, Haridev S., [redacted]
Batturaro, Orlando, [redacted]
Beardsley, Darryl J., [redacted]
Beasley, Jonathan O., [redacted]
Beaty, Alan K., [redacted]
Beavers, Timothy R., [redacted]
Behnke, Thomas W., [redacted]
Beitle, Ronald P., [redacted]
Bell, Malia K., [redacted]
Benovil, Marie A., [redacted]
Berg, Brett E., [redacted]
Berg, Zachary D., [redacted]
Berry, Ira C. Dar, [redacted]
Berry, Nicole M., [redacted]
Bertlshofer, Patrick D., [redacted]
Bettner, Michael P., [redacted]
Billiet, Ronald A., [redacted]
Birrenkott, Daniel J., [redacted]
Bishop, Lee W., [redacted]
Blanks, David P., [redacted]
Blouin, Michael J., [redacted]
Boe, Eric A., [redacted]
Bogumill, John P., [redacted]
Bolha, Robert, [redacted]
Boots, David M., [redacted]
Borchelt, Kent W., [redacted]
Borowiec, Thomas, [redacted]
Bova, Mark A., [redacted]
Boyd, Kevin C., [redacted]
Bramigk, Brad W., [redacted]
Branche, Michael C., [redacted]
Breeden, John J., [redacted]
Breivik, Diane M., [redacted]
Bristol, David F., [redacted]
Bristow, Reid R., [redacted]
Brondum, Daryl T., [redacted]
Brooks, Robin F., [redacted]
Broussard, Byron K., [redacted]
Brown, Billy B., Jr., [redacted]
Brown, Donald L., [redacted]
Brown, Eric D., [redacted]
Brown, Jeffrey G., [redacted]
Brown, Lucy A., [redacted]
Brown, Terrence A., [redacted]
Browning, Stephen M., [redacted]
Brundidge, Lawrence A., [redacted]
Brunkow, James A., [redacted]
Bryan, Shawn T., [redacted]
Burchett, Bradley T., [redacted]
Burke, Christopher G., [redacted]
Burke, Randall D., [redacted]
Burris, David M., [redacted]
Butler, David C., [redacted]
Butler, Rhett L., [redacted]
Byer, Brett J., [redacted]
Byers, Stephen R., [redacted]
Cagle, Joseph H., [redacted]
Cain, Shirrel L., [redacted]
Callahan, Jamie L., [redacted]
Caltagirone, Paul M., [redacted]
Calvert, Rex T., [redacted]
Campbell, Gregory A., [redacted]
Campbell, Robert S., [redacted]
Cannata, Sam P., [redacted]

Cardello, John C., xxx-xx-xxxx
Carhuff, Carl C., xxx-xx-xxxx
Carlile, James A., xxx-xx-xxxx
Carlin, Paul J., xxx-xx-xxxx
Carlson, Wendy R., xxx-xx-xxxx
Caron, Christopher W., xxx-xx-xxxx
Carr, Colin N., xxx-xx-xxxx
Carr, Michael J., xxx-xx-xxxx
Carter, Wesley A., xxx-xx-xxxx
Cashin, James P., xxx-xx-xxxx
Casias, Michael N., xxx-xx-xxxx
Cassady, Wallace J., xxx-xx-xxxx
Caulwell, Paul M., xxx-xx-xxxx
Cavello, Robert J., xxx-xx-xxxx
Chapman, Joseph F., xxx-xx-xxxx
Charitat, David P., See, xxx-xx-xxxx
Cheatham, Patrick L., xxx-xx-xxxx
Cheung, Eva F. Pin, xxx-xx-xxxx
Chi, Clive S., Hsi, xxx-xx-xxxx
Childers, Darren E., xxx-xx-xxxx
Chin, Keric B., On, xxx-xx-xxxx
Chmurs, Stanley F., Jr., xxx-xx-xxxx
Cho, Sueling, xxx-xx-xxxx
Christensen, Brett G., xxx-xx-xxxx
Christensen, Brian P., xxx-xx-xxxx
Ciuzio, Charles A., xxx-xx-xxxx
Clapp, Steven E., xxx-xx-xxxx
Clark, Murray R., xxx-xx-xxxx
Clark, Randall W., xxx-xx-xxxx
Clavin, Joseph L., xxx-xx-xxxx
Clewis, Robert V.I., xxx-xx-xxxx
Cliatt, Jeffrey C., xxx-xx-xxxx
Cline, Kenneth L., xxx-xx-xxxx
Cline, Mark E., xxx-xx-xxxx
Clinton, Shirley R., xxx-xx-xxxx
Clyne, Andrew J., xxx-xx-xxxx
Coffey, Lavanson C., III, xxx-xx-xxxx
Coggins, George A., xxx-xx-xxxx
Cohee, Garrett L., xxx-xx-xxxx
Coleman, Edward J., xxx-xx-xxxx
Coleman, Robert M., xxx-xx-xxxx
Connare, Thomas J., xxx-xx-xxxx
Conner, David M., xxx-xx-xxxx
Connolly, James D., xxx-xx-xxxx
Conroy, Edward P., xxx-xx-xxxx
Conte, Christopher T., xxx-xx-xxxx
Cook, Stephen M., xxx-xx-xxxx
Cooper, Gary L., II, xxx-xx-xxxx
Cooper, Stephen D., xxx-xx-xxxx
Corry, Brian M., xxx-xx-xxxx
Coulahan, John E., Jr., xxx-xx-xxxx
Couser, Robert A., xxx-xx-xxxx
Coveno, Richard A., xxx-xx-xxxx
Craig, Patricia M., xxx-xx-xxxx
Craig, Robert M., xxx-xx-xxxx
Cramer, Richard B., xxx-xx-xxxx
Crenwelge, Bret A., xxx-xx-xxxx
Crerie, Jonathan A., xxx-xx-xxxx
Crochet, David A., xxx-xx-xxxx
Crone, Robert B., xxx-xx-xxxx
Crouch, Richard T., xxx-xx-xxxx
Crow, Jeffrey L., xxx-xx-xxxx
Crowhurst, James W., xxx-xx-xxxx
Cundiff, Jeffrey S., xxx-xx-xxxx
Cunningham, Charles J., xxx-xx-xxxx
Cunningham, Nathaniel J., xxx-xx-xxxx
Curtis, Bradley L., xxx-xx-xxxx
Dahlby, Miles D., xxx-xx-xxxx
Dailey, Kevin S., xxx-xx-xxxx
Dallin, John V., xxx-xx-xxxx
Damico, Peter, xxx-xx-xxxx
Danek, Thomas E., Jr., xxx-xx-xxxx
Dara, Tina M., xxx-xx-xxxx
Dare, Lauren E., xxx-xx-xxxx
Dasilva, Stephen M., xxx-xx-xxxx
Davis, Bradford C., xxx-xx-xxxx
Davis, Darrel T., xxx-xx-xxxx
Davis, James E., xxx-xx-xxxx
Davis, Lynda L., xxx-xx-xxxx
Day, Robert E., Jr., xxx-xx-xxxx
Deale, Thomas H., xxx-xx-xxxx
Defidelto, Louis J., xxx-xx-xxxx
Degler, Jeffrey K., xxx-xx-xxxx
Del, Barga J., Car, xxx-xx-xxxx
Delong, Mark D., xxx-xx-xxxx
Demaso, William C., xxx-xx-xxxx
Denton, Richard M., xxx-xx-xxxx
Deruyter, Donovan S., xxx-xx-xxxx
Dewitt, Brenda R., xxx-xx-xxxx
Diaz, Angel A., xxx-xx-xxxx
Diaz, Rolando J., xxx-xx-xxxx
Dierlam, Mark S., xxx-xx-xxxx
Dill, Kevin P., xxx-xx-xxxx
Dingle, Levenchi L., xxx-xx-xxxx
Disco, Jennifer L., xxx-xx-xxxx
Dixon, Steven A., xxx-xx-xxxx
Dodson, Eric C., xxx-xx-xxxx
Dolan, Michael J., xxx-xx-xxxx
Donahue, Michael K., xxx-xx-xxxx
Donald, Shawn J., xxx-xx-xxxx
Donnelly, Richard E., xxx-xx-xxxx
Dorian, Stephen F., xxx-xx-xxxx
Downing, Harry E., Jr., xxx-xx-xxxx
Dozier, Arthur L., IV, xxx-xx-xxxx
Dranttel, Timothy J., xxx-xx-xxxx
Dudley, James R., xxx-xx-xxxx
Due, Ranger W. Mat, xxx-xx-xxxx
Dufaud, Steven C., xxx-xx-xxxx
Duffy, Margaret M., xxx-xx-xxxx
Duggan, Thomas J., III, xxx-xx-xxxx
Duhovic, Jerry V., xxx-xx-xxxx
Dumolt, Mark A., xxx-xx-xxxx
Dunstan, Floyd W., xxx-xx-xxxx
Dutkus, Steven A., xxx-xx-xxxx
Eaton, Howard E., III, xxx-xx-xxxx
Ebner, David W., xxx-xx-xxxx
Echeverry, Juan C., xxx-xx-xxxx
Edwards, Christopher L., xxx-xx-xxxx
Edwards, Phillip T., xxx-xx-xxxx
Ehrhard, David G., xxx-xx-xxxx
Ehrhart, John E., Jr., xxx-xx-xxxx
Eissler, Howard L., III, xxx-xx-xxxx
Elmore, Carson A., xxx-xx-xxxx
Emerick, James P., xxx-xx-xxxx
Emig, Kirk E., xxx-xx-xxxx
Eoute, Douglas C., Jr., xxx-xx-xxxx
Erickson, Scott J., xxx-xx-xxxx
Ernewein, Mark H., xxx-xx-xxxx
Erskine, John F., Jr., xxx-xx-xxxx
Espinoza, Cholene D., xxx-xx-xxxx
Evans, Patricia, xxx-xx-xxxx
Evans, Patrick W., xxx-xx-xxxx
Eve, Percy H., Per, xxx-xx-xxxx
Fair, Jonathan E., xxx-xx-xxxx
Fairbanks, Gregory B., xxx-xx-xxxx
Falkowski, John T., xxx-xx-xxxx
Faltin, Gregory D., xxx-xx-xxxx
Faneuff, Robert S., xxx-xx-xxxx
Farris, David B., xxx-xx-xxxx
Faulise, Joseph J., xxx-xx-xxxx
Fawaz, Scott A., xxx-xx-xxxx
Fay, Timothy G., xxx-xx-xxxx
Feldhausen, Thomas J., xxx-xx-xxxx
Felix, Bradley K., xxx-xx-xxxx
Feltman, Lawrence M., xxx-xx-xxxx
Fiddler, Robert G., Jr., xxx-xx-xxxx
Fincher, Michele S., xxx-xx-xxxx
Findall, Christopher E., xxx-xx-xxxx
Fisher, Wayne A., xxx-xx-xxxx
Fitch, Linda G., xxx-xx-xxxx
Fitzgerald, Mark R., xxx-xx-xxxx
Fletcher, Keith W., xxx-xx-xxxx
Flewelling, Steven E., xxx-xx-xxxx
Flint, Jeffrey D., xxx-xx-xxxx
Flint, John D., xxx-xx-xxxx
Floreani, Douglas W., xxx-xx-xxxx
Flournoy, Shawn R., xxx-xx-xxxx
Flournoy, Thad M., xxx-xx-xxxx
Foged, Michael L., xxx-xx-xxxx
Fogel, Barbara A., xxx-xx-xxxx
Folkerts, Michael J., xxx-xx-xxxx
Follett, Paul E., xxx-xx-xxxx
Ford, Joseph F., xxx-xx-xxxx
Forseth, Christopher E., xxx-xx-xxxx
Forsythe, Roger L., xxx-xx-xxxx
Fortson, Myron K., xxx-xx-xxxx
Fouts, Deeann M., xxx-xx-xxxx
Fox, Scott M., xxx-xx-xxxx
Frient, Jeffrey M., xxx-xx-xxxx
Friske, Michael T., xxx-xx-xxxx
Fuino, David J., Jr., xxx-xx-xxxx
Fujimoto, Bryan A. Kea, xxx-xx-xxxx
Galloway, John T., xxx-xx-xxxx
Gangolea, Cornel M., xxx-xx-xxxx
Garcia, Raul V., xxx-xx-xxxx
Garcia, Roy, D., xxx-xx-xxxx
Garraway, Lisa, M., xxx-xx-xxxx
Garrett, Christopher A., xxx-xx-xxxx
Garrobo, Andrew A., xxx-xx-xxxx
Garstak, Stephen A., xxx-xx-xxxx
Gates, Kenneth E., xxx-xx-xxxx
Gautier, William B., xxx-xx-xxxx
Gebauer, Michael S., xxx-xx-xxxx
Germann, Mark T., xxx-xx-xxxx
Gervais, Thomas A., xxx-xx-xxxx
Giancola, Gary J., xxx-xx-xxxx
Gibson, Terence J., xxx-xx-xxxx
Giczy, Alexander V., xxx-xx-xxxx
Gilbert, Alexander, P., xxx-xx-xxxx
Gillis, William E., xxx-xx-xxxx
Gladman, John P., xxx-xx-xxxx
Glazier, Kevin J., xxx-xx-xxxx
Gleason, Michael P., xxx-xx-xxxx
Glenn, David C., xxx-xx-xxxx
Glenn, Steven D., xxx-xx-xxxx
Glick, Brady M., xxx-xx-xxxx
Glitzke, Carlton A., xxx-xx-xxxx
Golden, James P., xxx-xx-xxxx
Golden, Timothy D., xxx-xx-xxxx
Gould, David C., II, xxx-xx-xxxx
Graham, Jimmy E., xxx-xx-xxxx
Graham, Lawrence D., xxx-xx-xxxx
Grassie, Marc A., xxx-xx-xxxx
Graves, Peter R., xxx-xx-xxxx
Gray, James R., III, xxx-xx-xxxx
Groen, Keith D., xxx-xx-xxxx
Guastella, Joseph T., Jr., xxx-xx-xxxx
Gummel, Lisa M., xxx-xx-xxxx
Guttromson, Douglas T., xxx-xx-xxxx
Guy, Phillip W., xxx-xx-xxxx
Gworek, Peter J., xxx-xx-xxxx
Haagenson, Bonnie J., xxx-xx-xxxx
Habeich, John A., xxx-xx-xxxx
Hafer, Michael W., xxx-xx-xxxx
Haines, Scott A., xxx-xx-xxxx
Hall, Michael J., xxx-xx-xxxx
Halla, David R., Edw, xxx-xx-xxxx
Hallier, William, xxx-xx-xxxx
Halloran, Timothy J., xxx-xx-xxxx
Halpin, Kevin D., xxx-xx-xxxx
Halverson, Stephen R., xxx-xx-xxxx
Hamby, Michael J., xxx-xx-xxxx
Hammen, Douglas S., xxx-xx-xxxx
Hancock, Daniel B., xxx-xx-xxxx
Hankamer, Robert T., xxx-xx-xxxx
Hanlon, Hugh J., xxx-xx-xxxx
Hanrahan, Michael P., xxx-xx-xxxx
Hansen, Ritchie L., xxx-xx-xxxx
Hanson, Eric O., xxx-xx-xxxx
Hanson, Michael M., xxx-xx-xxxx
Harbin, Gregory E., xxx-xx-xxxx
Harness, Christopher D., xxx-xx-xxxx
Harper, Christopher P., xxx-xx-xxxx
Harper, Paul C., xxx-xx-xxxx
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Harris, Danny B., xxx-xx-xxxx
Harris, Darrin W., xxx-xx-xxxx
Harris, John H., xxx-xx-xxxx
Hart, Peter J., Jr., xxx-xx-xxxx
Hartfield, Amy R., xxx-xx-xxxx
Hartwig, Robert C., xxx-xx-xxxx
Hashimoto, Brian S., xxx-xx-xxxx
Hastert, Paul L., xxx-xx-xxxx
Hatfield, Scott A., xxx-xx-xxxx
Hathaway, James H., xxx-xx-xxxx
Hattabaugh, Aaron E., xxx-xx-xxxx
Haug, Pamela J., xxx-xx-xxxx
Haverkate, Scott M., xxx-xx-xxxx
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Hawkins, Jeffrey D., xxx-xx-xxxx
Hecht, Andrew G., xxx-xx-xxxx
Heck, Amand F., xxx-xx-xxxx

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Klimek, John P., [redacted]
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Kosman, John F., [redacted]
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Krajci, Thomas J., [redacted]
Kral, David L., [redacted]
Kramer, David F., [redacted]
Kraner, Stuart D., [redacted]
Krause, David F., [redacted]
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Krueger, Gretchen M., [redacted]
Krzeminski, Robert, [redacted]
Kubes, Timothy M., [redacted]
Kumro, Jeffrey S., [redacted]
La Charite B., Ant, [redacted]
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Lamar, Jonathan G., [redacted]
Lamb, Jeffrey A., [redacted]
Lamb, William J., [redacted]
Lanagan, Gerald F., [redacted]
Lapoint, Brad P., [redacted]
Lapointe, Carolyn M., [redacted]
Larsen, Mark, [redacted]
Latimer Kelly J., [redacted]
Latulipe, Glenn L., [redacted]
Lauderbach, Hans C., [redacted]
Laursen, Alan P., [redacted]
Lawrence, Steven E., [redacted]
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Lecy, Henry S., [redacted]
Lee, Rip D., [redacted]
Lee, Steven S., [redacted]
Leftwich, James A., [redacted]
Legrand, Steven W., [redacted]
Lehouillier, Maurice J., [redacted]
Leoncio, Juan A., Cap, [redacted]
Levinson, Robert M., [redacted]
Lewis, Brenda S., [redacted]
Lewis, Michael A., [redacted]
Lewis, Paul A., [redacted]
Limjoco, Lucy, [redacted]
Lind, Lawrence, [redacted]
Linn, Jeffrey S., [redacted]
Lipinski, Marion, [redacted]
Llobet, Rodolfo, [redacted]
Lobeyer, Susan J., [redacted]
Long, Christopher D., [redacted]
Long, Matthew A., [redacted]
Loomans, Susan M., [redacted]
Lord, Melissa M., [redacted]
Loros, Samantha A., [redacted]
Lorzing, Patrick J., [redacted]
Loughman, Michael R., [redacted]
Lovell, Todd A., [redacted]
Lowry, Michael G., [redacted]
Luce, Darci J., [redacted]
Luchs, Mark C., [redacted]
Luedtke, Christopher J., [redacted]
Luna, Raymond, [redacted]
Luts, Phillip D., [redacted]
Lyden, Nathan G., [redacted]
Lynch, Timothy J., [redacted]
Lyons, Joseph M., [redacted]
Lytwyniuk, Robert B., [redacted]
Maag, Michael P., [redacted]
Mace, Matthew M., Dal, [redacted]
MacFarlane, James L., [redacted]
MacKenzie, David R., [redacted]
MacPherson, John H., [redacted]
Madril, Robert J., [redacted]
Maestas, Terrese C., [redacted]
Magaletta, Anthony, [redacted]
Mahony, Frederick P., [redacted]
Maki, Terrence W., Jr., [redacted]
Mallery, Kurt H., [redacted]
Mallette, Frank E., [redacted]
Malyevac, John M., [redacted]
Mangente, Brenda L., [redacted]
Manion, Michael W., [redacted]
Manion, Thomas W., [redacted]
Manson, Joseph R., II, [redacted]
Manthey, Peter J., [redacted]
Marchesseault, George W., [redacted]
Marheine, Fred H., Jr., [redacted]
Markland, Thomas A., [redacted]
Marrs, James R., [redacted]
Marshall, James A., [redacted]
Martin, Kevin C., [redacted]
Martini, Todd K., [redacted]
Marttala, David W., [redacted]
Maryak, Mark S., [redacted]
Maser, Scott M., [redacted]
Matchefts, Marco J., [redacted]
Mathewson, Byron P., [redacted]
Matson, Timothy J., [redacted]
Maus, Steven P., [redacted]
Maw, Scott G., [redacted]
Mayrand, Judith L., [redacted]
Mays, Keith P., [redacted]
McAlduff, Harold J., [redacted]
McClintock, Bruce H., [redacted]
McClure, Kurtis J., [redacted]
McConie, Jeffrey C., [redacted]
McCormick, William B., [redacted]
McCrory, Robert A., Jr., [redacted]
McCroskey, Erick D., [redacted]
McCue, Cheryl L., [redacted]
McDaniel, Joseph E., [redacted]
McDaniels, Jeffrey R., [redacted]
McDonnell, John P., [redacted]
McGee, Michael B., Jr., [redacted]
McGinn, James R., [redacted]
McGinnis, Miles L., [redacted]
McGinnis, Thomas E., [redacted]
McGovern, James J., [redacted]
McGuire, Michael T., [redacted]
McKenna, Patrick J., [redacted]
McKeon, Eileen T., [redacted]
McLean, Laurie L., [redacted]
McLeod, Patrick K., [redacted]
McMackin, Daniel D., [redacted]
McManamy, Kenneth J., [redacted]
McNutt, Ross T., [redacted]
McWhirter, Susan M., [redacted]
Meck, Tracey M., [redacted]
Medara, Thomas C., [redacted]
Melling, William W., [redacted]
Mellinger, Eric M., [redacted]
Mengers, William E., [redacted]
Merryman, Lynda M., [redacted]
Meskel, John E., [redacted]

Metcalf, Jeffery T., [redacted]
Metcalf, Jeshua T., [redacted]
Metcalf, Shane L., [redacted]
Metruck, Michael S., [redacted]
Meyer, Craig E., [redacted]
Meyer, David J., [redacted]
Meyers, Jeffrey W., [redacted]
Michalcik, Patricia M., [redacted]
Michel, Douglas T., [redacted]
Miggiani, Wolfgang P., [redacted]
Miller, David A., [redacted]
Miller, Eric J., [redacted]
Miller, Greg A., [redacted]
Miller, Gregg E., [redacted]
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Miller, Michael J., [redacted]
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Miller, Thomas E., [redacted]
Mittelstadt, Craig S., [redacted]
Moffett, Stephen L., [redacted]
Monetti, Raffaele A., [redacted]
Montgomery, Andrea L., [redacted]
Montgomery, Kirk A., [redacted]
Moon, Richard A., [redacted]
Mooneyham, Gregory S., [redacted]
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Moore, Stuart S., [redacted]
Morales, Humberto E., [redacted]
Mordente, Patrick X., [redacted]
Morgan, Darin K., [redacted]
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Morlock, Mary L., [redacted]
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Moulton, Sean, [redacted]
Mueller, Kevin J., [redacted]
Mueller, William P., [redacted]
Mukoda, Timothy J., [redacted]
Munafo, Marc E., [redacted]
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Murch, Anthony J., [redacted]
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Murray, Scott F., [redacted]
Myhre, David W., Jr., [redacted]
Nace, William A., [redacted]
Nagel, Karin L., [redacted]
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Naviaux, Jeffrey S., [redacted]
Nelson, James R.W., [redacted]
Nelson, Martin H., [redacted]
Niemi, Sandra C., [redacted]
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Northrop, Kimberlei A., [redacted]
Norton, William D., [redacted]
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Nylander, Keith G., [redacted]
O'Cain, Bruce E., [redacted]
O'Connell, Daniel E., III, [redacted]
O'Connor, Daniel J., [redacted]
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Okey, Patricia A., [redacted]
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Sharpy, Thomas J., [redacted]
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Spranger, Kurt T., [redacted]
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Stilwell, David R., [redacted]
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Story, Ronald K., [redacted]
Stover, Douglas A., [redacted]
Strader, Walter W., Jr., [redacted]
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Stromme, Paul A., [redacted]
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Summer, Arthur L., [redacted]
Sundstrom, John M., [redacted]

Survil, Gregory S., [redacted]
Swaney, Carlton L., [redacted]
Sweat, Brandon E., [redacted]
Sweeney, Peter J., [redacted]
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Symock, Michael T., [redacted]
Szczygielski, Ian P., [redacted]
Tatro, James M., [redacted]
Tatum, Marty., [redacted]
Taylor Andrew A., [redacted]
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Taylor, John W., Jr., [redacted]
Teague, John V., [redacted]
Telford, Brett P., [redacted]
Temple, Steven L., [redacted]
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Tesch, Gregory K., [redacted]
Testa, Michael A., [redacted]
Theriot, Kenneth R. [redacted]
Thewes, Kenneth, [redacted]
Thibault, Charles K., [redacted]
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Toliver, Michael K., [redacted]
Tomjack, John S., [redacted]
Toplikar, Charles F., [redacted]
Toro, Paul R., [redacted]
Torrealday, Miguel F., [redacted]
Tran, Hoang N., [redacted]
Tran, Nhat D., [redacted]
Travis, Mary K., [redacted]
Travis, Theresa M., [redacted]
Trinchitella, Michael B., [redacted]
Tripp, Charles H., Jr., [redacted]
Trussell, Richard G., II, [redacted]
Tung, Edson C., Jr., [redacted]
Turk, Joseph J., Jr., [redacted]
Turner, Edward E., [redacted]
Turner, Kenneth J. [redacted]
Turner, Stephen E., Jr. [redacted]
Tyson, Robert F., [redacted]
Ustaszewski, Mark H., [redacted]
Valdez, Victor J., [redacted]
Van Pelt, P. Wes, [redacted]
Vance, Ezra G., [redacted]
Vandegrift, Jami R., [redacted]
Vanderburgh, Mary M., [redacted]
Vandorn, Eric J., [redacted]
Velten, Kenneth L., [redacted]
Veney, Samuel, R., [redacted]
Venner, Edward T., [redacted]
Veres, Laszlo A., [redacted]
Vesper, Scott A., [redacted]
Vetter, Patrick H., [redacted]
Vichot, Thomas B., II, [redacted]
Villeneuve, Debbra S., [redacted]
Vogt, William J., Jr., [redacted]
Waddell, Troy T., [redacted]
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Wagner, Keith C., [redacted]
Walker, Michael J., [redacted]
Wallace, Robert J., [redacted]
Waltermire, James B., [redacted]
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Warack, Mark A., [redacted]
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Ward, William R., [redacted]
Warder, Jennifer, [redacted]
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Watkins, Jerome, [redacted]
Weathers, Jeffrey T., [redacted]
Webber, William H., [redacted]
Webster, Raymond J., III, [redacted]
Weeks, Alexander J., [redacted]
Welty, Brett C., [redacted]
Werlech, Monica M., [redacted]
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West, Ritchie L., [redacted]
White, Andrew C., [redacted]
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Woodley, Robert R., [redacted]
Woodson, Eric M., [redacted]
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Yarian, Ian M., [redacted]
Yoder, Ricky G., [redacted]
Yurek, William A., [redacted]
Zabel, Sarah E., [redacted]
Zahn, Joseph A., [redacted]
Zembraski, Brian P., [redacted]
Zemke, Arthur E., [redacted]
Zietlow, James A., [redacted]
Zuehlke, Randy., [redacted]
Zuehlke, Shelley., [redacted]
Zumwalt, Michel P., [redacted]

EXTENSIONS OF REMARKS

WEISS CALLS ON CONGRESS TO BLOCK NEW YORK HOMEPORT

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. WEISS. Mr. Speaker, on March 13, 1987, I testified before the House Armed Services Subcommittee on Military Installations and Facilities regarding the Navy's plan to disperse the homeporting of ships at various U.S. port cities, including New York City.

My testimony reiterated my ongoing concerns regarding the costs and benefits of homeporting, the dangers posed by stationing ships carrying nuclear weapons in New York harbor, and the adverse environmental impact of the proposed New York homeport. In addition, I informed the committee of important new concerns that have since arisen regarding the Navy's failure to develop a plausible housing plan for homeport personnel and the legality of the Navy's actions in pursuing construction at this site.

These concerns raise serious questions about the Navy's overall homeporting plans and about the proposed New York port in particular. I believe it is inappropriate to approve additional funding for this project or to permit construction to be initiated until these concerns are addressed.

In order that my colleagues will be better able to understand the extent of the costs and risks associated with homeporting, I am including in the RECORD a copy of my testimony, which fully explains the serious problems that continue to plague this project:

STATEMENT OF CONGRESSMAN TED WEISS

Mr. Chairman, I want to thank you and the members of the Subcommittee for affording me this opportunity to testify regarding the Navy's plan to disperse the homeporting of ships at various U.S. port cities, including New York City.

At the outset I wish to commend the Chairman for his handling to date of the homeporting issue. While the Navy has sought from the start to rush headlong into its plan for new homeports around the country, the Chairman has insisted that these plans be subjected to the careful scrutiny they deserve. The Chairman's work has helped to reveal substantial and ongoing questions regarding the strategic rationale and the cost effectiveness of the Navy's homeporting plans. This work has been of particular importance in light of the significant budget constraints that we now face and the need to make difficult choices between various spending options in the federal budget.

As you know, I share your concerns regarding the costs and benefits of the Navy's homeporting plans. Moreover, I have previously appeared before the Subcommittee to voice my concerns and those of my constituents about the dangers posed by stationing naval vessels capable of carrying nuclear weapons in New York harbor and about the adverse environmental impact of the proposed New York homeport.

These concerns have yet to be addressed by the Navy. Moreover, significant new concerns have since arisen regarding the ability of the Navy to find housing for the personnel who would be stationed at the New York homeport and the legality of the Navy's actions in pursuing construction at this site.

These concerns are of a substantial and far-reaching nature. In my view, they call into question both the wisdom and viability of the New York project. I believe it is inappropriate to approve additional funding for this project or to permit construction to be initiated until these concerns are addressed.

In its report of June 1986, the General Accounting Office (GAO) called into question the cost-effectiveness and military necessity of the homeport proposal. The GAO analysis indicated that the Navy's cost estimates "understate the outlays needed to establish new homeports and understate the cost differences between new and existing ports." The GAO report also questioned the extent to which any strategic benefit would result from the Navy's homeporting plans.

In the case of the New York homeport, the Navy has estimated before Congress that the cost to bring that site to initial operating capability is $188 million. However, the GAO report contended that not only did the Navy underestimate the costs that it chose to cite, but it omitted from its plan facilities needed for the homeport to become fully functional In fact, the Navy did not include facilities such as a headquarters building, a construction battalion unit facility, and a public works facility, all of which are essential to basic operations, according to the GAO. Moreover, the GAO noted that the costs of housing necessary personnel at the homeport were not included in the Navy cost estimate. When these additional costs are included, the total cost for the New York homeport rises to more than half a billion dollars.

The GAO urged that Congress require "a demonstration of the strategic benefits and more definitive and complete cost estimates before approving funds for the new homeports." Almost one year later, it is apparent that no such demonstration has been made. Rather, the astute observations of former Senator Barry Goldwater continue to apply. He called homeporting "one of the biggest political boondoggles I every heard of." He went on to say: ". . . this whole thing to me is ludicrous. I think it is a terrific waste of money. I make this prediction. . . . This is going to cost over $10 billion before you are through fooling around with this homeporting."

There continues to be no convincing strategic rationale for the homeporting plan, and there continues to be no justification for the huge expenditures that will be required to construct homeports around the nation.

There are other important reasons why the New York homeport ought not to be built, however. When announcing his decision to locate a Surface Action Group in New York, Secretary John Lehman stated, "we will not go anywhere it is not clear beyond a shadow of a doubt that the community wants us there."

Yet opposition to the homeport by New York residents has been consistent, widespread, and adamant. More than 100,000 City residents signed petitions in 1985 to place a referendum on the homeport issue on the City ballot. (The referendum was later removed from the ballot on a technicality at the urging of homeport proponents). In addition, City-wide polls have shown that more than half of New York residents are opposed to construction of the homeport facility if the ships to be stationed there carry nuclear weapons. My own constituent questionnaire, currently being tabulated, shows overwhelming opposition in my district to the proposed homeport. And in response to strong opposition, eight members of the New York City delegation voted to delete funds for the Staten Island homeport during the only vote on this subject in the House of Representatives last year.

The basis for the strong opposition in New York City to the homeport is worthy of consideration by everyone involved in the homeporting debate. First, New York residents have expressed substantial opposition to the basing of nuclear weapons in the harbor of the nation's most populous city. Unfortunately, these concerns are well-grounded.

According to a GAO study requested by the Chairman and other Members of Congress and released last month, the Department of Defense acknowledges that 32 accidents involving nuclear weapons have occurred. While none of these nuclear accidents occurred on a naval vessel in port or near civilian populations, the Navy has experienced a significant number of "nuclear incidents"—unexpected incidents that do not qualify as accidents, but involve "nuclear weapons, test and training weapons, dummy bomb units, nuclear weapons facilities, components, or associated test and handling equipment. . . ." In fact, the Navy reported 630 such incidents between January 1965 and December 1985, of which 266 involved an actual nuclear weapon and 66 involved a Navy surface ship in port.

This track record is not reassuring to New York residents, who know that the Navy refuses to confirm or deny the presence of nuclear weapons aboard its ships and has not cooperated with State and local officials in order to devise contingency plans for the event of a nuclear accident. The February GAO report acknowledges that the threat of an accident is real and suggests that considerably more could be done to plan for an effective response:

"No guarantee exists that nuclear weapon accidents involving radiological contamination will not occur in the future. Thus, to facilitate a prompt and coordinated response, emergency planning for this type of disaster should be coordinated among federal, state, and local agencies, as it is for other types of natural and man-made disasters."

The GAO report goes on to recommend that the Navy share unclassified planning information with State and local authorities and permit State and local participation in installation response exercises.

Many New Yorkers have also expressed significant doubts about the economic bene-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

fits that homeport proponents have insisted will accrue to New York City in the event the homeport is constructed. These doubts have been reinforced by the Defense Department's Office of Economic Adjustment (OEA), whose final study of the fiscal impact of the New York homeport concludes that the City will gain a mere $136,000 per year from the homeport. With the City promising $20 to $30 million in inducements for the Navy to come to New York, it would take more than 150 years for the City to recover this investment. However, even the paltry sum of $136,000 is exaggerated. The OEA's data is based on construction of an "enhanced" homeport at Staten Island, costing $353 million. Yet the Navy has repeatedly stated that it intends to build a smaller version of the homeport at an expense of $188 million.

In addition, the OEA's economic analysis suggests that 7,621 permanent jobs will be brought to the City by the new homeport. However, the report also notes that 84 percent of these jobs will go to incoming military personnel, their spouses, non-residents and people lured to the City by new port jobs. A mere 533 permanent jobs would be created for current City residents. It is clear from these figures that the economic benefits of the New York homeport will be minimal at best.

The issue of where to house homeport personnel has also been of significant concern to the New York community. While Navy officials have continually stressed the importance of housing availability in the site selection process for potential homeports, they have thus far failed to produce any plausible housing plan for the New York homeport.

The Navy initially planned for housing needs to be met by the private market. In fact, they persisted in this plan even after obtaining an analysis that estimated that "92.4 percent (of anticipated personnel for the base) are likely to face severe difficulty finding affordable and suitable housing in the market area" (i.e. New York City).

Later, the Navy awoke to the fact that affordable housing is exceedingly scarce in the entire New York metropolitan region and revised its plan to call for construction of new units at South Beach on Staten Island and additional housing at Fort Wadsworth. However, this plan has been significantly complicated by the revelation that major portions of the South Beach site contain wetlands that are protected under both Federal and State law. In fact, it would be impossible to construct significant new housing at this site without affecting these protected areas in some way.

Perhaps recognizing that their announced plans for South Beach are seriously flawed, the Navy has already begun to seek housing elsewhere. The Navy recently announced that it will soon publish a request for proposals for 1,000 housing units within one hour's rush-hour commute of New York City.

It is not likely that housing of that quantity will be found within one hour's commuting distance from New York, unless the Navy is anticipating a significant rise in the 55 mile per hour speed limit. New York residents are acutely aware of the scarcity and high cost of housing in the region. As recently as last week, the New York Times reported that private businesses are moving away from the City because of the high cost of housing for their employees.

Based on these facts, it is not clear that an acceptable housing plan can be developed for the New York homeport. Certainly, the Navy should reveal what its intentions are with regard to housing before construction of the homeport begins. I would urge the Subcommittee, which last year refused to authorize funds for family housing on Staten Island, to maintain that posture so long as no fiscally and environmentally sound housing plans have been devised by the Navy.

In addition, I believe that it is improper to initiate construction at the New York site while significant legal questions continue to plague the project. There are currently two lawsuits pending regarding various issues related to the New York homeport. In my view, they raise serious and disturbing questions about the legality of the project as it is currently being pursued.

The first of these two actions challenges the adequacy of the Navy's Environmental Impact Statement (EIS) under the National Environmental Policy Act. The suit contends that the EIS is insufficient because it fails to discuss the possible environmental impact of the deployment of nuclear weapons on ships to be stationed at the homeport. In addition, the suit challenges the validity of the EIS for a series of other reasons, including the failure to consider the environmental impact of the construction of housing in protected wetlands.

The second action is directed against the New York State Department of Environmental Conservation (DEC). Federal law requires the Navy to obtain a "Section 401 certification" from the DEC, ensuring that the project conforms to all applicable State laws.

The DEC issued the Section 401 certification in August 1986. At the same time, the DEC issued findings that there would be no adverse environmental impact from the project. The suit claims that the Navy has not obtained or even applied for the necessary State permits required before a Section 401 certification can be issued. Further, the suit claims that the DEC improperly considered the homeport and the family housing separately in assessing the environmental impact of the project. Finally, the suit attacks the DEC's environmental findings because they fail to discuss the impact of the housing construction on the designated wetlands in that area.

On February 26, 1987, the Navy awarded a contract for construction of the New York homeport. Shortly thereafter, under public and legal pressure, the Navy announced that it would obtain the first two State permits that are required before construction is initiated at the site. This action on the part of the Navy is expected to delay the beginning of construction at the site for at least 4 to 6 weeks. However, Navy officials did not acknowledge that they are required to comply with State law in obtaining these permits. Instead, they announced that they are doing so merely to promote "comity" with State officials.

While I am pleased that the Navy has agreed to comply with these particular permit requirements, I find it deeply disturbing that the Navy does not publicly recognize that it is required under the law to obtain all State and local permits. I am hopeful that the Subcommittee will insist that the Navy acknowledge that it is obligated to comply with all relevant State and local laws regarding construction of the homeport. Moreover, I hope that you will see fit to insist that the Navy complies with State and local law before permitting the New York homeport to proceed.

Last year, when I testified before this Subcommittee on the issue of homeporting, I stated that "the plan for a New York City homeport is in an extraordinary state of contradiction and confusion." If anything, the situation is far worse today.

The Navy claimed it would not locate a homeport in an area where there is local opposition. Yet opposition from New York residents has not abated since the announcement of the plan.

The Navy claims that adequate housing is a primary requirement for any homeport site. Yet the scarcity of affordable housing in New York is more pronounced than any other area in the country, and the Navy still does not have a plausible plan to house its personnel.

The Navy assures New Yorkers that the homeport will bring an economic bonanza to the City. Yet the Pentagon's own figures show the gain in tax revenues and jobs to be minimal at best.

The Navy states that there is no threat to residents of our nation's largest City from nuclear weapons that may be aboard their ships. Yet the GAO indicates that the threat of radiological contamination is real and that further planning is necessary in order to be fully prepared for an accident.

The Navy announces that it will comply with some State permit requirements, but at a time when many of our nation's highest leaders are under investigation for violations of the law, it will not acknowledge that it is obligated to abide by the State and local laws that require those permits.

Finally, the Navy assures Congress that homeporting is cost-efficient and strategically advantageous, while the GAO and former Senator Goldwater, among others, portray the program as a poorly-conceived extravagance.

Mr. Chairman and Members of the Subcommittee, you are acutely aware that difficult choices must be made if we are to bring our monstrous deficits under control. This year alone, we are expected to reduce the deficit by more than $60 billion in order to comply with the Gramm-Rudman balanced budget law.

As you begin to consider the alternatives, I urge you to recognize that the Navy's homeporting plan is fundamentally flawed and outrageously wasteful. I urge you to delete funds for the New York homeport, which is a plan in search of a purpose and a threat to our nation's fiscal integrity.

MR. TED GARDA OF ELLWOOD-WAMPUM ROD AND GUN CLUB RETIRES

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. KOLTER. Mr. Speaker, today I rise to honor a constituent of the Fourth District of Pennsylvania, who has contributed greatly to the Ellwood-Wampum Rod and Gun Club and to hunting and fishing in general.

Mr. Ted Garda, who tirelessly served the sportsmen's community, recently retired from the presidency of the Ellwood-Wampum Rod and Gun Club. He holds the distinction of being the only immediate past president the Rod and Gun Club has witnessed in approximately two decades.

In 1925, Mr. Garda was introduced to fishing after he and his family moved to Ellwood City, but hunting continues to be his first love.

Mr. Garda, who resides at 1200 Crescent Avenue, has received many awards dealing with outdoor sports. Among these awards, Mr. Garda was inducted into the Sportsmen's Club Hall of Fame on September 18, 1981.

For more than 30 years, he worked as deputy game warden with the Pennsylvania Game Commission, and as a result, received the Wildlife Conservation Award and the Certificate of Honorable Retirement.

He has also been a member of the Ellwood City Auxiliary Police for 40 years. For his service, Mr. Garda was given the American Police Hall of Fame Honor Award in Washington, DC, on April 13, 1983.

The club observed its 50th anniversary on February 23, 1980 and presented Mr. Garda with a musket gun because of his dedicated service. Mr. Garda has also received a muzzle-loading rifle, and "Ted Garda Day" was celebrated by the members in appreciation of his work.

Mr. Garda has also participated in the Lawrence County Council of Sportsmen's Clubs. He has been a safety instructor for the National Rifle Association for 20 years and a member of the National Hunting and Fishing Day Committee for 16 years. Additionally, Mr. Garda has been involved with the landowners appreciation banquet committee for 18 years and the Lawrence County Junior Conservation Camp Committee for 26 years.

Mr. Garda outlines the goal of the organization as promoting improved hunting and fishing in the area. The Rod and Gun Club helps the Fish Commission stock birds and enforce game and fishing laws.

The devotion of Mr. Ted Garda to hunting and fishing has been an asset to the Ellwood City area. I am proud to share with my colleagues, Mr. Speaker, contributions of Mr. Ted Garda of the Fourth District of Pennsylvania.

U.S. LEAGUE SURVEY SHOWS STRONG THRIFT SUPPORT FOR FANNIE MAE AND FREDDIE MAC

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Ms. OAKAR. Mr. Speaker, recently, I had the pleasure of discussing national housing policy and the role of the secondary mortgage market before a group of real estate writers and reporters attending a media seminar sponsored by the Federal Home Loan Mortgage Corporation [Freddie Mac].

The secondary mortgage market is an active nationwide market for the purchase and sale of existing mortgages. In recent years this market has grown to a point that financial institutions, mortgage bankers, and investment bankers trade billions of dollars in mortgage loans and securities daily.

In recent years, this dynamic business activity with Fannie Mae [Federal National Mortgage Association] and Freddie Mac playing principal conduit roles, has supplied a growing share of mortgage funds to American home buyers.

Buying loans from commercial banks, savings and loan associations, and mortgage companies and selling them to nontraditional housing investors, such as pension funds and insurance companies, allows Fannie Mae and Freddie Mac to channel billions of dollars to mortgage borrowers annually, thereby guaranteeing a steady supply of mortgage credit at the lowest possible rates. However, some contend that Fannie Mae and Freddie Mac play too dominant a role in the mortgage financing market.

As a long-time member of the House Banking Committee and its Housing Subcommittee, I have found that Fannie Mae and Freddie Mac help thrifts stay in the mortgage business by buying their loans or swapping and issuing mortgage-backed securities. In addition, the secondary market provides safety and soundness for the industry by allowing the thrifts to transfer interest rate risk to Fannie Mae, Freddie Mac, and other investors.

A poll published in Savings Institution, the monthly magazine of the U.S. League of Savings Institutions, the largest thrift trade association, reaffirmed my belief about the value to the industry of Fannie Mae and Freddie Mac.

The savings institution poll revealed strong support among savings institutions executives for Fannie Mae and Freddie Mac. Moreover, most respondents felt that any effort to constrain or to otherwise limit these firms would be bad for the savings and loan business and for the American people.

This week, the Housing Subcommittee will begin its consideration of H.R. 4, the Housing and Community Development Act of 1987, and the administration's budget request for federally-supported housing programs. I hope my colleagues will keep in mind the results of the Savings Institution poll when they consider the administration's request to cap Freddie Mac's and Fannie Mae's loan purchases and to privatize both entities.

I would like to include in the RECORD at this point the article from Savings Institution and with it note my continued support for the leadership role and business activities of Fannie Mae and Freddie Mac.

The article follows:

SI READER POLL RESULTS BACK FNMA, FHLMC ROLES

The majority of respondents to a recent, informal and totally unscientific poll conducted by Savings Institutions called for the Federal National Mortgage Association and the Federal Home Loan Mortgage Association to retain their federal ties.

However, the respondents were roughly divided over whether the agencies should be limited in any way.

The results were collected in response to a recent cover story (see page 50, November SI) on the roles that Fannie Mae and Freddie Mac should play in the secondary mortgage market. Savings Institutions invited readers to share their views on a ballot included with the article.

Forty responses were received from institutions in 25 states, with roughly equal representation from the different parts of the country. The survey results outlined (at right) are not statistically valid because they are based on responses received. No effort was made to ensure equal representation among different segments of the business. However, the responses provide an interesting sample of the opinions in the business.

The vast majority of the responses came from savings institutions; most were anonymous. It could not be determined whether the respondents operate as mortgage bankers or portfolio lenders.

The largest number of respondents maintained that Fannie Mae and Freddie Mac should continue to play the same role in the secondary market as they have in the past. Three-fourths of the respondents said the agencies' federal ties should be retained. What's more, 65% asserted that the agencies do not hurt portfolio lenders.

The ballots are tallied at right. A number of respondents elaborated on their views in writing. The comments excerpted here demonstrate a sharp divergence of opinions on the issues.

LIMITS CONSIDERED

Respondents who called for limits on the agencies listed a variety of suggestions for the type of constraints that should be imposed. Several specified that the loan limits should be either reduced or prevented from growing beyond current levels. The agencies "should have loan limits in the lower one-third of the loan size spectrum," one respondent suggested.

Some respondents also maintained that the type of loans the agencies buy should be restricted to adjustable rate loans or to single-family residential loans.

On the other side of the fence, Dean Christiansen, senior vice president, United Savings, Ogden, Utah, noted that "the average loan purchased by FNMA in 1986 of $64,000 would indicate that the goals of Congress are, in fact, being served under existing loan limits. Relatively few loans are purchased at, or near, the maximum limit, and a large percentage of those were purchased from the state of California."

IMPACT ON PORTFOLIO LENDERS

A number of respondents who maintained that the agencies hurt portfolio lenders claimed that they are direct competitors and make adjustable rate mortgages difficult to generate.

"By dominating the loan market with their huge appetite for fixed rate loan product, they compete against us by promoting fixed rate product and virtually stifling the push to ARMs," one respondent claimed.

"Adjustable rate portfolio lenders have their spreads compressed due to the agencies' fixed rate pricing and subsidized funding," said another.

A third asserted: "They are dominating the market and are not just participants. We are avoiding community lending because the appraisals may not meet FNMA's ideals."

One respondent from a mortgage banking company acknowledged that the agencies hurt portfolio lenders "to a degree," but added, "only those portfolio lenders who fear competition. They do hurt the ones who are undisciplined."

Charles Leiferman, staff vice president, loans, First Federal, Beaumont, Tex., said the agencies do not hurt portfolio lenders. What's more, he claimed that "any restrictions [on the agencies] will only benefit conuits and primary [securities] dealers, not savings associations."

Other respondents maintained that the agencies help portfolio lenders in some ways. "Swap activities are profitable and benefit restructuring. The ability to deal with the agencies provides valuable options for [savings institutions]," said one respondent.

"We believe the agencies are unfairly blamed for the difficulty experienced in originating ARM loans," wrote Christiansen. "The free enterprise system . . . demands that the consumer drive the marketplace. Fixed rate loans are being made because that is the product borrowers prefer. This fact would not change even if there were no federal agencies in the secondary mortgage market.

"The agencies provide an excellent opportunity for institutions to offer consumers a choice of loan products, hold the loans they desire in portfolio and sell off the loans they prefer not to retain."

John M. Grove, chairman, Northwestern Federal, Fargo, N.D., also expressed a concern for consumers.

"If it is possible for home buyers to get lower rates on their mortgages as a result of the agencies' operations, we should be cheering them on, not trying to clip their wings," he wrote.

"Our business will not in the long run benefit from demanding a reduction in the powers of agencies that assist the public at no cost to taxpayers, especially when the complaint by our business is that we can't charge consumers a higher rate.

"We have been, after all, happy to use the borrowing power of the FHLB System to provide us with funds, which often were below the cost of other sources," Grove contended.

WORLD FOOD DAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. GILMAN. Mr. Speaker, today I am reintroducing House Joint Resolution 194 which would designate October 16, 1987, as "World Food Day," which celebrates the founding of the Food and Agriculture Organization of the United Nations in 1945. For the past 6 years, Congress has supported this commemorative day which has been an effective tool in increasing the public's awareness of the global problems of hunger and malnutrition.

Since 1979, the National Committee for World Food Day, under the leadership of its distinguished chairwoman, Patricia Young and the auspices of the World Food and Agriculture Organization [FAO] has undertaken hundreds of projects and programs related to the world's hunger problem. Without World Food Day and the organizations involved with its celebration, the groundswell needed that made America's response to the African famine possible would never have existed.

As public concern about world hunger grows, the importance of special days like "World Food Day" increases. Hundreds of colleges, universities, and other organizations participated in various activities to help educate their communities on the problem of hunger last year. These individual activities add up to the huge worldwide movement that will give the hungry the support they need to succeed. Public concern has already created enormous resources for Africa and is stimulating the political commitment needed to achieve long-term success.

By designating October 16 as World Food Day, Congress will join these communities and initiatives in a committed national effort to alleviate hunger in the world.

Accordingly, I urge my colleagues to support House Joint Resolution 194.

Mr. Speaker, at this point, I am inserting the full text of the House joint resolution designating October 16, 1987, as "World Food Day."

H.J. RES. 194

Whereas hunger and malnutrition remain daily facts of life for hundreds of millions of people throughout the world;

Whereas the children of the world suffer the most serious effects of hunger and malnutrition, with millions of children dying each year from hunger-related illness and disease, and many others suffering permanent physical or mental impairment because of vitamin or protein deficiences;

Whereas the United States and the people of the United States have a long tradition of demonstrating humanitarian concern for the hungry and malnourished people of the world, recently manifested by the American response to African famine;

Whereas efforts to resolve the world hunger problem are critical to the maintenance of world peace and, therefore, to the security of the United States;

Whereas the United States, as the largest producer and trader of food in the world, has a key role to play in assisting countries and people to improve their ability to feed themselves;

Whereas although progress has been made in reducing the incidence of hunger and malnutrition in the United States, certain groups, notably Native Americans, migrant workers, the elderly, and children, remain vulnerable to malnutrition and related diseases;

Whereas the Congress is acutely aware of the paradox of immense farm surpluses in the United States despite the desperate need for food by people throughout the world;

Whereas the United States and other countries should develop and continually evaluate national policies concerning food, farmland, and nutrition to achieve the well-being and protection of all people and particularly those most vulnerable to malnutrition and related diseases;

Whereas improved agricultural policies, including farmer incentives, are necessary in many developing countries to increase food production and economic growth;

Whereas private enterprise and the primacy of the independent family farmer have been basic to the development of an agricultural economy in the United States and have made the United States capable of meeting the food needs of most of the people of the United States;

Whereas increasing farm foreclosures threaten to destroy the independent family farmer and weaken the agricultural economy in the United States;

Whereas conservation of natural resources is necessary for the United States to remain the largest producer of food in the world and to continue to aid hungry and malnourished people of the world;

Whereas participation by private voluntary organizations and businesses, working with national governments and the international community, is essential in the search for ways to increase food production in developing countries and improve food distribution to hungry and malnourished people;

Whereas the member nations of the Food and Agriculture Organization of the United Nations unanimously designated October 1 of each year as World Food Day because o the need to increase public awareness o world hunger problems;

Whereas past observances of World Foo Day have been supported by proclamation by the Congress, the President, the 5 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States, and by programs of the Department of Agriculture, other Federal departments and agencies, and the governments and peoples of more than 140 other nations;

Whereas more than 375 private voluntary organizations and thousands of community leaders are participating in the planning of World Food Day observances in 1987, and a growing number of these organizations and leaders are using such day as a focal point for year-round programs; and

Whereas the people of the United States can express their concern for the plight of hungry and malnourished people throughout the world by fasting and by donating food and money for them; Now, therefore, be it

Resolved, by the Senate and House of Representatives of the United States of America in Congress assembled, That October 16, 1987, is designated as "World Food Day," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities, including worship services, fasting, food and money donations collections, educational endeavors, and the establishment of year-round food and health programs and policies.

HONORING BETTY McGHEE FOR 23 YEARS OF HELPING OUR RETARDED CITIZENS

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. RINALDO. Mr. Speaker, during the past two decades our Nation has made significant strides in our awareness of the needs and potential of millions of retarded citizens. As we expand the horizons of these self-help programs, it is worth taking time to note the important contributions that many of our private citizens are making at the State and local level.

One such leader in the field is Mrs. Betty McGhee, the dynamic and foresighted executive of the Association for Retarded Citizens in Union County, NJ.

Betty McGhee has been an effective leader in promoting public understanding and support behind a program that has enabled retarded children and adults to develop their skills and to feel a sense of pride in their accomplishments. She has spent more than a quarter century in this pursuit and has earned the respect, affection and admiration of countless families and retarded citizens. She will be honored on April 25th when she receives the 1987 Humanitarian Award of the association. It will also mark her anticipated retirement at the end of this year.

When Betty McGhee first became involved, few programs were available to the mentally retarded. As a professional nurse, her commitment to the mentally retarded began in 1964 when she joined the Day Training Program in Union County, NJ. In 1966, she became director of programming and 2 years later she was appointed executive director.

Under her guidance, the Association for Retarded Citizens in Union County has developed many new approaches to educating the retarded. It was one of the first agencies in New Jersey to pioneer the group home concept and respite care, both of which are now widely accepted methods of providing a home environment for the retarded. I have visited these homes in Union County, and they contrast markedly to the institutionalized care that the retarded had been assigned in earlier decades. They are warm, loving, and supportive homes that give us hope for the future of the retarded in this country.

It takes people dedicated to the needs and potential of our retarded citizens to bring out the best in them, and one of the important contributions that Betty McGhee has made is to attract skilled and dedicated professionals and volunteers to the program. They are largely responsible for its success in Union County.

Through the efforts of Betty McGhee and her staff, the Union County Association for Retarded Citizens has helped the mentally handicapped function within the community, aiding them to a degree unimagined in the past to lead independent lives with dignity and self-respect. Advice and information on housing, employment, health care, social and educational activities, money management, crisis intervention and parent support counseling are some of the vital services provided by the agency.

In honoring Betty McGhee, we recognize that the care of the mentally retarded is a primary social responsibility that is shared with their families. We have helped to remove some of the taboos and stigma surrounding mental retardation, and where there was darkness and despair, leaders like Betty McGhee have brought light and hope.

America is fortunately blessed with outstanding and dedicated leaders in local communities such as Betty McGhee. She has been cited by many organizations as citizen of the year. Union chapter of UNICO gave her its Humanitarian Award, and her experience and service have been used by various agencies such as the United Way, Union County Vocational and Technical Institute, and the New Jersey Division of Mental Retardation.

The greatest award for Betty McGhee, however, has been the satisfaction of contributing her ideas and spirit to the way we, as a people, deal with the mentally retarded. Together with other pioneers in the field of mental retardation, Betty McGhee has opened the door of those dark rooms and forever ended the isolation and guilt that so many mentally retarded people had endured for so long. Her greatest achievement is that she has brought hope by making us all aware of our responsibilities for their welfare and the need to respect them as our fellow citizens.

I join the members of the Association for Retarded Citizens in a well deserved tribute to one of our finest citizens, Betty McGhee.

PAUL BLOCK, JR.'S LEGACY IS A BETTER TOLEDO

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Ms. KAPTUR. Mr. Speaker, this week, the Nation lost one of its most well-known and enduring newspaper publishers. For nearly one-half century, Paul Block, Jr., was the publisher of "One of America's Great Newspapers," the Toledo Blade.

During Paul Block, Jr.'s years at the helm, the Blade epitomized the uniquely American tradition of an independent and free press. Paul Block, Jr., loved his paper. He was controversial. He was also the quintessential community booster who used his position to move the Toledo area forward. As the Blade's memorial editorial put it, "he never stopped fighting for a finer Toledo." You could disagree with a position he took, but you could never question his commitment to his city—in so many projects from the Port of Toledo to the Medical College of Ohio.

Paul Block, Jr., though, had a life beyond the Blade and journalism. His formal educational training was as a chemist. He was the coauthor of more than 20 scientific papers published in some of the world's most esteemed medical journals. His research led to the development of a compound with potential in treatment of respiratory distress syndrome, the lung disorder that kills thousands of premature infants each year.

Paul Block, Jr.'s legacy is a better Toledo. His persistence and willingness to use his special forum for the betterment of our community will be remembered by those who knew him and by those citizens who may have seen his face for the first time on the front page of the March 16 issue of the Blade. While the Blade will remain a Toledo institution for years to come, that personal Paul Block, Jr., style will be missed.

I know my colleagues in the House of Representatives join me in paying tribute to Paul Block, Jr., and extend our deepest sympathy to the entire Block family during this difficult time.

SALUTE TO UNICO HONOREES

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. RODINO. Mr. Speaker, this Sunday I will have the great honor, once again, of joining my friends at the Newark Chapter of UNICO at their 12th annual achievement awards breakfast.

This year's honorees are Hon. Nicolas Amato, Essex County Executive, Capt. Nicholas Gesualdo of the Newark Police Department, Dr. Elena Scambio, Essens County Superintendent of Schools, Archbishop Theodore McCarrick of the Newark Diocese, and Ms. Mary Beth Petriella, recipient of the Brian Picolo Award for her outstanding academic and athletic achievements.

Over the years, the men and women of UNICO have worked hard to honor and promote service to our community. In particular, General Chairman John Martino, Chapter President Victor Luzzolino, and Awards Chairman Louis Lucarelli deserve special recognition.

Mr. Speaker, I salute this year's honorees and the men and women of UNICO. Their countless contributions to our community have enriched the lives of all its citizens.

Mr. Speaker, I request consent to reprint an article on UNICO, published in the Italian Tribune News on March 12, 1987.

[From the Italian Tribune News, Mar. 12, 1987]

NEWARK UNICO AWARDS BREAKFAST

The Newark Chapter of UNICO National will sponsor their Twelfth Annual Achievement Awards Breakfast on Sunday, March 22 at 9:30 a.m. at the Town & Campus in West Orange.

General Chairman John Martino has announced that five outstanding members of the community will be honored that morning. They are Hon. Nicholas R. Amato, Essex County Executive; Captain Nicholas Gesualdo of the Newark Police Department; Dr. Elena Scambio, Essex County Superintendent of Schools; Archbishop of Newark Diocese Theodore McCarrick and May Beth Petriella, who will receive the Brian Picolo Award.

President of the Newark Chapter is Victor Iuzzolino and Awards chairman is Louis Lucarelli.

Hon. Nicholas Amato, the newly elected Essex County Executive was selected for this honor for his many years of civil service and dedication as a public servant.

Amato was born in Newark and educated in the public schools of Belleville. He graduated from St. Peter's College in 1961 and Seton Hall University School of Law, class of 1964.

In 1971, Amato became the youngest person ever elected Essex County Surrogate, one of three constitutional offices in county government. He served three consecutive five-year terms, the only incumbent to ever win reelection to the post.

Amato and his wife, the former Barbara Simonelli, live in the township of Verona.

Capt. Nicholas Gesualdo, Commander of the East District in Newark was born in Bloomfield and educated in the Newark Public School system. After graduating from Barringer High School he attended New York Institute of N.J. majoring in electronics. He served a tour of duty with the U.S. Navy from 1946-1948 aboard a destroyer and was with the U.S. Government before being appointed to the Newark Police Department in 1955.

During his 30 year career in policing, Capt. Gesualdo has received several commendations for apprehending burglary, robbery and rape suspects.

He is past president of the Superior Officers Association and a member of the P.B.A. and Fraternal Order of Police. He also serves on the Directors Board of P.A.L. and assisted in its re-organization. He has also been Captain for the last 15 years of the Newark Pistol Team and a member of the Optimist Club.

Capt. Gesualdo's present duties as Commanding Officer of the East District Station includes supervising 150 men, in an area which includes the entire downtown business area and the main industrial section of the City of Newark.

Capt. Gesualdo and his wife, the former Carmella DeMunno are residents of the North Ward of Newark.

Dr. Elena Scambio, the first woman to serve as Essex County Superintendent of Schools, is a graduate of Barringer High School, Kean College and earned her Master's in learning disabilities from Montclair State College. She obtained her Ph.D from Yeshiva University in New York.

Dr. Scambio started her education career as a classroom teacher at First Avenue School, Newark and worked her way up to her present position. As superintendent, Dr. Scambio oversees some of New Jersey's richest and poorest school districts. She was selected from over 40 applicants for her position as Superintendent on her proven professional skills.

Twice appointed to the Newark School Board, she served from 1975-1982 and also served as vice president.

Born in New York City, Archbishop Theodore E. McCarrick attended Catholic elementary school and Fordham Preparatory where he graduated with the Class of 1949.

Following his ordination to the priesthood on May 31, 1958, he studied at Catholic University where he earned a master's degree in sociology in 1960 and a doctorate in sociology in 1963, and where he served successively as a university chaplain, instructor, dean of students, assistant to the rector, and director of development.

On November 19, 1981, Pope John Paul II named then Bishop McCarrick as the first Ordinary of the newly established Diocese of Metuchen, New Jersey, with a Catholic population of more than four hundred thousand in 106 parish communities.

Pope John Paul II named Bishop McCarrick as fourth Archbishop of Newark on June 3, 1986. The Archdiocese of Newark ranks as the seventh largest diocese in the United States with 1.3 million Catholics in 242 parish communities. On June 29 in Rome, Pope John Paul II presented the new Archbishop with the pallium, the sacred vestment that symbolizes his archiepiscopal office.

On July 25, 1986 Archbishop Pio Laghi, Apostolic Pro-Nuncio in the United States and retired Archbishop Peter L. Gerety, presided over the installation of Archbishop McCarrick as the fourth Archbishop of Newark.

On November 11, 1986 the National Council of Catholic Bishops elected Archbishop McCarrick Chairman of its Committee on Migration.

Mary Beth Petriella is the first child of Victor and Carole Petriella. She lived with her parents in Irvington until 1972 when the family moved to West Caldwell. When she was six years old her brother Victor Jr. joined the family and in 1977, they moved to their present home in North Caldwell.

Mary Beth was educated in both the West Caldwell and North Caldwell elementary schools and later at the West Essex Junior and Senior High Schools. During her high school years she has been enrolled in an honors curriculum and throughout this demanding course of study she has maintained an A-average and has been ranked in the top ten percent of her senior class. This academic record has been accomplished while also participating in numerous social, academic, civic and athletic activities. She has been active in the Catholic Youth Group of Notre Dame Parish, as well as her school's French Club, Italian Club and Student Government.

Athletically, Mary Beth has played field hockey for six years and softball for three years. In addition, she was a member of the varsity cheerleading squad in the tenth grade.

Her academic achievements and awards include: the U.S. Achievement Academy Award, the annual Lehigh Leadership Conference, National Honor Society, Italian National Honor Society, New Jersey Girls State Delegate and the Garden State Distinguished Scholar Award.

John Martino, Chairman of the Awards Breakfast is the son of Joseph and Dorothy Martino of Newark. His Grandfather was born in Italy and came to Newark in 1903. John attended Vailsburg High School, and in 1974 went to work for Transport of New Jersey in Paterson. In 1979 he started his own company, Mr. Steam Machine, which is involved in historical restoration, exterior building cleaning, graffiti removal and other related areas.

John has been an active citizen in the local community and has received three resolutions of honor from the Newark City Council, 2 police commendations, a humanitarian award for helping raise over 100 tons of food and medical supplies for the Ethiopian relief fund. He is presently recording secretary for Newark Unico and chairman of the breakfast committee. He is a member of the Love Newark Committee, the Newark Chamber of Commerce, and has worked with the downtown park committee.

John has performed services for the Newark community, gratis, which includes the restoration of the Downtown Columbus Monument and the graffiti removal of East Side High School.

THE BREAKFAST OF CHAMPIONS

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. HOYER. Mr. Speaker, this coming Saturday, March 21, 1987, the Prince Georges County Champions Association will celebrate its 13th annual "Breakfast of Champions."

The association, made up of community leaders, civic and business groups, has chosen the breakfast as a means to recognize the outstanding achievements of our county's young people. Over the years, hundreds of young people have been honored for their accomplishments in athletics, academics, science, and the arts.

Volunteers contribute many hours a year to congratulate those who have distinguished themselves as champions in their fields of endeavor. Since its inception, the association has heralded from among our county's youth such outstanding award recipients as Sugar Ray Leonard, Stacy Alford, and Joseph Sheppard. Winners have included not only sports stars but high achievers who are mathematicians, piano players, special olympics champions and Gold Medal Lifesaving-Award winners.

A review of award winners from recent years yields up the names of notable athletes and scholars. These include from 1986: Danny Ferry, former all-American basketball star from DeMatha High School in Hyattsville, and now a standout at Duke University; the fabulous Field brothers, Anthony, Jermaine, Leonard, and William, all of whom are outstanding boxers; and Joe McCray, national champion powerlifter.

From 1985 among the award winners were: Michael Lofty, a student at Northwestern High School who set the national high school AA high jump record of 7 feet, and Ms. Kellie Roberts, a 2-year "Breakfast of Champions Award Winner" and a nationally ranked track star from Central High School who many think to be a future olympian.

In 1984, two of the winners for academics were well known throughout the Washington area because they had been featured in television commercials about the excellent programs in the Prince Georges County Schools. Jane McCabe of Eleanor Roosevelt High School, was also the national winner in the "Space Shuttle Involvement Project" for her project on antibiotic action of bacteria in microgravity. Jonathan Santos also of Eleanor Roosevelt High School had been the grand prize winner at the "International Science and Engineering Fair" for his design of an aerodynamic wing.

Among the 1983 winners were two sisters, Dina and Stacy Alford, who were the national twirl and strut champions, as well as William S. Baker, the national voice of democracy speech champion, and Jinny Rhee the Senior Elite national finalist in gymnastics.

Each year a volunteer steering committee of professionals reviews applications for the awards which are submitted by professionals who work with young people. Although most awards are presented to nominees under the age of 21, the association recognizes other outstanding individuals who have served or contributed to the success of the young people in the country. One of the oldest "youngsters" recognized by the association was then 75-year-old Rita Shepard of Hyattsville, who regularly swam 1 mile a day and placed in national age-group meets. On the other end of the age scale, 2-year old Jimmy Lovelace, a member of the Guys and Dolls Cloggers, received an award from "Breakfast of Champions" 1 year for being a championship clogger.

The list of names will continue as more of the county's youth are honored each year at the "Breakfast of Champions." This unique event is thought to be the only one of its kind in the country. The association brings together the newest nominees, their families and friends to bestow recognition in the form of a medallion or plaque upon the champions. Guest speakers, such as Joe Theismann and Jo Jo Starbuck tell their own success stories to the young people. This year the guest speaker will be a special champion, our own colleague, Congressman Tom McMillen.

It was a small group of citizens who began the amazing "Breakfast of Champions," but the number of lives their work has touched has grown to the thousands. Members such as current association president Ron Schiff, Esq., and former association presidents Dennis Curry and Dr. Mary Ellen Kiss have spent many hours to show our outstanding young citizens how much they are appreciated. The association has stirred great pride among the families, friends, and community members of the country's youth.

Mr. Speaker, the association members also deserve to be called champions for bringing honor, pride, and recognition to those young people whose hours of dedication and hard work have led to great success. I know all my colleagues will join with me in congratulating the 1987 "Breakfast of Champions" winners who will be honored later this week. Every one of them is undoubtedly a great example of the high level of achievement of which American youth are capable.

JAPAN VIOLATING SEMICONDUCTOR TRADE AGREEMENT

HON. RICHARD H. STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. STALLINGS. Mr. Speaker, today, I am offering, along with my colleagues ROBERT MATSUI, CLAUDINE SCHNEIDER, RICHARD GEPHARDT, and J.J. PICKLE, a resolution urging the President to take immediate and appropriate action to enforce the Semiconductor Trade Agreement between the United States and Japan.

The problems experienced by U.S. semiconductor manufacturers are not accidental. In the mid-1970's, the Japanese Government decided that computers and information services were the kind of industries that Japan wanted to dominate and that entry into the industry would be through volume production of semiconductors and other components. The initial program included government sponsored research and development programs, low-interest loans, export assistance, and effectively closing Japanese markets to foreign competition. More recently, Japanese manufacturers have engaged in deliberate overproduction, excess exporting, price undercutting and the "dumping" of product at less than the cost of production. Since that decision, the Japanese have steadily increased their world market share to nearly 90 percent and driven United States competitors to the edge of bankruptcy or out of the business altogether.

In June 1985, because of persistent sales of 64K DRAM chips below costs, a company located in my district, Micron Technology, Inc., filed the first antidumping case in the International Trade Commission and the Department of Commerce. Although there were many skeptics at the time, Micron prevailed at every stage of the proceedings, and an antidumping order was issued and is in effect. After commencement of the Micron petition, the President's Task Force on Trade became involved, and as a result, the Commerce Department self-initiated an antidumping petition concerning 256K and above DRAM's from Japan. The 265K DRAM case, together with a companion case concerning EPROM's, is now under a suspension agreement as a result of the bilateral trade agreement.

Under tremendous pressure, the Japanese entered into the Semiconductor Trade Agreement on July 31, 1987. The agreement promised that there would be: First, an end to Japanese dumping in United States markets; second, an end to Japanese dumping in foreign markets; and third, access for United States products in Japanese markets. Despite good-faith and commendable efforts by the Department of Commerce and the United States Trade Representative, the Japanese have not abided by the agreement. They have continued to dump in third-party countries and to restrict access to Japanese markets. Just yesterday, Micron Technology released an invoice that showed that a Hong Kong-based unit of Japan's Oki Electric Industry Co. sold a certain type of memory chip for a price at least 20 percent below the lowest fair-market value assigned to a Japanese chip maker under the agreement.

On March 10, I met with Deputy United States Trade Representative Michael Smith to discuss Japanese noncompliance with the agreement and possible United States retaliation. Mr. Smith indicated that United States data showed that almost all major Japanese suppliers were selling DRAM's and EPROM's at prices ranging from 47 to 65 percent below fully allocated production costs. Based on that information, the United States warned Japan that sanctions would be imposed unless third-country dumping had ceased as of February 28. Next week, after new pricing data and compiled through the February 28 deadline, the Cabinet-level Economic Policy Council will make a final decision whether to continue the agreement and, if not, what penalties should be imposed. Despite Japanese assertions to the contrary, the Oki invoice indicates that noncompliance has continued.

I would make three observations.

First, whatever decision the United States makes about adhering to the agreement, we must be forceful and unequivocal. The Japanese must understand that the United States will not countenance even minor transgressions of official agreements or United States law. Consequently, I would caution against accepting Japanese pricing at any level below 100 percent of fully allocated production costs.

Second, I question the efficacy of retaliatory action limited solely to punitive tariffs on Japanese products that use semiconductors, such as laser printers. I am struck by the negligible deterrent value of a remedy that fails to address the devastating damage done to U.S. producers and to recoup market shares gained by illegal dumping. Thus, as an addition to downstream tariffs, I would recommend direct punitive action against Japanese semiconductor imports.

Third, should the trade agreement be continued, I must emphasize the importance of continued monitoring of Japanese compliance with the agreement. I appreciate how difficult it would be to regain the attention of the Economic Policy Council should future Japanese pricing fall below the agreement. As a result, I would suggest timely Cabinet-level review of a decision to adhere to the agreement.

Mr. Speaker, the resolution being introduced today confirms the need for tough and forceful United States action to combat documented Japanese dumping and to demonstrate United States resolve in the face of continuous and intentional violations of the trade agreement. As the 100th Congress addresses comprehensive trade legislation, I urge my colleagues to join efforts to enforce an already existing agreement.

PENNSYLVANIA FEDERATION OF SPORTSMEN CLUBS

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. KOLTER. Mr. Speaker, the Pennsylvania Federation of Sportsmen Clubs, Inc., representing 557 affiliated clubs with a total of 84,715 members, is leading the fight for safe hunting, proper outdoor education and wholesome family activity.

An affiliate of the National Wildlife Federation, the Pennsylvania Federation sets a commendable example for all young outdoor persons and provides the affiliated clubs throughout the State with a common voice.

This year, the northwest division of the federation will host the annual spring convention. As the members conduct their committee meetings, seminars, and agency reports, I am confident that the best interests of Pennsylvania's outdoors will be represented.

I hereby commend the federation—and President Leonard Hess and his fellow officers—for their outstanding work over the years and for their continued interest and concern for the fields and forests of Pennsylvania; their concern for the streams and rivers, and for the citizens who are able to enjoy these natural resources.

Today I stand before the full House of Representatives and pay tribute to the Pennsylvania Federation of Sportsmen's Clubs, and I'm proud to do so.

FEDERAL EMPLOYEE HEALTH INSURANCE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Ms. OAKAR. Mr. Speaker, a fundamental policy of the Federal Government has long been to provide its employees with pay and other compensation that is comparable to the private sector, in order to make the Federal Government competitive in the recruitment and retention of competent personnel. A major component of this equality is health insurance, something Congress recognized in 1959 when it passed the Federal Employees Health Benefits Act. The intent of the legislation was to close the gap "between the Government, in its capacity as employer, and employers in private enterprise, with respect to health benefits for employees."

Today, as the largest employer-sponsored health plan in the Nation, the Federal Employees Health Benefit Program [FEHBP] should be a shining example to private sector programs. Anything less is an affront to congressional intent and a disservice to the 10 million Federal workers, annuitants, and dependents who participate in this program. Unfortunately, this is no longer the case. Under the Reagan administration, Federal workers have seen their health plan coverage diminish substantially, to the point where Federal workers now pay more for less coverage and no longer have health benefits equivalent to those provided in the public sector.

In 1982, the Office of Personnel Management reduced health benefits by an average of 12.5 percent and increased premiums by almost 50 percent. A 1984 study conducted by the Hay Associates for the Post Office and Civil Service Committee shows that Federal health benefits are now 2.2 percent less, as a percentage of pay, for the Federal employee than for the average private sector worker. In the 98th and 99th Congresses, as chair of the Subcommittee on Compensation and Employee Benefits, I held extensive hearings on the many problems of the FEHBP. Through these hearings, we know what needs to be done to restore the FEHBP to its former, intended status. That is why I am introducing the Federal Employees Health Benefits Reform Act of 1987. My bill will provide Federal employees, annuitants and dependents with a dependable, stable and comprehensive health insurance program.

First, the Federal Employees Health Benefits Reform Act of 1987 will amend current law to increase the Government's share of the premium contribution from 60 to 75 percent of the average subscription charge of the Big Six plans. It will also increase to 100 percent the amount of that contribution which can be applied to a health plan. This would be the first increase in 12 years and is closer to what private employers pay toward health insurance coverage for their employees.

To ensure adequate health coverage for retirees, my legislation also provides for a Government differential, equal to 5 percent of the Big Six average, to be paid to the FEHBP for each enrolled employee or annuitant who is age 65 or older and is not entitled to part A hospital insurance under Medicare.

It is important that employees separated through no fault of their own from Federal employment be protected against catastrophic medical costs. Therefore, my legislation will allow "riffed" Federal employees and certain others an opportunity to continue their health coverage provided they pay the entire premium cost.

In addition, the legislation will require the OPM to establish financial solvency requirements for self-insured plans. This will eliminate the possibility of a plan becoming insolvent and unable to pay legitimate medical claims.

On the benefit side, my legislation will ensure that those enrollees who require medical treatment for nervous, mental, and emotional disorders, including alcoholism and drug addiction will receive the treatment they need. These benefits were particularly singled out by the 1981 OPM reductions in coverage. According to an American Psychiatric Association analysis of the benefit reductions between 1980 and 1984, the cuts in benefits for physical health care averaged 6 or 7 percent, while most ot the plans cut their mental health benefits by 25 to 50 percent. A recent GAO study found that in 1980 most mental health plans paid 100 percent of initial mental health expenses for a specified time or to a specified dollar limit, whereas today "FEHBP enrollees can expect to pay a substantial portion of billed charges for mental health." So we are now confronted with a Federal health insurance program which has effectively disenfranchised and financially punished one of the most vulnerable segments of the Federal work force—those in need of treatment for mental illness and substance abuse disorders.

Last year I introduced and Congress passed a "sense of Congress" resolution regarding the importance of providing adequate benefits coverage under the FEHBP for the treatment of mental illness, alcoholism, and drug addiction. It was an important first step, but we must do more. My legislation requires all plans to provide a minimum of 50 outpatient visits and 60 inpatient days per year, as well as two 28-day alcoholism or drug abuse treatments per lifetime. Such benefits must be provided with copayments and deductibles at the same level as is required for the treatment of physical illnesses. The number of visits can be increased, but only by approval of a peer review group on a case-by-case basis. Not only should we provide adequate benefits for these disorders because it is the humane thing to do—but also because it is good health policy. If we do not, we will only aggravate them in the long run because without adequate treatment, physical and mental health will almost surely deteriorate leading to more costly problems such as liver disease, heart disease, severe depression, and drunk driving.

My legislation also requires the plans to provide dental coverage and prohibits the OPM from contracting with an insurance carrier for health insurance that is not equivalent to 95 percent of the previous year's contract.

Finally, to ensure an end to past discriminatory practices, the bill will require all health plans to accept annuitants on an equal basis with active employees, and reestablishes congressional oversight of this important health insurance program.

Mr. Speaker, I believe this legislation is the vehicle that will bring long-term stability and much-needed reform to the Federal Employee Health Benefits Program. I urge my colleagues to enact this measure to guarantee Federal workers and retirees health insurance that is fair and equitable, and that is comparable to that provided by the private sector.

GILMAN SUPPORTS MERCHANT SEAMEN BENEFITS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. GILMAN. Mr. Speaker, I rise in support today of a measure introduced by my colleague from New York, [Mr. BIAGGI], providing benefits to merchant seamen who served in the U.S. merchant marine during World War II. I believe that this measure, H.R. 1235, is an important step in recognizing the considerable contribution that merchant marines who traveled through hostile waters during World War II made to the Allied war effort, and I am pleased to cosponsor it. I strongly believe that with some modification, this bill will justly recognize those valiant men as veterans.

The mortality rate of merchant seamen who traveled through hostile waters during World War II was about the same percentage leve as the U.S. Marine Corps. I have met with several ex-merchant marines in my own congressional district who have told me of the dangers they endured while serving their country. Most people do not realize the military importance of the merchant seamen, who supplied our overseas troops and allies at great risk to themselves. Most merchant marines went through military training and often manned guns to protect themselves and their precious cargo from enemy attack. In fact, the only German capitol ship to be sunk in surface action by U.S. forces during World War II was the raider *Steir.* That ship was sunk by the merchant ship *Stephen Hopkins.*

The United States is the only major ally who did not afford special recognition to their merchant marines after World War II. Australia even recognizes those Australians who served on U.S.-flag merchant vessels during World War II. Congress somehow overlooked the contribution of the merchant marine when it was preparing the G.I. bill of rights to provide benefits to the veterans of World War II, despite President Franklin D. Roosevelt express desire that such benefits be extended to the merchant seamen. Roosevelt stated upon his signing of the bill,

> I trust that the Congress will also soon provide similar opportunities for postwar education and unemployment insurance to the members of the merchant marine, who have risked their lives time and again during this war for the welfare of their country.

The unjust treatment of our merchant seamen was brought home to me by one of my own constituents, Mr. Kermit Haber, who was kind enough to share with me a communication he had received years ago from then President Truman which stated:

> To you who answered the call of your country and served in its Merchant Marine to bring about the total defeat of the enemy, I extend the heartfelt thanks of the Nation. You undertook a most severe task—one which called for courage and fortitude. Because you demonstrated the resourcefulness and calm judgement necessary to carry out that task, we now look to you for leadership and example in further serving our country in peace.

Mr. Haber is continuing to demonstrate his leadership, and is doing his country a great service in calling to its attention the critical importance of the merchant marine to the victory achieved by the Allies, and in bringing the just reward to those brave men who served in our merchant marine.

H.R. 1235 is not a perfect bill. For instance, it requires that a merchant marine serve at least 12 months to be eligible for veteran benefits, whereas members of the regular Armed Forces need only to have served 90 days. I am hopeful that oversights such as these will be corrected during the legislative process. I am also requesting that the Administrator of the Maritime Administration, Mr. John Gaughan, give us a reasonable estimate of how many merchant marines who served on ships passing through contested waters are still living, so that we can then get an estimate of the cost of this measure. I bring this to my colleagues' attention simply because I believe it is important to distinguish between those merchant seamen who risked their lives during World War II and those who only traveled on the Great Lakes or similar nonhostile waters.

Again, while this is not a perfect measure, I believe Congress is long overdue in recognizing the contribution of our merchant seamen, and must now get the legislative process rolling. Accordingly, I urge my colleagues to support H.R. 1235 to provide our merchant seamen who risked their lives, veterans' status and the benefits they are entitled to as a result of such status.

CONGRATULATIONS TO PHIL PORTNOY

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. RINALDO. Mr. Speaker, I ask my colleagues to join me in extending congratulations to Mr. Phil Portnoy of Union, NJ, the recipient of the 1987 Humanitarian Award from his fellow citizens for his two decades of outstanding endeavors in helping the disadvantaged and the unfortunate.

Through the Phil Portnoy Association, citizens of Union, NJ, generously raise funds for many young men and women who have suffered from crippling injuries and illnesses, and whose medical expenses could not be covered through insurance and various other programs. When their families had nowhere else to turn for help, Phil Portnoy and members of his association came to their rescue. It has been an inspiring story of bringing people together, which is one of the hallmarks of Phil Portnoy.

For the last two decades, he has been one of Union Township's most active and involved citizens. As a member of the Union Board of Education, Phil Portnoy has promoted better education and opportunities for young people.

Recently, this was demonstrated by the national recognition awarded by the U.S. Secretary of Education William Bennett in selecting Union Township public schools as a model school district.

Phil has been devoted to education as a member of the Board of Education in Union for the last 25 years. He served as its president for 6 of those years, and he has been well informed on national education issues while serving as a member of the National School Board of the Federal Relations Network.

But it is in his hometown of Union that Phil Portnoy has had the greatest impact through the March of Dimes, the United Way, and as a founder and president of the Union Football Rockets, and as coach in the Union Little League. He was a past member and director of the Teener League and a director of the Union Boys and Girls Club.

Phil Portnoy's organizational ability and vision also helped him to found the Temple Israel in Union, and to serve as president of the B'nai B'rith in Union.

As the standard bearer of the Phil Portnoy Association, he has helped its members raise three-quarters of a million dollars over the last 17 years for charitable purposes.

Achievements of this dimension cannot go unnoticed, and Phil Portnoy has been honored by virtually every major organization in the community, including the Knights of Columbus, the township of Union, the Union Chamber of Commerce, Memorial General Hospital, and others as man of the year.

The family of Phil Portnoy also deserves our thanks and appreciation for supporting Phil in many civic and charitable endeavors. His wife, Phyllis, and their four sons, Mark, Robert, Steven, and Daniel, and Phil's four grandchildren share in this honor.

As a friend of Phil Portnoy for many years, I join my fellow citizens in Union Township in saluting an outstanding citizen and devoted American.

H.R. 1717—STRENGTHENING THE SEA GRANT COLLEGE PROGRAM: MARINE RESOURCES INVESTMENT AND ECONOMIC COMPETITIVENESS ACT OF 1987

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. JONES of North Carolina. Mr. Speaker, today, along with 28 of my colleagues, I have introduced H.R. 1717, the Marine Resources Investment and Economic Competitiveness Act of 1987.

It is a bill that will provide for a stronger competitive position for the United States in the understanding and wise use of ocean, coastal, and Great Lakes resources by strengthening the national Sea Grant College Program and by initiating, within that program, a new strategic marine research effort.

Begun in 1966, the sea grant network now includes 22 sea grant colleges and 7 institutional programs which weave together a total network of more than 300 universities and affiliated institutions, including a number from inland states.

Sea grant fills a unique place in American marine science, providing enormous benefits to the Nation. In fact, a 1981 study found that sea grant programs stimulate an annual economic return of over $230 million—proof that this program is leading to fuller resource utilization and greater economic efficiency in marine-related industries.

We have heard a great deal recently about the declining international competitiveness of U.S. industry. The White House-sponsored Packard-Bromley report—"A Renewed Partnership," a report of the White House Science Council, 1986—emphasizes the need for university-industry-government partnership approaches to science as a fundamental base for economic growth and competiveness. Sea grant offers a model for this type of effort.

Yet, since 1981, the administration has proposed the termination of the National Sea Grant College Program. Every year, Congress has rejected such proposals and has kept the Sea Grant Program level funded.

The time has come to do more for this essential program that fosters both cooperation and competitiveness in marine science, oceanography, and other coastal and Great Lakes issues.

We must utilize and maximize the existing sea grant network to address areas of emerging national opportunity and need. More focused and accelerated work needs to be carried out in areas such as marine biotechnology, Great Lakes water levels, policy and technology for the exclusive economic zone, and estuarine and coastal ocean resource studies.

To encourage these and other new directions in national marine science research, the centerpiece of H.R. 1717 is the establishment of a strategic marine research program. This program, to be administered by the Secretary of Commerce, provides grants and postdoctoral fellowships for research on strategic marine priority areas. The areas are to be designated by the Under Secretary of Commerce for Oceans and Atmosphere and are to be those which are not capable of receiving adequately focused and comprehensive attention under other sections of the sea grant law. This new program involves those areas in which research is of national or global scale, long-range, and requiring broad university involvement. These are the areas for which sea grant institutions are especially suited to mobilize talent and provide needed transfer of information and technology.

A special feature of the Strategic Marine Research Program is authorization for the Secretary to establish "centers of excellence." In designating a center of excellence in strategic marine research, the Secretary must find that the continuity and long-range capabilities of the Sea Grant Program make it especially qualified to manage this type of research program.

Sea grant has been a successful national experiment during its 20 years of operation. The network of sea grant universities and institutions is an effective national instrument for scientific progress, technology transfer, economic competitiveness, and social benefits.

H.R. 1717 is an important legislative initiative to strengthen this program and to enhance the capabilities that have been nurtured over the years but which have recently suffered alarming budgetary retrenchment.

Over the next few days, I will be sending letters to all Members of the House asking for cosponsorship of H.R. 1717. For those of my colleagues from Great Lakes States, I need not emphasize the problems of toxic pollutants or water levels. For those from States bordering an ocean, I need not emphasize the broad array of issues and problems affecting our Nation's—and your States'—coastal margin. The Sea Grant Program has been helpful in the past and it needs your support for continuation and enhancement of that assistance in the future.

For my colleagues from inland States, I will simply point out that the Sea Grant Program is based on the principles of the Land Grant Act. Both the Land Grant and Sea Grant Programs are concerned with the generation of useful knowledge and technology and its application to development and use of the resources of the land and the sea. The emphasis in both the Land Grant Program and the Sea Grant College Program is on a strong applied research component and a commitment to education and extension or advisory services.

The pursuit of knowledge must not be undercut. I urge all of my colleagues to join with me in cosponsoring H.R. 1717.

DRINKING WITH THE DEVIL

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. SYNAR. Mr. Speaker, yesterday I reluctantly voted in favor of the conference agreement on H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act. I agree with Oklahoma's Secretary of Transportation, who said, "It's like dying of thirst in the desert and being offered a glass of water by the Devil."

H.R. 2 doesn't do some things that it should. For one, it doesn't strengthen the Highway Beautification Act, the program designed to remove illegal billboards along the Interstate Highway System. Last year I supported the amendment offered by my colleague from Florida, CLAY SHAW, which would have turned the sign removal program over to States and allowed compensation of billboard owners through amortization instead of cash payments.

The Highway Beautification Act isn't working. The act requires the Federal Government and the States to pay billboard sign owners to take down their nonconforming signs. Current law provides for a 75-25 Federal/State cost sharing on this payment, or a State can pay the full amount itself. Because Congress has appropriated no new funds since 1982 for the removal of nonconforming billboards, a State must pay the entire amount if it wants to enforce the law.

To date the Federal Government and States have spent over $200 million on the sign removal program. In 1985, GAO estimated it would take nearly $1 billion more to remove the rest of the nonconforming signs. I believe that States should have the flexibility to make the Highway Beautification Act work by allowing them to compensate billboard owners through amortization instead of cash. I don't believe that the Federal Government can afford to pay cash for the removal of billboards, or that this is the best use of tax dollars when there are affordable alternatives available.

H.R. 2 also does some things that it shouldn't. One glaring example is the demonstration program. More than 120 demonstration projects are authorized by the conference report, to the tune of more than $178 million. Most of the funding for these projects comes from the Highway Trust Fund—50 percent directly and 30 percent from the Secretary's discretionary account—and the States awarded the demonstration projects pay the remaining 20 percent.

Demonstration projects cheat on the distribution formula in the Highway Trust Fund in two ways. First, they reduce the overall amount available for distribution to the States. Second, they ensure that Federal funds will be inequitably distributed among States. In essence, they hand extra money to certain States for projects that those States chose not to fund from their own Federal highway dollars. Taxpayers in Oklahoma shouldn't have to pay for special projects in Pennsylvania or California that those State highway departments didn't consider crucial enough to fund.

Mr. Speaker, in spite of this, I still voted for the conference agreement. I had to. H.R. 2 does do something that it should, which is to reauthorize the Highway Trust Fund. The trust fund authorization expired September 30, 1986. Failure to reauthorize this meant that Oklahoma was already more than $150 million behind in highway work as of October 1 last year.

Oklahoma has run out of Federal funds for primary and secondary highways and for interstate highway construction. We are fortunate to have some funds left in the accounts for the interstate 4R program and the bridge replacement and rehabilitation program. Other States are in even worse shape.

Now that reauthorization of the trust fund has been delayed beyond March 1, 14 construction projects valued at $33.4 million will be delayed beyond October 1, 1987. If it is not law by April 1, the value of delayed projects climbs to $38.6 million. This may not sound like much to some folks, but it sure means a lot to Oklahoma! It means jobs, revenues, and better roads. And we can't wait any longer for those in Oklahoma.

VOICE OF DEMOCRACY SCHOLARSHIP WINNER

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mrs. BYRON. Mr. Speaker, it is my pleasure to present to you, the winning essay for the Veterans of Foreign Wars "Voice of Democracy" Scholarship Program by Ms. Jennifer Amyx of Frederick, MD. Over a quarter of a million secondary students participated in this contest whose theme was "The Challenge of American Citizenship". Her insightful essay is an interpretive examination of the Pledge of Allegiance. With clarity and precision, Ms. Amyx has truly touched on the purpose and meaning of the Pledge. The following is the full text of the essay which Ms. Amyx submitted.

THE CHALLENGE OF AMERICAN CITIZENSHIP

(By Jennifer Amyx)

I pledge allegiance to the flag of the United States of America and to the republic for which it stands—one nation under God, indivisible, with liberty and justice for all.

These words, known as the Pledge of Allegiance, are proclaimed from millions of American citizens in states across the nation every day of the year. The last phrase of this pledge, "with liberty and justice for all", clearly states the two basic rights of citizenship from which all others stem. As citizens, though, we must sometimes be reminded of the responsibilities which accompany these inalienable rights.

As a democracy, our nation relies on its citizens for input. Therefore, we have the responsibility to be aware—of current issues, the world around us, and the situation within our own country. Democracy does not imply perfection. It may not always prove to be as efficient in some respects as other forms of government, but it does possess at least one outstanding characteristic which others do not. It allows its own people to say that it is not perfect and to actively take part in the process of change.

If we remain alert and active, then our input as voters will be of much greater benefit to our nation. If we do not, then we are like students randomly guessing on an exam without prior knowledge of the tested material. The outcome of the latter can only be failure. Therefore, ignorance is the downfall of a democracy.

As citizens, we also have the responsibility to actively pursue knowledge ourselves, or support those who do. Our world is experiencing a period of drastic change and those who continue to learn and gain knowledge will be those who inherit the future. As a nation, we do not wish to be left behind, and we will not unless we fail to anticipate this future. History reveals great lessons, whose morals and strategies can be applied to any time period. Yet, we must not become resistant to change and inhibit our nation's progress in any field.

As voiced in the Pledge of Allegiance, we as citizens also have the responsibility to strive for unity. A democracy can be easily weakened by division among its people because it does allow self-criticism and it does maintain high moral standards, the very characteristics which are its strengths. So, the acceptance of imperialism, atrocity or belligerence from opposing nations greatly increases the vulnerability of a government structured such as our own. Therefore, we must not allow our attention to be diverted from such hostile acts by our own internal conflicts or our pursuit of peace, however laudable our intentions may be. Rather, we must keep the memories of those who risked, or gave their lives for our nation, near to us.

By accepting encroachment from other nations, we are merely endangering our own freedom. Robert Maynard Hutchins once said, "Democracy . . . is the only form of government that is founded on the dignity of man, not the dignity of some men, of rich men, of educated men or of white men, but of all men." We must not allow this way of life to be snatched from us. Rather, it must be maintained at all costs.

The preservation of liberty and justice relies on the fulfillment of our responsibilities. Therefore, when reciting the Pledge of Allegiance, we are not merely reciting words, but personally accepting a challenge, the challenge of American citizenship.

A BILL TO AMEND TITLE XI OF THE MERCHANT MARINE ACT, 1936

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. DAVIS of Michigan. Mr. Speaker, today with my colleague from New York [Mr. LENT], I am introducing legislation to amend the Federal Ship Financing Fund.

The legislation would amend title XI of the Merchant Marine Act, 1936, which provides Federal loan guarantees for the construction of U.S. vessels, so that oil drilling rigs, inland barges, and related off-shore service vessels would no longer be eligible to participate in the program.

Originally created in 1938, the title XI program was intended to help the U.S. maritime industry by providing needed funding for expansion of the U.S. fleet.

Beginning in 1970, the scope of the program rapidly expanded to provide eligibility to such sectors of the maritime industry as inland barges, oil drilling rigs, and related offshore marine services. Even with the expansion, the title XI program, sustained through a revolving fund, remained self-supporting. That is, until 1981, when several factors combined to put the program in the red.

A general slump in the U.S. maritime industry, the fall in oil prices, and over-capacity in the barge industry, all resulted in a series of loan defaults now totalling about $2 billion.

Mr. Speaker, this legislation returns the title XI program to its original scope and purpose—it encourages construction of U.S.-flag merchant vessels for the domestic and foreign commerce capable of serving as naval and military auxiliaries in time of war or national emergency. I urge my colleagues to support this change to the Federal Ship Financing Fund.

MR. MARCUS GARVEY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. RANGEL. Mr. Speaker, I have just introduced a resolution to recognize one of America's greatest unsung heros—Mr. Marcus Garvey. To this day there has not been a leader in America's black community who has focused on the need to develop and influence the inclusion of Afro-Americans into the economic spectrum of American life. And, as we all know, economic independence is one of the rungs to the ladder of success in this country. This was the crux of the Garvey teachings.

Mr. Garvey, through his leadership in the Universal Negro Improvement Association, instilled in many Afro-Americans a deep sense of pride and self-esteem. In his words, "True freedom lies in closer cooperation and reliance with one another. No nation—or race—can be free unless it controls its own economy." In his wisdom, Mr. Garvey proposed to the Afro-American community that in order to be true players in the American ball park, one must adopt the principles of his economic teammates.

Unfortunately, Mr. Garvey was also the subject of intense criticism. He became the focus of attacks by an eager young attorney at the the Justice Department, J. Edgar Hoover. Mr. Hoover, in his role as director of investigations on "Negro activities," became obsessed with extinguishing the flames of the man who had become known as the Negro Moses.

Mr. Garvey became a victim of a system threatened by his ability to mobilize the consciousness of the oppressed. Like Dr. Martin Luther King, Jr., another leader in a later era in the black community, Marcus Garvey suffered relentless scrutiny and harassment from the Justice Department and the FBI. He was the subject of intense investigations by the U.S. Justice Department and the FBI, who saw him as a "Negro agitator" and an "undesirable alien." From these investigations, Mr. Garvey was accused and convicted of mail fraud in what historically is reported as a hostile, politically motivated trial.

There are questions in my mind, and in the minds of many, regarding the legitimacy of the charges brought against Mr. Garvey. There are questions concerning the fairness of his trial, and the refusal of the Government to review his request for reentry into the country even though his sentence had been commuted by President Coolidge.

Mr. Garvey, a native son of Jamaica, came to America to share his philosophy with the Afro-American people. His teachings began in his own country and produced the same type of spirit and enthusiasm there as he did in America. When he was deported from this country, he settled back in his homeland, maintaining his efforts in service to his race. The Jamaican Government and its people hold Mr. Garvey as we hold some of our greatest sons. He is respected as a national hero, as we respect Abraham Lincoln; he is cherished as we cherished John F. Kennedy and his spirit is immortalized as is the spirit of Dr. Martin Luther King, Jr.

Mr. Speaker and Members of the House, it is with great pride and conviction that I introduce this legislation which, in my opinion, expresses the true spirit of American nationalism, self-improvement and fair play. As Members of the 100th Congress we can, on the centennial of his birth, eliminate the discredit to Marcus Garvey's memory by expressing our opposition to the wrongful conviction of Marcus Garvey. In doing so, we will step forward, making a strong statement in support of economic independence for all people, the principle which was the ultimate goal of Garvey's philosophy.

THE NATIONAL ENDOWMENT FOR DEMOCRACY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. COURTER. Mr. Speaker, erroneous reports of recent weeks have linked the National Endowment for Democracy, a federally-funded but independent and bipartisan institution, with Colonel North's operations and "Iranscam."

Since the endowment is one of this country's best means of working for democratic change in countries which are very much in need of it, it deserves the best of reputations. At present, the facts are such that the endowment's integrity can not be questioned; only the rumors need to be dispelled.

For this reason I would like today's RECORD to include a brief staff editorial from the New York Times, dated March 13, 1987.

The staff editorial follows:

[From the New York Times, Mar. 13, 1987]

THE GOOD PROJECT DEMOCRACY

Lt. Col. Oliver North borrowed the name of an overt, Congressionally mandated project to bless his own covert activities and thus created a good deal of confusion. In messages about his Iran-contra operations, he repeatedly boasted of their connection to "Project Democracy" or "Prodem," his grandiose term for the privatized war games in Central America. That is also the term used to describe the National Endowment for Democracy, a constructive public initiative to help democratic institutions abroad through private, non-governmental efforts.

What's the link between these Prodems? None, according to the Tower board, which could find no information connecting the covert "Project Democracy" to the aboveboard Endowment. That finding, alas, can be found only in a footnote.

The confusion has deepened because of similar roots. The so-called Reagan Doctrine, calling for providing aid to anti-Communist guerrilla movements, helped inspire both the Endowment and the covert crusade. Meantime, the confusion has widened because a right-wing outfit calling itself the National Endowment for the Preservation of Liberty is headed by one of Oliver North's chums. Thus language is debased and useful purposes tarnished, to the dismay of serious proponents of open assistance to democratic forces abroad.

The Soviet Union has long provided backstage aid to foreign comrades, and West German political parties have openly helped their third-world counterparts. Created by Congress in 1983, the bona fide National Endowment for Democracy disburses U.S. grants to parties, newspapers, trade unionists and schools around the world. Money flows to four "core grantees": a trade union institute, a unit of the Chamber of Commerce and institutes managed by Republican and Democratic parties. That some foolish grants have slipped through is less noteworthy than the general success of the venture.

The endowment was meant to bury the bad old practice of using the C.I.A. to channel unaccounted-for funds to undisclosed recipients in the name of freedom. The lamentable result of the North confusions is to reignite suspicions of sinister American manipulation. The new White House staff can promptly put Project Democracy back on its proper tracks so that there is no confusion about its purposes and activities. What's in a name? Credibility, and this is one form of it well worth restoring.

TRIBUTE TO SENATOR EDWARD ZORINSKY

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. BEREUTER. Mr. Speaker, all of us are shocked by the tragic and untimely death of Senator Edward Zorinsky. And all of Nebraska is saddened by this loss, for Nebraskans very obviously had an extraordinarily high respect and affection for Ed Zorinsky. He was a man of high personal integrity, and there was a great degree of mutual respect between him and the people of Nebraska. In the more than 8 years that I served in the Congress with Ed Zorinsky I never heard an unpleasant word from him, and I respected him greatly as a person.

Ed Zorinsky was a very ingenious and a very conscientious public servant for our State. He served in a very able manner as mayor of the city of Omaha and for the Nation in the U.S. Senate. We have every reason to take pride in Ed's many contributions to our State and to the Nation and to be grateful for his very devoted and conscientious service.

Ed Zorinsky had a special, positive impact on those who worked with him and those who worked for him. A former staff member who went on to become a reporter described that impact in the following article in the Lincoln Journal of March 9, 1987.

The Journal article follows:

[From the Lincoln (NE) Journal, Mar. 9, 1987]

ZORINSKY WAS A FRIEND TO YOUNG STAFF MEMBER

(By L. Kent Wolgamott)

I went to work for Ed Zorinsky before I met him.

A friend working for his 1976 campaign suggested me for a staff opening. I interviewed with a campaign manager, took the job and got a haircut.

A few days later, I met Ed for the first time. Shortly thereafter we embarked on the first of many trips across Nebraska. We stayed in motels from Geneva to Beaver City, ate in out-of-the-way cafes and spent hours in the car.

When I started traveling with Ed, he didn't know a lot of the details of agriculture, but he wanted to know. He quizzed farmers and businessmen, and pumped me for what I knew.

The same inquisitiveness characterized his dealing with other issues. Only on matters of public and city politics were there exceptions. Ed's time on the Omaha Public Power District board and as mayor of Omaha gave him plenty of background there, and debate was more the order of discussion.

As he gained information, he gained confidence in his handling of issues, but all along he never seemed to doubt he could defeat Rep. John McCollister for the Senate seat. Tenacious and hardworking by nature, Zorinsky was further motivated by his rejection as a Senate candidate by the GOP hierarchy. Their closed shop caused his party shift, and he never let the snub get far out of his mind.

On the campaign trail, Zorinsky liked the good earthy jokes and told funny stories. He was happy to take advantage of his name, hoping that ethnics like Czechs and Poles would claim him as theirs. He didn't make a point of his Jewish religion; he ate ham at banquets and paid no attention to the Sabbath, but he never shrank from the issue when confronted with it.

On a personal basis, he became my friend, occasionally taking me into his confidence and always being honest with me.

Those qualities didn't change when Ed got to Washington, D.C. Since we lived closed to each other, he often rode to work with me. While other senators were driven to work in limos, Ed rode to the hill in my battered '71 Chevy.

Although he and his wife, Cece, enjoyed the social life that goes with being a senator, Ed maintained his Midwestern habits. I took many trips to the Senate cafeteria to pick up his favorite: fried egg sandwiches. Unfortunately, I also picked up many packs of cigarettes.

Ed maintained his open approach as a senator; he took off the door to his office. He let reporters sit on the couch all hours of the day and often argued policy with his staff.

As the house liberal in a conservative office and resident kid, I was usually on the losing end of the argument. But at least he listened.

Once his position was known and we set out to work on specific proposals, he listened closer, trusting the judgments of his staff members. In the single instance he voted against my recommendation on a major issue—a natural gas deregulation bill—Ed took me to lunch in the Senators' dining room and explained his vote. There was no reason for him to do that other than to keep faith with a 21-year old and teach him how politics really works.

There were other lessons to be learned that year. Chief among them was that being a congressional staff member wasn't for me. So I left Washington to return to college and become a newspaperman.

I saw Ed occasionally after I left, and he treated me as if I had never gone, always honest, funny and human. I often disagreed with his votes, but I knew he was trying to do what he thought was best for Nebraska and the country.

The news of his death came as a shock but not a surprise. He had his first heart problems when I worked for him, and he simply hadn't looked good the last few times I'd seen him.

His passing is a truly sad event.

Nebraska has lost a senator who always put the state's interest first. I've lost a friend, a teacher and one of the formative influences on my life.

THOMSON JOSEPH SKINNER OF WILLIAMSTOWN

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. CONTE. Mr. Speaker, today I rise to continue my series of biographies on those men that served before me as Representatives from western Massachusetts. Today, I will discuss Thomson Joseph Skinner who was elected to the 4th Congress to fill the vacancy caused by Theodore Sedgwick's resignation, reelected to the 5th Congress and later returned to serve in the 8th Congress.

Thomson Skinner was born in Colchester, CT in May 1752. His father, Rev. Thomas Skinner, died when Thomson was only 10 years old. Along with his brother Benjamin, he was apprenticed to a carpenter and builder, and in 1775 the two brothers went to Williamstown, MA to practice their trade.

As Thomson and his brother were making their way to Williamstown the revolutionary spirit was sweeping into northwestern Massachusetts, and in August 1776, Skinner reported to General Gates' headquarters at Lake Champlain. In 1780, Skinner was a captain in the North Williamstown unit, and would later become major general of the State militia.

Skinner followed his military service by holding a remarkable series of public offices. In fact, it is quite surprising that a man who held as many offices as Skinner is not more widely known today. From 1789-92 Skinner was High Sheriff of Berkshire County. He served in the State house of representatives during the years 1781-84, 1798-1800. The years 1785-87 and 1789-96 saw Skinner in the State senate; 1788-1807 he was a judge in the Berkshire County Court of Common Pleas. Added to this already impressive list is two stints as a U.S. Congressman during 1797-99 and 1803-04, and an ill fated 2 years as treasurer of the Commonwealth of Massachusetts.

Skinner made several attempts to get elected to the U.S. House of Representatives, running numerous times against western Massachusetts' first Congressman, Theodore Sedgwick. Although he frequently came very close to defeating Sedgwick, Skinner was not successful until Sedgwick resigned from the House near the end of the 4th Congress. While contemporary accounts indicate that Skinner enjoyed engaging in debate, there is not much material available on his House service. Skinner was absent while the House debated the infamous Alien and Sedition Acts.

Skinner did take an active role in legislation appropriating money for defending ports and harbors, endeavoring to get a greater share for the northeastern States. Skinner also opposed a bill which would require retailers of imported wine and liquor to purchase as many as seven different licenses. Skinner felt that the bill was an unfair tax on the less prosperous retailers since, "Men who retailed a hundred hogsheads a year would pay no more for their licenses than he who retailed but one." Despite Skinner's opposition, the bill passed.

When Skinner returned to the Capitol for the 8th Congress, the Presidency belonged to a man who shared his outlook on American Government. Thomas Jefferson, like Skinner, was a Democrat-Republican, and both men were bitter rivals of Theodore Sedgwick, who had presided as Speaker of the House during Jefferson's election by that body.

During the 8th Congress, Skinner supported passage of the 12th amendment which provides for the direct election of President and Vice President. This was done in order to avoid another constitutional crisis like the one caused by the disputed Jefferson-Burr election of 1801.

In August 1804, Skinner resigned from the House, and was appointed Federal marshal by President Jefferson. Skinner's story would be a happy one if it ended there. Skinner was not so fortunate, however. In 1806, Skinner was elected by the Massachusetts House and Senate to be treasurer of the Commonwealth. A $100,000 bond on Skinner was taken out by 11 distinguished men, one of whom, Ezekiel Bacon, would later serve in the Congress. In 1807, Skinner was reelected to another term as treasurer, and another $100,000 bond was signed by 12 men, some of whom were on the first bond.

By the end of Skinner's second term, however, it has become apparent that all was not well with the State treasury. Skinner was short; about $70,000 short. For some years, Skinner had been involved in speculation in Georgian lands. The Georgia State legislature in an action of dubious legality nullified the sale of land to those people who were not citizens of Georgia. This proved to be disasterous for Skinner, as well as many other New Englanders. Skinner was hopeful that the Federal Government would come to the aid of those investors, like himself, who had been so thoroughly abused by the Georgia Legislature, and in the meantime he tried to cover his losses with State funds. No help from the Federal Government was coming, however, and Skinner was caught as a defaulter to the Commonwealth.

The Federalist press used this scandal to beat up on Skinner and the Democrat-Republican Party. Many of the men who signed Skinner's bonds were financially ruined. Skinner, no doubt tormented by the scandal and his financial demise, died on January 20, 1809.

THE AGRICULTURAL EXPORT RESERVE ACT OF 1987

HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. LIGHTFOOT. Mr. Speaker, today I am introducing legislation to boost agricultural exports while helping to provide for our national security. The agricultural export reserve which this measure creates will establish a national stockpile of surplus agricultural commodities which can be used to barter for strategic minerals and other materials which our Nation imports.

At a time when our Nation is suffering from surpluses of a number of agricultural commodities, it only makes sense to put these surpluses to some practical use. The agricultural export reserve stockpile can be used for a number of purposes.

Reserve stockpiles can be used to compensate overseas purchasers of agricultural commodities on credit for any increase in the value of the commodity while the credit is outstanding.

Stockpiles can also be used to compensate for the high value of the dollar relative to other currencies by buying down the cost of the commodities, thus helping us better complete with world prices.

Stocks also may be used to offset some or all of the interest charges which accrue on credit purchases—another method of increasing the competitiveness of our agricultural exports.

Reserve stock may also help offset some or all of the transportation costs on export sales.

Another use of the reserve stocks may be to counter or offset export subsidies use by other countries.

Stocks can also be used in barter or countertrade transactions or to finance part or all of the cost of facilities or infrastructure in developing countries which enhances the ability of those countries to import U.S. agricultural products.

Finally, reserve stockpiles may be used for overseas sales to obtain foreign currencies to finance foreign trade offices for U.S. exporters.

The Secretary of Agriculture also can acquire and hold strategic or other materials which the United States doesn't produce domestically where there is a need.

Obviously, this measure accomplishes a number of worthy goals, and flexibility of a key feature of the bill. I invite my colleagues' support and cosponsorship of this legislation.

CONGRESSIONAL INVOLVEMENT IN NATIONAL SECURITY POLICY

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. ASPIN. Mr. Speaker, last week I began this series marking the pioneering national security policy hearings of the Armed Services Committee's Defense Policy Panel by discussing why the Congress has paid so little attention to national security policy before it deliberates the defense budget. The day before yesterday I talked about the reasons why ends tend to become so divorced from means—why the objectives of our national security policy tend to become so divorced from the military forces we buy to achieve them. Yesterday I outlined one possible procedure to tie ends and means more closely together. Today I would like to conclude this series with some remarks on the requirements for a proper congressional involvement in national security policy.

If the Congress is to judge the administration's defense budget requests competently, it must understand the underlying national security policy; the Congress cannot judge the rationality of the means if it does not understand the substance of the ends. And the Congress cannot be the prisoner of the administration's chosen national security policy; it must also be able to consider reasonable alternatives to it.

Therefore, the administration's presentation of its annual defense budget request should incorporate a thorough exposition of the underlying national security policy. It should accord at least as much emphasis on arithmetic as on adjectives. And it should cover the same issues that were outlined earlier in this series for the President's consideration during the initial selection of that policy.

Previous defense budget presentations have left much to be desired in that respect. As an example, one of these key issues is the degree of simultaneity of crises in different areas of the world with which we will be prepared to cope. In presenting the administration's FY86 budget request to the Congress, the Secretary of Defense covered the issue of simultaneity first as follows:

> * * * we must have the capability to respond should hostilities erupt in two or more regions simultaneously. The Soviets are fully capable of launching aggression in more than one region at the same time, and U.S. strategy must take account of that fact * * * U.S. strategy provides for the flexible and sufficient application of force to ensure that no area of vital interest is lost by default. Such a strategy simply recognizes that the loss of any vital area would be an encouragement and a springboard for further aggressive acts against us."[1]

While the intended meaning of the adjective "vital" may be open to interpretation, that statement seemed to imply that the administration then based its force requirements on being able to cope with simultaneous contingencies in two or more regions—a position that would call for very much larger forces than we had then or have now. If so, the statement was of major importance. But it was followed on the next page by another statement implying a far less ambitious approach to simultaniety:

> While neither the United States nor any one nation has, or can afford to have, all the forces required for simultaneous, effective defense against major aggression in all areas where the Soviet Union and its allies might launch attacks, we and our allies together must have forces that are strong and flexible enough to respond effectively to the most serious threats to our worldwide interests.[2]

The apparent contradiction between these two statements of fundamental policy was confusing in its own right. But even if the first statement were ascribed to overenthusiasm, and the second taken to represent the administration's true position (its contention that we cannot afford to meet all threats simultaneously is almost certainly correct), it is still of little help to a Congress trying to understand the objectives underlying the administration's proposed budget. If the administration was not preparing to cope with an interval of zero between crises, the question arises as to what interval the administration did have as its objective. That is not a trivial issue; it bears strongly on the requirements for military forces, and particularly for overseas prepositioning, airlift, and sealift.

Beyond the lack of clarity regarding simultaneity, the use of adjectives rather than arithmetic in the statement left many other criticially important issues unanswered:

First, of course the forces had to be "strong and flexible enough", but how strong is that? How many divisions, how many wings, and how many ships would have been "enough" in the administration's estimate? If the statement did not tell us how many, it told us nothing of importance.

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[1] "Report of Secretary of Defense Caspar W. Weinberger to the Congress on the FY 1986 Budget, FY 1987 Authorization Request and FY 1986-90 Defense Programs", February 4, 1985, Part I, Section C ("U.S. National Security Objectives and Defense Strategy"), Page 27.

[2] Ibid, Page 28.

Second, of course "we and our allies together" had to operate as a coalition, but on which allies were we counting to relieve us of the burden of which extra forces that we would otherwise have to build for ourselves? Presumably the administration, in calculating what U.S. forces would be required to carry out its policy, had made some assumption as to offsetting allied contributions. Should not the Congress be privy to that estimate and able to judge its soundness?

Third, of course the forces had to be able to respond "effectively", but what was the administration's criterion of effectiveness? Merely to limit the size of a Soviet victory? Or to restore the status quo ante? Or perhaps to punish aggression by liberating some territory in the thrall of the Soviet Union? In such critically important matters, should not the Congress be aware of the administration's objectives and at least consider reasonable alternatives to them?

And fourth, of course we would want to respond to the "most serious" threats, but, of the many that are possible, which had the administration placed in that category in determining its force requirements? It could well be that the administration and the Congress had very different views on which constituted the "most serious" threats and, thus, very different views on military force requirements and defense budgets. Surely explicit attention to such a consequential issue deserves a far higher priority for the Congress than most of the traditional issues of the defense budget.

There is no intention in citing these particular statements to single out the current administration for special criticism. Statements that are as sweeping as they are vague have been the rule rather than the exception in many past administrations. These very general and largely uninformative declarations may be responsible in part for the paucity of congressional attention to (and probably understanding of) national security policy in considering the annual defense budget.

There are two apparent remedies available to the Armed Services Committees.

First, we can demand that the administration's presentation of its annual defense budget request incorporate a thorough and quantitative exposition of the underlying national security policy, and that that be the first subject on the agenda.

And second, to the degree that the President's report leaves important questions unanswered, the committees can demand that the outstanding points be resolved by administration witnesses before turning to traditional budgetary matters. For the fact is that until the committees understand what objectives are encompassed in the administration's national security policy, there is little point in moving on to consideration of the administration's proposal for the military forces to achieve them.

Both of these remedies are now in process. Regarding the first one, the Goldwater-Nichols Department of Defense Reorganization Act, passed last year, now requires the President to submit, coincident with the submission of his annual defense budget request, a report to the Congress on the national security strategy of the United States. Obviously, that doesn't guarantee a fully satisfactory exposition of the administration's national security policy, and I will have more to say in due course regarding the President's first annual report. But the legislation at least establishes the mechanism for providing the first prerequisite for informed congressional participation in national security policy—a clear exposition of the administration's position.

And as for resolving the unanswered questions through congressional inquiry of administration witnesses, that is precisely the purpose of the hearings by the Armed Services Committee's Defense Policy Panel.

We are, therefore, now on our way toward a long-overdue and constitutionally proper participation by the Congress in national security policy. Mr. Speaker, I believe that this will not only provide a much sounder basis for our deliberations on the defense budget but, even more important, a much sounder national security policy.

SOME THOUGHTS ON U.S. FOREIGN POLICY

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. BEILENSON. Mr. Speaker, I would like to call my colleagues' attention to two articles by my cousin Laurence Beilenson, a distinguished lawyer and historian, which appeared recently in the Orange County Register. In the first, coauthored by Sam Cohen, inventor of the neutron bomb, Mr. Beilenson and Mr. Cohen argue that it is in the vital interest of the United States to stop our meddling in the Persian Gulf area. In the second, Mr. Beilenson discusses the frequent instances in American history when U.S. Presidents have felt it was wise and in the national interest to keep certain Presidential actions from the public. I hope my colleagues will take the time to read these thoughtful comments relating to current foreign policy:

[From the Orange County (CA) Register, Feb. 23, 1987]

THE MINEFIELD OF THE MIDEAST—THE SAFEST APPROACH IS TO NOT ENTER AT ALL

(By Laurence W. Beilenson and Sam Cohen)

Since the Iraq-Iran war began, countries in western Europe have sold about $3.5 billion worth of weapons to Iran and $9 billion worth to Iraq; the communist countries, $5.4 billion to Iran and $24 billion to Iraq. The complaint by Ronald Reagan's critics that his $12 million arms sale to Iran disturbed our allies is therefore wide of the mark. The real mistake of both Republicans and Democrats has been their basic concept of vital strategic territory far from our shores.

When a U.S. president has implemented this policy by military intervention, the results have been damaging to the president in office. The Korean War ended all chances for a second full term for Harry Truman, as did the Vietnam War for Lyndon Johnson. Although the American people were told that these conflicts had to be fought to preserve our vital stategic interests, the outcomes produced an enormous depletion of our economic assets and a rending of our national unity. Our most vital interest would have been served by staying out of these wars.

We continue our basic error. In 1981, Secretary of Defense Caspar Weinberger, in presenting the rationale for the enormous buildup of U.S. conventinal forces declared: "Coventional wars could come in all sizes; if we value our freedom, we must be able to defend ourselves in wars of any size and shape and in any region where we have vital interests. This means developing urgently a better ability to respond to crises far from our shores, and to stay there as long as necessary. The West's dependence on [Persian Gulf] oil means that we must make sure that we can respond effectively to threats in this region." At that time, the Pentagon was moving to substantially expand its Rapid Deployment Force, whose primary purpose was to preserve the flow of Persian Gulf oil if the Soviets tried to cut it off with a military invasion.

What was not broadcast to the American people was the cost of fighting a Gulf war with the Soviets, which the Pentagon estimated as at least a trillion dollars a year. The cost of fighting the war was more than 10 times the value of the oil pumped out of the Gulf each year—to say nothing of the cost in American lives and the danger of the conflict escalating to a nuclear war which would have meant the end of us. We never seem to learn the obvious: our vital interest in the Persian Gulf is to stop meddling there in affairs we have no way of controlling, a meddling that may lead to disaster if we meddle by military intervention.

Our European allies and Japan do have an economic interest—spelled m-o-n-e-y—in the flow of Persian Gulf oil to them. But they have steadfastly refused to provide any realistic level of military forces for protecting their economic interests. So long as there is no diversion of U.S. forces in NATO to Persian Gulf contingencies, our NATO allies are delighted to see a U.S. major military commitment to this region.

The threat the Soviets pose to the flow of Gulf oil has little to do with their vitial interests and even less to do with a Soviet military invasion of the Persian Gulf, presumably beginning with a thrust into Iran, which is the major basis for the U.S. Rapid Deployment Force. If they wished to, starting tomorrow morning, the Soviets could openly threaten to bomb tankers plying the Gulf, which would send insurance prices out of sight and thereby stop the oil flow. If this failed, they could dispatch a Backfire bomber to bomb a tanker—and miss. If this didn't do the trick, they could deny access to the oil facilities by conducting chemical attacks, which they already have done in Afghanistan. The Soviet Union, the world's largest oil producer, has no vital need for Gulf oil: Europe's and Japan's economic need can be denied through Soviet actions far short of direct military invasion.

An additional reason why aid to so-called moderate factions in Iran will not benefit us if "the moderates" attain power is a to-be-expected repetition of a historical pattern. When the Outs have been aided by another nation, the Outs have followed their own national interest when they became the Ins.

Indeed this is but a corollary of another rule enunciated by George Washington in his Farewell Address: "There can be no greater error than to expect or calculate upon real favors from Nation to Nation."

In the nuclear age where a Soviet-American war would probably destroy us, our need to mind our own business has become more pressing. President Reagan's Strategic Defense Initiative is in serious trouble in the Congress, with more and more congressmen demanding that we spend less money on SDI and more on increasing our conventional forces. There is something tragically wrong about this; for these demands are working exactly in the opposite direction of the true vital interests of the United States. Expanding U.S. conventional forces will not enable us to prevent Soviet domination of areas such as the Persian Gulf. The cost of gaining such a conventional capability is far beyond what the American taxpayer is willing to pay; and even were we to gain such capabilities, this still wouldn't succeed in deterring Soviet aggression because of the overwhelming theater nuclear superiority we have allowed the Soviets to achieve. The true vital interests of the United States are in its survival as a free nation in the nuclear age. The only way we can ensure this survival is to have the ability to defend ourselves against nuclear attack, by the SDI and other defensive measures in addition to our deterrent.

We Americans are all in the same boat—Democrats and Republicans, liberals and conservatives. Isn't it time we pulled together in the right direction for our common interest?

[From the Orange County (CA) Register, Mar. 1, 1987]

IS HONESTY ALWAYS BEST POLICY?

(By Laurence W. Beilenson)

The critics of President Ronald Reagan charge that after publicly proclaiming that the U.S. government would not deal with terrorists, he secretly dealt with persons in Iran who were terrorists, and in doing so deceived Congress and the American people. Before reaching a judgment on this charge, we should ask: By what standard should a president be judged in his conduct of foreign affairs?

In affairs abroad, as in private life, even apart from ethics, honesty and truth are the best policy. This assertion, however, cannot be proved by any historical pattern; for from the Greek city states to the present the opposite has been the prevalent practice of all governments. Whenever the ruler believed, correctly or incorrectly, that a contemplated action was in the national interest, the action has been usually taken without regard for whether it involved concealment, deception, or violation of law.

American presidents have followed the same standard in matters far more momentous in their consequences than the somewhat innocuous "opening to Iran" and the small amount of arms shipped there or by the channeling of some of the money to the Nicaraguan contras.

In his private life, George Washington was an upright man. As president, however, he did not hesitate to deceive Congress and the American people or to betray our ally France, without whose help our revolution would have died aborning. He did so because he believed the national interest of the infant United States so dictated.

Washington violated the French-American alliance treaty of 1778, the law of the land, but France forgave the breach, and the alliance was still in effect together with the accompanying French-American commerce treaty, when England and France went to war in 1793, and England used its sea power to throttle republican France, searching and seizing American ships on the high seas. At that time England continued to garrison the forts between the Ohio River and the Great Lakes that it had promised to evacuate in the English-American peace treaty ending the war of the American Revolution.

To settle the controversy Washington sent Chief Justice John Jay to London, where he signed a treaty with England in November 1794, known as Jay's Treaty. Washington kept the terms secret. The treaty violated American treaties with France, the law of the land, and its effect was benevolently neutral to England and highly damaging to France. Jay then deceived James Monroe, the American minister to France, who in turn (innocently on Monroe's part) decieved the French government with the written approval of the American Secretary of State.

The terms of the treaty were kept secret even after the Senate in 1795 consented to the treaty by a vote of 20 to 10, until the Aurora, a Philadelphia newspaper opposed to the administration, obtained and published a copy. When the terms were revealed, the treaty became immensely unpopular. Jay was burned in effigy. Alexander Hamilton was stoned as he spoke in favor of the treaty; French cockades were worn openly in the street. Nevertheless, Washington proclaimed the treaty on Feb. 29, 1796 because he feared war with England would shatter the frail unity of his young nation.

After President Abraham Lincoln's inauguration, he called Congress into session July 4, 1861. Before then, Lincoln had ordered the militia into service and called for volunteers, had tried to relieve Fort Sumter, had in practice suspended the Fugitive Slave Act, and had by executive order suspended the writ of habeas corpus, despite the ruling of the chief justice of the United States that the action was illegal.

President Theodore Roosevelt violated the United States-Colombia treaty of 1846, still in effect in 1903 and the law of the land, to obtain the Panama Canal for the United States. The 1846 treaty granted the United States the right to build a railroad—open to traffic in 1855—across the Isthmus of Panama, a part of Colombia. In return the United States guaranteed to Colombia, "positively and efficaciously," "the rights of sovereignty and property [over the Isthmus] which Colombia has and possesses."

A French company had begun digging the Panama Canal in 1884 under a contract with Colombia. By 1902 it was apparent that the French company would forfeit its rights because it could not complete by 1904. Roosevelt negotiated a contract with the French company to pay it $40 million for its rights, contingent on acquiring title from Colombia, and signed a treaty with President Marroquin of Colombia for title to the Canal strip for $10 million and an annual payment of $250,000, consented to by the United States Senate.

Sentiment in Colombia, as reported to Roosevelt by the American minister, was highly averse to the treaty, and the Colombian Congress thought Colombia was entitled to receive 10 of the 40 million dollars payable to the French company. The Colombian Congress adjourned without ratifying the treaty.

Two days later the U.S. warship *Nashville* appeared off Colon and was ordered to prevent the landing of any Colombian forces. With Roosevelt's connivance, six men proclaimed the independence of Panama from Colombia. The marines landed, and the new Panamian government agreed to the treaty Colombia had rejected. Roosevelt said: "When this government submitted to Colombia the * * * treaty three things were, therefore, already settled. One was that the Canal should be built. The time for delay * * * was past." Roosevelt broke the 1846 treaty because he believed American national interest so dictated.

In November, 1916 Woodrow Wilson was reelected president of the United States on the slogan: "He kept us out of the war," while knowing that we would soon enter the European War in progress. We broke relations with Germany early in 1917.

During the 1940 presidential campaign, President Franklin D. Roosevelt avowed his devotion to peace. In fact, by a series of actions, some public and some secret, he had been trying to get the United States to enter World War II on the British side.

Lesser lights in our own times have not hesitated to act without congressional authorization or to deceive the American people. President Harry Truman took us into the Korean War without congressional authorization. President Dwight D. Eisenhower prepared a secret invasion on Cuba, telling the U.N. Security Council, the O.A.S., and the American people that we were not doing so and were prohibited from doing so by the very treaties we were then preparing to violate. President John F. Kennedy pursued the plan to culminate in the tragedy of the Bay of Pigs. President Lyndon B. Johnson campaigned against Barry Goldwater by saying that Asian boys, not American boys, should fight in Vietnam. Then Johnson took us into the Vietnam War. President Jimmy Carter spoke against the use of force to free the American hostages in Iran while preparing an expedition to liberate them, and when that failed, he ransomed the hostage through back channels.

The wisdom or unwisdom of any or all of these presidential actions is beside the point in judging Reagan. The plain fact is that our presidents have regularly acted in what they believed to be the national interest with little regard for law or ethics.

Judged by experience, the real error of Reagan was not in ethics, but in bad judgment. Reagan's egregious blunder was in not realizing that with so many middlemen necessarily involved, the operation was bound to be exposed and then subject him to an erosion of public confidence.

COMPUTER SOFTWARE RENTAL ACT OF 1987

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mrs. SCHROEDER. Mr. Speaker, today I am introducing the Computer Software Rental Act of 1987 to protect against commercial exploitation of one of our most important and growing industries—the personal computer software industry.

I introduced an identical bill during the last Congress, H.R. 4949. I introduce it again today because we must address the problem of copyright infringement on intellectual properties.

I am privileged to serve on the House Judiciary Committee's Subcommittee on Courts, Civil Liberties and the Administration of Justice, the subcommittee charged with oversight of our copyright laws. In hearing after hearing, this subcommittee has struggled to apply copyright laws, written in a less sophisticated era, to the flood of new technologies and new types of intellectual properties that have emerged in the past few years.

American software developers and publishers are world leaders in innovative computer technologies. The creators of this new intellectual property constitute one of our Nation's most rapidly growing industries and contribute significantly to the American economy. My research shows that there are more than 10,000 companies creating software for personal computers. The industry's trade organization, the Software Publishers Association, estimates that most of these firms are small, with less than 30 employees, and frequently less than 10 employees.

This is very much a small business issue. We have hundreds of small business owners struggling to develop new and useful applications, and competing in the growing computer software market. This is one of our newest and most creative industries. With the rapid proliferation of personal computers, American consumers now enjoy a broad spectrum of software applications.

As everyone who makes backup copies of their computer programs knows, computers make perfect copies in a matter of seconds. Unfortunately, this advantage enables some users to exploit the economic rights of software copyright owners. Thus, we are confronted with a major copyright problem—how to allow the customer the convenience of a back-up copy while preventing the proliferation of illegal copying that threatens the industry's ability to recover and benefit from its enormous development efforts.

I am talking about those who buy a software package and then distribute it by renting or lending without the copyright owner's permission. Under the guise of allowing potential software purchasers to try out the product, these commercial renters charge 20 to 25 percent of the sale price. The computer user then copies the software and returns it to the renter. The rental price, particularly for software selling for more than $100, is simply too high for a consumer to pay for the right to just try it out. On the contrary, it appears to be a thinly disguised scheme to permit the customer to copy and keep the product for 20 to 25 percent of the sale price, with none of the profits going to the copyright owner. This is the practice that my bill targets.

The Software Publishers Association notes that the number of software rental operations, both in storefront locations and through mail orders, have grown very rapidly during the past couple of years. I believe that only congressional action can stop this increasing theft of intellectual property. For that reason, I am today introducing the Computer Software Rental Act of 1987 to require authorization from the copyright owner before one may rent, lease or lend computer programs for commercial purposes.

I realize that there are people with legitimate interests who are not trying to bypass the copyright system and who sincerely believe that customers should be able to test software before making a sizeable investment. The industry has already responded to these concerns. For example, the Nation's fastest growing chain of software stores, Egghead Software, on the west coast, provides preview stations in its stores so that customers can try any software it sells. Other retailers are following Egghead's lead. Sales personnel at chains such as Egghead must learn about the products they sell so that they can identify the right software for a customer's needs. In addition, many software companies offer free or nominally priced demonstration versions of their products.

What all this means is that consumers need not take a shot in the dark when they buy software. Responsible citizens don't have to rent software to get the information they need. The Computer Software Rental Act protects those who develop the software that helps keep America competitive while it protects the rights of computer and software users who want information about the product before they buy it.

The Software Rental Act does not prevent a computer user from making a back-up copy of software. Section 117 of the Copyright Act specifically provides that the user is entitled to make an archival copy of his or her software. This bill does not affect individual use of personal computers in one's home or business.

The act modifies the first sale doctrine of our copyright laws that allows one who has purchased a copyrighted work to dispose of it in any way he wishes—by selling, renting, or giving it away. This rule has worked fairly well, and protects individuals from copyright liability when they lend a book to a friend or sell an old record.

In 1984, Congress passed similar legislation regarding audio records: the Record Rental Amendment of 1984—October 4, 1984, Public Law 98-450, 98 Stat. 1727. That act requires a person who wishes to rent out records on a commercial basis to get permission of the copyright owner in advance. That is simple common sense.

My bill is patterned exactly after the record rental legislation, and addresses the same problems. In fact, software rental erodes copyright protection even more seriously than rental of records or tapes. Unlike duplicated sound recordings, each software copy is precisely equal to the original and can be reproduced easily in a few seconds. Computer software is complex, time consuming, and relatively expensive to produce. A single program may reflect years of arduous work and may sell for several hundreds of dollars.

Our computer software industry is vital. In domestic and international arenas, we all recognize the importance of intellectual property and its advantages to the American economy. Copyright infringement threatens to stifle the kind of entrepreneurial development of software products that contributes to our Nation's economic growth. I urge my colleagues to seriously consider these issues and join me in pushing for this small step to curb the commercial exploitation of computer software copyrights.

THE TRUTH ABOUT TRUST FUNDS

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. FAWELL. Mr. Speaker, last week I addressed the House on a growing, but generally unknown problem: The general fund is increasingly borrowing from trust fund surpluses. This borrowing has the effect of making the annual Federal deficit appear smaller than it actually is. I spoke of the need for "truth-in-advertising" about how payroll taxes, such as the Social Security tax, are being used to finance other functions of Government.

The press is beginning to report on this growing problem. The Chicago Sun-Times printed an excellent column by Jonathan Rauch last Sunday detailing the use of Social Security surpluses. I would like to insert this article in the RECORD.

Mr. Rauch's article focuses on the surplus Social Security funds being borrowed. As I pointed out in my statement last week, this represents just the tip of the iceberg. For example, in 1988 $36 billion in Social Security surpluses will be borrowed by the general fund. However, the total amount borrowed from trust fund surpluses will be $106 billion in 1988.

I ask unanimous consent that the Sun-Times article be included in the RECORD.

[From the Chicago Sun-Times, Mar. 15, 1987]

OUR FISCAL GORILLA

(By Jonathan Rauch)

And now, Plan B for putting the nation's fiscal house in order: Let Social Security take care of it.

Around Washington, people are becoming increasingly aware of a fact that until recently has hovered on the fringes of the fiscal policy debate: The Social Security trust fund is pulling in large and growing annual surpluses, which account for most of the decline in the federal deficit that the Congressional Budget Office now projects.

If things go as expected, these surpluses soon will be a fiscal 800-pound gorilla. It's probably only a matter of time before they begin to create controversy.

"We're already seeing it," said Martin A. Corry, a senior lobbyist for the American Association of Retired Persons. Debate is beginning over whether to allow the two remaining increases in the Social Security payroll tax to go into effect as scheduled in 1988 and 1990.

"The '88 and '90 increases are in some sense precursors to what we will eventually face: the question of what to do about these huge surpluses," Mr. Corry said. "The build-up in the reserve is going to generate a number of proposals."

Beyond the debate about how best to finance Social Security, which accounts for a fifth of federal spending and is easily the government's largest domestic program, lie some difficult questions about the implications of running large surpluses in the trust funds while running large deficits in the finances of general government.

The proceeds of the Social Security payroll tax will, by law, be lent to the rest of the government, thus becoming a key source of finance for other programs.

"Social Security is a big cloak protecting other programs," said former Social Security Commissioner Robert M. Ball, "not so much because of the surplus now but because of what the surplus is going to be."

Because the payroll tax hits poor and middle-class workers hardest, this effectively would mean using a regressive tax to finance part of the general government. (Social Security benefits, by contrast, are distributed progressively, offsetting the regressive nature of the tax.) If that doesn't sound good, consider the alternative; setting the Social Security surplus to one side and trying to balance the budget exclusive of it—already a hard job, and one that will be monumental by the early 1990s, when the trust fund surplus is projected to be $70 billion.

Some analysts, particularly conservatives, worry that large Social Security surpluses will mask a dangerous imbalance in the finances of general government, giving Congress a false sense of fiscal security. The potential result, they argue, is a federal government that finds itself gravely overcommitted in the middle decades of the next century, when the annual trust fund surpluses begin to decline and then turn to deficits.

John F. Cogan, of Stanford University's Hoover Institution on War, Revolution and Peace, who was a senior official in the Reagan administration's Office of Management and Budget, said: "The concern I have is that the surplus will be used in much the same manner that defense reductions were [in the 1970s]. It'll be used to finance a large number of other domestic programs throughout the next decades."

With Social Security, as with the windfall from defense cuts in the 1970s, the well will eventually dry up; the nation would then be confronted with massive fiscal disequilibrium and the prospect of a huge tax increase, Cogan said.

You can flip the same coin over, though, and find grounds for viewing the situation more positively. It may be, as some analysts believe, that the most likely alternative to financing general government with Social Security surpluses is to finance it by going to the borrowing window—that is, by running still-higher deficits. If that is the case, runs this line of thinking, then thank heaven for Social Security; better, after all, to finance government with the payroll tax than by borrowing.

Either way, many observers fully expect Congress to rely on the Social Security surpluses in its effort to get the budget deficit down. In the 1985 Balanced Budget Act, Congress specifically set that direction.

Paul C. Light, director of studies at the National Academy of Public Administration and author of "Artful Work: The Politics of Social Security Reform" (Random House 1985), says that a likely use for the Social Security surpluses will be to bail out the Medicare program, whose finances are headed for the rocks.

"If you leave the Social Security trust fund alone over the next 10 years, there's no way the Government is not going to spend it," Mr. Light said. "It's a lot of money, it's a tax that's already in place, you don't have to do anything to use it. I don't expect to see it accumulate and be held in sacred trust."

At the moment, surpluses are not a political issue. But the question of whether to allow the scheduled 1988 and 1990 increases in the payroll tax to go into effect may soon become one.

Rep. Jack Kemp of New York, a candidate for the Republican presidential nomination, has been exploring the subject. "One thing which can and should be re-examined," he said in a recent speech, "is the large tax increase scheduled to take place in 1988–90."

His spokesman, John Buckley, summarized Rep. Kemp's thinking: "If we can afford a payroll tax cut, we should have one."

One rationale for reducing the payroll tax is that Social Security would do best to adhere to its old pay-as-you-go principles, with lower tax rates now and higher ones later.

In a recent paper, Robert J. Myers, who was staff director of the commission that put together the 1983 package of Social Security reforms, made this case, arguing that the buildup of massive reserves in the system might create a dangerous temptation to liberalize benefits.

In a 1984 paper, economist Alicia H. Munnell, of the Federal Reserve Bank of Boston, and Lynn E. Blais, another Fed economist, made a similar argument. "On balance," they concluded, "it would be preferable to maintain the Social Security system on a pay-as-you-go basis, with a trust fund (reserve) large enough to weather a serious downturn in the economy."

Other people, such as Peter J. Ferrara, a Social Security consultant to the Heritage foundation are calling outright for the payroll tax increases to be canned. "Today's workers have provided generously for the elderly," Mr. Ferrara wrote last month in the New York Times. "It's time to give them a break by eliminating the unnecessary 1988 and 1990 payroll tax increases."

Killing the planned tax increases would shrink, though still not eliminate, the projected surpluses—if the economy grows steadily. If it doesn't, as Mr. Ball and others who regard the scheduled tax increases as necessary point out, annual surpluses will be negligible, and the trust fund won't build up a sufficient reserve to see it through hard times.

"You need the '88 increase for safety," Mr. Ball said, "We'd be too close to the line [without the increase] if we didn't have good economic growth."

With steady growth and both of the planned tax increases, the surpluses will get very large very fast. According to the Social Security actuaries' current projections using a mid-range economic forecast, the trust fund surplus will reach about $100 billion by 1995; by the turn of the century, almost $200 billion. (By then, the total reserve will have reached $1.3 trillion.) The numbers are big even in the very short term, before 1990.

One of three things, or a combination of the three, must eventually happen to those enormous surpluses: They will never actually materialize, because the law would be changed to return the excess funds to the taxpayers or to increase benefits; or they will be applied against the deficit, potentially sticking future taxpayers with a crushing bill when the baby boomers retire; or they will be set to one side, requiring Congress and the president to attempt to balance the budget without them.

Policymakers could always choose to do the latter. It would be painful, though: Taking Social Security out of the deficit totals would make the budget-balancing job more difficult by upwards of $40 billion in 1989, which is the last thing that anyone in Washington is in the mood to cope with just now.

Indeed, Congress has already clearly signaled its feelings on the matter: The 1985 Balanced Budget Act removed Social Security from the unified budget for all purposes except calculating the size of the deficit. In other words, lawmakers explicitly said that Social Security trust fund surpluses will count toward reducing the deficit.

"You hear the phrase a lot, 'Oh, we're on a downward [deficit] path,'" says Barry Bosworth of the Brookings Institute. "If you take the Social Security surplus out of those estimates, you do not see a decline in the deficit by any significant amount."

So the rising trust fund surpluses, and the payroll tax revenues that drive them, figure to play a key role in reducing the federal budget deficit. To borrow a phrase from former Budget Director David A. Stockman it may save our fiscal lunch—for now.

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NATIONAL SEA GRANT COLLEGE PROGRAM

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. LOWRY of Washington. Mr. Speaker, today I am introducing legislation to reauthorize the National Sea Grant College Program. Sea Grant is dedicated to the national goal of promoting the understanding, development, utilization, and conservation of ocean and coastal resources, including the Great Lakes, through university-based research, education, and advisory services.

The Sea Grant College Program is patterned after the Land Grant College Program which was established in 1862. This highly sucessful program is comprised of a core of 30 Sea Grant colleges and institutions. However, since the enactment of the Sea Grant Improvement Act of 1976, 254 institutions of post-secondary education, 27 elementary or secondary school systems, and 26 nonprofit institutions with marine-related educational and research missions have actively participated in the program. These institutions are located in 39 States.

The National Sea Grant College Program is a successful investment in the marine sector of the national economy. This investment has produced new ideas, economic benefits, and skilled personnel. The program has been cited many times as one of the most efficient, cost-effective programs of the Federal Government.

Continuation of Sea Grant is essential. New opportunities and demands for sustained Sea Grant effort are growing out of priority national policy areas such as the increased understanding of our Nation's exclusive economic zone, outer continental shelf resource development, fisheries development, Great Lakes and estuarine water quality questions, as well as the increasing need for global ocean monitoring to better understand the entire question of ozone depletion in the Earth's atmosphere. The Nation needs a stable and adequate base of support for the fundamental, long-term Sea Grant research that is the basis for scientific and technological advance in support of economic development.

This bill reauthorizes the program for 5 years. The basic program authorization for fiscal year 1988 is $50 million. The authorization increases in increments to $62 million in fiscal year 1992. In addition, the bill:

Initiates a Strategic Research Program which will identify and focus on key priorities for research;

Initiates a new post-doctoral fellowship program; and

Authorizes funds for the establishment of institutes or centers for Resource Management and Marine Affairs.

Passage of this legislation is essential for the United States to maintain a leadership position in ocean research. I look forward to working with other members of the Merchant Marine and Fisheries Committee and other Members of Congress to develop the best legislation possible to continue the work of this important program.

NATIONAL AGRICULTURE DAY

HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. BRUCE. Mr. Speaker, on Tuesday, March 10, Agriculture Committee Chairman KIKA DE LA GARZA introduced a resolution recognizing March 20, the first day of spring, as National Agriculture Day. I applaud this action and wish to remind my colleagues of the significant importance of our Nation's agriculture industry.

Established in 1973, National Agriculture Day has been designed to promote better understanding between agriculture-related groups and the urban public, and to promote a broader national understanding of the vital role agriculture plays in the welfare of all Americans.

America's farmers provide food and fiber for millions around the world and jobs for nearly 25 million workers in the United States. Today the output of one farmer feeds 116 people, including 30 people in other countries. With only 2 percent of our population engaged in farming the output is staggering. About one-fifth of all agricultural goods in world trade originate on American farms. We exported more than $26 billion worth of commodities last year which provided a $5 billion agriculture surplus in our international trade balance.

Every $1 billion of farm commodities exported creates 30,000 jobs. But what farmers purchase to produce their commodities also creates employment for other Americans. According to statistics published recently by a national farm organization farmers use 6.5 million tons of steel requiring the efforts of 40,000 workers. Even if a family does not have a worker employed in an occupation related directly to agriculture, America's farm effort hits every home in food availability and cost.

An annual increase in farm production has come to be taken for granted, but in the early decades of this century farm production was almost on a treadmill. Agricultural production in the United States rose nearly 1 percent per year from 1910 to 1930. It rose an average of 1.5 percent annually in the 1930's, 2 percent in the 1940's, 2.2 percent in the 1950's, 1 percent in the 1960's; from 1970 to the record production realized in 1981 it has had an average annual increase of over 3 percent according to USDA'S most recent statistics.

An ever increasing level of production does not come by accident. Agricultural research and education play an important role in the vitality of farm output. 4-H, Future Farmers of America, and other agricultural youth organizations contribute greatly to the ability of the agricultural industry to meet the challenges of the future. Through these organizations young people are being prepared for over 200 different careers related to agriculture. We must not lose sight of agricultural education's importance if American agriculture is to continue prospering.

I call upon all segments of the agriculture industry—from the farm to the supermarket checkout counter, from those who grow and harvest our crops to the men and women who process them into food and clothing, from those who furnish farm production supplies to thsoe who transport our commodities to hundreds of millions of people in this country and around the world to join in the celebrations and observances planned in communities across the country on Agriculture Day, March 20, 1987.

NATIONAL IMMIGRANTS DAY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. LIPINSKI. Mr. Speaker, it is with great pleasure on this St. Joseph's Day that I, along with 67 original cosponsors, have introduced a resolution to designate October 28, 1987, as National Immigrants Day. Senator DECONCINI introduced a companion measure in the Senate Tuesday.

Since October 28, 1886, the Statue of Liberty has welcomed immigrants to the shores of our country. The Mother of Exiles is famous the world over as a symbol of the freedom, hope, and opportunity to be found by all who come to America. It is for this reason that I have chosen her anniversary this year as a time to honor our Nation's immigrants.

Last year, National Immigrants Day fell on the Fourth of July, coinciding with the relighting of the Statue of Liberty's torch. Independence day was all the more special in 1986 as America celebrated its freedom and paid tribute to its immigrants on the same day.

America is a nation of many peoples. Our history cannot be discussed apart from mention of those who have come to our country from abroad. America's first immigrants, those colonists who settled Jamestown, VA, reflect the spirit of all immigrants. Those brave colonists came to a strange, unknown land in order to live and worship freely. And while they were not prepared for the often harsh conditions which greeted them, they persevered, and with hard work and determination created a legacy for all who have followed.

From all walks of life and from every geographical area of our country, immigrants for centuries have been a vital component of America's growth and development. As a nation of immigrants we are an example to the world of a country in which people of all backgrounds and heritages are able to pursue their dreams and aspirations freely.

I invite my colleagues to join me in honoring our immigrants by cosponsoring this joint resolution. The text of the resolution follows:

H.J. RES. —

Whereas the Statue of Liberty has been the symbol of freedom, hope, and opportunity for millions of immigrants since the people of France dedicated the Lady of Liberty to the people of America on October 28, 1886;

Whereas the Statue of Liberty serves as a reminder to all that the United States is a nation of immigrants, a nation of nations;

Whereas the Statue of Liberty is a lasting memorial to the immigrants who have made America great;

Whereas millions of immigrants settled throughout the vast territory of the United States, and supported the ideals of independence and liberty;

Whereas the torch held by the Statue of Liberty serves as a beacon of freedom that lives in the soul of every American;

Whereas on October 28, 1886, the Statue of Liberty began to greet immigrants who came to America in pursuit of their dreams; and

Whereas it is only fitting that we set aside October 28, 1987, as a day of celebration to honor the immigrants welcomed by the burning torch of the Lady of Liberty to this land of freedom: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 28, 1987, is designated as "National Immigrants Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such day with appropriate ceremonies and activities.

LIST OF NID COSPONSORS AS OF MARCH 18, 1987

1. Annunzio, Frank.
2. Berman, Howard.
3. Biaggi, Mario.
4. Bilbray, James.
5. Borski, Robert.
6. Boxer, Barbara.
7. Brennan, Joseph.
8. Bustamante, Albert.
9. Coelho, Tony.
10. Conyers, John, Jr.
11. Crockett, George.
12. Dannemeyer, William.
13. Daub, Hal.
14. De Fazio, Peter.
15. de la Garza, E.
16. de Lugo, Ron.
17. DioGuardi, Joseph.
18. Dornan, Robert.
19. Dwyer, Bernard.
20. Dymally, Mervyn.
21. Espy, Mike.
22. Fascell, Dante.
23. Fazio, Vic.
24. Fish, Hamilton.
25. Frank, Barney.
26. Frost, Martin.
27. Fuster, Jaime.
28. Garcia, Robert.
29. Gonzalez, Henry.

30. Gray, Kenneth J.
31. Hayes, Charles.
32. Hertel, Dennis.
33. Horton, Frank.
34. Howard, James.
35. Kolter, Joe.
36. Kostmayer, Peter.
37. Lagomarsino, Robert.
38. Levin, Sander.
39. Lungren, Dan.
40. McGrath, Raymond.
41. McMillen, Thomas.
42. Manton, Thomas.
43. Martinez, Matthew.
44. Mrazek, Robert.
45. Murphy, Austin.
46. Oakar, Mary Rose.
47. Owens, Major.
48. Pashayan, Charles.
49. Patterson, Elizabeth.
50. Rangel, Charles.
51. Richardson, Bill.
52. Rinaldo, Matthew.
53. Rodino, Peter.
54. Roe, Robert.
55. Russo, Marty.
56. Savage, Gus.
57. Schumer, Charles.
58. Smith, Lawrence.
59. Sunia, Fofo.
60. Torricelli, Robert.
61. Towns, Edolphus.
62. Vento, Bruce.
63. Walgren, Doug.
64. Waxman, Henry.
65. Weiss, Ted.
66. Wolf, Frank.
67. Wortley, George.

TRIBUTE TO HON. LIONEL WILSON

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. DELLUMS. Mr. Speaker, one of the truly dedicated and committed public officials to emerge from the city of Oakland, CA, will be honored in a gala evening tribute on March 23, 1987. The honoree is the mayor of Oakland, the Honorable Lionel Wilson, a brief sketch of whose outstanding accomplishments I would share with my colleagues on this date.

Mayor Wilson was born in New Orleans, LA. At the age of four his family moved to Oakland where he attend public schools and graduated from McClymonds High School. He subsequently received his Bachelor of Arts degree in Economics from the University of California, Berkeley, and his Juris Doctor from the Hasting College of Law. He served in the European Theatre of Operations during the Second World War.

After his law school graduation Mayor Wilson practiced law in Oakland and became involved in many civic affairs. He was a founding member of the Charles Houston Bar Association which recently honored him with the Benjamin Travis Service Award for his many years of service to the legal profession. Mayor Wilson became the first black judge to serve in Alameda County, and served with distinction in the Municipal and Superior Courts for 16 years. He served as chair of Oakland's Anti-Poverty Board for 5 critical years, and distinguished himself by his service to innumerable civic and professional organizations.

He was elected mayor of Oakland in 1977; his tenure has been notable for the major development of its downtown area and the transformation of the city to what he proudly hails as a Renaissance City.

It pleases me to join in this impressive celebration of Mayor Wilson's magnificent career as a public servant, to congratulate the mayor on his extraordinary accomplishments, and to wish him the very best of success for the future.

SALUTING THE ILLINOIS VOICE OF DEMOCRACY CONTEST WINNER

HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. HASTERT. Mr. Speaker, each year the Veterans of Foreign Wars and its ladies auxiliary conduct the "Voice of Democracy" broadcast scriptwriting contest. This year more than 300,000 high school students participated in the contest competing for seven national scholarships.

The theme of this year's event was "The Challenge of American Citizenship." The winning contestant from each State came to Washington for final judging.

I am very proud that the winner of the Illinois competition resides in the 14th Congressional District. She is Lara Michelle Dasso of West Chicago, a senior at St. Francis School in Wheaton.

Lara has served as editor-in-chief of her high school paper and has been a contestant in the Voice of Democracy competition for the last 3 years.

As a former history and government teacher, I was particularly impressed with this contest because it gives our youth an opportunity to reflect on the meaning of the freedoms we enjoy in this great country of ours.

I would like to share with my colleagues the winning entry from Illinois:

THE CHALLENGE OF AMERICAN CITIZENSHIP

(By Lara Dasso, West Chicago, Ill.)

The wind howls around the small log home and the crackling fire in the hearth warms the lone figure in the wooden rocking chair. The woman glances around the room for her sewing basket. She sighs and starts her work by carefully placing the thread through the needle.

She creates the first stitch between the narrow strips of red and white material. She takes another stitch and then another.

Soon, her work will unfurl proudly in the wind. A flag of bold stripes, bright stars, a pattern not very complicated, but a strong symbol of our nation.

The challenge for Betsy Ross that evening so long ago was to draw those elements together from fragments of cloth and to create the familiar stars and stripes.

American citizenship, it seems to me, is very similar to the task that confronted Betsy Ross that evening over 200 years ago.

American citizenship cannot be purchased and it cannot be taken for granted. It must be painstakingly sewn and carefully maintained. It consists of many elements that when brought together, much like those bits of cloth, make up a very cherished thing:

TO BE AN AMERICAN CITIZEN

American citizenship may, at times, be a major challenge.

The challenge that faces a young soldier on the battlefield or a Marine as he holds his ground to an angry mob at one of our embassies.

The challenge that a legislator must face when he votes for what he knows is right, even though it may be unpopular or against his Party Line.

The challenge that faces a citizen who stands alone against big business or corrupt government.

These are the major challenges that must be met to keep our beautiful flag out of the mud, and held high in the wind!

Sometimes, however, the danger is not that the flag and all it stands for, will be dropped, the danger is that it may become tattered or worn. American citizenship more often consists of small challenges that wear away at the fabric. A "stitch" here and a "stitch" there.

The challenge to be an informed and caring citizen.

To stand up against prejudice and social injustice.

To simply care for your fellow man.

To defend anothers right to speak, even though you may disagree.

If we see things done that remove a stitch or that frays an edge, then we must mend it.

The original flag has certainly served us well although it is now quite different. Part of its endurance and part of the greatness of this country has been the ability to change.

The challenge to accommodate many different people, customs, and beliefs.

The challenge to be the leader of the free world.

Hopefully, we will meet the ultimate challenge and preserve world peace and prevent nuclear war.

The sun is setting outside that little cabin, but the woman in the rocking chair will continue to work through the night. In the morning the nation will have its flag, the flag that we so proudly display, that we salute, and the symbol that brings us together in times of crisis.

The challenge now is to preserve it carefully, lovingly. We must not allow it to become tattered or worn.

The challenge is to hold it, and the ideals for which it stands—high and proud!

HISTORIC PRESERVATION FUND REAUTHORIZATION

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. VENTO. Mr. Speaker, I am introducing legislation today to extend the authorization for the Historic Preservation Fund. This fund which has helped preserve much of the tangible evidence of our Nation's heritage, has been attacked these past years by the administration as unnecessary. But we all know that an appreciation of our heritage begins with our own roots, and that the State and local components of that heritage have an integral role in developing a national appreciation for our heritage, as well as in documenting that heritage through the structures, landscapes, and artifacts of previous generations. I have not been pleased by the administration's repeated efforts to gut the Historic Preservation Act by recommending zero appropriations from the Historic Preservation Fund. Such an approach to funding for historic preservation seems to deny the importance of these key elements of our heritage.

I believe that we must be very careful in how we spend our scarce Federal dollars. Each and every project should be able to bear close, even severe, scrutiny. At the same time, we must remember that national security comes not only from military hardware, but also, and even more, from an understanding of who we are as people—as Americans—and of how we came to be this amazing Nation. The tangible evidence of that past, that so surrounds all of us wherever we live, can provide us with some appreciation of our heritage and our particular place in the family of nations. Without such evidence of the past, we too easily succumb to passing fads and handy solutions to genuine problems. With such evidence we can appreciate our predecessors' lives and contributions.

Historic preservation, like national parks, has the potential to do this for us. But these resources from our past once lost are lost forever. They do not regenerate. If we do not protect these past resources in a careful way, those generations that follow us will not have the advantages of understanding we have gained. It is our responsibility to provide for the continued care—for the preservation—of our history. Providing for the reauthorization of the Historic Preservation Fund is one step in that process.

ADMINISTRATION'S SUGAR PROPOSAL LEAVES SOUR TASTE

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. TRAXLER. Mr. Speaker, an official of the U.S. Department of Agriculture recently described the no-cost provision of the current sugar loan program as troublesome.

That provision, which we put in the legislation when we exended the program as part of the 1985 Farm Act, simply directs the President to "use all authorities available—as is necessary to enable the Secretary of Agriculture to operate the sugar program—at no cost to the Federal Government—by preventing the accumulation of sugar acquired by the Commodity Credit Corporation."

I suspect anyone who finds that provision troublesome believes the response to any challenge must include a massive infusion of Federal tax dollars.

My suspicions have been strengthened over the last several weeks as details of the administration's plans to change the sugar program have been carefully leaked to the press. According to reports, the administration's proposal will rescind the no-cost provision and will add some $1.5 billion to the taxpayers' burden.

The administration conducted a well-orchestrated media blitz attacking the sugar program and, more than a week ago, put the final touches on its proposal to change it. The problem now, I understand, is trying to find someone to introduce it in Congress.

Members are faced daily with the hard reality of budget deficits and the need for fiscal restraint and are not anxious to became identified with a proposal changing a no-cost program to one with a hefty price tag.

No doubt somebody will be found to introduce the bill, but when it happens I hope it gets all the attention and consideration it deserves. None.

LEGISLATION TO CORRECT OMISSION FROM TARIFF SCHEDULES

HON. WES WATKINS

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. WATKINS. Mr. Speaker, I have today introduced a bill which is designed to correct an omission from the tariff schedules for steel and wire products. This "accident" has adversely affected a plant in my district with a resultant disadvantage to jobs and economic growth.

Fence panels are a carbon steel wire product classified in Item 642.8020 of the Tariff Schedules of the United States ("TSUS"). This item is not included in the list of products covered by the arrangement negotiated pursuant to the President's Steel Program. Other omissions include TSUS Item 642.8010 ("welded wire concrete reinforcement mesh"). The omission of some wire products from the President's program was simply an oversight and was not the result of a deliberate exclusion.

The arrangement coverage "list" was developed by U.S.T.R. from the product description of the Bethlehem Steel Section 201 Petition filed in January 1984. Indeed, the list of wire and wire products by TSUS number in the arrangements is identical to the list of products covered by the section 201 investigation. I have furnished to the House Ways and Means Subcommittee on Trade attachments which show a comparison. Therefore, products which Bethlehem may have omitted, such as fence panels and welded wire fabric, were not included in the list that was adopted by U.S.T.R., although there is absolutely no logic to their exclusion. For example, the wire products immediately above and immediately below both fence panels and welded wire fabric in the TSUS sequence are included in the coverage list, as are barbed wire and wire fencing.

The President's Steel Program was designed to be inclusive of all steel products except stainless steel, which was already covered under another quota arrangement. In announcing his decision in the Bethlehem Steel section 201 investigation, the President first unveiled his program of "import relief for the U.S. industry producing carbon and alloy steel products." Import Relief Determination: Communication from the President of the United States, House Document 98-263, 98th Cong., 2d Sess. (1), Sept. 18, 1984. In testimony before the House Committee on Energy and Commerce in March 1985, Ambassador Lighthizer stated that the arrangements "cover all steel products except those already under quota as a result of the 1983 specialty steel 201 action." R. Lighthizer, testimony before the Committee on Energy and Commerce, U.S. House of Representatives, March 19, 1985, at 6.

The exclusion of products that logically should have been included in arrangements coverage was, at first, not apparent due to the fact that U.S.T.R. did not publicly disclose either the draft arrangements text or the draft product coverage list as the initial agreements were being negotiated. On the other hand, once the first arrangement was negotiated, it was difficult to change the coverage list with respect to subsequent arrangements because U.S.T.R. was reluctant to add another complication to the negotiating environment.

In summary, the exclusion of fence panels and welded wire fabric was entirely accidental. There was no logical or conceptual basis for including certain wire products, but not others, aside from the fact that the drafters of the Bethlehem Steel petition, for whatever reasons, simply failed to include them in the product list for purposes of the section 201 petition.

Mr. Speaker, the purpose of my bill is to correct this accident.

KENYAN HUMAN RIGHTS VIOLATIONS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. PORTER. Mr. Speaker, Kenyan President Daniel arap Moi recently met in private with President Reagan to discuss Kenya's alleged human rights violations. During the same visit, according to a Washington Post article, Secretary of State Shultz confirmed strong United States-Kenyan ties and "side-stepped" questions on human rights.

Kenya's pro-Western, pro-growth and anti-Communist philosophy makes this country an East African role model. Nonetheless, we cannot ignore this country's human rights abuses.

Recent findings report repeated torture of political dissidents by Kenya police to coerce confessions during the past year. Two affidavits presented to the Attorney General's Office describe naked suspects confined in dark cells partially filled with water and beatings with whips, pieces of wood, rulers and rubber straps.

Mr. Speaker, while Kenya is one of our strongest allies in Africa, I hope we don't "side-step" questions on human rights. Our reputation and the longer term stability of Kenya depend on freedom and respect for human rights in East Africa.

WORLD FOOD DAY RESOLUTION

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. LELAND. Mr. Speaker, today I am joining my colleague from New York, the Honorable BEN GILMAN, in introducing a resolution to name October 16 as "World Food Day." World Food Day was instituted by the Food and Agriculture Organization to mobilize awareness and support for the long-term effort needed to overcome world hunger and malnutrition. We in Congress have a crucial role to play in ensuring that the U.S. Government and the U.S. people work together to address these serious concerns.

Hunger affects hundreds of millions of people. Over 15 million lives are lost annually due to malnutrition-related illness and death. An estimated 40,000 people die daily from the effects of hunger. And in the United States, the 20 million people who live in poverty are at daily risk of hunger.

Hunger in its starkest reality is manifested in the wasted bodies of children living in war-torn Mozambique. We must respond to these desperate and immediate needs. However, World Food Day also calls attention to the chronic hunger of those hundreds of millions who, while not visibly starving, are still leading lives of hunger, sickness, and reduced physical and mental capability.

As chairman of the Select Committee on Hunger, I have been honored to be a part of many important initiatives supported by Members of Congress and the American people to reduce hunger. Last year the Child Survival Fund of AID was increased to $75 million, allowing for expansion of basic health care services to millions of malnourished childen and their mothers. Furthermore, additional funding for agriculture projects targetted to people in the poorest countries, particularly in Africa, was made available through the International Fund for Agricultural Development [IFAD] and the International Development Association of the World Bank.

On the domestic front, we have been successful in our efforts to allow poor and homeless people in this country access to additional food assistance in nonprofit soup kitchens and shelters through the Food Stamp Program. Also, the House of Representatives just passed legislation to authorize over $700 million in additional assistance for homeless persons. This will greatly help groups to meet the needs of the poor and unemployed, many of whom are children and single parents. This year we will be working hard to ensure that the Women, Infants and Children [WIC] Program, which targets food benefits to poor children and pregnant and breastfeeding women, will have adequate funding.

These are important milestones in our battle to alleviate hunger and the conditions which perpetuate hunger. However, we are very far from eliminating hunger in our world. In 1974 the first World Food Conference was convened by the United Nations in Rome. The conference adopted recommendations and pledged to eliminate hunger within 10 years. The failure to achieve that goal is self-evident. Clearly the task is difficult and requires more than rhetoric. It requires hard choices and sacrifice. I call on each of my colleagues to assist in achieving this goal.

END HUMAN RIGHTS VIOLATIONS IN IRAN

HON. TOM DeLAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. DELAY. Mr. Speaker, human rights violations and persecution due to religious beliefs is a serious matter. Abundant evidence from key intelligence agencies illustrates the ongoing and flagrant disregard for human rights in Iran. Under the dictatorship of the Ayatollah Khomeini, these violations continue to be recorded. I firmly believe that we must speak out—it is our duty to hold these practices up to world scrutiny. I have a deep concern for all oppressed people and believe that fair and humane treatment of every individual must be a common goal of all countries.

Many innocent people have died under the Ayatollah Khomeini's rule. Additionally, the ongoing war with neighboring Iraq has cost both sides hundreds of thousands of lives. We in Congress must do our part in an attempt to end this bloody rage. Many of my constituents have been directly affected by the ongoing turmoil in Iran—through family and friends who are still in the country—and it is extremely important to them and to me that efforts be stepped up to pressure an end to the fighting.

It is quite clear that the Iranian people oppose the continuation of this war. It is also quite obvious that the Ayatollah will only understand the language of world pressure. If pressured continuously and persistently, I believe he will succumb to accepting a long-term peace settlement. This is in the best interest of everyone in the international community. It is a nobel effort I believe we should be engaged in.

SALUTE TO ALEXANDER BUTCHER

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. TOWNS. Mr. Speaker, I wish to draw the attention of my colleagues to the birthday of Mr. Alexander Butcher, who has resided in my congressional district in Brooklyn, NY for 25 years. Mr. Butcher celebrated his 99th birthday on January 16, 1987, and is being honored at a special service at the First African Methodist Episcopal Church, on Sunday, March 29, 1987.

Alexander B. Butcher was born on January 16, 1888, to John Butcher and Mary Archer Butcher on the beautiful island of Barbados. At the age of 12 he left home, without the consent of his parents, to help his family financially and to make a better life for himself. He went on to Panama where he worked on the construction of the Panama Canal.

Shortly after the outbreak of World War I he met and married Maude Carmen Spence, a native Panamanian. As World War I heightened, Alexander, though not an American citizen, volunteered to fight on the side of the Allies, but was deferred due to familial consideration, having one son and expecting another. Unfortunately, his son died in infancy and the second son died at birth. In 1920, a third son was born in the Panama Canal Zone, making him the only American in the family. Alexander's first daughter was born in 1921.

In 1923, Alexander brought his family to this country, seeing in the United States the potential to realize his dream of providing a good life for his family. Alexander's second daughter was born in the United States, in New Orleans, LA.

After the death of his wife in 1924, Alexander and his family moved to New York City, where opportunities for employment and economic advancement were greater. Soon after arriving in New York City, Alexander Butcher and his family filed papers to become naturalized citizens of the United States.

Though the Great Depression took its toll on this widower with three children, Alexander was, nonetheless, able to support and educate his family, and continue to provide financial assistance to his mother and two sisters in the West Indies by working odd jobs at the Works Progress Administration [WPA].

In the late 1930's Alexander bought his first family home in Brooklyn, NY. During the 1940's he became a self-employed contractor and then bought a second home also in Brooklyn.

Alexander Butcher has spent these many years supporting and nurturing his own family and extending to his neighbors the love of a caring and supporting father. His commitment as a member of the First African Methodist Episcopal Zion Church reflects to us the love of God.

At age 99, Alexander Butcher is living independently with a little help from his family, takes daily walks, attends church regularly, and ponders the development of his family which numbers 17 grandchildren including a doctor, an investment banker, a hospital administrator, and electrical engineer, a financial consultant, a law enforcement officer, an entrepreneur, and several legal and administrative secretaries. There are also 20 great-grandchildren who are all doing very well in school.

Mr. Speaker, I am certain that all of my colleagues will want to join with me in saluting Mr. Alexander Butcher on the occasion of his 99th birthday. Certainly, his exemplary life serves as an inspiration and a shining example to us all.

TRIBUTE TO REAR ADM. SAMUEL G. FUQUA

HON. PATRICK L. SWINDALL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. SWINDALL. Mr. Speaker, I would like to take a moment to pay tribute to Rear Adm.

Samuel G. Fuqua of Atlanta, who passed away on January 27, 1987.

Mr. Fuqua received the Medal of Honor for heroism at Pearl Harbor. On that dreadful December 7, 1941, the then lieutenant commander acted with "utter disregard for his own safety" in order to save the lives of others. The battleship USS *Arizona* was hit by a torpedo bomb and a huge explosion lifted the ship out of the water and killed 1,000 men instantly. Mr. Fuqua was the senior surviving officer aboard, and organized firefighting teams to keep the flames away from the wounded lying on the deck awaiting lifeboats. He later gave the command to abandon ship and left in the last boat with all the dead he could carry to save them from the fire.

Seventeen years after the bombing of Pearl Harbor, Mr. Fuqua appeared on the "This Is Your Life" television program. The host, Ralph Edwards, appealed to viewers to send contributions for a fitting memorial honoring those killed on the *Arizona*. Private gifts totaled $275,869 and Congress and the Hawaii Legislature added $250,000. The USS *Arizona* Memorial opened in 1962 with the sunken battleship designated a national cemetery.

Mr. Fuqua also won the Legion of Merit, the Navy's seventh-highest award, for his service in the Pacific. After retiring in 1953, he was advanced to the rank of rear admiral for his numerous combat citations.

It is a privilege for me to pay tribute to this heroic man, who in the face of disaster was a true courageous and selfless leader.

A TRIBUTE TO ROBERT WRIGHT

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. FAZIO. Mr. Speaker, I rise today to pay tribute to Mr. Robert Wright, a resident of Vacaville, CA and an outstanding citizen. Recently, Mr. Wright received the Silver Beaver Award from the Boy Scouts of America at a special recognition banquet. The Golden Empire Council of the Boy Scouts of America selected Mr. Wright for his many years of outstanding service to youth.

The Silver Beaver Award is the highest honor a Council can bestow upon a veteran scouter such as Bob Wright. It is a very coveted honor, one which Bob Wright fully deserves. In addition to serving in the U.S. Air Force for nearly 29 years, he has devoted much of his spare time to volunteering with the youth in his community.

Today, Bob Wright has another reason to be proud. On this day, his grandson will become a Boy Scout and follow in the footsteps of his grandfather. I am sure that this young man would be proud to carry on with his grandfather's long standing tradition of community service.

Mr. Speaker, I am sure that my colleagues will agree that Bob Wright more than deserves the Silver Beaver Award. I join his family and friends in honoring him for his many years of outstanding service to youth and wish him many healthy and active years to come.

RESOLUTION TO DESIGNATE THE WEEK OF MAY 10-16, 1987 AS "SENIOR CENTER WEEK"

HON. ELIZABETH J. PATTERSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mrs. PATTERSON. Mr. Speaker, today I am introducing a resolution to designate the week of May 10, 1987 through May 16, 1987 as "Senior Center Week."

The first senior center opened in New York City in 1943. Today, over 8,000 senior centers help 5 million Americans nationwide remain a vital part of our towns and communities. These centers provide a variety of services, from counseling to employment information, as well as social and recreational opportunities.

In addition, senior centers also help maintain and improve the health and well-being of our Nation's elderly population. For that reason, the National Institute of Senior Centers' 1987 theme is "Plan on Living the Rest of Your Life."

Under the Older Americans Act, Congress recognized the value of multipurpose senior centers as a place where older Americans could receive health and legal services. Once again, we should join together in declaring Senior Center Week as part of the proclamation for Older Americans Month.

UNFAIR JAPANESE TRADE PRACTICES

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 19, 1987

Mr. MATSUI. Mr. Speaker, trade with Japan, particularly trade in high-technology products, has become an issue of great importance in the 100th Congress. One industry that has been particularly subject to unfair Japanese trade practices is the United States semiconductor industry.

In September 1986 the United States and Japanese Governments signed the agreement between the Government of Japan and the Government of the United States of America concerning trade in semiconductor products. In return for Japanese pledges of increased access to the Japanese market and avoidance of dumping, the administration waived the imposition of dumping duties in two antidumping cases and suspended a section 301 investigation.

Unfortunately, Japanese companies have continued to dump semiconductors in third country markets and foreign companies' access to the Japanese market has shown absolutely no improvement. These Japanese violations of the agreement continued despite repeated consultations between the United States and the Japanese Governments.

Given the critical importance of the United States semiconductor industry to the United States future in high technology, it is imperative that we not sit idly by and allow this industry to be further eroded by continued Japanese unfair trade practices. The Japanese Government has failed to fulfill its commitments under the agreement. It is time for the U.S. Government to take action.

I believe that the faithful implementation of the commitments and objectives of the agreement is the only effective means of addressing the twin problems of market access and the prevention of dumping in semiconductor trade with Japan. Therefore, I would like you to join with me in supporting the resolution that calls for the President to immediately take action under section 301 of the Trade Act of 1974 to enforce the semiconductor agreement and prevent further violation of it.

SENATE—*Friday, March 20, 1987*

(Legislative day of Tuesday, March 17, 1987)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable GEORGE J. MITCHELL, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

God of truth and justice, our prayer today is in the familiar words of a 19th-century prayer by Josia Gilbert Holland (1819-81).

God, give us men! A time like this demands:
Strong minds, great hearts, true faith and ready hands;
Men whom the lust of office does not kill;
Men whom the spoils of office cannot buy;
Men who possess opinions and a will;
Men who have honor; men who will not lie;
Men who can stand before a demagogue;
And damn his treacherous flatteries without winking!
Tall men, Sun-crowned men, who live above the fog;
In public duty and in private thinking;
For while the rabble, with their thumbworn creeds;
Their large professions and their little deeds;
Mingle in selfish strife, lo; freedom weeps;
Wrong rules the land and waiting justice sleeps.

Amen.

RECOGNITION OF THE MAJORITY LEADER

The DEPUTY PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the distinguished Republican leader, Mr. DOLE, be reserved for his use later in the day.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STEVENS. Would the Senator allow me to use just a few moments?

Mr. BYRD. Yes. Mr. President, I ask unanimous consent that any time not used by the distinguished acting Republican leader, Mr. STEVENS, be reserved to a point later in the day.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE ACTING REPUBLICAN LEADER

The DEPUTY PRESIDENT pro tempore. The acting Republican leader is recognized.

Mr. STEVENS. Mr. President, I thank my good friend.

AMERICAN ART IN THE U.S.S.R.

Mr. STEVENS. Mr. President, just 2 weeks ago, the Senate approved a resolution commending the purpose and organizers of an American art exhibit now touring the Soviet Union. The exhibit, entitled "An American Vision: Three Generations of Wyeth Art," focuses on the work of three of our Nation's finest artists—N.C. Wyeth, his son Andrew Wyeth, and his grandson James Wyeth.

On Sunday morning when I got up, I turned on the television and there was my friend, Jamie Wyeth, in Leningrad, coming to us on Charles Kuralt's morning program "CBS Sunday Morning." I was delighted to see that, and asked for a copy of the statement that Jamie Wyeth made there.

At the opening of the exhibit in Leningrad at the historic Hermitage—one of the handful of truly great art museums in the world—Jamie Wyeth addressed the Soviet Academy of the Arts. Much has been said of the benefits of cultural exchanges, but Jamie's comments shed new light on the role of art in improving relations between the United States and the Soviet Union. I ask unanimous consent that the text of his comments be printed in the RECORD following my remarks.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

(See Exhibit No. 1)

Mr. STEVENS. Mr. President, I hope that the leaders of the Soviet Union take Jamie's words to heart.

Let me quote just one of the statements that he made. He said:

> Painting, music, dance, literature are not themselves the tools of politics—and should not be—but they do set yardsticks of aspiration, standards of excellence, and emblems of humanity. It is my fervent hope that the work of my family, that this exhibition, in some small way, will contribute to a world of better understanding and peace.

I commend the full statement that was made by our distinguished artist, Jamie Wyeth, to the Senate.

Their new policy of Glasnost and their recent proposals on arms control have raised expectations throughout the West. If they are sincerely seeking a new relationship with us and their own people, then there is a good chance that the world can be made a safer place for art, artists, and the rest of us.

EXHIBIT 1

STATEMENT BY JAMES WYETH TO THE U.S.S.R. ACADEMY OF THE ARTS IN LENINGRAD

Let me first say that my father sends his warmest best wishes to his friend Boris Ugarov. Of course, my father is in the enviable and perhaps wiser, position of letting his work speak for him. Nonetheless, I am here, and I am very pleased to be here.

My excitement about this exhibition is multi-layered. Number one, I, quite simply, wanted to see how my grandfather's work, my father's work, and my work would look in this great 18th century building. Russian painting has had a great influence on me. For years, I have studied the work of your great Russian painters, such as Repin and Serov—and to be hanging in the same building with them is, indeed, an honor worth traveling 5,000 miles to see.

The second point—Rockwell Kent, an American painter I much admire, had a special affinity with Russia—and not just politically. We have had our share of political intolerance in the United States. But all those considerations, and particularly in Rockwell Kent's case, pale when one sees his work. Ironically, here is a great American painter whose work is perhaps better understood by the Russian people. So my coming here, in a very personal way, is my salute to him and his work.

And there is a third point I wish to raise. In a world of increasing tensions, more and more a common language becomes essential to co-existence. And I feel, without question, that common language is art. I have not come here to expound a political point of view, nor have I come with a pretense that this exhibit has any political meaning. But I am aware that there is a juncture in your history. There is a new ferment, a new leadership, and a fresh intellectual and cultural environment. The decision by our governments to renew and intensify cultural exchange in many fields of artistic expression is an indication of this. And we all know that cultural vitality and openness here and in my country surely helps—even if it cannot insure—the creation of conditions for political settlements and understandings

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

to which both our peoples aspire. And even when political and arms accords are not immediately tangible, the artist and the performer can at least maintain the essentials of human discourse and mutual appreciation of common values. Though we may approach a performance by a Horowitz or a Nureyev, a symphony by Prokokiev or a ballet by Balanchine from different perspectives and life experiences, each speaks to us all. Each has a national echo, but each reaches beyond specific time and place.

In the first genuine cultural exchange between the United States and the Soviet Union after World War II, this was dramatically illustrated when George Gershwin's "Porgy and Bess" came here during the late fifties. As an art form, it was distinctly American; the themes conveyed in its music and words dealt with issues still unresolved within our own country. The condition and rights of blacks were still a major conflict in American society. Yet it was truly a work that found an audience here, and which carried a universal message. Since then, there have been countless artists from your country and ours, and many orchestras, ballets, performing companies who have achieved similar status. I know that I speak for many in emphasizing the hope that our cultural interchange will again become regular, natural, and mutually appreciated. Art and cultural values deserve a life which does not oscillate with the vagaries of political change. I suppose the artist should not pretend that he or she can settle political tensions and differences between nations. But when art does not flourish, when barriers are erected to prevent the flow of knowledge and cultural expression, then we can be sure the progress toward political settlements is weakened. Painting, music, dance, literature are not themselves the tools of politics—and should not be—but they do set yardsticks of aspiration, standards of excellence, and emblems of humanity. It is my fervent hope that the work of my family, that this exhibition, in some small way, will contribute to a world of better understanding and peace.

Let me close by saying that this particular cultural exchange would not have been possible without the hard work and support of the Brandywine River Museum (of Chadds Ford, Pennsylvania). The hard work and support of AT&T (of the world), the support of the President of the United States and in particular Nancy Reagan, and last, but not least, the support of the Academy of the Arts of the U.S.S.R. To all of you—I, my father, and the spirit of my grandfather are deeply indebted.

Thank you.

Mr. STEVENS. As indicated, Mr. President, I ask unanimous consent that the balance of the time of the leader be reserved.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. BYRD. Mr. President, the meeting of the Commerce Committee will occur at 10 o'clock this morning. And it will report out the resolution containing the technical corrections in respect to the highway legislation. That resolution will be called up today. I intend to make the effort to call it up. I hope that it can be called up. I hope it can be disposed of. There may be rollcall votes. In the meantime, the Senate will resume debate on the motion to proceed to take up the moratorium on further Contra spending until there is an accounting of moneys already spent.

I hope that—perhaps I should not say I hope. I would wish for a vote on the motion to proceed but I have my doubts that that will occur today. A cloture motion was entered on yesterday which will mature on Monday of next week at which time there will be a vote on that motion to invoke cloture on the motion to proceed to the moratorium resolution which has passed the House of Representatives.

I intend to offer another cloture motion today. A vote on that motion will mature on Tuesday next.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The DEPUTY PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes with statements therein limited to 5 minutes each.

Mr. PRESSLER addressed the Chair.

The DEPUTY PRESIDENT pro tempore. The Senator from South Dakota is recognized.

PHYSICAL FITNESS AMONG AMERICA'S YOUTH

Mr. PRESSLER. Mr. President, I would like to speak about what I consider to be the condition of physical fitness among America's youth as a serious problem that deserves our attention.

Ironically, in a country that appears to be in the midst of a fitness craze, too many children suffer from a lack of physical fitness. Our Nation's athletes continue to dominate on the international level, yet many youths are physically unfit. Despite the establishment of the President's Council on Physical Fitness and Sports in 1956, and the existence of other organizations that promote regular participation in sports and exercise programs, no improvement in the physical fitness of youth has occurred over the past 10 years. In many cases, a deterioration has been documented.

Mr. President, that is very interesting because everywhere we turn we hear about diets, physical fitness, running, and so forth. The fact of the matter is that scientific studies indicate that, as a nation, we are becoming less physically fit, especially among youths.

These assertions have been too clearly confirmed by statistics from several studies conducted to measure levels of youth fitness. According to a 1984 Public Health Service study, which randomly measured students aged 6 to 17 for basic fitness skills, an alarming number of children and adolescents possess little physical endurance, strength, or flexibility. An in-depth study completed in 1986 by the President's Council on Physical Fitness revealed that less than one-half of the boys and girls tested could demonstrate what experts consider average upper body strength as measured by pullups and chinups. Similarly, 50 percent of the girls tested and 30 pecent of the boys could not run a mile in less than 10 minutes. When one considers the fact that most adults can walk a mile in 11 minutes without straining, these youth fitness statistics are even more discouraging.

The danger of a child's lifestyle that includes too much junk food and very little physical exercise or exertion is not just unfitness, but the high risk of serious health problems as adults. Obesity is the most common problem. A Los Angeles Times article of May 9, 1986, by Jeff Meyers entitled, "Kids Earn a Resounding F in Fitness" published assessments drawn from an examination of 1,500 fourth graders in Los Angeles in 1983. Dr. Joseph Cullen, a member of the UCLA research group which conducted the study, found that nearly half of the fourth graders examined exhibited at least one major risk factor of either heart disease, arteriosclerosis, stroke, high blood pressure, high cholesterol, or obesity.

A study soon to be published in the American Journal of Diseases of Children reports that the proportion of children who are obese has risen by more than 40 percent in the last 15 years. Through a test in which the skin is pinched and its thickness measured, obesity is shown to have risen by 54 percent among children age 6 to 11 and 39 percent by children age 12 to 17. The myths about outgrowing this "baby fat" have also been dispelled by statistics that show 80 percent of obese children become obese adults. I find it very distressing that so many children possess factors like obesity which can lead to very serious diseases later in life. What is more, even if an unfit child joins the fitness boom as an adult, the damage already done may be irreversible.

Why are our children in such bad shape and, more importantly, what can be done to reverse this trend? I believe one of the major factors contributing to the problem is the American glamorization of professional athletes or Olympic participants into superstars. Our country is very proud to claim some of the finest competitive athletes in the world. However, this emphasis on excellence in competitive sports may be harming the average child. Many children are not adept at competitive sports, yet many school physical education classes seem to be geared to the athletically gifted.

The national children and youth fitness study, the first nationwide assessment and most vigorous study every conducted in the United States, found that the typical student spends the largest portion of physcial education class time on the following five activities; basketball, baseball or softball, volleyball, touch or flag football and calisthenics. This focus on sports, rather than physical fitness, fails to provide children with skills and activities that can be done by one or two persons and which are more likely to be incorporated into the life fitness patterns of the average person.

The instruction of competitive sports and games in school physical education classes is due, in large part, to the replacement of physical education teachers or specialists with lay teachers. Budget-cutting measures in State education systems often begin with the physical education department to retain funding for the basics. The result is teachers who received little or no college training in physical fitness being required to conduct gym classes, another major contributor to the problem. The start-stop activity of sports and games does not provide the continuous physical exertion that produces the maximum benefit from exercise. Experts endorse activity using the large muscle groups in dynamic activity which utilizes at least 60 percent of a persons cardiorespiratory capacity for 20 continuous minutes as the most effective type of exercise. Instructors of physical education must be carefully equipped with this knowledge and the skill to teach children the importance of sustained activity.

Finally, the American lifestyle, complete with video games and television, has become too sedentary. Many consciousness raising articles have been published on the dangers of this trend to adults. However, these warnings have not been extended to our children who are spending fewer hours in active play. Life-style patterns, including nutrition and fitness, are established by the time a child reaches the sixth grade. Without instruction, training and encouragement from parents, teachers and health professionals, the unhealthy lifestyle patterns that affect the incidence of coronary heart disease, dangerous levels of cholesterol, and diabetes will continue.

A commitment should be made to better educate parents and children on the necessity of good nutrition and effective exercise habits. Many schools may need to reevaluate their physical education programs and make lifetime physical fitness habits part of the total education package presented to our children. The President's Council on Physical Fitness and Sports and other organizations must be diligent in their efforts to provide accurate information on exercise and nutrition programs to schools and community physical education centers.

Mr. President, it is my strongest feeling that the President's Council on Physical Fitness and Sports must take note of these facts because they are primarily charged with providing the leadership.

I would have to say that we are losing the battle when the average person is not participating in a fitness program. At a time when news reports and magazines are talking about the fitness craze, the fact of the matter is that America's youths are more obese and out-of-shape than in the past.

Children must be taught that competition with oneself, not with teammates, is really most important when it comes to fitness. Just by participating and measuring one's improvement, everyone can be a winner, and the physical fitness of American youth will become stronger again.

Mr. President, I yield back the remainder of my time.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The DEPUTY PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

DO AMERICANS SUPPORT OR OPPOSE SDI?

Mr. PROXMIRE. Mr. President, will SDI—the strategic defense initiative or star wars play a significant role in the coming 1988 Presidential and congressional elections? Some have urged the President to make star wars the final crowning issue of his Presidency. They have said the President could rebuild his diminishing support, that he could end his administration on a rising affirmation of public approval. They say he could sweep his Republican Party into the 1988 elections on a rising tide of public approval. He could do all this, they say, by making SDI the big central issue of his Presidency. Is this true? Does the American public support SDI? Will it win converts on the President's cause? Will it carry a Republican nominee for President who supports SDI into the Presidency in 1988? Could it elect Republicans to the House and Senate in 1988?

A quick glance at the polls over the past 3 or 4 years shows why SDI supporters are so enthusiastic about public support of their cause. The polls also show why these SDI enthusiasts may be wrong. The responses to polls have changed little over those years. But responses depend primarily on how the question is asked. For example, last December, the respected Gallup polling organization asked the following question:

> Some people feel the U.S. should try to develop a spacebased "Star Wars" system to protect the U.S. from nuclear attack. Others oppose such an effort because they say it would be too costly and further escalate the arms race. Which comes closer to your view?

Fifty-two percent favored star wars. Forty percent opposed it. Eight percent had no opinion.

In the same month, a Los Angeles Times poll simply asked:

> Do you favor or support President Reagan's anti-missile defense project, often referred to as star wars?

Fifty-one percent favored. Thirty-one percent opposed.

In October of 1986, 3 weeks before the 1986 congressional election, NBC News and the Wall Street Journal conducted a poll asking the following question:

> Do you think it is important to elect members of the Congress who will support President Reagan on the development of star wars, or don't you think so?

Fifty-three percent answered yes. Thirty-eight percent answered no. But in the ensuing congressional elections, Democrats, not Republicans, picked up seats in both the House and the Senate.

A year earlier, the Harris survey framed the question in the context of SDI versus arms control. Here was the question:

> If it came down to only these choices, what should the United States do—work to develop a Star Wars system and give up negotiating an arms control agreement, or work to negotiate a reduction in nuclear missiles and give up Star Wars?

The response: Develop star wars, 31 percent; negotiate 49 percent.

Way back in April of 1983, the Washington Post and ABC television asked a cross-section of Americans if they knew of a proposal by President Reagan "that the United States develop defensive military weapons using lasers and particle beams to shoot down enemy missiles." The pollsters followed up with the question:

> Do you favor or oppose developing such defensive weapons, or what?

Result: Fifty-four percent favored SDI. Thirty-seven percent opposed.

Two years later, in July of 1985, the Post-ABC poll described SDI weapons as ones that "could destroy nuclear missiles fired at the United States by the Soviet Union and other countries." Then it added:

> Supporters say such weapons could guarantee protection of the United States from nuclear attack and are worth whatever they cost. Opponents say such weapons will not work, will increase the arms race, and that the research will cost many billions of dollars. How about you: would you say approve or disapprove of plans to develop such space based weapons?

Result: Fifty-three percent disapprove. Forty-one percent approve. Six percent undecided.

Post reporter Barry Sussman helped frame that question which had included two arguments for SDI and three against. So Post-ABC tried a third version, omitting the opponents' argument saying "such weapons will not work." Result: A standoff—48 percent in favor; 46 percent against. So the same survey organization came up with all three of the three possible results in three different polls on star wars. One showed public opinion favoring SDI. One showed public opinion opposed to SDI. One showed a standoff.

In each of these polls, there are constants. Republicans tend to favor SDI. Democrats oppose SDI. Men favor SDI. Women oppose SDI. Those who trust President Reagan's judgment tend to favor SDI. Those who do not tend to oppose SDI.

So why is public support for SDI likely to fade? Two reasons: Since the recent Iran arms-sales-for-hostages fiasco, the President has lost considerable support. He has lost something else even more dramatically. That is public trust in the President's judgment that spells trouble for SDI.

The second reason SDI is likely to lose popular support is the overwhelming opposition to it by the best qualified independent scientists. A poll of the physicists, the mathematicians, the engineers who are members of the most prestigious and elite scientific group in this country, the National Academy of Science, showed an overwhelming consensus of experts—true experts that SDI could not survive a Soviet attack any time within the next 25 years. The vote: 4 percent thought SDI could survive. A smashing 80 percent thought it could not.

That is 20 to 1. And this is not the man or woman in the street. This is from the most distinguished group of experts in the SDI technology in the world. That expert opinion is bound over time to influence public as well as congressional opinion, against SDI.

Mr. President, I ask unanimous consent that an article from the Washington Post of October 25, 1985, headlined "On Star Wars: It All Depends on How You Ask the Question," written by Barry Sussman, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ON "STAR WARS," IT ALL DEPENDS ON HOW YOU ASK THE QUESTION

(By Barry Sussman)

A one-question public opinion poll in preparation for the Reagan-Gorbachev summit meeting this week:

Which of the following statements about President Reagan's Strategic Defense Initiative—SDI, or "Star Wars"—would you say is correct:

a) Most Americans favor it.

b) Most Americans oppose it.

c) The public is about evenly divided.

d) All of the above.

The correct answer, impossible but true, is "d", all of the above. The public is strongly supportive, strongly opposed and evenly divided, depending on which poll you read, or rather, how the question is worded.

This confusion could emerge at the summit.

"Even if I wanted to drop SDI now," President Reagan might argue, "the American people wouldn't let me. Here's an opinion poll by the Committee on the Present Danger showing that 78 percent of them want development of SDI, and 73 percent want it deployed in the United States if we get it developed."

To which Soviet leader Mikhail Gorbachev might reply, "Nyet. Here is a Los Angeles Times poll that shows by two to one that Americans think Russians are threatened by Star Wars. That is correct. Here is also a Washington Post-ABC poll that says Americans want fewer weapons, not more. Russians also want fewer weapons."

"Let me see that poll. Aha! Look at the wording of the question!"

"Wording of the question? A poll is a poll, no?"

No. Put SDI in a favorable light—say by telling people only that it will destroy enemy missiles—and a large majority of Americans favor research, development and deployment.

Point out the arguments against it—such as a potential for increasing the arms race, the enormous expense involved and the concern of many scientists that SDI will not work, and the response comes out the other way.

I should know. The Washington Post-ABC News Poll, which I help design and analyze, has tried several variations of the Star Wars question and come up with the results that were expected.

Back in April 1983 (yes, the idea has been around that long) The Post and ABC asked a random sample of Americans if they had "heard or read of a proposal by Reagan that the United States develop defensive military weapons using lasers and particle beams to shoot down enemy missiles," and followed up with the question, "Well, do you favor or oppose developing such defensive weapons, or what?"

The result: 65 percent had heard or read of SDI: 54 percent favored it, 37 percent were opposed and 9 percent undecided. Helping create the overall favorable response, no doubt, were words such as "defensive weapons" and "enemy missiles."

This year, in July, the Post-ABC News poll tried a different formulation. Describing SDI weapons as ones that "could destroy nuclear missiles fired at the United States by the Soviet Union or other countries," the poll made this inquiry:

"Supporters say such weapons could guarantee protection of the United States from nuclear attack and are worth whatever they cost. Opponents say such weapons will not work, will increase the arms race, and that the research will cost many billions of dollars. How about you: Would you say you approve or disapprove of plans to develop such spacebased weapons?

The result that time: 53 percent disapproved, 41 percent approved and 6 percent were undecided—a reversal from the earlier survey.

To me, as one who helps frame the question, the wording seemed fair; it gave the basic pros and cons. But I was concerned about the cadence of the question, how it may have been heard over the telephone. It had two arguments on one side—guaranteed protection/worth the cost—and three on the other—may not work/increase arms race/cost billions.

In October we tried a third version, similar to the second but omitting the part about opponents saying "such weapons will not work."

That took care of the rhythm but only at the expense of leaving out one of the main arguments against SDI. The new result: 48 percent in favor, 46 percent opposed, 6 percent undecided—a virtual stand-off.

Thus the same survey organization, the Post-ABC News poll, came up with three different results on Star Wars. All are valid, as far as they go. But all fail to give a rounded picture of public opinion on a matter of extreme national importance.

Nevertheless, opinion analysis are not totally in the dark about national perceptions of Star Wars. Some findings seem constant and quite enlightening.

For one thing, each of the Post-ABC News surveys has shown a startling gender gap. In the October survey, with its overall 48-46 split, men were overwhelmingly in favor, by a 61-to-36 percent majority; women were almost as strongly opposed, by 56 to 37 percent. There may be other issues that divide the sexes that much, but none comes to mind.

Similarly, SDI at this stage is about as highly politicized as an issue can get: Democrats opposed it by 63 to 32 in the October poll; Republicans favored it by 64 to 31 percent. The earlier Post-ABC News surveys also found an enormous partisan split.

Numbers such as these suggest that many Americans are not really focusing on the pluses and minuses of Star Wars as a shield against nuclear attack. If they were, there would be no such gross difference between Republicans and Democrats.

What we have today seems more a referendum on Reagan's judgment that anything else. What the polls show is that Republicans and most men have faith in Reagan's instincts about SDI; most Democrats and most women do not.

Mr. PROXMIRE. I yield the floor. I suggest the absence of a quorum.

The DEPUTY PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

ARLENE MITCHELL—MOBILIAN OF THE YEAR

Mr. HEFLIN. Mr. President, I am delighted to rise, today, to announce that Mrs. Arlene Mitchell has been named as the Mobilian of the Year for 1986. Mrs. Mitchell is the first woman ever to receive this award since it was established in 1949, and I wish to congratulate her on this honor. She is an extremely deserving recipient, and I know that her husband Mayer, her family, her friends, and all the citizens of Mobile are very proud of her.

Mrs. Mitchell has provided remarkable service to the community of Mobile and, indeed, to our whole State for many, many years. Her tireless efforts have benefited countless people and have improved and enriched the lives of all. She has made many worthy contributions and the example of her involvement should be noted and emulated by everyone.

Throughout her life, Arlene Mitchell has devoted her great energies to a wide array of organizations and causes which affect almost every aspect of the lives of the citizens of Mobile and of Alabama. She has been a strong supporter of education at every level, she has been very active in health organizations, and efforts which provide assistance both to sufferers and families of sufferers of diseases, and she has worked to improve the arts in Mobile and in Alabama.

Mrs. Mitchell's work in the field of education has had an incredible impact both in the community of Mobile, and throughout the State and Nation. Her efforts as the president of the Mobile Preschool for the Sensory Impaired have helped to provide young children with unlimited educational opportunities, thus giving them an important advantage in overcoming any disadvantage and helping to ensure that they will lead full, productive, and happy lives. She has also supported numerous colleges and universities throughout Mobile, AL, and the Nation. A scholarship fund has been established in her name at Mobile College, and she has also provided assistance to Spring Hill College, the University of South Alabama, the University of Alabama, as well as several others.

Mrs. Mitchell's efforts on behalf of the arts are of equal importance. They are apparent through her work as a board member of the Fine Arts Museum of the South, and as a member of the Art Patrons League. She has also been a supporter and member of the Mobile Arts Council, the Mobile Opera, Art and the Alabama Woman, and of Symphony Concerts of Mobile. Her support of this field has resulted in an increased awareness among people of all ages of the arts in our society, and it has enabled an exposure to arts which was previously unavailable.

Additionally, Mrs. Mitchell has dedicated herself and her time to over 20 health organizations, including the Alabama Eye and Tissue Bank, the Alzheimers Disease Family Support Group, the American Cancer Society, and the American Heart Association among many, many others. This is, perhaps, one of the most important and unselfish of her efforts, for many, many people have been comforted and strengthened in a time of suffering, sorrow, or need.

Mr. President, the example of community involvement that Mrs. Mitchell has made is something that all should note and strive to emulate. Though it is sometimes difficult for many to find the time to volunteer their services or to otherwise work to serve the people, Arlene Mitchell has demonstrated the good which can be accomplished when an extra effort has been made. I have not even begun to list all of her contributions or achievements—to actually do so would be impossible as they are so numerous—but her record of service, of care, and of dedication to the people of Mobile, and of Alabama is apparent. She richly deserves the Mobilian of the Year Award for 1986 because she has taken the time to care. I commend her efforts and salute her for her many accomplishments.

Mr. President, I ask unanimous consent that the attached newspaper articles be printed in the CONGRESSIONAL RECORD.

There being no objection, the articles were orderd to be printed in the RECORD, as follows:

ARLENE MITCHELL FIRST WOMAN TO BE NAMED MOBILIAN OF YEAR

(By Royce Harrison)

Thirty-eight times since the first Mobilian of the Year was named in 1949, men have received the honor. Representatives of Mobile-area civic, charitable and professional organizations broke the tradition Wednesday by choosing Arlene Mitchell, president of the Mobile Community Foundation, as Mobilian of the Year for 1986.

Brushing a tear from her eye when a delegation from the Mobile Civitan Club brought the news to her shortly after noon, Mrs. Mitchell professed to being speechless for the first time in her life.

"I'm just very flattered. I don't know that I deserve it," she said. "One person, as all of you know, doesn't make the honor or do all of the work."

She was chosen on the first ballot in the MOY selection process, perhaps setting another precedent. A longtime member of the Civitan Club, which sponsors the annual selection, said he doesn't remember any other first-ballot winner.

It usually takes three ballots to decide the recipient, said Civitan Club President Obie Dean.

Representatives of more than 100 organizations—a diverse group that included the Current Drift Scuba Club and the Mobile County Medical Society—determined the outcome. Each organization cast one vote. The rules mandate a decision by simple majority, Dean said.

Mrs. Mitchell said she never pictured herself receiving the honor in her wildest imagination and didn't know she had been nominated until Tuesday afternoon when her husband, homebuilder Mayer Mitchell, told her.

The other nominees were Irene Adams, Phillip D. Drane, Jack Edwards, Dr. Samuel Eichold, Dr. Philip P. Gilchrist, Robert A. Guthans, Philip W. Kaiser Jr., Francis H. McConnell, Abraham A. Mitchell, Ron Prado, Leon Taylor, Dr. Frederick P. Whiddon and Beverly R. Wilson Jr.

Mrs. Mitchell will be honored at a banquet tentatively planned March 20, Dean said.

She serves on the Mobile Area United Way Child Substitute Care Committee and the board of directors of Senior Citizens Services. She is a primary leader of Camp Rap-a-Hope, a camp for children fighting cancer.

She has supported or participated in numerous organizations and institutions, including local and out-of-state colleges and universities, associations which promote the arts and groups that assist people in need.

A member of the Dauphin Street Synagogue Sisterhood, Spring Hill Avenue Temple and several organizations serving Mobile's Jewish community, Mrs. Mitchell has supported St. James Major Catholic Church, Julius T. Wright School, UMS Prep School and the Spring Hill Presbyterian Church School for Special Children.

"Mrs. Mitchell is a gracious lady who volunteers willingly of her time and support to numerous charitable efforts in Mobile," said Robert J. Williams, vice president of the Mobile Community Foundation.

She served as president of the Mobile Preschool for the Sensory Impaired and supports at least 20 health and welfare organizations, such as the Ameican Cancer Society, the Alabama Eye and Tissue Bank, the Bay Area Food Bank and Penelope House.

"Just to be nominated was an honor," Mrs. Mitchell said. Aware that she is the first woman selected for the honor, she said, "I feel doubly proud and privileged, and grateful to whoever nominated me."

ARLENE MITCHELL MOBILIAN OF YEAR

(By Royce Harrison)

Arlene Mitchell, president of the Mobile Community Foundation, was selected this morning as Mobilian of the Year for 1986.

A contributor to and supporter of numerous civic, cultural and charitable programs, Mrs. Mitchell was chosen on the first ballot in the MOY selection process, in which more than 100 Mobile-area organizations cast one vote each.

Fourteen people were nominated, and today's selection could mark the first time in the 39-year history of the event that a winner was selected on the first ballot, according to a long-time member of the Mobile Civitan Club, which sponsors the annual selection.

The Civitan Club will honor her at an MOY banquet tentatively planned March 20, said Obie Dean, president of the club.

Mrs. Mitchell, the wife of homebuilder Mayer Mitchell, serves on the Mobile Area United Way Child Substitute Committee and on the board of directors of Senior Citizens Services, and is a primary leader of Camp Rap-a-Hope, a camp for children battling cancer.

She is credited with supporting and participating in a wide range of organizations and institutions, including a number of schools and universities, religious organizations, associations which promote health and the arts, organizations which assist people in need and a service organization for the elderly.

"Mrs. Mitchell is a gracious lady who volunteers willingly of her time and support to numerous charitable efforts in Mobile," said Robert J. Williams, vice president of the Mobile Community Foundation.

Under her leadership, the foundation has more than doubled its assets, thereby increasing its support to more than 100 nonprofit organizations in the county, Williams said.

The other nominees were Irene Adams, Phillip D. Drane, Jack Edwards, Dr. Samuel Eichold, Dr. Philip P. Gilchrist, Robert A. Guthans, Philip W. Kaiser Jr., Francis H. McConnell, Abraham A. Mitchell, Ron Prado, Leon Taylor, Dr. Frederick P. Whiddon and Beverly R. Wilson Jr.

A TRIBUTE TO DR. JACK C. HUGHSTON

Mr. HEFLIN. Mr. President, I am delighted to rise, today, to pay tribute to Dr. Jack Chandler Hughston, who was born in Lauderdale County, AL. Dr. Hughston has made outstanding progress in research and treatment in the field of orthopedic medicine. His work has touched the lives of thousands and has resulted in the complete recovery of injuries which would otherwise have been permanently crippling. Dr. Hughston is presently the chairman of the board of the Hughston Sports Medicine Hospital which is located in Columbus, GA.

As I have said, Jack Hughston was born and raised in Alabama. He graduated from the Riverside Military Academy, and then received his bachelor of science degree from Auburn University. He received his medical degree from Louisiana State University and then served an internship at Charity Hospital of New Orleans. After that time, he served as a captain from 1944 until 1946 in the U.S. Army Medical Corps, and then worked on what is now his specialty at the Duke University Orthopedic Training Program.

Dr. Hughston is recognized throughout the world as a leading specialist in orthopedic medicine. From 1948 until the present, he has authored or coauthored over 55 publications, and has written 1 book. His primary focus has been on bone and ligament injuries in the joints. Though these are most common among athletes and are called sports injuries, they are suffered as well by thousands who are not injured on the playing field. Dr. Hughston's sports medicine hospital and orthopedic clinic have attracted patients from throughout the Nation and even from other countries. It is the sports orthopedic center for America and the world.

Jack Hughston has always held a great love for sports. As a student at Auburn he became an ardent football fan. He has been the team's physician and has traveled with the Auburn Tigers across the country and to many bowls. His cry of "War Eagle" is frequently heard during a crucial down or after an Auburn score and particularly in the dressing room after an Auburn victory. Jack is loved and respected by the coaches and players of all sports at Auburn. Yet this respect and love is not limited to those at Auburn, but is held by college and professional players of all sports throughout the world who have been his patients. I might add, as well, that fans throughout the world owe a real debt to Jack Hughston, for he has healed many of their favorite stars.

One of Dr. Hughston's most notable accomplishments in the work he has done in surgical techniques. He has performed wonders with the use of arthroscopic surgery, which is a surgical technique used to examine and treat conditions within the joints that are often caused by injuries. Many of these conditions involve knees, shoulders, elbows, and ankles. With the use of an instrument called an arthroscope, the surgeon is able to visualize and perform a thorough examination of the damage in the joint. Much of the damage discovered can be treated without opening the joint. The surgeon is able to guide small instruments into the joint while watching with the arthroscope. Once the instruments are inserted, the surgeon can remove or repair torn cartilage, remove loose bodies, trim bone spurs or smooth roughened joint surfaces. A variety of electronic equipment is used in arthroscopic surgery. This allows the joint, as seen through the arthroscope, to be viewed on a TV screen. A miniature lens system and fiber optic light source illuminate the inside of the joint and carry the image from the interior to the outside. A TV camera less than the size of a cigarette pack attaches to the arthroscope and projects the image onto a colored TV monitor. Once inserted, the arthroscope can maneuver around and examine the interior of the joint for damage. Dr. Hughston has contributed much to the development of this surgical technique. It affords many other benefits, as well. Since the healing of the arthroscopic portals is rapid due to the small puncture wounds, the recovery period is also relatively quick. The arthroscopic approach is also much less painful than open knee surgery.

Additionally, Dr. Hughston has used his expertise and innovative methods to help treat such ailments as arthritis and other painful afflictions. Through the Hughston Sports Medicine Foundation, there is a great emphasis on continuing education, community services, research, and medical writing, and data processing. There are several goals to which the Hughston Sports Medicine Foundation has devoted its efforts. They can be simply stated. The primary goal is to maintain influential national and international roles in orthopedic education and research directed toward achieving the highest quality of muscular skeletal health, fitness and athletic prowess. The accomplishments of the foundation have been great. Since its founding in 1968, the dissemination of information, and achievements in research have resulted in health advantages for people all over the world. Never before have such innovative techniques been applied so quickly and so successfully to clinical use.

For many generations, the Hughston family of north Alabama has been one of the foremost families of the South. Truly outstanding professionals in the field of medicine and law have contributed to the progress and well-being of our citizens. Sarah Hardaway Hughston, his delightful wife, has encouraged Dr. Hughston to strive to attain his goals, and is a true partisan in his favor.

Mr. President, Jack Hughston has done an outstanding job in contributing to the health of people throughout the world. He has devoted himself to the study of medicine and his devotion has resulted in benefits we can all appreciate. His life is truly an example of unselfish accomplishment. His work demonstrates the type of breakthroughs and achievements a doctor can make which provide a direct benefit to so many. All of Alabama can be proud of his achievements, of the lasting good which will come from the research he has done, and from the work of the Hughston Sports Medicine Foundation.

TRIBUTE TO JOHN W. FITZWATER

Mr. HEFLIN. Mr. President, it is my great honor to rise before the Senate today to pay tribute to my friend, John W. Fitzwater, who has recently accepted a new position with the New York Times Co. which has forced him to move from Florence, AL, where he has been publisher of the Times Daily, the newspaper for the Shoals Area of Alabama. While I am sorry to see John leave, I know that he will be happy in his new position. He can leave with the knowledge that he has served the people of the Shoals, and of Alabama in an outstanding capacity. His presence and valuable efforts will be missed.

John Fitzwater has spent virtually his entire life in the field of journalism. Over the last 15 years, he has been the publisher of daily newspapers in Texas, Virginia, California, and Mississippi, in addition to Alabama. Throughout his career, he has served the public interest with the greatest integrity, and is regarded by his colleagues and associates with the highest esteem. Furthermore, he has provided the citizens of our State and Nation with an indispensable and important service, as he has worked to keep them better informed and knowledgeable of the important issues and matters which we constantly face together as a country. This service is often taken for granted, but John Fitzwater's extended efforts have not passed unnoticed.

In addition to his valuable contribution as a newspaper publisher, John has worked to involve himself in civic and community affairs throughout his life. Everywhere he has lived, or his career has taken him, he has been recognized for his tremendous accomplishments. In 1965 he was named as the Young Man of the Year of Somerset, KY, which is his home town. In that same year, he served as president of the Somerset Jaycees when they were honored as the best of 6,000 national chapters in the area of community development. Two years later he became one of the youngest men ever to be elected to head a State Jaycee organization when he was chosen to head the Kentucky Jaycees in 1967, and then in 1970 he was named as one of Kentucky's Three Outstanding Young Men.

John Fitzwater is probably one of few people to have been so honored in so many parts of the country. In 1975 he was named the Citizen of the Year of Pittsburg, CA. In 1979 he was commended by a joint resolution of the chamber of commerce and the city council of Charlottesville, VA, for helping that community create an economic development program and for his role in helping Charlottesville earn the recognition of an All American City. And this is to say nothing of John's contributions to the Shoals Area of Alabama.

When John first came to the Shoals Area, there were as many as 28 different organizations involved in some type of development activity, and there was very little coordination among the specific groups. Less than a year after his arrival, he had persuaded all to join together under one umbrella. For the first time, there is a single, well-funded voice working to attract jobs to northwest Alabama—the Shoals Industrial Development Authority. For his great efforts, the elected officials of five northwest Alabama counties passed a joint resolution commending him for his outstanding leadership. Additionally, the board members of the Shoals Industrial Development Authority recently held a reception in his honor to express appreciation for his role in forming the joint development effort of Colbert and Lauderdale Counties. I join them in expressing my thanks and appreciation for his efforts.

Mr. President, John Fitzwater has long provided a great service to many different communities, in many different States, and in many different capacities. He is moving on to serve as the publisher of the Gainesville Sun, a newspaper in Gainesville, FL, where I am sure he will, again, distinguish himself in a variety of ways and through continued great service. I feel certain that we will soon see some commendation from the community of Gainesville for his work there.

As one can see, John Fitzwater is a unique person. He is caring and industrious, and has set a great example of devoted public service. I have never known a person to come to the Shoals Area and capture the affection, the love, the cooperation, and the admiration of people as he has. He is a true leader who, because of his great integrity, is able to gain and to hold the trust of all he meets. For this, among other reasons, he is followed in every endeavor. The Shoals will benefit for many years to come from the activities he set in motion.

Additionally, John is a good friend. I value this friendship and, in the future, wish him the greatest luck and happiness. However, I can't help but hope that he will some day return to the Shoals Area of Alabama. I know that I am not alone in that thought.

IN MEMORY OF LT. GOV. RUTH MEIERS

Mr. **BURDICK.** Mr. President, the flags in my State fly at half-mast today. North Dakota and the Nation have suffered a great loss. Our Lieutenant Governor, Ruth Meiers, died last night after a long battle with cancer.

Ruth spent her life in public service. As a social worker, a legislator, and as our Lieutenant Governor, she built a record of achievement that assures her place in our history.

Ruth was a rare politician. She had tremendous political ability and insight; but she never used her ability to pile up power for herself, never became self-important. She played politics with the best of them, but she never forgot who she was fighting for.

Ruth spoke for those who could not speak for themselves. Children who were beaten, abandoned, abused; poor people, the elderly, and the mentally ill. She stood up for their rights, not with fiery rhetoric or impassioned speeches, but with quiet good sense and unfailing good will.

She knew my State and its people, she knew the problems we face. She spent a lifetime working to serve those people and solve those problems.

Ruth's greatest gift to North Dakota may have been her last. She faced her long illness with immense courage, determination, and even with humor. Above all, she faced it with unshakable dignity.

People everywhere were inspired by her example, and comforted by her strength. I count it an honor to have known her. I will miss her.

Mr. President, several of Ruth's friends were quoted in a story this morning in the Forum, a Fargo, ND, newspaper. Their words are a better tribute to her than I can make. Another article in the newspaper briefly outlines some of her many accomplishments. I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RUTH MEIERS WAS AN ACHIEVER

(By Randy Bradbury)

BISMARCK, ND.—To her friends and political associates, Ruth Meiers was a woman of the people, concerned about their well-being, protective of their dignity, never one to put herself above others.

"When I think about her, I think of a prairie woman kind of image. She simply expected to achieve and she did. I think she had that kind of presence," said Bonnie Palecek, who worked on various projects with Meiers in recent years.

Palecek, of the North Dakota Council on Abused Women's Services, said that even as Meiers was dying of cancer, she was giving yet again of herself to the state.

"The last great gift she gave to us was trying to understand the great outpouring of feeling for her" during her illness. In dying, she said, Meiers showed the kind of wisdom, strength and maturity that inspires and helps others cope with the sadness.

Palecek said Meiers instinctively understood that others needed to reach out and show their sorrow and emotion and, even though the honors and attention that came her way must have become tedious, she allowed the state to share its feelings with her.

Myrt Armstrong, director of the North Dakota Mental Health Association, also worked closely with Meiers and said she will be missed.

"People who couldn't speak for themselves, she was always looking out for, making sure that their rights were upheld and they were taken care of."

Meiers was active on issues involving the mentally handicapped, the mentally ill, the elderly, women and, especially, children.

"I just hope as a legacy to her that we follow through on those things she felt so strongly about," Armstrong said.

Ellen Glood worked with Meiers on the Governor's Commission on Children and Adolescents at Risk, a year-long study chaired by Meiers that resulted in a wide range of recommendations to improve state protection of abused and neglected youth.

"She felt real strongly that every person be treated with dignity," Glood said.

A former social worker in her home Mountrail County, Meiers was particularly concerned about the way the human services system treated people, Glood said.

She said Meiers understood that it is hard for North Dakotans to ask for help and was determined to see that the system treated people fairly and honorably.

Meiers was the driving force behind the commission, Glood said. She was convinced that there are problems with state services for children and she was determined to do something about it.

Glood noted that late Thursday afternoon, just prior to Meiers' death, a legislative committee approved one of the cornerstone bills of the commission study, a provision to establish a children's coordinating cabinet.

Meiers insisted that the commission hold 22 hearings across the state; insisted that they make an effort to talk to children as well as adults.

"I feel like I am so honored to have worked with her on that commission."

There's an old populist saying that the man doesn't seek the office, the office seeks the man.

Despite the irony of the male-oriented saying, Meiers epitomized that tradition.

Linda Tinjum, an officer in the state Democratic Women's Caucus, noted that Meiers was drafted at a district convention the first time she ran for the state Legislature.

Later, she was drafted to run for lieutenant governor. The women's caucus was a prime mover in that draft.

There were practical considerations in the draft: Women wanted a woman candidate and the party needed someone from the west to balance its easterner governor candidate, George Sinner.

But Tinjum said Meiers was someone everyone trusted and felt good about.

"Even when there were differences, you couldn't help but like her.

"Ruth Meiers was someone who opened a lot of doors for women, and whose door was always open," Tinjum said.

And yet, Tinjum, Palecek and others said, she didn't think of herself as a crusader for women.

"I think she thought of herself, and I think it's true, that she worked for people and it wasn't just limited to women," Armstrong said. "She was just a good friend and I'm really going to miss her."

RUTH MEIERS DIES

(By Randy Bradbury)

BISMARCK, ND—Lt. Gov. Ruth Meiers will be remembered as a trail blazer for women in politics who insisted on being judged on her own merits.

Sincere, humble, truly concerned about the plight of fellow men and women, Meiers made few if any enemies while pushing an agenda of social consciousness as a state legislator and as the state's first woman lieutenant governor.

Meiers' background as a social worker in Mountrail County showed through strongly during her career in the North Dakota House and, in the past two years, in the governor's office.

The first woman legislator from her home area, honored often as a female political leader, especially respected by women active in the state Democratic-NPL Party, Meiers was firm in her desire to be judged as an equal, an individual, not as a woman.

At the 1984 state Democratic convention, Meiers accepted the call from the Democratic-NPL Women's Caucus to run for lieutenant governor, but said, "I would hope that no Democrat would vote for me just because I'm a woman. I'm a qualified candidate."

Her qualifications were judged and deemed adequate first by that convention, which endorsed her over a strong bid by former House Democratic leader, Dick Backes of Glenburn, and then by the state's voters, who put her into office with Gov. George Sinner in 1984, ousting incumbent Republican Gov. Allen Olson.

Before moving into her role as lieutenant governor, Meiers was a lifelong North Dakota farm resident.

She grew up on a farm near Parshall, N.D. daughter of Axel and Grace Olson. Her father served in the state Legislature for 22 years, representing the same Mountrail County area that Meiers later served.

After having a son, David, by an earlier marriage, Meiers married Glenn Meiers in 1950 and they had three more sons, Michael, Monte and Scott.

Glenn Meiers remains on the family farm, which has been taken over by Scott.

A graduate of the University of North Dakota, Ruth Meiers worked for 12 years as a case worker and child welfare worker for county social services. She also served on the county welfare board and for nearly 30 years on the Upper Missouri District Health Unit Board.

In 1974, she was elected to the state House, and was sworn in Dec. 3 that year, 40 years to the day after her father had been first sworn as a legislator.

Meiers served on the House Social Services and Veterans' Affairs and the House Judiciary committees her first three terms, then switched to the more influential House Appropriations in the 1981 session.

In 1983 Democrats held a House majority and Meiers switched back to chair the social services committee. In 1985, she chaired the state Senate as lieutenant governor.

Meiers' low, sometimes gravelly voice was not given to fiery oration but was more likely to be heard expressing quiet concern about current problems.

For all her concern and social conscience, however, Meiers seemed perpetually cheerful, always smiling, quick to laugh.

Though her role in the Sinner administration was vague at first, she came to be the governor's stand-in at a wide range of activities, from ceremonial to substantive.

She spoke often to service clubs and others across the state, usually writing her own speeches, and sat in for Sinner on various boards.

Meiers pursued particular concerns about state historical issues and the state's mental health service delivery system.

Her major project came to be a panel commissioned by Sinner to review state programs for children.

As chair of the Governor's Commission on Children and Adolescents at Risk, Meiers played a central part in shaping a report that calls for sweeping changes in the state's response to children caught up in troubling situations.

News of Meiers collapse in her office Sept. 10, 1986, and the subsequent news that she suffered from inoperable cancer cast a pall of sadness over the state Capitol and prompted an outpouring of cards, flowers and prayers from state citizens.

Her grit, was evidenced when, just a week later, she was back at work, keeping short office hours, speaking on occasion.

Meiers faced the situation squarely from the start, telling reporters herself about the finding of malignant cancer in her lung and brain, and saying "I believe in prayer, I believe in miracles. I also believe in reality, and I believe I can deal with that."

And she worked hard to beat the disease.

Radiation treatments began the day the malignant tumors were confirmed. She forced herself to keep her weight up in the face of lack of appetite, and she struggled to remain optimistic about her chances.

"The good years you have, you appreciate," she said in January. "You reflect on what your life has been—that it has been a satisfying life."

Despite Meiers' attempts to keep as normal a schedule as possible, and her intention to preside over the 1987 legislative session, further health problems plagued her and she was in and out of the hospital as the cancer and its treatment took their inevitable toll.

She was readmitted to a Bismarck hospital at the end of January complaining of a sore throat and fatigue. Doctors said then that the cancer had spread to her liver, and she began chemotherapy treatments.

In mid-February, the indomitable Meiers returned to preside over the Senate, saying she intended to work short hours until she felt a little stronger. Five days later, another tumor was discovered in her brain, and she began outpatient treatments for it.

She was selected at the end of February as the first recipient of the North Dakota Citizen Award by the North Dakota Hall of Fame, and attended the banquet in early March in a wheelchair that her sons insisted she use.

It was her last public appearance. On March 13, she returned to a Bismarck hospital.

On election as lieutenant governor, Meiers said this; "I don't think anyone who knows me thinks it's going to change me. I'll always be the farm wife I've always been. I'll always be an average North Dakotan."

North Dakotans mourn the loss of the average citizen.

EULOGY FOR SENATOR EDWARD ZORINSKY

Mr. SYMMS. Mr. President, I wish to join with those of my colleagues who have already delivered eulogies to our esteemed colleague and a man I considered a very good friend, Senator Edward Zorinsky

Senator Zorinsky's sudden death deeply saddened me and all our colleagues in this Chamber and all the friends he has had in Nebraska and across the country in the United States. I will always think kindly and fondly of my association and consider it a privilege that I had him as a friend.

We worked together and very closely on many issues. We participated in many great debates, usually together and on the same side of the issue.

As a former Republican, Ed maintained close ties with members of the Republican group in this body, and his conscience frequently compelled him to set aside partisan concerns and vote for what he believed in, even if most of those in his party opposed what he was voting for.

On more than one crucial issue, his vote was the one that made the difference. On some of the great votes that we had in this Chamber in the 99th Congress, when there was a one-vote difference, Ed Zorinsky's vote was the one that made the day and caused the motion to move forward.

Many of us on this side of the aisle came to rely on him for counsel, for guidance, and oftentimes for support.

That unusual independence of political courage was what I admired most about Ed Zorinsky. In some circles those attributes brought him criticism, and I am sure his independence was often frustrating to his colleagues on the other side of the aisle. But all of us on both sides of the aisle, whether we agreed with him or not on a particular issue, knew that he was a man of sincere convictions.

On issues of importance to the security of our Nation, he was a solid voice for strength. He was intensely patriotic.

Perhaps as the son of a Russian-Jewish immigrant, he had a special appreciation for the liberties we enjoy in this country and the strength necessary to protect them. It was always inspirational to hear him speak of his background and his patriotism, the sense of appreciation for America that he had that was instilled in him by his father.

I join all my colleagues in lamenting the passage of this unique and courageous man, and in extending my condolences to his wife Cece and the Zorinsky family.

FEDERAL-AID HIGHWAY ACT OF 1987

Mr. BYRD. Mr. President, the Federal-Aid Highway Act of 1987 is a significant achievement. We have been working on it since the first session of the last Congress. It is the first major highway bill passed since 1982. I commend Senator BURDICK and Senator STAFFORD, the chairman and ranking member of the Environment and Public Works Committee, and the distinguished chairman and ranking member of the subcommittee, Senator MOYNIHAN and Senator SYMMS, for their diligence and perseverance in shepherding this bill through the Congress. This has been a herculean task.

Unfortunately, we are not out of the woods yet. The President has threatened to veto this bill. I hope he will not; but if he does, we must be prepared to act quickly. One item of contention in this conference agreement is the provision that was included in the Senate-passed version of the bill to allow the States to increase the speed limit to 65 miles per hour. Although I opposed increasing the speed limit when the Senate considered this bill in February, those provisions were adopted by the Senate by a vote of 65 to 33. Wednesday of this week, the House of Representatives adopted the Senate provisions by a vote of 217 to 206. Because it is so vitally important that these highway moneys be released, I support the Senate provisions adopted by the House and brought back to the Senate to allow the States to raise the speed limit to 65 miles per hour. Should the President veto this bill, then it is essential that the highway package remain intact so we can hope to have the required two-thirds majority to override that veto.

Federal-aid highway moneys should have been distributed on October 1, 1986. So far, there has been a 6-month delay in releasing those moneys to the States. Many States have run out of highway construction moneys. My State of West Virginia stands ready to obligate $103 million in highway projects. Not only have State highway construction programs been seriously disrupted, but any further delays in the release of these highway moneys will mean a further loss of the construction season. Transportation plays a critical role in the economic well-being of the Nation. The delay in the release of these Federal-aid moneys will have serious, long-term implications both in the development of our infrastructure and in the number of jobs lost in the construction and related service and supply industries.

I hope that the President will sign this bill. I don't like every provision in this legislation, and I doubt that there has ever been a bill of this magnitude that every individual Senator and Member of the House has agreed on every single provision. That is why we have a joint conference committee, to work out a compromise. However, if the President does veto this measure, we must be prepared to act quickly to override that veto.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Is there further morning business?

The DEPUTY PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

MORATORIUM OF ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

The DEPUTY PRESIDENT pro tempore. The clerk will report the pending business.

The assistant legislative clerk read as follows:

> The motion to proceed to the joint resolution (H.J. Res. 175) to impose a moratorium on United States assistance for the Nicaraguan Democratic Resistance until there has been a full and adequate accounting for previous assistance.

The Senate resumed consideration of the motion to proceed to the joint resolution.

Mr. BYRD. Mr. President, I see the distinguished Senator from Nevada on the floor. Does he wish to speak on the pending matter before the Senate?

Mr. HECHT. I thank the distinguished majority leader. Yes, I do.

Mr. BYRD. I thank the distinguished Senator.

The DEPUTY PRESIDENT pro tempore. The Senator from Nevada.

Mr. HECHT. Mr. President, I would like to talk today about the President's White House report on Nicaragua of March 1987. The report states:

> This report on Nicaragua is transmitted in accordance with sections 211(e) and 214 of the FY 1987 Military Construction Appropriations Act. It includes:
>
> A detailed statement of the status of negotiations toward a settlement of the conflict in Central America, including the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate a settlement;
>
> A discussion of alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a statement of the steps taken by the Nicaraguan democratic resistance to remove from its ranks any individual who have engaged in human rights abuses; and
>
> An evaluation of the progress made by the Nicaraguan democratic resistance in broadening its political base and defining a unified and coordinated program for achieving representative democracy in Nicaragua.
>
> The bulk of the $60 million previously released for obligation has been allocated for logistical and training needs of the Nicaraguan democratic resistance. Detailed accounting on disbursements from these funds is being provided separately to the appropriate committees of the Congress. To date, $2 million has been allocated to the Department of State for strengthening programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights. Of the $2 million, $400,000 has been disbursed to the Nicaraguan Association for Human Rights. Detailed accounting of how these funds are being used is provided in the attached Annex.

I ask unanimous consent that the annex referred to be included at the end of my remarks.

The DEPUTY PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HECHT. Mr. President, I continue with the report:

> Accounting standards, procedures, and controls have been developed in consultation with the appropriate committees of Congress and the Office of the Comptroller General.
>
> This report focuses on the period since December 12, 1986, when the last report on Nicaragua was transmitted to the Congress in accordance with sections 211(d) and 214 of the Act.
>
> ### EFFORTS TO PROMOTE A SETTLEMENT IN CENTRAL AMERICA AND IN NICARAGUA
>
> Efforts toward a negotiated agreement in Central America have intensified in recent months but continued intransigence by Nicaragua has prevented progress. The Contadora countries have sought to revive the negotiating process, deadlocked since mid-1986, but they have achieved no breakthroughs. The Central American democracies, building on the momentum they developed in 1986 to take the lead role in the resolution of the regional crisis, are moving forward with ideas of their own intended to overcome the impasse in the Contadora process.
>
> The Foreign Ministers of the Contadora and Support Group countries met in Rio de Janeiro on December 16–18. They issued a declaration noting the serious situation in Central America and announcing their intention to visit Central America in early January, accompanied by the Secretaries General of the OAS and UN. A separate communique announced their decision to institutionalize Contadora by scheduling regular meetings and to broaden its scope to include regional political and economic issues.
>
> During their January 19–20 trip to the five Central American countries, the eight

Foreign Ministers sought to find common ground for resuming the negotiations. They issued a communique on January 21 stating that they had not found among the Central Americans the political will to resolve the conflict. They noted, however, that all the Central American states had expressed their continuing interest in a political solution and their willingness to continue to participate in the Contadora process. the Contadora countries would, therefore, persevere in their efforts.

In their discussions with the Contadora ministers, the four Central American democracies stressed that the key to lasting peace was democratic political change in Nicaragua. This required that the Sandinistas enter into a process of dialogue and national reconciliation with their opposition. President Azcona of Honduras sent a letter to his counterparts in the eight Contadora and Support Group countries explaining that the crisis in Central America was not an international conflict between countries, but an internal conflict within Nicaragua that was spilling over its borders; this internal conflict was caused by the lack of democracy in Nicaragua and the Sandinistas' efforts to consolidate a dictatorship aligned with the Soviet Union and Cuba. He also pointed out that Nicaragua effectively blocked the negotiating process by taking an issue at the core of the regional conflict to the International Court of Justice (ICJ). A Salvadoran aide memoire noted that Nicaragua's suits against Costa Rica and Honduras at the ICJ (filed in July, 1986) were incompatible with the Contadora process. It called on Nicaragua to drop the cases so that negotiations could resume.

The Sandinistas, however, remained intransigent. The Nicaraguan communique issued during the Contadora visit demonstrated the Sandinistas' continuing desire for a piecemeal approach that would relieve them of the obligations of a comprehensive, verifiable, and simultaneous Contadora settlement. They called for bilateral talks with the United States, Honduras, and Costa Rica. They refused to withdraw their cases at the International Court of Justice. Most importantly, they showed no signs that they were willing to enter into a dialogue with their own people for instituting democratic process in Nicaragua.

In keeping with their interest in assisting the Contadora process, the UN and OAS Secretaries General accompanied the eight Contadora foreign ministers at the latters' request. Throughout the trip, both the OAS and the UN Secretary General made clear that theirs was a supporting and facilitating role and that it was up to the Contadora countries and the Central Americans to move the process forward.

Costa Rica has taken the lead in formulating proposals to break the impasse in regional negotiations by addressing the key issues of national reconciliation and democratization in Nicaragua. On January 7, Assistant Secretary Abrams and the President's Special Envoy for Central America, Ambassador Phillip Habib, met with Costa Rican Foreign Minister Madrigal in Miami to discuss President Arias' ideas. Madrigal subsequently discussed these ideas with his counterparts from the three Central American democracies at a meeting in San Salvador on January 16. After meeting with the visiting Contadora foreign ministers on January 19, Madrigal traveled to Western Europe to share these ideas with several governments.

On February 15, President Arias hosted a summit meeting in San Jose of the four democratic Central American nations. The four presidents joined in a declaration of principles noting the need for peace in the region, and they agreed that a draft peace proposal by President Arias should be considered at a subsequent summit meeting—which would include Nicaragua—to be held within 90 days at Esquipulas, Guatemala. The Arias proposals seek to address the key issues of national reconciliation and democratization within the Contadora framework. The Sandinistas initially scorned the Arias initiative; a harshly worded Nicaraguan communique issued January 30 accused Costa Rica of sabotaging the Contadora process, committing treason against all of Latin America, and surrendering its sovereignty (along with the other Central American democracies) to the United States. Following the San Jose summit meeting, the Sandinistas revised their position; they stated that they would study the Arias proposals and would participate in the Esquipulas meeting. The United States has welcomed the efforts of Costa Rica and the other three Central American democracies to overcome the current impasse in regional negotiations.

The United Nicaraguan Opposition (UNO) also had several representatives in Guatemala City during the San Jose III meeting between Central American foreign ministers and their European counterparts. UNO's Secretariat of International Relations is pursuing every opportunity to explain to other governments and foreign audiences the position of the resistance. UNO leaders Arturo Cruz and Alfonso Robelo as well as the Southern Opposition Bloc (BOS) have announced their support of the principles behind the Arias peace initiative. BOS has also announced a willingness not to accept U.S. aid if a cease-fire is declared.

Between January 12 and 16, the eve of the Contadora and Support Group trip to the region, Ambassador Habib traveled to five Contadora and Support Group Countries—Argentina, Brazil, Panama, Uruguay, and Venezuela—to continue consultations on the negotiating process. He explained that the United States welcomed their efforts to revive the negotiating process and urged them to listen to the Central American democracies during their visit.

The following week Ambassador Habib visited seven of the European Community countries—Belgium, France, Italy, Portugal, Spain, the United Kingdom, and West Germany—to consult with them on our policy toward Central America and to highlight the positive role the EC can play in the region.

Ambassador Habib visited Costa Rica, Honduras, El Salvador, and Mexico February 22-24 to discuss the status of the negotiating process and exchange views on the Arias proposals.

U.S. Government support for regional negotiations has thus continued throughout the period. At the time of preparation of this report, the Central American countries have not concluded a comprehensive and effective agreement based on the Contadora Document of Objectives. Furthermore, there is no reasonable prospect at this time that the Government of Nicaragua will engage in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints on political freedoms. Nor is there a reasonable prospect of achieving such an agreement through further diplomatic measures, multilateral or bilateral, in the foreseeable future without additional assistance to the Nicaraguan democratic resistance.

Regarding internal dialogue, on February 6, seven of the principal parties of the Nicaraguan civic opposition—ranging from the Conservative Party to the Communist Party—presented their own proposal to achieve national reconciliation and democratization. Their plan contained nine points, including the formation of a national commission for peace; a cease-fire; full restoration of political, social, and economic rights; an amnesty; and a calendar for elections at all levels to be carried out within a year. They sent a delegation to present their plan to the governments attending the EC-Central America-Contadora Group ministerial meeting in Guatemala City February 9-10 (San Jose III).

EXHIBIT 1

EXPENDITURES FOR HUMAN RIGHTS PROGRAM

To date, $2,000,000 has been allocated to the Department of State for strengthening the human rights programs and activities of the Nicaraguan democratic resistance. On November 5, 1986 a grant of $990,000 was made to the Nicaraguan Association for Human Rights (NAHR). Of this amount, $400,000 has been disbursed to the Association in two advances of $200,000. The second advance was made available to the Association on January 29, and as of the date of preparation of this annex, expenditure of $241,880 has been reported. The table below shows the detailed accounting. In addition, there have been an estimated $12,700 in expenditures for administrative costs of Department of State personnel working with the program. These expenditures include travel and translation services.

Expenditures

[Oct. 25, 1986-Feb. 22, 1987]

Expenditures for NAHR:	
Personnel:	
Salaries and allowances	$101,551
Training	11,357
Professional fees	2,991
Office and administration:	
Copying and printing	14,611
Rentals	13,440
Office equipment	10,426
Furniture	8,467
Maintenance and repair	5,476
Telephone and telegraph	3,833
Paper and office supplies	3,469
Miscellaneous	2,201
Advertising	2,181
Security	1,124
Miscellaneous supplies	782
Magazines and periodicals	595
Courier	503
Meetings	317
Water and electricity	249
Mail and postage	240
Representation	78
Travel:	
International travel	27,261
Vehicles	24,170
Local travel and transport	6,427
Vehicle maintenance and repair	131
Subtotal	241,880
Department of State administrative costs:	
Travel	11,200

Translations	1,500
Subtotal	12,700
Total	254,580

Mr. HECHT. Mr. President, one of my colleagues is on the floor, the distinguished Senator from Idaho, and I would like to ask him to comment on a few thoughts he has regarding the current situation in Nicaragua.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER (Mr. ROCKEFELLER). The Senator from Idaho.

Mr. SYMMS. Mr. President, I have read this morning's paper, and was quite shocked to read that former President Carter, while visiting Egypt, is making statements to the press that are very critical to President Reagan.

Former Presidents will obviously have their own opinions and ideas about U.S. policy, but I think it is harmful to the foreign policy of the United States of America—and I like to view foreign policy as a bipartisan effort—when a former President attacks the motives of a sitting President in a foreign forum. I think it is very detrimental to the ability of the United States to contribute to peace in the Middle East to have the former President say while in Egypt that the current President can only revert to combat or other means of force and is never willing to try to sit down and negotiate.

What happens in one President's watch has an impact on that of the next President. Whatever happens in the next year or two of the Reagan administration will affect the options open to our next President.

I have said this on the floor many times, and I will say it again, that if we are not successful in aiding the efforts of the Contras today, we will be sending American troops tomorrow to do the same job. We should act now to help the popular indigenous forces to overthrow the Communist Sandinista government.

I think it is important that we look back at the history and see how we got into this situation. If we look back to the late 1950's and early 1960's, and see the roots of today's crisis. Ambassador Smith, our Ambassador to Mexico, at that time was constantly trying to warn President Eisenhower and the State Department that Fidel Castro was an avowed Marxist—part of the Soviet orbit—and that he would install a Soviet-style Communist dictatorship in Cuba.

We all remember what happened. In a Communist takeover, Fidel Castro came to power. In addition to the hundreds of people shot by Castro's firing squads, some 700,000 Cubans fled to the United States. They have made marvelous citizens for us. There is a great Cuban community in Miami, and in many other parts of the country where they have settled.

Theirs is another success story of people who fled communism and with their willingness to work hard, save their money, invest wisely, raise their families and work within the system, have become very successful and productive elements in our society.

These very same people, of course, want to go back and liberate Cuba. They still love their homeland. But, the Kennedy-Khrushchev agreements that stated the United States would not encourage or aid any effort to overthrow the Government in Cuba, have made this all but impossible. All of this is a consequence of the Bay of Pigs fiasco where the United States failed to support the anti-Castro landing forces. I know many of the people who were involved in that courageous attempt. I have talked to them often about it. With just a little bit of help, they would have been successful. They actually had battalion commanders from Castro's forces offer to surrender their battalions, until they realized how weak the free Cuban 2506 battalion was and how little support they were being given by the United States.

Then a year later, in 1962, we had the Cuban missile crisis. President Kennedy had another opportunity to liberate Cuba because of the Soviet Union's provocative insertion of offensive Soviet missiles in Cuba. That was a golden opportunity to liberate the Cubans, and it could have been successful. I personally witnessed that operation, and its failure is one of the reasons I think I am here on the Senate floor today warning that we cannot again fail to stand up for free people in Central America. Our failure in Cuba has caused the problems we are now having in Nicaragua.

How did it happen in Nicaragua? I recall very well the late seventies when all the New York Times and the Washington Post could do was talk about how bad Somoza was and how wonderful the Sandinistas were, never talking about the fact that the Sandinistas were Soviet inspired and backed. There were many people in the anti-Somoza movement who had a geniune desire for a revolution that would be good for the people. But the Sandinistas were to brush them aside.

I have a letter here dated July 14, 1979, from former Secretary of State Cyrus Vance to former Nicaraguan President Somoza.

I want to read the letter from the Embassy of the United States of America in Managua, July 14, 1979, to President Somoza.

DEAR MR. PRESIDENT: I have been asked to present the following letter to you from Secretary Vance.

"DEAR MR. PRESIDENT: On behalf of President Carter, I wish to convey to you the following message with respect to the tragic circumstances in your country.

"Just over a year ago, the President wrote you to register our hope that you would succeed in implementing a series of internal reforms you had yourself announced to remedy what was already a highly disturbing situation. It was our hope that in moving toward amnesty and electoral reform, you were laying the foundation for a peaceful and democratic evolution in your country.

"After the bloody outbreak of violence and insurrection in September, we decided to join with other friendly governments to lend our good offices to help achieve such a peaceful evolution. The suffering endured by Nicaraguans and the abuses documented by the Inter-American Human Rights Commission made clear that the alternative to a negotiated settlement could only be further violence.

"The International Mediating Group worked indefatigably to enable you and all Nicaraguans to settle the crisis amicably. The Mediators succeeded in engaging your moderate opponents in a way that left those prone to violence with no choice but to go along with the mediation.

"After two months, the Mediators obtained the agreement of your opponents to a proposal you yourself had initially advanced—to place your differences before the citizens of your country through an internationally guaranteed election. As I am sure you remember, the U.S. representative urged you to agree, and told you it was our judgment that if you did not, you could soon face a situation beyond your complete control. You rejected the proposed plebiscite which had been carefully designed by the Mediators for the unique situation in Nicaragua.

"Mr. President, events since then have been unkind to all. The polarization and violence we feared has reached a point that calls for the most courageous and far-reaching response. It is absolutely clear that the situation cannot be resolved militarily in a satisfactory manner. Prolonged conflict will only result in further suffering and loss of life, and in deeper radicalization of the situation.

"The only chance that remains to achieve an enduring and democratic solution is to establish a transition process that follows the OAS resolution. The U.S. and several other nations have been working hard to obtain commitments and to create conditions which will permit moderate elements to survive and compete with extremists, which will avoid reprisals, and which will provide a chance for an eventual freely elected regime to emerge. There has, in fact, been progress on these matters. We and other Latin American nations believe there is an opportunity to protect moderate elements, to prevent reprisals against the Guard, and to establish a political process in which a democratic system can prevail. However, that opportunity will exist only if we move quickly to end the war and begin to effect the transition. With each day passes our capacity to influence the situation and the transition diminishes.

"A continuation of the status quo beyond the next day or two will radicalize the situation even further, and is likely to result in the renewal of the offensive. The best chance for preservation of the moderate sectors of your society lies in commencing the transition through your prompt departure, and the designation of a successor and a new Guard Commander. The hemisphere is virtually unanimous that such a transition process is absolutely essential. The OAS members will be attendant on this process, and the hemisphere's attention will focus in

> ways which I believe will reduce the possibility of reprisals and venegance.
>
> "I therefore urge you to arrange your departure without delay. We will receive you in the U.S., as Ambassador Pezzullo has indicated. Your continued delay will only prolong the conflict and bloodshed and compromise our ability to try to achieve a moderate outcome.
>
> "Sincerely,
>
> CYRUS VANCE."
>
> Sincerely,
>
> LAWRENCE A. PEZZULLO,
> *Ambassador.*

I do not bring this up to say there was a mistake made. We know that sincere efforts were made in this Congress and in the administration in the late seventies to help moderate elements survive in Nicaragua. Obviously, those efforts to help the Nicaraguan moderates fell through the cracks.

As usual, in a Soviet-inspired Communist revolution, those moderate elements are expunged, liquidated, killed, and pushed out of the revolution. The hard line Communist took over, set up the secret police, started using terrorism, arbitrary jailing, torture in the prisons, and began mass arrest of political prisoners. As we know, Nicaragua has more political prisoners than any other Latin American country.

I hope my colleagues will not continue to make the same mistakes. How many times will we look for a perfect Jeffersonian Democrat to emerge from a Third World country's in this imperfect world.

What we need to do is help those who will be friendly to the goals of the Organization of American States, friendly to the Rio Pact, friendly to the efforts of the United States to maintain security, peace, and freedom in the Western Hemisphere.

Mr. President, I think when we talk about peace and freedom, we need to recognize that peace and freedom are inseparable. Mr. Gorbachev, Daniel Ortega, and Fidel Castro always talk about wanting peace, but their idea of peace is the slave camps that I talked about yesterday on the floor. Their idea of freedom is reflected in those terrible stories about citizens of Nicaragua snatched off the street, and without trials, thrown into prison, tortured, terrorized by firing squads where they are lined up and fired at and missed to provide a good dose of terror for them to go back and tell other opponents of the government about.

So I do not know what has to happen in this country to wake us up so we can recognize that there are forces on this Earth that are envious of what we have in the United States and who want to take away our peace and freedom. They will say they want peace, but their definition of peace is a slave camp which they run. Mr. Gorbachev talks about peace. His definition of peace is a gulag where he is the commandant.

When Mr. Reagan, or Mr. Carter for that matter, talk about peace, they talk about peace with freedom because we Americans find it inseparable.

I think that it is most unfortunate that this Congress is even discussing this issue again. It is unfortunate that we are sending a message that there is some doubt about which side the United States of America is on. I am certain that the Soviet Union has no doubt about whose side it is on. They have no doubt that they want to impose the Brezhnev doctrine and take one country after another until Mexico is embroiled in a revolution and we are being flooded with immigrants and are forced to use American troops to restore peace and defend our own borders for the first time in modern history. That is where they are headed. They know whose side they are on.

We have the tactical, strategic and economic advantages to be successful in Central America. In my view, we should make an unequivocal commitment that neither our friends nor our enemies have any question about.

Certainly we should be willing to let the popular indigenous forces in Nicaragua fight for their own survival and their own freedom rather than letting the situation slide backward until one day the next President—maybe it will not be President Reagan, but the next President—will be forced to put American troops in the field to preserve peace and freedom in the Western Hemisphere. That is what this issue is all about.

There is no reason for us to equivocate. It is a clear-cut situation. It is a choice between accepting the Communist Sandinista totalitarian dictatorship in charge in Nicaragua or supporting the forces that can restore some kind of a free society in the future and give hope for democracy, and freedom of religion and the press.

So I would hope that the majority leader would see fit to call down this motion and to take it off the floor, to help send a message that we, the United States of America, are for freedom and are going to deny the Brezhnev doctrine; that it is not inevitable that the Soviet empire should expand and expand without resistance. If we will help those forces of freedom in places like Nicaragua, Angola, and Afghanistan, we can allow that resistance to succeed.

Mr. President, that is what our goal should be. Communists expand because they have a bankrupt, failed system. They cannot produce enough to feed their people in the Soviet Union, so they expand, take the wealth and capital that has been developed by other people and pour it into their economy. That is what this issue is all about. And if you put them on the defensive, they cannot survive.

If the Soviet Union wanted to solve its food problem, it would be very easy. All they would have to do is kick the Soviet bureaucrats off the farms and let the Soviet farmers on and they would produce massive amounts of grain. But they try to let the Soviet bureaucrats run the farms and factories and all the production capacity. That is why they have an economic problem.

So they turn to the military, because they can develop a military because there is nothing free about a military. It is totalitarian by its very nature. So a Socialist dictatorship can have a very good military to compete with the capitalist countries because of the discipline that comes within the ranks of the system. Then they start looking for countries to bully—they are oppressing Angola with their Cuban troops. They are destroying Afghanistan themselves. They are involved all across Africa and in Central America. Why? Why do they want to expand? Because they can make their model work better if they control everything, that is why, Mr. President, They can make it work better if they control everything. That is exactly why they are expansionists.

So what we need to do is turn on the heat. We have the advantage. We have the power. We have the strength. We should do whatever is necessary to see that the Communist Sandinista government fails and that they are replaced by people who have aspirations to work within the framework of the Western Hemisphere alliance—within it and not against it. Had we not made those same mistakes that we are starting to make, today in Nicaragua, in Cuba 25 years ago, we would not have the present crisis situation. We would not see 30,000 Cuban troops in Angola today. We would not see Cuban troops in other countries in Africa doing the Soviet Unions dirty work. We would not see Cubans in Nicaragua. We would not have Cuban and Soviet Communists training revolutionaries and terrorists to blow up powerplants, stop transportation network systems, and disrupt civil affairs in the United States of America.

I think, Mr. President, this is a very clear-cut issue. Either we are going to support the forces of freedom or we are going to relinquish and surrender to the expansionist Soviet Communist-inspired and backed dictatorship, the Sandinista government. Either we aid the Contras now, or we do the job later with our own soldiers.

Mr. President, I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, in a few minutes the managers of the highway legislation will be on the floor. The Committee on Commerce, true to the chairman's word, the chairman being Mr. HOLLINGS, has reported out the resolution which he indicated on yesterday the committee would do earlier today.

So that resolution being at the desk, upon the arrival on the floor of the managers, if it is agreeable on the other side, we can go to that measure and suspend for the time being the debate on the motion to proceed to take up the moratorium resolution.

CLOTURE MOTION

Mr. BYRD. In the meantime, I indicated yesterday that I would be entering another cloture motion. I am prepared to send that to the desk now or later in the day. This cloture motion would mature then on Tuesday next, so that there would be a cloture vote not only on Monday next but also on Tuesday next.

I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of House Joint Resolution 175, a joint resolution to impose a moratorium on United States assistance for the Nicaraguan democratic resistance until there has been a full and adequate accounting for previous assistance.

Robert C. Byrd, Alan Cranston, Kent Conrad, Quentin Burdick, Timothy E. Wirth, Daniel Moynihan, Jeff Bingaman, John D. Rockefeller, Claiborne Pell, John F. Kerry, Patrick Leahy, David Pryor, Albert Gore, Jr., Wendell Ford, Tom Daschle, and Edward M. Kennedy.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I thank the Chair.

MORATORIUM ON ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

Mr. HELMS. Mr. President, I listened with great interest to the eloquent comments by the able Senator from Idaho, Mr. SYMMS, and it seems to me that he has the precise prescription for defending freedom, not only in Central America but in many other places in the world. All that is needed now is for Congress to wake up, smell the coffee, and stop obstructing U.S. assistance to the freedom fighters.

I do not mind obstructionism if there were any way to get to the American people the truth about Central America, Nicaragua, and the confrontation between the freedom fighters and the Communist Sandinistas who control the government. But the American people simply do not understand because they have not been able to get the information. They have no independent way to obtain the information. So they have to go on the day-to-day news reports which are biased and sketchy at best, and misrepresentative at worst.

For example, I have read and heard over and over again that the people of Nicaragua and surrounding countries do not favor the United States helping the freedom fighters. Let us see about that.

Consider the report of a Gallup poll taken in the past months. Were I a betting man I would be willing to wager with the distinguished occupant of the Chair that not one major newspaper, not one television network will even mention this Gallup poll. If the results had been the other way, it would have been all over the front pages. It would have been the lead story on the television news tonight.

The Gallup poll was taken in Costa Rica, Honduras, El Salvador and Guatemela. What do you know. The poll shows that more than two-thirds of the people of Central America favor U.S. military support for the freedom fighters—more than two-thirds. Seventy-one percent in Costa Rica, 81 percent in Honduras, 69 percent in El Salvador, 68 percent in Guatemala, and 75 percent of the people of these countries combined are aware and absolutely convinced that the Soviet Union is orchestrating the conflict in Central America.

As I have said, I would be willing to wager that you will not hear about that poll again. You will hear quotations of Senators who claim that not even the Central American people support the freedom fighters—an utter falsehood.

Mr. President, I noticed in the New York Times this morning that on page A-6 is a little story in the middle of the page, "Carter Criticizes Reagan's Middle East Efforts." It is datelined Cairo.

> Former President Jimmy Carter said today that peace efforts by America's friends in the Middle East were almost doomed to failure because Washington has failed to exert leadership.

Then the former President proceeded to bash Ronald Reagan which is a sport developed into a high art in various circles these days. My only comment about Mr. Carter, who was probably the most failed President in the history of this country, is that the best that can be said for him is that a pot is calling the kettle black.

Why can we not have reasonable dialog, reasonably and fairly reported by the major news media so that the American people can make up their own minds about the issues in Central America, in Angola, in Afghanistan? What is wrong with letting the people know both sides?

The only media access that the defenders of the freedom fighters in Nicaragua have are the television cameras in this Chamber. These proceedings are telecast to a limited audience—not on CBS, not on ABC, not on NBC, and not in the New York Times or the Washington Post. It is as if nothing were ever said in defense of supporting the freedom fighters. But what is reported over and over again? The falsehood that vast sums of the taxpayers' money is being wasted by trying to give limited assistance to the freedom fighters.

We are talking about $40 million. Mr. President, that much money is wasted every couple of days in the corruption of the Food Stamp Program. All of a sudden this $40 million—and I have heard on this floor over and over again—this $40 million is transformed into a giant waste, a deadly drain on the hard-working American farmer; the hard-working American taxpayer is being drained of all of his hard-earned money. It simply is not so, Mr. President.

Let me go through the litany once more about what is the issue in order to frame the situation in the proper context.

Let us go back to Cambodia, to Vietnam, and Laos when the Government jerked the rug out from under our anti-Communist friends in that area. We got out. And in came the Communists with the most brutal takeover of a region since Genghis Khan. The poor terrified people from those countries used every means available to flee their homelands because they did not want to live under communism. They certainly did not want to be brutalized and murdered by the Communists, which is what happened to untold hundreds of thousands of them who were unable to get out.

We talked back then about the "boat people"—people from Cambodia, Laos, and Vietnam. They got on leaky little boats, trying to escape. At least half of the boats sank. The poor, miserable, terrified people, fleeing communism drowned.

Well, the news media took a boys-will-be-boys attitude about that, and scarcely ever condemned the brutality of the Communists in that takeover which we allowed to happen.

So let's take that context and move it now to our hemisphere, our front yard—Central America. Cuba has been long gone. As Senator SYMMS said a little while ago, we should never have permitted a Communist-Soviet takeover of Cuba.

Nicaragua was literally given to the Communists by this same former President who so piously spoke out yesterday in condemnation of Ronald Reagan. All we hear is, "We must not help those freedom fighters because we don't like everything they are doing and we don't know this and we don't know that."

I heard on this floor yesterday, more than a dozen times, that we need to have an accounting of where the taxpayers' money went that was sent to the freedom fighters.

Well, I will say to Senators who genuinely want to know, all they need to do is go to the Senate Intelligence Committee because a full accounting is there. It is classified, so I cannot discuss it. But the information has been certified by the Intelligence Committees of both the House and the Senate. So much for the myth that there has been no accounting.

I continue to hope that the news media, just once, will report that there is an accounting of the money appropriated for the Nicaragua freedom fighters.

But back to the context of Central America. Cuba is gone, long gone, into Communist hands. Nicaragua was given to the Communist Sandinistas. As a matter of fact, this Congress—and I was sitting right here doing what I could to stop it—voted a total of over $100 million in seed money for the Communist Sandinistas. Some of us tried to warn against that, to no avail. The United States actually sent $119 million to Nicaragua after the Communists took over.

I remember a Senator saying, "Well, I am willing to take a chance."

Why not take a chance now with these democratic freedom fighters in Nicaragua who are willing to lay down their lives to regain and restore their freedoms which they lost in 1979 when the Communists came to power.

Many people say, "No, that is a different ball game. We cannot help anybody who is fighting for freedom." But Congress unhesitatingly gave millions to the Communist Sandinistas.

Suppose we pay no attention to the people of Costa Rica, Honduras, El Salvador, and Guatemala, who are saying, "Please help the freedom fighters."

By a margin of 2 to 1 and by a margin of 3 to 1 they support aid for the Nicaraguan freedom fighters, and acknowledge, that the Soviet Union has orchestrated the partial takeover of Central America by the Soviet Union.

That is what is afoot.

We will allow a takeover of all Central America by the Communists if we say to the freedom fighters, "Forget it. We are not going to help you." When communism takes over, when the Soviet Union wins control of Central America, the people won't need any leaky little boats or anything else. They will not be "boat people;" they will be "feet people," and they will simply walk northward over our borders into the United States.

Bear in mind, Mr. President, there are 100 million people who live between our southern border and Panama, which is roughly Central America. The estimates have been that 20 percent or 25 percent, will be walking north and they will come into this country. They are people who, in large measure, cannot speak English, who have no jobs, have no homes, have no means of sustenance. They will go on welfare. The impact upon our schools and other institutions will be obvious.

These people will come here simply because they do not want to live under communism. They yearn to be free.

So they will come here and, Mr. President, if anyone thinks we now have problems with the cost of welfare programs, the Social Security Program, the Food Stamp Program and the Aid to Dependent Children Program, just wait until we get 10, 15, 20, 25 million additional people from Central America who have come to the United States, fleeing communism. Then we will know something about a Federal deficit.

So if anyone wants to leave compassion out of it, and I certainly do not, and just concentrate on the hard arithmetic, it is stupid not to help those people restore freedom in their own lands.

Long ago, Mr. President, we began watering own the Monroe Doctrine. It was said on this floor by a distinguished colleague, "I am not interested in the Monroe Doctrine. This is 1987." Well, he is half right, it is 1987. He is wrong about the other half. I hope that he will consider the validity, the importance, the vital nature of the Monroe Doctrine. The Monroe Doctrine has twice been reaffirmed by the U.S. Congress in recent years.

If we abandon the Monroe Doctrine, then we are inviting a takeover of this hemisphere by the Soviet Union.

ORDER OF BUSINESS

Mr. HELMS. Mr. President, before I proceed, if I proceed, I would inquire of the distinguished majority leader if he is ready to proceed on the highway measure.

Mr. BYRD. Mr. President, I believe that we will be ready to proceed very shortly. Mr. MOYNIHAN is on the floor. It is my understanding that Mr. BURDICK is on his way and Mr. STAFFORD is on his way; Mr. WEICKER is in the area.

Mr. HELMS. In that case, while I have some comments about the Monroe Doctrine, I shall withhold those for another time in order that we may proceed with the business of the Senate. I thank the majority leader. Does he want to suggest the absence of a quorum?

Mr. BYRD. Mr. President, I do thank the distinguished Senator from North Carolina. If he will suggest the absence of a quorum, we shall try to get our managers ready.

Mr. HELMS. I thank the Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MAKING A CORRECTION RELATING TO THE MAXIMUM SPEED LIMIT IN THE ENROLLMENT OF H.R. 2

Mr. BYRD. Mr. President, I want to compliment the distinguished Senator from South Carolina [Mr. HOLLINGS] for carrying out his commitment made to the Senate yesterday that his committee would meet at 10 o'clock this morning and report out quickly House Concurrent Resolution 77. That report has reached the Senate. The distinguished manager on this side [Mr. MOYNIHAN] is present on the floor. I note that Senator SYMMS, the distinguished ranking manager, is here. Therefore, I ask unanimous consent that the Senate proceed to the consideration of House Concurrent Resolution 77.

The PRESIDING OFFICER. Is there objection? There being no objection, the clerk will state the resolution by title.

The legislative clerk read as follows:

A House concurrent resolution (H. Con. Res. 77) to make a correction, relating to the maximum speed limit, in the enrollment of the bill H.R. 2.

The Senate proceeded to consider the concurrent resolution.

(Senator BREAUX assumed the chair.)

Mr. MOYNIHAN. Mr. President, I am in the happy circumstance of reporting that all seems well with this legislation; 171 days into the fiscal year in which it was to have commenced, we are about to pass—I hope near unanimously—this concurrent resolution which has the effect of amending the conference report which was adopted yesterday by a resounding vote of 79 to 17, and an equally near unanimous vote in the House, from which our distinguished Presiding Officer has so recently come. This means that we will be able to have the bill on its way to the White House in very short order—not a moment too soon. The construction season has begun. The number of jobs, the amount of work, of important work, that is at issue, is already in jeopardy. Still, we have come through.

My duties here are brief, Mr. President. The first is to thank the Committee on Commerce as a body, to thank the distinguished chairman, the Senator from South Carolina [Mr. HOLLINGS] and his ranking colleague, the Senator from Missouri [Mr. DANFORTH], who, true to this undertaking, managed to meet with great dispatch this morning and reported out unanimously, as I understand, this measure to the body. I believe it is the case that in fact, this matter has been called up by consent and therefore, the normal 1-day layover is not necessary. We do not have to adjourn and our previous motion will not fall in consequence.

Mr. President, what have we here? We have a very simple measure, technical only to the degree that it affects the enrolling of a conference report and is not itself a bill, but it has the simply consequence of a bill and will do. It provides that the State governments, at their option, can raise the speed limit on interstate highways to 65-miles-per-hour, the rural sections thereof. This is a matter which the President supports; this is a matter which the Senate voted on a 2-to-1 basis to insist on. I was one who voted otherwise. I think it is indicative of something that, of the conferees, four of us were in the minority. But we carried out our instructions.

The House carried forward in this matter a negotiation in which they insisted on a number of highway projects which are, in effect, named highway projects as against the ordinary procedure by which the allocations and apportionments are made to the States and the States choose.

And the States chose the projects in large part, but they chose from an inventory that is well understood, well known, and named in the processes that have emerged in what is now about a half century of regular annual appropriations for highways. Highways came late just because automobiles came late.

Our first internal improvements for transportation were rivers and harbors, the rivers and harbors legislation of the 19th century and great legislation it was. It took an extraordinary amount of debate from the time that Hamilton first proposed internal improvements, as he called them. It is not, I think, as well remembered as it might be that the Jacksonians opposed such measures as involving too large a role of the Federal Government. It was the Whig Party of the age, the Federalist successor, who advocated it, and it was none other than the Chief Justice who gave us McCulloch versus Maryland and who decided Gibbons versus Ogden, a dispute between the State of New York and the State of New Jersey, Mr. Fulton's steamboat. New York had put some regulations on Mr. Fulton's steamboat that made its way from Manhattan to Albany. New Jersey said, "Those are waters that are partly ours as well and you cannot do that." The Supreme Court decided that, indeed, these were waters that involved interstate commerce and only the Federal Government could regulate such commerce.

Out of that developed the great system of inland waterways and cleared rivers and canals, such that by the middle of the 19th century the tonnage of inland waterway carriers, barges and such, in the United States was greater than the British merchant fleet. The one sole exception—just as the sole exception to building the Interstate Highway System as a toll-free road was the first segment, the New York State Thruway—the one exception to the Federal construction of canals and maintenance of the Ohio-Missouri-Mississippi basin arrangement in the first place, was the Erie Canal in New York.

New York always seems to do these things first and on its own and not to catch up for a long while. I am happy to say that the water resources legislation passed the last Congress, after 17 years of no water bill of any kind, provided for the Federal Government to assume the costs of operations and half the costs of maintenance of the Erie Canal, which is small justice after 160 years of self-reliance. Indeed, legislation is in place that when the bonds are paid off on the thruway the tolls will be taken off. In the meantime we are sharing in the normal 4R moneys, as they are described, moneys for maintenance, rehabilitation, and repair.

The Highway Program this year is smaller than it was last year. I am not here to say that that is a good thing. It is a judgment we have made to reduce the size of the program. In part, this reflects the final phase of the Interstate Highway System, the largest public works program in history. It is about 98 percent completed. The parts that remain tend to be urban. I think all of the rural sections are long since completed.

This is a 5-year bill, which is a point the Senate should know since we reported only a 4-year bill. We agreed with the House that 5 years would finish the Interstate System and bring the whole thing to a conclusion, such that in this next interval we could say that what is going to have to follow, Mr. President, is a very considerable attention to the infrastructure of this country. We almost certainly have been disinvesting in infrastructure. The condition of bridges in this country is at the point of peril in so many instances; the conditions of dams, the conditions of roads built 50 years ago for different levels of traffic, weight of vehicles and such like.

Some people find these matters pedestrian. The editorial writers have a very discouraging habit of referring to them as "port." They happen to represent one of the finest activities a people ever accomplished. The creation of modes of transportation constitutes the creation of civilizations. The history of the world is the history of the economics of transportation. It does not sound perhaps interesting but it is, in fact, everything.

Just as the railroads brought the United Kingdom into a single political unit in the 19th century, so these great interstate highways, with the airlines, have made a single political unit of the United States in the way it never was before.

We undertook the greatest public works project in the history of the world. One of the problems of our economy in the last 10 years has been the slowing down of activity in that program. A great industry was built with enormous investments of capital, enterprise and abilities, the engineers and the engineering, and the great road building systems that we developed were developed for that system.

As they began to slow down, the American economy began to slow down, make no mistake. When you find that the Caterpillar Company, known the world over for its distinctive heavy equipment, was having trouble, you were seeing the gradual completion of the Interstate System. As the equipment that would be required to build it was purchased, you could see it being amortized out to the point where it was about used up when the system was about built.

Now, the needs of infrastructure are going to be less attractive than the needs of the Interstate System, particularly a system not quite built which is like a bridge not quite built; until completed, you cannot use it. But they are going to make a demand on our committee. We are going to hold hearings. We already have information. We are going to pursue it.

But in the meantime, Mr. President, I do wish to say with absolute emphasis that we need this program. I am happy to report my understanding that no amendment will be offered to this concurrent resolution. Yesterday, when we brought the matter up, we were told that there would be an amendment. Various suggestions were made of what it would be. Basically it would be one to reject all of the changes made in the conference committee and insist on the bill that left the Senate. That was the formula for stalemate, ruin. I made the remark yesterday that a year without a highway program would be like a year without summer. You might not notice, thinking that spring was just hanging on until suddenly it turned fall, but come January when there is no hay in the barn and no corn in the silos and there is famine in the land, you would know something happened but it would be too late to do anything about it.

Now, I think it was fair to say on both sides of the aisle the debate yesterday was civil. As you know, the conferees were unanimous from the Senate as they were in the House.

We have taken the trouble to learn about this program. We came to this body and said: "We neet it. You cannot do without it, unless you made very elaborate arrangements for some alternative activity. And you should not do without it, because you need what you would get."

Even though at the very end of last evening it was mentioned that there might be not just an amendment, but, plural, that there might be amendments, we now learn—we do not know, but we will see in short order—that there will be no amendments.

Mr. President, this suggests to me, as I am sure it will suggest itself to the learned and able and distinguished chairman of our committee, the Senator from North Dakota [Mr. BURDICK], and my friend from Idaho, that, in the great tradition of Lyndon Johnson, Members of this body came together and reasoned together last night. They asked themselves what really was the national interest, what really was the interest of the economy and of their prospective parties. They have every right to do that. In particular, did one party wish to be associated with an act of inane destructiveness, which would be the consequence of not letting this bill come out of this body? The judgment was made: No. We are going to go forward as the conference indicated to do. We are going to send the conference report as agreed in the conference committee.

The agreement was that we would have a freestanding vote in the House on the speed limit. Whatever the outcome of that vote was would be incorporated in the conference committee. The distinguished Presiding Officer, Mr. BREAUX, was a more than valuable member of the conference, having served in both bodies on each of these committees. The vote was in favor of the 65-mile-an-hour speed limit. The Senate position, therefore, is the concurrent resolution before us. It is all we agreed to in conference, which was that we would take the House decision, one way or the other. If the House had voted otherwise, we would be here with a bill other than that the Senate passed. As it is, we are here with the bill the Senate passed and the bill the House passed.

Overnight, there have been deliberations and judgments made; and, in the end, the conclusion was, let us send this bill to the President just the way we got it from the conference. Mr. President, may I dare to hope that the same kind of thinking is now taking place in the White House, perhaps especially in the Office of Management and Budget? Will they say, "Did we really mean to send that letter yesterday, saying we would veto this bill?" Can it be that the members of the President's party are going to make no effort with regard to the matter and send it forward, as they should? Maybe now they will share in the judgments that have been made in this body. I very much hope so.

If one person can bring that about who is nearest to hand at this moment, it is the distinguished Senator from Idaho, the ranking manager of this measure. I see that he is on his feet, and I welcome his views on this and on other matters.

The **PRESIDING OFFICER.** The Senator from Idaho is recognized.

Mr. SYMMS. Mr. President, first, I should like to give my hearty congratulations for a job well done by the distinguished manager of the bill, Senator MOYNIHAN, who was the chairman of the conference; and I join in his praise of the distinguished Presiding Officer, who made a very fine contribution to our efforts in the conference.

Also, I should like to recognize Chairman BURDICK and the ranking minority member of the committee, the former chairman, Senator STAFFORD, for a job well done.

There are a few things that I think ought to be talked about with respect to this bill.

First, I think the Senate should adopt the concurrent resolution on speed limits without amendment. I am pleased, as is my colleague from New York, that there will be no effort to amend this bill.

I think that is a wise choice; because if we amended the Senate-passed bill and send it to the House, it would remain there for the remainder of the 100th Congress.

I talked to Chairman HOWARD about that yesterday, and that is his intention. He is opposed to the speed limit amendment that we are about to pass here, and feels very deeply about it. I respect him for his difference of views. The House of Representatives, representing the American people, chose to relax the speed limit on rural interstates up to 65 miles per hour if a State chooses to do so.

We should respect that, and it will now be the passage of this current resolution that States the conference report is now amended to include the so-called Symms amendment, where it will then go to the President for his signature.

With respect to the highway bill, I think we should talk about some of the things that are in the bill.

The Department of Transportation proposed and circulated to Members yesterday, a highly misleading chart that indicated most States will lose highway dollars under the conference report and that suggested the loss of funds is due to the inclusion of demonstration projects.

The chart reads, in part, "This difference in apportionments translates into a loss to States of $391.7 million annually, or $1.96 billion over the 5-year life of the legislation."

Lower apportionments in relation to the apportionments that would have been made under the Senate-passed bill have absolutely nothing to do with the inclusion of the demonstration projects in the conference report. The conference report authorizes funding for most highway categories at a level equal to or greater than the funding included in the Senate bill; and the new funding money for demonstration projects, $178 million per year, was added on top of the Senate-passed authorization levels.

Lower apportionments under the conference report are due almost exclusively to the establishment of discretionary accounts which were not included in the Senate-passed bill. Only one of those discretionary accounts is in addition to the discretionary accounts included in the highway program. Funds in the discretionary accounts will be distributed to the States during the course of the year, but they are not distributed under the apportionment formulas, so they do not show up in the apportionment charts.

We have a total of $525 million in annual discretionary funding under the conference report that was not included in the Senate-passed bill but which will be distributed during the course of the year.

Again, the inclusion of the demonstration projects has absolutely no effect on the apportionment of funds under the conference as compared to the Senate-passed bill.

If they want to play the numbers game, the State of North Dakota would be devastated if we took away the one-half percent that we preserved.

The chart the DOT passed out yesterday says North Dakota would lose $16 million. It says 41 States will receive lower apportionments under the conference than under the Senate-passed bill. If the Senate conferees had gone over and caved in and taken the House bill, North Dakota, would have lost, over a 5-year period, $125 million.

So when you start analyzing what is really in this bill for the Senate, I think that we did a fairly good job of hammering out these differences with the House in the conference.

Certainly I would hope that the President would analyze this very carefully.

Mr. CONRAD. Mr. President, will the Senator yield for a question?

Mr. SYMMS. I am happy to yield.

Mr. CONRAD. Obviously, the question is important to those of us who have seen the chart passed out that suggested that we are getting less money.

As I understand the presentation that the Senate from Idaho is making, the discretionary accounts more than make up for, is that correct, the shortfall that was indicated by the charts that were handed out yesterday?

Mr SYMMS. That accounts for a lot of it. The point is the numbers game that is being played here. If we want to look at it in the conference report, with the apportionments under the bill passed earlier this year, we can look at the State-by-State apportionments which would have been, had we accepted the House bill. Rather than working out the conference agreement, compare the House apportionments with the apportionments in the conference report. There are 36 States which would have lost a total of $2.8 billion over 5 years. This compared with the 5-year loss of $1.96 billion noted on the DOT chart comparing the Senate-passed bill with the conference report.

So in my mind we are better off in terms of dollars and in terms of public policy under the conference agreement than we would have been under the House bill.

There are some good arguments, and I have been one that made those arguments there was some better policy positions in the Senate bill.

We did not get all of it but we got some of it.

Mr. CONRAD. Will the Senator yield for one quick question?

Mr. SYMMS. Certainly.

Mr. CONRAD. The discretionary accounts then would be expended during this construction season and that would be those moneys would be spend at the discretion of the Secretary?

Mr. SYMMS. The Secretary's discretionary account was reduced and put in to pay for some of the demonstration projects to remain under the budget.

I think the Senator from New York said this at the beginning of his opening remarks. One of the reasons that people are saying there is a little less money in the bill, goes back to the 99th Congress when the Budget Committee had their meeting. We had just come off of a period of time when everybody was talking about budget restraints, and the need to stay within the numbers of Gramm-Rudman. It worked by coincidence that the Public Works Committee had the first meeting. Those of us on the Public Works Committee decided we did not want to set the pattern for the rest of the Congress by breaking the budget on the first meeting so we stayed within a $13.2 billion number.

What that really means to the American people is that we are gradually starting to accumulate funds in the trust funds again. It is abhorrent to take taxpayers' dollars from people who are buying fuel, put it in a trust fund under the guise that it is supposed to go to highways and mass transit, and then let it accumulate into a balance. That is not good policy.

So this bill, in terms of the budget, is difficult to call a budget booster.

If you want to discuss the virtue of the demonstration projects, there is no one more able than the senior Senator from North Dakota and more opposed to the principle of demonstration projects. I think he can tell you that we worked not for 1 year but for 2 years now. For 171 days, we were into this before disputing demonstration projects with the House.

Mr. CONRAD. Will the Senator yield for one quick question?

Mr. SYMMS. Certainly.

Mr. CONRAD. I was called last night by someone from my State who is acutely interested in this and asked how can you be voting for a bill that reduces the money to North Dakota by $16 million, because already the chart which was handed out here yesterday had found its way into the popular press and was being reported and I was asked a question how could you have voted for that bill? And I think we have just heard the answer.

Mr. SYMMS. The Senator was voting against a bill that would have reduced it by $125 million. If you had the House bill then they would have had a good question to ask you.

So, by and large, I think that our bill is a responsible answer.

For example, look at my own State, Idaho. The DOT chart says Idaho would lose $34.5 million over the 5-year period if the House bill had passed, we would have lost $56 million.

Mr. CONRAD. I just want to thank the distinguished Senator from Idaho for answering that question. I think it does clarify in the RECORD really what the choices were yesterday when we voted.

Mr. MOYNIHAN. Mr. President, will the Senator yield for a comment there?

Mr. SYMMS. Certainly.

Mr. MOYNIHAN. May I thank my friend, and just say to him that I have been involved with these matters for a long while and from the executive side as well, and I have been disturbed by the behavior of the Federal Highway Administration.

These matters that made their way into the press were mailed anonymously, or as near as it makes no matter, a piece of paper with no letterhead, sort of an anonymous denunciation.

It raises questions of character. I have to say that to you. I would not ordinarily say that on the Senate floor, but the character of the Federal Highway Administrator is a matter that has been brought into question by this behavior.

I thank the Senator for inquiring and I thank my friend for going through the explanation.

Mr. SYMMS. Let me just speak on behalf of a person whom I think has done an excellent job as chairman of the Federal Highway Administration, Mr. Ray Barnhart. This piece of paper did not come from Barnhart's office.

Mr. MOYNIHAN. Where did it come from?

Mr. SYMMS. I do not know where it came from. It did not come from his office.

Mr. MOYNIHAN. That is the problem, then; in which event, I withdraw my statement.

Mr. SYMMS. I know the administrator of the Highway Administration has told us of his objections to the bill, but is not enthusiastic about slowing down the process by getting embroiled in a veto override.

Mr. MOYNIHAN. My friend will agree the question is where did these anonymous pieces of paper arise and how did they get to our State capital like that, bang.

There are people in the Federal Government who are not being open with this Conference Committee.

Mr. SYMMS. I think Mr. Barnhart is a good administrator, and is loyal to the President. He also has a record of being a solid highway person from Texas before he came to this job and has a complete understanding of the difficulties we are up against.

I want to just make one more point, Mr. President, and then I will yield the floor.

I see Senator STAFFORD is here and may want to make some comments.

There is a "Dear Colleague" letter that was sent out that I would call to the attention of my colleagues, signed by Senators MOYNIHAN, BURDICK, STAFFORD, and myself, dated March 20. I think it is important that we put this letter in the RECORD at this point and I ask unanimous consent to do so.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS,
Washington, DC, March 20, 1987.

DEAR COLLEAGUE: Yesterday the Senate overwhelmingly passed the conference report on H.R. 2, The Surface Transportation and Uniform Relocation Assistance Act of 1987, by a vote of 79-17. The House approved the report by a vote of 407-17 on March 18th.

Title 1 of this important legislation would provide $68.6 billion in authorizations for the Federal-aid highway program over the five-year life of the bill.

Five Senate committees have worked to produce this conference report. The result is a compromise with the House; it is our best and perhaps only hope of passing a bill in time for the 1987 building season. Final passage of this critical bill is one of the top priorities for the 100th Congress. Few bills will have as significant an effect on our nation's economy over the next five years.

Today the Senate is scheduled to consider H. Con. Res. 77 which will allow States to increase the speed limit to 65 mph on rural Interstates. This measure has passed the Senate by nearly a 2-1 margin twice, and it passed the House on Wednesday. There has been discussion, however, of offering one or more amendments to the resolution.

Amendments to H. Con. Res. 77 will delay or derail passage of this transportation bill. We therefore ask that you oppose any amendments to H. Con. Res. 77.

QUENTIN N. BURDICK,
ROBERT T. STAFFORD,
DANIEL PATRICK
MOYNIHAN,
STEVE SYMMS.

Mr. SYMMS. I want to make a couple of points about the letter:

Title 1 of this important legislation would provide $68.6 billion in authorizations for the Federal-aid highway program over the five-year life of the bill.

Five Senate committees have worked to produce this conference report. The result is a compromise with the House; it is our best and perhaps only hope of passing a bill in time for the 1987 building season.

I believe passing this bill should be one of the top priorities of the 100th Congress, because few bills will have the significant effect on the economy over the next 5 years.

This Senator has never been one to come to the Senate floor and argue that the Federal highway program is a jobs program. But, Mr. President, once you have taken the tax dollars from the people and put it in the bank, if you do not expend those dollars, then you have removed those dollars from being able to be spent on some other project. And if you do not spend them on the highways, it could be very negative in terms of employment in the construction industry. These matters are certainly important to us. In addition, we know that the Nation's highways are wearing out today slightly faster than we are repairing them. In many of the rural States, we find many roads that used to be paved are now gravel because they are too expensive to maintain.

So I think it is important that this bill pass today. It is important that we have the 65-mile-an-hour permissive allowance on rural interstates. That is another thing that the American people have been asking for.

I hope that the House Concurrent Resolution 77 will pass with no amendments on it and that the conference report will be passed. I hope that, in further consideration, the administration would carefully look at it and go through it in detail with some of the Senators from both sides of the aisle. I believe the best thing for the country at this point is for the President to sign the bill and let the highway program move forward so we can have a fully funded, sustained Federal Aid Highway Program to get people fixing and repairing our roads and improving the safety of the highways. Politics should not tie up something as important as smooth roads for our transportation.

I yield the floor.

Mr. STAFFORD. Mr. President, yesterday, when the Senate passed the conference report for the Surface Transportation and Uniform Relocation Assistance Act of 1987, I said it was not a perfect bill.

Resolving differences, which are strongly held, is never an easy task and requires the art of compromise. Funding levels for the Federal-Aid Highway Program represent such a compromise. I did not believe that we could realistically expect the House to take the Senate bill when we went into conference. Of course, they did not, nor did we take their bill. But compromise had to be achieved if we were to get legislation which we could agree on in the two bodies and send to the White House.

A chart was distributed yesterday which indicated that 41 States lost funds in the compromise bill compared to the Senate bill. I should point out, as others have, that if we would have accepted the House bill instead of the compromise, 33 States would have gotten less appropriated funds. Indeed, to be slightly parochial, my own State of Vermont would have received $32 million per year in apportionments under the House bill, $53.9 million under the Senate bill, and $51.9 million under the compromise, almost $20 million more than would be the case had we accepted the House bill. Over half of the States would have experienced these kinds of reductions because the House bill eliminated the one-half percent minimum for interstate construction and changed the interstate 4R apportionment formula to reflect only population rather than a combination of lane miles and area.

States receive funds from the highway program in two ways. They receive apportioned funds from the major categories which are distributed by formula. They also receive allocated funds from discretionary categories including the interstate discretionary, interstate 4R discretionary, bridge discretionary and interstate transfer discretionary funds, emergency relief, and the Federal Lands Program. All States who are eligible for these funds can compete for them.

The chart distributed yesterday does not show in the conference agreement column approximately $900 million per years in additional allocations that the States will receive under these discretionary categories. Because of their discretionary nature, it is impossible to indicate with absolute certainty which States will receive these funds.

And because the 85-percent minimum allocation funds are based on a calculation of apportioned funds for one year and allocated funds for the previous year, there is no way to accurately determine the amount of funds the 85 percent States will receive in future years.

Mr. President we are on a treacherous path with the existing conference report because the President has indicated he will veto it. However, I believe any changes at this late date will put us on even more treacherous ground.

I must say, Mr. President, that in the last Congress, having been the chairman of the Environment and Public Works Committee and working with Senator BURDICK, the chairman today, and Senator MOYNIHAN, Senator BENTSEN in the last one, and Senator SYMMS, that we worked mighty hard in the 99th Congress to get a bill through and we just simply could not agree with the House.

So we are, as someone has pointed out, well into this fiscal year without a highway bill. We need it very much. We need it now. I think that this is as good a bill as we can possibly achieve. I hope the White House will advise the President to sign the bill and that he will take that advice.

I yield the floor.

Mr. BURDICK. Mr. President, it has been clear for a long time that the people of this country are ready for a change in the 55-mile-per-hour speed limit.

This is a reasonable approach. We want individual States to decide whether the speed limit should be raised to 65 miles per hour on their rural interstates which are designed to take the higher speed.

This is clearly a States' rights issue. Congress isn't forcing this on anyone. It's an option we're giving each State.

The 55-mile-per-hour speed limit has been unenforcible for a long time, especially out in the Western States. I believe if we give people a reasonable law, they will drive at reasonable speeds.

The people want this change; the Senate wants this change; the Reagan administration wants this change, and the House has voted for this change. It is time for us to act and make this option a reality for the States.

The PRESIDING OFFICER. Is there further debate on the resolution?

Mr. STAFFORD. Mr. President, the Republican leader wishes to speak and, in view of that fact, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is noted. The clerk will please call the roll.

The bill clerk proceeded to call the roll.

Mr. BURDICK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURDICK. Mr. President, in an effort to clear up some confusion that may have been created yesterday by the administration, I ask unanimous consent to have inserted in the Record a table run by the U.S. Department of Transportation which makes a comparison of the apportionments contained in the House-passed bill, the Senate-passed bill, and the conference report on H.R. 2. I think that of most States you will see a sensible compromise between the two bills.

There being no objection, the table was ordered to be printed in the Record, as follows:

U.S. DEPARTMENT OF TRANSPORTATION, FEDERAL HIGHWAY ADMINISTRATION, ESTIMATED FISCAL YEAR 1987 APPORTIONMENTS PER HOUSE PASSED BILL, CONFERENCE BILL, AND SENATE PASSED BILL

State	House passed bill	Conference report	Senate passed bill
Alabama	$222,183,552	$255,584,000	$280,722,246
Alaska	124,855,588	152,255,000	154,917,504
Arizona	147,645,087	146,682,000	146,846,306
Arkansas	123,590,732	123,616,000	137,742,279
California	964,511,801	958,967,000	975,055,338
Colorado	173,232,017	185,400,000	198,869,700
Connecticut	267,199,639	271,831,000	274,235,105
Delaware	29,768,175	48,764,000	50,965,300
Florida	487,791,557	424,706,000	426,394,787
Georgia	336,394,616	320,099,000	341,610,493
Hawaii	146,562,655	133,591,000	154,920,303
Idaho	72,664,918	83,638,000	90,194,036
Illinois	371,201,489	369,030,000	367,107,405
Indiana	258,256,825	250,984,000	280,797,271
Iowa	150,215,434	164,238,000	163,550,719
Kansas	123,242,410	142,282,000	144,391,758
Kentucky	213,889,226	163,288,000	179,551,119
Louisiana	313,232,729	257,994,000	282,637,232
Maine	54,940,641	56,429,000	61,748,867
Maryland	284,624,075	273,849,000	287,868,984
Massachusetts	657,664,699	529,873,000	375,754,672
Michigan	306,641,501	314,347,000	303,308,942
Minnesota	204,808,944	205,313,000	219,152,031
Mississippi	124,814,331	126,996,000	140,745,445
Missouri	243,405,373	250,535,000	264,423,058
Montana	70,535,965	107,085,000	110,966,674
Nebraska	87,624,326	102,100,000	103,488,898
Nevada	50,632,755	70,610,000	73,490,028
New Hampshire	37,681,067	53,592,000	55,460,336
New Jersey	359,448,534	314,650,000	328,952,278
New Mexico	78,088,343	103,019,000	107,238,797
New York	658,832,484	631,790,000	609,904,567
North Carolina	279,067,354	289,204,000	321,541,137
North Dakota	48,066,645	73,029,000	75,726,529
Ohio	418,491,572	417,445,000	465,701,523
Oklahoma	183,107,532	189,869,000	177,476,948
Oregon	131,662,942	126,621,000	130,976,350
Pennsylvania	485,752,508	501,273,000	529,792,268
Rhode Island	88,160,071	101,115,000	96,708,755
South Carolina	154,743,716	148,174,000	127,552,856
South Dakota	53,511,353	80,998,000	83,755,054
Tennessee	234,479,869	242,063,000	268,910,539
Texas	825,550,927	850,041,000	947,838,294
Utah	112,041,056	112,591,000	124,753,855
Vermont	32,369,067	51,961,000	53,968,726
Virginia	272,772,794	239,027,000	265,192,623
Washington	249,771,558	258,990,000	283,972,814
West Virginia	94,298,159	105,894,000	106,224,890
Wisconsin	187,540,026	194,271,000	215,966,921
Wyoming	45,427,267	80,046,000	83,742,248
District of Columbia	64,887,248	82,474,000	80,126,037
Puerto Rico	62,679,618	61,923,000	62,554,346
American Samoa	416,519	416,250	428,769
Guam	416,519	416,250	428,769
Northern Marianas	416,519	416,250	428,769
Virgin Islands	416,519	416,250	428,769
Territories	11,201,961	11,336,000	
Total	11,783,430,807	11,813,147,000	12,197,210,267

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I urge the Senate to support the pending resolution and to oppose all amendments. The 65-mile-an-hour provision in this resolution is an indispensable part of the highway bill adopted yesterday by the Senate.

For technical parliamentary reasons, the resolution is now before us for separate action. But if we pull at this loose thread as some have suggested, the whole highway bill will unravel. And that is a result that none of us from any State could want or wish.

Obviously, this bill is extremely important for Massachusetts.

President Reagan was wrong in his letter yesterday to single out the central artery project in Boston for special criticism. That project is eminently justified, and it has been approved by the President's own Federal Highway Administration.

When the President comes to Boston, he arrives with the unique assistance of a Secret Service motorcade that whisks him anywhere in the city in the wink of an eye. Before he wields his veto pen on this legislation, I invite the President to visit Boston again, and take a closer look at the backed-up miles of traffic that are turning Boston into Gridlock City. We need the central artery project; we need the third harbor tunnel; we need their construction to begin as soon as possible; so I urge the President to reconsider his ill-considered criticism.

We all realize the urgent need to enact this legislation. Since the authorization expired last September, countless vital construction projects across the country have been delayed or stopped. The construction season has already arrived in many regions of the country. If critical pending projects are to proceed at all this year, we must pass this bill now, or risk the loss of the entire construction season.

I urge the Senate to pass this resolution, send it to the White House—and override the veto if the President persists in his present unwise course.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the distinguished Senator from New York, and the Chair for recognizing me.

(The remarks of Mr. Helms at this point relating to Iranian New Year are printed later in today's Record.)

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Reid). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, we are at this point awaiting the distinguished minority leader, who wishes to present a few remarks prior to our passage of this legislation, which will be overwhelming, I do not doubt.

The minority leader indicated yesterday that there might be amendments to the concurrent resolution. It appears there will not be. So we have the conclusion of this long effort at hand. We are 171 days in this fiscal year on a measure that failed of passage in the previous Congress.

I would like to note an interesting observation that was made to me by the distinguished Senator from Louisiana, who has made such a direct contribution to our conference committee in his first weeks in the Senate because he had been a member of the House Committee on Public Works previously and knew the subject in great detail.

He observed that there were 17 votes against this measure in the House and 17 votes against it in the Senate. That is about as near to unanimity as you are likely to get. It was so pleasing to learn that, after an evening of what I am sure was rational discourse. As President Johnson used to quote, and I am sure the distinguished Senator from Oregon would get it right, "Let us reason together." Isaiah is the reference.

I gathered that Members of this body reasoned together and decided no, there would not be an amendment; we would pass the measure just as it came out of the conference. That is what we are going to do.

I would hope that when it makes its way downtown, after a rather intemperate letter that was written for the President yesterday and presented to the body, as it ought to have been done by the minority leader, that the persons who wrote that letter will reconsider, too.

I am sure the President would be willing to reconsider. I hope he might be willing to talk to the persons on that side of the aisle who last night reconsidered their position and said, "No, let us follow the conference. Let us do what a unanimous conference committee did, succeeding where efforts earlier had failed."

That would bring such harmony to this body because, as the distinguished ranking manager of this legislation [Mr. SYMMS] has said, the Members on the House side are clear that if this bill were to be changed, as contemplated yesterday, and sent back, if this concurrent resolution were to be amended, as it is amendable, unlike the conference report, they would just not like it. There would be nothing that would happen.

Indeed, if this bill is vetoed, and the effort to override in the Senate failed, it should be understood that there will be no highway program this year.

There are pressing matters before both bodies. They have claims on us, claims of the calendar, Budget Committee claims, Gramm-Rudman claims, all written into law, what must be done by May 1, April 15, and June 2.

No highway program. There may be some forest roads, but that would be the end.

I am happy to see our distinguished minority leader, who has been so successful in his deliberations, and in the tradition of Isaiah, having reasoned together, now in the Chamber.

Mr. President, I yield the floor.

Mr. WEICKER. Mr. President, I am opposed to allowing the States to raise the 55-mile-per-hour national speed limit to 65 miles-per-hour on rural interstates.

During this time when everyone is focusing on the issue of safety in the rail and aviation industries, it is ludicrous that we should increase the risk of accidents on our much traveled highways.

The fact of the matter is that 55 saves lives. When all other arguments regarding the national speed limit are considered, this is the most convincing to me and the most important to the American people.

The debate on raising the speed limit revolves around the basic issue of safety and economics.

Supporters of raising the 55-mile-per-hour speed limit note the energy crisis as the reason for this limit and point to the current plentiful supply of fuel along with newer, fuel-efficient automobiles as arguments for raising the speed limit. However, the current fuel surplus cannot change the fact that the energy supplies have proven to be extremely volatile.

In addition, the National Academy of Sciences determined that 167,000 barrels of fuel are saved every day due to the 55-mile-per-hour speed limit, which is nearly 2 percent of this Nation's highway fuel consumption.

It has also been determined that there is a 15.6 to 33.9 percent loss in fuel economy when speed increased from the 55 miles per hour to 70 miles per hour—depending on size and type of vehicle. The 70-mile-per-hour figure is significant because this is the lowest speed at which cars will most likely travel if the States are permitted to raise the limit to 65 miles per hour.

It is also important to note that the greatest loss in fuel economy results in the smaller, more fuel efficient vehicles.

I proposed legislation in 1985 to increase the Federal gasoline tax in order to decrease the consumption of gas and diesel fuel from approximately 120 billion gallons in 1985 to some 105 billion gallons in 1988. This legislation was not enacted, however, yesterday I again introduced legislation to raise the Federal gasoline tax because I strongly believe that energy conservation has got to be an ongoing national goal.

We should build upon our fuel savings and not encourage waste. And given the volatility in the Middle East, we must not remain so dependent on OPEC.

When it comes to safety, there are no arguments that justify raising the speed limit, including the introduction of so-called safer new cars. A car is only as safe as its driver and speeding drivers kill; this fact becomes startingly clear when we consider that 25,000 to 50,000 lives were saved between 1975 and 1985—the time the national speed limit has remained at the 55 miles-per-hour.

The National Academy of Sciences determined in 1984, as a result of its study on the the 55 miles-per-hour limit, that 2,000 to 4,000 lives are saved per year at least that many disabling injuries are prevented due to the uniform speed limit of 55.

Several Government programs, including Medicare, Medicaid, and old age survivors and disability insurance, provide benefits that are affected by highway fatalities, disabilities and injuries; $65 million per year in costs to the taxpayer is saved because of the 55-miles-per-hour speed limit. This amount corresponds to a reduction in total Federal spending of about 0.01 percent.

During the past 10 years or so, the immense reduction in deaths and injuries joins the $2 billion fuel bill we save each year and the reduction of $65 million per year for insurance programs.

The 55-mile-per-hour speed limit has been one of the most effective highway policies ever adopted.

And the best argument for maintaining this limit is still the shortest: 55 saves lives.

Mr. BAUCUS. Mr. President, the national maximum speed law is a law without reason; without flexibility, and above all, without respect.

It is time to change the law.

55 MPH WITHOUT REASON

The 55-mile-per-hour speed limit law was passed in March 1974 during the Arab oil embargo as a temporary fuel conservation measure.

It was then permanently established by Congress in January 1975 because it was perceived to save lives.

Those are good intentions.

But let's be honest about the results.

The energy savings was minimal—at best one percent, about the same result from proper tire inflation.

And just how responsible has the speed limit been in reducing accidents? Traffic fatalities plummeted the first year by 15.3 percent, but a reduced speed limit was not the only factor: Weekend and recreational driving, the times most fatal accidents occur, dropped 25 to 30 percent in response to rising fuel costs; 1974 saw a significant increase in seat belt use for the first time, mostly because seat belts were required in vehicles.

Saving lives is worthy of a national policy, if indeed it is an effective policy. But the truth of the matter is simply that drunk driving, seat belts and speed variance affect lives more than a maximum speed limit of 55:

A study contained in the National Academy of Science report shows that accident rates are about the same whether the average speed is 55, 65, or even higher.

From one-third to one-half of all highway deaths are believed to be alcohol related.

Using a seat belt is the single most effective individual action to prevent serious injury in the event of accidents, yet only half the States have a mandatory seat belt law.

We would save more lives by concentrating on enforcement efforts and seat belt promotion.

FLEXIBILITY

Mr. President, we have over 43,000 miles of interstate highway. About one-fourth of it is urban and three-fourths is rural.

It is diverse highway. Variation is great from one State to the next.

New Jersey, for example, has 383 miles of some of the busiest interstate; over 102,000 average daily traffic count—daily vehicle miles per mile.

Montana, on the other hand, has three times the amount of interstate miles and only a tenth of the daily traffic.

I can drive 145 miles from Billings, MT, to Miles City, and see fewer cars than driving from my house to the Capitol—that is no exaggeration.

Along that 145 miles are only 19 interchanges—all but one serve communities with less than 1,000 in population. There are very few interruptions in traffic flow along the way.

That stretch of highway was designated and engineered to accommodate a general speed of 70 miles per hour, as was most interstate. It's good interstate.

The point is, there is a lot of variation.

What might be an appropriate restriction in New Jersey may not necessarily make sense in Montana.

Mr. President, you only have to drive the 650 miles from one end of Montana to the other to realize the sheer stupidity of imposing such an arbitrary speed limit as 55.

Montana isn't unique either—there are a lot of highways in other States where 65 miles per hour would be a prudent, safe, and appropriate speed.

But I'm not familiar enough with the highways in other States to know which of those interstate stretches are appropriate.

None of us are knowledgeable enough to do that.

So why are we doing it?

WITHOUT RESPECT

It's no wonder so few people are obeying the law.

Mr. President, according to one report, more than 70 percent of America's drivers exceed the 55-mile-per-hour speed limit.

Reports are also numerous of widespread manipulation of gathering and reporting compliance data by State jurisdictions fearful of losing their Federal funds. Keeping this law on the books is embarrassing and shameful.

The national maximum speed limit may well be the most widely violated law since prohibition.

CONCLUSION

Mr. President, I would personally prefer to simply repeal the national minimum speed limit law and leave the matter to States.

But I recognize if we are to ever change the law, it must be accomplished through bipartisan House and Senate cooperation and compromise.

The bill before us today limits the speed to 65 miles an hour and is only permitted on rural interstate highways.

More importantly, it leaves the question to the States of whether the speed limit should be raised under these conditions. That's a decision the States should be making.

States may decide not to raise the speed, or they may allow a higher speed on only certain stretches of rural interstate according to what is most appropriate in the State.

I urge my colleagues to support this amendment and return this matter to the State—where it belongs.

Thank you.

Mr. ADAMS. Mr. President, I rise today in ardent opposition to House Concurrent Resolution 77. This legislation would allow States to raise speed limits to 65 miles per hour on rural interstate highways. This measure will sign death warrants for 500 Americans. The evidence is unequivocal—55 saves lives, in cities, in suburbs and on rural interstate highways.

Higher speeds will increase accident rates. Higher speeds will turn survivable accidents into deadly ones. These facts are more compelling now than ever. During the period of more than a decade we have been saving lives and fuel with the 55-mile-per-hour standard, two critical changes have taken place on our highways. Automobiles have grown smaller and lighter—a response to rising gasoline costs. And trucks have grown longer and less safe—a result of deregulating the trucking industry.

When I was the Secretary of Transportation I warned of the deadly combination of these two trends on our Nation's highways. I advocated the vigilant enforcement of the 55-mile-per-hour standard as the best means available to mitigate the horrible consequences of putting little plastic cars out there with double tractor trailers. I voice the same warning and advocate the same vigilance today.

How short our memory seems to be. With all the concern we express and our leaders seem to act upon these days in behalf of hostages, where is our recollection of what it means to be a hostage of OPEC. Our national dependence on imported oil is substantially greater now than it was when the 55-mile-per-hour standard was adopted more than a decade ago. We have not fixed the problem; it has grown worse. The national imperative to stem the crippling, grinding rise in our dependence on foreign oil is compelling. This is an issue of national security.

I urge the Senate to support the 55-mile-per-hour standard and to disapprove House Concurrent Resolution 77.

Mr. MURKOWSKI. Mr. President, it is my understanding that the provision of the bill to permit raising the speed limit up to 65 miles per hour for any rural portion of the Interstate System shall apply to all States with highways designated as part of the Interstate System, and that this would include those rural portions in Alaska designated as part of the Interstate System for the 4R allocation. I ask my distinguished colleagues, Senator BURDICK, the chairman of the Environment and Public Works Committee, and Senator SYMMS if my understanding is correct.

Mr. BURDICK. I thank the Senator for his question. He is correct about the meaning of this provision, including the portion pertaining to the effect on highway routes in Alaska.

Mr. SYMMS. I agree with Senator BURDICK that the Senator from Alaska is correct in his understanding.

Mr. BENTSEN. Mr. President, I am pleased to support this conference report on the highway bill. It is a fine example of what we can achieve by working together in a bipartisan fashion in the best interests of the Nation. This conference report is the culmination not only of the hard work of the Members of this Congress, but also of the work of the previous Congress. It contains several features of particular importance to my home State of Texas as well as several other States. One of the most important and fairest provisions of the bill is section 124, the minimum allocation provision. Many of you know that I have worked hard and long to ensure that States, such as Texas, which contribute so much to the highway trust fund and get so little back in return, begin to receive a fairer share of the funds now that the Interstate System is practically complete. This is not a radical idea. It is an idea I thought that we had embraced back in 1982.

But as is sometimes the case somebody did not hear us and the heaviest State donors to the highway trust fund continued to be short-changed. Thus, I believe that the compromise on minimum allocation embodied in this bill is a good one. It does not please us all, as compromises never seem to do, but it does begin to put us on the track in the right direction.

Mr. President, I understand that there are rumors that the President may veto this bill if it is passed by the Congress. Yesterday the other body voted overwhelmingly to support the conference report. I believe that support for this bill in the Senate is solid. Because of such strong support for this bill in Congress I hope that the rumors of a veto are not true. The States have gone for over 170 days—nearly 6 months—without reauthorization of the highway bill. That's too long. The delay has been costly. Further delay caused by a veto would be a real tragedy for our Nation. I therefore would hope that the President will sign this bill when we send it to his desk.

Before I take my seat, Mr. President, I want to applaud particularly the distinguished members of the Environment and Public Works Committee who served as conferees—Senators BURDICK, MOYNIHAN, MITCHELL, BREAUX, STAFFORD, SYMMS, and CHAFEE.

In the last Congress, I served as ranking member of that committee and was a conferee during deliberations on the highway bill in the 99th Congress so I know that theirs was a hard battle fought with our House colleagues. They had to confront many controversial issues, such as the speed limit provisions and demonstration projects. They hammered out a good, solid, and effective conference report for which they are deserving of high praise.

I would also like to thank some of their staff members, many of whom I have worked with in the past—Mike Weiss, Nadine Hamilton, Dan Dant, and Jean Lauver. I would also like to thank Lee Fuller, former staff director of the Environment and Public Works

Committee, and his successor, Peter Prowett, for the contributions they have made to helping us put together this bill. All of these persons are dedicated staff members and I want to thank them personally for their efforts.

I want also to thank the Finance Committee conferees, Senators MATSUNAGA, MOYNIHAN, DOLE, and ROTH for helping to put together the financing portion of this bill. I wish also to thank Jim Gould and Randy Hardock of the Finance Committee staff for their help on this bill.

Mr. President, I am pleased to support this bill, and I am hopeful that my colleagues will join me in doing so.

Mr. **LAUTENBERG** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from New Jersey.

Mr. **LAUTENBERG**. Mr. President, I rise today to voice my opposition to House Concurrent Resolution 77.

I know where the votes are. I know this resolution will be adopted, and sent to the President. However, I do want to take this opportunity to make my views on this matter clear. I have great misgivings about this measure. It will result in the needless loss of hundreds of lives each year on our highways.

In addition, the 55-mile-per-hour speed limit makes sense for energy conservation. That was the original intent of the speed limit. The goal of energy conservation should not be abandoned.

We hear increasing talk about our unhealthy dependence on foreign oil sources. A higher speed limit will lead to increased fuel consumption, and increase our dependence on these sources.

The saftey issue before us is a simple one. It is stated on the signs along our highways—"55 saves lives."

The facts are clear. We could recite a great number of facts which show that 55 works. Let me cite a few:

The Transportation Research Board had concluded that the 55-mile-per-hour speed limit saves 2,000 to 4,000 lives each year;

The National Safety Council estimates that 36,000 tragic deaths have been avoided as a result of the 55-mile-per-hour speed limit;

The Transportation Research Board found that the 55 limit prevents 2,500 to 4,500 serious injuries a year on our highways. As many as 61,000 minor and moderate injuries are prevented.

The American Medical Association has found a 60-percent reduction in paralyzing spinal cord injuries resulting from accidents on our highways since enactment of the 55 speed limit.

With enactment of this amendment, the Council estimates that some 500 additional lives will be lost on our highways each year. All for the sake of a few minutes saved.

I would like to quote from a Washington Post editiorial today, entitled "The Killer Congress." It says that, "Even disobeyed, the 55-mile-per-hour limit was estimated to be saving 2,000 to 4,000 lives a year and 2,500 to 4,500 serious injuries."

Mr. President, I ask unanimous consent that the entire editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

KILLER CONGRESS

By the painfully narrow margin of 217 to 206, the House this week reversed itself and agreed to repeal the 55 mph national speed limit. It was a sad occasion. If the vote stands—there's a possibility that it could yet go down in a dispute over highway funding—people will be able to get a lot of places faster, including to the end of their lives.

The arguments against the limit were that no one obeys it anyway, that states have the right and good judgment to set their own speed limits and that the law was forcing the misallocation of state police. The real reason was that people didn't want to be bothered by it, and the national legislature doesn't have the guts to say no.

The limit was imposed as an energy-saver in response to the Arab oil embargo in 1973. States had to observe it or face loss of federal highway funds. Now the states will be able to lift the limit to 65 mph on rural stretches of the Interstate system. That turns out to be more than three-fourths of it—34,000 out of 43,000 miles. The pressure to breach the limit came mainly from the large and relatively empty western states, but plainly it wasn't confined to them. Now the people who were breaking the old limit can move on to break the new. We can see the signs now: "You are leaving rural America. Please slow down." Speeds and the death toll both will rise. Even disobyed, the 55 mph limit was estimated to be saving 2,000 to 4,000 lives a year and 2,500 to 4,500 serious injuries.

The issue that remains is not safety, but pork. The House agreed to the higher limit as part of a highway bill containing hundreds of millions of dollars in pet projects that the president opposes; he has therefore threatened a veto. The speed limit vote could become a casualty in this.

But it seems unlikely that Congress will let a highway construction season pass without funds. If that also turns out to mean a higher speed limit, will those who voted to trade time for lives be held accountable? Probably not. By the time their vote begins to take its toll, these good buddies will be on to other things.

Mr. **LAUTENBERG**. Mr. President, the price for this increase is one that this Senator is not willing to pay. We in the Senate have a great number of responsibilities. But none is more important than protecting the safety and security of our citizens. By adopting this resolution, we would be compromising that responsibility.

Mr. President, proponents of the increase in the speed limit argue that rural highways are able to sustain higher speeds, that drivers on rural highways are able to drive safely at higher speeds. The facts dispute that.

In 1984, the highest fatality rates on rural interstates occurred in our Western States. The national average for fatalities on rural interstates is 1.44 per 100 million vehicle-miles. However in Nevada, that rate is 4.55, over three times the national average. In Utah the rate was 3.8. In Arizona, the only State to be sanctioned for violation of 55, the rate 3.19.

Too many people are already dying on our rural interstates. We cannot allow more to die.

Mr. President, there are those who would tout States rights as the key issue here. If Idaho, Arizona, or Nevada want to raise their speed limit, they say, let them do it.

This Senator cannot buy that argument. As chairman of the Transportation Appropriations Subcommittee, I have a national responsibility to those using our transportation network. A responsibility to ensure that travelers, whether going by car, bus, train, or plane, are provided with the best safeguards available.

We will be sending a highway bill to the President for his signature. Although it will allow for the increase in the speed limit, it is a good bill, and I support it. It is essential that we get the Highway Program back on its feet immediately. I will do nothing to stand in the way. However, I did want to make my views on this matter clear.

Mr. President, in closing, I commend the distinguished manager of this bill [Mr. MOYNIHAN]. I know he shares my concerns on this issue. With his leadership, our States will have a highway bill. I thank him for his efforts, and for providing me with this opportunity to express my views.

The **PRESIDING OFFICER**. The minority leader is recognized.

Mr. **DOLE**. Mr. President, I shall take just a few moments. I understand there have been some requests for a record vote. I was hoping we might avoid a record vote; because there are a number of our colleagues on both sides of the aisle who are not here. But if there is a request, there obviously will be a record vote.

I want to indicate, as I said yesterday afternoon, that I have considered offering an administration amendment to this concurrent resolution. The amendment would be either the bill the Senate passed in February or some other modification of that. But that amendment is not yet prepared. And I shall not delay the Senate, because I agreed with the distinguished majority leader, that this matter ought to be resolved. If the President is going to veto it, it should be done and done quickly. If he is not going to veto it, it ought to be signed because it is the time of year when many contractors would like to get on with their work.

Having said that, I think the letter I received yesterday from the President does make it clear that he intends to veto the bill. That is a judgment the President has made.

I voted for the Senate bill. I think it was a better bill than the conference report. I understand, though, that when you go to conference, you can not prevail in every case. I certainly commend the conferees and all the Senators who participated with our colleagues in the House.

Under the highway title of the conference report, the Department of Transportation estimates that 41 States will receive lower—will lose—formula apportionments than they would have under the Senate-passed bill. This translates into a loss of formula funds to the States nearly $2 billion over the 5-year life of the bill. A large portion of this loss is because the conference report distributes funds to costly demonstration projects. To live within the budget levels, funds for these projects were diverted from the bread-and-butter highway formula programs that fund farm-to-market roads, roads to cities, major State highways, as well as our Interstate Highway System. This diversion hurts many to benefit only a few.

Similarly, the Senate-passed transit legislation was a better deal for most States than the conference agreement. The Senate bill promised each State a fair share of its fuels tax contributions to the mass transit account. The conference agreement does not contain this feature.

I particularly commend our colleagues in the Senate for a good piece of legislation. I think it was a better bill.

Beyond just dollar terms, the Senate-passed bill represented a better philosophy of State and local selection of highway and transit projects, coupled with Federal financial assistance. The conference agreement has too many provisions that have the Federal Government trying to tell the States what they should do.

We did adopt a conference report yesterday. The vote was lopsided. I think it was 79 to 17. But I feel that will not be the vote on sustaining the veto.

I think many Members felt, "Well, I will vote for the conference report but I will sustain the veto because of the things that have been mentioned in the debate." So I think there is still an opportunity to put the bill back on the right track.

There could be some changes made to make this bill acceptable. If we could end the special funding for demonstration projects, the projects would still be eligible for funds from any of the Federal highway programs, at State option. The $890 million of spending authority that would have been directed to demonstration projects in some States is made available to all States.

We could address costly additions to the Interstate System.

I know there is a great deal of interest in the Boston Artery. In fact, I was in that area earlier this morning and I found there is great interest in that particular project. And I indicated that if money were not the problem, we could probably address a lot of problems in a lot of areas.

We also could help transit discretionary funds to go further, possibly by changing the matching share for transit discretionary projects costing in excess of $50 million from 75 percent to 50 percent. This means the Federal funds will be spread among more projects.

We could delete the costly buy America protections. Transit rolling stock is already adequately protected under current law. The new requirements just increase the cost for State and local governments.

We could change the requirement to fund the Los Angeles metrorail system, by continuing the direction to the Secretary of Transportation to complete the EIS process. The conference report requires the Department of Transporation to approve a full-funding contract and mandates that Los Angeles receive an unfair share of the national transit resources. Again, I think there is some room for compromise due.

We could increase the amount of fuels tax revenues going to all States for transit purposes. By decreasing the amount of transit funding coming from the general fund and increasing the amount of transit funding for the formula program coming from the mass transit account, more money can be made available for equitable distribution to all States.

These changes would make the bill better for more States. I think we owe it to the States we represent to make certain we pass the best bill possible.

Now, between that logic and the logic that we need to do something because: people are ready to go to work, some are out of work, some do not have the funds; and the season is here; the President must make a tough call.

I do not suggest the changes I have just referred to in every case are going to be changes recommended by the President or the Department of Transportation. But I do not believe the President is asking for any unreasonable changes. In fact, I do not believe anybody in the Senate would suggest they were unreasonable. I think the President appears willing to see the highway and transit programs reauthorized at levels that exceed his budget, provided that we distribute the funds fairly. While the President's advisers have advocated an end to the transit operating assistance, he is not demanding that it be ended in this bill. He has strongly objected to the additions to the Interstate System and the special funding for demonstration projects. However, he has indicated he is willing to agree to the concept of priority highway projects proposed in the original Senate bill.

So I want to close by suggesting that if the President intends to veto the bill, as I assume he does, it be done very quickly I know both the leadership in the House and the Senate will act responsibly in dealing with the veto. Whatever the outcome I hope there will be some indication of how soon we can move on.

I also want to indicate my strong support for allowing States to establish speed limits in certain low-density areas, which the resolution before the Senate would make that possible. As I indicated yesterday, we might have offered an amendment. But in addition to the concern about the amendment not being yet available, I do not want to jeopardize what I consider to be a very important piece of this legislation—that is, the discretionary increase to the 65 miles per hour. And I did not want anybody to misinterpret the amendment as an effort to kill that provision.

I hope that we can vote now. It may by a voice vote. I thank the distinguished managers for their work and I thank the Secretary of Transportation for her efforts.

Mr. MOYNIHAN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MOYNIHAN. Mr. President, if I may take 2 minutes, I would also like to express our appreciation to the distinguished Secretary of Transportation, who has been indefatigable in our efforts where she has found time for them.

I would like to make two remarks, Mr. President. One is that the vote today will be of a different pattern than that of yesterday because there are Senators here, such as my distinguished friend from New Jersey, who just spoke, who as a matter of conscience and judgment will not vote to increase the speed limit per se although I think he will be prepared to accept legislation that incorporates that, if it is the will of the body.

Second, Mr. President, I point out as to the table showing 41 States will lose funds so-called under this measure, Mr. Ray Barnhart, the Administrator of the Federal Highway Administration, was with us just an hour ago off the floor. I showed him this piece of paper. I said, "Mr. Barnhart, where did this piece of paper come from? It has no identity." He said, "I do not know. I first saw it this morning." This paper that was spread around the Chamber yesterday was seen by the Federal Highway Administrator just this morning. He said, "It is inaccurate." I said to him, "It raises the question, sir, whether someone within the administration has deliberately misled the Senate and led Senators to vote in ways they might not otherwise have voted because of inaccurate information passed out without the authority of the Federal Administrator." I said to Mr. Barnhart, "I regard that as a grave matter. I would wish you to inquire into it with the utmost urgency, and it is not at an end." However, Mr. President, the time to vote is at hand. I yield the floor.

Mr. BYRD. Mr. President, upon the disposition of this matter today, there will be no further rollcall votes. In other words, this will be the last rollcall vote.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the resolution. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. STAFFORD (when his name was called). Mr. President, on this vote I have a live pair with the junior Senator from Vermont [Mr. LEAHY]. If he were present, he would vote "aye." If I were allowed to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. LEVIN (after voting in the negative). Mr. President, on this vote I have a pair with the distinguished junior Senator from New Mexico [Mr. BINGAMAN]. If he were present and voting, he would vote "aye." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Florida [Mr. CHILES], the Senator from Illinois [Mr. DIXON], the Senator from Kentucky [Mr. FORD], the Senator from Hawaii [Mr. INOUYE], the Senator from Vermont [Mr. LEAHY], the Senator from Ohio [Mr. METZENBAUM], the Senator from Arkansas [Mr. PRYOR], and the Senator from North Carolina [Mr. SANFORD] are necessarily absent.

I further announce that, if present and voting, the Senator from Arkansas [Mr. PRYOR] would vote "yea."

I further announce that, if present and voting, the Senator from Illinois [Mr. DIXON] would vote "nay."

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Missouri [Mr. DANFORTH], the Senator from Utah [Mr. GARN], the Senator from Iowa [Mr. GRASSLEY], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Indiana [Mr. QUAYLE], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

On this vote, the Senator from Pennsylvania [Mr. HEINZ] is paired with the Senator from Wyoming [Mr. WALLOP].

If present and voting, the Senator from Pennsylvania would vote "nay" and the Senator from Wyoming would vote "yea."

I further announce that, if present and voting, the Senator from Utah [Mr. GARN] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 60, nays 21, as follows:

[Rollcall Vote No. 35 Leg.]

YEAS—60

Baucus
Bentsen
Bond
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Cochran
Conrad
Cranston
D'Amato
Daschle
DeConcini
Dodd
Dole
Domenici
Durenberger
Exon
Fowler
Gore
Graham
Gramm
Harkin
Hatch
Hecht
Heflin
Helms
Humphrey
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Moynihan
Murkowski
Nickles
Nunn
Pressler
Reid
Riegle
Rockefeller
Rudman
Sasser
Shelby
Simpson
Stennis
Stevens
Symms
Thurmond
Wilson
Wirth

NAYS—21

Adams
Boschwitz
Chafee
Cohen
Evans
Glenn
Hatfield
Hollings
Lautenberg
Mikulski
Mitchell
Packwood
Pell
Proxmire
Roth
Sarbanes
Simon
Specter
Trible
Warner
Weicker

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—2

Stafford, against
Levin, against

NOT VOTING—17

Armstrong
Biden
Bingaman
Chiles
Danforth
Dixon
Ford
Garn
Grassley
Heinz
Inouye
Leahy
Metzenbaum
Pryor
Quayle
Sanford
Wallop

So the concurrent resolution (H. Con. Res. 77) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HIGHWAY ALLOCATION AND APPORTIONMENT

Mr. MITCHELL. Mr. President, yesterday the administration circulated a package of material regarding highway funding to each Senate office, each State Department of Transportation, and each Governor's office. That material was highly misleading and, in many respects, inaccurate.

Mr. MOYNIHAN. Mr. President, with great respect, I make the point of order that the Senate is not in order and an important statement is being made.

The PRESIDING OFFICER. The point is well taken. The Senate is not in order. The Senate will be in order.

The Senator from Maine.

Mr. MITCHELL. Mr. President, I repeat that: The material circulated regarding the highway funding bill by the administration yesterday in the Senate was highly misleading and, in many respects, inaccurate.

During the debate on the bill, in obvious reliance on the misleading information supplied by the administration, some Senators made inaccurate statements and even may have been induced to vote against the bill. The Senate has been misled. The RECORD must be set straight.

The first chart circulated by the administration, entitled "State-by-State Comparison," says that the States would lose $391 million in apportionments from the Senate bill in fiscal year 1987. That is a highly misleading half truth.

There are two ways in which highway funds are dispersed to the States. The first method is by apportionment—that is by formula. The second method is by allocation—that is, by application which must meet certain standards. While it is true that the States would receive somewhat less in apportionments, they would receive much more in allocations. In fact, the conference report provides $752.2 million more in allocations than does the Senate bill.

Overall, there is some $337.1 million more in budget authority in the conference report compared to the Senate bill. So while apportionments may be a slight percentage less, allocations are a much larger percentage higher. And the net effect is the exact opposite of the document that was circulated by the administration yesterday. There are good policy reasons why the conference committee redistributed some of the funds between apportionments and allocations. One difference is that the conference committee made a policy decision to spend more money in interstate 4R allocations rather than interstate 4R apportionments, because the consensus was that this would be more practical. For those not on the committee, and not familiar with the details of highway programs, interstate 4R provides funds for resurfacing, restoring, rehabilitating, and reconstructing the Interstate System. Because a number of States have completed their Interstate Systems and because other States have expensive interstate sections yet to complete, a policy decision was made that a top priority of the conference report should be to complete the interstate; by formula alone, an adequate amount of money per State is not always available for that purpose. Therefore, the conference committee took $185 million from apportionments which are dispersed by formula, and increased that amount by $15 million so that in total $200 million would be available in interstate 4R allocations, which States would apply for based on need. So, to say States are losing funds in that program simply is inaccurate.

That same chart says that over 5 years the States would lose $1.96 billion in apportionments. The Federal Highway Administration itself has refuted this statement. It is simply not possible to accurately determine the amount of funds the States will receive in apportionments over a 5-year period, into the future. This is true because apportionments are formulas and while a formula may remain the same, the manner in which it is distributed will not. For instance, in the Interstate Construction Program, funds are apportioned to States to finish their interstate. Nearly 25 States have finished and those States receive the minimum assurance of one-half of 1 percent of the interstate funds. It is accurate to say that those States will receive a constant amount over the next 5 years. However, as each State works to complete its Interstate System, it is impossible to predict the amount of money they will need or receive from 1 year to the next. The formula is based on what a particular State needs, what other States completing the interstate need, and how much money is available for all States. These factors are constantly changing. I repeat, the Federal Highway Administration itself has said that calculating what a State would either gain or lose over the next 5 years, as this chart circulated by the administration purports to do, is not possible.

I ask unanimous consent that both the administration's table entitled "State-by-State" losses and the Federal Highway Administration table entitled, "Increases and Decreases in Fiscal Year 1987 Apportionments and Allocations" be printed in the RECORD.

Mr. MOYNIHAN. Will the Senator yield for a question?

Mr. MITCHELL. Yes.

Mr. MOYNIHAN. Did he not mean the table "State-by-State Comparison"?

Mr. MITCHELL. Yes, that is correct, the State-by-State comparison. I thank the Senator.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATE-BY-STATE COMPARISON: CONFERENCE REPORT VS. SENATE-PASSED BILL (S. 387)

House and Senate conferees have completed negotiations on a $87 billion highway safety and transit reauthorization bill. Under the highway title of the bill, the Department of Transportation estimates that:

41 states will receive lower apportionments under the conference report than under the Senate-passed bill, S. 387.

This difference in apportionments translates into a loss to states of $391.7 million annually, or $1.96 billion over the five year life of the legislation. Broken down by state, the losses over 5 years are as follows:

	Millions
Alabama	$122.5
Alaska	13.5
Arkansas	70.5
California	80.5
Colorado	59.0
Connecticut	8.0
Delaware	11.0
Florida	25.5
Georgia	107.5
Hawaii	106.5
Idaho	34.5
Indiana	149.0
Kansas	10.5
Kentucky	81.5
Louisiana	120.5
Maine	26.5
Maryland	63.5
Minnesota	73.0
Mississippi	68.5
Missouri	69.5
Montana	16.5
Nebraska	12.5
Nevada	11.0
New Hampshire	9.5
New Jersey	71.0
New Mexico	18.5
North Carolina	161.5
North Dakota	16.0
Ohio	241.0
Oregon	24.5
Pennsylvania	149.5
South Dakota	17.0
Tennessee	134.0
Texas	489.0
Utah	53.5
Vermont	10.5
Virginia	82.0
Washington	125.5
West Virginia	1.7
Wisconsin	108.5
Wyoming	18.0
District of Columbia	32.0
Puerto Rico	3.1

In addition to lower apportionment levels, states lose spending authority under the conference agreement. Because of the inclusion of costly demonstration projects, conferees were forced to lower the highway program obligation ceiling to compensate for the large amount of money outside the obligation ceiling. Consequently, states would be allowed to spend only 95 cents of every dollar apportioned to them because of the lower ceiling. Thus, the losses to states in formula funds noted above would increase.

U.S. Department of Transportation, Federal Highway Administration, comparison of increases and decreases in fiscal year 1987 apportionments and allocations in conference bill over Senate passed bill

A. Decreases in apportioned funds:	
Interstate construction	−300,000,000
Interstate 4R	−185,000,000
Hazard elimination	−5,000,000
Rail-highway	−15,000,000
Minimum allocation	−70,539,342
Subtotal	−575,539,342
B. Increases in apportioned funds:	
Bridge replacement and rehabilitation	105,000,000
Interstate substitution	67,500,000
Primary	25,000,000
Subtotal	197,500,000
C. Increases in allocated funds:	
Interstate discretionary	300,000,000
Interstate 4R	200,000,000
Interstate substitution	22,500,000
Forest highways	5,000,000
Indian reservation roads	5,000,000
Demonstration projects	178,000,000
Railroad relocation demo	15,000,000
Studies	1,720,000
Bridge discretionary	25,000,000
Subtotal	752,220,000
D. Decreases in allocated funds:	
Public lands	−10,000,000
Parkways and park roads	−15,000,000
Territorial program	−12,000,000
Subtotal	−37,000,000
Net increase in conference bill	337,180,658

Mr. MITCHELL. Mr. President, in addition, I ask unanimous consent to have printed in the RECORD another table which I received this morning from the Federal Highway Administration which shows that there is actually $337.1 million more in budget authority to be disbursed to the States in the conference bill compared to the Senate bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF TRANSPORTATION, FEDERAL HIGHWAY ADMINISTRATION

[Comparison of fiscal year 1987 authorizations in Senate-passed bill and conference bill]

Fund	Senate-passed bill	Conference bill	Conference bill provides more or less (−)
Interstate/primary:			
Interstate construction	3,000,000,000	3,000,000,000	0
Interstate 4R	2,800,000,000	2,815,000,000	15,000,000
Primary	2,350,000,000	[1] 2,375,000,000	25,000,000
Urban system	750,000,000	750,000,000	
Secondary	600,000,000	600,000,000	
Bridge replacement/rehabilitation	1,500,000,000	1,630,000,000	130,000,000

U.S. DEPARTMENT OF TRANSPORTATION, FEDERAL HIGHWAY ADMINISTRATION—Continued

[Comparison of fiscal year 1987 authorizations in Senate-passed bill and conference bill]

Fund	Senate-passed bill	Conference bill	Conference bill provides more or less (−)
Rail-highway	175,000,000	160,000,000	(15,000,000)
Hazard elimination	175,000,000	170,000,000	(5,000,000)
Minimum apportionment	795,815,342	725,276,000	(70,539,342)
Interstate substitution	487,500,000	555,000,000	67,500,000
Interstate substitution—discussion	162,500,000	185,000,000	22,500,000
Section 402 safety—FHWA	10,000,000	10,000,000	
Emergency relief	100,000,000	100,000,000	
Federal lands:			
Forest highways	50,000,000	55,000,000	5,000,000
Public highways	50,000,000	40,000,000	(10,000,000)
Indian reservation roads	75,000,000	80,000,000	5,000,000
Park roads and parkways	75,000,000	60,000,000	(15,000,000)
Territorial highway program:			
American Samoa	1,000,000		(1,000,000)
Guam	5,000,000		(5,000,000)
Northern Mariana Islands	1,000,000		(1,000,000)
Virgin Islands	5,000,000		(5,000,000)
Research and development (Section 403/307)	10,000,000	10,000,000	
Subtotal	13,177,815,342	13,320,276,000	142,460,658
Allocations:			
Motor vehicle study	500,000	500,000	
Rail-highway crossings study	600,000	600,000	
Demonstration projects		178,000,000	178,000,000
Highway electric system—CA		970,000	970,000
Highway upgrade cost study		650,000	650,000
Feasibility study—CA		100,000	100,000
Waste transportation—NM (GF)	58,000,000	58,000,000	
Railroad relocation demonstration		15,000,000	15,000,000
Subtotal	59,100,000	253,820,000	194,720,000
Grand total	13,236,915,342	13,574,096,000	337,180,658

[1] Includes primary minimum.

Mr. MITCHELL. Mr. President, this chart shows that the conference report actually provides $15 million more in funds for interstate 4R for a total of $2.815 billion. The conference report maintains the Senate-approved level of $3 billion for interstate construction. The conference report includes $25 million more for primary funds for a total of $2.375 billion. Urban and secondary funds remain the same at $750 million and $600 million respectively. There is an additional $130 million in funds in the conference report for bridge replacement and rehabilitation for a total of $1.63 billion. Sixty-seven million dollars more is in the conference report for interstate substitution programs, which is very important to the States because the program provides funds for substitute highway projects which result from decisions to withdraw interstate routes and replace them with other types of Federal aid projects. Forest highways and Indian reservation roads also gain under the conference report each by $5 million so that $55 million will be allocated to forest highways and $80 million will be allocated to Indian reservation roads. These programs too, are very important to the States. There are many more differences, but the bottom line is that the conference report provides $337.1 million more in budget authority.

Time and time again, the administration has threatened to veto this highway bill because of the amount allocated to demonstration projects. It should be noted that this amount is $178 million a year, or less than 1 percent of the funding in the bill. Now, the administration is trying to make the argument that the apportionments to the States are reduced because of the funds provided for the demonstration projects. And, based on the administration's statement, several Senators made that same statement here on the Senate floor. It is an untrue and inaccurate statement.

The money for the demonstration projects does not affect apportionments. I repeat: The money for demonstration projects does not affect apportionments. The demonstration projects are funded in part with $178 million in new budget authority. This is money that would not be apportioned. Another 30 percent comes from the Secretary's discretionary fund. This also is money that would not be apportioned. This money is allocated based on application and by criteria. So in this instance, the Congress has earmarked a portion of those discretionary funds for allocation to the States. This is money on top of what they would ordinarily get by way of apportionment. So to say that the demonstration money reduces the amount of apportioned money is simply wrong. The discretionary money is in addition to the apportionments, it does not reduce them.

I hope that we have clarified here today some of the inaccuracies circulating from the administration. I continue to believe that the conference agreement is a sound compromise and I urge all my colleagues to defeat any proposed amendments to the concurrent resolution which could jeopardize the work achieved in the conference report approved yesterday.

Mr. President, I conclude by saying that there is legitimate reason for a difference of opinion on this bill. Senators, in good faith and for good reasons, can disagree with it. It is not necessary for the administration to present inaccurate and misleading information. The Senate is entitled to accuracy in the information it receives from the executive branch so that the judgments in the Senate can be based on facts, not on inaccuracies.

Mr. President, I yield the floor.

Mr. MOYNIHAN. Mr. President, I rise to agree most emphatically with the statements of Senator MITCHELL, former U.S. district judge, a man of unquestioned integrity and a meticulous concern for process.

As I said earlier today, the arrival of this anonymous, unsigned, undated document was presented to us yesterday by the minority leader, who was given it and accepted it in good faith, I am sure. I do not question his faith in any way. However, he was given misleading information. I had great difficulty believing that the administrator of the Federal Highway Administration, Mr. Ray Barnhart from Texas, would deliberately mislead the Senate. So I asked him to come. I think perhaps he was already here. But I asked to see him. I was told he was here. We met in the Vice President's office.

I said, "Sir, where did this piece of paper come from?" I met in the presence of some of our senior staff officers, so that they would understand what happened. He said to me, "The first time I saw this piece of paper was this morning." I remind the distinguished presiding officer that this was information that was passed about this Chamber yesterday afternoon. I said, "Is it so?" He said, "It is not accurate." He said, "This is an inaccurate statement of the facts." I said, "In other words, someone has deliberately set about or if not deliberately, has in any event caused the U.S. Senate to be given misleading information? And that may have led U.S. Senators to vote other than they would have done."

Mr. President, that is an unacceptable act by this administration. Do they not understand the integrity of this body depends on a relationship of trust with respect to elemental things such as apportionment of the Federal programs?

I told Mr. Barnhart that I must have the name of the person responsible within 48 hours or I would find it not possible to do other than hold him responsible. Given the fact I hope to be able to withdraw this statement, I have been given to understand the present indications are that this arose from the Congressional Liaison Office of the Department of Transportation. That may be quite wrong. I am just told that is presently the case. If it is true, then the persons responsible must be discharged, not simply from their present duties but from the Federal service.

You may not lie to the U.S. Senate. How many administrations will we have to see disabled in succession before this fact is clear? I do not propose to see immunity granted to this person. I propose to see this person disappear.

There is a Constitution in this country and there are jails in this country, and there is such a thing as honor and dishonor in this country. Anyone, who for the purpose of picking up a few votes on a bill of serious, plain demeanor, would mislead the Senate—cause the minority leader to come on to the floor with the information that the Federal Highway Administrator said today he has never seen and which is not accurate—should be censured and is worthy of contempt.

I ask you, Mr. President, what do they have to learn in order to be persuaded to tell the truth? Is this an administration beyond recall? Do they come here and mislead us on matters of such plain import and open purpose? Is there anything left?

I wish I were not speaking so strongly, but I feel yet more intensely.

I thank the Senator from Maine for bringing the matter to us in his judicious and careful presentation. It is not over. I shall return to the matter early next week and we will lead to the bottom of it. The Senate will know that the honor of the Senate is at issue here, and the integrity of our proceedings is at issue.

I would like here and now to express my deep regret to any Member of this body who was misled and who may have voted other than he or she would have done in consequence of misleading information.

It may be that it was our responsibility to leap to that data and ask, "Where did it come from?" If that was my responsibility and I did not carry it out, I offer the Senate my apology.

But that is not the end of it. The question is who did it, under whose instructions, and what will be the consequence?

Mr. President, I thank you for your careful attention and I yield the floor.

MORATORIUM ON ASSISTANCE TO NICARAGUAN DEMOCRATIC RESISTANCE

The PRESIDING OFFICER (Mr. SHELBY). The Senate will now resume consideration of the motion to proceed to House Joint Resolution 175.

The Senate resumed consideration of the motion to proceed.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I rise in support of House Joint Resolution 175, a resolution to suspend release of the remaining $40 million in aid to the Contras until the President accounts for all the money that has been appropriated for and diverted to the Contras in the past 2 years.

To date, $60 million of the approved $100 million has been released. The proposed legislation will assure that the final $40 million not be released pending a full accounting by the administration of the missing funds. The missing funds include profits from arms, less to Iran, money solicited by the administration from private sources and foreign governments, and $17 million of the $27 million in humanitarian aid appropriated by Congress in 1985.

This legislation does not deal with the question of U.S. policy in Central America. The Senate dealt with that matter the day before yesterday, when it voted down a resolution disapproving release of the remaining $40 million in Contra aid.

House Joint Resolution 175, which was approved last week by the House of Representatives by a 230-to-196 vote margin, deals with two principles essential to our democratic system of government—the integrity of Congress and its constitutional authority; and the accountability of the executive to the American people and the Congress.

Mr. President, for the American experiment in constitutional democracy to succeed, these two—values and policies—must be intertwined.

Sadly, as disclosures of the last 5 months dramatically reveal, they are not—neither in our dealings at home or abroad.

This year, as we celebrate the 200th anniversary of our Constitution, we must not forget to understand the meaning and responsibility of our form of government, which is both "republican"—with a small R—and "democratic"—with a small D.

Our government is democratic in that its power comes from the people. However, as a republic, the people give up or delegate their power to their elected representatives. This power is transferred through a covenant, or understanding; in the case of the United States, the covenant is the Constitution and the body of laws that define the power of our government and its elected representatives.

In other words the power of government is based in the authority given it by the trust of the people.

But the basis of that covenant is trust and responsibility. The people trust their elected representatives to "represent" their interests. In turn, government has a responsibility to deal openly and honestly with the people of the United States.

What then is the significance of Iran arms scandal and the Contra diversion?

The Iran scandal is an example of a government that has broken that trust and violated the most basic convenant of our democratic system of government.

First of all, by secretly selling arms to terrorists while announcing publicly that the United States would never negotiate with terrorists, the administration was blatantly misinforming the American people.

Second, Congress, representing the people, enacted a set of laws limiting the power of the Executive. Congress required the Director of the Central Intelligence Agency, Mr. Casey, to consult with the Intelligence Committees and inform them of covert operations. Congress also prohibited the U.S. Government from providing or helping to provide the Contras with military support.

The administration violated both of these requirements. It sold arms to so-called "moderates" in Iran for a period stretching more than a year without even informing Congress.

It coordinated the diversion of profits from those sales to the Contras, without ensuring that the money would be used for only humanitarian, or nonmilitary purposes. And, the administration apparently aided a secret military supply operations for the Contras.

All of this should come as no real surprise. For the past 6 years, this administration's Nicaragua policy has been a cancer on the most basic institutions of the United States.

This administration has mined harbors, written assassination manuals, and created and funded a group of terrorists, who appear to be better at killing civilians than attacking armies. And in its pursuit of its objective of overthrowing a sovereign government with which we maintain diplomatic relations, Mr. Reagan has broken international law and violated domestic laws.

And in his pursuit of his objective of overthrowing a sovereign government with which we maintain diplomatic relations, President Reagan has broken international law and violated our own domestic laws.

In Central America, as in Iran, this administration would do well to heed the words of the late political commentator Walter Lippmann: "A policy is bound to fail which deliberately violates our pledges and principles, our treaties and our laws, because the American conscience is a reality."

Herein lies the greatest danger posed by the Iran-Contra connection—that it will further erode the public's trust in the Government as an institution.

The objective of the legislation before us today, House Joint Resolution 175, is to begin the process of restoring that trust, which has been violated by the actions of this administration.

It has become increasingly clear in recent months that the Reagan administration has been actively involved in procuring funds for the Contras during a period when direct or indirect government assistance to the Contras was banned by law. From spring 1984 to October 1986, any United States Government support for Contra military or paramilitary operations was banned, and all agencies of the Government were prohibited from soliciting aid from third countries to support military operations in Nicaragua.

Congress approved these restrictions and the President repeatedly announced his intention to abide by these laws. Yet, the Tower Commission report overwhelmingly confirms that administration officials, including Lt. Col. Oliver North—with the knowledge of his superiors on the NSC, and more likely with the knowledge and cooperation of other officials—violated the law by shipping military aid to the Contras.

In fact, subsequent press reports reveal that North put together a vast network, called "Project Democracy," of shell corporations, ships, and offshore bank accounts dedicated to getting arms and ammunition to the Contras—again, in clear violation of United States laws. there is reason to believe that money siphoned off from the arms sales to Iran wound up in one of Project Democracy's Swiss bank accounts. Some of that money, an estimated $1 million, according to Adolfo Calero, head of the Contras, was raised by conservative fund raiser Spitz Channel, who worked close with North in lobbying and raising money on behalf of the Contras' cause.

Furthermore, the State Department and, according to yesterday's Washington Post, the President's former National Security Adviser, Mr. McFarlane, were involved in soliciting funds for the Contras from third countries.

Secretary Shultz, in testimony before the House Foreign Affairs Committee in early December, admitted that his Department had successfully persuaded "one government" to make a contribution to the "Nicaraguan Democratic Resistance." He added that this solicitation had been done by Assistant Secretary Elliott Abrams with the Secretary's explicit authority. According to Mr. Shultz, there was "nothing improper or illegal about it, because Congress permitted the Department of State to solicit funds, so long as those funds were used to provide humanitarian assistance.

The government in question turned out to be the Sultan of Brunei, and the amount was $10 million. The whereabouts of the $10 million solicited from Brueni is still unknown.

I ask, Mr. President, how could the Secretary know that the money was spent solely for humanitarian assistance, when he did not even know the whereabouts of the $10 million that was solicited from the Sultan of Brunei?

Yesterday's Washington Post reveals that the Saudi royal family funneled an estimated $32 million into Contra bank accounts in the Cayman Islands. This secret Contra "slush fund" was done with the knowledge of the President's former National Security Adviser, Robert McFarlane.

We now know that the administration not only knew about but helped coordinate the secret military supply network that helped keep the Contras in guns and ammunition for the past 2 years. The plane carrying Eugene Hasenfus, which was shot down last October 5, was part of that network.

According to press reports, civilian and military authorities in Honduras and El Salvador, two countries from which the operation was run, have told reporters that they only allowed the covert supply network to operate because they were told by American officials, including the U.S. Milgroup commander in El Salvador, that it had official backing. Such official backing might explain how the resupply network was able to have a warehouse at, and operate from, the main Salvadoran military base at Ilopango.

We also know that Felix Rodriguez, a former CIA officer who was recommended to Salvadoran military officials by an adviser to Vice President GEORGE BUSH, was reportedly in charge of the resupply operations. Rodriguez, also known as Max Gomez, is described as a counterinsurgency expert working for the Salvadoran Government. Rodriguez, according to U.S. Embassy officials, was given a U.S. Embassy identity card and his own radio.

There is the other question of the unaccounted for humanitarian assistance money approved by Congress 2 years ago.

In 1986 the State Department established the Nicaraguan Humanitarian Assistance Office [NHAO] to administer and monitor the "humanitarian" aid appropriated by the Congress.

In a report issued in December 1986, entitled "Problems in Controlling Funds for the Nicaraguan Democratic Resistance," the General Accounting Office concluded that "the NHAO control procedure we reviewed were not sufficient to ensure that the funds were used as intended by the law."

The GAO report specifically noted that the NHAO was unable to verify receipts amounting to 64 percent—or $17 million—of the aid which was spent directly in Central America.

The report specifically cited two reported cases of abuse:

> In one instance, NHAO authorized payment of $25,870 in January 1986 based on receipts for food, clothing, and sundries. NHAO found that no goods had been furnished by the alleged supplier. When questioned about this transaction, UNO (the United Nicaraguan Opposition) officials explained that the funds were used to purchase supplies of uniforms, ammunition, and grenades.
>
> In another case, NHAO authorized payment of $56,745, purportedly for clothing. In following up on press allegations, NHAO found during its investigation that an official of one of the resistance groups submitted the false receipt to obtain advance funds. (NHAO took action to offset this payment against subsequent UNO purchases.)

Despite the explicit congressional requirement that procedures be established to ensure that humanitarian assistance funds were not used to purchase military supplies, those procedures, according to the General Accounting Office, were never established.

So what we have, Mr. President, is a twisted tale of violations of U.S. law, blatant violations, in channeling profits from the sale of arms to Iran to the Contras, the involvement by high officials in the White House in coordinating and directing and supplying the Contras with ammunition and also in soliciting funds from third countries, not for humanitarian aid but for military aid, and also in using the money that Congress specifically appropriated for humanitarian aid to buy such things as hand grenades.

That is why House Joint Resolution 175 is so important. Before sending any additional funds to the Contras, Congress deserves a thorough and complete accounting of the funds received by the Contras in the past 2 years. Currently, we are not certain which laws were violated or which U.S. Government officials violated those laws. We are not sure if any money was actually transferred from the sale of arms to Iran to Contra forces in Nicaragua and, if so, how much. For all we know, those funds may have been squirreled away in an unmarked Swiss bank account, or maybe transferred to other bank accounts.

Here is Lieutenant Colonel North, who does not seem to have to account to anybody, handling all this money. Did Lieutenant Colonel North squirrel any of this money away in an unmarked Swiss bank account? Did Adm. John Poindexter squirrel away money for a rainy day, of which he is going to have plenty in the coming months and years?

We need an accounting of this money. Where did it go? Who handled it? I am not persuaded that just because Lieutenant Colonel North has a whole chest full of ribbons, that he is above the law. We need to know where that money went, into what bank account, and who has controls over it.

I was also astounded to learn that Arturo Cruz was getting paid $7,000 a month by Colonel North. I do not understand how a lieutenant colonel in the U.S. military has the authority to personally write checks for those amounts to individuals like Arturo Cruz or anyone else. Who gave him that authority?

This whole episode is scandalous. As someone said, the Iran-Contra scandal ought to be termed "Iran Amok," because that is what those individuals were doing at the White House.

There was report of a welfare recipient who illegally absconded with $70 dollars in welfare money, we would spend thousands of dollars getting that money back, prosecuting, taking the person to court, to make sure that others would not violate the public trust and take money that was not rightfully theirs or spend money in ways that were never approved by the Congress.

Yet, here are millions and millions of dollars that have been taken, put into bank accounts in the Cayman Islands and in Switzerland, squirreled away—into how many accounts, we do not know. Yet I am astounded that there are individuals in this body and elsewhere who do not seem to care whether or not we have an accounting. We deserve an accounting of that money just as much as we would demand an accounting from someone who violated the laws by spending money for things that were not acceptable under current laws for food stamps or AFDC or our farm program. We ought to know where that money went. We ought to have a full accounting of it, and if an accounting cannot be made of that money then those individuals who could not account for it, who had control over it, must answer to the laws of the United States of America.

The Iran-Contra controversy has raised serious questions not only about the conduct of United States foreign policy in general but the United States Nicaragua policy specifically. Serious questions have been raised about our U.S. foreign policy and about the Nicaragua policy: questions of accountability, integrity, and fiscal responsibility. Mr. President, I do not understand how we can simply throw another $40 million to the Contras until we have accounted for the money we already sent them. If you are in a blackjack game and the dealer is using marked cards and you find out about it, you would be a darned fool to go back and get in that game again. That is what we are doing here, throwing good money after bad. And if the Government officials responsible for this policy do not account for the first, what makes us believe they are going to account for the final $40 million that goes to the Contras?

The joint resolution we will have before us does not deal with the issue of policy. That was decided by a 52-48 vote the other day. This joint resolution deals with is whether or not we are going to hold individuals accountable, whether we are going to have a full accounting of how those initial funds were used.

I watched, as I am sure most Americans did last night, the President's press conference. I have to agree with those who said that the President looked well, sounded good; that he seemed to be in charge; that he performed well. It is really an odd thing that we have reached a point in our country where we judge a President on whether or not he gets up in front of the cameras and does not make a fool of himself; if the President does not make a fool of himself, then his press conference is considered a success.

We now judge a President not on the basis of what he says, what his policies are, what he has done in office, or whether he is accountable to the people—no, we do not judge a President on that basis any longer. We judge a President on how he looks, how he performs, how he remembered his lines, how he remembered his briefings, whether he looked like he was in command, whether he did not make a fool of himself in front of the press corps. It is a sad, sad state that we have come to.

The question of the Iran-Contra controversy is more than just a foreign policy and Nicaragua policy issue. The real injury to this country comes in the erosion of trust in our Government by the people of this country, the erosion of trust we must have for our Government to function, as a democratic government with a small "d" and a republican government with a small "r." To restore this trust, it is important to have this accountability.

First, and I would hope that all Senators would agree, we must get past this motion to proceed so we could proceed to the resolution itself and have a vote on it.

It is this Senator's feeling that many who may still support the $40 million, which I did not, would support this resolution by saying: "Let's wait a minute. Let's have a full accounting first of the money that has been spent before we move ahead with the other $40 million."

Mr. President, these questions must be answered before Congress decides to continue to fund this administration's Contra program.

I will have more to say in the future about United States Nicaraguan policy and why I feel that policy is wrong. But this is not the time. That we will deal with these broader policy questions when we debate whether or not we will spend another $105 million of the taxpayer's money to fund the Contra program for next year.

During those debates, it is this Senator's intention to lay out once again, as I have in the past, the history of the Government of Nicaragua; our historical involvement with the Somoza government; the history of the Sandinista movement; what has happened in Nicaragua since the revolution in 1979. I will discuss why I believe that the only sane, rational course for this country to take would be to disband the misbegotten and misguided Contra policy and move ahead to aggressively support the Contadora group of nations and the Central American group of nations under the leadership of President Arias, which have joined to formulate a Central American Parliament. Through this parliament, it will not only be the United States which will put pressure on Nicaragua but that it will be all Nicaragua's neighbors. The Central Americans then will work together to ensure that Nicaragua has an open and free government, free press, free elections; that those who have left that country could freely return, under a general amnesty, and take up once again their lives in their own country, Nicaragua. That is the only sane and rational course for us to follow.

In the meantime, we have to get over this hurdle of whether or not we are going to throw another $40 million to the Contras. Lieutenant Colonel North may no longer run the operations, but Calero is still there, so is his brother, Mario, and so are all the Gucci guerrillas living in Miami, drinking Schweppes and Perrier.

Mr. President, this joint resolution raises the questions of the accountability, integrity, and fiscal responsibility of this administration.

I urge my colleagues on the other side of the aisle to be just as vigorous in the pursuit of the misuse of funds by the Contras as they might be about welfare fraud and spending abuses in Federal social programs. Nothing less than the integrity of Congress and the strength of its leaders are at stake. We should expect nothing less than a full accounting from the President of the United States on the question of where the money went.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **MELCHER**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **MELCHER**. Mr. President, last night at his news conference, President Reagan responded to questions about when he knew just what Lieutenant Colonel North and others were arranging, in arms sales with Iran, funds going to the Contras. Sometimes President Reagan's responses to those questions were vague.

There are a lot of things that are vague about the Contra deal. For instance, where does the money come from? I do not suppose the Contras will ever run out of money very quickly. They have not been out of it for several years now. I think it comes from a great number of sources. Some of it comes from the U.S. Treasury. But that is not the end of it. Some of it is from private contributions. There are organizations that have been formed in this country to collect donations from anyone that is interested and wants to contribute. Then, of course, there seems to be some money coming from Swiss bank accounts.

Mr President, I would like to put this in poetic perspective. I would like to paraphrase Samuel Taylor Coleridge, God rest his soul. I hope he does not mind. But here is the way I put it. Money, money everywhere, and all the kids yet die; money, money everywhere, nor any peace to buy.

If Coleridge could be here today, I believe he would forgive me for paraphrasing his lines from the Rime of the Ancient Mariner. And perhaps Coleridge, like most people, would agree that it makes more sense not to be vague about what all this money does, what it actually buys. It buys misery for the people of Nicaragua. I shall not defend their Government. That Government in Nicaragua is doing a poor job. It is obvious that there is no freedom of the press there. It is obvious that there is a great amount of oppression from the Government in Nicaragua. It is obvious that it is Marxist and misled. And it is not developing economic recovery.

But I ask this question: Do we have to make it worse? Let me assure you that we do make it worse for the people of Nicaragua. We are tinkering down there with people's lives, with their property, and with their chance to have a decent life. We hire the Contras to wage war in Nicaragua.

So that leads me to this again paraphrasing Coleridge; Contras, Contras, everywhere, and how the people died: Contras, Contras everywhere, nor any peace to buy.

Mr. President, this phony scheme of continuous conflict in Nicaragua is not for any good purpose. What does it do for us at home? What is happening to us as a people here in America? What about the politics for those of us who represent the people of America?

I agree with Tip O'Neill and others who have said that all politics are local. This deal in Nicaragua is far from local. When people think of politics as being local, they are thinking of taking care of their own kids right here, taking care of the folks here in America, and our older Americans here in America. And they are thinking about these cuts in programs. They want us to reconcile in our own thinking how budget cuts out of their programs, whether it is for education, whether it is for nutrition, whether it is for the Older Americans Act—they expect us to explain why we should make those kinds of cuts as have been proposed that means something to them but we have money for the Contras in Nicaragua.

The people of this country wonder about this economy of ours, about the deficits, and what we are doing about it. They are wondering about where are there jobs for our people here in this country? What is so important about Nicaragua that we cannot take care of our own? That is the kind of thinking that goes on throughout America, and properly so.

So let me also paraphrase Coleridge again talking about politics, talking about the politics of being so concerned about the mess in Nicaragua and about having the Contras make it worse by continuing waging war, and what term would the people of this country apply to that kind of a politic? How about voodoo? How about voodoo politics? So I suspect that maybe people in this country see this whole mess of helping the Contras in Nicaragua and spending the money down there while failing to help them here perhaps like this. Voodoo, voodoo everywhere, and how the times did bust; voodoo, voodoo everywhere, nor any help for us.

Mr. President, that is poor politics. That is poor judgment. I hope we discontinue that type of operation.

Mr. President, I yield the floor.

THE PEOPLE HAVE A RIGHT TO KNOW

Mr. **PELL**. Mr. President, in these past days, we have debated time and again, almost ad nauseum, the policy of aid to the Contras. As I noted in my statement during the debate on the joint resolution of disapproval, there was not much the opponents of the Contra policy could do about the final approval of the $40 million, but there is something we can do to at least determine what has happened to the millions destined for the Contras.

The American taxpayer has the right to have an accounting for every penny of their money. This was the purpose of the moratorium resolution which the House of Representatives passed last week and what we are trying to deal with today. Why should we not know what happened to the money for the Contras before we send millions more to the same questionable places?

Do the people not have the right to know what happened to all of the funds involved in the $27 million humanitarian assistance package? The GAO in December 1986 reported that the funds cannot be fully tracked or verified. Do the people not have the right to know what happened to the funds diverted to the Contras as a result of the Iran arms sales? The Tower Commission could not trace the money. Finally, do the people not have the right to know what happened to the millions raised by solicitations to private parties and third countries to support the Contras? Again, the Tower Commission could not determine this.

Before more money is directed to the Contras, I believe that the American people, at the least, should be given an accounting of the money provided in the past.

As Members of the Senate, we have the responsibility to determine and publicize what is being done with the money. The administration also has a responsibility to give us such an accounting. Opposition to this call for an accounting thwarts the right of the American people to know and underlines the very essence of the deceitful policy of aid to the Contras.

For the life of me, I cannot understand why anyone would oppose an accounting of the money given to the Contras so far. Could it be that they do not want to know? Could it be that they do not want the American people to know, for fear that our taxpayers would not approve of what the money was used for? Could it be for the simple possibility that it is lost because of sloppy bookkeeping, perhaps purposeful sloppy bookkeeping?

The essence of democracy is accountability. There should be a full accounting before we proceed to write more checks to the Contras. I urge my colleagues to insist that this issue be addressed by voting in favor of the motion to proceed to the moratorium bill passed by the House.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from California.

Mr. WILSON. I thank the Chair.

Mr. President, just a week ago our distinguished colleague and my friend from Georgia, the chairman of the Senate Armed Services Committee, Senator NUNN, presented to this body the third installment in the treatise that he has delivered on the interpretation of the Antiballistic Missile Treaty, and I have here in my hand that third segment, part III, the treaty negotiating record.

I have been most interested in all of Senator NUNN's presentation as I expect all my colleagues have as well. I did note with particular interest that in this third installment, that devoted to the negotiating record, there is but a scant 10 percent of the 98 pages of Senator NUNN's presentation devoted to that subject to the actual negotiating record to which we must look for clarification of those ambiguities that exist upon the face of the text of the treaty. Because it is, of course, the negotiating record itself that the actual agreement reached by the negotiators is to be found.

Now, in fairness Mr. President, it has to be noted that at page 6 of Senator NUNN's presentation he states:

> I have drafted a detailed classified analysis which examines Sofaer's arguments about the negotiating record at great length. Over the next few days I intend to consult with the distinguished majority leader about submitting this report for review of Senators in room S-407.

Mr. President, I have eagerly and patiently awaited the opportunity to examine that detailed classified analysis which we have been told by Senator NUNN will be an appendix of this part III; and I have just returned from S-407, the secure room of the Senate, where I was advised by the custodian of classified materials there, Mr. Kimmel, that it is not yet available, and upon inquiry learned from Senator NUNN's able assistant, Bob Bell, that it would be available some time next week.

Mr. President, I fully understand that and I have no quarrel with it. To the contrary, it seems to me that on anything as important as this negotiating record a great deal of care and time should be taken, and I do not begrudge to Senator NUNN or to any of his staff all the time that they require to complete their analysis.

I would only hope that the same courtesy would be extended for the same reasons to Judge Sofaer by those who are seeking to have him appear as a witness before a joint hearing of the Senate Foreign Relations and the Senate Judiciary Committees, and that is only fair, I think, particularly in light of the fact that that work was assigned to Judge Sofaer by President Reagan and the date by which it was to be completed was April 30. This assignment was given, of course, well in advance of anyone even having knowledge that this joint hearing would occur.

So, it would seem unfair obviously to expect Judge Sofaer to accelerate the pace of his analysis to comply with an earlier scheduled appearance now requested by the chairmen of those committees. I have even heard rumor that a subpoena would be used to try to impress an appearance by Judge Sofaer. I am sure that that would not be necessary.

On the other hand, Mr. President, I must say I think it would be grossly unfair to exact an earlier appearance from Judge Sofaer when it has been well understood that the date for the completion of his effort would be April 30. Fair is fair.

As I do not in any way begrudge additional time to Senator NUNN and his staff, neither should we for the same reasons begrudge any additional time, indeed not additional but the time initially requested to Judge Sofaer, to complete his analysis of the ratification record.

This is simply too important for us to be engaged in the kind of tactic which might rightly be suspect as putting partisan gain ahead of complete information which only complete analysis can disclose.

The happy news, Mr. President, is that if Senator NUNN's memorandum is not yet available in room S-407, there is a new analysis available to Senators who are willing to take the time and to suffer the inconvenience of having to go up to the secure room, and that is a memorandum that had been filed yesterday afternoon by the very distinguished U.S. arms control negotiator in several administrations, Republican and Democratic, the Honorable Paul Nitze. Ambassador Nitze has filed a memorandum which I commend to Senators both because of its brevity and because it very succinctly outlines those critical points in the negotiating record that make clear why he is convinced, having been a participant in those negotiations and having now 15 years later reviewed that negotiating record, to which he alone among the original negotiators continues to have access because of security and feels that the broad interpretation espoused by President Reagan is indeed the correct legal interpretation.

I would say that it is not just interesting but important that Ambassador Nitze has filed this memorandum.

I will end the suspense. For those who have not yet read it, it tracks almost completely with the analysis by Judge Sofaer. I mention that, Mr. President, because I have recently been apprised of another view that also substantiates the analysis by Judge Sofaer.

Judge Sofaer's work has been attacked by Senators on this floor as shoddy and a number of people have taken exception to that, perhaps most recently and most violently with his characteristic clarity and eloquence in the comments given to this body yesterday by the distinguished junior Senator from South Carolina, Senator NUNN's good neighbor, his fellow Democrat, Senator HOLLINGS.

But I have also seen an expression of some chagrin and disappointment on the part of Ambassador Kenneth Adelman contained in excerpts from his remarks before the American Defense Lobby on March 16, 1987, in which he has expressed great disappointment at the very personal tone of what he notes the Washington Post has characterized as the savagery of the attack upon Judge Sofaer's presentation. And in this excerpt Ambassador Adelman has noted that he sees no point in the kind of savagery which the Washington Post reported and says:

> As a friend and admirer of Judge Sofaer I resent an attack against his motives and competence. As one who works closely with him and has for a good deal of time and who knows his solid professional track record, I object to the impression that he does shoddy work.

On another day, Mr. President, since it has unfortunately become necessary to do so, I intend to enter into the RECORD a number of similar appraisals of the legal scholarship of Judge Abraham Sofaer. I will not do so today.

I will simply say that I think that Ambassador Adelman is quite correct in pointing out to Members of this body that although we are privileged in debate upon this floor in the interest of candor to make statements, even very tough statements, and know that we will do so free from charges that we are defaming those against whom those tough statements are made, that is still no excuse. To the contrary, it is reason for us to be most punctilious, that we do not abuse that privilege.

And, as Ambassador Adelman has said, while it is entirely proper to critically examine Judge Sofaer's work, what is not proper at all is to impugn the motives and competence of those conducting the administration's legal review, in particular Judge Abe Sofaer.

Let me point out, that not only Ambassador Nitze and Ambassador Adelman, the Director of the Arms Control and Disarmament Agency, but virtually every spokesman for this administration who has concern and responsibility with being a spokesman for arms control has concurred in the judgment of Judge Sofaer—Ambassador Nitze, Ambassador Adelman, the State Department, the Defense Department. It is not his judgment alone. It is the judgment of this administration with, I think, a rare unanimity.

Now let me proceed next to the comments that were made just yesterday by Senator HOLLINGS on the subject of the interpretation of the ABM Treaty. I simply commend to those who did not have the time or the opportunity to hear Senator HOLLINGS that they refer to the RECORD at page S. 3445 of March 19, 1987, because the best evidence of Senator HOLLINGS' clarity and eloquence is to read his words yourself.

But for those who did not have that opportunity, I will say that there is one more in the number of those who apparently resent the attack upon the scholarship of Judge Sofaer. From the standpoint of the Senator from South Carolina, Senator HOLLINGS, the analysis which Judge Sofaer has done of the negotiating record is scholarly. He finds, in addition to myself and others, no reason that it should remain shrouded in secrecy, that imposed by a national security classification.

And, in fact, I must say I am heartened that more and more people have now joined with me in an appeal to the administration to declassify not just Judge Sofaer's record, but indeed the entire negotiating record. It is central to this debate. It is of the greatest single importance in terms of its evidentiary value as to what was actually agreed upon in 1972 between the United States and the Soviet Union.

It is, in short, as Senator HOLLINGS has said of the presentation made by Judge Sofaer, a scholarly presentation of the negotiating record.

Let me also express my admiration for Senator HOLLINGS in the advice, the very wise counsel which he has given to the President of the United States in an open letter which was published at the conclusion of his remarks in which he counsels the President not to fall into the error of yielding to whatever temptation he might feel to make some kind of a bargain by which the United States would be bound to the narrow interpretation in a way that would falsely constrain the kind of research, development, and testing that is absolutely necessary for us to sustain the pace that is technologically possible for the Strategic Defense Initiative. He is absolutely correct when he states that to do so in return for some agreement, upon which it is speculative that those making a promise could deliver, to support a budget figure for SDI, would never be worth what we would be giving up, because we would be unilaterally complying with a restriction upon our own technological capability that the Soviet Union is not required to suffer. The Senator is absolutely correct.

Again, I commend his words to those who did not hear them. They can read them in the RECORD. It is as clear in print as it was upon the floor to those who were able to hear him.

Let me make another point, Mr. President, that follows from the comments made by my distinguished colleague, Senator HOLLINGS, in his appeal that the classification that imposes secrecy upon Judge Sofaer's analysis be lifted. I enjoin all Senators who have not given their attention to this to do so and to join now with Senator NUNN, who has joined with me and with others upon the floor, and most recently yesterday with Senator HOLLINGS, in an appeal that we declassify the negotiating record, that we declassify Senator NUNN's appendix when it is available, that we declassify Judge Sofaer's analysis. It is important for the world to have access directly.

But if we are not to achieve that, then I would suggest that the next best thing is for us to once again have the Senate Armed Services Committee have access to negotiators and to others who would seek to instruct us as to the meaning of that treaty so that they may be examined and indeed cross-examined by those of us who want to have some reasonable explanation of the discrepancy that exists between the actual negotiating record and what seems their different recollection of it. That seems only fair not only to us, Mr. President, but, more importantly, to the public, to the people of the United States whose future safety depends upon our being able to sustain the pace that is technologically possible for the Strategic Defense Initiative.

I hope my colleagues on the committee and I hope others not on the committee will join in my appeal to Chairman NUNN to convene, if we are unsuccessful in gaining that declassification, to convene at the earliest possible time with those who have been appearing in open hearing before other committees so that we may have the opportunity to get into that classified negotiating record and clear up these strained discrepancies. It would seem to me that, indeed, that is fair to those who have given rise to the revelation that there are, in fact, discrepancies or seeming discrepancies. Let them make clear their version of the negotiation.

Finally, and most important, Mr. President, let me say that perhaps lost in the other 98 pages of Senator NUNN's presentation, lost in this debate, which I suspect the public views as an entertainment for lawyers which makes their eyes glaze over, at the very conclusion of Senator NUNN's presentation, at pages 9 and 10 of part 3 are words that deserve the closest possible attention and words which I find encouraging. At the very end of his presenatation Senator NUNN says: "Most important"—I could not agree more.

> Most important, we should continue to negotiate toward agreement in Geneva on a new accord limiting offensive as well as defensive systems, which would supersede the ABM Treaty as well as SALT II, and that would, of course, render moot this whole debate about narrow versus broad interpretation.

Mr. President, nothing, nothing that Senator NUNN could have said could have struck greater resonance in my soul than those words. He goes on to state:

> Nothing would be better than to render this argument moot by entering into a comprehensive agreement on offense and defense and to have the terms defined with precision, clear up these ambiguities, and move on into the new arms control era.

Bravo.

As heartily as I agree with those words, what I have to ask, Mr. President, to my distinguished colleague and friend from Georgia is, what if the Soviets refused to enter into such agreement? What if they refused to render moot these debates? What if they refused to clear up these ambiguities by refusing to agree to precise language that would allow us to move ahead and take cognizance of a world very different than that 15 years ago into which was introduced this treaty that I quite agree should be superseded?

What if the Soviets are simply unwilling to take cognizance of the fact that events have overtaken that 1972 treaty, that technology which was then thought of perhaps in vague terms but undiscovered, what if they refused now that they have the chance to enter into an agreement that would allow the world indeed to be safe? Is Senator NUNN willing to move ahead? Is he prepared to say that the United States should, if need be, move ahead unilaterally to achieve what it technologically possible if the Soviets are not prepared to move with us? That is the real question.

His focus is proper but he has not answered, indeed not asked the next question, the crucial question that is implicit in his suggestion that what would be infinitely more desirable than this continued debate would be to simply supersede the ABM Treaty with a new agreement.

Senator NUNN goes on to say:

> Finally, we must develop an objective analysis of what tests are necessary under this Strategic Defense Initiative which cannot be conducted under the traditional interpretation. We were told last year by General Abrahamson, the head of this project, that there were no tests which

ould be adversely impacted by the tradiional interpretation before the early 1990's.

Mr. President, with all due respect, I ubmit that is the wrong question. The question is not whether or not we re constrained by the traditional inerpretation in the present program ecause the present program was deigned to conform to the traditional nterpretation. No. The question hould be rather what tests would be onstrained, not under a research and evelopment and testing program consciously structured as this one is to all within the constraints imposed by he narrow interpretation but rather what constraints would be imposed pon a program designed instead to each what is technologically possible?

That, Mr. President, is the proper uestion because that is the question hat responds to the other question: What is it that is in the real national security interests of the United States, and indeed the world?

Senator NUNN goes on to state:

I want to emphasize that our Armed Services Committee needs this analysis—

Referring now to that just referenced—

and we need it before we begin the markup of our committee bill because any discussion of what SDI funding is going to be used for has to have as a foundation the overall interpretation and the tests that will be conducted thereunder.

Let me say, Mr. President, that I would be delighted to have the response that Senator NUNN requests in time for the markup. It may be necessary in light of the work that is being done now for some modest delay in terms of when we receive that information and, if so, then I quite agree the markup should wait.

This program is simply too important for us to proceed on an accelerated basis without the information that we require.

Senator NUNN continues at page 10:

I emphasize also that the determination—

That which he requests from General Abrahamson—

should be based on sound technological assessment and not on an ideologically-driven kind of judgment. It is important for us to know that we are getting an analysis by scientists and not ideologs who have an agenda that has nothing to do with the technology and the tests at hand.

Mr. President, let me give some comfort to my friend. I would say to Senator NUNN that he need have no fear. Indeed, he should embrace testing as a challenge to the ideologs, to the pro-SDI ideologs to prove their case, for after all testing will test technology. It does not matter what the pro-SDI ideologs desire in the way of ideology. What matters is whether a technology actually works. And that we will only learn by testing. That is what must be our national security agenda, and not an anti-SDI ideology that falsely constrains by prohibiting testing so that we are artificially constrained in what is technologically possible. We must not artifically constrain technology.

We will never know what works and what is or is not possible unless we do actually test theory. The real decision the United States must make is whether we are prepared to pursue and to secure our national security interests by research, development, testing, and deployment unilaterally if need be, if after a reasonable period we are forced to abandon hope that the Soviets will indeed enter into the new treaty that Senator NUNN and I both hope for, one that will supercede the ABM Treaty. But if after a reasonable period, Mr. President, we have not secured that agreement, if we are unable to get the Soviets, as indeed the negotiating record of the ABM Treaty makes clear we were unable to get their agreement in 1972 to American proposals, if we cannot get the Soviets to agree to that new and better world whereby we precisely, unambiguously agreed to a new doctrine for this tiny and vulnerable world in this tiny nuclear age, one in which we substitute mutually assured survival from mutually assured destruction, then, Mr. President, we must be prepared to more ahead unilaterally. And if we do, the Soviet Union will follow.

That is our proper focus, Mr. President. Senator NUNN is quite correct in inviting our attention there. At least I hope that is what the Senator's words, which I have quoted from pages 9 and 10 of this presentation, actually mean.

I am prepared to engage in this lawyers' entertainment of debating the interpretation of the ABM Treaty, but as I have said many times before we began this debate, long before indeed there was a difference noted in interpretation between the broad and the narrow, what is necessary is that we not allow the United States to be artificially constrainted, that we be constrained only by technology, because otherwise we are false to what is our primary responsibility in this U.S. Senate, to the people of the United States; that is, to secure their national security interests.

Mr. President, I will have more to say, and others I am pleased to say will join me in this debate not just on interpretation but upon this more important question of policy of when the United States will actually take the decision to move in the interest of our people, and in the national security interests of the United States. That is enough for today.

I thank the Chair.

I yield the floor.

Mr. President, I ask unanimous consent that the official text of the remarks by Ambassador Kenneth L. Adelman before the American Defense Lobby, dated March 16, 1987, be printed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY AMBASSADOR KENNETH L. ADELMAN BEFORE THE AMERICAN DEFENSE LOBBY

Let me turn to a critical issue buzzing around town: the interpretation of the ABM Treaty. Senator Sam Nunn challenges the Administration's position on the legality of the "broad interpretation" of the ABM Treaty. That is entirely proper, though I believe his legal assessment is wrong.

What is not entirely proper—what is not proper at all—is impugning the motives and competence of those conducting the Administration's legal review, in particular, Judge Abe Sofaer. I take strong exception to the manner in which this attack is being conducted. In the words of the Washington Post yesterday, Senator Nunn "savaged—there is no other word—the handiwork of the presenter of the new reading, State Department Counsel, Abraham Sofaer."

Why the savagery?

Why did Senator Nunn, an honorable gentleman of the highest integrity on most issues, resort to such an attack? As a friend and admirer of Judge Sofaer, I resent attacks against his motives and competence. As one who works closely with him and has for a good deal of time—and who knows his solid professional track record—I object to the impression that he does shoddy work. Indeed, Judge Sofaer was up front and honorable when he admitted flaws in one of several memos on this topic since October 1985. There's no need to hash and rehash such flaws.

As a frequent participant in these bloody national security/arms control battles, I object to turning issues of substance and law into those of personalities and ideology.

Why can't we disagree on substance and treat our opponents with decency? If we can't, the future of free and open debate on these critical issues darkens.

I have spent endless hours reviewing the ABM Treaty interpretation issue. I personally believe that the conclusions of Judge Sofaer—not those of Senator Nunn—are right on target. Not that there aren't ambiguities and contradictions. There are. Senator Nunn admits there are. But we have to go further and ask "Why are there such ambiguities?" Because the Soviets during the negotiations did not buy onto a clear restriction as we pushed time and again.

At the end of the day, a judicious reading of the record shows that the Soviets did not agree to bind themselves to the narrow interpretation, as our negotiators had continually sought. If some Senators wish for the U.S. to assume restrictions affecting the SDI program in 1978 that the Soviets refused to accept in 1972, let them make their case. I don't think it washes.

A few months ago, I asked one of the top international lawyers in the country—one outside the Administration—to do a "zero-based" review of the entire record—one free from ideology or prejudice based on what the Administration had previously decided. His tentative conclusion was that the broad interpretation was not only fully justified, but had the better of the argument.

Much of this debate wallows in legalistic esoterica and is confined to Washington circles. Few Americans are seized with the issue of how Agreed Statement D modifies Article V, and how that impacts on Article II.

But many American are seized with the issue of how to defend this country against incoming ballistic missiles. Personally I do not believe we can answer the critical question—"Can SDI work?"—without going to the broad interpretation.

Mr. WILSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CONRAD). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Hampshire is recognized.

Mr. HUMPHREY. Mr. President, as I came to the Chamber just a moment ago, I deliberately took a detour and instead of entering through the south door, which is a more direct route, I came in through the east door. I did that because on my way I wanted to pass by the bust of former President Harry S. Truman, once a distinguished Member of this body which stands just outside the door.

In the context of the resolution which is before us to declare a moratorium on assistance to the anti-Communist forces in Nicaragua, I find it ironic indeed that the principal proponents, both in the House and in the Senate, of such a resolution, such a moratorium on assistance to anti-Communist forces, are members of the Democratic Party. How ironic indeed that is, that the party of Harry S. Truman, the party of the Truman doctrine, of containment of communism, the party of the savior of Greece and of Turkey, who stood with those countries when they were within days of collapse as a result of Communist subversion, has now abandoned its anti-Communist heritage and has become the party not of anticommunism, not of Harry S. Truman, but the party of green eyeshades and, indeed, blinders in the face of Communist expansion right on our doorstep.

Ironically, it was 40 years ago this month, Mr. President, to within about a week's time, that President Harry S. Truman came before the Congress in person to request a program of assistance to the Governments of Greece and Turkey, which program shortly thereafter came to be known as the Truman doctrine and which was spectacularly successful in saving those nations from a Communist onslaught.

It is no exaggeration to say that at least Greece was literally within days of toppling and falling into the Communist orbit.

To its credit, the Congress of the United States in 1947 appropriated $400 million. That is still a lot of money today but imagine its value, how much $400 million was worth. Imagine what Harry S. Truman was asking in 1947, in a country that was sick to death of Europe, which was disengaging from Europe, which was returning to its isolationist tendencies. Imagine what Harry Truman was asking of the Congress of the United States in 1947 when he asked for $400 million in aid, foreign aid, always an anathema to the American people, for two small countries in Europe. He was asking a very great deal indeed.

I suspect in dollar value of $400 million, he was asking far more than President Ronald Reagan is asking for the anti-Communist forces in Nicaragua.

What a great pity that the Democrats have thus become in the space of 40 years the party of blindness to the advance of communism, the party of vacillation in the face of Communist advance, and, worst of all, the party of excuse making, saying that it only wants a moratorium on assistnce to the anti-Communist forces of Nicarague when every child from the age of 7 onwards knows that the true intent of the resolution is to terminate assistance to the anti-Communist forces of Nicaragua.

What a tragedy it is.

On the joint resolution which was before the Senate a few days ago, the Weicker joint resolution, the Democrats in this body voted by a margin of 40 to 14 in favor of the joint resolution; 40 to 14 to cut off assistance immediately and presumably forever to the anti-Communists in Nicaragua; 14 Democrats, only 14 out of 54 voting that day, stand with Harry Truman in seeking to contain the expansion of communism. What a tragic erosion of support for the heritage of Harry Truman.

Mr. President, the Democrats, and indeed, their allies on this side of the aisle, claim they just want to audit the books; that the resolution before us today is simply a moratorium. That is a nice, innocuous word, a moratorium, a pause, while we audit the books to make sure that no dollars have become misplaced.

They claim further that the anti-Communist forces of Nicaragua are not worthy of American support because they do not meet the ideal standards of a revolutionary force. Harry Truman did not quibble at a crucial point about the nature of the Governments of Greece and Turkey. He did not hold them to an ideal textbook standard as the Democrats and their Republican allies do in the case of assistance to the anti-Communist forces of Nicaragua. Indeed, President Truman acknowledged that the Governments of Greece and Turkey were not democratic governments, that they fell far short of the American ideal, that they had made a great many mistakes. Yet he came before the Congress, at a time when foreign assistance must have been the last thing on the minds of the American people, and asked for the magnificent sum of $400 million to save Greece and Turkey from communism—notwithstanding the defects, the serious defects, in the governments which were then in power in those countries, that those governments were by no standard of measure democracies.

I note that there are still some Truman Democrats with respect to foreign policy and thank goodness and God bless them. One such is Senator ALAN DIXON of Illinois who, just 3 days ago, delivered an excellent speech on the floor of the Senate commemorating the Truman doctrine, commemorating President Truman's foresight and courage in announcing that—if I read his remarks correctly—consistent with the Truman doctrine, he was going to vote against the Weicker resolution, which he did. That is the resolution considered by the Senate earlier this week—and defeated, thank goodness—which would have cut off assistance immediately and presumably forever to the anti-Communist forces in Nicaragua. So there are some Truman Democrats left, thank goodness, and may their tribe increase. They deserve a lot of credit.

President Truman, in his remarks before the joint session of Congress said, among other things, to quote:

> We shall not realize our objectives, however, unless we are willing to help free peoples to maintain their free institutions and their national integrity against aggressive movements that seek to impose upon them totalitarian regimes. This is no more than a frank recognition that totalitarian regimes imposed upon free peoples by direct or indirect aggression undermine the foundations of international peace and, hence, the security of the United States.

Mr. President, to be sure, the situation in Nicaragua today differs in some important respects from the situation in Greece and Turkey immediately following World War II. The situation in those countries at the time was that the Soviet Union was attempting to subvert and nearly succeeded in subverting the governments of those nations, weakening them, bringing them down so that the very strong Communist parties in those countries—particularly in Greece, which had the largest Communist Party in Europe at the time—could then take over and bring those countries into the Soviet orbit; so that their fate could be the fate of Yugoslavia, right next door to Greece, and so many other countries which tragically, by one means of deceit or another, became subjects and component States of the Soviet empire. If Greece had gone, as she very nearly did, if President Truman and, with him, the Congress, had not saved Greece, then Italy, which had the second largest Communist Party in Europe at the time, now flanked on her east not only by Communist Yugoslavia but by ommunist Greece as well, might well ave been the next to go.

The situation in Nicaragua, of ourse, is different. President Reagan eeks not to support the incumbent overnment, the incumbent Sandinista overnment—the incumbent Comunsta government, we should call it beause that is what it is. The President eeks to support the revolutionary orces, the Nicaraguan anti-Commuist forces, sometimes called the Conras. But the situation is basically the ame. Where President Truman vanted to aid a nation whose instituions, if not its government at the ime, supported freedom, democracy, luralism, and human civil rights, President Reagan seeks to aid the Contras, who have the same tradition, gainst a Communist government like hat of Moscow in 1947, like that of he Soviet Union in 1947, which was a overnment totally devoid of principle, otally devoid of moral or ethical standards, which would use any trick of deceit or military force to take over other nations.

So it is with the Comunista Government of Nicaragua, now the most miliarized government in Central Amerca, a government which claims its revolution, by which it came to power, is revolution without borders—by which it means very clearly that it inends to subvert her neighbors to the xtent that she can get away with it. ndeed, the proof is already there and as been for years: The Comunistas in Nicaragua have been faithful to their promise and have been doing their level best, again with the assistance of the Soviet Union and Cuba and other component parts of the Soviet empire, to subvert the lawfully elected democratic Government of El Salvador.

This situation is not exactly the same; I do not pretend that it is. President Truman sought to aid incumbent governments, President Reagan seeks to aid a revolution which seeks to bring about democracy and human rights in Nicaragua. But the principle is the same: standing up for democracy. Where President Truman had this courage and the principle to stand, the Democrats of today not only run away, but hide behind a lie that all they want is a moratorium. Pretty shameful.

And there are lies—may I say, it is not only Democrats, Mr. President; House Joint Resolution 175, the joint resolution before us, originated in the House. It originated in the House. It originated with the House leadership; it originated with the House Democratic leadership. Its purpose is to cut off the assistance to the anti-Communist forces in Nicaragua.

That joint resolution, which pretends it is only a moratorium, is a shameful little piece of deceit. It claims only to declare a moratorium on assistance for 6 months while we go over the accounting of funds previously advanced. The proponents would have the American people believe that this is just a little audit, just a little exercise in fiscal responsibility.

Of course, the House Democratic leadership, who concocted this childish lie, are not men enough to admit that what they really want to do is cut off aid once and for all. There is not enough courage among them over there to offer a resolution which does in a straightforward way what they really want to do. While I disagreed with the Weicker joint resolution, which was before the Senate a few days ago, at least the Senator from Connecticut had the integrity, the honesty, the courage to admit that what he wanted to do was cut off assistance. He did not hide behind any little stratagems, any little deceitful tricks. There was no disingenuousness. He was honest about what he was doing. You have to respect him for it.

But this joint resolution before us is something else indeed. This craven little concoction is disgusting in its dishonesty. The joint resolution asks the freedom fighters in Nicaragua, the anti-Communist fighters, to excuse us and our assistance for 6 months. Meanwhile, the Soviet bloc continues unabated pouring rubles into the coffers of the Comunistas of Nicaragua. While we babble on like fools over $40 million, the Soviet bloc countries continue to pour in assistance—not in the tens of millions, not in the hundreds of millions; indeed, over the 6 or 7 years they have been propping up that nasty little infection in Nicaragua, $2.5 billion.

While we quibble about $40 million, while we quibble and disregard the real stakes involved in this controversy, the Soviets are there. They are steady, they are dependable; not off and on, back and forth; no equivocation, as has been the case with our assistance to the anti-Communist forces. They have been there. They are pouring it in. They know the stakes. They know what they want. And by golly, if we do not wake up to it, they are going to get it.

Mr. President, when this matter is the pending business—we are only now on the motion to proceed—I intend to offer an amendment that is designed to show the hypocrisy of this resolution. The amendment will do nothing to the language which is in the resolution. It will not change its intent, not change its effect, but will add to it this proviso, that a moratorium by the United States will not become effective until the President certifies to the Congress that the Soviet Union has likewise implemented a moratorium of assistance to the Communist government of Nicaragua.

Ha, do you think that will pass? Indeed, not. We will not even get a direct vote on it. We will not be given a chance for the Senate to vote on the question. It will be tabled, so that once again many Senators can hide behind a shield and obscure their real actions and their real motives. The vote will come on a motion to table. When Senators are back home and citizens, irate or not, ask them why they did not support the Humphrey amendment, they will say, "Oh, well, it never really came up. That is a procedural vote. It was a motion to table."

That is the way the game is played sometimes. But we will continue to do our best here on both sides, those of us who want to oppose communism, those of us who do not want our sons dying and bleeding in Nicaragua or Guatemala or Mexico and who want to do something now to stop this infection before it spreads and affects our own families. And that will be the end, my friends, if we continue to engage in this hypocrisy.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. **BYRD.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

THE PRESIDENT'S NEWS CONFERENCE

Mr. **BYRD.** Mr. President, the President of the United States last night conducted his first news conference in 4 months. If the standard by which the President's news conference is to be judged, was that of style or that of not making any additional gaffes, the news conference was a good one and the President looked good. He certainly did better in this news conference than he did in the last one.

But if the standard is that of substance and facts, then there was not much to be encouraged about. It was obvious that the President was better prepared than he had been for his news conference 4 months ago.

Mr. President, this news conference left me heavy hearted, because the President, right at the top of his news conference, let it be known that he was going to be confrontational and combative with Congress.

It is obvious now that the President intends to attempt to keep the Iran-Contra issue at arm's length, out of sight over here, by getting around the country and being a Johnny-come-lately administration with regard to trade and competitiveness, and it is equally obvious that the President is going to bash Congress with regard to the budget deficits.

Mr. President, this is not a very encouraging prospect. The American people want politics to be left out of the budget deficits. The American people want something done about these massive budget deficits that have happened on this President's watch. He criticized Congress right off the top of his news conference with respect to the budget deficits.

Mr. President, these budget deficits have, during the Reagan Presidency, reached astronomical proportions—$221 billion in fiscal year 1986. Triple-digit deficits never occurred in any year prior to Mr. Reagan's administration.

During his administration, the public debt has increased over 100 percent. Under this administration—on this President's watch—the public debt has more than doubled. It has increased over $1 trillion on this President's watch. It takes 32,000 years to count $1 billion at the rate of $1 per second. Think of that. Yet, he begins his news conference by bashing the Congress about the budget deficits.

Has the President learned that, in his budget which he sent to the Hill on January 5 of this year, there are increased taxes, that there are new taxes, that there are $20 billion in increased revenues? Have his aides told him that? To listen to the President, one would not believe that there are increased taxes in his budget; one would not know that his budgets over the outyears will not meet the Gramm-Rudman targets. But he has already begun the war on Congress with regard to the budget deficits.

Mr. President, the American people are tired of politics. They are tired of finger pointing. They are tired of partisan sniping. They want the executive branch and the legislative branch to work together to get a handle on these deficits; and if the President will work with Congress, we are ready. If he will work with Congress, we can get much done; but without him, we can do little.

There will have to be some hard decisions made with regard to the budget deficits, and it appears that the President intends to stand on the sidelines and clobber the Congress if it attempts to make hard decisions. Why doesn't the President state the facts about his own budget? His own budget contains increased taxes, it contains increased revenues, and it does not meet the Gramm-Rudman targets.

If this is to be the attitude, then the President is going to make it hard on his own troops in the Congress. How can one expect the Republican Members of the Senate and the House to work with the Democratic Members of the Senate and the House in getting the deficits down if the President is going to stand off and point the finger at both? Congress is made up of both parties. If we ever resolve this difficult problem, if we are to get a handle on these budget deficits, we will have to work together, we will have to have bipartisan approaches, and we all need the President's support rather than his finger pointing.

So I am very sorry that the President starts right off in this press conference attacking the Congress and making statements that leave the American people unknowing as to precisely what the facts are with regard to the President's own budget. Our massive public debt has more than doubled in only these last 6 years over what it took 39 previous administrations and 191 years to do. The doubling of this country's national debt and the stratospheric triple-digit budget deficits all happened on the President's watch.

The President said in his televised statement a few days ago to the American people that the Iran-Contra matter happened on his "watch." Mr. President, these massive triple-digit budget deficits and triple-digit trade deficits, all have happened on this President's watch. We need him now to help us to deal with both of these deficits.

Mr. President, one would think that the President would not want to leave this kind of legacy to the next President. The next President may be a Republican, may be a Democrat; but, in any event, it is going to be our children and our grandchildren who will have to bear the burden of the legacy that is left from this administration, this kind of public debt, on which the interest costs $137 billion a year. That is the kind of legacy that is going to be left by this President. I would think and hope that the President would not want to let that legacy fall upon the shoulders of the next President of the United States, whether he be a Democrat or a Republican.

Mr. President, I hope that the President will get some advice from the people around him to cool the rhetoric about the Congress. He needs the Congress and we need him, and the American people need us both. It is going to take both, working together, to get these massive budget deficits under control.

If the President is going to stand off on the sidelines for the next 18 months and just point the finger and bash the Congress about the budget deficits, the American people are going to suffer, because the deficits are not going to be brought under control.

We need the President. With him we can do much. Without him we can do little. We in the Congress will do our best in any event.

But, Mr. President, we need you. This happened on your watch. The American people want us both to sit down, reason together, and work together and stop the Congress bashing, stop the partisan sniping, and stop the fingerpointing.

I hope the President will listen.

Mr. President, I yield the floor.

HOMELESS LEGISLATION

Mr. BYRD. Mr. President, it was my intention to introduce the bipartisan negotiated homeless legislation today, but I have been requested to delay the introduction until Monday.

I am not pleased at the delay in moving on this important legislation, but I do want to make every effort to assure bipartisan support for the legislation.

The legislation that I am ready to introduce has been negotiated in its entirety by my staff and Senator DOLE's staff and the staffs of Senators on both sides of the aisle. The staffs of the working group of Senators appointed by the distinguished Republican leader and myself have cleared the substance agreements with their respective Senators and all that remains is the review of the final draft of the legislative language to assure that it truly reflects those agreements.

I intend to introduce the legislation on Monday.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, the Senate is about ready to go over for the weekend. If there are other Senators who wish to speak, I hope that that can be arranged shortly and then the Senate can go out.

The PRESIDING OFFICER (Mr. BYRD). The junior Senator from North Dakota is recognized.

A TRIBUTE TO RUTH MEIERS

Mr. CONRAD. Mr. President, yesterday North Dakota and America lost a voice for compassionate government and an example of extraordinary human courage. I lost a close and dear friend. Ruth Meiers, North Dakota's first woman Lieutenant Governor, died Thursday night.

Ruth Meiers served the people of North Dakota first as a social worker in her home county of Mountrail County, later as a State legislator, and finally as Lieutenant Governor. She was a trail blazer for women in politics but always insisted that she be judged not by her gender but by her character. She was a dedicated public servant with an acute social conscience and an unselfish personal attitude. She frequently smiled, often laughed, and always cared.

When doctors diagnosed her inoperable cancer last fall, Ruth faced the news with predictable calm and resolve saying, "I believe in prayer and I believe in miracles. I also believe in reality, and I believe I can deal with that."

As someone said of another great warrior on behalf of our people, Hubert Humphrey, on his passing, "He taught us how to live and he taught us how to die." That, too, can be said of Ruth Meiers. She showed such courage and such character in the face of personal tragedy, that she taught us how to face death without faltering and without fear.

Ruth Meiers loved North Dakota and North Dakotans loved Ruth Meiers. Just 10 days ago, Ruth Meiers received North Dakota's highest award, the First Citizen Award. It represents induction into the North Dakota Hall of Fame. It is presented to those who have provided distinguished service to the State. Ruth was the first to be so honored. Her death is a great loss. It is a public loss, it is a personal loss. Her life was a tremendous inspiration.

Ruth, we will miss you.

THE PRESIDENT HAS A CREDIBILITY PROBLEM

Mr. CONRAD. Mr. President, last night the President of the United States spoke to the Nation. This President has a credibility problem. He has a credibility problem which is partly the result of mistakes of policy in the arms-for-hostages transaction. It is partly a result of misstatements of fact that he has made in regard to that policy. Frankly, Mr. President, our President did not promote his credibility last night.

I was not able to watch his performance last evening. I must say I was disturbed and upset to read today his opening remarks.

Let me quote what the President said last night:

> For the last 6 years, we've fought the good fight to get Government spending under control, and it hasn't been easy and we've begun to rein in Federal spending, we've been able to bring taxes down and subdue the monster of inflation. Our combined program of tax cuts, deregulation and spending cuts is working; in fact is working miracles.

Something was left out, Mr. President. Something very serious was left out of that formulation. It is the national deficit, the national debt, the trade deficits of this country, because in just 6 years of this President's administration, the national debt has doubled, the national deficits have tripled, and the trade deficit has increased sixfold. That is not a miracle. That is not a policy that is working. That is a failed policy. And it is the President's policy.

Mr. President, I am having charts prepared that I will bring to this Chamber on Monday or Tuesday of next week to show clearly the President's proposals on spending and revenue during his administration. I will also have charts showing what in fact had occurred in the 6 years of this administration. And we will have a chance to see and have a chance to show that in fact it is this President's policies that have led to a doubling of the national debt, to the dramatic increase in deficits, and to the accompanying skyrocketing of the trade deficit. This President cannot escape responsibility with happy talk. And he does not enhance his credibility by saying things that we know are not true.

Mr. President, I was even more surprised to see President Reagan go on to say:

> But now, even before Congress has drawn up their budget, some there are saying that they want to back away from our commitment to Gramm-Rudman-Hollings.

I serve on the Senate Budget Committee. The President apparently needs to be reminded that he was the first to back away from the commitment to Gramm-Rudman-Hollings. The Gramm-Rudman-Hollings target is set out very clearly in the law. It is for a budget deficit of $108 billion in this fiscal year—$108 billion. The President has submitted a budget that, according to the Congressional Budget Office, which is bipartisan, in fact, has $135 billion of deficit.

So the President has failed to meet the Gramm-Rudman target. And it does not enhance his credibility to go before the Nation and to suggest that someone else is responsible for not following the Gramm-Rudman target when in fact he has failed to meet the Gramm-Rudman target.

This President is going to be called to the same standard that all of us who serve in public service are called to follow. Very simply, that standard is to speak the truth. And the President does not enhance his credibility when he goes to the country in a nationwide broadcast and says things that just are not so.

Thank you very much, Mr. President.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from New Hampshire is recognized.

Mr. HUMPHREY. I thank the Chair in the person of the senior Senator from West Virginia, the distinguished majority leader of the Senate.

AFGHANISTAN

Mr. HUMPHREY. Mr. President, I and a number of Senators were privileged this morning to attend a ceremony at the White House with the President at which he signed a proclamation declaring March 21, tomorrow, as Afghanistan Day.

As the Presiding Officer knows, each year for the last 5 or 6 years, Congress has passed a joint resolution urging the President to proclaim March 21, the traditional Afghan New Year's Day, as Afghanistan Day here in the United States as a means to underscore the solidarity of our people with those of Afghanistan in their struggle to rid their nation of now some 115,000 Soviet troops.

Certainly, there is no more blatant or naked case of Soviet aggression in the world today or within the last decade than the Soviet invasion and continued occupation and continued daily rape and bludgeoning of Afghanistan. What a great tragedy that is. What a monstrous crime.

There was Afghanistan in 1979, a small, sparsely populated country which represented no threat whatever to the Soviet Union. The next thing the people knew, Soviet transports were landing at the airport in Kabul, disgorgin shock troops, who immediately seized the key installations, and within days 70,000 or 80,000 Soviet troops were rolling across the borders in trucks to every part of Afghanistan. And since that day, since those early weeks, the situation has been ghastly.

The Soviet military forces occupying Afghanistan have not focused their efforts only on the resistance alone, they have indiscriminately carried out attacks upon the civilian population, as well. And of the prewar population, Mr. President, of 15 million, by now, according to most accounts, something near 1 million have been killed in this war, most of them noncombatants, many, many of them women, children, and the elderly, who have been destroyed by indiscriminate aerial attacks which wipe out entire villages, and artillery bombardment which has the same effect. And in every conceivable means, from the broad-based destruction to individual killing of pregnant women with bayonets and the immolation of children in bonfires, living children, the Soviets have carried out a record of destruction which the United Nations, never an organization to speak very strongly about Soviet conduct, has termed as approaching genocidal proportions.

One million out of 15 million Afghans are dead. Lord knows how many are injured and maimed. How many is a million? Well, if you apply the proportions to our own American population of about 240 million, one out of 15 is about 16 million or 17 million dead Americans. Imagine that. Except for the people of Afghanistan it is not a matter of fancy, but it is a matter of daily reality.

So brutal is this war against civilians, so great is the suffering, that fully one-third of the Afghan population again by virtually all accounts have been driven into foreign exile such that the Afghan refugees today constitute the largest single body of refugees in the world.

The countryside has been destroyed. If the war were to end today, and the most just terms of settlement achieved, the agony of the people of Afghanistan will endure for generations for there is scarcely a family that has not buried a child, or a mother, or a father, or a grandmother, or a grandfather. The countryside is desolate. About the only cultural remainder are the cities of the capital, Kabul, Kandahar, and Herat, and a few other large cities which the Soviets have garrisoned heavily, and thus I think are not inclined to attack obviously. Those are their strongholds. But the rest of the countryside has been devastated, and demolished, and is the Soviet strategy of defeating the resistance by utterly destroying their means of support.

It is one of the great tragedies of this century, one of the great crimes of this century, and one which I find ironically goes largely unnoticed.

So it is well that each year the Senate passes this resolution, and each year the President in response has issued a proclamation. But may I say that such resolutions and such proclamations are pretty small potatoes. They are hardly what is expected of a nation such as ours in the face of their great decimation. Much more can be done.

In its annual assessment of the situation in Afghanistan, the State Department in December issued a statement in which the Department said that, if I may paraphrase—this is pretty close to a quote—it is clear that only steadily escalating pressure, military, diplomatic, and political is likely to bring about a withdrawal of Soviet forces. Well, we know that the military pressure is being applied and with increasing success, thank goodness. We should have made that possible years ago, could have made that possible years ago, and indeed I believe bear some responsibility for prolonging the war and the suffering but failing to act decisively years ago rather than just within the last 2 years or even more recently.

But in the area of political and diplomatic pressure we are failing abysmally to bring such pressures to bear. I have asked the administration, I have asked the State Department, and I would ask Senators to name one thing we have withheld from the Soviets as a means of bringing to bear these pressures, these steadily increasing pressures which the State Department claims are necessary. I cannot think of one.

We have Soviet ballerinas tiptoeing across the stages here in America, we have Aeroflot landing at our airports once again, and by themselves these are not significant things individually. But they represent a pervasive pattern that sends the message to the Soviet Union that while we issue these flowery, inspiring proclamations every year you in Moscow may ignore them because they are nothing more than sheets of paper, that it will be business as usual between the United States and the Soviet Union notwithstanding the ghastly situation which they perpetuate in Afghanistan.

While I am grateful to the Senate and to the President for the resolution and the proclamation respectively, I make the point that it is not nearly enough. I wish the President today had something more significant to say about Afghanistan on this one day when the intent is to focus—this 1 day out of the year when the intent is to focus—American attention on the situation in Afghanistan. I wish the President, for instance, had said today is a means of bringing to bear these increasing pressures, and I have ordered that our Embassy in Kabul be closed.

Mr. President, I point out that while on the one hand we are encouraging the Afghan freedom fighters to struggle against the puppet regime set up in Kabul by the Soviet occupiers, on the other hand we are urging them to struggle even to death against this puppet government, we maintain an Embassy at the seat of their government. In so doing we lend credibility and unwarranted standing to that government. I would not even call it a government. It is a regime at best set up by the Soviets that would collapse within 2 or 3 days if the Soviets were to withdraw. That is why they will not withdraw because they want Afghanistan to be a part of the Soviet Union or at least a client state.

I wish the President would have said something. Then he would have done something meaningful today to increase these pressures which we say are necessary but about which we do nothing. I wish the President would likewise say we are going to reject from Washington these criminals who are here in Washington representing illegitimately the Afghan people. I wish the President has said that because of the reprehensible nature of this government, this regime in Kabul which is cooperating with an invader in the genocide of its own people, today we are going to cut off all trade between the United States and that regime. The dollar amount of the trade is unimportant. It is very insignificant in the international scheme of things. But it is the message that it sends.

By the way in an economic sense it is not unimportant. The Kabul regime secures from the United States suppliers parts for its government airline. Nonetheless, it is the symbolism that counts. I wish the President had said today at the signing of this proclamation that he endorses the editorial of the New York Times of 5 or 6 weeks ago, that those who occupy the Afghan seat in the United Nations are not the legitimate representatives of the Afghan people. I wish the President had done that. How striking it is the New York Times, which more often than not is in disagreement with the President, especially in areas of foreign policy, is way ahead of this administration in doing the things that will bring these other kinds of pressure to bear.

The President did not say that. He did not say any of these other things. He just issued a proclamation that says, "Now, therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim, March 21, 1987, as Afghanistan Day. Get this: "And I urge the American people to participate in appropriate observances to reflect our support of the Afghan struggle for freedom."

Ha! Are there going to be parades tomorrow on Main Streets all across America? Of course not. Are there going to be demonstrations at the Soviet Embassy? Of course not. Are the American people going to participate as the proclamation says in appropriate observances? Of course not. Why not? Because the administration has failed abjectly to make an issue out of Afghanistan. It has missed opportunity after opportunity. It substitutes mush for substance. It claims we need to increase political and diplomatic pressure on the Soviet Union, and fails completely to do so. Indeed, it reduces such pressures by inviting over Soviet ballerinas and letting Aeroflot land once again.

I regret that I have to be critical of the administration. But criticism is due, I believe. The examples I have cited are only a few of the host of things that the administration either has failed to do or has done poorly. And the reason is this: I have been deeply involved in this issue now for more than 2 years, and may I say in all modesty I do not think any Senator has been more involved in this issue than this Senator.

I spend a very great deal of time on this issue. The one bottom-line conclusion I have come to is that we are failing to do right by the Afghan cause, not because our heart is in the wrong place. It is in the right place. We are failing because no one is in charge of this effort. That might be hard to believe, but it is a fact. This effort, which has now become very, very expensive in dollars, this effort and outcome is so important for geopolitical reasons, but even more important for the reason of securing justice for the Afghan people, is administered in the most ineffective way. There is nobody in charge.

Nowhere in this Government is there anyone of any significant standing or authority who spends full time on Afghanistan coordinating the actions of all of the various executive departments to make sure that they are doing what the President states and implies.

I will close my remarks on this occasion by calling once again on the President to put somebody in charge.

I recognize that not every effort can have a special head, that many efforts have to be handled on a basis of interdepartmental committees. But I suggest that this effort is so important and is reaching such a critical juncture that it deserves someone in charge. If we would do that, I think we would begin to bring to bear these pressures in a belligerent way. I am not calling for belligerency against the Soviet Union. But I am calling for a decent relationship that reflects the magnitude and scope of the situation in Afghanistan and its hideous details. We have failed to do that and there is a way to correct our failing. We must do so at the earliest possible moment.

Mr. President, I ask unanimous consent that the President's proclamation on Afghanistan be printed in the Record.

There being no objection, the proclamation was ordered to be printed in the Record, as follows:

AFGHANISTAN DAY, 1987

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

The people of Afghanistan traditionally celebrate March 21 as the start of their new year. For the friends of the Afghan people, the date has another meaning: it is an occasion to reaffirm publicly our long-standing support of the Afghan struggle for freedom. That struggle seized the attention of the world in December 1979 when a massive Soviet force invaded, murdered one Marxist ruler, installed another, and attempted to crush a widespread resistance movement.

Despite a 7-year reign of terror by over 115,000 Soviet troops, the Soviet attempt to subjugate the Afghans has failed. The puppet Kabul regime remains weak and illegitimate. The resistance movement has fought the Soviet army to a standstill. And the Afghan people, whose support for the resistance is overwhelming, have continued to show an indomitable will to be free.

During the past year, the Afghan people have advanced their cause in a variety of ways. On the political front, the resistance Alliance has grown more cohesive and more effective. One major step in this direction occurred January 17, when the seven Alliance leaders put forward their own comprehensive plan for a free Afghanistan. The Alliance has also become the focal point for the distribution of social services and humanitarian resources inside the country, thereby helping to stem the outflow of refugees and laying the basis for reestablishing a free Afghanistan.

On the battlefield, the resistance has demonstrated growing strength. Notable achievements include an increased ability to counter communist air power, the renewal of heavy military pressure on Kabul, the resurgence of resistance activity in the north, and the defeat of communist efforts to consolidate control over Kandahar and Herat, Afghanistan's second and third largest cities.

The success of the resistance may well have prompted the Soviets to demonstrate a new interest in the political side of the conflict. While we welcome statements that the Soviets wish to bring about a political settlement and to withdraw their troops, we shall continue to gauge their intentions by the only accurate measurement—their actions.

Thus far, Soviet proposals have lacked realism and substance. They appear to be aimed at deceiving world opinion rather than at seeking peace and self-determination. A cease-fire without reference to the withdrawal of Soviet troops is meaningless. National reconciliation with a communist-dominated government as its starting point and its foreordained result is a sham that the resistance, the refugees, and the people of Afghanistan will never accept.

Acts of war by the Soviet Union and its Afghan allies totally belie concilatory intentions. As peace talks began in Geneva last month, communist aircraft swept into Pakistani territory three times in as many days and bombed refugee camps and crowded bazaars, killing over 100 people and wounding 250. Around the same time, terror bombings inside Pakistan—notably a February 19 blast outside an Afghan refugee office and a nearby school—also started to increase. These acts represent a crude attempt to dispirit the resistance and to intimidate Pakistan into abandoning its courageous and principled support of the Afghan people. Such attempts have not worked before and will not work now.

Negotiations to bring this war to an end have been taking place in Geneva for over 5 years. We support them. The U.N. negotiator has announced that a timetable for the withdrawal of Soviet troops is the sole remaining obstacle to a settlement. On this matter, we endorse Pakistan's statements that such a timetable must be based solely on logistical criteria and be expressed in terms of months, a very few months, not years.

By presenting unrealistic timetables apparently designed to crush the resistance and achieve a military solution before the Red Army withdraws, the onus for continued fighting falls on the Soviets and their Afghan puppets. The U.N.-sponsored talks are currently suspended. Meanwhile, the Pakistanis have held firm on the key requisites, including Afghan self-determination. As a result there are some faint indications that the Soviets may have begun to understand the need for a realistic political solution.

In these circumstances, it is important to maintain steadily increasing pressure on the Soviets. It is essential that we and others continue to support Pakistan in the face of increasing cross-border attacks and sabotage attempts. Most important, it is essential that we and others continue our support of the brave struggle by the Afghan resistance. We must not let up until all Soviet troops depart and the Afghan people are free to determine their own future. Nothing less will suffice. I am proud of the strong support provided over the past 6 years by my Administration, by the Congress, and by the America people. I am confident we shall continue to stand firm and not falter.

The Congress, by Senate Joint Resolution 63, has authorized and requested the President to issue a proclamation designating March 21, 1987, as "Afghanistan Day."

Now, therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim March 21, 1987, as Afghanistan Day, and I urge the American people to participate in appropriate observances to reflect our support of the Afghan struggle for freedom.

In witness whereof, I have hereunto set my hand this twentieth day of March, in the year of our Lord nineteen hundred and eighty-seven, and of the Independence of the United States of America the two hundred and eleventh.

Ronald Reagan.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BICENTENNIAL MINUTE

MARCH 20, 1845: EXECUTIVE SESSION ADJOURNS

Mr. DOLE. Mr. President, on March 20, 1845, 142 years ago today, the Senate approved the nomination of Frederick T. Bush as consul to the port of Hong Kong, and then adjourned. This ended a session that lasted only 12 days. Aside from brief Journal entries outlining Senate activities, no record of that session's secret proceedings exists. At the other end of the Capitol, dust gathered in the House Chamber, and its Members were not expected in town until December.

Why did this session conclude so quickly? Why was it held in secret? Where was the House? These questions, reasonable to us today, would not have occurred to mid-19th century Senators.

An answer lies with procedures established at the time the Constitution was adopted and ratified. Under the Constitution, Congress was required to meet at least once a year on the first Monday in December, although Members' terms began on the previous March 4. The Constitution also gave the Senate the unique power to "advise and consent" to Presidential nominations.

These constitutional requirements help explain what the Senate was doing in town for that brief session in March 1845. The term of President James K. Polk started on March 4. On that date, the President submitted his Cabinet nominations to the Senate for action.

To exercise these constitutional responsibilities, the Senate customarily met for a few days at the start of each new Presidential term. Under procedures in effect from 1789 until 1929, the Senate conducted all of its so-called executive business behind closed doors, allowing its Members to speak freely to avoid incurring Presidential wrath in opposing certain nominees. Between 1789 and 1933, the Senate held 36 of these special sessions. Ratification of the Constitution's 20th amendment made them unnecessary, for it moved the beginning of the congressional term from December back to January, more than 2 weeks before the start of the Presidential term.

TRIBUTE TO THE LATE SENATOR EDWARD ZORINSKY

Mr. BOREN. Mr. President, I join my colleagues in honoring our friend and colleague, Ed Zorinsky.

Several weeks ago, the Senate Agriculture Committee adopted a resolution honoring Senator Zorinsky. Ed Zorinsky was an important, effective member of that committee and he will be sorely missed. I ask unanimous consent that a copy of the committee resolution be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BOREN. Not only have we lost a great friend, so have the farmers of this Nation. No one sympathized more with them in their problems, no one worked harder to help them. Only a few days after he was hospitalized for a heart attack, he was on the Senate floor well past midnight during consideration of the 1985 farm bill. As he told me, "the farmers are in too much trouble for me to leave the floor while the farm bill is up."

Ed was one of the most fair minded people I've known. He was always willing to listen to an argument with an open mind. He was always available to listen to his constituents. In a day when people feel alienated from their own governments, the open door—a door literally taken off its hinges—to Ed Zorinsky's office was an important symbol. This was no public relations gesture, Ed Zorinsky truly had an open door to the people of Nebraska. He worked hard to bring the thinking of Nebraska citizens into the policy debates of the U.S. Senate.

All of us will miss our fine and thoughtful friend. We join in extending our sympathy to his family and to his wonderful wife and true partner, Cece. Our entire Nation suffered a great loss when Ed Zorinsky's voice was stilled.

EXHIBIT 1

COMMITTEE RESOLUTION

To express the sympathy of the Committee on Agriculture, Nutrition, and Forestry of the Senate regarding the death of Senator Edward Zorinsky.

Whereas on March 6, 1987, the Committee on Agriculture, Nutrition, and Foresty of the Senate learned of the untimely and tragic death of its distinguished member, Senator Edward Zorinsky;

Whereas Senator Zorinsky provided the Committee with his outstanding leadership for over 10 years;

Whereas Senator Zorinsky authored key provisions of the Agriculture and Food Act of 1981 (Public Law 97-98) and the Food Security Act of 1985 (Public Law 99-198), notably provisions regarding soil conservation, farm credit, product promotion, trade, and embargo protection;

Whereas Senator Zorinsky served as Chairman of the Subcommittee on Production and Stabilization of Prices, which oversees the agricultural price and income stabilization programs that are of vital importance to all American farmers and ranchers;

Whereas Senator Zorinsky was a tireless fighter for his Nebraska constituents, and all of the nation's farmers and ranchers; and

Whereas Senator Zorinsky was a valued colleague, trusted friend, and wise counsel to all of the members of the Committee: Now, therefore, be it

Resolved, That the Committee on Agriculture, Nutrition, and Forestry of the Senate expresses its sympathy at the passing of Senator Edward Zorinsky, commends his contributions to the Committee and all of American agriculture, and extends its condolences to his family on this sad occasion.

Be It Further Resolved, That the Committee on Agriculture, Nutrition, and Forestry of the Senate shall transmit copies of this resolution to the widow and children of Senator Edward Zorinsky.

NATIONAL AGRICULTURE DAY

Mr. DOLE. Mr. President, this first day of spring, March 20, is designated as National Agriculture Day. This is a day dedicated to celebrate the spirit of modern agriculture and the men and women who are part of our Nation's foremost industry.

HANDS ACROSS AMERICA

Mr. President, this past year Americans have reached out to assist people here in the United States and in other lands. The Hands Across America effort succeeded in bringing attention to the food and nutrition needs of Americans.

Today, we salute almost 23 million people whose hands are daily committed to the production, marketing, processing, and distribution of food. American farmers and agribusiness men and women are a vital link to ensuring that a stable supply of reasonably priced food and fiber is available to all of us. American agriculture is, in effect, a chain linking millions of lives together around the world.

AMERICAN AGRICULTURE—A MODEL OF EFFICIENCY

Recently, this productive sector of our society has come under scrutiny. The cost of Federal farm programs has been higher than expected—$25 billion per year—due to low farm prices.

Before we single out the cost of farm programs, we should remind ourselves that Federal agriculture outlays are only 2.8 percent of the 1987 budget. This compares to 5 percent back in 1955. We should also remind ourselves that consumer grocery bills now take only 11 cents of each dollar of disposable income compared to 16½ cents a decade ago. I would suggest that the American farmer is providing an indirect subsidy to the American consumer.

America's farmers, and the sectors of our economy which support our farmers, are unsurpassed in their ability to produce efficiently. Each American farmer feeds 116 people—86 in the United States and 30 in foreign countries. American farmers deliver 80 percent more crop output on an acre of land than did their fathers. In fact, 1 hour of farm labor produces 16 times as much food and other crops as it did in 1920. Agricultural output per hour increases about three times as fast as industrial production. And although U.S. exports have fallen from their 1981 peak of $43.8 billion, they are still a key ingredient to U.S. farm income. Every billion dollars in farm exports generates 35,000 jobs and creates another $1.4 billion of economic activity in the United States. As we celebrate agriculture, those who work the land deserve our admiration.

RURAL DEVELOPMENT—THE CHALLENGE AHEAD

Mr. President, each of my colleagues in this body represents a farm constituency. Many of us have firsthand experience of the economic hardships and personal agony farmers and their families are experiencing. We all want to find ways to alleviate the problems and the suffering in rural America.

It is our role to develop a coordinated, effective policy. But I'm not sure the answers are in Washington or can be found by Congress rewriting the 1985 farm bill. The current legislation obviously has faults—it provides large payments to large farmers; it doesn't address or respond fast enough to local problems; and, it is costly.

Meanwhile, the problems besetting agriculture and rural communities continue to exist. We need to move quickly to deal with a variety of pressing needs: For an adequate supply of credit for spring, for job retraining and vocational planning at land grant universities, for investment incentives to diversify the economic bases of small towns and cities, and for financial and social counseling for farm families.

I have been working on a set of proposals with several Midwestern Republican Governors, Congressmen, and Senators dealing with farm credit, rural development, farm program policies, and trade. Hopefully, we can move this discussion to a bipartisan basis as well—not much will happen without tough decisionmaking and cooperation.

LOSS OF A GOOD FRIEND—ED ZORINSKY

Perhaps those qualities were best displayed by a long-time friend and supporter of agriculture, Ed Zorinsky. His commitment to rural America and to finding solutions to agriculture's problems will be missed.

Senator Zorinsky realized that our problems in agriculture are not a result of a particular administration or a particular party. Rather, they are the result of years of shortsighted economic policies which have sent confusing signals to farmers. Unfortunately, some farmers may not be able to endure the present circumstances long enough to see agriculture and rural America healthy again. But is is our obligation and responsibility to address the current problems. If we provide assistance where we should and establish a long-term direction that makes economic sense—for farmers and others in rural America—we will have made great strides to bolster all of agriculture—the hands that feed and clothe America and countless others around the world.

IRANIAN NEW YEAR: A TIME FOR REFLECTION

Mr. HELMS. Mr. President, today, March 20, marks the Iranian New Year, or "Noruz Jamshidi." In the ancient traditions, the seasons of nature and nature's God have their own timetable. They are not dependent on the calendars of man, Julian, Gregorian, or otherwise. They are as timeless as its Creator.

Spring is traditionally the time of new beginnings, the season of rebirth. Down through the millennia, spring has been considered as the start of the natural new year. That is why March 20 marks the Iranian New Year. At one time in Iran it was a time of festivity and celebration.

But as we all know, that has not been the case since 1979. The past 8 new years have seen the blood-stained despot Khomeini still seated in his throne. We must not allow our domestic, political controversies over Iran to obscure the plight of the Iranian people. Indeed, we can send them greetings of sincere friendship, while hoping that there will mercifully soon be an end to the chronology of horrors that has plagued Iran since the downfall of the late Shah. Mr. President, Noruz 1987 deserves at least a brief remembrance of the victims of Khomeini's new order.

Since the outbreak of the Iran-Iraq war in 1980, Khomeini's intrigues have cost the lives of hundreds of thousands of Iranians. Conscripted soldiers, from children of 12 to old men in their seventies, have paid the ultimate price for Khomeini's military madness. The widows, the orphans, and millions of crippled and maimed children are little comforted by the fact that their sacrifices, which have filled the graveyard with 300,000 markers, also have filled the coffers of arms dealers and merchants of Iran and Europe.

On the other hand, many of those young men not being exploited as victims of the war are guests of the infamous internment camps euphemistically called prisons of Khomeini's Islamic Revolutionary jailers. Prisons are usually places where criminals are incarcerated. Not in today's Iran. To be criminal in Iran, it suffices to be a man and not a servant of the mullahs. Conservative estimates of Iranian political prisoners range from 25,000 to 50,000. Crowded like animals, prisoners often lack enough space even to lay their tortured bodies down to sleep.

Khomeini has created a police state. Indeed, British observers report that this state has executed more than 6,000 prisoners. Sources inside Iran maintain that this number is a small fraction of the total. They estimate at least 30,000 such legal murders.

What capital offenses have been committed by these criminals? Official court records cite the following as crimes—"liberalism;" "publication in a foreign publication;" "owning horses;" and "counterrevolutionary speeches." Crime is in the minds of free men, not the deeds of evil men. Indeed, the Khomeini regime has not, in the traditional manner, blindfolded justice so she may be impartial; they have blinded her so they may put justice in the service of so-called political justice as a paid agent of their permanent revolution.

Mr. President, today will be the eighth Iranian New Year since the Khomenini regime has imposed itself on Iran and the world. The tales of torture and of terror are too numerous to mention. People ask why the West was silent when Hitler prepared and undertook his holocaust; but where is the voice of America in the face of this new tyrant ordering mass murders of innocents? Certainly, I have not seen that our media has taken time from snapping at the heels of our President to report the real crimes in Iran, committed not by Americans, but by Iranian despots. Nor have we heard much from Europeans, allies quick to criticize America.

But spring is, as we said, a time for new beginnings. The Bible tells us there is a season for every purpose under Heaven. Let us hope that before Noruz 1988, there will be a new beginning in Iran, a rebirth of freedom such as Iran experienced under the Constitution of 1906; not a regime tailored to please the Soviet Communists or the European colonialists, or even the U.S. State Department, but one that meets the aspirations of the common people of Iran.

Mr. GLENN. Mr. President, I take this time to comment on section 205 of the recently passed highway bill. There appears to be some disagreement over what it is that we just passed, and for the purposes of establishing an unambiguous legislative history, some clarification is in order.

Section 205 of the highway bill amends section 414 of the Surface Transportation Assistance Act of 1982 (49 U.S.C. 2314) in order to assure that if final minimum standards are promulgated by the Secretary of Transportation with respect to the performance and installation of splash and spray suppression devices for use on truck tractors, trailers, and semitrailers, such standards must significantly reduce both splash and spray and significantly improve visibility of drivers as demonstrated during testing on highways at test facilities and in laboratories, taking into account possible wind and rain conditions. The Secretary must determine whether the unaided human eye can clearly perceive a significant reduction in both splash and spray and whether the driver's visibility is significantly improved as a result of the use of the devices which may be proposed by such standards. Failure to meet these tests under actual highway conditions of wind and rain at test facilities would reveal that such standards would have no effect on improving safety on our highways and should not be promulgated.

Mr. President, I want first to comment that the word "significantly" is not intended to mean a statistical significance, but rather a significance that fits the context of the bill. I point this out because statisticians have one meaning for the word "significantly." Statistical significance means a variation that is discernible beyond standard margins of error; a variation that would presumably show up the next time a similar statistical sampling was made. "Significantly," in the context of the highway bill means something different; it means the dictionary definition of significant, that is, "important" or "large."

I point this out because the dictionary definition fits the context of the bill. Senator DANFORTH pointed out in a colloquy with the Commerce Committee chairman, Senator HOLLINGS, earlier today that the Department of Transportation must promulgate a splash and spray suppression standard unless it can show that there is no technology that can make a difference "to drivers." I understand that it takes a 15 to 25 percentage point improvement for the human eye to perceive a difference in splash and spray reduction; this is the threshold upon which we can say there is a difference to drivers. A "significant" improvement over existing practices on the highways today must therefore be greater than 25 percent. I emphasize to my colleagues that this is the context in which we must interpret the word "significantly."

Let me cite a specific example. The Senator from Missouri points out that United Parcel Service has used several spray control devices "with great success." It may well be that the UPS devices reduce the amount of spray and splash by an amount that can be measured by lasers in a laboratory. However, listen to what the Administrator of the National Highway Traffic Safety Administration said about the UPS devices in congressional testimony last December:

> We have not seen in our testing, and believe me I have looked at the videotapes, we have not seen that those kind of superior devices do enough to make a perceptible difference to the human eye.

Mr. President, I support the intent of the bill, to improve highway safety. Like my colleagues, I know what it is like to drive behind a large truck in a rainstorm. I want to make sure that, if a standard is promulgated, it will result in a significant improvement in driver vision in the real world on our highways. It is not sufficient to have a standard based on miniscule improvements measurable only by lasers and other sensitive instruments. By requiring that any new splash and spray standard "significantly improve visibility of drivers, as demonstrated during testing on highways * * *," the bill we have just passed holds the promise of contributing substantially to the improvement of highway safety.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-823. A communication from the Chief Justice of the United States, transmitting, for the information of the Senate, notice of the action of the Judicial Conference of the United States in transmitting to the House of Representatives the result of an investigation stating that a Federal Judge has engaged in conduct which may be grounds for impeachment; to the Committee on the Judiciary.

EC-824. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, a request for a supplemental appropriation request for the Commission for fiscal year 1987; to the Committee on Appropriations.

EC-825. A communication from the Secretary of the Army, transmitting, pursuant to law, notice that the AH-64 (Apache) program has exceeded its basline unit cost by more than 15 percent; to the Committee on Armed Services.

EC-826. A communication from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting, pursuant to law, a report on the conversion of the protective coating function at Scott Air Force Base, Illinois, to performance by contract; to the Committee on Armed Services.

EC-827. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting a draft of proposed legislation to authorize appropriations for civil defense programs for fiscal years 1988 and 1989, and for other purposes; to the Committee on Armed Services.

EC-828. A communication from the Chairman of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the twelfth annual report of the FDIC's Office of Consumer Affairs; to the Committee on Banking, Housing, and Urban Affairs.

EC-829. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting a draft of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for research and development; space flight; control and data communications; construction of facilities; and research and program management; and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-830. A communication from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1988, 1989, 1990, and 1991; to the Committee on Environment and Public Works.

EC-831. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the experiences of Medicaid recipients in Health Maintenance Organizations entitled "Report to Congress: Medicaid HMO Disenrollment"; to the Committee on Finance.

EC-832. A communication from the Chairman of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the annual report of the Corporation under the Government in the Sunshine Act for calendar year 1986; to the Committee on Governmental Affairs.

EC-833. A communication from the Secretary of Education, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-834. A communication from the Director of the Office of Personnel Management, transmitting a draft of proposed legislation to amend title 5, United States Code, to reform the financing of the Federal Employees Health Benefits Program, and for other purposes; to the Committee on Governmental Affairs.

EC-835. A communication from the Special Counsel to the Merit Systems Protection Board, transmitting, pursuant to law, the results of an investigation into allegations of a violation of law and regulation and a waste of funds at the Federal Correctional Institute, Texarkana, Texas; to the Committee on Governmental Affairs.

EC-836. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of the reports issued by the General Accounting Office during February 1987; to the Committee on Governmental Affairs.

EC-837. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Review of Receipts and Disbursements of the Office of the People's Counsel Agency Fund"; to the Committee on Governmental Affairs.

EC-838. A communication from the Chairman of the National Endowment for the Arts, transmitting, pursuant to law, the annual report of the Endowment under the Freedom of Information Act for calendar year 1986; to the Committee on the Judiciary.

EC-839. A communication from the Attorney General of the United States, transmitting, pursuant to law, a report entitled "National and International Drug Law Enforcement Strategy"; to the Committee on the Judiciary.

EC-840. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report of the Department under the Freedom of Information Act for calendar year 1986; to the Committee on the Judiciary.

EC-841. A communication from the Director of the Office of Information and Freedom of Information Office, Department of Agriculture, transmitting, pursuant to law, the annual report of the Department under the Freedom of Information Act for calendar year 1986; to the Committee on the Judiciary.

EC-842. A communication from a Member of the Federal Council on the Arts and the Humanities, transmitting, pursuant to law, the annual report on the Arts and Artifacts Indemnity Program for fiscal year 1986; to the Committee on Labor and Human Resources.

EC-843. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final funding priorities for the National Institute on Disability and Rehabilitation Research—Research Fellowships; to the Committee on Labor and Human Resources.

EC-844. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final funding priorities for the Handicapped Special Studies Program; to the Committee on Labor and Human Resources.

EC-845. A communication from the Secretary of Education, transmitting, pursuant to law, the annual report from the Rochester Institute of Technology on the National Technical Institute for the Deaf for fiscal year 1986; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 514. A bill to amend the Job Training Act to establish an incentive bonus for the successful placement of certain employable dependent individuals, to provide targeting of assistance from certain carryover funds for such individuals, and for other purposes (Rept. No. 100-20).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, without amendment:

H. Con. Res. 77. Concurrent resolution to make a correction, relating to the maximum speed limit, in the enrollment of the bill H.R. 2.

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 49. Joint resolution to designate September 18, 1987, as "National POW/MIA Recognition Day."

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, without amendment:

S.J. Res. 89. Joint resolution to authorize and request the President to issue a proclamation designating April 26 through May 2, 1987 as "National Organ and Tissue Donor Awareness Week."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MELCHER:

S. 802. A bill to transfer ownership of certain lands held in trust for the Blackfeet Tribe, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. HARKIN:

S. 803. A bill to impose a one year moratorium on the commission of commercial franchise business facilities on military installations; to the Committee on Armed Services.

By Mr. SIMON:

S. 804. A bill to clarify the antitrust exemption of the business of insurance, and for other purposes; to the Committee on the Judiciary.

By Mr. CRANSTON:

S. 805. A bill to designate a segment of the Kings River in California as a wild and scenic river; to the Committee on Energy and Natural Resources.

By Mr. METZENBAUM:

S. 806. A bill to provide that the Clayton Act and Sherman Act apply to the air transportation industry; to the Committee on the Judiciary.

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 807. A bill to amend the Tariff Schedules of the United States to provide for the specific listing of certain benzenoid chemicals with other specifically listed chemicals; to the Committee on Finance.

By Mr. McCLURE (for himself, Mr. KASTEN, and Mr. SYMMS):

S. 808. A bill to clarify the application of the Clayton Act with respect to rates, charges, or premiums filed by a title insurance company with State insurance departments or agencies; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. D'AMATO:

S. Res. 171. Resolution to express the sense of the Senate that March 1987, is recognized as "National Frozen Foods Month"; to the Committee on the Judiciary.

By Mr. MURKOWSKI:

S. Res. 172. Resolution expressing the sense of the Senate with respect to United States policy objectives in providing assistance to the Nicaraguan democratic resistance; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MELCHER:

S. 802. A bill to transfer ownership of certain lands held in trust for the Blackfeet Tribe, and for other purposes; to the Select Committee on Indian Affairs.

TRANSFER OF CERTAIN INDIAN LANDS

Mr. MELCHER. Mr. President, I am introducing a bill today that will right a very old wrong that was committed by the Bureau of Indian Affairs against John Benedict Renville, a member of the Blackfeet Tribe of Montana.

When John Renville's grandfather, Garrett White, died in 1932, he left his trust land on the Blackfeet Indian reservation to his grandson in a bona fide will which had been approved by the Department of the Interior, legal trustee for Indian Tribes and their members.

This will also provided a life estate to Genevieve White Renville, John's mother. At the time the will was probated, Mrs. White fully understood the restricted nature of her inheritance and that she could not sell or trade the land because title belonged to her son in trust. The Bureau of Indian Affairs also knew this. However, in 1946, while John Renville was serving with the U.S. Army in Europe, his mother sold the land to the Blackfeet Tribe. Notwithstanding the clear legal prohibition barring alienation of these lands contained in Garrett White's will, the BIA approved the sale to the tribe. Subsequently, the tribe sold 280 acres to non-Indians in fee status. Again, the BIA approved. In both of these instances the BIA approved transactions that violated them of their will. The 280 acres are now owned by Mary Lois Peterson Munoz, a bona fide purchaser.

For many years, Mr. Renville has been engaged in a long and fruitless effort to rectify the gross error the BIA made in approving these land sales which have deprived him of his property and beneficial use. The tribe has agreed to return to Renville the land that remains in its possession, about 240 acres, and Mrs. Munoz is willing to sell her 280 acres to Renville. Mr. Renville's mother died on December 4, 1957, at which time he became entitled to all rents and income from the land.

The bill does several things: First, it compensates John Renville for the lost income ($107,500) from use of the land; second, it transfers 520 acres to him in trust from Mrs. Munoz and the tribe; third, it pays Mrs. Munoz for her land, $127,000; and fourth, it reimburses the Blackfeet Tribe for the fair market value—$58,500—of the tribal land that is being transferred. These payments will be made by the Treasury Department to the Department of the Interior from Treasury funds set aside for judgments against the United States. Therefore, the bill does not require new appropriation, nor does it affect the BIA appropriation, but it does provide for settlement of all outstanding claims Mr. Renville may have against the United States.

There is a long, rather complicated, legal history in this case, but in 1982 the Billings, Montana BIA area office asked the central office to request this bill for Mr. Renville. The BIA never officially recommended legislation, so Renville sued in court—that suit is on hold pending the outcome of this legislative effort. In October 1985, Mr. Renville requested this legislation; rather than more litigation, Mrs. Munoz and the Blackfeet Tribe have concurred.

Clearly, John Renville, the Blackfeet Tribe, and Mrs. Munoz have all been compromised by the BIA's original error in approving Mrs. Renville's sale of these lands to the tribe. Subsequent purchasers had no prior knowledge of title problems in connection with the lands. My bill will make the affected parties whole and will bring finality to this Indian land issues.

I hope that the Senate will act quickly and favorably on this long overdue legislation.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows: .

S. 802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) All rights, title, and interests of the Blackfeet Tribe in lands described in subsection (b) which are held in trust by the United States for the benefit of the Blackfeet Tribe are hereby transferred to John Benedict Renville of the Blackfeet Reservation, Montana. The United States is hereby declared to hold such lands in trust for the benefit of John Benedict Renville as an allotment.

(b) The lands referred to in subsection (a) are the following lands, consisting of 240 acres, more or less:

W½W½SW¼ Sec. 13, T32N, R 13W, containing 40.00 acres.

NE¼SW¼ Sec. 21, T33N, R7W; SW¼SE¼ Sec. 14, T32N. R13W, containing 80.00 acres.

NE¼SW¼ Sec. 2, T31N, P13W; NE¼SE¼ Sec 14, T32N, R13W, containing 80.00 acres.

SE¼SW¼ Sec. 21, T33N, R7W, containing 40.00 acres.

(c) The payment under this subsection shall be treated as a settlement under section 1304 of title 31, United States Code, and the Secretary of the Treasury is directed to pay to the Secretary of the Interior for the benefit of the Blackfeet Tribe, out of any funds in the Treasury of the United States the sum of $58,500 which is the fair market value of the land described in subsection (b).

(d) The Congress finds that the exchange of the land described in subsection (b) for the compensation paid under subsection (c) is in the best interests of the Blackfeet Tribe.

SEC. 2. (a) All rights, title, and interests of Mary Lois Peterson Munoz in lands described in subsection (b) are hereby transferred to the United States in trust for the benefit of John Benedict Renville as an allotment.

(b) The lands referred to in subsection (a) are the following lands, consisting of 280 acres, more or less:

N½SE¼, SE¼SE¼ Sec. 21, SW¼ Sec. 22, T33N, R7W, Principal Meridian, Montana, formerly Blackfeet Allotment 2649 (Mary Rose White).

(c) The payment under this subsection shall be treated as a settlement under section 1304 of title 31, United States Code, and the Secretary of the Treasury is directed to pay to Mary Lois Peterson Munoz, out of any funds in the Treasury of the United States the sum of $127,000 which represents the firm market value of the 280 acres of land described in subsection (b).

SEC. 3. The payment under this subsection shall be treated as a settlement under section 1304 of title 31, United States Code, and the Secretary of the Treasury is directed to pay to John Benedict Renville, out of any funds in the Treasury of the United States not otherwise appropriated, the sum of $107,500 which represents the fair market value of the 280 acres of land described in subsection (b).

(1) the rents and income from the 240 acres of land described in section 1(b), and

(2) the rents and income from the 280 acres of land described in Section 2(b), for the period beginning on December 4, 1957, and ending on the date of enactment of this Act.

SEC. 4. The provisions of this Act shall constitute full settlement of all claims of John Benedict Renville against the United States, the Blackfeet Tribe, or any other person which arise prior to the date of enactment of this Act with respect to any lands described in section 1(b) or section 2(b).

SEC. 5. No part of any amount appropriated by this Act in excess of 10 percent of such appropriation shall be paid or delivered to, or received by, any agent or attorney on account of services rendered in connection with any claim described in this Act and the same shall be unlawful, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor punishable by a fine not to exceed $1,000.

By Mr. HARKIN:

S. 803. A bill to impose a 1-year moratorium on the construction of commercial franchise business facilities on military installations; to the Committee on Armed Services.

MORATORIUM ON CONSTRUCTION OF FRANCHISE BUSINESSES ON MILITARY INSTALLATIONS

● Mr. HARKIN. Mr. President, we have heard much in recent days about American competitiveness. I want to tell a story about some American competitors, a group of independent businessmen who are being subjected to unfair competition by the Federal Government. It is a tale of good intentions and unfortunate consequences.

Several years ago, the Defense Department developed a plan for bringing leading brand fast food outlets onto military bases. In 1984, for example, the Army and Air Force Exchange Service [AAFES] and Burger King Corp., entered into a contract granting the Exchange Service a franchise for a minimum of 185 outlets on Army and Air Force installations throughout the world, to be developed over a 5-year period.

This arrangement was motivated by a number of worthy goals. One was to meet a demand by military personnel and their families for improved access to such products. Another objective was to increase employment opportunities for the dependents of military personnel. A third goal was to increase contributions from exchange service earnings generated by fast food franchises to military welfare funds. These profits from exchange service earnings are reinvested back into the military community in the form of recreation facilities, libraries, child care facilities, and so forth.

Well, what's wrong with that? The problem is that these fast food facilities are not being constructed in a vacuum. In almost every case, the same fast food product is already available outside the base gates, usually less than 2 miles away. The price for the service member and his or her family at these locations is no higher than that charged to anyone else.

The fast food operations just outside the bases are being operated by franchisees who must earn a profit to put bread on the table for themselves and their families. On the other hand, new fast food operations inside Army and Air Force bases are being operated by the Army and Air Force Exchange Service with no rent, no real estate, sales, or income taxes. The same-brand product therefore can be, and is, sold at lower prices than at those outlets on the other side of the gate.

It does not take an economist to predict that there will be an adverse impact on the businessmen who operate franchises offering the same product at necessarily higher prices in the nearby civilian communities. Commonsense argues that their sales will decline. Commonsense also tells us that these businesmen are being unfairly treated by the Federal Government which is, in effect, subsidizing their competition.

It was exactly this concern which prompted the Congress to impose a 1-year moratorium on construction of new fast food franchise operations on military installations in 1985, and to mandate a report on such current and proposed operations. However, the Department of Defense report, submitted on February 3, 1986, found it impossible "to definitively assess" the economic impact of such operations on private commercial business operations in the vicinity of the same installations. According to the report, "* * * the Department is unable to determine what percentage of sales made on the installation equate to sales lost by civilian franchises * * *." Now that the moratorium has expired, the Pentagon has decided to move forward on a new round of construction activity to implement the original 5-year plan.

The Pentagon may not have been able to determine what percentage of sales made on base equate to sales lost by civilian franchises off base. But there are now sales data for civilian franchises operating in the vicinity of military bases for an entire year since the first round of same-brand franchises on base were opened. I understand that these data show a significant and adverse effect on the sales of the privately owned franchises.

It is time for a new look at the fast food franchising issue. I am today introducing legislation which would impose a 1-year moratorium on the construction of commercial franchise business facilities on military installations. This legislation would also require the Department of Defense to conduct a study on the effects of such operations on competing franchise businesses in the vicinity of these installations so that Congress can consider whether or not further action is warranted.

I would like to comment on one important exception to the proposed moratorium on construction. If a fast food franchise on a base is offered to a private franchisee who has an outlet outside of the base, construction could occur under the bill, since in such a case, the new operation would not represent unfair competition to existing businesses. In other words, military personnel may have their favorite hamburgers on base if they like, but the profits should go to those entrepreneurs who have taken risks to offer their services to the entire community, rather than to the exchange service which has not.

Congress should offer support to our men and women in uniform, but Congress must also ensure that it is done in a way which is fair. Fast food franchising on military installations is not fair at the present time. The procedures must be corrected.●

By Mr. SIMON:

S. 804. A bill to clarify the antitrust exemption of the business of insurance, and for other purposes; to the Committee on the Judiciary.

INSURANCE COMPETITION ACT

● Mr. SIMON. Mr. President, today I am introducing a revised version of a bill I introduced last year, the Insurance Competition Act of 1986. This legislation embodies a long overdue reform of the broad antitrust exemption granted to the insurance industry by the McCarran-Ferguson Act.

When I first introduced this proposal last May, the country was in the throes of a "liability insurance crisis." Many types of commercial liability insurance were either prohibitively expensive or not available at any price. Congress was deluged with appeals from people in almost every business and profession for relief from skyrocketing insurance costs.

The causes of the crisis were complex. Insurers claimed that the crisis was due to excessive litigation and an increase in the number of multimillion-dollar jury awards and settlements. They called for changes in our tort laws.

Others contended that insurers themselves should bear most of the blame. They asserted that insurance companies raised rates to recoup losses resulting from the irresponsibly low premiums charged in the early 1980's. They also demanded tighter regulation for this large and economically important industry—possibly at the Federal level.

While I am not prepared to support Federal regulation of the insurance industry or a wholesale revamping of our tort system, I think both sides are a little bit right.

However, I was disappointed at the shrillness of the debate on insurance issues in the 99th Congress. Now that the crisis has eased to some extent—commercial liability insurance is somewhat more available though not anymore affordable—I hope the Congress will undertake a serious examination of insurance industry operations and the ways in which we compensate victims of civil wrongs.

One obvious area for such an inquiry is the antitrust exemption contained in the McCarran-Ferguson Act. I believe that the exemption is clearly overbroad and should be narrowed on general antitrust policy grounds, irrespective of any preventive effects such changes might have on future liability crises.

While McCarran-Ferguson may be only one factor in several that brought about the liability crisis, careful amendment of the statute could only enhance the competitive environment, and improve the availability and affordability of insurance.

The McCarran-Ferguson Act was passed in 1945 by a Congress preoccupied with winning the Second World War. The statute was a reaction to a 1944 Supreme Court decision that declared the business of insurance to be interstate commerce and therefore subject to the Federal antitrust laws, and to Federal taxation and regulation. *U.S.* v. *South-Eastern Underwriters Assn.*, 322 U.S. 533 (1944).

The insurance industry and the States worried that this decision jeopardized the States' ability to regulate and tax insurers. The industry's concern about the application of the antitrust laws to the business of insurance was understandable. Up to that time, a cartel of insurers set rates and enforced underwriting standards using elaborate mechanisms, including acts of boycott and coercion.

While the cartel no longer exists and McCarran-Ferguson explicitly subjects acts of boycott, coercion, or intimidation to Federal sanctions, some antitrust problems remain.

Admittedly, the courts have narrowed the scope of the McCarran-Ferguson antitrust exemption since its enactment and the industry is more competitively structured today than it was in 1945. Insurers nevertheless retain a technical legal immunity to set prices, allocate markets, and engage in other joint activities with potentially anticompetitive effects.

I do not claim that insurance executives periodically meet in smoke-filled rooms to decide what to charge the public for insurance. If it suited them, however, they could generally do so without fear of Federal antitrust liability. No other industry enjoys this freedom to accept or reject competition.

My bill embodies sensible reform of the McCarran-Ferguson Act. It is based on recommendations made in 1979 by the bipartisan National Commission for the Review of Antitrust Laws and Procedures.

The Commission recommended that "* * * the broad antitrust immunity granted by the McCarran-Ferguson Act should be repealed" and that narrowly drawn legislation "* * * affirming the lawfulness of a limited number of essential collective activities * * *" should be adopted. The Commission also called for a more thorough study of the economic regulation of the insurance industry. The Judiciary Committee has already begun such an inquiry.

This legislation terminates the industry's Federal dispensation to fix prices. It also requires insurance companies to plan and operate in a more competitive environment. Although the bill permits insurers to exchange information regarding losses as well as other information necessary to generate reliable data about expected losses, it prohibits them—for purposes of Federal antitrust law—from exchanging data concerning each company's cost of doing business.

Part of this cost of doing business is an overhead factor, which usually represents between 25 and 45 percent of the final premium charged to consumers. Insurance companies do not need to exchange such information to price their products knowledgeably. This added competition will promote industry efficiency and help keep rates reasonable.

As recommended by the National Commission, the bill affirms the legality of a limited number of joint activities now undertaken by insurers. This is necessary because, if the antitrust exemption were simply repealed, a perceived antitrust risk might unduly deter some activities that promote competition among insurers.

The Judiciary Committee's ongoing review of the McCarran-Ferguson Act may show that the list of permissible activities should be amended. I am open to making such changes.

Any joint action by insurers not specifically permitted in a revision of the McCarran-Ferguson Act would still be protected in two ways. First, if the activity was mandated by State law, it would be protected under the State action doctrine. The State action doctrine holds that joint activities which might violate the Federal antitrust laws, but are required by State law, are immune from Federal antitrust liability. Second, if the activity is essentially procompetitive, it would be permitted under a traditional rule of reason analysis.

Finally, my bill also grants to the Federal Trade Commission the authority to stop insurance companies from engaging in deceptive trade practices, such as false or misleading advertising. This section will assure that the entire insurance industry is not tainted by the actions of a small number of its members.

I should also note here that giving the FTC deceptive trade practice enforcement powers is not "Federal regulation of the insurance industry." It is merely a clear statement by Congress that no one has the right to mislead or deceive American consumers.

My good friend from Ohio, Senator HOWARD METZENBAUM, who chairs the Antitrust Subcommittee on which I also serve, takes a somewhat different approach to changing McCarran-Ferguson. However, our goals are the same. I look forward to working closely with him as we enact McCarran-Ferguson reform this Congress.

The testimony received by the Judiciary Committee at its February 18 hearing demonstrated wide-ranging support for amending McCarran-Ferguson. The National Federation of Independent Business, the National Association of Attorneys General, the National Conference of State Legislatures and numerous consumer groups, among others, have called for such changes. Both the Justice Department and the Chairman of the Federal Trade Commission stated that the insurance industry no longer needs such broad antitrust immunity.

Further hearings are planned in both the House and Senate on McCarran-Ferguson. These will allow Congress to thoroughly examine this complex area before it acts.

My opinion on the best approach to amending the McCarran-Ferguson Act is not etched in stone. I look forward to working with Senator METZENBAUM and all parties concerned to arrive at a final product that represents sensible, positive change.●

By Mr. CRANSTON:

S. 805. A bill to designate a segment of the Kings River in California as a wild and scenic river; to the Committee on Energy and Natural Resources.

DESIGNATION OF KINGS RIVER

● Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to designate a segment of the Kings River in California as a wild and scenic river. The legislation is identical to H.R. 799 sponsored in the House by Congressman RICHARD LEHMAN and 139 others.

The Kings River is clearly one of America's most extraordinary rivers. Among all the rivers in the United States, the Kings has the greatest unobstructed vertical drop—11,259 feet. In the sense, the Kings is the Nation's greatest free-flowing river. The Kings also flows through the deepest canyon in North America. At 8,240 feet, it far exceeds the depth of the Grand Canyon. The main fork of the Kings River is California's largest wild trout stream, designated for protection by the State department of fish and game. And the river is one of the State's most popular whitewater runs, used by 24,000 people in 1986. Tens of thousands of people come to the Kings each year to camp, swim, innertube, picnic, and use the designated national recreation trail which runs along the river.

But today the Kings River is threatened. In fact, national conservation organizations have identified the Kings as the most endangered river in America. Construction of a dam at Rodgers Crossing about 2 miles upstream from the existing Pine Flat Reservoir on the Kings River is actively being pursued.

The project would have serious adverse environmental impacts which could not be mitigated. It would eliminate 100 percent of the rafting on Kings below Spring Creek, 52 percent of the wild trout habitat of the river with degradation of the remaining sections, 90 percent of the road-accessible section of the main stem above Pine Flat Reservoir, 100 percent of a national recreational trail, and critical winter habitat and migration routes of two deer herds with resulting impacts on hunting.

According to the California Department of Fish and Game:

> The Rodgers Crossing project would result in the complete loss of the inundated 10-mile stretch of the Kings River and adversely affect the remaining 6 miles of wild trout stream located above and below the reservoir. The only means of protecting this 16-mile stretch of wild trout water is to preclude project construction.

My bill would protect the Kings by adding 93 miles of the river from its origins high in the Sierra Nevada in Kings Canyon National Park to its confluence with Pine Flat Reservoir to the National Wild and Scenic Rivers System.

I am very much aware of the serious problem of ground water overdraft—1.5 million acre-feet annually—in the San Joaquin Valley, including the Kings River service area. But many question the advisability of building Rodgers Crossing Dam to meet this need. According to a recent report prepared by Bechtel for the Kings River Conservation District, the Rodgers Crossing project with the best economics would yield 45,600 acre-feet of water, a mere 3 percent of the overdraft water supply. Other alternatives would produce more water. Construction of the Mid Valley Canal could deliver 650,000 acre-feet of water to the San Joaquin Valley through the Federal Central Valley project. I'm presently cosponsoring legislation to authorize constructon of the Mid Valley project. Ground water recharge and water conservation are other alternatives. It's my understanding that in 1 year the Fresno Irrigation District, one of the 28 water agencies serving the Kings River service area, recharged 48,187 acre-feet of water, more than the total water yield of a 510 foot Rodgers Crossing Dam. The California Department of Water Resources estimates that 135,000 acre-feet of water could be conserved in the Tulare Lake Hydrological Basin through better management of the existing resources.

I believe the scenic, recreational, fish and wildlife, geologic, and archeological values of the Kings River far outweigh the benefits of a dam, especially in light of alternatives for water. A number of California newspapers agree, including the Los Angeles Times, the Oakland Tribune, the Fresno Bee, the Visalia-Times Delta, the Clovis Independent, and the Lemoore Leader, all of which have published editorials in favor of wild and scenic river designation of the Kings. Wild river status is also supported by the cities of Fresno and Sanger and dozens of sports fishing and environmental organizations.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 805

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF KINGS RIVER.

(a) DESIGNATION.—Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraph at the end:

"(62) KINGS, CALIFORNIA.—The Middle Fork of the Kings River from its headwaters at Lake Helen between Muir Pass and Black Giant Mountain to its confluence with the main stem; the South Fork, Kings River from its headwaters at Lake 11599 to its confluence with the main stem; and the main stem of the Kings River from the confluence of the Middle Fork and the South Fork to the confluence with Pine Flat Reservoir (at elevation 953.5 feet above sea level). The segments within the Kings Canyon National Park shall be administered by the Secretary of the Interior. The remaining segments shall be administered by the Secretary of Agriculture. After consultation with State and local governments and the interested public and within one year after the enactment of this paragraph, the respective Secretaries shall take such action as is required under subsection (b) of this section. In the case of the segments of the river administered by the Secretary of the Interior, the requirements of subsection (b) shall be fulfilled through appropriate revisions to the general management plan for Kings Canyon National Park, and the boundaries, classification, and development plans for such segments need not be published in the Federal Register. Such revisions to the general management plan for the park shall assure that no development or use of park lands shall be undertaken that is inconsistent with the designation of the river under this paragraph. Nothing in this paragraph shall be construed as affecting the operation of the Pine Flat dam and reservoir as authorized as of the date of enactment of this Act. For the purposes of the segments designated by this subparagraph, there are authorized to be appropriated such sums as may be necessary for development.".

(b) RENUMBERING.—Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by redesignating the paragraphs relating to the Cache La Poudre River, the Saline Bayou, Black Creek, the Klickitat, and the White Salmon as paragraphs (57) through (61), respectively.●

By Mr. METZENBAUM:

S. 806. A bill to provide that the Clayton Act and the Sherman Act apply to the air transportation industry; to the Committee on the Judiciary.

AIRLINE COMPETITION ACT

● Mr. METZENBAUM. Mr. President, I am today introducing the Airline Competition Act of 1987. This legislation would make the antitrust laws immediately applicable to the airline industry. The only exception would be for flights to or from foreign destinations. This "overseas air transportation" is currently scheduled to be sunsetted from antitrust regulation by the Department of Transportation on January 1, 1989. This bill would retain that sunset date.

The practical effect of this bill would be to end immediately the Department of Transportation's authority to grant antitrust immunity to airline mergers or to other concerted activity by members of the airline industry under section 414 of the Federal Aviation Act as amended.

When Congress passed the Airline Deregulation Act in 1978, its purpose was to increase competition in the airline industry. The anticipated benefits for the American public were lower fares and better service.

Antitrust authority for the newly deregulated industry was to remain temporarily with the CAB and was then to move to the Department of Justice on January 1, 1983. This never happened. Instead, antitrust authority was reassigned to the Department of Transportation. That authority is now scheduled to be transferred to the Department of Justice on January 1, 1989.

To date, the Department of Transportation's antitrust enforcement has been disastrous. In the last 2 years, the Department has approved 11 mergers between major scheduled airlines. The merger between the eighth and ninth largest carriers is currently awaiting approval, and speculation abounds that Pan Am and TWA may soon be finding merger partners.

Concentration in the airline industry has reached unprecedented and unhealthy levels. The nine largest airlines control 94 percent of the market. And while there is no guarantee that moving antitrust enforcement to the Department of Justice would put a halt to all additional anticompetitive mergers, the fact that Justice opposed some recent airline mergers certainly suggests that Justice would better protect the interests of the public.

This legislation would also terminate the Transportation Department's ability to immunize discussions and agreements among competing airlines over scheduling or other matters. Instead the antitrust laws would govern all concerted action.

Nine years after deregulation was to open the skies, the airline industry is a cozy oligopoly. More carriers enjoy monopoly power on more routes than ever before. And while average fares are down in some markets, many business travelers, residents of many smaller and mid-sized cities and those who fly on monopoly routes are paying disproportionately high fares.

At the same time, complaints about flight delays, cancellations, overbooking and lost baggage are soaring. For the airlines, less competition clearly means less service.

If we really want the airlines to compete by offering low fares and better service, it's time we ended the antitrust moratorium for the airlines. I urge my colleagues to join me in this effort to make sure that the airlines understand that their free ride is over.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 806

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Airline Competition Act of 1987".

SEC. 2. Notwithstanding any other provision of law, the Clayton Act and the Sherman Act shall apply to the air transportation industry.

SEC. 3. (a) Except as provided in subsection (b), this Act shall be effective on the date of enactment.

(b) This Act, as such Act applies to overseas air transportation, shall become effective on January 1, 1989.

(c) Orders finalized prior to the date of enactment of this Act shall not be affected by this Act.●

By Mr. McCLURE (for himself, Mr. KASTEN, and Mr. SYMMS):

S. 808. A bill to clarify the application of the Clayton Act with respect to rates, charges, or premiums filed by a title insurance company with State insurance departments or agencies; to the Committee on the Judiciary.

ANTITRUST DAMAGES CLARIFICATION ACT

● Mr. McCLURE. Mr. President, today I am introducing the Antitrust Damages Clarification Act of 1987 with several of my colleagues. The bill is the direct result of an enforcement action begun by the Federal Trade Commission in 1985 against six national title insurance companies. This action, and the treble damage private suits which immediately followed, have harassed the title insurance industry without justification, cost this small industry over $6 million in legal and related expenses, and threatened the very foundation of our system of State regulation of insurance. All of this has transpired as a result of the FTC's effort to narrow the scope of the McCarran-Ferguson Act. In recent testimony before the Senate Judiciary Committee, FTC Chairman Dan Oliver admitted that the FTC had done all it could through litigation to narrow the act. This flies in the face of congressional instruction in the FTC Act of 1980.

Mr. President, insurance has been the subject of State regulation for well over 100 years. State regulatory programs developed according to each State's needs, and were diverse. Thirteen States, including my own State of Idaho, permitted title insurance companies to jointly satisfy State regulatory requirements for filing and approval of proposed rates through participation in licensed rating bureaus. As of 1984, title insurance rating bureaus were authorized in the following States: Arizona, Connecticut, Idaho, Louisiana, Montana, New Jersey, New Mexico, New York, Ohio, Oregon, Pennsylvania, Wisconsin, and Wyoming.

Idaho's Legislature adopted a new title insurance code in 1973 which established a procedure for State licensing of a rating bureau for the industry. The State scheme for the title insurance industry is a comprehensive one which permits the industry to utilize the rating bureau mechansim, and finds that "the public welfare is served," as long as "reasonable competition continues in title insurance." However, once the State insurance department finds competition no longer exists, the department is required to disband the rating bureau.

Is the use of rating bureau good public policy? The U.S. Supreme Court said it was in its 1985 Southern Motor Carriers decision. The Court discussed the use of State authorized rating bureaus in a transportation setting: "By reducing the number of proposals, collective ratemaking permits the agency to consider more carefully each submission. In fact, some public service commissioners have stated that without collective ratemaking they would be unable to function effectively as rate-setting bodies."

But whether or not you agree with the use of rating bureaus, the important point is that for insurance it is a State decision. If a State authorizes it, that should be the end of it.

For the title insurance industry, it has not been the end. The FTC charged in its section 5 action that title search and examination, the process under which a title company determined the risk involved in insuring a title, is not part of "the business of insurance" under the McCarran-Ferguson Act, was not accorded Federal immunity, and therefore the setting of rates for this service by rating bureaus violated Federal antitrust laws.

The FTC's view of title search and examination came in the face of a string of Federal and State court cases, including a U.S. court of appeals decision, declaring that search and examination is the business of insurance. Indeed, no court has ever found to the contrary.

As a result of the FTC action, and resulting private suits, the title insurance industry is facing settlement costs and legal expenses in excess of $6 million, including $500,000 just to create a computerized index of the hundreds of thousands of documents for which the FTC issued subpoenas. In an industry like insurance, these costs are inevitably passed on to consumers. The industry's only offense was to accept the McCarran-Ferguson Act on its face that insurance was a State matter, and follow the letter and spirit of State insurance law, with an eye to existing judicial cases interpreting the scope of the Federal exemption.

The Antitrust Damages Clarification Act of 1987 is a carefully limited solution to this injustice. Section 1 of the bill provides that no antitrust damages or other costs shall be awarded with respect of the establishment or use of any title insurance rate, or premium that has been approved or permitted to become effective by a State insurance agency, pursuant to the provisions of State law. Section 2 would make clear that the bill is not intended to alter the right of any person, including the Federal Government, to obtain injunctive relief for an alleged antitrust violation. Once such an injunction is granted, the section 1 protections vanish.

The proposed legislation follows the principle of the "field-tariff doctrine," announced by the Supreme Court in *Keogh* v. *Chicago & Northwestern Railway,* 260 U.S. 156 (1922). In an opinion written by Justice Brandeis, the Court acknowledged that an antitrust plaintiff has suffered no injury if he has paid for goods and services at the only legal rate authorized under a system of government regulation. The doctrine is based on the view that antitrust damages should not be imposed in connection with rates approved by a regulatory body.

I authored similar legislation last year, and in a short time, S. 2103 attracted 12 cosponsors. That legislation has been altered in two very important ways. First, the new bill applies only to the title insurance industry, rather that the insurance industry in general. And most important, the provision in S. 2103 which made the bill applicable to pending cases has been dropped. I know that some Members oppose the application of new laws to pending cases, and this impediment has been removed.

With these changes, I encourage my colleagues to support the Antitrust Damages Clarification Act of 1987, and urge rapid action in the Judiciary Committee.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 808

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act shall be entitled the "Antitrust Damages Clarification Act of 1987".

Section 1. No damages, costs, or attorney's fees shall be awarded under section 15, 15A, or 15C of title 15, United States Code, with respect to the establishment or use of any rate, charge, or premium filed by a title insurance company with a State insurance department or agency; or authorized, approved, or permitted to become effective pursuant to the insurance laws of that State.

Sec. 2. Nothing contained in section 1 of this Act is intended to alter or affect the ability of any person or any governmental agency to obtain injunctive relief, with respect to the establishment or use of any such rate, charge, or premium. Section 1 shall not apply to any activity or conduct undertaken subsequent to and in violation of a final judgment or order by a court or administrative agency granting such injunctive relief.●

ADDITIONAL COSPONSORS

S. 38

At the request of Mr. Moynihan, the names of the Senator from Maryland [Ms. Mikulski], the Senator from Pennsylvania [Mr. Heinz], and the Senator from Colorado [Mr. Wirth] were added as cosponsors of S. 38, a bill to increase the authorization of appropriations for the magnet school program for fiscal year 1987 to meet the growing needs of existing magnet school programs, and for the establishment of new magnet school programs.

S. 336

At the request of Mrs. Kassebaum, the names of the Senator from Hawaii [Mr. Inouye] and the Senator from Iowa [Mr. Harkin] were added as cosponsors of S. 336, a bill to amend the Securities Exchange Act of 1934 to impose disclosure requirements on persons acquiring more than 5 per centum of certain classes of securities.

S. 467

At the request of Mr. Harkin, the names of the Senator from Vermont [Mr. Leahy], the Senator from North Dakota [Mr. Burdick], the Senator from California [Mr. Cranston], the Senator from Hawaii [Mr. Matsunaga], and the Senator from Illinois [Mr. Simon] were added as cosponsors of S. 467, a bill to require that the remaining $40,000,000 of the United States assistance for the Nicaraguan democratic resistance be withheld until completion of the special congressional investigations of the arms sales to Iran and the alleged diversion of proceeds from those sales to assist the Nicaraguan democratic resistance.

S. 505

At the request of Mr. Humphrey, the name of the Senator from Idaho [Mr. McClure] was added as a cosponsor of S. 505, a bill to amend the Rural Electrification Act of 1936 to promote the economic vitality of rural America by directing the resources of the Rural Electrification Administration toward rural consumers, and for other purposes.

S. 514

At the request of Mr. Kennedy, the names of the Senator from North Dakota [Mr. Burdick], the Senator from Louisiana [Mr. Johnston], the Senator from Rhode Island [Mr. Chafee], the Senator from Tennessee [Mr. Gore], the Senator from Arizona [Mr. McCain], and the Senator from South Carolina [Mr. Hollings] were added as cosponsors of S. 514, a bill to amend the Job Training Act to establish an incentive bonus for the successful placement of certain employable dependent individuals, to provide targeting of assistance from certain carryover funds for such individuals, and for other purposes.

S. 523

At the request of Mr. Helms, the name of the Senator from Mississippi [Mr. Cochran] was added as a cosponsor of S. 523, a bill to amend title 39, United States Code, to extend to certain officers and employees of the Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded to Federal employees under title 5, United States Code.

S. 637

At the request of Mr. Hatch, the name of the Senator from Kansas [Mrs. Kassebaum] was added as a cosponsor of S. 637, a bill to amend the Fair Labor Standards Act of 1938 to facilitate industrial homework, including sewing, knitting, and craftmaking, and for other purposes.

S. 690

At the request of Mr. Bingaman, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of S. 690, a bill to establish a Commission on U.S. Trade in the 1990's.

S. 698

At the request of Mr. Thurmond, the name of the Senator from Texas [Mr. Gramm] was withdrawn as a cosponsor of S. 698, a bill to amend title 17, United States Code, to prohibit the conveyance of the right to perform publicly syndicated television programs without conveying the right to perform accompanying music.

S. 764

At the request of Mr. Murkowski, the names of the Senator from South Carolina [Mr. Hollings], the Senator from West Virginia [Mr. Rockefeller], the Senator from Idaho [Mr. McClure], the Senator from Rhode Island [Mr. Chafee], the Senator from Iowa [Mr. Grassley], the Senator from Alaska [Mr. Stevens], the Senator from Nevada [Mr. Hecht], the Senator from Wisconsin [Mr. Kasten], the Senator from Utah [Mr. Garn], the Senator from Idaho [Mr. Symms], the Senator from Delaware [Mr. Roth], the Senator from Kansas [Mrs. Kassebaum], the Senator from New Hampshire [Mr. Rudman], the Senator from California [Mr. Wilson], the Senator from Missouri [Mr. Danforth], the Senator from Kentucky [Mr. McConnell], and the Senator from Pennsylvania [Mr. Heinz] were added as cosponsors of S. 764, a bill to deny funds for projects using products or services of foreign countries that deny fair market opportunities.

SENATE JOINT RESOLUTION 26

At the request of Mr. Pell, the names of the Senator from North Carolina [Mr. Sanford], the Senator from Mississippi [Mr. Stennis], the Senator from Virginia [Mr. Trible], and the Senator from Minnesota [Mr. Durenberger] were added as cosponsors of Senate Joint Resolution 26, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 39

At the request of Mr. Simon, the names of the Senator from Kentucky [Mr. Ford] and the Senator from Wyoming [Mr. Wallop] were added as cosponsors of Senate Joint Resolution 39, a joint resolution to provide for the designation of the 69th anniversary of the renewal of Lithuanian independence, February 16, 1987, as "Lithuanian Independence Day."

SENATE JOINT RESOLUTION 47

At the request of Mr. Cranston, the name of the Senator from Idaho [Mr. McClure] was added as a cosponsor of Senate Joint Resolution 47, a joint resolution to designate "National P.O.W. Recognition Day."

SENATE JOINT RESOLUTION 52

At the request of Mr. Hatch, the names of the Senator from Georgia [Mr. Fowler], the Senator from Wisconsin [Mr. Kasten], the Senator from West Virginia [Mr. Byrd], and the Senator from Illinois [Mr. Dixon] were added as cosponsors of Senate Joint Resolution 52, a joint resolution designating the week of May 10, 1987, through May 16, 1987, as "National Fetal Alcohol Syndrome Awareness Week."

SENATE JOINT RESOLUTION 69

At the request of Mr. Simon, the name of the Senator from South Dakota [Mr. Daschle] was added as a cosponsor of Senate Joint Resolution 69, a joint resolution to designate the week beginning April 20, 1987, as "World Population Awareness Week."

SENATE JOINT RESOLUTION 75

At the request of Mr. Thurmond, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of Senate Joint Resolution 75, a joint resolution to designate the week of August 2, 1987, through August 8, 1987, as "National Podiatric Medicine Week."

SENATE JOINT RESOLUTION 89

At the request of Mr. Garn, the names of the Senator from Wisconsin [Mr. Kasten], and the Senator from Illinois [Mr. Dixon] were added as cosponsors of Senate Joint Resolution 89, a joint resolution to authorize and request the President to issue a proclamation designating April 26, through May 2, 1987 as "National Organ and Tissue Donor Awareness Week."

SENATE CONCURRENT RESOLUTION 15

At the request of Mr. Heflin, the names of the Senator from Virginia [Mr. Trible], the Senator from Illinois [Mr. Dixon], the Senator from Pennsylvania [Mr. Specter], and the Senator from Alaska [Mr. Stevens] were added as cosponsors of Senate Concurrent Resolution 15, a concurrent resolution expressing the sense of the Congress that no major change in the payment methodology for physicians' services, including services furnished to hospital inpatients, under the Medicare Program should be made until reports required by the 99th Congress have been received and evaluated.

SENATE CONCURRENT RESOLUTION 22

At the request of Mr. Kennedy, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of Senate Concurrent Resolution 22, a concurrent resolution to congratulate Hadassah, the Women's Zionist Organization of America, on the celebration of its 75th anniversary.

SENATE CONCURRENT RESOLUTION 28

At the request of Mr. Heinz, the names of the Senator from Michigan [Mr. Riegle], the Senator from Florida [Mr. Graham], and the Senator from Wisconsin [Mr. Kasten] were added as cosponsors of Senate Concurrent Resolution 28, a concurrent resolution to reaffirm that deposits, up to the statutorily prescribed amount, in federally insured depository institutions are backed by the full faith and credit of the United States.

SENATE RESOLUTION 171—TO EXPRESS THE SENSE OF THE SENATE THAT MARCH 1987 IS RECOGNIZED AS "NATIONAL FROZEN FOODS MONTH"

Mr. D'AMATO submitted the following resolution; which was referred to the Committee on the Judiciary:

S. Res. 171

Whereas members of the frozen food industry adhere to the highest food product consumer standards to insure that American consumers receive only the highest quality frozen food products;

Whereas the frozen food industry contributes significantly to the economic health and well being of the nation; and

Whereas the month of March, 1987, marks the 50th anniversary of the National Frozen Food Association: Now, therefore, be it

Resolved, That it is the sense of the Senate that the month of March, 1987, is recognized as "National Frozen Foods Month".

● Mr. D'AMATO. Mr. President, I rise today to submit a resolution expressing the sense of the Senate that the month of March 1987 is recognized as "National Frozen Foods Month."

Many of us have been enjoying the many conveniences of frozen foods for a good many years. Since 1930, frozen food has completely revolutionized the eating habits of millions of American families.

From that simple beginning, the frozen food industry has expanded through technological innovation and demand to the point where today, consumers are able to go to the freezer section of their grocery store and pick up a frozen meal for dinner. This kind of convenience has increased in importance as more families have full-time working parents, spouses, and busy schedules that do not allow extensive meal preparation time.

With the great contribution that the American frozen food industry has made to Americans and people all over the world, it is only fitting that we honor it by recognizing March as National Frozen Foods Month.

The frozen food industry is as American as mom and apple pie. It is with great pride that I submit this resolution to give it the recognition that it deserves. I urge my colleagues to support this resolution honoring an industry that has helped to make America great.●

SENATE RESOLUTION 172—RELATING TO UNITED STATES OBJECTIVES IN NICARAGUA

Mr. MURKOWSKI submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 172

Whereas the independence and stability of Central America are vital to United States security;

Whereas this security is compatible with the sovereignty and national aspirations of the Central American peoples and their governments, but not with military interference in the region by outside forces hostile to the United States;

Whereas Soviet military intervention in the Nicaraguan conflict has transformed an internal conflict into one which threatens United States security;

Whereas the United States supports the recent peace initiative by Central American governments which calls for a withdrawal of foreign military forces from Nicaragua; and

Whereas an effective United States policy in the region must be founded on a clear and achievable objective: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) United States assistance to the Nicaraguan democratic resistance is provided not with the goal of overthrowing any government, but of countering threats to United States security posed by the Soviet military buildup in that country;

(2) such assistance could be terminated if all Soviet, Cuban, and other East Block military personnel and equipment are withdrawn from Nicaragua and all military aid by these countries to the Nicaraguan government is ended.

AMENDMENTS SUBMITTED

WORLD POPULATION AWARENESS WEEK

HELMS AMENDMENTS NOS. 40 AND 41

(Ordered to lie on the table.)

Mr. **HELMS** submitted two amendments intended to be proposed by him to the joint resolution (S. J. Res. 69) to designate the week beginning April 20, 1987, as "World Population Awareness Week"; as follows:

Amendment No. 40

On page 2, line 4, of the joint resolution, after the word "Population", insert the following "and Right to Life".

Amendment No. 41

In the Preamble on page 2, after the words "their families;", insert the following:

"Whereas human beings are endowed by their Creator with an inalienable right to life which includes a right to be free from the violence of abortion;

"Whereas certain population policies have violated the right to life and have failed to respect the religious and cultural traditions of peoples in the developing world, and such policies should not be continued;".

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. **BUMPERS**. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The hearing will take place Friday, March 27, 1987, at 11 a.m., in room SD–366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on four measures currently pending before the subcommittee—

S. 349/H.R. 240, bills to designate the Santa Fe Trail as an Historic Trail under the National Trails System Act; and

S. 251/H.R. 14, bills to designate certain segments of the Maurice, the Manantico, and the Manumuskin Rivers in New Jersey as study rivers for inclusion in the National Wild and Scenic Rivers System.

Those wishing information about testifying at the hearing or submitting written statements should write to the Subcommittee on Public Lands, National Parks and Forests, U.S. Senate, room SD–364, Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact Tom Williams or Beth Norcross at (202) 224–7145 or 224–7933.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY, TRADE, OCEANS AND ENVIRONMENT

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Committee on Foreign Relations, Subcommittee on International Economic Policy, Trade, Oceans and Environment, be authorized to meet during the session of the Senate on Friday, March 20, 1987, to hold hearings to review the economic and foreign policy implications of the decline of the U.S. dollar.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs, Subcommittee on Oversight of Government Management, be authorized to meet during the session of the Senate on Friday, March 20, 1987, to continue hearings on the independent counsel statute.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources, Subcommittee on Education, Arts, and Humanities, be authorized to meet during the session of the Senate on Friday, March 20, 1987, to mark up S. 320, School Dropout Demonstration Assistance Act of 1987.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ARTIFICIAL INTELLIGENCE

● Mr. **KERRY**. Mr. President, one of the most exciting areas of high technology to emerge in recent years is in the field of artificial intelligence, or "AI." The artificial intelligence industry is centered in Cambridge, MA, in an area around Kendall Square known as "AI Alley."

The AI industry is largely an offshoot of research done at the Massachusetts Institute of Technology [MIT]. MIT Prof. Marvin Minsky is widely regarded as the father of artificial intelligence, and MIT is known throughout the world as one of the leading centers of research in artificial intelligence. This research has spawned breakthroughs in the design of advanced computers and computer programs. It has also created many new high-technology companies, and has brought great economic growth to the Cambridge area.

The Boston Globe, in a recent article, described the growth of AI-related companies in Cambridge. It states:

> Strictly a topic of academic research until 5 years ago, the field of artificial intelligence has now spawned an industry that earned $660 million in 1986 and is expected to have revenues of $5 billion by 1991. Despite the slump in the computer business last year, revenues of artificial intelligence firms rose by 165 percent over 1985.

The success of artificial intelligence companies in Cambridge is really a model for high-technology industries in this country. The combination of redevelopment in Kendal Square which provided office space, and proximity to MIT has made Cambridge a very attractive site for the AI industry. And the presence of the nearby Sloane School and Harvard School of Business had combined business expertise with the technical talent of MIT.

As a result, the AI industry in Cambridge is booming. Firms in "AI Alley" accounted for 21 percent of total revenues in the field of artificial intelligence last year. And as the Globe article points out:

> The Alley companies get more productivity out of employees than General Motors or United States Steel ever dreamed of.

When we talk about how to make the U.S. economy competitive again, one of the most important factors is increasing the connections and the flow of creative ideas between universities and industry. The AI industry in Cambridge is setting an example for the country of how to do just that.

I ask that the Boston Globe article, entitled "AI Alley: a haven for hackers," be printed in the RECORD.

The article follows:

[From the Boston Globe, Mar. 8, 1987]

"AI ALLEY:" A HAVEN FOR HACKERS

(By Donald Golden)

They walk or bike to the redbrick towers and renovated factory buildings of Kendall Square at sundown, when the salespeople and marketing experts and public relations types are already driving home. They go up to their offices, which look more like college dormitory rooms than corporate nerve centers.

One latecomer, a vice president with substantial equity holdings, feeds her two budgies and one plum-headed parakeet in their cages before settling down to work. The birdseed and feathers are piling up on her rug.

A senior technician stumbles in unshaven, wearing a yellow T-shirt, sneakers and a backpack strap in place of a belt buckle. He immediately puts on headphones and starts listening to Laurie Anderson on his compact disc player.

Such apparent signs of disrespect for the corporate world can be deceiving. These people are not discipline problems or slack-offs; they will work ferociously until dawn. In fact, they are the most skilled computer programmers around, America's hope for surpassing the Japanese. They are also the lifeblood of the section in and around Cambridge's Kendall Square that has come to be called "AI (Artificial Intelligence) Alley." There, dozens of fledgling firms are striving to strike it rich in the hottest corner of high technology.

Artificial intelligence brings to mind science-fiction visions of monster machines taking over the world. In fact, it is the nothing more than an umbrella term for the most advanced computer methods. The machines developed by these processes cannot think as humans do. But, programmed by the techno-wizards of AI Alley, they can reason logically about anything from a loan application to an airplane's flight path.

Most of the firms in Kendall Square develop computer systems designed to give advice to—and, someday, substitute for—professionals in banks, insurance companies or chemical manufacturing firms. Elsewhere, artifical intelligence computers have been used for everything from diagnosing diseases to finding oil. The Defense Department, which has funded many projects in the field, is using the technology to develop robots and a tank that can maneuver by itself.

But AI Alley is more than a technology park. It is a subculture containing a myriad of social types: the awkward, wide-eyed hackers who send out for pizza at midnight; consultants who call Japan from their car phones; and venture capitalists looking for a stake in the future. They don't all speak the same language, but they are united by the excitement and risk of riding a largely untried technology.

"What's important to me is to have the sense I'm doing something that hasn't been done before, and up in an area where I'm producing among the best in the world," said Sidney Markowitz, 35, a top programmer at Gold Hill Computers, which is located in a converted Armenian dance hall on Harvard Street and has grown from six to 75 employees in three years. "I'm driven to make my contribution."

"There's a live-and-let-live attitude among the Alley companies," said Walter Reitman, vice president of Palladian Software Inc. "It's like a collection of cows munching side by side. They don't fight over the grass. There's enough grass for everyone."

The grass is green, that's for sure. Strictly a topic of academic research until five years ago, the field of artificial intelligence has now spawned an industry that earned $660 million in 1986 and is expected to have revenues of $5 billion by 1991. Despite the slump in the computer business last year, revenues of artificial intelligence firms rose by 165 percent over 1985, according to Artificial Intelligence Markets, a Natick newsletter. Because Wall Street firms have been reluctant to invest in the new technology, two former executives of Symbolics, the largest company in the field, recently started the first venture capital fund devoted exclusively to artificial intelligence companies.

From the start, Kendall Square proved to be an attactive site for this growing industry. Its redevelopment provided the office space, and its proximity to MIT did the rest. Companies drew technical talent from the institute's laboratories, where the field of artificial intelligence was born, and business expertise from its Sloane School and from Harvard Business School. Firms as fertile as biblical patriarchs begat one spinoff after another: Some failed, but others found a niche in the market.

Today, along with Pittsburgh and several areas in California, Kendall Square is a national center for commercial applications of artificial intelligence. Alley firms accounted for 21 percent of total revenues in the field last year.

"I'm showing a delegation of a dozen visitors from a European high-tech company around this week," said Kenneth Morse, a consultant to Alley firms. "They're spending 10 days in this country: nine in Cambridge and one in Silicon Valley."

As major computer companies recognize the potential of the new technology and concentrate resources on it, one would expect the focus of activity to shift to Route 128. So far, that shift has not occurred. Last year, IBM opened an artificial intelligence center—in Kendall Square. Symbolics moved its headquarters to Concord last year, but, in the face of declining revenues, it returned to Cambridge after less than six months.

"What you're seeing is the birth of an industry that's going to be greater than the conventional computer industry," said Howard Austin, a consultant. "What happened on Route 128, and then in Silicon Valley, is going to happen here on AI Alley."

The Alley companies get more productivity out of their employees than General Motors or US Steel ever dreamed of. Gold Hill, for example, stocks a refrigerator with free sandwiches to encourage employees to save time and eat at their desk—and it works. When a structural defect in Markowitz's house left him homeless last year, he moved into his office for two months, working around the clock and dozing at his desk with his computer terminal on his lap. Shene Hartman, a programmer for Palladian Software, keeps a couch folded in his office in case he wants to stay overnight.

"I live only two bocks away," said Hartman, who worked in a sewer plant in Texas before deciding to attend MIT at age 26. "If I wakeup at 3 a.m. with a solution to a problem that's been bothering me, I just run over here and do it."

Just as he likes to live near his job, Hartman also enjoys being near MIT. For Hartman, as for many other Alley hackers who attended the institute, leaving academia barely disrupted their lifestyle. They can still drop by the lab and see their friends, and eat at their favorite Szechuan restaurants in Central Square. When Symbolics and Lift Machines Inc. moved their headquarters last year to Concord and Andover, respectively, they left their research-and-development departments behind. Apart form other considerations, the hackers wouldn't have budged from Cambridge.

"It's something mystical," Hartman said, "I like looking at MIT out of the window."

THE BRAIN-DRAIN CONCERN FOR MIT

Some MIT officials are not equally sanguine about this smooth transition from academia to commerce. In fact, they are worrying about a brain drain from their laboratories and classrooms. Starting with the 14 researchers who founded Symbolics in 1980, dozens of MIT professors, graduate students and even precocious undergraduates have abandoned their studies for Alley companies. Most recently, the assistant director of the MIT Artificial Intelligence Lab and several other people associated with the lab quit to start Ascent Technologies. The companies offer not only starting salaries of more than $30,000 but also equity—a chance for the hackers to reap a windfall if they produce.

"We have a saying here, 'Think with your shareholder's cap on,'" said Randy Parker, a 22-year-old programmer at Palladian Software who graduated from MIT last year. Parker said that he and most of his fellow programmers dream about starting their own companies someday.

MIT professor Marvin Minsky, who is regarded as the father of artificial intelligence, expressed concern that too many bright students are leaving academia to tinker with expert systems when they could be making progress in the laboratory toward such key goals as designing computers that learn from experience.

"I'd like to see more young people stay in research, but I don't know how to encourage it," Minsky said. "Lots of hackers have become millionnaires, and they are the role models today."

Still, the relationship between the Alley and MIT cuts both ways. Many professors act as consultants or board members for Alley companies, supplementing their salaries and testing their ideas.

Not all of the Alley's technical wizards come from MIT. Elizabeth Cholawsky, 31, is a senior knowledge engineer for Applied Expert Systems. She interviews financial and insurance experts to gather information for an artificial intelligence system, which she then helps to design.

Before she joined APEX, Cholawsky worked for the Central Intelligence Agency, where she used artificial intelligence systems to analize data from Soviet journals. "It's a lot easier knowing who's up and down in the Kremlin than it is to understand how bankers and underwriters think," she said.

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35, for Mr. Ronald L. Tammen, a member of the staff of Senator WILLIAM PROXMIRE, to participate in a program in the Netherlands and Belgium, sponsored by the Atlantic Exchange, Inc., from April 10-18, 1987.

The committee has determined that participation by Mr. Tammen in the program in the Netherlands and Belgium, at the expense of the Atlantic Exchange, Inc., is in the interest of the Senate and the United States.●

CORD MEYER ON THE UNITA FORCES

● Mr. BOSCHWITZ. Mr. President, since the Iran-Contra affair began unfolding, I have been urging the President to move as quickly as possible in obtaining and presenting a full accounting of the facts. In December, I recommended eight specific steps on the President, including calling a special session of Congress, making all of his aides available to investigators, and firing anyone who took the fifth.

I did so for two essential reasons: the American people demand and deserve no less than the whole story; second, I feared that prolonging this sad episode risks not only weakening this President, but the institution of the Presidency as well. In my judgment, both would be terribly unfortunate. America needs a strong President, and the institution of the Presidency certainly does not need any further congressionally mandated dimunitions of authority.

I was struck last month by an article appearing in the Washington Times, written by Cord Meyer, that I will now submit into the RECORD. It addresses the very real concern "that some of the President's most promising foreign policy initiatives may be lost in the wreckage of the Iranian affair, and that the baby will be thrown out with the bath water."

Meyer raises the specific example of United States support to Joseph Savimbi's UNITA forces fighting the Marxist government in Angola. Modest assistance provided by Congress last year, at the President's urging, has prevented an expected Soviet-directed offensive that threatened to overwhelm UNITA's main bases in southern Angola. In fact, the costs to the Soviets and the Cubans in Angola have risen fairly substantially. But, Meyer points out, these gains may now be lost if Congress were to adopt legislation cutting off Savimbi, as some here are urging.

I encourage my colleagues to read Mr. Meyer's article and consider carefully any effort to rush to exploit the President's current difficulties in ways that will do long-term harm either to his Office or to policies that are paying off.

The article follows:

[From the Washington Times]

TUGGING AT THE RUG UNDER SAVIMBI

(By Cord Meyer)

As the Reagan administration staggers under the impact of new revelations about its mishandling of the Iranian affair, there is a real danger that some of the president's most promising foreign policy initiatives may be lost in the wreckage and that the baby may be thrown out with the bath water.

For example, a partisan group of congressional Democrats are moving to introduce legislation that if passed would cut off any further aid to Jonas Savimbi's UNITA guerrillas in Angola and would call for U.S. recognition of the Marxist MPLA regime supported by Soviet arms and 36,000 Cuban combat troops.

To counter this threat to President Reagan's covert program of $15 million in military assistance to UNITA, passed last year by a bipartisan congressional majority, Mr. Savimbi has sent his able secretary for foreign affairs, Pedro Chingunji, to Washington to explain what an enormous difference the American arms and training have made and how vital it is to continue this modest assistance.

On the basis of hard intelligence, State Department officials and Pentagon analysts are in agreement that Mr. Chingunji is not exaggerating when he stresses the beneficial military, political, and eonomic effects of the U.S. intervention.

On the battlefield, a combination of brilliant strategy and effective American antiaircraft and anti-tank weaponry has now removed entirely the danger that a Soviet-directed offensive with Angolan and Cuban troops might overwhelm UNITA's main southern bases. Critical to this outcome has been the success of the UNITA guerrillas in shooting down 41 Soviet planes and helicopters with Stinger missiles, while destroying dozens of tanks and armored cars with antitank rockets.

With Cuban pilots refusing to fly low-altitude missions, the Soviet commanders have had to rely on badly trained Angolan and Ethiopian pilots. Making the most of this opportunity, President Savimbi has launched a guerrilla offensive northward, and both MPLA and Cuban troops have been forced to fall back to defend isolated towns and diamond mines.

Although the Soviets have replaced most of the plane and tank losses, American officials confirm UNITA reports that there are clear signs of bad blood between the Cuban and MPLA troops and even some fighting between them.

Among the Angolan population under the control of President Jose Eduardo dos Santos's MPLA regime in Luanda, there is growing resentment against the special privileges enjoyed by the Russians and the Cubans. Mr. Chigunji also reports that the effect of U.S. aid has been to convince many MPLA leaders that a military solution based on Soviet arms is no longer possible and that a negotiated settlement with UNITA is necessary, combined with the departure of Cuban troops.

State Department officials take seriously claims by the UNITA leadership that the political tides in Europe and Africa seem to be shifting in UNITA's favor as the result of the American intervention. Mr. Savimbi met with Cabinet ministers on his recent public visit to France, and the leaders of the ruling Social Democratic Party in Portugal are on record as favoring UNITA.

In Africa, the front-line states still publicly support the MPLA and they condemn Mr. Savimbi for trading with South Africa. But in a recent fact-finding tour, a high-ranking State Department official found this front-line support for the MPLA to be "perfunctory." In at least six other black African states, there is strong backing for Mr. Savimbi's proposal that a coalition government be formed that would invite the Cubans to leave.

Although it is widely accepted that the Soviets and Cubans would have no choice but to pick up their arms and go home, if confronted with an official request by the MPLA regime in Luanda, the fear is that the MPLA government is so penetrated by Soviet and Cuban agents that they would be able to mount a preemptive coup to prevent a deal with UNITA.

As both Reagan officials and UNITA leaders see it, there is therefore no alternative but to increase steadily the cost to the Soviets and the Cubans of their occupation of Angola until a face-saving exit becomes the only way out.

Within Cuba itself, perhaps the last straw for the Cuban people may be the news from Radio Marti that the Castro regime's failure to advise, warn, and test has made almost inevitable an AIDS epidemic spread by some of the 300,000 Cuban soldiers who have returned from Africa over the last 10 years.

The epidemic has only begun its course and, as it spreads, the mounting concern of parents and teen-age sons should put irresistible pressure on Castro to cut his losses and get out of Angola.●

THE LUBAVITCHER REBBE

● Mr. BOSCHWITZ. Mr. President, I rise to submit for the RECORD excerpts from a recent address made by Rabbi Schneerson, the Lubavitcher Rebbe. The Rebbe, spiritual leader of the largest Chassidic sect, spoke in praise of President Reagan for issuing proclamations endorsing the public lighting of Chanukah menorahs and stressing the importance of the Noahide code.

The Chanukah menorah symbolizes the victory over 2,000 years ago of a small people fighting the larger forces of tyranny and oppression. The Noahide code, a precursor to the Ten Commandments, serves as a universal basis of morality. The Rebbe blessed the President, praying for his continued good health so that he may continue his efforts "on behalf of all the inhabitants of this land."

I commend the Rebbe's remarks to my colleagues.

The remarks follow:

FAITH IN G-D—MADE IN THE U.S.A.

It is appropriate to reiterate that the character of this nation is based on faith in G-d. And we speak not of an abstract Super Being; but of G-d, Creator and Master of the world.

One can profess belief in a Creator while failing to recognize G-d's interest in the details of the world and in man's mortal actions. Our nation however, is built on the principles established by the founding fathers. When they landed on these shores one of their first acts was to set and proclaim a holiday of Thanksgiving to the Creator and Master of the world who had saved them from danger and brought them to these safe shores. Here they could live without fear, religious persecution or oppressive decrees. Here they could conduct their lives according to their sacred beliefs. Their thanksgiving expressed this faith: G-d not only created the world but also directs the events of the world. They recognized the providence of G-d in their salvation.

This holiday has become tradition and every year we offer sincere thanksgiving to the Almighty for showing those early settlers His abundant kindness.

Even the estranged souls, who in their heart believe in G-d but outwardly boast of atheism or relegate G-d to the seventh Heaven, certainly participate in the customs of the holiday of Thanksgiving established by those original Americans.

Recently, we have seen another affirmation of faith in this land. The President who is given the Divinely ordained mission of leading our country, as Scripture says: "the heart of kings (and rulers) is in the hand of the L-rd" (Proverbs 21:1), officially proclaimed the importance of observing the Seven Noachide Laws, the basis of all morality. The President also issued a special proclamation endorsing the public lighting of Chanukah Menorahs. Both proclamations were duly publicized.

Surely, the President's efforts will not go unrewarded but will bring him G-d's blessing for success in all his duties. These good deeds will increase G-d's blessings for his physical health and any medical treatment that may be necessary will be successful and he will be able to increase his efforts on behalf of all the inhabitants of this land. This is truly his mission from G-d, who cares for the world—as the Baal Shem Tov taught; G-d takes personal interest in the individual human, animal, plant, and inanimate objects.

In matters of Holiness and good deeds there is the important rule; one Mitzvah brings another. (Avos 4:2) The same is true in the Seven Noachide Laws. Good deeds engender an increase of goodness, quantitatively, qualitatively and with greater public acknowledgment. The merit of this increased good will enable the President to move beyond the recent entanglements and in good health be able to do more good with uprightness and righteousness.

The President should begin with an official declaration stating, that wherever a Jew wants to set a Menorah, to be kindled in an ever increasing manner during the eight nights of Chanukah, he should be enabled to do so. For locating the Menorah in a public place, thus giving the miracle of the candles maximum exposure, is in keeping with the spirit of the founding fathers and all those whose lives in this country began with a public expression of gratitude to the Almighty.

May G-d grant that these activities meet with great success. That the nations of the world be inspired by the example of the White House. For when these activities are performed with joy and enthusiasm G-d will reward us in like measure (and His measure is many times greater) with light, health and the ability to grow in sheer goodness. Blessed are those who will assist in these matters by providing joyous encouragement and necessary support.

Those in leadership positions in a state, city or neighborhood should also participate in these activities, in the knowledge that these will help eliminate lawlessness and rebelliousness against G-d and humanity.

A feeling of weakness and uncertainty covers the land as we search for solutions to serious social problems, but *this* can be said with certainty: all morality must be based on an awareness of the Creator and Master of the world, the Eye that sees and the Ear that hears who in His Divine Providence watches over us at all time and in all places. This fact is based on empirical experience. For in our generation a powerful country attained the greatest scientific knowledge, philosophical advancement and artistic excellence and yet perpetrated the horrors of what we now call the holocaust.

They committed acts too horrible for the human mind to comprehend or tolerate. The children of those people confronted with the documentation of the barbarism protest in disbelief. But it happened! How was this possible? There was no faith in a Super Being who oversees the world which He created.

Attending to the education of our children we must not deny them the only true resource for goodness and morality in their lives. They must be aware of the Eye that sees and the Ear that hears who judges the world justly and kindly. Even a child understands that one cannot deceive G-d. Rather, wanting to receive G-d's blessing, he/she will impress upon other children to act according to the Seven Noachide Laws laying the foundation for a just society.

This is the only way to raise children properly. Only in this way will the national epidemic of rebelliousness against the law in the land cease. Neither money nor special teachers, policemen nor threats will help. You can hide from a policeman but not from the Almighty.

It is however necessary that the child incorporate this knowledge into his daily thoughts and life-style.

When these truths cannot be transmitted directly to the children within the existing educational setting, they must be emphasized and meditated on in a "Moment of Silence" at the beginning of the school day. The child should be prepared for the moment of contemplation by the parents who have the right and responsibility to raise and train their children to be productive humans and not barbaric rebels against society.

These good efforts will bring good health to all who encourage and support these activities and when these efforts are increased with joy and gladness, with the proper publicity, it will bring blessing all over the land, and throughout the world.

And it will speed the fulfillment of the ruling of the Rambam (Laws of Kings 11:4): "He (Moshiach) will prepare the whole world to serve the L-rd with one accord, as it is written: For then will I give to the people a pure language, that they may call upon the Name of the L-rd to serve him with one consent." (Tzephania 3:9)

This idea is clearly represented by the American motto: "In G-d we trust!"●

IMMIGRATION REGULATIONS

● Mr. KERRY. Mr. President, the Immigration and Naturalization Service [INS] has just issued proposed rules to implement the Immigration Reform and Control Act of 1986 which we passed last year. While the issuance of these proposed rules is welcome and in fact overdue, I have serious reservations about certain provisions proposed by the INS.

I voted for the immigration bill last year. I did so because I felt that, on balance, the bill represented an improvement over the existing situation, and that reform of our immigration laws was urgently needed. I also felt that the bill had been improved over the previous version, which I voted against in 1985. I felt that the legalization provisions of the bill, which would allow undocumented aliens who had resided in the United States since January 1, 1982, to become citizens, were needed and made the bill acceptable to me. I was concerned, and continue to be concerned, about certain aspects of the bill dealing with employer sanctions. But I felt that on balance the bill contained more good than potential for harm.

However, I am additionally concerned by the regulations which have been proposed by the INS to implement the bill. Specifically, I am deeply concerned by the application fees contained in these proposed rules. They are excessive, and should be reduced.

Under the rules proposed by the Reagan administration, a basic application fee of $185 would be charged for most aliens seeking legal status under the Immigration Act. The fee would be $50 for children under 18. Legal status would be offered in a "package deal" of $420 for a family. But for a family of four, it might cost as much as $700 to obtain legal status, when the cost of medical examinations and other charges are included.

These are not small amounts. To many Hispanic families and others, living on the poverty line without the benefit of legal status in the United States, $700 represents a huge sum of money. These are people who are already being exploited economically due to their undocumented status and to subject them to further economic exploitation by the U.S. Government itself is cruel and unfair.

The congressional Hispanic caucus, headed by Republican ESTEBAN E. TORRES, has proposed that the basic application fee should be $35 to $50. I support this proposal. This would be fair and equitable, and would conform to the intent of the bill itself, which was to remedy the economic exploitation of Hispanics and others under our immigration laws.

The fees being proposed by the INS are so high that they may well have the effect of deterring some aliens from applying for legal status. Again, this would defeat the intent of the legislation. The Reagan administration insists that the legalization program must be financed entirely with aliens' application fees, using no money from other sources. This and other unduly rigid and restrictive aspects of the proposed INS rules should be changed.

These proposed rules have just been published in the Federal Register of March 19. Members of the public have until April 20, 1987, to send in their comments to the INS. Following the completion of the comment period, aliens may file applications for legalization from May 5, 1987, through May 4, 1988, at any of 100 special offices to be established throughout the country.

I would urge members of the public who find these fees excessive to voice their comments in writing to the INS between now and April 20. Interested persons should send an original and two copies of comments to: Assistant Commissioner for Legalization, Office of Legalization, Room LL-100, INS, 425 I Street, N.W., Washington, DC 20536.

I voted for the immigration bill because I felt that it would bring greater fairness to the treatment of Hispanics and others in our society who have suffered from economic exploitation. Unfortunately, the rules proposed by the INS to implement the bill would have the opposite effect. I urge that those rules be changed.●

THE HIGHWAY SAFETY ACT OF 1987

● Mr. HOLLINGS. Mr. President, I want to comment on the recently concluded negotiations concerning the safety title of the highway bill which is know as the Highway Safety Act of 1987. This title contains several provisions that will further highway safety. It reauthorizes the vital State and community highway safety grant program and it provides for studies of schoolbus safety and older drivers.

Mr. DANFORTH. I want to congratulate Senators Hollings and Gore on their work to conclude the conference on this important safety legislation. It not only contains the important prosafety provisions mentioned by Senator Hollings, but also it does not contain several provisions in the House bill that might have diminished safety. First, it does not delay the date by which the Department of Transportation [DOT] is required to complete work on the National Drivers Register [NDR]. When completed, the NDR will help States identify problem drivers and remove their licenses. Second, the agreed upon legislation does not include the House provision that would have weakened the criteria a State must meet to receive a grant to fight drunk driving. Finally, the agreed upon version does not contain the House proposal weakening the law on the control of splash and spray from big trucks.

With respect to splash and spray, we addressed the problem in 1982 after a 1981 trucking industry study found that the driving public's most frequently cited problem with large trucks was blinding splash and spray. The 1982 legislation required DOT to develop a performance standard for limiting splash and spray from big trucks. The legislation did not mention any particular type of spray control device because DOT wanted to have maximum flexibility to explore ways to solve the problem. For example, DOT might use air foils, side skirts, fenders, or special mud flaps. Under the 1982 legislation, the spray control standards were to be developed within 1 year. Four and one-half years have passed and DOT has not issued a regulation. During that time, NHTSA and others have tested a lot of different spray control products in both controlled and real world conditions.

The House-passed legislation on splash and spray would have prevented the issuance of a standard unless a series of preconditions were met. Highway safety groups, including Public Citizen, the Center for Auto Safety, and the American Automobile Association, opposed the House provision. As a result of our negotiations with the House, we developed a splash and spray provision that should give new impetus to the issuance of a splash and spray standard that has languished for too long at DOT.

Under the final language of the Highway Safety Act of 1987, the Secretary would be required to issue final minimum splash and spray standards within 1 year from enactment of the highway reauthorization legislation. We have had enough delays and its time for DOT to go forward. The burden would be on DOT to show why it could not issue a standard. DOT could only be relieved of that responsibility if it determined that there is no available technology that can significantly reduce splash and spray and significantly improve visibility of drivers as demonstrated during testing on highways, in laboratories, and at test facilities taking into account possible wind and rain conditions.

Mr. President, the agreed upon provision stands in stark contrast to the original House language which would have prohibited issuance of a standard unless DOT determined there was technology that could substantially reduce splash and spray. A significant or observable reduction is not as great as a substantial one. It also is quite different from the House provision that would have prohibited issuance of a standard unless DOT demonstrated that technology could "substantially improve visibility of drivers, as demonstrated during testing under wind, rain, and wet roadway conditions in actual highway use." This original House language would have required a repeatable testing during actual highway use. This would have been an impossible task because every storm has different wind and rain conditions and the topography of every road is different. The final language merely allows DOT to do testing designed to account for possible wind and rain conditions in a variety of settings. DOT cannot delay issuance of a rule merely because repeatable tests are impossible under actual roadway conditions. Does the chairman of the Commerce Committee agree with this interpretation?

Mr. HOLLINGS. Yes; I agree with the ranking member's views on the differences between the original House language and the agreed upon language.

Mr. DANFORTH. DOT currently has a rulemaking underway to reduce splash and spray. DOT has issued a proposed rule that would use a combination of side skirts and textured mud flaps in a way that would significantly reduce splash and spray.

Mr. President, I have a question for the distinguished chairman of the Commerce Committee. It was my understanding that it was not the intention of the conferees to weaken or otherwise change the intent behind the 1982 legislation. Congress is simply reiterating that DOT should take steps toward reducing splash and spray. DOT does not have to develop a standard totally eliminating the problem. The standard does not have to substantially reduce the problem. Rather, DOT has to improve the present situation. DOT's failure to do so can only be justified if it can demonstrate it is impossible to improve the situation. Is that the understanding of the distinguished Senator from South Carolina?

Mr. HOLLINGS. Yes; it was not the intent of the Senate conferees to weaken the existing standard. Rather, our agreement was to reassert the intent the Congress had in 1982. Congress found that splash and spray is a problem. The intent was that DOT must improve the situation. We understand that splash and spray cannot be totally eliminated.

Mr. DANFORTH. Thank you, Mr. Chairman, for your clarification of this point.

Mr. President, extensive laboratory and highway tests have already been conducted. DOT must use this additional year to finish whatever testing it believes is necessary. DOT has to issue a standard unless it can show that there is no technology that can make a difference to drivers. As the chairman knows, I simply do not believe that there is no technology that can improve upon the existing situation. A nation that knows a lot about rain, Great Britain, has required spray control devices for several years. An American company, United Parcel Service, has used several spray control devices, including side skirts and special textured mud flaps, with great success.

I thank the chairman of the Commerce Committee for his insights into these important highway safety issues.

Mr. HOLLINGS. In conclusion, I want to thank Senators Gore and Danforth for their work on this important safety legislation. ●

PROMOTING VOLUNTARY SERVICE

● Mr. BUMPERS. Mr. President, on March 17, I introduced two bills, S. 759 and S. 760, which encourage graduates of our Nation's colleges and universities to spend a year or more of their lives serving as volunteers with charitable organizations. (March 17, 1987, Congressional Record, at S3264-S3268.) When my statement was printed in the Record I appended copies of the two bills, but inadvertently these were not printed. So, I ask unanimous consent that the text of these two bills be printed in the Record so my colleagues can review my proposals.

Copies of the two bills, S. 759 and S. 760, follow:

S. 759

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, SHORT TITLE

SECTION 1. This Act may be cited as the "Higher Education Amendments of 1987".

DISSEMINATION OF ELIGIBILITY FOR LOAN DEFERMENT AND CANCELLATION

SEC. 2. (a) Section 483(a) of the Higher Education Act of 1965 (hereafter in this Act referred to as the "Act") is amended by adding at the end thereof the following new subsection:

"(f) INFORMATION ON LOAN DEFERRAL AND CANCELLATION.—The Secretary shall, either directly or by contract or other arrangement, disseminate the terms and conditions under which students receiving guaranteed student loans under part B of this title or direct student loans under part E of this title, or both, may—

"(1) obtain deferral of the repayment of the principal and interest for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973, or for comparable full-time service as a volunteer for a tax-exempt organization, and

"(2) obtain cancellation of the student loan for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973.".

(b) Section 485(a)(1) of the Act is amended—

(1) by striking out "and" at the end of subparagraph (J);

(2) by striking out the period at the end of subparagraph (K) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following:

"(L) the terms and conditions under which students receiving guaranteed student loans under part B of this title or direct student loans under part E of this title, or both, may—

"(i) obtain deferral of the repayment of the principal and interest for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973, or for comparable full-time service as a volunteer for a tax-exempt organization, and

"(ii) obtain cancellation of the student loan for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973.".

(c) Section 487(a)(7) of the Act is amended by inserting before the period a comma and the following: "particularly the requirements of subsection (a)(1)(L) of such section".

S. 760

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Higher Education Volunteer Services Amendments Act of 1987".

LOAN CANCELLATION AUTHORIZED

SEC. 2. (a) Section 465(a)(2) of the Higher Education Act of 1965 (hereafter in this Act referred to as the "Act") is amended—

(1) by striking out "or" at the end of clause (D);

(2) by striking out the period at the end of clause (E) and inserting in lieu thereof a semicolon and the word "or"; and

(3) by adding at the end thereof the following new clause:

"(F) as a full-time volunteer in service comparable to service referred to in subparagraph (E) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code 1986.".

(b) Section 465(a)(3)(A) of the Act is amended—

(1) by striking out "or" at the end of clause (iii);

(2) by striking out the period at the end of clause (iv) and inserting in lieu thereof a semicolon and the word "or"; and

(3) by adding at the end thereof the following new clause:

"(v) in the case of service described in subparagraph (F) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent of the third or fourth year of such service.".

TECHNICAL AMENDMENT

SEC. 3. (a) Section 464(a)(2)(A)(v) of the Act is amended by striking out "Internal Revenue Code of 1954" and inserting in lieu thereof "Internal Revenue Code of 1986".

(b) Section 465(a)(5) of the Act is amended by striking out "Internal Revenue Code of 1954" and inserting in lieu thereof "Internal Revenue Code of 1986".

EFFECTIVE DATE

SEC. 4. The amendments made by section 2 of this Act shall take effect with respect to borrowers to cover the cost of instruction for any period of enrollment beginning 30 days after the date of the enactment of this Act.●

AFGHANISTAN: LETTERS FROM THE STATE OF GEORGIA

● **Mr. HUMPHREY.** Mr. President, last December the brutal Soviet occupation of Afghanistan entered its eighth year. The horrible condition of human rights in Afghanistan was recently described in a United Nations report as: "A Situation Approaching Genocide."

As chairman of the Congressional Task Force on Afghanistan, I have received thousands of letters from Americans across the Nation who are outraged at the senseless atrocities being committed today in Afghanistan. Many of these letters are from Americans who are shocked at this Nation's relative silence about the genocide taking place in Afghanistan.

In the weeks and months ahead, I plan to share some of these letters with my colleagues. I will insert into the RECORD two letters each day from various States in the Nation. Today, I submit two letters from the State of Georgia and ask that they be printed in the RECORD.

The letters follow:

DEAR SENATOR HUMPHREY: I am extremely concerned about the genocide of the Afghanistan people by the Soviet troops stationed in Afghanistan. I urge you and your committee to take whatever action necessary to get the Soviets out of Afghanistan. I also urge you to make public, through all forms of media, the on going atrocities in that country. Thank you.

Sincerely,

LOUIS VON HERRMAN.

TUCKER, GA.

DEAR SIR: I am deeply opposed to the continued occupation of Afghanistan by the Soviets. Please do what you can to stop this unnecessary catastrophe.

STEVEN DEYO.

ATLANTA, GA.●

THE 40TH ANNIVERSARY OF EDITH GERSTEN'S ARRIVAL IN THE UNITED STATES

● **Mr. MOYNIHAN.** Mr. President, a month ago I received a valentine which I would like to share with my colleagues. For this is a valentine to our Nation, born of a knowledge that the liberty, freedom, and opportunity that our Government protects is unique. Edith Gersten of Brooklyn, NY, knows that freedom is not something to be taken for granted—she spent over a year of her early life in an internment camp in Europe. She toiled many months with the single-minded goal of coming to the United States and becoming a citizen, and finally arrived here on March 21, 1947.

Our Nation is one made up entirely of immigrants and their descendents. America was, and remains, a beacon of freedom, and a land of opportunity. Ms. Gersten's love of this country is one that we hope this Nation will always inspire. And so I share with my colleagues her story. I trust that they will be similarly inspired by Ms. Gersten's words.

I ask that the text of Ms. Gersten's letter be printed in the RECORD.

The letter follows:

Recently I saw the play "The Rise of David Levinsky". It deals with a man who has been in the US for 25 years and shows him as a young boy in Russia and then in NY and it gives an idea of what he felt like as a new immigrant, not knowing the language and struggling, and being very much alone.

This vividly reminded me of my own beginnings here. I arrived in the US in 1947. I knew a couple who let me sleep on a cot in their kitchen for a few nights, until I had obtained a job and a room. I was born in Vienna and after 15 months in a camp, my parents and I were released and taken to the Dominican Republic, where I grew up. This is a Spanish speaking country, but since my dream and hope was always to go to the US, I taught myself English, so that when I arrived here, I spoke it quite well (although mispronouncing certain things, since I had never heard this language spoken—I learned from books!); I had also taught myself short-hand in 3 languages and my first job here, at the grand salary of $50.00 a week, was in the export department of a large company. My room was in the apartment of some people I did not know. I had no "kitchen privileges"—could not even make a cup of coffee.

Not knowing anyone in NY meant that I was exceedingly lonely. I had left family and friends behind and come to NY by myself. I walked around a lot, went to the movies and museums by myself. Outside of work, I had no one to speak with. This was very discouraging. But time went by. Slowly I met people, made new friends, moved into a different room, where I ended up calling my landlady "aunt" and where I had kitchen privileges. This meant I did not have to eat by myself in restaurants all the time.

Life was not easy and it took many years before things became easier. Believe me, I know what it's like to be in a new and unfamiliar environment and alone. I have been thinking a lot lately of how fortunate I am to have ended up here and to have been able to take advantage of all NY has to offer. There may be other places in the world where life might be easier, but I wouldn't want to live anywhere but here. I enjoy being allowed to speak my mind without fear of "disappearing". I might not always agree with what our government does, but having the privilege of disagreeing—that is sweet indeed. As my 40th anniversary of life here approaches, I have been looking for some ways to express my thanks and to "pay back" and one of them is joining the International Center, in the hope of making life here a little easier for other newcomers than it was for me. I am also contacting some of our elected officials, in the hope that some way can be found of noting in the Congressional Record that as March 21, 1987 (40 years from the day I arrived) approaches, here is one immigrant who wishes to express her thanks for opportunities granted and taken!

EDITH GERSTEN.●

NAUM MEIMAN

● **Mr. SIMON.** Mr. President, I am pleased to inform my colleagues that, according to an article in today's Washington Post, approximately 10,000 Soviet citizens will be allowed to emigrate. I welcome such action by the Soviet Government, and recognize it as an effort to improve relations.

It is imperative that Naum Meiman is one of the refuseniks who is given permission to emigrate. Naum is a long-time refusenik and Zionist activist who has suffered terribly in the past 10 years. In addition to the usual harassment and persecution accorded Jewish citizens in the Soviet Union, Naum has experienced a great personal loss. His wife, Inna, was a victim of cancer and passed away in January. The Soviet Government refused to release Inna Meiman to receive critical treatment in the United States until it was too late. Naum not only was forced to be separated from his wife during the final phase of her illness, but was not allowed to attend her funeral in Washington, DC.

Naum and Inna Meiman had applied to emigrate for many years without success. As Naum adjusts to the loss of his beloved wife, he still desires to live life in the West. I urge the Soviet Government to grant Naum Meiman permission to emigrate.●

WEIFANG KITE FESTIVAL

● **Mr. PELL.** Mr. President, I would like to submit for the record a message I am sending to an international event that last year attracted over two hundred thousand spectators—the Weifang Kite Festival in the Peoples Republic of China.

The message follows:

SENATOR CLAIBORNE PELL'S MESSAGE TO THE FOURTH INTERNATIONAL WEIFANG KITE FESTIVAL AND THE SHANDONG TOURIST AUTHORITY

I am very pleased to be able to have this opportunity to declare my strong support for the Weifang International Kite Festival and all those who make this wonderful event possible. In an age of modern communications and fast travel, the nations of the world are becoming increasingly interdependent; and many of the problems we face in the modern age can only be solved with international cooperation and understanding. The Weifang Kite Festival has demonstrated that one of the oldest traditions in the world—the art of kite-making and kite-flying—can play an invaluable service in the modern age by bringing people together in the spirit of international cooperation.

Last year I was honored to visit with the Chinese delegation to the American National Kite Festival that was held in my State of Rhode Island and I hope that the Chinese delegation and other international delegations will continue to participate in the annual United States kite festival. The art of kite-making has been practiced in China for thousands of years—long before the United States became a nation. Therefore, we look forward to many visits between our two countries before we can learn all that you know about this ancient art that can bring together the modern world.●

PLANT CLOSING LEGISLATION

● **Mr. LEVIN.** Mr. President, I am greatly concerned by the wave of plant closings that has been occurring and that is predicted to occur over the next few years. A tough new trade law is essential to deal with one of the root causes of these closures. This Nation cannot afford and its people cannot afford to continue to take it on the chin from unfair foreign competition. We have to have a tough new trade law which requires the President to use his existing authority to bring about trade deficit reduction in absolute terms with those countries with which we have a significant trade deficit and which have engaged in a pattern of discriminatory trade practices with the United States.

But in addressing the longer term picture, we have to be sure to also take the intermediate steps necessary to ease the economic dislocation and human suffering that will result from plant closures which are imminent or unavoidable. That is why I am cosponsoring today S. 538, the Economic Dislocation and Worker Adjustment Assistance Act, otherwise known as the plant closing bill. This legislation provides for adjustment assistance for workers as well as for advance notification and consultation on plant closings.

I am cosponsoring this legislation with the assurances of the sponsors on the Senate Labor Committee that they would be open to considering amendments which would deal with the application of this legislation to retail establishments and deal with the threshold getting the number of employees at which this legislation would begin to apply. I know that the committee will give careful consideration to these issues as well as other relevant questions as it deliberates on this important legislation.●

IN RECOGNITION OF WORLD HOME ECONOMICS DAY

● **Mr. MOYNIHAN.** Mr. President, today is "World Home Economics Day," an occassion which gives us all here an opportunity to celebrate the profession and offer our thanks to its members for their dedication and service to families and individuals. It is important to us here and to the Nation at large to recognize the day named for the profession that has played an invaluable part in the continuing need to improve the quality of life for us all.

The home economics profession, founded as a distinct discipline in the early 1900's, continues a tradition of concern well stated by Aristotle who told his fellows that to understand the condition of society, one needs to look at the condition of the family. As a distinct profession it integrates knowledge from all of the basic disciplines—science, art, and humanities, bringing that knowledge to bear on solving the everyday problems of families everywhere.

In keeping with its mission to improve the quality of life for individuals and families, the home economics profession has been striving to meet the variety of changes that have affected the basic family needs. To extend understanding of the contemporary family, home economists work in our Nation's largest schools and businesses, in the extension service and in local, State, and National Government agencies. They provide the expertise to deal with family issues such as single parenting, the aging, financial management, child care, prevention of child abuse, consumer education, family stress, and nutrition.

Home economics is a discipline that seeks to promote an educational approach that will prevent crises related to issues such as family stability, resource management, and dependent care. Therefore, let us thank home economists who have made a difference in our lives. On this World Home Economics Day I ask you to join me in thanking the members of the profession dedicated to strengthening the basic social unit in our Nation and abroad, the family.●

NATIONAL CHILD ABUSE PREVENTION MONTH

● **Mr. D'AMATO.** I call the attention of my colleagues to one of the greatest health risks facing our children today, child abuse. More than 5,000 children die from some form of child abuse every year. But hundreds of thousands of abused children that survive are scarred for life. What will become of them? How many will, in turn, abuse their children? How can we end this vicious cycle?

Only recently have we recorded child abuse statistics and asked these perplexing questions. Though child abuse is an age-old problem, it was not until recently that significant public and professional attention was focused on child abuse. It wasn't until the mid-1970's, when child abuse was finally recognized as the pervasive disease that it is, that States began enacting laws to detect and report child abuse cases.

Child abuse has now caught national attention. Congress responded by establishing the National Center on Child Abuse and Neglect to study the causes and prevention of child abuse. Other organizations were also formed, such as the National Committee for Prevention of Child Abuse, the National Child Abuse Coalition, and Parents Anonymous.

Today, there are many individuals, organizations, agencies, and institutions inspired to combat this problem and assist the victims. We, the Members of Congress and the Nation, must encourage them because we are only beginning to recognize how far reaching this tragic problem really is.

We now know that literally millions of children have suffered from child abuse, either physical, emotional, or sexual. According to the American Humane Association, in 1976, the number of child abuse cases reported was 669,000. By 1984, this statistic had jumped to 1.7 million. Today, it is estimated to be as high as 2 million. One can only wonder, however, how many cases go unreported. We may have but touched only the tip of the iceberg.

Eight years ago, the number of abused children per 1,000 was 10. By 1984, the number increased to 37 per 1,000. Isolating those children who suffered only from sexual maltreatment, the percentage leaped sixteenfold. This dramatic increase has occurred in just less that 10 years.

Over the same period, the average age of the abused child has actually gone down, from 8 to 7, Thus, not only are more and more children suffering, but more and more younger children are suffering.

As discouraging as it is, we are unable to point to specific data, location, or demographics to conclude that it happens to a particular group or class. We do know, however, that child abuse crosses all socioeconomic, racial, cultural, and occupational boundaries. We know that the problem is deep seated and, tragically, self-perpetuating. Experts agree that as many as 80 percent of abused children will, in turn, abuse their own children. Additionally, studies have linked this problem to juvenile deliquency and adult criminal behavior. The impact on the taxpayer is enormous. Retaining a juvenile delinquent in a public detention facility averages $16,500 annually, and $14,000 for an adult criminal in a State penal facility. But our financial burden is even greater than this.

I commend to the attention of the Senate some related remarks of Representative Stabenow of the Michigan Legislature who had some enlightening comments while working on a State-operated program for abused children.

> Family violence and child abuse is a basic underlying problem of this state or any other. We are paying upwards of a billion dollars out of a $4.2 billion budget for the after-effects of child abuse. Child abuse is like any disease and it should be called an epidemic. If we had not put money into polio research, for example, we would still be buying iron lungs and crutches for children. That's where we are in the child abuse field—we're still buying iron lungs for crippled children.

We have wiped out polio, controlled whooping cough, and made significant gains in the early detection and prevention of birth defects, yet, comparatively, we have virtually ignored the safety of our children. It's not too late, however, to take the necessary steps to stem the rising tide of child abuse.

We have only begun to understand the dimensions of child abuse, and we must rise to meet the need to protect our children. We in Congress must assist the public and private efforts to prevent child abuse. My good friend and colleague Senator DeConcini has introduced legislation, Senate Joint Resolution 56, designating April 1987 as "National Child Abuse Prevention Month." I commend him for his very personal desire to bring this urgent matter to the attention of the American people, because we need people to get involved. Therefore, I urge those of my colleagues who have not already done so to support this legislation. Nothing less than the welfare of our children, and, therefore, the future of this Nation, is at stake.●

SENIOR CITIZEN HEALTH CARE

● Mr. D'AMATO. Mr. President, I rise today in support of legislation which ensures that our senior citizens will continue to have access to quality health care. I commend my colleague from Alabama [Mr. Heflin] for his commitment to this cause.

In the administration's fiscal year 1988 budget proposal, Medicare coverage for services provided by radiologists, anesthesiologists, and pathologists [RAP's] were proposed to be incorporated into the Prospective Payment System. According to this proposal, Medicare would pay an average rate for a specific procedure provided by RAP's. Specifically, this proposal targets professional health care personnel who rely mainly on inpatient hospital treatment. As a result of this proposal, hospital administrators would have significant control over reimbursement for these physicians.

I am concerned about the President's proposal because it sets a dangerous precedent for Medicare payment to all physicians. A DRG reimbursement system for all types of physicians could pose a major threat to the quality of health care provided to Medicare beneficiaries.

The administration predicts to save $10 million in fiscal year 1988 through the implementation of this proposal. Although I support measures which reduce this Nation's Federal deficit, I am concerned that squeezing the Medicare Program will have an adverse effect upon the quality of care provided to our senior citizens.

As a result of my concern about this proposal, I support legislation, Senate Concurrent Resolution 15, which requires that no drastic changes in the Medicare payment methodology for physicians' services may occur until recommendations from the Physician Payment Review Commission are made known to the Congress. This report, which is to be completed by July 1, 1989, will address the current Medicare payment system for physicians. The report will assess strengths and weaknesses of the system. This report will be a valuable resource in assisting Congress with physician payment reform.

It is of the utmost importance to consider reform of physician payments currently in a long-term, serious manner. Any tampering with Medicare physician payments before the commission report has been completed would clearly be shortsighted. At stake is the health and welfare of our senior citizens.

I am pleased to support my colleague from Alabama, Senator Heflin, in ensuring that our Medicare Program remains stable and secure. I ask my colleagues for their support in ensuring that senior citizens receive high quality, accessible health care.●

THE CALENDAR

Mr. BYRD. Mr. President, I have on my side of the aisle several items on the calendar of business which have been cleared for action. I would want to inquire of the distinguished acting Republican leader [Mr. Helms] if the following items are cleared on his side. They are as follows: Calendar Orders numbered 37, 41, 42, 43, 45, 46, 47, 48, 49, 50, and 52 through 57.

Mr. HELMS. I would say to the distinguished majority leader that those have been cleared on this side.

Mr. BYRD. Mr. President, I thank my friend from North Carolina.

Mr. President, I ask unanimous consent that the items which I have just enumerated be considered and adopted en bloc, and that where there is an amendment to the preamble, if there be such, or an amendment by the committee, or amendments, if there be such, that they be adopted en bloc, and that a motion to reconsider en block be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZING USE OF THE CAPITOL ROTUNDA

The concurrent resolution (H. Con. Res. 49) authorizing the use of the rotunda of the Capitol on April 28, 1987, for ceremonies to observe the days of remembrance of victims of the Holocaust, was considered, and agreed to.

The preamble was agreed to.

Mr. PELL. Mr. President, Sunday, April 26, marks the start of this year's Days of Remembrance for the victims of the Holocaust. For 8 days, thousands of survivors of the Holocaust will gather in Wahington to honor the memory of the martyred Jews and non-Jews who were killed by the Nazis and to remember the suffering, the pain, and the lessons of the Holocaust. The concurrent resolution that we are considering today authorizes the use of the Capitol rotunda on Tuesday, April 28, for the national civil commemoration of the 1987 Days of Remembrance.

The Holocaust is one of the darkest periods in the history of mankind. Six million Jews were the victims of the Nazi's pernicious "plan." The cold blooded and brutal extermination of those innocent people is a constant reminder of man's inhumanity to man and of his capacity to be cruel.

The Holocaust is also a painful reminder of the failure of the United States and other civilized nations to act in the face of evil. We allowed our cherished commitment to the principles of liberty and equality for all human beings to falter. Even when the horror and extent of the German atrocities became evident, our Government made little effort to stop the killings and rescue the victims of Nazi oppression from their tragic fate.

Dante once wrote: "He who sees, stands by and does nothing, as evil is performed, is just as guilty as he who performs it." Can there be any doubt that the guilt is ours as well?

We must never again repeat the crime of silence or forget our commitment to freedom and human dignity. We must be at the forefront of international efforts to bring perpetrators of genocide to justice. We have taken a step in that direction through the long overdue ratification of the Genocide Convention last year. However, our duty has not ended. We must continue our efforts to keep the memories and lessons of the Holocaust alive in order that history may never again repeat itself.

BALTIC FREEDOM DAY

The joint resolution (S.J. Res. 5) designating June 14, 1987, as "Baltic Freedom Day"; was considered.

Mr. RIEGLE. Mr. President, I want to congratulate the Senate for giving its unanimous approval to Senate Joint Resolution 5, declaring June 14, 1987, "Baltic Freedom Day."

This expression of solidarity with the captive Baltic nations reaffirms, once again, the longstanding commitment of the American people to the citizens of Latvia, Lithuania, and Estonia in their struggle for freedom.

My involvement over the years with the Baltic-American community in my own State of Michigan has made me appreciate their deep concern for their brothers and sisters in the homeland who suffer under Soviet oppression.

June 14, 1987, will mark the 47th year of Soviet occupation of Latvia, Lithuania, and Estonia. The United States Government, through its nonrecognition policy, and the American people, through their tireless activism, have consistently rejected Soviet occupation of the Baltic States, and will continue to do so.

We must not permit the past 47 years of Soviet repression in the Baltic States to dull our sensitivity to the injustices imposed upon the citizens of those nations. The leaders in the Kremlin must know that Americans will never accept the status quo, and that we will continue to support the Baltic people in their efforts to secure their fundamental human rights.

The annual commemoration of Baltic Freedom Day, as called for in this resolution, is an important demonstration of American solidarity with the aspiration of the people of Latvia, Lithuania, and Estonia for freedom, and I once again congratulate the Senate for giving its timely and appropriate endorsement to this resolution.

The joint resolution (S.J. Res. 5) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 5

Whereas the people of the Baltic Republics of Lithuania, Latvia, and Estonia have cherished the principles of religious and political freedom and independence;

Whereas the Baltic Republics have existed as independent, sovereign nations belonging to and fully recognized by the League of Nations; and

Whereas the people of the Baltic Republics have individual and separate cultures, national traditions, and languages distinctively foreign to those of Russia;

Whereas the Union of the Soviet Socialist Republics (U.S.S.R.) in 1940 did illegally seize and occupy the Baltic Republics and by force incorporate them against their national will and contrary to their desire for independence and sovereignty into the U.S.S.R.;

Whereas the U.S.S.R. since 1940 has systematically removed native Baltic peoples from their homelands by deporting them to Siberia and caused great masses of Russians to relocate in the Baltic Republics, thus threatening the Baltic cultures with extinction;

Whereas the U.S.S.R. has imposed upon the captive people of the Baltic Republics an oppressive political system which has destroyed every vestige of democracy, civil liberties, and religious freedom;

Whereas the people of Estonia, Latvia, and Lithuania find themselves today subjugated by the U.S.S.R., locked into a union they deplore, denied basic human rights, and persecuted for daring to protest;

Whereas the U.S.S.R. refuses to abide by the Helsinki accords which the U.S.S.R. voluntarily signed;

Whereas the United States stands as a champion of liberty, dedicated to the principles of national self-determination, human rights, and religious freedom, and opposed to oppression and imperialism;

Whereas the United States, as a member of the United Nations, has repeatedly voted with a majority of that international body to uphold the right of other countries of the world, including those in Africa and Asia, to determine their fates and be free of foreign domination; and

Whereas the U.S.S.R. has steadfastly refused to return to the people of the Baltic States of Latvia, Lithuania, and Estonia, the right to exist as independent republics separate and apart from the U.S.S.R. or permit a return of personal, political, and religious freedoms: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress of the United States recognizes the continuing desire and the right of the people of Lithuania, Latvia, and Estonia for freedom and independence from the domination of the U.S.S.R., deplores the refusal of the U.S.S.R. to recognize the sovereignty of the Baltic Republics and to yield to their rightful demands for independence from foreign domination and oppression and that the fourteenth day of June 1987, the anniversary of the mass deportation of Baltic peoples from their homelands in 1941, be designated "Baltic Freedom Day" as a symbol of the solidarity of the American people with the aspirations of the enslaved Baltic people and that the President of the United States be authorized and requested to issue a proclamation for the observance of Baltic Freedom Day with appropriate ceremonies and activities.

NATIONAL FISHING WEEK

The joint resolution (S.J. Res. 18) to authorize and request the President to issue a proclamation designating June 1 through June 7, 1987 as "National Fishing Week"; was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 18

Whereas the United States Bureau of the Census reported that fifty-four million residents of our country participated in sport fishing in 1980;

Whereas sport fishing is a family oriented, outdoor, recreational activity that provides therapeutic rewards and enjoyment to people of all ages.

Whereas the demands for goods and services by sport fishing participants is estimated to generate $25,000,000,000 in economic activity and employment for an estimated six hundred thousand individuals in 1985;

Whereas the commercial fishing industry annually employs an estimated three hundred thousand individuals and lands over six billion pounds of seafood worth over $2,400,000,000 in direct sales;

Whereas sport and commercial fishing provide an excellent source of healthful protein-rich food;

Whereas fishing promotes respect for our Nation's marine, estuarine, and fresh waters, and their associated plant and animal communities; and

Whereas our country's league of fishing enthusiasts represent a constituency that seeks to prevent the degradation of our Nation's diverse aquatic habitats: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is requested and authorized to issue a proclamation designating June 1 through June 7, 1987, as "National Fishing Week" and calling upon Federal, State, and local government agencies, and the people of the United States to observe the week with appropriate programs and activities.

NATIONAL HISTORICALLY BLACK COLLEGES WEEK

The joint resolution (S.J. Res. 22) to designate the period commencing September 21, 1987 and ending on September 27, 1987, as "National Historically Black Colleges Week"; was considered, ordered to be engrossed for the third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 22

Whereas there are 101 Historically Black Colleges and Universities in the United States;

Whereas such colleges and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas such institutions have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of the Historically Black Colleges are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing September 21, 1987, and ending on September 27, 1987, is designated as "National Historically Black Colleges Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups to observe such week with appropriate ceremonies, activities, and programs, thereby demonstrating support for Historically Black Colleges and Universities in the United States.

NATIONAL FETAL ALCOHOL SYNDROME AWARENESS WEEK

The joint resolution (S.J. Res. 52) designating the week of May 10, 1987, through May 17, 1987, as "National Fetal Alcohol Syndrome Awareness Week"; was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 52

Whereas fetal alcohol syndrome is one of the three major known causes of birth defects with accompanying mental retardation in the United States:

Whereas fetal alcohol syndrome can result in such serious health problems as: deficiencies in prenatal and postnatal growth that are associated with mental retardation; developmental disabilities that may cause an infant to experience delays in learning to walk and speak; and heart defects, including defects in the wall between the pumping chambers of the heart;

Whereas in cases in which fetal alcohol syndrome is avoided, infants may still experience alcohol-related birth effects, known as fetal alcohol effects, which are a series of health problems that include increased irritability during the new-born period and hyperactivity;

Whereas the discovery of fetal alcohol syndrome as a major health problem is a recent occurrence, and many questions regarding the illness remain unanswered;

Whereas there has never been an infant born with fetal alcohol syndrome whose mother did not consume alcohol during pregnancy;

Whereas fetal alcohol syndrome can be prevented if pregnant women and women considering pregnancy abstain from alcohol consumption; and

Whereas the Surgeon General of the Public Health Service has issued and advisory stating that pregnant women and women considering pregnancy should not consume alcohol: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of May 10, 1987, through May 16, 1987, is hereby designated "National Fetal Alcohol Syndrome Awareness Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate activities.

NATIONAL OSTEOPOROSIS PREVENTION WEEK

The joint resolution (S.J. Res. 55) designating the week of May 10, 1987, through May 17, 1987, as "National Osteoporosis Prevention Week"; was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 55

Whereas osteoporosis, a degenerative bone condition, afflicts sixteen million to twenty million people in the United States;

Whereas osteoporosis afflicts 90 per centum of women over age seventy-five;

Whereas 50 per centum of all women in the United States over age forty-five will develop some form of osteoporosis;

Whereas hip fractures are the most disabling outcome of osteoporosis, and 32 per centum of women and 17 per centum of men who live to age ninety will likely suffer a hip fracture due primarily to osteoporosis;

Whereas the mortality rates for people who suffer a hip fracture increase by 20 per centum, with such fractures resulting in the death of over fifty thousand older women and many older men each year;

Whereas 15 to 25 centum of people who suffer a hip fracture stay in a long-term care facility for at least one year after the fracture occurs, and 25 to 35 per centum of people who return home from a long-term care facility after recovering from a hip fracture required assistance with daily living after returning home;

Whereas the total cost to society of dealing with osteoporosis was $6,100,000,000 in 1983 and such cost is expected to rise as the population ages;

Whereas osteoporosis is associated with the loss of bone mass due to a lack of estrogen as a result of menopause, alcohol or cigarette use, and low calcium intake;

Whereas exercise and proper nutrition before an individual is age thirty-five will build bone mass to help prevent osteoporosis; and

Whereas people who suffer from osteoporosis should be aware of the increased risk of bone fractures, and should take precautions to reduce the chance of accidents that may result in bone fractures due primarily to osteoporosis: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of May 10, 1987, through May 16, 1987, is designated as "National Osteoporosis Prevention Week of 1987", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs and activities.

NATIONAL OLDER AMERICANS ABUSE PREVENTION WEEK

The joint resolution (S.J. Res. 57) to designate the period commencing on May 3, 1987, and ending on May 10, 1987, as "National Older Americans Abuse Prevention Week;" was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 57

Whereas each year an estimated 550,000 to 2.5 million elders are the victims of physical and emotional abuse, neglect, and denial of fundamental civil rights;

Whereas these elders represent every racial, religious and socio-economic class;

Whereas the suffering of these elders poses a threat to our families and to our society as a whole;

Whereas in most instances this neglect and abuse stems from the lack of information on intervention and prevention.

Whereas the health and well-being of our elders is, and must be, one of our Nation's highest priorities;

Whereas May, 1987, has been designated as "Older Americans Month", and provides the ideal opportunity for the people of the United States to become educated and aware of the welfare of the elderly; and

Whereas it is appropriate to focus the attention of the Nation upon the problem of elderly abuse: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on May 3, 1987, and ending on May 10, 1987, is designated as "National Older Americans Abuse Prevention Week", and the President is authorized and requested to issue a proclamation calling upon all Government agencies and the people of the United States to observe such period with appropriate programs, ceremonies, and activities.

NATIONAL CHILD ABUSE PREVENTION MONTH

The joint resolution (S.J. Res. 58) to designate the month of April 1987 as "National Child Abuse Prevention Month"; was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 58

Whereas the incidence and prevalence of child abuse and neglect have reached alarming proportions in the United States;

Whereas an estimated four million children become victims of child abuse in this Nation each year;

Whereas an estimated five thousand of these children die as a result of such abuse each year;

Whereas the Nation faces a continuing need to support innovative programs to prevent child abuse and assist parents and family members in which child abuse occurs;

Whereas Congress has expressed its commitment to seeking and applying solutions to this problem by enacting the Child Abuse Prevention and Treatment Act of 1974;

Whereas many dedicated individuals and private organizations, including Child Help U.S.A., Parents Anonymous, the National Committee for the Prevention of Child Abuse, the American Humane Association, and other members of the National Child Abuse Coalition, are working to counter the ravages of abuse and neglect and to help child abusers break this destructive pattern of behavior;

Whereas the average cost for a public welfare agency to serve a family through a child abuse program is twenty times greater than self-help programs administered by private organizations;

Whereas organizations such as Parents Anonymous, and other members of the National Child Abuse Coalition, are expediting efforts to prevent child abuse in the next generation through special programs for abused children; and

Whereas it is appropriate to focus the attention of the Nation upon the problem of child abuse: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of April 1987, is designated as "National Child Abuse Prevention Month", and the President is authorized and requested to issue a proclamation calling upon all Government agencies and the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

OLDER AMERICANS MONTH

The joint resolution (S.J. Res. 64) to designate May 1987 as "Older Americans Month"; was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 64

Whereas older Americans have contributed many years of service to their families, their communities, and the Nation;

Whereas the population of the United States is comprised of a large percentage of older Americans representing a wealth of knowledge and experience;

Whereas older Americans should be acknowledged for the contributions they continue to make to their communities and the Nation; and

Whereas many States and communities acknowledge older Americans during the month of May: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in recognition of the traditional designation of the month of May as "Older Americans Month" and the repeated expression by the Congress of its appreciation and respect for the achievements of older Americans and its desire that these Americans continue to play an active role in the life of the Nation, the President is directed to issue a proclamation designating the month of May 1987, as "Older Americans Month", and calling on the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

NATIONAL DIGESTIVE DISEASES AWARENESS MONTH

The joint resolution (S.J. Res. 67) to designate the month of May 1987 as "National Digestive Diseases Awareness Month"; was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 67

Whereas digestive diseases rank third among illnesses in total economic cost in the United States;

Whereas digestive diseases represent one of the Nation's most serious health problems in terms of discomfort and pain, mortality, personal expenditures for treatment, and working hours lost;

Whereas twenty million Americans suffer from chronic digestive disease;

Whereas more than fourteen million cases of acute digestive diseases are treated in this country each year, including one-third of all malignancies and some of the most common acute infections;

Whereas more Americans are hospitalized by digestive diseases than by any other diseases, necessitating 25 per centum of all surgical operations;

Whereas digestive diseases are one of the most-prevalent causes of disability in the work force;

Whereas digestive diseases cause yearly expenditure of over $17,000,000,000 in direct health care costs, and a total annual economic burden of nearly $50,000,000,000;

Whereas at least one hundred different digestive diseases, in addition to other disorders of the gastrointestinal tract, cause more than two hundred deaths every year;

Whereas research into the causes, cures, prevention, and clinical treatment of digestive diseases and related nutritional problems has become a national concern, and the people of the United States should recognize digestive diseases as a major health priority;

Whereas national organizations such as the Digestive Disease National Coalition are committed to increasing awareness and understanding of digestive diseases among members of the general public and the health care community;

Whereas the National Institutes of Health, through its National Digestive Diseases Education and Information Clearinghouse, and the National Digestive Diseases Advisory Board are committed to encouraging and coordinating such educational efforts; and

Whereas the month of May 1987 marks the fourth anniversary of the National Digestive Disease Education Program, a coordinated effort to educate the public and the health care community regarding the seriousness of digestive diseases, and to provide information relative to their treatment, prevention, and control: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of May 1987 is designated as "National Digestive Diseases Awareness Month". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate programs and activities.

THE 40TH ANNIVERSARY OF THE MARSHALL PLAN

The joint resolution (S.J. Res. 70) commemorating the 40th anniversary of the Marshall plan; was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamable was agreed to.

The joint resolution, and the preamable, are as follows:

S.J. RES. 70

Whereas 1987 marks the fortieth year since the European Recovery Program or what came to be called the Marshall plan was first conceived and proclaimed by George Catlett Marshall;

Whereas the Marshall plan has been hailed by leaders of friend and foe alike in

World War II as the most magnanimous act by Americans in history;

Whereas the Marshall plan uniquely symbolizes the bold and creative promise inherent in the thought of all free peoples;

Whereas the Marshall plan made possible new measures of trans-Atlantic cooperation through the North Atlantic Treaty Organization and other institutions;

Whereas these institutional developments have profoundly enhanced the security, freedom, and prosperity of the United States and the Atlantic Community generally;

Whereas new challenges have arisen which call for recommitment to and reinvigoration of these institutions and for their continued viability;

Whereas creative thought and rededication to the ideals and principles undergirding the Marshall plan are now required to assure the preservation of these institutions; and

Whereas the occasion of the fortieth anniversary of the Marshall plan provides a fitting opportunity for rededication of commitments to these instructions: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress acknowledges the magnanimity of the Marshall plan, the dedication to public service and integrity of its author, and the effort by the Marshall Foundation in Lexington, Virginia, to continue in American life the values for which he stood.

That the Congress calls upon all Americans to rededicate themselves to the ideals of public service, hard work, integrity, and compassion which George Catlett Marshall represents to this day in American society.

That the Congress remembers that it approved a special congressional medal for General Marshall to honor his service to the Nation.

That the Congress welcomes with great anticipation the publication on June 5, 1987, of the fourth and final volume of the official biography of George Catlett Marshall.

That Congress believes the principles that inspired the initiation of the Marshall plan should continue to be cherished by our people.

That the month of June, 1987, is designated as "George C. Marshall Month", and the President is authorized and requested to issue a proclamaation calling upon the people of the United States to observe such month with appropriate progams, ceremonies, and activities.

NATIONAL CANCER INSTITUTE MONTH

The joint resolution (S.J. Res. 74) to designate the month of May 1987 as "National Cancer Institute Month"; was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 74

Whereas in 1937 the "National Cancer Institute" was created by law,

Whereas the intent of Congress in enacting legislation in 1937 was to initiate new, high priority, highly visible, national program for the conquest of cancer,

Whereas Congress continues to stress the importance of the National Cancer Institute through the creation of the 1971 National Cancer Act and its 1974, 1978, 1982, and 1986 reauthorizations,

Whereas the National Cancer Institute represents a unique structure for a coherent and systematic attack on the vastly complex problems of cancer through the National Cancer Institute,

Whereas the National Cancer Institute created a network of cancer centers that has increased from three before 1971 to fifty-nine in 1986, thus providing the Nation with an invaluable national resource for cancer research, treatment, control, prevention, and training,

Whereas recombinant DNA techniques and monoclonal antibody technologies have contributed so much to discovering the blueprint of cancer and now hold enormous promise for rapidly diagnosing and characterizing tumors and for treating patients,

Whereas cancer research scientists supported by the National Cancer Program funded by the National Cancer Institute determined the function of a normal human oncogene, and are elucidating the role of oncogene products in cancer, discovered the structure of the T-cell receptor, demonstrated the role of viruses in the causation of cancer, discovered that the virus HTLV-III is the cause of AIDS, showing that fundamental research in cancer biology forms the underpinnings for all other cancer research programs,

Whereas it has been shown that systemic therapies, largely developed through clinical trials, can cure cancer with more than 50 per centum of patients potentially curable and numerous cancers now have five-year survival rates over 75 per centum such as thyroid, endometrium, melanoma, breast, bladder, Hodgkin's disease, and prostate and with children's five-year cancer survival rates reaching an alltime high of 60 per centum.

Whereas progress continues in understanding and planning strategies to interfere with cancer metastasis and overcome drug resistance,

Whereas collaboration between surgery, radiation therapy, chemotherapy, and therapy with biological response modifiers has greatly improved the outcome for cancer patients, allowing for less radical surgery by utilizing adjuvant radiation and new success in hard-to-treat tumors through improved chemotherapy,

Whereas the National Cancer Institute has mounted a major program of research on cancer prevention which serves as the basis for a prevention awareness program stressing what individuals can do to lower personal cancer risk by modifying lifestyle factors such as diet, and

Whereas the National Cancer Act has fostered the transfer of information from basic research to the patient's bedside, while strengthening a network that links basic science laboratories, cancer centers, cooperative groups of clinical researchers, community oncologists, practicing physicians, and nurse oncologists, and facilitate the application of the results of research: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of May, 1987 is designated as "National Cancer Institute Month", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States and all appropriate Government agencies to observe the month with appropriate programs and activities.

NATIONAL DOWN SYNDROME MONTH

The joint resolution (S.J. Res. 84) to designate October 1987 as "National Down Syndrome Month"; was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 84

Whereas the past decade and a half has brought a greater and more enligthened attitude in the care and training of the developmentally disabled;

Whereas one such condition which has undergone considerable reevaluation is that of Down syndrome—a problem which, just a short time ago, was often stigmatized as a mentally retarded condition which relegated its victims to lives of passivity in institutions and back rooms;

Whereas through the efforts of concerned physicians, teachers and parent groups such as the National Down Syndrome Congress, programs are being put in place to educate new parents of babies with Down syndrome, to develop special education classes within mainstreamed programs in schools, to provide for vocational training in preparation for entering the work force, and to perpare young adults with Down syndrome for independent living in the community;

Whereas the cost of such services designed to help individuals with Down syndrome move into their rightful place in our society is but a tiny fraction of the cost of institutionalization;

Whereas not only the improvement in educational opportunities for those with Down syndrome, but also the advancement in medical science is adding to a brighter outlook for individuals born with this chromosomal configuration; and

Whereas public awareness and acceptance of the capabilities of children with Down syndrome can greatly facilitate their being mainstreamed in our society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1987 is designated as "National Down Sydrome Month" and that the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the designated month with appropriate programs, ceremonies, and activities.

INTERNATIONAL SPECIAL OLYMPICS WEEK AND INTERNATIONAL SPECIAL OLYMPICS DAY

The joint resolution (S.J. Res. 85) to designate the period commencing on August 2, 1987 and ending on August 8, 1987, as "International Special Olympics Week", and to designate August 3, 1987, as "International Special Olympics Day", was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 85

Whereas nearly one million mentally handicapped individuals participate annually in Special Olympics events all over the world;

Whereas Special Olympics competition enables each athlete to form a healthy self-image with which to build a positive working environment for the home and job;

Whereas the past two decades have marked monumental milestones in the care, training, and skills of Special Olympians;

Whereas the International Summer Special Olympic Games, held every four years, are the culmination of 20,000 communities competing in Special Olympics around the world;

Whereas the 1987 VII International Summer Special Olympic Games from July 31, to August 8, in South Bend, Indiana, will host 6,000 athletes, 15,000 volunteers, and thousands of guests from 65 countries and the United States and its territories and possessions;

Whereas these International Games will be the largest worldwide amateur sporting event of 1987; and

Whereas both mentally handicapped children and adults will compete in over 13 official and demonstration sports in a true display of unity which signifies the spirit of the International Summer Special Olympic Games: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on August 2, 1987, and ending on August 8, 1987, is designated as "International Special Olympics Week", and August 3, 1987, is designated as "International Special Olmpics Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such period and day with appropriate programs, ceremonies, and activities.

INTERSTATE COMMERCE COMMISSION DAY

The joint resolution (S.J. Res. 96) designating April 3, 1987, as "Interstate Commerce Commission Day" was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 96

Whereas the Interstate Commerce Commission was created by Congress in 1887 to implement the congressional mandate to regulate interstate transportation, and 1987 marks the one hundredth year of its continuous public service;

Whereas the Commission was the first independent, quasi-judicial, administrative agency created by Congress as a pioneering concept in a growing Nation's legal system with a leading role in the development of an increasingly important body of administrative law;

Whereas the one-hundred-year period of the Commission's regulatory responsibility has embraced the challenge of two world wars and other major international conflicts, as well as continuous fluctuations in the Nation's economy and business cycles which span the Great Depression, postwar booms, and the beginnings of the nuclear and space ages;

Whereas the Commission's record of national service has encompassed tremendous changes in technology and competition accompanying the development and growth of waterways, railroads, pipelines, motor carriers, and air carriers;

Whereas the Commission has steadfastly endeavored to guard and protect the public interest in the development and regulation of the Nation's transportation system; and

Whereas, under its one hundred years of regulatory oversight dedicated to the development, promotion, and preservation of a national system of transportation under a free enterprise economy, a transportation system unsurpassed throughout the world has been established: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 3, 1987, is designated as "Interstate Commerce Commission Day". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities to recognize the one hundredth anniversary of the establishment of the Interstate Commerce Commission.

NATIONAL ARBOR DAY

The Senate proceeded to consider the joint resolution (S.J. Res. 60) to authorize the President to proclaim the last Friday of April each year as "National Arbor Day," which had been reported from the Committee on the Judiciary, with an amendment:

On page 2, line 2, strike "each year" and insert "1987."

So as to make the joint resolution read:

S.J. Res. 60

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the last Friday of April 1987 as "National Arbor Day" and calling upon the people of the United States to observe such a day with appropriate ceremonies and activities.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution to authorize the President to proclaim the last Friday of April 1987 as 'National Arbor Day'.".

THE EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, if I may ask the distinguished acting Republican leader, in regard to the Executive Calendar, I understand that the first item, Calendar Order No. 2, message No. 73-3, is not cleared on the other side of the aisle.

I ask, therefore, out of the remaining nominations on page 2 of the Executive Calendar, those coming under the National Commission on Libraries and Information Science, and under National Foundation on the Arts and the Humanities, continuing on page 3 and under new reports on page 3, all nominations on page 4 under the judiciary, the Department of Justice, and on page 5 under the Department of Justice—if all those nominations are cleared on the other side of the aisle?

Mr. HELMS. Mr. President, indeed they have been.

Mr. BYRD. Mr. President, I thank the distinguished acting Republican leader.

EXECUTIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider items on the calendar which have been enumerated and have been cleared on the other side of the aisle, that those nominations be considered and confirmed en bloc, and that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

George H. Nash, of Iowa, to be member of the National Commission on Libraries and Information Science.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

David N. Baker, of Indiana, to be a member of the National Council on the Arts.

Nina Brock, of Tennessee, to be a member of the National Council on the Arts.

Robert Garfias, of California, to be a member of the National Council on the Arts.

Robert M. Johnson, of Florida, to be a member of the National Council on the Arts.

Ardis Krainik, of Illinois, to be a member of the National Council on the Arts.

Harvey Lichtenstein, of New York, to be a member of the National Council on the Arts.

Arthur Mitchell, of New York, to be a member of the National Council on the Arts.

Sally Brayley Bliss, of New York, to be a member of the National Council on the Arts.

Rosemary G. McMillan, of Nevada, to be a member of the National Museum Services Board.

James H. Duff, of Pennsylvania, to be a member of the National Museum Services Board.

SMALL BUSINESS ADMINISTRATION

James Abdnor, of South Dakota, to be Administrator of the Small Business Administration.

THE JUDICIARY

Edward Leavy, of Oregon, to be U.S. circuit judge for the ninth circuit.

Morton I. Greenberg, of New Jersey, to be U.S. circuit judge for the third circuit.

Malcolm F. Marsh, of Oregon, to be U.S. district judge for the district of Oregon.

DEPARTMENT OF JUSTICE

Frederick J. Hess, of Illinois, to be U.S. attorney for the southern district of Illinois.

P. Raymond Lamonica, of Louisiana, to be U.S. attorney for the middle district of Louisiana.

O. Evans Denney, of Delaware, to be U.S. Marshal for the district of Delaware.

Blaine Skinner, of Idaho, to be U.S. Marshal for the district of Idaho.

James L. Meyers, of Louisiana, to be U.S. Marshal for the middle district of Louisiana.

Francis K. Peo, of New York, to be U.S. Marshal for the northern district of New York.

Eugene V. Marzullo, of Pennsylvania, to be U.S. Marshal for the western district of Pennsylvania.

John T. Callery, of Tennessee, to be U.S. Marshal for the western district of Tennessee.

Mr. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONFIRMATION OF JIM ABDNOR AS SBA ADMINISTRATOR

Mr. DOLE. Mr. President, it is not often that we have the opportunity to make a speech praising a nominee whom we know really well, whom we call a friend. So it is a special pleasure and honor to rise today to give my hearty endorsement of Jim Abdnor as administrator of the Small Business Administration.

Jim was a stalwart ally throughout my tenure as majority leader. I valued his friendship and his counsel. And I do not know any Senator who cared more about his constituents, who worked harder for them and for men and women throughout rural America, than Jim Abdnor.

It is Jim's commitment and understanding of small town America, of small business, its special needs and concerns, that makes his nomination so right.

The Small Business Administration has been hard hit by the budget crunch. But no one is better suited to protect the needs of the small business community, while understanding the fiscal restraint needed, than Jim.

Needless to say, I would rather Jim was sitting here on the floor right now, as the junior Senator from South Dakota. But since that is not in the cards, I am very happy he will be fulfilling an important role in this administration. I have no doubt that he will be an able and active head at the SBA.

Mr. WEICKER. Mr. President, today I rise to support and to urge the Senate to confirm the nomination of former Senator James Abdnor to be the administrator of the Small Business Administration. On March 10, 1987, the President submitted this nomination to the Senate and on March 18, 1987, the Small Business Committee voted unanimously by a vote of 18 to zero to report the nomination to the Senate. I want to commend the chairman of the committee, Senator BUMPERS, for moving quickly to hold confirmation hearings and to report this nomination to the full Senate.

The battle over the future of the Small Business Administration is over. The agency is here to stay. Jim Abdnor's nomination and confirmation as administrator, in my judgment, is the final chapter of that all-too-long and torturous history. For almost a year, the SBA has not had a permanent administrator. Now there is an enormous job to be done to restore the morale of employees and the confidence of the small business community in the SBA. With Jim at the helm of the agency, we can get on with that important task of rebuilding the agency.

For those of us in the Senate who were colleagues of Jim's, I know there is consensus on both sides of the aisle about his character. He is a fine human being. He is genuine and sincere, and I am confident that he will work hard to make SBA a strong agency. A person of the highest integrity, we can rest assured that Jim will approach this job as responsibily as he did his duties in the U.S. Senate, which was with a strong sense of commitment. Moreover, he will be a persistent and forceful advocate for small businesses.

When Jim was in the Congress, he was a supporter of the Small Business Administration and its programs. For example, last summer during the height of the construction season when small contractors found surety bonding unavailable, he offered an amendment which passed the Senate to increase the authorized level for the SBA Surety Bond Program. He also voted in favor of maintaining SBA as an independent agency.

For most of his life he has been dedicated to public service. After serving in legislative bodies for most of his career, he is excited and looks forward to working in the executive branch of the Government as the administrator of SBA. As he stated during his confirmation hearings, he wants to make SBA the best that it can be and is committed to devoting the next 2 years to that effort.

Mr. President, Jim Abdnor understands the problems that face our Nation's small businesses. He understands the importance of having a strong effective agency, for the SBA is the only agency in the Government whose sole mission is to serve small businesses—the most important sector of our economy. He understands the importance we in the Congress place on having this agency move forward, and he will work with us to that end. Thus, I urge my colleagues to vote to confirm James Abdnor as the new SBA administrator.

NOMINATION OF JIM ABDNOR TO BE ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION

Mr. PRESSLER. Mr. President, I am extremely pleased that the Senate will soon be voting on the nomination of Senator Jim Abdnor to be the next Administrator of the Small Business Administration [SBA] for two reasons.

First, it is most gratifying that after an extremely stormy year, we will finally have an Administrator of the SBA who will be dedicated to restoring internal morale and external confidence in the Agency. This will be a tremendous undertaking, but I can think of no individual better suited for the task than Jim Abdnor.

Second, it is a distinct personal pleasure to have the opportunity to offer my good friend and long time colleague, Jim Abdnor, all the best as he enters a new phase in his career of public service. I have worked side by side with Jim since first coming to Congress in 1975. Together, we represented the people of South Dakota as Members of both the House of Representatives and the Senate for more than a decade.

Jim's dedicated public service spans more than 30 years. His career in public office began in the South Dakota State Senate in 1956. He served in that capacity for 12 years before becoming the State's Lieutenant Governor. He then came to Congress where he represented South Dakota for four terms in the House and one in the Senate.

His experience is diverse. Before entering public office, Jim was a teacher. He grew up on and still owns and operates a farm. He spent his childhood working in his father's store. Jim knows firsthand what our small business community means to the future strength of the Nation. South Dakota benefited greatly from his selfless service. The Nation will now be equally fortunate.

Jim has proved himself as a strong advocate for small business. He was awarded the National Federation of Independent Business "Guardian of Small Business" award every year he served in the Senate. Congress and the administration have listened to him when he took the lead on issues critical to small business.

As chairman of the Appropriations Subcommittee on Treasury, Postal Service and General Government, Jim was a leader in the successful effort to force the IRS to repeal a regulation requiring farmers, ranchers and small business owners to keep cumbersome, detailed logs to substantiate business use of vehicles.

When the SBA's Surety Bond Program ran out of authority shortly before the end of the last fiscal year, Jim proposed legislation to increase the program's funding level. Congress accepted the proposal and this year the administration recommended increasing the funding level for the coming fiscal year in keeping with his legislation.

Jim is a fighter who has been a consistent supporter of the SBA. While in Congress, he consistently voted against proposals to eliminate the agency. Indeed, he accepted this nomination only after he gained assurances that the agency would retain its independent status. He has indicated that his initial objective as Administrator will be to restore confidence in and boost morale at the SBA.

I am proud that the President has selected and that the Senate is about to confirm my good friend Jim Abdnor as the next Administrator of the SBA. I am confident that the Senate will join me in wishing him all the best. His experience and talent will be an invaluable source of strength for the agency and for the Nation's small business. His perspective and drive are exactly what the SBA needs to put past controversies behind and to help guide it into a new era of service to America's small business.

● Mr. LEAHY. Mr. President, three judicial nominations are now before the Senate. On March 11, 1987, the Judiciary Committee held a hearing on these nominations, at which I presided. Based on the investigation conducted by committee staff, and on the record made at the hearing, all these nominees appear well qualified for the judgeships to which they have been nominated. In order to provide further information on these nominations before the Senate acts on them, I offer the following brief summaries of the nominees' qualifications, and of the testimony elicited at the hearing.

First, Morton I. Greenberg has been nominated to the Third Circuit Court of Appeals. Judge Greenberg has served in positions of increasing responsibility in the State courts of New Jersey since 1973. Currently, he is presiding judge of part F of the Appellate Division of the New Jersey Superior Court. He also has extensive litigitation experience, both in private practice and as assistant attorney general of New Jersey, in charge of all civil litigation on behalf of the State. As an appellate judge, the nominee has managed a substantial docket, and compiled an outstanding record of well-written and expeditiously issued opinions, which have been frequently cited and rarely reversed. At the hearing, Judge Greenberg responded satisfactorily to questions about his judicial record, appellate case management, and the problems involved in the transition from the State to the Federal bench.

Second. Edward Leavy has been nominated to the Ninth Circuit Court of Appeals. He has a been a trial judge for 30 years (over half his life), beginning in the State courts in Oregon, and culminating with service as a U.S. magistrate, and, since 1984, as U.S. District judge for the District of Oregon. Questions posed at the hearing focused on his outstanding record of facilitating settlement of cases in Federal and State court; on the value for an appellate judge of extensive experience as a trial judge; and on the characteristics of a good trial judge. Judge Leavy's responses were fully satisfactory.

Third. Malcolm F. Marsh has been nominated to succeed Judge Leavy on the U.S. District Court in Oregon. He has spent his entire career in private practice in Salem, OR, as an active and well-regarded trial lawyer, with particular emphasis on defense of legal malpractice, product liability and other tort claims. At the hearing, Mr. Marsh assured the committee of his understanding of the challenges attendant upon the transition from the role of trial advocate to that of judge. He stated that he would give particular attention to the need to refresh his knowledge of criminal trial procedure, since his practice has, in recent years, focused on civil litigation. He also discussed his experience in complex litigation, and his views on fashioning appropriate remedies for constitutional violations.

Mr. President, no responsibility entrusted to the U.S. Senate is more important than the constitutional duty to advise and consent on nominations to the Federal courts. We owe it to the American people to take the time and devote the resources necessary to determine whether each judicial nominee meets the highest standards of professional excellence, integrity, and judicial temperament. I believe that, with the three nominations now before the Senate, the Judiciary Committee has begun to set the 100th Congress on the right track in fulfilling this responsibility. These nominations have been carefully scrutinized; an extensive public hearing has been held; and, in my view, the record amply demonstrates their fitness for the positions to which they have been nominated. Accordingly, I urge the Senate to give its consent to these nominations.●

CONFIRMATION OF JUDGE MORTON GREENBERG FOR THIRD CIRCUIT COURT OF APPEALS

Mr. BRADLEY. I am pleased that the Senate will confirm today Judge Morton Greenberg to fill a vacancy in the Third Circuit Court of Appeals.

Judge Greenberg, who has most recently served as a superior court judge in the State of New Jersey, brings extensive legal experience to the Third Circuit. He has been a member of the bar for 30 years. During that time, he gained experience on both sides of the bench. As a litigator, Judge Greenberg was in private practice for many years and later served the people of New Jersey in the New Jersey Attorney General's Office as assistant attorney general. As a judge, he has served on the Superior Court of New Jersey since 1973. Judge Greenberg has been reappointed to the bench by two Governors of different political parties, and had been elevated by successive Chief Justices to increasingly important positions. Since 1980, he has been assigned to the Appellate Division where he has served as presiding judge on part F of that court.

Judge Greenberg has a rich and varied background of judicial experience, having presided as both a trial and appellate judge. During his years on the court he has published over 131 decisions. The judge has heard a myraid of cases on consititutional issues ranging from a Commerce Clause case concerning the trucking industry, to due process question arising for a criminal entrapment case, to a challenge on the constitutionality of a debt limitation clause in a State constitution.

Today, the Third Circuit Court of Appeals faces an impending crisis. With four vacancies on the court, the current backlog of 3 months will shortly reach a 6-month backlog. It is imperative that these vacancies be filled as soon as possible in order to avoid a crisis of judicial delay in the Third Circuit that could take years to remedy. How fortunate we are at this time to have a man of Judge Greenberg's caliber and enthusiasm available to fill one of these vacancies. I am sure Judge Greenberg will bring to the Third Circuit Court of Appeals the same sense of fairness and justice he has exercised consistently for over a decade in the courts of New Jersey.

LEGISLATIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRINTING ADDITIONAL COPIES OF PUBLIC LAW 93-344

Mr. BYRD. Mr. President, I ask unanimous consent that additional copies of the Congressional Budget Impoundment and Control Act of 1974, Public Law 93-344, as amended, be printed as a Senate document together with the rules of the Senate.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

PERMISSION FOR COMMITTEES TO TAKE CERTAIN ACTIONS

Mr. BYRD. Mr. President, I ask unanimous consent that committees may be permitted to file bills, resolutions, and nominations until 5 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECORD TO REMAIN OPEN UNTIL 5 P.M. TODAY

Mr. BYRD. Mr. President, I ask unanimous consent that the RECORD remain open until 5 o'clock p.m. today for the introduction of bills and resolutions and for the submission of statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMISSION FOR COMMITTEES TO FILE REPORTS

Mr. BYRD. Mr. President, I ask unanimous consent that committees may have until 5 o'clock p.m. to file reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR MONDAY, MARCH 23, 1987

Mr. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in recess until the hour of 4:30 p.m. on Monday next.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

DIVISION OF TIME ON HOUSE JOINT RESOLUTION 175

Mr. BYRD. Mr. President, I ask unanimous consent that on Monday next, after the two leaders or their designees have been recognized under the standing order, the time under the rule be equally divided between the distinguished Republican leader and myself.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD. Mr. President, on Monday, the Senate will convene at the hour of 4:30 p.m. After the two leaders have been recognized under the standing order, the time under the cloture rule, namely 1 hour, will be equally divided and controlled by the distinguished Republican leader, Mr. DOLE, and myself or our designees. At the close of 1 hour after convening, the Chair will ask the clerk to call the roll to establish a quorum. Upon the establishment of a quorum, the Senate will proceed to vote on the motion to invoke cloture on the motion to proceed to the consideration of House Joint Resolution 175. That will be an automatic rollcall vote, and as to what will occur after that vote depends upon the outcome of the vote.

If the motion to invoke cloture is adopted by the necessary three-fifths vote, then there will be no other business before the Senate until action is completed on House Joint Resolution 175. If the motion to invoke cloture does not secure the necessary three-fifths vote, and I doubt that it will, then the Senate will resume consideration of the motion to proceed to take up the moratorium resolution.

There will be another cloture vote on Tuesday. Hopefully, by then we can have other measures also cleared for action. I want to make way wherever I can for the Senate to transact other business which may be ready for action and necessary. I am glad to try to accommodate where I can, but I do hope that eventually we will have enough votes to invoke cloture on the motion to proceed.

We have had a good day today. The concurrent resolution on the highway matter has been adopted, and I compliment the managers of that measure. I first compliment and thank Mr. HOLLINGS again for expediting the reporting of the concurrent resolution from the Committee on Commerce early today, as he promised on yesterday would happen. I also compliment and thank the managers of the measure, Senators MOYNIHAN and BURDICK and SYMMS and STAFFORD for doing their usual good job. They demonstrated the kind of skill, knowledge, expertise, workmanship and teamwork that make this a great institution. It always redounds to the good interests of the people.

These Senators have worked hard. This was a measure that passed both Houses last year, died in conference, and these Senators and others were able to get the measure out of committees this year and to shepherd the measure on the floor and through the meetings of the conference with the Members of the other body, and to reach a final vote today. So they did a good job, and I personally want to thank them. I also want to thank the distinguished Republican leader for helping to expedite the work on the measure and for letting the Senate go to a vote on the resolution. Mr. DOLE indicated he would prefer to have had some additional time, but rather than delay action in the Senate he, as he explained, very graciously proceeded to let the Senate vote, and I thank him.

Mr. President, unless the distinguished acting Republican leader has some other business which he would like to transact, I am prepared to let the Senate go out.

Mr. President, before moving to recess over for the weekend, I have been asked by the distinguished acting Republican leader, speaking for the distinguished Republican leader, as to what time the vote on the cloture motion will occur on Tuesday next.

I am prepared to say that the vote on the cloture motion on Tuesday next will not occur prior to the hour of 3 o'clock p.m. That seems to be satisfactory all the way around.

RECESS UNTIL 4:30 P.M. ON MONDAY, MARCH 23, 1987

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 4:30 p.m. on Monday next.

The motion was agreed to; and at 3:50 p.m. the Senate recessed until Monday, March 23, 1987, at 4:30 p.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 20, 1987:

SMALL BUSINESS ADMINISTRATION

James Abdnor, of South Dakota, to be Administrator of the Small Business Administration.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

George H. Nash, of Iowa, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1991.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

David N. Baker, of Indiana, to be a member of the National Council on the Arts for a term expiring September 3, 1992.

Nina Brock, of Tennessee, to be a member of the National Council on the Arts for a term expiring September 3, 1992.

Robert Garfias, of California, to be a member of the National Council on the Arts for a term expiring September 3, 1992.

Robert M. Johnson, of Florida, to be a member of the National Council on the Arts for a term expiring September 3, 1992.

Ardis Krainik, of Illinois, to be a member of the National Council on the Arts for a term expiring September 3, 1992.

Harvey Lichtenstein, of New York, to be a member of the National Council on the Arts for a term expiring September 3, 1992.

Arthur Mitchell, of New York, to be a member of the National Council on the Arts for a term expiring September 3, 1992.

Sally Brayley Bliss, of New York, to be a member of the National Council on the Arts for a term expiring September 3, 1992.

Rosemary G. McMillan, of Nevada, to be a member of the National Museum Services Board for a term expiring December 6, 1990.

James H. Duff, of Pennsylvania, to be a member of the National Museum Services Board for a term expiring December 6, 1991.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Edward Leavy, of Oregon, to be U.S. circuit judge for the ninth circuit.

Morton I. Greenberg, of New Jersey, to be U.S. circuit judge for the third circuit.

Malcolm F. Marsh, of Oregon, to be U.S. district judge for the district of Oregon.

DEPARTMENT OF JUSTICE

Frederick J. Hess, of Illinois, to be U.S. attorney for the southern district of Illinois for the term of 4 years.

P. Raymond Lamonica, of Louisiana, to be U.S. attorney for the Middle District of Louisiana for the term of 4 years.

O. Evans Denney, of Delaware, to be U.S. Marshal for the district of Delaware for the term of 4 years.

Blaine Skinner, of Idaho, to be U.S. Marshal for the district of Idaho for the term of 4 years.

James L. Meyers, of Louisiana, to be U.S. Marshal for the middle district of Louisiana for the term of 4 years.

Francis K. Peo, of New York, to be U.S. Marshal for the northern district of New York for the term of 4 years.

Eugene V. Marzullo, of Pennsylvania, t be U.S. Marshal for the western district o Pennsylvania for the term of 4 years.

John T. Callery, of Tennessee, to be U.S. Marshal for the western district of Tennessee for the term of 4 years.

HOUSE OF REPRESENTATIVES—*Monday, March 23, 1987*

The House met at 12 noon.

Rev. Charles A. Mallon, permanent deacon, Holy Family Church, Mitchellville, MD, offered the following prayer:

The Lord is just in all His ways and Holy in all His works. The Lord is near to all who call upon Him, to all who call upon Him in truth.—Psalm 145:18.

Father open our eyes that we might know the bounty of creation and acknowledge Your loving presence among us.

Spirit of the Living God open our minds to eternal wisdom that we might continue the good work begun in us.

Lamb of God open our hearts that we might love others with the love that the Father has for each of us.

We ask this in both spirit and truth, through Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 49. Concurrent resolution authorizing use of the rotunda of the Capitol on April 28, 1987, for ceremonies to observe the days of remembrance of victims of the Holocaust; and

H. Con. Res. 77. Concurrent resolution to make a correction, relating to the maximum speed limit, in the enrollment of the bill H.R. 2.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2) "An act to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes."

DRUG-FREE SCHOOLS AND COMMUNITIES ACT AMENDMENTS OF 1987

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BENNETT. Mr. Speaker, today I am introducing legislation which is supported by the Department of Education, to amend the Drug-Free Schools and Communities Act, which was contained in last year's omnibus drug bill. Several of these amendments are for technical or clarifying purposes. Others would help to ensure State and local accountability for the results of programs undertaken with the grant funds.

The accountability portion of the bill is what I am most interested in. This legislation will improve the quality of State programs by requiring an annual report to the Secretary on the effectiveness of State and local programs under the Drug-Free Schools and Communities Act. It will strengthen local application requirements and make a continuation of funding for local projects contingent upon reasonable progress in meeting the goals of the act. Tying continued funding, at the local level, to program success, or to an improved plan that shows promise of success, will further ensure that funds are spent on effective drug education projects and policies.

This bill's enactment would increase the effectiveness of the Drug-Free Schools and Communities Program by ensuring that the most recently available data are used in distributing funds to local educational agencies. It would also clarify other provisions in the statute.

The Department of Education has recommended prompt and favorable action on this legislation and the Office of Management and Budget advises that there is no objection to this legislation.

H.R. 1752

A bill to amend the Drug-Free Schools and Communities Act of 1986, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Drug-Free Schools and Communities Act Amendments of 1987".

SEC. 2. STATE PROGRAM—LOCAL ALLOTMENTS.

Section 4124(a) of the Drug-Free Schools and Communities Act of 1986 (hereinafter in this Act referred to as the "Act") is amended in the second sentence by striking out "the relative numbers of children in the school-aged population" and inserting in lieu thereof "their relative enrollments in public and private, nonprofit schools".

SEC. 3. STATE PROGRAM—PARTICIPATION OF TEACHERS IN PRIVATE NONPROFIT SCHOOLS.

Section 4143(b) of the Act is amended by striking out "State, State educational agency, or State agency for higher education" and inserting in lieu thereof "State, agency, or consortium".

SEC. 4. STATE PROGRAM—LOCAL APPLICATIONS.

(a) Section 4126(a)(2) of the Act is amended—

(1) by redesignating subparagraphs (D) through (J) as subparagraphs (G) through (M), respectively; and

(2) by inserting the following new subparagraphs:

"(D) describe the extent and nature of the current drug and alcohol problem in the schools of the applicant, including detailed information that shows—

"(i) the number or percentage of students who use drugs or alcohol;

"(ii) the grade level of those students;

"(iii) the types of drugs they use; and

"(iv) how the applicant obtained this information;

"(E) describe the applicant's drug and alcohol policy, including an explanation of—

"(i) the disciplinary practices and procedures it will strictly enforce to eliminate the sale or use of drugs and alcohol on school premises; and

"(ii) how it will inform students that drug use is both harmful and wrong;

"(F) describe how the applicant will monitor the effectiveness of its program;".

(b) Section 4126 of the Act is further amended by adding at the end thereof the following new subsection:

"(b)(1) In order to receive funds under this Act for the third year of its plan, an applicant shall submit to the State educational agency a progress report on the first two fiscal years of its plan. The progress report must describe in detail—

"(A) the applicant's significant accomplishments under the plan during the preceding two years; and

"(B) the extent to which the original objectives of the plan are being achieved, including the extent to which there has been a reduction in the number of students who use drugs and alcohol.

"(2) No applicant may receive funds under this Act for the third year of its plan unless the State educational agency determines that the applicant's progress report shows that it is making reasonable progress toward accomplishing the objectives of its plan and the purposes of this Act, or, if reasonable progress is not being made, that the State educational agency determines that the applicant has modified its plan so as to provide reasonable assurance of such progress.".

SEC. 5. STATE PROGRAM—REPORTS.

Part 2 of the Act is amended by adding at the end thereof the following new section:

"SEC. 4127. STATE REPORTS.

"Each State shall submit to the Secretary an annual report, at such time and in such form as the Secretary may prescribe, that contains information on the State or local programs the State conducts under this Act, including—

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

"(1) data on the number and characteristics of program recipients and the persons who participated in their programs; and

"(2) an assessment of the degree to which those programs accomplished their goals, including their impact upon drugs and alcohol use by students.".

SEC. 6. NATIONAL PROGRAMS—GRANTS AND CONTRACTS.

(a) Section 4132(b) of the Act is amended in the third sentence by inserting "directly, or through grants, cooperative agreements, or contracts" immediately after "shall".

(b) Section 4134(a) of the Act is amended by striking out "enter into" and inserting in lieu thereof "make grants to or enter into cooperative agreements or".

(c) Section 4135 of the Act is amended by inserting ", through grants, cooperative agreements, or contracts," immediately after "Secretary".

SEC. 7. FEDERAL ACTIVITIES—RESEARCH.

Section 4132(b)(5) of the Act is amended by inserting "and carry out research and development activities" immediately after "priorities".

SEC. 8. EFFECTIVE DATE.

(a) The amendments made by this Act shall take effect October 27, 1986.

(b) Notwithstanding subsection (a), a State educational agency may allot fiscal year 1987 funds to local and intermediate educational agencies and consortia under section 4124(a) of the Act on the basis of their relative numbers of children in the school-aged population.

RESOLUTION TO IMPEACH ALCEE L. HASTINGS

(Mr. SENSENBRENNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SENSENBRENNER. Mr. Speaker, I am today introducing a resolution impeaching Alcee L. Hastings, judge of the U.S. District Court for the Southern District of Florida for high crimes and misdemeanors.

Last week, the Chief Justice of the United States submitted to the House a certificate stating that the Judicial Conference unanimously recommended that Judge Hastings be impeached.

Appended to that certificate was a 500-page document which is still held in secret giving the reasons why.

Mr. Speaker, I believe that this document should be made public so that the American public and the House of Representatives both know what Judge Hastings is alleged to have committed.

Second, I believe that the House of Representatives ought to vote on the Judicial Conference recommendations, because it was the House of Representatives, through the Judicial Tenure and Disability Act of 1980 that gave the Judicial Conference the right to investigate alleged judicial misconduct and to make recommendations when they felt an impeachment of a sitting Federal judge is warranted.

We should grant comity to a coordinate branch of government which has made this recommendation pursuant to the direction of the Congress of the United States.

ELIGIBLE WORKERS NEED RETRAINING FUNDS

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, being unemployed is like running a tough obstacle course; desperately you run uphill, jump hurdles and climb over barriers, fighting to finish. But what if you then reach the finish line and nothing is there.

That's the position thousands of unemployed workers in West Virginia and across the Nation are finding themselves who have proven they lost their jobs due to foreign imports. Under the Trade Adjustment Assistance Act, they have already been ruled eligible for training benefits from the Department of Labor. Yet now they are told there is no money left to fund their training.

When I asked the Secretary of Labor about this, he agrees the training fund is running dry, but refuses to ask for additional funds even though there is three times as much need this year as last. I am pleased to report 20 other Members have signed my letter requesting a supplemental appropriation of $20 million to guarantee the training funds are available. For laid off United States Steel, coal miners, and Volkswagen employees in West Virginia, this retraining is vital to keep them in the work force.

Being unemployed and meeting the tough TAA eligibility test is enough of a marathon run; we urge Congress to make the administration provide the finish line that was promised.

CHECK FROM TAMI QUINN

(Mr. ROBERT F. SMITH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERT F. SMITH. Mr. Speaker, colleagues, it is with great pride that I today present this check in the amount of $5,858.58, designated for the construction of the space shuttle *Challenger II*.

It was just 1 year ago when citizens of our world were shocked at the explosion which destroyed the NASA shuttle *Challenger* with its tragic loss of seven American heroes.

Most who witnessed this disaster were virtually paralyzed in disbelief. But in Grants Pass, OR, a 13-year-old junior high student named Tami Quinn and her classmates there and around this country were touched very deeply.

They who are America's first real space generation immediately set out to raise the $1.2 billion needed to replace the *Challenger*.

Undaunted by things that intimidate cynical adults, like a thousand-million dollar price tag, Tami's sincerity and commitment has proven infectious. The first result is this check. I swell with pride at the opportunity to bring to this Chamber the first installment from Tami's "Kids for Space" campaign.

The day may come not too far in the future, Mr. Speaker, when we look back to thank Tami and her friends for keeping America strong in its commitment to space technology.

FIRST-PHASE DEPLOYMENT OF SDI COULD BEGIN WITH PEACE SHIELD

(Mr. KYL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KYL. Mr. Speaker, 4 years ago, President Reagan unleashed the scientific and technological prowess of this free Nation to find a defense against nuclear missiles and end the nightmare of nuclear holocaust.

The challenge we face this day, on this fourth anniversary of that historic moment, is not, however, a scientific or technical or even an engineering challenge. Those have been answered with genius, amazing rapidity, and with unyielding commitment. President Reagan's peace shield can be a reality, if we but choose to build it.

No, Mr. Speaker, the challenge we face now is political: Mindless and irrelevant debate over treaty clauses, naysaying from pseudointellectuals and alchemists, and finally, threats and manipulation from our enemies who demand that America remain vulnerable to the awesome Soviet arsenal while they are busily defending themselves.

It is time to end the threat of nuclear darkness. It is now time to begin first-phase deployment of SDI.

A TRIBUTE TO THE LATE HONORABLE W. STERLING COLE

(Mr. HORTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HORTON. Mr. Speaker, my wife Nancy and I were deeply saddened to learn of the recent death of W. Sterling Cole, who passed away earlier this month at the age of 82.

Sterling was a Member of the House of Representatives from 1935 to 1957, representing what was then the 39th District of New York. Although I never served with him, I had the distinct pleasure of working with him when he was the director general of the International Atomic Energy

Agency. During my early service in Congress I was a member of the Joint Committee on Atomic Energy. Sterling was one of the foremost experts on nuclear weaponry and atomic power, and was a strong supporter of the need to control and understand nuclear power and nuclear weaponry. It was my pleasure to work closely with him during those years. He was highly knowledgeable about nuclear power and its uses and was highly respected by those who were leaders in the field.

Sterling was born in the town of Painted Post, NY, a few miles west of Corning. He was graduated from Colgate University in 1925, where he was elected to Phi Beta Kappa. Four years later he earned a law degree at the Albany Law School of Union University.

In 1934, Sterling was elected to the House. He served on the District of Columbia and Education Committees, but became most active and knowledgeable in the Naval Affairs Committee. In fact, he was the ranking minority member when that committee merged with the Military Affairs Committee to form the Armed Services Committee.

When Sterling became chairman of the Joint Atomic Energy Committee, he worked stridently for expansion of private atomic power developments for peacetime industrial uses. He firmly believed that atomic energy should play a key role in our Nation's energy strategy.

I knew Sterling for more than 25 years. I considered him my tutor on atomic and nuclear energy when I first came to Congress in 1962. As a former member of the New York State congressional delegation, he was always there when you needed him, and always the first to give a helping hand.

Sterling had a beautiful marriage of 57 years to his lovely wife, Mary. I know his two sons continue to live and work in the DC area, and have successful careers of their own. My wife Nancy joins me in wishing Mary and the Cole family the best. Their loss is felt by many.

HUMAN RIGHTS AS AN INTEGRAL PART OF THE U.S. FOREIGN POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 5 minutes.

Mr. PEASE. Mr. Speaker, on February 19, the State Department released "Country Reports on Human Rights Practices for 1986." The report is the result of requirements enacted by the Congress in recent years calling upon the administration to assess human rights conditions in all nations worldwide.

In his testimony before the House Foreign Affairs Subcommittee on Human Rights and International Organizations, Richard Schifter, Assistant Secretary of State for Human Rights and Humanitarian Affairs, said that the legal provision requiring the country reports truly made human rights an integral part of the day-to-day operations of U.S. foreign policy.

The State Department ought to be commended for its efforts that have resulted over the years in the improvement of the standard and quality of the reports.

But while it may be true that the preparation of these annual country reports constitutes an important element of our human rights policy, there seems nevertheless to be little relation between human rights considerations and the formulation of U.S. foreign policy here in Washington, DC, toward a number of countries. Mr. Schifter's above statement certainly was far from the truth for the operation of U.S. foreign policy in certain countries.

In Chile, for instance, the report said that many fundamental political freedoms were severely restricted with a high level of political killing and serious problems of police torture and brutality. And yet, the administration seems to be content with its "quiet diplomacy" approach to the Pinochet regime. Iran's human rights record in 1986 according to the same report continued to show serious abuses with large-scale executions for both political and nonpolitical offenses. My colleague GUS YATRON from Pennsylvania was quite right to point out that had the statute of section 502(b) of the Foreign Assistance Act—which stipulates that "no assistance may be provided to any country the government of which engages in a consistent pattern of gross violations of internationally recognized human rights"—been adhered to, the arms shipments to Iran would have been prohibited.

One could go on to examine reports of other countries such as South Africa, Guatemala, South Korea, et cetera, and wonder if the facts contained in these reports have had any bearing at all on our policy toward them. In Poland with no clear evidence of progress made, especially in the area of worker rights, the administration has recently indicated its intention to lift economic sanctions to that country. What kind of a signal are we sending to that totalitarian regime and indeed to others?

It is very important for lawmakers to ensure that the existing U.S. human rights law is consistently observed by the administration. The credibility of our foreign policy, if it is to be restored, must rest upon the firm foundation of the principles and beliefs of the American people. Since the inception of our Nation, we have always attached the greatest importance to the basic fundamental rights of all individuals regardless of their race, sex, or religion. A strong and clear message should therefore be sent to those dictatorial regimes that the inhuman treatment of their peoples is deplored by the American people and they therefore should not expect any support or assistance from the United States. Appropriate sanctions as well as cuts in foreign assistance should be applied as a tangible demonstration of our strong disapproval.

One of the ways we can work effectively is through trade. I for one have been a strong advocate for the promotion of internationally recognized worker rights worldwide by linking with trade. The administration has already implemented the first step in the right direction by removing three countries from the list of U.S. GSP beneficiaries. I hope this 100th Congress will pass a comprehensive trade bill that will include the abuses of internationally recognized worker rights as another unreasonable trade practice, thereby enabling the administration to react with tough trade measures. I also hope that in the next annual Country Reports on Human Rights Practices, the State Department will focus much greater attention not just on the existing law and regulations of a particular country but also on the reality that exists in that society.

It is time for all concerned to make human rights a genuinely integral part of the operations of our foreign policy.

□ 1220

ALCOHOL FUELS: THE FARMER FOR THE NATIONAL DEFENSE

The SPEAKER pro tempore (Mr. BENNETT). Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 60 minutes.

Mr. ALEXANDER. Mr. Speaker, I rise today to address the two crises that face our Nation.

America now faces two crises that threatens the lifeblood of the Nation; One is the farm crisis, which is today ravaging rural America with the most severe economic dilemma since the Great Depression. The other crisis is one that looms on the horizon—the impending threat of a second, energy crisis caused by American dependence on foreign oil.

It is dependent because that oil comes from, in many instances, the most chaotic areas on Earth.

In responding to these crises, a series of interrelated reforms will be needed.

One, an alcohol fuels program could serve as a cornerstone for our solutions to both of these crises.

A study released by the Department of Energy on last Tuesday demonstrated that the United States will be importing half of its oil by the 1990's, and that situation could present dangers for American national security.

About one-half of the so-called cheap oil is located in the Persian Gulf. The Persian Gulf oil fields lie in the midst of a medieval religious war between Iran and Iraq. Even deeper than the ancient wrath the Shiite Iranians harbor for the Sunni Iaquis is the hatred felt among the Shiite muslims for Americans and the British.

It is only a matter of time when the Iranians disrupt the oil supply from the Persian Gulf region and it is not a question of whether we must reduce our dependence on foreign oil, but only of how we should go about it.

Earlier today, a colleague urged the first-phase development of the strategic defense initiative, the SDI, in order that the United States might create a defense shield in the heavens to defend against the nuclear threat presented by the Soviet Union.

As former President Eisenhower once said, "Our Nation's strength is more than military; it is economic and moral as well."

An alcohol fuels program is potentially more valuable for U.S. defense than star wars, because it could reduce our dependence on foreign oil, the dependence of which is the Achille's heel of our Nation.

The farmer can come to the defense of America by using the agricultural surplus for an alcohol fuels program.

It we could free the farmers in Arkansas and other farm States from their current economic crisis by establishing an alcohol fuels program and other reforms, they could free the Nation of our dependence on foreign oil.

A major alcohol fuels program would help revive the farm economy, reduce our soaring trade deficits, improve the environment, and strengthen national security. Before I explain why the program would bestow these benefits on our economy, let me begin by discussing the facet of the program that offers what is potentially its greatest benefit: It could prevent this Nation from being held hostage to its oil dependency by hostile foreign powers; who daily threaten our Nation with hostility.

The potential threat to our national security posed by our dependence on foreign oil should be disturbing for all thoughtful Americans. Information Resources, Inc., a Washington-based research energy firm, estimates that at present, 75 percent of all known oil supplies are located either in the Middle East, Libya, Algeria, or in Communist countries.

America's dependence on foreign oil means that such distant places of the globe as the Strait of Hormuz may become the Nation's jugular, which could be threatened by a hostile, chaotic power at any time.

The Iranians now have batteries of missiles along the strait, and those missiles could disrupt the flow of oil from that region.

□ 1230

If the Iranians attempted to cut off navigation along the strait, it could cause worldwide oil shortages and plunge the world economy into a depression.

When we consider the need for an alcohol fuels program, we should keep in mind the stark reality of the Iranian threat that hangs over the economy like the sword of Damocles.

The threat is not something that might materialize in the far-off future; we live with it every day. On Thursday the administration officials announced that recent Iranian military threats to interrupt the flow of Persian Gulf oil with their newly tested Chinese-made missiles had prompted United States warnings to Iran.

The United States aircraft carrier, *Kitty Hawk*, and supporting warships have moved into the Arabian Sea within striking distance of the Iranian missile batteries, and the administration has warned Iran that America is determined to protect freedom of navigation for all shipping in the Persian Gulf region.

Since last summer, vessels serving neutral Gulf-Arab ports have increasingly been the target of Iranian attacks. In recent weeks the Iranians have moved the large antiship missiles known as Silkworms near the strait. Those missiles have five times the payload of the missiles previously used by Iran to attack Persian Gulf shipping. This dire situation has led the United States to send intense messages of concern to friendly nations in the Middle East and to Western Europe, as well as to the Soviet Union and China.

In a national television appearance on Sunday, Secretary of Defense Caspar Weinberger said that the United States is "fully prepared to do what is necessary" to defend Persian Gulf shipping against the mounting threat of attack by Iranian missiles.

The administration is now seriously considering an informal suggestion by Kuwait that the United States naval vessels escort Kuwaiti oil tankers, which were frequently under Iranian attack. Weinberger made clear yesterday that if Kuwait or similar countries in the region ask for such assistance "and the host countries are anxious to have us help, we are fully prepared to help."

As we reflect on the dangers of this situation, it is easy to conclude that the need to eliminate our dependency on foreign oil is, by itself, sufficient justification for developing an alternative fuels industry.

An alcohol fuels program would be a vastly superior alternative to other proposals that have been suggested as a remedy for the impending energy crisis. Secretary of Energy John Herrington has proposed tax breaks for the oil industry to boost domestic production, but his proposal could cost the Treasury from $1 billion to several billion a year in lost revenues. With our current dilemma of soaring Federal deficits, we do not need to deprive the Treasury of a substantial volume of revenue; we need to develop alternative fuels.

The Alcohol Fuels Program, in contrast to Herrington's proposal, would result in a savings rather than a drain on the Government. A thoughtful analysis of the program will reveal that it offers reductions in the budget and trade deficits, positive economic effects for both farmers and urban residents alike, and a strengthening of national security.

Reducing our dependence on foreign oil would in turn reduce the trade deficit and would help restore health to the depressed farm economy.

An alcohol fuels program is an essential part of a multifaceted plan that is needed to attack the immediate crisis, the farm dilemma, and the impending crisis in energy. One works hand in glove with the other.

It is imperative that we find new uses and new markets for surplus agricultural products. An excellent solution is ethanol, the fuel distilled from corn and other crops.

For many years it has been praised as our Nation's homegrown alternative to dependence on foreign oil, yet its abundant potential has never been realized. It is time we made use of this great national resource.

Rather than storing crops and accepting Federal payments, farmers could sell them to energy companies—some now existing and others that will form to respond to the new demand—that convert the crops to ethanol fuel. Demand would rise and commodity prices would rise.

Corn farmers are now paid about $11 billion a year for their surplus crop, and that would become unnecessary if they could sell that surplus on the market for the purpose of creating alcohol fuels.

The most beneficial manipulation of the oversupply of feed grains would result from the creation of an enlarged alcohol fuels market.

Over 2 billion bushels of farm products could be utilized in the production of alternative fuels at no additional cost to the taxpayers. This can be achieved by amending the Clean Air Act to require the use of up to 10 percent ethanol and up to 5 percent methanol in all gasoline sold in the United States. Two and one-half billion bushels of farm products would be utilized to produce about 6.25 billion gallons of ethanol. For one bushel of grain you get about 2.5 gallons of fuel.

In addition, 2.5 billion gallons of methanol would also be needed.

A savings of about $8 billion would be realized in USDA farm program costs, $4.5 billion from reductions in deficiency payments to farmers, and another $3.5 billion from reduced storage costs and other costs to the Department of Agriculture.

A transfer of part of the savings in farm program costs could be used to replenish an estimated $3.76 billion loss to the highway trust fund. The fund is reduced because 6 cents of the 9-cent Federal excise tax would be lost on 50 billion gallons of fuel containing the refiner-marketer blend of ethanol, methanol, and gasoline.

Compliance with the National Clean Air Act standards would reduce refined gasoline product imports by about 8.75 billion gallons, saving another $5 billion in imported oil costs.

Expanded use of ethanol and methanol, made from natural gas and coal, would be a great boon to the environment, because these fuels produce significantly lower levels of carbon monoxide and ozone, two important air pollutants. Alcohol fuels also reduce nitrogen oxides, which are precursors of acid rain. Thus the program would lead to an important improvement in air quality, in addition to expanded demand for farm products.

With a major alcohol fuels program in place, the United States could build as many as 100 commercial-scale ethanol fuel plants by 1990. Each plant would convert 20 million bushels of corn into 50 million gallons of ethanol annually.

The General Accounting Office estimates that 20,000 new jobs would be created directly, and as many as 400,000 jobs would be created or saved indirectly as a result of spinoff industries created by this new demand for U.S. farm products. These new jobs would generate roughly $600 million in new personal income, thus decreasing unemployment benefits paid by Federal and State Governments while simultaneously expanding their revenue base.

In noting all these benefits, we should stress that there is important ongoing research on alcohol fuels, so that the industry can be expected to improve its efficiency in the future. Research has made great strides in recent years, as the United States has attempted to overtake Brazil as the world's leaders in alcohol fuels research. Brazil has agreed to cooperate with the United States. The Institute of Technology in Sao Paulo has agreed to cooperate with the University of Arkansas, which is especially noted for its Biomass Research Center, under the direction of Dr. Dwight Talburt.

□ 1240

For a number of years, Talburt's center has conducted research on a patented enzymatic process for converting certain types of renewable feed stocks to alcohol fuels, as well as other research projects. This process can be applied to agricultural produce used for food, although its greatest significance is likely to be in converting agricultural, forestry, and municipal wastes to alcohol fuels.

The University of Arkansas holds the patent for that process. The research at the Arkansas Biomass Research Center is an example of the ongoing improvements that are likely to make the alcohol fuels industry ever more efficient over time, thus making the prospects for the future of alcohol fuels even brighter than they appear today.

A major alcohol fuels programs offers an imposing array of interlocking benefits to our country: It would save billions of dollars that taxpayers now shell out for farm programs to build up more surplus; it would create jobs; it would improve the environment; it would reduce our soaring trade deficits and contribute to a revival of the farm economy.

Most important, it would allow the farmer to come to the Nation's defense by using his vaunted productivity to free the Nation of our bondage to foreign oil. With a comprehensive approach to both our defense and farm problem, we can solve both by advancing a policy that is interrelated and interdependent but works together to benefit the Nation's defense and to revive the Nation's heartland which has sunk into the depths of a deep depression unlike one that we have seen in recent years, but more like the Great Depression of the 1930's.

More importantly, it would give new hope to the Nation's heartland, among those loyal Americans who would gladly defend our Nation should we became engaged in a national conflict by using their talents as farmers to contribute to the national defense by establishing an alcohol fuels program.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Smith of Texas) to revise and extend their remarks and include extraneous material:)

Mr. Morella, for 60 minutes, on March 31.

Mr. Kyl, for 60 minutes, on March 31.

Mr. Lungren, for 60 minutes, on March 31.

Mr. Lungren, for 60 minutes, on April 1.

Mr. Lungren, for 60 minutes, on April 2.

Mr. McCandless, for 5 minutes, on March 24.

Mr. Bilirakis, for 60 minutes, on March 25.

Mr. Crane, for 60 minutes, on March 25.

Mr. Gekas, for 15 minutes, on March 24.

(The following Members (at the request of Mr. Alexander) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Mfume, for 5 minutes, today.

Mr. Pease, for 5 minutes, today.

Mr. Alexander, for 60 minutes, today.

Mr. Gonzalez, for 60 minutes, on March 24.

Mr. Gonzalez, for 60 minutes, on March 26.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Smith of Texas) and to include extraneous matter:)

Mr. Baker.

Mr. Courter.

Mr. Gradison.

Mr. Roth.

Mr. Kemp.

Mr. Horton.

Mr. Broomfield.

(The following Members (at the request of Mr. Alexander) and to include extraneous matter:)

Mr. Roe.

Mr. Kastenmeier.

Mr. Anderson in 10 instances.

Mr. Gonzalez in 10 instances.

Mr. Brown of California in 10 instances.

Mr. Annunzio in six instances.

Mr. Jones of Tennessee in 10 instances.

Mr. Boner of Tennessee in five instances.

Mr. Torres.

Mr. Torricelli in two instances.

Mr. Coelho.

Mr. Ackerman.

Mr. Hawkins.

Mr. Udall.

Mr. Biaggi in three instances.

Mr. Levine of California.

Mr. Waxman.

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to joint resolutions of the Senate of the following titles:

S.J. Res. 19. Joint resolution to designate March 20, 1987, as "National Energy Education Day"; and

S.J. Res. 63. Joint resolution to designate March 21, 1987, as "Afghanistan Day."

A BILL AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, a bill and joint resolutions of the House of the following titles:

On February 4, 1987:

H.J. Res. 102. Joint resolution making emergency additional funds available by transfer for the fiscal year ending September 30, 1987, for the Emergency Food and Shelter Program of the Federal Emergency Management Agency.

On February 6, 1987:

H.J. Res. 131. Joint resolution congratulating Dennis Conner and the crew of *Stars and Stripes* for their achievement in winning the America's Cup.

On March 4, 1987:

H.J. Res. 3. Joint resolution to recognize the 100th anniversary of the enactment of the Hatch Act of March 2, 1887, and its role in establishing our Nation's system of State agricultural experiment stations; and

H.J. Res. 53. Joint resolution to designate the week beginning March 1, 1987, as "Federal Employees Recognition Week."

On March 6, 1987:

H.J. Res. 153. Joint resolution to provide timely issuance of grants and loans by the Environment Protection Agency under the Asbestos School Hazard Abatement Act of 1985 to ensure that eligible local educational agencies can complete asbestos abatement work in school buildings during the 1987 summer school recess.

On March 12, 1987:

H.R. 1056. An act to amend the National Housing Act to limit the fees that may be charged by the Government National Mortgage Association for the guaranty of mortgage-backed securities.

ADJOURNMENT

Mr. ALEXANDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 43 minutes p.m.) the House adjourned until tomorrow, Tuesday, March 24, 1987, at 12 noon.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1986 TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

OFFICE OF THE ASSISTANT
SECRETARY OF DEFENSE,
Washington, DC, March 13, 1987.

Hon. JIM WRIGHT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: In compliance with Section 4(a) of Public Law 85-804, enclosed is the calendar year 1986 report on *Extraordinary Contractual Actions to Facilitate the National Defense.*

Section A. Department of Defense Summary, shows that 62 contractual actions were approved and that seven were disapproved. The number approved includes actions for which the Government's liability is contingent and cannot be estimated.

Section B presents those actions which were submitted by the Army, Navy, and Air Force with an estimated or potential cost of $50,000 or more. A list of contingent liability claims is also included. The Defense Logistics Agency report indicated that no actions of $50,000 or more were approved, and the Defense Communications Agency, Defense Mapping Agency and Defense Nuclear Agency reported no actions.

Sincerely,

D.O. COOKE,
Deputy Assistant Secretary of Defense.

CONTRACTUAL ACTIONS TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE

SECTION A—DEPARTMENT OF DEFENSE SUMMARY

SUMMARY REPORT OF CONTRACTUAL ACTIONS TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY–DECEMBER 1986

Department and type of action	Actions approved			Actions denied	
	Number	Amount requested	Amount approved	Number	Amount
Department of Defense—Total	62	$13,554,903	$13,839,903	7	$4,675,997
Amendments without consideration	1	9,289,732	9,574,732	5	4,017,798
Formalization of informal commitments	9	4,265,171	4,265,171	1	127,260
Other—Government action	0	0	0	1	530,939
Contingent liabilities	52	0	0	0	0
Army—Total	1	4,215,041	4,215,041	1	127,260
Formalization of informal commitments	7	[1] 4,215,041	4,215,041	1	127,260
Contingent Liabilities	3	0	0	0	0
Navy—Total	34	9,289,732	9,574,732	2	395,765
Amendments without consideration	1	9,289,732	[2] 9,574,732	2	395,765
Contingent liabilities	33	0	0	0	0
Air Force—Total	16	0	0	4	4,152,972
Amendments without consideration	0	0	0	3	3,622,033
Other—Government action	0	0	0	1	530,939
Contingent liabilities	16	0	0	0	0
DLA—Total: Formalization of informal commitments	2	50,130	50,130	0	0
DCA—Total	0	0	0	0	0
DMA—Total	0	0	0	0	0
DNA—Total	0	0	0	0	0

[1] Includes 6 actions less than $50,000.
[2] Includes $285,000 progress payment.

SECTION B—DEPARTMENT SUMMARY

DEPARTMENT SUMMARY OF CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER 1986

U.S. ARMY SUMMARY

Type of action and contractor	Amount requested	Approved
Formalization of informal commitments: Government of Israel, Ministry of Defense	$4,188,473	$4,188,473
U.S. Army—Total	4,188,473	4,188,473
Contingent liabilities: 3 contracts		

CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER 1985

Contractor: Government of Israel, Ministry of Defense.

Type of action: Formalization of Informal Commitments.

Actual or estimated potential cost: $4,188,473.

Service and activity: U.S. Army Material Command (AMC).

Description of product or service: Equipment for Army Tank Program.

Background: Prior to 1975, the Government of Israel (GOI) purchased various equipment from the United States under the Foreign Military Sales (FMS) program. In early 1974, critical needs in the U.S. Army tank program resulted in a request from U.S. Army Material Command (AMC) representatives that GOI sell back to the United States surplus equipment that GOI had purchased earlier. The requested equipment included tank cupolas, machine guns, and various tank related equipment.

The original terms of payment to GOI are not clear, but, at some point, personnel at the Army Material Command decided to pay GOI by crediting other foreign military sales accounts. According to the AMC representatives, this method of payment was an integral part of the deal between GOI and AMC from the earliest discussions.

In the course of delivering the desired equipment, Israel requested payment in writing. The U.S. Army Tank-Automotive Material Command (a subordinate command of AMC) then issued a $1,980,000 check for deposit into Israel's trust fund account at the U.S. Air Force Security Assistance Accounting Center for tank cupolas. The U.S. Army Arament Material Readiness Command (another subordinate command) credited GOI FMS cases in the amount of $2,797.42 for various returned Army Stock Funds items.

On August 2, 1978, however, the Deputy Command Counsel at AMC (then called the U.S. Army Material Development and Readiness Command, (DARCOM) determined that the payments were improper, because, in his opinion, the entire arrangement for crediting FMS sales to Israel was improper. According to AMC, the agreement was defective in at least two respects. First, the AMC representatives had no authority to bind the United States; and, second, the method of payment was not permitted under law governing foreign military sales. AMC concluded that 22 U.S.C. 2761 (Section 21 of the Arms Export Control Act), which requires payment in United States dollars for sale of defense articles to eligible countries, prohibits "barter transactions", which AMC characterized this to be. Thereafter, AMC informed GOI of its determination, had recommended that GOI seek extraordinary contractual relief.

The Army Material Command (AMC) then forwarded a request by GOI to the Army Contract Adjustment Board for extraordinary contractual relief under Public Law 85-804. In a memorandum of decision dated February 26, 1986, the Army Contract Adjustment Board indicated that Public Law 85-804 was not the appropriate method by which to grant relief to GOI. The Board decided that AMC should ratify the commitment and satisfy the obligation to GOI.

AMC reexamined the record and again considered the propriety of ratification. This reexamination resulted in a request from AMC that the Board reconsider its decision.

Justification: The Army Contract Adjustment Board found that GOI, at the request of AMC, provided urgently needed equipment to the United States with the expectation of compensation. The Board also found that "Equity and the interest of national defense demand that some form of relief be granted." The Board stated that considerations of fairness and the interest of preserving amicable relations with a friendly foreign government justify an extraordinary contractual action to compensate GOI for the equipment obtained from them. *CF. Jin Up Kim*, ACAB No. 1103, 2 ECR 92 (1969); *Republic of Italy*, ACAB No. 1077, 2 ECR 25 (1967). The Board found that it would be inequitable for the U.S. Army to retain and use the equipment obtained from GOI in accordance with the informal arrangements without compensating them. The representatives of both governments intended, when the informal arrangements were made, that the GOI would be compensated for the equipment being obtained from them.

Decision: The Board decided that under these circumstances, compensation of the GOI for the equipment obtained from them is necessary to avoid misunderstandings and ill will between the United States and the Government of Israel. The board concludes it has authority to grant relief in this case under either FAR 50.302-3, "Formalization of Informal Commitments," or FAR 50.4, "Residual Powers."

In light of the foregoing, the Board reconsidered its earlier decision. It appeared that, contrary to the Board's earlier conclusion, ratification would not be appropriate in this case. Based on the facts recited in the most recent AMC submission, and on the record already before the Board, the Board concluded that extraordinary contractual relief was appropriate, and that such relief would facilitate the national defense. Consequently, AMC was authorized to execute a new contract for the express purpose of compensating the Government of Israel in the amount of $4,188,472.98, less the amount deposited into Israel's trust fund account at the U.S. Air Force Security Assistance Accounting Center ($1,980,000), and less the amount allowed as credits (3,797.92)

CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER 1986

U.S. Army

Contingent liabilities: Provisions to indemnify contractors against liabilities because of claims for death, injury or property damage arising from nuclear radiation, use of high energy propellants, or other risks not covered by the contractor's insurance program were included in three contracts (the potential cost of the liabilities cannot be estimated since the liability to the Government, if any, will depend upon the occurrence of an incident as described, in the indemnification clause). Items procured are generally those associated with nuclear-power vessels, nuclear armed guided missiles, experimental work with nuclear energy, handling of explosives, or performance in hazardous areas.

Contractor:	*Contracts*
Westinghouse Electric Corp	1
Burns & Roe Industrial Services Corp	1
State of Michigan, Department of Public Health	1
Total	3

DEPARTMENT SUMMARY OF CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER 1986

U.S. NAVY SUMMARY

Type of action and contractor	Amount requested	Approved
Amendments without consideration: Gila River Indian Community	9,289,732	9,574,732
U.S. Navy—Total	9,289,732	9,574,732
Contingent liabilities: 33 contracts		

CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER 1985

Contractor: Gila River Indian Community.

Type of action: Amendments Without Consideration.

Actual or estimates potential costs: $9,574,732.

Service and activity: U.S. Naval Air Systems Command.

Description of product or service: Natural Rubber.

Background: On May 24, 1982, the Deputy Secretary of Defense directed the initiation of a program for the establishment of a prototype domestic guayule rubber industry. On September 28, 1982, a $400,000 firm fixed price contract, N00019-82-C-0486, was awarded to the Gila River Indian Community (GRIC) of Sacaton, Arizona to result in the preparation of a final report describing the establishment of a prototype domestic guayule rubber industry. Tied to the GRIC prime contract was a $20 million Government Guaranteed Loan under the authority of Title III of the Defense Production Act which would provide the funding for the contracts' agronomic and processing effort. Loan disbursements were to be made monthly for all allowable and allocable effort performed under the contract in a method similar to progress payments. The Government Guaranteed Loan provided for quarterly interest payments on disbursements beginning immediately, with principal and interest payments beginning five years after the loan's signature.

A number of key assumptions used in the governments decision to go forward with the guayule rubber program in 1982 have proven incorrect. First, the World Bank Primary Commodity Forecast in 1982, of rubber prices increasing from $.46 to $1.16 in 1992, failed to materialize. In fact, the world price for rubber fell to the present price of $.37 per pound. Second, the GRIC, after successful completion of the program, planned to produce rubber in a commercial plant in the 1992 timeframe which at 1982 projected prices would have provided revenues to repay the Government Guaranteed Loan. Based on the latest market information, these strategies to repay the loan are now impossible. Finally, another development was the failure of the loan to guarantee money to serve as an incentive to the private sector in investing in programs vital to the national defense. The GRIC indicated that, having already expended $1.3 million in tribal assets for interest payments under the loan, it could no longer pay either interest or principal on the loan in the absence of revenues from the Guayule Project. Financial failure is the only potential reason for the GRIC's non-performance under the existing contract.

By letter of December 2, 1985, the Gila River Indian Community (GRIC) of Sacaton, Arizona, requested relief from a loan obligation (which to date amounts to $9,289,732.13) incurred in the execution of Contract N00019-82-C-0486.

Justification: The criteria for deciding a request based on essentiality are set forth in FAR 50.302-1. The key elements are an actual or threatened loss under a defense contract which impairs the productive ability of a contractor deemed essential to the national defense. The essentiality of the GRIC is based on the Government's need to complete the Guayule Rubber Project.

The two overriding national security issues that caused the Guayule Rubber Program to be started in 1982 remain unchanged: (1) the U.S. remains 100 percent import dependent for its supply of natural rubber; and (2) the national stockpile for natural rubber is at only 14 percent of inventory objective. The two key assumptions for the Guayule Rubber Program's success in its current financial structure (i.e., as a loan guarantee arrangement), the need for private sector investment and the increase in world rubber prices, have not been borne out. The Guayule Rubber Program must be restructured to insure its continuance. The restructuring of the program under fully funded procurement contracts with the GRIC and Firestone is dependent on resolution of the GRIC's current obligations under the existing loan guarantee arrangement.

The GRIC's actual or threatened loss as a result of obligations incurred in the execution of Contract N00019-82-C-0486 would impair its productive ability. The amount of loss that the GRIC would incur if relief is not granted would amount to $9,289,732.13 incurred under the loan agreement with the Federal Financing Bank plus repayment of $285,000 in progress payments if the subject contract is terminated for default. GRIC tribal assets are valued at $37 million. Projected tribal revenues are $500,000 annually for the next three years. The GRIC is incapable of executing the Guayule Rubber Project under the terms of the current agreement or of repaying any significant portion of the loan given current operating revenues. A liquidation of revenue producing tribal assets for repayment of the loan would work a financial hardship on the tribe as a whole and could require an increase in Federal assistance grants to offset the loss. The only prospect for significant financial improvement of the GRIC is commercialization of guayule rubber which does not seem feasible within the next 5-10 years.

Decision: After considering the history of the program, the technical and financial performance of the GRIC on the program, the current and projected financial status of the GRIC, and the short- and long-term probabilities for commercialization of guayule rubber, the Board reached its decision.

It was the unanimous decision of the Board that threatened loss under Contract N00019-82-C-0486 would impair the ability of the GRIC to continue work on the Guayule Rubber Program which is essential to the national defense. The Board found that action granting relief would facilitate the national defense within the meaning of Public Law 85-804 and that other legal authority is deemed to be lacking or inadequate. A contracting officer of the Naval Air Systems Command was authorized to issue an amendment to Contract N00019-82-C-0486 incorporating the following provisions: "It is hereby agreed that in consideration of the U.S. Navy's agreement to discharge and release the GRIC from any and all liability or obligation under the Credit Agreement dated September 28, 1982, among the Federal Financing Bank, the GRIC, and the Secretary of the Navy, that title to any and all items purchased, constructed, planted, or paid for in any way under drawdown requests one (1) through thirty-nine (39) pursuant to the September 28, 1982, credit agreement as incorporated in Contract N00019-82-C-0486 is transferred to the U.S. Navy".

It is also the decision of the Board that GRIC receive full credit for $285,000 in progress payments previously paid under subject contract.

CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER 1986

U.S. Navy

Contingent liabilities: Provisions to indemnify contractors against liabilities because of claims for death, injury, or property damage arising from nuclear radiation, use of high energy propellants, or other risks not covered by the contractor's insurance program were included in 33 contracts (the potential cost of the liabilities cannot be estimated since the liability to the Government, if any, will depend upon the occurrence of an incident as described, in the indemnification clause). Items procured are generally those associated with nuclear-powered vessels, nuclear armed guided missiles, experimental work with nuclear energy, handling of explosives, or performance in hazardous areas.

Contractor:	*Contracts*
McDonnell Douglas Astronautics Co.	2
General Dynamics Corp.	8
General Electric	7
Honeywell Inc.	4
Hughes Aircraft Co.	2
Lockheed Missiles & Space Co, Inc.	2
Newport News Shipbuilding & Dry Dock Co	2
Raytheon	1
The Singer Co.	3
Westinghouse Electric Corp.	2
Total	33

DEPARTMENT SUMMARY OF CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER 1986

U.S. AIR FORCE

Type of action and contractor	Amount requested	Approved
Contingent liabilities: contracts		

CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER 1986

U.S. Air Force

Contingent liabilities: Provisions to indemnify contractors against liabilities because of claims for death, injury, or property damage arising from nuclear radiation, use of high energy propellants, or other risks not covered by the contractor's insurance program were included in 16 contracts (the potential cost of the liabilities cannot be estimated since the liability to the Government, if any, will depend upon the occurrence of an incident as described, in the indemnification clause). Items procured are generally those associated with nuclear powered vessels, nuclear armed guided missiles, experimental work with nuclear energy, handling of explosives, or performance in hazardous areas.

Contractor:	*Contracts*
Aerojet TechSystems	1
Morton Thiokol	1
General Electric Corp	1
Aerojet Strategic Propulsion Co	1
Northrop Corp	2
Lockhead Corp. Missiles and Space Division	1
Rockwell International	2
Honeywell Inc.	1
Boeing Aerospace Co	1
General Dynamics Corp.	1
Southern Air Transport	2
Martin Marietta	2
Total	16

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

942. A communication from the President of the United States, transmitting amendments to the request for appropriations for fiscal year 1987, 1988, and 1989, pursuant to 31 U.S.C. 1107 (H. Doc. No. 100-51); to the Committee on Appropriations and ordered to be printed.

943. A letter from the Deputy Assistant Secretary of Defense, transmitting the calendar year 1986 report on "Extraordinary Contractual Actions to Facilitate the National Defense", pursuant to 50 U.S.C. 1434; to the Committee on Armed Services.

944. A letter from the Deputy Secretary of Defense, transmitting the war emergency situations and mobilization requirements report, pursuant to Public Law 99-661; to the Committee on Armed Services.

945. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled "Contract Appeal Issues Related to IFB 6332-AA-23-0-6-RB", pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

946. A letter from the Secretary of Education, transmitting a draft of proposed legislation to amend the Drug-Free Schools and Communities Act of 1986, and for other purposes; to the Committee on Education and Labor.

947. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting additional information concerning proposed antiterrorism assistance to El Salvador, pursuant to FAA, section 574(a)(1) (97 Stat. 972); to the Committee on Foreign Affairs.

948. A letter from the Secretary of State, transmitting President Reagan's determination (No. 87-12) that the Board of the International Fund is, as a whole, broadly representative of the interests of the communities in Ireland and Northern Ireland, and that disbursements from the International Fund will be distributed in accordance with the principle of equality of opportunity and nondiscrimination in employment, pursuant to Public Law 99-415, section 5(c) (100 Stat. 948); to the Committee on Foreign Affairs.

949. A letter from the Secretary of State, transmitting his determination and report that Israel is not being denied its right to participate in the activities of the International Atomic Energy Agency, pursuant to Public Law 99-88, chapter V (99 Stat. 323); to the Committee on Foreign Affairs.

950. A letter from the Administrator, Agency for International Development, transmitting a document entitled "A Second Report on the Child Survival Program"; to the Committee on Foreign Affairs.

951. A letter from the Director, Peace Corps, transmitting a draft of proposed legislation to amend the Peace Corps Act, and for other purposes; to the Committee on Foreign Affairs.

952. A letter from the Executive Director, Committee For Purchase From the Blind and Other Severely Handicapped, transmitting an amended report of the Committee's activities under the Freedom of Information Act for calendar year 1986, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

953. A letter from the Chairman, Council on Environmental Quality, transmitting a

report of the agency's activities under the Freedom of Information Act for calendar year 1986, pursuant to 5 U.S.C. 55(d); to the Committee on Government Operations.

954. A letter from the Chairman, National Endowment for the Arts, transmitting a report of the agency's activities under the Freedom of Information Act for calendar year 1986, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

955. A letter from the Chairman, Tennessee Valley Authority, transmitting a report of the agency's activities under the Freedom of Information Act for calendar year 1986, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

956. A letter from the Administrator, Veterans' Administration, transmitting notification of an altered Federal records system, pursuant to 5 U.S.C. to the Committee on Government Operations.

957. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notice of proposed refunds of offshore lease revenues in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

958. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notice of proposed refunds of offshore lease revenues in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

959. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notice of proposed refunds of offshore lease revenues in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

960. A letter from the Secretary of the Interior, transmitting the 1986 section 8 report on national historic and natural landmarks that have been damaged or to which damage to their integrity is anticipated, pursuant to 16 U.S.C. 1a-5(a); to the Committee on Interior and Insular Affairs.

961. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend the Land and Water Conservation Fund Act of 1965; to the Committee on Interior and Insular Affairs.

962. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend title I of the Salmon and Steelhead Conservation and Enhancement Act of 1980, as amended, to repeal the Salmon Vessel Buy-Back Program; to the Committee on Merchant Marine and Fisheries.

963. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Endangered Species Act of 1973, as amended, to reauthorize appropriations for carrying out the act during fiscal years 1988, 1989, 1990, and 1991, and for other purposes, pursuant to 31 U.S.C. 1110; to the Committee on Merchant Marine and Fisheries.

964. A letter from the Director, Office of Personnel Management, transmitting a report on the operation of the Senior Executive Service, including a performance appraisal, pursuant to 5 U.S.C. 3131 nt., 3135 and 4314(d); to the Committee on Post Office and Civil Service.

965. A letter from the Department General Counsel, Department of Transportation, transmitting copies of the fiscal year 1988 budget requests of the Federal Aviation Administration to the Department, including requests for facilities and equipment and research, engineering, and development, pursuant to Public Law 97-248, section 506(f); to the Committee on Public Works and Transportation.

966. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend the Department of Defense Appropriations Act, 1987, to repeal direction to the Secretary of the Navy to pay losses of a business entity in the construction of the Norfolk Navy Steam Plant; jointly, to the Committees on Armed Services and Appropriations.

967. A letter from the Comptroller of the Currency, transmitting the annual report on consumer complaint processing activities for calendar year 1986, pursuant to 15 U.S.C. 57a(f)(6); jointly to the Committees on Energy and Commerce and Banking, Finance and Urban Affairs.

968. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a draft of proposed legislation to amend the Atomic Energy Act of 1954, as amended, to improve the nuclear powerplant siting and licensing process, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPIN (for himself and Mr. Dickinson) (by request):

H.R. 1748. A bill to authorize appropriations for fiscal years 1988 and 1989 for military functions of the Department of Defense and to prescribe military personnel levels for such Department for fiscal years 1988 and 1989, and for other purposes; to the Committee on Armed Services.

H.R. 1749. A bill to authorize the Director of the U.S. Information Agency to make available to the Department of Defense USIA photographs of military activities in the Republic of Vietnam for the purpose of developing and publishing military histories; to the Committee on Foreign Affairs.

By Mr. BROOKS (for himself and Mr. Horton):

H.R. 1750. A bill to amend the Buy American Act, and for other purposes; jointly, to the Committees on Government Operations and Ways and Means.

By Mr. BAKER (for himself, Mr. Livingston, Mr. Huckaby, Mr. Hayes of Louisiana, and Mr. Inhofe):

H.R. 1751. A bill to impose a fee on the importation of crude oil and refined petroleum products depending on average world prices of oil and domestic consumption of oil and to dedicate one-half of the revenues from such fee for low-income home energy assistance programs; jointly, to the Committees on Ways and Means, Energy and Commerce, and Education and Labor.

By Mr. BENNETT:

H.R. 1752. A bill to amend the Drug-Free Schools and Communities Act of 1986, and for other purposes; to the Committee on Education and Labor.

By Mr. CONYERS:

H.R. 1753. A bill to prohibit plant closings and mass layoffs by employers of 500 or more employees; to the Committee on Education and Labor.

By Mr. GRADISON (for himself, Mr. Beilenson, Mr. Panetta, Mr. Regula, Mr. Armey, Mr. Brown of Colorado, Mr. Buechner, Mr. Hiler, Mr. Horton, Mr. Houghton, Mr. Jacobs, Mr. Lott, Mr. Michel, and Mr. Petri):

H.R. 1754. A bill to ensure the proper budgetary treatment of credit transactions of Federal agencies and to improve management of Federal credit programs; jointly, to the Committees on Government Operations; Ways and Means; Rules; and Banking, Finance and Urban Affairs.

By Mr. HAWKINS (for himself, Mr. Kildee, Mr. Martinez, and Mr. Richardson):

H.R. 1755. A bill to extend and improve the Bilingual Education Act; to the Committee on Education and Labor.

By Mr. ROTH:

H.R. 1756. A bill to deauthorized the outer harbor project at Algoma, WI, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. SENSENBRENNER:

H.R. 1757. A bill to require the Environmental Protection Agency to clean up hazardous wastes at the Sheboygan Harbor site in Wisconsin; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

By Mr. UDALL (for himself, Mr. Campbell, and Mr. Rhodes):

H.R. 1758. A bill to provide for the establishment of the Arizona Indian Trust Fund, the disposition of certain lands under the jurisdiction of the Bureau of Indian Affairs, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Education and Labor.

By Mr. UDALL (for himself, Mr. Richardson, Mr. Lujan, Mr. Lagomarsino, Mr. Rhodes, Mr. Campbell, and Mr. Kyl):

H.R. 1759. A bill to encourage Indian economic development; jointly, to the Committees on Interior and Insular Affairs and Ways and Means.

By Mr. WAXMAN (for himself and Mr. Stark):

H.R. 1760. A bill to amend title XIX of the Social Security Act to require States to provide for payment of Medicare premiums, deductibles, and cost sharing for Medicare beneficiaries with incomes at or below the poverty level; to the Committee on Energy and Commerce.

H.R. 1761. A bill to amend title XIX of the Social Security Act to permit States to provide for payment of Medicare premiums, deductibles, and cost sharing for Medicare beneficiaries with incomes at or below 150 percent of the poverty level; to the Committee on Energy and Commerce.

H.R. 1762. A bill to amend title XIX of the Social Security Act to permit States, at their option, to provide medical assistance for poor elderly individuals in meeting the costs of prescribed drugs; to the Committee on Energy and Commerce.

By Mr. WHITTAKER:

H.R. 1763. A bill to provide that receipts and disbursements of the highway trust fund and the airport and airway trust fund shall not be included in the totals of the budget of the U.S. Government as submitted by the President or the congressional budget; jointly, to the Committees on Public Works and Transportation and Government Operations.

By Mr. LUNGREN (for himself, Mr. Hyde, and Mr. Lagomarsino):

H.J. Res. 198. Joint resolution proposing an amendment to the Constitution of the United States to allow an item veto with respect to certain appropriation bills; to the Committee on the Judiciary.

By Mr. SENSENBRENNER (for himself and Mr. Hyde):

H. Res. 128. Resolution impeaching Alcee L. Hastings, judge of the U.S. District Court for the southern district of Florida, of high crimes and misdemeanors; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

13. By the SPEAKER. Memorial of the Legislative Assembly of North Dakota, relative to the impact of federal Indian policies on non-Indians living or working on or near Indian reservations; to the Committee on Interior and Insular Affairs.

14. Also, memorial of the Legislative Assembly of North Dakota, relative to the recommendations of the Garrison Unit Joint Tribal Advisory Committee; to the Committee on Interior and Insular Affairs.

15. Also, memorial of the Legislature of Minnesota, relative to the Federal highway program; to the Committee on Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 52: Mr. Ridge.

H.R. 59: Mr. Horton and Mr. Sikorski.

H.R. 96: Mr. Dornan of California.

H.R. 118: Mr. Craig, Mr. Dornan of California, and Mr. Badham.

H.R. 306: Mr. Hastert.

H.R. 535: Mrs. Saiki.

H.R. 537: Mr. Stark, Mr. McKinney, and Mr. Gejdenson.

H.R. 637: Mr. McGrath.

H.R. 692: Mr. Owens of New York, Mr. Wolpe, Mr. Martinez, Mr. Lewis of Florida, and Mr. Nielson of Utah.

H.R. 805: Mr. Erdreich.

H.R. 817: Mr. Davis of Illinois, Mr. Edwards of Oklahoma, and Mr. Livingston.

H.R. 898: Mr. Traficant, Mr. Owens of Utah, and Mr. Miller of California.

H.R. 949: Mr. Shumway and Mr. Nielson of Utah.

H.R. 954: Mr. Howard, Mr. Gray of Illinois, Mr. Garcia, and Mr. Bustamante.

H.R. 958: Mr. Berman, Mr. Burton of Indiana, Mr. de la Garza, Mr. Dornan of California, Mr. Dymally, Mr. Emerson, Mr. Erdreich, Mr. Fauntroy, Mr. Gunderson, Mr. Harris, Mr. Lancaster, Mr. Panetta, Mr. Porter, Mr. Rodino, Mr. Robert F. Smith, Mr. Tallon, and Mr. Young of Alaska.

H.R. 999: Mr. Armey, Mr. McEwen, Mr. Barnard, Mr. Feighan, Mr. Bunning, Mr. Kolbe, and Mr. Coble.

H.R. 1079: Mr. Smith of Florida, Mr. Fascell, and Mr. Swift.

H.R. 1103: Mr. Bunning, Mr. Kolbe, and Mr. Badham.

H.R. 1234: Mr. Martinez.

H.R. 1259: Mr. Hatcher, Mr. Moakley, Mr. Dwyer of New Jersey, Mr. Davis of Illinois, Mr. Wortley, Mr. Boehlert, Mr. Skaggs, Mr. Atkins, Mr. Bilbray, Mr. Parris, Mr. Pepper, Mr. Hubbard, Mr. Emerson, Mr. Mollohan, Mr. Clinger, Mr. Bryant, Mrs. Kennelly, Mr. Holloway, Mr. McGrath, Mr. Martinez, Mr. Coleman of Texas, and Mr. Smith of New Hampshire.

H.R. 1342: Ms. Kaptur.

H.R. 1394: Mrs. Patterson, Mr. Oberstar, Mr. Morrison of Connecticut, Mr. Owens of New York, Mr. Eckart, Mr. Bevill, Mr. Kildee, Mr. Hughes, Mr. Mineta, Mr. Gejdenson, Mr. Espy, Mr. Lewis of Georgia, Mr. Clay, Mr. Russo, Mr. Fauntroy, Mr. Hayes of Illinois, Mr. Borski, Ms. Slaughter of New York, and Mr. Schumer.

H.R. 1428: Mr. Bliley.

H.R. 1441: Mr. DeWine, Mr. Roth, Mr. Lagomarsino, Mr. Horton, Mr. Erdreich, Mr. Daniel, Mr. Rodino, Mr. Stump, Mr. Bryant, Mr. Olin, Mr. Davis of Illinois, Mr. Wortley, Mr. Solomon, Mr. Brown of Colorado, Mr. Buechner, Mr. Savage, Mrs. Bentley, Mr. Pepper, Mr. Shumway, and Mr. Nielson of Utah.

H.R. 1493: Mr. Badham.

H.R. 1546: Mr. Espy, Mr. Garcia, Mr. McGrath, Ms. Kaptur, and Miss Schneider.

H.R. 1583: Mr. Latta, Mr. Hunter, Mr. Frenzel, and Mr. Nielson of Utah.

H.R. 1609: Mr. Gephardt.

H.R. 1666: Mr. Gunderson, Mr. Dyson, Mr. Boehlert, and Mr. Daub.

H.J. Res. 18: Mrs. Collins, Mr. Bates, Mr. Penny, and Mr. Hughes.

H.J. Res. 33: Mr. Gekas.

H.J. Res. 90: Mr. Jontz, Mr. Penny, Mr. Garcia, and Mr. Cardin.

H.J. Res. 106: Mr. Moorhead, Mr. Wolpe, Mr. Fazio, and Mr. Gray of Pennsylvania.

H.J. Res. 111: Mr. Badham, Mr. Dwyer of New Jersey, Mr. Fish, Mr. Richardson, Ms. Oakar, Mr. Schuette, and Mr. Spence.

H.J. Res. 119: Mr. de la Garza, Mr. Coyne, and Mr. Martinez.

H.J. Res. 122: Mr. Borski.

H.J. Res. 143: Mr. Nielson of Utah and Mr. Bennett.

H.J. Res. 155: Mr. Brooks, Ms. Kaptur, Mr. Wise, Mr. Savage, Mr. Owens of New York, Mr. Richardson, Mr. Lipinski, Mr. Courter, Mr. Davis of Michigan, Mr. de la Garza, Mr. St Germain, Mr. Fields, Mr. Spence, and Mr. Schumer.

H.J. Res. 164: Mr. Frost, Mr. Wortley, Mr. Crockett, Mr. Hughes Mr. Gray of Illinois, and Mr. Dyson.

H. Con. Res. 34: Mr. Owens of Utah, Mr. DioGuardi, Mr. Erdreich, Mr. Henry, Mr. Leland, Mr. Stallings, Mr. Smith of New Hampshire, Mr. McCloskey, Mr. Traficant, Mr. Inhofe, Mr. Wolf, Mr. Vento, Mr. Robinson, Mr. Boulter, Mr. Matsui, Mr. Beilenson, Mr. Rinaldo, Mr. Parris, Mr. Smith of New Jersey, Mr. Dowdy of Mississippi, Mr. Tauzin, Mrs. Lloyd, Mrs. Schroeder, Mr. Swindall, Mr. Sikorski, Mr. Annunzio, Mr. Downey of New York, Mr. Darden, Mr. Skelton, Mr. Coleman of Missouri, Mr. Olin, Mr. Bartlett, Mr. Badham, Mr. Upton, and Mr. Clinger.

H. Res. 65: Mr. Badham, Mr. Hopkins, Mrs. Saiki, Mr. Sensenbrenner, Mr. Hansen, Mr. Kolbe, Mr. Armey, Mr. Combest, and Mr. McGrath.

SENATE—*Monday, March 23, 1987*

(Legislative day of Tuesday, March 17, 1987)

The Senate met at 4:30 p.m. on the expiration of the recess, and was called to order by the Honorable WILLIAM PROXMIRE, a Senator from the State of Wisconsin.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Mighty God, all wise, all powerful, infinite and eternal, we thank You for the assurance given by the psalmist: "He that dwelleth in the secret place of the Most High shall abide under the shadow of the Almighty. I will say of the Lord, He is my refuge and my fortress; my God; in Him will I trust." (Psalm 91:1-2).

Faithful Father in heaven, sometimes it seems when we need You most we tend most to withdraw. Either we do not understand Your unconditional love—or we do not really believe it. We fail or sin—and instead of coming to You in confidence of Your acceptance and forgiveness, we run the other way. Patient Lord, forgive us for being so blind and deaf and insensitive to Your gracious unmerited favor. Open our eyes and ears and hearts that we may come to You and find in You the refuge we so often so desperately need. In His name who is incarnate love and peace. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STENNIS).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 23, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BROCK ADAMS, a Senator from the State of Washington, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. ADAMS thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DAILY PRAYER

Mr. BYRD. Mr. President, I thank the Chaplain for his daily prayer. I thank him for scriptural readings which our fathers and mothers read.

This is the 200th year of the anniversary of the Constitution of these United States, and it was there at that Constitutional Convention in 1787 during that hot summer that those illustrious forebears of ours decided that if the meetings were not to fall apart in despair and dissension they should have prayer at the beginning of each daily meeting. It was Benjamin Franklin, the oldest member of that gathering, who made that recommendation.

Our forefathers followed Benjamin Franklin's wisdom and they began to have prayer at the beginning of each day's meeting.

All throughout these 200 years that have followed, we find that seemingly unbroken thread of spiritual awareness, weaving itself through the ensuing days of our country's history.

So we carry forward in the spirit of Franklin and those early Founding Fathers when we honor God and call upon him at the beginning of each day's meeting in this Chamber. The House of Representatives does likewise. The Supreme Court of the United States does likewise. And every President from our first President, George Washington, down to the current President, Ronald Reagan, has called upon the Deity in their inaugural addresses and has paid homage and recognized that there is a providence that rules over the destinies of men and nations.

I again thank our Chaplain. I enjoy his scriptural readings. They give us inspiration and they give us strength, and we need it. We need it.

UNITED STATES-JAPAN AGREEMENT ON SEMICONDUCTORS

Mr. BYRD. Mr. President, last week the Senate voted 93 to 0 for a resolution calling on the President to use his economic leverage in disputes with Japan over semiconductors and telecommunications.

Last September, Japan agreed to increase access for United States semiconductor exports into Japan and to stop dumping semiconductors into the United States and into the markets of other countries. The Japanese industry apparently has failed to improve access and has not stopped dumping. In the wake of our vote, the Commerce Department is apparently assembling options for economic sanctions that the United States might take against Japan.

Both the semiconductor and telecommunications industries included in last week's resolution are critical industries for our national defense. This administration would be taking a very short-sighted view of our national security if it does not strictly enforce our agreements with Japan in those two industries. I hope that the President heeds our resolution. I also hope that he works with us to enact effective trade and competitiveness legislation. Among other reasons, we need legislation so that foreign governments no longer require a unanimous Senate resolution to know that the United States will enforce its agreements.

Mr. President, there is an article from today's New York Times that I ask unanimous consent be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. PONDERS MOVE AGAINST JAPANESE ON COMPUTER CHIPS

(By Calvin Sims)

The Reagan Administration appears to be on the verge of imposing sanctions against Japanese semiconductor manufacturers, according to Government officials, Congressional leaders and industry executives.

The move could result in an acute worsening of the trade friction between the United States and Japan.

Last week, the Commerce Department confirmed industry reports that many Japanese companies were continuing to sell computer chips below cost in developing countries. This practice, called dumping, hurts American chip manufacturers and violates a recent trade agreement between the United States and Japan.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

A SPECTER OF RETALIATION

Clayton K. Yeutter, the United States trade representative, was quoted by the Reuters news agency yesterday as saying the United States was "very close" to imposing a "retaliatory kind of action" against the Japanese over trade issues, including the dumping of semiconductors. Mr. Yeutter made the comment to reporters in New Zealand, where he was attending a meeting of trade ministers.

The President's Economic Policy Council is to meet Wednesday to decide what sanctions, if any, should be imposed on the Japanese companies. An announcement is expected before the end of the month.

SENATE ADOPTS RESOLUTION

Last week, the Senate unanimously approved a resolution calling on the President to take retaliatory action against Japanese violators of the semiconductor pact as a necessary step to maintaining a healthy domestic semiconductor industry. The American industry is showing a modest recovery after a long slump.

Senator Pete Wilson, Republican of California, said it was fairly clear that Commerce Secretary Malcolm Baldrige would recommend sanctions, which could take the form of tariffs on chip imports as well as on electronic products containing the Japanese chips. Mr. Wilson was among a group of senators and industry representatives who met Friday with Mr. Baldrige to discuss what actions the Administration was considering.

For their part, the Japanese insist that no dumping is going on. Despite this apparent contradiction, however, they concede that some lower-priced "gray market" chips are being sold in third countries. These chips were produced two or three years ago, Japanese chip makers say.

Japanese Government officials apparently are planning to tighten controls over chip shipments to assure that the semiconductor agreement is honored. If Japan acts quickly enough, the new controls could undermine American efforts at retaliation, trade officials in Washington concede.

The growing pressure for sanctions comes after Administration pressure forced Fujitsu Ltd., the giant Japanese electronics company, to drop its plan to buy the Fairchild Semiconductor Corporation, an American chip maker.

"These things are always hard to call," said a former Commerce Department official who is familar with the semiconductor agreement but asked not to be identified. "But when you consider the protectionist sentiments brewing in Congress, the Fairchild-Fujitsu deal and the fact that the Japanese have consistently broken their promise on this, the Administration will probably whop them one to show that we mean business."

TRADE GROUP ASKS TARIFFS

For months, the Semiconductor Industry Association, an American trade group that played a major role in negotiating the semiconductor agreement, has been pressing the Government for tariffs on products such as video cassette recorders, laser printers and computers containing the dumped chips. The trade group, based in San Jose, Calif., has insisted that the Government act by April 1.

Under the agreement, reached last July, Washington agreed not to impose trade sanctions against Japanese chip makers in exchange for the Japanese Government's cooperation in enforcing fair-market prices and opening up the Japanese market to American producers.

The Economic Policy Council, whose members include Secretary Baldrige, has two major options in making recommendations to the President.

For one, the Administration could impose anti-dumping duties on imports of the computer chips, which are known as dynamic random access memory chips, or Drams, and erasable programmable read-only memory chips, or Eproms.

ACTION OPPOSED BY INDUSTRY

But industry officials strongly oppose this because it would hurt large American companies that use the chips and might force them to move production facilities abroad to take advantage of lower prices. Industry analysts also say there is not enough American production of Drams to supplant the supply from Japan.

A less protectionist action would be to impose sanctions against so-called value-added products such as laser printers and components for supercomputers that either contain the dumped chips or are produced by the Japanese semiconductor manufacturers found to be dumping them.

"This seems like the most prudent thing to do because it gets them where it really hurts," said Andrew Kessler, an analyst with the Paine Webber brokerage house.

Before the United States announces what action it will take, however, many industry officals expect Japan's Ministry of International Trade and Industry to present American trade officials with an anti-dumping plan that would convince them that tariffs on value-added products are not necessary.

Indeed, the Japanese agency acted last week to stem the tide toward sanctions. It summoned representatives of Japan's 10 leading semiconductor companies—including Fujitsu, Hitachi Ltd. and the NEC Corporation—and told them not to dump products in third countries and to step up purchases of American-made semiconductors. The ministry also produced its own evidence that Japanese chip makers were compying with the agreement.

Nonetheless, American analysts say the trade ministry is working to shut off the flow of all Dram and Eprom chips to third countries such as Hong Kong, Sinapore and Taiwan.

The ministry now requires export licenses on shipments of semiconductors with a value of 50,000 yen, equal to about $330. Analysts say the ministry, to show it is exercising more control, has lowered that threshold to 5,000 yen, and requires all certificates to show not only the price paid for the chips but also the seller.

These changes will cause extensive delays in the processing of applications for such licenses and the shipments of the chips. Because of these delays, analysts said, the abundance of low-price dumped chips in third countries would be reduced, causing prices to rise. Then the Japanese trade ministry would continue to monitor chips leaving Japan to make sure they were not being dumped, the analysts said.

PLANS FOR CONTROLLING FLOW

A high-level Japanese trade official, who asked not to be named, confirmed last week that the ministry has such plans to control the flow of semiconductors to third countries.

Adam Cuhney, a Kidder, Peabody analyst in San Francisco, said that if the ministry proposed such a plan to American trade officials, "it would be hard for them to go ahead with any sanctions."

He said, "To attach a tariff under these circumstances seems to be an unlikely choice on the part of the Administration, because it would have such a great impact on so many U.S. customers that rely on products produced by the Japanese semiconductor manufacturers."

While these actions would address the problem of dumping abroad, they do nothing about the semiconductor market in Japan itself, which remains closed to American producers. The industry group estimates that American chip makers have more than 50 percent of every semiconductor market in the world except for Japan.

"The Japanese have to open their market if they plan to abide by the agreement," said George Scalise, senior vice president of Advanced Micro Devices Inc. of Sunnyvale, Calif., and head of the industry association's public policy committee. "Quality control is no longer a question, and the U.S. industry has earned a right to enter that market."

But analysts say that entrance is unlikely to happen unless Japan exercises tighter control over its companies.

Mr. BYRD. Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE ACTING MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order the acting Republican leader is recognized.

Mr. SIMPSON. Mr. President, I thank the Chair.

DAILY PRAYER

Mr. SIMPSON. Mr. President, let me say that it is always a remarkable pleasure to hear our Chaplain speak as he opens the Senate. He is always topical, always impressive, a true minister to us all and I think that is important. That is his title and he ministers to us in ways known to the public and unknown to the public but known to all of us in many ways that are very real with truth and love and he does that beautifully. I thank him.

ORDER OF PROCEDURE

Mr. SIMPSON. Mr. President, I have an additional item here of Senator DOLE's Bicentennial Minute. It is a very interesting historical vignette of Senate votes on the admission of Kansas to the United States, and most fascinating.

I ask unanimous consent that it be placed in the RECORD at this point as if read in full.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

BICENTENNIAL MINUTE

MARCH 23, 1858: SENATE VOTES ON ADMISSION OF KANSAS

● Mr. DOLE. Mr. President, on March 23, 1858, 129 years ago today, the Senate voted to admit the State of Kansas to the Union under the terms of the Lecompton Constitution. This vote had been preceded by 2 years of the most bitter debates the Senate had yet witnessed. Charles Sumner's stinging speech "The Crime Against Kansas," and his caning at the hands of Representative Preston Brooks in 1856, served as a preface to this important day and vote.

At issue was the extension of slavery into Kansas. Proslavery forces, meeting in Lecompton, KS, had drawn up a constitution permitting slavery. And President Buchanan, anxious to placate the South, recommended that Kansas be admitted to the Union with the Lecompton constitution. Enraged by what he regarded as Buchanan's betrayal, Senator Stephen Douglas of Illinois led a revolt of northern Democrats who supported the free-state partisans and opposed the extension of slavery.

Douglas threw himself into the Senate debates over Kansas. At 7 o'clock, on the evening of March 22, as a prodigious multitude crowded the old Senate Chamber, he appeared on the floor to make his final speech against the Lecompton bill. Douglas spoke for 3 hours, but to no avail. The next day, March 23, when the decks were cleared for final action on the bill, 33 Senators upheld the admission of Kansas under the Lecompton constitution, 22 opposed it.

Mr. President, the House refused to comply and the issue of Kansas remained alive for 3 more years. Not until January 1861, after the South had seceded, was Kansas finally admitted, slave free, to the Union, becoming the 34th State.●

Mr. SIMPSON. Mr. President, I commend Mr. DOLE's remarks to you as a very interesting issue. It has to do with, of course, the rather spirited, active caning in the Chamber which, of course, I thought of several times in the past, but have never been moved to do. That was when Sumner gave his stinging speech, "The Crime Against Kansas," and then his caning at the hands of Preston Brooks in 1856. That was the preface to that particular vote, apparently, and we certainly have learned from that. We have learned civility. We have learned we can be partisan without being vicious, and those are important things to learn in a civilized society.

And it is interesting, too, as it talks about the attempt to lure Kansas into the Union with regard to the slavery issue, and it is very appropriate.

THE AGENDA

Mr. SIMPSON. Mr. President, I do not have any particular issue to share at this time. I would inquire, if I might, of the majority leader what plans he might have for today's session beyond the cloture vote and when we might anticipate convening on Tuesday. The majority leader is always most cooperative in sharing when he has that information. I ask that.

Mr. BYRD. Mr. President, in response to the distinguished assistant Republican leader, may I say that the cloture vote will occur today at around 5:20 or 5:30 p.m.

Following that cloture vote, I intend to go out fairly soon, depending upon how the vote goes. I do not anticipate the Senate's invoking cloture today, in which case the Senate will resume the consideration of the motion to proceed to take up the moratorium on Contra funding.

The cloture vote on tomorrow will occur at—let me put it this way: We will have the conferences on tomorrow from 12 to 2 o'clock, as customary for the two-party conferences, and the cloture vote will occur at some point thereafter. I hope to know a little later in the day. I will confer with the distinguished leader on the other side in that regard.

Meanwhile, the time that remains between now and 5:30 p.m. today, which constitutes the first hour under the cloture rule, will be equally divided between the majority leader and minority leader. I would not anticipate any further rollcall votes after the cloture vote today.

I do anticipate not only the cloture vote tomorrow, but if we are able to invoke cloture tomorrow I also hope we can vote on the motion to proceed to the consideration of the moratorium resolution. If we do not invoke cloture on tomorrow, then there is other business on the calendar, and I hope that we all could give our attention to some of the matters on the calendar which would again require some rollcall votes between the middle and later part of the week.

As we proceed further into the week, I will be able to inform my good friend more than I am able at the moment with respect to the calendar and the business for the rest of the week.

Mr. SIMPSON. Mr. President, I thank the majority leader for his accommodation and graciousness. We appreciate having that information.

Mr. BYRD. I thank my friend.

Mr. President, I have control of the time, do I not?

The ACTING PRESIDENT pro tempore. The majority leader is correct. The majority leader is recognized for one-half of the time and the Republican leader is recognized for one-half of the time.

The majority leader is recognized.

Mr. BYRD. Mr. President, how much time does the Senator from Wisconsin need?

Mr. PROXMIRE. Will the Senator yield me 5 minutes?

Mr. BYRD. I am happy to yield 5 minutes to the distinguished Senator from Wisconsin.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin is recognized for 5 minutes.

WHY U.S. SENATOR IS THE BEST JOB ANYWHERE

Mr. PROXMIRE. Mr. President, how many young people can consciously choose the work they want to spend their life doing? Only a few. And how many who choose a particular career succeed in finding a lifetime position in that career? Still fewer. How many who become engineers or artists, lawyers or doctors, businessmen or farmers, teachers or preachers find after a lifetime in their chosen work the fulfillment they expected when they decided on the career of their choice? Even fewer. Finally, how many people look back on their life after years in their career and find that, great as their expectations of fulfillment in their chosen career was, the reality has exceeded even those super optimistic reveries of ambitious youth? Very, very few. This is why we, as Senators, are so lucky.

Where else can you not only dream of the direction the country is going but play a significant part in getting it there? Where else can you spend most of your days learning from the Nation's and the world's best qualified experts how this Nation can best advance the well being of the world's greatest nation? We do just that in our hearings. Where else can you work with real effect to put what you believe based on this information into actual practice?

Other people, great professional athletes, for example, play games for a few years during their young manhood. They become heroes. They make lots of money. But they finish their careers at 40 or so and spend most of their lives living in the past. Entertainers on TV and in the movies also attain heroic status. They amuse, delight, and enrich the lives of millions. But like the great athletes they have little or no effect on the economic well being, the future opportunities, the chance for a peaceful world for mankind.

So who does? U.S. Senators do. A businessman may earn far more money heading a firm that manufactures skis or yoyos or designs high fashions. He may become a smashing, nationally renowned success. But what can he accomplish or try to accomplish with his life work? Sure, he may help provide jobs for a few hundred or a few thousand employees. But if his work and his firm never existed the jobs would be available in some other firm with some other manager.

Now let's not kid ourselves, most of us as Senators may accomplish little or nothing. But we have a chance, a remarkable chance. We have the prime voice in our country's policies. In this democracy there is one way and only one way that this country can consciously progress. There is one place and only one place where our nation concentrates, within the constraints of individual and States rights, all policy power. That place is the Federal Goverment. The constitution gives judicial, that is the authority to determine the consistency of that power with the constitution of the judicial branch. It gives the authority to execute the policies to the President. But what branch determines the policies? It is the Congress. Oh, yes, each Senator shares this policymaking power with 435 Members of the House and with 99 other Senators. But the direction this richest and most powerful of all Nations pursues is up to us Members of the Congress to work out together, in concert.

Now keep in mind: Our Nation and its economy have become very complex. We face an infinity of problems and challenges. So how do we meet those problems? We have broken the Senate and House into a large number of committees and subcommittees. Virtually every subcommittee works on a series of national or international problems. Those problems are of great importance to the well being of thousands—in many cases, of millions—of Americans, and in some cases to many millions more throughout the world. So just think of it, any Member of Congress willing to devote the time and energy can have a profound effect on the life of thousands of his fellow Americans, and very possibly on the future of many millions.

Throughout American history U.S. Senators have had this golden opportunity to live a life that makes a real difference. Because this country has been the leader of the free world for so much of this century and can expect to continue its leadership for decades to come this is a career that a young American can choose with the realistic hope that if he or she succeeds her or his life can make a difference for people everywhere.

Mr. President, here are a few examples of Senators who made this difference.

Senator Paul Douglas successfully led the fight for the most significant human rights achievement of the 20th century: the civil rights bill. That Douglas crusade brought black Americans into a great beginning breakthrough as full and free American citizens.

There was Senator Vandenberg who more than any other person won the support of Congress across party lines for the great-post World War II foreign policy program that brought forth the Marshal plan and a great cooperative era of American leadership of the free world.

There was Senator Gaylord Nelson who more than any other figure in public life brought on the age of environmental protection. Senator Nelson left his mark on a remarkable series of pioneer environmental legislation that today we take for granted. The country was unaware of the threat building up from our onrushing technology to our water, air, and land until Nelson made this a personal and an astonishingly successful personal crusade.

There was Senator Robert La Follette. La Follette left on this country a concern for the men and women who work with their hands for modest or even less than modest wages and who tilled the soil for a lifetime. In a series of legislative acts La Follette laid the groundwork for the new freedom of Wilson, for the New Deal of Roosevelt and the Fair Deal of Truman.

And finally there was Robert A. Taft, Mr. Republican and also Mr. Conservative. But what an open minded constructive conservative Senator Taft was. After all, it was Taft who brought the dream of a safe and sanitary home to millions of low-income Americans in a massive way with the Taft, Ellender, Wagner housing bill. And it was Taft who led the fight to break down the barriers of more than 150 years against Federal aid to education on a major basis. Taft argued that the equality of opportunity, that was the basis of the conservative creed, had little meaning in a country where educational opportunity was drastically unequal. His initiatives took the first big step to make access to quality education far less unequal through Federal assistance.

Mr. President, in different ways that contribution by Members of the Senate and House continues to go on today in legislative initiatives by literally hundreds of different Members of the Congress. What an opportunity those of us who serve in this Congress have to help make this world a better place. Rarely do those of us who enjoy this great privilege pause to think what a golden and rare opportunity we have. Most of us strike out more often than we hit safely. Very rarely do any of us knock one out of the park. But just think of it, we are given a chance not just to play in the big league, but to work in the biggest league of them all—the policymaking body of the greatest country in the world. What we do for good or ill, or what we fail to do makes a difference for this great country and beyond. For anyone looking for a career that offers the greatest prospect for a fulfilling life—how can you beat it? How lucky can you get?

You see some of us have a fear that our tombstone might read like this:

Here under the rocks lies Bill Prox
for him life held no terrors.
Prox became an observer, died an observer,
No hits, no runs, no errors.

I would prefer this instead:

Here under the rocks lies Bill Prox
for him life had its terrors.
Prox became a Senator, died a Senator,
two scratch hits, one lucky run—a coffin full of errors.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the remainder of the Republican leader's time be granted to me.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered. The Senator from Oregon will be in charge of the time.

The Senator for Oregon is recognized.

Mr. HATFIELD. Mr. President, I yield myself 3 minutes.

The ACTING PRESIDENT pro tempore. The Senator is recognized.

INDOCHINESE REFUGEE RESETTLEMENT AND PROTECTION ACT OF 1987

Mr. HATFIELD. Mr. President, Sunday's edition of the Washington Post chronicled a serious row in United States-Thai relations which has come about because of our sputtering refugee program in Southeast Asia. Today I am introducing legislation which would commit the United States to a humane and generous refugee protection and resettlement program in that region through the end of this decade, and bar the Immigration and Naturalization Service from any further role in the processing of Southeast Asian refugees.

John Stuart Mill once said, "Against a great evil a small remedy does not produce a small result . . . it produces no result at all." I have examined all of the options which the United States has at its disposal to combat the deteriorating refugee asylum and resettlement situation in Southeast Asia, and I am convinced that anything less than the provisions of this bill will produce no result, no serious improvement at all. In fact, the refugee program as we know it will be dead in a matter of months unless Congress and the administration send a very strong signal of our continuing interest and commitment to the countries of first asylum in the region. I am pleased that the chairman of the Senate Foreign Relations Committee, Mr. PELL, and the ranking member of the Immigration and Refugee Policy Subcommittee of the Judiciary Committee, Mr. SIMON, are joining me in this initiative, along with several other Senators.

Mr. President, why am I introducing the Indochinese Refugee Resettlement and Protection Act of 1987?

One need only read the major newspapers to discover that there has been an ugly, steady erosion in the United States refugee program in Southeast

Asia. I ask unanimous consent that these articles be printed in the RECORD following my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HATFIELD. Mr. President, these articles tell of a different kind of Southeast Asian "domino effect"—one where country after country tightens their asylum policies. This hardening of attitudes of Thailand, Hong Kong, Malaysia, and others is no surprise to me: These countries are throwing in the towel because the United States appears to be throwing in the towel. A Thai official this weekend eloquently stated the linkage between United States processing for resettlement, and the level and quality of protection which the Thai are willing to provide the refugees. The Thai point to the dismal INS performance and the State Department's juggling of carryover numbers and justifiably conclude the United States resolve is wandering and wobbly.

Put yourselves in the shoes of the Thai. President Reagan pledges U.S. support for a continued refugee resettlement and protection program. Secretary Shultz travels to the region and reiterates that support. But then the INS drops the ball when it comes time to implement this commitment. What you end up with is confusion among the first asylum countries, confusion which has led to the ominous situation the refugees now face.

This INS problem is not a new problem. Whether you are talking about the Kamput problem of 1982 and 1983, or this year's 60-percent rejection rate of the lowland Lao, you are talking about a persistent INS processing problem which is directly causing a major diplomatic problem for the United States and its ASEAN friends.

In fairness to INS, let us face the facts: Immigration officers are not refugee officers. INS guidelines must apply worldwide. And to them, an Afghan refugee is the same as a Vietnamese refugee. Unfortunately, we in Congress know that this is not so, because the United States did not fight a war in Afghanistan and propel the region into political and economic upheaval, and that the United States does not grant a clear preference to Afghan refugees as we do Southeast Asian refugees.

So, I believe that Congress can best implement its clearly enunciated foreign policy objectives by removing the INS from the process, and by telling the rest of the world that if they want to run and hide from the ongoing refugee crisis in Southeast Asia, they will not be able to hide behind the United States.

I urge all of my colleagues to examine this bill and its many sections. I am confident that Senator KENNEDY, a long time supporter of the refugee program for Southeast Asia, will have his committee give this bill careful consideration quickly, since time is of the essence. If the United States Government continues to send mixed signals and continues to fail to monitor the rampant protection problems in the border camps, and continues to propose small remedies when great ones are needed, then we can be assured that the Cambodian, Vietnamese, and Laotian refugees soon will be placed like sitting ducks along the borders, with no meaningful United States role in ensuring their safety.

I do not believe that the U.S. responsibility for the problems of the refugees in that region is as great as it was a decade ago; but I say emphatically today that our responsibility to them is not over yet, and that we cannot allow our refugee policy to be ushered to a premature end.

I ask unanimous consent that the text of the bill be reprinted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 814

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Indochinese Refugee Resettlement and Protection Act of 1987".

CONGRESSIONAL FINDINGS

SEC. 2. The Congress finds that—

(1) because of our past military and political involvement in the region, the United States has a continued, special responsibility to the persons who have fled and continue to flee the countries of Cambodia, Laos, and Vietnam;

(2) in view of this special responsibility, the United States has placed special priority on the resettlement and protection needs of the Indochinese refugees;

(3) the continued occupation of Cambodia by Vietnam and the instability of the governments of Vietnam, Cambodia, and Laos have led to a steady flight of refugees from those countries.

(4) Hong Kong, Indonesia, Malaysia, Singapore, the Philippines, and Thailand, have been the front line countries bearing tremendous burdens caused by the flight of these refugees, distinguishing themselves as the leaders of an unprecedented humanitarian response to the plight of Indochinese refugees;

(5) largely in response to a lessened commitment among resettlement countries to the refugees of the region, these countries of first asylum have recently taken steps to close refugee camps. Such camp closings would seriously undermine the continuation of a humane refugee policy and are inimical to the resolution of refugee problems in the region;

(6) the United States bears a share of the responsibility for the deterioration in the refugee first asylum situation in Southeast Asia because of unnecessarily slow and complex resettlement procedures; prolonged and often questionable adjudications in humanitarian parole, immigration and refugee cases; failure to implement effective policies for the region's "long-stayer" populations; failure to adequately monitor refugee protection and screening systems along the Thai-Cambodian and Thai-Laotian borders; a policy of allocating admissions numbers to "carryover" refugees approved in previous years rather than qualified new cases; and the virtual collapse of the Orderly Departure Program (ODP) from Vietnam which has served as the only safe, legal means of departure for refugees from that country, including Amerasians and long-held "re-education camp" prisoners;

(7) the United Nations High Commissioner for Refugees (UNHCR) shares responsibility for the hardening of attitudes in first asylum countries. The UNHCR should be pressed to upgrade its staff presence and level of advocacy to revive the international commitment with regard to the problems facing Indochinese refugees in the region; and

(8) the United States must renew its commitment to an ongoing, generous refugee resettlement and protection program for Indochinese refugees, including urgently needed educational programs for refugees along the Thai-Cambodian and Thai-Laotian borders, until the underlying causes of refugee flight are addressed and resolved.

PERIOD FOR CONSULTATION WITH THE CONGRESS ON REFUGEE ADMISSIONS

SEC. 3. Section 207 of the Immigration and Nationality Act is amended—

(1) by adding at the end of subsection (a), the following new paragraph:

"(4) For purposes of this subsection, appropriate consultation shall be held not later than May 1 preceding the start of the fiscal year for which the President is making a determination under this subsection.";

(2) by redesignating clauses (1), (2), and (3) of subsection (b) as clauses (A), (B), and (C), respectively, of such subsection;

(3) by redesignating subsection (b) as subsection (b)(1);

(4) by adding at the end of subsection (b)(1), as redesignated by paragraph (3) of this section, the following new paragraph:

"(2) For purposes of this subsection, appropriate consultation shall be held not later than 30 days after an unforeseen emergency refugee situation exists."; and

(5) in subsection (d)(1), by inserting "but not later than May 1," after "start of each fiscal year".

AUTHORITY OF THE SECRETARY OF STATE

SEC. 4. Section 207 of the Immigration and Nationality Act, as amended by section 2, is further amended—

(1) by redesignating subsection (c)(1) as subsection (c)(1)(A);

(2) in subsection (c)(1)(A), as designated, by inserting "and except as provided in subparagraph (B)" after "subsection (a) and (b)";

(3) by adding at the end of subsection (c)(1)(A), as redesignated, the following new subparagraph:

"(B)(i) Notwithstanding subparagraph (A), subject to the numerical limitations established pursuant to subsections (a) and (b), only the Secretary of State, in his discretion and pursuant to such regulations as he may prescribe, may authorize admission under this section of any refugee from Southeast Asia who is not firmly resettled in a foreign country, is determined to be of special humanitarian concern to the United States, and is admissible (except as otherwise provided under paragraph (3)) as an immigrant under this Act.

"(ii) To the extent not inconsistent with a specific provision of this Act, an authorization of admission of a refugee by the Secretary of State under this subparagraph shall be conclusive with respect to any determintion by the Attorney General or any officer or employee of the Department of Justice under this Act.".

ELIGIBILITY FOR REFUGEE STATUS

Sec. 5. Section 207(c)(1) of the Immigration and Nationality Act, as amended by section 3, is further amended by adding at the end thereof the following:

"(C) Notwithstanding any other provision of this Act, or any regulation issued thereunder, any refugee who—

"(i) is eligible for classification under any of paragraphs (1) through (7) of section 203(a), and

"(ii) for whom a visa number is available or is likely to become available within 12 months,

may not be denied refugee status by virtue of that eligibility.".

ALLOCATIONS OF REFUGEE ADMISSIONS

Sec. 6. (a) Notwithstanding section 207 of the Immigration and Nationality Act—

(1) within the worldwide refugee admissions ceiling determined by the President, the President shall allocate—

(A) at least 28,000 admissions from East Asia, and

(B) at least 8,500 admissions for the Orderly Departure Program,

for each of the fiscal years 1988, 1989, and 1990; and

(2) within the allocation made by the President for the Orderly Departure Program from Vietnam pursuant to paragraph (1)(B), a number of admissions allocated in a fiscal year under priorities II and III of the Program (as defined in the Department of State Bureau for Refugee Programs worldwide processing priorities) and the number of admissions allocated for Amerasians and their immediate family members under priority I, shall be at least 1,500.

LONG-STAYER RESETTLEMENT

(b)(1) It is the sense of the Congress that under the leadership of the United States renewed international efforts should be made to resettle Indochinese refugees who have lived in camps for 3 years or longer, as proposed in the Report of the Secretary of State's Indochinese Refugee Panel in April, 1986.

(2) Of the refugee admissions allocated under paragraph (1)(A), for each of the fiscal years 1988, 1989, and 1990, at least 9,000 shall be admissions of persons who have lived in refugee camps for at least 3 years.

HUMANITARIAN PAROLE AUTHORITY FOR EAST ASIANS

Sec. 7. Notwithstanding subparagraph (B) of section 212(d)(5) of the Immigration and Nationality Act, the Attorney General must in accordance with section 212(d)(5)(A) of such Act, parole into the United States, for humanitarian reasons and without regard to family reunification considerations, not less than 150 persons who have lived in refugee camps from East Asia for each of the fiscal years 1988, 1989, and 1990.

ALLOCATION OF EDUCATIONAL ASSISTANCE FOR THAILAND

Sec. 8. Section 105 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(c) Of the amounts authorized to be appropriated to carry out this section, $5,000,000 for each of the fiscal years 1988 and 1989 may be available for educational programs, projects, or activities along the Thai-Laotian border and the Thai-Cambodian border which are carried out by Thai non-governmental organizations in conjunction with relief organizations and civilian camp leadership."

ALLOCATION OF ECONOMIC SUPPORT FUND ASSISTANCE FOR THAILAND

Sec. 9. Chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to the economic support fund) is amended by adding at the end thereof the following new section:

"Sec. 353. Allocation for Thailand.—(a) The Congress finds that many Thai residents of villages located close to the border with Laos and Cambodia have been adversely affected by civil strife and refugee migrations.

"(b) Of the amounts authorized to be appropriated to carry out this chapter for the fiscal years 1988 and 1989, $5,000,000 for each such fiscal year may be available to provide financial assistance for Thai villages within close proximity to Indochinese refugee camps.".

ALLOCATION OF INTERNATIONAL MILITARY EDUCATION AND TRAINING ASSISTANCE FOR THAILAND

Sec. 10. Chapter 5 of part II of the Foreign Assistance Act of 1961 (relating to international military education and training) is amended by adding at the end thereof the following new section:

"Sec. 546. Allocation for Thailand.—Of the amounts authorized to be appropriated to carry out this chapter for the fiscal year 1988 and 1989, $1,000,000 for each of such fiscal years may be available to train the armed forces of Thailand to provide protection to Indochinese refugee camps within Thailand against attacks originating across the border with Laos or Cambodia.".

POLICY TOWARD PROTECTION OF REFUGEE CAMPS

Sec. 11. It is the sense of the Congress that the international community should increase its efforts to assure that Indochinese refugee camps within Thailand are protected against attacks originating across the border with Laos or Cambodia and, especially, that international observers and relief personnel should be present on a twenty-four hours a day basis at camp "Site 2" in Thailand.

Exhibit No. 1

[From the Christian Science Monitor, Mar. 5, 1987]

Cambodians in Limbo

REFUGEES ON THAI-CAMBODIAN BORDER FACE NEW STATUS AS DISPLACED PERSONS

(By Mary Anne Weaver)

It was a symbol of hope to many, a source of controversy to some. It is now becoming history.

Khao I Dang, the most famous refugee camp in Indochina—and the last Cambodian resettlement center in Thailand—is in the process of closing down.

The controversial decision, which was announced by the Thai government in December, means that the camp's 24,000 Cambodian residents will not only be displaced, but will also presumably lose the opportunity to emigrate.

Yet there are so many imponderables—deadlines set for their transfer, deadlines then delayed—that it remains unclear what legal status, if any, the Cambodians will ultimately retain.

There is thus an eerie silence here in Khao I Dang, and much uncertainty and confusion, as men whisper in corners and women squat on the ground, waiting for some sort of selection process.

Who will go where? Will the "illegals" be discovered? Will any of them be trucked unwillingly to one of the displaced-persons camps even closer to the border, possibly one run by the civilian followers of the dreaded Khmer Rouge, which ruled Cambodia with a reign of terror between 1975 and 1979?

The barbed wire surrounding this city—one square kilometer (four-tenths of a square mile) of bamboo and thatch and about 12 km (7½ miles) from the Thai-Cambodian border—seems more protective than menacing. There is added protection in the blue-and-white UN flags. Khao I Dang is administered by the Thai military, assisted by the UN High Commissioner for Refugees.

It is the last of five UNHCR-administered camps directed at resettling Cambodian refugees abroad. The camps to which the refugees are now being sent are administered by the three Cambodian resistance groups—the two noncommunist fractions of Prince Norodom Sihanouk and the Khmer People's National Liberation Front (KPNLF) and the communist Khmer Rouge. It remains unclear precisely what role the UN will be assigned in looking after the refugees after Khao I Dang finally closes down.

And despite the assurance given Western embassies by Prasong Soonsiri, secretary-general to Thai Premier Prem Tinsulanonda, that no one will be placed in a Khmer Rouge camp against his will, there is still a sense of disquiet. The refugees in Khao I Dang don't know for sure.

The disquiet turned to alarm on Jan. 15, when Khao I Dang residents heard that 1,683 displaced persons in Site 8, one of the Khmer Rouge-run civilian camps, were rounded up by Khmer Rouge forces and trucked, in the middle of the night, to Na Trao, a Khmer Rouge military base. The base is controlled by the so-called "butcher of Kampuchea," Ta Mok, and international relief organizations have no access to it. A month later, there was no sign of what had happened to the displaced persons who were rounded up.

Rumors. Plans. Prospects for UN protection. They are all part of the mosaic inside Khao I Dang. It was among its neatly ordered huts that the final scenes of the award-winning movie "The Killing Fields" were filmed.

How peacefully the refugees will leave here is a lingering question. Some of the "illegals," or "sneakers," who are thought to number 1,000 to 1,500 and who bought their way into the camp, have turned themselves over to Thai officials in what amounts to an amnesty exchange. If they turn themselves in, they will be permitted to go to the displaced-persons camp of their choice.

But other illegals have literally gone underground, digging holes in obscure corners of the camp, covering the holes with boards and foliage, and coming out only at night.

The first group—about 200 residents—was moved out of Khao I Dang Sunday, and the closure of this camp, established on Nov. 21, 1979, signals the end of an era. It also signals the end of Thai hopes that the remaining refugees, who once numbered 140,000, will be resettled abroad. "The West," said Mr. Prasong, "could have done more."

Western diplomats, whose sensitivity about the closure matches that of the Thais, claim that many of the refugees left in Khao I Dang have been screened for immigration two or three times. "They were simply found unsuitable," one Western official said. "They either lacked skills, had no family connections abroad, or were considered suspect politically—in a word, followers of the Khmer Rouge."

It was the terror of the Khmer Rouge, Pol Pot's regime, that sent hundreds of thousands of Cambodians fleeing across the frontier. More than 260,000 remain in Thailand, in the displaced persons camps—a string of thatched huts hugging the border, some as close as a mile to the frontier.

One such camp, Site 2, only 12 miles from the border, is the largest Cambodian city after Phnom Penh, the capital, and the third-largest city in Thailand. Sweltering, dusty, and ramshackle, it is run by the KAPNLF and houses 3,500 Vietnamese.

Tensions are palpable among rival groups and between the camp's residents and the somewhat notorious Thai Rangers, the paramilitary group assigned to provide security for the camp. (A recent report by the Lawyers Committee for Human Rights cited the conduct of some of the rangers as one of the threats to the refugees' security and as having created an atmosphere of fear in the camps.)

Site 2 is already vastly overcrowded, but some of Khao I Dang's refugees are likely to be sent there—although the majority would probably favor Site B, a camp about five miles from the border run by Prince Sihanouk's faction of the resistance.

There is a certain irony to the Khao I Dang illegals being resettled at Site 2, since most of them originated there. In Site 2, they had felt the lure of emigrating abroad and the increased prospects that residence in Khao I Dang could bring. For a price, the "fixers" and the "paymasters" said they would get the Site 2 residents into Khao I Dang.

According to relief workers, and a number of Khao I Dang illegals who were discovered, arrested, and shipped back to Site 2, thousands of baht, the Thai currency, changed hands in each transaction. Transferring one family of four could cost more than 10,000 baht ($400) in a nation with a per capita income of only $646 a year. They thought they were buying their way to freedom. The last step was to buy there way out of Khao I Dang jail.

Today they are back where they started, sitting cross legged on bamboo slat beds, playing Khmer style checkers with tiny pieces of wood. Beyond them, at Site 2's outer perimeter, loom the Dangrek Mountains, with Cambodia beyond.

In a dried-out field, in the southern part of this vast, chaotic camp, are the telltale remnants of Vietnamese morter shells that crashed into a densely populated area on Jan. 26. The attack only wounded six people and no one died—but it was the second time that a civilian camp inside Thailand was shelled by Vietnam.

"It was a warning," said Thou Thon, a former Phnom Penh lawyer, now an administrator at the camp, "of how close we are to the Vietnamese forces, and of what could come next."

In Aranya Prathet, Thailand, the hot, dusty frontier headquarters of VN agencies and international relief organizations working in the camps, there is the same sense of confusion as there is in Khao I Dang, and more questions than answers to what will happen next in this desolate mountain scrubland.

"The real issue," said one international relief worker, "is not the closure of Khao I Dang, but the questions behind the closure. What will the status of these people be? Will they still be eligible for immigration? Will they remain refugees? And will they still have the same kind of protection now offered by UNHCR? . . . No one really knows."

For Thailand, which intends to phase out all refugee camps and to limit its role as a nation of first asylum, the camps have been an enormous burden.

Not only is Thailand a country of refuge for Cambodians, Laotians, and Vietnamese, there are Karens and Kachins, Iranians, one-time members of the Chinese Nationalist Army, Mons, other hill tribal people, and even Nepalese.

"The Western nations have very short memories," said Mechai Viravaidya, a Thai government "The Thai government has done a great deal to resettle refugees. But if others fail in a partnership, it's unfair to drop the burden on us. Thailand has the memory of 1954. There are still 50,000 Vietnamese in the northeast of Thailand left over from the fall of Dien Bien Phu," Mr Mechai added.

CRANKING BUREAUCRATIC WHEELS TO REUNITE A REFUGEE FAMILY

DOCUMENTS ARE A CRUCIAL LINK IN VISA PROCESS

(By Timothy Aeppel)

WASHINGTON.—Sowatha Kong clicks in the videocassette made by relief workers in Thailand and glimpses the mother she has not seen since 1975.

The elderly woman on the screen smiles broadly after being told that the tape will be shown to her daughter in America and, in the steady staccato of the Khmer tongue, asks how long it will be before they can see each other.

It is a poignant reminder of the stake Mrs. Kong has in the plight of refugees in Indochina. Like thousands of other Southeast Asians who have settled in the United States, the young Cambodian lost track of many of her relatives.

Some 260,000 people, most of them Cambodians, still live in camps along the Thai-Cambodian border. Many have no relatives in Western countries or, if they do, are unable to contact them to let them know they are alive. Others, like Sowatha's mother, simply wait for the slow wheels of bureaucracy to turn.

The US has shifted in the last year to process more Indochinese as immigrants rather than as refugees. State Department officials point to a number of factors that contributed to the change, particularly the high number of Indochinese who hold American citizenship.

"We need to balance our efforts," says Ambassador At Large Jonathan Moore, the US coordinator for refugee affairs. "This means gradually moving from a refugee system toward immigration whenever possible." Close to 800,000 Indochinese have come to the US as refugees since 1975. By the end of 1986, some 46,000 had become citizens, according to the State Department.

Once refugees become citizens, they can apply to bring their immediate relatives into the country as immigrants. This saves the government money that could go for resettlement programs, because the US-based relatives are responsible for the newcomers, assuring them a home and financial support.

But critics say the policy is flawed. Since last year, the US Embassy in Thailand has interviewed 179 Cambodians seeking immigrant visas, of which 148 were approved. Only 28 have left Thailand for the US. Some relief workers contended that the US is being unduly strict in reviewing applications for both refugees and immigrants, often rejecting applicants over technicalities or asking for documents that are impossible to get.

Some of the problems with the system can be seen in the story of the Kong family. Sowatha and her husband came to the US as refugees in 1981 and became citizens last November. They have been trying to get Sowatha's mother and brother out of Thailand since 1983. "We were working on getting them here as refugees," Sowatha says. "Then, in the middle of everything, we had to change [our approach]."

After gaining citizenship, the Kongs filed applications to bring their relatives to the US as immigrants. The process turned into an avalanche of red tape, however.

The problem is documents. Many Indochinese refugees left behind basic records, such as birth certificates and high school diplomas. Sowatha began reconstructing her family records once she made it into a refugee camp. She tracked down a Cambodian who attended her wedding; he gave her an affidavit that she now uses as proof.

Last fall, she applied for visas for her relatives. But officials at the Immigration and Naturalization Service denied the request for her mother, saying the documents were incomplete, while approving her brother, for whom identical materials had been submitted. Among other things, the INS wants to see her mother's birth certificate.

Sowatha has not seen her mother or brother for more than a decade. In late 1975, Cambodia's Khmer Rouge leaders rousted people from their homes and sent them to labor in the countryside. "We'd walk for days, and when we finally thought we'd met someone in authority, they'd tell us to keep on going," says Sowatha, who was separated from her husband, parents, and other relatives. She survived for four years by using her skills as a nurse.

She was reunited with her husband, and together they bribed and bluffed their way to the border of Thailand and into the Khao I Dang refugee camp. The camp, which is in the process of being closed, has been the only place where Cambodians could gain internationally recognized refugee status and become eligible for resettlement abroad. People in border camps are considered "displaced" and could be forced to return to Cambodia.

In 1982, a letter from Sowatha's mother was smuggled out of Cambodia. Sowatha began writing her mother, urging her and her brother to escape. The Kongs paid $4,000 to get them smuggled into Khao I Dang, which was no longer accepting arrivals. As "illegals" they were not eligible for food or medicine, so they moved back to a border camp.

Today Sowatha carries around an armload of INS documents. She figures she spends several hours a day working on the forms and letters needed to press her case. Despite delays and complications, she remains optimistic. Recalling her own struggle to escape, she says her experience shows it can be done.

[From the New York Times, Feb. 12, 1987]

KHAO I DANG: REFUGEE JOB NOT FINISHED

In announcing the closing of the Khao I dang refugee camp Thailand pleads with the West: Resettle these 15,000 Cambodians as you have pledged or back they go to the border with Cambodia. The West needs to heed the message if it is to protect the carefully assembled international structure for handling refugees.

The resettlement of the last decade of almost two million Indochinese refugees has been a remarkable humanitarian endeavor, led by the United States. Across the country, churches and volunteer groups have refurbished houses, stocked cupboards, found jobs for and welcomed into their communities Vietnamese, Laotians and Cambodians by the thousands.

The experience has brought many Americans to believe that resettling people in this country is what refugee work means. Only partly true. Most of the work, whether by individual countries, the United Nations High Commissioner for Refugees or nongovernmental organizations, is overseas. Two-thirds of the U.S. budget for refugees goes abroad.

Settling refugees in the United States, France, Australia or wherever is the last choice of refugee workers. The first is repatriation. Since refugees by definition face a well-founded fear of persecution if they go home, this is possible only if things at home change. The second solution is resettlement within the region, in the country of first asylum. Only when the first two are impossible is resettlement in a third country undertaken.

In the case of Vietnamese and Cambodians, repatriation was out of the question, and neighboring countries were hostile to them. Thailand itself was loath to take on the hundreds of thousands who poured across her borders. Only assurances that the refugees would be resettled elsewhere brought Thai consent.

The United States welcomed 111,000 refugees from Indochina in 1979, 200,000 in 1980, 159,000 in 1981. Then the resettlement process slowed. Today some 15,000 of the Cambodians first sent to the Khao I Dang camp remain in Thailand. They have no family in the United States, are mostly rural and uneducated and so rank lower on the classification scale than those who came earlier. Many of them were judged ineligible for having given inconsistent stories or for associations with the brutal Khmer Rouge regime. Thailand, unwilling to settle them permanently, has closed the camp and says it will move them back to the border.

Fifteen thousand lives are in jeopardy. So is the refugee program generally if other first-asylum countries don't see to it that Thailand gets help.

Thailand has mostly done its part, but needs to persevere a little longer. In the meantime, the U.S. Embassy there, the State Department, the Immigration Service and the White House have to get back into the act. That means additional money.

Just as important, it means supporting the United Nations High Commissioner in his talks with Thailand about how to handle the Khao I Dang refugees short of returning them to the border. Refugee workers say many cases have been arbitrarily classified as ineligible and need further review. Additional remedies are available, notably finding a way to admit the refugees under other provisions of law. The issue of Indochinese refugees is still open.

[From the Wall Street Journal, Feb. 23, 1987]

DISPLACED CAMBODIANS STRAIN THAILAND'S CAMPS

(By Claudia Rosett)

SITE 2. THAILAND.—Nak Chhoeun is a two-year-old Cambodian girl with dirty feet, a shy smile and a shrapnel wound—now healing—on the back of her head. She lives in what you could call a bad neighborhood. From where she stands in a dusty lane of this huge refugee camp known as Site 2, it's only about two miles to the Cambodian border. Just over that border are the Vietnamese troops who fired 17 rounds of artillery shells into the camp on Jan. 26, injuring Nak Chhoeun and eight others. Now, along with the monotonous rations and indefinite confinement, her family and neighbors can contemplate the shell craters near their bamboo huts.

Clearly the solution is to find a new home. Nak Chhoeun's 23-year-old mother, Lav Chhoy, says she has lived in refugee camps since she fled Cambodia in 1979 and would like to resettle in a third country. But for the roughly 375,000 Indochinese refugees still in the Thai camps, chances of moving on—or even moving farther from the border—are bad and getting worse. Most of those eligible for resettlement under current criteria have already gone. Fearful that the flimsy camps are becoming permanent problems, the Thai government is stepping up its efforts to get rid of the refugees one way or another.

The latest effort took the form of a three-paragraph letter from the Thai authorities, delivered on Feb. 6 to about 40 representatives of various relief agencies operating along the border. The letter said that after July 1, 1987, the Thai government would consider all refugees not actually being processed for resettlement as "persons who no longer have a chance for third country resettlement."

The letter, signed by the deputy director for the Displaced Persons Operations Center, Virachai Naewboonnien, also said that for the second half of 1987, the Thai government would change its guidelines for the refugees to remain. For example, the letter implied that resettlement training programs would be forbidden: "No teaching of the English, French or Thai language will be allowed."

In their attempts to enlist third-country help to absorb the massive refugee population, the Thais have been known to talk tough in public and go easier in private. Previous threats have brought promises of more help from abroad. But Western relief workers say that Thailand's tolerance is genuinely running out. One experienced worker says the letter is "the first thing I've seen that specifies things are coming to an end." Although the refugee inflow is down from hundreds of thousands some years ago a few hundred a month, the U.S. quota for immigrants from all of Indochina in fiscal 1987 is 32,000. Of these, at most 20,000 might come from the camps in Thailand. And of the Free World's host countries, the U.S. is one of the most open to these people. "From Thailand's perspective," says this relief worker, "they've got to go back where they came from."

Repatriation is a course that could mean death or punishment for many of these refugees. So far no policy has pushed the issue that far. But another ominous sign has been the Thai government's decision to close Khao I Dang, an a political camp for Cambodians run by the United Nations High Commissioner for Refugees. Although relief workers with access to the camp say that more than 20,000 people are still living in Khao I Dang, it has been officially shut down since the first of the year. Reporters are not allowed in. Inmates who cannot immediately find resettlement are to be moved to political camps under the control of Cambodian resistance groups.

Once refugees enter these political camps, their chances of going anywhere else—except into Cambodia to fight the Vietnamese army—dwindle close to zero. Site 2, where Nak Chhoeun got her shrapnel wound, is one such camp. Its 159,000 inmates are under the administration of the Khmer National People's Liberation Front, run by former Cambodian Premier Son Sann. Another political camp, farther north along the border is Site B, or Green Hill, where about 42,000 people are under the control of Prince Norodom Sihanouk, the former head of state. To the south is Site 8, where roughly 30,000 people are fenced in under the auspices of the same Khmer Rouge responsible for the deaths of close to two million Cambodians in the late 1970's. Still more civilian camps run by the resistance lie elsewhere along the Cambodian border. The number and locations change from time to time to escape Vietnamese attacks, but altogether, the Cambodians in these resistance camps number about 260,000.

In the jargon of the Free World's immigration departments, the inmates of these camps are not refugees but "displaced persons," who are expected eventually to return home. Accordingly, existence in the camps becomes a long exercise in wasted lives. One of the civilian administrators of Site 2. Thou Thom, describes the daily routine as "Wait until the supplies are coming and eat and sleep." The people are not allowed to take jobs for pay. They are not allowed to go anywhere. They are not even allowed to trade with outsiders.

The Thai prohibition against trading is aimed partly at keeping life in the camps so isolated and austere that it does not attract more refugees. It is also intended to prevent smuggling of goods from the camps into Cambodia and Vietnam. Nonetheless, a lot of trading, or "smuggling," goes on, and it offers a hint of the energy that these refugees could be putting into building new lives elsewhere. Instead, they spend their time and effort trying to outwit the Thai authorities. Just south of Site 2, it was hard to miss the four young men rushing toward the camp fence, which is patrolled by Thai soldiers. They were pushing bicycles loaded down with smugglers sacks of goods.

One camp inmate at Site 2 ticked off some of the booty confiscated by Thai authorities recently: On Jan. 8 Thai soldiers seized a batch of monosodium glutamate (used for food seasoning). On Jan. 11 they seized some bananas. Sugar cane, soap and cigarettes are also popular items.

Another prevalent activity at the camp is procreation. Small children, most of them born in the camps, come running by the dozens to greet an American visitor. At the entrance to the Khmer Rouge Camp, Site 8, a little boy in green pants and a pair of army boots much too big for his feet is the first person encountered at the gates. One relief-organization official estimates the birth rate among refugees at about 5%, more than twice the Thai rate.

There are several reasons for this burgeoning population. Most of those who survived to reach the camps are of childbearing age; the old and young were the chief victims of the Khmer Rouge regime. Once the survivors reached even temporary asylum, they began rebuilding their lost families. Also, pregnant or nursing women and small children receive supplementary rations from the U.N. Border Relief Organization that trucks in rations for the refugees. Along with the standard-issue rice, mung beans, salt, oil and dried fish, they also get fruit and milk. Finally, as the relief official put it, "There's not a whole lot else to do recreation-wise in the camps."

Most of these children did not face the land mines and bandits at the border to cross into Thailand. They are, in effect, native refugees. But more than anything else, their presence in the camps underscores the blindness of a world that will not offer them, or their parents, a future.

[From the New York Times, Mar. 6, 1987]

THAIS SAID TO BAR LAOTIAN REFUGEES

(By Barbara Crossette)

BANGKOK, THAILAND.—With refugees arriving at nearly all of Thailand's borders, the Thai authorities appear to be toughening policies on Laotians, now the largest refugee group in the country.

About 1,300 Laotians seeking asylum have reportedly been held back by troops at one northern Thai border crossing. Some of the refugees are thought to be members of an anti-Communist movement who would be endangered if forced to return to Laos.

Their movement has the support of the United States Council for World Freedom, a private group led by John K. Singlaub, a retired American general who backs a number of anti-leftist causes around the world.

REFUGEE STATUS PERIL

Many Laotians already in Thai camps may face a loss of refugee status in four months if they are not accepted by other countries for resettlement, according to aid organizations.

The moves against the Laotians follow Thailand's closing of the Cambodian refugee camp at Khao I Dang on Jan. 1. The 22,134 people there are to be moved to settlements housing about 250,000 displaced Cambodians who are not considered refugees.

Thailand's Ministry of the Interior, which controls the camps housing about 80,000 Laotian refugees, more than 55,000 of them Hmong and other hill-tribe people, has told international aid organizations that after July 1, it will regard all people left in the camps as "rejected" by third countries. Agencies will be asked to curtail assistance, including the foreign-language training useful for emigration.

1,300 HMONG CONSTRAINED

In Nan Province, on the Laotian border, Thai military authorities have been preventing two groups totaling about 1,300 Hmong from seeking asylum and assistance.

About 600 of them are thought to have crossed into Thailand last month; the rest may have been trapped along the border for eight months or more.

Although opinions differ on the extent to which these hill-tribe people are being forcibly constrained by Thai troops—and whether any have been driven back into Laos involuntarily—foreign relief workers believe at least some of the would-be refugees may be facing hunger if not starvation. They are camping in mountainous terrain near the town of Nam Pun.

No international organizations have been allowed access to them, prompting an unusually strong statement of concern from the United Nations High Commissioner for Refugees.

"The U.N.H.C.R. continues to monitor the situation and to hold discussions with Thai authorities in the hope that those Laotians who are seeking asylum can have their claims processed according to established procedures," the statement said. "U.N.H.C.R. hopes that the appeal for asylum will be responded to urgently, as it appears that these Laotians are in need of humanitarian assistance."

ANTI-COMMUNIST TIES

An unknown number of the Hmong near Nam Pun are thought to have been associated with the persistent but weakened anti-Communist rebels, a movement that goes back to the Central Intelligence Agency's "secret war" against the Communist movement in Laos during the Vietnam war.

The Laotian Government announced last year after a Communist Party Congress that it was about to begin a drive to improve its army and eliminate security threats. In the past, periodic conscription drives have produced waves of refugees in Thailand.

Many Laotian hill-tribe people who emigrate find it difficult to adjust to Western living; others have refused to be resettled abroad, preferring to stay around the Ban Vinai refugee camp in Loei Province in Thailand. The camp has become a hill-tribe town without fences. Most Laotians have been treated well by the Thais, whose culture is close to theirs.

Leaders of the Laotian insurgency, most of whom are based abroad, have tried to encourage young Hmong and other Laotian exiles to stay in Southeast Asia and join the armed struggle against the Vientiane Government, which is closely allied with Vietnam. Young Laotians in Thai refugee camps frequently tell reporters they are torn between starting new lives abroad and committing themselves to the anti-Government movements.

[From the New York Times, Mar. 19, 1987]

THAIS PRESSING OUSTER OF THE LAOTIANS

(By Barbara Crossette)

PAK CHOM, THAILAND.—A year after shutting down several reception centers for Vietnamese boat people, and less than three months after choosing the Cambodian refugee camp at Khao I Dang, the Thai authorities appear to have turned their attention to the 84,000 or more Laotians in crowded Mekong Valley and other Thai-Lao border camps.

Last Sunday before dawn, Thai security forces raided a refugee camp at Ban Vinai, 10 miles south of this Mekong River town. At least 100 Laotians, possibly 130 or more, may have been detained to be forcibly repatriated, according to the refugees.

International refugee officials in Bangkok, who asked that deportations stop, said these are the first forced repatriations from Ban Vinai since the camp opened in December 1975.

Thailand, which has sheltered hundreds of thousands of Indochinese refugees since Cambodia, Vietnam and Laos fell to Communist forces in 1975, agreed to set up refugee centers in return for international promises of resettlement. Thai officials believe these promises have not been fulfilled by more developed nations.

"If they send me back, I am dead," Yang Tong Khai said today, as he stood in a Thai police compound and nervously refolded his identity papers.

Mr. Yang, a 49-year-old ethnic Hmong from Laos, says he was one of dozens of men, women and children seized at Ban Vinai.

The armed troops and the police who entered Ban Vinai, according to refugees and relief workers (relief workers were barred from the camp on the day of the raid), were looking for "illegals." These are exiles who found ways to get into Ban Vinai after 1983, when Thailand officially closed the camp to new arrivals. In 1985, Thais also began screening Lao exiles to determine if they could provide they were entitled to refugee status.

"We thought this might be coming sooner or later," a refugee worker from Ban Vinai said today of the raid, adding that from Jan. 1 the Thai authorities had stopped the practices of allowing refugees to be paid for small jobs or to sell their handicrafts.

"But we never expected this to come so soon," he said. "Or in this manner."

REPORTERS NOT ALLOWED

Today, the Ban Vinai camp commander, Prasit Sarathum, would not allow reporters to enter the camp to interview him about the Sunday raid because they did not have camp passes. These normally take a minimum of several weeks to aquire through the Thai Interior Ministry.

But the police officers here in Pak Chrom, where about 70 of the people seized at Ban Vinai have been brought, allowed visitors to meet the detainees, almost all of them Hmong hill people.

They are being held in an open field behind the police station, overlooking the Mekong and the Laotian hills beyond. Women and small children are shaded in a thatched pavilion under trees. The Laotians are comfortable, but frightened.

Many of the people rounded up had been at Ban Vinai camp, about 350 miles north of Bangkok, for several years. Unable to qualify for food rations or housing because they had arrived after 1983, they were cared for by family and friends who had preceded them into exile.

POPULATION ESTIMATES DIFFER

Estimates differ on the number of unregistered people living in Ban Vinai. The Thai authorities say there may be 10,000, with more arriving from Laos almost daily. Aid agency officials believe there are between 3,000 and 6,000 in a camp population thought to be around 42,000.

The Thai authorities have largely turned a blind eye to the "illegals," and Ban Vinai functioned almost as a Laotian hill tribe city that just happened to be in Thailand—until Sunday.

The refugees interviewed today said they thought that 79 Laotians, also Hmong, have already been sent back into the custody of Lao security forces since the raid. The refugee authorities had earlier reported only 38 forced returnees, but numbers differ in almost every aspect of the deportations.

Thai officials have also said that 97 more Laotians were apprehended Tuesday trying to get to Ban Vinai and were returned immediately to Laos.

Mr. Yang, a former soldier in the Royal Lao Army before 1975 and a member of the anti-Communist guerrilla movement since, has been told he will be among the next to go. He feels certain he will be imprisoned, and probably killed. He has not been permitted so far to make his case to any international aid agency.

In Bangkok, Gerald Walzer, the representative of the United Nations High Commissioner for Refugees, issued a statement today saying that he had met with senior Thai Government officials on hearing of the deportations.

He said he had "expressed deep concern about these involuntary returns of asylum seekers." He also appealed "for assurances that there would be no further forced returns, and that claims to refugee status of asylum seekers now detained by the authorities would be examined under the established procedures."

"The U.N.H.C.R. has no information on how those returned to Laos have been received by the authorities there," the statement said.

Mr. Yang first entered Ban Vinai in 1979, he said. But in 1980 he was ordered to return secretly to Laos by Vang Pao—the Laotian guerrilla leader who commands his forces from exile in the West, usually the United States.

Guerrilla forces have moved back and forth into Laos in the past, according to refugees and the Thai police officers in the Mekong Valley. Cambodian and Burmese guerrillas also move in and out of Thai territory. Relations have been improving between Thailand and Laos, however, and Thailand has been encouraging Laotians to return home.

Mr. Yang said that in 1984, he tired of the fighting with the guerrillas and fled back to Thailand and Ban Vinai, where his family still lived. But by then, he had lost his residence status there.

"Tell people this," he said today. "Tell them, don't send me back. Please kill me here. That would be better."

[From the Washington Times, Mar. 2, 1987]

THAILAND STARTS EVACUATING CAMBODIAN REFUGEES FROM LAST CAMP

(By Michael Adler)

KHAO-I-DANG, THAI-CAMBODIAN BORDER.—Some 230 refugees, carrying their lifetime belongings in plastic sacks and cans, were evacuated yesterday from Thailand's last camp for resettling Cambodians in other countries.

The departures are the first step in Thailand's plans to move 24,000 inhabitants from Khao-I-Dang camp to camps run by Cambodian resistance factions. From the new camps, only a return to Cambodia, rather than resettlement in a third country, is possible.

For refugee Chak Saary Rot, a 27-year-old former student of English in Cambodia, it was the end of a dream of finding a home away from Cambodia, a land terrorized by the bloody Khmer Rouge regime from 1975-1979 and occupied since then by Vietnamese troops.

He made his way to Khao-I-Dang six months ago, which makes him a relatively new arrival at the camp, due east of Bangkok and only six miles from the border. Some 500,000 Cambodians have fled there since 1975.

His stay in the dusty camp of bamboo huts, a symbol of hope and asylum for refugees hoping to escape the Cambodian conflict, amounted to six months in jail as an illegal immigrant.

Yesterday he was among the "illegals" taken to Site B, a camp controlled by loyalists of Cambodian resistance leader Prince Norodom Sihanouk, which lies 180 miles northeast of here.

As he was hurried along by Thai guards toward one of four ten-wheel evacuation trucks, he said: "It is hopeless. My head is troubled. I came to go to a third country."

Others were complaining that they had been given no choice of which of the eight Cambodian resistance-run camps along the Thai-Cambodian border they would be sent to.

Thai authorities had said illegals who volunteered to go would be given a choice, but almost all those who left were apparently not volunteers.

The evacuees also included Vietnamese who had illegally entered Khao-I-Dang.

Thai authorities declared Khao-I-Dang, the last of five centers once run by the United Nations High Commissioner for Refugees, closed on Jan. 1.

They said it had been a magnet for Cambodians fleeing both their wartorn country and residence in the resistance camps.

The Cambodians in the resistance camps are not eligible for resettlement abroad, while many in Khao-I-Dang are. But Thailand feels Western nations are increasingly reluctant to accept refugees, so Thailand is trying to limit its role as a country of first asylum.

While analysts have been skeptical about Thailand carrying through on threats to empty Khao-I-Dang, the evacuation yesterday convinced the refugees, said camp residents and aid workers at the site.

"This time they realize the Thais mean business. They are depressed. The mood is low in Khao-I-Dang, said one Western aid official.

Not all the residents of the camp have the official "refugee" status, which makes one eligible for resettlement.

Out of the estimated 24,000 people in Khao-I-Dang, only 16,737—many at the site since 1979—are officially classed as refugees.

The evacuation is to start with the illegals, followed by the category of 7,000 nonrefugees, probably in April, and finally the last 16,737 after giving Western countries a year to decide on whether to accept them, Thai authorities said.

[In Hanoi, a U.N. refugee official has warned that American and Vietnamese officials have only six months left to reach agreement on continuing their refugee program.

[If the program is to continue, the two sides will have to resolve their differences by August, when a backlog of some 10,000 Vietnamese who are already part way through the exit procedure should be cleared, said Charles-Henri Bazoche, the representative in Hanoi of the United Nations High Commissioner for Refugees.

[The refugee program, officially called the Orderly Departure Program, was set up in 1979 under the aegis of the U.N. office to put an end to the tragedy of the "boat people," who were fleeing Vietnam in huge numbers.]

[From the Washington Post, Feb. 19, 1987]

CAMBODIAN-REFUGEE ABUSE REPORTED

(By Barbara Crossette)

CHIANG MAI, THAILAND.—More than 250,000 Cambodians, many of them survivors of the Khmer Rouge era and victims of an eight-year-old war against the Vietnamese who ousted it, continue to be vulnerable to abuse in refugee camps in Thailand, according to the New York-based Lawyers Committee for Human Rights.

In a report released today, based on extensive interviews in Thai-Cambodian border camps for refugees and displaced people, the human rights organization documents cases of rape, robbery, assault, extortion and murder, often perpetrated by fellow Cambodians who roam the lawless border area in well-armed bandit gangs.

The report, "Seeking Shelter: Cambodians in Thailand," also concludes that the residents of a string of border camps and a refugee center now in the process of being closed, are often abused by the people assigned to protect them.

Their attackers sometimes come from the guerrilla armies they support—particularly soldiers or former soldiers of the Khmer People's National Liberation Front, some of whom act as warlords in border areas—or from Thai forces, in particular the paramilitary "rangers" of Task Force 80, a unit created in 1980 specifically for this border area.

ANALYZED BY INTERVIEWERS

The material on Thai military abuses was gathered and analyzed by the committee's principal interviewers, Stephen Golub, a lawyer and consultant to the committee who did research in the camps; Floyd Abrams, a New York lawyer, and Diane Orentlicher, director of the committee's international human-rights program, who had talks with Thai and international officials. The charges have never been so convincingly or comprehensively documented, an official of an international relief organization said here.

"The caliber of ranger units varies widely," the report says. "Some have heroically defended Cambodian camps from raids by Cambodian bandits. Several rangers have been wounded, and at least two killed."

"All too often, however," the report concludes, "ranger units are ill-disciplined, unruly, and even violent. Some relief workers suspect that many ranger units include juvenile delinquents and paroled convicts."

Information on Task Force 80 abuses collected by a reporter from refugees in border camps over the last two years corroborates these conclusions. Several women at Site 2, where 140,000 people live within a mile of Cambodian territory, described sexual assaults by rangers. One young man was reported to have been stabbed for failing to provide acceptable prostitutes.

TORTURE CASE DOCUMENTED

Amnesty International documented a case of torture in March 1986 by Thai forces at Khao I Dang, the refugee camp Thailand is now closing. Three Cambodians told a Khmer-speaking foreigner investigating the incident for Amnesty that they had been burned, struck with rifles, whipped with electric cables and doused with boiling, salted water.

The lawyers' committee report says: "As recently as Nov. 18, 1986, an illegal entrant who had been hiding in Khao I Dang was apprehended by several rangers. He was fatally shot in the back of the head, and a post-mortem examination identified a bullet hole in his wrist, which seemed to indicate that the victim's hands were behind his head when the fatal bullet was fired. Bruises covering his face indicated that the victim had been severely beaten before he was shot."

The report also drew these conclusions:

The proximity of camps to the border exposes them to attack by the Vietnamese. The report recommends they be moved to safer ground.

Khmer Rouge control over 59,000 Cambodians should be greater cause of concern. The report, finding that some civilians under Khmer Rouge control have been forcibly moved or taken away for "re-education," suggests that displaced people in these camps should be given the option of moving to camps under non-Communist control.

Many abuses occur at night, when international agencies are not represented in the camps. The report recommends that international personnel should be stationed in the larger camps at night. It also recommends that the United Nations High Commissioner for Refugees be given responsibility for protecting all the displaced Cambodians, not just those classified as resettleable refugees by Thailand.

Mr. Abrams and Ms. Orentlicher, who produced two years ago the first report on human-rights abuses inside Cambodia since the end of the Khmer Rouge era—"Kampuchea: After the Worst"—were denied entry to that country by the Phnom Penh Government. There have been no obstacles to gathering information in Thailand, however.

[From the New York Times, Feb. 15, 1987]

AID OFFICIALS TROUBLED BY MOVES ON CAMBODIA BORDER

(By Barbara Crossette)

BANGKOK, THAILAND.—The sudden relocation of large numbers of refugees under Khmer Rouge control in four inaccessible Thai-Cambodian border camps is worrying relief agencies, a United Nations official said today.

The official, Tatsuro Kunugi, who is completing a three-year assignment as the United Nations Secretary General's special representative on Cambodian assistance, said that particularly "ominous" were secretive night-time movements in January of 1,683 people from a relatively open Khmer Rouge-controlled civilian camp known as Site 8 to a closed camp at Na Trao, more than 250 miles to the northeast.

The Khmer Rouge leader in charge of Na Trao is Ta Mok, one of the most ruthless regional commanders during the rule of the Pol Pot regime from 1975 to 1979. Two million Cambodians died during those years by execution, starvation, disease and forced labor.

Mr. Ta Mok—whom Prince Norodom Sihanouk, the former Cambodian ruler, calls "Pol Pot's Himmler"—was commander of the southwest region in Cambodia during the Khmer Rouge era. There have been reports that Mr. Ta Mok may be trying to wrest control of the Khmer Rouge from Son Sann, the publicly announced successor to Mr. Pol Pot, who is believed to be terminally ill.

Khmer Rouge officials have said the clandestine movements in January were cases of "family reunification." Relief officials who were allowed to interview some of the people who were moved were told that they had gone voluntarily, Mr. Kunugi said.

Diplomats and aid officials speculate that the relocated civilians may be needed for logistical support as the Khmer Rouge guerrillas move deeper into Cambodian territory. The three guerrilla armies opposing the Vietnamese imposed Government in Phnom Penh say they are now able to operate in almost every Cambodian province.

Mr. Kunugi said the 1,683 people were moved out by truck on three successive nights, on Jan. 13, 14, and 15. Although the Thai Army has denied any involvement, refugee and aid officials say the movement could not have taken place without the knowledge of the military, which controls the roads in the border zone. Thailand supports the Cambodian guerrillas.

In an interview, Mr. Kunugi said relief agencies were effectively barred from observing the distribution of essential aid—food, water and building materials—at Na Trao and Huay Chan camps in Sisaket Province and Borai and Ta Luen camps farther south in Trat Province. There are 29,000 people in the four closed camps.

International aid is intended only for civilians, not guerrilla armies. Mr. Kunugi, who said he reached an "understanding" with the Phnom Penh Government after heavy border fighting in 1985 that civilian camps would not be attacked if they were clearly separated from guerrilla operations, is concerned about the consequences of humanitarian assistance being diverted to Khmer Rouge forces.

The United Nations Border Relief Operation has the authority to recommend the curtailing of humanitarian aid to the closed camps.

"Food is going to these camps through the Thai Army," Mr. Kunugi said. "We don't always see the end provision."

Mr. HATFIELD. Mr. President, I yield the remaining balance of the time of the Republican leader to the Senator from South Dakota [Mr. PRESSLER].

The ACTING PRESIDENT pro tempore. The Senator has yielded to the Senator from South Dakota.

Mr. HATFIELD. I have.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota is recognized.

STUDENT AID IN THE FISCAL YEAR 1988 BUDGET

Mr. PRESSLER. Mr. President, nearly 30 years ago Congress declared, in the first title of the National Defense Education Act, that:

> The Congress hereby finds and declares that the security of the Nation requires the fullest development of the mental resources and technical skills of its young men and women. * * * This requires programs that will give assurance that *no student of ability will be denied an opportunity for higher education because of financial need* * * *

Unfortunately, the administration's fiscal year 1988 budget request for student financial aid programs seems to directly contradict this declaration.

These holes are literally the middle of zeros. And the zeros are found in nearly 20 education budget line items. For instance, in 1987 the College Work Study Program was funded at nearly $600 million. The 1988 request is zero. The Supplemental Educational Opportunity Grant Program received $412 million in 1987. In the 1988 request—zero. The National Direct Student Loan Program received $188 million in 1987—zero for 1988. The State Student Incentive Grant Program received $76 million in 1987—zero for 1988. I could go on and on.

Mr. President, in view of the deficit there is no doubt that we must tighten our belts wherever possible. Last year, I was an original cosponsor of the Higher Education Amendments of 1986. Under the able leadership of Senators STAFFORD and PELL, who resisted efforts to make the bill a budget buster, eligibility requirements were tightened, loopholes were closed, and collection of defaulted student loans was enhanced. The higher education reauthorization bill is a success story. While I do not agree with every provision of the legislation, it was a compromise which Republicans, Democrats, administration officials, and the education community accepted.

In contrast to this sweeping, effective compromise, the administration's current proposal would result in a 46-percent reduction in overall student aid funding. Nearly 3 million awards would be eliminated from the 1987 total of 9 million. Is this truly in our Nation's best interest? I argue it is not. Our investment in student aid must be responsible and prudent. However, simply cutting off millions of students from the opportunity for higher education is not the answer.

One of the most successful and effective student aid programs is college work study. In 1987, approximately 787,000 students will benefit from the College Work Study Program. According to the National Association of Student Financial Aid Administrators, 65 percent of the funds go to students with family incomes of $24,000 or less. College work study programs attempt to place eligible students in jobs directly related to their field of study. Federal college work study funding is matched by participating institutions. While the Federal portion is currently 80 percent, it will be 75 percent in fiscal year 1989 and only 70 percent thereafter. By making students earn financial assistance and lowering the Federal matching rate, the College Work Study Program represents one of the most effective student aid programs in existence. However, the administration proposes to wipe it out.

Mr. President, I will not go into the details of the effectiveness of every Federal student aid program. In recent years, Congress has created a number of cost-savings measures for student aid programs. Some are becoming effective just this year. For instance, a needs analysis for guaranteed student loan applicants is now in place. A more restrictive definition of "independent student" was necessary to halt abuses. Pell grants are targeted to the truly needy, with 77 percent of all Pell grants being awarded to those with family incomes of $15,000 or less. In fact, 53 percent have family incomes of only $7,500 or less. Mr. President, I think that points out that there are not abuses in the Pell Grant Program except in very rare cases. Continued development of cost-savings mechanisms like these is the proper way to have financial aid programs contribute to deficit reduction.

Mr. President, in my home State of South Dakota, over 75 percent of our students rely on financial aid. South

Dakota students carry a higher loan burden than the national average, yet have one of the lowest student loan default rates in the Nation. I am always proved to point that out. For 1986, the national Guaranteed Student Loan Program default rate was 9.6 percent. The South Dakota default rate was 5.3 percent. Mr. President, students like those in South Dakota who rightly accept responsibility for repaying their obligations should not be punished because of the failure of others.

Mr. President, it is my hope that the Senate will realize the short-sightedness of the administration's budget proposal for financial aid programs and soundly reject it. Congress is on the right track in developing additional cost-saving mechanisms to eliminate abuses, but not eliminating desperately needed awards. We should remember our 30-year-old promise that no student of ability will be denied an opportunity for higher education due to financial need.

Mr. President, I yield back the remainder of my time, and I thank the Chair.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota has yielded back the balance of his time.

The majority leader is recognized.

Mr. BYRD. Mr. President, I yield 4 minutes to the distinguished majority whip.

Mr. CRANSTON. Mr. President, I thank the majority leader very, very much. And I thank him for his leadership on this issue, and on so many others.

The ACTING PRESIDENT pro tempore. The Senator from California is recognized for 4 minutes.

CONTRA CLOTURE VOTE

Mr. CRANSTON. Mr. President, the upcoming vote is an important one for our Nation and for our people. It is also important for the U.S. Senate. The very genesis of Congress in the 18th century was belief that the executive should be accountable to popular assembly—the Congress.

Accountable on issues of war and peace; and

Accountable on how public funds are expended.

This administration seeks to evade accountability.

This administration has prosecuted an undeclared war for 6 years now—6 long years—an undeclared war that has not made an inch of progress on the ground and which has failed to win a single military success.

It is an undeclared war which targets chiefly civilians, peasants, women and children, health clinics, and power stations.

It is an undeclared war of terrorism.

The Reagan administration seeks to evade accountability on how taxpayers' dollars have been spent, how the people's money has been spent.

The administration seeks to evade the accountability in how dollars raised from private and foreign sources by renegade White House staffers have been used and abused.

What happened to the so-called humanitarian relief funds? Some $26 million might have simply evaporated. Taxpayers' money.

What happened to the millions from the country of Brunei? What happened to the money the Saudis sent to the Contras?

What about the White House orchestrated private moneys for the Contra war? What about money that came out of the Iran arms sale that apparently wound up with the Contras?

We have had no accounting of any of this money and yet now the administration wants more money. Should we not find out what the Contras did with the money they got before we give them more money?

Any prudent government would do exactly that. That is all the measure before the Senate asks, to make an accounting before more is sent, before more is spent.

The champions of the failed Contra policy are so afraid of accountability that they are hiding from a vote. They are filibustering so we cannot even vote on whether or not there should be an accounting.

This is a travesty. It is a blemish on the record of this distinguished body. It is a sad day for the Nation.

And yet it is the beginning of the end for Contra funding because a filibuster is the ultimate sign of weakness for a cause which next fall will need only 51 votes, not the 60 we now seek for more taxpayers' dollars.

I am confident, unless there is some dramatic change, that we will be able to defeat that effort this fall and end this unhappy matter of Americans financing an undeclared war, a war that is based upon terroristic tactics.

Mr. BYRD. Mr. President, I yield to the distinguished Senator from Kentucky [Mr. Ford] for 1 minute.

The PRESIDING OFFICER (Mr. Fowler). The Senator from Kentucky is recognized for 1 minute.

THE KENTUCKY WESLEYAN PANTHERS ARE WINNERS

Mr. FORD. Mr. President, as it has so many times in the past, the Commonwealth of Kentucky has produced another national championship basketball team. Kentucky Wesleyan College of Owensboro Saturday night in Springfield, MA, clinched the Men's Division II of the NCAA. According to the Owensboro Messenger Inquirer's Sports Editor Gene Abell, "The Kentucky Wesleyan Panthers mauled Gahnon College 92-74." In 7 minutes during this championship game, the Panthers pumped in 23 points.

It takes years of building to develop a team like this. And it takes dedication by the alumni, by the school, by the coaches, and most of all the players. This team has unusual depth for a small college squad. Seven of its members are seniors. Maturity certainly is a factor in winning a national championship. But I believe there is something more at play here that led the Panthers to victory. I believe that is a will to win.

Mr. President, I've known for some time that this team had what it takes. Now I believe the country does.

I ask unanimous consent that the article from the Owensboro Messenger Inquirer, dated March 22, 1987, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

PANTHERS COAST TO TITLE

(By Gene Abell)

As the final seconds ticked off the clock, Wayne Chapman leaned onto the press table and looked at NCAA Executive Director Jerry Miles.

"We're the national champions. I don't believe it," Chapman said.

It wasn't even close.

With senior Sam Smith turning in a championship performance, the Panthers mauled Gannon College 92-74 in Springfield, Mass., to win the Division II national title. The title is KWC's fifth overall and first since 1973.

"Somebody needs to slap me. I may be dreaming," senior Myron Christian said, with parcels of the net hanging around his neck.

This has been a season of superlatives for Wesleyan. Poetically, they saved the best for last. In a town where basketball was founded, KWC played the game like it invented it.

"On a scale of one to 10, we were a 50," said Smith, who scored 28 points and was voted the tournament's Most Outstanding Player. KWC left the championship game record crowd of 6,894 with a first-half performance they won't soon forget. Only some sloppy second-half play kept the Panthers from setting a record for the largest winning margin in the final game. The record is 24 points. At half-time against Gannon, KWC led by 24 points, 51-27.

In two games here, Wesleyan not only proved it is the best Division II team in the country, it showed that it is capable of a performance that would have to put it in a class with some of the best Division II teams ever.

"Greatness comes with years, the people of Owensboro can decide that (how good this team is)," Chapman said. "But we are one of the five greatest teams ever at Kentucky Wesleyan."

The Panthers came out and delivered a pair of first-round knockouts. They reached the finals by smacking Delta State 98-75. On both KWC led by as many as 30 points in the second half.

"Your never expect in the NCAA to do something like that," Chapman said.

No one out here expected Wesleyan to be this good. All year, Chapman has preached that this team played harder, and played hard longer, than the opponent.

This team plays 40 minutes like it is the last one. They've dared opponents to meet their intensity level, then rubbed their heads in the ground when they couldn't.

"Teams out here haven't seen 94 feet of pressure like we have, they don't know what to do," said John Worth. "They get timid."

In the first minute Saturday night, Chapman really saw all he needed. The game wasn't 40 seconds old and Wesleyan already had forced two Gannon turnovers.

It was a matter of time before the Golden Knights cracked. With the score 20-19 in KWC's favor, the wave hit.

Over the next seven minutes, Wesleyan scored 23 points. Smith double-clutched, faked and dodged his way around and over people. He scored 15 of the 23 points.

KWC smelled the roses. Gannon fell apart. While KWC was scoring 23 points. Gannon did not score.

"That's going for more than the throat. That's hanging them up," Worth said.

It goes back to Chapman's motto. Play hard and don't let up. In the first half, KWC never did.

"It's the best half I've ever seen any team play this year on any level, (Division) I or II," said Gannon coach Tom Chapman.

That killer instinct comes from the team's maturity. Wesleyan has seven seniors, four of whom are fifth-year college players.

All year, they had a single-mindedness about them. They wanted nothing short of a national title. They took a serious, almost businesslike appraoch, to that goal.

"You can't buy experience," Chapman said.

So it started with experience. Then came the intensity. And of course it took the talent to top it off.

The beauty of this beast is its versatility. Wesleyan became a monster with many heads. Cut one off and another bit back.

Worth was the captain of intensity, and a three-point bomber. Smith was Mr. Inside, the blue-collar workhorse. J.B. Brown was the defense stopper, the enforcer who helped hide any defense deficiencies.

Andra Whitlow was the creator, Myron Christain was instant offense off the bench. And James Johnson was perhpas the team's most complete player, the defensive pacesetter who supplied offense when needed most.

"It all culminated in a national championship," Chapman said.

And it wasn't even close.

Mr. BYRD. Mr. President, I yield now to the distinguished Senator from South Dakota. First, Mr. President, how much time have I remaining?

The **PRESIDING OFFICER.** The Senator has 14 minutes remaining.

Mr. BYRD. Mr. President, could I ask how much time the Senator from South Dakota will require?

Mr. DASCHLE. I would like to have 10 minutes.

Mr. BYRD. Mr. President, I yield 10 minutes to the Senator from South Dakota.

Mr. DASCHLE. Mr. President, I ask unanimous consent that during the time the Senate is considering this joint resolution, Laura Petrou, of my staff, be granted the privileges of the floor.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

MORATORIUM ON ASSISTANCE TO THE NICARAGUAN DEMOCRATIC RESISTANCE

Mr. DASCHLE. Mr. President, the discussion this afternoon is really a very important one, and it is very important for us not to overlook the consequences as we condsider the joint resolution this afternoon and as we ultimately vote on cloture. The issue is a very simple one. It is simply a question of whether or not we require the accountability in this area that we require as a matter of course in every other area of Federal spending. Just last week we were told time and again that the President intends to veto the highway bill simply because we cannot account necessarily for some of the demonstration projects and their worth to the country as a whole, we cannot for whether or not the demonstration project in Massachusetts or in California, or in any other part of the country, has the same viability to someone who lives in South Dakota or indeed West Virginia as it might in States like Massachusetts or California.

So accountability is a question and, indeed, it should be when we consider the expenditure of taxpayers' dollars. But that is not the real question we are here, that of accountability.

The joint resolution simply states that there shall be a moratorium on further aid to the Contras until the President submits to Congress a full accounting of the missing Contra aid funds, and places nothing more than a temporary hold on the remaining $40 million of the $100 million in fiscal 1986 military funds until that accounting is submitted.

The moratorium, I hasten to add, would be lifted once Congress passed a joint resolution verifying that the funds had been accounted for and that the ban on further aid has been removed.

The funds to be accounted for really are in three categories:

Funds diverted from the sale of arms to Iran;

$27 million in humanitarian aid appropriated in fiscal 1985;

And funds and other assistance from "outside" sources, including funds, goods, and services solicited by U.S. Government officials or others acting on the encouragement of a U.S. official. This assistance includes private donations by United States and foreign citizens and foreign governments as well.

There are those who challenge the necessity for this vote. In fact, they have attempted to block it. But the vote is necessary. It will show whether or not we, as policymakers, are willing to accept accountability—in our foreign aid programs as well as in our domestic programs—as a legitimate policy objective. The American people, who fund these programs, deserve to know the level of commitment they can expect from their representatives when it comes to accountability. So that is the real issue today.

This is not just an intellectual exercise. It has always been an important part of whether or not we add funds to foreign aid or domestic assistance. But the issue now faces us on several levels:

First, the administration adherence to congressional intent concerning the appropriate use of Contra aid;

Second, administration observance of laws, such as the Boland amendment, before and after the fiscal 1987 military aid to the Contras was approved in the first place by the Congress;

And, third, the administration adherence to the human rights and diplomatic efforts and all the provisions of the fiscal 1987 appropriations bill, Public Law 99-500.

At this point, it seems there are very few people who would debate the question of whether or not accountability has been served.

Of course, the $60 million of the fiscal 1987 $100 million package for the most part has been accounted for to the satisfaction of the House and Senate Intelligence Committees. That point has been made by several Members of this body.

But approximately $80 million in funds directed to the Contras, the congressional appropriations, private sources connected to administration officials, foreign governments, and the Iran arms sale are still missing or completely unexplained.

For example, the General Accounting Office reports that it was unable to track up to $17 million of the $27 million appropriated by Congress for humanitarian aid to the Contras in fiscal year 1985.

As we have noted in the report just presented to the Congress not long ago, the so-called Tower Commission report, Lieutenant Colonel North and other administration officials mounted extensive fundraising efforts to secure private funding for the Contras at a time when military assistance had been prohibited by the Boland amendment, and there are reports that many of these funds were used to purchase arms for the Contras.

Let us decide that issue, find out what happened to those funds, whether or not that report is true and how credible the sources are that gave the information to the Tower Commission.

Carl Channell, head of the National Endowment for the Preservation of Liberty, raised millions of dollars from private American citizens for arms for the Contras with the help of Lieutenant Colonel North; the President held special White House briefings for the contributors and thanked them for their efforts; Channell's organization was a tax-exempt foundation, so U.S. taxpayers were subsidizing the contributors' tax exemptions.

The State Department awarded a secret contract to International Business Communications, a public relations firm that worked with North to send the Channell funds to the Contras and to lobby Congress on Contra aid; Channell money also went to other pro-Contra lobbying groups and political action committees.

Arturo Cruz and Alfonso Robelo, the two Contra leaders who are considered moderate by most supporters of Contra aid, received regular, direct payments from accounts controlled by Lieutenant Colonel North.

CIA Director William Casey ran a covert operation through the Government of South Africa to provide military supplies to the Contras.

Adolfo Calero's financial records show that his Contra accounts received $32 million from non-American sources, including large sums from the Saudi royal family and others.

North threatened that he would cut off funds to Costa Rica if Costa Rican President Oscar Arias exposed a secret airstrip in his country that was established by the United States as a supply post for the Contras; a memo from North to Poindexter claimed that Assistant Secretary of State Elliot Abrams and Louis Tambs, U.S. Ambassador to Costa Rica, supported his "threat."

Assistant Secretary Abrams, with the approval of Secretary of State George Shultz, solicited $10 million for the Contras from the Sultan of Brunei.

The Tower Commission reported that Attorney General Edwin Meese verified that $10 to $30 million from the Iran arms sale was diverted toward military assistance to the Contras through third-party countries and NSC personnel.

So let there be no one in this Chamber deny the fact that there were major questions relating to the accountability of these funds and others that I have not mentioned that I would like to submit for the RECORD itself.

These aberrations in the Contra aid program are not insignificant "kinks in the system," as some would like to believe. While it is unclear who is directly responsible, it is clear that there has been a systematic attempt within the administration to send unauthorized funds to the Contras and to mislead Congress and the American people about those funds. At some point, we must admit there is a real problem and begin to address it.

There must be accountability; the facts must come out; and we must adjust our policy accordingly. But if we are going to do this, certainly, we have to hold back the funds already authorized in order for us to make a proper accounting in the future.

As we have seen, the facts will not come out on their own. The facts we have gathered are the product of a detailed investigation—one that is still getting started. It will take time, and it will take a genuine commitment from both Congress and the administration, but it only makes sense that we follow the investigations as we continue to judge this policy.

The administration is accountable not only to Congress, but also to the American people. Similarly, we are accountable to the American people. It is our responsibility to ensure that their interests are being served and that their tax dollars are being put to good use. When we vote today, we will be sending a message to the Contras, the American people, and the world. We will be telling them whether or not we are willing to hold the administration and ourselves accountable for the foreign policy of this country.

U.S. FOREIGN AID: POLICY IMPLICATIONS

Most policy initiatives can be judged ultimately by the way they fit in with our overall national priorities.

Here, too, is another cause for the moratorium that we ask for in this vote this afternoon. We must examine also how well the programs achieve our policy objectives. In the case of foreign policy, we have an additional responsibility to assess the policy's impact on other countries. When judged by these criteria, it seems that the success of the current Contra aid program must be seriously questioned.

There must be these questions when we consider whether or not it is appropriate for this body to allow the $40 million to be expended:

Will of the people: The majority of the American people do not support Contra aid in the first place. What little support there was has been greatly eroded by: First, the reports of misuse and diversion of funds, and second, the fact that deserving, well-run domestic programs have absorbed deep cuts to help pay for questionable foreign aid programs such as Contra aid.

Credibility: Our credibility in the world community has been severely undermined by the discovery of the tactics used by the administration to support the Contra war. Our history in Nicaragua, which has included unauthorized and often illegal activities such as the CIA mining of Nicaraguan harbors, is a poor one, a poor example of our desire to establish greater credibility in Latin America and the Western Hemisphere.

Effectiveness: Are we meeting our policy objectives? What are our policy objectives? What should they be in the future beyond Contra aid?

Overthrow of the Sandinista Government: Administration claims that is not its objective, though that objective is implied, and administration officials, including the President, have made misstatements to that effect.

Curbing Soviet influence and pushing the Sandinistas toward negotiation with democracies in Central America: This is a very legitimate objective, but it has not been well served by the current policy. Administration officials admit that Nicaragua is no closer to democracy than when the United States first became involved in "pressuring" the Sandinistas. Both the United States and the Sandinistas have shown a lack of interest in serious negotiations.

Bringing democracy to and promoting human rights for the Nicaraguan people. Here is perhaps the worst failure of the Contra policy. The Contras have tortured and killed Nicaraguan civilians, and United States efforts to curb these abuses have been to no avail. The human rights organizations, Americas Watch and Amnesty International, which report on Sandinista abuses as well as Contra abuses, both report that Contra abuses have increased as Contra aid increases.

CONTRA AID: ARE WE GETTING OUR MONEY'S WORTH?

In the end, we must ask ourselves whether or not Contra aid is a legitimate use of Federal funds. Based on the previous findings, I would suggest that it is not.

We must ask ourselves whether or not, as we consider accountability this afternoon, we, with the best intentions and with the best interests of our country and our people at stake, find cause to support the additional $40 million now and perhaps $105 million later. Based on the previous findings, I suggest that is not in our best interest. The issues of accountability and effectiveness cannot be separated from the policy questions, for accountability and effectiveness are an integral part of policy.

If we are to continue to offer aid to the Contras, the least we could do is insure that the aid is being administered under strict controls and that the policy is achieving our objectives.

THE PRIVATIZATION OF U.S. FOREIGN POLICY

As we consider three objectives, perhaps the most troubling news that has come out of the discovery of the Iran-Contra affair concerns the "privatization" of United States foreign policy. Out-of-control NSC officials, foreign governments and private United States and foreign citizens apparently knew more about our actual policy in Nicaragua than the United States Congress, including the House and Senate Intelligence Committees. As the President has indicated several times, these people knew more about some of the details of our foreign policy than the President himself.

This is a situation that cannot be tolerated. While the administration agrees that there is a serious problem that must be corrected, its proposal to send further aid to the Contras, absent a full accounting of previous aid, only makes matters worse. Even without the last installment of $40 million, the Contras have already been sent more than Congress ever intended, and sending another $40 million before the investigation is concluded only throws good money after bad.

Only Congress has the constitutional authority to appropriate funds on behalf of the United States. Further, the Boland amendment made it clear that U.S. agencies and officials involved in intelligence activities were prohibited from providing military assistance—directly or indirectly—to the Contras. The events of the Iran-Contra affair have severely undermined those clear legal guidelines. There is no question that these laws were violated and that the Contras got unauthorized funds. The questions that remain are, how much did they get, what did it fund, and who in the Reagan administration sanctioned it?

Of course, the broader question is, who is running the foreign policy of the United States, and what do we need to do to get control of foreign policy back in the hands of Congress and the President? As it is now, we have Texas billionaires and foreign governments sending unauthorized funds through public relations firms and Swiss bank accounts to fund a covert war in the name of the United States Government. As it is now, no one is accountable, and a major foreign policy initiative is out of control.

I have no illusions that placing a 6-month moratorium on the $40 million in aid to the Contras would solve all our foreign policy problems. But it would do three valuable things:

First, send a strong message to the Contras, the American people, and the rest of the world that Congress and the President will insist on strict, legal controls on the implementation of U.S. foreign policy.

Second, allow the congressional investigative committees and the independent counsel an opportunity to uncover the facts before we send more money. Investigations are underway. We may find that even more money was sent, that even more laws were broken. If we release further aid to the Contras before the investigations are completed, we defeat one of the prime purposes for having the committees. If our policy has been flawed, as the Tower Commission reported, then we must find the causes and adjust the policy.

Third, allow us time to attempt to address the conflict in Nicaragua through peaceful, diplomatic means. Two weeks ago the Senate overwhelmingly passed a resolution expressing support for the peace initiative set forth by Costa Rican President Oscar Arias. The moratorium would give us a chance to slow down, to reassess our policy objectives and the best means of achieving them, and to try our hand at negotiations.

We have been moving in the wrong direction. While we cannot retrieve the funds that were diverted to the Contras, we do have an opportunity to ensure that this does not happen again. I hope that today we will vote for the moratorium and begin to travel down that road.

Mr. President, that is the issue, the privatization of foreign policy or the ability for us to put that policy in the hands of the Congress and ultimately of the President.

PROSPECTS FOR U.S. POLICY TOWARD NICARAGUA

Future of a policy dominated by military aid to the Contras is grim:

Arturo Cruz, the most widely respected Contra leader, has resigned "because he found it impossible to carry out the fundamental reorganization that he believes is necessary to turn the Nicaraguan rebels into a popular resistance movement." (New York Times, Mar. 10, 1987).

Cruz, acclaimed by many as the only person capable of bringing political legitimacy to the Contras, has found that task impossible. His letter of resignation stated, "the time is up. I have given all that I can give." Cruz stated that he could not establish the political will among the Contra forces to change their terroristic approach of fighting and to curb their human rights abuses against civilians.

Alfonso Robelo, the other "moderate" Contra leader, has also threatened to resign and has displayed strong disillusionment.

Support for Contra aid among the American people continues to decrease.

The Contra war has cost the United States over $1 billion in direct and indirect assistance: $847 million in related costs to surrounding countries, such as military assistance to Honduras, and over $200 million in aid to the Contras.

It is difficult to believe that this $100 million or the next $100 million will be our last. While the President claims that "American money now will prevent American troops later," this is not at all clear, and administration officials have admitted that it will take hundreds of millions of dollars to boost the Contras enough to put real pressure on the Sandinistas, and that it may be that no amount of money is enough.

Prospects for alternative United States policy in Nicaragua are better:

Costa Rican peace initiative.

Real support of democracy: True concern for the Nicaraguan people; human rights; nutrition, health care, education, and developmental assistance.

I thank the Chair and I certainly thank the majority leader for yielding this time.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Three minutes and fifteen seconds remain.

Mr. BYRD. I thank the Chair.

Mr. President, I yield 5 minutes to the distinguished Senator from Massachusetts. The distinguished Senator from North Carolina [Mr. HELMS] has yielded me some of his time.

The PRESIDING OFFICER. The Senator from Massachusetts [Mr. KENNEDY] is recognized for 5 minutes.

Mr. KENNEDY. I thank the majority leader.

Mr. President, last week, the Senate narrowly voted down an immediate cutoff of funds for the administration's failed policy of United States military aid for the Contras in Nicaragua.

The close vote of 52 to 48 demonstrates how controversial the administration's policy really is. The issue now before us is not an immediate cutoff, but a moratorium on further support until an adequate accounting is furnished for the millions of dollars already provided in Contra aid.

The case for Contra aid is so shallow that its supporters are now engaged in this unseemly filibuster to prevent the Senate from even taking up this legislation.

What are they afraid of? Are they already suspicious of what will be revealed? Are they afraid the American people will be appalled by the amount of illegal funding and the devious tricks used to provide the money? Are they so desperate to get the last few drops of military aid into the pipeline that they are willing to ignore the stench of Iranscam and pour $40 million more into this scandal, no questions asked?

Obviously, they want to keep the Senate in the dark, because they know their program cannot stand the light of day.

Two weeks ago, this moratorium resolution passed the House of Representatives by a vote of 230 to 196. Last year, the House had narrowly supported Contra aid, but now a majority of the House is on record against any additional assistance until the President accounts for the funds already spent.

In light of the sensible action by the House, it would be foolish for the Senate to close its eyes, hold its nose, and vote again for Contra aid.

The moratorium resolution calls for an accounting of three types. First, it requires an accounting for the funds diverted to the Contras from the sale of weapons to Iran. Just last week, we learned that $2 million to $3 million in Iranscam profits were paid in ransom to the very terrorist group holding the American hostages in Lebanon. This runaway aid program might make a good spy novel—but it is setting dangerous policy. We do not know the full damage that has been done to our worldwide interests—but it is clearly time to stop and find out.

Second, the resolution requires an accounting of the $27 million in so-called humanitarian aid appropriated in 1986. The General Accounting Office conducted an investigation and could not account for $15 million of the funds. Basic common sense requires that we find the missing funds before pouring more funds into this bottomless scandal.

Third, the resolution requires an accounting of any aid—direct or indirect—solicited by the United States through third parties or other governments. We have no idea how much money has gone to the Contras—much less what happened to the funds they did receive. To continue to provide U.S. funds until these questions are answered is irresponsible and unacceptable.

It is clear, for example, that the administration has been putting the arm on other nations. The Sultan of Brunei is not the only victim of this scam. As we learned last week, Saudi Arabia agreed to pick up where the American law left off, and provided monthly payments to the Contras of $1 million—later increased to $2 million a month.

Two weeks ago, when the administration submitted its report requesting the additional $40 million in Contra aid, it stated that there is no reasonable prospect of achieving a peaceful agreement with Nicaragua. Yet the Senate has just voted 97 to 1 to endorse the Costa Rica peace plan, the most hopeful new peace initiative in many years. In fact, the major obstacle to pursuit of the Arias plan is the administration's opposition—they are so bent on their policy of military victory that they are willing to scuttle any diplomatic settlement.

The Arias plan calls for an immediate cease-fire in all guerrilla wars in the region, a cutoff of aid to rebel groups, a general amnesty, and negotiations between the parties in the conflicts. The plan is bold, and it may not succeed—but at least it is worth a helping hand from the United States, instead of the cold shoulder the Reagan administration is giving it.

Last week, we learned the latest appalling chapter in the administration's pursuit of the phantom of military victory in Nicaragua. The CIA is planning a "spring offensive" for the Contras—the heart of which is to blow up civilian installations such as telephone relay stations, electrical switching stations, bridges, and port facilities.

This plan has a haunting familiarity to it. Several years ago, the CIA concocted the mining of Nicaragua's harbors in an effort to disrupt the economy of the country. Now the same agency is going after similar types of targets—only this time on land instead of sea. The CIA is giving the Contras detailed maps, blueprints and floor plans of Nicaragua's infrastructure—much of which was originally built by the U.S. Army Corps of Engineeers in previous decades, so that the Contras can blow it up. Such tactics will never win the hearts and minds of the Nicaraguan people, but they will earn the enduring enmity of the Nicaraguan people for the United States.

Supporters of Contra aid are filibustering this legislation for one reason only, because they fear they do not have the votes to defend their indefensible policy. I urge the Senate to shut off this filibuster, enact the moratorium on further U.S. aid to the Contras, and begin the process of salvaging our policy in Central America now, not next October. Until the Senate is reassured by an appropriate accounting that past assistance has not been criminally embezzled, directed or otherwise mishandled, not another dime in U.S. aid should go to the Contras, let alone $40 million.

Mr. President, I ask unanimous consent that several articles relating to the missing Contra funds be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 22, 1987]

NEW U.S. EXERCISES SET FOR HONDURAS

MANEUVERS PLANNED FOR MAY ARE TO BE THE BIGGEST YET

(By Richard Halloran)

WASHINGTON, March 21.—The United States will conduct its largest Central American show of force and training exercise in May, when 50,000 service men and women will be deployed, military officers said today.

The show of force will coincide with the "spring offensive" that United States officials have said the Nicaraguan rebels have planned. The rebels, known as contras, have sanctuaries in Honduras but have begun operating inside Nicaragua, the officials said.

SIMULATING WAR WITH NICARAGUA

The exercise, code-named Solid Shield, is intended to simulate an American response to a request from Honduras to help fight Nicaraguan forces, the officers said. The Reagan Administration has already drawn up contingency plans for such an operation, officials here said.

Included in the United States maneuvers, the military officers said, will be a simulated evacuation of the American naval base at Guantánamo in Cuba. That aspect of the exercise assumes that Cuba would retaliate against the United States for an attack on its allies in Nicaragua.

Most military drills in recent years have featured reinforcement of the Guantánamo garrison.

As with other shows of force in the last four years, the maneuver in May is intended to deter the Sandinista Government in Managua from exporting its leftist ideology by maintaining what American officers have called a "continuing presence" in Honduras and the Caribbean.

Politically, the maneuver may influence, intentionally or inadvertently, the attitude of Congress on the issue of continued military aid to the contras. Senior Administration officials have repeatedly contended that American forces might be called on to fight in Central America if the contras fail to defeat the Sandinistas.

The Administration won a narrow victory in Congress last week when a move to delay $40 million of this year's $100 million in aid to the contras was defeated in a close vote. The Administration's prospects for its request for another $105 million in aid next year remain in doubt.

The President of Nicaragua, Daniel Ortega Saavedra, pointing to the extensive American maneuvers, has accused the United States of threatening to invade his country. The Reagan Administration has long accused the Sandinistas of aiding the leftist insurgency in El Salvador.

INTER-SERVICE COORDINATION

The exercise will also test the ability of the Army, Navy, Marine Corps, Air Force and Coast Guard to mobilize and operate in a large-scale maneuver, the officers said. In earlier drills, the main training objective has been to familiarize American troops with the terrain and climate where they might have to fight in Central America.

Operation Solid Shield will be conducted in Honduras, the Caribbean, the island of Vieques off the eastern point of Puerto Rico, and the Marine base at Camp Lejeune, N.C., the military officers said. Drills at Vieques and Camp Lejeune will simulate Honduras without burdening that nation's limited airfields, ports and roads they said.

The military officers said the ground forces, totaling about 5,000 soldiers and marines, will be the largest ground combat force to have been deployed into Honduras since training exercises for American troops began there in 1983.

But they said the soldiers and marines will remain in Honduras for only a few days because the main point of the exercise was to mobilize and move them rather than to have them operate there.

At Camp Lejeune, two battalions of 1,500 paratroopers from the 82d Airborne Division at Fort Bragg, N.C., will team up with an amphibious brigade of 5,000 marines for a combined mock assault there. A similar exercise will be mounted at Vieques, they said.

AIRCRAFT CARRIER TO BE DEPLOYED

At sea, Navy warships centered on an aircraft carrier will be joined by cutters from the Coast Guard that are normally on station searching for drug runners in the Caribbean. The Coast Guard, a part of the Department of Transportation, can be transferred to the operational control of the Navy by Presidential order.

The Military Air Command of the Air Force will be responsible for transporting the soldiers, their equipment and their supplies while the Tactical Air Command will deploy fighters and attack planes to provide air cover for the maneuver, the officers said.

Other aviation units will be provided by the Marine Corps and the Navy from the carrier that will sail into the Caribbean, they said.

A brigade of 3,000 helicopter assault troops from the 101st Airborne Division at Fort Campbell, Ky., and a marine amphibious unit of 1,800 marines from Camp Lejeune will make a combined air and sea landing in Honduras, the officers said.

LIMITED SPACE AT AIRFIELDS

The United States has an air base at Palmerola in the center of the country, but it lacks parking space to handle more than two C-5's, the largest cargo plane in the United States Air Force, or three C-141 transports at any one time.

Smaller, propeller-driven C-130 transports could use five unpaved airstrips that United States forces have improved or created in Honduras.

There is only one main road that runs from the northern coast of Honduras past the base at Palmerola and through the capital at Tegucigalpa to the Pacific coast. Other roads are unpaved and, in some of the mountains, passable only with mules.

Port facilities in Honduras are equally limited, with facilities at Puerto Cortes and La Ceiba on the Caribbean coast able to take only one or two small ships at a time.

[From the Washington Post, Mar. 19, 1987]

STATE DEPARTMENT FUNDS PAID OVERHEAD COSTS OF FIRM THAT ROUTED CONTRA MONEY

(By Thomas B. Edsall)

State Department funds helped pay substantial "overhead" costs of a Washington Firm that served as a conduit for transmitting $1.73 million to a Swiss bank account used to buy arms for the contras, according to documents obtained this week by the House Foreign Affairs Committee.

The State Department paid $276,000 to International Business Communications (IBC) for a one-year contract from Oct. 1, 1985 to Sept. 30, 1986. Almost half, $128,727, went to pay "overhead," more than covering the firms' $110,000 annual rent, according to a study conducted by the committee.

The contract is a focus of wideranging House and Senate investigations into charges that the Reagan administration was involved in a secret effort to help arm the contras, who are fighting the government of Nicaragua, at a time Congress had banned U.S. military assistance. The overhead charges "appear to be excessive and inconsistent," according to a committee staff analysis.

Under the terms of the contract, IBC was to help anti-Sandinista Nicaraguans during trips to Washington, D.C., line up meetings with the media and public interest groups and perform related services for the State Department's Office of Latin American Public Diplomacy.

These services were almost identical to some of the work performed by IBC for conservative fund-raiser Carl R. (Spitz) Channell.

More important, however, IBC served as a key intermediary transferring a $1.73 million raised by Channell from wealthy American conservatives to the Swiss account of Lake Resources Inc. Lake Resources is one of the companies used by Lt. Col. Oliver L. North, the fired White House National Security Council aide, to finance military support of the contras at the time aid was banned.

Robert Kagan, deputy for policy and public affairs in the State Department's Bureau of Inter-American Affairs, said: "As far as I am aware, I don't think there has been any misuse of State Department funds, but the State Department has initiated a separate inspector general investigation" of the contract.

The contract with IBC was initiated by Kagan's predecessor, Otto J. Reich, now ambassador to Venezuela. Kagan noted that when he succeeded Reich, he did not renew the contract with IBC. Reich was a key aid to Assistant Secretary Elliott Abrams.

IBC is run by Richard Miller, who worked in the 1980 and 1984 Reagan-Bush campaigns. He and his lawyer, Richard Precup, have failed to respond to repeated telephone inquiries.

Documents obtained by The Washington Post show that Miller's IBC transferred $430,000 directly to Lake Resources in 1985. In addition, IBC paid a total of $2.7 million to a Cayman Islands corporation called Intel Co-Operation.

Intel Co-Operation, in turn, paid $1.3 million of the money it received from IBC to Lake Resources. Lake Resources has emerged as a key link in the Iran-contra scandal investigation. It was used to transfer money to finance arms shipments to Iran, and to receive profits from the sale of arms to Iran.

It was controlled by North and retired Air Force major general Richard V. Secord. Both men have asserted their Fifth Amendment right against self-incrimination in refusing to testify about their activities to congressional investigating committees.

Miller and IBC have emerged as central figures in the parallel drive to raise money from American conservatives to help the contras during the period U.S. aid was prohibited by Congress.

In 1985 and 1986, IBC worked for a tax-exempt foundation, the National Endowment for the Preservation of Liberty (NEPL), which was run by Channell.

Conservatives gave millions of dollars in tax-deductible contributions to NEPL, which turned over most of the money, $5.8 million, to IBC. Out of this, IBC received "professional fees" of $1.14 millions and $493,000 for "program expenses."

In a Feb. 16 memo from Miller to Channell, Miller said the $1.73 million was deposited with Lake Resources "at the request of Lt. Col. Oliver L. North. At the present time, we are unable to obtain from him any information concerning the application of those funds after deposit to the Lake Resources account. However, we were assured by him at the time that the funds were to be applied solely for humanitarian assistance."

In its report the Foreign Affairs Committee staff noted that the IBC-State Department contract raised a number of questions, including:

"Why was a noncompetitive $276,000 [contract] classified as secret during the same time period that IBC was engaged in transferring monies to Lake Resources?"

"Were any of the State Department contract monies in fact used by IBC to illegally lobby members of Congress?"

In addition, the committee staff said there were a number of unusual patterns involved in the signing of the contract and the payment schedule.

Although the services performed under the contract began in September 1985, it was not formally signed until September 1986. IBC submitted no bills until Sept. 16, 1986, when it requested $216,000, and then on Oct. 31 IBC requested payment of the remainder of the contract.

The committee staff noted that IBC was not pressed for cash during the period because of the high bills it received from Channell's NEPL.

The committee staff angrily complained in the report that the State Department's legal staff sought to hinder the investigation of the contract and "as a result, the committee has obtained only a small portion of the documents requested and has been required to jump through all kinds of unnecessary hoops."

The staff recommended that its funding be turned over to the select House committee investigating the Iran-contra scandal.

[From the Washington Post, Mar. 19, 1987]

MCFARLANE NOTE TOLD OF SAUDI CASH: IRAN-CONTRA PROBERS LOOK FOR COVERT ACTION "SLUSH FUND"

(By Bob Woodward and Lou Cannon)

Before his unsuccessful suicide attempt last month, former national security adviser Robert C. McFarlane left previously undisclosed letters to his lawyer and three members of Congress describing his failure to disclose that the Saudi Arabian ambassador in Washington had volunteered secret contributions of millions of dollars to the Nicaraguan contras, according to informed sources.

McFarlane has since told investigators that Saudi Ambassador Bandar bin Sultan approached him in May or June of 1984 and volunteered contributions at the rate of $1 million a month.

Investigators have found independently that eight million-dollar deposits were made from July 1984 to February 1985 to a Cayman Islands bank account belonging to the contras. Four large deposits made during a 27-day period in February and March 1985 brought the total to $32 million, contra bank records show.

Investigators pursuing the Iran-contra affair are now trying to determine whether some of this money and other funds may have ended up in a secret "slush fund" for covert operations by the Central Intelligence Agency and friendly intelligence services such as Saudi Arabia's and Israel's, according to an informed source.

The pattern of contributions to the contras' Cayman Island bank account changed after Saudi King Fahd paid a state visit to the White House on Feb. 11 and Feb. 12, 1985, where he had a meeting with several officials including Bandar and McFarlane and a brief, private conversation with President Reagan after breakfast on Feb. 12. Fifteen days later, on Feb. 27, 1985, a $5 million deposit was made to the contras' Cayman Islands bank account.

Bandar and McFarlane have said that aid to the contras was not discussed in the White House meeting with several officials and said they do not believe the issue came up in the private meeting between the president and the king. But investigators are looking at the possibility that Reagan solicited the contribution or that Fahd volunteered it either in the private meeting or at some other time, perhaps in 1984.

Reagan's national security adviser, Frank C. Carlucci, said last night that there had been "no solicitation of Fahd for the contras by the president." Carlucci said that he had talked to most of the participants in the Feb. 11–12 meetings with the president and Fahd and that, in addition, he and White House chief of staff Howard H. Baker Jr. has asked the president about the matter.

McFarlane's disclosure of the Saudi contributions was made in a two-page letter to his attorney, Leonard Garment, written just before he took an overdose of Valium that he has since said was a suicide attempt.

Included with the letter were separate one-page "confidential" letters to Senate Select Intelligence Committee Chairman David L. Boren (D-Okla.), committee vice chairman Sen. William S. Cohen (R-Maine) and Rep. Lee H. Hamilton (D-Ind.), chairman of the House select committee investigating the Iran-contra affair.

In the letters to the members of Congress, McFarlane said he had not made a total disclosure of his knowledge about foreign contributions to the contras. He said "a foreign national" since identified by Garment and McFarlane as Bandar had volunteered the contributions, and that McFarlane believed they that were made. One of the congressional recipients of the letter said yesterday that he found McFarlane's statements "totally credible."

Bandar, who for several years has been close to McFarlane personally and professionally, has repeatedly denied that contributions were made for the contras by himself or other Saudis.

Instead, a source close to the Saudis has asserted that Saudi Arabia contributed $13 million for three U.S. Saudi covert operations described as so sensitive that neither the United States nor Saudi Arabia will ever permit them to become public.

These operations—funded, according to these sources, with Saudi contributions totaling $13 million—are in addition to well-publicized Saudi contributions to the Afghanistan and other anticommunist resistance movements, the sources said. One source quoted Bandar as saying, "Bud [McFarlane] did give me bank accounts . . . He knows I can't contradict him, because to be credible I would have to disclose what happened."

Last night Bandar said: "We have made our position clear on this matter before, and I have nothing more to say."

Garment denied categorically yesterday that McFarlane knew anything about other U.S.-Saudi covert operations. McFarlane also has denied knowing anything about such operations.

McFarlane has also pointed out that he has given sworn testimony under penalty of perjury that Bandar initiated the contributions to the contras and that Bandar, who has diplomatic immunity, cannot be compelled to testify, sources said.

"I have been through this matter backwards and forwards with Mr. McFarlane," Garment said. "He has no knowledge of any, let alone three other operations. The relevant conversations with Ambassador Bandar were about proffered assistance in Central America. If Prince Bandar wants to put this to the test, he should come forward, waive diplomatic immunity and testify under oath."

The account McFarlane gave after his attempted suicide to indpendent counsel Lawrence E. Walsh, congressional committees and the Tower board that investigated the National Security Council was that Bandar met with him in May or June 1984 for a wide-ranging discussion of foreign policy. During this meeting, according to McFarlane's account, Bandar predicted that Congress would withdraw funding for the contras, which he recognized was a program important to Reagan, Bandar then offered to make a "personal" contribution totaling $5 million to be paid at the rate of $1 million a month, according to McFarlane's account.

Contra bank records show deposits of $1 million a month beginning July 6, 1984, and continuing to Feb. 7, 1985, for a total of $8 million.

McFarlane has said that after his initial discussion with Bandar he had little knowledge of continuing Saudi contributions except that Bandar informed him in 1985 that Saudi contributions to the contra fund were increasing to $2 million a month. The Tower board report quotes McFarlane as saying in a letter that he was "separately informed" by Defense Secretary Caspar W. Weinberger and Gen. John W. Vessey Jr., then chairman of the Joint Chiefs of Staff, that "the total amount of the contribution in 1985 was $25 million."

Through spokesmen, Weinberger and Vessey has denied having any such conversations with McFarlane.

Contra bank records show separate deposits of $5 million on Feb. 27, 1985, $4 million on March 7, $7.5 million on March 25.

Several documents printed in the Tower commission report raised the question of Reagan's role in soliciting aid for the contras during a time that Congress has prohibited U.S. military assistance. In a March 16 memo to McFarland, National Security Council staff aide Lt. Col. Oliver L. North recommended that White House counsel Fred F. Fielding "be asked to conduct a very private evaluation of the president's role."

McFarlane then wrote "not yet" in the margin of the memo,. according to the Tower report. Fielding said recently that neither he nor any of his assistants ever did such an evaluation.

A year later, in a May 16, 1986, computer message to then-national security adviser Vice Adm. John M. Poindexter, North said, "the president obviously knows why he has been meeting with several select people to thank them for their 'support for Democracy' in CentAm."

Poindexter's response, as printed in the Tower report, neither confirmed nor disputed North's assertion.

A memo to McFarlane from North on April 11, 1985, that was printed in the Tower commission report shows depoists that correspond with the contra bank records, but North said the total contributions, apparently from a single source, were $24.5 million.

Investigators said it is possible that North did not include the last $7.5 million desposit of March 25, accounting for the discrepancy between North's total of $24.5 million and the contras' records of $32 million.

One congressional investigator said this week that in the effort to trace the Iran arms sales and contra money, the select committees are looking at the possibility that the administration or some members of the administration maintained a secret "slush fund" for covert or intelligence operations in conjunction with friendly intelligence services.

One of the first internal CIA memos that disclosed the possibility that money from the Iranian arms sales had been diverted to the contras raised this issue. The memo written by Charles Allen, the CIA national intelligence officer for counterterrorism on Oct. 14, 1986, said:

"The government of the United States along with the government of Israel acquired substantial profit from these transactions, some of which profit was redistributed to other projects of the U.S. and of Israel."

Other sources said that the CIA has in the past farmed out sensitive or controversial intelligence operations to friendly services, placing them outside the scrutiny of the congressional oversight committees.

McFarlane and Bandar were very close, traveling together to the Middle East at least three times on secret missions. Soon after McFarlane resigned as national security adviser in December 1985, Bandar gave an elaborate dinner in McFarlane's honor that was attended by former secretary of state Henry A. Kissinger, among others.

In his initial testimony to the Senate intelligence committee before his suicide attempt, McFarlane said only that he had heard about the Saudi contribution from Weinberger and Vessey.

The letter to Garment that McFarlane wrote at the same time he wrote a note to his wife Jonda contained only one substantive paragraph relating to the Iran-contra affair. In that paragraph, McFarlane indicated that he wanted to leave a full and truthful record of his knowledge.

Police said that McFarlane took 25 to 30 tablets of the tranquilizer Valium the morning of Feb. 9. He was released from a Washington hospital on Feb. 23.

The Tower commission report that was released on Feb. 26 contained an excerpt from McFarlane's letter that said "a foreign official offered to make a contribution" from personal funds of $1 million per month. The official was not named in the Tower report, though news accounts quoted sources as saying the official was a Saudi.

On Feb. 28, The Post reported that Saudi credibility was on the line because the Saudi Embassy in Washington and Bandar personally continued to deny that they had "directly or indirectly" assisted the contras.

Sources said that Bandar sent a copy of the article to McFarlane via an intermediary. On March 10, McFarlane sent Bandar a note thanking him for flowers that had been sent while McFarlane was in the hospital. In the note, McFarlane said that he knew how "painful" the recent "turmoil" must be for Bandar and said he appreciated "your forebearance and restraint."

A source said that Bandar interpreted this message to mean that McFarlane is counting on the ambassador not to dispute his account in public or reveal the other covert operations. But a source close to McFarlane said that the note was a routine thank-you message expressing a concern for the problems caused the Saudis by the Iran-contra affair and was similar to other notes McFarlane had sent to persons who had written him.

[From the New York Times, Mar. 19, 1987]

U.S. OFFICIALS SPLIT OVER COSTA RICAN PEACE PLAN

(By Elaine Sciolino)

WASHINGTON, March 18.—Administration officials concerned with Central American policy are in disagreement over how much support to give a Costa Rican peace plan for the region.

The officials have been publicly endorsing the plan, largely because it calls utimately for full democracy in Nicaragua, but they acknowledge that they are divided over how much emphasis to put on this approach, which some fear may lead to a compromise. Many officials prefer a military solution to oust the Nicaraguan Government. Since January, when President Oscar Arias Sánchez of Costa Rica first proposed the plan, some officials have focused only on its potential shortcomings, in part, say the critics, to mollify right-wing elements opposed to any concessions to Nicaragua.

ENDORSED BY THE SENATE

The Costa Rican plan, which the Senate endorsed by a 97-to-1 vote last week, calls for an immediate cease-fire in all guerrilla wars, a cutoff of aid to rebel groups, a general amnesty, and negotiations between the parties in the conflict. It also outlines steps to open political debate to all parties in any country. Within the Reagan Administration, the plan pits Philip C. Habib, President Reagan's special envoy, who supports the approach, against Frank C. Carlucci, the national security adviser, and, to a lesser extent, Assistant Secretary of State Elliott Abrams, who are more skeptical.

While Mr. Habib acknowledges the plan's shortcomings, he stresses that it is in preliminary draft form and will be altered and expanded as the negotiating process gets underway.

He is leaving Sunday on a Latin-American tour, in part to exchange ideas about the Costa Rican plan. Whether Mr. Habib has the authority to negotiate a settlement is not clear. His supporters suspect that the Administration may be focusing on the Costa Rican plan as a way to persuade an increasingly reluctant Congress to renew military aid for the Nicaraguan rebels next autumn.

They question whether the Administration will take this plan more seriously than the Contadora peace initiative, which was sponsored by eight Latin American countries but appears to have run out of steam.

Government officials with Latin American experience said:

"The Administration is caught between the need for a new aid commitment and the probability that it will lose aid, and that is why there is a rush toward the negotiating track. There is this one guy named Habib who is running down the road with this thing, but no one knows if the ones who count mean it. It is utter confusion." Last week, Mr. Abrams, the Assistant Secretary of State, called the Costa Rican plan "the most promising thing on the negotiating track for a long time." But, according to Costa Rican and American officials, in private discussions with Costa Rican officials, he said that plan did not make sufficient demands on the Sandinista Government.

HABIB AWARE OF OPPOSITION

Mr. Habib is well aware of the minefields involved in any negotiation.

"I know there are guys around this town telling the President to fire me," he said. "It doesn't bother me. As long as the President and the Secretary of State are satisfied, so am I. I am doing the job I was told to do, to pursue the diplomatic track. That is what they want, and that is what they are getting." He called the Costa Rican proposal "an opportunity to move the peace process along in a useful way."

Mr. Habib, who is a supporter of aid to the Nicaraguan rebels, added that he "did not think it was a coincidence" that the Costa Rican proposal followed the expansion of rebel activities with the infusion of new aid last year.

Some officials contend that the introduction of new top advisers into the White House, notably Mr. Carlucci, the national security adviser, and Howard H. Baker, Jr. the chief of staff, was unlikely to push the United States further along the negotiating track because of President Reagan's commitment to the Nicaraguan rebels.

"You may have new people, but you still have the same doctrinal rigidity," one official said. "This is not a negotiating Administration."

[From the New York Times, Mar. 19, 1987]

CIA GIVES CONTRAS DETAILED PROFILES OF CIVIL TARGETS: RAIDS PLANNED IN SPRING—PRECISE DATA INCLUDES DAMS, BRIDGES AND OTHER SITES, MANY BUILT BY THE U.S.

(By Joel Brinkley)

WASHINGTON, March 18.—The Central Intelligence Agency is providing the Nicaraguan rebels with precise information on dams, bridges, electrical substations, port facilities and other targets that the rebels will try to destroy in guerrilla raids deep inside Nicaragua, according to Government officials.

Many of the installations were built by the Army Corps of Engineers or other United States agencies in the 1960's and 70's, before the Sandinista revolution. The intelligence agency has bound and turned over to the contras detailed maps, blueprints or floor plans and the exact locations of some of the sites, the officials said.

The contras, as the rebels are called, plan to destroy the targets in a spring offensive, the officials said.

INCREASE IN INVOLVEMENT

By choosing precise military targets for the rebels, the C.I.A. is not acting illegally under the law governing United States aid to the contras. But the move represents a significant increase in involvement in the rebels' military activities.

The disclosure comes as Congressional support for the contras appears to be ebbing. Today the Senate narrowly defeated an effort to cut off a $40 million final installment of military aid this year to the Nicaraguan rebels. The vote was 52 to 48, a victory for the Reagan Administration, but far short of an endorsement of the Administration's policy.

A NARROW STRATEGY

The C.I.A.'s action indicates that, after months of debate, United States officials have settled on a narrow strategy for the contras in their current offensive against the far more powerful Sandinista army.

The rebels will try to destroy undefended installations such as telephone-relay stations, electrical switching stations and bridges whose loss would disrupt the daily lives of many Nicaraguans without directly harming many civilians.

The officials acknowledged that the attacks will inconvenience and perhaps alienate many citizens whose support the rebels would hope to enlist. But at the same time, they said, the attacks should demonstrate that the Sandinistas cannot maintain total control over the areas involved. That is an important psychological goal in guerrilla warfare doctrine, the officials said.

An official who reviews intelligence reports on the contras noted that the strategy presented a potential danger.

"We're skating pretty close to the kind of trouble we got into before.," he said, alluding to the C.I.A. role in mining a Nicaraguan harbor in 1984. The agency had Central American mercenaries plant mines that damaged several international-flag vessels. The agency then told the contras to say it was their work.

The furor over that, more than anything else, led to the Congressional restrictions on aid to the contras in 1985.

The current offensive, which is being undertaken as much for its effect in Washington as in Nicaragua, is in its early states. More than 10,000 rebels have filtered into a region southeast of Managua, the capital. So far, one official said, the contras have destroyed only two or three of the C.I.A. targets, including an electrical substation.

On Monday the Nicaraguan Government reported that an electrical tower in Managua had been damaged in an explosion and said it was the result of a contra attack.

RIGHTS ABUSES REPORTED

But some American officials are already unhappy over American news reports that the contras have been attacking health clinics, farm cooperatives and other targets not on the C.I.A.'s list. There are also reports that the rebels have been killing, wounding and terrorizing civilians.

Reports of human rights abuses by the rebels have undercut their support in Nicaragua and in the United States. A factor behind the new strategy was that attacks on dams and bridges would cause fewer civilian casualties, the officials said.

They pointed out that they cannot easily confirm press reports indicating the the contras are straying from the C.I.A.'s narrow strategy.

[From the Washington Post, Mar. 21, 1987]

NORTH GAVE $100,000, CONTRA SAYS: SWISS BANKS WIRED SOME OF FUNDS TO COSTA RICA ACCOUNTS

(By Joe Pichirallo)

Robelo said that North arranged for $10,000 to be sent monthly to a Costa Rican bank account for his political party and that the payments lasted about a year. They began in fall 1985 and ended soon before it became known publicly that North was involved in possible diversion of funds for the contra movement from secret arms sales to Iran.

North may have said the money came from "private, foreign donors," Robelo said in a telephone interview from Costa Rica. But Robelo added that he had no idea who supplied the funds.

Some of the money was wired from a Swiss bank, Robelo said, and he recalls it may have been Credit Suisse, a Geneva-based bank that held accounts that were controlled by North and others and received Iranian arms-sales profits and private funds used for the contra program.

Robelo said he volunteered information about the payments when he was interviewed recently by Federal Bureau of Investigation agents working for independent counsel Lawrence E. Walsh, who is investigating possible criminal wrongdoing in the Iran-contra affair.

"I don't want to hide anything," Robelo said. "There was nothing wrong in what I was doing."

Robelo, a wealthy chemical engineer who served in Nicaragua's Sandinista government before joining the contras, said the payments were not for his personal use.

He said they paid such expenses as office rent and telephone bills incurred by his party, Nicaraguan Democratic Movement, and a political group called Nicaraguan Democratic Union, headed by Fernando (El Negro) Chamorro, a Costa Rica-based contra military leader.

After the $10,000 was wired to his party's bank account, half was given to Chamorro's group each month, Robelo said.

Chamorro could not be reached for comment yesterday, but a source close to him confirmed that the money was received.

Robelo's disclosure follows the recent revelation that North also arranged for Arturo

Cruz, another top contra leader until his recent resignation, to receive $7,000 monthly for most of last year. Cruz has said he used the money for personal expenses while he is working on the contra program.

Cruz and Robelo became identified as leaders of the moderate faction of the contra's umbrella organization, United Nicaraguan Opposition (UNO). Until recent internal disputes about the direction of the contra movement, the UNO was run by Cruz, Robelo and the more conservative Adolfo Calero, head of the contra's largest military force.

The UNO was formed in June 1985 as part of a Reagan administration campaign to demonstrate that the contras were building a broad political movement. Robelo was among its founders.

During the ban on most U.S. military aid to the contras from October 1984 through October 1986, North played a central role in overseeing contra military operations and in arranging funding for the rebels, according to the Tower review panel's report.

Robelo said that, when he told North in fall 1985 that contra political operations in Costa Rica were short of funds, North offered to arranage for the payments.

Mr. KENNEDY. I yield back the remainder of my time to the majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Massachusetts.

Mr. President, how much time does the distinguished Senator from Massachusetts [Mr. KERRY] wish?

Mr. KERRY. Mr. President, I originally sought 10 minutes. I would take whatever time the indulgence of the majority leader permits.

Mr. BYRD. Mr. President, the distinguished Senator from North Carolina has yielded me most of his time. I hesitate to yield beyond—how much time remains, Mr. President?

Mr. KERRY. Let me ask the distinguished majority leader how much time he has left.

Mr. BYRD. I do not really know. I do not have any time remaining. The distinguished Senator from North Carolina [Mr. HELMS] has yielded me some time, so I am going to take the liberty of yielding 5 minutes, and if I am allowed to yield more, then I will yield more.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 5 minutes.

Mr. KERRY. I thank the Chair.

Mr. President, I join my colleagues and with the distinguished majority leader, whom I thank for the time, in seeking to impose a moratorium on further aid to the Contras.

I believe that the American people, whether they are divided or not, on the issue of support for the Contras have a basic amount of good sense which demands that before we send another $40 million of hard-earned taxpayers' money, before we send any additional money to Central America, we know what happened to the money that went before it.

Now, I have heard the distinguished ranking member of the Foreign Relations Committee and the minority leader and others stand up and say, "Well, we know what happened to $60 million so therefore we don't need to go further."

Mr. President, this joint resolution does not pertain only to the $60 million of aid thus far given in the last vote of the Congress. It pertains to all kinds of aid that may have been given illegally by the National Security Council, aid that may have been given illegally by the State Department and its contacts, aid that may have been given illegally by individuals raising money in one form or another. All of that aid is part of a policy which is flawed, all of this aid is part of a policy which has dragged this administration and this country into its most recent scandal, which many people in this country may be tired of but which is still part of our policy.

The aid given thus far shows a pattern of corruption, aid that has not been received in the form which we have been given reason to believe it was meant to be received. The overall pattern, if you compare the key press reports on supplies with the $27 million that was already given and accounted for by the GAO, shows that many of the bank records and other documents may have been doctored and that there may be false receipts. So, Mr. President, when we hear people argue that we have receipts which adequately show where the money went, the fact is we know that many of those receipts do not adequately show how that money was spent, but, rather, show a pattern of deceit.

Let me be very specific, very specific. There is a company called Creaciones Fancy.

As described by Tim Golden in the Miami Herald of June 1, 1986, this closet-sized discount clothing store on a bustling San Jose, Costa Rica street was supposed to have done $25,870 worth of business with the Kisan Contra organization.

The NHAO documents show a January 24, 1986, payment of $25,870 for Creaciones Fancy that went to the Miami broker account of Ivan Fonseca, the Contra administer for Costa Rica. When reporters talked to the management of Creaciones Fancy, however, they found that the store had never done any business with the Contras, and had only supplied "estimates" at the request of a young Nicaraguan.

The Nicaraguan specifically asked them not to write "estimate" on the invoice, the green duplicate of which he picked up in November 1985, and the white original in January 1986. The November invoice seems to have been submitted to NHAO as the "bid" invoice. The January original then became the confirmation of delivery invoice. The success of these tactics demonstrates the total lack of accounting controls over the NHAO funds spent in the region, despite NHAO's intentions. It is precisely this kind of tactic which has been employed again and again to inflate the level of supplies bought and to distort the amount of supplies received.

MADERAS DEL TROPICO

This Tegucigalpa, Honduras, Lumberyard—the name means "Tropical Woods"—is listed in NHAO documents as having been paid $243,750 for supplying 15,000 uniforms to the Contras—an unlikely transaction on the face of it. Further investigation—see the Miami Herald of May 11, 1986 and UPI of May 9, 1986—plus the bank account records, demonstrate the ease and prevalence of false invoicing.

The $243,750 payment from NHAO for Maderas del Tropico was made to the Miami broker account of Carlos Lopez on November 4, 1986. On November 6, 1986, the Carlos Lopez account paid two checks totaling $243,750 to the Armed Forces of Honduras. That this was a direct transfer is further evidenced by the fact that without the NHAO funds, the Lopez account balance was less than $47,000. If a lumberyard can provide cover to purchases from or payoffs to the Honduran Army, it raises a number of questions about regular Contra business practices, and about what other individuals and institutions are receiving disguised payments.

SUPERMERCADO HERMANO PEDRO

The largest single supplier to the Contra under the NHAO Program, this corner grocery store in Tegucigalpa did more than 6 million dollars' worth of business paid for by NHAO. It was business replete with false invoicing and deceptive cover stories. According to the the Los Angeles Times of May 9, 1986 and the Miami Herald of May 9, 1986, the Supermercado was a front for Honduran army officers, who used Supermercado as a mechanism to pay them for allowing the Contras to operate in Tegucigalpa and elsewhere in Honduras.

On at least two occasions, the Supermercado was paid large sums of NHAO money based on false invoices, and the money was then handed over to the Honduran Armed Forces.

On one occasion, an $896,122.12 NHAO payment to the Supermercado on November 16, 1985 turned into a $742,939.00 check to the armed forces on November 18, 1985. The NHAO later claimed that the transaction was a straight reimbursement for uniforms the army had supplied. But the Supermercado invoices on which the payment was made listed only foodstuffs and transportation. General Walter Lopez, then the Honduran military chief, told the Miami Herald in a June

18 interview that he had never authorized the sale of any uniforms to the Contras, and that such sales would have been illegal under Honduran law. Miami Herald 6-26-86.

On a second occasion, a $411,974.22 NHAO payment to the Supermercado on January 8, 1986 turned into a $450,000 check to the High Command of the Honduran Armed Forces on January 10, 1986. NHAO later claimed that this was strictly a capital transfer using the Armed Forces Bank in Honduras, not a payoff.

The question remains why Supermercado would make out a check to the High Command when commercial banks do capital transfers routinely.

THE COSTA RICA CASES

In the Miami Herald of June 1, 1986, Central American correspondent Tim Golden interviewed the owner of nearly a dozen suppliers listed by the NHAO as having been paid for materials delivered to the Contras. Some of the owners had never done business with the Contras. Some of the owners said they had done much less business than was listed by NHAO. Still others were said by Contras interviewed by Golding to be notorious sources of false invoices. Still another, known for false invoicing, was owned by the Contra administrator for Costa Rica.

The NHAO's response to these allegations were that clerical error had marred their original listing of suppliers. But as the Herald story went on to point out, the secretary who was supposed to have made the mistakes could not be contacted—she had been transferred to Paris—and NHAO was not actually certain that she had made the mistakes.

In summary, the relationships between Contra suppliers and U.S. funds supporting the Contras has been fraught with the appearance of deceptive business practices and false invoicing as standard operating procedure.

This conclusion is not based on a full accounting of NHAO disbursements. As the GAO pointed out, the State Department has to date been unwilling to permit the GAO or other independent auditors to review Contra purchases, citing "sensitivities in the region" as the obstacle to such an audit. Thus, the evidence as to apparent fraud in invoicing has appeared as a result of press inquiries to suppliers after an internal NHAO document listing the suppliers was leaked to the press.

The United States has apparently lacked the controls over expenditures to the Contras that would prevent or substantially limit corruption. But the $27 million in "humanitarian assistance" represents only a small part of the total amount of funding provided by the U.S. Government to the Contras over the past 6 years. The other funding—more than $80 million provided through covert channels by the CIA and its proxies—Argentines and others—involved even less accountability and more opportunities for corruption, as it evidenced by the numerous accounts of former Contra task force commanders and other Contra operatives interviewed by the New York Times (6-21-86), National Public Radio (6-21-76 and 6-24-86), CBS News (6-23-86), and ABC News (6-23-86). [See chronology above.]

In view of the overwhelming record of waste, fraud, corruption, and deceit in the handling of past funds for the Contras, we should not be sending another $40 million now to the Contras, without a full accounting to find out how much of the past aid ended up in someone's Swiss bank account.

Moreover, the pattern of involvement by the State Department through the United States Embassy in Costa Rica, and the CIA, through at least its Costa Rican operative known as "Thomas Castillo" raises the question of whether other officials about whom we have still not received information were also providing support to the Contras at a time when that support was illegal. I am particularly disturbed that the State Department may have been financing, at least in part, lobbying activities against the Congress in direct violation of anti-lobbying laws which are supposed to prevent the State Department from issuing contracts for such activity. To date, we have received no official explanation of the payments by the State Department, in a series of secret contracts, to International Business Communications at the same time that IBC was apparently both sending Contras up to Washington to lobby Congress and was funneling millions of dollars down to offshore banks and entities which appear to have been part of the North financial network to support the Contras and possibly other covert operations. My staff has met with representatives of the State Department today. As of today, they were told that State still doesn't know exactly what services IBC performed for it under the secret contract, and could not provide a detailed accounting to the Congress at this time for these services.

Senator Tower said we may have only reached the "tip of the iceberg" in learning about the extent of wrongdoing within the NSC. We have a clear compelling obligation to our constituents to not send further funds down this particular dark hole until we find out what happened to the last funds.

Joint Resolution 175 places a moratorium on U.S. assistance to the Contras until there has been a "full and adequate accounting for previous assistance." We do not have that today, because a full accounting means not just the $60 million which we have spent on military support for the Contras over the past year, not just the $23 million we spent on supposedly humanitarian assistance the year before, but all assistance we have provided.

U.S. support for the Contras may well include the assistance provided by the National Security Council in apparent violation of the laws we passed prohibited any assistance in fiscal year 1985 and military assistance in fiscal year 1986. U.S. support may well include assistance apparently provided by the State Department through contracts and purchase orders with International Business Communications, Inc., and other entities which were secretly financing the Contra war.

U.S. financial support may include support by the U.S. Information Agency in connection with the International Youth Commission apparently referred to by Oliver North in a chart reprinted in the Tower Commission report. It may include activities by the former United States Ambassador to Costa Rica, Louis Tambs, and by officials in the United States Embassy in Costa Rica, who allegedly worked with John Hull and other members of the NSC network to help establish a "southern front" of Contras against Nicaragua.

I have listened to those who oppose this resolution say that all previous assistance has been accounted for. Indeed, there may be receipts for the $60 million, as there were receipts for the $23 million in so-called humanitarian assistance before that. But as the Miami Herald and other publications found out when they went into the field as I have described, receipts can be fabricated. A review of at least the NHAO receipts strongly suggests that some receipts were made up. According to the Miami Herald, Robert Owen and Felipe Vidal, two persons associated with the North network, went to local suppliers in Costa Rica for the purpose of fabricating NHAO receipts. The State Department entity, the NHAO, which was supposed to check the receipts to determine whether they were valid never sent anyone into the field to do so. As a result, the GAO never was able to trace half of the funds that were given the Contras to determine whether they went to the purposes for which the checks were cut, or into the pockets of Contra leaders, or into the pockets of Contra bankers, or who knows where else. The minority leader points out that the NHAO detected only $80,000 in false claims. But opponents of this Moratorium ignore the fact that the NHAO never put in adequate controls to monitor most of the financial transactions, which is why half the funds cannot be traced at all.

Perhaps those opposed to this resolution can say for certain that no U.S. Government funds went to the National Endowment for the Preservation of Liberty and the American Conservative Trust, operated by Carl "Spitz" Channel, who worked closely with Oliver North to target Democratic candidates for the Senate who opposed Contra aid to the last election cycle. Perhaps they feel certain that the North-South Institute listed on the Oliver North chart reprinted in the Tower Commission did not engage in support for the Contras funded by the Government. Perhaps they feel no investigation is needed of IDEA, Inc., which received funds from the humanitarian assistance even while its principal, Robert Owen, was allegedly engaged in providing military assistance to the Contras. Perhaps they feel we already have all the answers we need about International Business Communications' contracts and purchase orders with the State Department, and its apparent relation to "Toyco," an operating company which may have worked with Lake Resources to finance Contra operations.

I know that I do not believe that the Senate has enough information on all of these entities and others to determine that U.S. officials funded the Contras by legal means alone. And I know that the Senate as a whole does not have enough information to determine from where funds were diverted to the Contras as the Attorney General announced last November.

But most important, the Senate has a responsibility to find out what happened before we send more money down a path which in the past has been neither straight nor narrow, but which has zig-zagged through secret bank accounts in Panama and the Cayman Islands, in Switzerland, and who knows where else.

Perhaps some here are not concerned about the incredible financial wheeling and dealing of executive branch officials who were running U.S. Central American policy over the past few years, or about the apparent diversion of public funds to the Contras by those officials. But if as I suspect most are, there is no more important way to demonstrate it than to give the American people a simple accounting of what has happened, going back to the time the United States first began providing assistance.

Extensive interviews by journalists and investigators with a wide range of present and former Contra commandantes and operatives, along with a variety of internal Contra documents, have detailed a 6-year history of extraordinary corruption in the logistics, supply, and financial operations of the main Contra organization, the Fuerza Democratica Nicaraguensa [FDN].

This portrait of longstanding Contra corruption, put together from the ground up, through information from current and former Contras, has been reinforced by information from the top down through the review of the $27 million in humanitarian assistance to the Contras by the General Accounting Office.

As the GAO testified before the Western Hemisphere Subcommittee of the House Foreign Affairs Committee, the GAO found that the assistance "may not be reaching the intended beneficiaries."

Internal documents of the Nicaraguan Humanitarian Assistance Office, NHAO, in the State Department, the subpoenaed United States bank records of Contra suppliers and brokers, and media inquiries in Honduras and Costa Rica reveal a pattern of highly questionable practices.

These include billions of NHAO composed of false receipts and inflated invoices for materials the suppliers themselves say they never delivered; NHAO payments to the Miami bank accounts of brokers ostensibly representing small suppliers in Central America who then did not receive the money billed on their behalf; a flow of NHAO funds "from bank account to bank account, in the United States and offshore, and to individuals and companies which do not appear to be suppliers in the region," and large payments to the Honduran Armed Forces allegedly for uniforms which the former Honduran commander-in-chief denies ever supplying to the Contras.

Present and former Contras have also implicated members of the FDN directorate in black market profiteering operations in Honduras, using United States aid funds, as well as lucrative bait-and-switch purchasing deals. In these deals, Contra buyers purchased lower quality foodstuffs and munitions while billing the United States for top quality materials and pocketing the difference.

In addition the State Department has reported that Contra currency transactions in Miami sold dollars from the NHAO aid for a profit and put the extra money into their general funds, with only the assurances of Contra leaders that the funds would not then be used for munitions or lethal purposes illegal under the NHAO statute.

For the 60 percent of the $27 million paid to non-United States suppliers, the GAO concluded that the State Department's Nicaraguan Humanitarian Assistance Office, the NHAO:

> Does not have sufficient procedures and controls to ensure that program funds are being used for purposes intended by law.
>
> Does not have the ability to observe delivery and use of procured items to ensure that the items are not being diverted, bartered, or otherwise exchanged.
>
> Does not have the ability to validate invoice and receipt documents.
>
> Does not have procedures to assure that all funds made available based on invoices and receipts from suppliers in the region are actually used to pay these suppliers.

The fundamental reason for these inabilities, the GAO said, was the lack of NHAO monitoring in the region. NHAO explained in a fact sheet of June 23, 1986 that "diplomatic sensitivities prevented NHAO" from stationing a staff person in the region; and that, as a result, NHAO had to rely on "intelligence reporting by other USG agencies * * *"—reports which were "sporadic at first, but have become increasingly frequent and detailed, including aircraft or truck manifests showing types and quantities of supplies." GAO's fundamental objection remains: NHAO has no way to confirm these manifests either.

As a result of the serious questions and concerns raised by GAO in its review, the House Foreign Affairs Committee issued subpoenas on 14 U.S. bank accounts which has received funds under the NHAO Program: 6 accounts owned directly by suppliers, 6 accounts owned by brokers acting as agents for about 50 suppliers, and 2 accounts owned by the Contra organization UNO. The total amount of NHAO funds involved was $14.1 million.

The GAO's examination of these bank records "has for the most part only raised more questions. Moreover, there is enough evidence to be concerned that humanitarian assistance may not be reaching the intended beneficiaries." GAO testimony June 11, 1986. The GAO cited a wide range of problems:

U.S. payments to these accounts were based on invoices and receipts submitted by suppliers, with "the broker accounts supposedly set up to assist in getting payments to these suppliers." However, of the $4.4 million paid into the broker accounts analyzed, only $785,674—less than one-fifth—was traceable as being paid into Central America and "only $185,434 of this amount was paid to identified suppliers," those which had submitted invoices and receipts.

Funds in the largest broker account, which received $3.3 million from NHAO, "are flowing from bank account to bank account, in the United States and offshore, and to individuals and companies which do not appear to be suppliers in the region."

Another broker account and the largest supplier account—$6.6 million of NHAO funds through May 1986—issued large checks to the Honduran Armed Forces—$243,000, $743,000 and $450,000—while the invoices on which the NHAO payments were made originated with private companies.

The State Department's response to these problems has been that "NHAO payments—directly to suppliers or their designated agents—complete the transaction of exchanging funds for goods and services already delivered. There is no legal basis for 'tracing' the use of these funds after this exchange; they do not continue indefinitely to be 'humanitarian funds', as GAO suggests." This is from the NHAO fact sheet, published June 23, 1986. In addition, the NHAO has responded to several, but by no means all, of the specific allegations raised by press accounts and by the GAO investigation.

Since neither NHAO nor GAO had the ability to verify invoices and deliveries in Central America, the only public evidence on this score is contained in the press reports on suppliers by the Miami Herald, Los Angeles Times, National Public Radio, CBS, and others. Comparing these reports with the internal NHAO listing of invoices submitted by suppliers, and with the subpoenaed records of deposits and payments in the bank accounts, provides a series of alarming case studies as I have described. On the basis of these case studies, there is substantial reason to doubt that the goods and services for which the United States sent official funds to the broker accounts were in fact delivered.

I suggest, Mr. President, the American people have a right to know why has this happened and how dare we spend more money before we know where the first money went. I thank the majority leader.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BYRD. How much time remains?

The PRESIDING OFFICER. The Senator has 2 minutes and 50 seconds remaining.

URGENT RELIEF FOR THE HOMELESS ACT

Mr. BYRD. Mr. President, today we are introducing a bill, the Urgent Relief for the Homeless Act, to address the serious, emergency needs of the homeless across America. Joining me in sponsoring this legislation is the distinguished Republican leader, Mr. DOLE, and a number of colleagues on both sides of the aisle.

This is a bipartisan measure, developed by the committee chairmen and ranking members and leaders on the homeless issue designated by myself and the Republican leader. This bill has been carefully crafted and reflects, we believe, the essentials of a conscientious and realistic emergency approach to dealing with the problems of homelessness.

It is my desire that this legislation be put on a very fast and sure track. The specific titles of the comprehensive bill will be introduced as separate measures and those measures will be sent to the appropriate committees for review and consideration. I have asked the chairmen of those committees to report their measures for floor action before we adjourn for the Easter recess. On the floor, we will reassemble the separate measures into a comprehensive bill which, upon passage, will be a counterpart to the bill which has passed the House of Representatives and which I have had placed on the Senate Calendar.

Mr. President, our folklore about turn-of-the-20th-century America romanticizes the homeless as carefree hobos who tramped over the countryside and cooked Brunswick stew over camp fires. If ever this was the case, it is not today. The case is drastic, and it is tragic.

While a precise measurement of the number of homeless Americans is not available, the estimates range from a "best case" of 250,000 nationwide, to a "worst case" of as many as 2 million nationwide. America's homeless do not fall easily into one category type. They are the mentally ill, the aged, alcohol and substance abusers, abused spouses, youth, the unemployed and the underemployed, and the veterans—and, more and more, they are families and children. It is clear that the number of homeless Americans has increased dramatically during the past 6 years:

The Department of Housing and Urban Development reports the number of homeless increased 10 percent annually between 1980 and 1983;

The National Bureau of Economic Research reports a 23 to 30 percent increase in the number of homeless between 1983 and 1985;

The U.S. Conference of Mayors reported a 38 percent increase in 1983 alone; and,

The National Coalition for the Homeless reports an average national increase of 25 percent.

Any efforts to deal with the problems of the homeless must recognize that there is no one standard profile of a homeless person, there is no one cause of homelessness, and there is no one solution.

The legislation we introduce today reflects these recognitions. Further, we do not purport that this legislation is all that needs to be done on these critical problems. This is an emergency measure which authorizes program spending for this fiscal year, 1987, for fiscal year 1988, and in limited cases, for a few years beyond.

A prime motivation in the development of the bill on this side of the aisle has been to consider initiatives which could be implemented quickly so that help for America's homeless could be in place by this coming winter—the winter of 1987-88. We believe this bill will provide that help.

The bill has four major components.

The first component is composed of those programs which will expand the supply of decent shelter and food for homeless Americans. The bill would:

First, expand the existing Emergency Shelter Rehabilitation Program, the Transitional Housing Grants Program, the section 8 emergency housing assistance certificates, and the moderate rehabilitation certifcates programs under the Housing and Urban Development Department. As a condition of receiving these additional funds through these programs, States and major urban centers will be required, for the first time, to submit comprehensive homeless assistance plans;

Second, authorize an additional $50 million in funding for the existing FEMA Emergency Food and Shelter Grants Program; and,

Third, authorize additional moneys for the distribution and storage costs of the Surplus USDA Commodities Program so that more commodities may be distributed to facilities that feed the homeless.

The second component provides immediate and necessary services to the homeless. These provisions would:

First, expand grants under the Department of Health and Human Services to public and nonprofit organizations to support routine, primary health care to homeless individuals.

Second, encourage States—through a matching provision—to undertake activities that inform homeless people of their eligibility for food stamps, and require States to provide food stamps on an expedited basis to homeless people who are qualified;

Third, require States to develop plans that assure that all homeless children are guaranteed access to public education; and,

Fourth, require that any shelter receiving Federal support under this bill provide or arrange for the provision of case management services to all residents so that homeless persons may be advised of, and enrolled in, all assistance programs for which they are eligible.

The third component consists of programs to assist those needing to make longer term adjustments which could serve to lift them from the homeless category. The bill would:

First, expand programs under the Public Health Service Act so that services may be meaningfully provided to homeless persons who have serious mental illnesses. Many of these persons, if they received adequate mental health services, could function as contributing members of their communities; and

Second, provide a job training for the homeless demonstration project so that training programs may be developed which will help the homeless get jobs, which in turn, will provide the income and security necessary to lift them out of the homeless category.

The fourth component provides the organizational and coordinating underpinnings for the Federal Government's efforts. This component is perhaps the most important section of the bill, for it will provide the knowledge needed, and which is currently lacking, to truly understand and solve the problems of homelessness in America. The bill proposes to create an independent interagency council on the homeless comprised of representatives from agencies which have programs serving the homeless. The council would review current programs; monitor, evaluate, and recommend improvements in programs; and, provide technical assistance to the State and local levels for programs serving the homeless. More importantly, the council would prepare an annual report to the President and the Congress which: Assesses the nature and extent of the homeless problem in America; describes current Federal programs dealing with the homeless; assesses the level of Federal assistance necessary to meet the needs of the homeless; and, specifies recommendations for appropriate actions to help resolve the homeless problem.

Mr. President, this legislation would authorize funding for fiscal year 1987 of about $400 million. That is a significant amount representing an earnest desire to contribute Federal resources to help the homeless in our country. I am sure that there will be those who find this level to be less than that which they would prefer, and there well may be others who find that it is more than they believe we can afford, given the extreme budget deficits facing our Nation. But I am persuaded that we have struck a good balance in this bipartisan bill.

I hope that every Member will look closely at this legislation and that members on the committees to which the component bills are referred will work earnestly and quickly to report the legislation. As I have already stated, it is my intention to consider this comprehensive bill before we adjourn for the Easter recess.

I ask unanimous consent that a summary of the legislation and the complete text of the bill appear in the Record at this point.

Mr. President, I ask unanimous consent that I may revise and extend my remarks for the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that this bill, which I have introduced today for myself and Mr. Dole and other Senators, remain at the desk until tomorrow; and on tomorrow, Mr. Dole and I will arrange for further disposition of it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, as I say, there are four short bills which make up the components of the omnibus bill that we are introducing, and I shall introduce those, on behalf of myself and other Senators, for referral to committees.

I ask unanimous consent that the omnibus bill be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 809

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Urgent Relief for the Homeless Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—The Congress finds that—

(1) the Nation faces an immediate and unprecedented crisis due to the lack of shelter for a growing number of individuals and families with children;

(2) the problem of homelessness has become more severe and, in the absence of more effective efforts, is expected to become dramatically worse, endangering the lives and safety of the homeless;

(3) the causes of homelessness are many and complex, and homeless individuals have diverse needs;

(4) there is no single, simple solution to the problem of homelessness because of the different subpopulations of the homeless, the different causes of and reasons for homelessness, and the different needs of homeless individuals;

(5) due to the record increase in homelessness, States, units of local government, and private voluntary organizations have been unable to meet the basic human needs of all the homeless and, in the absence of greater Federal assistance, will be unable to protect the lives and safety of all the homeless in need of assistance; and

(6) the Federal government has a responsibility and an existing capacity to fulfill a more effective and responsible role to meet the basic human needs and to engender respect for the human dignity of the homeless.

(b) Purpose.—It is the purpose of this Act—

(1) to establish an Interagency Council on the Homeless;

(2) to use public resources and programs in a more coordinated manner to meet the critically urgent needs of the homeless of the Nation; and

(3) to provide funds for programs to assist the homeless.

SEC. 3. DEFINITIONS.

(a) Homeless Individual.—As used in this Act, the term "homeless individual" shall include—

(1) an individual who lacks a fixed, regular, and adequate nighttime residence; and

(2) an individual who has a primary nighttime residence that is—

(A) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);

(B) an institution that provides a temporary residence for individuals intended to be institutionalized;

(C) a temporary makeshift accommodation in the residence of another individual; or

(D) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

(b) Exclusion.—As used in this Act, the term "homeless individual" does not include any individual imprisoned or otherwise detained pursuant to an Act of Congress or a State law.

TITLE I—INTERAGENCY COUNCIL ON THE HOMELESS

SEC. 101. SHORT TITLE.

This title may be cited as the "Interagency Council on the Homeless Act".

SEC. 102. ESTABLISHMENT.

There is established the Interagency Council on the Homeless.

SEC. 103. MEMBERSHIP.

(a) Members.—The Council shall be composed of—

(1) the Secretary of Agriculture;

(2) the Secretary of Commerce;

(3) the Secretary of Defense;

(4) the Secretary of Education;

(5) the Secretary of Energy;

(6) the Secretary of Health and Human Services;

(7) the Secretary of Housing and Urban Development;

(8) the Secretary of the Interior;

(9) the Secretary of Labor;

(10) the Secretary of Transportation;

(11) the Director of the ACTION Agency;

(12) the Administrator of General Services;

(13) the Director of the Federal Emergency Management Agency;

(14) the Postmaster General of the United States;

(15) the Administrator of Veterans' Affairs; and

(16) the heads of such other Federal agencies as the Council considers appropriate.

(b) Chair.—The Council shall elect a Chairperson and a Vice Chairperson from among its members.

(c) Meetings.—The Council shall meet at the call of the Chairman or a majority of its members.

SEC. 104. FUNCTIONS.

(a) Functions.—The Council shall—

(1) review all Federal activities and programs to assist homeless individuals;

(2) take such actions as may be necessary to reduce duplication among programs and activities by Federal agencies to assist homeless individuals;

(3) monitor, evaluate, and recommend improvements in programs and activities to assist homeless individuals conducted by Federal agencies, States and local governments, and private voluntary organizations;

(4) provide professional and technical assistance, within the ten standard Federal regions, to States, local governments, and other public and private nonprofit organizations, in order to enable such governments and organizations to—

(A) effectively coordinate and maximize resources of existing programs and activities to assist homeless individuals; and

(B) develop new and innovative programs and activities to assist homeless individuals;

(5) collect and disseminate information relating to homeless individuals; and

(6) prepare the annual reports required by subsection (c)(2).

(b) Authority.—In carrying out subsection (a), the Council may—

(1) arrange Federal, regional, State, and local conferences for the purpose of developing and coordinating effective programs and activities to assist homeless individuals; and

(2) publish a newsletter concerning Federal, State, and local programs which are effectively meeting the needs of homeless individuals.

(c) Reports.—(1) Within 90 days after the date of enactment of this Act, and annually thereafter, the head of each Federal agency shall prepare and transmit to the Congress and the Council a report which describes—

(A) each program to assist homeless individuals administered by such agency and the number of homeless individuals served by such program;

(B) impediments, including any statutory and regulatory restrictions, to the use by homeless individuals of each such program and to obtaining services or benefits under each such program;

(C) efforts made by such agency to increase the opportunities for homeless individuals to obtain shelter, food, and supportive services.

(2) The Council shall prepare and transmit to the President and the Congress an annual report which—

(A) assesses the nature and extent of the problems relating to homelessness and the needs of homeless individuals;

(B) provides a comprehensive and detailed description of the activities and accomplishments of the Federal Government in resolving the problems and meeting the needs assessed pursuant to paragraph (1);

(C) describes the accomplishments and activities of the Council in working with Federal, State, and local agencies and public and private organizations in order to provide assistance to homeless individuals;

(D) assesses the level of Federal assistance necessary to adequately resolve the problems and meet the needs assessed pursuant to paragraph (1); and

(E) specifies any recommendations of the Council for appropriate and necessary actions to resolve such problems and meet such needs.

SEC. 105. DIRECTOR AND STAFF.

(a) DIRECTOR.—The Council shall appoint an Executive Director who shall be compensated at a rate not to exceed the rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) ADDITIONAL PERSONNEL.—With the approval of the Council, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Council.

(c) DETAILS.—Upon request of the Council, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Council to assist the Council in carrying out its duties under this title.

(d) ADMINISTRATIVE SUPPORT.—The Secretary of Health and Human Services shall provide to the Council such administrative and support services as the Council may request.

SEC. 106. POWERS.

(a) MEETINGS.—For the purpose of carrying out this title, the Council may hold such meetings, and sit and act at such times and places, as the Council considers appropriate.

(b) DELEGATION.—Any member or employee of the Council may, if authorized by the Council, take any action which the Council is authorized to take by this title.

(c) INFORMATION.—The Council may secure directly from any Federal agency such information as may be necessary to enable the Council to carry out this title. Upon request of the Chairman of the Council, the head of such agency shall furnish such information to the Council.

SEC. 107. TRANSFER OF FUNCTIONS.

(a) TRANSFER.—The Council is the successor to the Federal Task Force on the Homeless of the Department of Health and Human Services. All functions of such Task Force are transferred to the Council.

(b) TERMINATION.—The Federal Task Force on the Homeless of the Department of Health and Human Services is terminated.

SEC. 108. DEFINITIONS.

For the purpose of this title—

(1) the term "Council" means the Interagency Council on the Homeless established by section 102; and

(2) the term "Federal agency" has the meaning given to the term "agency" in section 551(1) of title 5, United States Code.

SEC. 109. AUTHORIZATION OF APPROPRIATIONS.

To carry out this title, there are authorized to be appropriated $200,000 for fiscal year 1987 and such sums as may be necessary for fiscal year 1988.

TITLE II—CLARIFICATION OF USE OF EXCESS PROPERTY UNDER THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

SEC. 201. SHORT TITLE.

This title may be cited as the "Excess Property Identification Act of 1987".

SEC. 202. IDENTIFICATION OF EXCESS PROPERTY.

In carrying out section 202 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483), each executive agency shall specifically identify excess property under its control as suitable for use as a shelter for, or for use to provide services to, homeless individuals.

SEC. 203. REPORTING OF AVAILABILITY OF EXCESS PROPERTY.

The Administrator of General Services shall promptly report to the Interagency Council on the Homeless the availability of excess Federal property suitable for use as a shelter for, or for use to provide services to, homeless individuals.

TITLE III—SHELTER PROGRAM

PART A—GENERAL PROVISIONS

SEC. 301. SHORT TITLE.

This title may be cited as the "Emergency Food and Shelter Act of 1987".

SEC. 302. DEFINITIONS.

For the purpose of this title—

(1) the term "Board" means the Emergency Food and Shelter Program National Board;

(2) the term "Director" means the Director of the Federal Emergency Management Agency;

(3) the term "emergency shelter" means a facility all or a part of which is used or designed to be used to provide temporary housing;

(4) the term "local government" means a unit of general purpose local government;

(5) the term "locality" means the geographical area within the jurisdiction of a local government;

(6) the term "private nonprofit organization" means a secular or religious organization described in section 501(c) of the Internal Revenue Code of 1954 which is exempt from taxation under subtitle A of such Code, and which has an accounting system and a voluntary board, and which practices nondiscrimination in the provision of assistance; and

(7) the term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, or any territory or possession of the United States.

SEC. 303. EMERGENCY FOOD AND SHELTER PROGRAM NATIONAL BOARD.

(a) ESTABLISHMENT OF NATIONAL BOARD.—There is established to carry out the provisions of this title the Emergency Food and Shelter Program National Board. The Director of the Federal Emergency Management Agency shall constitute the Board in accordance with subsection (b) and administering the program under this title.

(b) BOARD OF DIRECTORS.—The Board shall consist of 6 members who shall be appointed by the Director of the Federal Emergency Management Agency not later than 30 days after the date of enactment of this Act, one from those individuals nominated by each of the following:

(1) The United Way of America.

(2) The Salvation Army.

(3) The National Council of Churches of Christ in the U.S.A.

(4) Catholic Charities U.S.A.

(5) The Council of Jewish Federations, Inc.

(6) The American Red Cross.

In addition, the Director shall be a member of the Board ex officio.

(c) ELECTION OF CHAIRMAN AND VICE CHAIRMAN.—The Board shall elect from among its members a Chairman and a Vice Chairman and such other officials as it deems appropriate in the conduct of its affairs.

(d) OTHER ACTIVITIES OF THE BOARD.—Except as otherwise specifically provided by this title, the Board shall establish its own procedures and policies for the conduct of its affairs.

SEC. 304. LOCAL BOARDS.

(a) ESTABLISHMENT.—Each locality designated by the Board shall constitute a local board for the purpose of determining how program funds allotted to the locality will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board, except that the mayor or other appropriate heads of government will replace the Federal members. The chair of the local board shall be elected by a majority of the members of the local board. Local boards are encouraged to expand participation of other private nonprofit organizations on the local board.

(b) RESPONSIBILITIES.—Each local board shall—

(1) determine which private nonprofit organizations or public organizations of the local government in the individual locality shall receive grants to act as service providers;

(2) monitor recipient service providers for program compliance;

(3) reallocate funds among service providers;

(4) ensure proper reporting; and

(5) coordinate with other Federal, State, and local government assistance programs available in the locality.

SEC. 305. ROLE OF FEMA.

(a) IN GENERAL.—The Director of the Emergency Management Agency shall provide the Board administrative support and act as Federal liaison to the Board.

(b) SPECIFIC SUPPORT ACTIVITIES.—The Director shall—

(1) make available to the Board, upon request, the services of the Agency's legal counsel and inspector general;

(2) assign clerical personnel to the Board on a temporary basis; and

(3) conduct audits of the Board annually and at such other times as may be appropriate.

SEC. 306. RECORDS AND AUDIT OF BOARD AND RECIPIENTS OF ASSISTANCE.

(a) ANNUAL INDEPENDENT AUDIT OF BOARD.—

(1) The accounts of the Board shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Board are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Board and necessary to facilitate the audits shall be made available to the person or persons conducting the audits, and full facilities for verifying transactions with any assets held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(2) The report of each such independent audit shall be included in the annual report required in section 307. Such report shall set forth the scope of the audit and include such statements as are necessary to present fairly the assets and liabilities of the Board, surplus or deficit, with an analysis of the changes during the year, supplemented in reasonable detail by a statement of the income and expenses of the Board during the year, and a statement of the application of funds, together with the opinion of the independent auditor of such statements.

(b) ACCESS TO RECORDS OF RECIPIENTS OF ASSISTANCE.—

(1) Each recipient of assistance under this title shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Board, or any of its duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this title.

(c) AUTHORITY OF COMPTROLLER GENERAL.—The Comptroller General of the United States or any of his duly authorized representatives shall also have access to any books, documents, papers, and records of the Board and recipients for such purpose.

SEC. 307. ANNUAL REPORT.

The Board shall transmit to the Congress an annual report covering each year in which it conducts activities with funds made available under this title.

PART B—EMERGENCY FOOD AND SHELTER GRANTS

SEC. 311. GRANTS BY THE DIRECTOR.

Not later than 30 days following the date of enactment of a law providing appropriations to carry out this part, the Director of the Federal Emergency Management Agency shall award a grant for the full amount that Congress appropriates for the program under this part to the Board for the purpose of providing emergency food and shelter to needy individuals through private nonprofit organizations and through units of local government in accordance with section 313.

SEC. 312. RETENTION OF INTEREST EARNED.

Interest accrued on the balance of any grant to the Board shall be available to the Board for reallocation, and total administrative costs shall be determined based on total amount of funds available, including interest and any private contributions which are made to the Board.

SEC. 313. PURPOSES OF GRANTS.

(a) ELIGIBLE ACTIVITIES.—Grants to the Board may be used—

(1) to supplement and expand ongoing efforts to provide shelter, food, and supportive services for the homeless individuals with sensitivity to the transition from temporary shelter to permanent homes, and attention to the special needs of homeless individuals with mental and physical disabilities and illnesses, and to facilitate access for homeless individuals to other sources of services and benefits;

(2) to strengthen efforts to create more effective and innovative local programs by providing funding for them; and

(3) to conduct minimum rehabilitation of existing mass shelter or mass feeding facilities, but only to the extent necessary to make facilities safe, sanitary, and bring them into compliance with local building codes.

(b) LIMITATIONS ON ACTIVITIES.—The Board may only provide funding provided under this part for—

(1) programs undertaken by nonprofit organizations and units of local government; and

(2) programs that are consistent with the purposes of this title.

The Board may not carry out programs directly.

SEC. 314. LIMITATION ON CERTAIN COSTS.

Not more than 5 percent of the total appropriation for the emergency food and shelter program each year may be expended for the costs of administration.

SEC. 315. PROGRAM GUIDELINES.

(a) GUIDELINES.—The Board shall establish written guidelines for carrying out the program under this part, including—

(1) methods for identifying localities with the highest need for emergency food and shelter assistance;

(2) methods for determining amount and distribution to these localities;

(3) eligible program costs, including maximum flexibility in meeting currently existing needs; and

(4) guidelines specifying the responsibilities and reporting requirements of the Board, its recipients, and service providers.

(b) PUBLICATION.—Guidelines established under subsection (a) shall be published annually, and whenever modified, in the Federal Register. The Board shall not be subject to the procedural rulemaking requirements of subchapter II of chapter 5 of title 5, United States Code.

SEC. 316. PROGRAM AUTHORIZED.

(a) AUTHORIZATION.—To carry out this part, there are authorized to be appropriated $50,000,000 for fiscal year 1987, including any amount provided under Public Law 100-6.

(b) CARRYOVER.—Any appropriated funds not obligated in a fiscal year shall remain available until expended.

PART C—CASE MANAGEMENT

SEC. 321. GRANTS BY THE DIRECTOR.

Not later than 30 days following the date of enactment of a law providing appropriations to carry out this part, the Director of the Federal Emergency Management Agency shall award a grant for the full amount that Congress appropriates for the program under this part to the Board for the purpose of grants by the Board to nonprofit private entities and units of local government receiving support under part B for shelters for homeless individuals to enable such entities and governments to provide, or arrange for the provision of, case management services for homeless individuals using such shelters.

SEC. 322. REQUIREMENT FOR THE PROVISION OF CASE MANAGEMENT SERVICES.

(a) SERVICES REQUIRED.—Each unit of local government or nonprofit private entity which receives assistance under part B for a shelter for homeless individuals shall provide, or arrange for provision of, case management services required under subsection (b) for homeless individuals using such shelter.

(b) TYPES OF SERVICES.—(1) In the case of a shelter in a locality in which an agency (other than the government or entity receiving assistance under part B for such shelter) provides the services described in paragraph (2) for homeless individuals, case management services required under this part include referral of such individuals to such agency and followup services to ensure that the services described in such paragraph are provided to such individuals.

(2) In the case of a shelter in a locality in which there is no agency described in paragraph (1), case management services required under this part for homeless individuals include, to the extent needed by each such individual—

(A) the preparation, and the review at least every 3 months, of a plan specifying the needs of such individual and the services that will be provided to such individual to meet such needs;

(B) the provision of assistance in obtaining, and the coordination of, social and maintenance services for such individual, such as services relating to daily living activities, transportation services, habilitation and rehabilitation services, prevocational and vocational services, and housing services; and

(C) the provision of assistance to such individual in obtaining income support services, such as housing assistance, food stamps, and supplemental security income benefits.

(c) PREFERENCE.—If any unit of local government or nonprofit private entity operating a shelter to which subsection (b)(2) applies decides to arrange for the provision of case management services for homeless individuals, such government or entity shall, in selecting an entity to provide such services, give preference, if feasible and appropriate, to—

(1) community action agencies supported under the Community Services Block Grant Act; and

(2) any organization to which a State that applied for and received a waiver from the Secretary of Health and Human Services under Public Law 98-139 made a grant under the Community Services Block Grant Act for fiscal year 1984.

SEC. 323. AUTHORIZATION.

To carry out this part, there are authorized to be appropriated $20,000,000 for each of the fiscal years 1987 and 1988.

TITLE IV—HOUSING ASSISTANCE

SEC. 401. REQUIREMENT FOR COMPREHENSIVE HOMELESS ASSISTANCE PLAN.

(a) PLAN REQUIRED.—A State or a metropolitan city or urban county that is eligible to receive a grant under the emergency shelter grants program in an amount in excess of the minimum allocation requirement applicable under section 522(b) of the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591 may receive assistance authorized by this title only if—

(1) it submits to the Interagency Council on the Homeless established by title I of this Act a comprehensive homeless assistance plan (hereinafter referred to as the "comprehensive plan"); and

(2) the Interagency Council approves the plan.

(b) Contents.—A comprehensive plan submitted under this section shall contain—

(1) an assessment of the size and characteristics of the homeless population within the jurisdiction of the State, city, or county submitting the plan;

(2) a description of all available services for the homeless population within that jurisdiction;

(3) a strategy to match the needs of the homeless population with available services within that jurisdiction, including services such as job placement and training, education, health, housing, nutrition, and income maintenance; and

(4) an explanation of how the Federal assistance provided under this Act will complement and enhance the available services.

(c) Review.—Upon receipt of a comprehensive plan, the Interagency Council shall review the plan. Not later than 30 days after receipt, the Interagency Council shall approve the plan unless the Council determines that the plan plainly does not satisfy the requirements of subsection (b).

(d) Performance Monitoring.—(1) Each State or other recipient described in subsection (a) shall monitor annually the progress made by that State or recipient in carrying out its comprehensive plan.

(2) Each State and other recipient referred to in subsection (a) shall report annually to the Interagency Council the results of such monitoring. The Interagency Council shall review the reports submitted under this paragraph and shall make such recommendations as may be appropriate.

(3) Any State or other recipient which fails to monitor progress as required by paragraph (1) shall not be eligible to receive further assistance under this title.

(e) Performance Evaluations.—Beginning with fiscal year 1990, the Interagency Council shall carry out performance evaluations of the administration of programs under this Act by States and other recipients referred to in subsection (a), including the adequacy of performance monitoring under subsection (d). The Interagency Council shall thereafter report its findings to the Congress.

SEC. 402. AUTHORIZATIONS FOR TRANSITIONAL HOUSING AND EMERGENCY SHELTER GRANTS PROGRAMS.

(a) Transitional Housing Demonstration Program.—In addition to other amounts authorized by law, there are authorized to be appropriated for the transitional housing demonstration program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591, not to exceed $60,000,000 for fiscal year 1987, and such sums as may be necessary for fiscal year 1988.

(b) Emergency Shelter Grants Program.—In addition to other amounts authorized by law, there are authorized to be appropriated for the emergency shelter grants program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591, not to exceed $80,000,000 for fiscal year 1987, and such sums as may be necessary for fiscal year 1988.

SEC. 403. EMERGENCY SHELTER GRANTS AMENDMENTS.

(a) Minimum Allocation Amount.—The minimum allocation established for the emergency shelter grants program by section 522(b) of the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591 is increased to 0.3 percent of amounts appropriated under section 402(b).

(b) Planning Requirement.—The requirement contained in section 524(a) of the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591 shall not apply to assistance provided under the increased authority provided under section 402(b).

SEC. 404. SECTION 8 HOUSING ASSISTANCE.

(a) Section 8 Existing Housing.—

(1) The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(b)(1) of such Act is authorized to be increased by $50,000,000.

(2) The amounts made available under this subsection shall be used solely to assist homeless individuals and families, particularly the elderly and homeless families with children.

(3) Each contract for annual contributions entered into with a public housing agency to obligate the authority made available under this subsection to assist the homeless shall commit the Secretary of Housing and Urban Development to make such authority, and any amendments increasing such authority, available to the public housing agency for an aggregate period of 5 years.

(4) A contract for assistance payments under the authority provided by this subsection may be attached to the structure if the owner is a nonprofit organization that has agreed to furnish decent housing and a level of support services satisfactory to the public housing agency.

(b) Section 8 Assistance for Single Room Occupancy Dwellings.—

(1) The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is authorized to be increased by $35,000,000.

(2) The amounts made available under this subsection shall be used only in connection with the moderate rehabilitation of housing described in section 8(n) of the United States Housing Act of 1937 for occupancy by homeless individuals and families.

(3) Each contract for annual contributions entered into to obligate the authority made available under this subsection shall require the installation of a complete sprinkler system, hard wired smoke detectors, and such other fire and safety improvements as may be required by State or local law.

(4) Each contract for annual contributions entered into to obligate the authority made available under this subsection shall limit the total cost of each rehabilitated unit to $14,000, excluding the expenditures required by paragraph (3).

(5) The Secretary of Housing and Urban Development shall increase the limitation contained in paragraph (4) by an amount the Secretary determines is reasonable and necessary to accommodate special local conditions, including—

(A) high construction costs;

(B) stringent fire or building codes; or

(C) high acquisition costs.

(6) Each contract for annual contributions entered into with a public housing agency to obligate the authority made available under this subsection shall—

(A) commit the Secretary of Housing and Urban Development to make such authority, and any amendments increasing such authority, available to the public housing agency for an aggregate period of 10 years; and

(B) provide the Secretary of Housing and Urban Development with the option to renew the contract for an additional period of 10 years, subject to the availability of appropriations.

TITLE V—HEALTH SERVICES AND MENTAL HEALTH SERVICES FOR THE HOMELESS

SEC. 501. SHORT TITLE.

This title may be cited as the "Health Services and Mental Health Services for the Homeless Act".

Part A—Health Services

SEC. 511. HEALTH SERVICES FOR THE HOMELESS.

Title III of the Public Health Service Act is amended by adding at the end thereof the following new part:

"Part K—Health Services for Homeless Individuals

"GRANTS FOR THE PROVISION OF HEALTH SERVICES

"Sec. 395. (a) The Secretary shall make grants to public and nonprofit private entities to support the provision of health services to homeless individuals and the provision of mental health services to homeless individuals who do not have a chronic mental illness.

"(b) Each entity which receives a grant under subsection (a) shall—

"(1) provide outpatient health services in locations accessible to homeless individuals;

"(2) provide, or make arrangements for the provision of, 24-hour-a-day emergency health services to homeless individuals;

"(3) make referrals of homeless individuals to hospitals and other institutions for necessary inpatient services, and have a written arrangement with one or more hospitals or institutions for the acceptance of homeless individuals referred to such hospital or institution by such entity;

"(4)(A) provide assistance to homeless individuals in establishing eligibility for assistance under entitlement programs and in obtaining necessary services under such programs; and

"(B) have written arrangements to carry out subparagraph (A) with State and local social service agencies which provide services relevant to the needs of homeless individuals;

"(5) provide, or arrange for the provision of, counseling and other mental health services for homeless individuals who do not have a chronic mental illness, particularly counseling and mental health services for homeless families and children;

"(6) provide, or arrange for the provision of, alcohol abuse and drug abuse treatment services for homeless individuals; and

"(7) provide, or arrange for the provision of, any other service for homeless individuals that may be prescribed by the Secretary by regulation in order to meet the essential needs of homeless individuals for health services.

"(c) In making grants under this section, the Secretary shall give preference to community health centers supported under section 330 and other public and nonprofit private entities which have experience in providing comprehensive primary health care services to homeless individuals and medically underserved populations.

"TERMS AND CONDITIONS APPLICABLE TO GRANTS

"SEC. 396. (a) Each recipient of a grant under this part shall provide the services required under section 395 within the limits of its capacity to any homeless individual regardless of the individual's ability to pay for the provision of such services. If any recipient of a grant under this part imposes charges for services furnished under the grant, such charges—

"(1) shall be made according to a public schedule of charges;

"(2) may not be imposed with respect to individuals whose income is below the nonfarm income official poverty line defined by the Office of Management and Budget (and revised annually in accordance with section 673(2) of the Omnibus Reconciliation Act of 1981); and

"(3) shall be adjusted to reflect the income and resources of the individuals to which such services are provided.

"(b)(1) Funds provided under any grant made under section 395 may not be used—

"(A) to provide services other than the services described in such section, and services described in paragraph (2) of this subsection;

"(B) to make cash payments, without consideration, to any individual;

"(C) to purchase or improve land, to purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or to purchase major medical equipment, unless the Secretary finds, based on a showing of exceptional circumstance, that a waiver of this subparagraph is necessary in order to carry out the purposes of this part; or

"(D) to satisfy any requirement for the expenditure of non-Federal funds as a condition of Federal funds.

"(c) No grant may be approved under this part unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, be submitted in such manner, and contain or be accompanied by such information as the Secretary may by regulation specify. The Secretary shall not approve any application under this part unless the application contains assurances that the applicant—

"(1) will use the funds provided under this part only for the purposes specified in the approved application;

"(2) will establish such fiscal control and fund accounting procedures as may be necessary to ensure proper disbursement and accounting of Federal funds paid to the applicant under this part;

"(3) will establish an ongoing quality assurance program to monitor services furnished under the grant and will maintain confidentiality of patient records;

"(4) has, in the case of an applicant for a project which will serve a group of individuals a substantial proportion of which are of limited English-speaking ability—

"(A) developed a plan and made arrangements tailored to the needs of such individuals for the provisions of services, to the extent practicable, in the language and cultural context most appropriate to such individuals; and

"(B) identified an individual on its staff—

"(i) who is fluent both in English and in the language most appropriate to such individuals; and

"(ii) whose responsibilities shall include providing guidance to such individuals and to appropriate staff members with respect to cultural sensitivities and the bridging of linguistic and cultural differences; and

"(5) will report to the Secretary annually on the utilization, cost, and outcome of services furnished under this part.

"EVALUATIONS AND REPORTS

"SEC. 397. (a) The Secretary shall conduct, or arrange for the conduct of, evaluations of services provided under grants under section 395.

"(b) Within one year after the date of enactment of this part, and annually thereafter, the Secretary shall prepare and transmit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report summarizing the evaluations conducted under subsection (a) during the preceding year.

"DEFINITIONS

"SEC. 398. For purposes of this part:

"(1) The term 'homeless individual' has the same meaning as in section 3 of the Urgent Relief for the Homeless Act.

"(2) The term 'medically underserved population' means a population designated by the Secretary under section 330(b)(3).

"(3) The term 'metropolitan city' has the same meaning as in section 102(a)(4) of the Housing and Community Development Act of 1974.

"(4) The term 'shelter' means any supervised public or private facility designed to provide temporary living accommodations.

"(5) The term 'urban county' has the same meaning as in section 102(a)(6) of the Housing and Community Development Act of 1974.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 399. To carry out this part, there are authorized to be appropriated $30,000,000 for each of the fiscal years 1987 and 1988.".

PART B—MENTAL HEALTH SERVICES

SEC. 521. EMERGENCY MENTAL HEALTH SERVICES FOR HOMELESS INDIVIDUALS HAVING CHRONIC MENTAL ILLNESS.

Title XIX of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART D—EMERGENCY ASSISTANCE FOR HOMELESS MENTALLY ILL INDIVIDUALS BLOCK GRANT

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1931. (a) To carry out this part, there are authorized to be appropriated $55,000,000 for each of the fiscal years 1987 and 1988.

"(b) Of the total amount appropriated to carry out this part for any fiscal year, not more than 1 percent shall be used by the Secretary to pay the costs of administering this part.

"ALLOTMENTS

"SEC. 1932. (a)(1) Except as provided in subsections (b) and (c), the allotment of a State under this part for a fiscal year is the sum of the amounts determined under paragraphs (2) and (3) for the State and metropolitan cities and urban counties in the State for such fiscal year.

"(2) The Secretary shall determine the amount that would be allotted to each State from the total amount available for allotments under this section for a fiscal year (after the application of section 1931(b)) if the percentage of such total available amount that would be allotted to such State is equal to the percentage of the total amount available for grants under section 106(d) of the Housing and Community Development Act of 1974 for the fiscal year prior to such fiscal year that is allocated to such State.

"(3) The Secretary shall determine the amount that would be allotted to each metropolitan city and urban county in a State from the total amount available for allotments under this section for a fiscal year (after the application of section 1931(b)) if the percentage of such total available amount that would be allotted to such city or county is equal to the percentage of the total amount available for grants under section 106 of the Housing and Community Development Act of 1974 for the fiscal year prior to such fiscal year that is allocated to such city or county.

"(4) Notwithstanding paragraph (1), the allotment of the District of Columbia under this part for a fiscal year shall be the amount determined by the Secretary for the District of Columbia under paragraph (3) or the amount determined under subsection (b), whichever is greater.

"(b) Notwithstanding subsection (a), the allotment of a State under this section for any fiscal year shall not be less than one-half of one percent of the amount available for allotments under this section (after the application of section 1931(b)) for such fiscal year.

"(c)(1) For purposes of subsections (a) and (b), the allotment of each territory under this part for a fiscal year shall be determined in accordance with paragraphs (2) and (3).

"(2) In accordance with subsections (a) and (b), a total allotment under this part for all territories shall be determined for a fiscal year as if all territories were deemed to be one State.

"(3) The allotment of a territory under this part for a fiscal year shall be the amount which bears the same ratio to the amount determined under paragraph (3) for such fiscal year as the population of the territory bears to the population of all territories.

"(4) For purposes of this subsection, the term 'territory' means the Virgin Islands, American Samoa, Guam, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

"(d) If the total amount of funds appropriated under section 1931 for a fiscal year and available for allotment under this section for such fiscal year is not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1935 for such fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some allotments of States are offset or repaid under section 1917(b)(3) (as such section applies to this part pursuant to section 1935(d)),

the amount not allotted shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

"PAYMENTS UNDER ALLOTMENTS

"SEC. 1933. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under section 1932 from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

"USE OF ALLOTMENTS

"SEC. 1934. (a)(1) Except as provided in subsection (b), amounts paid to a State under section 1933 shall be used by such State to assist in the carrying out of emergency projects for homeless individuals who have chronic mental illnesses. Such projects shall include each of the following activities:

"(A) The provision of outreach services to—

"(i) homeless individuals; and

"(ii) individuals who have chronic mental illnesses and who are at risk of becoming homeless individuals.

"(B) The provision of outpatient mental health services, partial hospitalization, diagnostic services, crisis intervention services, and habilitation and rehabilitation services to—

"(i) homeless individuals; and

"(ii) individuals who have chronic mental illnesses and who are at risk of becoming homeless individuals.

"(C) The provision of training to individuals who provide services to homeless individuals, including individuals who work in shelters, mental health clinics, and other sites where homeless individuals receive services.

"(D) The provision of case management services to homeless individuals, including, as needed by each such individual—

"(i) the preparation, and the review at least every 3 months, of a plan for the provision of mental health services to such individual;

"(ii) the provision of assistance in obtaining, and the coordination of, social and maintenance services for such individual, such as services relating to daily living activities, transportation services, habilitation and rehabilitation services, prevocational and vocational services, and housing services; and

"(iii) the provision of assistance to such individual in obtaining income support services, such as housing assistance, food stamps, and supplemental security income benefits.

"(E) The provision of supervised services or living services for homeless individuals in settings not supported under the transitional housing demonstration program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591.

"(2) Training required under paragraph (1)(C) shall include training to enable individuals providing services to homeless individuals to—

"(A) identify individuals with chronic mental illness;

"(B) refer homeless individuals to available services for such individuals, including job training services, literacy education, community health centers, and community mental health centers; and

"(C) identify, and assist homeless individuals to participate in, Federal and State programs providing benefits for homeless individuals.

"(b) A State may not use amounts paid to it under section 1933 to—

"(1) provide inpatient services;

"(2) make cash payments to intended recipients of services;

"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment; or

"(4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

The Secretary may waive the limitation contained in paragraph (3) upon the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this part.

"(c) Not more than 5 percent of the total amount paid to a State under section 1933 for a fiscal year may be used for administering the funds made available under section 1933. The State shall pay from non-Federal sources the remaining costs of administering such funds.

"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"SEC. 1935. (a)(1) In order to receive an allotment for a fiscal year under section 1932, a State shall submit an application to the Secretary. Each such application shall be in such form as the Secretary shall require, and shall be submitted with the application required by section 1916(a) or at such other time as the Secretary shall require.

"(2) Each application required under paragraph (1) for an allotment under section 1932 for a fiscal year shall contain assurances that the State will meet the requirements of subsection (b).

"(b)(1) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State shall—

"(A) certify that the State agrees to use the funds allotted to it under section 1932 in accordance with the requirements of this part;

"(B) certify that, in the case of an allotment for fiscal year 1988, the services to be provided to homeless individuals under this part have been considered in the preparation of, have been included in, and are consistent with, the State comprehensive mental health services plan required under subpart 2 of part B;

"(C) certify that the State will ensure that homeless individuals who are alcoholics, alcohol abusers, or drug abusers will be referred to appropriate alcohol abuse and drug abuse treatment and rehabilitation services, including services available under section 1921;

"(D) certify that the State will ensure that the activities conducted under this part will be coordinated with transitional housing provided under the transitional housing demonstration program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591;

"(E) certify that the State will expend, in each metropolitan city or urban county for which the Secretary makes a determination under section 1932(a)(3) for a fiscal year, an amount to carry out the activities required under this part which is equal to the amount determined by the Secretary under such section for such city or county for such fiscal year; and

"(F) certify that the State agrees that Federal funds made available under section 1933 for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds.

"(2) An application by a State under this section for an allotment for fiscal year 1988 shall include, for each metropolitan city and urban county in the State for which the Governor of the State desires a determination be made under section 1932(a)(3), a statement from the chief executive officer of such city or county which contains the certifications specified in paragraph (1) with respect to such city or county and the description of activities specified in subsection (c) with respect to such city or county.

"(c) The chief executive officer of a State shall, as part of the application required by subsection (a) for any fiscal year, also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1933 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this part, and any revision shall be subject to the requirements of the preceding sentence.

"(d) Except where inconsistent with the provisions of this part, the provisions of section 1914(b), section 1917(a), paragraphs (1) through (5) of section 1917(b), and sections 1918, 1919, and 1920 shall apply to payments made to a State under this part in the same manner as such provisions apply to payments made to a State under part B of this title.

"DEFINITIONS

"SEC. 1936. For purposes of this part:

"(1) The term 'homeless individual' means a homeless individual (as such term is defined in section 3 of the Urgent Relief for the Homeless Act) who has a chronic mental illness.

"(2) The term 'metropolitan city' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.

"(3) The term 'urban county' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.".

TITLE VI—ASSURING THE EDUCATION OF HOMELESS CHILDREN

SEC. 601. STATE PLANS FOR THE EDUCATION OF HOMELESS CHILDREN.

Subpart 3 of part C of the General Education Provisions Act is amended by inserting after section 436 the following new section:

"STATE PLANS FOR THE EDUCATION OF HOMELESS CHILDREN REQUIRED

"SEC. 436A. (a)(1) Each State educational agency shall adopt and implement a plan to ensure that each homeless child within the State is provided full and equal educational opportunities.

"(2) Each State plan adopted under paragraph (1) of this subsection shall contain provisions designed to—

"(A) authorize the State educational agency, the local educational agency, the parent or guardian of the homeless child, or the applicable social worker to make the determinations required under this section; and

"(B) provide procedures for selecting the appropriate local educational agency within the State to be responsible for the expenses of providing for the education of the homeless child.

"(b) No State or local residency requirement may be applied so as to bar any homeless child from attending school.

"(c)(1) Each plan adopted under this section shall assure that local educational agencies within the State will comply with the requirements of paragraphs (2) through (6) of this subsection.

"(2) The local educational agency of each homeless child shall either—

"(A) continue the child's education in the school district of origin for the remainder of the school year; or

"(B) enroll the child in the school district where the child is actually living;

whichever is in the child's best interest.

"(3) The choice required by paragraph (2) shall be available regardless of whether the child is living with the homeless parents or has been temporarily placed elsewhere by the parents.

"(4) Each homeless child shall be provided adequate transportation to the school selected according to the provisions of paragraph (2).

"(5) The records of each homeless child shall be maintained—

"(A) so that the records are immediately available when a child enters a new school district; and

"(B) in a manner consistent with section 438 of this Act.

"(6) Each local educational agency shall ensure that each homeless child may participate in all educational programs and services for which the child meets the eligibility criteria, including special programs and compensatory educational programs for handicapped, disadvantaged, and for students with limited English proficiency; programs in vocational education; programs for the gifted and talented; and school meals programs.".

SEC. 602. EXEMPLARY GRANTS AND DISSEMINATION OF INFORMATION ACTIVITIES AUTHORIZED.

(a) General Authority.—(1) The Secretary shall, from funds appropriated pursuant to subsection (f), make grants for exemplary programs that successfully address the needs of homeless students in elementary and secondary schools of the applicant.

(2) The Secretary shall, in accordance with subsection (e), conduct dissemination activities of exemplary programs designed to make the special educational needs of homeless elementary and secondary school students.

(b) Applicants.—The Secretary shall make grants to State and local educational agencies for the purpose described in paragraph (1) of subsection (a).

(c) Eligibility for Grants.—No applicant may receive an exemplary grant under this section unless the applicant is located in a State which has submitted a State plan in accordance with the provisions of section 436A of the General Educations Provisions Act.

(d) Application.—Each applicant which desires to receive a demonstration grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall include—

(1) a description of the exemplary program for which assistance is sought;

(2) assurances that the applicant will transmit information with respect to the conduct of the program for which assistance is sought;

(3) such additional assurances that the Secretary determines are necessary.

(e) Dissemination of Information Activities.—The Secretary shall, from funds appropriated pursuant to subsection (f), conduct, directly or indirectly by way of grant, contract, or other arrangement, dissemination activities designed to inform State and local educational agencies of exemplary programs which successfully address the special needs of homeless students.

(f) Appropriations Authorized.—There are authorized to be appropriated $2,500,000 for the fiscal year 1987 and $5,000,000 for the fiscal year 1988 to carry out the provisions of this section.

TITLE VII—JOB TRAINING FOR THE HOMELESS DEMONSTRATION PROJECT

SEC. 701. DEMONSTRATION PROGRAM AUTHORIZED.

(a) General Authority.—The Secretary shall, from funds appropriated pursuant to section 708, make grants for the Federal share of job training demonstration projects for homeless individuals in accordance with the provisions of this title.

(b) Contract Authority.—The Secretary is authorized to enter into such contracts with State and local public agencies, private nonprofit organizations, private businesses, and other appropriate entities as may be necessary to carry out the provisions of this title.

SEC. 702. ELIGIBILITY FOR DEMONSTRATION GRANTS.

No applicant may receive a demonstration grant under this title unless the applicant is located within a State which has submitted a comprehensive plan in accordance with the provisions of this Act.

SEC. 703. APPLICATION.

Each applicant which desires to receive a demonstration grant under this title shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall include—

(1) a description of the activities for which assistance is sought;

(2) plans for the coordination and outreach activities, particularly with case managers and care providers, designed to achieve referral of homeless individuals to the demonstration projects authorized by this title;

(3) plans to offer in-shelter training activities and services, and to perform training services and activities so as to increase the participation of homeless individuals in the demonstration project;

(4) a description of the standards by which performance may be measured under the demonstration project, together with assurances that a preliminary evaluation of the project will be completed not later than the end of the first year for which assistance is sought;

(5) assurances that the recipient of demonstration grants under this title will pay the non-Federal share of the activities for which assistance is sought from non-Federal sources; and

(6) such additional assurances as the Secretary determines are necessary to insure compliance with the requirements of this title.

SEC. 704. AUTHORIZED ACTIVITIES.

Demonstration grants under this title may be used for—

(1) basic skills instruction;

(2) remedial education activities;

(3) basic literacy instruction;

(4) job search activities;

(5) job counseling;

(6) job preparatory training, including resumé writing and interviewing skills; and

(7) any other activities described in section 204 of the Job Training Partnership Act which the grant recipient determines will contribute to carrying out the objectives of this title,

for homeless individuals.

SEC. 705. PAYMENTS; FEDERAL SHARE; LIMITATION.

(a) Payments.—The Secretary shall pay to each applicant having an application approved under section 703 the Federal share of the cost of activities described in the application.

(b) Federal Share.—(1) The Federal share for each fiscal year shall be 50 percent.

(2) The non-Federal share of payments under this title may be in cash or in kind fairly evaluated, including plant equipment or services.

(c) Limitation.—The Secretary may not make grants in any State in an aggregate in excess of 15 percent of the amount appropriated to carry out this title in each fiscal year.

SEC. 706. EVALUATION.

(a) Demonstration Project Responsibility.—The Secretary shall annually evaluate each project assisted under this title. The Secretary shall prepare and submit a report to the Interagency Council of the evaluations required by this subsection at the end of each fiscal year. Not later than 6 months before the termination date specified in section 709, the Secretary shall prepare and submit a final report of the evaluations required by this subsection to the President, to the Congress, and to the Interagency Council.

(b) Contents of Evaluations.—Each evaluation required by this section shall include—

(1) the number of homeless individuals served;

(2) the number of homeless individuals placed in jobs;

(3) the average length of training time under the project;

(4) the average training cost under the project; and

(5) the average retention rate of placements of homeless individuals after training with assistance made under this title.

(c) Evaluation by Interagency Council.—(1) The Interagency Council shall evaluate each project receiving assistance under this title.

(2) The Interagency Council shall prepare and publish a report of its findings in the annual report of the Council. The evaluation of the demonstration projects authorized by this title shall include a determination of the relative effectiveness of programs assisted under this title together with recommendations, including recommendations for legislation, to the Congress on job training programs for homeless individuals to be established on a national basis.

SEC. 707. DEFINITIONS.

As used in this title—

(1) the term "applicant" means public agencies, private nonprofit organizations, private businesses, and other appropriate entities;

(2) the term "Interagency Council" means the Interagency Council on the Homeless;

(3) the term "local public agency" means any public agency of a general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers;

(4) the term "Secretary" means the Secretary of Labor; and

(5) the term "State" means each of the several States and the District of Columbia.

SEC. 708. AUTHORIZATION OF APPROPRIATIONS; AVAILABILITY OF FUNDS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for the fiscal year 1988 to carry out the provisions of this title.

(b) AVAILABILITY OF FUNDS.—Funds obligated for any fiscal year may be expended by each recipient during that fiscal year and the succeeding fiscal year.

SEC. 709. TERMINATION.

The provisions of this title shall terminate on October 1, 1990.

TITLE VIII—NUTRITION

SEC. 801. SHORT TITLE.

This title may be cited as the "Nutrition for Homeless Individuals Act of 1987".

PART A—FOOD STAMP PROGRAM

SEC. 811. DEFINITION OF HOMELESS INDIVIDUAL.

Section 3 of the Food Stamp Act of 1977 (7 U.S.C. 2012) is amended by adding at the end thereof the following new subsection:

"(s) 'Homeless individual' has the same meaning given such term in section 3 of the Urgent Relief for the Homeless Act.".

SEC. 812. FOOD STAMP INFORMATION FOR THE HOMELESS.

(a) AUTHORITY TO PROVIDE INFORMATION.—Section 11(e)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(1)(A)) is amended by inserting "except, at the option of the State agency, food stamp outreach activities directed at homeless individuals" after "Act".

(b) ADMINISTRATIVE EXPENSES.—The first sentence of section 16(a) of such Act (7 U.S.C. 2025(a)) is amended by striking out ", and (4)" and inserting in lieu thereof "(4) food stamp outreach activities permitted under section 11(e)(1)(A), and (5)".

SEC. 813. EXPEDITED FOOD STAMP SERVICE.

Section 11(e)(9) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(9)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (D);

(2) by inserting after subparagraph (A) the following new subparagraphs:

"(B) provide coupons no later than five days after the date of application to a household in which all members are homeless individuals and which meets the income and resource criteria for coupons under this Act;

"(C) provide coupons no later than five days after the date of application to any household that has a combined gross income and liquid resources that is less than the monthly rent and utilities of the household; and"; and

(3) in subparagraph (D) (as redesignated), by striking out "the household" and inserting in lieu thereof "a household referred to in subparagraph (A), (B), or (C)".

SEC. 814. IMPLEMENTATION OF EXISTING VENDOR PAYMENT EXCLUSION.

Not later than 30 days after the date of enactment of this Act, the Secretary of Agriculture shall prescribe regulations to carry out section 5(k)(2)(E) of the Food Stamp Act of 1977 (7 U.S.C. 2014(k)(2)(E)).

PART B—TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM (TEFAP)

SEC. 821. VARIETY OF COMMODITIES UNDER TEFAP.

Section 202(d) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by inserting after "shall include" the following: "a variety of commodities and products thereof that are most useful to eligible recipient agencies, including".

SEC. 822. AUTHORIZATION OF APPROPRIATIONS FOR FOOD STORAGE AND DISTRIBUTION COSTS UNDER TEFAP.

Section 204(c) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended—

(1) in the first sentence of paragraph (1), by striking out "$50,000,000 for each of the fiscal years ending September 30, 1986, and September 30, 1987" and inserting in lieu thereof "$50,000,000 for the fiscal year ending September 30, 1986, $60,000,000 for the fiscal year ending September 30, 1987, and $70,000,000 for the fiscal year ending September 30, 1988"; and

(2) by adding at the end thereof the following new paragraph:

"(6) Any amounts appropriated in excess of $50,000,000 for the fiscal year ending September 30, 1987, and for the fiscal year ending September 30, 1988, under paragraph (1) shall be targeted to homeless individuals (as defined in section 3(s) of the Food Stamp Act of 1977 (7 U.S.C. 2012(s)) who are otherwise eligible for commodities and products distributed under this Act, in accordance with regulations prescribed by the Secretary.".

PART C—EFFECTIVE DATE

SEC. 831. EFFECTIVE DATE.

Except as provided in section 814, this title and the amendments made by this title shall become effective and be implemented as soon as the Secretary determines is practicable after the date of enactment of this Act, but not later than 160 days after the date of enactment of this Act.

Mr. BYRD. Mr. President, I ask unanimous consent that a summary of the Urgent Relief for the Homeless Act be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

URGENT RELIEF FOR THE HOMELESS ACT

FINDINGS AND DEFINITIONS

Title I—Interagency Council.
Title II—Surplus Property.
Title III—FEMA and Case Management.
Title IV—Housing.
Title V—Health.
A. Health Services.
B. Mental Health.
Title VI—Education.
Title VII—Job Training.
Title VIII—Nutrition.

TITLE I—INTERAGENCY COUNCIL

The bill would provide authorization for an Interagency Council on the Homeless composed of those agencies (Agriculture, Commerce, Defense, Education, Energy, HHS, HUD, Interior, Labor, Transportation, ACTION, GSA, FEMA, Postal Service, and Veterans' Administration) currently members of the HHS Federal Task Force on the Homeless. The Council would be independent from, but located in and drawing administrative support from HHS.

The Council would: review federal homeless programs; monitor, evaluate, and recommend improvements in federal, state, local, and private homeless relief programs; provide technical assistance, utilizing regional offices, to states, local governments, and other public and private nonprofit organizations to coordinate and maximize resources of existing homeless programs and to develop other innovative homeless programs, and; reduce duplication of federal agency programs.

The Council would also prepare an annual report to the President and to Congress which: assesses the nature and extent of the homeless problem; describes current federal homeless programs; details the Council's activities including working with federal, state, and local agencies and public and private homeless provider organizations; assesses the level of Federal assistance necessary to meet the needs of the homeless, and; specifies recommendations for appropriate actions to help resolve the homeless problem.

TITLE II—SURPLUS PROPERTY

Each executive agency must specifically identify excess property under its control as suitable for use as a shelter for, or for use to provide services to, homeless individuals. GSA must then report promptly to the Interagency Council on the Homeless the availability of such excess federal property so identified.

TITLE III(A)—FEMA Provisions

Authorizes the Emergency Food and Shelter National Board established under PL 98-8 (Emergency Jobs Appropriation) which is comprised of six members as follows: one representative each from the United Way, Salvation Army, National Council of Churches of Christ, National Council of Catholic Charities, Council of Jewish Federations, and the American Red Cross. The Director of FEMA is an ex officio Board member and federal agency liaison. FEMA will also provide administrative support assistance.

Each locality shall designate a local board for the purpose of determining which public or private nonprofit local organizations will receive emergency food and shelter grants, how funds will be allocated, to ensure proper program compliance and reporting requirements, and to coordinate with other federal, state, and local government assistance programs within the locality.

Grants made by this Board are to be used for: providing shelter and related services to the homeless with emphasis on assisting in the transition from temporary shelter to permanent homes, meeting the special needs of the homeless with mental and/or physical disabilities, and facilitating access for the homeless to other sources for services and benefits; strengthening efforts to create more effective and innovative local programs, and; conducting minimum rehabilitation of existing mass shelter or mass feeding facilities, but only to the extent necessary to make facilities safe, sanitary, and bring them into compliance with local building codes.

Authorizes the $50 million already appropriated for FY '87 under PL 100-6. Not more than 5% of the total funds may be used for administrative costs.

The Board is required to submit an annual report on its acitivities to Congress.

TITLE III(B)—Case Management

1. Any shelter receiving Federal support under this bill shall provide or arrange for the provision of case management services to all residents.

2. Twenty million dollars in authorization to be distributed under FEMA formula.

3. Case management services consist of:

(a) Referral to another agency responsible for providing case management and follow-up to assure that case management is provided;

(b) If there is no other responsible agency, assistance in obtaining services and support from all public and private programs for which the assisted individual is potentially eligible and which would assist the individual;

(c) Development of a written plan for each shelter resident for whom another agency has not taken case management responsibility, reviewed at least quarterly, specifying major needs and a program to meet those needs.

4. Where feasible and appropriate, and where no other agency is responsible for the provision of case management service, the shelter shall give preference to programs funded under the Community Services Block Grant in arranging for the provisions of case management services.

TITLE IV—HOUSING

1. EMERGENCY SHELTER GRANTS

Provides two year authorization for the Emergency Shelter Grants Program. The Program was originally funded at $10 million in the continuing appropriations resolution. The bill authorizes an additional $80 million in budget authority for fiscal year 1987 and "such sums as may be necessary" for fiscal year 1988.

Under the expanded Program, HUD would provide grants to state and local governments for the establishment of emergency shelters. The Program would be operated under authorization language included in the continuing resolution.

2. TRANSITIONAL HOUSING

Provides two year authorization for the Transitional Housing Program. The objective of the Program is to provide housing and supportive services in a manner which facilitates the transition to independent living. The Program was originally established as a demonstration program and funded at $5 million in the continuing appropriations resolution. The bill authorizes an additional $60 million in budget authority for fiscal year 1987 and "such sums as may be necessary" for fiscal year 1988.

Under the expanded demonstration program, HUD would provide grants for local governments or nonprofits to establish transitional housing for homeless people. The demonstration program would be operated under authorization language included in the continuing resolution.

3. OTHER HOUSING

1. Section 8 Emergency Housing Assistance (existing housing).—Authorizes an additional $50 million in Section 8 Existing Housing certificates. The certificates would be targeted to provide rental assistance to two classes of homeless people: 1) families, particularly families with children and 2) elderly individuals. The Section 8 contracts would have a life of five years. The certificates would be distributed by local housing agencies in urban/suburban areas, by FmHA in rural areas. The bill would enable a housing agency to attach the certificates to a particular housing unit as part of a local program in which a non-profit organization provides decent housing and suitable services to homeless families. If fully funded, this provision would provide approximatley 1,900 additional certificates.

2. Section 8 for Single Room Occupancy Dwellings.—Authorizes $35 million for Section 8 Moderate Rehab certificates. The funds would be allocated in accordance with Section 8(n) of the Housing Act of 1937. In addition, the following guidelines would govern this appropriation:

(1) The certificates would have a life of ten years and could be used only with units located in newly rehabilitated single room occupancy structures (SROs).

(2) The government would retain the option to renew the certificates for an additional ten years, subject to the availability of appropriations.

(3) The bill would mandate the installation of necessary safety features such as a complete sprinkler system, hard-wired smoke detectors and any other features required by state or local code.

(4) The bill would limit the rehabilitation cost per unit to $14,000, including expenditures for the safety features delineated above.

(5) The Secretary would be authorized to increase the limitation by an amount the Secretary determines is reasonable and necessary to accommodate special local conditions including 1) high construction costs; 2) stringent fire or building codes; and 3) high acquisition costs. If fully funded, this provision would provide an estimated 1050 housing units.

4. COMPREHENSIVE PLAN

To be eligible to receive funds under the housing title, states and major urban centers would be required to submit comprehensive homeless assistance plans to the Interagency Council. The bill outlines information that would be required in the plans. The bill would direct the Council to review and approve each plan within 30 days of receipt unless the Council determines that a plan plainly does not meet the requirements of the Act. Finally, the bill would require states and major urban centers to submit annual performance reports and would direct the Council to carry out performance evaluations beginning with fiscal year 1990.

TITLE V—HEALTH PROGRAMS

A. HEALTH SERVICES

The bill would authorize an additional $30 million for HHS grants to public and nonprofit organizations to support routine, primary health care for the homeless. Preference would be given to community health centers or other agencies with experience in the delivery of comprehensive primary health care to the homeless people. Grantees would have to: provide outpatient health care in locations accessible to the homeless, arrange to provide 24-hour emergency services, make referrals to hospitals, provide counseling and substance abuse treatment, and provide mental health services for the homeless.

B. MENTAL HEALTH

The bill would authorize $55 million to expand Title XIX of the Public Health Service Act to allow the use of the existing Alcohol, Drug Abuse, and Mental Health Services (ADMS) Block Grant to provide services to homeless people who have serious mental illness. A modified Community Development Block Grant (CDBG) formula would be used to distribute the funds.

Under this modified formula, [each State would receive at least one-half of one percent of the total allocation (to be revised—this is the minimum allotment issue that we need to decide).] Administrative costs at the local and state level are restricted to 5 percent.

In order to be eligible for the formula allotment, the recipient governor would certify that the service systems receiving the grant will use these grants to provide the five mental health services as follows:

1. Case management for mentally ill individuals to help them with their daily needs including treatment programs, daily allowances, medication, food and shelter. The case managers will also help to enroll the homeless who are eligible for existing government assistance programs such as welfare payments, food stamps, and medicaid;

2. Medical treatment, screening, evaluation, counseling, family therapy, and other rehabilitation and habilitation services;

3. Training for shelter staff and other individuals who provide services in shelters, mental health clinics, and other service sites for the homeless; and

4. Outreach to the homeless who are mentally ill and therefore highly unlikely to initiate contact with treatment programs;

5. Supervised services or living service in settings not funded under housing services.

The five mental health services specified above for the homeless mentally ill must be consistent with the State mental health plans as required by P.L. 99-660. Homeless persons who have chronic alcoholism or drug abuse problems would be referred to existing programs as recently expanded by the Anti-Drug Abuse bill, P.L. 99-570.

The training for those in Section 3 would include some medical training to help in the identification of serious mental illness. In addition, there will be training in identifying existing local programs such as job training, literacy, community health centers, and other service programs. Caseworkers would be trained in identifying existing entitlement programs such as AFDC, SSI, Medicaid and food stamps.

All services must be coordinated with transitional housing for the chronically mentally ill as provided in other areas of this legislation.

TITLE VI—EDUCATION

Guarantees that all homeless children are eligible for any educational program for which they are entitled, regardless of the lack of a permanent or fixed address. States must submit a plan to the Secretary of Education which addresses issues of education for homeless children. Grants will be made, on a competitive basis to State and Local Educational Agencies for exemplary programs. The Bipartisan Task Force has agreed on $2.5 million in FY 1987 and $5 million in FY 1988.

TITLE VII—JOB TRAINING

The Job Training for the Homeless Demonstration Project included in this package is a new program to be authorized at 10 million dollars in 1988 to be spent over three years (1988-1990). Program funds will be allocated on the basis of application to the Secretary of Labor who will administer the program. Applicants may be public or private agencies, organizations and businesses. The Federal Government's share of each project shall be 50%, the nonfederal share will be provided by the applicant. All demonstration projects must have an in-shelter component in order to best serve this diverse population. Finally the program shall be extensively evaluated by the Secretary of Labor and the Inter-Agency Council in order that some judgement might be made about the need for and effectiveness of job training for homeless. At the end of this 3 year demonstration project the Secretary shall make a report to Congress, the President and the Inter-Agency Council in order that further appropriate action may be taken. It is the intention of the Committee that this be a temporary program ending on October 1, 1990, and that any future programs be based on the findings of this demonstration shall be closely coordinated with or placed within traditional job training programs such as JTPA.

Title VIII—Nutrition

1. PROVIDING INFORMATION TO THE HOMELESS

Allows states to receive a 50% federal match for conducting informational activities focused on the homeless. The Food Stamp Act currently prohibits the federal funding of outreach activities.

2. EXPEDITED FOOD STAMP PROCESSING

Requires states to provide food stamps within 5 days of application to the homeless and to applicants whose combined assets and monthly income is less than their monthly rent plus utilities. Without this amendment, many of these applicants would have to wait 30 days, instead of 5 days, to receive the same households to use their income to pay rent since they will be eligible to receive food stamps in 5 days.

3. INCREASED FEDERAL FUNDING FOR TEFAP

Increases by 10 million, to 60 million, the authorization for the Temporary Emergency Food Assistance Program (TEFAP) for FY 1987 to cover more of the administrative expenses of food banks, homeless shelters and other charities which distribute USDA surplus commodities. Under TEFAP, more than 20,000 soup kitchens, church groups and shelters have provided food to over 20,000 people in the last four years. Billions of dollars of surplus agricultural commodities, cornmeal, non-fat dry milk, cheese, butter, flour and rice, have been distributed.

Mr. BYRD. Mr. President, I ask unanimous consent that the four short bills which make up the components of the omnibus bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 810

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REQUIREMENT FOR COMPREHENSIVE HOMELESS ASSISTANCE PLAN.

(a) Plan Required.—A State or a metropolitan city or urban county that is eligible to receive a grant under the emergency shelter grants program in an amount in excess of the minimum allocation requirement applicable under section 522(b) of the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591 may receive assistance authorized by this Act only if—

(1) it submits to the Interagency Council on the Homeless a comprehensive homeless assistance plan (hereinafter referred to as the "comprehensive plan"); and

(2) the Interagency Council approves the plan.

(b) Contents.—A comprehensive plan submitted under this section shall contain—

(1) an assessment of the size and characteristics of the homeless population within the jurisdiction of the State, city, or county submitting the plan;

(2) a description of all available services for the homeless population within that jurisdiction;

(3) a strategy to match the needs of the homeless population with available services within that jurisdiction, including services such as job placement and training, education, health, housing, nutrition, and income maintenance; and

(4) an explanation of how the Federal assistance provided under this Act will complement and enhance the available services.

(c) Review.—Upon receipt of a comprehensive plan, the Interagency Council shall review the plan. Not later than 30 days after receipt, the Interagency Council shall approve the plan unless the Council determines that the plan plainly does not satisfy the requirements of subsection (b).

(d) Performance Monitoring.—(1) Each State or other recipient described in subsection (a) shall monitor annually the progress made by that State or recipient in carrying out its comprehensive plan.

(2) Each State and other recipient referred to in subsection (a) shall report annually to the Interagency Council the results of such monitoring. The Interagency Council shall review the reports submitted under this paragraph and shall make such recommendations as may be appropriate.

(3) Any State or other recipient which fails to monitor progress as required by paragraph (1) shall not be eligible to receive further assistance under this Act.

(e) Performance Evaluations.—Beginning with fiscal year 1990, the Interagency Council shall carry out performance evaluations of the administration of programs under this Act by States and other recipients referred to in subsection (a), including the adequacy of performance monitoring under subsection (d). The Interagency Council shall thereafter report its findings to the Congress.

SEC. 2. AUTHORIZATIONS FOR TRANSITIONAL HOUSING AND EMERGENCY SHELTER GRANTS PROGRAMS.

(a) Transitional Housing Demonstration Program.—In addition to other amounts authorized by law, there are authorized to be appropriated for the transitional housing demonstration program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591, not to exceed $60,000,000 for fiscal year 1987, and such sums as may be necessary for fiscal year 1988.

(b) Emergency Shelter Grants Program.—In addition to other amounts authorized by law, there are authorized to be appropriated for the emergency shelter grants program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591, not to exceed $80,000,000 for fiscal year 1987, and such sums as may be necessary for fiscal year 1988.

SEC. 3. EMERGENCY SHELTER GRANTS AMENDMENTS.

(a) Minimum Allocation Amount.—The minimum allocation established for the emergency shelter grants program by section 522(b) of the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591 is increased to 0.3 percent of amounts appropriated under section 2(b).

(b) Planning Requirement.—The requirement contained in section 524(a) of the provisions made effective by section 101(g) of Public Law 99-500 or Public Law 99-591 shall not apply to assistance provided under the increased authority provided under section 2(b).

SEC. 4. SECTION 8 HOUSING ASSISTANCE.

(a) Section 8 Existing Housing.—

(1) The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(b)(1) of such Act is authorized to be increased by $50,000,000.

(2) The amounts made available under this subsection shall be used solely to assist homeless individuals and families, particularly the elderly and homeless families with children.

(3) Each contract for annual contributions entered into with a public housing agency to obligate the authority made available under this subsection to assist the homeless shall commit the Secretary of Housing and Urban Development to make such authority, and any amendments increasing such authority, available to the public housing agency for an aggregate period of 5 years.

(4) A contract for assistance payments under the authority provided by this subsection may be attached to the structure if the owner is a nonprofit organization that has agreed to furnish decent housing and a level of support services satisfactory to the public housing agency.

(b) Section 8 Assistance for Single Room Occupancy Dwellings.—

(1) The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is authorized to be increased by $35,000,000.

(2) The amounts made available under this subsection shall be used only in connection with the moderate rehabilitation of housing described in section 8(n) of the United States Housing Act of 1937 for occupancy by homeless individuals and families.

(3) Each contract for annual contributions entered into to obligate the authority made available under this subsection shall require the installation of a complete sprinkler system, hard wired smoke detectors, and such other fire and safety improvements as may be required by State or local law.

(4) Each contract for annual contributions entered into to obligate the authority made available under this subsection shall limit the total cost of each rehabilitated unit to $14,000, excluding the expenditures required by paragraph (3).

(5) The Secretary of Housing and Urban Development shall increase the limitation contained in paragraph (4) by an amount the Secretary determines is reasonable and necessary to accommodate special local conditions, including—

(A) high construction costs;

(B) stringent fire or building codes; or

(C) high acquisition costs.

(6) Each contract for annual contributions entered into with a public housing agency to obligate the authority made available under this subsection shall—

(A) commit the Secretary of Housing and Urban Development to make such authority, and any amendments increasing such authority, available to the public housing agency for an aggregate period of 10 years; and

(B) provide the Secretary of Housing and Urban Development with the option to renew the contract for an additional period of 10 years, subject to the availability of appropriations.

S. 811

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Health Services, Mental Health Services, Job Training, and Education for the Homeless Act".

TITLE I—HEALTH SERVICES AND MENTAL HEALTH SERVICES FOR THE HOMELESS

SEC. 101. SHORT TITLE.

This title may be cited as the "Health Services and Mental Health Services for the Homeless Act".

PART A—HEALTH SERVICES

SEC. 111. HEALTH SERVICES FOR THE HOMELESS.

Title III of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART K—HEALTH SERVICES FOR HOMELESS INDIVIDUALS

"GRANTS FOR THE PROVISION OF HEALTH SERVICES

"SEC. 395. (a) The Secretary shall make grants to public and nonprofit private entities to support the provision of health services to homeless individuals and the provision of mental health services to homeless individuals who do not have have a chronic mental illness.

"(b) Each entity which receives a grant under subsection (a) shall—

"(1) provide outpatient health services in locations accessible to homeless individuals;

"(2) provide, or make arrangements for the provision of, 24-hour-a-day emergency health services to homeless individuals;

"(3) make referrals of homeless individuals to hospitals and other institutions for necessary inpatient services, and have a written arrangement with one or more hospitals or institutions for the acceptance of homeless individuals referred to such hospital or institution by such entity;

"(4)(A) provide assistance to homeless individuals in establishing eligibility for assistance under entitlement programs and in obtaining necessary services under such programs; and

"(B) have written arrangements to carry out subparagraph (A) with State and local social service agencies which provide services relevant to the needs of homeless individuals;

"(5) provide, or arrange for the provision of, counseling and other mental health services for homeless individuals who do not have a chronic mental illness, particularly counseling and mental health services for homeless families and children;

"(6) provide, or arrange for the provision of, alcohol abuse and drug abuse treatment services for homeless individuals; and

"(7) provide, or arrange for the provision of, any other service for homeless individuals that may be prescribed by the Secretary by regulation in order to meet the essential needs of homeless individuals for health services.

"(c) In making grants under this section, the Secretary shall give preference to community health centers supported under section 330 and other public and nonprofit private entities which have experience in providing comprehensive primary health care services to homeless individuals and medically underserved populations.

"TERMS AND CONDITIONS APPLICABLE TO GRANTS

"SEC. 396. (a) Each recipient of a grant under this part shall provide the services required under section 395 within the limits of its capacity to any homeless individual regardless of the individual's ability to pay for the provision of such services. If any recipient of a grant under this part imposes charges for services furnished under the grant, such charges—

"(1) shall be made according to a public schedule of charges;

"(2) may not be imposed with respect to individuals whose income is below the nonfarm income official poverty line defined by the Office of Management and Budget (and revised annually in accordance with section 673(2) of the Omnibus Reconciliation Act of 1981); and

"(3) shall be adjusted to reflect the income and resources of the individuals to which such services are provided.

"(b)(1) Funds provided under any grant made under section 395 may not be used—

"(A) to provide services other than the services described in such section, and services described in paragraph (2) of this subsection;

"(B) to make cash payments, without consideration, to any individual;

"(C) to purchase or improve land, to purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or to purchase major medical equipment, unless the Secretary finds, based on a showing of exceptional circumstance, that a waiver of this subparagraph is necessary in order to carry out the purposes of this part; or

"(D) to satisfy any requirement for the expenditure of non-Federal funds as a condition of Federal funds.

"(c) No grant may be approved under this part unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, be submitted in such manner, and contain or be accompanied by such information as the Secretary may by regulation specify. The Secretary shall not approve any application under this part unless the application contains assurances that the applicant—

"(1) will use the funds provided under this part only for the purposes specified in the approved application;

"(2) will establish such fiscal control and fund accounting procedures as may be necessary to ensure proper disbursement and accounting of Federal funds paid to the applicant under this part;

"(3) will establish an ongoing quality assurance program to monitor services furnished under the grant and will maintain confidentiality of patient records;

"(4) has, in the case of an applicant for a project which will serve a group of individuals a substantial proportion of which are of limited English-speaking ability—

"(A) developed a plan and made arrangements tailored to the needs of such individuals for the provisions of services, to the extent practicable, in the language and cultural context most appropriate to such individuals; and

"(B) identified an individual on its staff—

"(i) who is fluent both in English and in the language most appropriate to such individuals; and

"(ii) whose responsibilities shall include providing guidance to such individuals and to appropriate staff members with respect to cultural sensitivities and the bridging of linguistic and cultural differences; and

"(5) will report to the Secretary annually on the utilization, cost, and outcome of services furnished under this part.

"EVALUATIONS AND REPORTS

"SEC. 397. (a) The Secretary shall conduct, or arrange for the conduct of, evaluations of services provided under grants under section 395.

"(b) Within one year after the date of enactment of this part, and annually thereafter, the Secretary shall prepare and transmit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report summarizing the evaluations conducted under subsection (a) during the preceding year.

"DEFINITIONS

"SEC. 398. For purposes of this part:

"(1) The term 'homeless individual' has the same meaning as in section 3 of the Urgent Relief for the Homeless Act.

"(2) The term 'medically underserved population' means a population designated by the Secretary under section 330(b)(3).

"(3) The term 'metropolitan city' has the same meaning as in section 102(a)(4) of the Housing and Community Development Act of 1974.

"(4) The term 'shelter' means any supervised public or private facility designed to provide temporary living accommodations.

"(5) The term 'urban county' has the same meaning as in section 102(a)(6) of the Housing and Community Development Act of 1974.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 399. To carry out this part, there are authorized to be appropriated $30,000,000 for each of the fiscal years 1987 and 1988.".

PART B—MENTAL HEALTH SERVICES

SEC. 121. EMERGENCY MENTAL HEALTH SERVICES FOR HOMELESS INDIVIDUALS HAVING CHRONIC MENTAL ILLNESS.

Title XIX of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART D—EMERGENCY ASSISTANCE FOR HOMELESS MENTALLY ILL INDIVIDUALS BLOCK GRANT

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1931. (a) To carry out this part, there are authorized to be appropriated $55,000,000 for each of the fiscal years 1987 and 1988.

"(b) Of the total amount appropriated to carry out this part for any fiscal year, not more than 1 percent shall be used by the Secretary to pay the costs of administering this part.

"ALLOTMENTS

"SEC. 1932. (a)(1) Except as provided in subsections (b) and (c), the allotment of a State under this part for a fiscal year is the sum of the amounts determined under paragraphs (2) and (3) for the State and metropolitan cities and urban counties in the State for such fiscal year.

"(2) The Secretary shall determine the amount that would be allotted to each State from the total amount available for allotments under this section for a fiscal year (after the application of section 1931(b)) if the percentage of such total available amount that would be allotted to such State is equal to the percentage of the total amount available for grants under section 106(d) of the Housing and Community Development Act of 1974 for the fiscal year prior to such fiscal year that is allocated to such State.

"(3) The Secretary shall determine the amount that would be allotted to each metropolitan city and urban county in a State from the total amount available for allotments under this section for a fiscal year (after the application of section 1931(b)) if the percentage of such total available amount that would be allotted to such city or county is equal to the percentage of the total amount available for grants under section 106 of the Housing and Community Development Act of 1974 for the fiscal year prior to such fiscal year that is allocated to such city or county.

"(4) Notwithstanding paragraph (1), the allotment of the District of Columbia under this part for a fiscal year shall be the amount determined by the Secretary for the District of Columbia under paragraph (3) or the amount determined under subsection (b), whichever is greater.

"(b) Notwithstanding subsection (a), the allotment of a State under this section for any fiscal year shall not be less than one-half of one percent of the amount available for allotments under this section (after the application of section 1931(b)) for such fiscal year.

"(c)(1) For purposes of subsections (a) and (b), the allotment of each territory under this part for a fiscal year shall be determined in accordance with paragraphs (2) and (3).

"(2) In accordance with subsections (a) and (b), a total allotment under this part for all territories shall be determined for a fiscal year as if all territories were deemed to be one State.

"(3) The allotment of a territory under this part for a fiscal year shall be the amount which bears the same ratio to the amount determined under paragraph (3) for such fiscal year as the population of the territory bears to the population of all territories.

"(4) For purposes of this subsection, the term 'territory' means the Virgin Islands, American Samoa, Guam, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

"(d) If the total amount of funds appropriated under section 1931 for a fiscal year and available for allotment under this section for such fiscal year is not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1935 for such fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some allotments of States are offset or repaid under section 1917(b)(3) (as such section applies to this part pursuant to section 1935(d)),

the amount not allotted shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

"PAYMENTS UNDER ALLOTMENTS

"SEC. 1933. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under section 1932 from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

"USE OF ALLOTMENTS

"SEC. 1934. (a)(1) Except as provided in subsection (b), amounts paid to a State under section 1933 shall be used by such State to assist in the carrying out of emergency projects for homeless individuals who have chronic mental illnesses. Such projects shall include each of the following activities:

"(A) The provision of outreach services to—

"(i) homeless individuals; and

"(ii) individuals who have chronic mental illnesses and who are at risk of becoming homeless individuals.

"(B) The provision of outpatient mental health services, partial hospitalization, diagnostic services, crisis intervention services, and habilitation and rehabilitation services to—

"(i) homeless individuals; and

"(ii) individuals who have chronic mental illnesses and who are at risk of becoming homeless individuals.

"(C) The provision of training to individuals who provide services to homeless individuals, including individuals who work in shelters, mental health clinics, and other sites where homeless individuals receive services.

"(D) The provision of case management services to homeless individuals, including, as needed by each such individual—

"(i) the preparation, and the review at least every 3 months, of a plan for the provision of mental health services to such individual;

"(ii) the provision of assistance in obtaining, and the coordination of, social and maintenance services for such individual, such as services relating to daily living activities, transportation services, habilitation and rehabilitation services, prevocational and vocational services, and housing services; and

"(iii) the provision of assistance to such individual in obtaining income support services, such as housing assistance, food stamps, and supplemental security income benefits.

"(E) The provision of supervised services or living services for homeless individuals in settings not supported under the transitional housing demonstration program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591.

"(2) Training required under paragraph (1)(C) shall include training to enable individuals providing services to homeless individuals to—

"(A) identify individuals with chronic mental illness;

"(B) refer homeless individuals to available services for such individuals, including job training services, literacy education, community health centers, and community mental health centers; and

"(C) identify, and assist homeless individuals to participate in, Federal and State programs providing benefits for homeless individuals.

"(b) A State may not use amounts paid to it under section 1933 to—

"(1) provide inpatient services;

"(2) make cash payments to intended recipients of services;

"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment; or

"(4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

The Secretary may waive the limitation contained in paragraph (3) upon the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this part.

"(c) Not more than 5 percent of the total amount paid to a State under section 1933 for a fiscal year may be used for administering the funds made available under section 1933. The State shall pay from non-Federal sources the remaining costs of administering such funds.

"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"SEC. 1935. (a)(1) In order to receive an allotment for a fiscal year under section 1932, a State shall submit an application to the Secretary. Each such application shall be in such form as the Secretary shall require, and shall be submitted with the application required by section 1916(a) or at such other time as the Secretary shall require.

"(2) Each application required under paragraph (1) for an allotment under section 1932 for a fiscal year shall contain assurances that the State will meet the requirements of subsection (b).

"(b)(1) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State shall—

"(A) certify that the State agrees to use the funds allotted to it under section 1932 in accordance with the requirements of this part;

"(B) certify that, in the case of an allotment for fiscal year 1988, the services to be provided to homeless individuals under this part have been considered in the preparation of, have been included in, and are consistent with, the State comprehensive mental health services plan required under subpart 2 of part B;

"(C) certify that the State will ensure that homeless individuals who are alcoholics, alcohol abusers, or drug abusers will be referred to appropriate alcohol abuse and drug abuse treatment and rehabilitation services, including services available under section 1921;

"(D) certify that the State will ensure that the activities conducted under this part will be coordinated with transitional housing provided under the transitional housing demonstration program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591;

"(E) certify that the State will expend, in each metropolitan city or urban county for which the Secretary makes a determination under section 1932(a)(3) for a fiscal year, an amount to carry out the activities required under this part which is equal to the amount determined by the Secretary under such section for such city or county for such fiscal year; and

"(F) certify that the State agrees that Federal funds made available under section 1933 for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds.

"(2) An application by a State under this section for an allotment for fiscal year 1988 shall include, for each metropolitan city and urban county in the State for which the Governor of the State desires a determination be made under section 1932(a)(3), a statement from the chief executive officer of such city or county which contains the certifications specified in paragraph (1) with respect to such city or county and the description of activities specified in subsection (c) with respect to such city or county.

"(c) The chief executive officer of a State shall, as part of the application required by subsection (a) for any fiscal year, also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1933 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this part, and any revision shall be subject to the requirements of the preceding sentence.

"(d) Except where inconsistent with the provisions of this part, the provisions of section 1914(b), section 1917(a), paragraphs (1) through (5) of section 1917(b), and sections 1918, 1919, and 1920 shall apply to payments made to a State under this part in the same manner as such provisions apply to payments made to a State under part B of this title.

"DEFINITIONS

"SEC. 1936. For purposes of this part:

"(1) The term 'homeless individual' means a homeless individual (as such term is defined in section 3 of the Urgent Relief for the Homeless Act) who has a chronic mental illness.

"(2) The term 'metropolitan city' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.

"(3) The term 'urban county' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.".

TITLE II—ASSURING THE EDUCATION OF HOMELESS CHILDREN

SEC. 201. STATE PLANS FOR THE EDUCATION OF HOMELESS CHILDREN.

Subpart 3 of part C of the General Education Provisions Act is amended by inserting after section 436 the following new section:

"STATE PLANS FOR THE EDUCATION OF HOMELESS CHILDREN REQUIRED

"SEC. 436A. (a)(1) Each State educational agency shall adopt and implement a plan to ensure that each homeless child within the State is provided full and equal educational opportunities.

"(2) Each State plan adopted under paragraph (1) of this subsection shall contain provisions designed to—

"(A) authorize the State educational agency, the local educational agency, the parent or guardian of the homeless child, or the applicable social worker to make the determinations required under this section; and

"(B) provide procedures for selecting the appropriate local educational agency within the State to be responsible for the expenses of providing for the education of the homeless child.

"(b) No State or local residency requirement may be applied so as to bar any homeless child from attending school.

"(c)(1) Each plan adopted under this section shall assure that local educational agencies within the State will comply with the requirements of paragraphs (2) through (6) of this subsection.

"(2) The local educational agency of each homeless child shall either—

"(A) continue the child's education in the school district of origin for the remainder of the school year; or

"(B) enroll the child in the school district where the child is actually living;

whichever is in the child's best interest.

"(3) The choice required by paragraph (2) shall be available regardless of whether the child is living with the homeless parents or has been temporarily placed elsewhere by the parents.

"(4) Each homeless child shall be provided adequate transportation to the school selected according to the provisions of paragraph (2).

"(5) The records of each homeless child shall be maintained—

"(A) so that the records are immediately available when a child enters a new school district; and

"(B) in a manner consistent with section 438 of this Act.

"(6) Each local educational agency shall ensure that each homeless child may participate in all educational programs and services for which the child meets the eligibility criteria, including special programs and compensatory educational programs for handicapped, disadvantaged, and for students with limited English proficiency; programs in vocational education; programs for the gifted and talented; and school meals programs.".

SEC. 202. EXEMPLARY GRANTS AND DISSEMINATION OF INFORMATION ACTIVITIES AUTHORIZED.

(a) GENERAL AUTHORITY.—(1) The Secretary shall, from funds appropriated pursuant to subsection (f), make grants for exemplary programs that successfully address the needs of homeless students in elementary and secondary schools of the applicant.

(2) The Secretary shall, in accordance with subsection (e), conduct dissemination activities of exemplary programs designed to make the special educational needs of homeless elementary and secondary school students.

(b) APPLICANTS.—The Secretary shall make grants to State and local educational agencies for the purpose described in paragraph (1) of subsection (a).

(c) ELIGIBILITY FOR GRANTS.—No applicant may receive an exemplary grant under this section unless the applicant is located in a State which has submitted a State plan in accordance with the provisions of section 436A of the General Educations Provisions Act.

(d) APPLICATION.—Each applicant which desires to receive a demonstration grant under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall include—

(1) a description of the exemplary program for which assistance is sought;

(2) assurances that the applicant will transmit information with respect to the conduct of the program for which assistance is sought;

(3) such additional assurances that the Secretary determines are necessary.

(e) DISSEMINATION OF INFORMATION ACTIVITIES.—The Secretary shall, from funds appropriated pursuant to subsection (f), conduct, directly or indirectly by way of grant, contract, or other arrangement, dissemination activities designed to inform State and local educational agencies of exemplary programs which successfully address the special needs of homeless students.

(f) APPROPRIATIONS AUTHORIZED.—There are authorized to be appropriated $2,500,000 for the fiscal year 1987 and $5,000,000 for the fiscal year 1988 to carry out the provisions of this section.

TITLE III—JOB TRAINING FOR THE HOMELESS DEMONSTRATION PROJECT

SEC. 301. DEMONSTRATION PROGRAM AUTHORIZED.

(a) GENERAL AUTHORITY.—The Secretary shall, from funds appropriated pursuant to section 308, make grants for the Federal share of job training demonstration projects for homeless individuals in accordance with the provisions of this title.

(b) CONTRACT AUTHORITY.—The Secretary is authorized to enter into such contracts with State and local public agencies, private nonprofit organizations, private businesses, and other appropriate entities as may be necessary to carry out the provisions of this title.

SEC. 302. ELIGIBILITY FOR DEMONSTRATION GRANTS.

No applicant may receive a demonstration grant under this title unless the applicant is located within a State which has submitted a comprehensive plan in accordance with the provisions of this Act.

SEC. 303. APPLICATION.

Each applicant which desires to receive a demonstration grant under this title shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall include—

(1) a description of the activities for which assistance is sought;

(2) plans for the coordination and outreach activities, particularly with case managers and care providers, designed to achieve referral of homeless individuals to the demonstration projects authorized by this title;

(3) plans to offer in-shelter training activities and services, and to perform training services and activities so as to increase the participation of homeless individuals in the demonstration project;

(4) a description of the standards by which performance may be measured under the demonstration project, together with assurances that a preliminary evaluation of the project will be completed not later than the end of the first year for which assistance is sought;

(5) assurances that the recipient of demonstration grants under this title will pay the non-Federal share of the activities for which assistance is sought from non-Federal sources; and

(6) such additional assurances as the Secretary determines are necessary to insure compliance with the requirements of this title.

SEC. 304. AUTHORIZED ACTIVITIES.

Demonstration grants under this title may be used for—

(1) basic skills instruction;

(2) remedial education activities;

(3) basic literacy instruction;

(4) job search activities;

(5) job counseling;

(6) job preparatory training, including resume writing and interviewing skills; and

(7) any other activities described in section 204 of the Job Training Partnership

Act which the grant recipient determines will contribute to carrying out the objectives of this title,

for homeless individuals.

SEC. 305. PAYMENTS; FEDERAL SHARE; LIMITATION.

(a) Payments.—The Secretary shall pay to each applicant having an application approved under section 303 the Federal share of the cost of activities described in the application.

(b) Federal Share.—(1) The Federal share for each fiscal year shall be 50 percent.

(2) The non-Federal share of payments under this title may be in cash or in kind fairly evaluated, including plant equipment or services.

(c) Limitation.—The Secretary may not make grants in any State in an aggregate in excess of 15 percent of the amount appropriated to carry out this title in each fiscal year.

SEC. 306. EVALUATION.

(a) Demonstration Project Responsibility.—The Secretary shall annually evaluate each project assisted under this title. The Secretary shall prepare and submit a report to the Interagency Council of the evaluations required by this subsection at the end of each fiscal year. Not later than 6 months before the termination date specified in section 309, the Secretary shall prepare and submit a final report of the evaluations required by this subsection to the President, to the Congress, and to the Interagency Council.

(b) Contents of Evaluations.—Each evaluation required by this section shall include—

(1) the number of homeless individuals served;

(2) the number of homeless individuals placed in jobs;

(3) the average length of training time under the project;

(4) the average training cost under the project; and

(5) the average retention rate of placements of homeless individuals after training with assistance made under this title.

(c) Evaluation by Interagency Council.—(1) The Interagency Council shall evaluate each project receiving assistance under this title.

(2) The Interagency Council shall prepare and publish a report of its findings in the annual report of the Council. The evaluation of the demonstration projects authorized by this title shall include a determination of the relative effectiveness of programs assisted under this title together with recommendations, including recommendations for legislation, to the Congress on job training programs for homeless individuals to be established on a national basis.

SEC. 307. DEFINITIONS.

As used in this title—

(1) the term "applicant" means public agencies, private nonprofit organizations, private businesses, and other appropriate entities;

(2) the term "Interagency Council" means the Interagency Council on the Homeless;

(3) the term "local public agency" means any public agency of a general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers;

(4) the term "Secretary" means the Secretary of Labor; and

(5) the term "State" means each of the several States and the District of Columbia.

SEC. 308. AUTHORIZATION OF APPROPRIATIONS; AVAILABILITY OF FUNDS.

(a) Authorization of Appropriations.—There are authorized to be appropriated $10,000,000 for the fiscal year 1988 to carry out the provisions of this title.

(b) Availability of Funds.—Funds obligated for any fiscal year may be expended by each recipient during that fiscal year and the succeeding fiscal year.

SEC. 309. TERMINATION.

The provisions of this title shall terminate on October 1, 1990.

S. 812

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nutrition for Homeless Individuals Act of 1987".

TITLE I—FOOD STAMP PROGRAM

SEC. 101. DEFINITION OF HOMELESS INDIVIDUAL.

Section 3 of the Food Stamp Act of 1977 (7 U.S.C. 2012) is amended by adding at the end thereof the following new subsection:

"(s) 'Homeless individual' has the same meaning given such term in section 3 of the Urgent Relief for the Homeless Act.".

SEC. 102. FOOD STAMP INFORMATION FOR THE HOMELESS.

(a) Authority To Provide Information.—Section 11(e)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(1)(A)) is amended by inserting "except, at the option of the State agency, food stamp outreach activities directed at homeless individuals" after "Act".

(b) Administrative Expenses.—The first sentence of section 16(a) of such Act (7 U.S.C. 2025(a)) is amended by striking out ", and (4)" and inserting in lieu thereof "(4) food stamp outreach activities permitted under section 11(e)(1)(A), and (5)".

SEC. 103. EXPEDITED FOOD STAMP SERVICE.

Section 11(e)(9) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(9)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (D);

(2) by inserting after subparagraph (A) the following new subparagraphs:

"(B) provide coupons no later than five days after the date of application to a household in which all members are homeless individuals and which meets the income and resource criteria for coupons under this Act;

"(C) provide coupons no later than five days after the date of application to any household that has a combined gross income and liquid resources that is less than the monthly rent and utilities of the household; and"; and

(3) in subparagraph (D) (as redesignated), by striking out "the household" and inserting in lieu thereof "a household referred to in subparagraph (A), (B), or (C)".

SEC. 104. IMPLEMENTATION OF EXISTING VENDOR PAYMENT EXCLUSION.

Not later than 30 days after the date of enactment of this Act, the Secretary of Agriculture shall prescribe regulations to carry out section 5(k)(2)(E) of the Food Stamp Act of 1977 (7 U.S.C. 2014(k)(2)(E)).

TITLE II—TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM (TEFAP)

SEC. 201. VARIETY OF COMMODITIES UNDER TEFAP.

Section 202(d) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by inserting after "shall include" the following: "a variety of commodities and products thereof that are most useful to eligible recipient agencies, including".

SEC. 202. AUTHORIZATION OF APPROPRIATIONS FOR FOOD STORAGE AND DISTRIBUTION COSTS UNDER TEFAP.

Section 204(c) of the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended—

(1) in the first sentence of paragraph (1), by striking out "$50,000,000 for each of the fiscal years ending September 30, 1986, and September 30, 1987" and inserting in lieu thereof "$50,000,000 for the fiscal year ending September 30, 1986, $60,000,000 for the fiscal year ending September 30, 1987, and $70,000,000 for the fiscal year ending September 30, 1988"; and

(2) by adding at the end thereof the following new paragraph:

"(6) Any amounts appropriated in excess of $50,000,000 for the fiscal year ending September 30, 1987, and for the fiscal year ending September 30, 1988, under paragraph (1) shall be targeted to homeless individuals (as defined in section 3(s) of the Food Stamp Act of 1977 (7 U.S.C. 2012(s)) who are otherwise eligible for commodities and products distributed under this Act, in accordance with regulations prescribed by the Secretary.".

TITLE III—EFFECTIVE DATE

SEC. 301. EFFECTIVE DATE.

Except as provided in section 104, this Act and the amendments made by this Act shall become effective and be implemented as soon as the Secretary determines is practicable after the date of enactment of this Act, but not later than 160 days after the date of enactment of this Act.

S. 813

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Urgent Relief for the Homeless Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—The Congress finds that—

(1) the Nation faces an immediate and unprecedented crisis due to the lack of shelter for a growing number of individuals and families with children;

(2) the problem of homelessness has become more severe and, in the absence of more effective efforts, is expected to become dramatically worse, endangering the lives and safety of the homeless;

(3) the causes of homelessness are many and complex, and homeless individuals have diverse needs;

(4) there is no single, simple solution to the problem of homelessness because of the different subpopulations of the homeless, the different causes of and reasons for homelessness, and the different needs of homeless individuals;

(5) due to the record increase in homelessness, States, units of local government, and private voluntary organizations have been unable to meet the basic human needs of all the homeless and, in the absence of greater Federal assistance, will be unable to protect the lives and safety of all the homeless in need of assistance; and

(6) the Federal government has a responsibility and an existing capacity to fulfill a more effective and responsible role to meet the basic human needs and to engender respect for the human dignity of the homeless.

(b) PURPOSE.—It is the purpose of this Act—

(1) to establish an Interagency Council on the Homeless;

(2) to use public resources and programs in a more coordinated manner to meet the critically urgent needs of the homeless of the Nation; and

(3) to provide funds for programs to assist the homeless.

SEC. 3. DEFINITIONS.

(a) HOMELESS INDIVIDUAL.—As used in this Act, the term "homeless individual" shall include—

(1) an individual who lacks a fixed, regular, and adequate nighttime residence; and

(2) an individual who has a primary nighttime residence that is—

(A) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);

(B) an institution that provides a temporary residence for individuals intended to be institutionalized;

(C) a temporary makeshift accommodation in the residence of another individual; or

(D) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

(b) EXCLUSION.—As used in this Act, the term "homeless individual" does not include any individual imprisoned or otherwise detained pursuant to an Act of Congress or a State law.

TITLE I—INTERAGENCY COUNCIL ON THE HOMELESS

SEC. 101. SHORT TITLE.

This title may be cited as the "Interagency Council on the Homeless Act".

SEC. 102. ESTABLISHMENT.

There is established the Interagency Council on the Homeless.

SEC. 103. MEMBERSHIP.

(a) MEMBERS.—The Council shall be composed of—

(1) the Secretary of Agriculture;

(2) the Secretary of Commerce;

(3) the Secretary of Defense;

(4) the Secretary of Education;

(5) the Secretary of Energy;

(6) the Secretary of Health and Human Services;

(7) the Secretary of Housing and Urban Development;

(8) the Secretary of the Interior;

(9) the Secretary of Labor;

(10) the Secretary of Transportation;

(11) the Director of the ACTION Agency;

(12) the Administrator of General Services;

(13) the Director of the Federal Emergency Management Agency;

(14) the Postmaster General of the United States;

(15) the Administrator of Veterans' Affairs; and

(16) the heads of such other Federal agencies as the Council considers appropriate.

(b) CHAIR.—The Council shall elect a Chairperson and a Vice Chairperson from among its members.

(c) MEETINGS.—The Council shall meet at the call of the Chairman or a majority of its members.

SEC. 104. FUNCTIONS.

(a) FUNCTIONS.—The Council shall—

(1) review all Federal activities and programs to assist homeless individuals;

(2) take such actions as may be necessary to reduce duplication among programs and activities by Federal agencies to assist homeless individuals;

(3) monitor, evaluate, and recommend improvements in programs and activities to assist homeless individuals conducted by Federal agencies, States and local governments, and private voluntary organizations;

(4) provide professional and technical assistance, within the ten standard Federal regions, to States, local governments, and other public and private nonprofit organizations, in order to enable such governments and organizations to—

(A) effectively coordinate and maximize resources of existing programs and activities to assist homeless individuals; and

(B) develop new and innovative programs and activities to assist homeless individuals;

(5) collect and disseminate information relating to homeless individuals; and

(6) prepare the annual reports required by subsection (c)(2).

(b) AUTHORITY.—In carrying out subsection (a), the Council may—

(1) arrange Federal, regional, State, and local conferences for the purpose of developing and coordinating effective programs and activities to assist homeless individuals; and

(2) publish a newsletter concerning Federal, State, and local programs which are effectively meeting the needs of homeless individuals.

(c) REPORTS.—(1) Within 90 days after the date of enactment of this Act, and annually thereafter, the head of each Federal agency shall prepare and transmit to the Congress and the Council a report which describes—

(A) each program to assist homeless individuals administered by such agency and the number of homeless individuals served by such program;

(B) impediments, including any statutory and regulatory restrictions, to the use by homeless individuals of each such program and to obtaining services or benefits under each such program;

(C) efforts made by such agency to increase the opportunities for homeless individuals to obtain shelter, food, and supportive services.

(2) The Council shall prepare and transmit to the President and the Congress an annual report which—

(A) assesses the nature and extent of the problems relating to homelessness and the needs of homeless individuals;

(B) provides a comprehensive and detailed description of the activities and accomplishments of the Federal Government in resolving the problems and meeting the needs assessed pursuant to paragraph (1);

(C) describes the accomplishments and activities of the Council, in working with Federal, State, and local agencies and public and private organizations in order to provide assistance to homeless individuals;

(D) assesses the level of Federal assistance necessary to adequately resolve the problems and meet the needs assessed pursuant to paragraph (1); and

(E) specifies any recommendations of the Council for appropriate and necessary actions to resolve such problems and meet such needs.

SEC. 105. DIRECTOR AND STAFF.

(a) DIRECTOR.—The Council shall appoint an Executive Director who shall be compensated at a rate not to exceed the rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) ADDITIONAL PERSONNEL.—With the approval of the Council, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Council.

(c) DETAILS.—Upon request of the Council, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Council to assist the Council in carrying out its duties under this title.

(d) ADMINISTRATIVE SUPPORT.—The Secretary of Health and Human Services shall provide to the Council such administrative and support services as the Council may request.

SEC. 106. POWERS.

(a) MEETINGS.—For the purpose of carrying out this title, the Council may hold such meetings, and sit and act at such times and places, as the Council considers appropriate.

(b) DELEGATION.—Any member or employee of the Council may, if authorized by the Council, take any action which the Council is authorized to take by this title.

(c) INFORMATION.—The Council may secure directly from any Federal agency such information as may be necessary to enable the Council to carry out this title. Upon request of the Chairman of the Council, the head of such agency shall furnish such information to the Council.

SEC. 107. TRANSFER OF FUNCTIONS.

(a) TRANSFER.—The Council is the successor to the Federal Task Force on the Homeless of the Department of Health and Human Services. All functions of such Task Force are transferred to the Council.

(b) TERMINATION.—The Federal Task Force on the Homeless of the Department of Health and Human Services is terminated.

SEC. 108. DEFINITIONS.

For the purpose of this title—

(1) the term "Council" means the Interagency Council on the Homeless established by section 102; and

(2) the term "Federal agency" has the meaning given to the term "agency" in section 551(1) of title 5, United States Code.

SEC. 109. AUTHORIZATION OF APPROPRIATIONS.

To carry out this title, there are authorized to be appropriated $200,000 for fiscal year 1987 and such sums as may be necessary for fiscal year 1988.

TITLE II—CLARIFICATION OF USE OF EXCESS PROPERTY UNDER THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

SEC. 201. SHORT TITLE.

This title may be cited as the "Excess Property Identification Act of 1987".

SEC. 202. IDENTIFICATION OF EXCESS PROPERTY.

In carrying out section 202 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483), each executive agency shall specifically identify excess property under its control as suitable for use as a shelter for, or for use to provide services to, homeless individuals.

SEC. 203. REPORTING OF AVAILABILITY OF EXCESS PROPERTY.

The Administrator of General Services shall promptly report to the Interagency Council on the Homeless the availability of excess Federal property suitable for use as a shelter for, or for use to provide services to, homeless individuals.

TITLE III—SHELTER PROGRAM

PART A—GENERAL PROVISIONS

SEC. 301. SHORT TITLE.

This title may be cited as the "Emergency Food and Shelter Act of 1987".

SEC. 302. DEFINITIONS.

For the purpose of this title—

(1) the term "Board" means the Emergency Food and Shelter Program National Board;

(2) the term "Director" means the Director of the Federal Emergency Management Agency;

(3) the term "emergency shelter" means a facility all or a part of which is used or designed to be used to provide temporary housing;

(4) the term "local government" means a unit of general purpose local government;

(5) the term "locality" means the geographical area within the jurisdiction of a local government;

(6) the term "private nonprofit organization" means a secular or religious organization described in section 501(c) of the Internal Revenue Code of 1954 which is exempt from taxation under subtitle A of such Code, and which has an accounting system and a voluntary board, and which practices nondiscrimination in the provision of assistance; and

(7) the term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, or any territory or possession of the United States.

SEC. 303. EMERGENCY FOOD AND SHELTER PROGRAM NATIONAL BOARD.

(a) ESTABLISHMENT OF NATIONAL BOARD.—There is established to carry out the provisions of this title the Emergency Food and Shelter Program National Board. The Director of the Federal Emergency Management Agency shall constitute the Board in accordance with subsection (b) and administering the program under this title.

(b) BOARD OF DIRECTORS.—The Board shall consist of 6 members who shall be appointed by the Director of the Federal Emergency Management Agency not later than 30 days after the date of enactment of this Act, one from those individuals nominated by each of the following:

(1) The United Way of America.

(2) The Salvation Army.

(3) The National Council of Churches of Christ in the U.S.A.

(4) Catholic Charities U.S.A.

(5) The Council of Jewish Federations, Inc.

(6) The American Red Cross.

In addition, the Director shall be a member of the Board ex officio.

(c) ELECTION OF CHAIRMAN AND VICE CHAIRMAN.—The Board shall elect from among its members a Chairman and a Vice Chairman and such other officials as it deems appropriate in the conduct of its affairs.

(d) OTHER ACTIVITIES OF THE BOARD.—Except as otherwise specifically provided by this title, the Board shall establish its own procedures and policies for the conduct of its affairs.

SEC. 304. LOCAL BOARDS.

(a) ESTABLISHMENT.—Each locality designated by the Board shall constitute a local board for the purpose of determining how program funds allotted to the locality will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board, except that the mayor or other appropriate heads of government will replace the Federal members. The chair of the local board shall be elected by a majority of the members of the local board. Local boards are encouraged to expand participation of other private nonprofit organizations on the local board.

(b) RESPONSIBILITIES.—Each local board shall—

(1) determine which private nonprofit organizations or public organizations of the local government in the individual locality shall receive grants to act as service providers;

(2) monitor recipient service providers for program compliance;

(3) reallocate funds among service providers;

(4) ensure proper reporting; and

(5) coordinate with other Federal, State, and local government assistance programs available in the locality.

SEC. 305. ROLE OF FEMA.

(a) IN GENERAL.—The Director of the Emergency Management Agency shall provide the Board administrative support and act as Federal liaison to the Board.

(b) SPECIFIC SUPPORT ACTIVITIES.—The Director shall—

(1) make available to the Board, upon request, the services of the Agency's legal counsel and inspector general;

(2) assign clerical personnel to the Board on a temporary basis; and

(3) conduct audits of the Board annually and at such other times as may be appropriate.

SEC. 306. RECORDS AND AUDIT OF BOARD AND RECIPIENTS OF ASSISTANCE.

(a) ANNUAL INDEPENDENT AUDIT OF BOARD.—

(1) The accounts of the Board shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Board are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Board and necessary to facilitate the audits shall be made available to the person or persons conducting the audits, and full facilities for verifying transactions with any assets held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(2) The report of each such independent audit shall be included in the annual report required in section 307. Such report shall set forth the scope of the audit and include such statements as are necessary to present fairly the assets and liabilities of the Board, surplus or deficit, with an analysis of the changes during the year, supplemented in reasonable detail by a statement of the income and expenses of the Board during the year, and a statement of the application of funds, together with the opinion of the independent auditor of such statements.

(b) ACCESS TO RECORDS OF RECIPIENTS OF ASSISTANCE.—

(1) Each recipient of assistance under this title shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Board, or any of its duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this title.

(c) AUTHORITY OF COMPTROLLER GENERAL.—The Comptroller General of the United States or any of his duly authorized representatives shall also have access to any books, documents, papers, and records of the Board and recipients for such purpose.

SEC. 307. ANNUAL REPORT.

The Board shall transmit to the Congress an annual report covering each year in which it conducts activities with funds made available under this title.

PART B—EMERGENCY FOOD AND SHELTER GRANTS

SEC. 311. GRANTS BY THE DIRECTOR.

Not later than 30 days following the date of enactment of a law providing appropriations to carry out this part, the Director of the Federal Emergency Management Agency shall award a grant for the full amount that Congress appropriates for the program under this part to the Board for the purpose of providing emergency food and shelter to needy individuals through private nonprofit organizations and through units of local government in accordance with section 313.

SEC. 312. RETENTION OF INTEREST EARNED.

Interest accrued on the balance of any grant to the Board shall be available to the Board for reallocation, and total administrative costs shall be determined based on total amount of funds available, including interest and any private contributions which are made to the Board.

SEC. 313. PURPOSES OF GRANTS.

(a) ELIGIBLE ACTIVITIES.—Grants to the Board may be used—

(1) to supplement and expand ongoing efforts to provide shelter, food, and supportive services for the homeless individuals with sensitivity to the transition from temporary shelter to permanent homes, and attention to the special needs of homeless individuals with mental and physical disabilities and illnesses, and to facilitate access for homeless individuals to other sources of services and benefits;

(2) to strengthen efforts to create more effective and innovative local programs by providing funding for them; and

(3) to conduct minimum rehabilitation of existing mass shelter or mass feeding facilities, but only to the extent necessary to make facilities safe, sanitary, and bring them into compliance with local building codes.

(b) LIMITATIONS ON ACTIVITIES.—The Board may only provide funding provided under this part for—

(1) programs undertaken by nonprofit organizations and units of local government; and

(2) programs that are consistent with the purposes of this title.

The Board may not carry out programs directly.

SEC. 314. LIMITATION ON CERTAIN COSTS.

Not more than 5 percent of the total appropriation for the emergency food and shelter program each year may be expended for the costs of administration.

SEC. 315. PROGRAM GUIDELINES.

(a) GUIDELINES.—The Board shall establish written guidelines for carrying out the program under this part, including—

(1) methods for identifying localities with the highest need for emergency food and shelter assistance;

(2) methods for determining amount and distribution to these localities;

(3) eligible program costs, including maximum flexibility in meeting currently existing needs; and

(4) guidelines specifying the responsibilities and reporting requirements of the Board, its recipients, and service providers.

(b) PUBLICATION.—Guidelines established under subsection (a) shall be published annually, and whenever modified, in the Federal Register. The Board shall not be subject to the procedural rulemaking requirements of subchapter II of chapter 5 of title 5, United States Code.

SEC. 316. PROGRAM AUTHORIZED.

(a) AUTHORIZATION.—To carry out this part, there are authorized to be appropriated $50,000,000 for fiscal year 1987, including any amount provided under Public Law 100-6.

(b) CARRYOVER.—Any appropriated funds not obligated in a fiscal year shall remain available until expended.

PART C—CASE MANAGEMENT

SEC. 321. GRANTS BY THE DIRECTOR.

Not later than 30 days following the date of enactment of a law providing appropriations to carry out this part, the Director of the Federal Emergency Management Agency shall award a grant for the full amount that Congress appropriates for the program under this part to the Board for the purpose of grants by the Board to nonprofit private entities and units of local government receiving support under part B for shelters for homeless individuals to enable such entities and governments to provide, or arrange for the provision of, case management services for homeless individuals using such shelters.

SEC. 322. REQUIREMENT FOR THE PROVISION OF CASE MANAGEMENT SERVICES.

(a) SERVICES REQUIRED.—Each unit of local government or nonprofit private entity which receives assistance under part B for a shelter for homeless individuals shall provide, or arrange for provision of, case management services required under subsection (b) for homeless individuals using such shelter.

(b) TYPES OF SERVICES.—(1) In the case of a shelter in a locality in which an agency (other than the government or entity receiving assistance under part B for such shelter) provides the services described in paragraph (2) for homeless individuals, case management services required under this part include referral of such individuals to such agency and followup services to ensure that the services described in such paragraph are provided to such individuals.

(2) In the case of a shelter in a locality in which there is no agency described in paragraph (1), case management services required under this part for homeless individuals include, to the extent needed by each such individual—

(A) the preparation, and the review at least every 3 months, of a plan specifying the needs of such individual and the services that will be provided to such individual to meet such needs;

(B) the provision of assistance in obtaining, and the coordination of, social and maintenance services for such individual, such as services relating to daily living activities, transportation services, habilitation and rehabilitation services, prevocational and vocational services, and housing services; and

(C) the provision of assistance to such individual in obtaining income support services, such as housing assistance, food stamps, and supplemental security income benefits.

(c) PREFERENCE.—If any unit of local government or nonprofit private entity operating a shelter to which subsection (b)(2) applies decides to arrange for the provision of case management services for homeless individuals, such government or entity shall, in selecting an entity to provide such services, give preference, if feasible and appropriate, to—

(1) community action agencies supported under the Community Services Block Grant Act; and

(2) any organization to which a State that applied for and received a waiver from the Secretary of Health and Human Services under Public Law 98-139 made a grant under the Community Services Block Grant Act for fiscal year 1984.

SEC. 323. AUTHORIZATION.

To carry out this part, there are authorized to be appropriated $20,000,000 for each of the fiscal years 1987 and 1988.

Mr. BYRD. Mr. President, I thank the distinguished assistant Republican leader, and I thank the distinguished Senator from North Carolina [Mr. HELMS] for their kindness in yielding time to me this afternoon.

Mr. CRANSTON. Mr. President, I am pleased to cosponsor the Senate Urgent Relief for the Homeless Act. The act culminates a bipartisan effort in the Senate to develop an effective response to what has become a national crisis.

The problem of the homeless throws a darkening shadow of shame across the streets of America. Every day, in the richest Nation on the earth, thousands of our fellow citizens are forced to live on the streets of our cities, without adequate food and without shelter.

The causes of this problem—as documented by the Senate Housing and Urban Affairs Subcommittee—are multiple and complex. The homeless are low-income people who cannot afford the rising cost of housing in our cities. The homeless are individuals classified as "mentally ill" who have been released from public institutions without the availability of continuing support services. The homeless are individuals who face unemployment because of our economy's increasing reliance on service rather than manufacturing industries. The homeless are disproportionately veterans who have fallen on hard times. Perhaps most distressing, the homeless are America's growing "new poor," families (primarily young mothers) with children.

The Senate Urgent Relief for the Homeless Act would deal with this complex social problem. The act would provide immediate assistance to the homeless in areas of basic need: shelter, food, and health. Among other things, the act would:

Provide an additional $80 million to expand HUD's emergency shelter grant demonstration program to a more adequate scale. The act would help many States and large cities to renovate emergency shelters, increase their number and improve their quality.

Provide an additional $60 million to expand the Transitional Housing Program—another small demonstration program in HUD. The program provides grants to local governments and nonprofit organizations to develop and operate special housing for homeless elderly people and families with children. By offering various supportive services, this type of housing is designed to help the homeless make the transition to independent living.

Provide $50 million for a special, flexible class of section 8 certificates. These certificates would have a life of 5 years and would also be targeted to homeless elderly people and families with children.

Provide $35 million for Section 8 Moderate Rehab certificates. These certificates would have a life of 10 years and could be used only with units located in newly rehabilitated single room occupancy buildings. Per unit rehabilitation costs would be limited to $14,000 plus the cost of safety improvements. This is a proven, cost effective approach that is especially useful for cities that have a short supply of housing.

Provide an additional $30 million for HHS grants to public and nonprofit organizations to support routine, primary health care for the homeless.

Provide an additional $55 million to allow the existing Alcohol, Drug Abuse and Mental Health Services [ADMS] Block Grant Program to be extended to homeless people who are mentally ill.

Require each State educational agency to adopt and implement a plan to ensure that each homeless child within the State is provided full and equal educational opportunities.

Establish a new demonstration grants program to be administered by the Department of Education. Grants would be awarded on a competitive basis to State and local educational agencies for programs designed to meet the special educational needs of homeless elementary and secondary school students.

Establish a Jobs Training for the Homeless Demonstration project to be administered by the Secretary of Labor. Grants would be awarded on a competitive basis to public or private applicants for innovative job training programs for the homeless.

Require States to provide food stamps within 5 days of application to the homeless and to applicants whose combined assets and monthly income is less than their monthly rent plus utilities.

Provide an additional $10 million for the Temporary Emergency Food Assistance Program (TEFAP) to cover more of the administrative expenses of food banks, homeless shelters and other charities which distribute USDA surplus commodities.

Provide $20 million for the provision of case management services at shelters receiving Federal assistance under the act.

Establish the Emergency Food and Shelter National Board for the purpose of distributing emergency food and shelter grants (under a previous appropriation) to localities designated by the board.

Establish the Interagency Council on the Homeless to monitor Federal, State, local and private homeless relief programs and prepare an annual report to the President and the Congress.

Mr. President, as the chairman of the Veterans' Affairs Committee, I note that the omnibus measure we are introducing today does not include any provisions relating either to homeless veterans or to the Veterans' Administration's role in assisting those veterans. The Veterans' Affairs Committee has already developed and last Wednesday reported to the Senate legislation—S. 477, the proposed "Homeless Veterans' Assistance Act of 1987"—which seeks to address the needs of homeless veterans and the VA's role in trying to assist that population. Hence, there is no need to include these provisions in the bill being introduced today for the purpose of referral to committees for further examination and then recommendations back to the Senate. The Veterans' Affairs Committee has already been through that process.

Our committee's ranking minority member, Senator MURKOWSKI, and I have reached agreement with the leadership for this measure to be considered by the full Senate in the near future and for the Senate-passed measure then to be incorporated into the final version of the omnibus measure prior to final Senate action. Although Senator MURKOWSKI and I continue to have some differences over certain provisions of S. 477 as reported—these differences are spelled out in his minority views and my additional views in the report (S. Rept. No. 100-15) accompanying the bill—we are working to resolve those differences prior to floor consideration of S. 477, and I am very hopeful that we will be able to do so.

Mr. President, I am deeply concerned about the reports that a significant portion of the population of homeless individuals is comprised of veterans and their families. For example, a paper presented at the 1985 annual meeting of the American Public Health Association in Washington, DC, entitled "Homeless Veterans in Los Angeles County," indicated that 47 percent of homeless persons in Los Angeles were veterans and that a survey conducted in eight cities and the State of Ohio showed that veterans constituted about one-third of the homeless population. Other estimates on this matter vary widely. For example, Mitch Snyder, the director of the Community for Creative Non-Violence here in Washington, DC, told me, during a visit I made to the CCNV shelter in January that, based on his observations in a large number of cities, more than half of the homeless individuals are veterans. During a hearing in our committee on February 18, Jesse Moses, a resident of that same shelter, stated that he estimated that 60 percent of homeless persons lodged in that facility were veterans.

Specific factors contributing to homelessness among veterans that were enumerated during our hearing, as well as during other recent hearings that have addressed the overall issue of homelessness as well as the specific issue of homeless veterans, include various mental disabilities, serious alcohol or drug abuse problems, and psychological problems related to combat.

Among homeless veterans, there are certainly those who returned from their military service with serious physical and mental disabilities, especially those who served in a combat area. In the absence of proper rehabilitation and training, these physical and mental disabilities often prevent these veterans from securing employment. According to a recent homeless research study conducted in Baltimore by researchers in the Department of Psychiatry and Behavioral Sciences in the School of Medicine at the Johns Hopkins University:

> It is difficult to interpret what role military service might play in the life history of homeless persons. . . . The alienation experienced by many homeless people may be compounded by the sense of rejection described by some Vietnam veterans. . . .
>
> VA benefits, including health services, though available in major cities where the homeless congregate, are underutilized. . . . Problems of accessibility and acceptability within the VA system should be identified and remedial action taken to correct deficiencies. Where necessary, special services to address the needs of homeless veterans should be developed.
>
> In addition to traditional health, mental health and alcoholism treatment services, these services should include outreach, transportation to often remote sites for care, rehabilitiation, and resettlement. . . .

A February 10, 1987, report of the select committee on the homeless of the council of the city of New York regarding homelessness and veterans in New York City succinctly stated recommendations designed to eliminate the plight of the homeless veterans there. It recommended, first, the Government must reach out to the homeless veterans; second, that stable housing must be provided; and, finally, that a veteran who has been reached and housed must be rehabilitated.

Ronald W. Drach, national employment director of the Disabled American Veterans, during his appearance before the January 29 hearing I chaired of the Senate Banking Committee's Subcommittee on Housing and Urban Affairs, stated that all agencies both public and private must provide their expertise and respective services to assist in alleviation of the problem of homeless veterans. He further stated that the failure of any one provider of services to live up to its responsibility would significantly diminish the possibility of successfully combating homelessness.

Mr. President, in response to testimony before the Committee on Veterans' Affairs and the Housing Subcommittee and based on our view that the VA has a special responsibility to meet the needs of our Nation's veterans, we developed and reported S. 477. As reported, title I of S. 477 includes provisions that are designed to provide assistance to homeless veterans and their families that would:

First, authorize the VA, during fiscal years 1987, 1988, and 1989, to enter into agreements with veterans' and other nonprofit organizations to transfer to them, for no or nominal consideration, for use as shelters primarily for homeless veterans and their families certain hard-to-sell dwellings from the VA's inventory of over 21,000 properties acquired as a result of defaults on VA loans.

Second, authorize the VA, during fiscal years 1987, and 1989, to lease to the same kinds of organizations as are described above underutilized VA facilities for use as emergency shelters for homeless veterans and require the VA to make an inventory of its underutilized facilities so as to identify those that might be suitable for leasing.

Third, require the VA to establish a pilot program, for at least 2 years in 10 geographic areas with significant populations of homeless veterans, whereby various activities would be undertaken to improve the VA's ability to assist homeless veterans and their families.

Fourth, require the VA to report on (1) its outreach efforts in fiscal years 1986 and 1987 to assist homeless veterans to receive the health care, job counseling, income maintenance support, and other benefits and services for which they may be eligible, and (2) any plans to increase those efforts.

Fifth, require the VA, in coordination with the Departments of Labor, Health and Human Services, Housing and Urban Development, and Defense, to conduct a survey to estimate the number and service periods of veterans who are homeless and what veterans' benefits they are eligible to receive.

Sixth, require the VA, as part of a statutory report on the treatment of chronically mentally ill veterans, to provide information on the numbers of veterans furnished inpatient psychiatric care by the VA in fiscal years 1984 through 1987, together with an analysis of any change in the numbers of veterans furnished or expected to be funished such care during the period covered by the report, with a particular emphasis on any impact from the implementation of the VA's new resources allocation methodology.

Seventh, provide for the continuation beyond fiscal year 1987 of the VA's authority to contract for community-based psychiatric residential care for certain veterans with chronic mental illness (CMI) disabilities, and expand that authority to include care for veterans who need such care for a service-connected CMI disability.

Eighth, require the VA to carry out a 2½ year pilot program—spending up to $25 million in fiscal years 1987, 1988, and 1989—of contracting for community-based residential care for homeless veterans suffering from CMI disabilities, and to submit a report, by February 1, 1989, on the first 8 months' experience under this pilot program.

Ninth, authorize $30 million to be appropriated for the Veterans' Job Training Act (VJTA) for fiscal years 1987 and 1988 (by extending through fiscal years 1987, and 1988 the current fiscal year 1986 authorization of appropriations of $65 million, of which $35 million was appropriated in fiscal year 1986); make eligible for the VJTA program without satisfying the length-of-unemployment criterion those unemployed veterans who are homeless or who have service-connected disabilities rated at 30 percent or more; and postpone by approximately 6 months deadlines for veterans to apply for VJTA participation, from July 2, 1987, to December 31, 1987, and to enter training, from January 2, 1988, to June 30, 1988.

Mr. President, I look forward to continuing to work with Senator MURKOWSKI, the other members of our committee, and all Members of the Senate, on this important legislation which should prove to be of great value to homeless veterans and their families.

For the information of my colleagues and the public, I ask unanimous consent, Mr. President, that the text of the committee-reported version of S. 477 be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Homeless Veterans' Assistance Act of 1987".

TITLE I—HOMELESS VETERANS

SEC. 101. AUTHORITY TO MAKE CERTAIN PROPERTIES AVAILABLE FOR SHELTERS.

(a) IN GENERAL.—The Administrator, within the limits of available appropriations, is authorized under this section to carry out during fiscal years 1987, 1988, and 1989 a program to assist homeless veterans and their families to acquire shelter by entering into agreements, described in subsection (b) with any organization named in, or approved by the Administrator under, section 3402 of title 38, United States Code, or any other governmental, public, or nonprofit private institution, organization, corporation, or other entity, especially any such entity working on behalf of homeless individuals, for the purpose of such entity providing shelter primarily for homeless veterans and their families.

(b) AGREEMENTS TO TRANSFER OR LEASE.—(1) Agreements authorized by subsection (a) are agreements pursuant to which the Administrator would, subject to paragraphs (2) and (3) of this subsection and to subsection (d)—

(A) transfer, for no or nominal consideration, to such an entity, title to real property acquired by the Administrator as the result of a default on a loan guaranteed under chapter 37 of title 38, United States Code; or

(B) lease, for a fixed period of time, or otherwise temporarily make available to such an entity underutilized facilities under the jurisdiction of the Administrator that would be suitable for providing emergency shelter.

(2) The Administrator may enter into an agreement under paragraph (1) only if the Administrator determines that such an action will not adversely affect the Veterans' Administration's ability to fulfill its statutory missions or to carry out other functions and administer other programs authorized by law.

(3) The Administrator may enter into an agreement under paragraph (1)(A) only if—

(A) the real property to be transferred was acquired by the Administrator at least twelve months prior to the date of any proposed transfer;

(B) the Administrator determines that the price for which the real property could likely be sold within the following twenty-four months, as determined by the Administrator in accordance with regulations prescribed under this section, is less than the total of the costs which the Administrator would incur during such twenty-four months for property taxes, insurance, assessments, maintenance and improvement, administration, and other expenses resulting from maintaining and disposing of such property;

(C) the entity to which the property is to be transferred demonstrates, to the satisfaction of the Administrator, an intention to (i) utilize the property solely as a shelter primarily for homeless veterans and their families, (ii) to abide by all zoning laws relating to the property; and (iii) to make no use of the property that is not compatible with the area where the property is located;

(D) the Administrator determines that there is no likelihood of the property being sold for a price sufficient to reduce the liability to the Veterans' Administration of the veteran who had defaulted on the loan guaranteed under chapter 37 of title 38, United States Code;

(E) the deed or other instrument by which title to the property is transferred by the Veterans' Administration contains provisions specifying that (i) the transferee will utilize the property solely as a shelter primarily for homeless veterans and their families, (ii) the transferee will comply with all applicable zoning laws in connection with its use of the property as a shelter, (iii) the transferee will give the Veterans' Administration ninety days advance written notice of any proposed sale in order that the Veterans' Administration may determine whether to exercise the right to reacquire the property as provided for in subclause (iv), and (iv) if the transferee within ten years of the date of the transfer, ceases to utilize the property solely as a shelter primarily for homeless veterans and their families, the Administrator, upon tendering to the transferee within eleven years from the date of the original transfer amount equal to the amount (if any) paid by the transferee to the Administrator for the property plus the depreciated value, as determined by the Administrator in accordance with regulations prescribed under this section, of any improvements to the property made by the transferee, shall have the right to reacquire the property; and

(F) the transferee satisfies other terms and conditions established pursuant to subsection (d).

(c) PREFERENCE FOR CERTAIN ENTITIES.—In selecting entities with which to enter into agreements under subsection (a), the Administrator shall accord preference to entities which—

(1) have a demonstrated commitment to working with and on behalf of homeless individuals;

(2)(A) have a demonstrated ability to establish, operate, and maintain shelters for homeless individuals, or (B) are named in, or approved by the Administrator under, section 3402 of title 38, United States Code;

(3) have a plan for utilizing the voluntary services of homeless individuals, or others, to rehabilitate and repair such property as necessary in order to improve its habitability; and

(4) have a plan for utilizing the volunteer assistance of Veterans' Administration employees, members of veterans' service organizations, homeless individuals, or others in the establishment, operation, and maintenance of the shelter established pursuant to such an agreement.

(d) TERMS AND CONDITIONS OF INSTRUMENTS.—Any agreement, deed, or other instrument executed by the Administrator under subsection (a) shall be on such terms and conditions as the Administrator determines to be appropriate and necessary to carry out the purpose of such agreement.

(e) INVENTORY OF UNDERUTILIZED FACILITIES.—Not later than one hundred eighty days after the date of the enactment of this Act, the Administrator shall complete an inventory of all underutilized facilities under the jurisdiction of the Administrator in order to determine which such facilities could be suitable for lease under subsection (b)(1)(B).

(f) REPORT ON FACILITIES MADE AVAILABLE.—Not later than February 1, 1989, the Administrator shall submit to the Committees a report—

(1) on real property transferred under subsection (b)(1)(A), including for each such property—

(A) information as to the price for which the Veterans' Administration acquired the property, the costs incurred by the Veterans' Administration in maintaining the property

thereafter, the name of the transferee, and any price paid by the transferee, and

(B) a description of the bases on which the Administrator made a determination pursuant to subsection (b)(3)(B); and

(2) on the leasing of facilities under subsection (b)(1)(B).

SEC. 102. PILOT PROGRAM OF ACTIVITIES TO ASSIST HOMELESS VETERANS.

In order to enhance the Veterans' Administration's ability to assist homeless veterans and their families and to evaluate the effectiveness of various activities in that regard, the Administrator shall, within the limits of available appropriations and as provided for in this section, conduct a pilot program and study for a period of not less than twenty-four months in not less than ten geographic regions in which there are significant numbers of homeless veterans. In the course of such pilot program and study, the Administrator shall undertake and evaluate various activities otherwise authorized by law as well as activities—

(1) to designate individuals at Veterans' Administration facilities to coordinate official and volunteer efforts designed to assist homeless veterans and their families;

(2) to authorize Veterans' Administration employees to seek out and cooperate with, and seek to enhance the effectiveness of the activities of, other entities providing counseling, job training, rehabilitation, and assistance in obtaining shelter to homeless individuals; and

(3) subject to the last sentence of this section, (A) to facilitate the efforts of Veterans' Administration employees who wish to assist, on a volunteer basis, (i) homeless veterans and their families in acquiring necessities, such as shelter, food, and health care, and rehabilitation services, training, and employment, or (ii) in any other charitable activity approved by the Office of Personnel Management pursuant to section 2 of Executive Order 12353 of March 23, 1982 (and the implementing regulations in 5 CFR Part 950), or by the Administrator for the purposes of this clause, and (B) to use, for the purpose of assisting homeless veterans and their families in acquiring such necessities, rehabilitation services, training, and employment, Veterans' Administration resources and facilities, not otherwise employed, where the cost to the Federal Government would be minimal. In carrying out activities described in clause (3), the Administrator shall prescribe regulations to ensure that (i) no Veterans' Administration employee shall coerce in any fashion another such employee to participate in volunteer activities described in such clause, (ii) each Veterans' Administration employee in such geographic areas is specifically advised to report to the Inspector General of the Veterans' Administration any apprehension that his or her job evaluation or opportunity for advancement, assignment, or promotion was adversely affected by non-participation in such volunteer activities, and (iii) any Veterans' Administration employee found, pursuant to prescribed personnel procedures, to have engaged in coercive conduct in violation of such regulations shall be subject to disciplinary action, including suspension.

SEC. 103. OUTREACH SERVICES PROGRAM.

Not later than ninety days after the date of the enactment of this Act, the Administrator, within the limits of available appropriations, shall submit to the Committees a report setting forth—

(1) a description of all efforts undertaken in fiscal years 1986 and 1987 under subchapter IV of chapter 3 of title 38, United States Code, to provide outreach services to homeless veterans to assist them in applying for and obtaining benefits and services for which they are eligible under laws administered by the Veterans' Administration or under other laws by virtue of their veteran status;

(2) any information available on the increased utilization of such benefits and services by such veterans as a result of the efforts described in clause (1) to assist them in securing necessities, such as shelter, food, and health care, rehabilitation services, training, and employment, together with a description of all follow-through activities related to such outreach services; and

(3) a description of, and a timetable for, any plans to expand such outreach efforts (including necessary training of outreach personnel) and follow-through activities, together with an estimate of the additional resources needed for such expanded efforts.

SEC. 104. SURVEY OF HOMELESS VETERANS.

(a) Conduct of Survey.—Not later than one hundred and eighty days after the date of the enactment of this Act, the Administrator, in coordination with the Secretaries of Labor, Defense, Health and Human Services, and Housing and Urban Development and within the limits of available appropriations, shall (1) conduct a survey to determine (A) the extent to which veterans are represented in the population of homeless individuals, and (B) the information described in subsection (b), and (2) submit to the Committees a report on the results of such survey.

(b) Report.—The report required by subsection (a) shall include, to the maximum extent feasible, estimates of—

(1) the number of veterans, both as an absolute number and as a percentage, in the population of homeless individuals and the numbers of family members accompanying such veterans;

(2) a breakdown showing the periods of service of such veterans and subgroupings of such veterans, including those with families, those with chronic mental illness disabilities, and those with substance abuse disabilities;

(3) the numbers of such veterans who, during fiscal years 1986 and 1987, received or will receive benefits and services under laws administered by the Veterans' Administration or the Department of Labor, with specific breakdowns showing the numbers who received or will receive (A) health-care services under chapter 17 of title 38, United States Code, (B) compensation under chapter 11 of such title, (C) pension under chapter 15 of such title, (D) vocational, educational, and training assistance under such title or the Veterans' Job Training Act (29 U.S.C. 721 note), or (E) job training, counseling, referral, or other vocational assistance under programs carried out or supported by the Department of Labor; and

(4)(A) the numbers of such veterans who, if they were to apply, would be eligible for benefits and services under laws administered by the Veterans' Administration or (by virtue of their veteran status) the Department of Labor but who are not receiving such benefits and services, with a breakdown estimating the numbers who would be eligible for each of the benefits and services described in subclauses (A), (B), (C), (D), and (E) of clause (3), and (B) a description of the reasons why such veterans are not receiving such benefits and services.

(c) Not later than thirty days after the date of the enactment of this Act, the Administrator of Veterans' Affairs shall submit to the Committees a report setting forth an implementation plan and timetable for collecting the information needed for the report required by subsection (a).

SEC. 105. CHRONICALLY MENTALLY ILL VETERANS.

(a) Report on Institutional Care Furnished Mentally Ill Veterans.—Section 235 of the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986, Public Law 99-576, is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting the following new subsection (b):

"(b) The report required under subsection (a) shall also include information on the number of veterans being treated by the Veterans' Administration for mental illness disabilities who were furnished hospital, domiciliary, or nursing home care by the Administrator in each of fiscal years 1984, 1985, and 1986, broken down by the type of care furnished, as well as an estimate of the number of such veterans being furnished such care in fiscal year 1987, together with the Administrator's analysis of the basis for any change in the numbers of such veterans being furnished any type of such care during the period beginning with fiscal year 1984 and ending with fiscal year 1987, with particular emphasis on the impact of the implementation by the Veterans' Administration of a resource allocation methodology on the numbers of such veterans being furnished any type of such care and the duration of the care furnished.".

(b) Pilot Program of Contract Community-Based Residential Care.—(1) During the period beginning on the date of the enactment of this Act and ending on September 30, 1989, the Administrator shall conduct a pilot program, utilizing the authority in section 620C of title 38, United States Code (as added by section 2(a) of Public Law 100-6), to provide care and treatment and rehabilitative services in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities to homeless veterans suffering from chronic mental illness disabilities.

(2) Not later than February 1, 1989, the Administrator shall submit to the Committees a report on the experience under the pilot program prior to October 1, 1988, and the recommendation of the Administrator (and reasons therefor) as to whether the pilot program should be continued.

(3) In carrying out the pilot program provided for in this subsection, the Administrator may not expend more than $5,000,000 in fiscal year 1987, nor more than $10,000,000 in each of fiscal years 1988 and 1989.

(c) Continuation of Contract Community-Based Psychiatric Residential Care Authority.—Section 2(c) of Public Law 100-6 is amended by inserting "in fiscal year 1987" after "limited".

(d) Expansion of Contract Community-Based Psychiatric Residential Care Eligibility.—Section 620C of title 38, United States Code, is amended—

(1) in subsection (a)(3)—

(A) by redesignating clauses (A), (B), and (C) as clauses (B), (C), and (D), respectively; and

(B) by inserting a new clause (A) as follows:

"(A) has a chronic mental illness disability rated as service-connected;";

(C) amending clause (C) (as redesignated by clause (1)(A) of this subsection) by striking out "homeless" and inserting in lieu thereof "a homeless individual"; and

(2) by adding at the end of subsection (a) the following new paragraph:

"(4) The term 'homeless individual' means an individual who lacks a fixed and adequate nighttime residence and includes an individual whose primary residence is in a publicly- or privately-operated shelter which provides temporary shelter.".

SEC. 106. VETERANS' JOB TRAINING ACT AMENDMENTS.

(a) Definitions.—Section 3 of the Veterans' Job Training Act, Public Law 98-77 (29 U.S.C. 1721 note) is amended by adding at the end the following new paragraph:

"(4) The term 'homeless individual' has the meaning given that term in section 620C(a)(4) of title 38, United States Code.".

(b) Expansion of Eligibility.—Section 5(a)(1) of such Act is amended—

(1) by inserting "(i)" after "(B)";

(2) by striking out the period at the end of subclause (i), as redesignated by clause (1) of this subsection, and inserting in lieu thereof a semicolon and "or"; and

(3) by adding at the end the following new subclause:

"(ii) is (I) a veteran with a service-connected disability rated at 30 per centum or more, or (II) a homeless individual.".

(c) Authorization of Appropriations.—Section 16 of such Act is amended—

(1) by striking out "$65,000,000 for fiscal year 1986" and inserting in lieu thereof "a total of $65,000,000 for fiscal years 1986, 1987, and 1988"; and

(2) by striking out "September 30, 1988" and inserting in lieu thereof "September 30, 1989".

(d) Extension of Termination Dates.—Section 17(a) of such Act is amended—

(1) in clause (1), by striking out "January 31, 1987" and inserting in lieu thereof "December 31, 1987"; and

(2) in clause (2), by striking out "July 31, 1987" and inserting in lieu thereof "June 30, 1988".

SEC. 107. DEFINITIONS.

As used in this Act:

(1) The term "Administrator" means the Administrator of Veterans' Affairs.

(2) The term "Committees" means the Committees on Veterans' Affairs of the Senate and House of Representatives.

(3) The term "homeless individual" has the meaning given that term in section 620C(a)(4) of title 38, United States Code.

(4) The term "veteran" has the meaning given that term in section 101(2) of title 38, United States Code.

(5) The term "homeless veteran" means a veteran who is a homeless individual.

TITLE II—VIETNAM-ERA VETERANS' READJUSTMENT COUNSELING PROGRAM AND RELATED REPORTS

SEC. 201. POSTPONEMENT OF TRANSITION PERIOD FOR READJUSTMENT COUNSELING PROGRAM AND DUE DATE OF RELATED REPORTS.

(a) Postponement of Transition Period.—Section 612A(g) of title 38, United States Code, is amended—

(1) in paragraph (1) by striking out "September 30, 1989" and inserting in lieu thereof "September 30, 1990";

(2) in paragraph (1)(A)—

(A) by striking out "October 1, 1989" and inserting in lieu thereof "October 1, 1990"; and

(B) by striking out "centers located" and all that follows through "such health-care facilities" and inserting in lieu thereof "Vet Centers to a program providing readjustment counseling services primarily through Veterans' Administration general health-care facilities";

(3) in paragraph (2)(A)—

(A) by striking out "April 1, 1987" and inserting in lieu thereof "April 1, 1988"; and

(B) by striking out "(or" and all that follows through "available)";

(4) in paragraph (3)—

(A) by striking out "July 1, 1987" and inserting in lieu thereof "July 1, 1988"; and

(B) by striking out "(or" and all that follows through "available)";

(5) in paragraph (4)—

(A) by striking out "February 1, 1989" and inserting in lieu thereof "February 1, 1990"; and

(B) by striking out "experience" the first place it appears and all that follows and inserting in lieu thereof "Administrator's evaluation of the experience under as much of the transition as was carried out pursuant to paragraph (1) of this subsection prior to September 30, 1989, and, based on that evaluation, the results of the study required by section 102 of the Veterans' Health Care Amendments of 1983 (Public Law 98-160), and other pertinent information regarding the readjustment counseling program, the Administrator's opinion as to the extent to which the provision of readjustment counseling services under this section through Vet Centers is needed to meet the readjustment needs of veterans who served on active duty during the Vietnam era."; and

(6) by adding at the end the following new paragraph:

"(5) For the purposes of this subsection:

"(A) The term 'Vet Centers' means facilities which are operated by the Veterans' Administration for the provision of services under this section and which are situated apart from Veterans' Administration general health-care facilities.

"(B) The term 'Veterans' Administration general health-care facilities' means health-care facilities operated by the Veterans' Administration for the furnishing of health-care services under this chapter, not limited to services provided through the programs established under this section.".

(b) Postponement of Report Due Date.—Section 102(b) of the Veterans' Health Care Amendments of 1983 (Public Law 98-160; 97 Stat. 994) is amended by striking out "October 1, 1986" and inserting in lieu thereof "October 1, 1987".

Mr. **CRANSTON**. In conclusion, the Senate Urgent Relief for the Homeless Act would offer immediate relief to America's homeless population. The act would satisfy the most basic needs of these people—food, shelter, health—in an expeditious and responsible manner. The act, simply put, would make a real difference for the people on America's streets. We should move, on a bipartisan basis, to pass this legislation and bring it to the White House as quickly as possible.

Mr. **KENNEDY**. Mr. President, I am pleased to join my colleagues on both sides of the aisle in introducing this bipartisan legislation to bring emergency assistance and new hope to homeless Americans. I was deeply involved in the development of this legislation, and I am gratified that so many Senators of both parties share my sense of urgency about this problem.

That so many Americans are homeless in the bicentennial of the founding of these United States is a national tragedy and a national disgrace. Almost 80 years ago, the White House Conference on Children declared that a "home life is the brightest and finest product of civilization."

Yet today, more Americans are homeless than at any time since the Great Depression. Although the estimates of the total homeless population range from 300,000 to 3,000,000, all studies clearly delineate two cold and unavoidable realities. The number of Americans with no place to call home is increasing at an alarming rate and the nature of the homeless population is changing significantly, with families of young children representing the majority of the "new homeless" population.

The U.S. Conference of Mayors' report, "The Continued Growth of Hunger, Homelessness, and Poverty in America's Cities: 1986," found that on average, families represented 28 percent of the homeless population and that the percentage was as high as 76 percent in some major metropolitan areas such as New York City. In addition, three-quarters of the cities reported that families comprised the group for whom emergency shelter and other needed services are most glaringly absent. For example, in Boston, an average of 15 families per week become homeless and although Massachusetts has increased its family shelter capacity by 400 percent over the last 2 years, 50 families per month are still turned away from shelters which are filled to capacity. These unfortunate families, having attempted the full range of personal, private, and public alternatives, are left defenseless and hopeless.

Other segments of the homeless population face equally tragic circumstances. The chronically mentally ill, for example, are a significant share of the homeless population and perhaps the most mistreated group in our society. Ironically, a comprehensive system of community-based care for the chronically mentally ill, which would include an appropriate place to live for every individual in this group, has been demonstrated to cost no more than our current nonsystem of noncare.

The legislation we are introducing today is no more than a beginning—but it is an important beginning. We can never be satisfied when any American lives in a shelter instead of a home, but this bill provides funds to help assure that the shelters we must rely on in the short-term are at least sanitary, heated, and as comfortable as possible.

The legislation establishes case-management services to assure that every shelter resident obtains the social services for which he is eligible.

The bill provides funds for transitional housing for the homeless as well as funds for permanent housing.

It assures that homeless children get the free public education to which they are entitled but which has sometimes been denied as school districts have evaded their responsibilities.

It establishes job training and placement program demonstrations so that the homeless can earn the income that can help them secure a home.

It provides a program to assure essential health care for hundreds of thousands of homeless individuals, so that the misery of homelessness will not be multiplied by the misery of untreated illness.

And it provides $55 million to help move the homeless chronically mentally ill into the kind of comprehensive service system that they need to end their homelessness and to provide them with the humane care and treatment they deserve.

I pledge that the portion of this bill that lies within the jurisdiction of the Committee on Labor and Human Resources will be considered promptly within the committee and reported expeditiously to the Senate floor. I urge my colleagues to move this legislation rapidly to passage, so that the immediate needs of the homeless can be met. And I call on all the Members of Congress to commit themselves to providing the resources necessary to find a long-term solution to this problem, so that each American is finally guaranteed the adequate shelter that should be the birthright of all.

Mr. LEAHY. Mr. President, I am cosponsoring the Urgent Relief for the Homeless Act, which was today introduced by Senator BYRD and Senator DOLE. I am pleased with this bipartisan leadership effort to address this vital issue.

The act is a comprehensive 2-year program designed to reduce homelessness in America and to provide better nutrition, health, education, and job training services to the homeless.

Three million Americans are now homeless and the number keeps growing. The U.S. Conference of Mayors recently reported that homelessness in American cities increased 20 percent last year. To make matters worse the number of homeless families with children rapidly increased.

Families with children now comprise 28 percent of the homeless population. The American Legion estimates that 40 percent of homeless citizens are veterans, many of them with families. Children in increasing numbers are being seen at homeless shelters.

Americans of all political persuasions need to work together on solving the problems of the homeless. Last week I spoke at a homeless shelter in Burlington, VT, that was staffed by volunteer workers. I appreciate this dedication and service to America. Many of the residents at that small, 40-bed shelter were forced to eat at a nearby soup kitchen. This act is designed to aid homeless shelters and soup kitchens throughout the Nation in helping more Americans.

In fact one provision of this act, found in the title on nutrition, increases the authorization for the Temporary Emergency Food Assistance Program by $10 million this fiscal year and $20 million for fiscal year 1988.

This emergency feeding program enables thousands of soup kitchens, homeless shelters, food pantries, churches, and other charities to distribute our agricultural surplus to hungry Americans. Over 25,000 primary and local emergency feeding organizations now distribute TEFAP commodities to millions of needy citizens. Substantial numbers of commodity recipients are children, elderly citizens, or persons living in isolated rural communities. The feeding centers mostly operate on slim budgets and with volunteer help but were still able to distribute about 800 million dollars' worth of surplus commodities last year.

The funding authorized by this bill will allow existing distribution sites to expand operations to meet demand and will provide assistance to create additional facilities in areas that are not now being served. We should assist States in dealing with these needs and in using the huge stockpiles of agricultural products to feed the hungry while at the same time reducing Federal storage costs.

A July 1985, report on TEFAP entitled "Food in the Warehouses, Hunger in the Streets," by Prof. Michael Lipsky, Massachusetts Institute of Technology, showed the need for a $15-million increase in TEFAP and concluded that even, "higher supports for administrative expense reimbursement might be justified." As I mentioned earlier the more recent U.S. Conference of Mayors study, dated December 1986, showed dramatic increases in hunger and homelessness. A $20-million increase in TEFAP authorization for fiscal year 1988 is necessary. Since fiscal year 1987 is half over an increase in authorization for TEFAP of $10 million should handle the increased need over the next 6 months.

I cannot accept the fact that the wealthiest, most powerful Nation in the world, with the greatest food stocks of any nation in recorded history can't feed the hungry. The United States is spending millions of dollars to store 2.8 billion pounds of surplus commodities. We need to get those commodities to the hungry.

This comprehensive act addresses all aspects of this national crisis and deserves our full support. Another national crisis that requires our immediate attention is the national deficit. For that reason I am including in this statement a way to more than pay for the Urgent Relief for the Homeless Act by making offsetting cuts in unnecessary and wasteful programs.

The first cut on my list concerns the Bradley fighting vehicle. That vehicle was intended to safely carry nine infantry men in combat. Army tests of the armored vehicle found, however, that its design is dangerously flawed. The Bradley fighting vehicle explodes violently when hit by even the smallest of ammunition. But the Bradley "armored" vehicle is supposed to accompany our tanks in battle—tanks that will draw fire from antitank weapons. The Bradley will make our fighting men sitting ducks for small arms fire. The Congressional Budget Office projects that canceling the Bradley will save $920 million over 3 years.

Also on my cut list is the M-9 Ace armored bulldozer. This bulldozer is supposed to provide engineering support to Army armored and light infantry battalions. The idea was to create a quick, armored earthmover to dig entrenchments to protect our men. The entrenchments were to be dug ahead of our advancing troops. Because of design flaws, however, the Ace is also highly vulnerable to enemy fire and should not be used ahead of advancing troops but should only be used with the support of our troops. But our current pool of unarmored bulldozers will serve the same purpose at far less cost. Canceling the M-9 Ace will save $97 million over 3 years.

Third on my list is a cut that President Reagan supports. The President recommended a rescission for the program to upgrade CORT, a Naval communications system. New communications systems are in the works so there is no need to update this older one; $82.7 million will be saved over 3 years with this cut.

The President also recommended a rescission in the 9mm Handgun Programs. The program originally called for a $15-million expenditure on a contest to choose the contractor. The contract was awarded to Baretta under an alternative form of competition. Therefore, the $15 million contest should be canceled.

None of these specific program cuts, however, nearly match the potential saving from improving some of the administration's more shortsighted defense programs. CBO projects that simply slowing down development of the strategic defense initiative would save $540 million in the first year and $3.1 billion over 3 years.

These savings would pay, many times over, for the bipartisan act to help the homeless which I am today cosponsoring. I urge my colleagues to join with me in paying for this urgently needed homeless bill with cuts in the unnecessary and wasteful programs which I have just discussed.

Mr. MITCHELL. Mr. President, I am pleased to join my colleagues today in introducing bipartisan legislation to address our Nation's growing homeless population. The Urgent Relief for the Homeless Act offers the committees a sound framework from which to examine and address the one sector of society so often overlooked.

In its present stage, the legislation authorizes $393 million for fiscal year 1987 to provide forms of assistance to the homeless that are most urgently needed and can be delivered quickly. The bill would encourage local initiative and reinforce existing partnerships among private and non-profit organizations, States, and local governments. A number of provisions in the bill are specifically designed to address the needs of homeless families and the elderly.

Throughout the country, the demand for emergency food and shelter is steadily increasing. In many cases, people are turned away as existing shelters are overcrowded and the food supply is inadequate. The diversity in the homeless population is also a problem since some shelters are single-sex only, or are not designed to accomodate families.

On average, single men comprise 56 percent of homeless persons, 28 percent are families with children, and 15 percent are single women. A large number of these individuals are chronically mentally ill, have drug or alcohol related problems, or are jobless.

A survey conducted by the U.S. Conference of Mayors found that in 25 major metropolitan areas families with children comprise the fastest growing group among the homeless. In many cases, these are families where parents are earning minimum wage, but can't find affordable housing and the slightest fluctuation in their income such as a car replacement or child's doctor bill forces them onto the streets.

In my own home State, a task force was appointed by the Governor in 1985 to study the extent of homelessness in Maine and to make recommendations on appropriate methods of assistance. The task force's report found that on any given night, between 250 and 350 people in Maine are in need of shelter. Over the course of a year, some 3,500 individuals actually experience at least a night of homelessness. While these numbers may not seem as critical as the homeless population in New York City, for a State the size of Maine homelessness has become a serious problem.

Increasingly, many working families in Maine are among the ranks of the homeless. They are periodically displaced by evictions, overcrowding, fire, layoffs, of simply the inability to pay their monthly rent. Maine census data indicate that 13 percent of the population, or 141,000 individuals are below the poverty level. Of these, 52,000 households—118,000 people—may be considered to be "at risk" of homelessness.

Four-fifths of these households pay more than one-half of their total income for rent or mortgage or heat. One-fifth of the at-risk group live in substandard and/or overcrowded housing and have poverty level incomes.

For people who are homeless, emergency shelter is the most basic and critical need. And, yet there are many communities in Maine without shelters, and many of the existing shelters are completely full.

To be homeless is more than being without housing. Often it means being in poor health. and for many with no money, clothing, food, or the simplest of possessions it means a complete and utter loss of identity.

Although the Congress has already appropriated $50 million in emergency funds this year, much more needs to be done. The Urgent Relief for the Homeless Act is designed to rapidly expand the supply of decent shelter and food for the thousands of homeless.

For fiscal year 1987, the bill would expand the current Emergency Shelter Grants Program by authorizing an additional $80 million to the $10 million appropriated last year in the continuing resolution. An additional $50 million in section 8 housing certificates would be authorized. The certificates would be distributed by local housing agencies in urban and suburban areas and by FmHA in rural areas and would be specifically targeted to aid families with children.

The bill would authorize an additional $60 million for the Transitional Housing Program operated by the Department of Housing and Urban Development [HUD]. Another $35 million would be authorized for section 8 moderate rehabilitation of single room occupancy units [SRO's]. This would ensure that there is both a long-term commitment toward aiding the homeless and providing much needed improvements to the existing low income housing stock.

The measure would ensure that homeless children are eligible for any educational program for which they are entitled. Currently, students without a permanent address have a difficult time enrolling in schools.

The bill would authorize $55 million to expand the Public Health Service Act to allow the use of the existing Alcohol, Drug Abuse, and Mental Health Services [ADMS] block grant to provide services to homeless individuals who have serious mental illnesses.

In addition, the bill would provide funds for health care, job training, case management, and the Temporary Emergency Food Assistance Program [TEFAP]. An interagency council would be established to review Federal homeless programs, and monitor, evaluate, and recommend improvements in Federal, State, local, and private homeless relief programs.

I stress that this bill is just the starting point. I fully expect a number of changes will be made when the titles of the legislation are referred to the appropriate committees for examination. But, the framework is here, and it represents a sound step in the right direction.

I urge my colleagues to act quickly on the legislation to ensure that these much needed funds are allocated this year.

Mr. CHILES. Mr. President, not long ago, a young man spent three nights counting homeless people in Miami. He counted 1,300 on the streets and in emergency shelters.

The Florida Department of Health and Human Services took an informal survey and concluded that at least 10,000 people are homeless on any given night in our State.

In Tampa, about 700 people live on the streets and another 300 live in makeshift housing. That helps to explain why I am cosponsoring the Urgent Relief for the Homeless Act being introduced today.

While the homeless are a serious problem in Florida, they are also a national problem. And this winter has been a hard one in the South and the East.

A lot of the homeless are drug abusers. Perhaps as many as a quarter of them are mentally ill. And now the most alarming thing is that we are seeing many families out on the street.

The Federal Government has taken some steps to help these people. Last year's antidrug bill included giving the homeless employment training and allowing the use of food stamps for meals at soup kitchens.

But we have to do more. Winter makes the needs of the homeless clear, but spring does not make those needs go away. The general thrust of the bill introduced today has my endorsement. We will not be able to do everything we want. In these days of severe budget pressures, every dollar spent must be spent wisely and delivered efficiently.

As the hearings on the bill proceed, I look forward to the thoughts of those in Congress and experts in the field, and the views of the homeless themselves on the best way to provide the proper assistance.

A FIRST STEP TO HELP THE HOMELESS

Mr. GORE. Mr. President, I am pleased to join the distinguished majority leader, Mr. BYRD, and several other of my colleagues as a sponsor of the Urgent Relief for the Homeless

Act. This legislation is a direct and very positive result of increased awareness of a pressing and growing problem. It is an essential first step toward establishing a national agenda for action to eradicate homelessness in America. I congratulate the majority leader and the other members of the task force which put this bill together during the last few weeks.

In Tennessee, in the city of Washington, and all across the country, people are beginning to realize that we can't turn our backs on this issue any longer. Homelessness hasn't been this bad since the Great Depression—and it continues to get worse. Requests for emergency shelter increased by 25 percent last year. That doesn't include thousands of homeless too proud or too downtrodden to seek help.

Addressing the problem of the homeless is good policy, well-understood and supported by people everywhere. And, Mr. President, it is an effort which demands continuing attention and long-range public commitment. I am determined to work to ensure that homelessness will not be simply an issue of the hour which then passes quickly from the Nation's agenda. No one in this body should believe that the legislation we begin considering today is anything more than a first step toward reversing the record increase in homelessness.

There are many types of homeless, people, and the causes of homelessness are legion. Indeed, it can be asserted that there are as many reasons for homelessness as there are homeless people. Recently, the Attorney General got a lot of attention when he publicly suggested that most "street people" are homeless by choice. I hope, however, that we have managed to bury the myth that these people are simply old-time bums, or homeless because they want to be. Surveys show that no more than 1 homeless person in 20 fits that pattern. The vast majority are out on the street because of forces beyond their control.

The profile that is emerging looks nothing like the traditional "Skid Row" stereotype. These people aren't urban hermits who have chosen to opt out of life. For the most part, they somehow have fallen through the cracks in our society. Studies show, for example, that:

Of the homeless 25 to 30 percent are mentally ill. Most belong in mental health hospitals or at community health centers, but the funds for those facilities have been cut back steadily over the past decade. I have joined the distinguished Senator from New Mexico [Mr. DOMENICI] as a cosponsor of his legislation to provide services for homeless people who have serious mental illnesses.

An even greater share—30 to 40 percent—are alcoholics or substance abusers. This is the most visible group, and perhaps the least helped. They could be cured, but most treatment centers won't take them in.

A growing portion of the homeless, nearly 30 percent, consists of single parents with young children—typically a mother and her kids fleeing domestic violence. Few shelters are equipped to handle these battered women and children for extended periods.

The ranks of the homeless also include a large number of teenaged runaways, veterans, unemployed workers, the elderly, and recently released offenders. They are transient, displaced, out of touch. Together, they represent the disappeared of a democratic society.

So there are many faces for the homeless; and just as there are differences in the individuals, there are differences in the approaches we must take. There is no single, simple, catch-all solution to the problem of homelessness.

Mr. President, I have reviewed this legislation. I endorse this bill and will support it because it is the bare minimum Congress must do to begin developing a legislative response to homelessness. But I must emphatically state that this bill is not enough to solve the problem—more comprehensive measures are needed for that. Last year, the distinguished senior Senator from New York [Mr. MOYNIHAN] and I were sponsors of the "Homeless Persons Survival Act." I intend to introduce a similar omnibus bill this year.

The Urgent Relief for the Homeless Act is just what its name implies. It addresses the crisis which exists now. Service providers report that they are forced to turn away requests for emergency food and shelter, and for health and mental health care. Increasingly, these requests are from families with children. Funds are needed now—the men, women, and children on the street cannot wait. Unless assistance is made immediately available, construction and renovation of facilities to provide even minimal shelter will be intolerably delayed.

I realize that there is some sentiment—because of our serious budget difficulties—to leave out allocations in this fiscal year and wait until fiscal year 1988 to begin the programs involved. But to do so would negate the purpose of this act—"to provide urgently needed assistance to protect and improve the lives and safety of the homeless." Another winter cannot pass without action on this matter.

Clearly, one of the major needs is affordable housing. None of our cities has enough public housing or low-cost private units for all the families that need shelter. Unfortunately, it has been the policy of this administration to retreat from the long-standing national commitment to public housing, and the results are grim. When I visited shelters for the homeless in Nashville last November, I was struck by the alarming number of children who have no place to go at night. As a society, we clearly have failed to provide the most basic right of all—the right to shelter. Low-income housing programs have been shortchanged far too long.

This legislation provides additional authorizations for housing programs for the homeless. Under the Emergency Shelter Grants Program, the Department of Housing and Urban Development provides grants to State and local governments for the establishment of emergency shelters. The Transitional Housing Demonstration Program provides grants through HUD for local governments and nonprofit organizations to establish transitional housing for the homeless. Also, there are new authorizations for section 8 existing housing and moderate rehabilitation certificates.

Through FEMA, the Emergency Food and Shelter Program will be authorized to expend and supplement ongoing efforts to provide shelter, food and supportive services for the homeless. Private nonprofit organizations and local governments—those on the front lines of service to the homeless—will administer these emergency services.

Other titles of this act will provide for health services and mental health services for the homeless, job training services through demonstration projects, expedited food stamp services for the homeless, and expansion of the Temporary Emergency Food Assistance Program [TEFAP].

Finally, the vital issue of the education of homeless children is addressed. Illiteracy is one factor holding back the homeless. Many of us take reading for granted, but for thousands of homeless people, reading is a struggle. Illiteracy robs these people of the basic skills to function in our society. It will take years to better education and higher standards to turn the problem around, and I am particularly pleased that this problem has been acknowledged with the inclusion of an education title in this bill.

Mr. President, it is my understanding that the different titles of this Act are going to the respective committees for quick consideration. I encourage each committee to look closely at the provisions of this legislation. The need is great, and I am hopeful that the bill which is reassembled on the floor will provide even more resources for assistance to our homeless citizens. I, for one, am willing to direct more of our resources for a significant and effective national response to the homeless crisis.

Ours is a powerful and wealthy Nation—too powerful and too wealthy to continue to allow our citizens to live on grates and stand in bread lines. Our response to this crisis will demonstrate to the world, and more importantly to ourselves, our priorities, our direction as a people, and our desire to help those who truly cannot help themselves.

Mr. GLENN. Mr. President, I rise to support a bipartisan bill to provide necessary emergency relief to our Nation's homeless.

This legislation will ensure that emergency relief is available next winter when it will be desperately needed. The bill was crafted to focus on the special needs of families and the mentally ill. The greatest portion of this bill provides for the rapid expansion of decent shelter and food for homeless Americans. Immediate medical care and an education provision for children are high priorities in this piece of legislation. Longer-term mental health needs and job training services are also addressed.

I am aware that this emergency legislation is merely a stop-gap measure. In no way should it be labeled a solution or a cure for this national delemma. However, it is an important and direct federal response to homelessness. Certainly more, much more, is needed.

There are far more homeless Americans now than at any time since the Great Depression. Well over 3 million people in this Nation are now estimated to be in this condition—over 100,000 of them are in my home State of Ohio. Unfortunately, families make up the fastest growing segment of homeless Americans.

Our nation has failed to meet the basic needs of its homeless. And let us face facts: private relief organizations can no longer adequately meet the needs of the growing numbers of homeless Americans. And that's why I believe that it is high time for the Federal Government to respond and form a partnership with State and local governments in finding a workable solution to this terrible problem.

Our Nation's greatness is not measured solely by its political, economic and military strength, but also by its compassion for the elderly, the sick, and the poor. So I am glad to support this bipartisan legislation which will rapidly dispense funds to agencies and shelters in order to make next winter just a bit more tolerable for America's homeless men, women and children. As chairman of the Governmental Affairs Committee, I look forward to holding hearings on the sections of the bill referred to the committee.

URGENT RELIEF TO THE HOMELESS

Mr. BRADLEY. Mr. President, I rise today with my colleagues from both sides of the aisle in support of the bill being introduced today to provide urgent relief to the homeless. This bill will provide desperately needed food, shelter, and supportive services.

Mr. President, the magnitude and composition of the homeless population is difficult to define. One thing that we can be absolutely certain of, however, is that our homeless population is a growing source of national shame. A compassionate society cannot tolerate having between 250,000 and 3 million people who are without the basic necessities of life.

It is wholly inaccurate to depict the homeless as derelicts and malingerers. These are people in dire need of help. It is alarming that an increasing number of homeless are two-parent families or women with children. It is now tragically common to see children in shelters, sleeping under freeway overpasses or in abandoned cars, and wandering the streets with their parent or parents in a dehumanizing search for the basic necessities of food and shelter. Homeless women, either alone or with their dependent children, must face the additional hardship of actual or threatened assault. Their misery is visible not only in New York, Washington, Los Angeles, and Philadelphia but also in Jersey City, Newark, Paterson, Trenton, and Camden.

In my home State of New Jersey, there are an estimated 25,000 homeless individuals. In the city of Newark, there are approximately 8,000 homeless individuals, but only around 900 shelter beds to meet their needs. Unfortunately, Newark is not an isolated case, and this situation sadly repeats itself across America.

Mr. President, let me share with you a brief vignette from Trenton, in my home State. A low-income family was living in a dwelling that did not provide adequate heat. They used their rent money to pay exceedingly high gas and electric bills because they used their stove for heat. Consequently, they fell behind on their rent payments and were presented with an eviction notice. With no resources to pursue legal action they do not even appear in court to appeal habitability violations and are found at fault and evicted with no place to live. As quickly and simply as that, they joined the ranks of the homeless.

In addition to the tragedy of children and families who are homeless, elderly poor often find themselves at the end of their lives, homeless and destitute. An additional portion of the homeless are chronically mentally ill persons. They are the casualties of Federal mental health policy, dating from the 1963 Community Mental Health Centers Act. A humane policy of releasing individuals from institutions at the same time that community support services have been cut back has left many chronically ill individuals homeless on the street without homes and without support services.

A significant Federal response to the problem of homelessness is long overdue. The bill being introduced today is an important step toward addressing the problem of homelessness in this country. However, I would caution that it must not be considered the final step. What is also urgently needed is more legislation designed to prevent homelessness from occurring in the first place.

One example of such legislation which is in place in my home State of New Jersey is the Prevention of Homelessness Act. This act allows the State to loan and grant families who have been temporarily dislocated from income money for the payment of rent and mortgages for up to 3 months in order to prevent their eviction. Future legislation must address ways in which Federal support for such programs can be developed.

The current legislation does provide much needed emergency relief for the homeless. It also provides a chance for those of us who have adequate food and shelter to meet our responsibility to help our less fortunate fellow citizens. I urge the passage of this important legislation.

Mr. METZENBAUM. Mr. President, I am more than pleased to join my distinguished colleagues in support of this bipartisan effort which begins to address the problem of homelessness. The legislation we introduce today, "The Urgent Relief for the Homeless Act," is long overdue.

The problem of homelessness is one that we've all had difficulty acknowledging. We think of ourselves as a compassionate society, and we are. But, perhaps, for that very reason, the thought that 2 to 3 million men, women, and children in our Nation are without homes, living on the streets, sleeping on grates, on bus station benches, in abandoned automobiles, or competing for fewer than 100,000 shelter beds, is too overwhelming, even too un-American, a reality to confront.

But, we can no longer look away. The number has grown too rapidly in recent years to ignore.

Thanks to the efforts of dedicated advocates across the country, the problem has finally been thrust into the consciousness of all of us. The National Coalition for the Homeless, the Association of Communities Organized for Reform Now [ACORN], the Mental Health Law Project, Mitch Snyder and his Community for Creative Non-Violence, Marion Wright Edelman and the Children's Defense Fund, and many others have all worked tirelessly to bring this growing national scandal to the attention of the public, to the attention of policymakers.

The U.S. Conference of Mayors recently published a much quoted survey of homelessness in 25 major cities. In 1985, the demand for emergency shelter increased by an average of 25 percent to 88 percent of the cities surveyed. In 1985, the city of Cleveland in my State of Ohio reported an unemployment rate of 13.5 percent; an increase in poverty; and a high percentage of unmet needs for emergency food. In that year, Detroit had 12,000 to 13,000 homeless with 800 beds; Chicago had 2,700 beds for 12,000 to 25,000 homeless.

In Cincinnati, OH, 37.5 percent of the homeless are women and children. The city council called homelessness an astounding tragedy. The city's metropolitan housing authority reported a waiting list of more than 2,000; applications now being handled were submitted 3 to 4 years ago.

In this Nation's Capital, there is a public housing waiting list 11,000 people long. In the last year, the number of families seeking shelter in the city's Emergency Shelter Program increased by 500 percent.

No city can do enough. Yet New York spent $240,000 on its homeless—more in 1 year than the Federal Government spent on the entire Nation's homeless in 3 years.

Who are the homeless?

The homeless are veterans, youths, the elderly. They are families with children. They are the unemployed, the laid-off workers. They are the deinstitutionalized chronically mentally ill. They are people down on their luck. They are the poor who cannot find affordable housing.

The shortage of affordable housing has reached crisis proportions. Some 50 percent of single room occupancy [SRO] housing has been demolished. The current administration has drastically cut funding for building and maintaining subsidized housing—from $32 billion in 1981 down to $9 billion in 1985. Poor families face 3 to 10 years on public housing waiting lists. They may move in temporarily with other crowded families until that situation becomes too intolerable. Then they are out on the streets.

Deinstitutionalization of mental patients has, according to the American Psychiatric Association, put 1 million homeless people on the streets without housing, without support services, without mental health care.

Veterans of our recent ill-fated wars make up a disproportionate number of the homeless.

The Reagan administration has reduced spending on programs for the poor by 30 percent from 1981 to 1983, dropping 440,000 families from Aid to Families with Dependent Children.

Factory closings have created a new group of unemployed heads of households. With no income, families see their savings rapidly depleted. They can't meet rent or mortgage payments. They lose their homes and are out on the streets.

Homeless families have no way of sending their children to school, and the tragedy multiplies.

Without shelter, or adequate food, and in poor health, hope for the future is nonexistent.

The Urgent Relief for the Homeless Act we introduce today extends a small beacon of hope. This measure provides shelter through emergency shelter rehabilitation grants, transitional housing programs; and section 8 certificates targeted specifically to families and the elderly.

The bill provides for an expansion of grants to States, localities, and private charities through the FEMA Emergency Food and Shelter Program; and grants for distribution of surplus USDA commodities to facilities serving the homeless.

In addition to emergency shelter and food needs, the legislation calls for support services to the homeless, including case management; grants for primary health care; expedited food stamp assistance; education for homeless children.

The legislation also provides for modest assistance with longer term adjustment, including grants for services to the chronically mentally ill; and matching grants to States for demonstration job training programs for the homeless to help them establish or reestablish themselves in a changing job market.

Finally, to improve Federal coordination, an interagency council on the homeless will be established. The council will coordinate and evaluate Federal programs, provide information, and report to Congress on the problem of homelessness, with recommendations for needed services to expedite transition into the mainstream of American life once again.

I urge my colleagues to support this bill, which is a modest beginning toward reclaiming the lives of 2 to 3 million of our own people, 2 to 3 million citizens of this Nation.

Mr. DIXON. Mr. President, I rise today to express my strong support for the comprehensive emergency legislation, introduced by my friend, Senator BYRD, which seeks to address the serious problems faced by our homeless population across the Nation.

On March 26, 1985, I first stood on this floor and proposed a national endowment for the homeless. Over the last 2 years, I have worked, along with many of my colleagues, to address the many problems which surround homelessness. This has been done primarily through appropriations for the Emergency Food and Shelter Program operated by the Federal Emergency Management Agency [FEMA] and the Emergency Food and Shelter Program National Board. I have spoken many, many times on this floor about the problems which face the homeless and about the urgency of addressing their unique situations. It is time for us to take a look at the whole range of issues facing our homeless and time for us to find programs which can address these problems.

Last month, I stood on the Senate floor again and introduced S. 436, the Emergency Housing Act of 1987, a bill to aid the homeless. The legislation which is being introduced today incorporates a number of ideas which were included in that bill. The Emergency Food and Shelter National Board is finally given authorization in statute. An interagency council on the homeless is established. This Council is similar to my original concept of creating a national endowment for the homeless, an independent body which would assess the special needs of the homeless and report to Congress on possible solutions. There is also a transitional living demonstration program in the bill which addresses the long-term housing needs of the homeless. The emergency shelter grants section will provide assistance to shelters which are limited to addressing the basic, immediate needs of the homeless. These demonstration programs will seek to establish some innovative housing options which can be reproduced across the country.

There is a cost to this bill. However, I believe it is minimal. In a number of the provisions, Federal funds must be matched with those from State or local sources. If we do not authorize the immediate expenditure of these funds, we face the prospect of having to spend even more money in 2 or 3 years.

We must begin to address the root causes of homelessness. We must provide assistance to these people which will aid in finding them permanent housing, employment, education, mental and physical health care, and other services which will lead to their economic independence and stability.

The 100th Congress has already approved an emergency supplemental appropriation of $50 million to aid the homeless. Last week, the House approved an emergency package which contains many of the same elements as this legislation. It is imperative that the Senate act swiftly so that these programs can begin to do their important work.

I urge my colleagues to give their support to this important piece of legislation. It is the first real step toward the elimination of this national tragedy.

Mr. KERRY. Mr. President, I rise today to support the homeless legislation introduced by our distinguished majority leader, which would provide urgently needed assistance to homeless persons. I am pleased to be an original cosponsor of this vital measure. This legislation seeks not only to expand existing programs and services, but also to initiate new ideas to benefit the homeless in the areas of housing, primary health care, mental health care, job training, education and other social services including food and nutrition.

Mr. President, there is no doubt that the Federal Government has an obligation to provide services to the homeless; to feed, clothe, and house those persons unable to do so for themselves. In spite of our economic recovery during the last 4 years, the homeless population has grown at a rate of 25 percent each year. There are more homeless people in the United States today than at any other time since the Great Depression. More startling is the relization that families with children account for almost one-third of all the homeless and are the fastest growing group among the homeless population. This is in stark contrast to widely held and erroneous perceptions and stereotypes of the homeless as derelicts, alcohol and drug abusers and deinstitutionalized mental persons who would rather spend their time on the street than to seek help.

This is not to suggest that other types of homeless do not exist. The homeless population does include the chronically mental ill, the working poor, persons suffering from various forms of drug abuse, newly unemployed persons, as well as victims of family breakups. What these realities suggest, however, is that any legislative initiatives we pursue to attempt to address the problems of the homeless must be comprehensive in nature and must take into account the myriad of factors that have led to homelessness in the first place.

I applaud the efforts of my colleagues in responding to the challenges presented by homelessness and in drafting bipartisan legislation to begin to solve the homeless problem. We must, however, not stop here. We must continue to peel back the layers and to face the root causes of homelessness in America. We must take responsibility for addressing cutbacks in funds for low-income programs, for job training, for food stamps, for health care benefits and we must begin to cope with the crisis in housing affordability and availability. We cannot, as a responsible body, begin to assume that emergency appropriations and funding resolutions will eliminate the problem. We cannot satisfy ourselves with the notion that "throwing money at the problem," however large or small the amount, will suffice. It simply will not. The problem of homelessness is a symptom of other problems facing us as a nation and until we come to grips with issues such as housing affordability and availability; drug abuse; economic competitiveness; employment; the widening gap between rich and poor; health and mental health costs; our commitment to education; our budget deficit and our trade deficit, we will not eliminate homelessness. I urge my colleagues to bear these things in mind as we continue to work collectively and creatively to find appropriate and adequate solutions, because to date our Nation's response to this national disgrace has been shockingly and woefully inadequate.

As spring approaches and the plight of the homeless becomes a little less evident and their conditions a little less inhumane, our response may be to turn our attention to other more pressing problems of the day. To do this, however, would be a grave mistake. In the words of former Supreme Court Justice Louis Brandeis:

> Our Government is the potent, the omnipresent teacher. For good or for ill, it teaches the whole people by its example.

Mr. President, as a nation that prides itself on high standards and humanitarian tradition we cannot turn our backs on those who need our help the most. I support this legislation and encourage my colleagues to do the same.

● Mr. DANFORTH. Mr. President, I am pleased to be an original cosponsor of the Urgent Relief for the Homeless Act. Homelessness is a pervasive problem that must not be ignored. Homelessness may be most visible in urban centers, but it is also a problem in rural areas, small cities and increasingly, the suburbs. The people in our Nation who have no homes defy stereotypes. They form a diverse group that cannot be placed in neat categories. Families with children now comprise one-fourth of the homeless population and appear to be its fastest growing segment. These Americans are at the bottom end of a continuum of poverty. They need our attention and help.

In recent years, there has been much controversy over the number of homeless people and the causes of their tragic circumstances. The disagreement over statistics on the homeless is seen most clearly in the estimates of the numbers nationwide; these range from approximately 300,000 to over 3 million. The arguments over the causes of homelessness have centered principally on whether or not this administration has been responsible, rather than on the complex issues involved. These differences of opinion and lack of clarity have kept us from dealing effectively with the problem.

While this piece of legislation does not address the causes of homelessness, nor offer a permanent solution, it would provide important relief for those who are currently in need. Basic health care, shelter, and food would be provided to a number of people who don't have the means to obtain these essentials themselves.

In drafting its own version of a homeless relief bill, the Senate has tried to ensure that no new bureaucracies or programs are created. The purpose of an emergency relief bill is to reduce suffering and to do so now. For this reason, existing programs are used. It is intended that money will reach the local level as quickly as possible. Local groups who best understand the problems should be the ones to create the solutions.

It is my hope that the 100th Congress will give serious consideration to the problem of the homeless and to poverty in general. This piece of legislation in the meantime is an important effort to reduce the suffering of thousands of Americans who have no place to call home.●

Mr. HEINZ. Mr. President, I rise today in strong support of this comprehensive homeless bill, of which I am an original cosponsor. It is my view that homelessness is an increasingly serious and tragic problem in this Nation, and one that needs a more vigorous and coordinated Federal response. At the same time, we cannot approach the problem of homelessness with emergency responses, and quick fixes. Nor can we expect that homelessness will be solved merely by creating a host of new Federal Programs. Rather, we must adapt and tailor our existing housing and social service programs so that they may effectively be used to help relieve this growing national problem.

I believe that this legislation is an important first step along these lines. It builds on existing programs in a variety of areas—housing, food assistance, mental health, job training, education, and health services—and makes program changes necessary to provide these services to the homeless.

As a member of both Banking, Housing, and Urban Affairs Committee and the Governmental Affairs Committee, I have been particularly involved in the preparation of two titles of this bill—the housing title, and the title authorizing the interagency council. I want to speak briefly to these sections of the bill.

I believe that the housing title incorporates two important principles—use of existing programs, and long-term solutions. First, it increases funding for the HUD Emergency Shelter Program from the present $10 million per year to $80 million per year. This program, which was originally part of the Senate housing bill and later incorporated into the continuing resolution, is an important source of support for temporary living structures for the homeless. The housing title also increases funding for HUD's Transitional Housing Program, which provides grants for acquisition, rehabilitation, and conversion of structures for use as group homes and other types of housing which include supportive services—training, child care, education—to help homeless people adapt to independent living within 1 year or 18 months. Finally, I am very pleased that the bill provides nearly 3,000 section 8 certificates for permanent housing. Roughly one-third of these will be moderate rehabilitation certificates which may be used to fix up substandard units.

Authorization of additional project-based section 8 certificates addresses the shortage of rental housing which in my view is one major cause of homelessness in many large cities, especially in my area of the country where rental markets are tight. By providing moderate rehabilitation certificates, we are truly responding to this long-term problem faced by the homeless.

Moreover, the legislation before us does something which is long overdue—it provides a home for the homeless—a permanent base of operations for the programs which aid the homeless. The current HHS interagency task force is created in statute, made independent of HHS, and given its own line item. It will oversee all programs for the homeless, and coordinate assistance. Senator DIXON and I have sought such a home for homeless program since 1985, and I am very pleased that this bill reflects our concern.

This bill represents an important step toward combating the nationwide problem of homelessness. I look forward to this measure's enactment.

Mr. MOYNIHAN. Mr. President, I rise today to support this urgent relief package, providing important assistance to the homeless individuals now populating every city, and many rural areas across this land.

I am particularly pleased that this initiative has the strong support of both the majority and Republican leaders, as well as numerous Members of both parties. The Democratic leadership in the House of Representatives has already expedited consideration of a comprehensive assistance package authorizing some $725 million in housing, health, and nutrition programs for the homeless. The leadership in this body is determined to push for quick consideration of our own bill, so we will waste no time sending a final package to the President for his signature.

Any consideration of homelessness must recognize, first and foremost, that it is a terribly complex social problem. In the view of the experts and those who work daily with the homeless population, these sources include a severe shortage of low-cost housing, due largely to urban renewal and the consequent displacement of residential space; economic problems including a rate of unemployment which persists at an unacceptable level; and large-scale reductions in Federal entitlement programs, the most severe cuts coming in the last 6 years.

In addition, it is established—but little noted—that a substantial percentage of the homeless population suffers from acute and chronic forms of mental illness. While estimates vary, it seems to be the case that at least one-third, and perhaps more than one-half of our Nation's homeless population today suffers from chronic mental illness. This fact is attributable in large measure to a massive and profound failure, over the last two decades, to fully implement the provisions of the 1963 Community Mental Health Centers Act, whose goal was to deinstitutionalize thousands of our Nation's mentally ill. We have much to do to redress this wrong, and I will have more to say on this matter as the Senate proceeds to consider this legislation.

Mr. President, I want to also note a startling new trend: The fastest growing segment of the homeless population today is families with children. In 72 percent of the major cities surveyed in a December 1986 report by the U.S. Conference of Mayors, families comprise the largest group for whom emergency shelter and other needed services are lacking.

And just last week, the Child Welfare League of America and Traveler's Aid International released a report documenting the growing numbers of homeless children and families. Based on data from Detroit, Milwaukee, Salt Lake City, San Francisco, Los Angeles, Houston, Tampa, and Washington, DC, the study notes that for every 10 homeless adults nationwide, 8 children were affected. Perhaps most disturbing, the average age of the homeless children surveyed was only 6 years.

The rapid growth in numbers of homeless families, and children in those families, contributes to a related problem: children who have no permanent address may also now lose their right to attend public school as a result of local rules that operate to deny public school education to children living in shelters or lacking a fixed address. In many cities across the Nation, for example, homeless children living inside a school district without a permanent address—in a family shelter or temporary welfare hotel—are not considered residents of that district, and are thus not entitled to attend that district's schools.

Of the homeless children studied in the recent Child Welfare League report, 43 percent—close to one-half—of those who were school age did not regularly attend school.

To address this serious problem, I offered a provision which has been included in the homeless assistance package we offer today. This measure is designed to guarantee access to elementary and secondary public education to all homeless children, regardless of the lack of a permanent or fixed address. States must submit a plan to the Secretary of Education which addresses issues of education for homeless children. Grants will be made by the Federal Government on a competitive basis to State and local educational agencies for exemplary programs.

The homeless package authorizes $2.5 million in fiscal year 1987, and $5 million in fiscal year 1988 to carry out this provision.

Mr. President, I am pleased that the homeless assistance package we introduce today recognizes the great complexity of problems faced by homeless individuals. While the bulk of the authorized funding will be used to meet emergency housing needs, in the form of section 8 assisted housing certificates, rehabilitation grants, and transitional housing grants, substantial resources will be targeted as well to the provision of emergency food, health, and mental health services for the homeless.

We would be foolhardy indeed to think that the measure introduced today will solve the tragedy of homelessness. At best, we can hope that the programs and funding authorized under this bill will provide emergency—and immediate—relief to many of those homeless individuals who desperately need a helping hand. But it is a step, one that has been too long delayed at the Federal level. I sincerely hope the Senate will act quickly to pass this important legislation.

Mr. HATFIELD. Mr. President, today I am joining several of my distinguished colleagues in introducing a Senate bill to provide urgently-needed assistance to the Nation's men, women, and children. For some time now, the country has been aware of the growing problem of homelessness, and this legislation will actively involve the Federal Government in the effort to end the suffering.

Mr. President, I believe that it is imperative that the Senate move quickly to pass this legislation. Through a bipartisan effort dedicated to meeting the needs of the homeless, this bill was forged in a rapid manner. It is my hope that we can proceed in an equally rapid manner to approve the authorizations included in the measure. I know of the majority leader's strong personal interest in this bill and support him fully in his effort to bring it to a vote in the shortest possible time.

I encourage swift action because there are at least 350,000 Americans still waiting for adequate shelter. They have suffered through another brutal winter and are, surely, filled with hope that the recent spring-like weather will continue. But even if we passed this bill today—and funded it today—it is unlikely that many of the

Nation's homeless will be served before the next winter rolls around. Unless we move fast we will not see the fruits of our efforts for another spring.

Each of the components of this package is well-thought out and will provide assistance to those who most need it. I believe all the initiatives—for projects such as food stamp outreach, education for homeless children, transitional housing, emergency shelter and mental health services—are especially suited to the present problem. While I cannot say that this bill alone is enough to end the problem of homelessness, I will say that it is a good start.

But there is one concern I must raise in our efforts to assist the homeless. When the bill passes, we will be faced with the task of funding a multimillion dollar package. I cast a vote for the authorization but not for funding would, I believe, be a cruel hoax on the people surviving on the streets. A collective commitment of all my colleagues is necessary if we are to provide aid. And in these days of Gramm-Rudman and points of order, we are going to be hard-pressed to come up with the money. I must remind my colleagues that if they support this bill they must face up to the fact that we must come up with cuts in other programs or waive the Budget Act. I urge my colleagues to pledge fully their support for authorization and funding of this urgently needed homeless relief bill.

URGENT RELIEF FOR THE HOMELESS ACT

● Mr. DOLE. Mr. President, I am pleased to be able to join with a bipartisan group of my colleagues in introducing the Urgent Relief for the Homeless Act.

The old stereotype of homeless individuals being shiftless drifters can no longer be held. Increasingly, unemployed families, patients discharged from mental institutions, abused wives and children, and residents displaced from public housing through no fault of their own have become America's homeless.

The bill introduced today is a starting point to help focus our efforts to tailor existing programs to help the homeless, many of whom have unfortunately fallen through the cracks which exist in those programs. We all felt that by using existing programs, we could avoid creating costly new bureaucracies and ensure that money could get to those in need much quicker.

Just last year, I joined with my colleagues, the senior Senator from New Mexico [Mr. DOMENICI], in making the homeless eligible to receive food stamps which I believe complemented my efforts to secure the enactment of the Temporary Emergency Food Assistance Program.

This bill would build upon those efforts and expand this adjustment of existing programs to housing, primary and mental health, emergency shelters, job training and a coordination of Federal programs and personnel to address problems affecting our Nation's homeless.

A large number of my Republican colleagues were instrumental in drafting this beginning document, and I want to congratulate all of those who dedicated their time, energies and ideas. Of course, we could not all agree on each and every specific point, and could not all join as cosponsors. However, in that this document is intended to be only a starting point, a document which will be referred to committees for further refinement, I know that Senators on both sides of the aisle will work diligently to find useful, productive and essential solutions.

I do want to indicate that this bill does not contain a measure which has already been reported from the Committee on Veterans' Affairs. Due to basic disagreements on the approach we would follow to address the urgent need of homeless veterans, we decided to wait until other committees report their portions before debating that matter on the floor. However, Chairman CRANSTON and the ranking Republican on the committee, Senator MURKOWSKI, should be congratulated for moving ahead to find solutions, and I am hopeful that we might find some compromise when we do get to floor consideration.

I also want to indicate that a great deal of discussion has taken place on an appropriate means to finance the new authorizations in this compromise package. Many of the Republicans involved in the drafting join me in urging that we not simply add to the deficit. In that this bill will only authorize new programs and not appropriate the funds, we have agreed to further discuss costs and funding mechanisms available to us during consideration of the upcoming appropriations bill.

Finally, Mr. President, I want to thank and congratulate the majority leader for the commitment and leadership he has displayed on this issue. I know of his intention to ensure a timely consideration of this legislation, and look forward to our continued work together on it.●

RELIEF FOR THE HOMELESS ACT

● Mr. D'AMATO. Mr. President, I am pleased to join with my distinguished colleagues in introducing bipartisan legislation that addresses perhaps the most heartwrenching problem facing our Nation: homelessness. The needs of the homeless are immediate. The legislation being introduced today will provide for a coordinated, Federal effort to address this emergency.

Unlike the skid-row derelicts who comprised the typical homeless population of the 1950's and 1960's, today's homeless represent many diverse groups—the mentally ill, evicted families, the elderly, the handicapped, alcoholics, drug addicts, veterans, abused spouses, abandoned spouses with children, abused young people, cast-off children, and runaways.

A variety of factors have contributed to the increased number of homeless in our Nation's cities: Unemployment and underemployment, a scarcity of affordable housing, deinstitutionalization of the mentally ill, and cutbacks in social service and housing programs. Whatever the reason, homelessness in our country is at an unprecedented level. Not since the Great Depression has such a large segment of the American population been in such need.

Mr. President, in 1983, Congress began to address the homelessness crisis by providing assistance to many local food and shelter programs. Emergency funds under the Federal Emergency Management Agency [FEMA] Emergency Food and Shelter Program were appropriated to assist local governments in tackling the problem.

So far, FEMA's program has distributed grants to approximately 9,000 nonprofit and charitable agencies in 1,500 communities. These agencies have provided an estimated 220 million meals at an average cost of 75 cents per meal and 55.2 million nights of shelter at an average cost of $2.25 per night. The work of these agencies is commendable, but more needs to be done. Many homeless and hungry individuals have been turned away because of depleted resources.

In last year's continuing resolution House Joint Resolution 738, Congress agreed to appropriate $15 million to the Department of Housing and Urban Development to carry out two new programs for the homeless: The Emergency Shelter Grants Program and the Transitional Housing Demonstration Program. In addition, last month, the Congress approved and the President signed emergency legislation that appropriated $50 million for FEMA's Emergency Food and Shelter Program. These programs are essential first steps in meeting the nutritional and housing needs of our most impoverished citizens.

Rather than continuing this patchwork approach to solving a national problem, we must develop a comprehensive, well-coordinated program for the homeless. A formal program will help provide stability and certainty to the cities, towns and charitable organizations that provide services to the homeless. The legislation being introduced today will accomplish this goal.

Mr. President, the Urgent Relief for the Homeless Act would create a long-term Federal program of emergency food and shelter assistance, transitional and permanent housing, physical and mental health services, education, job training, nutrition, and other supportive services to the homeless through the coordinated efforts of the Interagency Council. The Interagency Council will consist of the Secretaries of the U.S. Departments of Housing and Urban Development, Agriculture, Health and Human Services, Commerce, Education, Defense, Energy, Labor, Transportation, Interior, and the Veterans' Administration, as well as the Administrator of FEMA.

States, local governments, and private voluntary organizations have been unable to meet all of the basic human needs of our Nation's homeless. The Federal Government must take a greater role in providing assistance to protect and improve the lives and safety of millions of suffering homeless. I urge my colleagues to support this legislation and it is my hope that the Congress will move expeditiously to enact this program for America's homeless.●

CLOTURE MOTION

The PRESIDING OFFICER. One hour having passed since the Senate convened, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of H.J. Res. 175, a joint resolution to impose a moratorium on United States assistance for the Nicaraguan democratic resistance until there has been a full and adequate accounting for previous assistance.

Harry Reid,
Barbara Mikulski,
Wendell Ford,
Kent Conrad,
Tom Daschle,
Brock Adams,
Howard M. Metzenbaum,
William Proxmire,
David Pryor,
Terry Sanford,
Tom Harkin,
Jim Sasser,
Daniel Inouye,
George J. Mitchell,
Alan Cranston,
J. James Exon,
Claiborne Pell,
Robert C. Byrd,
Paul Sarbanes, and
Daniel P. Moynihan.

CALL OF THE ROLL.

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The bill clerk called the roll, and the following Senators answered to their names:

[Quorum Vote No. 8]

PRESENT

Adams
Byrd
Daschle
Ford

The PRESIDING OFFICER. A quorum is not present.

The clerk will call the names of the absent Senators.

The bill clerk resumed the call of the roll and the following Senators entered the Chamber and answered to their names:

Armstrong
Baucus
Bentsen
Biden
Bond
Boren
Bradley
Breaux
Bumpers
Burdick
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
DeConcini
Dixon
Dodd
Domenici
Durenberger
Evans
Exon
Fowler
Glenn
Gore
Graham
Gramm
Grassley
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

The PRESIDING OFFICER. A quorum is present.

Mr. CRANSTON. I announce that the Senator from New Mexico [Mr. Bingaman], the Senator from Iowa [Mr. Harkin], and the Senator from Michigan [Mr. Riegle] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. Boschwitz], the Senator from Missouri [Mr. Danforth], the Senator from Kansas [Mr. Dole], the Senator from Utah [Mr. Garn], the Senator from Utah [Mr. Hatch], and the Senator from Idaho [Mr. Symms] are necessarily absent.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate to proceed to the consideration of House Joint Resolution 175, a joint resolution to impose a moratorium on United States assistance for the Nicaraguan democratic resistance unless there has been a full and adequate accounting for previous assistance, be brought to a close. The yeas and nays are automatic under the rule. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from New Mexico [Mr. Bingaman], the Senator from Iowa [Mr. Harkin], and the Senator from Michigan [Mr. Riegle], are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. Bingaman] would each vote "yea."

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. Boschwitz], the Senator from Missouri [Mr. Danforth], the Senator from Kansas [Mr. Dole], the Senator from Utah [Mr. Garn], the Senator from Utah [Mr. Hatch], and the Senator from Idaho [Mr. Symms] are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota [Mr. Boschwitz] and the Senator from Utah [Mr. Hatch] would each vote "nay."

The PRESIDING OFFICER Mr. (Wirth). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 46, nays 45, as follows:

[Rollcall Vote No. 36 Leg.]

YEAS—46

Adams
Baucus
Biden
Bradley
Bumpers
Burdick
Byrd
Chafee
Conrad
Cranston
Daschle
DeConcini
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Hatfield
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Proxmire
Pryor
Reid
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Specter
Stafford
Weicker
Wirth

NAYS—45

Armstrong
Bentsen
Bond
Boren
Breaux
Chiles
Cochran
Cohen
D'Amato
Dixon
Domenici
Evans
Graham
Gramm
Grassley
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Nunn
Pressler
Quayle
Roth
Rudman
Shelby
Simpson
Stennis
Stevens
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—9

Bingaman
Boschwitz
Danforth
Dole
Garn
Harkin
Hatch
Riegle
Symms

The PRESIDING OFFICER. On this vote the yeas are 46, the nays are 45. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

CLOTURE MOTION

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. BYRD. Mr. President, I hope that we will do better tomorrow on the cloture.

I send a cloture motion to the desk which will provide for a vote for cloture on the day after tomorrow as well.

The **PRESIDING OFFICER.** The clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of House Joint Resolution 175, a joint resolution to impose a moratorium on U.S. assistance for the Nicaraguan democratic resistance until there has been a full and adequate accounting for previous assistance.

Robert C. Byrd,
Spark Matsunaga,
Jim Sasser,
Barbara A. Mikulski,
Claiborne Pell,
J.J. Exon,
Brock Adams,
Terry Sanford,
Paul Simon,
Daniel K. Inouye,
J.R. Biden,
Jay Rockefeller,
Max Baucus,
John Glenn,
Carl Levin,
Paul Sarbanes,
Wyche Fowler,
Timothy Wirth,
Daniel P. Moynihan, and
Bill Proxmire.

REMOVAL OF INJUCTION OF SECRECY

Mr. **BYRD.** Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from two conventions—the Convention on Early Notification of a Nuclear Accident and the Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency (Treaty Document No. 100-4), transmitted to the Senate today by the President of the United States.

I also ask that the conventions be considered as having been read the first time; that they be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the Record.

The **PRESIDING OFFICER.** Is there objection?

The Chair hears none, and it is so ordered.

The message is as follows:

To the Senate of the United States:

I submit herewith, for Senate advice and consent to ratification, the Convention on Early Notification of a Nuclear Accident, with declaration, and the Convention on Assistance in the Case of a Nuclear Accident or Radiological Emergency, with declarations. These conventions were adopted on September 26, 1986, in Vienna at a Special Session of the General Conference of the International Atomic Energy Agency and signed by the United States on that date. I also transmit herewith, for the information of the Senate, the report of the Department of State concerning the conventions.

At the May 1986 Tokyo Economic Summit, in view of the Chernobyl accident, I proposed, and the other heads of government agreed, that a convention providing for prompt notification of nuclear accidents with significant transboundary effects should be urgently drafted. The international community has acted with exceptional speed. Two conventions have been prepared and adopted by consensus. The convention on notification requires state parties to report promptly the occurrence of the accident and to provide information relevant to minimizing radiological consequences. The convention on assistance sets out an international framework to facilitate prompt assistance in the event of a nuclear accident or radiologicial emergency.

The United States has initiated many steps to deal with nuclear safety in the aftermath of the Chernobyl accident. These conventions fill key gaps that existed in the international structure; they reflect an international consensus. There should be a domestic consensus in support of the conventions as well, and I urge the Senate to act expeditiously in giving its advice and consent to ratification.

Ronald Reagan.

The White House, *March 23, 1987.*

ROUTINE MORNING BUSINESS

Mr. **BYRD.** Mr. President, I ask unanimous consent that there be 1 minute for the transaction of routine morning business.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

BOSTON MUSEUM OF SCIENCE OPENS NEW WING

Mr. **KERRY.** Mr. President, the Boston Museum of Science has just opened a new wing containing some of the most spectacular science-oriented exhibits ever displayed to the public. The new wing cost $24 million, and took 2 years to build.

The highlight and centerprice of the new wing is the Mugar Omnimax Theater, one of only a dozen such theaters in the world. The theater's screen is a 7-story, 76-foot dome which curves over and around the audience, surrounding the viewer with giant, larger than life images. Films made for this theater are 70 mm wide and 70 mm long, producing an image 10 times larger than ordinary movie film.

This stunning exhibit, and the others in the new wing, are a tremendous way to get students and young people interested in science, as well as providing science education for adults. The new wing of the Boston Science Museum will undoubtedly launch a new generation of students on their way to careers in science.

This is an exciting and innovative way to do exactly what we need to be doing in this country—stimulating our young people to become interested in science and technology, and making science education a part of their lives. We need to get more of our young people, especially young women and members of minority groups, involved in science now if we are going to remain economically competitive as a nation in the 21st century.

Figures compiled by the National Science Foundation [NSF] show, that, over the past two decades, participation in science has been falling off sharply in the United States. For every 1,000 pupils in the fifth grade in 1965, only 72 of them received bachelor's degrees in science and engineering by 1985. Only 33 of those entered science and engineering graduate schools, and only 4.6 received science and engineering doctorates. This means that less than one-half of 1 percent of our students received science and engineering doctorates over the past 20 years. We have to start doing better than that.

It is also disturbing to note that in 1986, only 25 percent of our scientists in the United States were women, and only 5 percent of our engineers were women. And only 3 percent of our scientists, and 2 percent of our engineers, were black. Women, blacks, and other minority groups constitute a huge pool of talent which is being wasted in this country in the fields of science and engineering. We simply can no longer afford to waste this tremendous pool of talent and ability if we are going to remain competitive in the world economy.

The Boston Museum of Science is showing us the way to get our young people interested in science and technology. This is a great contribution not only to the city of Boston, but to our young people and our future as a nation. I congratulate the Boston Museum of Science on the opening of their new wing, and I urge all visitors to Boston to visit this exciting facility. I ask that an article from the Boston Globe about the new wing of the Boston Museum of Science be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Boston Globe, Mar. 19, 1987]

A New Showcase For Science

(By Paul Angiolillo)

Right now, somewhere, a scientist is discovering something no one ever knew before—about how forests cope with acid rain, where our galaxy came from, if an animal can solve a puzzle, what anti-matter is, or why humans feel and think.

It's a lot to absorb. One reads an occasional article in a newspaper or magazine and watches a special or two on TV. But, let's face it, a movie or concert is often more tempting than a lecture on plate tectonics.

How we look at science, art, and being entertained may change, though, with the opening this Saturday of the Museum of Science's new $24 million wing, which took two years to build.

In it, you can play adult-oriented software games in the Computercade, watch skits and improvisations about science and technology put on by professional actors in a four-story atrium, admire the latest high-tech marvels along a broad avenue called "Science Street," browse through a store-sized gift shop, and catch a show at the new 335-seat Mugar Omni Theater of the Hayden Planetarium. In early May, you'll be able to enjoy a dinner or drink in a new cafe which will have tables inscribed with nutrition and food information.

"We like to think of the new wing as a 'Quincy Market of the sciencies'," says John Jacobsen, the museum's Director of Theaters. In an attempt to bring adults into the museum, the new wing will stay open until 9 p.m. Tuesday, Wednesday, Thursday and Sunday and 10 p.m. on Friday and Saturday.

It's worth noting all these attractions in the new wing—because many of them will probably get overshadowed in coming months by just one of them: Omni max.

The Mugar Omnimax Theater is undisputedly the wing's showpiece. One of only a dozen such theaters in the world, its screen is a seven-story, 76-foot dome curving over and around the audience. To heighten even further the sensation of being surrounded by the film, the auditorium slopes at a steep 30-degree angle. Films made for Omnimax theaters are 70mm wide and 70mm long, producing an image 10 times larger than ordinary 35mm movie film.

"The frame size is the secret," says Mary Jane Dodge, the Omni Theater's new director, who has set up three other Omnimax theaters in the U.S. "Resolution and clarity stay good even when it's blown way up. This is different from the 360-degree theater in Disney World. There they use nine separate 16mm projectors whose images are joined. Omnimax uses one projector and one film. Our lamp is the other secret."

An Omnimax projector has a 15,000-watt arc lamp that costs $5,000 and must be water-cooled. The projector, which rides up a 20-foot shaft, also uses a 180-degree fisheye lens and 4-foot reels. An automated dust buster constantly monitors the film for particles, which would appear on the screen as large rocks.

"The sound is just as important," adds Dodge. The 70mm film soundtracks get stored on separate 35mm reels of film. A computer synchronizes the images and the sound that is sent through 12 channels, 37 amplifiers, and 84 speakers arranged in a dozen clusters throughout the theater. Some of the speakers emit frequencies lower than the human ear can pick up, which vibrates clothing.

A clear glass wall allows people sitting in the theater's spacious lobby to watch Lilliputian-like projectionists bustling around the oversized projector, reels and cables—Omnimax becomes an exhibit.

The first film at the Omni Theater will be "The Dream Is Alive," a 37-minute documentary on the space shuttle. Scenes of a huge solar panel being deployed and the shuttle passing over the Alps and Italy surpass even Spielberg and Kubrich in awesomeness. "The Great Barrier Reef," a 70mm film of an undersea expedition, will be shown later in the year. The first 70mm film produced locally, "New England Time Capsule," runs as a 10-minute short before the main feature. Its mood alternates between tranquility and a "thrill-ride"—so watch out for stomach-turning scenes such as a speeded-up ride onto Storrow Drive. The Omni Theater is also equipped to show 35mm films and slides.

So far, only about 50 films have been shot in 70mm format, a process that requires a special camera and film. To keep the supply coming, the Boston Museum of Science began the Museum Film Network in 1985, recruiting half a dozen other Omnimax theaters. The Network's first film co-produced with HGBH-Nova, will be "To the Limit," a feature on human physical performance.

"We see the theater as an adult attraction, while the planetarium will be programmed more for the college crowd," says Jacobsen. The Hayden Planetarium premiered a show earlier this month, "Images: The New Astronomy," described as "a combination of a music video and a Nova documentary."

Pointing out an exhibit in the new atrium, Dodge says, "So many of the social issues today are scientifically based—hazardous waste, nuclear war—that adults need more science literacy."

MUSEUM OF SCIENCE NEW WING

Science Park, Boston. Telephone 523-6664. Beginning March 21: Mugar Omni Theater's Omnimax shows Tuesday through Friday from 11 a.m., Saturday and Sunday from noon, call for daily show times. Admission: adults $5, ages 4-14 and elders $3. Combination tickets for museum, planetarium and theater available.●

A 2-YEAR BUDGET CYCLE

Mr. STEVENS. Mr. President, I am pleased to join the chairman of the Rules Committee (Mr. Ford) as a cosponsor of S. 286, providing for a 2-year Federal budget cycle.

Senator Ford first brought 2-year budgeting to the attention of the Senate in the 97th Congress and has reintroduced his proposal in each of the succeeding Congresses. I commend him for his leadership on this important issue.

Two-year budgeting is clearly a concept worthy of careful consideration in this 100th Congress. Several thoughtful arguments have been advanced in its favor.

First, it has been suggested that 2-year budgeting would facilitate better planning for both Federal agencies, and State and local governments by alleviating the uncertainty of annual funding decisions by the Congress. As the necessary task of deficit reduction inevitably causes even greater uncertainty among recipients of Federal dollars, it will become increasingly important to finds ways to mitigate these difficulties for Federal, State, and local budgetary planners.

Another possible advantage of 2-year budgeting is that it would focus attention on the longer-term implications of budgetary decisions instead of a single 12-month period.

Enhanced congressional efficiency has been offered as a third reason for considering 2-year budgeting. Supporters have suggested that a 2-year budget cycle would allow Members of Congress to make better use of their time by considering appropriations and authorizations in alternating years, instead of simultaneously. A corollary benefit to this might be improved control of the deficit by allowing Congress more time to carefully scrutinize entitlement programs.

Mr. President, there are, of course, many other arguments advanced in support of 2-year budgeting, as well as thoughtful concerns raised about the concept. The important point, however, is that the issues raised by biennial budgeting deserve our careful attention, especially at this time of fiscal crisis, when we need to employ the best possible fiscal procedures.

Mr. President, I also want to commend my good friends, the ranking member of the Governmental Affairs Committee, Bill Roth, and the ranking member of the Senate Budget Committee, Pete Domenici, for their leadership on this issue.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a treaty, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

TENTH ANNUAL REPORT OF THE NATIONAL INSTITUTE OF BUILDING SCIENCES—MESSAGE FROM THE PRESIDENT—PM 28

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

In accordance with the requirements of section 809 of the Housing and Community Development Act of 1974 (12 U.S.C. 1701j-2(i)), I herewith transmit the Tenth Annual Report of the National Institute of Building Sciences.

Ronald Reagan.

The White House, *March 23, 1987.*

MESSAGES FROM THE HOUSE

At 4:47 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 431) to extend until September 15, 1987, the emergency acquisition and net worth guarantee provisions of the Garn-St Germain Depository Institutions Act of 1982.

MEASURES PLACED ON THE CALENDAR

Pursuant to the provisions of Public Law 99-500, the Committee on Appropriations was discharged from further consideration of the following joint resolution; which was placed on the calendar:

S.J. Res. 78. Joint resolution to approve the request of the President for additional assistance for Central American democracies under section 215(2) of Public Law 99-500.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BENTSEN, from the Committee on Finance, without amendment and with a preamble:

S. Con. Res. 21. Concurrent resolution expressing the sense of Congress in opposition to the proposal by the European Community for the establishment of a tax on vegetable and marine fats and oils and urging the President to take strong and immediate countermeasures should such a tax be implemented to the detriment of U.S. exports of oilseeds and products and inconsistently with the European Community's obligations under the General Agreement on Tariffs and Trade.

By Mr. BENTSEN, from the Committee on Finance, with an amendment in the nature of a substitute and an amendment to the title and an amended preamble:

S. Con. Res. 27. Concurrent resolution stating the sense of the Senate that the U.S. Department of Commerce and Special Trade Representatives should initiate investigations of Canadian agricultural subsidies.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BYRD (for himself, Mr. Dole, Mr. Bradley, Mr. Chiles, Mr. Cranston, Mr. D'Amato, Mr. Danforth, Mr. Dixon, Mr. Dodd, Mr. Domenici, Mr. Glenn, Mr. Gore, Mr. Hatfield, Mr. Heinz, Mr. Kasten, Mr. Kennedy, Mr. Leahy, Mr. Metzenbaum, Mr. Mitchell, Mr. Moynihan, Mr. Murkowski, Mr. Weicker, Mr. Kerry, Mr. Adams, Mr. Specter, Mr. Lautenberg, Mr. Harkin, and Mr. Chafee):

S. 809. A bill to provide urgently needed assistance to protect and improve the lives and safety of the homeless; ordered held at the desk.

By Mr. BYRD (for himself, Mr. Bradley, Mr. Chiles, Mr. Cranston, Mr. Dixon, Mr. Dodd, Mr. Glenn, Mr. Gore, Mr. Hatfield, Mr. Kennedy, Mr. Metzenbaum, Mr. Mitchell, Mr. Moynihan, Mr. Weicker, Mr. Kerry, Mr. Adams, Mr. Lautenberg, and Mr. Harkin):

S. 810. A bill to authorize housing assistance for homeless individuals and families; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BYRD (for himself, Mr. Bradley, Mr. Chiles, Mr. Cranston, Mr. Dixon, Mr. Dodd, Mr. Glenn, Mr. Gore, Mr. Hatch, Mr. Hatfield, Mr. Kennedy, Mr. Leahy, Mr. Metzenbaum, Mr. Mitchell, Mr. Moynihan, Mr. Weicker, Mr. Kerry, Mr. Adams, Mr. Lautenberg, and Mr. Harkin):

S. 811. A bill to provide health services, mental health services, and job training for homeless individuals and education for homeless children; to the Committee on Labor and Human Resources.

By Mr. BYRD (for himself, Mr. Bradley, Mr. Chiles, Mr. Cranston, Mr. Dixon, Mr. Dodd, Mr. Glenn, Mr. Gore, Mr. Hatfield, Mr. Kennedy, Mr. Leahy, Mr. Metzenbauam, Mr. Mitchell, Mr. Moynihan, Mr. Weicker, Mr. Kerry, Mr. Adams, Mr. Lautenberg, and Mr. Harkin):

S. 812. A bill to amend the Food Stamp Act of 1977 to provide urgent relief to improve the nutrition of the homeless, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BYRD (for himself, Mr. Bradley, Mr. Chiles, Mr. Cranston, Mr. Dixon, Mr. Dodd, Mr. Glenn, Mr. Gore, Mr. Hatfield, Mr. Kennedy, Mr. Leahy, Mr. Metzenbauam, Mr. Mitchell, Mr. Moynihan, Mr. Weicker, Mr. Kerry, Mr. Adams, Mr. Lautenberg, and Mr. Harkin):

S. 813. A bill to provide urgently needed assistance to protect and improve the lives and safety of the homeless; to the Committee on Governmental Affairs.

By Mr. HATFIELD (for himself, Mr. Pell, Mr. Simon, Mr. Glenn, Mr. Kerry, Ms. Mikulski, and Mr. Boschwitz):

S. 814. A bill to facilitate the resettlement of Indochinese refugees and to provide for the protection of Indochinese refugees along the border of Thailand from cross-border attacks, and for other purposes; to the Committee on the Judiciary.

By Mr. PELL (by request):

S. 815. A bill to amend the Peace Corps Act, and for other purposes, to the Committee on Foreign Relations.

By Mr. BAUCUS:

S. 816. A bill to amend title 49, United States Code, relating to the construction, acquisition, or operation of rail carriers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BAUCUS (for himself and Mr. Chafee):

S. 817. A bill to amend the Tax Reform Act of 1986 to clarify the study of source rules for sales of inventory property and to provide additional time to complete the study; to the Committee on Finance.

By Mr. LAUTENBERG:

S.J. Res. 103. Joint resolution to designate October, 1987 as "Computer Learning Month"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BYRD (for himself, Mr. Dole, Mr. Bradley, Mr. Chiles, Mr. Cranston, Mr. D'Amato, Mr. Danforth, Mr. Dixon, Mr. Dodd, Mr. Domenici, Mr. Glenn, Mr. Gore, Mr. Hatfield, Mr. Heinz, Mr. Kasten, Mr. Kennedy, Mr. Leahy, Mr. Metzenbaum, Mr. Mitchell, Mr. Moynihan, Mr. Murkowski, Mr. Weicker, Mr. Kerry, Mr. Adams, Mr. Specter, Mr. Lautenberg, Mr. Harkin, and Mr. Chafee):

S. 809. A bill to provide urgently needed assistance to protect and improve the lives and safety of the homeless; ordered held at the desk.

By Mr. BYRD (for himself, Mr. Bradley, Mr. Chiles, Mr. Cranston, Mr. Dixon, Mr. Dodd, Mr. Glenn, Mr. Gore, Mr. Hatfield, Mr. Kennedy, Mr. Metzenbaum, Mr. Mitchell, Mr. Moynihan, Mr. Weicker, Mr. Kerry, Mr. Adams, Mr. Lautenberg, and Mr. Harkin):

S. 810. A bill to authorize housing assistance for homeless individuals and families; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BYRD (for himself, Mr. Bradley, Mr. Chiles, Mr. Cranston, Mr. Dixon, Mr. Dodd, Mr. Glenn, Mr. Gore, Mr. Hatch, Mr. Hatfield, Mr. Kennedy, Mr. Leahy, Mr. Metzenbaum, Mr. Mitchell, Mr. Moynihan, Mr. Weicker, Mr. Kerry, Mr. Adams, Mr. Lautenberg, and Mr. Harkin):

S. 811. A bill to provide health services, mental health services, and job training for homeless individuals and education for homeless children; to the Committee on Labor and Human Resources.

By Mr. BYRD (for himself, Mr. Bradley, Mr. Chiles, Mr. Cranston, Mr. Dixon, Mr. Dodd, Mr. Glenn, Mr. Gore, Mr. Hatfield, Mr. Kennedy, Mr. Leahy, Mr. Metzenbaum, Mr. Mitchell, Mr. Moynihan, Mr. Weicker, Mr. Kerry, Mr. Adams, Mr. Lautenberg, and Mr. Harkin):

S. 812. A bill to amend the Food Stamp Act of 1977 to provide urgent relief to improve the nutrition of the homeless, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BYRD (for himself, Mr. Bradley, Mr. Chiles, Mr. Cranston, Mr. Dixon, Mr. Dodd, Mr. Glenn, Mr. Gore, Mr. Hatfield, Mr. Kennedy, Mr. Leahy, Mr. Metzenbaum, Mr. Mitchell, Mr. Moynihan, Mr. WEICKER, Mr. KERRY, Mr. ADAMS, Mr. LAUTENBERG, and Mr. HARKIN):

S. 813. A bill to provide urgently needed assistance to protect and improve the lives and safety of the homeless; to the Committee on Governmental Affairs.

(The remarks of Mr. BYRD and others, and the text of the legislation appear earlier in today's RECORD.)

By Mr. HATFIELD (for himself, Mr. PELL, Mr. SIMON, Mr. GLENN, Mr. KERRY, Ms. MIKULSKI, and Mr. BOSCHWITZ):

S. 814. A bill to facilitate the resettlement of Indochinese refugees and to provide for the protection of Indochinese refugees along the border of Thailand from cross-border attacks, and for other purposes; to the Committee on the Judiciary.

(The remarks of Mr. HATFIELD and the text of the legislation appear earlier in today's RECORD.)

By Mr. PELL (by request):

S. 815. A bill to amend the Peace Corps Act, and for other purposes; to the Committee on Foreign Relations.

PEACE CORPS AUTHORIZATION ACT

● Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to authorize appropriations for the Peace Corps for fiscal years 1988 and 1989.

This proposed legislation has been requested by the Peace Corps and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with the section-by-section analysis and the letter from the Director of the Peace Corps to the President of the Senate dated March 18, 1987.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 815

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The first sentence of section 3(b) of the Peace Corps Act (hereinafter referred to as the "Act) is amended to read as follows:

"There are authorized to be appropriated to carry out the purposes of this Act $130,682,000 for the fiscal year 1988 and such sums as may be necessary for the fiscal year 1989."

SEC. 2. Section 15(d)(4) of the Act is amended to read as follows:

"(4) purchase and hire of passenger motor vehicles: *Provided,* That the provisions of 31 U.S.C. 1343 shall have no application to vehicles purchased for the transportation, maintenance, or direct overseas support of volunteers: *And provided further,* That except as may otherwise be provided in an appropriation or other Act, passenger motor vehicles for administrative purposes outside the United States may be purchased for replacement only, and such vehicles may be exchanged or sold and replaced by an equal number of such vehicles and the cost, including exchange allowance, of each such replacement shall not exceed the current market price in the United States of a midsized sedan or station wagon meeting the requirements established by the General Services Administration for a Class III vehicle of United States manufacture (or, if the replacement vehicle is a right-hand drive vehicle, 120 percent of that price) in the case of an automobile for any Peace Corps country representative appointed under section 7(c): *And provided further,* That passenger motor vehicles may be purchased for use in the United States only as may be specifically provided in an appropriation or other Act."

SEC. 3. Section 15 of the Peace Corps Act is amended by adding at the end thereof a new subsection "(e)" as follows:

"(e) Technical publications produced by the Peace Corps may be sold at cost in furtherance of the purposes of this Act and the proceeds of such sales in each fiscal year may be credited to the currently applicable appropriation of the Peace Corps, notwithstanding section 3302(b) of title 31, United States Code."

A BILL TO AMEND THE PEACE CORPS ACT AND FOR OTHER PURPOSES—SECTION-BY-SECTION ANALYSIS

Section 1 amends section 3 of the Peace Corps Act (hereinafter the "Act") to authorize the appropriation of $130,682,000 for fiscal year 1988, and such sums as may be necessary for fiscal year 1989.

Section 2 amends Section 15(d)(4) of the Act to specify that (1) the provisions of 31 U.S.C. 1343 (limiting the cost of vehicles to an amount established in an Appropriations Act) have no application to vehicles required for the transportation, maintenance, or other direct overseas support of Volunteers, and (2) the price which may be paid for passenger vehicles used for administrative purposes is equal to that specified in Section 636(5) of the Foreign Assistance Act of 1961, as amended. The maximum price which may be paid for a vehicle established pursuant to 31 U.S.C. 1343 (currently $6600) is unrealistically low for the types of vehicles required for Volunteer support in some areas. The limit on the cost of a country representative's vehicle ($2500) also needs to be increased. The level being proposed is the same level as that available to other agencies under the Foreign Assistance Act.

Section 3 amends section 15 of the Act by adding a new subsection (e) authorizing the Peace Corps to sell its publications to the public at cost, and authorizing deposit of the proceeds of such sales to the Peace Corps' then-current appropriation. The Peace Corps produces a number of technical publications which are available to private voluntary organizations and to host-country governments and agencies. They are often requested in large quantities. Peace Corps cannot afford to make multiple copies available *gratis,* although dissemination of the information they contain is a desirable furtherance of the Peace Corps' mission. Efforts to have these publications produced through the Government Printing Office have proved too expensive, or unsuccessful. As present, Peace Corps lacks authority to reimburse its appropriation for the costs of publication of these materials from the proceeds of sales. Authorizing the Peace Corps to sell its publications at cost and reimburse its current appropriation for such cost, would permit a broader dissemination of Peace Corps technical publications than is now possible and conserve federal resources.

PEACE CORPS,
OFFICE OF THE DIRECTOR,
March 18, 1987.

Hon. GEORGE BUSH,
President, U.S. Senate, Washington, DC.

DEAR MR. PRESIDENT: I am pleased to transmit to you a draft bill which will enable Peace Corps to continue its efforts on behalf of world peace and friendship for fiscal years 1988 and 1989.

The key provisions of this bill are as follows:

AUTHORIZATION OF APPROPRIATIONS

The bill would authorize the appropriation of $130,682,000 for fiscal year 1988 and such sums as may be necessary for fiscal year 1989 to support activities under the Peace Corps Act.

OVERSEAS VEHICLES

The Peace Corps' authority to purchase or hire motor vehicles overseas has not been modified since enactment of the Peace Corps Act in 1961 and needs to be updated to reflect current prices and needs. An amendment to Section 15(d)(4) of the Peace Corps Act is proposed to specify that (1) the provisions of 31 U.S.C. 1343 (limiting the cost of vehicles) have no application to vehicles required for the transportation, maintenance, or other direct overseas support of Volunteers, and (2) the price which may be paid for passengers vehicles used for administrative purposes is equal to that specified in Section 636(5) of the Foreign Assistance Act of 1961, as amended.

REIMBURSEMENT FOR TECHNICAL PUBLICATIONS

Peace Corps technical publications contain much information which is valuable to private voluntary organizations and host-country ministries. The bill proposes an amendment to the Peace Corps Act which would facilitate dissemination of this valuable information by authorizing the Peace Corps to sell its technical publications at cost, and to credit the proceeds of such sales to its current appropriation. The Peace Corps cannot afford to provide large amounts of its publications *gratis,* or without being able to recoup, for its own use, the proceeds of sales. Under present law, the proceeds of such sales must be remitted to the Treasury.

The Office of Management and Budget has advised that there is no objection to the submission of this legislation to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

LORET MILLER RUPPE,
Director.●

By Mr. BAUCUS:

S. 816. A bill to amend title 49, United States Code, relating to the construction, acquisition, or operation of rail carriers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

INTERSTATE COMMERCE AMENDMENTS

Mr. BAUCUS. Mr. President, I am introducing legislation today that would establish an expedited process for reviewing proposed sales of shortline railroads.

These so-called shortline sales—that is sales of short feeder lines are becoming increasingly common as a way of reducing operating costs and keeping the lines running. In 1983, the ICC ruled that shortline sales are exempt from review to determine whether they will serve the public convenience and necessity.

It may make sense, as a general proposition, to encourage shortline sales as an alternative to abandonment. However, these are not isolated business transactions among private parties. They affect important interests of railway workers, shippers, and the communities served by the lines. And the actual impact of a shortline sale may vary significantly from case-to-case.

For example, the Burlington Northern Railroad currently is considering the sale of its line that runs from Laurel, MT, to Sandpoint, ID. This sale may well be in the long-term interest of the effected area. Then again, it may not. Given the ICC's blanket exemption of all shortline sales from review, there is no good way to find out. This fosters unsettling fear among workers, shippers, and affected communities and frequently generates counter-productive acrimony.

To address this problem, the bill I am introducing would establish a simple system of expedited review of shortline sales, based at the local level.

Under this system, the terms of a proposed sale will be disclosed to the State.

The State agency or agencies will then have 30 days to review the terms of a sale and decide whether to protest.

Such a protest will automatically require the ICC to consider, within 60 days, whether the particular sale is appropriate for an exemption. If the ICC decides that it is not, it shall then apply the ordinary criteria of 49 U.S.C. 10101a.

Simply put, Mr. President, this proposal injects local review into the shortline sale process, assuring that the concerns of the affected workers, shippers, and communities will be fully considered. In most cases, I expect that the State agency will conclude that the sale should go forward and consequently that no protest should be filed. Nevertheless, we will have increased public confidence about these sales and, I hope, created a more positive atmosphere within which they may be considered.

I ask unanimous consent that a copy of the text of the bill be inserted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 816

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) clause (1) of subsection (b) of section 10901 of title 49, United States Code, is amended to read as follows:

"(1) send a copy of the application and all relevant agreements (draft or otherwise) between the parties relating to any transaction under subsection (a) of this section to the chief executive officer of each State, as such regulatory agency or agencies as the chief executive officer shall designate, that would be directly affected by the construction, acquisition, or operation of the railroad line;".

SEC. 2. Section 10901 of title 49, United States Code, is amended by adding at the end of such section the following new subsection:

"(f) Upon receipt by a State of an application and any relevant agreement or agreements pursuant to clause (1) of subsection (b) of this section, the chief executive officer, or designated agency or agencies, shall have a period of 30 days immediately following such date of receipt within which to submit a written protest of such application to the Commission. Upon receipt by the Commission of any such protest timely submitted, the Commission shall within 60 days following the date of the receipt of such protest, review the proposed transaction to determine whether or not an exemption from review under the authority of section 10505 is appropriate. If the Commission finds that the proposed transaction does not appropriately fall under the review exemption, the Commission shall proceed to determine whether the present or future public convenience and necessity require or permit the construction or acquisition (or both) and operation of the railroad line.".

SEC. 3. Section 10505 of title 49, United States Code, is amended by adding at the end thereof the following:

"(h) The Commission may not exercise its authority under this section to exempt an applicant from the procedures set forth in clause (1) of subsection (b) and subsection (f) of section 10901 of this title.".

By Mr. BAUCUS (for himself and Mr. CHAFEE):

S. 817. A bill to amend the Tax Reform Act of 1986 to clarify the study of source rules for sales of inventory property and to provide additional time to complete the study; to the Committee on Finance.

SOURCE RULE STUDY CORRECTION

● Mr. BAUCUS. Mr. President, I am today introducing, along with Senator CHAFEE, a bill to improve the formulation of a study, relating to U.S. exports, required under the 1986 Tax Reform Act.

In that act, Congress wisely decided not to change the major tax rules for U.S. exports. In particular, we decided to retain the rule, called the "export source rule," under which companies are permitted to treat a portion of their earnings from U.S. exports as foreign source income. This provision is extremely important to most U.S. exporters. The Senate committee report in retaining the provision specifically stated that any change: "would create difficulties for U.S. businesses to compete in international commerce. Moreover, the committee recognizes that with substantial trade deficits in the United States, it does not want to impose any obstacles on U.S. businesses that might exacerbate the problems of U.S. competitiveness abroad."

In the final version of the act, Congress decided that while the export source rule should be retained, a study of the rule should be undertaken to examine its impact "in light of the [Act's] lower tax rates and in light of Congressional Trade concerns." The act provides that the Secretary of the Treasury or his delegates should submit its study and any recommendations for change to the Committee on Ways and Means and the Committee on Finance no later than September 30, 1987.

Mr. President, this study involves an important element of our trade policy. At a time when we are searching for ways to reduce our trade deficit and to make our Nation more competitive, we must do everything we reasonably can to encourage U.S. exports. Unfortunately, the 1986 act provision mandating the study requires that it be undertaken solely by the Department of Treasury. It is further my understanding that the study is in fact being conducted principally by the tax policy staff within the Treasury Department. While the economists and lawyers on that staff are excellent tax technicians, they may not have the special expertise to judge the broader impact of the export source rule as a matter of U.S. trade policy or as a part of a U.S. competitiveness policy. Thus, to be most useful, the study must be undertaken not only by the Treasury Department, but by other agencies of the executive branch which are expert in trade and competitiveness.

The bill Senator CHAFEE and I are introducing is intended to accomplish this result. It amends the 1986 Tax Reform Act to require that the Treasury Department conduct the source rule study "in conjunction with the Secretary of Commerce or his delegate and the U.S. Trade Representative or his delegate." Under our bill, Commerce and USTR should be full participants in the study, and any recommendations made in the study should be joint recommendations of all three agencies. Because the deadline for the study is fairly soon and because a study undertaken jointly by three agencies inevitably takes longer than a study by one agency, the bill also delays the date of the study until September 30, 1988, to provide adequate time for consultation among the three agencies.

Mr. President, Congress is just beginning to understand the full relationship between tax policy and our international competitiveness. By assuring a more thorough review of the trade and competitiveness implications of the export source rule, the bill we are introducing today will contribute to this understanding.

I ask unanimous consent that the text of the bill be inserted in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 817

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1211(d) of the Tax Reform Act of 1986 (relating to study of source rules) is amended to read as follows:

"(d) Study.—The Secretary of the Treasury, in conjunction with the Secretary of Commerce and the United States Special Trade Representative or their delegates, shall conduct a study of the source rules for sales of inventory property. Not later than September 30, 1988, the Secretary of the Treasury or his delegate, shall submit a report of such study (together with any recommendations) to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.".●

By Mr. LAUTENBERG:

S.J. Res. 103. Joint resolution to designate October 1987 as "Computer Learning Month"; to the Committee on the Judiciary.

COMPUTER LEARNING MONTH

● Mr. LAUTENBERG. Mr. President, I rise to introduce a joint resolution to designate October 1987 as "Computer Learning Month."

Personal computers have the potential to make a significant contribution to education at all levels. Teachers are finding that computers are valuable educational tools that can supplement and enhance the effectiveness of their instruction.

A number of education and other groups have plans underway to focus attention on computer learning during October. The resolution I am introducing requests that the President issue a proclamation calling on the people of the United States to observe "Computer Learning Month" with appropriate activities. The President would also encourage State and local government officials to promote the effective use of technology.

Mr. President, in the increasingly competitive global economy, the ability to use and manipulate information is essential. People who understand the value of computers in that process will have an edge. This country cannot afford to fall behind in the use and understanding of technology.

"Computer Learning Month" will give recognition and support to programs important to the education of our youth, important to their future productivity, and important to the competitiveness of this country. I urge my colleagues to join me in supporting this joint resolution.

Mr. President, I ask unanimous consent that the text be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 103

Whereas computer-based technologies are playing a great role in the social, educational, and economic development of our country and its citizens;

Whereas expanding the understanding and application of computers are essential to maintaining United States competitiveness in commerce, industry, and international trade;

Whereas educators at all levels are increasingly incorporating computers into their curriculums as a teaching tool;

Whereas students of all ages are beginning to utilize computers in all subjects of study;

Whereas it is incumbent upon present and future generations of Americans from all economic backgrounds to familiarize themselves with the computer-based technology that has become such an integral part of society, in order to actively particpate in an increasingly complex and technologically dependent world; and

Whereas the United States should take every opportuniy to encourage all parents, students, educators, public officials, and businessmen to better understand computers to accomplish integration of computer-based technology into our diverse society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October, 1987, is designated as "Computer Learning Month" to expand public awareness of the growing importance of computers in each of our lives, and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such month with appropriate ceremonies and activities, and to encourage State and local public and educational officials to promote the effective use of technology by all constituencies in the communities so that more Americans are afforded the opportunity to learn to use computers.●

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. Boren, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

S. 12

At the request of Mr. Cranston, the names of the Senator from Arizona [Mr. McCain], the Senator from Maryland [Mr. Sarbanes], and the Senator from New Mexico [Mr. Bingaman] were added as cosponsors of S. 12, a bill to amend title 38, United States Code, to remove the expiration date for eligibility for the educational assistance programs for veterans of the All Volunteer Force; and for other purposes.

S. 286

At the request of Mr. Stevens, his name was added as a cosponsor of S. 286, a bill to provide for a 2-year Federal budget cycle, and for other purposes.

S. 419

At the request of Mr. Biden, the names of the Senator from Maryland [Ms. Mikulski], the Senator from Michigan [Mr. Riegle], the Senator from South Dakota [Mr. Daschle], the Senator from Wisconsin [Mr. Proxmire], the Senator from Iowa [Mr. Harkin], and the Senator from Arizona [Mr. DeConcini] were added as cosponsors of S. 419, a bill to require specific congressional authorization for certain sales, exports, leases, and loans of defense articles, and for other purposes.

S. 447

At the request of Mr. Chafee, the name of the Senator from Missouri [Mr. Danforth] was added as a cosponsor of S. 447, a bill to amend the Internal Revenue Code of 1986 to increase the excise taxes on cigarettes to 32 cents per pack and on snuff and chewing tobacco to 8 cents per package.

S. 514

At the request of Mr. Kennedy, the name of the Senator from Maine [Mr. Cohen] was added as a cosponsor of S. 514, a bill to amend the Job Training Act to establish an incentive bonus for the successful placement of certain employable dependent individuals, to provide targeting of assistance from certain carryover funds for such individuals, and for other purposes.

S. 557

At the request of Mr. Kennedy, the name of the Senator from Florida [Mr. Graham] was added as a cosponsor of S. 557, a bill to restore the broad scope of coverage and to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964.

S. 561

At the request of Mr. Thurmond, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of S. 561, a bill to amend the Internal Revenue Code of 1986 to allow a charitable contribution deduction to farmers who donate agricultural products to assist victims of natural disasters.

S. 565

At the request of Mr. Grassley, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 565, a bill to make certain bankruptcy amendments relating to family farmers applicable to cases under title 11 of the United States Code that were commenced before November 26, 1986, and that are either pending or reviewable.

S. 629

At the request of Mr. BINGAMAN, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 629, a bill to establish literacy programs for individuals of limited English proficiency.

S. 676

At the request of Mr. ROCKEFELLER, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of S. 676, a bill to enhance rail competition and to ensure reasonable rail rates where there is an absence of effective competition.

S. 703

At the request of Mr. SPECTER, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 703, a bill to amend title 18, United States Code, including the Child Protection Act, to create remedies for children and other victims of pornography, and for other purposes.

SENATE JOINT RESOLUTION 1

At the request of Mr. KENNEDY, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of Senate Joint Resolution 1, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

SENATE JOINT RESOLUTION 14

At the request of Mr. HELMS, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of Senate Joint Resolution 14, a joint resolution to designate the third week of June of each year as "National Dairy Goat Awareness Week."

SENATE JOINT RESOLUTION 28

At the request of Mr. DOLE, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of Senate Joint Resolution 28, a joint resolution designating "American Physiologists Week."

SENATE JOINT RESOLUTION 38

At the request of Mr. DOLE, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of Senate Joint Resolution 38, a joint resolution proposing an amendment to the Constitution of the United States to allow the President to veto items of appropriation.

SENATE JOINT RESOLUTION 47

At the request of Mr. CRANSTON, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of Senate Joint Resolution 47, a joint resolution to designate "National P.O.W. Recognition Day."

SENATE JOINT RESOLUTION 53

At the request of Mr. CRANSTON, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from Florida [Mr. CHILES], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Rhode Island [Mr. PELL], the Senator from Nevada [Mr. REID], the Senator from North Carolina [Mr. SANFORD], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of Senate Joint Resolution 53, a joint resolution to designate the period commencing November 22, 1987, and ending November 28, 1987, as "American Indian Week."

SENATE JOINT RESOLUTION 67

At the request of Mr. GORE, the names of the Senator from Illinois [Mr. DIXON] and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of Senate Joint Resolution 67, a joint resolution to designate the month of May, 1987 as "National Digestive Diseases Awareness Month."

SENATE JOINT RESOLUTION 84

At the request of Mr. LUGAR, the names of the Senator from Maine [Mr. MITCHELL], the Senator from Vermont [Mr. STAFFORD], the Senator from Montana [Mr. BAUCUS], the Senator from Hawaii [Mr. INOUYE], the Senator from South Carolina [Mr. THURMOND], the Senator from Indiana [Mr. QUAYLE], the Senator from Kansas [Mr. DOLE], and the Senator from West Virginia [Mr. BYRD] were added as cosponsors of Senate Joint Resolution 84, a joint resolution to designate October 1987 as "National Down Syndrome Month."

SENATE JOINT RESOLUTION 85

At the request of Mr. LUGAR, the names of the Senator from Illinois [Mr. SIMON], the Senator from South Carolina [Mr. THURMOND], the Senator from Colorado [Mr. WIRTH], the Senator from West Virginia [Mr. BYRD], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of Senate Joint Resolution 85, a joint resolution to designate the period commencing on August 2, 1987, and ending on August 8, 1987, as "International Special Olympics Week", and to designate August 3, 1987, as "International Special Olympics Day."

SENATE JOINT RESOLUTION 89

At the request of Mr. GARN, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of Senate Joint Resolution 89, a joint resolution to authorize and request the President to issue a proclamation designating April 26, through May 2, 1987 as "National Organ and Tissue Donor Awareness Week."

SENATE JOINT RESOLUTION 90

At the request of Mr. KERRY, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of Senate Joint Resolution 90, a joint resolution disapproving the certification by the President under section 481(h) of the Foreign Assistance Act of 1961.

SENATE JOINT RESOLUTION 91

At the request of Mr. KERRY, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of Senate Joint Resolution 91, a joint resolution disapproving the certification by the President under section 481(h) of the Foreign Assistance Act of 1961.

SENATE JOINT RESOLUTION 92

At the request of Mr. HELMS, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of Senate Joint Resolution 92, a joint resolution disapproving the certification by the President under section 481(h) of the Foreign Assistance Act of 1961.

SENATE CONCURRENT RESOLUTION 7

At the request of Mr. MURKOWSKI, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of Senate Concurrent Resolution 7, a concurrent resolution to express the sense of the Congress regarding its opposition to reductions in Veterans' Administration funding levels to pay for health care for certain categories of eligible veterans.

SENATE CONCURRENT RESOLUTION 15

At the request of Mr. HEFLIN, the names of the Senator from Oklahoma [Mr. NICKLES] and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Concurrent Resolution 15, a concurrent resolution expressing the sense of the Congress that no major change in the payment methodology for physicians' services, including services furnished to hospital inpatients, under the Medicare Program should be made until reports required by the 99th Congress have been received and evaluated.

SENATE CONCURRENT RESOLUTION 28

At the request of Mr. HEINZ, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Washington [Mr. EVANS] were added as cosponsors of Senate Concurrent Resolution 28, a concurrent resolution to reaffirm that deposits, up to the statutorily prescribed amount, in federally insured depository institutions are backed by the full faith and credit of the United States.

SENATE RESOLUTION 93

At the request of Mr. LAUTENBERG, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of Senate Resolution 93, a resolution expressing the sense of the Senate regarding future funding of Amtrak.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services, Subcommittee on Strategic Forces and Nuclear Deterrence, be deemed to have been authorized to meet during the session of the Senate on Monday, March 23, 1987, to resume closed hearings on

proposed legislation authorizing funds for fiscal years 1988-89 for the Department of Defense, focusing on selected chemical and theater nuclear weapons issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

USE OF RENTAL SUBSIDY PROGRAMS

● Mr. HEINZ. Mr. President, recently I came across an article written by Eleanor Chute in my hometown paper, the Pittsburgh Press, which discusses how Pittsburgh has used HUD rental subsidy programs to provide housing to low- and moderate-income families. Like many of my colleagues, I am deeply concerned about helping people who are in need of affordable housing. This article illustrates what I believe to be one important component of our Federal effort in this regard, and I recommend it to my colleagues who have an interest in this subject.

I ask that the text of the article be printed in the RECORD.

The article follows:

[From the Pittsburgh Press, Feb. 15, 1987]

U.S. RENT VOUCHERS GIVE LOW-INCOME FAMILIES PICK OF NEIGHBORHOODS

(By Eleanor Chute)

The home that Lydia and Ronald Grace share with their five children is part of the wave of the future.

The family lives in publicly assisted housing, but they don't live in one of the massive government projects that have been the hallmark of public housing since the 1930s.

Instead, with the help of a federal subsidy, they rent a privately owned brick house on a quiet street in Beechview.

Public money for construction has dwindled to a trick during the Reagan administration, putting the spotlight on rent subsidies.

They have won praise from many who say the program has helped some low-income people afford decent housing and it's cheaper than building projects.

With the federal government picking up part of the rent, people on lower incomes can live in communities that don't have public housing projects, such as Monroeville and Mt. Lebanon.

But rent subsidies also have attracted criticism for failing to provide new housing, especially in markets that already are tight; for having long lists that require prospective tenants to wait years, and for the difficulty some tenants have in finding landlords willing to participate.

"It's (a long-standing rent subsidy program has) played a very important role in increasing the number of affordable units available to the low- and very-low-income households. Without it, we would be turning back the clock to the '30s," said James Frazier, housing director for the Urban League of Pittsburgh and a board member of the National Coalition for Low-Income Housing.

For the Graces, the rent subsidy enabled them to move from a small three-bedroom house in the West End that had room heaters instead of a furnace, a leaking roof and a need to be painted.

"We're much better off. We're not crowded in," Mrs. Grace said.

While some rent subsidies have been available for more than a decade, the concept now is taking center stage.

For next year, the only new construction plans proposed by the Reagan administration are 1,000 units for Indians and 2,000 for the elderly. But the administration has proposed paying rent subsidies for 79,000 households through HUD as well as 20,000 households for rural areas through the U.S. Department of Agriculture.

By comparison, in 1981, there were 204,748 additional units for low-income tenants budgeted nationwide—including public housing and rent subsidies.

Larry Swanson, director of housing development and research at ACTION-Housing and president of the Pennsylvania Low-Income Housing Coalition, said the limited additions to programs now granted don't enable local agencies to respond to new needs. The coalition now is seeking more state support.

Two rent subsidy programs are competing—so-called Section 8 certificates that have been used more than a decade, and vouchers that began as a test program in 1985. Congress this year allotted funds for both. Reagan is seeking money only for vouchers.

In the certificate program, a fair market rent is set, tenants pay 30 percent of their income on rent and utilities and the federal government pays the rest.

In Allegheny County, for example, a family of three can have a maximum annual gross income up to $12,900. The fair market rent—including utilities—for a two bedroom apartment can run up to $400.

Tenants may choose any privately owned apartment or house that meets HUD's standards. The unit is inspected to see that it qualifies as decent, safe and sanitary.

As the money authorized for certificates expires in the 1990's, the Reagan administration wants them replaced with vouchers.

Voucher tenants are not limited to spending 30 percent of their income on rent. They can spend more or less. Landlords aren't limited to charging the set fair market rent, but their units must pass the quality check.

Some critics of the voucher program fear some low-income tenants will spend too much of their incomes on rent and have too little left for food, clothing and other needs. Supporters say it offers tenants more flexibility.

One of the critics' concern is that the federal government could be on its way out of the housing business, but James Stimpson, assistant secretary for policy development for the U.S. Department of Housing and Urban Development, denies that.

"The objective is not to provide less assistance to low-income families but to do it in a different way. It's not to put so much money into bricks and mortar and construction, which we believe the private sector is responsible to, but to provide more directly to the low-income families in the form of rent subsidies," Stimpson said.

Stimpson said two to three times as many people can be housed for the same money with rent subsidies as with building public housing.

While rent subsidies account for nearly all the increase, their numbers still are smaller than those of housing built for the low-income.

In Western Pennsylvania, there are nearly 15,000 certificates and vouchers, compared to 32,400 units of conventional public housing.

Paul LaMarca, housing management specialist at the local HUD office, said vouchers are working well and he is pleased with the long track record of the certificates.

"It's (the certificate program is) tremendously successful. It's provided low-income tenants the opportunity to move into neighborhoods they never would have probably moved into before. They don't have the public housing stigma attached to them. It's provided tax revenues to the local community. It's provided landlords with a guaranteed rent," he said.

Barbara Baulding, project director of the city portion of the Urban League of Pittsburgh's housing counseling service, likes the rent subsidies but believes there aren't enough.

"More people are in need of some type of subsidized housing. It's staggering and frightening what's happening to people," she said.

"Most have to adjust to where they are. In the greater number, it (the housing) is very bad. In a lot of it, the space is too small, inadequate heating, plumbing, a dangerous health hazard. A lot come in with poor housing or doubled up with a family member."

But Dan Pietragallo, executive director of the Housing Authority, believes enough assisted units are available in the city.

"Until I'm able to completely fill all of my vacancies, I don't feel a problem exists," he said.

While several thousand names are on waiting lists for public housing and rent subsidies, the city authority has a vacancy rate of about 8 percent, in part because tenants are choosy about neighborhoods.

Kizetta Vaughn, executive director of the Allegheny County Housing Authority, believes more units are needed. She said the county vacancy rate is 2.3 percent, and much of that is due to units that are unoccupied while being repaired.

Nationwide, HUD figures its programs meet about 40 percent of its targeted need. The 4.1 million units of assisted housing—including rent subsidies, conventional public housing projects and other programs—are targeted at 9.7 million low-income families and elderly. The cost last year was about $10 billion.

This month, the county Housing Authority opened its rent subsidy waiting lists for the first time since April. It added 585 names to 2,300 already on the lists.

The turnover of certificates is small.

Nationwide, about 15 percent of Section 8 certificates change hands each year, including those made available by death or moving, Stimpson said.

Reaching the top of the waiting list doesn't guarantee housing. Prospective tenants have 60 days to find housing and may get two 30-day extensions.

Tom Gralewski, Section 8 program coordinator for the city Housing Authority, said 56 percent of those who receive certificates don't find a unit before their time runs out.●

BENITO SANCHEZ WINS YOU'RE STILL TICKING AWARD

● Mr. CHILES. Mr. President, I am pleased to have this opportunity to announce the grand prize winner of the You're Still Ticking Award for the most productive older worker still on the job in the State of Florida. Mr.

Benito Sanchez of Miami was selected from among eight finalists in a competition sponsored by the Florida Department of Labor and Employment Security Job Service offices and the Timex Corp. All eight finalists were honored on Friday, March 20 in a luncheon as a part of the "National Employ the Older Worker Week."

This is the fourth year that I have had the privilege of recognizing this competition, which honors the outstanding contributions of older workers throughout the State of Florida. In selecting the eight finalists, the Department of Labor and Employment Security considered over 700 nominations of workers over the age of 55 from employers in all occupational areas. They choose the finalists on the basis of the productivity and value of the employee. Given the large pool of applicants from which they were chosen, all eight finalists should be especially proud of the accomplishments which led to their recognition.

The grand prize winner, Benito Sanchez, works as a machine operator in the metal cutting department of the Maitland Investment Corp., a job he has held since 1985. Benito is certainly no stranger to hard work—he has held similar positions in Miami and New York, and worked as a heavy machine repairman for 30 years at a sugar mill in Cuba. At 96 years of age, Benito still astonishes his fellow workers with his strength.

Mr. Sanchez was selected from a particularly well qualified and accomplished group of finalists. Even a brief outline of these workers contributions should give you a good idea of the valuable assets which these older Floridians are to their communities.

Margaret Struble, 81 years old and from Melbourne, works at the reception desk and monitors security for a residential community, where she is described as an inspiration to all. Frank Bolser, 77, is a highly respected calculus teacher at Clearwater Catholic High School who has been honored several times before for his valuable contributions to his students. At age 85, Ludwig Hoer, from St. Petersburg Beach, is a special projects director and carpenter for a 381 unit convention hotel. Muriel Nelson, also 85 and from Pinellas Park, serves as a personnel insurance clerk, handling insurance claims for about 490 employees and their families, and, interestingly enough, has been honored once before on the floor of Congress. Joseph Golden, an 87-year-old from Bradenton, has been a porter/custodian for an auto dealership for the last 20 years, where he is described as the "glue" which holds the dealership together. Valerie Barber-Simpson, 71, works as the senior citizen manager for the city of Casselberry, performing an impressive variety of problem-solving tasks for the senior community in that area. And Al Ross, an 85-year-old from Palm Beach, puts in 40 to 50 hours a week as the circulation director and public relations specialist for an area newspaper.

The degree of dedication and genuine concern which each of these finalists bring to their jobs should serve as an example to us all. They perform services with a level of enegry and enthusiasm hardly matched by their younger associates. As the number of senior citizens who remain in the work force increases, and as obstacles which in the past prevented or discouraged older workers from remaining in the work force are removed, we are going to see a steady increase in the average age of the American worker in the near future. I am sure that my colleagues join me in saluting the accomplishments of these older workers, who prove on a daily basis that age certainly need not be a hindrance in the workplace.●

THE SITUATION IN CENTRAL AMERICA

● Mr. **PELL.** Mr. President, the Right Reverend Leopold Frade, Episcopal Bishop of Honduras, is an individual very well informed concerning the situation in Central America. In the past, he has been strongly supportive of the Contras. I find his present thoughts and views concerning the advisability of stopping aid to the Contras of great interest and believe my colleagues may find them equally interesting.

Accordingly, I ask that an open letter from him be printed in the RECORD.

The letter follows:

To: People interested in the Central American situation.

From: The Rt. Rev. Leo Frade, Bishop of Honduras.

Ref: The Contras in Honduras.

After 3 years in Honduras I have been faced with social and political problems that I could have never imagined that existed. One of them has been the Civil War taking place inside Nicaragua that constantly spills over the country of Honduras that forms my Diocese.

One of the forces of this war has been the Contra army that opposes the Sandinista regime of Managua. In the past I have been supportive of their plea, hoping that with enough help and supervision they were going to be able to improve their dealings with the civilian population of Nicaragua and eventually bring their freedom.

I am writing this letter now in the midst of the congressional debate to stop the aid to the Contras. I sincerely feel that I can not back this group anymore. We must stop the help to the Contra army. If not we are going to be partly responsible for the incontinuous disregard for human rights. They also have shown very poor accountability of the monies given them and there continues to exist a disregard for their forces from the refugees because of their inability to win any victories, their reluctance to fight and the control of the Somoza followers in the armed branch of the Contra organization.

I write this letter with fear because of the ruthless tactics in dealing with people that criticize them. But I must speak out in order to alleviate the killings and suffering that is due to this conflict engulfing us and that is financed in part by the American tax dollar.

By making this statement I am not conceding to the Sandinistas. They are still engaged in a very long list of human right abuses and coercion of the basic freedoms of their countrymen. But the solution to this problem is not of financing a group of people as ruthless as them. We need to back the persons that will guarantee the democratic process in the future. Even if Contadora is not a perfect means to find a solution they are at least making a sincere attempt that is worthy to be backed.

I ask your prayers for us in Honduras and others in the area in order that God will continue giving us the courage to speak up and will help to preserve our freedoms. We also ask your prayers so that our Lord will also protect us from dangers and the attacks that will come from those who have chosen to bless evil and destruction.

Ever in our Lord,

The Rt. Rev. LEOPOLD FRADE,
Bishop of Honduras.●

EULOGY TO MADGE KEYS

● Mr. **EVANS.** Mr. President, yesterday I learned of the passing of Madge Keys of Stevenson, WA. I was deeply saddened by this news, since I have known Mrs. Keys for a number of years. As she was fond of reminding me, we were both card-carrying members of the Republican Party. As I was fond of reminding her, I also considered her a friend.

This is not to say that Madge and I always saw eye to eye. In fact, our most constant communication was over an issue where our disagreement was most strong—the need for Federal legislation to establish the Columbia River Gorge National Scenic Area. Madge was an ardent and articulate advocate of private property rights. She and her fellow landowners were diligent in their pursuit to ensure that there was recognition of the rights and concerns of the people who live and work in the gorge.

I believe she and other property owners did succeed in protecting the private property rights and economic livelihood of gorge residents. My great regret is that Madge did not live to see the promise this legislation holds for her community. She passed away at the very time the States of Oregon and Washington are completing consideration of State legislation which will provide local input into the land use planning process established by the Columbia River Gorge National Scenic Area Act.

Mr. President, I learned of the passing of Madge Keys from the pages of the Skamania County Pioneer. The Pioneer printed a photograph of Madge as I will always remember her: a Bible in one hand, a framed copy of the Declaration of Independence in the other, and behind her, an American flag. In this photograph, there are symbols of the principles for which she fought so courageously. Madge Keys was a devoted wife and mother. And she was a devoted Christian and patriot. Madge Keys inspired me in a way I never had a chance to describe to her. To me, she was a living example of the American spirit.●

NAUM MEIMAN

● Mr. SIMON. Mr. President, in the upcoming weeks, many of our country's leaders, including some of my distinguished colleagues, will be visiting the Soviet Union. The Soviet Union's desire to implement reforms will be a topic of concern on these visits. I urge my colleagues to place human rights issues as a top priority on their agendas.

In particular, our Government must do everything within its power to end the continuous violations of human rights of Jewish citizens in the Soviet Union. The case of Naum Meiman exemplifies the intolerable treatment accorded Soviet Jews. Naum's wife Inna suffered from cancer but was not allowed to emigrate to the West to receive the appropriate treatment until the disease had become critical. As a result of the delayed attention, Inna Meiman passed away in January. Despite his numerous applications for an exit visa to accompany his wife in the United States, Naum was consistently denied permission to emigrate. In addition, he was not allowed to attend his beloved wife's funeral.

Naum is recovering from the loss of his wife, and still wishes to live life in the West. The Soviet Government refuses to grant Naum this wish. I urge the Soviet Union to allow Naum Meiman to emigrate to the West.●

BASKETBALL IN MISSOURI

● Mr. DANFORTH. Mr. President, let's talk basketball, and I mean real basketball, not the game that passes for basketball in such States as Illinois and Indiana, where basketball is supposed to be famous.

It has been a good season for college basketball in Missouri. Bears growled. Tigers snarled. Lions roared. Billikens did their thing. Missourians cheered themselves hoarse.

The Bears of Southwest Missouri State University showed the country what defense is all about. Coach Charlie Spoonhour led the Nation's No. 1 NCAA defense to the Division 1 Tournament, only 5 years after the Bears moved into Division 1.

This was SMSU's first appearance in Division 1 postseason play, but let me give fair warning to my colleagues in the Senate: This won't be the last time the Bears play in the Division 1 tourney.

The Bears sent Clemson packing in the first game. The word from Atlanta was that the Bears and their fans hit town like a ton of bricks. The players turned in a first-class performance and their fans outnumbered and outcheered the hometowners from Clemson.

The Bears lost a heartbreaker to the Kansas University Jayhawks, a traditional archrival of our State, with the outcome in doubt going into the final minute of play. The Bears returned to Springfield for a heroes welcome.

And how about the Mizzou Tigers?

Coach Norm Stewart led Missouri University to the best record in the Big Eight Conference and first place in the Big Eight Tournament in Kansas City, only to meet disappointment in the NCAA first round against Xavier of Ohio. A good season and, I think, a perfect foundation for an all-Missouri NCAA final next year.

Have I completed my report on Show Me Basketball? I have not.

The Billikens of St. Louis University advanced to round 2 of the National Invitation Tournament. The Missouri Southern Lions of Joplin appeared in the NAIA National Tournament for the first time since 1978.

Washington University's Bears advanced to NCAA Division 3 postseason play for the first time in more than 20 years, hosting the tourney and advancing to the second round of play.

I hope, Mr. President, that every Senator who follows basketball will pay heed to my report. Other States have an interest in following Missouri basketball, because, next year, we're going to do even better. Count on it.●

RADON MITIGATION CLARIFICATION ACT OF 1987

● Mr. BRADLEY. Mr. President, I rise today in support of the Radon Mitigation Clarification Act of 1987. This measure simply but necessarily clarifies that steps taken by homeowners to rid their homes of cancer-causing radon gas be viewed as deductible medical expenses.

Although the Internal Revenue Service has expressed some uncertainty over whether radon mitigation measures qualify solely as home improvements, I believe the growing health data makes a compelling case that this is not only a very legitimate but, more importantly, a necessary step for any resident of a contaminated home. We want to encourage our citizens to take responsibility for those health risks over which they have control. The evidence shows that simple mitigation measures such as ventilation systems can greatly reduce the cancer risk from radon gas in the home. The obvious question is whether the homeowner would undertake such expenditures if they were not necessary to protect the health of his or her family. I think not.

This bill makes no change in last year's tax reform measure. It simply makes clear that radon mitigation is medical treatment and should be treated as such for tax purposes.●

RECOGNITION OF NELSON MILLER

● Mr. McCONNELL. Mr. President, today I rise before this body to recognize a truly unique citizen from my home State, the great Commonwealth of Kentucky.

Mr. Nelson Miller, of Louisville, KY, is a mortgage banker by trade. Nelson Miller not only serves as chief executive officer and cofounder of Cowger & Miller Mortgage Co. in Louisville, but he has also earned distinct status as a popular top-40 singer and owner of a Hibiscus Stakes winning thoroughbred.

It is rare that a person can climb to the top of his field in any one chosen career. Nelson Miller has accomplished a high level of acclaim in three separate careers at the tender age of 56. Along with his professional accomplishments Nelson Miller is a great corporate citizen and community leader.

Mr. President, I ask that the following feature on Mr. Nelson Miller from Business First newspaper be printed in the CONGRESSIONAL RECORD for the information and enjoyment of my colleagues.

The article follows:

NELSON MILLER MARCHES TO HIS OWN TUNE

(By Kevin Rayburn)

It's a safe bet that Nelson Miller is the only mortgage banker in Louisville who has had a hit record and a horse that won the Hibiscus Stakes.

"He's a diversified kind of fellow," says Miller's longtime friend, Roscoe I. Kerr, president, chairman and chief executive officer of Great Financial Federal.

Diversity aside, Miller, the 56-year-old chairman, chief executive officer and cofounder of Cowger & Miller Mortgage Co., says he'd rather talk about interest rates than horse races or million sellers.

Miller says he doesn't like to dwell on his past successes in show business or Thoroughbred racing because, "I'm afraid my ego might show."

Egotism doesn't appear to be a characteristic of the low-key, soft-spoken Miller.

"He's very personable, in a very quiet way," Kerr says. "He can come into a room without nobody knowing, mix and meet people, and by the time he leaves everybody knows he's there."

Miller attributes his ability to make a favorable impression "partly to my being in the music business, the horse business and the mortgage-banking business."

Miller's preoccupation lately is the impending move of his mortgage company from 436 S. Seventh St. to three floors at the American Life Building at 3 Riverfront Plaza. The company, in the midst of a major expansion throughout the Midwest, has outgrown its space.

The company, which began with six employees in 1971, now has 143 workers in 18 states.

Its primary business is servicing, or collecting payments on mortgages owned by investors or other financial institutions. The company also makes home loans, which it then sells to investors. Cowger & Miller projects $1 billion worth of serviced mortgages by the end of June.

Miller's path to success in mortgage banking ran into one side trail—show business.

Born in 1930 in Hart County, Kentucky, Miller grew up on an impoverished tobacco farm during the Depression. The family of nine children was forced to leave the farm and seek means of support when Miller's father died in the early 1940s.

Miller had to drop out of school at age 11, and work on another farm to help support the family.

In 1945, Miller moved to Louisville, re-entered school, and became an usher at the old Strand Theater on Chestnut Street.

Miller, who sang in churches in his youth, joined the 43rd Army Division Winged Victory Chorus when he was drafted in 1951. The glee club traveled two years throughout Europe.

Discharged in 1953, Miller got a job at Portland Federal Savings and Loan Association (now The Cumberland) as a teller taking loan applications. Meanwhile, Miller and three friends, two from his Army days, formed a group called "The Metrotones," They played clubs in Louisville and the "Hi Varieties" show on WHAS radio and television.

Spurred by success in Louisville, the group went to New York in 1954 and won an Arthur Godfrey "Talent Scout" competition. The group appeared on Godfrey's television show as guest vocalists for about a month.

A recording contract with Columbia Records soon followed.

The group had a hit with a song called "Even Then," and several less successful records. The singers scored big with "Mr. Sandman," and sold nearly a million copies even though the song had already been recorded by several other groups, Miller says.

Appearances in nightclubs, and the Perry Como, Steve Allen and Kate Smith shows followed.

In 1955, the Metrotones added a fifth member and won an audition to be the regular backup vocalists on the "Patti Page Show." They changed their name to "The Page Five Singers," and spent a season-and-a-half on the show.

"Though that period of time, everything happended so fast we didn't have much time to think about it," says Miller, who was in his mid-20s at the time.

Life in New York and on the road was hectic for Miller. "It was really tough, with four people traveling together and trying to get along."

The singers eventually broke up, and Miller returned to Louisville in late 1955. With him came his wife Mary Ann, a member of the group. They had two children and were divorced 10 years later.

"I just wanted to get back (to Louisville) and get my feet back on the ground with a more solid career," Miller says.

With his previous experience at a savings and loan, Miller was able to find a job as a teller at Greater Louisville First Federal Savings and Loan Association (now Great Financial Federal) in October 1955.

Promotion came fast at Greater Louisville, and Miller soon was responsible for opening and managing branches for the thrift.

Kerr was a vice president and Miller's boss at the time, "When (Miller) was with us, he was a young go-getter," Kerr recalls.

"I think I was a hard worker and a fast learner," in the savings and loan business, Miller says.

But again, Miller says he couldn't resist the lure of show business. In 1962, he left Greater Louisville to become full-time manager of the Sun Valley Country Club on Bethany Lane.

"We booked some pretty good acts—Tex Beneke and his Orchestra, Clyde McCoy. . . ."

He even resurrected the Metrotones, with two new members, in 1962 for that year's WHAS "Crusade for Children." "We did that mostly for fun." Miller says.

Miller says he became tired of the 18-hour days he often put in at the country club, and he quit in 1964. He looked to mortgage banking as his next opportunity.

In 1964, Miller was hired by First Investment Co. of Columbus, Ohio, and later became its vice president and board member in charge of Kentucky mortgage-banking operations.

"That's where I first learned the mortgage-banking business," he says.

Today, many S&Ls include mortgage banking in their services, but in the '60s, that was rare, Miller says.

Miller had to learn a whole new field.

"I learned that the savings and loan business and the mortgage-banking business were a lot different," he says.

"In an S&L, you make loans to put in your own porfolio. In mortgage banking, you make loans in order to sell those portfolios to other investors, and then you get paid for servicing those loans."

"In return for servicing loans, the mortgage company gets a share of the interest paid—about half of 1 percent.

"It's a fascinating business, and I believed at the time that I was really good at it," Miller says.

Good enough, Miller thought, to start his own mortgage business with his friend, William O. Cowger.

In the early '60s, Miller struck up a friendship with then Louisville Mayor Cowger that resulted in the formation of Cowger & Miller Mortgage Co. in 1971.

Cowger, now deceased, was also a two-term U.S. Congressman until his defeat in 1970 by Romano Mazzoli. He also owned the Cowger Mortgage & Realty Co.

During the late 1960s, Miller helped Cowger run his mortgage and realty company while the congressman was in Washington.

"We started (Cowger & Miller) on a shoestring, which means we had no money," Miller says. "Between us, I think we had about $2,000."

But Cowger had connections and a good reputation, and the firm got a $100,000 start-up loan from Liberty National Bank.

The company was primarily making government-backed loans, requiring it to maintain an annual net worth of at least $100,000.

"We were straining to keep (net worth) up there (at $100,000), and we managed to keep it there, at least at audit time," Miller says.

The company started by managing $600,000 of old loans made by Cowger's previous company, Cowger Mortgage and Realty. The company began to generate its own loans and by the mid-'70s became "comfortably" profitable.

Miller says the company always made a profit, but not very big ones in the early years. "I think one year we made $400," he says.

The business had been operating only seven months when Cowger died of a heart attack. The remaining five employees bought Cowger's stock from his estate and assumed ownership.

"It was a great personal loss," Miller says. Cowger "was a really fine man, a great representative, an excellent mayor and a good mortgage banker."

Miller has made it a point to keep the "Cowger" in Cowger & Miller.

The name of the company will always include Cowger. "A lot of people have asked me why I kept (the Cowger name), and the only answer I have is because of my total respect for the man," Miller says. "As long as I'am calling the shots, the name will stay."

The company remained independent until 1980, when it was bought by South East Federal Savings, which merged in 1982 with the now-defunct Lincoln Federal Savings & Loan Association.

When Lincoln Federal become insolvent in early 1986, the S&L raised capital by selling Cowger & Miller to First Atlantic Savings of Plainfield, N.J.

Miller, who retained the top position in the firm, says the transition was smooth.

"It has been a really good relationship with First Atlantic," Miller says. "They've allowed us to operate with total autonomy."

The company brokered $338 million in loans and added $100 million worth of loans for servicing in 1986.

And Cowger & Miller recently opened an Indianapolis office and plans to have offices in Nashville, Memphis and Knoxville, Tenn., and Columbus, by year's end. Last year, the company earned $1.4 million on revenues of $14.6 million.

The company's servicing portfolio was $878 million as of Jan. 31, and should be $1 billion by summer.

Miller credits the company's success to its employees.

Edward W. Humphries, president of Cowger & Miller, says Miller has "a remarkable intuition about people," and is "never afraid to give somebody a chance, even if their credentials may not match their job."

Humphries was a saxophonist when he joined the company in 1971. "He gave me a chance," Humphries says. "I'll never forget what he told me: 'If it doesn't work out, I want to be able to look you in the eye and tell you so.' "

As Miller has delegated some responsibilities, he has been able to devote more time to a part-time avocation—Thoroughbred breeding. He's bred and trained horses at his 16-acre farm in Pewee Valley for almost nine years.

"I have a lot of fun with it, and make a little money too," Miller says.

He keeps about a dozen horses now, through a few years ago he had as many as 20. Most of the horse operation is devoted to serving other trainers, who use the farms half-mile training track, he says.

Miller's biggest success was with Need A Dime, a horse he bought for $5,000 at a Churchill Downs claiming race in the late 1970s. The horse won about $100,000 during her career with Miller, including a $37,000 win at the Hibiscus Stakes in Hialeah, Fla., in 1977. He sold the horse for $110,000 in 1979.

Miller and his wife of nine years, Deanna, live in a 5,000-square foot, circular home, copied from country singer Johnny Cash's Nashville home, at the Pewee Valley farm.

Despite his outside interests, Miller says it's his work he loves the most. "I can't think of anything I'd rather be than a mortgage banker.

NATIONAL AGRICULTURE DAY

● Mr. QUAYLE. Mr. President, on March 20, National Agriculture Day, we honored our Nation's No. 1 industry and the dedicated men and women whose strength has made it great—America's farmers. Agriculture is my State of Indiana's and our country's most important industry, employing over 21 million Americans, or one-fifth of the Nation's workers, and accounting for over 20 percent of the U.S. gross national product.

American agriculture is as strong today as it has been for the past two centuries. In a society known to the world as a leader in industrial and technological production, the United States still devotes over 40 percent of its land to the production of food and fiber.

In Indiana, I am proud to say, our farm economy is on the mend. Many of my State's 39,000 farmers, and those who make their living from industries supplying the farm are seeing signs of improvement. While record Federal payments have buoyed net farm income, falling input costs, better livestock prices, and declining interest rates have together done much to improve the overall economy.

But, Mr. President, I must remind my colleagues that times are still very tough for our farm families and agribusinesses who continue to struggle. There are problems in the Farm Credit System, and falling commodity prices and declining land values continue to plague even our farm managers.

While Congress will attempt to address each of these problems this year—and while we should—what our agricultural economy needs most is stability. Our farmers, agribusinessmen, and others in the production and marketing chain need the ability to make long-term commitments. However, Congress has the habit of approving short-term solutions yearly, which lead to confusion, frustration, and distrust among our agriculture community.

In 1985, when Congress passed the Food Security Act, it was a big first step in moving our farm programs in the right direction. And while I did not agree with certain provisions of the bill, I believe that this farm legislation must be given the time and opportunity to work. Therefore, I will oppose any major structural changes to the 1985 farm bill that may be debated this year in Congress.

Recently, I had the opportunity to talk with hundreds of Hoosier farmers about the farm bill during a series of farm meetings that I sponsored in Indiana in February. While many told me that they have experienced problems and understandable confusion in adjusting to this most complicated farm program, a majority of Indiana farmers supported its continued implementation.

The predominate concern I heard during these meetings—and one problem that Congress cannot ignore—is the continued deterioration of the Farm Credit System. The various Farm Credit Service banks represent our Nation's largest farm lender, and serious erosion of bank reserves, along with high interest rates and inconsistencies in the administration of bank policies, are a direct threat to the future health of our farm economy. Any legislation designed to assist the Farm Credit System should provide competitive and stable interest rates to farmers/borrowers; encourage system stability and consistency in policy administration; and attempt to protect the stockholder's investment in the form of System stock.

Mr. President, on National Agriculture Day we salute our Nation's No. 1 industry and the tireless individuals who have made it strong. But we must recognize that we still have much to do to ensure a bright future. Our country is no stranger to adversity. And, as in the past, the American spirit, which brought our Nation to greatness, will, if once again united, endure these hard times and prevail.●

NATIONAL AGRICULTURE DAY

● Mr. McCLURE. Mr. President, I rise to lend my voice to the many who remembered but missed the chance to speak on the importance of agriculture to this Nation on National Agriculture Day celebrated every year on March 20. It is important for us to remember that farming is still America's most important industry.

Farming provides food and fiber for millions around the world and creates jobs for nearly 25 million Americans. During the last full marketing year, American farmers sold more than 140 billion dollars worth of commodities. The average output of one American farmer feeds 116 other people, including 20 people in foreign countries.

The scope of U.S. agriculture is truly amazing. Only 2 percent of our population lives on farms, but the output of this 2 percent is staggering. About one-fifth of all agricultural goods in world trade originate on American farms. American farmers exported more than 26 billion dollars worth of commodities last year which provided a $5 billion agriculture trade surplus. Agriculture was one of the few industries to show a positive balance in international trade.

All Americans need to remember that every $1 billion of farm commodities exported creates 30,000 jobs. In addition to this it is important to remember that what farmers purchase to produce their commodities also creates jobs for other Americans. For example, farmers use 6.5 million tons of steel, requiring the efforts of 40,000 workers. Even if a family does not have a worker employed in an agriculturally related field, America's farm effort hits every home in food availability and cost. Everyone eats and low-food costs in America are legendary. Because American farmers are so efficient and productive American consumers spend less of their disposable income on food than any other consumer in the world.

We here in Congress need to remember this fact when debating Government involvement in farming. We face today one of the most severe crises in agriculture since the Great Depression. Farmers continue to face huge debt burdens brought about by misguided Federal monetary and fiscal policies of the previous administration. They have suffered severly from the inflation of the 1970's and the disinflation of the 1980's. While we here in the Senate debate the future of the farm credit system, the needs of commercial agricultural bankers, the high cost of the Federal deficit and budget busting social legislation, let us remember the basis of the capital formation of this country. It lies in agriculture, mining, and timber. All basic industries, all in need of our support.

Today let us especially remember our farmers and farm workers who continue to find ways to produce an abundant supply of food and fiber for the world's lowest price.●

NUTRITION, PHYSICAL FITNESS AND A STRONG AMERICA

● Mr. SYMMS. Mr. President, America's security, economy and general well-being depend on many factors. We hear regular appeals for a strong military, stable trade relations, a productive work force, and all the other elements that are responsible for our exemplary republic—and well we should. But today I would like to recognize another element essential to prosperity and stability, and that is the place of physical fitness and nutrition in America's success formula.

Americans have in recent years been chided for the "middleclass paunch" and the "midriff bulge". Reference to these modern symbols of affluence are usually made in jest, but obesity is a significant problem in our Nation.

As an avid jogger, I realize the difficulty of staying in shape while involved in an otherwise sedentary lifestyle. But I also realize the benefits of exercise and watching the daily diet. The time and effort pays off physically, mentally, and in other immeasurable ways.

As an example of success in overcoming the challenges of being overweight, I submit to the record excerpts of an article published last month in the Nation's Business magazine. The subject is Sybil Ferguson, a resident of Rexburg, ID and founder of the Diet Center. With over 2,000 centers across the United States, Sybil has shown that weight-control is not only possible but that there is expert help from those who have experienced the problem. She has helped thousands who just needed a good plan and some positive encouragement.

The article follows:

[From the Nations Business, December 1986]

GIRTH OF A NATION

(By Alison Thresher)

At 186 pounds Sybil Ferguson suffered the dieting frustrations of many Americans. A housewife in Rexburg, Idaho, with five children, Ferguson says that she was always dieting, always hungry, always overweight. She was shocked into action when necessary surgery had to be postponed because tests showed she was seriously malnourished.

With here doctor's help, she devised a sound diet that not only nourished her but also helped her build good eating habits. She dropped more than 50 pounds.

The story does not end there. Friends and others referred to Ferguson by her doctor asked her for help with their own weight problems. Recognizing the business potential in helping others achieve their weight goals, she opened her first Diet Center in 1969. In 1973 she sold her first franchise.

Today her franchises, which sell for $12,000 or $24,000 depending on the area's population count, total well over 2,000. The once-frumpy housewife who never dreamed of starting a business flies around the country in a private plane visting thousands of Diet Center counselors who have helped 2.5 million Americans lose weight the Sybil Ferguson way. Diet Center's gross revenues were $36.1 million for the fiscal year ending last March.

Ferguson says that one Diet Center's strengths is that all the counselors are formerly overweight and went through the program. In fact, the franchisees themselves must be former Diet Center clients.

"Unless you have experienced the heartache of being overweight, you can't really understand what it means to the client to be fat," she says. "There is no way some skinny model is going to tell me how to lose weight."●

AFGHANISTAN: LETTERS FROM THE STATE OF IDAHO

● Mr. HUMPHREY. Mr. President, last December the brutal Soviet occupation of Afghanistan entered its 8th year. The horrible condition of human rights in Afghanistan was recently described in a United Nations report as: "A Situation Approaching Genocide."

As chairman of the congressional task force on Afghanistan, I have received thousands of letters from Americans across the Nation who are outraged at the senseless atrocities being committed today in Afghanistan. Many of these letters are from Americans who are shocked at this Nation's relative silence about the Genocide taking place in Afghanistan.

In the weeks and months ahead, I plan to share some of these letters with my colleagues. I will insert into the RECORD two letters each day from various States in the Nation. Today, I submit two letters from the State of Idaho and ask that they be printed in the RECORD.

The letters follow:

DEAR MR. HUMPHREY: I have just read the article in the Reader's Digest March 1986 concerning Afghanistan. I was appalled. I was fully aware in 1979 that Afghanistan was being run over but the atrocities that have occurred are unbelievable. This information has been withheld much too long. We are already 7 years too slow but certainly not too late to do something. The question that I have now is "What is the United States doing to help these people?" They are humans, as you and I, with families that they love and hold dear. There is no value to life as far as the invading Russian troops are concerned. I cannot believe that we will sit back and let this happen to humanity at any place in the world. I think the Russians are laughing at us—and not behind our backs but right in our faces. Certainly we cannot let this outrage continue. I think it is past time to get ourselves pulled together to stop this carnage. The Russians have time and time again dealt unfairly with humanity anywhere on the globe that they have desired. We cannot let this continue. I firmly believe that if we go with a strong hand that they will back down. They certainly do not want a war. They are currently playing the game they want. Let's start calling our own shots. I think they will back down and be quiet, but we have got to let them know that we will not tolerate this behavior any longer at any place in the world.

Please, Please, Please. For my family and yours and our proud country, it is time that the United States did whatever was necessary to stop these terrible crimes.

Sincerely and earnestly,

NATALIE MILLINGTON.

BLACKFOOT, ID.

DEAR SIR: It is hard for me to describe my feelings about what is going on in Afghanistan. We have another Hitler situation on hand again while the free world stands by and watches human beings being slaughtered. I know some of our leaders want us to negotiate. When do we decide to stand up for freedom again? When it is economically or politically feasible to do so? I and my family and many Americans seem to have a lot more questions than we do answers these days. Are we so busy enjoying our own freedom and prosperity that we don't have time for others seeking the same thing? What bothers me even more than what the communists are getting by with around the world is the matter of exposure. It seems when we were in Vietnam and did something wrong or immoral or our CIA messes up, the whole country knows about our shortcomings. How come our press and Congress doesn't expose Russia for who they are and all the immoral things they are engaged in around the world? Are we our own worst enemies? And I think, sir, the next time we have a Watergate or its likes that we punish the people involved and not the system. Our CIA and security organizations are handcuffed into doing very little. But back to Afghanistan, (We should rename it Hell on Earth), I say we do whatever we have to, to fight while there is still time. We will reap what we sow in the end. It's time we gave more than lip service to the world situation. May God forgive us for our shortsightedness. We have plenty of history to prove we can't negotiate peace and have it mean anything with the communists.

Sincerely,

JERRY MARTIN.

BOISE, ID.●

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that morning business be closed.

The PRESIDING OFFICER. If there is no further morning business, without objection, morning business is closed.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

ADJOURNMENT UNTIL 2 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until tomorrow at 2 o'clock p.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow the call of the calendar under rule VIII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESOLUTIONS OR MOTIONS

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow no resolutions or motions over under the rule come over.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE AT 3 P.M.

Mr. BYRD. Mr. President, I have cleared this with the distinguished assistant Republican leader and the distinguished Senator from North Carolina, who is the manager for the opposition on the other side. I ask unanimous consent that the vote on the motion to invoke cloture occur tomorrow at 3 o'clock p.m. without the mandatory quorum in advance thereof.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

DIVISION OF TIME

Mr. BYRD. Mr. President, I ask unanimous consent that the time for debate during the 1 hour under the rule on tomorrow be equally divided between the majority and minority leader or their designees.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL TOMORROW AT 2 P.M.

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until the hour of 2 o'clock p.m. tomorrow.

The motion was agreed to and, at 6:29 p.m., the Senate adjourned until 2 p.m. tomorrow, March 24, 1987.

NOMINATIONS

Executive nominations received by the Senate March 23, 1987:

DEPARTMENT OF STATE

Sol Polansky, of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bulgaria.

John Shad, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Kingdom of the Netherlands.

Sherman M. Funk, of Maryland, to be inspector general, Department of State, new position.

THE JUDICIARY

Susan Wittenberg Liebeler, of California, to be U.S. circuit judge for the Federal Circuit vice Shiro Kashiwa, retired.

DEPARTMENT OF EDUCATION

LeGree S. Daniels, of Pennsylvania, to be Assistant Secretary for Civil Rights, Department of Education, vice Harry M. Singleton, resigned.

Bonnie Guiton, of California, to be Assistant Secretary for Vocational and Adult Education, Department of Education, vice Robert Melvin Worthington, resigned.

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT

James L. Usry, of New Jersey, to be a member of the National Council on Education Research and Improvement for a term expiring September 30, 1989, vice J. Floyd Hall, term expired.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Nancy Clark Reynolds, of Virginia, to be a member of the National Museum Services Board for a term expiring December 6, 1991, vice Ann Duncan Haffner, term expired.

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. John L. Pickitt, [redacted]FR, U.S. Air Force.

IN THE ARMY

The following-named officer for appointment to the grade indicated, under the provisions of title 10, United States Code, section 601(a), in conjunction with assignment to a position of importance and responsibility designated by the President under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Donald S. Pihl, [redacted], U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. William H. Schneider, [redacted], U.S. Army.

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 5149(a), to be assigned as deputy judge advocate general of the Navy:

Capt. Everette D. Stumbaugh, [redacted]/2500, Judge Advocate General's Corps, U.S. Navy.

The following-named rear admirals (lower half) of the Reserve of the U.S. Navy for permanent promotion to the grade of rear admiral in the line and staff corps, as indicated, pursuant to the provisions of title 10, United States, section 5912:

UNRESTRICTED LINE OFFICERS

John Joseph Sweeney
Kenneth Edward Myatt
Jack Stephen Smith
Martin William Leukhardt

UNRESTRICTED LINE OFFICER (TAR)

Albert Eugene Rieder

MEDICAL CORPS OFFICER

James John Cerda

SUPPLY CORPS OFFICER

Philip Arthur Whitacre

CIVIL ENGINEER CORPS OFFICER

David Oliver Smart IV

EXTENSIONS OF REMARKS

S. 461, THE FOOD IRRADIATION SAFETY ACT

HON. JOHN H. CHAFEE

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Monday, March 23, 1987

● Mr. CHAFEE. Mr. President, in the face of continuing doubts about the safety of irradiation as a means of preserving food, the best course of action is the cautious one.

That is why I have cosponsored S. 461, legislation which would block new applications of food irradiation technology until irradiated food can be proven safe for human consumption. This is an important consumer protection measure, and I urge the Senate to move swiftly on it.

Food irradiation is a process under which food can be preserved by exposing it to low levels of ionizing radiation—thus killing insects and bacteria that lead to spoilage. Prior to 1983, irradiation was approved for use in only a few carefully prescribed instances: To inhibit sprouting in potatoes, for example, or to kill insects in harvested wheat. Since 1983, however, FDA and USDA have moved to expand the approved uses of food irradiation technology to include herbs and spices, pork, and fresh fruits and vegetables—an expansion which the research available does not appear to warrant.

On the basis of existing data, it cannot be said with certainty either that food irradiation is safe or that it is harmful. As part of its review of the safety of the process, FDA looked at more than 400 studies, rejecting all but 67 as unsound. Of the 67 studies that remained, approximately half concluded that food irradiation was safe; the other concluded that it wasn't. This hardly warrants permitting further applications of irradiation technology.

S. 461 would block these recent expansions of food irradiation until an independent review of safety of the process can be conducted by the National Academy of Sciences. Equally as important, S. 461 would tighten labeling requirements for foods which may still be irradiated. For example, under the current regulations, foods that have been irradiated must be labeled as such, but foods that contain an irradiated ingredient need not be. S. 461 would correct this and other deficiencies in the labeling requirements that apply to irradiated food.

Mr. President, there is no reason to rush ahead with new applications of a technology whose safety has not yet been clearly established. No studies have been done on its long-term effect on human health. And thus far, there has been little demand for the benefits that irradiation may offer; on the contrary, consumer resistance to the technology has been widespread and vigorous. To move forward on food irradiation at this point would be to run an unnecessary risk, one from which we have little to gain and much to lose.

I urge my colleagues to lend their support to this measure, so that it may receive speedy and favorable consideration in the Senate.●

NATIONAL ENERGY SECURITY ACT

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. BAKER. Mr. Speaker, today I am introducing legislation to protect America's domestic oil production. The drop in world oil prices has crippled domestic producers and has dangerously increased U.S. dependence on foreign oil.

I'm sure my colleagues join me in not wanting to repeat the oil crises of 1973 and 1979. Those who wish to avoid the past would do well to take heed of recent facts. Our dependence on foreign oil has risen dramatically from 27 percent of domestic consumption in 1985 to 39 percent at present. Domestic drilling decreased by over 44 percent between 1985 and 1986, an unprecedented industry decline. The Department of Energy has estimated that we could reach over 50 percent dependence on imports by early 1990.

This growing dependency has unsettling implications for the independence of the United States in foreign affairs. A recent article in the New Republic documented the effect dependence on foreign oil can have on a country:

> * * * Japan is the most devout adherent in the developed world of the Arab economic boycott of Israel. Japanese industry not only meticulously observes every provision of the boycott. It goes well beyond by avoiding connections with Israel that the Arab world might possibly view adversely.* * *
>
> Why such extensive Japanese compliance with the Arab boycott? Although Japanese dependence on Arab oil has decreased from the 90 percent levels of the last 1970's, 50 to 55 percent of Japanese oil still comes from Arab States, with another 10 percent purchased from Iran.

Those Members of Congress who wish to see the United States continue in its role as leader of the free world would do well to consider the importance of a domestic oil supply.

Of additional concern is the impact the drop in oil prices has had on the U.S. economy. Thousands of workers have been thrown out of work and the cost of imported oil has raised the trade deficit by billions. It is foolhardy to support OPEC flooding of our markets because it momentarily helps a few industries, when in the long run it imperils our national security. OPEC's price cuts must be seen for what they are, an effort to claim an increased market share and gain greater leverage over the White House.

The legislation that I've introduced to head off another oil crisis imposes a variable oil import fee when imports constitute over 35 percent of consumption and the average world price is below $22 per barrel for crude and $24 per barrel for petroleum products. The additional fee for petroleum products is to keep our domestic refineries competitive. This bill will provide an incentive for producers to keep marginal wells open and explore for new reserves.

The Secretary of Energy, Mr. Herrington's recent report on Energy Security made these supportive comments about a variable oil import fee:

> A variable import fee would raise U.S. oil prices only to the extent that world oil prices fall below some designated price. * * * Proponents of a fee to maintain investment suggest a level of at least $20 to $22 per barrel.
>
> A variable fee would give producers additional price assurances that would reduce the risks of new oil investments. A higher price floor would increase the profitability of oil investments. Even if oil prices never reached a price floor below current prices, such a floor would remove the possibility of very low prices—and thus make investors more willing to make oil investments.
>
> A variable oil import fee benefits the domestic oil industry by supporting U.S. oil prices, industry profits, and employment in the industry. A variable fee also provides energy security benefits by reducing dependence on foreign oil. Unlike a fixed fee, a variable fee would raise U.S. prices only to the legislated level and would prevent foreign suppliers from offsetting part of the fee to preserve their U.S. sales.

The fee would be the difference between the $22 or $24 per barrel target prices and the world oil price. For example if the world price of crude oil is $18 then the fee imposed would be $4.

Many of my colleagues have shared with me their concern over our crumbling oil industry, however they fear the effect an oil import fee would have on their constituents. I sympathize with their concerns and have addressed them in my bill by dedicating half the revenues raised to be used for funding of the Low Income Home Energy Assistance Program. This will go far in providing for our Nation's poorest.

Hopefully the other revenues raised will be used for reducing the deficit. The Congressional Budget Office has estimated that a fee would bring in billions in revenue. This would be a tremendous help in our effort to reduce the deficit and meet the Gramm-Rudman goals.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

However, these points are sidenotes to the most crucial aspect addressed by this bill: when more than one-third of the Nation's oil supply comes from foreign interests, our national security is at risk.

I urge my colleagues to join me in supporting an effort to protect America's oil production, and ensure that OPEC never dictates what U.S. foreign policy should be.

The text of my legislation follows.

H.R. 1751

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Energy Security Act of 1987".

SEC. 2. FEE ON IMPORTED CRUDE OIL AND REFINED PETROLEUM PRODUCTS.

(a) In General.—

(1) Imposition of fee.—There is hereby imposed a fee on any petroleum product entered into the United States for use, consumption, or warehousing during the week following any 4-week period if—

(A) the average international price of crude oil for such 4-week period is at least 5 cents less than the national security energy price for the calendar quarter in which such period ends, and

(B) the volume of petroleum products entered into the United States for use, consumption, or warehousing during such period is more than 35 percent of the volume of petroleum products consumed in the United States during such period.

(2) Amount of fee.—

(a) In general.—The amount of the fee imposed by paragraph (1) with respect to any barrel for any week shall be equal to the excess of—

(i) the national security energy price for the calendar quarter which includes such week, over

(ii) the average international price of crude oil for the 4-week period preceding such week.

(b) Fractional Part of Barrel.—In the case of a fraction of a barrel, the fee imposed by paragraph (1) shall be the same fraction of the amount of such fee imposed on a whole barrel.

(3) Time fee is imposed.—

(A) In general.—The fee imposed by paragraph (1) shall be on the first sale within the United States of the petroleum product.

(B) Fee on certain uses.—If—

(i) any petroleum product entered into the United States is used within the United States, and

(ii) before such use, no fee was imposed under paragraph (1),

then the fee imposed by paragraph (1) shall be on such use.

(4) Liability for payment of fee.—

(A) Sales.—The fee imposed on the first sale described in paragraph (3)(A) shall be paid by the seller thereof.

(B) Use.—The fee imposed on any use described in paragraph (3)(B) shall be paid by the person using the petroleum product.

(b) National Security Energy Price; Average International Price.—

(1) National security energy price.—

(A) In general.—For purposes of this section, the national security energy price for any calendar quarter is the sum of—

(i) the base price, plus

(ii) the product of the base price and the inflation adjustment for such calendar quarter.

(B) Base price.—For purposes of subparagraph (A), the base price is—

(i) $22 in the case of crude oil, and

(ii) $24 in the case of petroleum products other than crude oil.

(c) Inflation Adjustment.—For purpose of subparagraph (A), the inflation adjustment for any calendar quarter is the percentage by which—

(i) the implicit price deflator for the gross national product for the second preceding calendar quarter, exceeds

(ii) such deflator for the calendar quarter ending December 31, 1986.

(D) First revision of price deflator used.—For purposes of subparagraph (C), the 1st revision of the price deflator shall be used.

(2) Average international price.—For purposes of this section, the average international price of crude oil for any 4-week period shall be the average of the weighted average price per barrel of crude oil for each week in such period, as estimated and published in the Weekly Petroleum Status Report prepared by the Secretary of Energy or his delegate.

(3) Publication.—The Secretary shall publish for each week the national security energy price and the average international price determined under the section for the preceding 4-week period.

(c) Definitions and Special Rules.—For purposes of this section—

(1) Crude oil.—The term "crude oil" includes crude oil condensates and natural gasoline but does not include domestic crude oil (within the meaning of section 4612(a)(2) of the Internal Revenue Code of 1986).

(2) Barrel.—The term "barrel" means 42 United States gallons.

(3) Export.—The term "export" includes shipment to a possession of the United States.

(4) Petroleum product.—The term "petroleum product" includes—

(A) crude oil, and

(B) refined oil, fuels, and chemical feedstocks which are refined or derived from crude oil.

(5) Secretary.—The term "Secretary" means the Secretary of the Treasury or his delegate.

(6) Exports Exempt From Fee.—

(A) In general.—Under regulations prescribed by the Secretary, no fee shall be imposed under this Act on the sale of any petroleum product for export or for resale by the purchaser to a second purchaser for export.

(B) Proof of export.—Where any petroleum product has been sold without payment of fee under subparagraph (A), such subparagraph shall cease to apply with respect to the sale of such petroleum product unless, within the 6-month period which begins on the date of the sale, the seller receives proof that the petroleum product has been exported.

(d) Registration.—Every person subject to the fee imposed under subsection (a) shall register with the Secretary at such time and in such manner as the Secretary may prescribe.

(e) Procedures; Returns; Penalties.—For purposes of this Act, except as provided in regulations prescribed by the Secretary, the fee imposed by subsection (a) shall be treated in the same manner as the tax imposed by section 4986 of the Internal Revenue Code of 1986.

(f) Deductibility of Imported Crude Oil Fee.—The first sentence of section 164(a) of the Internal Revenue Code of 1986 (relating to deductions for taxes) is amended by inserting after the last paragraph the following new paragraph:

"(7) The fee on imported petroleum products imposed by section 2 of the National Energy Security Act of 1987."

(g) Effective Date.—This section and the amendment made by subsection (f) shall apply with respect to sales of imported crude oil and imported refined petroleum products in calendar quarters beginning more than 30 days after the date of the enactment of this Act.

SEC. 3. ESTABLISHMENT OF LOW-INCOME HOME ENERGY ASSISTANCE TRUST FUND.

(a) In General.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to trust fund code) is amended by adding at the end thereof the following new section:

"SEC. 9510. LOW-INCOME HOME ENERGY ASSISTANCE TRUST FUND.

"(a) Creation of Trust Fund.—There is established in the Treasury of the United States a trust fund to be known as the 'Low-Income Home Energy Assistance Trust Fund', consisting of such amounts as may be appropriated or credited to such Trust Fund as provided in this section or section 9602(b).

"(b) Transfers to Trust Fund.—There are hereby appropriated to the Low-Income Home Energy Assistance Trust Fund amounts equivalent to ½ the fees received in the Treasury under section 2 of the National Energy Security Act of 1987 (relating to fee on imported crude oil and refined petroleum products).

"(c) Expenditures From Trust Fund.—Amounts in the Low-Income Home Energy Assistance Trust Fund shall be available, as provided in appropriation Acts, only for purposes of carrying out the Low-Income Home Energy Assistance Act of 1981.

"(d) Excess Revenues Deposited in General Fund.—If—

"(1) at the close of any fiscal year the unobligated balance in the Low-Income Home Energy Assistance Trust Fund exceeds $100,000,000, and

"(2) the Secretary, after consultation with the Secretary of Health and Human Services, determines that the unobligated balance in such Trust Fund will exceed $100,000,000 as of the close of the following fiscal year if no transfer is made under this subsection.

then the Secretary shall transfer to the general fund of the Treasury an amount equal to the excess of the unobligated balance in such Trust Fund over $100,000,000.

"(e) Budgetary Treatment of Trust Fund.—The receipts and disbursements of the Low-Income Home Energy Assistance Trust Fund shall not be included in the totals of the budget of the United States Government as submitted by the President or of the congressional budget and shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government."

(b) Clerical Amendment.—The table of sections for subchapter A of chapter 98 of such Code is amended by adding at the end thereof the following new section:

"Sec. 9510. Low-income home energy assistance trust fund.

EDUCATION ALLIANCES WORK

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. BIAGGI. Mr. Speaker, education reform is the cry we are hearing all across the country. Numerous reports and studies that have been released in recent years all indicate that there is a serious crisis in our Nation's educational system and demands are made for reforms now. Simply put, this Nation has finally recognized the vital role of education in our society and the need for substantial changes in public education.

I am not disputing the acute problems facing our educational system. I recognize the need to improve and expand educational opportunities for all. However, I strongly believe education reform is the responsibility of everyone—schools, parents, educators, business, and the community. The public schools system is the cornerstone of efforts to build a stronger nation—it is, in fact, the place where the future of our society lies. We must marshal all of our resources and involve every segment of the community if we are to truly accomplish our goal of education reform.

To address this effort, I have introduced a bill, H.R. 627, to encourage and facilitate the establishment of alliances between the public schools and our private and nonprofit sectors. This legislation, the Alliance for Education Act, establishes a model grant program linking the needs of our schools, and the resources, energies, and commitment of the community to address these special needs.

Alliances are in existence now and they do work. One example is now in operation in Richmond, creating a partnership between John Marshall High School and Best Products Co., Inc.

An article about this unique alliance recently appeared in the Richmond News Leader. For the benefit of my colleagues, I wish to insert the full text of the article into the CONGRESSIONAL RECORD. It is time for the Federal Government to promote these important education partnerships and my bill, H.R. 627, will do just that.

[From The Richmond News Leader, Mar. 4, 1987]

FROM STRUGGLER TO MATH WHIZ—STUDENTS MAKE DRAMATIC GAINS IN PROGRAM

(By Chuck Epes)

Three years ago, Travan Jasper hadn't thought much about colleges, especially big-name colleges.

Today, Travan, a senior at Richmond's John Marshall High School, is waiting to hear from admissions offices at Harvard, Princeton, Stanford and Brown universities.

A few years back, Travan's twin brother, Travis, didn't know what a Scholastic Aptitude Test was. The SAT scores of Travis, now a Marshall senior, have jumped 150 points since he first took the test. He has applied to colleges "from the ACC (Atlantic Coast Conference) to the Ivy League."

As a sophomore, John M. Houston struggled through mathematics classes. Today, his friends call John, a 17-year-old senior, "the math whiz" of Marshall High. He'll be off to Howard University next year.

These three Richmond teen-agers have more than bright futures in common.

They are products of SIDAP, a special Marshall High program designed to boost grades, test scores and college admissions.

SIDAP—short for Students Interested in Developing Academic Potential—is the brainchild of Dr. Iris T. Metts, who was principal of the former Marshall-Walker High School, and Joseph N. Anderson, director of administration for Best Products Co. Inc.

Four years ago, Dr. Metts noted with displeasure that SAT scores at Marshall-Walker were low. The school's mean score was 692, way below the national mean of 897 and far from what many colleges and universities consider good enough for admission.

So Dr. Metts huddled with Anderson, the man in charge of Best Products' adopt-a-school program already affiliated with Marshall-Walker.

Together, the professional educator and the professional businessman sat down to find a way to raise test scores of the school's black, inner-city, economically disadvantaged students.

They came up with a winner.

The SIDAP formula is simple: three hours a week of English and math tutoring, repeated doses of SATs and PSATs, cultural enrichment visits to museums and theaters, and field trips to colleges in Virginia, North Carolina and the Washington area to acquaint students with higher education options.

SIDAP and Best Products pick up the tab for testing and travel expenses, but students have obligations, too. They sign contracts pleding to attend classes regularly, complete all homework and take as rigorous an academic course load as the school can provide.

Only 25 students are in the program at a time. They are handpicked in their freshman and sophomore years on the basis of test scores and recommendations from teachers.

There is no typical profile—some are good students, some are not so good—but all have been identified as having the potential to become college material. They stay in the program through the first semester of their senior year. By then, nearly all are honor-roll students.

Since 1983, SIDAP has helped boost SAT scores of participating students into the 900-to-1,100 range, Marshall Assistant Principal Carlton Stevens said. One program participant scored 1,320 this year, he said. The mean score for the rest of the school is 722.

The program has helped turn shy, marginal students into student-government leaders, club officers and academic stars. SIDAP students have been named as commended National Merit Scholars and semifinalists on National Achievement Scholarship exams.

SIDAP won an educational excellence award from Virginia Polytechnic Institute and State University in 1985, and Marshall-Walker officials have given presentations on the program at seminars in Washington and New York.

Locally, SIDAP has been used as a model for programs in other city schools.

And at Marshall High, now the home of SIDAP, the experimental program has been extended for three years.

Last year, the first group of 11 SIDAP seniors graduated. Their SAT scores averaged near 1,000, and all went on to college.

Now, this year's senior crop is raring to go. Travis Jasper is quick to praise SIDAP.

"I can't attribute all (SAT score gains) to SIDAP, but it improved my maturity and confidence in taking tests," he said. "SIDAP itself won't make you a 1,300 score. It takes hard work. . . . But the program gives you an opportunity to go even further, to surpass."

John Houston agreed the program is beneficial.

"(SIDAP) helped me mature," he said. "It got me to study more. It influenced how I thought about grades."

As John talked, Travis smiled, then said of his friend, "SIDAP really helped John outside of class. It made him more popular, brought out his personality. He's now the math whiz of the school. He's a teacher now."

School officials smile when they hear such talk. Academic whizzes weren't always popular at Marshall.

"The school already had a marvelous reputation for athletics," said Dr. Metts, now manager for community relations for Richmond schools. "We wanted to establish a group of students interested in making good grades and being well-rounded."

"It's like a family approach," said Dayle T. Dunn, Best Products' adopt-a-school coordinator. "The love, direction, exposure, attention and academic achievement has given (SIDAP students) an edge in competing in the world."

As Marshall's "adopter," Best Products not only helped give birth to the SIDAP program but also provides limited financing for activities and gives two $1,000 college scholarships each year to Marshall seniors.

The company also holds student workshops in accounting, data processing, marketing and merchandising at its Parham Road headquarters.

Why did Best Products get involved?

"We have a responsibility to our children," Anderson said simply.

The company doesn't publicize its involvement with Richmond schools, he said. "We prefer to let the results speak for themselves."

But Anderson said the adopt-a-school and SIDAP programs have been an "absolutely remarkable experience for me."

It had been years since he had been in a high school, he said, and he has been impressed with the politeness, the discipline, the cleanliness, the dedication of teachers, and the willingness of students to learn.

"It's given me a great deal of satisfaction," he said, "a very pleasing kind of feeling to see success. We're giving students the tools to learn."

CATASTROPHIC PROTECTIONS FOR THE LOW-INCOME ELDERLY AND DISABLED UNDER MEDICAID (H.R. 1711, H.R. 1760, H.R. 1761, AND H.R. 1762)

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. WAXMAN. Mr. Speaker, the issue of catastrophic health protection for elderly and disabled Medicare beneficiaries is now receiving a great deal of attention among Members of the House and Senate. A number of proposals have been introduced to change the current limitations on Medicare coverage for hospital and physician services. These are important improvements, and I support them wholeheartedly.

However, these proposals do not go far enough. They do not protect low-income elderly and disabled beneficiaries from the high annual deductible amounts—in the range of $1,500 to $2,000—that must be met out-of-pocket before the catastrophic protections apply. And they do not address two major causes of catastrophic expense for the elderly and disabled: nursing home care, and prescription drug costs.

It is clear that, in our current budgetary circumstances, we cannot afford legislation that would fill in all these gaps. However, I believe that we can afford to take some modest steps to protect those most vulnerable to financial catastrophe: the low-income elderly and disabled. The logical vehicle for these protections is Medicaid, the Federal-State program that pays for basic health services for the poorest of the low-income elderly and disabled.

Medicaid, which this year will cover about 3.3 million elderly and 3.2 million disabled poor, now supplements Medicare in two ways. It fills in the gaps in financial protection left by Medicare's cost-sharing requirements, paying the Medicare part B premium as well as the part A and part B coinsurance and deductible requirements. Medicaid also provides additional benefits, including nursing home care, prescription drug coverage, and dental care, to complement Medicare's acute care coverage. Of course, because the States have considerable discretion in setting benefits and eligibility policy, the extent to which Medicaid protects the elderly and disabled poor varies from State to State.

Generally speaking, Medicaid coverage is now available to a poor elderly or disabled individual only if he or she first, is receiving cash assistance under the supplemental security income [SSI] program, second, is living in a nursing home, or third, has high, recurring medical expenses. The maximum countable income allowed to qualify for Federal SSI benefits this year is $340 per month, or about 74 percent of the Federal poverty level, for an individual, and $510, or about 83 percent of poverty, for a couple. In about half the States, the income level for eligibility is somewhat higher because the State supplements the Federal SSI benefit payment. In about 35 States, elderly and disabled poor who are not receiving SSI of State supplementary payments can qualify for Medicaid either by incurring large medical expenses or by entering a nursing home and having a gross income below a State-established level of up to $1,020 per month, 300 percent of the maximum SSI benefit for an individual.

As a result of those complex rules, many of the poorest elderly and disabled Medicare beneficiaries receive no protection from Medicaid. These individuals are also most likely to lack any private health insurance to supplement their Medicare coverage. The catastrophic coverage plans that have been proposed will help these individuals with their hospital and physician costs should serious illness strike. But they will still face serious financial hardship in meeting the high catastrophic deductibles. And they will continue to be totally exposed to the crushing burdens of the nursing home and prescription drug costs resulting from chronic illness.

The Medicaid Program can and must be improved to give the low-income elderly and disabled greater protection against financial catastrophe.

Five days ago, Mr. SCHUMER and I joined 29 other Members in introducing the Medicaid Community Spouse Protection Amendments of 1987, H.R. 1711. This bill would put an end to the impoverishment of elderly women when their husbands must be placed in nursing homes at Medicaid expense.

Today Mr. STARK and I are introducing three bills that would protect the low-income elderly and disabled from excessive out-of-pocket costs and high prescription drug expenses:

The Medicaid Catastrophic Protection Amendments of 1987, which would require States to pay Medicare cost-sharing expenses for elderly and disabled Medicare beneficiaries with incomes below the Federal poverty line;

The Low-Income Elderly and Disabled Medicaid Amendments of 1987, which would allow the States to pay Medicare cost-sharing expenses on behalf of elderly and disabled Medicare beneficiaries with incomes between 100 percent of poverty and up to 150 percent of poverty; and

The Low-Income Elderly Medicaid Drug Coverage Amendments of 1987, which would allow the States to extend Medicaid prescription drug coverage to elderly and disabled people not otherwise eligible for Medicaid whose incomes are below 150 percent of the Federal poverty level.

Taken as a whole, these four proposals would extend protections against likely catastrophic events to the most vulnerable of the elderly and disabled: the poor and near-poor. According to the Congressional Budget Office [CBO], in 1986, about 3.3 million of the noninstitutionalized elderly 65 and over had incomes below the Federal poverty level. While virtually all of these have Medicare coverage, only about 1.1 million are covered under Medicaid. The remaining two-thirds of the poor elderly must meet the Medicare cost-sharing requirements without help from Medicaid. Among the 4.3 million noninstitutionalized elderly 65 and over with incomes between 100 and 150 percent of the Federal poverty level, CBO estimates that only about one-sixth—700,000 or so—had Medicaid coverage to assist them with their Medicare cost-sharing obligations, while the remaining 3.6 million near-poor elderly did not. It is clear from these data that, if Medicare catastrophic protection is to be meaningful for the all of the elderly, Medicaid coverage must be extended to reach more of the poor and near-poor elderly.

Final CBO estimates on these proposals are not available. Based on preliminary, unofficial estimates from CBO, however, I believe that these four proposals would result in additional Federal Medicaid outlays of under $700 million next year. That is just 2.3 percent of the $30 billion that CBO estimates the Federal Government will spend next year on Medicaid. This figure does not reflect any of the Medicaid savings that will result from the enactment of a Medicare catastrophic benefit—those who now exhaust their Medicare hospital coverage and become eligible for Medicaid will remain Medicare patients. I am hopeful that the fiscal year 1988 budget resolution will accommodate these modest program improvements.

INTERNATIONAL FAMILY PLANNING ASSISTANCE

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. TORRICELLI. Mr. Speaker, the issue of overpopulation continues to plague the developing countries and hinder their political, social, and economic growth. Our country's policy to support and assist these countries in their effort to intelligently guide their development processes must continue.

It is widely recognized that demographic control is closely linked with a country's development efforts. A country cannot adequately and efficiently respond to the needs of its citizens in providing education, shelter, employment, or even a stable government in face of spiraling population growth. Where family planning fails, per capita income and food production decline. An obvious example is the tragic case of sub-Saharan Africa, which experienced a record rise in population growth. An intelligent family planning program can greatly reduce unnecessary hardship in developing countries and spearhead their efforts in achieving political, social and economic stability.

As a member of the Public Policy Advisory Committee of the Population Institute, a Washington based organization dedicated to bringing the Earth's resources into balance with its population, I am exceedingly encouraged by the results of family planning programs. I am submitting for my colleagues' review the Population Institute's 1987 goals for the legislative and executive branches and the background statement of the Public Policy Advisory Committee:

1987 GOALS FOR THE LEGISLATIVE AND EXECUTIVE BRANCHES

We, the members of the Population Institute Public Policy Advisory Committee, urge that in 1987 the Institute pursue the following legislative and administrative objectives:

1. *Funding Levels:* Because of the unprecedented international demand for family planning services, the U.S. government should make no less than $250 million available for international family planning programs in FY '87. This would represent a modest increase over the $235 million provided in FY '85 and '86, but still be $40 million below the funding levels of three years ago. Unfortunately, the world's swelling numbers cannot wait for the U.S. to obtain its objective of a more balanced budget. Postponing the availability of desired family planning services to couples in the developing countries results in unnecessary and tragic deaths of both children and mothers. Further, a loss in momentum in reducing population growth rates will undercut the effectiveness of all other development activities, and greatly increase the likelihood of recurrent human disaster of the magni-

tude of the African famine of the past two years.

2. *Africa:* The famine of the past two years in Africa highlights how close that continent is to demographic disaster. With the fastest national population growth rates ever recorded, most sub-Saharan countries have also suffered from a decade or more of declining per capita income and food production. Congress should require that of all development assistance resources made available to that region, whether provided in a separate fund or through the various functional accounts, no less than 15 percent should be dedicated to family planning programs.

3. *United Nations Fund for Population Activities (UNFPA):* The United States historically played a leadership role in calling international attention to the population issue. It is unconscionable that this country should now have withdrawn its support from the leading international family planning agency in this field, UNFPA. This agency has effectively worked with 140 governments throughout the world in helping to establish family planning programs, and has been cited by the administration as having an outstanding record of cooperation with the U.S. government. Congress should reinstate the requirement that no less than 16 percent of all funds made available for population activities should again be channeled through the UNFPA.

4. *Non-governmental Organizations (NGOs):* NGOs, which the U.S. government should continue to support, have provided flexible, effective family planning programs all over the world. Further, it should not impose requirements on NGOs overseas which it would not or could not impose on similar organizations in this country. In particular, the Congress should require the restoration of funding for the International Planned Parenthood Federation.

5. *Cultural Sensitivity:* The U.S. should continue to insist that the programs it funds are strictly voluntary on the part of its participants and do not include use of U.S. government funds for abortion as a means of birth control. The government should not, however, attempt to design a detailed set of universal criteria for programs in many countries with cultural and social conditions which are often radically different from each other and from those in the United States.

6. *Human Rights:* The U.S. government should be guided by the principle, agreed to by all governments which participated in the 1984 International Conference on Population, that all couples and individuals should be able to "exercise their basic human right to decide freely, responsibly and without coercion, the number and spacing of their children and to have the information, education and means to do so."

7. *Contraceptive Options:* All NGOs supported by AID funding should guarantee that they will describe to participants the effectiveness and risks of all major methods of family planning and will either make available all such methods or refer participants to other agencies which offer other methods.

8. *Biomedical Research:* Private sector research in the U.S. on new contraceptive technologies has sharply declined because of economic factors and liability exposure. Therefore the U.S. government should increase funding biomedical research through international and domestic health and family planning programs. Such research will insure that couples all over the world will have a wider range of safe and effective methods of contraception from which to choose.

1987 BACKGROUND STATEMENT OF THE PUBLIC POLICY ADVISORY COMMITTEE

In 1974 the world population stood at four billion. The world's population of five billion will, at current growth rates, pass the six billion mark before the turn of the century. During that period three billion people will enter their reproductive years. This demographic explosion, if not restrained, implies serious social, economic, environmental, and political consequences for the world: 90 percent of current population growth occurs in the poorer countries which are less able to provide food, shelter, health, or education for such numbers; and such rapid growth has devastating effects on the environment and resource base of whole regions; Diminishing and deteriorating farm land forces continued migration to already overcrowded urban areas; Demographic pressures result in increased cross-border migration, which can lead to international conflict and economic strain on recipient countries.

The effects of rapid demographic growth are nowhere more graphically evident than in sub-Saharan Africa. That region has experienced the highest national population growth rates ever recorded. At the time, per capita income and food production have declined, forests and arable land have been destroyed, civil turmoil has increased, and thousands of refugees have fled to crowded urban areas or across borders. The world was shocked by the horrors of the famine suffered by central Africa in the past two years. Yet that famine was but a harbinger of things to come if populations in those countries continue to double every 20 years.

Such national and regional trends should give U.S. policy makers grave cause for concern. But it is at the individual and family level that the real human tragedy of unrestrained population growth can best be understood. Comprehensive social and demographic studies have consistently shown that:

A child born at least two years after a sibling is twice as likely to live through infancy as one born after a shorter interval;

The leading cause of death for women of childbearing age in the developing world are complications related to pregnancy. Improved child spacing and timing greatly reduces such mortality;

Effective family planning programs greatly reduce the incidence of abortions, both legal and illegal;

Most women in the developing countries wish to have a completed family size smaller than the current average for their society.

Over the past two and a half decades, there has been an extraordinary shift in attitude within the developing world with respect to family planning. At the governmental level, nearly all Third World governments now recognize that their development efforts can only succeed if population growth rates are lowered. Only a few years ago many of these same countries regarded family planning as unnecessary or even as an alien concept supported by foreign powers. Every large developing country now has a family planning program in place. Among smaller countries, particularly in Africa, many governments that have only recently become committed in principle to slowing population growth, lack both expertise and resources to establish effective programs.

At the individual level, we know that hundreds of millions of couples now recognize that they must limit their family size if they are to have reasonable expectations of providing their children with improved food, clothing, shelter, and education. Accordingly, in most developing countries family sizes are already shrinking. But we also know that nearly 400 million of those couples who desire to plan their family size and spacing are unable to do so because they lack the knowledge or means to control their own fertility.

The United States can take great credit for helping bring about this change in attitude. This country was in the forefront for two decades, both as a government, and through private agencies, in providing knowledge and programs to the developing countries. It is ironic and unconscionable that at a time when most of the world now regards family planning in a positive light, the United States should be withdrawing its financial and political support from such activities. It is outrageous that individuals and organizations that for years have dedicated their energies to helping countries overseas understand the need for family planning, should now have to devote so much time to obtaining our own government's support for these activities, rather than meeting the desires for increased assistance overseas.

For both humane and foreign policy reasons, the United States must once again resume its leadership role in promoting family planning, both through bilateral programs and through international organizations. For this reason, the Population Institute's Public Policy Advisory Committee has formulated the attached set of objectives for 1987.

TERRORIST GROUPS NOW COOPERATING TO WREAK HAVOC AND VIOLENCE IN LATIN AMERICA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. BROOMFIELD. Mr. Speaker, Latin American insurgent groups are now cooperating with each other to avoid government efforts to shut down drug trafficking. This recent development poses a greater threat to our allies in the region and to American interests there. Equally disturbing is the fact that some of these groups are working with drug traffickers in South America.

New evidence reveals that Communist insurgent groups in Central and South America, many of whom use terrorism as a tool against the governments in that nearby region, have formed a coordinating committee. The committee is based in Colombia and pools information in an effort to intensify the battle against governments and United States interests in the region.

There are about 27 guerrilla groups in Central and Latin America which are made up of about 25,000 members. Many of these groups obtain equipment and training in Cuba and Nicaragua.

M–19, a leftist insurgent group responsible for innumerable terrorist incidents in Colombia, has formed an alliance with drug traffickers in that country. The drug traffickers, who make billions from cocaine sales in the United States, obtain protection from the guerrillas and pay large sums of money in return. M-19 uses these funds to buy weapons on the international arms market and also passes critical information to the drug traffickers about Colombian Government operations in the area where the drug traffickers operate.

This rising menace of terrorism and guerrilla warfare in Latin America poses a real threat to our allies in the region as well as to U.S. diplomatic and business interests there.

With these thoughts in mind, I commend the following New York Times article on insurgent activity in Latin America to my colleagues in the Congress.

[From the New York Times, Mar. 3, 1987]

LATIN GUERRILLAS JOINING FORCES, U.S. OFFICERS SAY

(By Richard Halloran)

QUARRY HEIGHTS, PANAMA. Military staff officers at the headquarters here for United States forces in Latin America say leftist insurgent groups in the region have begun to cooperate in guerrilla operations.

In addition, the officers said, they have seen evidence that insurgents in Colombia, already extorting protection money from drug traffickers, have gone into the drug business themselves to help finance paramilitary and terrorist operations.

The officers also expressed concern that leftist groups in Honduras, prodded by the leftist Sandinista Government in neighboring Nicaragua, would mount isolated attacks on United States troops deployed there for training. In one case, they said, American officers discovered a Honduran mapping a United States military installation in that country.

The United States officers declined to be specific about the sources and methods by which they had come by their evidence.

M-19 IN COLOMBIA

The United States commander here, Gen John R. Galvin, said in an interview recently that "we are seeing a unity among insurgent groups."

He pointed to a group in Colombia known as M-19, or the April 19 Movement, as the hard core around which other groups have gathered.

General Galvin said he was particularly bothered that "these guys are getting resourcing and organizing from outside," by which he said he meant money and advice from Nicaragua and Cuba.

The American officers said the Shining Path organization in Peru was the only Latin American leftist insurgent group that accepts no outside assistance, financing itself by robbing banks and committing other acts of terror.

The staff officers said their latest assessment showed 27 leftist insurgent groups with 25,000 members operating in nine Latin American countries. These groups do not include the anti-Sandinista insurgents known as the contras, backed by the United States, whose strength has been estimated at 6,000 to 20,000.

COORDINATING COMMITTEE

United States military officers and officials of the Reagan Administration have asserted that the contras have 20,000 followers, with 10,000 now operating inside Nicaragua. The rest, they say, are in sanctuaries in Honduras. Some Latin American analysts say the number of contras is much lower.

In Colombia, where the insurgent movement is among the most active in South America, the officers said an international coordinating committee appeared to have been organized in November 1985, to pool information and to intensify the battle against governments.

M-19, which had a considerable following in the early 1980's has lost many leaders as well as much popular sympathy, Colombian officials say. They assert that it has become a terrorist organization and more involved with drug traffickers.

The groups represented on the coordinating committee, in addition to M-19, were said to include the Farabundo Martí National Liberation Front, the umbrella organization for five insurgent groups fighting in El Salvador; Alfaro Vive, Carajo of Ecuador; the Tupac Amaru Revolutionary Movement of Peru; the Bandera Roja, or Red Banner, of Venezuela, and perhaps two other groups.

Colombian officials say the coordinating committee also includes representatives from the pro-Cuban National Liberation Army, the pro-Albanian Popular Liberation Army and Quintin Lame, an Indian rebel group,

The Venezuelan group, the staff officers said, was an example of coordination among the insurgents. It is a band of 100 that has been revived with the help of M-19. The Venezuelan group, operating along the border with Colombia, was said to have extorted money from oil companies in that region.

In late 1985, as part of its effort to recoup lost strength, M-19 helped form in Colombia the Battalion America, a little-known group that has recruits from the Sandinistas and from El Salvador, Panama, Ecuador, Peru, Bolivia and Colombia itself. Although the battalion has proclaimed its existence, the officers said, so far it has mounted no significant operations.

REBELS JOIN DRUG BUSINESS

The staff officers, drawing from their intelligence reports, said that another Colombian insurgent group, the Revolutionary Armed Forces of Colombia, known by its Spanish acronym FARC, is seeking to rejuvenate itself by going directly into the drug business, the staff officers said. Members of the group have begun cultivating cocaine and marijuana, the officers said, and are refining, transporting and selling it.

Other insurgents in Colombia, where five main groups are said to total 7,000 members, reportedly have been extorting money from drug traffickers, promising protection in return. The insurgents have also provided drug traffickers with information on Government operations, thus enabling them to escape detection, the officers said.

With the money obtained from the drug business, the staff officers said, insurgents buy weapons on the international market.

In Honduras, four small leftist groups have a membership estimated at 600, the officers said. Those groups are concentrated in areas where United States troops are deployed.

GROUPS SEIZED IN HONDURAS

Last year, the officers said, Honduran authorities captured two groups of Honduran guerrillas that had been sent to Nicaragua and from there to Cuba for training. One group had 90 members and another had 30. Both were captured as they crossed the border from Nicaragua.

Honduran insurgents were also said to be in Tegucigalpa, the capital, and other cities, including Comayagua, near the main American military base at the Palmerola airfield.

Recently, the officers said, American officers in Palmerola uncovered a Honduran, posing as an employee of a Honduran contractor, who had made maps and diagrams of the installation.

Recently, the officers said, the Sandinistas have been encouraging their Honduran allies to go after Americans to undermine the position of the United States in Honduras.

The officers here have reduced their estimates of the number of insurgents active in El Salvador to about 8,000 today from 11,000 in 1982. Sources in El Salvador said the number of remaining insurgents was less than 5,000.

Elsewhere, the officers said, four subversive groups in Guatemala have 2,000 members, three mostly passive groups in Costa Rica have 900 members and two groups in Chile have about 700 members.

VIETNAM VETERANS POST-TRAUMATIC-STRESS DISORDER COMPENSATION ACT

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. KASTENMEIER. Mr. Speaker, on January 6 I introduced H.R. 38, legislation which would provide a presumption of service connection for the occurrence of post-traumatic-stress disorders who served in Southeast Asia during the Vietnam era.

According to estimates, as many as 4 million Americans were stationed in Indochina during the Vietnam war. For many of those who returned to "the world" the war is never very far away. It has a profound impact on their lives and that of their families and friends. It continues to literally haunt them, often resulting in the most disturbing consequences.

Dr. Arthur S. Bland, Jr., Director of Readjustment Counseling Service for the Veterans' Administration, tells us that most research indicates that at least 20 percent of Vietnam veterans have substantial war-related psychological difficulties that are impairing their lives. This means that some 700,000 to 800,000 veterans plus family members are still suffering the effects of that tragic period in our history.

In 1980 the American Psychiatric Association published the "Diagnostic and Statistical Manual of Mental Disorders," third edition, with a new category: Post-traumatic-stress disorder, acute, chronic and/or delayed. The symptoms of posttraumatic stress disorder listed in DMS-III include nightmares and flashbacks—ranging from minor to overwhelming—of traumatic events; insomnia; anxiety; depression; irrationality; numbing alienation from friends, family, and society; inability to resume productive living; impulsive behavior, and survivor guilt. Additionally, some Vietnam veterans demonstrate complex educational, social, economic, and life-style problems.

Dr. Blank has chronicled several categories of stresses that are found in Vietnam veterans—stresses that are unique to the war.

Veterans suffer, admittedly, from the psychic trauma inherent in all wars. These include prolonged threat of annihilation; exposure to multiple deaths, dismemberment, mutilation, agony, and bodily destruction of both friends and enemies; horrid living conditions; and the cultivation of a state of mind permitting one to attack and kill others over an extended period of time.

Additionally, there are the stresses caused by the particular military and political features of the Vietnam war.

Exposure to terrorism, affecting both combatants and noncombatants over an extended period of time, was a unique feature of the Vietnam war.

There was also a sense of purposelessness about war absent in our other military ventures. No matter how one viewed the war, most soldiers in Vietnam experienced it as meaningless, absurd and wasteful.

It was not enough that the Vietnam war experience itself was an extreme emotional assault on the combat soldier, the stress of homecoming proved almost as difficult. Unlike World War II when veterans came home with friends on troopships and were able to spend time making a gradual transition from combat to peacetime and were greated by cheering crowds, parades and a thankful public, Vietnam veterans came back by plane, in less than 48 hours, with no debriefing, and frequently were greeted with hostility, embarrassment, or indifference. Nobody wanted to hear about Vietnam.

Also unique to the Vietnam experience has been the postwar period since 1975. The war itself dragged on to a chaotic conclusion, ending in total defeat for the United States-supported Saigon government. And, since then, the United States has pursued a policy of pretty much avoiding the present-day nation of Vietnam.

Adding to the war experience and the trauma of the return home, is the fact that most veterans have found it difficult to obtain treatment for their psychological disorders. Until the beginning of the Vietnam veterans outreach project by the Disabled American Veterans in the fall of 1978, and the startup of Operation Outreach by the VA in October 1979, most Vietnam veterans were unable to receive counseling or psychotherapy for war-related symptoms.

All of these factors, taken in whole or in part, contribute to the presence of post-traumatic-stress disorder in as many as 800,000 Vietnam veterans. For many of these veterans, what was once a reaction to a traumatic situation or episode may become an almost unchangeable personality characteristic and can be extremely debilitating.

In February of this year the Centers for Disease Control released its Vietnam Experience Study, summarized in the February 13 issue of the Journal of the American Medical Association. The CDC study, commissioned by Congress in two separate actions in 1979 and 1981, was designed to assess the health of Vietnam veterans.

The Journal of the American Medical Association summarized by CDC's study as follows: "The post-service mortality (through December 1983) of a cohort of 9,324 U.S. Army veterans who served in Vietnam was compared with that of 8,989 Vietnam-era Army veterans who served in Korea, Germany, or the United States. Over the entire followup period, total mortality in Vietnam veterans was 17 percent higher than for other veterans."

Most of the excess deaths occurred in the first 5 years after discharge, according to the JAMA article, and were primarily related to external causes rather than diseases or medical conditions. In contrast to other veterans, Vietnam vets exhibited 72 percent more suicides, 93 percent more auto fatalities and 69 percent more accidental poisonings, mostly in the form of drug overdoses.

The CDC states, in drawing conclusions from the statistical evidence: "Our findings and previous studies suggest that the post-service excess in traumatic deaths among Vietnam veterans is probably due to unusual stresses endured while stationed in a hostile fire zone."

In citing the uniqueness of the Vietnam experience, the report notes: ". . . our findings may reflect consequences of the unique environment and experiences of serving in Vietnam and returning to an unsupportive and sometimes hostile climate in the United States."

It is perhaps ironic that mental health professionals have found that significantly disabled veterans, suffering the loss of a limb or other wound that required months or even years of hospitalization, experience less emotional problems often than those suffering the emotional wounds of the war. They believe the reason is that the severely disabled veterans received much more comprehensive care after their combat experience. They had close emotional support from other veterans in the hospital wards and were able to find some final resolution of their feelings about Vietnam. There was also much more understanding of the physically wounded by the VA, and they were provided support and training to help them readjust to their losses. No such resources were available to the veterans who were not seriously physically wounded.

But, the emotional wounds suffered by these veterans and the resultant effects on their lives and that of their families is every bit as serious as those suffered by those who were wounded physically, and every bit as debilitating.

Beginning in October 1980, the Veterans' Administration accepted the diagnosis of post-traumatic-stress disorder, delayed type, as a potentially compensable disorder. This meant that for the first time since World War I the Veterans' Administration could consider disorders to be service connected when the symptoms first appeared more than 1 or 2 years after military discharge. This bill merely extends that decision to create a presumption of service-connection when post-traumatic-stress disorders are found in veterans who served in Southeast Asia during the Vietnam era, using the definition of post-traumatic-stress disorder contained in DMS–III.

During the 98th Congress we enacted legislation calling for a study of the prevalence and incidence of post-traumatic-stress disorder and other psychological problems in readjusting to civilian life among veterans who served in Vietnam and the effects of such problems on these veterans. This report from the Veterans' Administration was due in October 1986. It has not yet been submitted to the Congress and I am told it probably will not be until sometime in the spring. But, I suspect we will find confirmation in that report on the CDC's findings.

Confirmation of the CDC's findings were also contained in the final report of the Wisconsin Vietnam Veteran Mortality Study issued in March 1986. The study consisted of a cohort analysis of 43,398 veterans who served in Vietnam. Their mortality risk was compared to the experience of 78,840 veterans in the Vietnam war period who did not serve in Vietnam. The deaths expected in each cohort were calculated from national, State, State veteran and State civilian cause and age specific death rates of white males.

The findings showed that the Vietnam veteran experienced a higher mortality rate for all external causes of death, all accidents, and all motor vehicle accidents when compared to non-Vietnam veterans. When compared to civilians, the Vietnam veteran had a higher risk for suicide.

In forwarding a copy of the study to me, the secretary of the Wisconsin Department of Veterans' Affairs, John J. Maurer, noted:

"The pattern of higher mortality in the accident, suicide, and cirrhosis deaths show that the Vietnam veterans' concerns for post traumatic stress disorder are real and substantial. These increases are indicative of a high underlying level of stress which may have been caused by the veterans' war time experience in Vietnam."

The fact is, Mr. Speaker, that the disorder has been identified and its presence in literally thousands of Vietnam veterans has been acknowledged by authorities in the fields of both psychological disorders and veterans' disabilities. The symptoms have been delineated by the American Psychiatric Association, providing a body of criteria to be met to establish the presence of the disorder.

It seems appropriate, in light of all this, to enact legislation to provide the presumption of service connection in the case of the presence of post-traumatic-stress disorder in Vietnam veterans.

A TRIBUTE TO DIRECTOR BILL CASEY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. KEMP. Mr. Speaker, the United States, and all who look to our country for their security and well being, owe former Director of Central Intelligence William J. Casey a debt of gratitude.

When Bill Casey assumed his duties as head of the CIA, he inherited an intelligence apparatus that was demoralized and weakened from years of underfunding and rhetorical abuse.

In the post-Watergate era, the dedicated work of our people stationed abroad was linked to "dirty tricks," instead of a vital component of our national security and defense.

Following the exposures and intensive publicity of the early and middle 1970's, Church and Pike Committees, U.S. intelligence capabilities were reduced significantly. As a result, we lost the near-term ability to exercise certain critical intelligence options.

And the resulting loss of morale led to heavy attrition of intelligence personnel through retirement and resignation in the 1970's.

The Reagan administration inherited these problems from the past. And it will require some time even beyond this President's tenure before we will fully recover from these losses. The lead time in the development of intelligence capabilities can sometimes equal and even exceed that in the deployment of strategic weapons.

But, thanks to Bill Casey, that recovery has begun.

Herb Meyer served as Director Casey's special assistant and then vice chairman of the National Intelligence Council. He was uniquely situated to observe the Director's work first hand, and to see an agency revitalized with new respect and professionalism. He has written what he calls a fan letter to Bill Casey. I call it an objective—and well deserved—tribute.

The importance of quality intelligence work to our national security cannot be overstated. But it is the nature of the intelligence business that the true heroes are little known or appreciated by the men and women whose lives may be more secure by their acts.

For what we know of Bill Casey's contributions, I would ask my colleagues to join with me in expressing our gratitude. For what we do not know, I trust the judgment of history will be Director Casey's highest accolade.

Mr. Speaker, I ask that Herb Meyer's article, "A Fan Letter to the CIA's Bill Casey," be printed in the RECORD.

This Nation owes a great debt of gratitude to Bill Casey and joins in sending our prayers and best regards to him and his dear wife Sophie and family.

The article follows:

[From the Washington Post, Feb. 8, 1987]

A FAN LETTER TO THE CIA's BILL CASEY

(By Herbert E. Meyer)

Washington is the sort of town where a discussion of Babe Ruth's baseball career would focus on the number of times he struck out. So it isn't surprising that the current avalanche of articles, commentaries and television features on William J. Casey's tenure as director of Central Intelligence have focused on those covert actions which went awry.

Bill Casey always swung from the heels. That is how you hit home runs. Alas, in the intelligence business only the strike-outs are public.

I worked with Bill Casey for four years at the CIA, and I'm still bound by a secrecy oath. So all I can do here is assert without giving evidence that Bill Casey's batting average was very high, and there are too many people in this town who are not exactly distinguishing themselves by remaining silent about it.

They could at least point out that Bill rebuilt our country's covert-action capability just about single-handedly, restoring our ability to respond to situations that require more than diplomacy but less than war.

In any case, Bill's achievements go far beyond covert activities. The overwhelming majority of Bill Casey's time and energy was, in point of fact, devoted to improving analysis.

For instance, he pushed the entire U.S. intelligence community into new areas of research.

He cooked up the idea for the first-ever National Intelligence Estimate on the future of Soviet science. This was, of course, an extraordinarily vague and amorphous issue to tackle, and time and again we came to Bill to bemoan our progress—or lack thereof.

"Look, boys," he would say, "just do the best you can. We'll see where our own gaps are, and then we'll figure out how to fill them. Don't worry if the estimate isn't perfect. This is our first shot. We'll use it to organize ourselves and three years from now we'll do another estimate. Just keep going."

It takes guts for an intelligence chief to order up a report explicitly to show his organization's gaps and shortcomings.

There's been much criticism of an intelligence chief who has such a close relationship as Bill Casey has had with President Reagan. But it is precisely because they know one another so well that the director had no fears that some political enemy would get hold of a report to try and discredit him at the White House.

Under Bill's direction, we launched a major effort to put the analysts in touch with new sources.

"Get these guys out there," Bill ordered time and again. "Find out where the best thinking is on this subject, and I don't care if it's in the government, outside the government or in some other country. We don't have to agree with everything we hear; I just want to make sure we're aware of all the thinking going on out there."

The effort bore results. To cite one example, we discovered that while we were the best bean-counters—totallers of production rates of Soviet tanks, ships, airplanes, bullets and so forth—some academic experts were ahead of us in thinking about the implications of all these weapons. We finally got our act together and, with their help and much or our own intellectual blood on the carpet, we moved beyond bean-counting to produce the first estimate of the Soviet Union's overall capability to project conventional power into the Third World.

Because he played such a key role in the Administration's deliberations, Bill had a unique feel for what his policymaking colleagues were going to need, and when. As a good intelligence officer, he usually knew it before they did.

Time and again my colleagues and I would get word that the director was in his car, en route back from the White House, and would we please be waiting in his office when he arrived. He would come in without saying a word, hang up his hat and coat, settle into his blue swivel chair. He would sit there in absolute silence, pursing his lips, rolling his large head from side to side, twisting hell out of a paper clip while he got his thoughts in order.

"You know, boys, I think about three months from now the White House is going to be making some decisions about — — —. What have we got going on this?" We'd tell him what we had going, and more often than not he'd bounce that twisted clip off his desk and lunge forward in his chair.

"What the hell are we, some kind of goddam think tank? I'm telling you that — — — will be at the top of the agenda in 90 days. Now, let's figure out what the president's going to need and then figure out how to do it."

So we'd sit there—sometimes for a long while—and define the various intelligence products that the president, the vice president, the secretaries of state and defense, the national security adviser, the chairman of the Joint Chiefs and so on were going to need to make the decisions that Bill knew they would be making. Then we'd shuffle our production schedules to assure delivery of the right products at the right time. That's the way the system is supposed to work and under Bill's direction, it did.

Of course, just flinging the stuff out the door and hoping for the best is not enough. You send an estimate to one or another Cabinet secretary, and it lands on the desk of some third principal deputy special assistant. If he reads it, he writes a covering memo and passes it on to the second principal deputy special assistant, who ignores it or puts his own memo on top of the one already there. And so on—certainly in Washington and, I deeply hope and believe, in Moscow.

Because Bill was the bureaucratic equivalent of a Stealth bomber, no one could shoot him down before he reached his target.

Sometimes Bill would deliver an estimate himself. On occasion he took along the analysts who prepared the estimate, who in turn carried with them whatever charts, photographs, even videotapes Bill thought would get the message through to a policymaker who wouldn't sit still long enough to read the estimate itself. And he forced them to confront the intelligence, which is one part of the director's job that receives far too little attention.

He was an astoundingly well-informed director. His range of contacts is incredible—he seems to know everyone on earth who has ever accomplished anything noteworthy. And he worked hard at staying in touch with people whose judgments he respected regardless of whether they were in or out of power, anonymous or well-known, young or old.

Most of all, in an age when so many people consider themselves experts on a subject because they once watched a television feature about it, Bill Casey is a serious reader. Those piles of books on his desk weren't there to impress visitors. He plowed through books with the enthusiasm of a child working his way through a package of Oreo cookies; he only stopped when none was left, and then only to stock up for another binge. Paul Johnson's "Modern Times," Jane Jacobs' "Cities and the Wealth of Nations," Edward Crankshaw's "Shadow of the Winter Palace," all of P.T. Bauer's works on economic development, Norman Davies' "Heart of Europe"—these are the kinds of books that Bill gobbled up night after night, then brought in the next mornings to pass on to whoever happened to walk into his office first. When he gave you a book, he expected you to read it that same evening; that's what he usually did when you gave him a book.

Moreover, there are several dozen domestic and foreign publications to which Bill Casey is the world's only known subscriber. He carried four briefcases that were forever bulging with magazines and newsletters that no one on the staff had ever heard of. During meetings, he would ask our opinions of a relevant article in the latest issue of The Something Monthly. After a couple of seconds, of dead silence he would leap out of his chair, rifle through one briefcase after another until he had found the issue he wanted, then fling it at one of us while muttering, "How the hell can I work with guys who don't read?"

On most days he had more appointments than your average Washington pediatrician, so there was rarely much time just to sit around and chew the fat. But when a lunch downtown was canceled, or when there was a gap between the day's last meeting and departure time for the first of the receptions he planned to attend with Mrs. Casey, anyone lucky enough to stop by could enjoy a few minutes of relaxed conversation with one of the smartest, shrewdest, wittiest men ever to pass through official Washington.

I only wish more people could have seen this side of him. For if there is anything more challenging or more, well, fun than sitting around and talking about the world with Bill Casey, I sure haven't found it.

TIME FOR A FRESH LOOK AT FREEDOM

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. DWYER of New Jersey. Mr. Speaker, I rise today to call to the attention of my colleagues in the House a situation which has developed in India which merits the concern of all persons interested in freedom. I am referring to the tragic state of affairs in the Punjab Province in northern India.

In June of 1984, the Government of India attacked the Golden Temple, the holiest of all shrines to the Sikh people. Since that time, the situation has deteriorated markedly. There is a virtual news blackout in the region as the Indian Government refuses to allow foreign journalists into the area.

Perhaps most unfortunate is that acts of violence have increased greatly, leading to the deaths of many innocent Indian citizens—both Sikhs and Hindus. The violence has frankly come from both sides in this struggle. In discussions with my own constituents who are Sikhs, they have forthrightly and directly condemned all acts of violence, no matter by whom they are perpetrated.

The Sikh people, like the Hindu people, are a dedicated and hard-working group. While Sikhs comprise only 2 percent of the population of India, they are responsible for producing 60 percent of India's wheat reserve and more than a quarter of its gross national product.

Mr. Speaker, the Sixth District of New Jersey has a long heritage of welcoming and assimilating immigrants from all over the world. We are blessed with the strength which that diversity offers. The Sikhs are one of the newest such groups.

It is on their behalf that I rise here today. The cooperation which exists in our country could serve as a model for India. No one benefits when daily life is marked by bloodshed, bombings and terrorist attacks.

The Sikh people are making an outstanding contribution to my district and to the State of New Jersey. All they ask is for a fresh look to be taken at the situation in northern India and for freedom to prevail for all people.

Mr. Speaker, at this point I would like to place in the RECORD a copy of the speech given by Dr. Gurmit Singh Aulakh, the president of the International Sikh Organization, recently in Toronto which provides further detail on this matter.

SPEECH BY DR. GURMIT SINGH AULAKH

Ladies and Gentleman, it is a great pleasure for me to be with you today to share my concerns. As a matter of fact these concerns are not only mine, they are the concerns of the whole Sikh Nation and the world, including the Canadian democracy represented by our honoured guests.

The gravity of our concern has not diminished with time, on the contrary it has accelerated as we realized the world wide implications posed by crises in Punjab. It is therefore appropriate for me to express my appreciation and gratitude to the organisers of this conference. They have provided us an opportunity to sit together, to exchange our views and share our pain.

The tragic events which have taken place and are still taking place in our homeland, the Punjab effect us as much as they effect those who live there. Though it was the holiest shrine of the Sikhs which was desecrated by the Indian army in June 1984, it was the innocent Sikh pilgrims who were massacred in the holy precincts of the Golden Temple and it is the Sikh youth who are being eliminated systematically through state terrorism but the implications are far reaching. It is the freedom of worship, freedom of speech, freedom of movement, freedom of the Press and basic human rights that are at stake. Though the Sikhs are the direct victims of this clossal tragedy, the whole world is a part of the problem as well as of the solution. The Sikhs are the prime victims because what is being destroyed, mutilated and wiped out is there heritage, their culture and their religion. This subtle genocide of a minority hurts no matter where the members of that minority live.

Historically this is not the first time that the Sikhs and their religion have been under attack. In spite of the fact that Guru Nanak, the founder of Sikhism denounced all the myths and dogmas, rites and rituals practiced by the Hindus, still Sikhism is being called a sect or an off-shoot of Hinduism. Though universal brotherhood, equality of man irrespective of colour, creed, race or religion are the cornerstones of Sikhism, still it being labeled as anti-Hindu and anti-Muslim. Since the day we are born as a unique social, political and religious entity we have been forced to defend it with our flesh and blood.

Mughals hunted us in jungles, cities and villages, they put a price on our heads and they tracked us on the mountains and in the valleys but failed to eliminate us. They desecrated our Harimandir (the Golden Temple) "the everlasting jewel" of Sikhism in 1757, 1762 and 1788 successively. They filled our Sarovar "the pool of Nectar" with debris. But every time they tried to crush us, we came out determined, strong, united and ready to take up the new challenge, the challenge of survive, the challenge to progress and the challenge to safeguard the basic human right of freedom to live and let live.

The British tried to gain control of our places of worship and restrict our freedom to worship but the massacre of Nankana Sahib in 1921, the non-violent protest of Guru-Ka Bagh in 1922 and peaceful demonstrations at Jaito in 1923 made them realise that this Sikh Nation, a symbol of Saintliness, Cleanliness, Universality, Self-Restraint and Resistance to oppression can be a partner not a slave. All of it was proved not by force but peace not by killing but suffering lastly not through terrorism but accepting it as a will of God "Tera Bhana Meetha Lage."

In 1876 the Sikhs were the first to raise the flag of independence and they were the first to become the cannon fodder. During the entire struggle for a free India, the Sikhs have suffered the most. They are the ones who courted the maximum number of arrests. Out of 2125 Indians killed 1550 were Sikhs, out of 2640 deported to British colony Andaman 2147 were Sikhs, and out of 127 sent to the gallows 92 were Sikhs. Why were 75 percent of the sacrifices given by Sikhs who constituted only 1.5 percent of the Indian population at that time? The answer is simple, the Gurus taught us not to submit to oppression. History is a witness, Sikhs did not submit to oppression in the past, they are not submitting now and let me assure you, they will not submit in the future. In other words the Sikhs suffered the most and gained the least. In 1947 India gained freedom but the Sikhs changed masters, British with Hindu Nationalist, in the guise of Secular democracy.

Since the day India gained independence, the relationship of the Indian government and the ruling majority with the Sikhs has been of deceit, confrontation and disinformation. Pandit Jawahar Lal Nehru, the first Prime Minister of India was the first member of the ruling party to break his promise with the Sikhs to enshrine the unique identity of the Sikhs in the Indian constitution. Next victim was the Punjabi language whose promotion and development was scuttled by reorganising all of the Indian provinces on a linguistic basis but not the Punjab. Ironically the Punjabi speaking Hindus denounced Panjabi by telling a historic lie in Punjabi itself. The list of broken promises, acts of alienation and isolation goes on, but the descecration of the Golden Temple, the massacre of innocent pilgrims, the destruction of historical artifacts of the Sikhs, planned and articulated killings of Sikh men, women and children are the climax of a well planned scheme to take the Sikhs to a point of no return.

Dear brothers and sisters, wars are won not by those who inflict the most, but by those who suffer the most. We have survived before and we shall survive this time too. In the words of the greatest American martyr, the civil rights leader, Dr. Martin Luther King, "We shall overcome."

We shall overcome because our cause is just and our demands are genuine. We do not demand anything different than what the Jews in Soviet Russia, blacks and browns in South Africa, Chileans in Chile and many more oppressed human beings all over the world demand. We seek freedom to worship, freedom to move, freedom of the press, freedom of speech, and most of all freedom to determine our own destiny. Our forty years experience with so-called Indian democracy has proved that if we wish to preserve our heritage, culture, religion and social structure we have to have our independent Sikh homeland; "Khalistan" as declared by Sarbat Khalsa convention held at Amritsar on April 29, 1986. It is not we who made this choice, it is the choice which has been forced on us, and we welcome it.

To our invited guests we request that you not judge us on the basis of second-hand knowledge, but to make an independent as-

> sessment of events on the basis of which we are labelled as extremists, terrorists, or militants. This is of special concern here in Canada in light of crimes committed on Canadian soil including the murders of Canadian citizens for the purpose of accusing the Sikhs of terrorist activities. These crimes bring the Indian government atrocities to an international level so that not only Sikhs, but Canadians as well as other people throughout the world are endangered by the Indian government. The worst example is of course the tragedy of Air India 747 that blew up in June, 1985 after leaving Toronto. While there was a massive disinformation campaign to blame this tragedy on the Sikhs, the Toronto Globe and Mail on November 21, 1985 pointed out after four months investigation the involvement of at least four people under Indian diplomatic cover. The handling of this tragedy is an example of how the Indian government likes to manage the media on a daily basis. I am fully confident that you have the resources to gather unbiased information, please make use of those resources and that information before you make your judgment. I think you will find that we are not terrorist or extremist, but we are, who we say we are . . . we are Sikhs.

OUR NATION'S LITERACY PROBLEM NEEDS ACTION NOW

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. BIAGGI. Mr. Speaker, is literacy a problem in our society? Does our Nation really need to focus more attention, and critical resources, to educate our adult population? Absolutely. Outlined below are just a few comments on the tragic problem of adult literacy by people across the Nation.

President Reagan says:

> If we're to renew our economy, protect our freedom, we must sharpen the skills of every American mind and enlarge the potential of every individual American life. Unfortunately, the hidden problem of adult illiteracy holds back too many of our citizens, and as a nation, we, too, pay the price.

Jonathan Kozol, author of a book entitled "Illiterate America," writes:

> The cost to our economy is very great. The cost to our presumptions and our democracy is greater still. The cost in needless human pain may be the greatest of all.

Mrs. Barbara Bush, wife of Vice President George Bush, calls illiteracy "A waste our Nation cannot afford."

Former Education Secretary T.H. Bell perhaps explains the problem of adult illiteracy best when he discusses the functional aspects of literacy, that is:

> The possession of the essential knowledge and skills to enable an individual to function effectively in his or her environment—the home, the community, the workplace.

All of these statements point to the same conclusion—our Nation's literacy problem needs action now. While we must obviously look to our schools to increase their efforts during an individual's early, formative stages, we can no longer afford to overlook the tens of millions of adults severely negatively impacted by illiteracy in our society and in our workplace now. Our Federal Government must take a leadership role in promoting adult literacy programs. Simply put, we do not need rhetorica, we need reform.

To address the problem of workplace literacy, I have authorized legislation that will assist in developing programs simultaneously addressing adult literacy, basic skills, and intellectual development in the workforce. This measure, H.R. 1342, is designed to improve American competitiveness by upgrading today's work force so they can function effectively within a rapidly changing economy and adapt to the ever-changing environment of the workplace. Most importantly, it will address the pressing, specific, and immediate needs of the Nation and our economy. While we must move forward with those ideas to improve schools and better educate our children for long-term results, we simply cannot ignore the needs of our adult population now. I urge all of my colleagues to give their full consideration to H.R. 1342, to establish these much-needed workplace literacy programs. Following is an example of these important and effective workplace education programs:

Motorola in Arcade, NY, is just one plant in this international corporation. The plant line included thick film ignition systems and alternator products. Due to changes in that industry, the company projects that perhaps one-third of their workers—400 people—could lose their jobs as the thick film products changed to computer products. The reason—the workers simply did not possess the basic skills knowledge necessary to adapt to new methods in the plant. As a result, Motorola developed a math program to assist its workers with basic mathematical skills. The curriculum included decimals, rounding of numbers, fractions, changing fractions to decimals, powers, and introduction to metrics. The result—all 400 individuals retained their jobs at Motorola and effectively adapted to the change in the industry. More importantly, the company increased employment at the factory because of these product changes. The best news of all—Motorola has now started a high school equivalent program for their workers who do not possess a high school diploma. They have come to realize that better educated and more informed workers will result in a more productive workforce. A message to all of us concerned about adult illiteracy—begin workplace literacy programs now. They benefit the workers, the employers, the company and industry, and our Nation as a whole. As Education Secretary William Bennett said, "It is an extraordinarily important issue to all of us."

A TRIBUTE TO ASSEMBLYMAN TERRY FRIEDMAN

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. WAXMAN. Mr. Speaker, on March 29, Bet Tzedek Legal Services in Los Angeles will hold a gala dinner to honor one of California's brightest young democratic leaders, Assemblyman Terry Friedman. Terry, who was elected in 1986 to represent the 43d District in the California Assembly, has an unparalleled record of public service.

Terry earned his bachelor of arts degree with honors in political science from UCLA in 1971. He pursued his political interest at this time, serving as president of the California Federation of Young Democrats and as an alternative delegate and delegate to the credentials committee at the 1972 Democratic National Convention.

In 1976, after receiving his J.D. from Boalt Hall Law School at the University of California, Berkeley, Terry practiced public interest law for the Western Center on Law and Poverty in Los Angeles. In 1978 he began a lengthy tenure establishing a remarkable record as executive director of Bet Tzedek Legal Services.

Bet Tzedek Legal Services assists the elderly and poor residents in Los Angeles. Under Terry's stewardship, it was transformed from a small, modestly funded center serving the Fairfax district into a $1.6 million multiprogram law center that served more than 9,000 clients in all parts of Los Angeles last year. Bet Tzedek now has offices in the Fairfax district and in North Hollywood, and conducts mobile law projects serving the elderly poor throughout Los Angeles County.

In addition to these great achievements, Terry started Bet Tzedek's nursing home advocacy project, worked on behalf of tenants rights and the rights of those unjustly cut off from disability, old age, and medical insurance. He directed Bet Tzedek's work in the Grunfeder versus Heckler case, which established the right of survivors of the Holocaust to Federal public assistance benefits.

In the California Assembly, Terry continues to work for the needy, the forgotten, and the underserved as a member of the committees on education, judiciary, public safety, human services, and aging and long-term care.

Terry's tireless commitment to public service is unmatched, having served with distinction as an adjunct professor at the UCLA School of Law; chairman of the California State Board of Examiners of Nursing Home Administrators; member of the Los Angeles County Rent Adjustment Commission; vice chairman of the Subcommittee on Senior Citizens of the Committee on Rights of the Underrepresented of the American Bar Association Section of Individual Rights and Responsibilities; member of the Human Rights Committee of the State Bar of California; member of the Legal Services for the Poor Committee of the Los Angeles County Bar Association; member of the board of the UCLA Public Interest Law Foundation; member of the Pan Pacific Citizens Advisory Committee; member of the executive committee of the Los Angeles Commission on Soviet Jewry; and member of the Jewish Big Brothers. Terry also continues to serve on Bet Tzedek's board of directors.

Few individuals are able to contribute in a lifetime as much as Terry has in the past decade. The people of Los Angeles are truly fortunate to be representated by him. I look forward to working with Terry for many years.

THE FUTURE OF TAIWAN

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. TORRICELLI. Mr. Speaker, I would like to bring to the attention of my colleagues an article by Dr. Trong R. Chai, professor of political science at the City University of New York. Dr. Chai has written extensively on his native land of Taiwan:

THE FUTURE OF TAIWAN

(By Trong R. Chai)

Taiwan has been separated from China for nearly a century. Consequently, the island differs from the mainland in several significant ways. Taiwan's economic development is far ahead of that of China. The island has larger foreign trade than the mainland, and Taiwan's per capita income ($3,200) is the fourth highest in East Asia and is ten times that of China. In Asia, Taiwan is second only to Japan in educational quality and achievement. The Taiwanese illiteracy rate is less than 10%, compared with more than 30% for China. The percentage of college graduates in Taiwan is 10 times higher than in China: 6% as compared to .6%.

Individualism is widespread in Taiwan; collectivism prevails in China. The Taiwanese advocate liberalism and human rights; the Chinese regard liberalism as "spiritual pollution." China has been successful in creating a mass society and compelling its citizens to accept communism as an absolute truth. But Taiwan has gradually moved toward a pluralist society, and the Taiwanese have begun to question the values promoted by the KMT.

The Taiwanese oppose any form of dictatorship, right or left, and fear that the KMT's rule may pass and be replaced by the far greater dictatorship of China. Their favorable attitude toward democracy is reflected in the following joint statement, issued in September 1982 by four leading Taiwanese politicians from their prison cells after imprisonment for their political beliefs by the KMT: "For more than 300 years, our courageous ancestors have come to settle in Taiwan, in order to gain freedom. With their new thinking and new way of life, they developed a spirit of self-reliance and laid the foundation for a democratic society." Consequently they maintained that "in the long-term interest of Taiwan, to carry out democracy on the island is far more urgent and important than unification with China."

The Taiwanese seem to have developed their own identity, and long to shape their own destiny. In 1971, on the eve of President Nixon's historic visit to China, the Presbyterian Church in Taiwan, the only voluntary association free from KMT dominance, issued a statement to "oppose any powerful nation disregarding the rights and wishes of 15 million people and making [a] unilateral decision to their own advantage, because God has ordained and the United Nations Charter has affirmed that every people has the right to determine its own destiny."

Today a great number of Taiwanese both within and outside the island demand self-determination. In November 1983, more than 50 overseas Taiwanese associations issued a joint statement stressing that "self-determination is a sacred, inalienable right of the people on Taiwan." Similarly, the joint platform of opposition candidates in the 1985 local election in Taiwan stated that "the future of Taiwan should be determined by the people on Taiwan."

That right is enshrined in international law. The Charter of the U.N. proclaims as its major purpose: "to develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples." The 1966 U.N. International Covenant on Civil and Political Rights says: "All peoples have the rights to self-determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development." In its Declaration on Principles of International Law concerning Friendly Relations and Cooperation among States in accordance with the Charter of the United Nations, adopted in Resolution 2625 (XXV) of 24 October 1970, the General Assembly further declared:

"By virtue of the principle of equal rights and self-determination of peoples enshrined in the Charter, all peoples have the right freely to determine, without external interference, their political status and to pursue their economic, social and cultural development, and every State has the duty to respect this right in accordance with the provisions of the Charter."

However, China does not respect the Taiwanese right to self-determination on the ground that "the signboard of the so-called 'self-determination' of the people on Taiwan" is employed to "perpetuate the separation of Taiwan from China" and that "it is entirely China's internal affair as to how the Taiwan question should be resolved." Here arise several legal questions: Are the Taiwan question and its solution China's internal affair? And particularly, can China invoke domestic jurisdiction as a justification to oppose the application of the principle of self-determination to the solution of the Taiwan problem? The answers to these questions appear to be negative.

First, the legal status of Taiwan involves the interpretation of the San Francisco Peace Treaty with Japan and many other international treaties and agreements, and is thus not a matter of China's domestic jurisdiction. In the Right of Passage case, in rejecting India's claim of domestic jurisdiction, because Portugal invoked a treaty which India controverted, the International Court of Justice held that "to invoke, whether rightly or wrongly, such principles is to place oneself on the plane of international law . . . . to decide upon the validity of those principles does not fall exclusively within the jurisdiction of India."

Second, a territorial dispute, such as the Chinese claim to Taiwan, is a matter of international concern. China cannot invoke domestic jurisdiction until it has affirmatively established that Taiwan is a part of China. Therefore, the Taiwan question—the question as to whether Taiwan is Chinese territory—is not China's internal affair.

Third, the solution to the Taiwan question is not always a matter of China's domestic jurisdiction. Aureliu Cristescu states that "the violation of the principle of equal rights and self-determination of peoples, on the other hand, constitutes a danger to the very existence of those peoples; it is an offence against international legality and a threat to world peace," a situation "likely to endanger the maintenance of international peace and security" under Article 33 of the Charter. This kind of solution would be a matter of international concern. It follows naturally from what has been said that, whether or not Taiwan is a part of China, unless the future of Taiwan is determined with the consent of the people on Taiwan, free of coercion, the solution to the Taiwan question is not China's internal affair.

Fourth, according to current practice in the U.N., the application of the principle of self-determination is not a matter of domestic jurisdiction. After an intensive study of the question of self-determination in that world body, James Crawford found that "matters of self-determination cannot be within the domestic jurisdiction of the metropolitan State." Crawford points out that "colonial enclaves constitute in effect an exception to the self-determination rule, and that the only option is for the administering authority to transfer the enclave to the enclaving State. The wishes of the enclave are not regarded as relevent." Crawford defines a colonial enclave as "small territory claimed by a neighbouring State." By any definition Taiwan is not a colonial enclave. The island is 110 miles off the Chinese coast, and, with a population of 19 million, has more people than 123 of the 159 members of the U.N. Its GNP exceeds $60 billion, which is larger than that of any U.N. member in the Middle East and Africa. Thus, on the basis of international law and practice, China cannot invoke domestic jurisdiction to deny the Taiwanese the right to self-determination.

Taiwan's educational level is so high that a plebiscite in Taiwan is the most effective way to determine the wishes of the islanders. Because of the growing Chinese influence in the international community, a U.N.-supervised plebiscite in Taiwan does not seem feasible. However, the KMT could hold a plebiscite to determine whether the people on Taiwan want Taiwan to become a part of the People's Republic of China or a new nation independent of China. The U.S., China, and other nations concerned with the future of Taiwan could be invited to supervise the voting.

A case of particular interest in this connection is the plebiscite held in Outer Mongolia in 1945. The Soviet Union and China supervised that plebiscite and both acceded to the expressed wish of an alleged 100% of the Mongolians for independence from China. It is widely believed that a plebiscite in Taiwan would also overwhelmingly favor independence for Taiwan. For example, a 1977 statement by the Presbyterian Church in Taiwan urged the KMT "to face reality and to take effective measures whereby Taiwan may become a new independent country."

It is vital that the U.S. support the right of the Taiwanese to determine their own future. American policy makers should keep in mind the following points when they consider the question of Taiwan. First, by taking over Taiwan, China, submarines would pose a threat to peace and security in the Pacific region. Second, American corporations have invested $1 billion in Taiwan, and a Chinese takeover would threaten these investments. Third, since the U.S. has been involved with Taiwan for four decades and champions freedom and democracy everywhere in the world, it has a moral obligation to prevent the mainland Chinese from imposing their communist system upon the people of Taiwan. Fourth, the Taiwan Relations Act of 1979 states that "the preservation and enhancement of the human rights of all the people on Taiwan are hereby reaffirmed as objectives of the United States." What the U.S. "reaffirmed" should include the right of the Taiwanese to decide their future. For, as stated by Aureliu Cristescu, "the right of self-determination is a fundamental right without which other rights cannot be fully enjoyed. Consequently, the enjoyment of that right is essential to the exercise of all individual rights and freedom."

REPORTS ON THE STANDING CONSULTATIVE COMMISSION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. COURTER. Mr. Speaker, last week I introduced legislation (H.R. 1724) to open to public scrutiny the proceedings of a secretive but largely ineffective arms control forum: the Standing Consultative Commission [SCC]. It is my hope that shedding light on the activities of this forum will provide a lesson in Soviet negotiating behavior, as well as a timely warning for the upcoming ABM Treaty Review Conference in October 1987.

The SCC was established pursuant to article XIII of the ABM Treaty of 1972. Article XIII says:

> 1. To promote the objectives and implementation of the provisions of this treaty (the ABM Treaty), the parties (the United States and the Soviet Union) shall establish promptly a Standing Consultative Commission, within the framework of which they will:
>
> (a) consider questions concerning compliance with the obligations assumed and related situations which may be considered ambiguous;
>
> (b) provide on a voluntary basis such information as either party considers necessary to assure confidence in compliance with obligations assumed;
>
> (c) consider questions involving unintended interference with national technical means of verification;
>
> (d) consider possible changes in the strategic situation which have a bearing on the provisions of the treaty;
>
> (e) agree upon procedures and dates for destruction or dismantling of ABM systems or their components in cases provided for by the provisions of this treaty;
>
> (f) consider, as appropriate, possible proposals for further increasing the viability of this treaty; including proposals for amendments in accordance with the provisions of this treaty;
>
> (g) consider, as appropriate, proposals for further measures aimed at limiting strategic arms.
>
> 2. The parties through consultation shall establish, and may amend as appropriate, regulations of the Standing Consultative Commission governing procedures, composition and other relevant matters.

As provided by the ABM Treaty, the SCC adopted regulations to govern its proceedings. The regulations, however, are not actual provisions of the treaty. Of particular interest and concern is regulation No. 8, which states:

> The proceedings of the Standing Consultative Commission shall be conducted in private. The Standing Consultative Commission may not make its proceedings public except with the express consent of both Commissioners.

According to a recently released report by the Stanford University Center for International Security and Arms Control [CISAC], which is largely critical of the Reagan administration's arms control policies, "at the time that (the SCC) was established, the Soviets insisted on a stipulation in the SCC regulations that the Commission shall conduct all proceedings in private and may make them public only with the express consent of both Commissioners." The CISAC report adds that "the SCC regulations do not require that (the SCC proceedings and agreements) remain classified." The question then arises: what are the United States Government and the Soviet Union trying to hide from the Congress and the American people?

Several likely answers are suggested in the following extended but very enlightening passage from a November 1985 memorandum that Secretary of Defense Weinberger sent to President Reagan:

> Contrary to the claims often made for it, the SCC has failed to resolve any significant compliance issue in the approximately 1500 days that it has been in session over the past 13 years. A less productive forum for the resolution of disputes would be difficult to find.
>
> Far from resolving disputes over compliance, the SCC has become a diplomatic carpet under which Soviet violations have been continuously swept, an Orwellian memory-hole into which our concerns have been dumped like yesterday's trash. Unwilling to face up to a mounting record of Soviet violations, successive administrations have consigned our concerns to the SCC where they have been "discussed", often for years on end, with wholly unsatisfactory results.
>
> Violations raised by the U.S. in the SCC were dealt with in slow motion while they continued and until they had run their course, at which time they were declared to have been resolved. A good case in point is the Soviet program for testing air defense components in an "ABM mode," in violation of the ABM Treaty. Well over 100 suspicious tests were conducted over 12 years while the SCC painted an attenuated arabesque that served to obscure their continuation. When these tests were completed the Soviets announced, and the United States gratefully received, the news that they would cease. Even this dismal result proved ephemeral; after a brief interval, the Soviets resumed the prohibited tests—and back we went to the SCC.
>
> Our Administration has been the first to acknowledge the ineffectiveness of the SCC, and the first one willing to report publicly Soviet violations.
>
> There are those who believe that the inadequacies of the SCC can be overcome by a redoubled effort. I believe this misses the essential point about the SCC. If the Soviets comply with agreements, the issue of violations will not arise in the SCC or anywhere else. If they wish to violate them, they will not be deterred by semi-annual meetings of the SCC. The SCC is merely a forum for discussion, a date and place and list of attendees. While, in theory, it could be used to dispel misunderstandings, misunderstanding is not the source of Soviet behavior; rather, Soviet behavior is motivated by a desire to gain advantage and the SCC is powerless to affect it.
>
> A constituency has developed around the SCC composed, as is the SCC itself, of Soviets and Americans who believe that violations of agreements must not be permitted to become prominent features of the arms control dialogue. Only a clear declaration from the President that the SCC has failed offers any prospect that we will find the will and opportunity to make the appropriate responses that will create incentives for Soviet compliance and disincentives to Soviet violations.

Because the SCC is explicitly provided for in the text of the ABM Treaty, the United States cannot abolish or withdraw from the SCC without violating the ABM Treaty, even though the Soviets have already committed ABM Treaty violations that are far more egregious and militarily significant. Not surprisingly, the SCC "constituency" mentioned in the Weinberger memorandum also strenuously objects to the public release of additional information on SCC, citing the confidentiality regulation.

In a recent article on the SCC, former SCC Commissioner Sidney Graybeal and arms control advocate Michael Krepon defended the veil of secrecy surrounding the SCC. "The detailed records of the SCC sessions remain closed to all but those with the proper clearances and the 'need to know,'" they wrote. "These sensitive deliberations, along with other arms control negotiations, have been quite properly fenced off from public view."

While the SCC "constituency" is interested in obscuring both Soviet arms control violations and United States acquiescence in these violations, more objective analyses have repeatedly confirmed the impotence of the SCC in improving Soviet compliance behavior. As the Stanford CISAC report plainly states, "The SCC was designed as a deliberative body with no inherent authority to enforce either compliance with treaties of joint interpretations of agreements reached through the SCC." Even SCC defenders Graybeal and Krepon admit that, "Like other negotiating bodies, the SCC has no powers of enforcement and it cannot impose sanctions . . ."

Consistent with the SCC's high-toned diplomatic status, unpleasantness is scrupulously avoided, in the interest of "detente" and harmonious superpower relations. Soviet treaty violations are handled with the utmost delicacy. In fact, according to Graybeal and Krepon, "All three Presidents (Nixon, Ford and Carter) declined to assert Soviet violations in their assessments of the issues reviewed in the SCC during their tenure." In his 1978 report to Congress on SCC activities, Secretary of State Cyrus Vance was forced to admit that three crucial areas of Soviet treaty noncompliance activity—mobile ABM testing, telemetry encryption and jamming of United States monitors during ABM tests—had not even been raised with the Soviets in the SCC.

Soviet misbehaviour in the SCC continued and intensified after the Reagan administration took office. When in 1982 the United States SCC delegation had the audacity to inquire about possible Soviet deployment of the illegal SS-16 ICBM, the Soviets merely denied the allegation and refused to provide information about previously deployed SS-16's. When the notorious Krasnoyarsk ABM radar and the illegal SS-25 small mobile ICBM were mentioned in 1983, the Soviet SCC delegation replied that the radar was for "space tracking" and that the SS-25 was none of our business because the United States Senate under the Carter administration had refused to ratify the SALT II Treaty.

As unsatisfactory as the SCC experience has been for the United States, much of this could merely be forgotten like a bad dream were it not for the other important responsibility of the SCC: conducting the ABM Treaty Review Conference every 5 years. The last Review Conference, in 1982, occurred before the President's Strategic Defense Initiative [SDI] program was announced in March 1983. The next Review Conference, in October 1987, will take place in the eye of the current storm over ABM Treaty interpretation and possible early deployment of SDI systems. The SCC's dismal record does not inspire confidence that U.S. national security interests will be well served at the next Review Conference.

Even if the SCC cannot be dispensed with, at the very least its 14 years of proceedings, agreements and internal memoranda should be made available to the Congress and the American people. My legislation provides for yearly reports on the SCC, in both classified and unclassified form, to the Congress. The legislative history on this bill should reflect my intention that only truly sensitive national security information be included in the classified version of the reports. Information that the U.S. Government has freely and officially provided to the Soviet Union should be made available to all Americans, so that they may draw their own conclusions about the wisdom of past, present and future U.S. arms control policies. If the Iran-Contra arms affair has proven anything, it is that the Congress and the American people have little patience for secret covenants secretly arrived at.

ARCHBISHOP MOLLOY HIGH SCHOOL CELEBRATES ITS 30TH ANNIVERSARY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. ACKERMAN. Mr. Speaker, I rise today to call the attention of my colleagues to this year's celebration of the 30th anniversary of Archbishop Molloy High School, in Briarwood, Queens County, NY. The purpose of this fine educational institution is to broaden and deepen the understanding of its students, not only through progressive education, but also through creative review of subject matter. In a time where the value of education is being rediscovered, Molloy stands out for its continuing commitment to excellence.

Under the leadership of their distinguished principal, Brother John Klein, FMS, the more than 1,500 Molloy students have shown their resolve to succeed. For example, in 1986 alone, 199 Archbishop Molloy seniors won a total of 353 academic scholarships. In addition, 98 percent of Molloy alumni have gone on to full college programs. Archbishop Molloy also ranks in the top 1 percent of all school awarded New York State regents scholarships.

The excellent faculty is a prime reason that Molloy is able to excel. Ray Egan, chairman of the highly acclaimed history department, and John Diorio, of the political science staff, each have 27 years teaching experience. All told, the Molloy pedagogical team averages 16 years of teaching experience. Members of the faculty have also been the proud recipients of grants from the National Science Foundation, the National Endowment for the Humanities, and numerous other educational and cultural organizations.

Molloy's athletic achievements are no less spectacular. Coach Jack Curran, with 29 years of experience, lends valuable leadership to the Stanners, as the school's athletes are known. Molloy has won New York City titles in handball, basketball, baseball, and soccer. Its track program alone has won over 30 titles, including a New York State cross-country championship in 1981. Archbishop Molloy is a shining example of the proper relationship between academics and athletics—success in each, not at the expense of the other.

Mr. Speaker, the graduates of Archbishop Molloy have gone on to contribute winning and exemplary efforts in every field of human endeavor. From tennis pro Vitas Gerulaitis to Robert Hayes, founder and director of the Coalition for the Homeless in New York City, Molloy alumni serve as role models for countless American teenagers.

The future of the school is as bright as its past. The opening of a new arts and science center at Archbishop Molloy will greatly improve the capacity of the school to offer the college preparatory curriculum for which the school is known.

Mr. Speaker, we in Queens County are very proud of Archbishop Molloy High School, and we are honored by its achievements. I call now on all my distinguished colleagues in the House of Representatives to join with me in congratulating Archbishop Molloy High School on a very successful 30 years, and in wishing its principal, Brother Klein; its student body, led by Terence Doocey, president of the school's chapter of the National Honor Society; and the fine faculty, staff, and alumni every success in the years and decades to come.

THE NEW GI BILL—A STEP IN THE RIGHT DIRECTION

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. McGRATH. Mr. Speaker, on Tuesday past, the House of Representatives passed landmark veterans' legislation. H.R. 1085, aptly named the Montgomery GI Bill Act of 1984, makes permanent our military services' best recruiting tool. In November of 1986, over half of all military recruits signed up for this program, a mirror of the act's popularity and effectiveness.

First implemented in July 1985, the new GI bill has proved to be a huge success. While the primary purpose of the new GI bill is to provide a valuable education benefit to our young men and women following military service, the act has also established itself as a major recruitment incentive. High-quality recruits in the Army Reserve increased 24 percent during the first 12 months of the new GI bill. Additionally, high school graduate recruits increased 9 percent and 6-year enlistments increased 28 percent.

Since the original bill's inception in 1944, countless veterans have realized the reward of a college diploma through benefits available under the GI bill of rights. More importantly, a large portion of these veterans could not have afforded the cost of higher education without the benefits under the act. Since World War II, a college degree, once an impossible dream for many Americans, has become a viable reality. The GI bill is but one simple gesture, that we as Americans can offer our veterans for their devotion and service to the United States.

I laud Chairman MONTGOMERY and Vice Chairman SOLOMON in their undying support of this measure. There effort does not go unnoticed. I now urge my colleagues in the other body to act immediately on this legislation and render a decision favorable to America's veterans.

THE FEDERAL CREDIT REFORM ACT OF 1987

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. GRADISON. Mr. Speaker, I am pleased to join today with several of my colleagues in introducing the Federal Credit Reform Act of 1987.

The Federal Government is the Nation's largest and most active banker. It holds $252 billion in direct loans and $450 billion in guaranteed loans. Last year, the Federal Government disbursed $42 billion in new direct loans and provided $159 billion in loan guarantees. Federal credit activity has grown at rates considerably greater than those for total Federal outlays. This was true even during the latter half of the 1970's when outlays were growing at double digit rates.

In recent years, Federal credit budgeting has undergone a positive evolution, and some progress in the treatment of credit in the budget has been made. In spite of this progress, however, serious problems remain.

Mr. Speaker, the time is right for meaningful credit reform. Much has been accomplished since the 1974 Budget Act, both in spite of and because of the act. I say "in spite of" because the law is virtually silent with respect to credit. The only reference to credit is to prohibit the contingent liability of Government loan guarantees from being counted as budget authority.

I say "because of" the Budget Act because it is the Budget Act that created the institutional environment—the congressional budget process, with all its warts—in which real progress in credit budgeting has been made.

These problems center on the way credit transactions are treated in the budget. We actually know very little about the actual costs of these transactions. Specifically, the costs of direct loans are overstated and the subsidies inherent to loan guarantees appear costless until a default occurs. As a result, we have little or no basis for comparing credit with noncredit programs such as purchases, grants, and transfers. The upshot is a misallocation of scarse resources and a lack of control over Federal credit programs.

The administration has just released its comprehensive credit reform proposal. This pragmatic and theoretically sound proposal would result in a major improvement in management by reporting in the unified budget the true subsidy costs of Federal credit programs.

The Federal Credit Reform Act has its roots in a 1984 CBO report, "New Approaches to the Budgetary Treatment of Federal Credit Assistance." From that study, two legislative proposals emerged. One, the market plan," authored by Senator TRIBLE and myself, promoted a mechanism to determine the value of loan subsidies by selling direct loans on a nonrecourse basis and the subsidy value of loan guarantees as the cost of privately acquired, nonrecourse insurance. The other, the "appropriations plan," introduced in the last Congress by Senator HEINZ, would establish a revolving fund within the Treasury to finance Federal loans. The Federal Credit Reform Act of 1987 combines aspects of both proposals.

The central feature of the legislation is the establishment of the Federal Credit Revolving Fund which would serve as a central financing mechanism. In consultation with the agencies conducting credit programs, the fund would estimate Federal subsidies in direct loans and loan guarantees.

Enactment of this plan would neither alter existing credit programs, nor change the authority of agencies to operate credit programs. This legislation would not alter the existing legal or contractual rights of the borrowers, nor would it alter in any way Congress' discretion to establish the level of loans that may be granted. It would put credit programs on an equal footing with noncredit programs by requiring that their budgetary resources come through the appropriations process.

I should point out that the administration plans to implement administratively as much of their proposal as possible. I applaud this decision. Presidents have the right to reflect their policy priorities in their budgets. In the case of credit reform, this means future budgets will explicitly reflect subsidies for each credit program, whether we enact credit reform into law or not. This, in itself, is a major management achievement, but it would be much better to enact the credit reform proposal into law and receive the full benefits from the administration's well thought out proposal.

I am introducing the President's credit reform plan as it was transmitted to the Congress. While I strongly support this plan, my support does not mean that I agree with every aspect of it.

In particular, I am disappointed with the decision to continue the current practice of recording loan asset sales as negative outlays because this practice, in addition to violating conventional accounting rules, has the effect of showing an illusory reduction in the deficit.

Recently, CBO recommended that this accounting convention be changed. Politically, there seems to be a consensus among my colleagues that asset sales should not be used for deficit reduction. I agree. Asset sales are a gimmick for deficit reduction. They actually make future real deficit reduction harder by moving us away from the desired deficit-reduction glidepath. Therefore, as this proposal makes its way through the legislative process, I will seek to change the treatment of asset sales in the way recommended by CBO—i.e., to acknowledge that asset sales reduce borrowing requirements but not deficits.

I urge my colleagues to join us in support of this significant legislation.

CANCER SURVIVORS: THE ROAD TO COMPLETE RECOVERY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. BIAGGI. Mr. Speaker, last week, an article appeared in USA Today discussing the road to complete recovery for our Nation's cancer survivors. Most significantly, the article focused on the pressures many people find back at work as they grapple with ways to cope and to fight the job discrimination they encounter.

"Work is a primary concern. Studies consistently show that 20 to 30 percent of cancer survivors feel they've encountered employment discrimination—they're denied a job, stripped of tasks, pressured to retire or even fired on cancer history-related grounds," concludes psychologist Ivan Barofsky of the Institute for Social Oncology in Silver Spring, MD. I ask my colleagues a vital question—are we to continue to permit and encourage this senseless injustice by our inaction to grant cancer survivors equal protection under the law?

I have introduced legislation, H.R. 1546, the Cancer Patients Employment Rights Act, to prohibit employment discrimination against persons on the basis of cancer history. It is legislation consistent with the belief that Congress advocated last September when both Houses unanimously passed a resolution I authored "expressing opposition to employment discrimination against persons on the basis of cancer history" and urging "that these Americans receive fair and equal treatment in the workplace." Congress has recognized this injustice—it is now time for action.

Two hundred years ago, our Founding Fathers took action to establish justice and liberty for all citizens. They advocated a policy; namely, that "we the people of the United States, in order to form a more perfect union, establish justice * * * promote the general welfare and secure the blessings of liberty to ourselves * * * do ordain and establish the Constitution." This year, our Nation is celebrating the 200th anniversary of the signing of the Constitution. What more appropriate goal could there be for this 200th anniversary than for Congress to take action once again and extend the principle of justice and liberty to America's cancer survivors.

The USA Today article, when noting the more than 5 million Americans in this Nation with a cancer history, concluded, "medical technology has saved lives, but cannot save them from the emotional pain and discrimination often prompted by cancer." Perhaps medical technology cannot prevent the tragedy of employment discrimination, but we here in Congress certainly can. I urge all of my colleagues to take action by cosponsoring H.R. 1546, outlawing employment discrimination against persons on the basis of cancer history. It is an important step in our efforts to recognize the principles outlined in the Constitution and an even greater step on the road to complete recovery for our Nation's cancer survivors.

INTRODUCTORY STATEMENT—BILINGUAL EDUCATION ACT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. HAWKINS. Mr. Speaker, today I am introducing the Bilingual Education Improvement Act of 1987. Built upon our experiences of the last two decades, this reauthorization bill is a comprehensive package which will help thousands of our Nation's limited-English-proficient children, youth and adults to become fluent English speakers.

This bill is the result of consultations with the major national organizations which advocate equal educational opportunities for the target population, as well as the views expressed by the Nation's State departments of education.

Recent studies show that while the overall school-aged population will rise 16 percent by the year 2000, language minority, school-aged children will increase by 40 percent. Recent Department of Education reports estimate that there are between 1.2 and 3.6 million limited-English proficient children in the United States today. While experts in the field have challenged these figures as being far too low; nonetheless, at the lower estimate, Federal title VII programs would reach only approximately 16 percent of the limited-English proficient children. At the higher estimate, the Federal Bilingual Program would serve an abysmal 6 percent of the eligible children.

The Bilingual Education Improvement Act of 1987 would make possible the enrollment of an additional 150,000 limited English proficient students in the Title VII Program.

The reauthorization legislation strengthens the current program in several major ways, including but not limited to:

First, increasing local flexibility by among other things, allowing grantees to engage in preservice activities for up to 1 year, rather than requiring them to do so for 6 months; adds a new provision barring the Secretary from imposing restrictions on the availability or use of title VII funds other than those set out in the act of other applicable Federal statutes and regulations. This provision is designed to protect the prerogative of local school officials under title VII.

Second, encourages greater State responsibility by increasing the minimum State education agency grant from $50,000 to $75,000 to enable States to better implement required and permissible activities under this act; by emphasizing that training provided under program grants in this act assist educational personnel and meet State and local certification requirements, and by specifying that State directors of bilingual education be consulted directly by the Department of Education in matters pertaining to Administration of Federal Bilingual Education programs.

Third, assures parental participation by notifying the parents about the instructional goals of the programs in a language and form that the parents understand; and by ensuring that support is available from parent advisory committee activities if the committee so requests.

Fourth, improves accountability by emphasizing that schools monitor the academic progress of their students regardless of language of instruction; encourages parent-teacher-student consultations regarding student progress; emphasizes that training provided under program grants assist educational personnel and meet State and local certification requirements; requires the Director of the Office of Bilingual Education and Minority Languages Affairs [OBEMLA] to report annually to Congress on the grants and contracts made during the preceding fiscal year.

Fifth, emphasizes academic excellence by reiterating that programs must help children meet grade promotion requirements and graduation requirements; and by encouraging local schools to emulate and replicate the programs generally recognized within research on effective schools; and by assuring that the Secretary report to Congress the latest research findings affecting programs sponsored by OBEMLA.

Sixth, promotes and fosters the education of quality professionals by ensuring that a minimum of 500 fellowships be made annually available for students studying at the master's and doctoral degree levels.

I encourage my colleagues to join with Representatives DALE KILDEE, MATTHEW MARTINEZ, BILL RICHARDSON, and myself in cosponoring this vital reauthorization bill to ensure that limited English proficient children receive the assistance they need to learn English so they too, can become productive members of our society.

"THE VALUE OF BILINGUAL EDUCATION IN MY LIFE," AN ESSAY BY PEDRO OROZCO, GRADE SEVEN NETTIE 1, WAITE SCHOOL, NORWALK, CA

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. TORRES. Mr. Speaker, I ask my colleagues to read the essay of Pedro Orozco. Pedro is a young man who resides in Norwalk, CA, which is in the 34th Congressional District. As you will learn from Pedro's essay, this young man has developed from a non-English speaking kindergartner to a gifted and talented, bilingual seventh grade student. I know that Pedro's story is not singular; that is why I believe that my colleagues will be interested in learning how bilingual education can work from a student who has had firsthand experience with this program:

THE VALUE OF BILINGUAL EDUCATION IN MY LIFE

Bilingual education has been of great importance in my life. It has enriched me academically, socially and characteristically. It has helped me get good grades in school. Socially, it has helped me communicate fluently in two languages with my friends. Characteristically, it has helped me gain a greater respect for learning.

My first language was Spanish. I did not learn English until I was in school. If in Kindergarten I was put into a non-bilingual class, I would probably have failed it because I would not have understood what was being spoken there. That is why it is important to learn your own language primarily and English little by little. This would make the transfer later on a lot easier. I learned this way.

In Kindergarten I was taught in Spanish. I learned the letters and their sounds. By the end of the first grade, I was still being taught in Spanish although by then I would read some library books in English. At the end of the second grade, I was reading in a second grade English book and by the end of the year, I was reading above grade level in Spanish getting good grades.

I was above grade level in most subjects since the third grade. All the instruction was in English and I began receiving straight A's in the fifth grade. Ever since the fourth grade I've been in G.A.T.E. (Gifted and Talented Education) and this past year I received "Student of the Year."

This year has also brought a lot of friends. Although we are all easy to get along with, we can communicate with each other. I strongly believe that communication is a main key to friendship.

Many of my friends are not bilingual, they can only speak in Spanish. Because I also speak Spanish, we can talk with one another. If I only spoke English, it would only be possible for me to have English speaking friends.

Bilingual Education has helped me gain a greater respect for learning. I now realize that one must understand what one is learning before one can learn correctly. One must learn at his or her own speed so that anything can be expected of you.

Bilingual Education has enriched my life. I could not have learned as much as I have if I had not been in a Bilingual Program. My friends would not been many had I not been bilingual. I frankly believe that overall Bilingual Education is responsible for a big portion of my education.

Mr. Speaker, Pedro's essay was entered as testimony before the California State Assembly Education Committee in support of the bilingual aid extension bill. Pedro's testimony was called the "most moving" testimony on behalf of the bill by the Los Angeles Times, which carried the story about the measure's approval in the State assembly education committee.

ALGOMA HARBOR MARINA PROJECT

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. ROTH. Mr. Speaker, today I am pleased to introduce legislation to deauthorize the outer basin feature of the Federal project for improvements at Algoma Harbor, WI. Enactment of this measure will allow the city of Algoma to complete its harbor development project designed to enhance the economic vitality of the community.

The city of Algoma is undertaking the habor development project with the intent of offering a sheltered marina area for recreational boaters and fishermen. Completion of this worthwhile project will once again allow the harbor to serve in an active and useful capacity for the people of Algoma. The new marina area would facilitate launching and docking as well as greatly contribute to controlling wave action and soil erosion.

The Algoma Harbor project will allow the community to expand its economy. New revenues in excess of $2 million annually are estimated to be generated from the marina recreation facilities. Not only will additional jobs be created, but the local businesses will also reap benefits from the increased number of tourists to the area. The total tax base in Algoma will increase significantly because of the new revenue generated by the projected growth in the recreation and tourism business.

My legislation would deauthorize the outer basin feature of the harbor facility, which is currently under the jurisdiction of the Army Corps of Engineers. The corps has stated no objection to this deauthorization and would maintain its authority over the harbor breakwaters and channel maintenance.

Algoma is a picturesque and quiet harbor town. The new marina will complement this reputation while bringing tourists and revenue to the city of Algoma. By enacting my legislation, Congress can provide the incentive for a small Wisconsin community to meet its goals of greater economic vitality.

THE BUY AMERICAN ACT OF 1987

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. BROOKS. Mr. Speaker, today I am introducing the Buy American Act of 1987. This legislation would prohibit Federal agencies from buying products from foreign firms whose countries discriminate against U.S. companies. Last year alone, these discriminating practices contributed to a trade deficit of almost $170 billion, causing serious damage to many of our domestic industries.

The life blood of free enterprise in this country is being drained by predatory pricing supported by foreign governments. Our high-tech industries, once leaders in world markets, have seen their lead seriously eroded over the last few years because of these practices. Being the best no longer guarantees success in world markets, particularly in view of the large scale government intervention supporting domestic industries in countries such as Japan, Germany, France and Italy. As a result, our companies are facing not just their competitors, but the supporting foreign governments as well. Even a company like IBM can't face Japan Inc. alone and win over the long run. Even when they are not faced with total blockage from entering a foreign market, our companies are often required to make concessions which seriously weaken their long term economic competitiveness.

In 1979, the United States and 18 other countries signed the International Agreement on Government Procurement. This agreement, which became effective January 1, 1981, seeks to limit the signatory governments' use of discriminatory government procurement practices as barriers to international trade. The agreement generally covers purchases of supplies and equipment valued at about $180,000 or more, excluding purchases of military weapons and other goods essential to national security.

The legislation that I am introducing better ensures compliance with the agreement of government procurement. While it is not a cure-all for the total trade problem, it is designed to take care of opening up to U.S. companies procurements made by foreign entities. I would hope that our proposal will be added to measures being considered by other committees as part of the overall effort by Congress to deal with the massive trade deficits we are facing.

Quite frankly, I anticipate an uphill battle. The government procurement agreement has not received much attention by the U.S. Trade Representative to ensure that the signatory countries are complying with its terms. In my view, its just one more situation where we have agreed to open up our market while other countries continue to discriminate against U.S. firms.

The GAO has studied this problem extensively. According to its experts, the implementation of the agreement has had minimal impact on opening up foreign markets to U.S. firms. Federal agencies, on the other hand, have opened their markets to a much greater extent for competition from foreign firms. We can't let this inequity continue. Unless something is done about this problem, we might as well rescind the agreement and look for another way to open up foreign markets for U.S. companies. The bill that I am introducing today will make sure everybody is playing by the same rules. I urge all Members to support this legislation.

STOP UNNECESSARY AIRLINE DELAYS AND CANCELLATIONS

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. RAHALL. Mr. Speaker, last week I introduced legislation which I know will be of great interest to my colleagues. For who among us has not been faced with never-ending delays, missed appointments and lost opportunities, all at the hands of an airline industry increasingly unable or unwilling to fulfill its basic obligations to the American consumer?

One only has to look at last year's airline delay statistics to realize how widespread this escalating problem really is: A 25 percent increase in delays which translates into an average of 1,144 flights each day delayed by more than 15 minutes. This is ridiculous.

I have found myself without option and therefore forced into legislative action.

H.R. 1701 specifically would prohibit air carriers from scheduling flights to leave the same airport at the same time. The Secretary of Transportation would be directed to determine whether the scheduling practices of airlines at each major hub airport are such that one or more flights are not likely to depart on schedule. The Secretary also would be obligated to initiate such an investigation upon receipt of a customer complaint and would be authorized to investigate any airport, at any time, at his or her own initiative.

If, in fact, it can be determined that delay is being caused by unrealistic scheduling, the air carriers involved would be required to sit down together and work out a reasonable schedule among themselves. (The carriers would be exempt from antitrust laws for this purpose.) If a viable schedule is not worked out within 30 days, the Secretary would then be required to impose schedules to ensure timely departures.

To deal with the growing cancellation problem, my bill would stipulate that if an airline cancels a flight for any reason other than weather or safety, the airline would be required to refund the purchase price of the ticket to all passengers and also to provide them with a free ticket for the next available flight to the same destination. No more flights canceled due to lack of a full house.

I believe my legislation will go a long way toward addressing many of the ills that we and our constituents suffer daily at the hands of an arrogant industry seemingly unconcerned with basic consumer rights. I urge your support of H.R. 1701.

ARIZONA INDIAN TRUST FUND

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. UDALL. Mr. Speaker, today I am introducing legislation which would provide a framework to address the problems surrounding the proposed closure of the Phoenix Indian High School and the possible disposition of the property should the school close. I would also like to take this opportunity to briefly explain why this legislation is necessary.

For many of my colleagues who are unfamiliar with the Bureau of Indian Affairs [BIA] at the Department of the Interior, this agency has the primary Federal trust responsibility for all of the federally recognized tribes in the United States. Part of the Bureau's program services which it provides to tribes are educational ones. In many instances this has meant the actual operation of elementary and secondary schools both on and off reservations. There are approximately 181 elementary and high schools which the BIA presently operates directly or contracts with tribes to operate on or near reservations. Additionally, the BIA presently operates nine off-reservation regional boarding schools, of which two are elementary and seven are secondary schools.

In 1983, the Bureau began to develop and is now implementing a major educational policy which would eliminate most of these boarding schools entirely. I believe that this policy has been developed without real regard for the absence of adequate alternative facilities for those Indian children who are dependent on such boarding school arrangements. One of the major reasons for the existence of these off-reservation boarding schools in the first place was the lack of, or inadequately built and staffed, educational facilities within the Indian communities themselves. Many of these Indian communities are without schools because they are located in remote areas where the State public school systems have not provided facilities, due to the prohibitive costs, or have too small a student population to justify the construction and operation of a comprehensive facility, either by the Federal or State governments. Since these boarding schools were first built, Indian student dependence on these facilities, nationally, has diminished somewhat due to the construction of new schools on those reservations previously without facilities.

The Phoenix Indian School was built in the State of Arizona to serve those Indian students who did not have adequate school facilities within reasonable distances of their homes and communities. Additionally and more recently, many Indian students enroll in this school because of the absence of one or more parents and have no other family option in their home communities. A boarding school arrangement provides them with a stable environment for their continued school attendance without the added burden of securing either foster or other alternative home care year-round.

While this school will house up to 700 students, there are at present approximately 250 students enrolled. This number will also be affected and diminished in the future by the opening of the second of two new on-reservation high schools in the State of Arizona constructed in the past year. The first of these two high schools to be constructed was recently completed on the Hopi Reservation and it opened to admit students in this past school year. Those Hopi students who attended Phoenix Indian School are, for the most part, now attending their own community high school.

Recently, the Interior Committee conducted an oversight hearing on this matter in Phoenix, AZ. At that time, the tribes testified that based on 1980 census data, approximately 36 percent of the Arizona Indian students who are of high school age are not now in any school. The tribes stated that these students should also be taken care of in any plans made to provide for the continued educational and other needs of those students who are still dependent on some boarding school arrangement.

I consider this legislation, which I am introducing today, to be a starting point for providing a comprehensive solution to the Phoenix Indian School matter. I expect this bill to serve as the vehicle for maintaining a coordinated approach for resolution on all of the various aspects of the Phoenix Indian School issue. Any effort which attempts to resolve only one part of this matter, such as separating land transfers and land sales aspects from the educational needs of the students, would result in having decisions made without full awareness of all of the consequences of such actions.

However, it is not my intention to indicate support solely for this proposal. There may well be other agreements or arrangements made among all of the affected parties which would satisfy my concerns over the Department of the Interior's school closure decision and possible disposition of this very valuable property. I am hopeful, given the past discussions that have taken place among the affected parties, that there will be a compromise developed which would take care of both the educational needs of the Arizona Indian students and additionally permit the planning of alternate use to move forward. It is not my expectation that immediate action would take place on this proposal without the full cooperation of the affected parties.

TRIBUTE TO BARBARA "BUFFY" SUCIC

HON. JAMES A TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. TRAFICANT. Mr. Speaker, I would like to use this opportunity to pay a special tribute to Barbara "Buffy" Sucic, a dear friend and a very special young lady who passed away on March 7, 1987.

Buffy's life ended at the tender age of 17 years after a courageous lifelong struggle to overcome a rare form of muscular dystrophy. However, in my mind and in the minds of her family and many admirers and friends, Buffy's smile and determination will continue to be with us. For, while her disease challenged her will everyday, she met that challenge head on and victoriously with conviction and a rare strength of courage.

Buffy never slowed her ambition to live a very full life even in the face of adversity. She was born on April 15, 1969, in Salem, OH, and was selected as the March of Dimes Poster Child for Columbiana County in 1973. In 1983, she got a special wish granted to her by the "Wishes Can Happen" group in Canton, OH, to be the special guest of "The Music City News" Awards where she met singers and stars from the Grand Ole Opry. This was a big moment for the courageous young woman who was so anxious to get to college to pursue a music major. In 1984, the people of Youngstown, OH, chose Buffy to serve as our grand marshall for the Great Halloween Parade.

Two years ago she moved to Ashtabula and graduated from Ashtabula High School in 1986 and anxiously waited to begin attending college. She was a member of Revival Center Church in Youngstown and was a little sister of Beta Psi sorority in Salem. Buffy was always a strong force in the annual muscular dystrophy telethon fundraiser in Youngstown.

Buffy was handicapped with a rare form of muscular dystrophy, but she was blessed with a human spirit that allowed her to triumph over her handicap. Her doctors were surprised more and more with each new year that Buffy continued to overcome her disease. She showed her doctors, as she has taught us, that mere physically disabling diseases are no match for a spirit founded on determination, happiness, and the strength we draw from the love of others.

Buffy was fortunate to have so much in life of these things that matter. Her mother, Lorraine Schimley, can take much of the credit for Buffy's many triumphs. She has provided her daughter with a powerful reserve of love and strength all along, intimately sharing in Buffy's daily trials with her disease and celebrating with her in the many days of achievement and success. Buffy's entire family, though pained deeply by Buffy's loss, should feel warmth by the thought of all that they helped achieve in her successes. Much of Buffy's hope and will to overcome her handicap certainly came from the support and optimism held by those closest to her.

I will miss Buffy very much. I came to know her and her family over the years and feel that in Buffy's passing I have lost a very special friend. But it is easy for me to believe that Buffy's spirit will not die, it has been triumphant in the end. And while muscular dystrophy can claim to have taken another victim, we know better, for it can never claim to have removed the memories of Buffy's spirit and excitement for life from those who knew and loved her. I will think of her often and, while doing so, smile quitely for having had her both as a friend, and as a reminder of just how strong the human spirit can be.

REPRESSION OF BASIC FREEDOMS IN HUNGARY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. HORTON. Mr. Speaker, as Chairman of the Committee to Commemorate the Hungarian Revolution, I wanted to bring to the attention of my colleagues another recent example of repression of basic freedoms in Hungary.

On January 28, Hungarian police confiscated all of the items—39 pieces—of a dissident art exhibit in Budapest. This artwork was sent by artists from Hungary, Britain, the Netherlands, Yugoslavia and the United States. It appears as though heavy fines, and possibly jail terms, will be given to those responsible for the art show.

Despite the Hungarian Government's best efforts, however, the show was not entirely thwarted. In the place of the confiscated artworks, copies of the police receipts were displayed. The room was decorated, and the opening speeches remembered the 1956 revolution spoke of the inquisition pursued by the totalitarian authorities and emphasized the fact that the poor in Hungary were robbed because the artworks would have been auctioned and the money given to charity.

In addition, prior to the planned exhibition the artworks had been recorded on video and the pictures were shown on a television monitor to the audience.

Mr. Speaker, as Mr. Gorbachev continues his efforts at "glasnost" through the media and diplomatic channels, the reality of internal repression in the Eastern bloc is a constant reminder that actions speak louder than words.

TRIBUTE TO UNION BAPTIST CHURCH, PASSAIC, N.J., ON ITS 50TH ANNIVERSARY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. ROE. Mr. Speaker, the date of April 4, 1987, is a very special one to many of the residents of Passaic, NJ, which is in the 8th Congressional District that I have the great honor of representing. That date marks the conclusion of a year-long celebration on commemorating the 50th anniversary of one of the great spiritual bastions of Passaic, the Union Baptist Church.

The Union Baptist Church was created at a special meeting on April 4, 1936, through the merger of the Ebenezer Baptist Church of 315 Oak Street and the Greater St. Paul Baptist Church of 30 Ann Street. Since that time, the Union Baptist Church, which had a congregation of 200 parishioners 50 years ago, has served as the spiritual heart for so many residents of Passaic and the surrounding area.

According to the official history of the Union Baptist Church:

> The two churches met at 315 Oak Street with a permanent Council. The Council consisted of pastors from two associations; the New Hope Missionary Baptist Association and the North Jersey District Missionary Baptist Association. Rev. Dr. C.P. Harris, Pastor of the Mt. Ararat Baptist Church, Rutherford, N.J., was chosen as chairman to preside over the meeting with Rev. James H. Penn as Secretary. Following the regular devotional service; Rev. Harris declared the meeting open for business. A motion prevailed that the Churches would be governed by the ruling for the Council.
>
> The chairman then called for the minutes from each church, which were read and approved by the Council. It was motioned by Rev. M.A. Swann and second by Rev. W.H. Culbreath that we would proceed to organize a church. The chairman explained the consistency of a missionary Baptist Church.
>
> Being without a leader, the following officers were elected:
>
> Bro. Clarence Glover, Chairman, Board of Deacons.
>
> Bro. Thomas Harvey, Chairman, Board of Trustees.
>
> Bro. Lucius Walker, Church Clerk.
>
> Bro. Edward Glover, Treasurer.
>
> Bro. H.M. Napier, Sunday School Superintendent.
>
> Sis. Mollie Walker, President of Missionary Circle.
>
> Sis. Janie Johnson, President of Usher Board.
>
> Sis. Daisy Glover, President of Choir.
>
> It was motioned and carried that the church name would be the Union Baptist Church. The new Union Baptist Church then assumed the responsibilities of the Ebenezer Baptist Church.
>
> In September 1936, the Rev. O.D. Henry from Buffalo, New York accepted the church's call to the pastorate. Along with

his dutiful wife, Rebecca at his side, he pastored from 1936 to 1942 and they were held in esteem by the entire Passaic Community.

During the time that he was the pastoral leader of Union Baptist, the church grew rapidly and the membership, increased from 150 to approximately 500. He was instrumental in opening many doors for the black community in his quest for civil rights. After 6 years of service Rev. O.D. Henry resigned as pastor.

From June 1942 to November 1943 the church was without a pastor. However, services were still held and God continued to bless and watch over the church.

During this period, under Professor Jack Hamilton's expert directorship of the church choir and with Mrs. Marjorie (Jackson) Shropshire lending her talents as organist, they kept Union out of financial depression by giving concerts with the choir, guest choirs and singers from all over the country. The church was able to build a baptistry, a kitchen and choir room in addition to paying off its obligations and starting a bank account.

In November 1943 Union Baptist Church extended a call to the Rev. Theodore Haskins Alexander, along with his lovely wife, Mrs. Mable Alexander. His ministry began at the Bethlehem Baptist Church, Newark, N.J. in September 1935 as an assistant to Rev. S.A. Wilson. After serving as assistant for one year, he was called to the Antioch Baptist Church of Newark, N.J. in 1936. After completing two successful years there, he was called to the Second Baptist Church of Keyport, N.J. in 1938. While there, he labored untiringly doing great work in religious and civic groups.

At the time of his call, worship was still being held at 315 Oak Street. The church was in need of renovation and under his leadership, a magnificent edifice was restored at a cost fo $25,000. In addition to the beautiful structure, the interior was beautified and modernized at a cost of approximately $9,500. The church also purchased a parsonage and two other properties.

During his pastorate many auxiliaries were organized, namely: Usher Board No. 2 Calendar Clubs, Nurses Unit, Choir No. 2, and the Junior Choir. The membership increased tremendously and the church grew both spiritually and financially stronger.

After holding services at 315 Oak Street for 28 years, Union purchased the Northside Christian Reformed Church and parsonage at 219 and 221 Myrtle Ave. at a cost of $110,000. The church was occupied on September 27, 1964 with a congregational march on that Sunday morning from 315 Oak Street. There a ribbon cutting ceremony was held and the congregation entered the church and the first worship service began, giving glory and honor to God for all of His goodness.

Some of the deacons that served under Rev. Alexander were: Benjamin Walker,* Thomas Harvey,* Wade Everett,* John Woods,* Jake McDaniel,* David Thornton,* Fred Grier,* Essie Patterson,* Ned B. Wright,* Gus Pittman, Henry Miller, Berry Zeek,* Arthur Glover, Sr.,* James Banks, Andy Roberson, Robert Shropshire,* Mitchell Bullard,* Clarence McLean,* William Davidson, Johnny Mosley, John Blacks, Arthur Glover, Jr., Frederick Perry, James Slater, Gracious King, Simon Zeek and William Elam.

Serving as deaconess, Mollie Walker,* Amanda Harvey,* Lettie Everett,* Anna Thornton,* Garis Patterson,* Florine Roberson, Ethel Wright, Lucinda Banks, Julia Glover,* Eunice Miller, Eva Zeek, Marjorie Shropshire, Lucy Eure,* Harriet McLean, Louise Davidson, Donna Bullard, Willie D. Blacks, Mary Mosley, Lurline Glover, Ethel Perry, Evelyn Pittman, Fannie King, and Forrestine Slater.

*Denotes deceased.

Some of the trustees were: Andrew Stroud*, Edward Glover*, Huda Glover*, Gifford Roberson, Thomas Hand, Willie Pittman*, Avon King, William Thornton, Claude Williams, Carlton Nelson, James Yates, Sr., Sherman White, Matthew Lawson, Edward Generals, Sr., Harold Hansford, Helvon Smith, Calvin Covington, Peter J. Perry, Leroy White, Melvin Dye, William Davidson, James McClain, and Robert Brown. There were other deacons, deaconess and trustees added under his leadership.

Seven ministers were ordained from the Union Baptist Church membership.

December 12, 1943, Rev. Hugh M. Napier*, Pastor, Mt. Moriah Baptist Church, Passaic, NJ.

January 22, 1947, Rev. Lucius Walker, Pastor, St. Paul Baptist Church, Passaic, NJ.

July 12, 1950, Rev. Freddie Roberson, Pastor, Christ Temple Baptist Church, Paterson, NJ.

June 20, 1951, Rev. Henry Carter*, Pastor, Union Baptist Church, Kenilworth, NJ.

December 9, 1954, Rev. Lucius Phillips, Pastor, Jerusalem Baptist Church, Trenton, NJ.

July 26, 1965, Rev. Frank England, Pastor, Second Timothy Baptist Church, Passaic, NJ.

June 25, 1976, Rev. Ronald Durham, Pastor, First Baptist Church, Anderson, NJ.

Three licentiates: Brothers James Sinclair*, Herbert White* and Andy Roberson.

Mrs. Marjorie Shropshire served as church organist for over 48 years, leading the senior choir, male chorus, chorus No. 2 and the junior choir. These were all true leaders of the church.

In October 1982, Rev. Alexander retired from Union Baptist and became Pastor Emeritus. He was honored for his long service with an appreciation service on March 27, 1983.

On July 15, 1983, God called Pastor Alexander from labor to reward, leaving to mourn his loss his wife Mrs. Mable Alexander, his family, many friends, and not the least, the Union Baptist Church family. The homegoing celebration was held on July 18, 1983, with the eulogy rendered by the Rev. Dr. R.A. Laws, Pastor of Mt. Lebanon Baptist Church, Brooklyn, N.Y. and the Rev. Dr. M.A. Tyler, Pastor of St. Luke Baptist Church, Paterson, N.J., although he is gone, memories live on for his service to God and mankind.

Once again Union Baptist was without a pastor. Under the leadership of the late deacon, Ned B. Wright, and the official family, Union remained steadfast and continued God's work.

The Pulpit Committee sought a prospective pastor to recommend to the membership. After a careful search and much prayer, the church extended a call to Dr. Ronald W. Johnson, who began his pastorate at Union on February 3, 1985.

Dr. Johnson came to Union from the Jones Memorial Baptist Church of Philadelphia where he pastored for 8 rewarding years. Pastor Johnson brought to Union his wife, the former Myrtle Harris Bradley, our new first lady, and his young son, Craig Noel.

Dr. Johnson is a product of the Elizabeth, New Jersey Public School System. He earned his B.A. degree from Johnson C. Smith University Charlotte, N.C. His master of divinity degree from Eastern Baptist Theological Seminary, Philadelphia, Pa. He was awarded the Doctorate of Divinity from the Virginia Seminary and College, Lynchburg, Va.

Since Pastor Johnson came to Union many things have been added. In 1986 two women, Marion Watkins and Brenda Adams were added to the trustee board, also Dennis Stinson and Marion Jordan. Four deacons were added; Lester Allen, Sherman Norman, Garfield Lowe and Willie Watts, along with 10 deaconess; Jendene Allen, Dorothy Watts, Bernice Lowe, Joann Norman, Myrtle Johnson, Diann Williamson, Dorothy Smith, Lucille Cole, Jestyne White and Bernich Carter. A new Minister of Music, Mrs. Garcia Alston and Assistant Minister of Music, Mr. Gar Hutchinson.

Under his leadership, various auxiliaries have contributed greatly to the church and its programs. New groups that have been organized include the New Members Committee Leaders, Council, Pastors Aid, Youth Advisory Board, and Food Services Committee. A Men's Day and Women's Day Committee were also organized for services celebrated in June and October of each year.

In the summer of 1984 when Pastor Johnson first visited Union, it was a very hot day and we had no air-conditioning. Now under his leadership God has blessed us with a new $80,000 central air-conditioning system installed in 1986 from the contributions of the membership.

The membership has grown rapidly, even though we have mourned the passing of many members whom we commend to God.

As we celebrate 50 years of Union Baptist Church existence, we are thankful to God for our leaders, and those charter members whom God has blessed to yet be among us namely: Frances Glover, Arthur Glover, Jr., Louise Smith, Bessie Mix, Clara Wiley, Rose Johnson, Carrie Walker, Carrie Barber, Eva Stallings, Mamie Rutherford, Pearl Cason, Phyllis Bruno, Bernice Carter, Edward Generals, Sr., Harry Johnson, Lorraine McClain, Lenora McCormick, Gifford Robertson, Marjorie Shropshire and Jessie Washington.

We have truly been blessed, for God's work is a continous experience and this has truly been a "year of jubilee".

Mr. Speaker, I would like to take this opportunity to extend my deepest wishes of congratulations and appreciation to the Union Baptist Church for a half-century of providing for the spiritual well-being of many thousands. May the Union Baptist Church prosper for another half century and beyond.

A TRIBUTE TO ANTHONY L. RAMOS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. COELHO. Mr. Speaker, it is my privilege to pay tribute to a dedicated and hard-working man, Anthony L. Ramos, on his retirement as executive secretary-treasurer of the California State Council of Carpenters.

Anthony has been a loyal member of the United Brotherhood of Carpenters, Millmen and Cabinet Makers Local Union No. 550 since 1939. He has played an active role in the union and has served his profession through a number of leadership positions throughout his career. He has served in his present position as executive secretary-treasurer of the California State Council of Carpenters since 1963. His accomplishments also include a long list of Governor-appointed positions on California commissions, among them the first State Commission on Housing and Community Development and the California State Coastal Commission.

It is difficult to imagine a man as active as Anthony L. Ramos retired, but he is certainly deserving of a healthy and happy retirement.

A TRIBUTE TO TERRY FRIEDMAN

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 23, 1987

Mr. LEVINE of California. Mr. Speaker, last November the California State Assembly gained a remarkably talented and compassionate member, Terry Friedman. I have no doubt that before his career is over, Terry will be recognized as one of the most talented and effective people ever to serve in the California Legislature.

Unfortunately, when the legislature gained a budding superstar, the poor, the elderly, and the handicapped residents of Los Angeles lost one of the most effective legal advocates they have ever had.

Since 1976 Terry has worked tirelessly on behalf of the less affluent members of our society. As a staff attorney at the Western Center on Law and Poverty, he specialized in protecting the educational rights of handicapped children. While at the center he successfully litigated a case which resulted in the restoration of discontinued summer school programs for handicapped students.

In 1978 Terry was appointed executive director of Bet Tzedek, a legal assistance agency serving the elderly and poor residents of the Fairfax District of Los Angeles. Under Terry's leadership Bet Tzedek grew from a small, storefront service with a staff of three, to a $1.6 million, multiprogram law center with a staff of more than 40 legal professionals and support personnel and more than 300 volunteer attorneys, paralegals, law clerks, and clerical workers. Last year Bet Tzedek served more than 9,000 poor clients.

While other public service legal agencies were being forced to close their doors or dramatically cut back their staff and the number of clients they serve, Terry's energy, dedication, and commitment transformed Bet Tzedek into a haven of last resort for poor people in desperate need of legal assistance. Despite its Jewish heritage, Bet Tzedek turned no one away and served all of its clients without regard to their race, religion, or national origin.

During Terry's tenure Bet Tzedek received national recognition for the quality and efficiency of its service to its clients. For example, in 1986 Moment magazine called Bet Tzedek "the Nation's premier provider of legal services to the poor."

Terry's legacy to Bet Tzedek and the residents of the Fairfax community include:

Creation of a Nursing Home Advocacy Project which serves the hundreds of nursing home residents in Bet Tzedek's service area.

The emergence of Bet Tzedek as a leading champion of tenants rights in their struggle against illegal eviction and improper rent increases.

During the 5 years and seven different stages of the landmark case of Grunfeder versus Heckler Terry oversaw Bet Tzedek's lawsuit which established the right of disabled and elderly Holocaust survivors to receive Federal public assistance benefits.

Terry's dedication and brilliance have won him the respect and admiration of almost everyone who has come to know him. At a time when public service has been forgotten by many people, and some of our top officials have turned their backs on the poor, the elderly, and the disabled, Terry Friedman dedicated his life to serving those most desperately in need of help.

Let no one assume, however, that Terry allowed his professional life to dominate his personal life. In 1979 he married Elise Karl. Not only has Elise brought the very special joy of love to Terry's life, but she has provided Terry with comfort and understanding as he watched his beloved UCLA basketball team slip from the pinnacle of dominance in the NCAA, to the status of also-ran in the Pacific Ten Conference.

In addition, Terry and Elise have become expert marathon runners, competing in three marathons in the last 2 years.

I have known Terry for many years, and have come to respect and like him a great deal. He is one of the finest, most decent and compassionate people I have ever known. He has dedicated his life to serving those who are desperately in need of help. The Jewish community owes a great debt to Terry for his tireless work on behalf of Jews and non-Jews alike.

I am honored to call Terry Friedman my friend, and I ask my colleagues to join me in recognizing an outstanding public servant.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, March 24, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 25

9:00 a.m.

Agriculture, Nutrition, and Forestry

Business meeting, to resume markup of S. 659, to establish agricultural aid and trade missions to assist foreign countries to participate in United States agricultural aid and trade programs.

SR-332

Armed Services

To hold open and closed hearings on U.S. military strategy in the area of responsibility of the U.S. European Command.

SR-325

9:30 a.m.

Banking, Housing, and Urban Affairs

International Finance and Monetary Policy Subcommittee

To hold oversight hearings on the Export-Import Bank of the United States, export trading companies, and export promotion programs of the Department of Commerce.

SD-538

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Foreign Relations

Western Hemisphere and Peace Corps Affairs Subcommittee

To hold hearings on S. 720, authorizing funds for fiscal year 1988 for development and security assistance programs, focusing on Latin America regional aid.

SD-419

Judiciary

Antitrust, Monopolies and Business Rights Subcommittee

To hold hearings on airline deregulation.

SD-226

10:00 a.m.

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, in behalf of funds for the Rural Electrification Administration.

SD-138

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of State.

S-146, Capitol

Finance

To hold hearings to examine the impact of imports and foreign investment on national security, and related provisions as contained in S. 285, S. 490, S. 470, S. 694, and H.R. 3.

SD-215

Labor and Human Resources
To hold a business meeting, to consider pending calendar business.
SD-430

Select on Intelligence
To continue closed hearings on proposed legislation authorizing funds for fiscal year 1988 for the intelligence community.
SH-219

10:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
Closed meeting to discuss matters relating to the Iran-Contra affair.
S-407, Capitol

1:30 p.m.
Armed Services
Readiness, Sustainability and Support Subcommittee
To resume open and closed hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense.
SR-222

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1988 for energy and water development, focusing on the nuclear weapons testing program.
SD-116

Foreign Relations
East Asian and Pacific Affairs Subcommittee
To hold hearings on the nominations of Burton Levin, of Maryland, to be Ambassador to the Socialist Republic of the Union of Burma, and John C. Monjo, of Maryland, to be Ambassador to Malaysia, and to hold oversight hearings on the United States relations with Asia.
SD-419

Governmental Affairs
To hold hearings on the Government's role in economic competitiveness.
SD-342

Joint Printing
To hold an organizational business meeting.
H-328, Capitol

3:00 p.m.
Armed Services
Projection Forces and Regional Defense Subcommittee
To hold closed hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense, focusing on Navy mine warfare programs.
SR-232A

MARCH 26

9:00 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business.
EF-100, Capitol

9:30 a.m.
Banking, Housing, and Urban Affairs
Consumer Affairs Subcommittee
To hold hearings on S. 241, S. 242, S. 616, and S. 647, bills to require credit card issuers to disclose certain information regarding interest rates and fees on applications.
SD-538

Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To hold oversight hearings on exchange rates.
SD-562

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on S. 586, authorizing funds for the Federal Aviation Administration.
SR-253

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on State and local government control efforts in nonattainment areas.
SD-406

Governmental Affairs
To continue hearings on the Government's role in economic competitiveness.
SD-342

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Credit Subcommittee
To resume oversight hearings on the status of the farm credit system.
SR-332

Appropriations
Defense Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for the Department of Defense, focusing on the strategic defense initiative (SDI).
SD-192

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for migration and refugee assistance, U.S. emergency refugee assistance fund, international narcotics control, and anti-terrorism assistance.
S-126, Capitol

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Environmental Protection Agency.
SD-124

Finance
To resume hearings to review catastrophic health insurance issues, focusing on the role of private insurance and financing alternatives for catastrophic protection.
SD-215

Foreign Relations
To resume joint hearings with the Committee on the Judiciary to review constitutional implications of the Anti-Ballistic Missile Treaty of 1972.
SD-419

Judiciary
To resume joint hearings with the Committee on Foreign Relations to review constitutional implications of the Anti-Ballistic Missile Treaty of 1972.
SD-419

Labor and Human Resources
Employment and Productivity Subcommittee
Labor Subcommittee
To resume joint hearings on S. 538, to implement the recommendations of the Secretary of Labor's Task Force on Economic Adjustment and Worker Dislocation.
SD-430

2:00 p.m.
Agriculture, Nutrition, and Forestry
To hold hearings on payment-in-kind (PIK) certificates.
SR-332

Agriculture, Nutrition, and Forestry
Agricultural Credit Subcommittee
To continue oversight hearings on the status of the farm credit system.
SR-428A

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Office of the Secretary and the Office of the Inspector General, Department of Transportation.
SD-192

Armed Services
Conventional Forces and Alliance Defense Subcommittee
Projection Forces and Regional Defense Subcommittee
To resume joint hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense, focusing on Navy aviation programs.
SR-222

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1988 for the National Telecommunications and Information Administration, Department of Commerce.
SR-253

Foreign Relations
Western Hemisphere and Peace Corps Affairs Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1988 for the Peace Corps.
SD-419

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 791, to provide for protection of industrial designs of useful articles.
SD-226

2:30 p.m.
Energy and Natural Resources
Research and Development Subcommittee
To resume hearings to review the current status of renewable energy technologies.
SD-366

MARCH 27

9:30 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Forest Service, Department of Agriculture.
SD-192

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Environmental Protection Agency, and the Council on Environmental Quality.
SD-124

Finance

Health Subcommittee

To hold hearings to examine the role and performance of utilization and quality control peer review organizations under the Medicare program.

SD-215

Select on Indian Affairs

To hold hearings on S. 727, to clarify Indian treaties and executive orders with respect to fishing rights.

SR-485

11:00 a.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 349 and H.R. 240, bills to designate the Santa Fe Trail as an Historic Trail under the National Trails System Act, and S. 251 and H.R. 14, bills to designate certain segments of the Maurice, the Manantico, and the Manumuskin Rivers in New Jersey as study rivers for inclusion in the National Wild and Scenic Rivers System.

SD-366

MARCH 30

10:00 a.m.

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

2:00 p.m.

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

MARCH 31

9:00 a.m.

Armed Services

Strategic Forces and Nuclear Deterrence Subcommittee

To hold closed hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Energy, focusing on military applications provisions.

SR-222

9:30 a.m.

Commerce, Science, and Transportation

Merchant Marine Subcommittee

To hold hearings on S. 800, authorizing funds for fiscal year 1988 for maritime programs of the Department of Transportation and the Federal Maritime Commission.

SR-253

Environment and Public Works

Environmental Protection Subcommittee

To hold hearings on health effects of ozone and carbon monoxide in non-attainment areas.

SD-406

Governmental Affairs

To resume hearings on the government's role in economic competitiveness.

SD-342

10:00 a.m.

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, in behalf of funds for the Foreign Agricultural Service, Food for Peace Program (P.L. 480), and the Office of International Cooperation and Development.

SD-138

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for migration and refugee assistance, U.S. emergency refugee assistance fund, international narcotics control, and anti-terrorism assistance.

S-126, Capitol

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

Foreign Relations

To resume hearings on proposed legislation authorizing funds for fiscal year 1988 for foreign assistance programs.

SD-419

2:00 p.m.

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

Energy and Natural Resources

Water and Power Subcommittee

To hold joint hearings with the Select Committee on Indian Affairs and the House Committee on Interior and Insular Affairs to review recommendations of the Garrison Unit Joint Tribal Advisory Committee.

SR-485

Select on Indian Affairs

To hold joint hearings with the Committee on Energy and Natural Resources' Subcommittee on Water and Power and the House Committee on Interior and Insular Affairs to review recommendations of the Garrison Unit Joint Tribal Advisory Committee.

SR-485

APRIL 1

9:00 a.m.

Armed Services

Strategic Forces and Nuclear Deterrence Subcommittee

To resume hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense, focusing on the strategic defense initiative research program and its compliance with existing Treaty obligations.

SD-106

Rules and Administration

Business meeting, to consider pending legislative and administrative business.

SR-301

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, and the Jewish War Veterans.

334 Cannon Building

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

10:00 a.m.

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Commodity Futures Trading Commission, and the Food and Drug Administration of the Department of Health and Human Services.

SD-138

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development.

SD-124

Appropriations

Military Construction Subcommittee

To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on Air Force and Air Force Reserve Components.

SD-192

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for international organizations of the Department of State.

S-146, Capitol

Judiciary

Courts and Administrative Practice Subcommittee

To hold hearings on S. 548, Retiree Benefits Security Act of 1987.

SD-226

1:30 p.m.

Appropriations

Treasury, Postal Service, and General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Office of Personnel Management, the Federal Election Commission, and the Advisory Commission on Intergovernmental Relations.

SD-124

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Strategic Petroleum Reserve, Naval Petroleum Reserve, and the Office of Emergency Preparedness.

SD-116

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

APRIL 2

9:30 a.m.

Commerce, Science, and Transportation
Foreign Commerce and Tourism Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1988 for the U.S. Travel and Tourism Administration, Department of Commerce.
SR-253

Energy and Natural Resources
Research and Development Subcommittee
To hold oversight hearings on the clean coal technology program.
SD-366

Environment and Public Works
Environmental Protection Subcommittee
Superfund and Environmental Oversight Subcommittee
To hold joint hearings on health threats posed by radon gas.
SD-406

10:00 a.m.

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development.
SD-124

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.
SD-192

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the St. Lawrence Seaway Development Corporation, and the Architectural Transportation Barriers Compliance Board.
SD-138

Foreign Relations
Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1988 for the Department of State, U.S. Information Agency, Board for International Broadcasting, and the U.S. Arms Control and Disarmament Agency.
SD-419

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on the provisions of S. 506, to require the inclusion of copycode scanners in digital recording devices.
SR-385

2:00 p.m.

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Indian Health Service of the Department of Health and Human Services, and the Navajo and Hopi Indian Relocation Commission.
SD-138

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.
SD-192

APRIL 3

9:30 a.m.

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the United States Postal Service.
SD-116

Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 58, to make permanent and increase the income tax credit for increasing research activities, and proposals regarding the allocation of domestic research expenses.
SD-215

APRIL 6

9:00 a.m.

Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

10:00 a.m.

Appropriations
Military Construction Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on Caribbean Basin Construction Program.
SD-192

APRIL 7

9:00 a.m.

Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

9:30 a.m.

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review the implementation of the airport improvement program.
SR-253

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on S. 675, authorizing funds for fiscal years 1988-1992 for programs of the Endangered Species Act.
SD-406

2:00 p.m.

Energy and Natural Resources
Research and Development Subcommittee
To hold hearings on the President's budget request for fiscal year 1988 for the Department of Energy's Office of Energy Research for the Superconducting Super Collider (SSC).
SD-336

APRIL 8

9:00 a.m.

Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

9:30 a.m.

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review the national airspace system plan.
SR-253

10:00 a.m.

Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs, focusing on nuclear fission, uranium enrichment, and the nuclear waste management.
SD-192

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Securities and Exchange Commission and the Civil Rights Commission.
S-146, Capitol

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 568 and S. 573, bills to protect patent owners from importation into the United States of goods made overseas by use of a United States patented process, and S. 635, to protect intellectual property rights.
SD-226

2:00 p.m.

Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

Select on Indian Affairs
To hold oversight hearings on the implementation of the Indian Self-Determination and Education Assistance Act (P.L. 93-638).
SR-485

APRIL 9

9:30 a.m.

Energy and Natural Resources
Research and Development Subcommittee
To resume oversight hearings on clean coal technology program.
SD-366

Select on Indian Affairs
To hold oversight hearings on Indian economic development issues.
SD-628

10:00 a.m.

Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Interstate Commerce Commission, and the Research and Special Programs Administration of the Department of Transportation.
SD-138

1:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

1:30 p.m.
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To continue hearings on S. 635, to protect intellectual property rights, focusing on section 115 (patent misuse), and section 116 (licensee challenges to patent validity).
SD-562

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Energy Information Administration and the Economic Regulatory Administration, Department of Energy.
SD-192

APRIL 10

9:30 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Treasury, U.S. Postal Service, and general government.
SD-192

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the National Aeronautics and Space Administration.
SD-124

Finance
Private Retirement Plans and Oversight of the Internal Revenue Service Subcommittee
To hold hearings on proposed legislation providing a taxpayer's bill of rights.
SD-215

APRIL 21

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

APRIL 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Education, focusing on the Office of the Secretary, and salaries and expenses.
SD-192

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To resume hearings on S. 635, to protect intellectual property rights.
SD-226

10:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Small Business Administration, and the Federal Trade Commission.
S-146, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Geological Survey, Department of the Interior.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs, focusing on the Department of Energy national laboratories.
SD-116

Select on Indian Affairs
To hold hearings on S. 721, to provide for and promote the economic development of Indian tribes.
SR-485

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Education, focusing on compensatory education for the disadvantaged, special programs, impact aid, bilingual education, immigrant and refugee education, education for the handicapped, rehabilitation services and handicapped research, special institutions (includes American Printing House for the Blind, National Technical Institute for the Deaf, and Gallaudet University), and vocational and adult education.
SD-192

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Earthquake Hazards Reduction Act (P.L. 95-124).
SR-253

10:00 a.m.
Appropriations
Military Construction Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on Army and Army Reserve Components.
SD-124

Appropriations
Energy and Water Development Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs, focusing on Atomic Energy Defense activities.
SD-116

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on the Office of the Secretary and the Office of the Solicitor.
SD-192

Select on Indian Affairs
To hold hearings on proposed legislation to revise certain provisions of the Indian Self-Determination and Education Assistance Act (P.L. 93-638).
SR-485

2:30 p.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Education, focusing on student financial assistance, guaranteed student loans, higher education, higher education facilities loans and insurance, college housing loans, Howard University, education research and statistics, and libraries.
SD-138

APRIL 24

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Federal Home Loan Bank Board, Neighborhood Reinvestment Corporation, and the National Institute of Building Sciences.
SD-124

APRIL 27

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development, focusing on certain activities of the Department of Energy.
SD-192

APRIL 28

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for security assistance programs.
S-126, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on

the Bureau of Mines, and the Office of Surface Mining, Reclamation and Enforcement.

SD-192

APRIL 29

10:00 a.m.

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Justice, focusing on the Office of Attorney General, Immigration and Naturalization Service, and the Federal Prison System.

S-146, Capitol

2:00 p.m.

Select on Indian Affairs

To hold oversight hearings on the Indian Financing Act and the Buy Indian Act.

SR-485

APRIL 30

9:30 a.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on territorial governments.

SD-124

10:00 a.m

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for defense security assistance programs.

S-126, Capitol

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Urban Mass Transit Administration of the Department of Transportation, and the Washington Metropolitan Transit Authority.

SD-138

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on territorial affairs.

SD-192

MAY 4

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-192

MAY 5

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-138

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Smithsonian Institution, Woodrow Wilson International Center for Scholars, and the Holocaust Memorial Council.

SD-138

MAY 6

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-116

10:00 a.m.

Appropriations

Military Construction Subcommittee

To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on defense agencies.

SD-192

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the U.S. Supreme Court, and for the Department of Justice, focusing on the Federal Bureau of Investigation, Drug Enforcement Administration, and the U.S. Marshals Service.

S-146, Capitol

2:30 p.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-116

MAY 7

9:00 a.m.

Appropriations

Interior Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for fossil energy, and clean coal technology programs.

SD-192

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-116

10:00 a.m.

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Federal Aviation Administration, and the General Accounting Office (FAA operations).

SD-138

2:30 p.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-116

MAY 8

9:30 a.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-192

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development, and independent agencies.

SD-124

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Federal Aviation Administration of the Department of Transportation, and the General Accounting Office (R, E & D, F & E, Airport Grants).

SD-138

2:30 p.m.

Appropriations

Labor, Health and Human Services, Education, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-192

MAY 12

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for certain export financing programs.

S-126, Capitol

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Legal Services Corporation, and the Equal Employment Opportunity Commission.

S-146, Capitol

MAY 13

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for foreign assistance programs.

S-126, Capitol

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Commerce, Justice, State, the Judiciary, and related agencies.

S-146, Capitol

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Transportation and related agencies.

SD-138

MAY 14

10:00 a.m.

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Transportation and related agencies.

SD-138

MAY 15

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development, and independent agencies.

SD-124

MAY 20

10:00 a.m.

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Judicial Conference, Commission on the Bicentennial of the Constitution, U.S. Sentencing Commission, and the State Justice Institute.

S-146, Capitol

JUNE 23

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of State.

SD-192

CANCELLATIONS

MARCH 24

9:30 a.m.

Appropriations

Defense Subcommittee

To resume hearings on proposed budget estimates for fiscal year 1988 for the Department of Defense, focusing on the Strategic Defense Initiative (SDI).

SD-192

2:00 p.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on proposed legislation authorizing funds for fiscal year 1988 for the National Aeronautics and Space Administration's space station program.

SR-253

HOUSE OF REPRESENTATIVES—*Tuesday, March 24, 1987*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

During this season of renewal when nature is ready to appear with the signs of new life, we pray, O God, that our lives may put aside the darkness of the winter night and catch the sense of a new spirit. We pray that the old ways of doubt may be replaced with a faith for a better day, that anger be replaced by kindness, that despair be replaced by hope, and suspicion by trust. May Your spirit, O God, touch our spirits and breathe into us that spiritual strength by which we can be the people that You would have us be.

This we pray. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested.

S.J. Res. 5. Joint resolution designating June 14, 1987, as "Baltic Freedom Day";

S.J. Res. 18. Joint resolution to authorize and request the President to issue a proclamation designating June 1 through June 7, 1987 as "National Fishing Week";

S.J. Res. 22. Joint resolution to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week";

S.J. Res. 52. Joint resolution designating the week of May 10, 1987, through May 16, 1987, as "National Fetal Alcohol Syndrome Awareness Week";

S.J. Res. 55. Joint resolution designating the week of May 10, 1987, through May 16, 1987, as "National Osteoporosis Prevention Week of 1987";

S.J. Res. 57. Joint resolution to designate the period commencing on May 3, 1987, and ending on May 10, 1987, as "National Older Americans Abuse Prevention Week";

S.J. Res. 58. Joint resolution to designate the month of April 1987, as "National Child Abuse Prevention Month";

S.J. Res. 60. Joint resolution to authorize the President to proclaim the last Friday of April 1987 as "National Arbor Day";

S.J. Res. 64. Joint resolution to designate May 1987, as "Older Americans Month";

S.J. Res. 70. Joint resolution commemorating the fortieth anniversary of the Marshall plan;

S.J. Res. 74. Joint resolution to designate the month of May 1987 as "National Cancer Institute Month";

S.J. Res. 84. Joint resolution to designate October 1987 as "National Down Syndrome Month";

S.J. Res. 85. Joint resolution to designate the period commencing on August 2, 1987, and ending on August 8, 1987, as "International Special Olympics Week", and to designate August 3, 1987, as "International Special Olympics Day"; and

S.J. Res. 96. Joint resolution designating April 3, 1987, as "Interstate Commerce Commission Day."

GIVE JOE ELDER QUICK ACCESS TO HIS FUNDS

(Mr. ST GERMAIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ST GERMAIN. Mr. Speaker, I bet Joe Elder of Biloxi, MS, would chuckle over the full-page ad in last week's Washington Post in which the banks beat on the Senate Banking Committee for not passing their expanded powers wish list. "At a time when the world financial community is running at microchip speed, the current proposal would hamstring the ability of America's commercial banking industry to compete," the ad reads. "Microchip speed." I'm sure Mr. Elder would be laughing all the way to the bank. That is until he got there and found that his local bank had put on the brakes.

Mr. Elder, believing technology was on his side, asked that his VA disability check be direct deposited into his account. Assuming that he would have quick access to his funds, he went ahead and wrote a $50 check. Boy was he surprised. The bank, traveling at the speed of light, held his disability check for 2 whole days. The $50 check bounced, resulting in a $15 charge. Now a $15 bounced check may not mean much to the American Bankers Association, the Association of Bank Holding Companies, the Association of Reserve City Bankers, the Bank Capital Markets Association, or the Consumer Bankers Association, but it sure means a lot to Mr. Elder. It means a new pair of shoes, a portion of an electric bill, or something to eat.

Mr. Elder might as well have saved himself the trouble and stuffed the cash under his mattress.

If only the banking industry was as intent on using the latest technology to give customers quick access to their deposited funds as it is on using "microchip speed" to compete with the insurance, securities, and real estate industries. Before the banking industry gets its day in court on the expanded powers issue, it must first prove its commitment to the consumer. The industry can do this by supporting the Expedited Funds Availability Act, which I introduced last session.

The House passed the bill not once, but twice last year. Unfortunately, the Senate rejected our bill in favor of a watered down "disclosure only" version which the House found unacceptable. This year, hopefully, we can get a meaningful bill enacted into law.

Let's give the Joe Elders of this world a break.

On March 10, the Senate Banking Committee Faced Up to National Financial Problems

You, the consumer, will lose. At a time when antiquated laws restrict banks from offering you an expanded line of services to meet your growing financial needs, the proposed Senate legislation looks the other way.

Your banker will lose. At a time when commercial banks are rapidly losing customers to the non-bank businesses which can now sell traditional banking services, the pending legislation ignores most of the issues.

Your nation's strength in the world marketplace will lose. At a time when the world financial community is running at microchip speed, the current proposal would hamstring the ability of America's commercial banking industry to compete. It's no wonder that the Japanese and German banks are steadily pushing us aside.

The Senate should reject Title II of the bill, which shackles the ability of banks to meet the needs of their customers by providing securities, insurance and real estate services.

At a time when most regulators, congressional leaders, state legislators, the administration, and many prominent publications all strongly agree that U.S. commercial banks must be allowed to fully compete, the Senate Banking Committee voted to freeze banks from serving the ever-expanding needs of consumers. For a year or maybe more.

The woefully misnamed Competitive Equality Banking Act in reality prohibits competition and preserves inequality.

It protects the securities industry at the expense of American consumers by preventing the regulators from allowing banks to offer competitive securities products.

It protects the insurance industry by rolling back existing laws that allow state-chartered banks to offer some insurance products. This not only stifles competition. It violates states' rights.

A recent report by the Consumer Federation of America concludes that "there is no reason to prohibit states from carefully expanding bank sales of insurance." In fact, the CFA notes, "competition from banks

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

could lower costs industry-wide." This could save the public billions of dollars.

While banks sit frozen, securities and insurance companies are free to move further into banking activities. America's consumers will bear the costs of this protectionism unless the Senate acts responsibly and quickly.

American Bankers Association, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.

Association of Bank Holding Companies, 730 15th Street, NW., Washington, D.C. 20005.

Association of Reserve City Bankers, 1710 Rhode Island Avenue, NW., Washington, D.C. 20036.

Bank Capital Markets Association, 529 14th Street, NW., Washington, D.C. 20045.

Consumer Bankers Association, 1300 North 17th Street, Arlington, Virginia 22209.

EXCELLENCE SHOWN BY GEORGETOWN HOYAS

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to a group of young men who, led by an outstanding coach, brought excitement, drama, and integrity to this year's NCAA championship basketball tournament. Although this year's Georgetown University Hoyas were not destined to win a national title, they did demonstrate the character and integrity of true champions in their quest for victory.

Time and time again this year, John Thompson worked his magic wand and molded the mighty Hoyas' defense to thwart opponents while hammering them with a vicious shooting attack. Often, falling behind during the first half, he would rally his men and prove his Hoyas the better team. Rising as an inspired team leader, Georgetown great Reggie Williams reached deep within that great character of his to lead his teammates to victory. Fans and opponents alike respected his awesome ability not just to score, rebound, and defend but also his leadership which inspired teammates to rise above themselves for the team.

But the Hoyas' greatness goes far beyond one player or one coach. The greatness of Georgetown is that it is a team in the true sense of the word. With or without its stars, and there have been many, Georgetown has always worked together, exalted as one in victory and shared equally in loss. The end of their season was one of excellence, dedication, and strength in the face of adversity. They combined their many talents to form a single unit of proud and driven sportsmen and finished with 14 straight wins.

But this weekend brought an end to the Hoyas' quest for the National Collegiate Athletic Association championship. After 14 wins in a row and a season filled with thrills and excellence, the Georgetown Hoyas were beaten by a strong Providence team. Although many will mourn this loss for some time, true Georgetown fans will remember the character and pride the team demonstrated and will value that contribution to intercollegiate athletics. In an era of scandal and tragedy plagued athletics, it is very gratifying to root for a team whose highest priority is integrity.

I congratulate the Georgetown University Hoyas on a job well done and wish them good luck next season. They have made us proud by demonstrating the highest ideals of true sportsmanship.

The following article praising the Hoyas is from the Washington Post:

[From the Washington Post, Mar. 22, 1987]

IN PRAISE OF THE HOYAS

(By Courtland Milloy)

As sunshine washed over empty basketball courts yesterday, tears flowed into the beers of Georgetown University fans. The team known for its second-half rebirth has wilted on the first day of spring.

Whether listening to radios blaring as housework was done, or watching televisions in bars where popcorn was being flung, basketball enthusiasts felt the pain of the Hoyas' loss.

"They're messin' up. They're out of control. Get it together," commanded Chuck Lightening, an All-Met honorable mention basketball player for Springbrook High School. Lightening, watching the game at his home in Silver Spring, could barely stand it. "I don't like to see Georgetown lose," he said, head in hands.

With the score 47–25 in the first half, star Georgetowner Reggie Williams picked up his third foul. A picture of a subdued Coach John Thompson flashed on the television screen, and the possibility that Providence would knock the Hoyas out of National Collegiate Athletic Association championship contention loomed. At half time it was a dispiriting 54–37.

But you couldn't stay mad at the Hoyas. Within minutes after that final buzzer, you had to take your hat off and say well done. Thompson had mentioned something earlier in the season about his team being in the rebuilding stages. But the way they cruised into that 14-game winning streak made it seem that they had been rebuilt and fine-tuned all at once.

More importantly, Georgetown had brought new life to a sport that had been crippled by scandal and the death of a college basketball giant last June.

Just when the Washington area loses one national star in Len Bias, a native of Maryland, Reggie Williams of Baltimore, rises to the occasion.

He comes with an extraordinary, all-around arsenal of basketball skills, and he comes under the tutalege of Thompson, the Eddie Robinson of basketball.

The pride spawn by Georgetown is national in scope.

In black neighborhoods from Oakland to New York, young sports fans wear the insignia of the Hoyas on their shirts and caps.

It seems as if Georgetown's players remind many young black men of themselves—brash and gutsy.

On basketball courts, the Hoyas' style of play is emulated—full-court, pressing defense and take-it-to-the-hoop, slamma-jamma ball being the order of the day. The Hoya style and attitude are best topped off with one of the short haircuts the team's members sport.

"When people would boo Patrick Ewing and call him racial names, that's when I became a die-hard fan," said Darnell Ellis, a 10th grader who plays basketball for the Metropolitan Police Boys and Girls Club.

"That had to be tough for them to take, but they didn't let it bother them. They just went out and played their game and won."

The Hoyas developed a reputation for not taking any stuff on the court, and, because of Thompson, were viewed as clean fighters, staying clear of the money scandals and drug problems that have beset other schools.

"I don't want to say that Lefty Driesell [the former University of Maryland coach] was in any way responsible for Len Bias' death, but I do want to say that no way would something like that ever happen at Georgetown," said Ellis.

Georgetown's team features local black talent and is run by a towering black coach, adding up to an image that lets most local kids ignore the fact that Georgetown is a private, expensive, Catholic-run, mostly white school. They connect with the Hoyas, seeing Georgetown not as some kind of bastion but as just a good school with a great basketball program.

"I'd love to play there," said Lightening. "John Thompson's program is great. It's his attitude. He treats every player the same. He knows that Reggie adds to the team, but he does not expect Reggie to win by himself. He wants everyone to get involved. And he cares about them as people not just as players."

The Hoyas have set a fine example of how basketball should be played and how those who play should behave.

The Georgetown winning streak may have come to an end yesterday, but the team's record of respect remain unbroken.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 122

Mr. COMBEST. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of House Joint Resolution No. 122.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE PRESIDENT IS IGNORING ACID RAIN

(Mr. SIKORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKORSKI. Mr. Speaker, every 24 hours of every day, more than 176,000 tons of acids are shot into the skies; sulfur and nitrogen oxides. It comes down, however, as acid rain or sleet or snow or dry acids. It kills. It has killed hundreds and hundreds of our lakes, thousands and thousands of our streams; it endangers millions upon millions of acres of our farmland and woodlands, and it threatens to make our planet unlivable if not for us, for the next generation.

□ 1210

Yesterday Prime Minister Mulroney of Canada said, and I quote, "A nation that can put men on the Moon and do things in space surely can do something about the environment that is killing our kids." He was talking about acid rain and the U.S. responsibility for acid rain on this continent.

The proof of the Prime Minister's tough words will be in results, results achieved when he and the President meet in 10 days for their annual summit. With a control agreement we can make sure our planet will not resemble the surface of the Moon.

A TRIBUTE TO PETER BERTIE

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Madam Speaker, it is with a profound sadness and a sense of pride that I take to the well today. On Thursday, a quiet, but courageous man was killed in the pursuit of truth. His name was Peter Bertie. Last year Peter came to me after spending over 6 months with the freedom fighters, inside and outside of Nicaragua, more than any other North American.

He knew them—as we in Congress cannot—he knew them as people. While we sit here in our sheltered ivory tower listening to reports accusing faceless freedom fighters of vicious terrorist acts, this interpreter for an insurance company, turned journalist, decided to find out for himself who they are and what they are fighting for.

Last year he went from Member to Member trying to tell the human side of the story, and to answer questions we had no way of answering on our own. He went back over a month ago, never to come out again to tell us what he saw. He went back knowing the risks because in these campesinos, whom he lived with, ate with, slept with and shared with—he didn't find terrorists—he found young people struggling to save their country.

There are Members here that are probably saying to themselves that Peter Bertie was either naive or misled. He was neither—Peter was a brave man who sought truth, not stories or someone else's facts. He found the truth and died at the hands of a Cuban Hind helicopter pilot—but the truth he found will not die, even if some of us here in our sheltered world choose not to see it—the truth Peter found of a true struggle for freedom lives on. And I say with pride—I knew him.

The SPEAKER pro tempore (Mrs. KENNELLY). The time of the gentleman from Texas [Mr. DELAY] has expired.

ROSY SCENARIO IS ALIVE AND WELL IN THE EAST WING OF THE WHITE HOUSE

(Mr. ECKART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART. Madam Speaker, just as sure as the crocuses sprout and the daffodils bloom, rosy scenario is alive and well in Washington.

Coming on the heels of the President's inaudible and virtually inadmissible budget filled with accounting gimmicks and economic assumptions that would make Popeye the Sailor Man blush, Congress has discovered we are $27 billion short, short of a law that the President signed with so much flourish just last year.

How does the President make up the difference? Well, he calls them revenue enhancements, or taxes: taxes on the elderly, taxes on the students, taxes on veterans, taxes on our farmers.

If it is not taxes it is fire sales: fire sales of Government assets, petroleum reserves, Amtrak; bad business judgment but good politics for a President for whom "show" is always more important than substance.

Well, while this President has failed to devise a workable plan to address the real problems, at least the choice is only up to Congress. It is not something that Congress wants to do but which Gramm-Rudman-Hollings may very well force us to do.

Yes, rosy scenario is alive and well; she has just taken up residence in the East Wing of the White House.

JUDICIAL CONFERENCE REPORT SHOULD BE MADE PUBLIC

(Mr. SENSENBRENNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SENSENBRENNER. Madam Speaker, when Congress passed the Judicial Tenure and Disability Act in 1980, it gave to the judicial branch of Government the authority and power to investigate their own and to make recommendations to the Congress on whether a sitting Federal judge should be impeached.

Last week the Judicial Conference made such a recommendation, unanimously urging Congress to consider impeaching Judge Alcee Hastings of the southern district of Florida.

Appended to the certificate of Chief Justice Rehnquist was a report of over 500 pages giving the reasons why the Judicial Conference had made its recommendation and the evidence supporting those conclusions. That document is still secret and it should not be secret because the issue is now a public issue given the vote of the Judicial Conference, and the Congress and the public ought to be able to determine why the Judicial Conference recommended this unprecedented action.

If the chairman of the subcommittee to which the Hastings impeachment matter has been referred, the gentleman from Michigan, [Mr. CONYERS] keeps the matter secret, then the public and the Congress will only hear Judge Hastings' side of the story.

Fairness dictates that both sides of this important issue be placed on the table.

PRESIDENT'S BUDGET: A PAPER EXERCISE

(Mr. FROST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FROST. Madam Speaker, over the past several weeks as we have struggled to reach agreement on a fiscal year 1988 budget plan, time and again I have been struck by the fact that we are working alone. The President at a time when his leadership skills and his ability to communicate to the public are not needed, has refused to deal with the budget in realistic terms. Yes, he did submit a fiscal year 1988 budget plan in January, and he told the American people that it would achieve the $108 billion deficit limit set by the Gramm-Rudman-Hollings law.

However, he said that his plan would reach the Gramm-Rudman target without raising taxes.

The President has to know, just as all of us here know today, that his budget was never more than a paper exercise based on flawed economic assumptions and gimmicks. From the outset, the President worked with faulty economic data. He stated that the current services deficit for fiscal year 1988, the starting point, would be $150 billion. Yet as the Congressional Budget Office, a bipartisan office directed by a member of the President's own party, tells us, the current services deficit for fiscal year 1988 is $171 billion. According to CBO, the President's own budget proposals will result in a deficit of $135 billion, $27 billion above the Gramm-Rudman-Hollings target.

As for taxes, the President's budget is filled with them; he just does not call them taxes. Instead he uses terms like user fees, asset sales, and offsetting collections. Madam Speaker, it is time we address reality.

THE SOVIETS CELEBRATE PAKISTAN DAY

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Madam Speaker, yesterday the Soviets celebrated Pakistan Day by sending two squadrons of fighter planes into Pakistan. Fifty-one people were killed, over 100 were wounded. The bombing raid was aimed at Afghan rebels who have fled the bloodshed and torture imposed by the Soviet-backed government in Afghanistan.

This most recent attack, the third this month, continues the unprecedented increase in the number of bombings. Over the past year attacks into Pakistan have tripled. This time the Soviets and their Afghan cronies used napalm on their Pakistani neighbors. They didn't bomb protected areas, but instead chose unprotected civilian communities.

The step up in attacks is clearly aimed at convincing the Pakistan Government to end their support for the Afghan resistance and end their demand for a rapid withdrawal of Soviet troops.

Fortunately, President Zia and the Afghan rebels have no intention of giving up. These brutal attacks confirm that a permanent Soviet puppet regime in Afghanistan would mean continued bloodshed and persecution, and the constant threat of further Soviet expansion.

THE PRESIDENT'S BUDGET: ESSENTIALLY A DEFICIT BUDGET

(Mr. MICA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICA. Madam Speaker, the President had a press conference last week, and he stood up and said no new taxes and it is the Congress' fault if they are asking for more.

He had a radio address where he said Congress is up to its old tricks again and that it is their fault.

Now, he did not say just Democrats or Republicans, he blamed us all. I must say that I really take some offense to that and say that really and truly we have a situation in this country, and the people should know, where the President is saying no new taxes, balanced budget; but we have been given a budget that calls for us, by the President, to spend billions and billions of dollars that we have not taken in, essentially a deficit budget.

I do not think that message has gotten across to the American people that we have been asked by the President to spend tens of billions and some say $100 billion more than we have taken in and that is the job of the Congress to try to address the situation.

I think indeed with Cabinet officers coming up here from the President telling us how difficult and how horrible it will be not to meet the expenditures required by the Federal Government and with the President asking us to spend more, it is time for Democrats and Republicans to face reality and the President to face reality. Stop blaming both parties in the Congress.

Let us come together and start working.

□ 1220

GENERAL NORSTAD

(Mr. HOUGHTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOUGHTON. Madam Speaker, in this Chamber, we tend to be men and women of the present, yet it is no secret that we are the product of others. We are "our past."

Today we have an opportunity to recognize that past by celebrating the birthday of a special person. His name is Lauris Norstad.

Lauris Norstad was born 80 years ago today. After growing up in Minnesota, he graduated from West Point in 1930, as a lieutenant of the cavalry. Later he became the youngest four-star general in the Air Force.

I will not go through, Madam Speaker, a list of his distinguished career. Let me just make one point.

In this age of nonheroes, here is a genuine American hero, standing shoulder to shoulder with the leaders of World War II, Marshall, Eisenhower, Patton, and Bradley.

General Norstad always claimed, as the song goes, that he was "either too young or too old." My reply is never.

Often we celebrate too late the lives of those we care about and honor, but today we happily have a chance as citizens to say thank you to a man who once protected us with such bravery when we needed it most.

So, from Washington, DC, to Tucson, AZ, Happy Birthday, General.

RADON GAS CONTAMINATION

(Mr. YATRON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YATRON. Madam Speaker, this past Friday, the State of Pennsylvania issued an advisory to all the residents of 35 countries to have their homes tested for radon gas contamination. The State of Pennsylvania based this recommendation of the results of tests taken in 19,137 homes. Radon gas exceeded safe levels in 59 percent of those homes.

Last year, we attached indoor radon gas legislation to the Superfund reauthorization. In it, we authorized EPA to develop a technical assistance program to help States deal with the problem of indoor radon gas. We allowed for the expenditure of $5 million in each of the next 3 years.

For this fiscal year, EPA is spending $4.5 million. At least 25 States have requested assistance from EPA and this $4.5 million allotment is quickly being exhausted.

Given this situation, we might expect that EPA's budget for fiscal year 1988 would reflect the clear need for additional work in this area. Unfortunately, it does not—EPA has requested only $3.3 million for the year.

At the same time, the budget request for the Department of Energy's Radon Research Program is $10 million more than it was in fiscal year 1987. While more research is warranted, our more pressing need is to provide adequate technical assistance to the States.

Madam Speaker, the indoor radon gas program at EPA needs to receive more, not less money.

HEADS: YOU WIN; TAILS: I LOSE

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANNEMEYER. Madam Speaker, foreign investment in the United States used to put Americans to work. No more. Today, foreign investment in the United States is putting Americans out of work. Under the gold standard, if foreigners wanted to invest in the United States, they had to ship gold to our shores, which showed up on the plus side of our ledger. Today, if they want to invest in the United States, they ship automobiles, home audio and video systems, and other consumer goods which show up on the minus side of our ledger. Yet we cannot close our ports to foreign goods because we do not generate the savings necessary to run our Government and those of our industries that are still producing.

Under the international gold standard trade was a positive-sum game, and its rules made it possible for all nations to run balance-of-trade surpluses to the extent of world gold production. Under our present monetary arrangements trade has become a zero sum game, with Uncle Sam playing the sucker, "Heads: you win; tails: I lose".

Madam Speaker, would it not make more sense if, instead of our masochistic dollar-bashing, we returned to the gold standard, and made foreigners put up the gold every time they wanted to invest in America?

THE HIGHWAY-TRANSIT BILL IS RESPONSIBLE LEGISLATION

(Mr. HOWARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOWARD. Madam Speaker, there has been a lot of misleading information spread recently in public statements about the highway-transit bill that this body and the other body passed overwhelmingly. It has been called a "budget-buster." That is simply not the case. The highway-transit bill is not a budget-buster. It is responsible legislation to meet our transportation needs using dedicated trust fund revenues for the part.

This bill is not only not a budget-buster, but it is well below previous spending levels. In 1985, we spent $19 billion on surface transportation. In 1986, after the first Gramm-Rudman reduction, we spent $18.1 billion and in this fiscal year our legislation authorizes $16.95 billion—more than $1 billion less. In every fiscal year through 1991, the bill authorizes less than was spent after the Gramm-Rudman cut.

It is said that this bill spends too much on mass transit. This bill authorizes less for mass transit than was spent before 1982 when we authorized the penny from the gas tax for mass transit. We had a deal with this administration to spend that penny on mass transit but it is being used to substitute for the already existing program. The total program is now less below the spending in 1984, the first full year of the added penny.

When we raised the nickle gas tax in 1982, it was understood that Congress would vote for the tax and the administration would spend the money on highways and transit. The claims of budget busting indicate that will not be done. The President should keep his word with the Congress and the American people and spend the tax money paid through the gas tax for highways and transit.

EPA SHOULD CONTROL OFFSHORE AIR QUALITY

(Mr. BADHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BADHAM. Madam Speaker, today, I am introducing a bill to help resolve one of the outstanding issues that has delayed completion of any sort of acceptable OCS agreement that adequately addresses air emissions from OCS operations.

This legislation would transfer jurisdiction of Outer Continental Shelf air quality standards from the Department of Interior to the Environmental Protection Agency, where it belongs. Since the EPA is the Federal agency responsible under the Clean Air Act for the control of air quality onshore, including emissions from onshore Outer Continental Shelf-related activities, it only seems logical to allow the EPA to control air quality offshore as well.

Currently, the existing regulatory framework under the Outer Continental Shelf Lands Act of 1978 call on the Interior Department to regulate offshore oil and gas emissions only to the extent that they "significantly affect" onshore air quality. This mandate creates a double standard and doesn't force the DOI to require the offshore oil industry to meet the same stringent emissions standards that onshore industry is subjected to. Oftentimes, in cases such as in Santa Barbara, OCS development becomes a major factor in preventing the county from attaining the ambient standards. This creates a situation that threatens the future of all onshore development and, furthermore, forces the existing industry onshore to find ways to mitigate the emissions caused by OCS production.

Included in the OCSLA is an assumption that any pollutants emitting from offshore oil production facilities would only be minimal and not have a serious adverse impact on the air quality onshore. This theory has proven incorrect, however, and studies have shown that emissions from offshore production—especially from those platforms located as close as 3 miles from the shore—do, in fact, interfere with the attainment and maintenance of Federal and State ambient air quality standards onshore.

The Interior Department is proceeding with its 5-year OCS nationwide plan, but, to date, the Department of Interior has not developed appropriate regulations and lease conditions to ensure that such activity will not interfere with the attainment and maintenance of all Federal and State ambient air quality standards. The Interior Department defends its position by pointing to the current negotiated rulemaking process as a forum for addressing the air pollution concerns created by OCS development. While I am hopeful that the negotiators will succeed in coming up with a viable plan, it is important to remember that any plan requires the consensus of all the parties involved, including DOI and oil companies. In the meantime, we can not be assured that a satisfactory rule will result from the negotiations and cannot allow the pending rulemaking to serve to deflect concerns over the current inadequate regulatory system.

The issue of regulating air quality is especially important to areas such as southern California. It is widely recognized that the South Coast Air Basin has one of the most critical air pollution problems in the Nation and is currently in nonattainment for four major air contaminants, including ozone, nitrogen oxide, TSP, and carbon dioxide. Furthermore, as the areas offshore California are strong candidates for future oil exploration and development, it is extremely important that the Federal regulations governing offshore oil development be consistent with, and as least as stringent as, pollution control standards onshore.

THE NATIONAL SERVICE ACT

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Madam Speaker, in its special report on "Higher Education and the American Resurgence," the Carnegie Foundation notes that Federal student aid programs are often debated in terms of how much aid should be made available to which classes of students.

In recent years, the main goal of most student aid—particularly Federal student aid—has been to increase access to higher education for those of limited means. Others argue that the goal should be to reward students with good grades and high test scores.

I believe that this is the wrong debate. In allocating our limited national resources, the real issue should be how to define need and merit in terms of service to society.

The National Service Act, H.R. 1479, which I recently introduced, would establish a voluntary program of national service, under which participants aged 17 to 26 would provide civilian or military service in exchange for Federal aid to continue their education.

Madam Speaker, I believe this approach will give young people a chance to become involved in the process—to give something valuable to their country and get something valuable in return.

Above all, they will learn, as Walter Lippmann said, that there is nothing for nothing any longer.

□ 1230

COST-SHARING CONCEPT FOR WATER PROJECTS MAY BE SCRAPPED

(Mr. PETRI asked and was given permission to address the House for 1 minute.)

Mr. PETRI. Madam Speaker, 5 months ago, we passed the first omnibus water resources bill to be signed into law in a decade.

It enjoyed overwhelming support because it embodied a new concept in water projects policy.

It called for beneficiaries of projects to pay a reasonable share of their costs.

The theory was that they wouldn't pay for projects with little merit, so the worst projects would not get built. And guess what? It's working.

Already cost-sharing agreements have been reached on over 60 projects, saving hundreds of millions of dollars.

A number of grandiose schemes have been scaled way back.

Now it seems that some members of the appropriations committee don't like this success. They want to amend the next supplemental appropriations bill so that cost-sharing wouldn't apply if it prevents a project from being built. Their amendment would totally gut this reform that took a decade to achieve. I urge my colleagues to reject this end run around the legislative process.

The **SPEAKER** pro tempore (Mr. McCurdy). The time of the gentleman has expired.

THE FEDERAL BUDGET

(Mrs. **KENNELLY** asked and was given permission to address the House for 1 minute.)

Mrs. **KENNELLY**. Mr. Speaker, I rise today to discuss one of the most serious challenges facing our country—the challenge of putting our fiscal house in order.

In the last 6 years, our Nation's debt has doubled. Interest payments have tripled. We not only have an enormous Federal deficit, we have a recordbreaking trade deficit. Both are costing us jobs and growth daily. Both have frightening implications for our economic future.

Today, we are running a surplus in only one area, and that is a surplus of illusions about the deficit. Let us make no mistake about it: We cannot go on spending more and more on defense, relying on one-time asset sales and hidden revenue increases, and depending on the magic wand of a constitutional amendment or a line-item veto to solve our problems. If we are serious about reducing the deficit, we must put all that aside.

I am not here to point fingers or assign blame. I know that all of us must work together if we are to create a responsible budget. In Congress and in the administration, in both political parties, it is time for a new sense of realism and a new spirit of cooperation. Only those will solve our deficit dilemma.

UNIVERSITY OF MICHIGAN TO HONOR NELSON MANDELA

(Mr. **CROCKETT** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **CROCKETT**. Mr. Speaker, I am pleased to report to you that the board of trustees of my alma mater, the University of Michigan, has rescinded its prior position and has now voted to award an honorary degree to Nelson Mandela, the courageous leader of millions of nonwhite people in South Africa.

Last year, the University of Michigan chose not to honor Mandela, in spite of strong student and faculty support for the award, as a symbolic gesture to evidence a commitment to justice and freedom in South Africa. I wrote to the board of trustees last year, expressing my great disappointment with their decision. I also participated as the principal speaker at the countercommencement held by students to protest the university's position.

I would like to believe that the decison by the board to change its stance shows a willingness on the part of the university to recognize and respond to the legitimate concerns of minority students at the University of Michigan—concerns which have been expressed and reported recently in the national news media. I hope it is only one step in a process whereby the university and its minority students can work together to strengthen the university and uphold its commitment to justice and equality—both in Ann Arbor and Johannesburg—and, indeed, throughout the world.

A PROPOSAL TO ESTABLISH LIMITS ON CAMPAIGN EXPENDITURES

(Mr. **BATES** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **BATES**. Mr. Speaker, public criticism of our campaign finance system is growing because of the impression that elections are being bought and sold. I propose a simple yet unique solution to the campaign-funds arms race: Amend our House rules to place strict limits on campaign expenditures.

My legislation would make a candidate who violates a $250,000 expenditure limit guilty of disorderly behavior and subject to whatever disciplinary action may be determined appropriate. It is premised on the absolute authority of Congress and responsibility of Congress to protect its own integrity.

In Powell versus McCormack, Chief Justice Warren stated:

> Unquestionably, Congress has an interest in preserving its institutional integrity, but in most cases that interest can be sufficiently safeguarded by the exercise of its power to punish its Members for disorderly behavior.

This may seem a harsh and abrupt solution to the problem of exploding costs; however, I believe the current crisis of public trust warrents such a solution.

Join me as an original cosponsor to an amendment to our House rules to establish limits on campaign expenditures.

THE REAL TRADE ISSUE

(Mr. **PENNY** asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. **PENNY**. Mr. Speaker, recently the American people heard that the trade deficit again had risen and that the Congress was moving forward with legislation to lower that deficit. I agree that the Congress should examine proposals to insure open and fair trading practices, but, Mr. Speaker, the real solution to our trade problems lies in reducing the budget deficit.

In a recent article, Nobel laureate Franco Modigliani, wrote:

> To date, the proposed remedies for the trade deficit have concentrated on the need to sell more and buy less, ignoring a vital question: Where will we get the resources to produce more exports and more import substitutes? The answer is that they must come primarily from the shrinking of our budget deficit.

The plain truth, Mr. Speaker, is that unless we free money for business expansion by reducing the fiscal deficit, our trade deficit will remain high.

We should not back away from the Gramm-Rudman target for fiscal year 1988, Mr. Speaker. In fact, a budget freeze could help us achieve the target. I encourage Members to examine my pay-as-you-go budget plan, which includes a budget freeze as a means for reducing the deficit.

Mr. Speaker, I include the text of the Modigliani article, as follows:

[From the New York Times, Mar. 1, 1987]

In the Shadow of the Budget Deficit

(By Franco Modigliani)

Reports that the Administration and the Congressional leadership are prepared to abandon the $108 billion budget-deficit ceiling should be unwelcome news to anyone concerned with closing our trade deficit. Despite all the talk today of flagging American competitiveness, no measure—be it protectionism or fair trade, devaluation, foreign expansion or competitiveness—will eliminate the trade imbalance unless we manage to reduce our fiscal deficit by about $150 billion. In fact, cutting the trade deficit without cutting the budget deficit poses a serious threat of inflation.

To date, the proposed remedies for the trade deficit have concentrated on the need to sell more and buy less, ignoring a vital question: Where will we get the resources to produce more exports and more import substitutes? The answer is that they must come primarily from the shrinking of our budget deficit.

This conclusion follows from a fundamental economic proposition (known among economists as the principle of absorption) that a trade deficit represents an excess of domestic spending over domestic production that can only be cured by reducing spending or increasing production.

Here is how that proposition relates to the current situation. Our 1986 trade deficit represents just about 4 percent of our total output of $4.2 trillion. Its elimination would require diverting roughly 4 percent of the labor force to producing additional goods for export and to replace those currently imported. Since our labor force numbers about 110 million, approximately 4.5 million workers would be required to close the trade gap.

Where would these 4.5 million workers come from? Not many could come from the pool of the unemployed, for (despite the unemployment attributed to the trade deficit) we are now relatively close to the minimum level of unemployment that can be reached and maintained without a serious risk of rekindling inflation. Accordingly, it is broadly agreed among economists that not much more than 1 million jobs could be filled by those who are now idle. The remaining 3 million to 3.5 million jobs in the reactivated export and import-competing industries would have to come from a reduction of private consumption, Government consumption or capital formation (plant, equipment, structures or housing).

It seems unlikely that Congress will reduce Government expenditure sufficiently. Thus, we will have to reduce in private consumption, and the only way to accomplish that is to raise taxes. Every dollar of additional permanent taxes could be counted upon to reduce consumption permanently by something close to a dollar. And more taxes (and less Government expenditure) would mean lowering the deficit. We can conclude, therefore, that to free the resources needed to close the trade gap, we would have to slash the budget deficit.

What would happen if the trade deficit were to decline without a corresponding fall in the budget deficit? Much would depend on the policy of the Federal Reserve. It could try to release the necessary resources by reducing domestic investment through a tight monetary policy and higher interest rates. But such a course would be undesirable for a number of reasons.

First, investment is the source of higher future productivity and greater international competitiveness. Second, the policy would shift even larger costs of adjustment to future generations. Finally, it would be impossible to contract investment enough to permit a substantial decline in the trade balance. This is because the higher interest rates would lead to a new rise of the dollar, which would cut back our net exports, undoing a good part of any reduction in the trade deficit.

If, on the other hand, the Fed were to pursue a monetary and interest rate policy that would maintain the rate of domestic investment, then the net demand for American labor would, again, exceed by more than 3.5 million the usable supply of labor. The rate of unemployment would dip well below the critical level and a new wave of accelerating inflation would be set in motion. To stop that without impairing investment, slashing the budget deficit would eventually become unavoidable.

So, a reduction of the fiscal deficit is necessary to permit a fall in the trade deficit. But is it sufficient by itself? In principal, the answer is yes, provided the Federal Reserve would allow a decline in interest rates that would reduce the trade deficit through a depreciation of the dollar. Still, other measures should accompany budget-deficit reduction. For, even though such measures would not reduce the necessity to cut the budget deficit, they could influence the cost of adjustment, basically through the terms of trade (what we pay for our imports relative to what we get for our exports).

Measures to increase American competitiveness could hardly be objected to, at least as long as they did not involve costly subsidies. International cooperation—in the form of the simultaneous expansion of domestic demand on the part of our major trading partners—would be most desirable. The United States could cut its trade deficit without resorting to devaluation, with attendant deterioration in terms of trade. The depressed Common Market countries coud gradually bring back into employment large amounts of idle resources, increasing their welfare and helping revitalize world trade.

Another possible measure would be for the Fed to tighten the money supply enough to induce a recession, cutting American output and income, thereby reducing our ability to import. An equally destructive approach is protectionism, despite its popularity. Its effect on the trade balance is uncertain, because of unavoidable retaliations. The only certainty is a reduction in world trade and in average welfare here and abroad.

One last point concerns the issue of timing. The reduction of the two deficits should occur roughly in step, if we are to avoid instability in the form of more unemployment, more inflation or both. The reason is simple—reducing the trade balance increases aggregate demand, reducing the budget deficit decreases it. These two effects should cancel each other out, if the two reductions occur more or less simultaneously.

Much of the debate about the trade deficit has tended to take the form of an excercise in flag waving and pointing fingers at unfair foreign competitors, but we should recognize that reducing the trade deficit is not a patriotic exercise of reclaiming what foreigners have sneakily taken away. It will not result in larger output.

Instead, balancing our current account will mean a lot of sacrifices, as we will have less resources available to us and will be paying more for what we continue to buy abroad. While this sacrifice well serves our future interests, it will require some serious belt-tightening in the form of more taxes, less private consumption and less Government expenditure.

APPEASEMENT OF PAKISTAN DOES NOT WORK

(Mr. MARKEY asked and was given permission to address the House for 1 minute.)

Mr. MARKEY. Mr. Speaker, for the last 6 years we have tried to appease General Zia's nuclear ambitions. We waived our nonproliferation law. We gave him massive military assistance, and he promised he would not develop nuclear weapons.

Well, appeasement has not worked. Pakistan has lied to us. They have been smuggling restricted technology. They have been enriching uranium beyond the level needed for peaceful purposes. They have been building a nuclear bomb.

We face the decision on the Pakistani bomb this year. Putting it off for 2 years or 6 years will not buy peace in our time. It will buy a nuclear bomb in Islamabad and disaster for America in the long run.

We must stand by our law and hold the Pakistani leaders to their word. They say they have not enriched uranium to bomb-grade. We must verify that before we send them any more aid. We must assure that weapons like the F-16 fighter bomber are not modified to deliver nuclear weapons, and we must cut off all aid and trade preferences to any nonnuclear weapons country which explodes a nuclear device.

Mr. Speaker, appeasement has not worked. Containment will. It is time to stand firm on Pakistani nuclear proliferation. The Soviets wanted nuclear weapons because the United States had them. The Chinese wanted nuclear weapons because the Soviets had them. The Indians wanted nuclear weapons because the Chinese had them, and now the Pakistanis want nuclear weapons because the Indians have them.

Where will it end? It will end with a nuclear war. It is time for us to say at this moment, "no more aid to countries that are developing nuclear weapons."

THE ESCALATING BUDGET DEFICIT

(Mr. FLAKE asked and was given permission to address the House for 1 minute.)

Mr. FLAKE. Mr. Speaker, today we find ourselves in the midst of a major budget deficit, which is a problem for all Americans because of our current budget deficit of $2 trillion, more than double the $1 trillion that the President inherited when he took office in 1981.

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We are currently spending 13 cents on every dollar to service our debt. This is more money than any other program in this administration's budget except Social Security and the military. The budget deficit must be reduced. The administration's budget which calls for increased military spending, up $22 billion in fiscal year 1988 and more than 117 percent above the 1980 level, does not address the concerns of the American people primarily in the areas of drugs, crime prevention, health services, and the problem of illiteracy. These are areas of concern expressed by the President for which he offers no budgetary support. As a matter of fact, he has requested funding reductions in these Reagan areas.

We must, Mr. President, be true to the American people with a more realistic budget proposal. Your revenue increases are no more than taxes on the least able to pay them. For example, you have now increased fees—Reagan taxes—on everything, including a visit to Lady Liberty in my home State, New York.

Let us be fair; let us stop this hypocrisy. Let us be rigorous in our budget analysis; let us be truthful with the American people about what your policies have done to the long-term viability of this economy.

Then, and only then, can we work together to solve our common concerns and that is a budget which does not continue to mortgage the future of our generations of children that are yet unborn.

ESTABLISHING SAN PEDRO RIPARIAN NATIONAL CONSERVATION AREA IN ARIZONA

Mr. UDALL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 568) to establish the San Pedro Riparian National Conservation Area in Cochise County, AZ, in order to assure paleontological, scientific, cultural, educational, and recreational resources of the conservation area, and for other purposes, as amended.

The Clerk read as follows:

H.R. 568

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF CONSERVATION AREA.

(a) ESTABLISHMENT.—In order to protect the riparian area and the acquatic, wildlife, archeological, paleontological, scientific, cultural, educational, and recreational resources of the public lands surrounding the San Pedro River in Cochise County, Arizona, there is hereby established the San Pedro Riparian National Conservation Area (hereafter in this Act referred to as the "conservation area").

(b) AREA INCLUDED.—The conservation area shall consist of public lands as generally depicted on a map entitled "San Pedro Riparian National Conservation Area—Proposed", numbered AZ-040-01, and dated August 22, 1986 and consisting of approximately forty-eight thousand seven hundred and seven acres.

(c) MAP.—As soon as is practicable after enactment of this Act, a map and legal description of the conservation area shall be filed by the Secretary of the Interior (hereafter in this Act referred to as the "Secretary") with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. Each such map shall have the same force and effect as if included in this Act. Such map shall be on file and available for public inspection in the Office of the Director of the Bureau of Land Management, Department of the Interior, and in the Bureau of Land Management offices of the State director for Arizona, and the district office responsible for the management of the conservation area.

SEC. 2. MANAGEMENT OF THE CONSERVATION AREA.

(a) GENERAL AUTHORITIES.—The Secretary shall manage the conservation area in a manner that conserves, protects, and enhances the riparian area and the aquatic, wildlife, archeological, paleontological, scientific, cultural, educational, and recreational resources of the conservation area. Such management shall be guided by this Act and, where not inconsistent with this Act, by the provisions of the Federal Land Policy and Management Act of 1976 (hereinafter in this Act referred to as "FLPMA").

(b) USES.—The Secretary shall only allow such uses of the conservation area as he finds will further the primary purposes for which the conservation area is established. Except where needed for administrative or emergency purposes, the use of motorized vehicles in the conservation area shall only be allowed on roads specifically designated for such use as part of the management plan prepared pursuant to section 3 of this Act. The Secretary shall have the power to implement such reasonable limits to visitation and use of the conservation area as he finds appropriate for the protection of the resources for the conservation area, including requiring permits for public use, or closing portions of the conservation area to public use.

(c) LIVESTOCK.—In order to provide an opportunity for the study, evaluation, and monitoring of the San Pedro Riparian National Conservation Area in the absence of livestock grazing, the Secretary shall not, subject to valid existing contractual rights, issue any permit for the grazing of livestock on lands designated as part of the conservation area by this Act for a period of fifteen years from the date of enactment of this Act.

(d) WITHDRAWALS.—Subject to valid existing rights, all Federal lands within the conservation area are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws; from location, entry, and patent under the United States mining laws; and from disposition under all laws pertaining to mineral and geothermal leasing and all amendments thereto.

(e) ENFORCEMENT.—Any person who violates any provisions of this Act or any regulation promulgated by the Secretary to implement this Act shall be subject to a fine of up to $10,000 or imprisonment for up to one year, or both.

SEC. 3. MANAGEMENT PLAN.

(a) DEVELOPMENT OF PLAN.—No later than two years after the enactment of this Act, the Secretary shall develop a comprehensive plan for the long-range managment and protection of the conservation area. The plan shall be developed with full opportunity for public participation and comment, and shall contain provisions designed to assure protection of the riparian area and the aquatic, wildlife, archeological, paleontological, scientific, cultural, educational, and recreation resources and values of the conservation area.

(b) RECOMMENDATIONS.—The Secretary shall, in the comprehensive plan referred to in subsection (a), develop recommendations to Congress on whether additional lands should be included in the conservation area.

(c) COOPERATIVE AGREEMENTS.—The Secretary may enter into cooperative agreements with appropriate State and local agencies, pursuant to section 307(b) of FLPMA to better implement the plan developed pursuant to subsection (a).

(d) RESEARCH.—In order to assist in the development of appropriate management strategies for the conservation area, the Secretary may authorize research on matters including the environmental, biological, hydrological, and cultural resources of the conservation area, pursuant to section 307(a) of FLPMA.

SEC. 4. ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—The Secretary shall establish a San Pedro Riparian National Conservation Area Advisory Committee, whose purpose shall be to advise the Secretary with respect to the preparation and implementation of the comprehensive, long-range plan required pursuant to section 3 of this Act.

(b) REPRESENTATION.—There shall be seven members of the committee, who shall be appointed by the Secretary. Members of the committee shall be appointed for terms of three years, except that of the members first appointed two shall be appointed for terms of one year and three shall be appointed for terms of two years. The Secretary shall appoint one member from nominations supplied by the Governor of the State of Arizona, and one member from nominations supplied by the supervisors of Cochise County, Arizona. The other members shall be persons with recognized backgrounds in wildlife conservation, riparian ecology, archeology, paleontology, or other disciplines directly related to the primary purposes for which the conservation area was created.

SEC. 5. LAND ACQUISITION.

The Secretary may acquire lands or interests in lands within the boundaries of the conservation area by exchange, purchase or donation, except that any lands or interest therein owned by the State or local government may be acquired by donation or exchange only. Any purchase or exchange of lands to be added to the conservation area shall require the consent of the owner of those lands or rights.

SEC. 6. REPORT TO CONGRESS.

No later than five years after the enactment of this Act, and every ten years thereafter, the Secretary shall report to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate, on the implementation of this Act. Such report shall include a detailed statement on the condition of the resources within the conservation area and of the progress of the Bureau of Land Management in achieving the purposes of this Act.

SEC. 7. AUTHORIZATION.

There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

The SPEAKER pro tempore. (Mr. MCCURDY). Pursuant to the rule, a second is not required on this motion.

The gentleman from Arizona [Mr. UDALL] will be recognized for 20 minutes and the gentleman from Montana [Mr. MARLENEE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. UDALL].

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is a real pleasure today to bring before the House, H.R. 568, to designate the San Pedro Riparian National Conservation Area. This legislation is identical to a bill passed without opposition by the House in the 99th Congress. It enjoys unanimous support of the entire Arizona congressional delegation.

To those of us from the Southwest, rivers and streamsides are very special. Not only do they provide an oasis of coolness and relief for man, they are important ecosystems for many forms of life. We have not, sad to say, been especially kind to most of our riparian lands. Throughout the Southwest, they are being lost to development, urbanization, much that seems inevitable and much that most definitely is not inevitable. One of the aspects of this legislation today that so pleases me is that it demonstrates a gentler and more careful sense of stewardship that is matched only by the tenacity with which we intend to safeguard the San Pedro's special qualities.

And those special qualities are many. The San Pedro has retained about 75 percent of its native flora, a very high percentage in the Southwest. It is habitat for at least 20 species of raptors, a third of the entire U.S. population of grey hawks and more than 200 other bird species. The diversity of mammals is considered by many to be the greatest of any comparably sized area in the country. The water that attracts wildlife also has served as a magnet for man and so the area is rich in archaeological sites stretching back thousands of years and including places important to the Spanish conquistadores who unsuccessfully labored to dominate this area. The San Pedro is just a few miles from rapidly growing Sierra Vista and the importance of this area for future public recreation and enjoyment are hard to overestimate.

The bill designates the area a "national conservation area." There are only three such areas in the United States and there is no general body of law or regulation to define just how such areas are to be managed. Instead, each such conservation area must be individually tailored to meet its particular needs. This we have done. The bill spells out the essential resources of the area—wildlife, archaeological and paleontological sites, scientific study, education and recreation—and instructs the Bureau of Land Management to draft a plan promoting activities that further the protection and development of these resources while discouraging or prohibiting all activities that do not.

Although BLM is given wide latitude in this regard, we do make a few significant exceptions. First, all mining is banned after two current contracts signed by the former private landholder expire. Second, all vehicles are banned except on roads designated for their use by the management plan.

Finally, and somewhat controversially, the bill bans livestock grazing for 15 years. Some have interpreted this as an antigrazing statement or a precedent to ban grazing on other lands. I do not see it that way at all. With the San Pedro we have a unique opportunity. Because the land was privately owned until only last year, there are no ranchers with grazing rights to address. The existing contract executed by a rancher and the former owner will be honored, but not renewed. We therefore have a chance to create a riparian zone that has not been grazed by livestock, so we can study its ecosystem and have a benchmark by which we can judge other riparian areas that may be characterized by good, bad or indifferent grazing management practices.

The ban against livestock grazing expires in 15 years so BLM can be given an opportunity to reevaluate this approach at that time. I want to emphasize that the fact that the ban sunsets in 15 years should in no way be interpreted as congressional intent to resume grazing after 15 years. It is my strong belief that grazing should be reintroduced only if the land managers believe it necessary for the ecological health of the riparian area and only then in such limited areas and for such limited time as they think necessary. I am very excited by what this experiment will teach us about the natural workings of a desert riparian ecosystem.

I want also to state, however, that as the Congress considers future conservation areas or other land management proposals it should consider grazing separately on its merits. The moratorium in this legislation should not be considered a precedent.

There are three current commercial activities in the area. All of them are operating under contracts with the former private landowner. When these contracts expire, the BLM intends to move all of them out of the area and we fully support that intention.

Mr. Speaker, this is an unusual and especially gratifying piece of legislation. It is not often that the BLM acquires land for conservation purposes. I hope that the experience of managing the San Pedro will encourage BLM to do more to protect the vast elements of our natural heritage that it has under its stewardship.

Many individuals deserve special recognition for their work in bringing the protection of the San Pedro to this point. Bill Roe, a Tucson conservationist who has done so much to preserve Arizona's natural heritage through his work with the Nature Conservancy, worked hard to bring the San Pedro to the attention of State and Federal officials. And Dean Bibles, the Arizona State director of the BLM, has shown himself to be a public servant of real vision and imagination. He made the acquisition and protection of this area a personal priority and met the challenge with great skill and dedication. In thanking these two men, I wish to thank all the private citizens and public employees in Arizona who have worked so hard for this for many years.

Finally, I would like to thank the entire Arizona delegation for their steadfast support and their cooperation. It is a pleasure to work with them on issues such as this.

Mr. MARLENEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker I rise in conditional support of H.R. 568, a bill that designates approximately 48,707 acres of BLM land in Arizona as the San Pedro National Conservation Area.

Conservation area designations are somewhat rare—there are only three areas currently designated. Under this designation it should allow us to maintain the basic multiple-use management scheme.

With regard to the San Pedro Area, two issues came up in our hearings, both this year and last, which are of concern to me. They concern me because they restrict multiple uses in the area.

First, the bill bans grazing for 15 years. Concern was raised that this might set a precedent. The chairman has attempted to clarify this in the report and assure all concerned that the ban is unique to the San Pedro Area.

Concern was also raised that restricting grazing will, in fact, remove a valuable management tool from the hands of the professional land managers.

BLM has demonstrated that properly managed livestock grazing is compatible with improving riparian areas in a number of cases. Some examples are Pass Creek in Colorado, Bear Creek near Prineville, OR, and the middle fork of the Malheur River near Burns, OR. All of these examples involve grazing which is conducted in a manner to allow the riparian areas to reestablish and maintain healthy conditions.

The San Pedro Area may have certain desired characteristics that have developed under the influence of livestock grazing. For example, many raptors inhabiting the area are thought to be adapted to the more open hunting environment which has possibly been created due to grazing. Total removal of grazing may alter that environment to the detriment of some species. BLM has told us they might expect a rapid accumulation of vegetative structure, composed of both live vegetation, as well as that left over from previous years. Such rapid changes would, of course, benefit other species, but the Bureau believes that a more studied approach to the management of this area would be more desirable.

Livestock can be used as a management tool to achieve certain multiple use objectives. For example, the forage preference of grazing animals varies from season to season. By establishing the right grazing season, certain plant species can be depressed, allowing other species to gain a competitive advantage. The density of plants that reproduce primarily by seeds can be increased by livestock grazing after the seeds ripen. Seed beads are shattered and seeds trampled into the soil where they have a better chance for germination and establishment.

BLM has also demonstrated elsewhere that the growth form of shrubs can be manipulated by season of use and intensity of grazing, and that this can actually result in greater forage production to benefit larger wildlife species dependent upon these shrubs.

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The second issue of concern to me involved hunting. We were told at last year's hearing and at this year's that the area is temporarily closed to all public access until the current leases expire and the management plan is completed. The area was therefore closed to hunting and I am concerned that this ban might be continued. However, we were assured that when the area is reopened, hunting may again be allowed.

I believe that is the intention of the chairman. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Speaker, if the gentleman will yield, that is our intention. We stand by what we represented to the gentleman earlier.

Mr. MARLENEE. Mr. Speaker, I thank the gentleman for clarifying that point.

The management plan will address this issue. We have also been assured that the laws of the State of Arizona will continue to apply. With these assurances, I do not believe hunting is an issue.

If it should be an issue, it is my hope that the committee would revisit that area and address that with some oversight hearings.

I do still have reservations concerning the grazing ban, but I do not intend to oppose the bill. I believe the Arizona delegation has worked hard to accommodate all parties and I respect the gentleman in whose district the area lies and the author of the bill, the gentleman from Arizona [Mr. Kolbe]. It is also my understanding that the newest member of the delegation, the gentleman from Arizona [Mr. Rhodes] also supports the compromise as does the entire House delegation.

It is my hope that the distinguished Senators from Arizona will further address the question of grazing and that a compromise bill will become law.

I would ask the gentleman from Arizona [Mr. Kolbe] if he would respond to a question regarding hunting, and I yield to the gentleman from Arizona.

Mr. KOLBE. Yes, I would.

Mr. MARLENEE. Mr. Speaker, is it the intention, and the author's intention, that the State of Arizona set the laws regarding hunting in that conservation area?

Mr. KOLBE. Mr. Speaker, the gentleman from Montana is correct in his earlier colloquy with the distinguished chairman of the committee.

It is our intention that the laws of the State of Arizona with regard to hunting would apply.

The gentleman is correct in his statement that at the moment the land has been closed to hunting and to all access simply because there are not sufficient personnel nor any direction as to how this land ought to be managed and so forth. It is on a very temporary basis that it has simply been closed for all purposes, but it is our intention that hunting consistent with the laws of the State of Arizona would apply. Obviously, if some parts of this area would be used for an R.V. park or outdoor camping park, then hunting in those areas would not apply.

Mr. MARLENEE. Mr. Speaker, I again commend the gentleman from Arizona [Mr. Kolbe] who is the author of this bill and the entire delegation. Mr. Speaker, I reserve the balance of my time.

Mr. UDALL. Mr. Speaker, I have no further requests for time.

Mr. MARLENEE. Mr. Speaker, I yield 4 minutes to the gentleman from Arizona [Mr. Kolbe].

Mr. KOLBE. Mr. Speaker, I am quite pleased and honored that the House has taken such rapid action on this particular legislation. In particular, I want to thank the chairman of the committee, my colleague, Mr. Udall, the chairman of the subcommittee, Mr. Vento, and the ranking Republican member, Mr. Marlenee, for their support. I also want to express my appreciation to the rest of the Arizona delegation, for the cooperation and assistance they've shown on this issue.

This is a very progressive bill, Mr. Speaker. It is the product of countless hours of discussion and work in the field and on the ground in Arizona. The Bureau of Land Management worked closely with the Arizona congressional delegation, and with our constituencies, through public hearings and meetings, to develop an approach to management of this area that befits its beauty and value.

This approach, and the public involvement in the process, made the work of the delegation that much easier when it came time to introduce this legislation in the 99th Congress. This bill sailed through the House last year, but basically ran out of time in the Senate, thus requiring our reintroduction of the identical bill this year.

Some may quibble about specific, symbolic provisions of this bill. Such debate does not do justice to the actual substance of the legislation. The administration has indicated overall support for the designation of the San Pedro Riparian National Conservation Area, but has expressed opposition to the bill based on five provisions.

First, they oppose the inclusion of a 15-year prohibition on new grazing permits in the area. There are no grazing permits currently let in the area, and the only permitted use of cows at this time is based on a general use contract left over from the private owners of this land. The BLM intends to honor this contract through 1987, at which time it will not be renewed.

The BLM is concerned that this provision sets a precedent for use on public lands. I think the language in the committee report rebuts that contention quite well. The report states in part:

> The committee's action is not intended to have any direct effect on the administration of BLM lands generally. Furthermore, the committee notes that there is no general body of law or regulation governing the management of BLM conservation areas and therefore the committee, in considering any proposals for designating additional such areas, intends to examine each on its own merits and tailor the management directives according to its own needs.

The BLM objects to the prohibition on energy and geothermal resource leasing in the area. There is no significant geothermal or energy resource in the area for which leasing could take place. The BLM objection is symbolic in nature, groundless, and irrelevant to this strip of land.

The BLM objects to the restrictions on the use of motorized vehicles to allow off-road use if the management plan determines such use to be appropriate. I've been there. I've seen the damage of off-road vehicles and I can guarantee you that it is inappropriate. The language of the bill does give the BLM discretion in this area. The bill restricts motorized vehicle use to roads designated by the BLM for such use. That should be more than sufficient.

The BLM objects to the "unnecessarily burdensome reporting requirements." In my brief time on the Hill, I haven't seen a bill with reporting requirements yet that wasn't objected to because of the unnecessary burden. This is a trivial issue.

And finally, the BLM seeks language in the bill to state that the necessary water rights will be pursued under State water appropriation laws. Let me confirm for you today, Mr. Speaker, that according to Dean Bibles, Arizona State director of the Arizona Bureau of Land Management, that the necessary water rights are being pursued under State water appropriation law. This is perhaps the most complex and far-reaching issue facing public lands designations in Congress, and I believe my colleague, Mr. KYL, has some insight on this issue to share.

The intent of the sponsors with regard to the issues of grazing and water rights has been expressed quite clearly, so I believe the concerns expressed by the Bureau of Land Management are unfounded. I'm proud to be associated with this legislation, and I'm enormously grateful to all those individuals, in Washington and in Arizona, who have contributed to this effort.

No legacy we leave to our children is more important than the legacy of our natural heritage. A vote in favor of this bill today is a vote to enhance the inheritance of our future generations. Mr. Speaker, I urge the Members of this body to pass this bill today—and to send a message to the other body that the people of Arizona want this bill made law.

Mr. MARLENEE. Mr. Speaker, I yield 3 minutes to our colleague, the gentleman from Arizona [Mr. RHODES], who is one of those who helped put the bill together.

Mr. RHODES. Mr. Speaker, I thank the gentleman for yielding this time to me.

I rise, of course, in support of H.R. 568, the San Pedro Riparian National Conservation Area legislation.

I want to thank and congratulate the distinguished chairman of the committee, the gentleman from Arizona [Mr. UDALL] and the author of the legislation, my friend and colleague, the gentleman from Arizona [Mr. KOLBE], in whose congressional district this very wonderful, natural treasure lies.

I do not intend to repeat the words of the chairman and of the gentleman from Arizona [Mr. KOLBE] concerning the importance of preservation of this area for us and for future generations. Those words were eloquently spoken and I certainly associate myself with them.

I do want my fellow Members of the House to know that I initially did have some serious concerns and reservations about the portion of the bill that relates to the moratorium on grazing for the first 15 years of the life of the legislation.

I have carefully reviewed and worked on the language that has been incorporated in the committee report. I am satisfied that that language makes very clear that it is the intent of the committee and ultimately the intent of Congress that this grazing moratorium is unique to this legislation. It is not intended to and does not establish a precedent for grazing moratoriums in other similar legislation that may come before the House in the future.

I am prepared enthusiastically to support the bill as it currently comes before the House with the committee language contained in the report which is likewise in the House.

This is an extremely important piece of legislation, not only for Arizona, but for the country as a whole and I am proud to be associated with it. I wholeheartedly urge the support of my colleagues for this piece of legislation.

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Mr. MARLENEE. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Speaker, I rise in support of H.R. 568, the bill to establish the San Pedro Riparian National Conservation Area in Cochise County, AZ.

The State of Arizona is home to a wide range of environmental treasures, from the Grand Canyon and the rich forests in the north and east, to the red rocks of Sedona, and the beautiful central and southern deserts. The San Pedro in the south is yet another of Arizona's many treasures.

The 30-mile-long corridor along the San Pedro which is affected by this particular measure is a unique riparian habitat with over 260 species of birds, 120 archaeological and historical sites, and 9 vertebrate fossil sites. We are fortunate to be able to take the steps today to preserve it. And, in fact, we ought to seize the opportunity to act, especially when we can minimize adverse impacts on other uses.

This legislation was brought about as a result of much hard work and cooperation among the members of the Arizona delegation, the committee, and interested parties in the State. The delegation worked especially hard to reach an acceptable compromise on grazing.

The bill does not speak to the issue of water rights, and that concerned me at first. Silence on this issue means that the courts might infer a Federal reserve water right for the conservation area. I would have preferred that Congress speak to the issue up front. However, after a thorough investigation, it does not appear that anyone's rights will be jeopardized by any reserved right that might be created as a result of this particular bill; and, in any event, any such right must be established in the ongoing Gila River adjudication where we are informed a claim has been made.

There are several other issues which deserve attention. The bill restricts motorized vehicles to designated roads, and that is as it should be. However, the Secretary of the Interior remains free to designate which roadways can be used by motorized traffic. We believe he should and will ensure that adequate roadways are designated to guarantee public access to the conservation area. As a cosponsor of H.R. 568, I can assure my colleagues that it is our intention that the area should remain accessible.

Similarly, the St. David Irrigation District requires access to the area to continue to maintain its damsite and receive water from the San Pedro under rights established back in the 1800's. The BLM has indicated no objection to St. David's access for that purpose. Therefore, it is also our intention that St. David have that ability to maintain its damsite.

This bill protects a valuable natural resource for Arizonans and all Americans, while at the same time protecting the needs of those with existing interests. As a cosponsor of the bill, I hope the House will approve it.

Mr. VENTO. Mr. Speaker, I just want to join my chairman, the gentleman from Arizona, in expressing strong support for this most meritorious bill. As has been mentioned, this bill is identical to one which the Interior Committee reported and the House passed in the last Congress, with wide bipartisan support.

Mr. UDALL, Mr. KOLBE, and other members of the Arizona delegation have taken the leadership on this matter and they have achieved a very sound bill. It would provide for the designation and protection of a most valuable riparian area, in a part of the United States where water is priceless. Designation of the area would also give the Bureau of Land Management a proper mandate for management of the natural, scientific, cultural and other resources and values of the area.

Mr. Speaker, passage of this bill today will enable the Senate to consider it in a timely fashion, and I am confident that in this Congress they will be able to complete action and clear the way for the bill to become law. I urge all Members to vote for passage of this excellent bill.

Mr. MARLENEE. Mr. Speaker, I would close by saying only that I hope my colleagues will support the legislation and again I commend our great chairman, the gentleman from the State of Arizona [Mr. UDALL], for his work in addressing the concerns of various groups and individuals with this legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. UDALL. Mr. Speaker, I thank my friend, the gentleman from Montana, for the kind remarks, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCCURDY). The question is on the motion offered by the gentleman from Arizona [Mr. UDALL] that the House suspend the rules and pass the bill, H.R. 568, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to establish the San Pedro Riparian National Conservation Area in Cochise County, AZ, in order to assure the protection of the riparian, wildlife, archeological, paleontological, scientific, cultural, educational, and recreational resources of the conservation area, and for other purposes."

A motion to reconsider was laid on the table.

SNOW WHITE WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 122) to designate the week beginning July 13, 1987, as "Snow White Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. DARDEN). Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objections to the legislation now being considered.

Mr. Speaker, under my reservation, I yield to the gentleman from California [Mr. MOORHEAD], who is the chief sponsor of House Joint Resolution 122, to designate the week beginning July 13, 1987, as "Snow White Week."

Mr. MOORHEAD. Mr. Speaker, Snow White Week celebrates the 50th anniversary of the Walt Disney classic "Snow White and the Seven Dwarfs," an animated feature-length film which established a new genre of motion pictures.

In 1937, Snow White made film history by doing what no other film had ever done before—telling a timeless story of good and evil, joy and sorrow, fear and triumph—through feature-length animation.

Within 3 months, the film had entranced an audience of 20 million viewers and was known as Disney's masterpiece. Winner of a special Academy Award, the film is still the crown jewel of all Disney animated masterpieces.

As part of the yearlong celebration, Snow White will be released in up to 2,000 theaters throughout North America and a global release in more than 40 countries including the U.S.S.R. and China.

In a more general way, the legislation commemorates the film industry, an industry that is uniquely American; an industry that thrives throughout my southern California district. Disney Studios, after a short slumber, is again robust and brimming with imagination.

Mr. Speaker, much of the talk on Capitol Hill these days is of the trade deficit. I would like to note that one industry which makes a substantial contribution to the positive side of the trade ledger is the movie industry. This is especially true of Disney as it releases throughout the world, cassettes of its long string of world-famous classics.

Mr. Speaker, I want to thank the chairman of the Subcommittee on Census and Population for his help and guidance on this matter. I also want to thank my colleagues who supported this legislation.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 122

Whereas Walt Disney released his classic film "Snow White and the Seven Dwarfs" fifty years ago, on December 21, 1937;

Whereas "Snow White and the Seven Dwarfs" marked a milestone in motion picture history as the first full-length animated feature film;

Whereas the art of animation reached exciting new heights with "Snow White and the Seven Dwarfs";

Whereas for the more than 750 artists who worked on the film, "Snow White and the Seven Dwarfs" was a labor of love;

Whereas the movie soundtrack album for "Snow White and the Seven Dwarfs" was the first original soundtrack recording ever released;

Whereas "Snow White and the Seven Dwarfs" set a new standard for the integration of musical numbers with action scenes in a movie musical;

Whereas "Snow White and the Seven Dwarfs" was cited for a special Academy Award as "a significant screen innovation which has charmed millions and pioneered a great new entertainment field for the motion picture cartoon"; and

Whereas "Snow White and the Seven Dwarfs" has delighted the hearts of people of all ages throughout the world for the past fifty years: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning July 13, 1987, is designated as "Snow White Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to celebrate the week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 122, the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
March 23, 1987.

Hon. JIM WRIGHT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House at 4:45 p.m. on Monday, March 23, 1987 and said to contain a message from the President whereby he transmits the Tenth Annual Report of the National Institute of Building Sciences.

With great respect, I am,
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

TENTH ANNUAL REPORT OF THE NATIONAL INSTITUTE OF BUILDING SCIENCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking, Finance and Urban Affairs:

(For message, see proceedings of the Senate of yesterday, Monday, March 23, 1987, at page S3691).

□ 1310

GENE AND JACKIE AUTRY, HUMANITARIANS

The SPEAKER pro tempore (Mr. DARDEN). Under a previous order of the House, the gentleman from California [Mr. McCANDLESS] is recognized for 5 minutes.

Mr. McCANDLESS. Mr. Speaker, on April 7, 1987, Gene Autry and his wife Jackie will be honored as the recipients of the Coachella Valley Humanitarian Award for 1987 at a ceremony in Rancho Mirage, CA. I am honored to say that the Autrys are my constituents. However, in a larger sense, the Autrys are constituents of all my colleagues, by virtue of their unfailing sense of helpfulness and kindness to all they meet.

Mention Gene Autry's name virtually anywhere, and many images come to mind: the legendary cowboy and singer; a serious baseball fan, who owns the California Angels; a hotelier; and a person whose reputation spells trust and integrity. However, closer to home, the name of Gene Autry also means the beneficiaries of his many activities and personal involvement:

The Boys Club of Palm Springs, the United Way of the Desert, the Eisenhower Medical Center, the Pathfinder Ranch, the Bob Hope Cultural Center, Shriner of the year, and the Desert Hospital.

His wife, Jackie, who was a vice president of Security Pacific Bank before her marriage to Gene, has also been involved in numerous local charitable endeavors for many years. She has been notably involved in efforts to assist the Community Blood Bank (she is the past president); the United Way of the Desert, the American Red Cross, and the Eisenhower Medical Center Auxiliary. At the present time, she is a trustee and treasurer for the Eisenhower Medical Center, and is deeply involved in many other local service organizations along with her husband.

Theirs is a powerful partnership, filled with talent, resources, and a sincere desire to help others. I am proud to know them, and invite my colleagues to join me in thanking them, and to congratulate Gene and Jackie Autry on this important occasion.

SAVE THE MINORITY BUSINESS DEVELOPMENT AGENCY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. MFUME] is recognized for 5 minutes.

Mr. MFUME. Mr. Speaker, today, along with 13 of my colleagues, I am introducing a bill to establish the Minority Business Development Administration in the Department of Commerce, and to clarify the relationship between such administration and the Small Business Administration [SBA].

The Minority Business Development Agency [MBDA], formerly the Office of Minority Business Enterprise, was established by the Secretary of Commerce in 1969 pursuant to Executive Order 11458. The MBDA was created in response to the many inherent functional problems in our national economy that severely restrain efforts undertaken by the minority business community to obtain full access to resources and markets. The MBDA's purpose is to coordinate and implement, with other Federal agencies, specially designed programs to contribute to the establishment, preservation, and strengthening of minority business enterprises.

Mr. Speaker, it would be an absurd conjecture to suggest that the problems which necessitated establishment of the MBDA in 1969 no longer pose a threat to the very existence of minority business. The need for legislation to codify authority for the MBDA within the Department of Commerce has never been more critical in light of recent attempts by this administration to eliminate the SBA. Additionally, this proposal makes infinitely more sense than the administrations proposal to transfer the agency to the Small Business Administration which serves mostly nonminority companies. Further, the current authority vested in SBA prohibits it from assisting many minority business enterprises which are now being served by the MBDA additionally the objectives of the MBDA clearly fall within prescribed functions and authorities of the Department of Commerce.

The primary rationale offered by the administration for transferring MBDA's management functions and technical assistance programs to SBA is to reduce duplicative functions of the two agencies. I maintain that this is a totally fallacious argument and that MBDA and SBA have distinctly different program missions and objectives.

Consider these few key MBDA programs which are not duplicative of SBA efforts, yet vital to the growth and development of minority business:

First, MBDA operates its Minority Business Development Center assistance program through private big eight firms and business management firms with expertise in management, marketing, procurement, financial, and technical assistance. SBA, on the other hand, operates its Small Business Development Centers through colleges and universities for research purposes and has no specialized assistance for minority firms.

Second, MBDA assists minority entrepreneurs to own and control medium and large businesses through the acquisition of companies in areas such as manufacturing, high-technology industries, telecommunications, energy, and transportation. SBA offers no comparable assistance for minority entrepreneurs pursuing business acquisitions.

Third, MBDA assists in generating new business opportunities for minority firms with Fortune 500 companies and other major corporations through supplier development programs. SBA offers no private sector program for minority firms.

Mr. Speaker, if this administration is truly interested in reducing duplicative functions in the Federal Government, I would suggest they begin by looking at the Department of Defense procurement program, which is fraught with duplication. Moreover, if the administration is truly interested in enhancing services to minority businesses, I would further suggest that they put aside the erroneous arguments used to support the MBDA/SBA transfer and support the more logical approach embodied in this bill.

ORIGINAL COSPONSORS

Representative William Clay.
Representative John Conyers.
Representative Ronald Dellums.
Representative Mervyn Dymally.
Representative Floyd Flake.
Representative Augustus Hawkins.
Representative Charles Hayes.
Representative Mickey Leland.
Representative John Lewis.
Representative Gus Savage.
Representative Stephen Solarz.
Representative George Wortley.
Representative Cardiss Collins.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. MCCANDLESS) to revise and extend his remarks and include extraneous material:)

Mr. PARRIS, for 60 minutes, on April 2.

(The following Members (at the request of Mr. MFUME) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MFUME, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCCANDLESS) and include extraneous matter:)

Mr. CONTE.
Mr. HASTERT.
Mr. SOLOMON.
Mr. GILMAN in two instances.
Mr. SHUMWAY in two instances.
Mr. COATS.
Mr. HEFLEY.

(The following Members (at the request of Mr. MFUME) and to include extraneous matter:)

Mr. KILDEE.
Mr. MINETA.
Mr. LIPINSKI.
Mrs. KENNELLY.
Mr. ROE.
Mr. FASCELL.
Mr. MRAZEK.
Mr. BERMAN.
Mr. GRAY of Pennsylvania.
Mr. GUARINI.
Mr. COELHO.
Mr. DARDEN.
Mr. PANETTA.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 5. Joint resolution designating June 14, 1987, as "Baltic Freedom Day"; to the Committee on Foreign Affairs and the Committee on Post Office and Civil Service.

S.J. Res. 18. Joint resolution to authorize and request the President to issue a proclamation designating June 1 through June 7, 1987, as "National Fishing Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 22. Joint resolution to designate the period commencing September 21, 1987, and ending on September 27, 1987, as "National Historically Black Colleges Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 52. Joint resolution designating the week of May 10, 1987, through May 16, 1987, as "National Fetal Alcohol Syndrome Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 55. Joint resolution designating the week of May 10, 1987, through May 16, 1987, as "National Osteoporosis Prevention Week of 1987"; to the Committee on Post Office and Civil Service.

S.J. Res. 57. Joint resolution to designate the period commencing on May 3, 1987, and ending on May 10, 1987, as "National Older Americans Abuse Prevention Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 58. Joint resolution to designate the month of April 1987, as "National Child Abuse Prevention Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 60. Joint resolution to authorize the President to proclaim the last Friday of April 1987 as "National Arbor Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 64. Joint resolution to designate May 1987, as "Older Americans Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 70. Joint resolution commemorating the 40th anniversary of the Marshall plan; to the Committee on Post Office and Civil Service.

S.J. Res. 74. Joint resolution to designate the month of May, 1987 as "National Cancer Institute Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 84. Joint resolution to designate October 1987 as "National Down Syndrome Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 85. Joint resolution to designate the period commencing on August 2, 1987, and ending on August 8, 1987, as "International Special Olympics Week," and to designate August 3, 1987, as "International Special Olympics Day"; to the Committee on Post Office and Civil Service.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly an enrolled bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2. An act to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes.

ADJOURNMENT

Mr. MFUME. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 16 minutes p.m.) the House adjourned until tomorrow, Wednesday, March 25, at 2 p.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and amended reports of various House committees and delegations traveling under authorizations from the Speaker concerning the foreign currencies and U.S. dollars utilized by them during the second, third, and fourth quarters of calendar year 1986 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. John LaFalce	11/16	11/19	Canada		176.00						176.00
Commercial air							575.11				575.11
Hon. Bruce Vento	11/29	12/5	Italy		1,213.00		687.12		483.64		2,383.76
	12/5	12/7	Switzerland		330.00		354.70		389.66		1,074.36
Military transportation							6,968.18				6,968.18
Committee total					1,719.00		8,585.11		873.30		11,177.41

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

FERNAND J. ST GERMAIN, Chairman, Mar. 5, 1987.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON VETERANS' AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Ken Gray	12/1	12/4	Brazil		236.00						236.00
	12/4	12/5	Paraguay		75.00						75.00
	12/5	12/6	Bolivia		125.00						125.00
	12/6	12/7	Panama		194.00						194.00
	12/7	12/7	Honduras				[3] 1,872.00				1,872.00
Jeanette Noe	12/1	12/4	Brazil		236.00						236.00
	12/4	12/5	Paraguay		75.00						75.00
	12/5	12/6	Bolivia		125.00						125.00
	12/6	12/7	Panama		194.00						194.00
	12/7	12/7	Honduras				[3] 1,872.00				1,872.00
Committee total					1,260.00		3,744.00				5,004.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Army transportation.

G.V. MONTGOMERY, Chairman, Jan. 30, 1987.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO HAITI, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 30 AND APR. 5, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Walter E. Fauntroy	3/30	4/5	Haiti		342.00		[3] 3,634.59				342.00
James Oberstar	3/30	4/1	Haiti		243.00						243.00
Sam Gejdenson	3/30	4/1	Haiti		243.00						243.00
David Monson	3/30	4/1	Haiti		243.00						243.00
Transportation											3,634.59
Committee total					1,071.00		3,634.59				4,705.59

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Travel for all Members.

WALTER E. FAUNTROY, Dec. 8, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO ISRAEL, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 18 AND JULY 22, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Jack Russ	7/18	7/22	Israel		544.00						544.00
Military air transport							10,098.00				10,098.00
Jack Lew	7/18	7/22	Israel		544.00						544.00
Military air transport							10,098.00				10,098.00
Sally Ericsson	7/18	7/22	Israel		544.00						544.00
Military air transport							10,098.00				10,098.00
Committee total					1,632.00		30,294.00				31,926.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JACK RUSS, Aug. 28, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MS. SUSAN ATHY, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 9 AND NOV. 23, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Susan Athy	11/9	11/12	Spain	60,444	438.00						438.00
	11/12	11/15	Austria	6,780	471.00						471.00
	11/15	11/18	Turkey	310,373	417.00						417.00
	11/18	11/19	Greece		108.00						108.00
	11/19	11/23	Morocco	3,825	432.00						432.00
Transportation							4,740.00				4,740.00
Committee total											6,606.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

SUSAN ATHY, Dec. 18, 1986.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HON. DAVID E. BONIOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 10 AND NOV. 15, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Cong. David E. Bonior	11/10	11/15	United Kingdom	515.90	735.00	NA	516.00	16.65	23.72	532.55	1,274.72
Committee total					735.00		516.00		23.72		1,274.72

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DAVID E. BONIOR, Feb. 12, 1987.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. THOMAS W. GENG, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 10 AND NOV. 24, 1986

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Thomas W. Geng	11/10	11/22	People's Republic of China	6,588.96	1,776.00		1,298.00				3,074.00
	11/22	11/24	Hong Kong	2,626.30	338.00		1,058.00				1,396.00
Committee total					2,114.00		2,356.00				4,470.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

THOMAS W. GENG, Jan. 30, 1987.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO TURKEY AND AUSTRIA, U.S.HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN NOV. 12 AND NOV. 22, 1986

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Frank Annunzio	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Hon. Howard Berman	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
John J. Brady, Jr	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Hon. Jack Brooks	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Hon. Cardiss Collins	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Hon. Dante B. Fascell	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Hon. Robert Garcia	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Hon. Frank Horton	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Ronald Lasch	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Sharon Matts	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Hon. Bill Richardson	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Hon. Charles Rose	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Hon. Lawrence J. Smith	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Hon. Gerald B.H. Solomon	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		5,575.74				7,037.74
Peter Abbruzzese	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		6,947.98				8,409.98
Hon. Sherwood Boehlert	11/12	11/18	Turkey		695.00						
	11/18	11/22	Austria		471.00		416.10				1,582.10
Hon. Jim Courter	11/12	11/18	Turkey		695.00						
	11/18	11/22	Austria		471.00		1,788.34				2,954.34
William Danvers	11/12	11/18	Turkey		695.00						
	11/18	11/22	Austria		471.00		416.10				1,582.10
Hon. Bart Gordon	11/12	11/18	Turkey		695.00						
	11/18	11/22	Austria		471.00		416.10				1,582.10
Curtis Prins	11/12	11/18	Turkey		695.00						
	11/18	11/22	Austria		471.00		1,788.34				2,954.34
Peter Scrivner	11/12	11/18	Turkey		695.00						
	11/18	11/22	Austria		471.00		1,788.34				2,954.34
Hon. Thomas E. Petri	11/12	11/18	Turkey		417.00						
	11/18	11/22	Austria		628.00		873.10				1,918.10
Spencer Oliver	11/12	11/18	Turkey		834.00						
	11/18	11/22	Austria		628.00		3,079.15				4,541.15
Total costs, per diem and transportation											128,925.01
Control room costs Turkey											6,138.57
Grand total											133,145.48

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DANTE B. FASCELL.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO JAPAN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN DEC. 14 AND DEC. 19, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Robert E. Wise, Jr	12/14	12/19	Japan	158,925	975.00						975.00
Daniel G. McGinn	12/14	12/19	Japan	158,925	975.00	244,420	1,527.00				2,502.00
Committee total					1,950.00		1,527.00				3,477.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

BOB WISE, Jan. 1, 1987.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO JAPAN, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN DEC. 14 AND DEC. 19, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Robert E. Wise, Jr.	12/14	12/19	Japan	190,710	1,170.00						1,170.00
Daniel G. McGinn	12/14	12/19	Japan	158,925	775.00	244,420	1,527				2,502.00
Committee total					2,145.00		1,527.00				3,672.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

BOB WISE, Feb. 12, 1987.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

969. A letter from the Governor, State of Idaho, transmitting a copy of the Interstate Mutual Aid Compact between the States of Idaho and Washington, pursuant to 50 U.S.C. app. 2281(g); to the Committee on Armed Services.

970. A letter from the Secretary of Defense, transmitting a report of the actions taken by the Department to increase competition for contracts during fiscal year 1986, pursuant to 41 U.S.C. 419; to the Committee on Government Operations.

971. A letter from the Attorney General, transmitting the annual report on the Department of Justice Assets Forfeiture Fund for the fiscal year ending September 30, 1986, pursuant to 28 U.S.C. 524(c)(5); to the Committee on the Judiciary.

972. A letter from the Attorney General of the United States, transmitting notice of certification of the region specified in paragraph 581(a)(6) of title 28, United States Code, comprised of the Federal judicial districts for the Northern and Eastern Districts of Texas to the Circuit Court of Appeals for the Fifth Circuit, pursuant to Public Law 99-554; to the Committee on the Judiciary.

973. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report dated January 21, 1986, from the Chief of Engineers, Department of the Army, on Oakland Inner Harbor, CA, together with other pertinent reports, in response to a resolution adopted May 10, 1977, by the Committee on Public Works and Transportation, U.S. House of Representatives (H. Doc. No. 100-52); to the Committee on Public Works and Transportation and ordered to be printed.

974. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide enhanced retirement credit for U.S. magistrates; jointly, to the Committees on the Judiciary and Post Office and Civil Service.

975. A letter from the Administrator, National Oceanic and Atmospheric Administration, transmitting notification of the intention to award a contract for the performance of certain commercial-type functions at the Assessment and Information Services Center facility located in Rockville, MD, pursuant to 15 U.S.C. 1530; jointly, to the Committees on Merchant Marine and Fisheries and Science, Space, and Technology.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BADHAM:

H.R. 1764. A bill to amend the Clean Air Act to provide that the Administrator of the Environmental Protection Agency shall have authority to regulate air pollution on and over the Outer Continental Shelf; to the Committee on Energy and Commerce.

By Mr. CONTE:

H.R. 1765. A bill entitled: "The Coast Guard User Fee and Free Ride Termination Act of 1987"; to the Committee on Merchant Marine and Fisheries.

By Mr. FISH (for himself, Mr. GLICKMAN, Mr. MOORHEAD, Mr. BOUCHER, Mr. HYDE, Mr. FAZIO, Mr. SHAW, and Mr. MANTON):

H.R. 1766. A bill to clarify the application of the Clayton Act with respect to rates, charges, or premiums filed by a title insurance company with State insurance departments or agencies; to the Committee on the Judiciary.

By Mr. JACOBS:

H.R. 1767. A bill to suspend temporarily the duty on a certain chemical intermediate; to the Committee on Ways and Means.

H.R. 1768. A bill to extend the existing suspension of duty on a certain chemical intermediate; to the Committee on Ways and Means.

By Mr. MFUME (for himself, Mr. CLAY, Mr. CONYERS, Mr. DELLUMS, Mr. DYMALLY, Mr. FLAKE, Mr. HAWKINS, Mr. HAYES of Illinois, Mr. LELAND, Mr. LEWIS of Georgia, Mr. SAVAGE, Mr. SOLARZ, Mr. WORTLEY, and Mrs. COLLINS):

H.R. 1769. A bill to establish the Minority Business Development Administration in the Department of Commerce, to clarify the relationship between such Administration and the Small Business Administration, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, and Small Business.

By Mr. ROSE (for himself, Mr. ANDERSON, Mr. BERMAN, Mr. FEIGHAN, Mr. HAYES of Illinois, Mr. JACOBS, Mr. LANTOS, Mr. MANTON, Mr. MAVROULES, Mr. MRAZEK, and Mr. SMITH of New Hampshire):

H.R. 1770. A bill to amend section 19 of the Animal Welfare Act (7 U.S.C. 2149); jointly, the Committees on Agriculture, and the Judiciary.

By Mr. DENNY SMITH:

H.R. 1771. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit persons adversely affected by an emergency suspension order to request an expedited hearing on the order; to the Committee on Agriculture.

By Mr. ROBERT F. SMITH (for himself, Mr. SHAW, Mr. SUNDQUIST, Mr. HAMMERSCHMIDT, Mr. STANGELAND, Mr. BALLENGER, Mr. CLINGER, Mr. INHOFE, and Mr. UPTON):

H.R. 1772. A bill to amend the Public Buildings Act of 1959 to require that buildings constructed or altered by a Federal agency comply, to the maximum extent feasible, with nationally recognized model codes and with local zoning laws and certain other laws, and for other purposes; to the Committee on Public Works and Transportation.

By Ms. SNOWE (for herself and Mr. Mica):

H.R. 1773. A bill to amend the Foreign Missions Act to prohibit persons not affiliated with the foreign mission from using that foreign mission in a manner that is incompatible with its status as a foreign mission; jointly, to the Committees on Foreign Affairs, and the Judiciary.

By Mr. WHITTAKER (by request):

H.R. 1774. A bill to amend the Federal Railroad Safety Act of 1970, and for other purposes; to the Committee on Energy and Commerce.

By Mr. COELHO:

H.J. Res. 199. Joint resolution designating April 1988 as "Actors' Fund of America Appreciation Month"; to the Committee on Post Office and Civil Service.

By Mr. MICHEL (for himself and Mr. Foley):

H.J. Res. 200. Joint resolution to designate April 10, 1987 as "Education Day U.S.A."; to the Committee on Post Office and Civil Service.

By Mr. FISH (for himself, Mr. Edwards of California, Mr. Garcia, and Mr. Wylie):

H.J. Res. 201. Joint resolution to designate April 1987 as "Fair Housing Month"; to the Committee on Post Office and Civil Service.

By Mr. DioGUARDI:

H. Con. Res. 85. Concurrent resolution recognizing Father Terry Attridge and the DARE Program for their contributions to the fight against drug and alcohol abuse; to the Committee on Post Office and Civil Service.

By Mr. DORGAN of North Dakota (for himself, Mr. Penny, Mr. Stallings, and Mr. Chapman):

H. Res. 129. Resolution expressing the sense of the House of Representatives that the United States Government should negotiate a multilateral wheat production agreement with the other wheat exporting countries; jointly, to the Committees on Foreign Affairs, and Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Mr. OLIN introduced a bill (H.R. 1775) for the relief of Enrique Quilodran; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 39: Mr. Mineta.

H.R. 44: Mr. Brown of Colorado.

H.R. 45: Mr. McEwen.

H.R. 130: Mr. Horton, Mr. Wilson, Mr. Daub, Mr. Studds, and Mr. Ford of Tennessee.

H.R. 379: Mr. Wise and Mr. Porter.

H.R. 457: Mr. Dellums, Mr. Sawyer, and Mrs. Boxer.

H.R. 628: Mr. Borski.

H.R. 691: Mr. Stokes, Mr. Atkins, Mrs. Boxer, Mr. Garcia, Mr. Morrison of Connecticut, and Mr. Fauntroy.

H.R. 722: Mr. Brown of California, Mr. Carper, and Mr. McGrath.

H.R. 810: Mrs. Boxer.

H.R. 904: Mr. Kildee.

H.R. 911: Mr. Clinger, Mr. Gallo, Mr. Lujan, Mr. Pepper, Mr. Carper, Mr. Sensenbrenner, Mr. Kolbe, Mr. Smith of New Jersey, Mr. Yatron, Mr. Boehlert, Mr. Hyde, Mr. Upton, Mr. Schulze, Mr. McCloskey, Mr. Latta, Mr. Bliley, and Mr. Badham.

H.R. 939: Mr. Dwyer of New Jersey, Mr. Fuster, Mrs. Byron, Mr. St Germain, Mr. Tallon, Mr. Daniel, Mr. Evans, Mr. Spence, Mr. Owens of New York, Mr. Kildee, Mr. Upton, Mrs. Roukema, and Mr. Fish.

H.R. 940: Mr. Carper, Mr. Saxton, Mr. Thomas of Georgia, Mr. Udall, and Mr. Dwyer of New Jersey.

H.R. 954: Ms. Kaptur, Mr. Frost, and Mr. Mrazek.

H.R. 1016: Mr. Bonior of Michigan, Mr. Coble, Mr. Espy, Mr. Foglietta, Mr. Kanjorski, Mr. Lantos, Mr. Lewis of Florida, Mr. McGrath, Mr. Rangel, Mr. Schulze, Mr. Walgren, and Mr. Whitten.

H.R. 1017: Mr. AuCoin, Mr. Biaggi, Mr. Bonior of Michigan, Mr. Crockett, Mr. Darden, Mr. Davis of Michigan, Mr. de la Garza, Mr. de Lugo, Mr. Dwyer of New Jersey, Mr. Gray of Illinois, Mr. Hayes of Illinois, Mr. Lipinski, Mr. Manton, Mr. Roe, Mr. Smith of Iowa, Mr. Stokes, Mr. Whitten, and Mr. Wortley.

H.R. 1029: Mr. DeLay.

H.R. 1073: Mr. Kildee, Mr. Brown of California, Mr. Traxler, Mr. Mineta, Mr. Sawyer, Mr. Bonior of Michigan, and Mr. Pease.

H.R. 1086: Mr. Dreier of California.

H.R. 1087: Mr. McDade, Mr. Kolter, Mr. Combest, Mr. Clinger, Mr. Emerson, Mr. Wortley, and Mr. Montgomery.

H.R. 1103: Mr. Buechner.

H.R. 1117: Mr. Combest.

H.R. 1152: Mr. Wolf, Mr. Kolter, and Mr. Morrison of Connecticut.

H.R. 1158: Mr. Yates, Mr. Rahall, and Mr. Lewis of Georgia.

H.R. 1278: Mr. Neal, Mr. Rowland of Georgia, Mr. Lagomarsino, and Mr. Montgomery.

H.R. 1293: Mr. Chandler, Mr. Frost, Mr. McEwen, and Mr. Denny Smith.

H.R. 1328: Mr. Thomas of California.

H.R. 1393: Mr. McMillan of North Carolina, Mr. Ford of Tennessee, Mr. Weber, Mr. Sensenbrenner, Mr. Synar, Mr. Chappell, Mr. Pickle, Mr. Clarke, Mr. Bennett, Mr. Hayes of Illinois, and Mr. Valentine.

H.R. 1397: Mr. Bonior of Michigan, Ms. Kaptur, Mr. Crockett, Mr. Evans, and Mrs. Boxer.

H.R. 1404: Mr. Roe, Mr. Davis of Illinois, Mr. Jones of North Carolina, and Mr. Dyson.

H.R. 1436: Mr. Kildee, Mr. Boehlert, Mr. Oberstar, Mr. Davis of Michigan, Mr. Weber, Mr. Lewis of Florida, Mr. Quillen, Mr. Ridge, Mr. Traxler, Mr. Roth, Mr. Thomas of Georgia, Mr. Traficant, Mr. McGrath, and Ms. Slaughter of New York.

H.R. 1467: Mr. Anderson.

H.R. 1468: Mr. Espy, Mr. Garcia, Mr. Mavroules, and Mr. Ford of Tennessee.

H.R. 1524: Mr. Daub and Mr. Ritter.

H.R. 1550: Mr. Frank, Mr. Robinson, Mr. Sabo, Mr. Boucher, Mr. Howard, Mr. Espy, Mr. Solarz, Mr. Coyne, Mr. Fauntroy, Mrs. Bentley, Mr. Daub, Mrs. Boxer, Mr. Mfume, Mr. Wise, Mr. Leland, Mr. Lagomarsino, and Mr. McGrath.

H.R. 1565: Mr. Murphy, Mr. Hayes of Illinois, and Mr. Lancaster.

H.R. 1580: Mr. Traxler.

H.R. 1595: Mr. Tauke.

H.R. 1604: Mr. Smith of New Jersey, Mr. Gallo, Mr. Roe, Mrs. Lloyd, Mr. Bevill, Mr. Ritter, Mr. Espy, Mr. Gunderson, Mr. Solomon, Mr. McMillan of North Carolina, Mr. Petri, Mr. Gingrich, Mr. Coelho, and Mr. Florio.

H.R. 1614: Mrs. Bentley.

H.R. 1641: Mr. Mavroules.

H.R. 1737: Mrs. Meyers of Kansas.

H.J. Res. 7: Mr. Dickinson.

H.J. Res. 50: Mr. Udall, Mr. Leach of Iowa, Mr. Beilenson, Mr. Nagle, Mr. DeFazio, Mr. Gray of Illinois, Mr. Torres, Mr. Rangel, Mr. Vento, Mr. Levin of Michigan, Mr. Jontz, Mr. Atkins, Mr. Mrazek, Mr. McHugh, Mr. Hughes, Mr. Fish, Mr. Richardson, Mr. Stump, Mr. Brennan, and Mr. Price of Illinois.

H.J. Res. 90: Mr. Fish, Mr. Rahall, Mr. Stratton, Mr. Biaggi, Mr. Roth, Mr. McMillen of Maryland, Mr. Shaw, and Mr. Florio.

H.J. Res. 100: Mr. Stump, Mr. McHugh, Mr. Owens of Utah, Mr. Emerson, Mr. Edwards of Oklahoma, Mr. DeWine, and Mr. McGrath.

H.J. Res. 125: Mr. Murphy, Mr. Sunia, Mr. Horton, Mr. Matsui, Mr. McDade, Mr. Tallon, Mr. Weiss, Mr. Wyden, Mr. Lewis of California, Mr. Gilman, Mr. Darden, Mr. Dyson, Mr. Dellums, Mr. Ford of Tennessee, Mr. Frenzel, Mrs. Roukema, Mr. Carr, Mr. Hefner, Mr. Hyde, Mr. Manton, Mr. Blaz, Mr. Conyers, Mrs. Boxer, Mr. Ortiz, Mr. Lehman of Florida, Mr. Wolpe, Mr. Brennan, Mr. Fish, Mr. Carper, Mr. Madigan, Mr. Pursell, Mr. Hammerschmidt, Mr. Ritter, Mr. Daniel, Mr. Kemp, Mr. Foglietta, Mr. McMillen of Maryland, Mr. Akaka, Mr. Panetta, and Mr. Dingell.

H.J. Res. 127: Mr. Hughes, Mr. Bevill, Mr. Wortley, Mr. Donnelly, Mr. Moakley, Mr. Ortiz, Mr. Craig, Mr. Crockett, Mr. Hammerschmidt, Mr. Lewis of Georgia, Mr. Skaggs, Mr. Wolpe, Mrs. Morella, Mr. Richardson, and Mr. Spratt.

H.J. Res. 130: Mr. Dyson, Mr. Wortley, Mr. Coleman of Missouri, Mr. Clinger, Mr. Bevill, Mr. Madigan, Mr. Weiss, Mr. Boucher, Mr. Boner of Tennessee, Mr. Erdreich, Mr. Hefner, Mr. Pepper, Mr. Gephardt, Mr. LaFalce, Mr. Richardson, Mr. Volkmer, Mrs. Roukema, and Mr. Lewis of Georgia.

H.J. Res. 180: Mr. Howard, Mr. Badham, Mr. Wise, Mr. Fauntroy, Mrs. Bentley, Mr. Emerson, Mr. Dannemeyer, and Mr. Inhofe.

H. Con. Res. 34: Mr. Fields and Mr. Gekas.

H. Con. Res. 51: Mr. Dowdy of Mississippi, Mrs. Collins, Mr. Porter, Mr. Lewis of Georgia, Mr. Fields, Mr. Hyde, Mr. Davis of Illinois, Mr. Sikorski, Mr. Nielson of Utah, and Mr. Smith of New Jersey.

H. Con. Res. 63: Mr. Martinez, Mr. Lancaster, Mr. Hughes, Mr. Mavroules, and Mr. Miller of Washington.

H. Con. Res. 76: Mr. McDade, Mr. Denny Smith, Mr. Wolpe, Mr. Boland, Mr. Roe, Mr. Wortley, Mr. Green, Mr. Sweeney, Mr. Kastenmeier, Mr. Yatron, Mr. Chapman, Mr. Torres, Mr. Pepper, Mr. Mrazek, Mr. McGrath, Mr. Solarz, Ms. Kaptur, Mr. Russo, Mr. Upton, Mr. Hughes, and Mr. Emerson.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.J. Res. 122: Mr. Combest.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

26. By the SPEAKER: Petition of Mr. John E. Flipse, immediate past chairman, National Advisory Committee on Oceans and Atmosphere, College Station, TX, relative to a special report, "An Assessment of the Roles and Missions of the National Oceanic and Atmospheric Administration," to the Committee on Merchant Marine and Fisheries.

27. Also, petition of the executive vice president, National Wildlife Federation, Washington, DC, relative to the Federation's report and recommendations for the coastal plain of the Arctic National Wildlife Refuge; to the Committee on Merchant Marine and Fisheries.

SENATE—*Tuesday, March 24, 1987*

The Senate met at 2 p.m., and was called to order by the Honorable JOHN D. ROCKEFELLER IV, a Senator from the State of West Virginia.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

The psalmist speaks so plainly, Lord, as he utters Your word:

Blessed is the man that walketh not in the counsel of the ungodly, nor standeth in the way of sinners, nor sitteth in the seat of the scornful but his delight is in the law of the Lord; and in his law doth he meditate day and night. And he shall be like a tree planted by the rivers of water that bringeth forth his fruit in his season. His leaf also shall not wither and whatsoever he doeth shall prosper.—Psalm 1: 1-3.

Your truth is so clear, so rational, so indisputable, so irresistible. Help us, Gracious God, to hear and to heed. Forgive our propensity to allow the roar—the confusion—the seductions of the world so easily to distract and deceive us. Help us to see we can never go wrong when we do right—when we conform to Your exhortations and commands. In the name of the righteous One, we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 24, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN D. ROCKEFELLER IV, a Senator from the State of West Virginia, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. ROCKEFELLER thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. BYRD. Mr. President, there will be 1 hour of debate on the motion to invoke cloture. That time is equally divided between the two leaders today or their designees. Upon the disposition of the vote today, if that cloture vote should fail, as it probably will, I am not in position at this time to say what other business might be taken up during the afternoon. There will be another cloture vote on tomorrow. I will be discussing this with the distinguished Republican leader to see if we can arrive at a time for a vote on tomorrow.

In the meantime, there are a good many measures on the calendar, and I hope that we can begin to clear some of those measures for action. Among those are S. 477, a bill to assist homeless veterans. There is the bill S. 12 to remove the expiration date for eligibility for the educational assistance programs for veterans of the All-Volunteer Force. There is the House bill and the Senate bill which have to do with extending the date for submitting the report required of the National Commission on Dairy Policy.

Sooner or later, Mr. President, I will move to proceed to take up these measures. I understand that there is some continuing discussion going on with respect to those two dairy bills. I hope that those discussions will prove to be fruitful and that some agreement can be reached whereby the Senate can proceed to dispose of those measures.

Mr. DOLE. Will the majority leader yield?

Mr. BYRD. Yes, I will be happy to yield.

Mr. DOLE. With particular reference to the Dairy Board, there are two bills. We have made a couple of suggestions. Senator ARMSTRONG indicated to me just in the last hour that perhaps if we could agree to have a hearing on one of the controversial amendments, that might satisfy the objection he has. But if we cannot work it out, I certainly share the majority leader's view that we ought to move to it, take it up and let people offer the amendments. I will be happy to work with the majority leader on that, if everything else fails. I for one would be willing to have hearings on the controversial amendment, the one that Senator ARMSTRONG is in doubt about. It does affect my State. It is very important. But we ought to have hearings on that and let the rest of the bill go. So maybe we can work that out today.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader for the helpful suggestions he has made. I hope those suggestions will help to expedite action on the measures.

Also on the calendar is a bill that has come out of the Banking Committee, S. 790, a banking bill. Some call it the FSLIC bill. That measure will be ready to be called up tomorrow. The committee report will have been available for 2 days and, therefore, that measure will meet the requirements for callup. Beyond that, I do not believe I have anything else at the moment.

Mr. PROXMIRE. Will the Senator yield time to me? I will not take it otherwise.

Mr. BYRD. Yes. How much time do I have remaining, please?

The ACTING PRESIDENT pro tempore. Six minutes and ten seconds.

Mr. BYRD. I yield 5 minutes to the distinguished Senator from Wisconsin.

TIME TO SHARE DEFENSE BURDEN WITH NATO ALLIES

Mr. PROXMIRE. Mr. President, Senator JAMES SASSER is the new chairman of the Military Construction Subcommittee of the Appropriations Committee. As the new chairman, Senator SASSER has hit the ground running. On March 18, for the first time ever, the Military Construction Subcommittee took a hard look in formal hearings at burden sharing of our worldwide multibillion dollar military construction program with our NATO allies. The new chairman started off with a blizzard of statistics that dramatized the grotesque difference between the massive U.S. financial contributions to the defense of Western Europe and the relatively feeble efforts of Western Europe to pay for its own defense. Senator SASSER pointed out that in aggregate the United States spends more than twice as much as the European countries in relation to our gross national product for defense of the free world. And we are not talking about poor Third World countries. The European countries have done well, in fact, extraordinarily well, especially over the last two decades. The Europeans have won an

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● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

increasingly favorable trade balance with our country. Their personal income has generally improved far more than in our country. But their spending for defense continues to lag far behind. The fact is that the Europeans are under the gun. They can literally see the Russian troops across their borders. But what evidence is there that the Europeans are willing to increase their defense commitment when Uncle Sugar does it for them?

The most spectacular delinquency on the part of the Europeans is in the area of strategic defense—the SDI Program. When it comes to paying for SDI, it is strictly a U.S. program. To date we have paid for every penny of the program. In one of the great ironies of our time, the Secretary of Defense has won at least a reluctant silence from the criticism of SDI by our European allies by promising that they would receive billions of dollars over the years in SDI research contracts. But their taxpayers would have to pay nothing for the cost of researching and developing the program. The money for European research on SDI would come strictly out of the pockets of U.S. taxpayers.

It is even worse. Think of this: Even that part of the SDI Program research devoted strictly to protection against short and intermediate missile attack on Europe—about $100 million—will come from the United States. The Europeans will contribute nothing. Why is that so ironic? Because the virtually exclusive beneficiaries of defense against such an attack would be the European countries.

Mr. President, the Defense Department witnesses before the Sasser subcommittee could offer no real justification for this extraordinary rip off of the American taxpayer. There is none. How can we possibly justify dunning the American taxpayer to the tune of hundreds of millions of dollars over the years for research and billions more for production and deployment of defenses strictly and exclusively designed to protect European countries? The best the Defense Department could offer in justification was that the SDI system designed, produced, and deployed strictly to defend European countries would also defend those American soldiers who were stationed in NATO in Europe. And why are and will they continue to be stationed in Europe? Answer: To defend these European countries from Soviet aggression.

Mr. President, this Senator is not arguing that we should withdraw our troops from Europe. The NATO forces do, indeed, defend the free world including ultimately our country. But there is no justification for a burden sharing arrangement that requires this country to bear every penny of the cost of a missile defense system that would, if successful, entirely and exclusively protect European, not American, cities.

I have said nothing in this speech about the gross inequity of our burden sharing arrangement with the Japanese. But this sharing is even more unfair than with Europe. Think of it. The Japanese provide a pathetic one-sixth as high a proportion of their gross national product for defense as the United States. Our Navy, our Air Force, and our Marines provide a large share of the Japanese defense. Meanwhile, the Japanese enjoy a trade balance with our country which is more than $50 billion favorable from their standpoint and $50 billion unfavorable from our standpoint. Mr. President, at $35,000 to $50,000 per job, that means this country is losing between 1 million and 1½ million jobs per year to the Japanese. This Senator has great respect and admiration for the Japanese. They have done magnificent economic work, but that great economic work has put them in a superb position to pay in full for the cost of their defense. They should.

Finally, Mr. President, we cannot ignore the fact that these are extraordinary times. We must hold down spending on all fronts, including military spending. How can we do it? Arms control offers one alternative. But that depends on negotiations that are time consuming, require great cooperation from both sides, and must be primarily concerned with the ultimate national security rather than the dollar saving. A second alternative is to move our defense and the defense of Europe to an overall less costly system. How do we do that? By relying more than we do now on nuclear deterrence. But this creates a far more dangerous world. The third and last alternative is more equitable burden sharing with our NATO allies. At a time when reducing the deficit must be our No. 1 domestic priority, a time when $200 billion deficits even in periods of recovery have become the order of the day, this is the time to become truly serious about a more equitable distribution of the cost of defending that free world.

LET'S REPEAL, NOT CODIFY, THE FAIRNESS DOCTRINE

Mr. PROXMIRE. Mr. President, I oppose S. 742, the Fairness in Broadcasting Act, and will vote against this legislation when it reaches the Senate floor. S. 742 would codify the fairness doctrine. I favor repeal, not codification.

In 1975, and then again in each subsequent Congress thereafter, I have introduced legislation—known as the First Amendment Clarification Act—that will give the people of the United States increased first amendment benefits by abolishing the fairness doctrine.

In the most recent Roper Poll released by the Television Information Office, 64 percent of the respondents said their main source of news was television while 14 percent cited radio. Clearly, television and radio are the dominant suppliers of news for the American people. Yet, because of the fairness doctrine and other governmental controls, broadcasters are second-class citizens when it comes to first amendment rights.

The fairness doctrine requires that broadcasters afford reasonable opportunities for the presentation of contrasting viewpoints on controversial issues of public importance. It does not call for each viewpoint to receive the same amount of air time. Nor does the fairness doctrine require that the other viewpoint be given in the same program.

That sounds fine. But the fairness doctrine violates the first amendment. A segment of the free press is being regulated by the Government.

Since I gave a full description and analysis of the First Amendment Clarification Act upon its introduction in January, I shall not do so again at this time. But I would like to state briefly why abolishing the fairness doctrine—the objective of my bill—is necessary, and, indeed, crucial.

First, the fairness doctrine is governmental control over a part of the free press and, therefore, unconstitutional. It violates the first amendment's guarantee of freedom of the press.

Second, the kind of governmental regulation embodied in the fairness doctrine is unnecessary. Newspapers, operating without Government control, have improved vastly in fairness, objectivity, accuracy, and relevance over the years. Broadcasters deserve that same opportunity to be free.

Third, denying broadcasters their first amendment rights is self-defeating. The fairness doctrine does not stimulate the free expression of diverse ideas. Rather, it promotes the sameness of ideas. Stations avoid the airing of controversial issues because they fear a challenge to their license renewal or expensive litigation resulting from a fairness complaint.

Fourth, governmental controls like the fairness doctrine are dangerous. Letting Government be the final arbiter of fairness confers immense power. This is especially true when that same Government decides on the granting of broadcast licenses.

Finally, those who favor continuing governmental regulation of the broadcasting media through the fairness doctrine and other controls rely on an argument that is fast becoming obsolete: the so-called scarcity rationale. In almost every city in America—regardless of size—there are more television signals available than daily newspapers. If radio stations are counted, as they must be, general audience broadcasting stations far outnumber general circulation newspapers. Moreover, economic pressures make it nearly impossible to establish a daily newspaper in a community where one already exists.

Freedom of the press is for the benefit of all Americans. If television and radio, the most popular disseminators of news and opinion, continue to be tied down by governmental controls like the fairness doctrine, the people of our Nation will continue to be the losers. We need to change this situation by giving fuller meaning to our first amendment's guarantee of freedom of the press. Repeal, not codification, of the fairness doctrine will help lead the way. I urge my colleagues to join me in opposing S. 742 when it comes up for a vote on the Senate floor.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the distinguished Republican leader is recognized.

BICENTENNIAL MINUTE

MARCH 24, 1853: VICE PRESIDENT WILLIAM KING

Mr. DOLE. Mr. President, on March 24, 1853, 134 years ago today, William Rufus de Vane King was sworn in as Vice President of the United States. What makes this otherwise routine event significant is that he took his oath in Cuba. King is the only Vice President ever sworn in outside the United States, and it had taken a special act of Congress to authorize this unusual oath taking.

William King was born in North Carolina in 1786. When he was just 24 years old, he was elected to the first of three terms in the House. In 1818, he moved to Alabama and immediately became active in politics there. When Alabama became a State in 1819, King was one of its first two Senators. He was reelected in 1822, 1828, 1834, and 1840. King served in the Senate for 25 years, 6 of them as President pro tempore, before he resigned in 1844 to become Minister to France. While in the Senate and even in France, King had pursued the Democratic Vice Presidential nomination, but it had always eluded him. King was again elected to the Senate in 1848.

In the summer of 1852, Democrats chose King as the running mate of Franklin Pierce, and the pair easily won election that fall. King resigned from the Senate in December and went to stay at a Cuban sugar plantation, hoping to seek relief from the tuberculosis that plagued him. When it became clear that King was too weak to return for the March 4, 1853, inauguration, the special act was passed permitting him to be sworn in where he was. After taking the oath, King was determined to go home to exercise the powers of the office he had sought for a decade and a half. Although very feeble, he left Cuba in early April and reached his plantation, "King's Bend," in Alabama on April 17. He died the very next day.

SOVIET DOUBLE PLAY ON INF

Mr. DOLE. Mr. President, 3 weeks ago, Mikhail Gorbachev sparked nothing short of wild glee in certain Western circles by implying an agreement on intermediate range nuclear forces [INF] was right around the corner. We all welcomed any sign of true progress toward a good agreement, but it was not altogether clear that Gorbachev's February 28 speech was such a sign. I advised then that we keep our feet on the ground. Soviet pronouncements this month only underscore the need for caution.

Right now it appears the Soviets are more interested in generating friction within NATO and scoring some propaganda points than in reaching an INF agreement.

What is Gorbachev's real game? On February 28, he removed an obstacle which he had created. Let us recall that it was the Soviets who first linked an INF agreement to agreement on strategic weapons and crippling of SDI. Then, at the Geneva summit in 1985, Gorbachev delinked. That good news lasted until Reykjavik, when he once again linked them all. Western leaders of left, right, and center booed him, so on February 28 he, once again, delinked. Essentially, we are back where we were at the Geneva summit.

Soon after the General Secretary's speech, Soviet officials embarked on phase 2 of the setup. Their claim was that the United States was now blocking an INF agreement with its "new" demands on verification and shorter-range INF missiles. That's just baloney! Their only purpose is to generate pressure in Western Europe, and here at home, for us to fall off positions we have held since 1981.

What these Soviet officials fail to remind you of is their monopoly on these short-range systems, and their impressive modernization before beginning about 1979.

There are two systems which present a considerable threat to NATO. The first is the SS-23, an improvement in every way—range, accuracy, and yield—over the already lethal SCUD. Added to this is the new scaleboard, a follow-on for the SS-12. It, too, represents a big leap in accuracy and yield over its predecessor. With a 900-kilometer range, it can reach London, Paris, and Rome from its East European locations.

The United States has no comparable systems, and that is a situation the Soviets want to freeze. No wonder many of us and our European allies are concerned about any deal which would eliminate our longer-range INF—Pershing 2 and cruise missiles—and leave Europe threatened by SS-23 and scaleboard.

It just will not wash. The United States position since 1981—I repeat, since 1981—has been that we must have the right to match Soviet systems of the SS-23 and scaleboard types. Our allies back us in this all the way.

It is time for the Soviets to come clean. Did Mikhail Gorbachev's speech signal progress, or was it just another cynical pronouncement of the Soviet desire to maintain and build superiority in Europe and to split us from our friends?

Only the Soviets can answer. It is not the United States which is blocking progress. Our proposals are not new. They are, however, necessary for an agreement.

I sincerely hope there can be an agreement, but it must be a good agreement. The old double play is not going to work with this President. After Gorbachev's speech, the President kept our negotiators in Geneva after the end of the round of talks. If the Soviets want progress, they have only to tell our people in Geneva this, and then get down to serious business. America, and our allies, will welcome an agreement which truly enhances European security and stability.

Finally, Mr. President, I am sure that my colleagues are aware that our chief negotiator, Max Kampelman, was hospitalized late last week, and that they would join me in wishing him a speedy and full recovery. Max is doing well, and may be home by the weekend. After some rest, he should be back on the job where we need him.

Mr. President, I reserve the remainder of my time.

Mr. BYRD. Mr. President, will the distinguished Republican leader yield?

Mr. DOLE. I yield.

Mr. BYRD. Mr. President, I join the minority leader in wishing a speedy and complete recovery for our chief negotiator, Max Kampelman. He has been doing a great piece of work at Geneva, and it is unfortunate that he has had this heart attack, which is considered to be minor.

All of us, I am sure, on both sides of the aisle join in hoping that Mr. Kempelman makes a complete and early recovery and in congratulating him on the work he is doing.

URGENT RELIEF FOR THE HOMELESS ACT

Mr. BYRD. Mr. President, would the distinguished Republican leader have any objection if I asked unanimous consent that the Urgent Relief for the

Homeless Act, which I introduced on my behalf and on his behalf yesterday, with the cosponsorship of several other Senators on both sides of the aisle, be placed directly on the calendar?

Mr. DOLE. I have no objection.

Mr. BYRD. Mr. President, I thank the Republican leader. I make that request.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. While the Republican leader is on the floor, I wonder if we could transact just a little bit of business that I understand is cleared for action and it will be very brief, may I say to other Senators?

THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar orders numbered 61 and 62 on the calendar, that the Senate proceed to consider them en bloc—neither has an amendment, one has a preamble—that the preamble be agreed to, and that the motion to reconsider en bloc be laid on the table.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL POW/MIA RECOGNITION DAY

The joint resolution (S.J. Res. 49) to designate September 18, 1987, as "National POW/MIA Recognition Day," was considered.

Mr. DOLE. Mr. President, many times in our Nation's history, special groups of our men and women have been called upon to make uncommon sacrifices for their country. Defending the freedoms that you and I might have the tendency to take for granted, many Americans have paid the ultimate price on foreign soil. Still others suffered unimaginable physical and mental hardships while captives of America's enemies; many never returned. It's the spirit of these unselfish Americans that we must perpetuate. We must continue to remember their dedication and this legislation today goes far in keeping that spirit alive.

It gave me great pleasure to host last year's congressional observance of National POW/MIA Recognition Day. My relationship with the POW/MIA issue is one in which I take particular pride. In continuing that relationship, I want to emphasize that we not only honor our POW's and MIA's, but we should also renew our promise to the courageous families of these special Americans. A grateful nation will never rest until we gain a full accounting of those still listed as missing and unaccounted for.

Mr. President, my colleagues have enthusiastically supported this legislation. To date, I have added 64 cosponsors to this noteworthy legislation. This is a clear indication of the importance that Senators attach to the settlement of the POW/MIA issue and their genuine concern for those fine Americans who returned from serving their country under such adverse conditions. I would also call on my colleagues once again, as well as all major veterans' organizations, to encourage nationwide participation this September in increasing awareness of the POW/MIA issue. We will never forget these special Americans; their memories shall remain forever in our consciousness.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 49

Whereas the United States has fought in many wars;

Whereas thousands of Americans who served in such wars were captured by the enemy or are missing in action;

Whereas many American prisoners of war were subjected to brutal and inhuman treatment by their enemy captors in violation of international codes and customs for the treatment of prisoners of war and many prisoners of war died from such treatment;

Whereas many Americans are still listed as missing and unaccounted for and the uncertainty surrounding their fates has caused their families to suffer acute hardship; and

Whereas the sacrifices of American prisoners of war and Americans missing in action and their families are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 18, 1987, shall be designated as "National POW/MIA Recognition Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

NATIONAL ORGAN AND TISSUE DONOR AWARENESS WEEK

The joint resolution (S.J. Res. 89) to authorize and request the President to issue a proclamation designating April 26, through May 2, 1987 as "National Organ and Tissue Donor Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 89

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April 26 through May 2, 1987 as "National Organ and Tissue Donor Awareness Week".

NATIONAL DIGESTIVE AWARENESS MONTH

Mr. BYRD. Mr. President, I ask unanimous consent that in the engrossment of Senate Joint Resolution 67, the National Digestive Diseases Awareness Month, passed by the Senate on March 20, the clerk make the following correction which I send to the desk.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR STAR PRINT—S. 806

Mr. BYRD. Mr. President, I ask unanimous consent that there be a star print of S. 806, the corrections of which I now send to the desk.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. METZENBAUM. I introduced S. 806 on March 20, 1987 to make the antitrust laws applicable to air transportation. The bill should have made an exception for foreign air transportation. Instead it referred to overseas air transportation and grandfathered in the current sunset date for overseas air transportation. The star print makes this correction and makes a corresponding correction to the effective date provision.

Mr. BYRD. Mr. President, I am going to yield to the distinguished mniority leader to make a request on behalf of Mr. THURMOND.

ORDER FOR STAR PRINT—S. 698

Mr. DOLE. Mr. President, I ask unanimous consent that there be a star print of S. 698, at the request of Senator THURMOND, the distinguished Senator from South Carolina.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL POW RECOGNITION DAY

Mr. BYRD. Mr. President, I understand that Calendar Order No. 44 has been cleared on the other side of the aisle. I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 44.

The ACTING PRESIDENT pro tempore. The joint resolution will be stated by title.

The assistant legislative clerk read as follows.

A joint resolution (S.J. Res. 47) to designate "National POW Recognition Day."

There being no objection, the Senate proceeded to consider the joint resolution.

AMENDMENT NO. 42

Mr. BYRD. Mr. President, I send to the desk an amendment on behalf of Senators CRANSTON and MURKOWSKI.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. BYRD) for Mr. CRANSTON and Mr. MURKOWSKI, proposes an amendment numbered 42.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 3 of the resolved clause insert the word "Former" before POW.

NATIONAL FORMER POW RECOGNITION DAY

Mr. CRANSTON. Mr. President, as chairman of the Veterans' Affairs Committee and as the sponsor, along with the committee's ranking minority member, the Senator from Alaska [Mr. MURKOWSKI], of Senate Joint Resolution 47, a resolution to designate April 9, 1987, as "National Former POW Recognition Day," I rise in strong support of passage of this resolution to honor those of America's veterans who were prisoners of war.

Mr. President, over the many years I have served on the Veterans' Affairs Committee, both as the committee's chairman from 1977 to 1981 and now again, as well as its ranking minority member from 1981 to 1987, I have formed a deep appreciation for those of our Nation's veterans who made enormous sacrifices and endured extreme hardships as prisoners of war. Their strength, courage, and commitment to our national security and democratic ideals and institutions helped to preserve our country, and we truly owe them a debt that can never be fully repaid.

In a Veterans' Administration study undertaken as a result of legislation I authored in Public Law 95-479, the VA found that, although the particular type and source of hardship differed significantly according to place and time of internment, American POW's from each of the three most recent wars—World War II, the Korean conflict, and the Vietnam conflict—were subjected to widespread hardships that often included extreme malnutrition, great psychological stress and abuse, inadequate medical care, brutal living conditions, and, very frequently, physical and psychological torture.

Mr. President, as my colleagues know, April 9, 1942, is the day that marks the fall of Bataan, the site where thousands of American soldiers were taken prisoner by enemy troops in the Philippines and forced to march long distances under extremely brutal conditions to prisoner of war camps, where they suffered further hardships and deprivations. Many of those men did not survive that harrowing ordeal, and those that did were often permanently disabled. April 9 is thus, sadly, an appropriate day to honor our Nation's former POW's.

Mr. President, this resolution is cosponsored by all the members of the Veterans' Affairs Committee, including the Senators from Hawaii [Mr. MATSUNAGA], Arizona [Mr. DECONCINI], Maine [Mr. MITCHELL], West Virginia [Mr. ROCKEFELLER], and Florida [Mr. GRAHAM], as well as the Senator from Wyoming, who is himself a former chairman of the committee [Mr. SIMPSON], and the Senators from South Carolina [Mr. THURMOND], Vermont [Mr. STAFFORD], and Pennsylvania [Mr. SPECTER].

Mr. President, April 9, 1987—the day that would be designated as "National Former POW Recognition Day" by this resolution—is fast approaching. As one expression of our Nation's continuing gratitude to our Nation's former POW's, I urge all of my colleagues to join today in support of passage of this resolution.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment (No. 42) was agreed to.

The ACTING PRESIDENT pro tempore. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 47

Whereas the United States had fought in many wars;

Whereas thousands of Americans who served in such wars were captured by the enemy:

Whereas many American prisoners of war were subjected to brutal and inhumane treatment by their enemy captors in violation of international codes and customs for the treatment of prisoners of war, and many such prisoners of war died or were disabled as a result of such treatment; and

Whereas the great sacrifices of American prisoners of war and their families are deserving of national recognition: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 9, 1987, shall be designated as "National Former POW Recognition Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to commemorate such day with appropriate activities.

Mr. BYRD. Mr. President, on behalf of Mr. CRANSTON and Mr. MURKOWSKI, I send an amendment to the title to the desk.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

Amend the title so as to read: Joint resolution to designate "National Former POW Recognition Day."

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

STAFF VACANCIES

Mr. BYRD. Mr. President, on behalf of myself and Mr. FORD, I send to the desk a Senate resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 173) to amend Senate Resolution 458, 98th Congress, to allow the Secretary of the Senate to fill staff vacancies occurring during the closing of the office of a Senator in the case of the death or resignation of such Senator.

There being no objection, the Senate proceeded to consider the resolution.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

S. RES. 173

Resolved, That subsection (a) of the first section of Senate Resolution 458, 98th Congress (agreed to October 4, 1984) is amended by—

(1) inserting "(1)" after "(a)"; and

(2) adding at the end thereof the following:

"(2) If an employee of a Senator continued on the Senate payroll pursuant to paragraph (1) resigns or is terminated during the period required to complete the closing of the office of such Senator, the Secretary of the Senate may replace such employee by appointing another individual. Any individual appointed as a replacement under the authority of the preceding sentence shall be subject to the same terms of employment, except for salary, as the employee such individual replaces.".

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader for his cooperation, and I yield the floor.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Republican leader has 3 minutes and 46 seconds.

Mr. DOLE. I wonder if I might divide that time equally between the Senator form New Mexico and the Senator from Connecticut.

Mr. DOMENICI. Before the minority leader does that I wonder if the minority leader has any additional time under his control?

Mr. DOLE. Yes.

Mr. DOMENICI. I think I will need 5 minutes.

Mr. WEICKER. I need about 8 minutes.

Mr. PRYOR. If I could I would like about 6 minutes more.

Mr. DOLE. Whatever leader time I yield to the Senator from New Mexico plus an additional 1 minute and 30 seconds or whatever it is to make 5 minutes and then 8 minutes to the distinguished Senator from Connecticut from our time.

Mr. BYRD. I yield 6 minutes to Mr. PRYOR.

TO PROVIDE PERMANENT AUTHORIZATION FOR A WHITE HOUSE CONFERENCE ON SMALL BUSINESS

Mr. DOMENICI. Mr. President, I send to the desk legislation that is designed to assist America's small businesses.

Last year, more than 1,800 persons who own and operate small businesses came to our Nation's Capital as delegates to the White House Conference on Small Business.

These men and women came from across our Nation, on their own time and at their own expense, to discuss mutual concerns in operating a small business, and to offer solutions to these problems.

The result was a report with 60 recommendations. One of these recommendations, drafted by the New Mexico conference delegates, was to authorize a White House Conference on Small Business every 4 years. The White House Conference on Small Business has been held two times to date, first in 1980, then in 1986. The New Mexico delegates said there should be a permanent forum for small business owners to address common businesss concerns.

When New Mexico delegates brought this to my attention last year, I was pleased to support it on the behalf of all small business owners. I introduced that concept as S. 2588 last year.

Today, I am pleased to reintroduce that legislation.

The owners of America's small businesses have accepted the challenge of running their own business. With this challenge, they bring efficiency, dedication, hard work, optimism, ingenuity, and an entrepreneurial spirit.

A major concern of the 100th Congress is comeptitiveness. Although our Nation has experienced impressive economic growth during the past 5 years, we must continue to look for ways to sustain and improve this growth. We need to increase productivity, reduce unemployment, and strengthen America's position in the international marketplace.

The time has come to address many of these problems. Based on what we have seen and heard so far, numerous proposals and solutions have been submitted. Some say create a Department of Trade. Others want to improve technology transfer, or to negotiate with foreign nations to open their markets to American exports. Still others want to subsidize domestic industries involved in export activities.

Many of these proposals are worthy of consideration. But we can strengthen America's standard of living in other ways. America can become more competitive right in its own backyard, by addressing the needs and concerns of small business.

Small business in America means jobs for today, and investment for our future. Not only do small businesses provide jobs for almost one-half of our private-sector work force, they also provide on-the-job training for our youth. These men and women are risk-takers in today's ever-changing marketplace, and are providing leadership for our Nation.

Since the first White House Conference on Small Business was held in 1980, approximately two-thirds of the recommendations reported by the national conference have been enacted. It is obvious that many sound ideas have emerged from these conferences.

By authorizing a White House Conference on Small Business once every 4 years, my bill would help to assure that our Government recognizes the importance of, and need for, a healthy, competitive small business environment.

This legislation would provide these business owners an opportunity to have a direct voice in many of the legislative and administrative decisions that have a direct impact on their livelihood.

The issues and factors that confront our small business entrepreneurs are always changing. A conference each Presidential term would provide a forum during which small business owners can bring their Government up to date on their concerns.

I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that a copy of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "White House Conference on Small Business Authorization Act".

AUTHORIZATION OF CONFERENCE

SEC. 2. (a) The President shall call and conduct a National White House Conference on Small Business (hereinafter referred to as the "Conference") once during each 4-year period following a Presidential election, to carry out the purposes described in section 3 of this Act. The Conference shall be preceded by State and regional conferences with at least one such conference being held in each State.

(b) Participants in the Conference and other interested individuals and organizations are authorized to conduct conferences and other activities at the State and regional levels prior to date of the Conference, subject to the approval of the Administrator of the Small Business Administration, and shall direct such conferences and activities toward the consideration of the purposes of the Conference described in section 3 of this Act in order to prepare for the National Conference.

PURPOSE OF CONFERENCE

SEC. 3. The purpose of the Conference shall be to increase public awareness of the essential contribution of small business; to identify the problems of small business; to examine the status of minorities and women as small business owners; to assist small business in carrying out its role as the Nation's job creator; to assemble small businesses to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and encouraging the economic viability of small business and, thereby, the Nation; and to review the status of recommendations adopted at the preceding White House Conference on Small Business.

CONFERENCE PARTICIPANTS

SEC. 4. (a) In order to carry out the purposes specified in section 3 of this Act, the Conference shall bring together individuals concerned with issues relating to small business. No small business concern representative may be denied admission to any State or regional conference, nor may any fee or charge be imposed on any small business concern representative except an amount to cover the cost of any meal provided to such representative plus a registration fee of not to exceed $10.

(b) Delegates, including alternates, to the National Conference shall be elected by participants at the State conference. In addition—

(1) each Governor and each chief executive official of the political subdivisions enumerated in section 4(a) of the Small Business Act may appoint one delegate and one alternate;

(2) each Member of the United States House of Representatives, including each Delegate, and each Member of the United States Senate may appoint one delegate and one alternate; and

(3) the President may appoint one hundred delegates and alternates.

Only individuals from small businesses shall be eligible for appointment pursuant to this subsection.

PLANNING AND ADMINISTRATION OF CONFERENCE

SEC. 5. (a) All Federal departments, agencies, and instrumentalities are authorized and directed to provide such support and assistance as may be necessary to facilitate the planning and administration of the Conference.

(b) In carrying out the provisions of this Act, the Administrator of the Small Business Administration—

(1) shall provide such assistance as may be necessary for the organization and conduct of conferences at the State and regional levels as authorized under section 2(b) of this Act; and

(2) is authorized to enter into contracts with public agencies, private organizations, and academic institutions to carry out the provisions of this Act.

(c) The Chief Counsel for Advocacy shall assist in carrying out the provisions of this Act by preparing and providing background materials for use by participants in the Conference, as well as by participants in State and regional conferences.

(d) Each participant in the Conference shall be responsible for his or her expenses related to attending the Conference and shall not be reimbursed either from funds appropriated pursuant to this Act or the Small Business Act.

(e)(1) The President is authorized to appoint and compensate an executive director and such other directors and personnel for the Conference as he may deem advisable, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) Upon request by the executive director, the heads of the executive and military departments are authorized to detail employees to work with the executive director in planning and administering the Conference without regard to the provisions of section 3341 of title 5, United States Code.

REPORTS REQUIRED

SEC. 6. Not more than six months from the date on which the National Conference is convened, a final report of the Conference shall be submitted to the President and the Congress. The report shall include the findings and recommendations of the Conference as well as proposals for any legislative action necessary to implement the recommendations of the Conference. The final report of the Conference shall be available to the public.

FOLLOWUP ACTIONS

SEC. 7. The Small Business Administration shall report to the Congress annually during the three-year period following the submission of the final report of the Conference on the status and implementation of the findings and recommendations of the Conference.

AVAILABILITY OF FUNDS

SEC. 8. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, and they shall remain available until expended. New spending authority or authority to enter contracts as provided in this Act shall be effective only to such extent and in such amounts as are provided in advance in appropriation Acts.

(b) No funds appropriated to the Small Business Administration shall be made available to carry out the provisions of this Act other than funds appropriated specifically for the purpose of conducting the Conference. Any funds remaining unexpended at the termination of the Conference, including submission of the report pursuant to section 6, shall be returned to the Treasury of the United States and credited as miscellaneous receipts.

WHITE HOUSE CONFERENCE ON SMALL BUSINESS AUTHORIZATION ACT

Mr. CHAFEE. Mr. President, I am pleased to join with my esteemed colleague, Senator DOMENICI, in introducing this bill to make permanent the White House Conference on Small Business.

This conference has proved to be an exceptional forum for men and women, representing small businesses of every description, to identify and discuss the problems faced by small businesses across the Nation. Past conferences have produced a wealth of legislative recommendations, over two-thirds of which have been enacted. This record of accomplishment is outstanding testimony to the tremendous talent of the individuals involved and to the vitality of the conference itself.

Small businesses account for nearly half of our Nation's private employment, and are our greatest resource of new ideas for innovative products and services. The unique entrepreneurial spirit which flows through these small businesses represents the truest form of the American character. It is a spirit that should be used as a model throughout the economy to help deal with the onslaught of foreign competition.

The challenge of foreign competition is changing the way America does business. In order to meet the challenge, large corporations retain legions of accountants, financial experts, public relations specialists and marketing professionals. The owners and operators of small businesses know no such luxury. Each must act in all of these capacities simultaneously, making countless decisions affecting every facet of operations. Yet, small businesses continue to form the core of a strong and vital marketplace, accounting for over two-thirds of the newly created jobs in this country each year.

Small businesses cannot afford armies of lobbyists to assault the Capitol. The diverse men and women who have created and manage our Nation's 15 million small businesses speak for themselves. They understand their contributions and problems best, and are their own most eloquent advocates. This great diversity of interests, however, makes it increasingly difficult for any single voice to be heard.

The White House conference creates that voice. It provides a forum for small business men and women to speak with one voice, a voice which has produced a number of initiatives resulting in changes beneficial to our economy. This conference gives these men and women the opportunity to tell legislators firsthand what is needed to encourage growth in the small business sector, and how to engender the development of the entrepreneurial spirit.

Mr. President, the White House Conference on Small Business has in the past been organized on an ad hoc basis. This bill calls on the President to hold a White House Conference on Small Business once during each Presidential term. We have before us a real opportunity to create an institution which will give this Nation's small business men and women a voice in public policy commensurate with their contribution to our economy. I urge all my colleagues to join me in support of this legislation.

Mr. DIXON. Mr. President, I rise today in support of the bill introduced by Senators DOMENICI and HOLLINGS authorizing a White House Conference on Small Business once every Presidential term. Small business is the primary employment generator for the economy of the United States. It creates almost 80 percent of all new jobs, generating almost 40 percent of the GNP. Small businesses employ 48 percent of the private work force.

Given these overwhelming statistics, the need for a forum in which the issues crucial to the viability of this economic sector can be reviewed becomes obvious. The White House Conference on Small Business serves as a platform to assist small business in developing an agenda for action, to enlighten the public and government agencies as to the contributions and needs of small business, and to bring representatives of this sector together to formulate recommendations for the executive and legislative branches of government to assure the continuance of their economic growth.

Our Nation was founded by small businesses. They gave birth to our economy. Today's entrepreneur seeks to maintain this true economic independence. Free enterprise is more than an economic theory for them; it is a practical necessity. This is a segment that must be acknowledged for its contributions to this Nation's economic well-being, as well as for its maintenance of our image as "the land of opportunity."

The range of issues affecting small business is broad. Their goals are often at odds with those of bigger businesses. Small business needs our attention and support. The White House Conference on Small Business provides a forum for identification and understanding of actions necessary to continue the development and growth of our work force and economy.

URGENT RELIEF FOR THE HOMELESS ACT

Mr. DOMENICI. Mr. President, I am most pleased to be an original sponsor of the Urgent Relief for the Homeless Act, and I commend the majority leader [Mr. BYRD] and the Republican leader [Mr. DOLE] for their leadership.

This bill addresses many of the basic needs of the homeless. It provides several forms of housing assistance, outreach for food stamps, health and mental health services, case management for residents of shelters, and it establishes an interagency council to oversee and improve the Federal efforts on behalf of America's homeless population.

All of those are worthy, important goals.

I am particularly pleased that this bipartisan bill includes services for those among the homeless who are mentally ill. Yet, I remain concerned. It is important that we authorize more than 2 years of assistance for this fragile population. It is also important that we provide some form of transitional housing that will serve to enhance their treatment and improve their chances for better mental health.

On March 18, 1987, Senators SIMON, BURDICK, and I introduced S. 763, the "Services for Homeless Mentally Ill Individuals Act of 1987." We have since been joined by Senators HATFIELD, NUNN, and GORE as original sponsors.

S. 763 addresses our concerns using a solid approach that has the formal endorsements of the leading organizations dealing with the mentally ill who are homeless:

National Alliance for the Mentally Ill [NAMI], National Mental Health Association, Mental Health Law Project, American Psychiatric Association, American Psychological Association, National Council of Community Mental Health Centers, National Association of State Mental Health Program Directors, and the American College of Neuropsychopharmacology [ACNP].

Letters from all but the last group listed were included in the CONGRESSIONAL RECORD of March 18, 1987, page S3317. I am including ACNP's letter in today's statement, and I ask unanimous consent that it be printed in the RECORD following my statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOMENICI. With the strong backing of these and other mental health support groups, Mr. President, I am today introducing the Domenici-Simon bill as an amendment to the Senate bipartisan omnibus bill, S. 809. In addition, I will propose the same amendment to S. 811, the Senate bipartisan health, mental health, and job training for the homeless bill.

The amendments I am offering are identical to S. 763, as introduced, with three minor exceptions.

First, I modified the years of authorization to include fiscal year 1987, at $80 million. I also deleted 1993, which would have been the seventh year of authorization, including 1987.

The amendment thus authorizes our program for the mentally ill homeless for the remainder of 1987, plus 5 additional years, 1988 through 1992.

Second, the formula has been corrected to reflect my description of it in my statement of March 18, 1987. The intention is to provide small States with at least one-quarter of 1 percent of the total appropriation—$500,000 at a $200 million appropriation.

This approach makes minimal deductions from the more populous States, while providing each State with enough money to operate programs for this target population. I am including a HUD computer printout of our Community Development Block Grant formula, as modified in our bill and this amendment. I ask unanimous consent that this sample run of $200 million be included in the RECORD.

Third, the allocation of $8 million per year to the National Institute of Mental Health is corrected to reflect authorization for 5 fiscal years, 1988 through 1992. I see no need to begin evaluation and training activities in the remainder of fiscal year 1987, but this training and review needs to be in place for the 5 full years of authorized assistance.

Mr. President, I have done a fairly complete analysis of the differences between the Domenici-Simon bill for the homeless mentally ill and the Byrd-Dole provisions covering this same group.

My major concern remains the provision of what we call transitional housing. This is housing that serves as a transition from the sidewalks to a more stable life. The mental health support groups named above, and the National Institute of Mental Health, agree that without such housing, there is little hope of improving the lives of the mentally ill.

Unless we stablilize them physically in some sort of group home or shared apartment, the homeless who are mentally ill have little chance of even showing up for psychiatric or psychological treatment, much less benefiting from such treatment or related medications.

While the bipartisan bill as introduced acknowledges the importance of housing as a vital service element, it provides no specific funds nor any formal link to transitional housing.

The fact that transitional housing as authorized in the bipartisan bill is only obtained through competitive grants means that there is a small likelihood that such housing will be matched with services.

Of course, the State or local government could pay for such housing from its own sources. I remain skeptical, however, of the ability of the States or local governments undertaking this without our assistance.

The Domenici-Simon bill mandates transitional housing and provides a source of funds. I believe this is absolutely essential to serving the homeless who have serious mental illnesses.

On the other four service elements, the two bills are quite similar. Both provide for outreach. Both provide treatment. Both provide case management. And both provide training.

There is agreement, Mr. President, on the need and the way to serve the homeless who are mentally ill. By amending this bipartisan bill, we can take a large step forward in providing the mix of services we know will be relevant and helpful to the homeless mentally ill.

I ask unanimous consent that my analysis of the differences in the bipartisan bill as introduced, and the Domenici-Simon bill, be made a part of the RECORD.

Finally, Mr. President, I would like to remind my colleagues that we have a responsibility to pay for the services that we need and want to provide for the homeless people of America.

As ranking member of the Senate Budget Committee, I will be watching carefully to see that appropriations to fund any or all of the bipartisan bill for the homeless have equal off-sets from the Federal budget.

I have often stated the need for a firm new public policy of "trade-in to trade-up."

There is enough room in our national budget to appropriate fully the funds needed for these vital programs to help the homeless by trading in funding for less important programs.

I am pleased to be part of the process for identifying the specific changes needed in our national priorities. I call upon each Member of this body to help set our national priorities, and to help set them in a way that will assure funding for the homeless.

I am convinced that the American people will gladly stand behind our efforts for the homeless, if they know we are being fiscally responsible in doing so. I am pleased to be a part of this noble effort. I hope my colleagues will join me in becoming a part of this most important effort, while staying within our budget.

(The text of the amendments submitted by Mr. DOMENICI appear in today's RECORD under "Amendments Submitted".)

EXHIBIT I

FINLEY, KUMBLE, WAGNER, HEINE,
UNDERBERG, MANLEY, MYERSON & CASEY,
Washington, D.C., March 17, 1987.
Hon. PETE A. DOMENICI,
Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR DOMENICI: On behalf of the American College of Neuropsychopharmacology (ACNP), I would like to extend the College's appreciation to you for the concern you continue to demonstrate for the needs of people with schizophrenia and other major mental illnesses, as demonstrated by your bill to provide services to the homeless mentally ill. As a select, interdisciplinary organization of over 400 recognized scientists doing research in the course of and treatments for major mental illnesses, ACNP is actively involved in seeking to address the needs of individuals and their families confronting the disabling affects of major mental illness, and your efforts to address one of the most serious societal problems facing them and often exacerbating the course of the illness through lack of services and shelter must be seen as a major contribution to the needs in this area.

In particular, ACNP would like to underline the importance of encouraging an interface between research, particularly clinical research, and the delivery of services. As progress is made in treatment, not only in the area of therapeutic modalities, but also in terms of diagnosis and knowledge about the nature and course of serious mental illnesses, it is important that the information be disseminated to practitioners in the field. The provisions of your legislation calling for the dissemination of information concerning research and treatment relating to serious mental illness to programs to be funded under this legislation is an important component, and its inclusion is appreciated. In addition, the authorization given the Secretary to coordinate activities and information exchange will hopefully provide a broad mechanism to encourage a significant interface between research and service delivery projects and activities.

ACNP is, of course, primarily an organization of biomedical researchers. As ACNP learned of your interest in schizophrenia and the major mental illnesses, the governing Council established a task force to draft a document to outline the current opportunities for research in schizophrenia. It is ACNP's hope to have that document to you within a few weeks. ACNP looks forward to continuing to work with you to attain progress and understanding in treating schizophrenia and other major mental illnesses, in this effort to assist the homeless mentially ill, and in efforts to mount a major research initiative, for which we believe the time is ripe.

Sincerely yours,

JAMES M. KULIKOWSKI,
Counsel to ACNP

TOTAL ALLOCATION $200 MILLION, MINIMUM TOTAL AMOUNT $500K, MINIMUM PLACE GRANT $100K

[In thousands of dollars]

State	Metro grants ($200M)	States ($200M)	Total ($200M)
Alaska	111	389	500
Alabama	1,138	2,021	3,159
Arkansas	132	1,504	1,636
Arizona	1,374	552	1,926
California	15,072	5,365	20,437
Colorado	775	967	1,742
Connecticut	1,012	1,282	2,294
District of Columbia	1,150		1,150
Delaware	343	157	500
Florida	5,601	2,369	7,970
Georgia	1,807	2,300	4,107
Hawaii	778	154	932
Iowa	377	1,863	2,240
Idaho		500	500
Illinois	7,968	2,890	10,858
Indiana	1,700	2,218	3,918
Kansas	433	1,118	1,551
Kentucky	1,069	1,815	2,884
Louisiana	1,711	2,064	3,775
Massachusetts	3,346	2,684	6,030
Maryland	2,590	647	3,237
Maine	130	825	955
Michigan	4,669	3,436	8,105
Minnesota	1,679	1,567	3,246
Missouri	2,569	1,702	4,271
Mississippi	212	1,949	2,161
Montana		500	500
North Carolina	565	3,041	3,606
North Dakota		500	500
Nebraska	277	804	1,081
New Hampshire	109	497	606
New Jersey	4,868	1,576	6,444
New Mexico	255	649	904
Nevada	330	170	500
New York	17,892	3,409	21,301
Ohio	5,709	3,709	9,418
Oklahoma	526	1,151	1,677
Oregon	868	789	1,657
Pennsylvania	9,554	3,414	12,968
Puerto Rico	3,651	3,318	6,969
Rhode Island	524	454	978
South Carolina	156	2,023	2,179
South Dakota		500	500
Tennessee	1,387	1,799	3,186
Texas	6,372	5,415	11,787
Utah	557	498	1,055
Virginia	1,437	1,816	3,253
Vermont		500	500
Washington	1,913	915	2,828
Wisconsin	1,267	2,288	3,555
West Virginia	273	1,191	1,464
Wyoming		500	500
Total	116,236	83,764	200,000

Estimated grants to metro cities/urban counties, minimum grant $100,000

[In thousands of dollars]

State	ESG87 ($200M)
Alaska: Anchorage (subtotal)	111
Alabama:	
Birmingham	465
Huntsville	103
Mobile	194
Montgomery	182
Jefferson County	194
Subtotal	1,138
Arkansas: Little Rock (subtotal)	132
Arizona:	
Mesa	103
Phoenix	616
Tucson	304
Maricopa County	224
Pima County	127
Subtotal	1,374
California:	
Anaheim	158
Berkeley	186
Compton	145
El Monte	129
Fresno	236
Glendale	119
Inglewood	112
Long Beach	356
Los Angeles	3,797
Oakland	511
Oxnard	128
Pasadena	121
Pomona	109
Riverside	129
Sacramento	243
San Bernadino	117
San Diego	716
San Francisco	1,202
San Jose	449
Santa Ana	265
Stockton	153
Alameda County	141
Contra Costa County	192
Fresno County	271
Kern County	287
Los Angeles County	2,019
Marin County	106
Orange County	317
Riverside County	403
Sacramento County	306
San Bernardino County	469
San Diego County	389
San Joaquin County	154
San Mateo County	170
Santa Clara County	184
Sonoma County	143
Ventura County	140
Subtotal	15,072
Colorado:	
Colorado Springs	136
Denver	531
Adams County	108
Subtotal	775
Connecticut:	
Bridgeport	235
Hartford	266
New Britain	113
New Haven	258
Waterbury	140
Subtotal	1,012
District of Columbia: Washington (subtotal)	1,150
Delaware:	
Wilmington	179
New Castle County	164
Subtotal	343
Florida:	
Fort Lauderdale	145
Hialeah	261
Jacksonville	475
Miami	812
Miami Beach	130
Orlando	122
St. Petersburg	187
Tallahassee	101
Tampa	275
Brevard County	102
Broward County	385
Dade County	1,014
Hillsborough County	266
Orange County	249
Palm Beach County	298
Pasco County	129
Pinellas County	180
Polk County	216
Seminole County	112

[In thousands of dollars]—Continued

State	*ESG87 ($200M)*
Volusia County	142
Subtotal	5,601
Georgia:	
Albany	106
Atlanta	654
Augusta	124
Columbus	158
Macon	133
Savannah	158
Cobb County	123
De Kalb County	225
Fulton County	126
Subtotal	1,807
Hawaii: Honolulu (subtotal)	778
Iowa:	
Des Moines	254
Sioux City	123
Subtotal	377
Illinois:	
Chicago	5,742
Cicero	115
East St. Louis	151
Evanston	109
Oak Park	102
Peoria	109
Rockford	117
Cook County	712
Du Page County	225
Lake County	155
Madison County	186
St. Clair County	145
Will County	100
Subtotal	7,968
Indiana:	
Evansville	179
Fort Wayne	176
Gary	231
Hammond	145
Indianapolis	557
South Bend	184
Terre Haute	123
Lake County	105
Subtotal	1,700
Kansas:	
Kansas City	134
Topeka	117
Wichita	182
Subtotal	433
Kentucky:	
Covington	114
Lexington-Fayette	148
Louisville	624
Jefferson County	183
Subtotal	1,069
Louisiana:	
Baton Rouge	302
New Orleans	938
Shreveport	205
Jefferson Parish	266
Subtotal	1,711
Massachusetts:	
Boston	1,272
Cambridge	200
Fall River	174
Lawrence	124
Lowell	134
Lynn	169
Medford	101
New Bedford	175
Newton	127
Quincy	125
Somerville	180
Springfield	264
Worcester	301
Subtotal	3,346
Maryland:	
Baltimore	1,566
Anne Arundel County	146
Baltimore County	273
Montgomery County	241
Prince Georges County	364
Subtotal	2,590
Maine: Portland, (subtotal)	130
Michigan:	
Dearborn	136
Detroit	2,935
Flint	285
Grand Rapids	229
Kalamazoo	112
Lansing	100
Pontiac	104
Saginaw	162
Genesee County	149
Oakland County	224
Wayne County	233
Subtotal	4,669
Minnesota:	
Duluth	178
Minneapolis	860
St. Paul	461
Hennepin County	180
Subtotal	1,679
Missouri:	
Kansas City	602
St. Joseph	118
St. Louis	1,497
St. Louis County	352
Subtotal	2,569
Mississippi: Jackson (subtotal)	212
North Carolina:	
Charlotte	236
Greensboro	111
Raleigh	103
Winston Salem	115
Subtotal	565
Nebraska: Omaha (subtotal)	277
New Hampshire: Manchester (subtotal)	109
New Jersey:	
Atlantic City	125
Bayonne	118
Camden	225
East Orange	106
Elizabeth	150
Jersey City	491
Newark	730
Paterson	227
Trenton	208
Bergen County	577
Burlington County	134
Camden County	143
Essex County	349
Gloucester County	110
Hudson County	313
Middlesex County	113
Monmouth County	184
Morris County	141
Ocean County	122
Union County	302
Subtotal	4,868
New Mexico: Albuquerque (subtotal)	255
Nevada:	
Las Vegas	129
Clark County	201
Subtotal	330
New York:	
Albany	244
Babylon Town	105
Binghamton	147
Buffalo	1,122
Islip Town	156
Mount Vernon	123
New York	12,130
Niagara Falls	176
Rochester	577
Schenectady	155
Syracuse	391
Tonawanda Town	106
Troy	126
Utica	189
Yonkers	220
Erie County	147
Monroe County	118
Nassau County	768
Onondaga County	112
Orange County	123
Rockland County	112
Suffolk County	262
Westchester County	283
Subtotal	17,892
Ohio:	
Akron	440
Canton	187
Cincinnati	860
Cleveland	1,669
Columbus	455
Dayton	445
Lakewood	112
Springfield	131
Toledo	434
Youngstown	295
Cuyahoga County	209
Franklin County	124
Hamilton County	204
Montgomery County	144
Subtotal	5,709
Oklahoma:	
Oklahoma City	298
Tulsa	228
Subtotal	526
Oregon:	
Portland	536
Clackamas County	113
Multnomah County	105
Washington County	114
Subtotal	868
Pennsylvania:	
Allentown	162
Altoona	126

[In thousands of dollars]—Continued

State	*ESG87 ($200M)*
Chester	115
Erie	212
Harrisburg	159
Johnstown	111
Lancaster	106
Philadelphia	3,551
Pittsburgh	1,145
Reading	198
Scranton	217
Upper Darby Township	119
Wilkes-Barre	122
York	105
Allegheny County	884
Beaver County	215
Berks County	160
Bucks County	153
Chester County	160
Delaware County	204
Lancaster County	195
Luzerne County	291
Montgomery County	212
Washington County	257
Westmoreland County	221
York County	153
Subtotal	9,554
Puerto Rico:	
Toa Baja Municipo	186
Aguadilla	155
Arecibo	244
Bayamaon Municipio	393
Caguas Municipio	287
Carolina Municipio	329
Guaynabo Municipio	159
Humacao Municipio	134
Mayaguez Municipio	239
Ponce Municipio	514
San Juan Municipio	895
Trujillo Alto Mun	116
Subtotal	3,651
Rhode Island:	
Pawtucket	123
Providence	401
Subtotal	524
South Carolina: Greenville County (subtotal)	156
Tennessee:	
Chattanooga	156
Knoxville	158
Memphis	735
Nashville-Davidson	338
Subtotal	1,387
Texas:	
Amarillo	104
Austin	321
Beaumont	103
Brownsville	176
Corpus Christi	249
Dallas	850
El Paso	551
Fort Worth	342
Houston	1,480
Laredo	195
Lubbock	154
McAllen	110
San Antonio	980
Waco	106
Bexar County	122
Harris County	369
Tarrant County	160
Subtotal	6,372
Utah:	
Provo	103
Salt Lake City	262
Salt Lake County	192
Subtotal	557
Virginia:	
Newport News	108
Norfolk	311
Portsmouth	114
Richmond	272
Roanoke	106
Virginia Beach	147
Arlington County	136
Fairfax County	243
Subtotal	1,437
Washington:	
Seattle	775
Spokane	232
Tacoma	167
Clark County	112
King County	301
Pierce County	186
Snohomish County	140
Subtotal	1,913
Wisconsin:	
Madison	114
Milwaukee	1,040
Racine	113
Subtotal	1,267
West Virginia:	
Charleston	133
Huntington	140
Subtotal	273
Total	116,236

COMPARISON OF DOMENICI-SIMON BILL, S. 763 WITH THOSE PROVISIONS OF S. 809 (SECTION 521) THAT ASSIST THE HOMELESS WHO ARE MENTALLY ILL

On March 18, 1987, Senators Domenici, Simon, Burdick, Hatfield, Nunn, and Gore introduced S. 763, "Services for Homeless Mentally Ill Individuals Act of 1987."

Subsequently, on March 23, an omnibus homeless bill was introduced by Senators Byrd and Dole as S. 809. S. 809, in part, also contains provisions to assist those who are mentally ill among the homeless population.

The following is a comparison that highlights the differences between S. 763 and that portion of S. 809—Section 521—focused on Mental Health Services. S. 811—Section 121—is the identical bill referred to the Committee on Labor and Human Resources.

GENERAL COMMENTS

The major differences in services to the homeless mentally ill in these two bills involve: Long-term commitment, authorized dollar levels, and the role of transitional housing.

The Domenici amendment offered today provides authorization for the remainder of fiscal year 1987, plus five additional years through fiscal year 1992. The bipartisan bill authorizes mental health services for two years, fiscal year 1987 and fiscal year 1988.

The Domenici amendment provides $1.130 billion over five years in new authorization levels, money directly solely to the homeless mentally ill. Section 521 of S. 809 authorizes $55 million to be spent in fiscal year 1987 for the homeless who are mentally ill, plus an open-ended "such sums" in fiscal year 1988.

The longer-term commitment and the higher, specified funding level are two hallmarks of the Domenici-Simon bill.

A major reason for the higher spending in S. 763 is that bill's strong commitment to transitional housing.

It is assumed that about half the S. 763 funding will be used to pay for transitional housing. Without a housing component that is woven into the heart of the bill, experts say there is little chance of reaching and treating successfully the homeless who are mentally ill.

A stable living environment is essential, or case management and psychosocial rehabilitation will not prove effective. Just the simple and routine taking of prescribed medication can stabilize many homeless people suffering schizophrenia or manic-depression.

On the streets, those who are fortunate enough to obtain prescribed medicines are often robbed. Having an identifiable and constant place to live can be the key element for many possible improvements in daily living.

While S. 809 recognizes this fact, it fails to provide direct funding or special set-asides for housing for the mentally ill. The separate transitional housing title in S. 809 could, if locally coordinated, add this vital dimension to the service program.

S. 763 makes certain of that link.

S. 809 would require case managers to help find housing. It also acknowledges the importance of housing, but leaves the actual funding up to mayors and governors. There is a possibility of some funding from the housing title of S. 809, but the competitive grant process and the other uses of the housing funds (for the homeless without mental illness) diminish the reality of much Federal funding.

By providing the funding in one block grant, Domenici-Simon emphasizes the high priority of this important service.

Both bills require local innovation to coordinate the required service elements. The high numbers of homeless who are mentally ill and their dependence on a place to live for their possible recovery, speak for a specific pool of Federal funds to help provide transitional living services.

The Domenici-Simon approach clearly ties transitional living to the other service elements. This linkage provides a solid basis for beginning a long road to recovery.

Mayors and governors will have an easier time coordinating services from one block grant in S. 763 as opposed to a block grant and a competitive housing program in S. 809. This is even truer when the competitive grant program must serve many more subgroups at a lower authorization of $60 million. S. 763 provides up to one-half of $200 million, or $100 million, specifically for housing for the homeless mentally ill.

Some of the other differences in the two bills are discussed below in more detail.

AUTHORIZATION

The omnibus bill, S. 809, authorizes $55 million for fiscal year 1987 and such sums as are necessary for fiscal year 1988 for services to the homeless mentally ill. The Domenici amendment to S. 809, authorizes $80 million for the remainder of fiscal year 1987. It then provides $200 million in fiscal year 1988 and goes up in increments of $5 million each year for 5 full years. The fiscal year 1992 authorization is $220 million.

S. 763 provides $8 million to the National Institute of Mental Health (NIMH) per year for five years for evaluation of the national program and training of local staff. In addition $2 million is added to the Community Support Program (CSP) at NIMH. S. 809 provides no new funds for either NIMH or CSP.

ALLOTMENTS

Both bills use a modified Community Development Block Grant (CDBG) formula to allocate funds to mayors and governors for the homeless mentally ill. S. 763 has a minimum of one-quarter of one percent per State; S. 809 provides one-half of one percent minimum per State.

As seen in the attached distribution tables of $200 million under the Domenici-Simon bill, one-quarter of one percent provides $500,000 to several small States. By using one-quarter of one percent, S. 763 avoids the problem of excessive reductions from large population States in order to fund the small States.

The omnibus bill's formula for services to the mentally ill would provide a minimum of $275,000 to small States if fully funded. Large States would be unnecessarily penalized with reductions in their allocations to allow each small State to have the minimum of one-half of one percent.

Domenici-Simon requires a minimum allocation of $100,000 to cities and urban counties. Amounts generated by the formula that are less than $100,000 are shifted to the State to be administered. With no similar provision, S. 809 will generate many very small allocations to cities—5, 23, 10, or even just 2 thousand dollars.

The CDBG formula is designed for an allocation of about $3 billion, and applying it to $55 million with no minimum amounts will generate hundreds of very small allocations to metropolitan areas and urban counties.

Allocations of less than $100,000 to cities would lead to very small program efforts, given the service elements required in both bills. With housing included, Domenici-Simon provides $100,000 as the minimum allocation to metropolitan area and urban counties.

Domenici-Simon requires a local match of 25 percent from local sources, 15 percent cash and 10 percent in kind. There is no match requirement in S. 809.

As explained below, the non-housing uses of funds are very similar in both S. 763 and S. 809.

USE OF NON-HOUSING ALLOTMENTS

1. Outreach.—Both bills provide for outreach services to those who are homeless. S. 809 adds those "who are at risk of becoming homeless."

2. Treatment.—Treatment is similar. S. 809 uses "partial hospitalization" and "habilitation and rehabilitation" where S. 763 refers to "medical services" and "group counseling, family therapy, and psychosocial rehabilitation services." S. 809 adds treatment services for individuals "who are at risk of becoming homeless."

3. Case management.—Both versions contain a plan of care, coordination of social services, transportation, and housing. Where S. 763 has job training, S. 809 has "prevocational and vocational services." Both contain provisions to assist in securing available income support, food stamps, and supplemental security income.

S. 763, in addition to the differences above, adds "obtaining State assistance" and "consultation with families" as functions of case management (not included in S. 809).

4. Training.—The training requirements for shelter personnel and others who directly serve the homeless mentally ill are very similar. S. 809, however, does not expand the ability of NIMH to provide the training as S. 763 does with $8 million for the closely related evaluation and training functions. In addition, S. 763 expands the Community Support Program by $2 million (from about $1.6 million to $4 million) to encourage more demonstrations.

MONITORING AND EVALUATION

The Domenici-Simon bill, S. 763, specifically requires NIMH to evaluate the program for the mentally ill homeless. These evaluations are expected to strengthen the staff training component, which is required in both S. 763 and S. 809.

In S. 809, there is a general program evaluation required that would cover all aspects of homelessness. NIMH could presumably conduct this evaluation, but no additional funds are authorized. S. 763, as mentioned, authorizes $8 million for evaluation and training. Both bills require a report to Congress.

Mr. DOMENICI. Mr. President, I yield the floor.

PROCEDURES FOR LICENSING ARMS EXPORTS

Mr. PRYOR. Mr. President, it was with a great deal of interest that I recently read the report prepared by the Tower Commission concerning the Iran-Contra controversy.

In that report, the three-man commission basically concluded that the manner in which the National Security Council and other White House officials handled the whole affair was merely an "aberration" and did not justify any fundamental revision of our national security decisionmaking process.

I found that remark to be of particular interest in light of what I and other members of the Senate Governmental Affairs Committee learned at a February 20 hearing at which we took a close look at the Federal licensing procedures for arms exports.

The Tower Commission may believe that recent NSC activities were based on an "aberration" which requires no basic remedies. However, I believe we have found serious problems concerning our overall arms export policy—not just the events leading to the Iran-Contra affair—which amount to much more than an aberration and which require tough congressional oversight and systematic reforms.

Mr. President, once you take a look at the procedures by which the Government claims to regulate arms exports, you can hardly be surprised by the revelations which surfaced in the Iran-Contra affair concerning middlemen passing around our most modern weapons and charging exorbitant fees.

The U.S. Government is more involved in the encouragement, merchandising and funding of international arms sales than Adnan Khashoggi. To a disturbing degree, we are facilitating, not regulating, the international sale of arms.

Mr. President, at our February 20 hearing, the committee heard testimony from the head of the Office of Munitions Control, also known as OMC. The OMC is the State Department agency which licenses commercial arms sales.

That testimony was as alarming as it was disappointing:

The Office of Munitions Control testified that it approved $14.9 billion in munitions sales last year, compared with only $4.6 billion in 1979.

OMC said it received requests to license more than 49,000 separate transactions last year and it rejected only 641 of them.

OMC stated it had registered more than 4,000 arms suppliers—and they said there were no minimum qualifications for arms exporters and that a past criminal record—even a conviction for treason—is not grounds for disapproval of a license to export arms anywhere in the world.

Quite simply, Mr. President, a convicted felon is not allowed to buy a handgun in many States, but that same convicted felon is still eligible to be an arms dealer under the laws of the Federal Government and under the policies of the State Department.

This is preposterous. It is a state of affairs which amounts to an unbelievable void of checks and balances which we must now correct.

The Office of Munitions Control also testified that they only had seven full-time licensing officers to review the 49,000 applications received last year. This is as many people as the OMC had to review 24,000 applications in 1976.

We also asked about the OMC's enforcement division—the people who are supposed to make sure arms dealers comply with the law and don't send weapons anywhere but where they are supposed to. The OMC testified that its enforcement division consisted of three people—one professional and two paralegals. It is nothing short of absurd to pretend that such a meager force can uphold the State Department's responsibilities to police the worldwide transport of arms.

OMC's enforcement chief assured us the amount of illegal arms trafficking out of the United States was not nearly at the level that press accounts would have us believe.

However, Customs Service officials—who are out there in the field every day trying to deal with all sorts of illegal shipments—later testified that they believed the illegal U.S. arms traffic was "pretty substantial"—to the tune of 400 U.S. arms export seizures last year alone.

But inefficient regulation is not the only way our Government actually assists and promotes arms sales.

We provide almost $6 billion worth of grants and loans to finance arms transfers a year—three times the amount we financed in 1981—and we provide indirect subsidies for many sales that are called "cash" sales.

Mr. President, our hearing uncovered these things and much more. For example, "commercial sales," for which arms dealers and middlemen can charge unlimited fees, are increasing at a sweltering pace, while Government cash sales—which carry a $50,000 cap on fees—are declining. At the same time, there appears to be flagrant circumvention of the requirement to report these fees to the U.S. Government, as is required by law.

Mr. President, section 1 of the Arms Export Control Act states that it is the policy of the United States to exert leadership in the world community to bring about arrangements for reducing the international trade in implements of war.

It also dictates that U.S. programs governing the export, sale, or grant of defense items "shall be administered in a manner which will carry out this policy."

What the Governmental Affairs Committee has found thus far does not amount to a country exerting leadership to reduce the world arms trade. It amounts to the very opposite.

We need to bring our policies into compliance with the law. Accordingly, there is great need to pursue this subject much more and to hold more public hearings. I intend to seek bureaucratic and policy changes in the executive branch and I will introduce major new legislation to promote competent and adequate regulation and safeguards of the U.S. share of the world's arms trade.

Until these things are done, none in this body can rest assured that another "aberration" involving our arms export "controls" is not brewing as I speak.

Mr. President, I ask unanimous consent that a letter I am mailing today to the Honorable George Shultz, Secretary of State, asking him particular questions about safeguards and controls and arms licenses be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U. S. SENATE,
Washington, DC, March 24, 1987.

HON. GEORGE P. SHULTZ,
Secretary of State,
Department of State, Washington, DC.

DEAR MR. SECRETARY: At my request, on February 20, the Senate Government Affairs Committee initiated hearings on the federal government licensing procedures for arms sales. The lead off witness for our first hearing was Mr. William Robinson of the State Department's Office of Munitions Control.

In the face of rigorous and unsympathetic questioning, Mr. Robinson and his staff testified in a most informative and professional manner. Among a number of things, they made it very clear that the Office of Munitions Control lacks adequate staff and other support resources. In this regard, I am anxious to see to it that the federal government's arms licensing procedures will in the future receive full and adequate support. Accordingly, I am interested to know the State Department's short and long range plans to upgrade support resources for the Office of Munitions Control and to review, with an eye toward tightening, existing State Department programs and policies concerning the registration of arms exporters, the licensing of individual arms exports, investigatory capabilities, and enforcement of existing and planned regulations and policies.

To follow up our February 20 hearing, the Government Affairs Committee is submitting written questions for the Office of Munitions Control. Additional issues were brought up at the hearing that prompted questions more appropriate to other bureaus and offices of the State Department. Accordingly, responses to the enclosed questions would be appreciated in order to complete the record of our hearing.

Thank you for your cooperation.

Sincerely,

DAVID PRYOR.

Mr. PRYOR. Mr. President, I ask unanimous consent that further questions in writing to the Department of State witness of February 20 be printed at this point in the RECORD.

There being no objection, the questions were ordered to be printed in the RECORD, as follows:

QUESTIONS SUBMITTED BY SENATOR PRYOR TO DEPARTMENT OF STATE

The Department of State has broad authority to bar commercial sales for reasons of foreign policy and national security. Is it considered in the interests of U.S. foreign policy and national security to have no prohibition against convicted felons, debarred or suspended manufacturers or individuals under investigation being registered exporters or receiving approved licenses for the export of munitions list items? Please explain why no such prohibition apparently exists in State Department policy guidance.

If it is correct that aid and FMS sales are prohibited for internal security forces of foreign governments, why are commercial sales of weapons and other munitions list items permitted to foreign internal security forces?

Would the Department of State find it useful to know what agent fees and political contributions may have been paid to or by any party in connection with a FMS or a commercial sale?

In what instances since 1981 have bureaus or agencies in the Department of State recommended to the Office of Munitions Control that a specific license application for a commercial sale be rejected? That a debarment be ordered? That sales to specific purchasers be prohibited or specifically investigated?

In what instances since 1981 have representatives of the Department of State exercised any form of diplomatic pressure with regard to a foreign country in connection with presumed violations of the ITAR or U.S. arms export legislation?

Mr. PRYOR. Mr. President, I ask unaminous consent that a letter I am sending to Charles A. Bowsher, Comptroller General of the United States General Accounting Office, be printed in the RECORD, which asks the GAO to do a more comprehensive study on how licenses are granted by our Government to arms exporters.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON GOVERNMENTAL AFFAIRS, SUBCOMMITTEE ON FEDERAL SERVICES, POST OFFICE, AND CIVIL SERVICE,
Washington, DC, March 23, 1987.

HON. CHARLES A. BOWSHER,
Comptroller General of the United States General Accounting Office, Washington, DC.

DEAR MR. COMPTROLLER GENERAL: On February 20th I chaired a hearing of the Governmental Affairs Committee with the concurrence of Chairman John Glenn on the "Procedures for Licensing Arms Exports." I believe that the hearing was tremendously informative but raised a number of concerns about the adequacy of munitions exports controls.

The Government Affairs hearing turned up a number of things which imply that a fundamental breakdown of arms exports controls exists. From the Customs Service the Committee learned about a substantial amount of illegal U.S. arms shipments abroad. The State Department's Office of Munitions Control did not recognize this as a significant problem and apparently does little background analysis on license applications to identify high risk exporters and consignees. It is not clear what compliance functions are fulfilled by O.M.C. and how such activities are factored into the licensing process. Added to this is the apparent lack of written procedures governing the license review process.

In light of this situation, I am calling on the G.A.O. to conduct a review of several aspects of our nation's arms export control apparatus. The review should:

Review and identify weaknesses in the procedures for reviewing registrant and license applications at the Office of Munitions Control.

To what extent does O.M.C. in its license reviews confirm end-use associated with proposed exports?

Determine how long it takes O.M.C. to accept or reject individual license applications.

Examine and explain the disparity between the large value of export licenses approved and the small reported value of exports that actually occur.

Determine whether O.M.C. is obtaining complete information concerning the extent of agent's fees and political contributions from license applicants, as required by law.

Review the compliance activities of the O.M.C. What administrative actions are taken against export law violators? How could this be improved? What support is provided to the Customs Service by O.M.C. in the area of enforcement? What weaknesses exist in this area?

Examine O.M.C.'s proposed three year plan to meet its growing workload. What are its strengths and weaknesses?

List concerns raised by government officials during the course of your review regarding shortfalls of interagency coordination and cooperation.

I would like your response to be in a form as our staffs may agree is most appropriate and expedient. The results of this review will help me to formulate remedial legislation that I would like the Congress to begin considering before its July 4th recess. Accordingly, I request that the report be presented to me by June 22. In order to meet this tight deadline and in light of the likelihood of a congressional hearing on remedial legislation, I further request that you forgo obtaining formal agency comments on the results.

Thank you for your help and attention to this matter.

Sincerely,

DAVID PRYOR,
Chairman, Subcommittee on Federal Services, Civil Service and Post Office.

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

NICARAGUA ACCOUNTING

Mr. BYRD. Mr. President, the Senate yesterday voted by a 46-to-45 majority to require the President to provide an accounting of the funds which have been raised for the purpose of aiding the Contras. We are not talking about inconsequential amounts of money. The Contras have been very well assisted. At least one country which was enlisted in this financial campaign, Saudi Arabia, is reported to have given $1 million per month for some undetermined period, to the cause. There are reports that some $10 million was netted from the Sultan of Brunei, and so far undetermined amounts from other nations.

No one seems to know how many millions were raised from private sources. The investigating committee under the leadership of Messrs. INOUYE and RUDMAN are trying hard to find out in particular how much money came from the diversion of funds from sales of arms to Iran.

Where did all this money go? Did the Contras get part of it? Did they get most of it? Did they get all of it? If they did, how did they spend it? How far down the garden path do we have to be dragged before we dig in our heels, stop short, and say that the American people are entitled to have the answers to these obvious questions?

It seems to me a little foolish to ask the American people to foot additional millions of dollars—an additional $40 million—before we find out what was served up, by whom, and to whom in this operation involving aid to the Contras.

When agency and departmental heads are called up before the committees of the Congress and required to testify on behalf of their agency budgets, those individuals have to be prepared to say how the money that was appropriated for the last fiscal year was spent:

What did you get for it? How many additional personnel did you get on board? Did you buy equipment with it? What results are you showing for your stewardship? What are the results of the expenditures that you have made thus far in this program and that program and another program?

If those agency heads cannot satisfy the questions asked by the members of the committees, it is not likely that the requested new appropriations will be forthcoming. Why should we not have the same answers here, the same requirement, even though we are talking about private funds, and funds that have been raised through other governments and by other governments, and funds that have been reportedly diverted from the sale of arms to Iran, a terrorist government that has humiliated the United States and the American people?

Why not have an accounting of these funds? Why all the resistance? Why the roadblocks? Why the stonewalling?

I hope that we can get a clear majority of this body today to vote for an accounting, and to stop the filibuster. Such an accounting will help our investigating committee. It would shorten the time for the investigations if we could get some of these answers.

There is a diplomatic track underway in Central America. It has been invigorated by the President of Costa Rica, President Arias—not, apparently, with much enthusiastic support from the administration.

In May, the Central American negotiators and Presidents will meet in Guatemala to advance this proposal and we should throw our support behind the effort and, in addition, open up a second bilateral track with the Sandinistas to reach a security agreement, including the elimination of Soviet advisers and Soviet influence from Central America.

Mr. President, we all want to see Soviet influence eliminated from Central America. The American people want Soviet influence eliminated from Central America. But the American people do not support this Contras program. They want Soviet influence eliminated, but they do not support the Contras program. Why? Because it is not working. It is not working.

When will the administration learn that, unless it has the support of the American people for its foreign policy, that policy is not likely to succeed?

I hope, Mr. President, the Senate can vote a solid majority for an accounting of these funds and that a more balanced approach to the Central American problem will be adopted finally by the administration.

Mr. President, I thank the distinguished senior Senator from North Carolina for yielding me the additional time.

I yield 2 minutes to Mr. CRANSTON.

Mr. CRANSTON. Mr. President, I thank our leader. Let me say this about the form of government we have: One of the virtues of open government is that people can see how decisions are made. It should always be clear in an accountable government who has accountability, where that lies, and who does not. That is what we really are now debating in terms of this filibuster and the measure that lies behind it—accountability for money squandered, unaccounted for, in Central America.

The filibuster is waged by those who do not want an accounting, do not want to have a vote and reveal things. They are unwilling to have an accounting on where all that money went. The Contra suppliers obviously have a weakness, they do not want a vote. They know the majority of the Senate wants accountability, just as a majority of the House of Representatives voted for accountability.

What type of government is it, what type of administration is it that spends money and does not want to account for it but wants more money? Why do the Contras need more money now if they got so much from illicit, illegal sources, tens of millions unaccounted for?

Congress was told by the administration a while ago that the Contras were desperate for another $20, $30, $50 million, when they were getting tens of millions on the side that we were not aware of at that time, but that the administration had orchestrated.

That is why we are pressing this issue. The Contra proponents, the people who support the Contras, continue to hide on this issue. All we want is an end to this debate and a vote for accountability.

Those who fail to conform to the requirements of accountability at this time will not be able to duck this issue in the fall. It will come to a head then, when the administration wants more money. At that time, it will only take 51 votes in this body and a majority of 1 in the other body and we will cut off money to the Contras, cut off backing a terrorist war, and stop steps which could lead to American military involvement and Americans fighting in Nicaragua. That is the logical end of this policy if we do not stop it now. For that reason, let us vote to end this debate and get to accountability and bring a halt to this policy.

Mr. BYRD. Mr. President, I yield the remaining 3 minutes to Mr. KENNEDY.

Mr. KENNEDY. Mr. President, I thank my leader. I see my colleague from Massachusetts. I shall be glad to divide the time with him.

Mr. KERRY. Mr. President, I thank my colleague. I would just as soon listen to him.

Mr. KENNEDY. Mr. President, I thank the Senator from West Virginia.

Yet again, the supporters of President Reagan's runaway Contra policy are filibustering to prevent the Senate from imposing a moratorium on further funds for the Contras until past funds have been accounted for. The reason for these tactics of delay is clear. Contra supporters are desperately trying to hide the truth about the aid already provided.

Obviously, there is more to tell. Congress has only discovered the tip of the iceberg in the scandal of Contra funding. We are only beginning to understand the full range of illegal tricks used to send untraceable cash to the administration's hand-picked thugs in Nicaragua—and this filibuster is the last resort to keep the pipeline of assistance open before the truth comes out.

Those whose hands are tarnished in this scandal are hiding from public testimony. Those who are willing to talk can't seem to remember what went on. But the facts are slowly emerging anyway, and each day it is becoming increasingly clear why the supporters of Contra aid are afraid to disclose the truth.

The emerging details of the Iran fiasco reveal an intricate and increasingly embarrassing scheme to divert aid not simply to the Contras but also to the most dangerous and radical elements in the Middle East. The revelations that millions of dollars went as kickbacks to Iranian leaders, to terrorists holding our hostages in Lebanon—not to mention into Contra bank accounts in Switzerland—shed new light on why the administration wants no accounting for the funds.

We are also learning how we extorted and bribed our friends into providing aid to the Contras, when U.S. law specifically banned such indirect assistance. Two million dollars a month was extracted from Saudi Arabia, and the Sultan of Brunei donated $10 million. We even threatened to cut off aid to Costa Rica unless that country allowed us to build a secret landing strip to supply the Contras.

Contrary to the letter and spirit of the law, administration officials were up to their ears in private fundraising for the Contras, including the use of tax exempt organizations as fronts for their illegal schemes. Out of his web of Cayman Islands and Swiss bank accounts, Oliver North came up with $7,000 a month for Arturo Cruz and $10,000 a month for Alfonso Robelo—both of whom have since jumped the Contra ship.

Contra supporters in the Senate have good reason to fear this moratorium. The American people already overwhelmingly reject the administration's policy of wider war in Central America.

That policy is not working—and those who vote to sustain this filibuster know it. The CIA's so-called spring offensive proves the point. Holding no territory, having no support from the Nicaraguan people, and with no hope of military victory, the Contras, with blueprints from the CIA, are preparing to spend the next few months engaged in terrorist bombing attacks on civilian installations in Nicaragua.

As a show of strength, the United States plans to send 50,000 troops to Honduras for military exercises to coincide with the CIA's spring offensive. The exercises are called Solid Shield, but they are no protection against the leaky sieve of Contra aid.

And at the same time, the Reagan administration is quietly stifling the constructive efforts of the Central American democracies—led by President Arias of Costa Rica—to prevent a wider war and negotiate a peaceful settlement in the region.

The spring offensive is no threat to the Sandinistas. It will only serve as a reminder to the people of Nicaragua that the United States is behind the terrorist attacks. And Solid Shield should more properly be called thin veil, because it is a transparent cover for what is clearly a dry run for a United States invasion of Nicaragua.

To continue this fiasco is folly for the Senate. If nothing else comes out of Iranscam, we should have learned the wisdom of finding the facts before committing U.S. aid. That is all this resolution is asking. The administration's policy is a sinking ship that ought to be abandoned now; it cannot be bailed out with $40 million more.

Mr. KERRY. Mr. President, yesterday, I detailed some of the reasons why it is vital that we carefully examine what happened to previous U.S. funds to the Contras before we permit the President to spend anything more in connection with this fundamentally flawed policy.

Joint Resolution 175 places a moratorium on U.S. assistance to the Contras until there has been a "full and adequate accounting for previous assistance." That means not just the $60 million which we have spent on military support for the Contras over the past year, not just the $23 million we spent on supposedly humanitarian assistance the year before, but all assistance we have provided.

Yesterday, I examined some of the case histories involving Contra corruption and other abuses in connection with prior funding for the Contras, including State Department contracts for International Business Communications, Inc., a company which allegedly was funneling funds to the Contras for military purchases at a time when that was illegal, and various frauds in connection with the disbursement of funds from the NHAO.

Today, I would like to review just a few of the recent articles which have suggested that further investigation will only uncover further evidence of corruption, fraud, and financial misappropriation in the handling of Contra funds.

Let me begin with the article which appeared today in the Washington Post, headlined "State Department Helped Contractor Aiding Contras—Normal Procedures Bypassed to Speed 'Emergency' Payment."

According to this article, State Department officials, citing White House concern, bypassed normal procedures in 1985 to bail out a financially strapped company that was aiding the Nicaraguan Contras, as revealed in a State Department memo.

The company, International Business Communications, Inc., had been awarded noncompetitive State Department contracts to publicize the Contra cause in the United States. During the same period, according to the article, the company also was involved in funneling privately raised money to aid the Contras. Further, IBC was listed on the chart prepared by Oliver North, contained in the Tower Commission report, describing his network of funding mechanisms for the Contras. An employee of Carl "Spitz" Channel, Jane McLaughlin, has told the New York Times and ABC that funding for the Contras went to an account called "toys," which she understood was to buy weapons for the Contras in apparent violation of at least the Neutrality Law, quite possibly the Arms Export Control Act, and also the Boland amendment to the extent that North and other officials involved with the fundraising were doing so for the purpose of raising funds to support Contra military efforts.

The article quotes the chairman of the House Foreign Affairs Committee as saying that IBC has "apparently been involved in the funneling of money to secret Swiss bank accounts." And I have received other information suggesting strongly that IBC has simultaneously engaged in lobbying efforts directed at particular members of the Contras at the time of the vote last spring on Contra aid.

Mr. President, it is illegal for the State Department to enter into contracts with anyone for the purpose of lobbying Congress. My staff has asked the State Department just what services IBC performed pursuant to the contracts it had with the State Department, and to date, the State Department has replied that it doesn't know the details and can't tell us.

Nor can the State Department tell us why the major contract it entered into with IBC for more than $276,000 was classified "secret," and declassified only when after inquiries by my office prompted a review of this contract, which was apparently never advertised in the Commerce bulletin as ordinary contracts would be.

The article in the Washington Post quotes a State Department memo from Frank Gardner, then an official of the Department's Office of Public Diplomacy for Latin America and the Caribbean, requesting that the "usual timing of 25 to 30 days be set aside to make an emergency payment" to IBC. The memo said:

> This action is of utmost importance, not just to the Department, but to the White House, and the NSC so that IBC, which finds itself temporarily in dire financial straits, may have funds in days ahead to intensify its efforts * * * on behalf of the President's East peace proposal for Nicaragua.

That peace proposal, Mr. President, was to provide the rebels with nonlethal equipment unless the Nicaraguan Government entered into serious negotiations with the Contras on national reconciliation. The proposal was part of a package designed to win congressional support for funding the Contras. What the funds to IBC apparently were for was nothing less than lobbying, an activity precluded for State Department funds by law.

Mr. President, I have asked the State Department to provide my staff and the staff of the Foreign Relations Committee with a detailed accounting on its contracts with IBC. My staff was told yesterday, that no list existed today of the services which IBC performed under the contract, that the State Department didn't know who at the Department of State chose IBC for the series of noncompetitive, sole source purchase orders and contracts, didn't have a record of what services were actually performed by IBC under the purchase orders and contracts, couldn't provide us with copies of materials drafted by IBC pursuant to these contracts for State, and couldn't say why the major contract was classified "secret" or why disclosure of the information in the contracts would cause "serious damage to the national security," the only proper standard for classifying it secret in the first place.

It is clear to me that the IBC situation needs to be fully investigated and that it is but one of many examples of abuse connected with U.S. support for the Contras. Mr. President, Rafael Flores, program director for IBC pursuant to the State Department contract, was simultaneously public relations director for Carl Channel's companies at a time when Channel was targeting individual Senators and Congressmen in political campaigns. Flores was working for Channel and for the State Department on Central American issues simultaneously while Oliver North was allegedly helping Channel prepare television advertisements on the Contra issue generally, and in some cases directed at individual Congressmen.

I can think of few more serious situations than the situation we may have here, Mr. President, where the State Department is keeping a business afloat which is in "dire financial straits" to quote the State Department memo, which has as its program director a person who simultaneously is engaged in not just lobbying, but active attempts to target Senators and Congressmen opposed to the administration's policies in Central America.

Mr. President, the IBC situation is only one of the abuses that have recently been uncovered. For example, the Philadelphia Inquirer revealed this Sunday that humanitarian aid was illegally used to buy weapons for the Contras, according to State Department records and interviews.

To quote the Philadelphia Inquirer story:

> Records and interviews show that the State Department hired retired Air Force Col. Richard B. Gadd to deliver most of the humanitarian aid at the same time he was setting up a secret, supposedly private weapons supply network—and that he used his State Department contracts to offset his weapons delivery costs.

The March 22 article by Steve Stecklow details some of the methods that the NSC-directed network used the State Department's humanitarian assistance program to help the weapons supply, in apparent violation of the law, from paying for parachutes used to drop weapons to the Contras, to paying for the cost of shipping planes down to Central America which were then used for weapons drops.

In direct contradiction to testimony given by Assistant Secretary of State Elliott Abrams before the Senate Foreign Relations Committee, the article quotes State Department officials as acknowledging that loads of humanitarian assistance were sometimes mixed with arms in Central America. Mr. Abrams and the State Department as recently as last month have formally denied to the committee that this took place.

The Philadelphia Inquirer quotes another State Department official as saying he knew at the time that Gadd was involved in arms deliveries when he was handling humanitarian shipments. Yet other State Department officials, including Mr. Abrams, continue to contend that they were ignorant of the Gadd operation, and were as suprised as anyone that Hasenfus was not a private soldier of fortune, but had been paid for by the U.S. Government.

Mr. President, is it credible to believe that the State Department chose to pay Mr. Gadd $609,000 to transport humanitarian assistance and didn't know he was shipping arms to the Contras, and weren't involved in helping him? How was Mr. Gadd selected for shipping this aid? Why did the State Department insist on his company doing the work? Why did Mr. Gadd contract with Southern Air Transport to carry the humanitarian aid, when Southern Air had also engaged in shipping weapons to the Contras? Why was Gadd chosen when his company had no planes of its own and reported assets at the time of minus $56.18? Is the Congress supposed to believe the assurances of Mr. Abrams in the face of the evidence to the contrary that the $609,000 didn't help the Contra military supply operation in violation of the law?

Of course not. But the truth is, we don't have the answers today, and that is exactly why we should demand a moratorium until a full accounting of past expenditures is made.

Mr. President, I ask unanimous consent that the article which appeared in the Washington Post and the article which appeared in the Philadelphia Inquirer be placed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 24, 1987]

STATE DEPT. HELPED CONTRACTOR AIDING CONTRAS—NORMAL PROCEDURES BYPASSED TO SPEED "EMERGENCY" PAYMENT

(By Larry Margasak)

State Department officials, citing White House concern, bypassed normal procedures in 1985 to bail out a financially strapped company that was aiding the Nicaraguan contras, a department memo shows.

The company, International Business Communications Inc., had noncompetitive State Department contracts to publicize the contra cause in the United States.

During the same period, the company also was involved in funneling privately raised money to aid the contras. IBC is a Washington public relations firm that has "apparently been involved in the funneling of money to secret Swiss bank accounts" used in aiding the rebels, said Rep. Dante B. Fascell (D-Fla.), chairman of the House Foreign Affairs Committee.

The State Department memo from Frank Gardner, then an official of the department's Office of Public Diplomacy for Latin America and the Caribbean, was addressed to an official in the comptroller's office.

"This is to request the usual timing of 25 to 30 days be set aside to make an emergency payment of $12,858 to IBC in response to its bill dated 41185," said the memo, which was dated the same day as IBC's bill.

"This action is of utmost importance, not just to the department, but to the White House, and the NSC [National Security Council] so that IBC, which finds itself temporarily in dire financial straits, may have funds in days ahead to intensify its efforts . . . on behalf of the president's Easter peace proposal for Nicaragua."

President Reagan's proposal was to provide the rebels with nonlethal equipment unless the Sandinista government entered into serious negotiations with the contras on national reconciliation.

The State Department memo reveals the Reagan administration's interest in IBC at a crucial time for the contras.

This interest flowed from two parallel developments between January and April 1985. First, U.S. government aid to the contras had run out and "elements of the NSC staff focused their efforts on strategies for repackaging the contra program to increase support on Capitol Hill," according to the Tower commission.

At the same time, Lt. Col. Oliver L. North, the NSC staff member who was later fired as a result of his involvement with secret arms sales to Iran and aid to the rebels, was working on contingency plans to continue private assistance should the aid package fail.

A report last week by Fascell's committee said that IBC and one of its principals had six noncompetitive contracts with the State Department from 1984 to 1986.

During some of that period, the firm also was retained by Washington fund-raiser Carl R. (Spitz) Channell to help conduct a pro-contra public relations campaign and funnel privately raised money to the contras.

[From the Philadelphia Inquirer, Mar. 22, 1987]

Contra Funding Diverted—Humanitarian Aid Used To Buy Arms

(By Steve Stecklow)

Washington.—Money from a $27 million program of "humanitarian" aid to the Nicaraguan contras was used to supply weapons to the rebels at a time when all U.S. military assistance was banned, State Department records and interviews show.

Congress strictly prohibited using any of the $27 million to help the contras obtain weapons and ammunition when it approved the humanitarian assistance program in 1985. But records and interviews show that the State Department hired retired Air Force Col. Richard B. Gadd to deliver most of the humanitarian aid at the same time he was setting up a secret; supposedly private weapons supply network—and that he used his State Department contracts to offset his weapons delivery costs.

Among the ways that supposedly humanitarian aid helped the weapons supply network:

The State Department acknowledged that Gadd was paid for parachutes that a member of the contra supply network said were used to drop weapons to Nicaraguan rebels. The crew member, Lain Crawford, said that he sold the parachutes to Gadd for $11,751 and that he later attached them to crates of weapons he pushed out of a cargo plane to contra units. A State Department official, who requested anonymity, confirmed paying Gadd for parachutes. If they were used for some other purpose, he said, that was not the State Department's responsibility.

Gadd partially offset the costs of a weapons flight by piggybacking it on a delivery of humanitarian aid. The State Department paid Gadd's company, Airmach Inc., to deliver nonlethal supplies from New Orleans to El Salvador last April 9. After the supplies were unloaded, the plane was filled with seven tons of weapons, according to crewmen, who said they parachuted the arms to contra units during a secret mission two nights later. The crewmen said that Gadd paid for the weapons drop but that their network had been spared the $26,900 cost of flying the plane to Central America.

Gadd was paid more than $487,000 to transport humanitarian assistance between Jan. 17 and April 11, 1986, according to State Department records. He got the contract even though his company had no planes of its own and reported assets at the time of minus $56.18. The State Department kept Gadd as contractor even after it found a competing company that could perform the services better for less money, according to Mario Calero, a top contra official in charge of buying the humanitarian supplies—such things as food, clothing and medicine.

Gadd, through his attorney, Kenneth Lazarus, declined to comment.

Congressional committees now are investigating the ties between the humanitarian aid program and the covert arms supply network. One question is whether the State Department steered humanitarian assistance business to Gadd as a way of helping pay for the clandestine weapons shipments.

The House and Senate committees investigating the Iran-contra arms affair voted Wednesday to grant Gadd immunity from prosecution, in an effort to compel him to testify.

State Department officials deny any wrongdoing. Robert Duemling, a career diplomat who directed the department's Nicaraguan Humanitarian Assistance Office (NHAO), said in an interview that he did not know that Gadd was involved in delivering arms to the contras.

Asked about the parachutes, he said that congressional oversight committees had approved spending NHAO funds on "any kind of delivery system," including parachutes.

But former Rep. Michael Barnes, who at the time was chairman of the House Foreign Affairs subcommittee on Western Hemisphere Affairs, which oversaw the spending of the humanitarian aid funds, said NHAO officials never asked for permission to buy parachutes for weapons drops.

"If in fact they were purchasing equipment to facilitate the shipment of weapons, then they were clearly undermining what Congress intended," he said.

Another State Department official, who requested anonymity, acknowledged that the parachutes were probably used for weapons drops—and that loads of humanitarian assistance were sometimes mixed with arms in Central America. The official maintained, however, that the department had not violated congressional restrictions on the humanitarian assistance.

A third State Department official said he knew at the time that Gadd was involved in arms deliveries when he was handling humanitarian shipments.

The $27 million humanitarian aid program has been the subject of intense controversy since the funds were first approved in 1985. The General Accounting Office, Congress' auditing agency, reported last year that it could not verify how millions of dollars had been spent under the program.

The GAO also found that $25,870 had been spent on uniforms, ammunition and grenades, in violation of the program's provisions. The money spent for weapons was later recovered from the contras by the State Department.

Gadd, 46, a former air commando, specialized in providing air transport and aircraft maintenance for the Pentagon through American National Management Corp., a company based in Vienna, Va., according to business associates who requested anonymity. They said Gadd held classified defense contracts to provide unmarked civilian planes and civilian crews with high security clearances enabling them to fly anywhere in the world, on 12-hour notice. He usually used the services of Southern Air Transport, a Miami-based airline once owned by the CIA but which denies any current ties to the agency.

How Gadd came to work for the humanitarian aid program is not clear. At the State Department, Duemling declined to comment.

Calero, procurement chief for the contras in the United States, said in an interview that Gadd first contacted him in December 1985 about delivering the State Department's nonlethal aid to the contras.

At the time, the humanitarian aid program, which began operations in the fall of 1985, was plagued by delivery problems. The Honduran government, then headed by former President Roberto Suazo, had seized the initial shipments and then halted all delivery flights.

The dispute was resolved in early 1986 after Honduras' current president, Jose Azcona, took office. But by then the nonlethal aid had backed up, and Calero said he and the State Department decided to replace Conner Airlines of Miami with a new carrier that had larger planes.

Calero said he had never heard of Gadd or Airmach. When they met in New Orleans in December 1985, Calero said Gadd already knew the type of planes Calero wanted and how many weekly flights had been authorized to Central America.

"Where he found out I can't tell you," Calero said. "He surprised me."

Calero said he suggested that the State Department hire Gadd because he offered to fly planes to Central America for several thousand dollars less per flight than another airline he had contacted, Transamerica.

On Jan. 3, 1986, the State Department authorized Airmach to deliver nonlethal aid to Central America, department records show. Between Jan. 17 and April 11, Airmach flew 15 flights to Central America, according to a source at Southern Air Transport in Miami. That company provided the planes for the humanitarian aid deliveries and at least one weapons drop.

At the same time Gadd was transporting humanitarian aid for the State Department, he was deeply involved in organizing the secret contra weapons supply operation, crewmen involved in the operation said.

The crewmen said they believed that Gadd was working for retired Air Force Maj. Gen. Richard V. Secord, with whom he had long been associated in the military and private business. The Tower commission and the Senate Intelligence Committee have said that Secord worked with former National Security Council aide Oliver L. North to keep the contras armed during the time U.S. military aid to the rebels was banned by Congress.

The contra supply network delivered tons of arms until one of its cargo planes was shot down during a weapons run into southern Nicaragua last Oct. 5.

Crewmen said that Gadd began recruiting them in December 1985 and that between then and the downing of the C-123K, Gadd purchased supplies, set up a radio network and helped arrange the purchase of cargo planes. Southern Air assisted in the purchase of four cargo planes, provided thousands of dollars used by crewmen to pay for fuel and spare parts, and provided maintenance services and personnel.

Crawford, the weapons supply crewman, said Gadd told him that the weapons network was a "spinoff" of the humanitarian assistance program.

Crawford said that at the time Gadd hired him, "we were going to work for a spinoff of Project Hope." As part of the humanitarian aid program, the State Department gave a $3.75 million grant to Project Hope to provide medical supplies to the contras. Airmach was contracted to deliver most of the material.

The State Department went out of its way to keep Gadd under contract, according to interviews.

In mid-February 1986, when Gadd could not provide enough planes for three deliveries in one week, Calero said he arranged through a broker for Markair of Anchorage, Alaska, to provide a flight to El Salvador.

Calero promised that Markair would get at least three flights, according to Jim Mueller, a Connecticut broker who negotiated the flight, and Ed Rogers, director of cargo sales at Markair.

But after Markair sent a plane to New Orleans for a second flight and filled the plane with supplies, they said, an order was given to unload the plane. The goods were then reloaded on a Southern Air Transport plane contracted by Gadd, which flew the mission, according to Mueller and Rogers.

Mueller said he complained to Calero and an NHAO official at the State Department but was told by both men that the order had come from higher-ups in Washington.

Duemling confirmed that the State Department had ordered the Markair plane unloaded, saying that Calero had made promises to Markair "against the specific instructions of this office." Duemling would not discuss, however, why the State Department preferred to use Gadd and Southern Air, even through Calero said that Markair provided better service than Gadd.

Moreover, Calero and another State Department official said that Markair charged less and eventually took over from Gadd.

This happened after a dispute between the State Department and Airmach over its bill, according to State Department records. Airmach billed the Department $609,700 for its 15 flights. But the department at first paid Airmach only $487,600. The department refused to pay for extra risk insurance that Southern Air, which was flying the supplies for Airmach, said it had to pay when its insurer learned that the airline was flying to Central America.

The dispute was later "amicably terminated," with the State Department agreeing to make an additional payment, according to Southern's attorney, David Kirstein. He declined to disclose the settlement.

CLOTURE MOTION

The ACTING PRESIDENT pro tempore. One hour having passed since the Senate convened, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of House Joint Resolution 175, a joint resolution to impose a moratorium on United States assistance for the Nicaraguan democratic resistance until there has been a full and adequate accounting for previous assistance.

Robert C. Byrd, Alan Cranston, Kent Conrad, Quentin Burdick, Timothy E. Wirth, Daniel Moynihan, Jeff Bingaman, John D. Rockefeller, Claiborne Pell, John F. Kerry, Patrick Leahy, David Pryor, Albert Gore, Jr., Wendell Ford, Tom Daschle, and Edward M. Kennedy.

VOTE

Mr. BYRD. Mr. President, there will be no other rollcall votes today.

The ACTING PRESIDENT pro tempore. By unanimous consent, the quorum call has been waived. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of House Joint Resolution 175, a joint resolution to impose a moratorium on United States assistance for the Nicaraguan democratic resistance until there has been a full and adequate accounting for previous assistance, shall be brought to a close. The yeas and nays are automatic under the rule. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER (Mr. DIXON). Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 50, nays 50, as follows:

[Rollcall Vote No. 37 Leg.]

YEAS—50

Adams
Baucus
Biden
Bingaman
Bradley
Bumpers
Burdick
Byrd
Chafee
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Harkin
Hatfield
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Specter
Stafford
Weicker
Wirth

NAYS—50

Armstrong
Bentsen
Bond
Boren
Boschwitz
Breaux
Chiles
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Evans
Garn
Graham
Gramm
Grassley
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Nunn
Pressler
Quayle
Roth
Rudman
Shelby
Simpson
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

The PRESIDING OFFICER. On this vote, the yeas are 50, the nays are 50, three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

ORDER THAT CLOTURE VOTE OCCUR AT 12 NOON TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that the vote on cloture on tomorrow occur at the hour of 12 o'clock noon.

The PRESIDING OFFICER. Is there any objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, there will be no further rollcall votes today.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business not to extend beyond 30 minutes and that Senators may be permitted to speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SMALL BUSINESS

Mr. DOMENICI. Mr. President, I want to take just a few minutes of the Senate's time to discuss three matters. I started two of these a while back but I was kind of limited in time. Today I introduced a couple of measures that I would like to talk for just a moment about the one on small business.

Twenty-four Senators have joined me in a bill that I think is rather significant. As we all know, small business is the backbone of this country. They have two successful small business conferences in this Nation in the past 6 years, but there is no legislative mandate that these small business conferences take place.

So one of the proposals that came out of the small business conference—I am very proud and pleased that it happened to have been suggested by the New Mexico delegation to the national conference—but one of the suggestions was that we just not take these national conferences for granted and that we legislate that one will occur at least every 4 years, meaning that it will not be left either up to the whim of the Congress from time to time in the future or even up to the whim of the Chief Executive from time to time.

So the measure is a simple one. It has now been referred to the Small Business Committee of the U.S. Senate. Its counterpart hopefully will work its way through the House. But I think it makes eminent sense, if we are concerned about our economic future and if we are willing to admit that under our system the real backbone for innovativeness, the real backbone for flexibility in difficult times, that which makes us so capable during transition periods is the small business community of America, then I think the least we can do is take one of those suggestions—we are following many of them—but take that one that says: "Why don't you mandate that we have a small business conference every 4 years and make it law?" I hope that the rest of the Senators that did not get a chance to cosponsor it—24 did—I hope they will join. I thank everyone that did, and particularly those who are members of the Small Business Committee.

THE HOMELESS WHO ARE MENTALLY ILL

Mr. DOMENICI. Mr. President, I would like to take a couple more minutes to discuss the homeless and, in particular, the homeless who are seriously mentally ill.

Some may ask: "Why is Senator DOMENICI, a Senator from New Mexico, a rural State"—obviously, we have no New York cities, we have no Philadelphias, we have no Chicagoes in New Mexico; our largest city is my home city of Albuquerque—some may say: "Why is a Senator from New Mexico involved in this issue of the mentally ill that are homeless?"

Well, let me say to the Senate, about 3 or 4 years ago, for matters personal to my family, I acquired a very serious and deep interest in mental illness, especially the kinds that are called serious mental illnesses. As a result, I have been very active in the Appropriations Committee in an area that I thought I could do some good.

What was that area? That area was the woeful inadequacy of America's commitment to research on serious mental illness under the auspices of the National Institutes of Mental Health. I will not tonight bore the Senate with the facts, other than to say that there is no illness—and I stress "illness," if you want to call it disease, sickness—there is no illness in the United States that is more debilitating than serious mental illness.

In what respect? There are more people occupying hospital beds in the United States of America as a result of serious mental illness than any other single disease. There is more economic loss in this country due to serious mental illness—schizophrenia, manic depression and hybrids of those—more economic loss per day than any other illness in America.

There are more homes in America torn apart by having some young member of their family the victim of this tremendous disease called schizophrenia. And we are now reaching a point—thank God; it has taken a long time—where we do not hide serious mental illness any more as if it is some medieval disease that comes upon us because of the devil or some kind of thing that we are all embarrassed about.

I guarantee you, Mr. President, it strikes all kinds of households. It strikes mothers and fathers whose children have had the best of everything; it strikes mothers and fathers of children who are poor; it strikes mothers and fathers who do not even know what to do when they find their youngster with this kind of illness. And it goes from one crisis to another, such that we now have the President of the National Association for the Mentally Ill, a marvelous man from California, come and testify before the Senate—a successful man, who has done everything he could for his family—sit there and tell us: "I have two sons. Both have schizophrenia. One is in prison and the other one will be there pretty soon because we don't know what to do about it. Because when they are sick, when they are going through those episodes, their conduct is totally irrational and we have changed our policy with reference to institutionalization and they are now on the streets."

So this Senator said, "Why don't we put more research money into serious mental research? Why don't we commit to the scientists of this country that this is indeed one of our serious problems, and we invite you to join in the research, and it will not be for a lost cause because there will be money there to fund your projects?"

So our goals were twofold: Quit hiding it, and begin to put some real money into research.

How good it is to be able to say to the Senate that the leaders in research today—those who have joined associations such as the National Association for the Mentally Ill, and one of their characteristics is that a member of the family must be ill. How good it is to hear that it is the fastest-growing organization in the United States because they are trying to help each other, and how good it is that they can now testify that there is no longer an embarrassment to tell one's neighbor that their child is sick rather than to hide, and second to hear the great scientists say we are getting the best of America's scientists applying for grants through NIMH to find a cure for this incredible disease.

It is logical, if the Senator from New Mexico learned about that, that I was utterly and totally shocked as I walked the streets in my home city, as I read about those who walked the streets of New York, as I read the reports of those who were trying to tell us something about this phenomenon called "the homeless" or "the street people" or "the grate sleepers," and to read one study after another, say a huge proportion of those people are seriously mentally ill.

Mr. President, the smallest percentage I have seen in any study—Americans should know this because they are watching television at night, and there is nothing that is working at their hearts more than this issue of homelessness—and they should know that those people sleeping on the grates, those people sitting on a park bench staring at the sky, or saying and talking strange kinds of languages are ill. They do not want to be there. They do not know any better because they are sick. No less than 35 percent, I found, of those who are homeless are ill, and have one of the dread diseases of serious mental illness.

Having found that, and having done a little bit to say we are going to find a cure one of these days, I began to ask those who are trying to help the street people who are mentally ill what should we do about it? And I found that a few States—and herein I compliment New York—put a little bit of seed money through their State legislatures into programs to experiment, for lack of a better word, with ways and means of helping. And what we have found now from the experts is that there is no simple, easy way. We can have 15 emergency bills for the homeless pass here in the U.S. Congress, and we could take our turn over 4 or 5 months when the cold hits the streets to hit the floor of the Senate, or hit the floor of some committee, and say, "Let's spend some money on the homeless," and we are not going to solve the problem of the 35 to 50 percent of the seriously mentally ill who are in that group called "homeless America."

So obviously the person occupying the chair and some others helped last year to change some laws. That was a simple first step. It is simple. It is as simple as saying you cannot deny people entitlements such as welfare, food stamps, or veterans benefits because they do not have a residence. It is clear, and as patent as the glasses on my face. How can you ask homeless people for their home address before they are entitled to help? So that started its way down the road to getting for those people something they need and are entitled to.

But now with the help of the experts, the help of those who are in the field relying upon some of the models that are working, we put in a homeless bill the other day. We will call it, for purposes of this discussion, the Domenici-Simon bill, Senate bill 763.

Mr. President, it acknowledges that the only way we are going to help is to have at least five ingredients. First, you have to go look for them. So we are going to have to have outreach. Second, you are going to have to take care of them once you entice them to come and get help. So you have to have case workers. And they have to be helped in some very basic fundamental things. Part of that requires that we have medical assistance. Some of our modern drugs are performing miracles in terms of calming these deranged, sorrowful people that are sad and sick. We have to help with medical care once we have talked them into joining. But we also have to provide shelter. We call it transitional living.

So they are there to get that kind of work, to get that kind of work up, and get that kind of medical help.

Then without any question we have to have some more training for the kind of people that are going to provide it. Then we have to monitor to make sure they are getting the very best in terms of modern treatment.

Mr. President, I have now heard of cases today that I can tell you of a man in one case who for 22 years was literally catatonic with schizophrenia, allegedly. That means a basket case for 22 years. And with modern medicine, in 6 months the 22 years are lost. But the person is up and around, ambulatory, and almost able to take care of himself. And I have heard of another recently, believe it or not, that after 38 years is receiving the kind of medical care, and the kind of modern drugs such that after 38 years of being literally lost is practically well. We are going to have to provide that, and monitor it. And this bill that I am referring to says let us let our best monitor, and give advice. Then last but not least, we need the local units of government to do something so that it is theirs.

So we have a 75 to 25 percent match in this program and it goes out under a formula that we think is eminently fair to the large States and the small States. And the reason I am speaking is because this bill is not part of the emergency bill that we are considering. Pieces of it are, but are woefully inadequate in my opinion.

So today I put an amendment in that says when you are considering that emergency bill please take a look at taking all of the measures that deal with the mentally ill out of that bill, putting them in a separate section, and using this approach. If you cannot afford the whole program of $200 million a year, which I think we should start spending next year, at least get this started as part of either the emergency program or the long-term program that is being referred to the committees.

I am convinced it has a chance of helping. I am not convinced that there is any total solution to the problem. But I am equally convinced that we are not going to solve it at all unless we begin to address it in somewhat that way.

THE BUDGET

Mr. DOMENICI. Mr. President, in my last comments here this evening, and I thank the Chair and the Senate for their indulgence, I want to talk for a moment about the budget. I will not take long.

Obviously, the budget of the United States and the budget process is not quite as much in the minds of the American people as a few years ago. I think that is a very sad state of affairs. The budget deficit is serious, significant, and dangerous, but nonetheless it is not high on anyone's priority list of that which the politicians of America ought to resolve.

Thank God, however, that the leadership still thinks it is a serious problem, and that we ought to begin to solve it. Some are asking the Senator from New Mexico as the ranking minority member who for 6 years had to put budgets together sometime with the help of the minority, sometime without their help, where are you? What are you going to do, Some have asked where is the President? What is he going to do? Some have said why does the President not have a summit? Why does he not call the leadership over there?

Why do we not begin to talk about a deal? This past Saturday, in the President's radio address, he alluded to this. I am not sure of his exact words and I do not have the text here, so what I am going to say is not verbatim. But essentially, I think the President said something like this: "I have been asked to negotiate. Why should I negotiate with a budget process that is in a state of chaos and shambles, that does not have much credibility? You do not know whom you make the bargain with. You make it once with the Budget Committee and then, 4 months later, the appropriators do it another way. You think you have an agreement to get rid of three or four programs because you assumed it in a budget resolution; they find their way into the appropriations and nobody knows anything about it."

You set a target for defense in a budget resolution only to find that we never reach it and that is the will of the institution, and I am not complaining; although I think we have cut defense too much in the last 2 years. But whatever we cut, after having made a deal with the President, we spend somewhere else. Then we end up with these processes called reconciliation, a strange word. It is a process to force, allegedly, savings.

And what do we find? I do not think anybody really can teach the Senator from New Mexico much about reconciliation. I decided it should be used to carry out the first part of Ronald Reagan's administration program in its change in domestic policy. So the largest reconciliation bill in history passed here—modifying, changing, forcing committees to change bills. But with the passage of 6 years, I have come to the conclusion that you can get just about as much bad as you get good out of reconciliation any more. Because in the first year, you do your savings, but in the second, third, and fourth years of that same bill, there is no requirement that there be savings. So you can spend in 1 year and add in the next year in the same bill and call it reconciliation.

As a matter of fact, you can even add whole new programs that you could not otherwise pass. And we have tried to ameliorate that practice, but it is not working. There is no question about it, it is not working.

So, where do I stand? I say the time is now to fix the budget process, to fix the appropriations process, to modify the rules so that we put some degree of common sense, reasonableness, reliability, credibility into our processes of budgeting, appropriating, and restraining government.

When we passed the Budget Impoundment Act, we had a couple of other interesting things in it called rescissions and deferrals. They were aimed at something very logical in America. That is, historically, we never have given our Presidents the line-item veto. Governors may have it. I have heard the distinguished occupant of the chair, who is a proponent of it, say his Governor has it, Illinois has it. I think I have heard him say it saves them immeasurable numbers of millions because Governors can remove pork or Governors can remove special-interest expenditures.

But we are not going to give Presidents of the United States line-item vetoes. It is just a little more than Congress wants. It gives Presidents not only a little more power than we want to give them, but essentially, perhaps it gives them too much leverage over Senators and Congressmen on other matters—matters unrelated to budget and appropriations items. But nobody can doubt that the pendulum is balanced too much the other way now, because we put rescissions and deferrals in, intending that Presidents have some way of deleting from appropriated budgets in an effort to save things that Presidents truly thought were either excessive or we put too much in a program, more than you can spend, or that the program was not needed.

Essentially, current deferral and rescission is dead. We have watered it down, plus a Supreme Court decision interpreting the two-house approach has made it almost a nullity, such that he sends us rescissions and they are considered only in a committee in a perfunctory manner, and I think it is safe to say that over 4 or 5 years, not over 1½ percent of the rescissions recommended by the President have ever been adopted.

Mr. President, I believe we have to be fair. We are saying, "Mr. President, why don't you negotiate?" Some might even be saying to Republicans—on the minority side now—why do we not work out a budget? It seems to me it is just about right to say to all of us, Democrats and Republicans, why do we not fix the process up? We may have a lot more converts to putting a budget together if it had a lot more credibility in it, if you could believe in it and trust it, and if it were not so arcane and difficult to understand.

I could say to any new Senator who has joined this body recently, if they want to get into the action around here, they ought to make sure they go and hire a budget process expert, because you cannot even amend around here without knowing that process. In some cases, it is subject to a point of order, in others, it is not. In some cases, you have to be neutral; in other cases not. In some cases, you need 60 votes; in others you do not. In some cases, in the U.S. Senate, you have to worry about outlays coming from a program; in the House, they do not worry about it.

Let us be honest about it: The time has come to fix this. There is just no doubt about it. So what I am recommending is that there be more detail, that we have 2-year appropriations and 2-year budgets. I have had most of the department circularized and how interesting it is: Huge percentages of every department's appropriations are repetitious from one year to another. I cannot tell the chair and other Senators how much yet, but I am going to bet that over 85 percent of an appropriations bill for 1986 is identical to the one in 1987. But we are going to go through it each year.

We are supposed to get 13 of them. It just seems to me that the time has come, since we have 2-year Congresses under our Constitution, that we take 1 year to budget and appropriate and 1 year to do other things.

Then there is another part of this process that is very, very strange: continuing resolutions. I will take my share of responsibility as former chairman of the Budget Committee for delays that have precluded the passage of appropriations bills on time. But I do not take the blame as former chairman of the Budget Committee for the use of continuing resolutions and their growth in use such that, last year, we passed all 13 permanent bills—if not all 13, close to it—not as bills but as a continuing resolution, most of which is, therefore, reference rather than bills, and all packaged in one and sent to the President, and he is told to take it or leave it: the whole of Government or none.

I think it is time that we figured out a process which makes it almost impossible—or let men put it in a milder way—where the exception would be not to pass appropriations bills in a freestanding manner. I think we can find ways to do that. I think we can find ways to put discipline on ourselves such that we are forced to consider appropriations bills one at a time and that is part of the reform that I am proposing.

Now, there will be more detail on it tomorrow. I will circulate it to most people who have indicated an interest. I will send it to Members of the House on the Republican side. I suspect there will be some Democrats who are equally interested in the other body and we will get them at least a bill that I will introduce and a summary of it. I may have left out a few of the points that will be in it, but it will be about six or seven or eight points in terms of reform.

I urge the Senate and the House seriously consider that the time is ripe to do it now; that if we are going to say "Let us refer it to the committees, let us study it," it will never happen.

I submit some kind of a special task force or the like, bipartisan and bicameral in nature, could, indeed, accomplish this in very short order, at least significant portions of it. I urge that it be given serious thought.

So that gets me back to answering the hypothetical that I asked of myself. Some say, "Where are you on the budget? Is this a year when it will be bipartisan?" I have tried my best to tell my friend, the chairman of the committee, that I really do not know, but I can say there will be an awful lot more support for putting together a budget with onerous provisions in it if we can get some of these reforms worked out.

Now, in closing I will just give you my last and best evaluation.

I have seen budgets from Democrats, from Republicans, from terrorists, from people at Brookings Institute, and from others saying, "Here is how you can put it together this year." And I have seen an item called new revenues, taxes, anywhere from a high of $40 billion in some to as low as $15 billion, $16 billion, $17 billion in others. And that, say the proponents, coupled with reducing expenditures, gives you a chance of getting to Gramm-Rudman-Hollings totals.

Frankly, Mr. President, I have no way of telling anyone, citizens, New Mexicans who I represent, fellow Senators, that the budget would truly and really and dramatically be affected downward 3 years from now by the amount of new taxes which one suggests this year. As a matter of fact, I have no way of saying there is a high probability that if you do that you will have had a permanent effect, such that you can expect the deficit to be that many dollars less 3 years from now than if you did not do it, because the processes and the way we do it is just as apt to be effective in reducing the deficit as it is in doing nothing, perhaps being neutral, because by hook or crook we find some way to make it ineffective or less effective because the processes just do not work.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GRAHAM). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that the period for morning business be extended, under the same restrictions, not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. QUAYLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

THE ABM TREATY DEBATE

Mr. QUAYLE. Mr. President, in the past few days, we have heard a great deal about the ABM Treaty and what it does or does not allow.

We have heard hours of detailed discussions about the meaning of this or that article in the treaty and intepretations of what was or was not understood during the Senate ratification hearings.

The problem with this debate, however, is that it has been waged without any serious reference to the Mutual Assured Destruction assumptions we used to give birth to the ABM Treaty in the first place.

In addition, we have not heard how Soviet actions since 1972 suggest that they have their own broad interpretation of the treaty.

I believe, it is time we looked at these questions. Not only do they help explain our current confusion over the ABM Treaty's proper interpretation, but they also help explain the pronounced differences in Soviet and United States strategic military policy.

To put it bluntly, the United States naively hoped that by signing the ABM Treaty and its companion treaty—SALT I—the Soviets would adopt the mutual assured destruction theory, dismantle their strategic defense and limit their offensive arsenals.

Instead, as even a cursory review of history reveals, the Soviets rejected Mutual Assured Destruction and used both the ABM and SALT Treaties as an opportunity to catch up to the United States in defensive technologies while simultaneously overtaking us in the offensive realm.

While agreeing in principle not to build defensive systems, the Soviet have nevertheless liberally interpreted the ABM Treaty for years because they clearly place a high premium on strategic defenses.

In fact, the Soviets' desire to develop strategic defenses was obvious before the ABM Treaty was even signed.

Soviet Prime Minister Aleksei Kosygin, for instance, said at the start of the ABM talks that "a defensive system, which prevents attack, is not a cause of the arms race but represents a factor preventing the death of people."

Nor did the Soviets leave any doubt about their intention to push ahead in defensive technology development once the treaty was signed.

It was Soviet Defense Minister Andrei Grechko who observed in 1972 that the ratified treaty "imposes no limitation on the performance of research and experimental work aimed at resolving the problem of defending the country against nuclear attack."

The Soviets have also have backed up such words with action.

In the 1960's, for instance, the United States outspent the Soviet Union in ballistic missile defense development 2 to 1. By 1980, after the ABM Treaty had been signed, the Soviets were outspending us in this area 5 to 1.

It is also worth noting that, since 1972 and the signing of the ABM treaty, the Soviets have spent more on strategic defenses than on strategic offenses. They have indeed spent more on their defensive capability from a strategic basis than on the offensive weapons which have been much of the discussion here today.

And what did the United States hope to accomplish under the treaty? What has it gotten for its trouble in the years since?

Although it is now abundantly clear that the Soviets never accepted the MAD concept of mutual deterrence through mutual vulnerability, this did not stop the United States from forging ahead blindly on faith in the Soviets' good intentions.

While the Soviets deployed extensive strategic air defenses, we dismantled ours.

While they developed and deployed two separate generations of ABM systems around Moscow, we dismantled our one and only system.

While they developed antitactical missile systems to counter U.S. strategic ballistic missiles, we canceled our original plans to give American antiaircraft missile systems such capabilities.

And while they hardened their military assets and trained their population in civil defense, we abandoned our own efforts to harden missile silos and dismantled our own civil defense program.

Mr. President, as I hope this brief historical review makes clear, the Soviets have never adopted the same MAD premise which the United States has always assumed.

Instead, the Soviets have insisted for more than a decade that strategic defenses are critical to stability and that their own ABM Treaty negotiators agreed to nothing that would in any way restrict their research and testing of such defenses.

So, given the Soviets' history of liberally interpreting the ABM Treaty to further their own strategic defenses, is it not just a little bit ridiculous to limit our interpretation of that very same treaty in defensive areas where the Soviets do not now have an advantage?

When our own President looked at this history and concluded that the ABM Treaty allows us to research and test futuristic space-based defensive systems, it was sound policy. It also seems totally in line with what the Soviets have said and done.

In fact, there is clear evidence that the Soviets understood that the ABM Treaty did not limit research and testing of exotics and space-based defenses.

There is even evidence—evidence I intend to present in a later address before the Senate—indicating that the Soviets actually wanted to close this loophole with a new agreement once it became clear in the mid-1980's that we were serious about perfecting such defenses of our own.

Mr. President, there are a number of issues still unresolved in this debate. For this reason, it is essential that the Senate proceed with more caution. The administration, on its part, should declassify the negotiating record so all the facts can be presented.

For I firmly believe that once all the facts on this matter are made public, it will be clear that a broad, legal interpretation of the ABM Treaty is not only plausible but one the Soviets both advocated and acted on. The Soviets have always believed in the broad interpretation until they were convinced of our commitment and moving forward with our own strategic defense initiative. Now they want to restrict us, which is understandable from their viewpoint, but not a viewpoint that is acceptable to us.

Mr. President, I yield the floor.

THE UNITED STATES-ISRAEL RELATIONSHIP

Mr. DECONCINI. Mr. President, two recent events have focused attention on United States-Israeli relations: First, Israel's role in the arms-for-hostages deal with Iran; second, the introduction of Israeli spy, Jonathan Jay Pollard, into the American intelligence network. Certainly, in the past we have had disagreements with Israel, going back to the Suez crisis in 1956 when Israel invaded Egypt and only withdrew when President Eisenhower threatened to cut off aid. But while differences are natural, especially between free and democratic nations, depending upon differing perceptions of national interest, there are limits which should not be exceeded. Israel exceeded them. Israel has made a mistake and admitted it. Israel is now going through the embarrassing experience of exposing and rectifying this error.

Prime Minister Yitzhak Shamir has announced a probe into the Israeli role in the Pollard affair, appointing an investigative team and a parliamentary subcommittee. This is comparable, as I understand, to the current inquiries of the United States legislative investigations of the Iran arms deal. I firmly believe that Israel, as an ally and a smoothly functioning democracy, will have the resolve, credibility, and faith to address this unfortunate affair.

In the ensuing weeks, we will hear and read about the Israeli role in the arms deal with Iran and the Pollard affair. We will discover new details, some of them shocking and some disappointing. There will be those who may question our relationship with Israel. The details and issues raised by these open investigations and legislative committees are important, but must not overshadow our vital friendship and solidarity with Israel.

The U.S. intelligence community discovered this security leak and acted to eliminate it. There is no question that damaging information was released to a foreign government. United States law was violated. The U.S. judicial system acted promptly to deliver its verdict for an act of espionage—a life sentence in prison. This is a just term for Mr. Pollard is a spy and a thief. Let me assure you, Mr. President, that this Senator condemns espionage in the strongest terms. We should not tolerate this and the United States cannot afford compromising its national security. As a former Arizona county prosecutor and a current member of the Senate Select Committee on Intelligence, I recognize the damage but commend our judicial system and intelligence community for its quick response.

While all Americans are disappointed in Israel's role, it is important to recognize the larger context of Israel and United States relations. I have been a member of the Appropriations Foreign Operations Subcommittee and was just recently appointed to the Intelligence Committee. From this vantage point I have seen the myriad of benefits accrued by the United States from the longstanding alliance with Israel. The facts speak for themselves. Israel is a very unique and crucial ally. Israel influences political developments in the Middle East which cause the Soviets military difficulties and embarrassment. It serves as a vital area by which Americans would have access to the Persian Gulf, Suez Canal, and the Mediterranean Sea, all strategic sea lanes. This is true especially in light of conflicts in Iran, Iraq, and Afghanistan. Israel provides the United States with intelligence information in the region and saves the United States defense costs through innovations and modifications of United States weaponry. Some may argue that the assistance we provide Israel is a strain on the United States Treasury, yet the types of benefits we derive more than compensate for United States aid. This is especially true for the tens of billions of dollars we give to NATO and the few billion we provide for Israel. This truly is a bargain for our national defense in these austere budgetary times. A hard look at the potential United States allies in the Middle East presents further utility for strong United States-Israel relations. Israel's value as a regional and global ally are unquestioned.

Despite the compelling logic of Israel's past and present utility to the United States strategic interests and the major benefits to be gained from increased cooperation between the two countries, criticisms of Israel's role in the above mentioned affairs will make news. It should. They have made a mistake, as we did in supplying arms to Iran and the Contras, and must answer for it. But we must keep all this in perspective. Mr. President, Israel is a friend and will continue to be. As President Reagan said: "The fall of Iran has increased Israel's value as perhaps the only remaining strategic asset in the region on which the United States can truly rely."

IRANIAN STUDENTS

Mr. DECONCINI. Mr. President, to say nothing about my feelings regarding the current regime in Iran, I would like to briefly address the presence of Iranian students in the United States. I am concerned about the possibility of Iranian students, posing as students when in fact they might be terrorists or subversives, gaining entrance into the United States. As you may recall, when the Iranians confiscated the American Embassy back in 1979, a group took over the visa processing machine. While the Department of State acted quickly to cancel all current visas and reissue new ones with a different format, the potential for danger is always present.

On March 2, 1987, I discussed on the Senate floor the recent student demonstrations in Mexico, South Korea, France and China. These student demonstrations are not identical, although there are common themes which unite them. Some are dissatisfied with government policies access to higher education. Some are dissatisfied about diminishing economic opportunities. Still others are supporting greater democratic freedoms and fair elections. But the students which concern me are those which are merely tools of the far left or far right. They are not truly dedicated to the ideals of courage and untempered faith in the right to dissent, but the opportunity to disrupt and terrorize.

Mr. President, please do not misunderstand me. I genuinely support the privilege of foreign students to study in this country. Students in the Philippines, Mexico, South Korea and Chile have studied here and experienced the exhilaration of democracy in this country. They often convey this back home in order to broaden their country's freedoms and rights. This is a worthy and just program. However, we must also seek to protect our citizens from those tools of the far left and far right which only seek to disrupt, terrorize, and abuse this privilege.

Mr. President, the Department of State has indicated to me that there is a special clearance process for nationals from Syria, Libya, and Iran who are applying for student visas to insure that they are not terrorists. Also, Iranian students are given single entry visas which restrict their reentry once they leave. Each student applying for a visa is personally investigated to look at their background and history. As another check, these students are processed through Washington, DC, unlike other nationals.

If students from these countries are involved in public disturbances or other activities contrary to U.S. interests, they are subject to deportation. U.S. schools are also required to notify the INS if foreign nationals drop out of school or are pursuing less than full-time course instruction. The INS seems to keep a watchful eye on these students, as evidenced by the Department of State requirements.

Mr. President, Iranian student admittance into the United States has dropped from 3,661 in 1985 to 1,986 in 1986. While I am enthusiastic about the open door policy by the United States to expose foreign nationals to democracy and excellent educational benefits, I am encouraged by this cautious trend of decreased Iranian presence. This is a matter we must continue to carefully monitor.

PRIVATE VOLUNTARY AGENCIES APPEAL FOR CAMBODIAN REFUGEES, PROTEST CLOSING OF KHAO-I-DANG REFUGEE CAMP

Mr. PELL. Mr. President, the private voluntary organizations assisting Indochinese refugees in Thailand have sent me an urgent message expressing their deep concern about the expected closing of the Khao-I-Dang refugee camp and the effect this will have on the status and security of all Khmer refugees and displaced persons in Thailand, including the refugees at Khao-I-Dang itself.

The message comes from some of the most experienced refugee organizations in Southeast Asia. Some of them have spent 10 years in the region helping the refugees who continue to flee from the Communist-dominated states of Indochina. When these seasoned refugee workers tell us that the situation is deteriorating sharply, we have no choice but to listen, to pay attention, and to act.

Their message tells us that some of the so-called unregistered Khmer in Khao-I-Dang are attempting desperate measures to avoid being sent to the border, where they would face eventual return to Cambodia—and in the short run would be subject to attacks from Vietnamese forces and harassment from other groups. These are people who fled to Khao-I-Dang for refuge from persecution and violence. Their fate now is to be sent back to the fate they sought to flee.

Mr. President, the text of this message has been sent to the Secretary of State, and to Deputy Secretary John Whitehead and the U.S. Coordinator for Refugee Affairs, Ambassador at Large Jonathan Moore. That is the right place to address this message, for these are the people in a position to work with Thailand to aid the refugees and others affected by the closure of Khao-I-Dang and by the continuing vulnerability of the border.

The organizations involved—among them several representing other countries—have asked that the text also be brought to the attention of the Senate, and that it reach a wider audience through publication in this RECORD. I am doing so at their request. Action is needed so that the latter stages of the Southeast Asian refugee situation will be handled in a way that lives up to the noble record set by the United States and other countries in earlier stages of the Indochinese refugee crisis.

Mr. President, on March 23 I was honored to join with the distinguished senior Senator from Oregon, Mr. HATFIELD, in sponsoring a proposed Indochinese Resettlement and Protection Act of 1987, which sets forth an innovative approach to accomplishing the actions needed to aid the Khmer and other displaced persons and refugees in Southeast Asia. The proposed legislation states a recommitment to Indochinese refugees—to their assistance and protection, and, where needed, to a renewed commitment for third country resettlement. The Senator from Oregon [Mr. HATFIELD] placed a number of newspaper articles in the RECORD describing the plight of the

Khmer in Thailand and along the Thai-Cambodian border. Many of the articles are written by the very able New York Times correspondent in the region, Barbara Crossette, who deserves high commendation for her intelligence and resourcefulness in covering this story, and bringing the plight of the Khmer to our continuing attention.

On March 24, the New York Times added its editorial voice to Ms. Crossette's distinguished reporting, calling for a "Recommitment to Indochinese Refugees." I ask that this editorial and the statement from the voluntary agencies in Thailand be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RECOMMITMENT TO INDOCHINESE REFUGEES

Thailand, seeing no end to providing asylum for Indochinese refugees, has turned against them with acts of extortion, brutality and now life-endangering forced repatriation. The Thais have committed the acts, yet the United States must share the blame; its declining role in this long-playing refugee story has contributed to the Thai frustration. A humane ending requires a recommitment to these helpless people from both Bangkok and Washington.

To the Thais, the West appears to have stopped honoring its pledge to resettle hundreds of thousands of Indochinese refugees to whom Thailand has given first asylum. The Thais have reacted sharply, closing camps, pushing would-be entrants away and now, worst of all, forcing some refugees back to their homelands. Thirty-eight Hmong tribesmen in a camp under United Nations protection were returned last week against their will to Laos, where their lives are clearly endangered.

Thailand's contention is that the Hmong were not refugees but anti-Communist guerrillas. But the guerrillas took first steps to become refugees once they entered the camps and laid down their arms. Moreover, reports abound that extortion fees have become the norm, and that Thais are giving refugees little opportunity to prove their bona fides.

The immediate need is for U.S. Embassy officials in Bangkok and United Nations officials to assure protection for the remaining refugees. The longer-term need is to reaffirm the American commitment. The Thais have seen the number resettled in the U.S. decline steadily. If the United States would commit itself to sustaining the current level of around 30,000 Indochinese refugees for several years, Thailand would be assured that it will not be left to manage this problem alone.

In return, Thailand needs to maintain adequate first asylum. With continued international support, it must insure orderly entry procedures, adequate protection and decent living conditions. For Thai and American officials, this is a matter that has run on exasperatingly long, long enough so that they may forget something crucial: For the refugees, it remains a matter of life or death.

STATEMENT SENT TO SECRETARY OF STATE GEORGE P. SHULTZ FROM BANGKOK ON MARCH 16, 1987

In recent weeks, the Royal Thai Government (RTG) has embarked on its stated policy to close Khao-I-Dang Holding Center (KID). This closure affects the status, protection and security of all displaced Khmer in Thailand, as well as the future of the refugees in KID. We, the private voluntary agencies, feel deeply concerned that a human solution should continue to be sought for this vulnerable population.

The implementation of this policy by the RTG has started with the identification and detention of the camp's unregistered residents (also referred to as illegals). These are individuals, who at great risk to themselves, have entered KID surreptitiously and have not received official KID resident status. They have entered KID to seek asylum—asylum from persecution, political oppression, and violence.

In a desperate effort to evade detection, many unregistered KHMERS have developed a network of crudely designed subterranean hideaways throughout the camp. The fact that families seek refuge in these confined, inadequately ventilated spaces for hours on end is an indication of the profound fear they feel about being returned to the border encampments.

On Sunday March 1, 214 unregistered Khmers were relocated from KID by the RTG to site B on the Thai-Kampuchean border. Of this number, no more than seven individuals elected to go voluntarily. On the evening of March 4, a search for unregistered KID residents was conducted by Thai authorities which revealed a number of tunnels in the camp's medical compound. Three Khmer refugees—a woman, her small daughter, and a young adult male—were found hiding in a hole under one of the buildings. They were imprisoned in the camp jail and the building in which they were found was ordered to be demolished the following day.

Since this event, detentions of additional unregistered KID residents have continued. It has been announced over the camp radio by the Thai authorities that the remaining unregistered have until March 15 to turn themselves in, after which time they will be relocated to the border. Thereafter, any refugee found hiding or otherwise assisting the unregistered will be punished.

Mr. Secretary, we, the voluntary agencies, recognize the sovereign rights of the Royal Thai Government with respect to all displaced persons in Thailand. We believe that the recent actions undertaken by the RTG are the direct result of the ITS perception that the international donor community is no longer living up to its commitment to assist Thailand with its refugee burden until a humane solution has been found. Therefore, we turn to the U.S. Government, which hitherto has taken the lead in advocating on behalf of the Khmer, to once again seize the initiative to ensure that those deserving of asylum, as defined by the United Nations High Commissioner's (UNHCR) mandate, are granted these rights.

Mr. Secretary, we, the undersigned, urge you to request the U.S. Embassy in Bangkok to initiate prompt dialogue with the RTG, the United Nations High Commissioner for Refugees (UNHCR), and the International Committee of the Red Cross (ICRC) in order: (1) To maximize resettlement of the remaining KID population and (2) to ensure that the UNHCR's protection mandate is maintaned for the inhabitants of this camp until a durable solution has been found.

In conclusion, Mr. Secretary, we recognize the complexity of this issue for which there are no simple solutions. Specific recommendations on how to ameliorate conditions for all KHMERS seeking asylum in Thailand have been proposed by the Ray Commission, the Lawyers Committee on Human Rights (seeking shelter), and Refugees International (the Dilemma of Khmer in Thailand: An Opportunity for Action). We, the undersigned, have faith that your good offices will influence discussions which will ensure that the remaining Khmer refugees in KID continue to be afforded the complete protection of the UNHCR.

Please accept the expression of our sincere gratitude for your consideration of this matter.

Adventist Development and Relief Agency; American Refugee Committee; Co-Operative for American Relief Everywhere, Inc.; Christian Outreach; International Rescue Committee; Jesuit Refugee Service; Mennonite Central Committee; Medecins Sans Frontieres; Norwegian Refugee Council; Operation Handicap Internationale; The Save the Children Fund; World Concern International; World Vision Foundation of Thailand; Youth With a Mission.

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on March 24, 1987, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bill:

H.R. 2. An act to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance programs, and for other purposes.

MEASURES PLACED ON THE CALENDAR

The following bill was ordered read the first and second times by unanimous consent, and placed on the calendar by unanimous consent:

S. 809. A bill to provide urgently needed assistance to protect and improve the lives and safety of the homeless.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-846. A communication from the Chief of the Forest Service, transmitting, pursuant to law, the 1986 Annual Report of the Forest Service; to the Committee on Agriculture, Nutrition, and Forestry.

EC-847. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, the annual reports on Independent Research and Development and Bid and Proposal costs; to the Committee on Armed Services.

EC-848. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, a report on Independent Research and Development and Bid and Proposal costs; to the Committee on Armed Services.

EC-849. A communication from the General Counsel of the Department of Defense transmitting, a draft of proposed legislation to make permanent the special pay for enlistment and reenlistment bonuses; to the Committee on Armed Services.

EC-850. A communication from the Deputy General Counsel of the Department of Transportation transmitting, pursuant to law, the fiscal year 1988 budget request of the FAA; to the Committee on Commerce, Science, and Transportation.

EC-851. A communication from the Secretary of the Interstate Commerce Commission transmitting, pursuant to law, notice of an extension of time for a final decision in United Transportation Union versus Burlington Northern Railroad Co. and Houston Belt & Terminal Railway Co.; to the Committee on Commerce, Science, and Transportation.

EC-852. A communication from the Assistant Secretary of Commerce transmitting, pursuant to law, a report on a decision to convert certain commercial-type functions at the Assessment and Information Services Center of NOAA to performance under contract; to the Committee on Commerce, Science, and Transportation.

EC-853. A communication from the Secretary of the Interior transmitting, pursuant to law, a report on a lease sale on the Outer Continental Shelf, Central Gulf of Mexico; to the Committee on Energy and Natural Resources.

EC-854. A communication from the Secretary of Energy transmitting, pursuant to law, the annual report under the Powerplant and Industrial Fuel Use Act; to the Committee on Energy and Natural Resources.

EC-855. A communication from the Assistant Secretary of the Interior transmitting a draft of proposed legislation to authorize appropriations to the Secretary of the Interior for the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts; to the Committee on Environment and Public Works.

EC-856. A communication from the Secretary of State transmitting, pursuant to law, a determination on the responsiveness of the Government of Peru to U.S. concerns on drug control and the authorization for continued assistance to Peru; to the Committee on Foreign Relations.

EC-857. A communication from the Administrator of the Agency for International Development transmitting, pursuant to law, the Agency's 1986 Annual Report; to the Committee on Foreign Relations.

EC-858. A communication from the Assistant Secretary of State transmitting a draft of proposed legislation to authorize appropriations for the conduct of foreign affairs for fiscal year 1989; to the Committee on Foreign Relations.

EC-859. A communication from the Administrator of the Veterans' Administration transmitting, pursuant to law, a report on an amended Privacy Act system of records; to the Committee on Governmental Affairs.

EC-860. A communication from the Administrator of the General Services Administration transmitting, pursuant to law, GSA's annual report on competition; to the Committee on Governmental Affairs.

EC-861. A communication from the Director of the Office of Personnel Management transmitting a draft of proposed legislation to reform the Civil Service Retirement System; to the Committee on Governmental Affairs.

EC-862. A communication from the Director of the Office of Information Resources Management, Department of the Interior, transmitting, pursuant to law, a report on an altered Privacy Act system of records; to the Committee on Governmental Affairs.

EC-863. A communication from the Chairman of the Christopher Columbus Quincentenary Jubilee Commission transmitting a draft of proposed legislation to amend Public Law 98-375; to the Committee on the Judiciary.

EC-864. A communication from the Administrator of the Veterans' Administration transmitting a draft of proposed legislation to improve veterans' educational assistance; to the Committee on Veterans' Affairs.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations:

Daryl Arnold, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Singapore.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Daryl Arnold.

Post: U.S. Ambassador to Singapore.

Contributions, amount, date and donee:

1. Self: Daryl Arnold, $1,000, January 6, 1981, President's Inaugural Committee; $120, February 2, 1981, UNIPAC; $50, February 2, 1981, Republican National Committee; $50, February 8, 1981, Republican National Committee; $50, February 25, 1981, Republican National Committee; $1,000, July 22, 1982, Pete Wilson for U.S. Senator; $50, December 21, 1982, Republican National Committee; $100, January 31, 1983, UNIPAC; $50, April 1, 1983, Republican National Committee; $401 October 24, 1983, UNIPAC; $100, February 3, 1984, UNIPAC; $250, June 12, 1984, The Senator's Club; $1,000, June 19, 1984, President's Luncheon; $100, September 10, 1984, UNIPAC; $2,000, October 9, 1984, UNIPAC; $1,000, January 17, 1985, Helms for Senate; $250, November 1, 1985, Californian's for Senator Pete Wilson; $1,000, January 17, 1986, California Unity Fund; $1,000, February 21, 1986, Californian's for the Republic; $1,000, June 18, 1986, Citizens for American Values; $250, October 2, 1986, Californian's for Senator Pete Wilson.

2. Spouse: Shirley Arnold, $300, November 11, 1982, Pete Wilson for U.S. Senator.

3. Children and Spouses: Larry Arnold, $150, 1984, Pete Wilson; Lori Arnold, $150, 1985, Pete Wilson, $60, 1986, Bruce Herschenson; Gary Arnold, none; Mary Arnold, none; Ann Arnold Thompson, none; Jeff Thompson, none.

4. Parents (Laurence Franklyn Arnold (deceased); Names: Etta Coe Arnold, no contributions.

5. Grandparents' names: Clarence Coe (deceased); Laura Bauder Coe (deceased); Percy Arnold (deceased); Phoebe Arnold (deceased).

6. Brothers' and spouses' names: no brothers.

7. Sisters' and spouses' names: Madyne Foster; Stanley C. Foster, no contributions.

James Keough Bishop, of New York, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Liberia.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: James Keough Bishop.

Post: Ambassador to Liberia.

Contributions, amount, date, and donee:

1. Self: James Keough Bishop, none.

2. Spouse: Kathleen M. Bishop, none.

3. Children's and spouses' names: Timothy, none; Lynn, none; Melanie, none; Rebecca, none; Anne-Marie Wehrly, none; Elizabeth Wehrly, none.

4. Parents' names: James and Dorothy Bishop, $200, August 21, 1981, Westchester Federal Savings Political Action Committee (WFSPAC); $250, August 30, 1982, WFSPAC; $25, October 20, 1982, Friends of Jon Fossell for Congress; $100, July 9, 1984, WFSPAC; $150, May 4, 1986, People for DioGuardi; $31.24, May 19, 1986, Jeremiah Denton for Senate; $120, May 29, 1986, The Republican Presidential Task Force.

5. Grandparents' names: Patrick and Anne Bishop (deceased); Timothy and Catherine O'Keefe (deceased).

6. Brothers' and spouses' names: John and Judy Bishop, $50, 1984, Senator Bradley, Thomas and Katherine Bishop, none; other brothers died as infants.

7. Sisters' and spouses' names: Sisters died as infants.

Alfred Hugh Kingon, of New York, to be the Representative of the United States of America to the European Communities, with the rank and status of Ambassador Extraordinary and Plenipotentiary, vice J. William Middendorf II, resigning.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Alfred H. Kingon.

Post: Representative of U.S. to European Communities.

Contributions, amount, date, and donee:

1. Self: $25, March 1, 1982, Republican Nat'l Committee; $200, March 22, 1982, New Yorkers for Lew Lehrman; $500 March 22, 1982, Bell for Senate Committee, $100, May 28, 1982, Bell for Senate Committee; $200, May 28, 1982, The Senate Club (D'Amato); $250, September 7, 1982, New Yorkers for Lew Lehrman; $100, October 25, 1982, NYFPAC (N.Y. Federal Political Action Committee; $25, June 23, 1983, Republican Nat'l Committee; $250, September 23, 1983; Tom Cantrell for Congress; $25, October 2, 1983, Reagan Bush Reunion; $25, December 2, 1983, Republican Nat'l Committee; $100, January 10, 1984, Reagan Bush Anniversary Ball; $25, December 15, 1984, Republican Nat'l Committee; $25 December 21, 1985, Republican Nat'l Committee; $100 June 25, 1986, Linda Chavez for Senate; $25, June 25, 1986, Republican Nat'l Committee.

2. Spouse: Jacquelene, none.

3. Children and spouses names: Michael, none.

4. Parents names: Nathan Kingon, none; Grace Kingon, none.

5. Grandparents names: None.

6. Brothers and spouses names: None.

7. Sisters and spouses names: None.

Stephen R. Lyne, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ghana.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Stephen Richard Lyne.

Post: Accra Ghana.

Contributions, amount, date, and donee:

1. Self: None.

2. Spouse: None.

3. Children and spouses names: Richard Lyne, none, Deborah Lyne, none.

4. Parents names: Horace Lyne, none, Anne Lyne, none.

5. Grandparents names: Harry Bromley, Annie Bromley, John Lyne, Edith Lyne, none alive.

6. Brothers and spouses names: None.

7. Sisters and spouses names: None.

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation:

Mr. HOLLINGS. Mr. President, for the Committee on Commerce, Science, and Transportation, I report favorably a nomination list in the Coast Guard which was printed in its entirety in the Congressional Record of March 10, 1987, and, to save the expense of reprinting them on the Executive Calendar, I ask unanimous consent that they may lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DOMENICI (for himself, Mr. Weicker, Mr. Hollings, Mr. Heflin, Mr. Packwood, Mr. Gore, Mr. Dodd, Mr. Durenberger, Mr. Dixon, Mr. Cohen, Mr. Boschwitz, Mr. Chafee, Mr. Garn, Mr. Inouye, Mr. Lugar, Mr. Matsunaga, Mr. Bentsen, Mr. Pryor, Ms. Mikulski, Mr. Exon, Mr. Burdick, Mr. Cranston, Mr. Hecht, Mr. Mitchell, Mr. McConnell, Mr. Dole, and Mr. Riegle):

S. 818. A bill to provide permanent authorization for White House Conferences on Small Business; to the Committee on Small Business.

By Mr. PRESSLER:

S. 819. A bill to amend the Internal Revenue Code of 1986 to permit taxpayers to elect to deduct either State and local sales taxes or State income taxes; to the Committee on Finance.

By Mr. DASCHLE:

S. 820. A bill to amend titles 38 and 10, United States Code, to provide veteran's educational assistance benefits for flight training; to the Committee on Veterans' Affairs.

By Mr. WEICKER:

S. 821. A bill to establish the National Oceanic and Atmospheric Administration as an independent establishment of the Government of the United States; to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG:

S. 822. A bill to provide financial assistance to the States for computer education programs, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BENTSEN:

S. 823. A bill for the relief of Kathy Butler and Charlette James; to the Committee on the Judiciary.

By Mr. SPECTER:

S. 824. A bill to establish clearly a Federal right of action by aliens and United States citizens against persons engaging in torture or extrajudicial killing, and for other purposes; to the Committee on the Judiciary.

By Mr. PROXMIRE:

S. 825. An original bill to amend and extend certain laws relating to housing, and for other purposes; from the Committee on Banking, Housing, and Urban Affairs; placed on the calendar.

By Mr. DASCHLE:

S. 826. A bill to amend the Internal Revenue Code of 1986 to permit taxpayers to deduct 80 percent of State and local sales taxes, income taxes, and personal property taxes; to the Committee on Finance.

By Mr. PACKWOOD:

S. 827. A bill to promote the diversity and quality of radio and television programming by repealing the fairness doctrine and certain other program restrictions; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for himself and Mr. Ford):

S. Res. 173. Resolution to amend Senate Resolution 458, 98th Congress, to allow the Secretary of the Senate to fill staff vacancies occurring during the closing of the office of a Senator in the case of the death or resignation of such Senator; considered and agreed to.

By Mr. DeCONCINI:

S. Res. 174. Resolution expressing the sense of the Senate condemning the Soviet-Cuban buildup in Angola and the severe human rights violations of the Marxist regime in Angola; to the Committee on Foreign Relations.

By Mr. D'AMATO:

S. Con. Res. 37. Concurrent resolution recognizing Father Terry Attridge and the DARE program for their contributions to the fight against drug and alcohol abuse; to the Committee on Labor and Human Resources.

By Mr. ARMSTRONG (for himself and Mr. Wirth):

S. Con. Res. 38. Concurrent resolution to recognize the International Association of Fire Fighters and the National Fallen Fire Fighter Memorial in Colorado Springs, CO; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOMENICI (for himself, Mr. Weicker, Mr. Hollings, Mr. Heflin, Mr. Packwood, Mr. Gore, Mr. Dodd, Mr. Durenberger, Mr. Dixon, Mr. Cohen, Mr. Boschwitz, Mr. Chafee, Mr. Garn, Mr. Inouye, Mr. Lugar, Mr. Matsunaga, Mr. Bentsen, Mr. Pryor, Ms. Mikulski, Mr. Exon, Mr. Burdick, Mr. Cranston, Mr. Hecht, Mr. Mitchell, Mr. McConnell, and Mr. Dole):

S. 818. A bill to provide permanent authorization for White House Conferences on Small Business; to the Committee on Small Business.

(The remarks of Mr. Domenici and the text of the bill appear earlier in today's Record.)

By Mr. PRESSLER:

S. 819. A bill to amend the Internal Revenue Code of 1986 to permit taxpayers to elect to deduct either State and local sales taxes or State income taxes; to the Committee on Finance.

INTERNAL REVENUE CODE AMENDMENT

Mr. PRESSLER. Mr. President, the Tax Reform Act of 1986 has been the law of the land for less than 6 months. Yet, I find it most interesting that already well over a dozen bills have been introduced to change certain sections of the new law. These deal with many subjects, ranging from capital gains to excise taxes. This movement should tell us something about what we have created.

The law can and should be improved upon. It can be fairer. It is for this reason that I rise today to introduce legislation which would correct one of the most patently unfair aspects of the law. My bill would reinstate the deduction for State and local sales tax expenses. It is a simple bill. In an effort to mitigate the revenue loss which would result from an outright reinstatement of the deduction, I propose that we allow taxpayers the choice of deducting either State and local sales or income tax expenses.

This is not a bill for some special interest group, and it is not solely for the benefit of the people of South Dakota. No, Mr. President, it is being introduced in the interest of fairness. Every citizen of this Nation deserves to be treated fairly. Every citizen deserves to be treated equally.

During Senate consideration of the tax reform bill last year, I asked this body to restore the deduction. I cosponsored amendments which would have done so. Those of us supporting the deduction did not carry the day. In the end, I voted against the bill because of this and other inequities which exist in the law. Today I am continuing my efforts to restore fairness to the law.

All types of State and local taxes have been deductible since income taxes were first enacted. By extending this deduction to all major types of State and local taxes, revenue sources of the States were protected from the effect of double taxation. In addition, State and local governments were allowed to develop their own tax structure free from Federal interference. The new tax law has changed all that.

My home State of South Dakota has no income or personal property taxes. The people of the State have chosen to fund their government mainly through real property and sales taxes. The new Federal Tax Code penalizes them for this decision. Federal interference in State decisions on tax policy is not sound tax reform.

Under the new Tax Code, a South Dakota taxpayer and a taxpayer from another State which does not rely so heavily on sales taxes are no longer treated equally. They may pay an identical amount of taxes to their respective State and local governments, but because of the loss of this deduction, the South Dakotan will, in effect, be subsidizing the Federal income tax bill of his or her counterpart.

Would eliminating the deduction increase Federal revenues? Those who opposed efforts to restore the deduction last year never proved that it would. In fact, a study by former Chairman of the Council of Economic Advisers, Martin Feldstein, suggests that the selective loss of deductions for various types of State and local tax expenses might very well result in a revenue loss because tax burdens might simply be shifted to those types of taxes which remain deductible. Common sense should tell us this is quite possible.

All we are likely to achieve is the disruption of State and local tax systems. In addition, if States shift more of the burden to property taxes, which is an extremely viable option for South Dakota, it would create an additional burden for taxpayers such as our senior citizens who already are struggling to make ends meet.

Throughout last year's debate, we heard how the grassroots citizenry of America supported the 1986 tax bill. I have here a list of South Dakota school board members who advocate the full deductibility of State and local sales taxes. Roughly 29 percent of South Dakota's sales tax revenue is used to fund public education. These people serve their constituencies at the local level and, Mr. President, you don't get much more grassroots than that.

The list includes 204 school board members representing 31,125 South Dakota students in 56 school districts. These numbers may not look like much when stacked up against the more than 600 companies and national organizations which supporters of the tax bill had behind them last year. But, let me tell you, they mean more to me than 600 or 6,000 big organizations.

I urge our colleagues to become cosponsors of this bill. Following more than a year of work on tax legislation—a year full of long sessions, late nights, and weekend work—we may be tempted to take the easy road and simply put the tax reform process behind us. However, we must journey down the right road, not the easy one. We set out to achieve fairness. We are not there yet. Enacting this bill into law brings us closer.

Mr. President, I ask unanimous consent that the list of school board members of South Dakota, along with the bill, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 819

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RESTORATION OF DEDUCTION FOR STATE AND LOCAL SALES TAXES.

(a) REPEAL OF PROVISION ELIMINATING STATE AND LOCAL SALES TAX DEDUCTION.—

(1) IN GENERAL.—Section 134 of the Tax Reform Act of 1986 is hereby repealed.

(2) APPLICATION OF INTERNAL REVENUE CODE OF 1986.—The Internal Revenue Code of 1986 shall be applied and administered as if such section 134 (and amendments made by such section) had not been enacted.

(b) ELECTION TO DEDUCT STATE INCOME TAXES OR STATE AND LOCAL SALES TAXES.—

(1) IN GENERAL.—Paragraph (4) of section 164(b) of the Internal Revenue Code of 1986 (relating to deduction for taxes) is amended to read as follows:

"(4) At the election of the taxpayer, either—

"(A) State and local income taxes, or

"(B) State and local sales taxes.".

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (3) of section 164(a) of such Code is amended by striking out "State and local, and foreign" and inserting in lieu thereof "Foreign".

(B) Section 164(b)(2)(D)(ii) of such Code is amended by striking out "subsection (a)(4)" and inserting in lieu thereof "subsection (a)(4)(B)".

(C) Paragraph (5) of section 164(a) of such Code (as designated by section 1432(a)(1) of the Tax Reform Act of 1986) is redesignated as paragraph (6).

(D) Paragraph (4) of section 164(b) of such Code (as designated by section 1432(a)(2) of the Tax Reform Act of 1986) is redesignated as paragraph (6).

(E) Paragraph (5) of section 164(a) of such Code (as added by section 516(b)(2)(A) of P.L. 99-499 (the Superfund Amendments and Reauthorization Act of 1986)) is redesignated as paragraph (7).

(F) Paragraph (a) of section 164 of such Code is amended by adding at the end thereof the following new sentence: "Notwithstanding the preceding sentence, any tax (not described in the first sentence of this subsection) which is paid or accrued by the taxpayer in connection with an acquisition or disposition of property shall be treated as part of the cost of the acquired property or, in the case of a disposition, as a reduction in the amount realized on the disposition."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1986.

SOUTH DAKOTA SCHOOL BOARD MEMBERS ADVOCATING FULL DEDUCTIBILITY OF STATE AND LOCAL TAXES

School District/School Board	*Enrollment*
Hill City School District 51-2, Hill City, SD	530
Johnson, Curt; President, Associated School Boards of South Dakota	
Henderson, Norma	
Koevenig, Eugene J.	
Larson, Grayce	
Robbins, William L.	
Vermillion School District 13-1, Vermillion, SD	1,400
Kaufman, Fern; Vice President, Association of School Boards of South Dakota	
Huber, Joseph D.	
Maeir, Fran E.	
Agar School District 58-1,[1] Agar, SD.	60
Schreiber, Albert W.	
Alcester School District, Alcester, SD	300
Kratockuil, Jerry	
Andes Central School District, Lake Andes, SD	400
Soulek, Sharon M.	
Baltic School District 49-1,[1] Baltic, SD	349
Aspaas, Lynn	
Burkhart, Jeanette	
Haagenson, Gene	
Korgstad, Ordell	
Nelson, Keith	
Bennett County School District 3-1, Martin, SD	561
Fanning, Daniel T.	
Ireland, Sam H.	
Kocourek, Randy	
Louder, Keith	
Simmons, Earl L.	
Beresford School District 61-2,[1] Beresford, SD	700
Bogue, David	
Bonesteel-Fairfax School District, Bonesteel, SD	293
Bailey, Harriet L.	
Bentz, Darrell	
Divine, Kathy	
Parker, Ronald	
Schochenmaier, Michael G.	
Bridgewater School District 43-6, Bridgewater, SD	239
Hofer, Calvin	
Bristol School District, Bristol, SD	186
Benson, Dorothy	
Bury, Kathryn K.	
Halvorsen, Paul	
Olson, David	
Sidgestad, David	
Canistota Public School District 43-1,[1] Canistota, SD	175
Buseman, Leland	
Fligge, Douglas	
Johnson, Robert	
Korkow, Nancy	
Scott, Alvin	
Canova School District, Canova, SD	52
Skoglund, David	
Canton Independent School District, Canton, SD	1,000
Chaon, Jerry	
Carthage School District, Carthage, SD	34

School District/School Board	*Enrollment*
Clites, Maynard	
Grogan, Pearl	
Legg, Kathy	
Madison, Paul L.	
Zobel, Joyce E.	
Clark School District 12-2, Clark, SD	554
Healy, Donald	
Colome School District 59-1, Colome, SD	235
Blaine, Frank	
Bolton, Brad	
Cahoy, Larry	
DeMep, Dennis D.	
Pochop, Margaret A.	
Richey, Jim	
Varra, Richard L.	
Weidner, Lee O.	
Custer School District 16-1, Custer, SD	1,091
Aman, Freda	
Bryant, Frank	
Corda, Harold	
Nelson, Keith D.	
Dell Rapids School District 49-3, Dell Rapids, SD	650
Christensen, Helen	
Crisp, Max	
Drew, Carolyn M.	
Doerr, Stephen	
Heinemann, Floyd	
Meyer, Sherrie R.	
Randall, Ronald	
Edgemont School District 23-1, Edgemont, SD	306
Anderson, Donald J.	
Anderson, Keith	
Koller, John W.	
Russell, Charles	
Elk Point Public Schools 61-3,[1] Elk Point, SD	578
Jensen, Dennis	
Eureka School District 44-1, Eureka, SD	300
Opp, Glenn	
Geddes Community School District, Geddes, SD	169
Fuerst, John R.	
Jaefer, Harold J.	
Kriz, Robert	
Mushitz, Raymond J.	
Petrik, James E.	
Steckley, JoAnn	
Stluka, Patricia	
Grant-Dewel School District 25-3,[1] Revillo, SD	300
Linberg, Lyndon	
Lounsbery, Diane	
Roggenbuck, Myron	
Tillma, Jerome	
Harrisburg School District 41-2,[1] Harrisburg, SD	586
Bindert, Allen	
Kunkel, Donna	
Ramstad, Raymond	
Sittner, Larry	
Thorpe, Dale	
Herreid School District 10-1, Herreid, SD	173
Bauer, Alton	
Felsheim, J. Michael	
Fuehrer, Morrell M.	
Mittleider, Aldine	
Mitzel, Saundra	
Hot Springs School District 23-2,[1] Hot Springs, SD	1,076
Cape, Howard J.	
Hanison, James	
Isted, Lou M.	
Lopez, Ruth M.	
Petty, Noreen J.	
Stuben, John W.	
Waxler, Colleen M.	
Hurley School District 60-2, Hurley, SD	171
Andersen, Lowell G.	
Bagley, Keith	
Boongarder, Marlin	
Georgeson, Jim E.	
Reiners, James A.	
Hyde School District, Highmore, SD	340
Faulstich, Jim	
Klebsch, Willis	
Kusser, Philip	
Nemec, Benjamin	
Oligmueller, Marguerite	
Myers, Greg	
Ipswich School District, Ipswich, SD	400
Davis, James C.	
Heinz, Frank S.	
Kolker, Camilla A.	
McFee, Susan	
Olson, Robert H.	
Lead-Deadwood School District 40-1,[1] Lead, SD	1,411
Keene, Terryl L.	
Lennox School District 41-4, Lennox, SD	1,300
Braa, William C.	
Christner, Bernard W.	
Javers, Linda	
Laumer, Joel	
Reiners, Gaylyn W.	
Sweetner, Gordon W.	
Smit, Francis G.	
Van Ningen, Glenn	
Leola School District 44-2,[1] Leola, SD	312
Erdmann, Marilyn	
Feickert, Elvin	
Kappas, Milbert	
Kolb, Richard	
Rott, Earl	
McIntosh School District 15-1,[1] McIntosh, SD	290
Schuh, Robert	
Schneider, Darrel W.	
Klaudt, Alvin	
Mollman, Jonabeth	
Milbank School District 25-4, Milbank, SD	1,223
Fields, Marylynne	
Dahle, Allen	
Dorsett, Melanie M.	
Stevens, Reyneld D.	
Mitchell School District 17-2, Mitchell, SD	3,600
Smith, Gloria A.	
Newell School District 9-2, Newell, SD	483
Eide, Beverly J.	
Palo, Joan	
Pauley, Robert	
Rittberger, Stanley	
Schipke, Donna	
Turbiville, Charles M.	
Voorhees, Don	
Oelrichs School District 23-3, Oelrichs, SD	120
DeBoer, Craig	
Fanning, Joel R.	
Richenback, Joel S.	
Thomsen, Loyd W.	
White, James	
Parker School District 60-4, Parker, SD	425
Mack, Marcia L.	
Parkston Public Schools, Parkston, SD	666
Leischner, Tim	
Mechtenberg, Gerry	
Neugebauer, David	
Puetka, Mary	
Weber, Thomas	
Pollock School District, Pollock, SD	133
Van Beek, Everett	
Kanable, Elaine	
Polo School District 29-2, Orient, SD	37
Birdler, Elwood	
Martinmaas, Wanelda	
Martinmaas, Max	
Schbehter, Lawrence	
Sprenger, Gary	
Redfield Public Schools, Redfield, SD	700
Hoffman, Duane	
Payant, Jeffrey	
Roscoe Ind. School District 22-4,[1] Roscoe, SD	173
Roesch, Dale	
Sioux Valley School District 5-5, Volga, SD	567
Adee, Richard L.	
Brands, Marlene F.	
Hesby, Stanley	
Siegel, Jerry	
Vander Wal, Edward D.	
Sisseton Public Schools, Sesseton, SD	1,350
Pallesen, Steve	
Spencer School District, Spencer, SD	103
Brecht, Archie	
Eilts, Melvin	
Stanley County School District, St. Pierre, SD	585
Reuer, Helmet	
Summit School District 54-6, Summit, SD	140
Amdahl, James J.	
Christaffinnen, Floyd	
Dingsor, Garry	
King, Don D.	
Miller, Caroll F.	
Slaathaug, Emily	
Zirbel, Esther	
Todd County School District, Mission, SD	1,900
Potter, William L.	
Veblen School District 45-3, Veblen, SD	148
Aadland, Lorne	
Cox, Charles	
Hill, Ardell	
Holland, Paul	
Monsen, Don L.	
Waubay School District 18-3, Waubay, SD	315
Boih, Vincent J.	
Breske, Alvin	
Philsoee, Dennis	
White River School District, White River, SD	432
Hutchinson, Bobby	
Knispel, Charles	
Krogman, Jerry	
Sinclair, William	
Willow Lake School District 12-3,[1] Willow Lake, SD	230
Symens, Ronald	
Burke, Donn J.	
Collins, Bryce	
Gjerde, Dellas	
McFerran, Harley	
Winner School District 59-2, Winner, SD	1,154
Wold, Arnold A.	
Wood School District 47-2,[1] Wood, SD	120

School District/School Board	*Enrollment*
Burnahm, James H.	
Harter, Melvin	
Kingsbury, Kenneth	
Total	31,125

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[1] Includes several superintendents acting on behalf of local school boards.

By Mr. DASCHLE:

S. 820. A bill to amend titles 38 and 10, United States Code, to provide veterans' education assistance benefits for flight training; to the Committee on Veterans' Affairs.

EDUCATION ASSISTANCE BENEFITS FOR FLIGHT TRAINING

Mr. DASCHLE. Mr. President, I am introducing legislation today to authorize the pursuit of flight training for active duty service members and reservists who participate in the new GI bill. This refinement, while modest in scope, will have an important positive impact on our Nation's veterans.

As chairman of the House Veterans' Subcommittee on Education, Training, and Employment, I had the opportunity to work extensively on legislation which established and refined one of the best programs available to America's veterans today—the new GI bill. This program is the most cost-effective tool we have to build a strong military by drawing many of the best and the brightest young Americans into the Armed Forces. High-tech weaponry will be necessary to protect our Nation into the 21st century, but if we do not have qualified recruits to operate those modern military machines, their strategic value will be diminished and our national security efforts will be undermined. Equally important, the new GI bill strengthens America by allowing millions of our veterans the opportunity to enrich their lives by obtaining post-secondary education or training.

As good as it is, the new GI bill can be improved. The legislation I am introducing today will expand new GI bill benefits to allow veterans to obtain flight training to prepare them for a career in aviation.

Without a doubt, America needs pilots. During the last 15 years, student pilot starts have dropped by 30 percent, commercial pilot certificates issued have dropped by 58 percent, and instrument rating issuances have dropped by 49 percent. Though Americans continue to fly more and more every year, the average age of commercial pilots has risen 11 percent over the last 15 years, to 42.6 years. These factors, taken together, point to what amounts to a pilot shortage crisis of serious proportions in America. In fact, by 1992, it is estimated that a shortage of 4,000 commercial and instrument pilots is possible.

In addition to this pilot shortage, there is critical employment crisis among our Nation's veterans. It is a national tragedy that one of every three homeless people on the streets on any given night is a veteran. Unemployment rates for those who served our country in Vietnam are tragically high at approximately 26 percent. Certainly, one of the main reasons for homelessness is lack of education and training necessary to secure gainful employment. I am pleased that the 100th Congress has already acknowledged the seriousness of the problem of homelessness and unemployment among veterans and others, and urge that we continue to actively pursue initiatives to address it.

In order to deal with these problems effectively, we need to match the skills and interests of those displaced veterans with vocations currently in demand in this country. I believe there is a major oversight in the new GI bill as currently written in not authorizing flight training as an eligible benefit. Because many veterans already have service-connected flight training, my bill allows them to expand their military training into a civilian vocation that is in serious demand. America desperately wants to get its veterans back to work and we need commercial pilots. That is the basis of the legislation I introduce today.

Quite simply, this bill will allow active duty service members and members of the Selected Reserve to use their new GI bill benefits to obtain vocational flight training. The educational assistance will be 75 percent of established charges for tuition and fees at eligible flight training schools.

I have taken care to craft this bill in such a manner that discourages the use of flight training for avocational purposes. Eligible candidates for flight training benefits must already possess their private pilot's license and must meet the medical requirements for certification as a commercial pilot. Flight training schools' curricula must be approved by the State approving agency, and the training must be judged to be necessary for attainment of a recognized vocational objective. The school's flight training program must also meet the stringent requirements established by the Federal Aviation Administration [FAA]. This bill will not allow the new GI bill to be opened up to those employed veterans who pursue flight training with recreation in mind.

I urge my colleagues to support this legislation. While its enactment will not ensure full employment for veterans or adequate numbers of commercial pilots overnight, it will make a significant contribution toward partially alleviating those problems and it will strengthen what is already one of the best veterans programs around.

By Mr. WEICKER:

S. 821. A bill to establish the National Oceanic and Atmospheric Administration as an independent establishment of the Government of the United States; to the Committee on Commerce, Science, and Transportation.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION INDEPENDENT ESTABLISHMENT ACT

Mr. WEICKER. Mr. President, I rise today to introduce a bill to establish the National Oceanic and Atmospheric Administration as an independent Federal agency.

In response to recommendations from the highly respected Commission on Marine Science, Engineering, and Resources, commonly known as the Stratton Commission, NOAA was created in 1970. Despite the Commission's recommendation that the agency be independent, NOAA was placed in the Department of Commerce.

The creation of NOAA has been acclaimed as a vital first step toward developing the Nation's capabilities for oceanic and atmospheric research, prediction, and resource management. NOAA has done an exceptional job throughout its 17-year history, and this legislation is in no way intended to question the organization's accomplishments. Instead it is designed to give NOAA the attention, autonomy, and increased efficiency it must have to continue its vital role.

Today, NOAA accounts for more than 50 percent of the Commerce Department's budget and employs nearly 40 percent of its work force. NOAA's responsibilities include weather observations and prediction, marine pollution research and monitoring, oceanographic data collection, and atmospheric sciences research. Unfortunately, none of these activities are especially relevant to issues of trade and the economy. NOAA is predominantly a science agency with little relationship to the primary missions of the Department of Commerce.

The benefits of establishing NOAA as an independent agency are several. First, it would demonstrate continued support for the oceans and environmental quality by Congress and the administration. Second, it would improve communication between NOAA and the administration and make NOAA more immediately accountable for its plans and policies. It would also put NOAA on an equal footing with such other science agencies as the National Science Foundation, the Environmental Protection Agency, and the National Aeronautics and Space Administration. Taken together, all of these benefits would improve NOAA's decisionmaking and its ability to coordinate projects with these other executive science agencies by removing the unnecessary bureaucratic layer of the Department of Commerce.

Finally, in this era of policymaking by budgeteers, independence from Commerce would benefit NOAA by placing it under budget examiners for science and technology within the Office of Management and Budget instead of under the examiners for Commerce, where it now resides. NOAA's budget has deviated significantly from those of the other science agencies of late, and it has been suggested that while this is due in part to priorities within the Department of Commerce, it is mostly due to those of the different examiners at OMB.

There are many examples of such budgetary discrepancies between NOAA and the other Federal science agencies. In general, the administration has proposed significant cuts in NOAA's ocean and fisheries science programs for the last 6 years while it simultaneously proposes to double NSF's budget by 1992. For the research of valuable polymetallic marine mineral deposits, NOAA, NSF, and the U.S. Geological Survey have been working together for the past several years. In the 1988 budget, however, it is proposed that NOAA's program be zeroed out while NSF's and the Geological Survey's continue. NAS has requested $1.5 million for a new marine component to its biotechnology initiative while the Sea Grant Program in NOAA, which has an existing Marine Biotechnology Program, is proposed for elimination. The list goes on, but I think the point is clear.

For all these reasons it is essential that NOAA be made an independent agency. The legislation I introduce today does so in the simplest manner possible.

I realize at the present time there is legislation mandating a reorganization of the Department of Commerce, as a result of which NOAA would be spun off as an independent agency. But I think the time has come to recognize the importance of NOAA, and indeed the overall importance of the oceans to the people of this Nation. And it should not have to wait upon any general reorganization. Rather, it is a freestanding bill that I am offering here, and the issue should be decided independently of any other activities of the Congress vis-a-vis the Department of Commerce.

Let me take another approach and give you some current examples of the status of marine research in the United States. During this past week, the American public had the opportunity to see via television the extraordinary achievements of Dr. Robert Ballard, the men and women of the Woods Hole Oceanographic Institution, and the U.S. Navy, whose activities resulted in the discovery, several miles down, of the *Titanic*.

That is an epic that has gripped the world's imagination over the years since the ship went down. I use this occasion while people are somewhat interested in what lies on the ocean floor to remind my colleagues and the American people that what we know of the oceans, which cover 75 percent of the Earth's surface, or of the rivers and the lakes is almost nothing. As much as I applaud the billions of dollars that we have spent on the exploration of space—and I might add as a young freshman Member of the House of Representatives I was one of those that assisted in the architecture of our space program—I despair that so few dollars have been spent on ocean research.

It is interesting indeed to watch the exploits of a Cousteau, or to watch the exploits of a Ballard. But the fact remains that this greatest and wealthiest of all governments on Earth has done scarce little to enhance its knowledge as to what lies on the ocean floor, or to prepare this Nation for the rational use of ocean resources, which include food, fuel, and so on.

I think it interesting to note that as we watched the robot Jason, and indeed the other aspects of the exploration of the *Titanic* by Dr. Ballard, it must come to mind that the majority of the funds used came from the Navy. They were defense funds. I do not fault the role of the U.S. Navy. Indeed, I say thank God that they participated in that venture because if they had not it would not have come to pass.

But their primary job is of a military nature, and the business of the peaceful exploration of the oceans lies in the hands of NOAA. And what treatment does NOAA get accorded either in this year's budget or previous budgets? Usually there is zero funding of such programs as underwater research, and sea grant. Were it not for the staunch defense by my good friend from South Carolina, Senator HOLLINGS, and an assist by this Senator, those budgets would have been decimated a long time ago.

At the present time on the Island of St. Croix, in the U.S. Virgin Islands, there is being constructed a new habitat system. The habitat system is one where scientists live on the bottom of the ocean floor. They go out daily on their appointed rounds performing oceanographic research of various disciplines. For years that type of an activity was represented by the Hydrolab, which was a NOAA project run by Fairleigh Dickinson University on the island of St. Croix, and hundreds of scientists availed themselves of that opportunity. The Hydrolab now sits in the Smithsonian Institution here in Washington.

I had occasion to make three or four saturation dives in that habitat, lasting from 2 to 3 days. The average mission would last anywhere upward of a week. The new system is designed to be more portable, to go to greater depths, and is far larger than the Hydrolab, allowing far more science to be done.

The new habitat is due to go down to the ocean floor sometime this fall. I hope I will be one of those to participate in that initial venture. But I know this: We have had to beg and borrow—not steal—to get the funds necessary for that project. What science is going to be done from this habitat is going to be done for a few million dollars—not the billions that we associate with other ventures, especially those in space.

The only reason why it is going to be done is because of the extraordinary commitment by many men and women to see that this Nation maintains a lead in underwater research. It will certainly not be by virtue of any overfunding either by the Congress or the President of the United States.

I cite the funding difficulties that we have had with the habitat system in St. Croix, to focus attention on the difficulty that NOAA has had in obtaining support and funding for research that has to be done if we are to learn about our water planet.

For years Senator HOLLINGS, I, and others have tried to make ocean research a priority project of the U.S. Government and for years support for these projects has really been borne on our backs strictly because of our enthusiasm, not because there was any particular knowledge or enthusiasm either by the Congress or by various administrations, Democratic or Republican.

It is my hope that by making NOAA a separate agency, much like NASA, the public will understand that its scientific mission is equally as valuable as that of NASA's, exploring space. There is no question in my mind that well within our lifetime the world is going to have to turn to the ocean both for its food and its fuel. The only question then is: Are we going to race into the oceans and rape them so that they will only last 1,000 years or will we develop our knowledge so that they can serve mankind for tens of thousands of years. It is in order to gain that type of knowledge that I offer this legislation to establish NOAA as an independent agency.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 821

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "National Oceanic and Atmospheric Administration Independent Establishment Act of 1987".

FINDINGS

SEC. 2. The Congress finds that—

(1) the National Oceanic and Atmospheric Administration is the lead civilian Federal agency for oceanic and atmospheric science and services;

(2) oceanic and atmospheric research and prediction are critical to understanding the physical, chemical, and biological processes controlling living and nonliving marine resource distribution; marine pollution sources, pathways, and mitigation; and the processes controlling weather and climate;

(3) understanding such processes allows us to rationally manage marine resources, which are major contributors to the Nation's economy and well-being; to forecast the weather, thereby saving lives and property; and to formulate national policy and facilitate decision making to enhance the long term health of our environment, both on national and international fronts; and

(4) establishing the National Oceanic and Atmospheric Administration as an independent Federal Agency enables it to better address these issues in a wise and coherent fashion, gives the agency the recognition and standing it deserves, and the autonomy it needs to carry out its vital missions.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) the term "Administration" means the National Oceanic and Atmospheric Administration established under section 4; and

(2) the term "Administrator" means the Administrator of the National Oceanic and Atmospheric Administration appointed under section 5(a).

ESTABLISHMENT

SEC. 4. There is established as an independent establishment of the Government the National Oceanic and Atmospheric Administration. The Administration shall succeed the National Oceanic and Atmospheric Administration of the Department of Commerce in existence on the day before the effective date of this Act.

OFFICERS

SEC. 5. (a) The Administration shall be administered by an Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall carry out all functions transferred to the Administrator by this Act and shall have authority and control over all personnel, programs, and activities of the Administration. The Administrator shall be compensated at the rate prescribed for level III of the Executive Schedule Pay Rates.

(b)(1) There shall be in the Administration a Deputy Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Administrator shall perform such functions as the Administrator shall prescribe. The Deputy Administrator shall act for and perform the functions of the Administrator during the absence or disability of the Administrator, or in the event of a vacancy in the office of the Administrator. The Deputy Administrator shall be compensated at the rate prescribed for level IV of the Executive Schedule Pay Rates.

(2) There shall be in the Administration an Assistant Administrator for Coastal Zone Management and an Assistant Administrator for Fisheries, who shall be appointed by the Administrator and shall perform such functions as the Administrator shall prescribe. Such Assistant Administrators shall be compensated at the rate prescribed for level V of the Executive Schedule Pay Rates.

(c)(1) There shall be in the Administration a Chief Scientist, who shall be appointed by the President, by and with the advice and consent of the Senate. The Chief Scientist shall be a person who, by reason of scientific education and experience, is knowledgeable in the principles of oceanic, atmospheric, or other scientific disciplines important to the work of the Administration. The Chief Scientist shall be the principle scientific advisor to the Administrator, and shall perform such other functions as the Administrator shall prescribe.

(2) The Chief Scientist shall be compensated at the rate prescribed for level V of the Executive Schedule Pay Rates.

(d) There shall be in the Administration three additional Assistant Administrators, who shall be appointed by the Administrator. The Assistant Administrators shall perform such functions as the Administrator shall prescribe. The Administrator shall designate the order in which the Assistant Administrators, including the Assistant Administrators referred to in subsection (b)(2) of this section, shall act for and perform the functions of the Administrator during the absence or disability of the Administrator, and the Deputy Administrator, or in the event of vacancies in both of those offices. An Assistant Administrator shall be compensated at the rate prescribed for level V in the Executive Schedule Pay Rates.

(e) There shall be in the Administration a General Counsel, who shall be appointed by the Administrator. The General Counsel shall be the chief legal officer for all legal matters arising from the conduct of the functions of the Administration. The General Counsel shall be compensated at the rate prescribed for level V of the Executive Schedule Pay Rates.

(f)(1) There shall be in the Administration a Commissioned Officer Corps, which shall be the Commissioned Officer Corps of the National Oceanic and Atmospheric Administration established by Reorganization Plan No. 4 of 1970.

(2) All laws and regulations applicable to commissioned officers of the National Oceanic and Atmospheric Administration of the Department of Commerce on the day before the effective date of this Act shall be applicable to commissioned officers of the Administration.

(g) The Secretary of the Navy may detail to the Administrator, on an additional-duty basis, a Navy flag officer of the rank of rear admiral, who shall serve and be designated as the Naval Deputy to the Administrator. The Naval Deputy shall—

(1) act as a liaison between the Administrator and the Secretary of the Navy in order to avoid duplication of Federal oceanographic activities;

(2) act to maintain a close relationship between the Administration and the Navy in research and development; and

(3) ensure that national security considerations are addressed by the Administrator in formulating policies.

TRANSFERS AND INCIDENTAL PROVISIONS

SEC. 6. (a) The following are hereby transferred to the National Oceanic and Atmospheric Administration, the independent agency:

(1) All functions vested by law in the National Oceanic and Atmospheric Administration in the Department of Commerce or its Administrator, the Under Secretary of Commerce for Oceans and Atmosphere, together with all functions vested by law in the Secretary of Commerce or the Department of Commerce which are administered through the National Oceanic and Atmospheric Administration or are related to the National Oceanic and Atmospheric Administration.

(2) The functions of the Department of Commerce or the National Oceanic and Atmospheric Administration in the Department of Commerce incidental to, helpful to, or necessary for, the performance of the functions transferred by subsection (a)(1) or which relate primarily to those functions.

(3) So much of the personnel, property, records, funds, accounts, and unexpended balances of appropriations, allocations, and other moneys of the Department of Commerce which are employed, used, held, available, or to be made available in connection with the functions transferred by subsections (a)(1) and (a)(2).

(b) The personnel transferred under this section shall be so transferred without reduction in classification or compensation, except that after such transfer, such personnel shall be subject to changes in classification or compensation in the same manner, to the same extent, and according to the same procedure, as provided by law.

(c) The Administrator of the National Oceanic and Atmospheric Administration, an independent agency, shall exercise all functions transferred by subsection (a) of this title or any other function vested in the National Oceanic and Atmospheric Administration or the Administrator of the National Oceanic and Atmospheric Administration by any law subsequent to enactment of this Act. The Administrator may from time to time make such provisions as he shall deem appropriate authorizing the performance by any other officer, employee, or office of the National Oceanic and Atmospheric Administration of such functions.

(d) Members of the Commissioned Officer Corps of the Administration shall be entitled to all rights, privileges, and benefits heretofore available under any law to commissioned officers of the National Oceanic and Atmospheric Administration including those rights, privileges, and benefits heretofore accorded by law to commissioned officers of the former Environmental Science Services Administration and the former Coast and Geodetic Survey.

RULES; REGULATIONS

SEC. 7. In the performance of the functions of the Administrator and the Administration, the Administrator is authorized to make, promulgate, issue, rescind, and amend rules and regulations. The promulgation of such rules and regulations shall be governed by the provisions of chapter 5 of title 5, United States Code.

DELEGATION

SEC. 8. Except as otherwise provided in this Act, the Administrator may delegate any function to such officers and employees of the Administration as the Administrator may designate, and may authorize such successive redelegations of such functions in the Administration as may be necessary or appropriate. No delegation of functions by the Administrator under this section or under any other provision of this Act shall relieve the Administrator of responsibility for the administration of such functions.

PERSONNEL AND SERVICES

SEC. 9. (a) In the performance of the functions of the Administrator and in addition to the officers provided for by section 5, the Administrator is authorized to appoint, transfer, and fix the compensation of such officers and employees, including attorneys, as may be necessary to carry out the functions of the Administrator and the Administration. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and compensated in accordance with title 5, United States Code.

(b) The Administrator is authorized to obtain the services of experts and consultants in accordance with section 3109 of title 5, United States Code.

(c) The Administrator is authorized to pay transportation expenses, and per diem in lieu of subsistence expenses, in accordance with chapter 57 of title 5, United States Code.

(d) The Administrator is authorized to utilize, on a reimbursable basis, the services of personnel of any Federal agency. With the approval of the President, the Administrator is authorized to enter into cooperative agreements under which members of the Army, Navy, Air Force, and Marine Corps may be detailed by the Secretary of the Army, the Navy, or the Air Force, as the case may be, to assist the Administrator in carrying out the functions of the Administrator. Members of the Army, Navy, Air Force, or Marine Corps detailed to carry out functions under this section shall carry out such functions to the same extent as that to which such members might be lawfully assigned in the Department of Defense.

(e)(1)(A) The Administrator is authorized to accept voluntary and uncompensated services without regard to the provisions of section 1342 of title 31, United States Code, if such services will not be used to displace Federal employees employed on a full-time, part-time, or seasonal basis.

(B) The Administrator is authorized to accept volunteer service in accordance with the provisions of section 3111 of title 5, United States Code.

(2) The Administrator is authorized to provide for incidental expenses, including but not limited to transportation, lodging, and subsistence for such volunteers.

(3) An individual who provides voluntary services under paragraph (1)(A) of this subsection shall not be considered a Federal employee for any purpose other than for purposes of chapter 81 of title 5, United States Code, relating to compensation for work injuries, and chapter 171 of title 28, United States Code, relating to tort claims.

CONTRACTS

SEC. 10. The Administrator is authorized, without regard to the provisions of section 3324 of title 31, United States Code, to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary to carry out the functions of the Administrator and the Administration. The Administrator may enter into such contracts, leases, agreements, and transactions with any Federal agency or any instrumentality of the United States, or with any State, territory, or possession, or with any political subdivision thereof, or with any person, firm, association, corporation, or educational institution, on such terms and conditions as the Administrator may consider appropriate. The authority of the Administrator to enter into contracts and leases under this section shall be to such extent or in such amounts as are provided in appropriation Acts.

USE OF FACILITIES

SEC. 11. With their consent, the Administrator may, with or without reimbursement, use the services, equipment, personnel, and facilities of Federal agencies and other public and private agencies, and may cooperate with other public and private agencies and instrumentalities in the use of services, equipment, personnel, and facilities. The head of each Federal agency shall cooperate fully with the Administrator in making the services, equipment, personnel, and facilities of the Federal agency available to the Administrator. The head of a Federal agency is authorized, notwithstanding any other provision of law, to transfer to or to receive from the Administration, without reimbursement, supplies and equipment other than administrative supplies or equipment.

ACQUISITION AND MAINTENANCE OF PROPERTY

SEC. 12. (a) The Administrator is authorized—

(1) to acquire (by purchase, lease, condemnation, or otherwise) construct, improve, repair, operate, and maintain—

(A) laboratories;

(B) research and testing sites and facilities;

(C) quarters and related accommodations for employees and dependents of employees of the Administration; and

(D) such other real and personal property (including patents), or any interest therein within and outside the continental United States,

as the Administrator considers necessary;

(2) to lease to others such real and personal property;

(3) to provide by contract or otherwise for eating facilities and other necessary facilities for the welfare of employees of the Administration at its installations and to purchase and maintain equipment therefor.

(b) Title to any property or interest therein acquired pursuant to this section shall be in the United States.

(c) The authority granted by subsection (a) of this section shall be available only with respect to facilities of a special purpose nature that cannot readily be reassigned from similar Federal activities and are not otherwise available for assignment to the Administration by the Administrator of General Services.

(d) The authority of the Administrator to enter into contracts and leases under this section shall be to such extent or in such amounts as are provided in appropriation Acts.

FACILITIES AT REMOTE LOCATIONS

SEC. 13. (a) The Administrator is authorized to provide, construct, or maintain for employees and their dependents stationed at remote locations as necessary and when not otherwise available at such remote locations—

(1) emergency medical services and supplies;

(2) food and other subsistence supplies;

(3) meeting facilities;

(4) audiovisual equipment, accessories, and supplies for recreation and training;

(5) reimbursement for food, clothing, medicine, and other supplies furnished by such employees in emergencies for the temporary relief of distressed persons;

(6) living and working quarters and facilities; and

(7) transportation for school-age dependents of employees to the nearest appropriate educational facilities.

(b) The furnishing of medical treatment under paragraph (1) of subsection (a) and the furnishing of services and supplies under paragraphs (2) and (3) of such subsection shall be at prices reflecting reasonable value as determined by the Administrator.

(c) Proceeds derived from reimbursements under this section shall be deposited in the Treasury and may be withdrawn by the Administrator to pay directly the cost of work or services provided under this section, to repay or make advances to appropriations of funds which do or will bear all or a part of such cost, or to refund excess sums when necessary, except that such payments may be credited to a service or working capital fund otherwise established by law, and used under the law governing such funds if the fund is available for use by the Administrator for performing the work or services for which payment is received.

TRANSFERS OF FUNDS FROM OTHER FEDERAL AGENCIES

SEC. 14. The Administrator is authorized to accept transfers from other Federal agencies of funds which are available to carry out functions transferred by this Act to the Administrator or functions assigned by law to the Administrator after the date of enactment of this Act.

SEAL OF ADMINISTRATION

SEC. 15. The Administrator shall cause a seal of office to be made for the Administration of such design as the Administrator shall approve. Judicial notice shall be taken of such seal.

STATUS OF ADMINISTRATION UNDER CERTAIN LAWS

SEC. 16. For purposes of section 551 of title 5, United States Code, the Administration is an agency. For purposes of chapter 9 of such title, the Administration is an independent regulatory agency.

TECHNICAL AMENDMENT

SEC. 17. (a) The positions of Under Secretary of Commerce for Oceans and Atmosphere and the Assistant Secretary of Commerce for Oceans and Atmosphere established by section 407 of title IV of the Act of November 14, 1986, are abolished.

(b) Section 5314 of title 5, United States Code, is amended by deleting "Under Secretary of Commerce for Oceans and Atmosphere, the incumbent of which also serves as Administrator of the National Oceanic and Atmospheric Administration," and inserting in lieu thereof "Administrator, National Oceanic and Atmospheric Administration.".

(c) Section 5315 of title 5, United States Code, is amended by deleting "Assistant Secretary of Commerce for Oceans and Atmosphere, the incumbent of which also serves as Deputy Administrator of the National Oceanic and Atmospheric Administration." and inserting in lieu thereof "Deputy Administrator, National Oceanic and Atmospheric Administration.".

SAVINGS PROVISIONS

SEC. 18. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made granted, or allowed to become effective by the President, any Federal department or agency or official thereof, or by a court of competent jurisdiction, in regard to functions which are transferred under this Act to the Administration on or after the date of enactment of this Act, and

(2) which are in effect at the time this Act takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Administrator or other authorized officials, a court of competent jurisdiction, or by operation of law.

(b) The provisions of this Act shall not affect any proceedings or any application for any license, permit, certificate, or financial assistance pending at the time this Act takes effect; and such proceedings and applications, to the extent that they relate to functions so transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(c)(1) The provisions of this Act shall not affect suits commenced prior to the date this Act takes effect, and

(2) In all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this Act had not been enacted.

(d) In any case involving one or more officers required by this Act to be appointed by and with the advice and consent of the Senate shall not have entered upon office on the effective date of this Act, the President may designate any officer whose appointment was required to be made by and with the advice and consent of the Senate, and who was such an officer immediately prior to the effective date of this Act, to act in such office until the office is filled as provided in this Act while so acting, any such person shall receive compensation at the rates provided by this Act of the respective office in which he or she acts.

AUTHORIZATION OF APPROPRIATIONS

SEC. 19. There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes and provisions of this Act. Notwithstanding any other provision of law, there are authorized to be appropriated, for any fiscal year beginning after September 30, 1987, for use of the Administration, such sums as are specifically authorized to be appropriated as of the date of the enactment of this Act.

LAWS AND REGULATIONS

SEC. 20. Except to the extent otherwise provided in this Act, all laws, rules, and regulations in effect and applicable to the National Oceanic and Atmospheric Administration of the Department of Commerce and to the Administrator of such Administration, the Under Secretary of Commerce for Oceans and Atmosphere, on the date immediately proceeding the effective date of this Act shall, on and after such effective date, be applicable to the National Oceanic and Atmospheric Administration and the Administrator, established by this Act, thereof until such law, rule, or regulation is repealed or otherwise modified or amended.

EFFECTIVE DATE

SEC. 21. The foregoing provisions of this Act shall take effect upon the expiration of the 180 day period following the date of the enactment of this Act.

By Mr. LAUTENBERG:

S. 822. A bill to provide financial assistance to the States for computer education programs, and for other purposes; to the Committee on Labor and Human Resources.

COMPUTER EDUCATION ASSISTANCE ACT

● Mr. LAUTENBERG. Mr. President, computers are fast becoming a fact of everyday life for all Americans. They are changing the way we work, the way we live, and the way we learn. We have left the industrial age and entered the information age. As innovation and change surges forward, this country must assure that the benefits associated with this change are widely shared. Information technology can be beneficial for those who are trained to use it, but potentially limiting for those who are not.

The competitive position of this Nation in the world economy dependent upon our ability to be innovative and adaptable, and to demonstrate technical prowess. We can meet the challenge of the future, but to do so we must continue to produce well-educated, skilled and creative workers, workers who understand the uses of the new information technology. This will require adequate resources to support the best possible education for our children.

The last few years have seen much criticism of American education, and important beginnings in its revitalization. But concern remains. The chairman of the National Association of Manufacturers recently wrote about his concerns. He said:

> For the first time in our history, we may produce a generation less educated than its predecessor. More alarmingly, it may possess the wrong skills—or simply inadequate ones—for the jobs of the future.

In a similar vein, a paper prepared for the National Governors' Association's report on education said:

> We appear to be raising a generation of Americans largely lacking the understanding and skills to participate fully in the technology world in which they live and work.

I share this concern and believe that we must make greater strides toward strengthening American education. Computer education must be part of that process. In the last two Congresses I introduced legislation to establish a program of Federal assistance for schools to develop and improve computer education programs. Senator WIRTH was a leading voice on this issue when he was in the House of Representatives, and I am pleased that he is joining as a cosponsor of this bill in the Senate. The bill that I am introducing today, with Senator WIRTH and our colleagues, Senators KENNEDY, DODD, BRADLEY, MOYNIHAN, KERRY, SARBANES, MATSUNAGA, BINGAMAN, and RIEGLE is an improved version of the earlier bill, with the same goals and concepts.

The Computer Education Assistance Act of 1987 provides for a program of competitive grants for the purchase of computer hardware and software and inservice teacher training. It requires careful planning for the inclusion of computer education in the school curriculum. The bill authorizes assistance for teacher-training institutes for elementary and secondary school teachers. It also provides for evaluation of computer hardware and software and the development of model instructional programs which can be adopted by interested schools.

At a time when new Federal expenditures are viewed with great skepticism, the kind of investment I am proposing will pay for itself many times over in a more productive citizenry. This investment is particularly important in schools with concentrations of poverty-level children who should not be deprived of the benefits of a modernized and challenging curriculum.

Mr. President, computer education is no substitute for the three R's. Putting computers into the classroom is not a cure-all for the problems of American education. Computers will not replace inadequate teachers; on the contrary, they will require creative and skilled teachers to put them to the best use. Carefully designed computer education programs can greatly enhance good teaching.

Planning for the appropriate role of computer education is as important as the purchase of hardware and software. Thoughtful consideration must be given to the way to integrate computers into the curriculum. Computer education planners must first consider the overall goals for their schools. Then, they must decide how computers can help them meet those goals. For some purposes, existing methods will continue to be best. For other purposes, computers offer exciting possibilities for transforming the curriculum and the way it is taught.

Computers can be crucial in the transition from traditional education, with its relative emphasis on rote learning, to a new emphasis on assimilating information and solving problems. Computers can be used by students in every subject in every grade. Students can use word processing programs to improve their writing by editing and revising more easily than they do now. They can learn to simulate "what if" situations in history classes so that they can understand more clearly the factors that affect human behavior and events. They can learn to use graphics to present data in a clear and meaningful way. Some scientific experiments can be carried out through simulations.

These uses of the computer in schools would go far beyond the teaching of computer awareness or programming. A basis understanding of the working and operation of a computer should be a beginning for computer education, not an end. Computers are more like pencils than books. As educators come to view computers in this way, as tools, they will begin using them to expand their students' horizons and improve their analytical and critical thinking skills.

Thinking of computer education in broader terms will require coordination with curriculum planning. It is more than drill and practice exercises. Computer education involves the use of application software in word processing, spread sheet analysis, and data base analysis, all of which can be used more generally than highly specialized instructional courseware.

Use of computers in schools is growing, but the need for Federal assistance is convincing. Two years ago, 90 percent of U.S. schoolchildren attended schools that had at least one computer. This represents a tremendous growth since 1981 when only 18 percent of the schools had even one instructional computer. A report by Quality Education Data [QED], a private research firm in Denver, showed in 1985-86 the student to computer ratio in public schools, from kindergarten through 12th grade, was 50 to 1. This was a marked improvement over 1984-85, when the ratio was 75 to 1, and 1983-84, when it was 125 to 1.

However, many of these schools have only the one computer. The penetration of computers is wide, but not deep. The machines are frequently spread too thin to be used in optimum ways. Consider what it would mean if students had to share paper and pencil to the extent that they must share computers. Clearly the computer revolution in the schools is in its infancy.

Furthermore, the benefits of the growth in computers in schools are not evenly distributed among schools serving different socioeconomic groups. A study conducted in the fall of 1984 found that 92 percent of affluent schools had at least one computer, while only 74 percent of poor schools were so equipped.

Even more startling is the growth in the gap between rich and poor schools in the amount of computer equipment that each has. In 1983 the difference between the average number of computers in affluent and poor schools was just over two per school. One year later the difference had increased to nearly 4, with affluent schools averaging 10.6 computers per building and poor schools averaging only 6.8.

The exposure that students have to computers varies by economic class also. One study found that twice as many students in well-to-do urban areas said that they had ever used a computer in school as students in disadvantaged urban areas. The number of computers in homes far exceeds the number in schools and the lion's share of those computers are in more affluent homes, including many with children. The additional exposure to computers in the home creates further disparity between rich and poor children.

Teachers differ greatly in their access to, and familiarity with computers. The Second National Survey of Instructional Use of School Computers, which was conducted in 1985 by the Johns Hopkins University Center for Social Organization of Schools, found that only about 25 percent of all teachers who used computers with students were considered expert in various aspects of computer knowledge, 21 percent of middle school teachers were expert, and only 10 percent of elementary school teachers were expert.

The public, whether they have school-age children or not, feel very strongly that computers should be part of education. The Star-Ledger/Eagleton poll, a survey of New Jersey residents, found in October 1986 that 95 percent of respondents said that learning to use a computer is at least somewhat important to a child's education, and 70 percent said it was very important. Three-quarters of the respondents with children in school said that the school had a computer for the use of students. Three years earlier only two-thirds of the parents reported a computer in the child's school.

Mr. President, the Computer Education Assistance Act of 1987 will establish a program to assist States and local school districts in developing the Ambitious Computer Education Program that is needed. The program will authorize $150 million for the first year and such sums as necessary for an additional 3 years for grants to schools for acquisition of hardware and software and teaching training. The level of the appropriation for this program would not necessarily be the full $150 million. The funds will be allocated to the States, half on the basis of school-age population and half on the basis of the chapter I formula, used for aid to disadvantaged schoolchildren. Each State will make grants to local school districts, which must assure that at least half the funds are used to serve chapter I eligible children and that funds are targeted on schools with the greatest need for computers.

School districts will be required to do some fairly extensive planning. This will include:

Setting goals for computer education in the schools and relating these goals to the overall educational objectives of the district;

Planning revisions in the basic curricula of the schools designed to incorporate the use of computers; and

Instructional priorities for the use of computers;

Schedules for placing computers in the elementary and secondary schools;

Criteria for selection of the hardware and software;

After school and vacation availability of the computers for use by parents and students.

Standards for the evaluation for the program, including student achievement

The Federal grants are to be matched, with the Federal share set at 75 percent and the non-Federal at 25 percent. The non-Federal share can come from public or private sources, and may be in cash or in kind. Local districts that can make arrangements with businesses and industries to donate equipment, personnel, or cash will not have to use their own funds for the matching share. Private school students would be eligible for assistance.

The bill provides $20 million a year for 4 years to the National Science Foundation for the establishment of teacher-training institutes. These institutes would provide more indepth training for teachers than the inservice training allowed in another section of the bill. Proper preparation of teachers is essential to the success of a computer education program. These institutes will offer teachers an opportunity to learn about computers and the best methods for using them in the schools.

Evaluations of existing hardware and software and research and development on new software and instructional models will provide much of the underpinning for the new programs of computer education. Title III of this bill authorizes the National Science Foundation and the Department of Education to provide assistance to organizations that have expertise to carry out this research.

The planning requirement in this legislation is extremely important. Education planners need to take a careful look at the role of computers in the total curriculum. They also need to consider such questions as whether to institute saturation programs at a few schools or to provide computers in every classroom in a particular grade throughout the district. The bill does not set a goal for a specific ratio of students to computers or daily access time per student.

Plans are to include provisions for teachers, children, and parents to use computers after school and during vacations. This would permit parents and children to spend additional time working on the computers and gaining familiarity with them. Such after-school programs would be especially helpful to those without access to computers at home. The children who do not have computers at home are very likely also to be attending schools which are least likely to have many computers. In such areas, special outreach programs to encourage parental participation may be necessary.

The funds from the Computer Education Assistance Act of 1985 will be used in all schools, but at least half the funds will be targeted on schools

with poverty-level children. Priority also is to be given to schools with the greatest need for computers. By establishing the targeting requirement and the priority for underserved schools, the bill aims to concentrate its resources in a way that benefits schools and children that are falling behind in computer usage.

The grant funds can be used for acquisition of equipment and computer programs and inservice teacher training. Each district will decide the mix of uses to which they will put their funds. This provides school districts with a great deal of flexibility.

In addition, the non-Federal matching share can be in-kind, such as donations of equipment or personnel services from private sources or from public agencies. This provides additional flexibility and incentive for local school districts to involve the business community in their planning.

Mr. President, the program of planning and grant assistance for the purchase of equipment, training, and research authorized by this bill will provide Federal seed money for computer education programs. A great deal of flexibility is allowed and the result should be a better education for all children. This result is important for the growth and success of our children and our country.

I ask unanimous consent that a copy of the bill be inserted in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Computer Education Assistance Act of 1987".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to improve and strengthen computer education instruction in elementary and secondary schools and thereby to improve student's academic performance in both technical and other fields by—

(1) encouraging orderly planning for the use of computers and for the application of computers to the instructional program of elementary and secondary schools;

(2) encouraging the acquisition of computer hardware and software for elementary and secondary schools having the greatest need;

(3) improvement of teacher training in computer education; and

(4) furnishing technical assistance and information with respect to the acquisition of appropriate computer software.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "elementary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(2) the term "institution of higher education" has the same meaning given that term under section 1201(a) of the Higher Education Act of 1965;

(3) the term "local educational agency" has the same meaning given that term under section 198(a)(10) of the Elementary and Secondary Education Act of 1965;

(4) the term "secondary school" has the same meaning given that term under section 198(a)(7) of the Elementary and Secondary Education Act of 1965;

(5) the term "Secretary" means the Secretary of Education;

(6) the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands;

(7) the term "State educational agency" has the meaning given that term under section 198(a)(17) of the Elementary and Secondary Education Act of 1965;

(8) the term "computer hardware" means—

(A) a data processor which—

(i) has a combined random access and read only memory of at least 64,000 bytes; and

(ii) is or can be connected with devices for interaction with users and for visual display;

(B) in connection with such a data processor (i) a display screen, (ii) one or more disk or tape drives, (iii) peripheral equipment such as printers and communications devices; and

(C) any equipment necessary for the installation of equipment described in subparagraphs (A) and (B); and

(9) the term "computer software" means computer programs including programs of general applicability and programs of instructional courseware suitable for use in the education program of the elementary and secondary schools within the State, including programs and program materials necessary for the operation and maintenance of the computers.

TITLE I—ACQUISITION OF COMPUTER RESOURCES

PROGRAM AUTHORIZED

SEC. 101. (a) The Secretary is authorized, in accordance with the provisions of this title, to make grants to States to pay the Federal share of the costs of strengthening and expanding computer education resources available in the elementary and secondary schools within the State.

(b) There are authorized to be appropriated $150,000,000 for fiscal year 1988 and such sums as may be necessary for the fiscal year 1989 and for each succeeding fiscal year ending prior to October 1, 1991, to carry out the provisions of this title.

ALLOTMENT TO STATES; WITHIN STATE ALLOCATION

SEC. 102. (a)(1) From the sums appropriated under section 101(b) for each fiscal year, the Secretary shall reserve 2 percent for payments to the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

(2) From the remainder of such sums, the Secretary shall, subject to the provisions of subsection (b), allot to each State—

(A) an amount which bears the same ratio to one-half of such remainder as the school-age population of the State bears to the school-age population of all States, plus

(B) an amount which bears the same ratio to one-half of such remainder as the amount the State is eligible to receive under subpart 1 of part A of title I of the Elementary and Secondary Education Act of 1965 (as modified by chapter 1 of the Education Consolidation and Improvement Act of 1981) in the fiscal year for which the determination is made bears to the amount available to all States under such subpart 1.

(3) For the purpose of this subsection—

(A) the term "school-age population" means the population aged 5 through 17; and

(B) the term "States" includes the fifty States, and the District of Columbia.

(b) For the purpose of this section—

(1) the provisions of section 111(a)(3)(D) of the Elementary and Secondary Education Act of 1965, relating to the use of the survey of income and education data, shall not apply to the allotment of funds under paragraph (2) of subsection (a); and

(2) the provision of the third sentence of section 193(a) of the Elementary and Secondary Education Act of 1965, relating to the 85 percent hold harmless, shall not apply to the allotment of funds under paragraph (2) of subsection (a).

(c) The State educational agency shall allocate the allotment of the State to local educational agencies within the State having an application approved by the State in accordance with section 105 based on the factors described in clause (3) of section 106(a), relating to the local applications.

ELIGIBILITY FOR GRANTS

SEC. 103. No grant may be made to a State under this title unless the State educational agency, and local educational agencies within the State, carry out planning activities designed to facilitate the use of Federal financial assistance under this title for the expansion of computer resources in the elementary and secondary schools within the State. The planning activities shall include—

(1) the goals for computer education in the schools of such agency and how the goals relating to computer education in each subject relate to the education objectives of the local educational agency,

(2) planned revisions in the basic curricula of the elementary and secondary schools designed to integrate the use of computers,

(3) instructional priorities for the use of computers,

(4) schedules for placing computers in the elementary and secondary schools of such agency selected in accordance with the provisions of section 106(a)(2)(B),

(5) criteria for selecting computer hardware and software to be acquired which are designed to contribute to the curriculum goals,

(6) provisions for the security of the computers,

(7) after school and vacation availability of the computers for use by parents and students and teachers for instructional or educational purposes, and

(8) standards for the evaluation of the computer education program assisted under this Act, including student achievement and progress in meeting the goals set forth under clause (1).

USES OF FUNDS

SEC. 104. Grants under this title may be used for the payment of the Federal share of—

(1) the acquisition and leasing of computer hardware for use in the education program in the elementary and secondary schools in the State, including services necessary for the operation, installation, and maintenance of the computer hardware;

(2) the conduct of teacher training programs designed to improve the quality of instruction in computer education and to expand the use of computers in the educa-

tion program in the elementary and secondary schools in the State, with particular emphasis upon the use of seminars and inservice training and the use of specially trained teachers to train other teachers in the targeted schools of the local educational agency; and

(3) the acquisition of computer software.

STATE APPLICATION

SEC. 105. (a) Each State which desires to receive grants under this Act, and has complied with section 103, shall file an application with the Secretary. Each such application shall—

(1) designate the State educational agency as the State agency responsible for the administration and supervision of programs assisted under this Act;

(2) provide assurances that the planning activities required under section 103 are completed or will be completed promptly after filing an application under this section, except that any State may meet the requirement of this clause if the Secretary determines that computer education program planning activities conducted prior to the date of enactment of this Act substantially meet the requirements of section 103;

(3) provide assurances that the State—

(A) will use grants under this Act (i) so as to supplement the level of funds that would, in the absence of such funds, be made available from non-Federal sources for the purpose of the program for which assistance is sought; and (ii) in no case to supplant such funds from such non-Federal sources; and

(B) will not commingle funds made available under this Act with State funds;

(4) provide assurances that the State will not expend more than 5 percent of the funds available to it under this title for administration and oversight activities and for furnishing services to local educational agencies within the State necessary for the local educational agencies to carry out their responsibilities under this Act;

(5) provide assurances that the State, through the State educational agency shall furnish services to local educational agencies within the State necessary for the local educational agencies to carry out their responsibilities under this title;

(6) provide assurances that the State educational agency will pay from non-Federal sources the non-Federal share of the cost to the State of the computer education program for which assistance is sought under this title, together with an identification of the sources of the non-Federal support;

(7) provide that the application of each local educational agency applying for funds under this title will not be denied without notice and opportunity for a hearing before the State educational agency; and

(8) provide such additional assurances as the Secretary deems necessary to assure compliance with the requirements of this Act.

(b)(1) An application filed by the State under subsection (a) shall be for a period not to exceed four fiscal years and may be amended annually as may be necessary to reflect changes without filing a new application.

(2) The Secretary shall not disapprove an application submitted by the State educational agency without first affording notice and opportunity for a hearing.

LOCAL APPLICATIONS

SEC. 106. (a) A local educational agency may receive payments under this title for any fiscal year in which it has on file with the State educational agency an application which—

(1) identifies the computer hardware, computer software, and the teacher training programs available in the elementary and secondary schools in the local educational agency and sets forth the uses for which assistance is sought by the local educational agency;

(2) provide assurances that the planning activities required under section 103 are completed or will be completed promptly after filing an application under this section;

(3)(A) provides assurances that of the payments made to the local educational agency in each fiscal year at least half of such funds shall be used to serve educationally disadvantaged children eligible for services under title I of the Elementary and Secondary Education Act of 1965 (as modified by the Education Consolidation and Improvement Act of 1981); and

(B) provides assurances that the local educational agency will provide the funds made available to the agency under this title in each fiscal year first to elementary and secondary schools of such agency with the greatest need for computer hardware, computer software, and teacher training;

(4) provides assurances that the local educational agency will evaluate the computer education program assisted under this title in sufficient detail to permit the State to carry out section 103(8);

(5) provides assurances that funds paid under this title (A) will be used to supplement the levels of funds that would in the absence of such funds be made available from non-Federal sources for the purpose of the program for which assistance is sought; and (B) in no case are to supplant such funds from non-Federal sources;

(6) provides assurances that the local educational agency will pay from non-Federal sources the non-Federal share of the cost of the computer education program for which assistance is sought under this title, together with an identification of the sources of the non-Federal support;

(7) agrees to keep such records and provide such information to the State educational agency as reasonably may be required for fiscal audit and program evaluation consistent with the responsibilities of the State educational agency under this title;

(8) describes the programs and procedures which the local educational agency has developed to ensure the participation of parents in the establishment of its computer hardware acquisition program and in the development and implementation of a curriculum for the use of such hardware; and

(9) provides assurances that the agency will comply with the other provisions of this Act.

(b) One or more local educational agencies may jointly file an application under subsection (a).

(c)(1) The State educational agency may approve applications submitted under subsection (a) based upon the factors described in clause (3) of subsection (a) and section 102(c).

(2) An application filed by a local educational agency under subsection (a) shall be for a period not to exceed four fiscal years and may be amended annually as may be necessary to reflect changes without filing a new application.

PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS

SEC. 107. (a) The provisions of section 557 of the Education Consolidation and Improvement Act of 1981 shall apply to the financial assistance made available under this title.

(b) Each private elementary and secondary school to which subsection (a) applies shall, to the extent practicable, furnish evidence that such school has substantially complied with the planning activities described in section 103.

PAYMENTS; FEDERAL SHARE

SEC. 108. (a) From the amount allotted to each State pursuant to section 102, the Secretary shall, in accordance with the provisions of this Act, pay to the State an amount equal to the Federal share of the cost of the program to be assisted under this Act.

(b)(1) The Federal share for each fiscal year shall be 75 percent.

(2) Non-Federal contributions may be in cash or in kind, fairly evaluated, including plant, equipment, and services.

TITLE II—TEACHER TRAINING INSTITUTES

NATIONAL SCIENCE FOUNDATION PROGRAM

SEC. 201. (a) From the amount appropriated pursuant to section 203 for any fiscal year, the National Science Foundation shall arrange, through grants and contracts with professional scientific or engineering organizations, science museums, regional education centers, consortia of local educational agencies, intrastate resource and service centers, institutions of higher education (including community colleges), and private nonprofit educational organizations for the development and operation by such entities of short-term or regular session institutes for study to improve the qualifications of individuals who are engaged in or preparing to engage in the teaching, or supervising or training of teachers, in the use of computers for education programs in elementary and secondary schools.

(b) In making grants and contracts under subsection (a), the National Science Foundation shall give special consideration to applicants who will train teachers, or supervisors or trainers of teachers, serving or preparing to serve in elementary and secondary schools that enroll substantial numbers of culturally, economically, socially, and educationally disadvantaged youth or in programs for children of limited English language proficiency.

STIPENDS

SEC. 202. Each individual who attends an institute operated under the provisions of this title shall be eligible (after application therefor) to receive a stipend at the rate of $275 per week for the period of attendance at such institute.

AUTHORIZATION OF APPROPRIATIONS

SEC. 203. There are authorized to be appropriated to carry out this title $20,000,000 for the fiscal year 1988 and for each succeeding fiscal year ending prior to October 1, 1991.

TITLE III—TECHNICAL ASSISTANCE INFORMATION DISSEMINATION

PROGRAM AUTHORIZED

SEC. 301. (a) For the purpose of providing advice and technical assistance to State and local educational agencies on the expenditure of funds under title I of this Act and on the acquisition of suitable computer software, the Secretary of Education and the National Science Foundation, in accordance with an interagency agreement between the Secretary and the Foundation, shall—

(1) conduct research on the availability of computer hardware and software, for use in the classroom;

(2) make recommendations for improvements in implementing computer hardware and software into the curriculum of schools; and

(3) disseminate the results of activities conducted under clauses (1) and (2).

(b) The Secretary of Education and the Foundation are authorized to make grants and enter into contracts to carry out the functions described in clauses (1), (2), and (3) of subsection (a).

(c) There are authorized to be appropriated to carry out this section such sums as may be necessary for the fiscal year 1988 and for each succeeding fiscal year ending prior to October 1, 1991.

PRIVATE DISSEMINATION CENTERS

SEC. 302. (a) The National Science Foundation shall, through grants to or contracts with professional scientific or engineering organizations, science museums, regional science education centers, public television, consortia of local educational agencies, regional laboratories and university based research centers, institutions of higher education (including community colleges), and private nonprofit educational organizations conduct, assist, and foster research and experimentation on, and demonstration and dissemination of, models of instruction in the operation and use of computers which can be easily replicated. Such models of instruction may include model training programs for adults. In carrying out the provisions of this section, the Foundation shall give priority to proposals prepared with active and broad community involvement of such groups as parents, teachers, school boards and administrators, and local business.

(b) Funds available under a grant or contract pursuant to this section may be used for the acquisition of computer hardware and software.

(c) The Director of the National Science Foundation shall report to the Congress annually on the results of research and experimentation performed with funds made available under this section. The Director, in conjunction with the Secretary of Education, shall take such steps as may be necessary to disseminate information concerning such results to local educational agencies.

(d) There are authorized to be appropriated to carry out this section such sums as may be necessary for the fiscal year 1988 and for each succeeding fiscal year ending prior to October 1, 1991.●

By Mr. SPECTER:

S. 824. A bill to establish clearly a Federal right of action by aliens and U.S. citizens against persons engaging in torture or extrajudicial killings, and for other purposes; to the Committee on the Judiciary.

TORTURE VICTIMS PROTECTION ACT

● Mr. SPECTER. Mr. President, today I am introducing the Torture Victims Protection Act of 1987 to clearly establish a Federal right of action by both aliens and U.S. citizens against persons engaging in torture or extrajudicial killing under actual or apparent authority of any foreign nation. This legislation is identical to S. 2528 which I introduced on June 6, 1986.

While virtually every nation now condemns torture and extrajudicial killing in principle, in practice more than one-third of the world's governments engage in, tolerate, or condone such acts. A report issued by the United Nations last spring indicates that torture remains widespread worldwide and may become "the plague of the second half of the 20th century."

These systematic and institutional violations of human rights occur in countries of every political persuasion and in every region of the world. The U.N. report involved 33 countries, including Chile, South Africa, the Soviet Union, Iran, El Salvador, Guatemala, Afghanistan, Uganda, Ecuador, Honduras, Indonesia, and Comoros, a group of islands in the Indian Ocean off Africa. Although national laws may ban torture, the report said, "this moral awakening has not yet had tangible results for everybody."

Mr. President, this bill is designed to provide tangible results—a cause of action for damages for violation of the law of nations condemning torture and extrajudicial killing.

Because of its longstanding commitment to individual rights and the rule of law, the United States has assumed a special responsibility in promoting respect for human rights throughout the world. We have long recognized that if international human rights are to be given legal effect, adhering nations must make available domestic remedies and sanctions to address abuses regardless of where they occur.

When the U.N. Convention Against Torture was adopted without a dissenting vote in the General Assembly in December 1984, Ambassador Richard Schifter, former Alternative U.S. Representative to the U.N. General Assembly, and not Assistant Secretary for Human Rights and Humanitarian Affairs, stated that "* * * the mere setting of standards, as we all know, is not enough. There is ample evidence of a wide gulf between lofty words and the unacceptable practices which continue unabated in many parts of the world. One of the most flagrant continuing violations of human rights is torture—a crude violation of everything that we understand by the word 'human.' As long as torture persists further steps are needed to translate our words into action to eliminate this abhorrent practice."

Respect for human rights has been an integral part of our foreign policy for over a decade. In 1974, Congress amended the Foreign Assistance Act to require that security assistance be terminated if the receiving country's government was engaged in human rights violations. Torture is specified as one of those violations. In 1975 the same act was amended to include section 116 which applied restrictions to economic assistance. Then, in 1977, the sale of agricultural commodities under section 112 of the Agricultural Trade Development and Assistance Act was also restricted.

In 1984, after a series of hearings before the House Foreign Affairs Committee and the Senate Foreign Relations Committee on the phenomenon of torture, Congress adopted and the President signed a joint resolution on torture. In reaffirming the United States abhorrence of the use of torture under any circumstances, the resolution calls upon the Congress to develop concrete mechanism by which the United States can combat the use of torture throughout the world. Specifically, the joint resolution calls for the "enactment and vigorous implementation of laws to reinforce the United States policies with respect to torture." Passage of the Torture Victims Protection Act would begin to fulfill that mandate.

The bill clarifies and expands existing law by clearly establishing a Federal right of action against violators of human rights and authorizing suits by both aliens and U.S. citizens who have been victims of gross human rights abuses.

Significantly, this legislation contains several important limitations. Only persons acting "under actual or apparent state authority" would be liable for damages; the courthouse door would not be opened wide to suits based upon any type of violent international crime. In addition, the courts could decline jurisdiction over such suits if it were shown by "clear and convincing evidence" that the claimant had not exhausted "adequate and available remedies" in the nation where the alleged violations took place. Thus, only a limited number of cases are likely to be adjudicated under the proposed statute each year. The legislation, therefore, would have a minimal effect on the caseload of U.S. Federal courts.

The definition of "torture" contained in the bill is derived from the widely recognized definition contained in the U.N. Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment. The United States joined the consensus of other nations from around the world in adopting this Convention.

The definition of "extrajudicial killing" is specifically derived from common article 3 of the Geneva Conventions of 1949. Several international instruments incorporate the international consensus that the right to life may not be breached by extrajudicial means. See, for example, American Convention on Human Rights, article 4; European Convention for the Protection of Human Rights and Fundamental Freedoms, article 2; International Covenant on Civil and Political Rights, article 6.

While human rights violators seldom present themselves to their victims while in the United States, providing victims of gross human rights abuses access to the courts is of both practical and symbolic importance. This provision would add a new dimension to U.S. human rights policy by serving notice to individuals engaged in human rights violations that the United States strongly condemns such acts and will not shelter human rights violators from being held accountable in appropriate proceedings. The legislation also would encourage other nations to develop and apply meaningful domestic remedies, clearly the most effective deterrent to continued human rights abuses. Finally, the proposed legislation provides individual victims with the possibility, however remote, of obtaining some measure of justice.

The proposed legislation is based on the principle that human rights violations are not an abstract problem upon which the United States can have little effect. This country can and should become a model for other nations by extending practical remedies to victims of human rights abuses.

I ask unanimous consent that the full text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 824

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION. 1. This Act may be cited as the "Torture Victim Protection Act of 1987".

LIABILITY; LIMITATIONS ON REMEDIES

SEC. 2. (a) Every person who, under actual or apparent authority of any foreign nation, subjects any person to torture or extrajudicial killing shall be liable to the party injured or his or her legal representatives in a civil action.

(b) The court shall decline to hear and determine a claim under this section if the defendant establishes that clear and convincing evidence exists that the claimant has not exhausted adequate and available remedies in the place in which the conduct giving rise to the claim occurred. The court shall not infer the application of any statute of limitations or similar period of limitations in an action under this section.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) the term "torture" shall include any act by which severe pain or suffering (other than pain or suffering arising only from or inherent in, or incidental to, lawful sanctions), whether physical or mental, is intentionally inflicted on a person of such purpose as obtaining from that person or a third person information or a confession, punishing that person for an act that person or a third person has committed or is suspected of having committed, or coercing that person or a third person, or for any reason based on discrimination of any kind; and

(2) the term "extrajudicial killing" means a deliberated killing without previous judgment pronounced by a regularly constituted court affording all the judicial guarantees which are recognized as indispensable by civilized peoples.●

By Mr. DASCHLE:

S. 826. A bill to amend the Internal Revenue Code of 1986 to permit taxpayers to deduct 80 percent of State and local sales taxes, income taxes, and personal property taxes; to the Committee on Finance.

INTERNAL REVENUE CODE AMENDMENTS

● Mr. DASCHLE. Mr. President, today I am introducing a bill that would correct a major inequity created by last year's Tax Reform Act.

By eliminating the deductibility of State sales taxes and preserving full deductibility for income and property taxes, the Tax Reform Act discriminated against States like South Dakota that have chosen time and time again not to impose a State income tax.

It's time to correct that inequity, and to put all States back on an equal footing.

I wish I could introduce a bill that would restore full deductibility for State sales taxes, but such a bill would add $5 billion to the Federal deficit. I am convinced that the best thing that we, in Congress, can do for South Dakota right now is to reduce the Federal deficit. A bill that adds $5 billion to that deficit would not be as helpful as one that is revenue neutral.

So, Mr. President, the bill I am introducing today would make all State and local taxes—whether income sales, or property—80 percent deductible.

This change would have two important consequences for South Dakota. First, it would treat everyone alike, regardless of which State they live in. A South Dakota citizen who pays $100 in sales taxes would be treated the same as a resident of another State who pays $100 in State income taxes.

Second, it would not add to the Federal deficit. Making all State and local taxes 80 percent deductible would be revenue neutral.

So, this bill restores fairness without sacrificing fiscal responsibility.

South Dakota is not the only State that has been hurt by the discrimination against States with sales taxes. I urge all my colleagues who represent those States to join me in cosponsoring this fair and responsible bill.●

By Mr. PACKWOOD:

S. 827. A bill to promote the diversity and quality of radio and television programming by repealing the fairness doctrine and certain other program restrictions; to the Committee on Commerce, Science, and Transportation.

FREEDOM OF EXPRESSION ACT

● Mr. PACKWOOD. Mr. President, today I am reintroducing legislation to repeal the content doctrines imposed on the electronic media. This bill will remove the statutory basis for the so-called fairness doctrine and equal opportunities, reasonable access, and lowest unit charge rules.

I first introduced this bill in 1983, and reintroduced it in 1985. Since I last introduced this bill, the U.S. Court of Appeals for the District of Columbia held, in the TRAC decision, that the fairness doctrine is not a statutory requirement. The court held that the doctrine is merely an FCC regulatory policy. Regardless of whether the fairness doctrine is a statutory or regulatory requirement, it is an unjustified restriction of free speech.

Federal regulation over the content of the electronic media has been rationalized on the ground that the broadcast spectrum is scarce. However, the scarcity rationale does not withstand scrutiny. When our founders amended the Constitution for the first time in 1791, newspapers themselves were scarce. At that time, there were only eight daily and a handful of weekly newspapers, all of which were highly partisan. Yet all of these outlets were accorded full freedom. Clearly, scarcity was not a concern of the founders.

Even if the physical limitations of the broadcast spectrum could have justified the content regulation of the electronic media at one time, circumstances have changed. The avenues of public communication have burgeoned since the FCC adopted the fairness doctrine in 1949. In addition to the AM radio that was available then, we now have FM radio, television, cable TV, and other developing satellite and electronic information services. In contrast to the strong growth in the number of electronic outlets, the number of newspapers has dwindled in recent years. Yet we accord newspapers full first amendment protection, and impose content controls on the more diverse electronic media.

Finally, it seems to me that all resources are ultimately scarce, including newsprint, paper, and the other resources that go into the production of newspapers. As the court said in TRAC:

> Not everyone who wishes to publish a newspaper, or even a pamphlet, may do so. Since scarcity is a universal fact, it can hardly explain regulation in one context and not another.

Perhaps because of the weaknesses of the scarcity rationale, another justification for the content regulation of electronic media has gained popularity lately. This justification is that because broadcasting is so effective, so immediate, so widely available, the Government must step in and control it. Surely the founders did not intend to protect only communication that is not effective, not immediate, not widely available. It seems inconceivable to me that the first amendment accords less protection to certain forms of speech simply because they are very effective. That stands the first amendment on its head.

The content regulation of broadcasting is an unfounded, unconstitutional abridgment of free speech. Repeal is justified on that ground alone. But my concerns about the fairness doctrine and other content regulation of the electronic media are not simply academic considerations. Content regulation has very real and serious consequences. It chills the free exchange of ideas. In January and February 1984, the Commerce Committee held 3 days of hearings on the FCC's content controls. During those hearings, small, local broadcasters referred to the fairness doctrine as the "fearness doctrine" because of the ease with which it is used to harass and intimidate them to back away from the coverage of difficult issues.

When I first introduced this bill in 1983, I acknowledged that its enactment would not come easily. However, it is a just cause. It is time to remove the shackles of content regulation from broadcasters and return to the vision of our founders.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 827

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Freedom of Expression Act of 1987".

PURPOSE

SEC. 2. The purpose of this Act is to extend to the electronic media the full protection of the first amendment guarantees of free speech and free press.

AMENDMENTS TO THE COMMUNICATIONS ACT OF 1934

SEC. 3. The Communications Act of 1934 (47 U.S.C. 151 et seq.) is amended—

(1) in section 312(a), by—

(A) inserting "or" at the end of paragraph (5);

(B) striking "; or" at the end of paragraph (6) and inserting in lieu thereof a period; and

(C) striking paragraph (7);

(2) by repealing section 315; and

(3) by amending section 326 to read as follows:

"SEC. 326. Nothing in this Act shall be construed to give the Commission the power to—

"(1) censor any communication; or

"(2) promulgate any regulation or fix any condition which shall interfere with the right of free speech, including any requirement of an opportunity to be afforded for the presentation of any view on an issue.".●

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. BYRD, the names of the Senator from California [Mr. CRANSTON], the Senator from Massachusetts [Mr. KERRY], the Senator from Maine [Mr. MITCHELL], and the Senator from Lousiana [Mr. JOHNSTON] were added as cosponsors of S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

S. 58

At the request of Mr. DANFORTH, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 58, a bill to amend the Internal Revenue Code of 1986 to make the credit for increasing research activities permanent and to increase the amount of such credit.

S. 187

At the request of Mr. MELCHER, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 187, a bill to provide for the protection of Native American rights for the remains of their dead and sacred artifacts, and for the creation of Native American cultural museums.

S. 225

At the request of Mr. D'AMATO, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 225, a bill to amend title II of the Social Security Act to protect the benefit levels of individuals becoming eligible for benefits in or after 1979 by eliminating the disparity (resulting from changes made in 1977 in the benefit computation formula) between those levels and the benefit levels of pesons who become eligible for benefits before 1979.

S. 322

At the request of Mr. SARBANES, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 322, a bill to authorize the Alpha Phi Fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia.

S. 333

At the request of Mr. CHILES, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 333, a bill for the relief of Anne Brusselmans.

S. 338

At the request of Mr. PRYOR, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from California [Mr. CRANSTON], and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of S. 338, a bill to allow homeowners to deduct the full amount of prepaid interest paid in connection with the refinancing of their principal residence for the taxable year in which paid.

S. 406

At the request of Mr. PELL, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 406, a bill to provide additional Federal education programs designed to strengthen competitiveness of American industry, and for other purposes.

S. 455

At the request of Mr. HEFLIN, the names of the Senator from Florida [Mr. CHILES], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Michigan [Mr. RIEGLE], the Senator from North Carolina [Mr. SANFORD], the Senator from Alabama [Mr. SHELBY], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 455, a bill to amend the Internal Revenue Code of 1986 to restore income averaging for farmers, to restore the investment tax credit and accelerated cost recovery for property used in the trade or business of farming, and for other purposes.

S. 514

At the request of Mr. KENNEDY, the names of the Senator from Oregon [Mr. HATFIELD], the Senator from Mississippi [Mr. COCHRAN], the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Washington [Mr. EVANS] were added as cosponsors of S. 514, a bill to amend the Job Training Act to establish an incentive bonus for the successful placement of certain employable dependent individuals, to provide targeting of assistance from certain carryover funds for such individuals, and for other purposes.

S. 523

At the request of Mr. HELMS, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 523, a bill to amend title 39, United States Code, to extend to certain officers and employees of the Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded to Federal employees under title 5, United States Code.

S. 550

At the request of Mr. KERRY, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 550, a bill to promote safety by amending chapter 4 of title 23, United States Code, to provide for a uniform system for handicapped parking.

S. 585

At the request of Mr. DURENBERGER, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 585, a bill to provide relief to State and local government from Federal regulations.

S. 596

At the request of Mr. DANFORTH, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 596, a bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes.

S. 604

At the request of Mr. PRYOR, the names of the Senator from Idaho [Mr.

SYMMS], the Senator from Montana [Mr. MELCHER], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Idaho [Mr. MCCLURE] were added as cosponsors of S. 604, a bill to promote and protect taxpayer rights, and for other purposes.

S. 696

At the request of Mr. COCHRAN, the names of the Senator from Kansas [Mrs. KASSEBAUM] and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 696, a bill to provide that full-time magistrates and bankruptcy judges receive a salary equal to 92 percent of the salary paid to judges of the district courts of the United States.

S. 708

At the request of Mr PROXMIRE, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 708, a bill to require annual appropriations of funds to support timber management and resource conservation on the Tongass National Forest.

S. 719

At the request of Mr. PRYOR, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of S. 719, a bill to amend the Internal Revenue Code of 1986 to provide that certain minimum tax and accounting rules (added by the Tax Reform Act of 1986) applicable to installment obligations shall not apply to obligations arising from sales of property by nondealers.

S. 723

At the request of Mr. DANFORTH, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 723, a bill to amend the Merchant Marine Act, 1936 to exempt shipment of all agricultural commodities and products thereof from cargo preference requirements.

S. 763

At the request of Mr. DOMENICI, the names of the Senator from Georgia [Mr. NUNN], the Senator from Tennessee [Mr. GORE], and the Senator from Oregon [Mr. HATFIELD] were added as cosponsors of S. 763, a bill to amend title XIX of the Public Health Service Act to establish a block grant to States for services for homeless individuals who have serious mental illnesses.

S. 764

At the request of Mr. MURKOWSKI, the names of the Senator from Alabama [Mr. SHELBY], the Senator from Illinois [Mr. DIXON], the Senator from North Carolina [Mr. HELMS], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 764, a bill to deny funds for projects using products or services of foreign countries that deny fair market opportunities.

S. 780

At the request of Mr. REID, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 780, a bill to amend the enforcement provisions of the Federal Election Campaign Act of 1971.

S. 809

At the request of Mr. BYRD, the names of the Senator from Minnesota [Mr. DURENBERGER], the Senator from Arizona [Mr. DECONCINI], the Senator from Rhode Island [Mr. PELL], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 809, a bill to provide urgently needed assistance to protect and improve the lives and safety of the homeless.

S. 810

At the request of Mr. BYRD, the names of the Senator from Rhode Island [Mr. PELL] and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 810, a bill to authorize housing assistance for homeless individuals and families.

S. 811

At the request of Mr. BYRD, the names of the Senator from Rhode Island [Mr. PELL] and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 811, a bill to provide health services, mental health services, and job training for homeless individuals and education for homeless children.

S. 812

At the request of Mr. BYRD, the names of the Senator from Rhode Island [Mr. PELL], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 812, a bill to amend the Food Stamp Act of 1977 to provide urgent relief to improve the nutrition of the homeless, and for other purposes.

S. 813

At the request of Mr. BYRD, the names of the Senator from Rhode Island [Mr. PELL], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 813, a bill to provide urgently needed assistance to protect and improve the lives and safety of the homeless.

SENATE JOINT RESOLUTION 55

At the request of Mr. GRASSLEY, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 55, a joint resolution designating the week of May 10, 1987, through May 16, 1987, as "National Osteoporosis Prevention Week of 1987."

SENATE JOINT RESOLUTION 64

At the request of Mr. CHILES, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 64, a joint resolution to designate May 1987 as "Older Americans Month."

SENATE JOINT RESOLUTION 66

At the request of Mr. BURDICK, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Joint Resolution 66, a joint resolution to designate the week of November 22 through November 28, 1987, as "National Family Week."

SENATE JOINT RESOLUTION 89

At the request of Mr. GARN, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of Senate Joint Resolution 89, a joint resolution to authorize and request the President to issue a proclamation designating April 26, through May 2, 1987 as "National Organ and Tissue Donor Awareness Week."

SENATE CONCURRENT RESOLUTION 13

At the request of Mr. KERRY, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of Senate Concurrent Resolution 13, a concurrent resolution to express the sense of Congress regarding efficient and compassionate management of the Social Security Disability Insurance [SSDI] Program.

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. GORE, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of Senate Concurrent Resolution 20, a concurrent resolution to express the sense of Congress that funding for the Vocational Education Program should not be eliminated.

SENATE CONCURRENT RESOLUTION 21

At the request of Mr. DANFORTH, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of Senate Concurrent Resolution 21, a concurrent resolution expressing the sense of Congress in opposition to the proposal by the European Community for the establishment of a tax on vegetable and marine fats and oils and urging the President to take strong and immediate countermeasures should such a tax be implemented to the detriment of United States exports of oilseeds and products and inconsistently with the European Community's obligation under the General Agreement on Tariffs and Trade.

SENATE CONCURRENT RESOLUTION 37—RECOGNIZING THE CONTRIBUTIONS OF FATHER TERRY ATTRIDGE

Mr. D'AMATO submitted the following concurrent resolution; which was referred to the Committee on Labor and Human Resources:

S. CON. RES. 37

Whereas the Office of Substance Abuse Ministry in New York State and its action component, DARE (Drug, Alcohol, Rehabilitation and Education program) were formed in October 1980 and charged with the responsibility of coordinating, planning and directing the multifaceted programs of the Archdiocese of New York in its non-sectarian efforts against alcohol and other drug abuse, and this office has served as a model to address this national and international problem;

Whereas the Executive Director, Father Terry Attridge, took the mandate and established DARE (Drug, Alcohol, Rehabilitation and Education program) as an action project with adult and youth components geared to the utilization of volunteers in prevention, education and early intervention;

Whereas DARE involves the total community, including youths and adults, churches, synagogues, public and non-public schools, health care agencies, service organizations, law enforcement agencies and local chambers of commerce;

Whereas for the past seven years DARE has trained over 30,000 youths and adults who have generated more than 7.75 million volunteer hours, all of which has been accomplished under the direction of Father Attridge and 15 regional coordinators covering 10 New York counties, providing models of DARE in urban, suburban and rural communities;

Whereas DARE has become a widely respected source of education, prevention and community organization, sponsoring among other programs "Natural High" events which are a part of the many anti-drug programs sponsored by the regional offices;

Whereas DARE has effectively used the television, radio and print media in its effort to alert, organize and inform local communities;

Whereas DARE has produced quality educational materials sensitive to various ethnic groups, including an outstanding quarterly newsletter, an award-winning national magazine, DARE, and a book entitled, "A Call to Action: Youth, Alcohol, and Other Drugs, A Community Approach, Education, Prevention and Intervention"; and

Whereas DARE has functioned along with various religious denominations as a consultant in the field of alcohol and drug abuse for the public and private sectors; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress recognizes and honors Father Terry Attridge and the DARE program for the continuing contributions they have made both nationally and internationally in the fight against alcohol and other drug abuse, especially through education, prevention and the organization of local communities.

● Mr. D'AMATO. Mr. President, I rise today to submit a concurrent resolution recognizing and honoring Father Terry Attridge and the DARE Program for their dedication to drug- and alcohol-abuse prevention.

Drug Alcohol Rehabilitation Education [DARE] is a nonsectarian, community-based program under the auspices of the Office of Substances Abuse Ministry of the Archdiocese of New York. DARE grew out of Terrence Cardinal Cooke's deep concern with the crippling effects of drugs and alcohol on this Nation's most precious resource: our young. Formed in 1980, DARE has attained national and international standing. It has been replicated in 10 States, and in England, Ireland, Germany, and Malta. In 1984, DARE received the Presidential Award in recognition of its achievements.

DARE has 12 regional offices and 3 youth-volunteer offices throughout the 10-county area encompassing the New York Archdiocese region. The trained volunteers mobilize community action against illicit sales of drugs and alcohol, establish parent- and youth-support groups, organize community events such as hotlines, and develop positive, alternative programs with community involvement and commitment.

DARE has trained over 30,000 young people and adults who, in turn, have worked more than 7.75 million volunteer hours. It has made over 12,000 referrals for rehabilitation and treatment. Charged with the responsibility of coordinating and directing this program, Father Terry Attridge has spent tireless hours building DARE into a widely respected community program.

DARE sponsors antidrug fairs, such as Drug Liberation Day which was held on August 3, 1986, to provide information and referrals to the people of Manhattan. It also publishes a periodical that focuses on a different drug-related topic in each issue. One issue, for example, entitled "Cocaine's Cheap Seduction," explored the many problems created by the cocaine epidemic.

DARE has proven effective in developing a national and international drug-awareness campaign. It is combating the scourge of youthful drug and alcohol abuse by harnessing the energies of the community. It is built upon a network of volunteers who are part of the fabric of their community. DARE is saving the lives of countless young people so in need of our support. Project DARE is challenging all the members of its community to reach out and restore someone in need.

For all these reasons, it deserves our recognition and gratitude, and I urge my colleagues to give this resolution their full support.●

SENATE CONCURRENT RESOLUTION 38—RECOGNIZING THE INTERNATIONAL ASSOCIATION OF FIREFIGHTERS AND THE NATIONAL FALLEN FIREFIGHTER MEMORIAL

Mr. ARMSTRONG (for himself and Mr. WIRTH) submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 38

Whereas firefighters have dedicated their lives to protecting communities;

Whereas the working environment of firefighters entails hazards beyond the normal limits of other occupations, including exposure to unknown toxic elements;

Whereas nearly 1,200 firefighters have died in the line of duty since 1977;

Whereas the Colorado Springs, Colorado, affiliate of the International Association of Fire Fighters is building a permanent memorial in recognition of firefighters who have given the ultimate sacrifice while performing their duties;

Whereas the Colorado Springs Fire Fighters Association has commissioned sculptor Gary Coulter to produce a "Heroic Bronze" entitled "Somewhere Everday" to permanently commemorate fallen firefighters;

Whereas firefighters from around the country are raising funds to pay for the statue;

Whereas the city of Colorado Springs has donated the land for the statue and surrounding plaza and will provide perpetual care and maintenance of the memorial grounds;

Whereas the statue has been unanimously approved by the Arts in Public Places Commission;

Whereas the Fallen Fire Fighter Memorial is centrally located to give firefighters from all over the country an opportunity to visit the memorial; and

Whereas the International Association of Fire Fighters adopted a resolution at their 1986 convention endorsing the Fallen Fire Fighter Memorial in Colorado Springs, Colorado, as the National Fallen Fire Fighter Memorial of the International Association of Fire Fighters: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress recognizes the Fallen Fire Fighters Memorial in Colorado Springs, Colorado, as the International Association of Fire Fighters National Fallen Fire Fighter Memorial.

● Mr. ARMSTRONG. Mr. President, my colleague, Senator WIRTH and I are today introducing legislation to recognize the International Association of Fire Fighters National Fallen Fire Fighter Memorial. This legislation represents the culmination of outstanding efforts begun by the Colorado Springs Fire Fighters Association, and endorsed formally last year by the members of the International Association of Fire Fighters, to dedicate a memorial for the firefighters who have given their lives in order to protect the lives and property of their fellow citizens.

Congressional recognition of the memorial will bestow much deserved praise to the highly dedicated firefighters, whose motto is "We Fight for Life." With nearly 1,200 firefighters lives claimed since 1977 alone, it is no wonder firefighting is considered the No. 1 hazardous occupation. The modern firefighter, though, is not just fighting fire, but must also respond to hazardous material accidents and a variety of medical emergencies and rescue operations. A memorial for fallen firefighters will remind firefighters and citizens forever of the sacrifices made by firefighters in every community throughout the Nation.

The legislation recognizes the Fallen Fire Fighters Memorial as the National Fallen Fire Fighter Memorial of the International Association of Fire Fighters. No administration or cost to the Federal Government is entailed.

The city of Colorado Springs has donated land for the memorial and surrounding plaza and will also assume the care and utility cost of the plaza. The memorial plaza will be paid for by foundation grants, and the architectural and design work of the plaza has been donated.

Fire fighters from around the country will pay for the statue and have been active donating money, conducting community projects, and organizing other fundraising events to pay for the statue. Mr. Gary Coulter won the competition to sculpt the statue and entitled it "Somewhere Everyday." He has completed the mold and the statue is currently being put in bronze. The firefighters are planning to have the statue in place this October during "National Fire Prevention Week."

When completed, the Colorado Springs firefighters intend to illuminate the memorial and fly the American flag at all times. Upon notification by the International Association of Fire Fighters of a firefighter's death, the American flag will be flown at half mast, and an honor guard has been formed for such occassions. The flag flown at half mast will be presented to the widow or other close relative of the fallen firefighter.

I urge my colleagues to endorse this legislation to commend not only the private initiative of the firefighters to dedicate a memorial to their fallen brethren, but, most importantly, the firefighters who have sacrificed their lives in the performance of their duties. I ask unanimous consent that a copy of a resolution adopted by the International Association of Fire Fighters be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION No. 109

Whereas, the International Association of Fire Fighters have experienced the death of several hundred Brother and Sister Fire Fighters since becoming organized February 23th 1918, and

Whereas, since 1977 there have been 1,189 reported Fire Fighter deaths in the line of duty (NEPA Annual Report, 1985), and

Whereas, the Professional Fire Fighters had dedicated their lives to protecting communities and fighting their foe . . . FIRE, and

Whereas, the Professional Fire Fighters working environment requires performing their duty well beyond the normal limits of other occupations, and

Whereas, the Professional Fire Fighters occupation demands being exposed to unknown toxic environments while engaged in their occupations, and

Whereas, the Professional Fire Fighters work is recognized as one of the most hazardous professions in America, and

Whereas, Local 5, IAFF, desires to establish a permanent memorial in recognition of the Brothers and Sisters who have given the ultimate sacrifice while performing their occupational responsibilities above and beyond their call to duty, and

Whereas, Local 5 has commissioned sculptor Gary Coulter to produce a "Heroic Bronze" entitled "Somewhere Everyday" to permanently recognize these Brothers and Sisters, and

Whereas, land has been donated by the City of Colorado Springs, Colorado, by their Park and Recreation Department, and

Whereas, the City of Colorado Springs through City Council action has endorsed this project, and

Whereas, the Arts in Public Places Commission (a Presidential Commission), has unanimously approved the statue "Somewhere Everyday," and

Whereas, the Governor of the State of Colorado has endorsed this project, and

Whereas, the Executive Board of the IAFF has endorsed the efforts of Local 5, IAFF, in their actions of building this Fallen Fire Fighter Memorial and Plaza, and

Whereas, the United States Department of the Interior has researched and concluded that "There are no existing dedicated National Fallen Fire Fighter Memorials," and

Whereas, there is before the United States House of Representatives and Senate bills to impart "National Status" on the Fallen Fire Fighter Memorial, and

Whereas, the "Fallen Fire Fighter Memorial" will be built centrally within the United States of America allowing for all Fire Fighters traveling east or west an opportunity to visit, therefore, be it

Resolved, that the assembled delegates at the 1985 Convention in Las Vegas Nevada, endorse the Fallen Fire Fighter Memorial and Plaza, and, be it further

Resolved, that the Fallen Fire Fighter Memorial and Plaza be built in Colorado Springs, Colorado on land donated by the City of Colorado Springs with perpetual care and maintenance provided by the City of Colorado Springs, and, be if further

Resolved, that, the assembled delegates and the IAFF Executive Board actively encourage all locals of the IAFF to support the United States Congressional Bills through contact of their Congressmen to effect "National Status" on this Memorial.●

SENATE RESOLUTION 173—RELATING TO VACANCIES ON THE STAFF OF THE LATE SENATOR EDWARD ZORINSKY

Mr. BYRD (for himself and Mr. FORD) submitted the following resolution; which was considered and agreed to:

S. RES. 173

Resolved, That subsection (a) of the first section of Senate Resolution 458, 98th Congress (agreed to October 4, 1984) is amended by—

(1) inserting "(1)" after "(a)"; and

(2) adding at the end thereof the following:

"(2) If an employee of a Senator continued on the Senate payroll pursuant to paragraph (1) resigns or is terminated during the period required to complete the closing of the office of such Senator, the Secretary of the Senate may replace such employee by appointing another individual. Any individual appointed as a replacement under the authority of the preceding sentence shall be subject to the same terms of employment, except for salary, as the employee such individual replaces.".

SENATE RESOLUTION 174—CONDEMNING THE SOVIET-CUBAN BUILDUP IN ANGOLA

Mr. DECONCINI submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 174

Whereas the people of Angola have suffered under colonial domination for centuries;

Whereas the Portuguese promise of independence and free elections for Angola embodied in the Alvor Accord of 1975 was nullified when the Marxist Popular Movement for the Liberation of Angola (hereafter in this resolution referred to as the "MPLA") illegally and militarily seized power with the support of Soviet and Cuban troops;

Whereas that Marxist regime has continually denied the most basic human rights to the people of Angola since 1975 culminating in one of the worst human rights records reported by the Department of State, as described in the report entitled "Country Reports on Human Rights Practices for 1986";

Whereas the Marxist regime in Angola has allowed the country of Angola to become a Soviet base for aggression and subversion in southern Africa, including the expansion of a Soviet naval port, the presence of 35,000 Cuban troops, and the influx of $4,000,000,000 in Soviet weaponry;

Whereas the naval port facilities in Angola pose serious potential threats to United States naval interests in the Atlantic and around the Cape of Good Hope;

Whereas the Soviets and Cubans have engaged in the most blatant foreign intervention in post-colonial history of Africa, and the MPLA is hostage to these foreign forces as evidenced by the fact that the MPLA had the worst anti-United States voting record in the United Nations last year;

Whereas the MPLA government of Angola in 1986 obtained 90 percent of its foreign exchange from the extraction and production of oil with the assistance of American companies;

Whereas most Angola's oil is extracted in Cabinda Province, where 65 percent of it is extracted by an American oil company;

Whereas United States business interests are in direct conflict with overall United States foreign policy and national security objectives in aiding the MPLA government;

Whereas the United States currently refuses to recognize the Marxist government of the MPLA;

Whereas representatives of the Government of Portugal's three main political parties have recently visited the liberated territory and will soon announce a commission to promote national reconciliation in Angola;

Whereas the United States has an obligation to encourage peace, freedom, and democracy and to condemn tyranny where it may exist; and

Whereas the growing intensity of war, the mounting suffering of the Angolan people, the growing presence of communist forces in Angola, and the failure of the MPLA to respond to diplomatic initiatives gives new urgency to efforts to reach a peaceful settlement: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United States, so long as Soviet and Cuban military forces occupy Angola, should encourage peace and national reconciliation in Angola through a negotiated settlement to the eleven-year military conflict and stress the holding of free and fair elections as outlined in the 1975 Alvor Agreement through—

(1) continued multilateral initiatives designed to support Soviet and Cuban withdrawal and a negotiated peaceful settlement acceptable to the people of Angola; and

(2) consistent efforts by the President and the Secretary of State to convey to the Soviet leadership that continued military build-up and presence in Angola directly hinders future positive relationships with the American people and the United States Congress.

SEC. 2. The Senate hereby requests the President to use his special authorities under the Export Administration Act to block United States business transactions which conflict with United States security interests in Angola.

SEC. 3. It is further the sense of the Senate that the Secretary of State should—

(1) review the United States policy with respect to the United States refusal to recognize the Marxist MPLA government, the abysmal human rights record of the MPLA government (as reported by the Department of State), and the worst 1985 voting record supporting United States interests in the United Nations; and

(2) prepare and transmit to the Congress a report containing the findings of the review required by paragraph (1), together with a determination as to whether it is in the United States interest to continue under the current trade and business policy with respect to Angola.

SEC. 4. The Secretary of the Senate shall transmit a copy of this resolution to the President and the Secretary of State.

AMENDMENTS SUBMITTED

NATIONAL POW RECOGNITION DAY

CRANSTON (AND MURKOWSKI) AMENDMENT NO. 42

Mr. BYRD (for Mr. CRANSTON and Mr. MURKOWSKI) proposed an amendment to the joint resolution (S.J. Res. 47) to designate "National POW Recognition Day"; as follows:

On page 2, line 3 of the resolved clause insert the word "Former" before POW.

HOMELESS ASSISTANCE

DOMENICI AMENDMENT NO. 43

(Ordered to lie on the table.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill (S. 809) to provide urgently needed assistance to protect and improve the lives and safety of the homeless; as follows:

Strike out section 521 of the bill and insert in lieu thereof the following:

SEC. 521. EMERGENCY MENTAL HEALTH SERVICES FOR HOMELESS INDIVIDUALS HAVING SERIOUS MENTAL ILLNESS.

(a) Title XIX of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART D—SERVICES FOR HOMELESS MENTALLY ILL INDIVIDUALS BLOCK GRANT

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1931. (a) To carry out this part, there are authorized to be appropriated $80,000,000 for fiscal year 1987, $200,000,000 for fiscal year 1988, $205,000,000 for fiscal year 1989, $210,000,000 for fiscal year 1990, $215,000,000 for fiscal year 1991, and $220,000,000 for fiscal year 1992.

"(b) Of the total amount appropriated to carry out this part for any fiscal year, not more than 2 percent shall be available to carry out section 1937(a).

"ALLOTMENTS

"SEC. 1932. (a) The Secretary shall allot the total amount available for allotment under this section for a fiscal year (after the application of section 1931(b)) to States, metropolitan cities, and urban counties so that the percentage of such total available amount that is allotted to any State, metropolitan city, or urban county for such fiscal year is equal to the percentage of the total amount available for grants under section 106 of the Housing and Community Development Act of 1974 for the fiscal year prior to such fiscal year that is allocated to such State, metropolitan city, or urban county.

"(b)(1) Notwithstanding subsection (a), the total of the allotments under this section to a State and all metropolitan cities and urban counties in such State for any fiscal year shall not be less than one-quarter of one percent of the amount available for allotments under this section for such fiscal year.

"(2) If, under the allocation provisions applicable to this part pursuant to subsection (a), any metropolitan city or urban county would receive an allotment of less than $100,000 for any fiscal year, such amount shall instead be reallocated in accordance with subsection (c).

"(c) If the total amount of funds appropriated under section 1931 for a fiscal year and available for allotment under this section for such fiscal year is not otherwise allotted to States, metropolitan cities, and urban counties because—

"(1) one or more States, metropolitan cities, or urban counties have not submitted an application or description of activities in accordance with section 1936 for such fiscal year;

"(2) one or more States, metropolitan cities, or urban counties have notified the Secretary that they do not intend to use the full amount of their allotment;

"(3) some allotments of States, metropolitan cities, or urban counties are offset or repaid under section 1917(b)(3) (as such section applies to this part pursuant to section 1936(e)); or

"(4) amounts become available under subsection (b)(2),

the amount not allotted shall be allotted among each of the remaining States, metropolitan cities, and urban counties in proportion to the amount otherwise allotted to such States, metropolitan cities, and urban counties for such fiscal year without regard to this subsection.

"FEDERAL SHARE

"SEC. 1933. The Federal share of all activities in a State, metropolitan city, or urban county supported by an allotment to such State, metropolitan city, or urban county under section 1932 for a fiscal year shall be 75 percent of the aggregate necessary costs of all such activities, as determined by the Secretary. A State, metropolitan city, or urban county shall pay at least 15 percent of such costs in cash, and the remainder of such costs shall be paid by such State, metropolitan city, or urban county through in-kind contributions.

"PAYMENTS UNDER ALLOTMENTS

"SEC. 1934. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State, metropolitan city, or urban county from its allotment under section 1932 from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State, metropolitan city, or urban county for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State, metropolitan city, or urban county for the purposes for which it was made.

"USE OF ALLOTMENTS

"SEC. 1935. (a)(1) Except as provided in subsection (b), amounts paid to a State, metropolitan city, or urban county under section 1934 shall be used by such State, metropolitan city, or urban county to carry out comprehensive emergency projects for eligible individuals. Such projects shall include each of the following activities:

"(A) The provision of outreach services to eligible individuals in nontraditional settings, such as shelters, streets, transitional housing sites, and drop-in centers for homeless individuals. Such services shall include crisis intervention services, needs assessment services, and referral to providers of services for eligible individuals.

"(B) The provision of treatment and rehabilitation services to eligible individuals, including diagnostic services, psychiatric evaluation, medical services, the provision of pharmaceuticals, substance abuse treatment and rehabilitation, individual and group counseling, family therapy, and psychosocial rehabilitation services.

"(C) The provision of training to individuals who provide services to eligible individuals, including individuals who work in shelters, mental health clinics, hospital emergency rooms, transitional housing sites, and individuals who provide case management and outreach services, in order to enable such individuals to—

"(i) identify and serve the mental health and support needs of eligible individuals;

"(ii) refer eligible individuals to available services; and

"(iii) coordinate the provision of services to eligible individuals.

"(D) The provision of case management services to eligible individuals.

"(E) The provision of transitional housing for eligible individuals.

"(2) Not more than 50 percent of the total amount paid to a State, metropolitan city, or urban county for a fiscal year may be used by such State, city, or county for such fiscal year to carry out paragraph (2)(E).

"(b)(1) A State, metropolitan city, or urban county may use amounts paid to such State, city, or county under this part to conduct comprehensive emergency projects for eligible individuals required under subsection (a) through contracts with qualified providers of mental health services.

"(2) For purposes of this subsection, a qualified provider of mental health services—

"(A) is a public or non-profit private entity;

"(B) agrees to conduct, or arrange for the conduct of, each of the activities described in subsection (a)(1);

"(C) if eligible to receive payments under the State plan approved under title XIX of the Social Security Act for services provided to eligible individuals that are covered under the State plan, agrees to seek reimbursement for such services under the plan to the extent permitted under the plan;

"(D) agrees to establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the contract;

"(E) agrees to establish a continuing program of quality assurance with respect to the activities conducted under the contract; and

"(F) agrees to submit annual reports to such State, city, or county that describe the utilization and costs of activities provided under the contract and such other information as such State, city, or county may require.

"(3) In entering into contracts under this subsection, a State, metropolitan city, or urban county shall give preference to qualified providers of mental health services who are experienced in the treatment of mental illness in homeless individuals.

"(4) Under a contract with a State, metropolitan city, or urban county under this subsection, a qualified provider of mental health services may enter into subcontracts with—

"(A) self-help organizations that are established and managed by current and former recipients of mental health services, primarily to provide the services described in subparagraphs (A) and (D) of subsection (a)(1); and

"(B) eligible systems designated under title I of the Protection and Advocacy for Mentally Ill Individuals Act of 1986 in order to provide advocacy services to individuals who have serious mental illnesses and who are not eligible for such services under such Act.

"(c) A State, metropolitan city, or urban county may not use amounts paid to it under section 1934 to—

"(1) provide inpatient services;

"(2) make cash payments to intended recipients of services;

"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment, except to provide transitional housing under subsection (a)(1)(E); or

"(4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

The Secretary may waive the limitation contained in paragraph (3) upon the request of a State, metropolitan city, or urban county if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this part.

"(d) Not more than 2 percent of the total amount paid to a State, metropolitan city, or urban county under section 1934 for a fiscal year may be used for administering the funds made available under section 1934. The State, metropolitan city, or urban county shall pay from non-Federal sources the remaining costs of administering such funds.

"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"SEC. 1936. (a)(1) In order to receive an allotment for a fiscal year under section 1932, a State, metropolitan city, or urban county shall submit an application to the Secretary. Each such application shall be in such form as the Secretary shall require, and—

"(A) in the case of an application by a State, shall be submitted with the application required by section 1916(a) or at such other time as the Secretary shall require; and

"(B) in the case of an application by a metropolitan city or an urban county, shall be submitted at such time as the Secretary shall require.

"(2) Each application required under paragraph (1) for an allotment under section 1932 for a fiscal year shall contain assurances that the State, metropolitan city, or urban county will meet the requirements of subsection (b).

"(b) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State, metropolitan city, or urban county shall—

"(1) certify that the State, metropolitan city, or urban county agrees to use the funds allotted to it under section 1932 in accordance with the requirements of this part;

"(2) certify that the services to be provided to eligible individuals under this part have been considered in the preparation of, and are consistent with, the State comprehensive mental health services plan required under subpart 2 of part B;

"(3) certify that the State, metropolitan city, or urban county will coordinate the provision of services for eligible individuals with funds provided under this part with—

"(A) activities conducted to provide services for eligible individuals by—

"(i) community mental health centers;

"(ii) State, city, county, or local providers of mental health services; and

"(iii) psychosocial rehabilitation centers;

"(B) services provided under section 1921; and

"(C) case management services provided to eligible individuals under section 1915(g) of the Social Security Act; and

"(4) certify that the State, metropolitan city, or urban county agrees that Federal funds made available under section 1934 for any period will be so used as to supplement and increase the level of State, city, county, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, city, county, local, and other non-Federal funds.

"(c) The chief executive officer of a State, metropolitan city, or urban county shall, as part of the application required by subsection (a) for any fiscal year, also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State, metropolitan city, or urban county will receive under section 1934 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State, metropolitan city, or urban county in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State, metropolitan city, or urban county under this part, and any revision shall be subject to the requirements of the preceding sentence.

"(d) Except where inconsistent with the provisions of this part, the provisions of section 1914(b), section 1917(a), paragraphs (1) through (5) of section 1917(b), and sections 1918, 1919, and 1920 shall apply to payments made to a State, metropolitan city, or urban county under this part in the same manner as such provisions apply to payments made to a State under part B of this title.

"ADMINISTRATION

"SEC. 1937. (a) Not more than 2 percent of the amount appropriated under section 1931 for a fiscal year may be used by the Secretary to pay the costs of administering this part.

"(b) The Secretary shall consult with the Secretary of Housing and Urban Development in promulgating regulations and guidelines to carry out section 1935(a)(1)(E).

"COORDINATION

"SEC. 1938. The Secretary shall take such action as may be necessary to facilitate the coordination of activities conducted under this part and the exchange of information to assist in the conduct of such activities.

"DEFINITIONS

"SEC. 1939. For purposes of this part:

"(1) The term 'case management services' means services which will assist an eligible individual in gaining access to mental health services, health care services, social services, income support services, housing, and other services. Such term includes, with respect to an eligible individual—

"(A) with the participation of the eligible individual, the development and review every 3 months of a plan of care for such individual;

"(B) the coordination of mental health services, including crisis intervention services, medical services, the provision of training in daily living activities, and the conduct of follow-through activities to insure that necessary services are received;

"(C) the coordination of, and the provision of assistance in obtaining, mental health services, transportation services, rehabilitation services, job training, housing, and other support services;

"(D) the provision of assistance in obtaining income support services, such as Federal disability benefits, aid to families with dependent children, food stamps, and State assistance; and

"(E) consultation with, and the provision of assistance to, families of eligible individuals.

"(2) The term 'eligible individual' means a homeless individual who has a serious mental illness. Such term includes—

"(A) an individual who is placed in transitional housing under this part; and

"(B) an individual who is placed in permanent housing under this part for a period beginning on the date on which such placement is made and ending 9 months after such date.

"(3) The term 'homeless individual' means an individual—

"(A) is a lower income individual (as such term is defined in section 3(b) of the United States Housing Act of 1937);

"(B) who lives or sleeps without shelter, or lives or sleeps in a shelter or mission for homeless individuals; and

"(C) who has no fixed or permanent address.

"(4) The term 'metropolitan city' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.

"(5) The term 'serious mental illness' means a severe and persistent mental or emotional disorder that seriously impairs the functioning of an individual in daily living activities such as the maintenance of personal relationships, the obtaining or retaining or living arrangements, or the obtaining or retaining of employment.

"(6) The term 'State' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.

"(7) The term 'transitional housing' means the provision of housing and supportive services to an eligible individual in order to facilitate the movement of such individual to independent living in permanent housing within a reasonable amount of time.

"(8) The term 'urban county' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.".

(b)(1) Section 504(f)(3) of such Act is amended—

(A) by striking out "$24,000,000" and inserting in lieu thereof "$26,000,000"; and

(B) by adding at the end thereof the following new sentence: "Of the amounts appropriated under the preceding sentence for fiscal year 1988, $4,000,000 shall be available for grants for projects for services for homeless chronically mentally ill individuals.".

(2) Section 504 of such Act is amended by adding at the end thereof the following new subsection:

"(i)(1) The Secretary, through the Director, shall provide training and technical assistance to States, metropolitan cities, and urban counties in carrying out part D of title XIX.

"(2) The Secretary, through the Director, shall conduct, or arrange for the conduct of, activities to disseminate information concerning research and treatment relating to serious mental illnesses, in order to assist States, metropolitan cities, and urban counties in carrying out part D of title XIX.

"(3) The Secretary, through the Director, shall conduct, or arrange for the conduct of, evaluations of services provided and activities conducted under part D of title XIX.

"(4) Within 2 years after the date of enactment of this subsection, the Secretary, through the Director, shall prepare and transmit to the Congress a report on evaluations conducted under paragraph (3).

"(5) For purposes of this subsection, the terms 'State', 'metropolitan city', and 'urban county' have the meaning given to such terms by section 1939.

"(6) To carry out this subsection, there are authorized to be appropriated $8,000,000 for fiscal year 1988 and each of the four succeeding fiscal years.".

(c) Section 2(f) of such Act is amended by striking out "and 1633(1)," and inserting in lieu thereof "1633(1), and 1939(6)".

HEALTH SERVICES AND JOB TRAINING FOR HOMELESS INDIVIDUALS

DOMENICI AMENDMENT NO. 44

(Ordered referred to the Committee on Labor and Human Resources.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill (S. 811) to provide health services, mental health services, and job training for homeless individuals and education for homeless children; as follows:

Strike out section 121 of the bill and insert in lieu thereof the following:

SEC. 121. EMERGENCY MENTAL HEALTH SERVICES FOR HOMELESS INDIVIDUALS HAVING SERIOUS MENTAL ILLNESS.

(a) Title XIX of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART D—SERVICES FOR HOMELESS MENTALLY ILL INDIVIDUALS BLOCK GRANT

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1931. (a) To carry out this part, there are authorized to be appropriated $80,000,000 for fiscal year 1987, $200,000,000 for fiscal year 1988, $205,000,000 for fiscal year 1989, $210,000,000 for fiscal year 1990, $215,000,000 for fiscal year 1991, and $220,000,000 for fiscal year 1992.

"(b) Of the total amount appropriated to carry out this part for any fiscal year, not more than 2 percent shall be available to carry out section 1937(a).

"ALLOTMENTS

"SEC. 1932. (a) The Secretary shall allot the total amount available for allotment under this section for a fiscal year (after the application of section 1931(b)) to States, metropolitan cities, and urban counties so that the percentage of such total available amount that is allotted to any State, metropolitan city, or urban county for such fiscal year is equal to the percentage of the total amount available for grants under section 106 of the Housing and Community Development Act of 1974 for the fiscal year prior to such fiscal year that is allocated to such State, metropolitan city, or urban county.

"(b)(1) Notwithstanding subsection (a), the total of the allotments under this section to a State and all metropolitan cities and urban counties in such State for any fiscal year shall not be less than one-quarter of one percent of the amount available for allotments under this section for such fiscal year.

"(2) If, under the allocation provisions applicable to this part pursuant to subsection (a), any metropolitan city or urban county would receive an allotment of less than $100,000 for any fiscal year, such amount shall instead be reallocated in accordance with subsection (c).

"(c) If the total amount of funds appropriated under section 1931 for a fiscal year and available for allotment under this section for such fiscal year is not otherwise allotted to States, metropolitan cities, and urban counties because—

"(1) one or more States, metropolitan cities, or urban counties have not submitted an application or description of activities in accordance with section 1936 for such fiscal year;

"(2) one or more States, metropolitan cities, or urban counties have notified the Secretary that they do not intend to use the full amount of their allotment;

"(3) some allotments of States, metropolitan cities, or urban counties are offset or repaid under section 1917(b)(3) (as such section applies to this part pursuant to section 1936(e)); or

"(4) amounts become available under subsection (b)(2),

the amount not allotted shall be allotted among each of the remaining States, metropolitan cities, and urban counties in proportion to the amount otherwise allotted to such States, metropolitan cities, and urban counties for such fiscal year without regard to this subsection.

"FEDERAL SHARE

"SEC. 1933. The Federal share of all activities in a State, metropolitan city, or urban county supported by an allotment to such State, metropolitan city, or urban county under section 1932 for a fiscal year shall be 75 percent of the aggregate necessary costs of all such activities, as determined by the Secretary. A State, metropolitan city, or urban county shall pay at least 15 percent of such costs in cash, and the remainder of such costs shall be paid by such State, metropolitan city, or urban county through in-kind contributions.

"PAYMENTS UNDER ALLOTMENTS

"SEC. 1934. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State, metropolitan city, or urban county from its allotment under section 1932 from amounts appropriated for that fiscal year.

"(b) Any amount paid to a State, metropolitan city, or urban county for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State, metropolitan city, or urban county for the purposes for which it was made.

"USE OF ALLOTMENTS

"SEC. 1935. (a)(1) Except as provided in subsection (b), amounts paid to a State, metropolitan city, or urban county under section 1934 shall be used by such State, metropolitan city, or urban county to carry out comprehensive emergency projects for eligible individuals. Such projects shall include each of the following activities:

"(A) The provision of outreach services to eligible individuals in nontraditional settings, such as shelters, streets, transitional housing sites, and drop-in centers for homeless individuals. Such services shall include crisis intervention services, needs assessment services, and referral to providers of services for eligible individuals.

"(B) The provision of treatment and rehabilitation services to eligible individuals, including diagnostic services, psychiatric evaluation, medical services, the provision of pharmaceuticals, substance abuse treatment and rehabilitation, individual and group counseling, family therapy, and psychosocial rehabilitation services.

"(C) The provision of training to individuals who provide services to eligible individuals, including individuals who work in shelters, mental health clinics, hospital emergency rooms, transitional housing sites, and individuals who provide case management and outreach services, in order to enable such individuals to—

"(i) identify and serve the mental health and support needs of eligible individuals;

"(ii) refer eligible individuals to available services; and

"(iii) coordinate the provision of services to eligible individuals.

"(D) The provision of case management services to eligible individuals.

"(E) The provision of transitional housing for eligible individuals.

"(2) Not more than 50 percent of the total amount paid to a State, metropolitan city, or urban county for a fiscal year may be used by such State, city, or county for such fiscal year to carry out paragraph (2)(E).

"(b)(1) A State, metropolitan city, or urban county may use amounts paid to such State, city, or county under this part to conduct comprehensive emergency projects for eligible individuals required under subsection (a) through contracts with qualified providers of mental health services.

"(2) For purposes of this subsection, a qualified provider of mental health services—

"(A) is a public or non-profit private entity;

"(B) agrees to conduct, or arrange for the conduct of, each of the activities described in subsection (a)(1);

"(C) if eligible to receive payments under the State plan approved under title XIX of the Social Security Act for services provided to eligible individuals that are covered under the State plan, agrees to seek reimbursement for such services under the plan to the extent permitted under the plan;

"(D) agrees to establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the contract;

"(E) agrees to establish a continuing program of quality assurance with respect to the activities conducted under the contract; and

"(F) agrees to submit annual reports to such State, city, or county that describe the utilization and costs of activities provided under the contract and such other information as such State, city, or county may require.

"(3) In entering into contracts under this subsection, a State, metropolitan city, or urban county shall give preference to qualified providers of mental health services who are experienced in the treatment of mental illness in homeless individuals.

"(4) Under a contract with a State, metropolitan city, or urban county under this subsection, a qualified provider of mental health services may enter into subcontracts with—

"(A) self-help organizations that are established and managed by current and former recipients of mental health services, primarily to provide the services described in subparagraphs (A) and (D) of subsection (a)(1); and

"(B) eligible systems designated under title I of the Protection and Advocacy for Mentally Ill Individuals Act of 1986 in order to provide advocacy services to individuals who have serious mental illnesses and who are not eligible for such services under such Act.

"(c) A State, metropolitan city, or urban county may not use amounts paid to it under section 1934 to—

"(1) provide inpatient services;

"(2) make cash payments to intended recipients of services;

"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment, except to provide transitional housing under subsection (a)(1)(E); or

"(4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

The Secretary may waive the limitation contained in paragraph (3) upon the request of a State, metropolitan city, or urban county if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this part.

"(d) Not more than 2 percent of the total amount paid to a State, metropolitan city, or urban county under section 1934 for a fiscal year may be used for administering the funds made available under section 1934. The State, metropolitan city, or urban county shall pay from non-Federal sources the remaining costs of administering such funds.

"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"SEC. 1936. (a)(1) In order to receive an allotment for a fiscal year under section 1932, a State, metropolitan city, or urban county shall submit an application to the Secretary. Each such application shall be in such form as the Secretary shall require, and—

"(A) in the case of an application by a State, shall be submitted with the application required by section 1916(a) or at such other time as the Secretary shall require; and

"(B) in the case of an application by a metropolitan city or an urban county, shall be submitted at such time as the Secretary shall require.

"(2) Each application required under paragraph (1) for an allotment under section 1932 for a fiscal year shall contain assurances that the State, metropolitan city, or urban county will meet the requirements of subsection (b).

"(b) As part of the annual application required by subsection (a) for an allotment for any fiscal year, the chief executive officer of each State, metropolitan city, or urban county shall—

"(1) certify that the State, metropolitan city, or urban county agrees to use the funds allotted to it under section 1932 in accordance with the requirements of this part;

"(2) certify that the services to be provided to eligible individuals under this part have been considered in the preparation of, and are consistent with, the State comprehensive mental health services plan required under subpart 2 of part B;

"(3) certify that the State, metropolitan city, or urban county will coordinate the provision of services for eligible individuals with funds provided under this part with—

"(A) activities conducted to provide services for eligible individuals by—

"(i) community mental health centers;

"(ii) State, city, county, or local providers of mental health services; and

"(iii) psychosocial rehabilitation centers;

"(B) services provided under section 1921; and

"(C) case management services provided to eligible individuals under section 1915(g) of the Social Security Act; and

"(4) certify that the State, metropolitan city, or urban county agrees that Federal funds made available under section 1934 for any period will be so used as to supplement and increase the level of State, city, county, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, city, county, local, and other non-Federal funds.

"(c) The chief executive officer of a State, metropolitan city, or urban county shall, as part of the application required by subsection (a) for any fiscal year, also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State, metropolitan city, or urban county will receive under section 1934 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State, metropolitan city, or urban county in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State, metropolitan city, or urban county under this part, and any revision shall be subject to the requirements of the preceding sentence.

"(d) Except where inconsistent with the provisions of this part, the provisions of section 1914(b), section 1917(a), paragraphs (1) through (5) of section 1917(b), and sections 1918, 1919, and 1920 shall apply to payments made to a State, metropolitan city, or urban county under this part in the same manner as such provisions apply to payments made to a State under part B of this title.

"ADMINISTRATION

"SEC. 1937. (a) Not more than 2 percent of the amount appropriated under section 1931 for a fiscal year may be used by the Secretary to pay the costs of administering this part.

"(b) The Secretary shall consult with the Secretary of Housing and Urban Development in promulgating regulations and guidelines to carry out section 1935(a)(1)(E).

"COORDINATION

"SEC. 1938. The Secretary shall take such action as may be necessary to facilitate the coordination of activities conducted under this part and the exchange of information to assist in the conduct of such activities.

"DEFINITIONS

"SEC. 1939. For purposes of this part:

"(1) The term 'case management services' means services which will assist an eligible individual in gaining access to mental health services, health care services, social services, income support services, housing, and other services. Such term includes, with respect to an eligible individual—

"(A) with the participation of the eligible individual, the development and review every 3 months of a plan of care for such individual;

"(B) the coordination of mental health services, including crisis intervention services, medical services, the provision of training in daily living activities, and the conduct of follow-through activities to insure that necessary services are received;

"(C) the coordination of, and the provision of assistance in obtaining, mental health services, transportation services, rehabilitation services, job training, housing, and other support services;

"(D) the provision of assistance in obtaining income support services, such as Federal disability benefits, aid to families with dependent children, food stamps, and State assistance; and

"(E) consultation with, and the provision of assistance to, families of eligible individuals.

"(2) The term 'eligible individual' means a homeless individual who has a serious mental illness. Such term includes—

"(A) an individual who is placed in transitional housing under this part; and

"(B) an individual who is placed in permanent housing under this part for a period beginning on the date on which such placement is made and ending 9 months after such date.

"(3) The term 'homeless individual' means an individual—

"(A) is a lower income individual (as such term is defined in section 3(b) of the United States Housing Act of 1937);

"(B) who lives or sleeps without shelter, or lives or sleeps in a shelter or mission for homeless individuals; and

"(C) who has no fixed or permanent address.

"(4) The term 'metropolitan city' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.

"(5) The term 'serious mental illness' means a severe and persistent mental or emotional disorder that seriously impairs the functioning of an individual in daily living activities such as the maintenance of personal relationships, the obtaining or retaining or living arrangements, or the obtaining or retaining of employment.

"(6) The term 'State' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.

"(7) The term 'transitional housing' means the provision of housing and supportive services to an eligible individual in order to facilitate the movement of such individual to independent living in permanent housing within a reasonable amount of time.

"(8) The term 'urban county' has the same meaning as in section 102 of the Housing and Community Development Act of 1974.".

(b)(1) Section 504(f)(3) of such Act is amended—

(A) by striking out "$24,000,000" and inserting in lieu thereof "$26,000,000"; and

(B) by adding at the end thereof the following new sentence: "Of the amounts appropriated under the preceding sentence for fiscal year 1988, $4,000,000 shall be available for grants for projects for services for homeless chronically mentally ill individuals.".

(2) Section 504 of such Act is amended by adding at the end thereof the following new subsection:

"(i)(1) The Secretary, through the Director, shall provide training and technical assistance to States, metropolitan cities, and urban counties in carrying out part D of title XIX.

"(2) The Secretary, through the Director, shall conduct, or arrange for the conduct of, activities to disseminate information concerning research and treatment relating to serious mental illnesses, in order to assist States, metropolitan cities, and urban counties in carrying out part D of title XIX.

"(3) The Secretary, through the Director, shall conduct, or arrange for the conduct of, evaluations of services provided and activities conducted under part D of title XIX.

"(4) Within 2 years after the date of enactment of this subsection, the Secretary, through the Director, shall prepare and transmit to the Congress a report on evaluations conducted under paragraph (3).

"(5) For purposes of this subsection, the terms 'State', 'metropolitan city', and 'urban county' have the meaning given to such terms by section 1939.

"(6) To carry out this subsection, there are authorized to be appropriated $8,000,000 for fiscal year 1988 and each of the four succeeding fiscal years.".

(c) Section 2(f) of such Act is amended by striking out "and 1633(1)," and inserting in lieu thereof "1633(1), and 1939(6)".

NOTICES OF HEARINGS

SUBCOMMITTEE ON INNOVATION, TECHNOLOGY, AND PRODUCTIVITY

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee's Subcommittee on Innovation, Technology, and Productivity will hold a hearing on Tuesday, April 7, 1987, commencing at 9:30 a.m. The purpose of the hearing will be to review the procedures used in an agency award of a project to a federally funded research and development center [FFRDC] and the adverse impact felt by a small business technical service firm which had been competing for a contract for the same project. The hearing will be held in room 428A of the Russell Senate Office Building. For further information, please call William B. Montalto, procurement policy counsel for the committee at 224-5175, or Elise J. Bean or Brad Vass of Senator LEVIN's staff at 224-3682.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, March 24, 1987, to hold hearings on the fiscal year 1988 authorization request for the U.S. Arms Control and Disarmament Agency.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, March 24, 1987, at 2:30 p.m. to resume closed hearings on proposed legislation authorizing funds for fiscal year 1988 for the intelligence community.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, March 24, 1987, to resume hearings on the President's proposed budget request for fiscal year 1988 for the Department of Justice, focusing on the Immigration and Naturalization Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES AND NUCLEAR DETERRENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces and Nuclear Deterrence be authorized to meet during the session of the Senate on Tuesday, March 24, 1987, to resume closed hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense, focusing on the Strategic Defense Initiative Program.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON RESEARCH AND DEVELOPMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources, Subcommittee on Research and Development, be authorized to meet during the session of the Senate on Tuesday, March 24, 1987, at 2:30 p.m. to hold hearings to review the current status of renewable energy technologies.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE EXPORT ENHANCEMENT PROGRAM

● Mr. BAUCUS. Mr. President, we in Congress decided when we passed the 1985 farm bill that American agriculture must stay competitive in world markets.

Unfortunately the USDA has been unwilling to vigorously fulfill that mandate.

The USDA's handling of many agricultural programs can be criticized, but I am particularly unhappy with the way the agency has handled the Export Enhancement Program.

The Export Enhancement Program—better known as the EEP—gives Commodity Credit Corporation surpluses to U.S. agricultural exporters. This allows the exporters to lower the price of farm products they send into world markets.

The EEP essentially becomes an inkind subsidy to promote exports of surplus agricultural commodities.

The USDA has only been willing to extend the EEP to a few foreign markets instead of implementing the across-the-board program that Congress authorized.

The USDA claims that targeted use of the EEP puts more pressure on the European Economic Community—the world's largest subsidizer of agricultural exports. They say a targeted EEP avoids harm to countries that do not subsidize their agricultural products.

The USDA also claims that extending the EEP across the board would not increase U.S. sales.

Mr. President, I do not accept these arguments.

The selective use of the EEP has not put as much pressure on the Europeans as would an across-the-board EEP.

For example, in 1985 we used the EEP to take several North African markets from the European Community, but we did not target the Soviet Union. At the same time, the EC began making large sales of wheat to the Soviet Union—forcing us out of that market.

In other words, all that was accomplished by this targeted use of the EEP was to move European Community sales from North Africa into the Soviet Union.

The GAO recently concluded that an across-the-board EEP would be more effective than a targeted program in pressuring the European Community to negotiate an end to export subsidization. If the EEP is extended to all markets, the Europeans would be unable to avoid it simply by changing markets.

The USDA's second argument against an across-the-board EEP is equally unfounded.

There simply are no nonsubsidizers in the world agriculture markets.

As the recent report by the National Commission on Agricultural Trade and Export Policy concluded, almost all of our major world competitors engage in some form of subsidization of their agricultural exports.

No one wants to subsidize, but we must fight fire with fire. If all our competitors are subsidizing we must be willing to protect our farmers' export markets.

Our competitors will be willing to negotiate an end to export subsidies only when they know that we are serious about defending our export markets.

The USDA's argument that an across-the-board EEP would not increase export sales is especially unfounded.

As a recent CRS study has concluded, the price of U.S. export commodities determines whether or not the United States will continue to be competitive in world markets.

An across-the-board EEP would allow our farmers to rapidly lower their export prices to the world market price without cutting their income. The EEP is a bridge to a more competitive American agricultural sector.

I have introduced legislation, S. 310, to force the USDA to make the EEP an across-the-board program. It is time we began to use the agricultural products that are rotting in CCC storage to regain lost export markets.

I urge all my colleagues to support efforts to make the EEP into an across-the-board program.

Mr. President, I ask that excerpts of the two studies I mentioned be inserted into the RECORD.

The excerpts follow:

NEW REALITIES: TOWARD A PROGRAM OF EFFECTIVE COMPETITION

Trade Controls: The Export Administration Act and other laws permit the Executive branch to restrict and sometimes halt exports and imports of agricultural commodities for short supply, foreign policy, or national security reasons, a power which, in the past, has tended to undermine U.S. competitiveness. Some past actions have been quite controversial. The earlier-mentioned 1980 Soviet grain embargo, which was applied to register U.S. objection over the Russian invasion of Afghanistan, is just one case in point. That suspension was applied for foreign policy reasons. Other, earlier embargoes (in 1973, 1974, and 1975) were applied because of concerns over supply levels.

Such interruptions in trade can have serious repercussions for U.S. agriculture. They can cause a short-term loss in farm income, as well as long-term losses in market share. The 1983 soybean embargo is a good example. Early in that year, U.S. oilseed stocks appeared to be in short supply. Faced with strong world demand and escalating prices, the Nixon Administration imposed export restrictions on oilseed products. Although controls were lifted after just three months, the damage had already been done.

A 1985 congressionally-mandated USDA study, contained elsewhere in this report, indicated that the 1973 embargo caused lower than anticipated exports for that year, reduced the U.S. share in world soybean markets in following years, and tarnished the United States' image as a reliable supplier. In the aftermath of this embargo, the food-security conscious Japanese invested heavily in Brazilian soybean processing facilities, thereby diversifying their sources. From 1970-72 to 1980-84, the U.S. share of the world soybean product market declined from 81 to 58 percent, despite large increases in production.

Congress has made several attempts to protect agriculture from becoming a tool of economic and foreign policy. Provisions for dealing with embargo protection and contract sanctity are contained in numerous acts, including the 1977 and 1981 Farm Bills, the 1982 Commodity Futures Trading Act, and the 1985 Export Administration Act.

The federal government may also exercise control over the importation of agricultural commodities. Several U.S. laws allow the President to impose tariffs, fees or quotas on agricultural imports under certain conditions. The most well-known and widely-used such law is Section 22 of the Agricultural Adjustment Act of 1933, which authorizes the application of a maximum 50 percent quota or ad valorem fee on imported commodities that are judged to be interfering with U.S. domestic commodity programs. Over the years, Section 22 has been used to protect at least 12 different agricultural commodities. Today, milk, cotton, and peanuts are sheltered under Section 22. Sugar imports are restricted under the U.S. Tariff Schedule.

Although producers and processors who obtain relief from imported products support the use of Section 22 and other such laws, others are critical of the practice. Some believe that the United States should concede that it may not be competitive in all commodities and dispense with restrictions on all non-subsidized products brought into the United States. Such an action, however, would cause severe adjustment problems in the affected industries.

COMPETITOR NATION POLICIES

Competitor nation domestic agricultural policies

No less than U.S. domestic agricultural policy, the domestic policies of other countries can have a direct and detrimental effect on U.S. agricultural competitiveness. In certain cases, such policies encourage production, even when such production is "uneconomic." A sampling of such policies would include the following:

Argentina: National policies have moved to a reduction of government controls in the agricultural sector. Whereas the Junta Nacional de Granos (JNG/National Grain Board) once held monopoly powers for grain and oilseed marketings, its role is now mainly to handle limited administrative functions, negotiate government-to-government purchasing agreements, and influence nominal export prices through daily postings of a "minimum export price" (MEP). Exchange rate controls and fiscal policies are the main tools used by the Argentine government to influence the marketing of most agricultural products and domestic production. Multiple exchange rates and a differentiated value-added tax system provide special incentives for the export of basic commodities as well as certain processed foods and prepared meats.

Traditionally, Argentina's producers have had government price guarantees and special terms for agricultural credits offered at terms below Argentina's traditionally high rate of inflation. The Junta guarantees producers 80 percent of the posted MEP. Although not necessarily representative of a true export sales price, government support payments to producers are linked through MEP to fluctuating international prices.

The Alfonsin government is attempting to modify these programs as part of its "austral" economic reform program to curb inflation. Despite the resistance which these programs have met from national agricultural organizations, the new measures are designed to continue the trend toward decontrols and market related production incentives. Export taxes may also be lowered to stimulate farm output and exports. Just how these programs, if successfully implemented, would affect exports remains to be seen. Argentina's priority is agricultural exports and the government continues to demonstrate a willingness to intevene whenever necessary to influence sales and market development opportunities.

Australia: Australia's agricultural system is dominated by statutory marketing boards for several commodities including wheat, most coarse grains, apples, and pears. In the case of wheat, the Australian Wheat Board is the sole wheat exporting authority. It has monopoly powers which are enhanced by a broadly defined jurisdiction. It is officially empowered, for instance, to trade wheat futures on commodity exchanges so as to hedge its own transactions. The Board now has offices in New York for the express purpose of handling these hedging operations. This capability allows the Board maximum flexibility on pricing its exports, thereby avoiding some of the pitfalls of operating a government monopoly.

Government underwriting programs offer producer guarantees which approximate market prices. Price equalization programs provide additional income support. These and other programs stabilize returns to producers. Government marketing arms are, thus, limited by immediate producer income considerations in their efforts to promote Australian agricultural exports.

Brazil: The centerpiece of Brazil's economic growth strategy is industrial development. The government has traditionally offered massive investment financing assistance to the processing sector along with a range of export incentives and import restrictions. Subsidized rural credit is widely used as an incentive to raise production and lower the cost of basic commodities to processors. Government reforms reduced the subsidized lending limits under the production loan program (VBC). In its place, the National Monetary Council now offers a set of minimum support prices which are indexed throughout the course of the growing season. These prices then serve as a floor price if sold to the government or as a basis for marketing credit. Other reforms in domestic programs point to greater liberalization, but the degree to which they are actually put into effect remains in doubt.

Canada: Canadian programs vary widely, depending upon the commodity and its ultimate market destination. Most notable, in the case of Canada, is the fact that products are either marketed for export through centralized institutions or are produced and processed generally in a provincial economic environment where price support and stabilization programs prevail.

In the case of wheat, oats, and barley grown in the Western provinces of Manitoba, Saskatchewan, Alberta, and parts of British Columbia, the Canadian Wheat Board (CWB) is the sole marketing agency for interprovincial or international sales of these crops. The Board has effective monopoly powers in that it handles the sale of about 80 percent of the wheat, 40 percent of the barley, and 10 percent of the oats grown in Canada. These crops are produced under quota which thereby facilitates the Board's ability to access supplies for sales with a minimum of market disruption.

Canada's orderly marketing system reduces operational risks for the Board and contributes to income stability for producers. Producer price guarantees, income stabilization programs at the federal and provincial levels, and transportation subsidies for Prairie pools (Canadian cooperative organizations in the Western provinces) provide another layer of protection for producers. Consequently, Canada has constructed a risk-averse agricultural system which relies on a high level of government intervention. It has sacrificed certain efficiencies of the marketplace in opting for this type of production and marketing system. There have been numerous incidents when the Board has been unable to maximize commercial trade opportunities. These have resulted in lower income for producers and/or higher taxes for consumers. Such situations are unavoidable as long as commodities are not freely traded among provinces or at the international level.

In terms of Canada's exports, the monopoly powers of the Board, producer stabilization programs, transportation, and other indirect marketing subsidies afford certain pricing advantages for Canadian products. Such programs inevitably serve as export incentives, but it is less clear whether they are instrumental to the retention of Canada's traditional share of world agricultural trade over the long-term.

The European Economic Community: The EC is both a major importer and exporter of agricultural commodities. Its Common Agricultural Policy (CAP) offers internal price stabilization and production incentives maintained by a system of import controls and export subsidies. In effect, the EC has constructed a system of internal price stabilization in a world of supply and price instabilities. Aids to production vary according to the commodity but, at this stage when the EC has large crop surpluses, the fact that the level of price protection for European producers is still much higher than the international price for the same commodity is still a form of production incentive. Surpluses are an inherent part of the CAP as it is presently constituted, and will remain unchanged as long as such import controls as the variable levy system and export restitutions serve to prop up higher internal agricultural prices among members of the EC.

New Zealand: New Zealand has a mixed agricultural production and marketing system where government marketing organization work hand-in-hand with the private sector. There are boards with varying degrees of power for meat, milk, dairy products, tobacco, poultry, potatoes, apples, pears, wheat, and Kiwi fruit. The New Zealand Dairy Board, for instance, has statutory power to acquire and market all dairy products intended for export. The Meat Producers Board, on the other hand, is undergoing changes in its operations which will reduce government involvement in export sales. When meat prices sagged in 1982, the Board took control of exports by buying meat from sheep farmers and not releasing stocks below a minimum sale price to wholesalers. Now companies can buy and sell on their own accounts.

Domestic programs are designed to satisfy the dual objective of income and supply stabilization. In many instances, the stabilization plans cover only 50 percent of producer income, thereby linking farming returns to trade performance. However, when export markets are sluggish, government programs provide supplementary minimum prices. In 1984, approximately four-fifths of government support payments were provided in the form of supplements.

Thailand: As a developing country, Thailand's import substitution and export subsidy related practices have not come under scrutiny. Now, however, given Thailand's emergence as a major agricultural exporter, the country's programs have more relevance to U.S. international trade interests. Thailand has a price support and stabilization system for the production of rice and manioc. The government buys rice from the growers at a "target" price set above the international market price in order to transfer income to farmers. These and other special government programs, such as preferential financing, have served to encourage domestic production. They have also helped create a farming structure oriented toward export markets.

Competitor nation agricultural trade policies and practices

The United States is faced with stiff competition from other exporters of agricultural commodities and products. Foreign demand for traditional and specialized agricultural products has not grown relative to production worldwide. Moreover, in several categories there has been an actual decline in food and feed imports. These global market conditions have aggravated the single most important problem which all surplus producing countries face—the need to increase exports or, at a minimum, retain "traditional" market shares.

In an effort to boost exports, many supplier countries have introduced a range of policies and program incentives which go beyond internationally approved rules of competition. These policies and programs run the gamut of options, including: subsidized ocean transport; discounts on lower-quality crops; inland rail subsidies; export restitutions; tax credits for exporters; linkage of food assistance and commerical sales; differential export taxes on processed products; countertrade arrangements.

In varying degrees, these programs have proven to be successful in terms of national export promotion and market development, albeit frequently at the expense of the United States. The domestic agricultural systems of other exporting countries may have a similar end result to the extent that they enhance aggressive national trading strategies. Agricultural protectionism, for example, if selectively applied, can sometimes reduce the costs of export subsidies. To the chagrin of American agriculture, the European Community has demonstrated just how effective a combination of protectionist domestic and expansionist trade policies can be.

In addition, state trading organizations such as the Canadian or Australian Wheat Boards or New Zealand's Dairy Board may command certain pricing advantages unavailable to the private sector operating in the United States without some of the inherent advantages of monopoly powers.

Several competing suppliers have developed sophisticated strategies to promote their own national exports. Some of these examples may merit consideration for adoption by the United States; others afford illustrations of what the United States should avoid in pursuit of its own national interests. An understanding of both types may be helpful when U.S. policymakers develop trade policies and negotiating positions.

Examples of such programs which can negatively affect U.S. competitiveness are cited below.

Export Subsidies

The countries and practices described below are not intended to serve as an exhaustive catalogue of prevalent export subsidy activities. The reader may note the absence from such commentary of any mention of centrally planned economies, such as Eastern European countries. Because most Eastern European countries are part of their own trading block operating under a system of special clearing accounts, their export programs do not include standard forms of direct and indirect subsidies. These countries' economies make a determination of subsidy in terms of domestic prices extremely difficult.

Further description of foreign export subsidies engaged in by countries other than those listed below is contained in the section of this report entitled, "Aggressive Action to Meet and Counteract the Effects of Unfair Foreign Trade Practices".

Argentina: With multiple exchange rates and differentiated taxes on exports, Argentina has not needed to rely on export subsidies to promote export sales. In fact, given the level of guarantees and the low level of capital intensive farming, Argentina is a cheap producer of grains, oilseeds, and meat. Consequently, it can under price most competitors (minus transportation and handling costs) without the use of export subsidies.

On the other hand, the government still maintains an export tax structure. By applying different duties for different communities, the net effect is to encourage certain types of agricultural exports over others. In general, the export tax system set up in 1982 has as high as a 25 percent duty on unprocessed meats. The lower ad valorem duties were graduated downward on processed products with a zero level on such items as cooked and canned beef. While the government has already introduced significant reductions in export taxes for wheat (down from 28.0 to 16.5 percent), they remain extremely high for corn, sorghum, and soybeans (30.5 percent, 29.5 percent and 34.0 percent, respectively).

If significant reductions in export taxes should occur, the net effect on export prices is likely to be null. Under the best of circumstances, the tax savings would be passed on in the form of additional income to growers. They, in turn, would be expected to respond with increases in production. If great enough, additional supplies could actually reduce export prices.

Australia: In general, there are no direct export subsidies because of the Australian Wheat Board's (AWB) extensive powers to initiate price cuts to suit individual transactions and still remain above domestic prices. There are, however, a number of indirect subsidies which are virtually invulnerable to any complaint under GATT rules. Among the more significant forms of Australia's hidden subsidies are transportation/ocean freight, credit, and special package investment and technical assistance deals.

In a recent packaging arrangement, Australia agreed to construct three storage evaluators for a total of 90,000 mt in conjunction with the signing of a long-term purchasing agreement with Egypt. It was also reported that the Australians subsidized the freight costs on earlier shipments to Egypt and Colombia. Another reported practice involves piggybacking commercial sales to food aid shipments. Australian food aid recipients in Southeast Asia allegedly have been offered free or reduced transportation rates or have taken fully loaded ships instead of partial cargoes. Australia gains by making extra cash sales at the going FOB export price, and the developing country saves on transportation costs which can amount to as much as 25 percent of the landed price for wheat, which may be needed later in the season.

The AWB engages in another practice, common to the trade—discounting for lower-quality crop. This commercial practice resembles a subsidy when undertaken by a government agency like the AWB in that it results in an effective reduction in export prices which may actually be below domestic prices of standard grade crop. The loophole is that a crop which is below an internationally priced standard has no pricing basis against which to make an assessment of subsidy. This problem arose when in 1985 Australia sold approximately 800,000 mt of feed quality wheat to South Korea. By discounting the wheat in its purchases from Australian producers in the first instance, the AWB protected itself from any charge of subsidy. Even though the Board priced the feed wheat sale off of internationally traded corn, it was indeed nonstandard wheat which was sold; hence, what otherwise might have constituted a subsidy, in this case can only be considered appropriate commercial acumen on the part of the Board.

Australia also has an "Export Expansion Grants Act" which provides incentives to encourage exports. However, the following products are ineligible: wheat, sugar, livestock, and meat.

Brazil: Like Argentina, Brazil has opted to use several indirect forms of subsidies as incentives for exports and as a tool for industrial policy. In the case of soybeans and sugar, for instance, Brazil applies different export tax rates according to the level of processing (ICM) involved. Selective tax rates are designed to promote such value-added products as soybean meal, oil, and gasohol over the sale of the raw product.

The U.S. government considers this type of tax exemption and deduction a direct subsidy alone with other practices common to Brazil's export and industrial development strategies—"preferential production and preferential export financing." Moreover, it claims that such policies have resulted in displacing value-added U.S. exports from the market and depressing international prices. Whatever legal substance there is to these claims, there is no question but that Brazil is without question pursuing a decisive industrial development strategy where export promotion by means of indirect export subsidies plays an extremely important role.

Canada: In the absence of direct subsidies, the Canadian system, like several of its counterparts, inevitably makes use of indirect subsidies to improve its export position. The main focus of attention has been on rail subsidies which allow CWB-traded commodities to be transported at below-market rates. This saving ultimately can be passed on to importers at a below-market delivery price. Another claimed transportation subsidy is the "At the East" (Atlantic and East of Buffalo) rates which apply to grain moving for export by rail received at ports on the eastern side of the Great Lakes and the upper St. Lawrence River, and to flour moving for export by rail from any point in Canada east of Thunder Bay. Rates on grain have been frozen at the 1960 level and on flour at the 1966 level.

The United States has broadened its claims of what constitutes an agricultural export subsidy to Federal and provincial stabilization programs. The pork and swine case set a precedent for the position that domestic support programs aimed at domestic producers can result in export subsidies that injure competitors. If this position is sustained in other trade cases, it suggests that the range of indirect export subsidies can be vastly extended to include domestic producer welfare programs in virtually all agricultural exporting countries.

The EC: The CAP system of restitution payments is, to date, the most comprehensive export subsidy system in effect among major agricultural suppliers. However, EC officials claim that, under GATT rules, the CAP system is exempted from consideration as a subsidy, mainly because of its defined purpose of supporting EC farmer income and its overall adherence to the equitable share principle for agricultural exports.

Exports refunds administered under the CAP are designed to bridge the gap between world market prices and the higher internal support price within the EC. The refund or restitution is the same whatever the origin within the EC, but it may differ according to the destination of the shipment. Trader profits may also vary depending upon where the stocks are drawn from, since prices in each member country are not the same. Transportation, exchange rates, and financing costs account for the largest differences in profit margins.

Refunds are fixed at least once a month by the Commission upon the advice of the Management Committee for Cereals. EC officials follow international price movements very closely in an attempt to avoid costly miscalculations on refund levels. "Ordinary" restitutions may be granted for exports of grains and processed products. In the case of wheat, there is a common refund which can apply generally to all third countries. It is calculated by taking account of the strength of competition on the world market, the level of internal prices, and the amount of EC wheat available to the market. Common refunds also can apply to a specified zone or an individual country. In theory, this type of restitution is calculated on the basis of transportation distances to the importing country.

Another option is to have traders bid for the level of refund they determine necessary to conclude a transaction. Under this system, the Management Committee will issue tenders for export refunds open either to all countries, or specific zones and individual countries.

Tenders are usually open for a set quantity, but no limit is placed on the duration of a tender. If the trader holding the refund certificate does not execute the transaction, however, he must surrender the restitution certificate and sacrifice his deposit.

Although the system has a number of built-in safeguards to protect public interests and reduce the costs of this type of subsidy program, there are loopholes which provide opportunities for additional commercial profit. There are also almost as many exceptions as there are rules for the system. Although EC officials will explain differences in refund levels between zones as mainly a question of freight distance differentials, political and other considerations also play a major role. Member countries are allowed considerable leeway in terms of zones, refund levels and commodities selected.

In the case of grains, wheat in particular, France was the largest beneficiary of the EC's export subsidies. In 1984, export subsidies for French grains amounted to $306 million, representing an average of $27 for every ton of French wheat exported, or 19 percent of the total value of France's wheat shipments during 1984.

New Zealand: Two programs are in effect, but are scheduled for phasing out by 1987—the Export Program Suspensory Loan (EPSL) and the Export Performance Taxation Incentive (EPIT). EPSL is a short-term loan for exporters. The loan, representing a maximum of 40 percent of the exporter's cost up to a ceiling level of NZ $200 million, can be converted to a subsidy on a given export sale. Otherwise, the loan is repayable.

EPIT consists of a tax credit which is deducted from the standard export tax applicable to all exporters. This fiscal program is the principal export subsidy available in New Zealand for processed meat exports. The subsidy works off the base figure of 7.7 percent of the FOB value of the product exported. For 1985-86, the subsidy is 50 percent of the earlier amount and will be reduced another 25 percent before its termination in 1987.

There is also an Export Market Development Taxation Incentive program which represents tax savings identified with private sector market development activities. The standard tax credit for this type of expenditure is 67.5 percent of the total. For fruit and dairy products, the government had concession export financing which is now being phased out. The remaining subsidies in these commodities are mainly domestic programs like stabilization plans or special credit financing for production inputs. The United States has drawn attention to these programs, but has not yet applied the same claim regarding their subsidy effects as in the Canadian pork and swine case.

Thailand: Government stocks purchased at target prices above the market price under the procurement program reenter the export market at or below the existing international price. The margin between the target and the export price is what constitutes an export subsidy. Additional subsidies are available in the form of local export financing, duty drawbacks and exemptions for exporters, and deductions of taxable income for identifiable foreign marketing expenses. All such measures are standard means of export promotion, derived at some cost for expensive producer countries. Thailand, on the other hand, is a competitive producer which has successfully fashioned an aggressive export program that challenges the U.S. market share.

AGRICULTURAL TRADE: THE UNITED STATES AND SELECTED DEVELOPED AND DEVELOPING COUNTRIES

EXCERPT

(1) The United States has a comparative economic advantage in the production of corn, wheat, and soybeans. The advantage is created by the combination of abundant natural resources, a substantial capital investment and skilled labor. Therefore, many argue, it would be in the best interest of the United States to work toward freer agricultural trade policies, particularly through the General Agreement on Tariffs and Trade (GATT). At the same time, however, other countries also maintain a comparative advantage in the production of corn, wheat, soybeans, and rice, and will continue to compete in the export marketplace.

(2) In the 1980's the United States lost its competitive advantage in agricultural trade, as evidenced by lost market shares for all four commodities examined. Several factors caused the decline in U.S. price competitiveness including: the strong dollar, which appreciated against some major importers' currencies and some exporters' currencies; and U.S. domestic farm programs, which tended to draw U.S. commodities away from international markets, in addition to exerting upward pressure on U.S. commodity prices.

(3) Self-sufficiency (or gains toward self-sufficiency) achieved by a number of traditional agricultural importing countries has been a major factor in declining U.S. exports, particularly of wheat, soybeans, and rice. However, increased export competition from these traditional importing countries that are actively promoting agricultural development does not appear to be of major consequence.

(4) There remains in the developing nations the potential for increased per capita food consumption, if domestic food needs are to be met. There is also a potential demand for more nutritious grains and livestock products because of the desire of many people in those countries for improved diets. Both situations typically follow an upsurge in household incomes. Few of the developing nations appear to have the natural resources or the needed agricultural infrastructure to adequately supply the potential demand for food and feedstuffs. U.S. agriculture, therefore, could benefit from future economic growth in some developing nations, especially if U.S. prices are competitive with those of other exporting countries.

(5) For the most part, agricultural producing countries (especially developing countries) appear to be responsive to price. If commodity prices are relatively low, it is to a developing country's advantage to import, foregoing more costly domestic production and saving the investment for other sectors of the economy. As commodity prices rise, a combination of goals including avoiding spending large amounts of precious foreign exchange on imports and wanting to earn more foreign exchange through agricultural exports, tends to promote agricultural production in these countries. Therefore, if U.S. (and, thus world) agricultural prices were reduced, the United States would likely export larger volumes while reducing incentives for increased export competition.

(6) For reasons of national security and because of different political and economic philosophies, there are a number of nations that will likely avoid more than a modest reliance on the United States for future food supplies. These nations will go to other exporters, possibly even paying a premium, or will pursue self-sufficiency at any cost. The United States should not expect that even a competitive market position will enable it to make sizable gains in these countries.●

THE NATIONAL COMMITTEE TO PRESERVE SOCIAL SECURITY AND MEDICARE

● Mr. McCLURE. Mr. President, recently our colleague from Kansas, Senator DOLE, rose on the floor to denounce the tactics used by an outfit called the National Committee to Preserve Social Security and Medicare [NCPSSM], headed by James Roosevelt, FDR's son. Senator DOLE suggested that we should make a concerted effort to expose this group for the campaign they are waging that is frightening some senior citizens out of their wits. I want to help Senator DOLE in that effort.

We all know of organizations that use tactics that we do not approve of but I have never, in my 20 years in Congress, seen a group that seemed more intent on frightening people. Fear is a powerful weapon and the NCPSSM uses it artfully. They use phrases like "crippling financial hardship" and "dreary existence"—intended to conjure up the worst picture possible. Congress and the administration are portrayed as wanting to slash Social Security benefits with the entire system as being in grave danger.

Mr. President, after one of the NCPSSM's mailings go out, I hear from dozens and dozens of frightened people. They write in shakey handwriting. They send me $10 to "help save Social Security." They tell me they have gone to the local Social Security to make a donation so the system will not go under. Their distress is real and it is totally unnecessary.

Mr. Roosevelt knows full well, as do we all, that the Social Security Old Age Trust Fund is expected to remain solvent well into the next century—and that is under the worse case scenario. We know right now that Medicare is going to face some financial problems, but no one thinks for a minute that Congress is going to let Medicare go bankrupt.

Mr. President, James Roosevelt's organization uses the fears of some confused senior citizens who do not understand politics. Most people do not understand the mechanics of either the complicated Social Security System or the equally complicated workings of Congress. These people are easy prey for an organization that makes them think their financial support is in jeopardy. I think it is indecent to take advantage of these peoples' fears and vulnerability.

Roosevelt's organization, as far as I can tell, does not do much—other than scare senior citizens and flood our offices with petitions. For example, last year, the NCPSSM sent out a fundraising letter warning that the disinvestment of the Social Security trust fund threatened benefit checks and that his group was working with Congress to correct this problem. Yet, when the House Social Security Subcommittee held hearings on the subject, the NCPSSM did not even ask to testify. This is what they call "working with Congress?" As a matter of fact, I understand that the first and only time the NCPSSM has testified before the House Social Security Subcommittee was during hearings March 10 which were investigating the practices of the National Committee to Preserve Social Security and Medicare.

I have not seen anything but talk out of this group, and frankly, I think talk is cheap.

Week before last, as I just said, the House held hearings on the mailing tactics of the National Committee to Preserve Social Security and Medicare and the outcome was not pretty. The subcommittee staff said the group spent 88 percent of its funds on mailings in 1985. I do not think that is a very good track record.

After the House hearing, the NCPSSM got real busy and immediately issued a press release defending themselves. Mr. Roosevelt is quoted as saying, ". . . we continue to be grouped together with people selling laminated social security cards, bogus insurance or nonexistent legislative advocacy." Mr. Roosevelt, you have hit the nail on the head, and probably said it much better than I could. Once this organization cleans up its act and stops scaring the wits out of people, perhaps it can be an effective lobbying group. But until then, I think their opinions are worth just about as much as the "personal, gold embossed plastic membership card" they offer potential members.

Mr. President, I ask that the text of a memorandum prepared by the House Ways and Means Social Security Subcommittee staff be printed in the RECORD at this time and I urge my colleagues to use this information when communicating with constituents about the National Committee to Preserve Social Security and Medicare.

The memorandum follows:

BACKGROUND ON THE NATIONAL COMMITTEE TO PRESERVE SOCIAL SECURITY AND MEDICARE

STRUCTURE

The National Committee to Preserve Social Security (NCPSS) was established in 1983 as a tax-exempt 501(c)(4) organization permitting it to engage in lobbying. The National Committee to Preserve Social Security *and Medicare* (NCPSSM) was established as a 501(c)(3) charitable organization in 1983. Although the 501(c)(3) has generally been inactive, it lent its name to the preexisting organization.

James Roosevelt serves as Chairman of the organization. Other officers include William Wewer, Director and Secretary; Kathleen Marquardt, Director; and Blanche Kelly, Treasurer. NCPSSM was organized by Butcher Forde Consulting (BFC), a California-based direct mail firm. Roosevelt was a paid consultant to BFC in 1982 and 1983 receiving $35,000 for his services. William Wewer has provided legal counsel to BFC since 1977.

MAILINGS

The mailings of the NCPSSM solicit an initial $10 annual membership in the organization. Frequent subsequent mailings solicit additional contributions.

In 1985, NCPSSM sent 17 mailings (not including newsletters), 13 of which included solicitations of money. In 1986, there were 28 mailings; 22 contained solicitations. Nonfundraising mailings were 6 Legislative Alerts and a half dozen newsletters. One of the recent NCPSSM mailings went to one in five households in the U.S.

A list of questionable or misleading statements included in NCPSSM mailings is attached (see attachment No. 1). The worst of these was sent in 1985 as an URGENT-ACTION-GRAM. It declared that NCPSSM had to raise $250,000 immediately to support legislative and legal action to restore all money taken from the social security trust fund. "Lawyers must be hired and lawsuits prepared" the ACTION-GRAM said. While the Chairman of the Subcommittee on Social Security, other Members of Congress, and several senior citizen organizations brought a lawsuit before the ACTION-GRAM was mailed, NCPSSM never filed any legal action.—Prepared by the staff of the Subcommittee on Social Security, Committee on Ways and Means.

FINANCES

According to the Internal Revenue Service Form 990 which is required to be submitted by tax-exempt organizations, the income of NCPSSM has increased dramatically since its creation. (See attachment No. 2 for more detail.)

	Millions
1983	$1.7
1984	9.8
1985	29.5
1986	30.0

Although NCPSSM received contributions in 1983 of almost $2 million, the organization did not register to lobby until the spring of 1984. The reports filed with the Clerk of the House show the following lobbying expenditures (see attachment No. 3 for more detail):

	Millions
1983	0
1984	$0.8
1985	2.5
1986	3.0

ALLOCATION OF EXPENSES

The NCPSSM Price-Waterhouse audit for 1983 showed that 97 percent of NCPSSM expenditures were for direct mail. By 1984, NCPSSM had begun to do content analysis for fundraising letters based on the "percentage of material in each mailing relating to the particular program and support services." This analysis offered the following breakdown of direct mail and postage costs for 1984:

	Percent
Education	41
Legislation	29
Research	1
Fundraising	25
Other administrative costs	4

The IRS Form 990 shows a breakdown of expenses similar to that in the audit. In addition, however, the Form 990 breaks out expenses by functional category. A functional breakdown shows that, in 1985, the NCPSSM spent 88 percent of its funds on mailing costs and only 1 percent on salaries for lobbyists. (See attachment No. 4.)

PAYMENTS TO OFFICERS

The Price-Waterhouse audit shows the amount of money paid by NCPSSM to its own officers. None of the officers received payment for their services as officers, except Roosevelt who received $60,000 in 1986. In nearly every year, William Wewer received payment for legal services and Kelly Consultants received money for mail processing services. The amounts received by these individuals were:

	Millions
1983	$0.2
1984	1.2
1985	1.5

Butcher Forde Consulting has a 19 year contract with the NCPSSM to manage all of the organization's direct mail operations. Under the contract BFC receives $.05 per letter and 15 percent of the "gross amount billed by outside suppliers and independent contractors which have been retained by BFC." The NCPSSM has said that their most recent mailing went to 20 million households. At $.05 a letter, BFC made $1 million on just one mailing exclusive of the 15 percent add-on. If BFC received $.05 for 70 million of the 88 million NCPSSM mailings in 1986, their income would have been $3.5 million.

DEPARTMENT OF JUSTICE

The Department of Justice is responsible for enforcing the statute prohibiting the misuse of the Great Seal of the U.S. In May, 1984, the Justice Department requested that the NCPSSM cease using the Great Seal of the U.S. on its mailings. The NCPSSM subsequently altered the seal used on its stationary to reverse the head of the eagle and change several details in the seal.

POSTAL INSPECTOR

The U.S. Postal Inspector is responsible for enforcing the mail fraud and false representation statute. In 1983, after several complaints from the public, the Postal Inspector began investigating NCPSSM mailings. While there did not appear to be justification for beginning a legal action, the Postal Inspector has requested that NCPSSM alter several of its mailings. NCPSSM has apparently complied with most of these requests including altering its envelopes. Envelopes which previously said IMPORTANT SOCIAL SECURITY DOCUMENTS ENCLOSED Now say IMPORTANT NATIONAL COMMITTEE DOCUMENTS ENCLOSED.

POLITICAL ACTION COMMITTEE

In 1983, NCPSSM formed a political action committee. NCPSSM-PAC receipts in 1986 were $5.2 million. (See attachment #5 for more details.) It made contributions to candidates of $0.7 million—14 percent of receipts—and independent expenditures of $1.9 million. Operating expenses of the PAC were $3.1 million—58 percent of receipts. Filings with the Federal Elections Commission show that the PAC uses most of the same suppliers of services as the NCPSSM including William Wewer, Kelly Consultants and Butcher Forde Consulting.

REAL ESTATE

The most recent mailing of the NCPSSM requests contributions of $10, $15, $25 or more from the elderly to build the Franklin Delano Roosevelt Memorial Social Security and Medicare Building in Washington, D.C. The building will be an office building for NCPSSM. With this mailing, NCPSSM is trying to raise $2.8 million for a down payment on the building. A dollar bill is enclosed and the recipient is asked to return it along with a contribution. By returning the dollar, the donor will presumably be earmarking current NCPSSM funds for use in building the real estate.

INACCURATE AND MISLEADING STATEMENTS OF THE NATIONAL COMMITTEE TO PRESERVE SOCIAL SECURITY AND MEDICARE

I. INACCURATE STATEMENTS

February, 1983

Statement: Persons sending a $10 annual membership were promised "a regular newsletter" and a Legislative Alert Service to "immediately advise you, by telegram or letter, of fast breaking development in Washington . . ."

Fact: While the NCPSSM raised $1.7 million in 1983, the first newsletter did not come out until June, 1984. In May 2, 1984 letter to Chairman J.J. Pickle, James Roosevelt said, "we are producing our first newsletter . . ." Similarly, contributors did not begin receiving information on legislation until the Spring of 1984. A formal Legislative Alert Service was not established until much later.

November, 1983

Statement: "The Medicare Fund has borrowed $12,400,000,000.00 (12.4 Billion dollars!) from the Social Security Fund. Medicare is in so much trouble it has been unable to even pay the interest on this loan! This debt endangers both Social Security and Medicare!"

Fact: The medicare trust fund did not borrow from the social security trust fund; it was the other way around. Neither fund was endangered by this temporary loan.

March, 1984

Statement: In a solicitation, "And, most importantly, you will be helping to make it possible to continue our work here in The Capitol to protect, defend and improve the Social Security and Medicare Programs."

Fact: The NCPSSM could not have continued its work in the Capitol since it had not hired lobbyists and did not register to lobby until April, 1984. (NCPSSM members had been asked to mail petitions to Congress in November, 1983.)

Spring, 1984

Statement: In the NCPSSM's Social Security News Chairman's Report, Roosevelt stated, "I have put my entire staff onto the notch year issue."

Fact: When the newsletter was issued, the NCPSSM had virtually no staff, and Jim Corman had just been hired to lobby for the NCPSSM.

November, 1985

Statement: In an URGENT-ACTION-GRAM the NCPSSM told its members that it had to raise "$250,000 immediately to support legislative and legal action to restore all money taken from social security trust fund monies." The ACTION-GRAM went on to say, "Lawyers must be hired and lawsuits prepared."

Fact: While Chairman of the Subcommittee on Social Security James R. Jones, other Members of Congress, and several senior organizations including the American Association of Retired Persons brought a lawsuit before the ACTION-GRAM was mailed, the NCPSSM never filed any legal action.

II. MISLEADING STATEMENTS

February, 1983

Statement: Contributors were offered a "FREE personal confidential computer analysis of your Social Security Account status—according to official government records."

Fact: Prospective contributors were led to believe that they would receive something more than the earnings record which they could obtain free from the Social Security Administration.

November, 1983

Statement: "Just recently, the National Commission on Social Security suggested taxing Social Security as ordinary income! Another proposal would increase the minimum age for receiving Social Security to 68."

Fact: The National Commission on Social Security Reform recommended taxing benefits in January, 1983. Increasing the retirement age to 68 was among the proposals discussed. This NCPSSM statement was mailed out 6 months after enactment of the Social Security Amendments of 1983 which resolved these issues.

Spring, 1984

Statement: One of the first NCPSSM newsletters listed "Projects and Accomplishments." Under the heading "Forums and Speeches" was "Blue Ribbon panel report on Bailout Bill."

Fact: There was no forum. The report was created by cutting and pasting comments and past testimony of former Commissioner of Social Security Bob Ball, former Chief Actuary Robert Myers, and others into a format that appeared to be the give-and-take of an actual forum.

Fall, 1984

Statement: "Last year, six months of our cost-of-living increases were deleted. This loss equaled 2.4 percent of each Social Security recipient's income. Then came a ridiculous law that suspends cost-of-living increases entirely if inflation falls below 3.0 percent.

Fact: The last sentence implies that the Congress passed a law in 1984 to deny the COLA. In fact, the 3% COLA trigger was placed in the law in 1972 and would not have eliminated a COLA but simply delayed it a year. Further, the letter went out after the Senate had already overwhelmingly passed legislation to guarantee that a COLA would be paid in 1985.

1986

Statement: In a mailing about the Treasury's disinvestment of the Trust Fund, the NCPSSM said, "Fortunately, thanks to your past support, the National Committee acted. After intense lobbying pressure, Congress returned the Trust Fund's assets."

Fact: According to NCPSSM's report to the Clerk of the House, the organization mailed out Legislative Alerts to its members on November 8, 1985 to generate letters and phone calls to Members of Congress on restoring trust fund assets and issued 3 press releases in November and December. While the final Gramm-Rudman-Hollings legislation containing the provision restoring assets did not become law until early December, 1985, the restorative provision had already passed the House as a part of debt limit legislation on November 1—seven days before the NCPSSM Legislative Alert was mailed. There was never any doubt that this provision would be enacted.●

PROPOSED GAS TAX

● Mr. WEICKER. Mr. President, I would like to bring to the attention of my colleagues an editorial in today's Washington Post regarding imposition of a gas tax for reduction of the deficit and providing for economic security. Imposition of any tax is onerous and certainly a decision that Congress would like to avoid under almost any circumstances. However, certain fundamental issues, a massive Federal debt and an uncertain energy future reliant upon foreign energy supplies, have come together to make imposition of a fuel tax not only a serious consideration but, I believe, a necessary one.

I know of other Members, both in the House and Senate, that feel such a tax has merit. Not only does a gas tax raise important revenues to reduce the deficit, but directly encourages conservation and curbs consumption. I have watched with great concern the rapid increase in oil imports and believe that a fuel tax would work to buffer our reliance on a potentially unstable supply.

Mr. President, I ask that the Washington Post editorial be printed in the RECORD.

The editorial follows;

[From the Washington Post, Mar. 24, 1987]

2. HOW ABOUT 10 CENTS A GALLON?

Perhaps there's a way out of this year's budget maze after all—if the political game-playing should ever stop. When the chairman of the Ways and Means Committee, Dan Rostenkowski, tipped his hat politely to the gasoline tax the other day, he wasn't making a commitment. But it certainly was an interesting suggestion. The important thing to understand about a gasoline tax is that each penny per gallon raises a billion dollars a year. The plan with which the House leadership is struggling would be to reduce the budget deficit by $36 billion, half of it in spending cuts and the other half in tax increases. And so far, of course, it's been the thought of raising taxes that has blocked all progress. But an increase of 10 cents in the present gasoline tax would raise most of the money required, and gasoline would still be cheaper than it has been through most of this decade.

The standard complaint about a higher gasoline tax is that it would be regressive. It would be a greater burden on the poor than on the rich. But the only truly progressive tax is a graduated income tax, and neither President Reagan nor Congress is willing to return to the income tax this year. The solution, if there is to be one, will probably have to be a consumption tax of some sort. The gasoline tax is simple, and in the amounts now under discussion, it would leave the total cost of gasoline well below the levels with which the country is accustomed to living.

Unlike other consumption taxes, the gasoline tax would pay the country an additional dividend by contributing to its economic security. The rising trend in oil imports constitutes a national danger, as the administration anxiously pointed out last week—although it didn't have any very useful ideas about possible remedies. But this tax is one. To the extent that higher cost discourages consumption, the tax will hold down oil imports a little.

No tax that raises $10 billion a year is going to be wildly popular. But the gasoline tax would be less painful, less unfair and more useful than any other that's now on the table.●

LEADVILLE AS MINING EDUCATIONAL CENTER

● Mr. ARMSTRONG. Mr. President, Helene C. Monberg is a native Coloradan who is a journalist in Washington covering natural resource and public lands issues of concern to the West. She is also widely known in the Washington area for her tireless work on behalf of the Achievement Scholarship Program, a program she initiated and successfully operates to rehabilitate youthful offenders and establish them as gainfully employed, fully productive members of society.

The Monbergs are numbered among the pioneers of Colorado. In 1887, Helene's paternal grandfather, Soren Christian Monberg, left his native Denmark and his career as a railroad engineer to search for silver in Leadville, CO. He did not find a fortune in silver, but in 1890 brought his wife and four children to Leadville and became a top blacksmith in Leadville's Greenback Mine. Members of the Monberg family have lived in Leadville for a century and have helped to shape the colorful history of this great Colorado mining community. Growing up in Leadville left such a powerful imprint on the life of Helene Monberg that she is establishing two scholarships which will go each year to graduating seniors of Lake County High School. Leadville is now to become the site of a National Mining Hall of Fame and Museum and Helene Monberg has written an article on this interesting new chapter for her home community in her publication Western Resources Wrap-up.

Mr. President, I ask for Helene Monberg's excellent article to be printed in the CONGRESSIONAL RECORD. It is appropriate that a person who has remained loyal to her Colorado mining town roots should write of the development of the National Mining Hall of Fame and Museum and equally appropriate that it should be recorded in the CONGRESSIONAL RECORD.

LEADVILLE AS MINING EDUCATIONAL CENTER

WASHINGTON—"There will always be a Leadville" is the motto that Leadville kids have grown up with for the past 100 years.

But Leadville, that tough, historic little mining town (population 3,200) nestled just east of Colorado's Continental Divide at the foot of Mt. Massive, as a mining educational center. Such an idea never crossed the minds of Leadville school kids.

That's what political and mining industry leaders here and in Colorado had in mind, however, when Leadville was selected over Butte, MT., Golden, CO., and Lead, SD, on December 15 as the site of the National Mining Hall of Fame and Museum.

Senator William L. Armstrong, R-Colo., called the selection of Leadville "fantastic. It's the miner's pick." Senator Timothy E. Wirth, D-Colo., said, "It provides a tremendous opportunity to teach young men and women about mining." Representative Joel Hefley, R-Colo., said, "When you think of Leadville, you think of mining." Representative Hank Brown, R-Colo., said the locale would stimulate interest in the "vast contributions that the mining industry has made in our modern society." All four are sponsoring legislation (S. 450 and H.R. 958), Cosponsored by the entire Colorado congressional delegation and by Representative Dick Cheney, R-Wyo., currently before the Senate and House Judiciary Committees, to charter the National Mining Hall of Fame and Museum at Leadville as a national institution.

This move has strong backing here. Director Robert C. Horton of the U.S. Bureau of Mines told Western Resources Wrap-up (WRW) in an interview on March 5, "The Mining Museum at Leadville will advertise the many contributions that mining has made to this country. It will educate the public on the necessity to maintain a strong domestic mining industry."

President Jack A. Knebel of the American Mining Congress (AMC) told WRW in an interview on March 6, "We are supporting the federal charter bills for the Leadville Museum. We see the Museum as a teaching laboratory, a way to educate the public that domestic mining is a viable—and valuable—industry."

Both the Bureau of Mines and AMC sponsor mining seminars, workshops and conferences, often in conjunction with industry meetings. Knebel is very high on holding workshops for teachers of children in the sixth to eighth grades. If 30 teachers transmit what they learn at such workshops to 200 kids each, the message is transmitted to 6,000 individuals, he told WRW. Neither organization is in a position to provide much, if any, funding for the Leadville Museum, but both intend to provide a lot of moral support for it, Horton, and Knebel told WRW.

The Leadville facility will, of course, honor the great and/or legendary leaders in mining in this country—H.A.W. Tabor and his wife Baby Doe, Thomas F. Walsh, the Guggenheim brothers— in the Mining Hall of Fame. "The first inductions will be made into Mining's Hall of Fame on Sept. 26-27 in Leadville," Charles S. Morris of the Hall of Fame office in Golden recently informed WRW. some of mining's many "rascals" may be honored too.

But the major work of the Leadville facility will be education. It is "intended to be the showcase and literary and education center for the mining world," as a Bureau of Mines backgrounder put it. The Armstrong-Brown bill states the new corporation, when chartered with the passage of the legislation, will "foster, promote and encourage a better understanding of the origins and growth of mining, especially in the United States, and the part mining has played in changing the economic, social and scientific aspects of our nation." A library on the history of mining will be established. It will include pictures, paintings, books, papers, documents, scientific data, relics, mementos, and artifacts. It could become one of the world's finest in this field. From mining to tourism—a warning from Horton.

With Climax finally closing down its mining operation about 10 miles northeast of Leadville this month, and with most of its other famous mines long since closed, Leadville in recent years has attempted to become a tourist town. The Bureau of Mines backgrounder stated, "Leadville is using its mining heritage to attract tourists." Town merchants have contributed funds to provide new street lighting and spruce up streets with new brick pavements. The Matchles Mine, Tabor House, Tabor Grand Hotel, Tabor Opera House, and Healy House have been restored. A sore point: the old Vendome Hotel on Harrison Avenue has been neglected, and it's an eyesore, a Leadville native returning for a visit wrote last Christmas.

Leadville is the highest town in the United States at 10,152 feet elevation above sea level. It lies northeast and east of Mt. Elbert and Mt. Massive, the second and third highest mountains in the "south 48" and the highest in the Continental Divide. They are much beloved mountains by all Leadvillites. A new ski area at Quail Mountain, about 12 miles southwest of Leadville, near the Lake-Chaffee County line, is actively being considered. The Lake County Planning Commission—Leadville is the county seat of Lake County—has a proposal before it to build a condominium complex on the east side of Leadville to provide tourists and other visitors with dining and other entertainment in a unique mining environment.

Leadville still has several mines operating, notably Black Cloud. WRW asked Horton how many active mining towns he know that had been able to make the transition to tourism successfully—and still continue to mine. "I don't know of any," he replied. "If a mining town is successful in developing tourism or other activities it is very difficult to continue to mine there or for mining to return. When the amenities come in, mining goes out. People who are drawn to such areas after mining ceases—often because of their remote location—want to live in abandoned mining camps. (Other) industries are generally not interested in locating in mining towns. Once mining is gone, it is gone forever," said Horton, a Nevadan who lived for several years on Colorado's Western Slope. Die is cast.

With many of Leadville's rich veins of ore depleted, the town's city fathers and some Leadville natives living elsewhere worked mightily last year to bring the Mining Museum to Leadville. Robert Kendrick, a Leadville native and a retired vice president of Climax, "took the leading role in making the Leadville presentation to the Mining Museum Site Selection Committee" when that panel came to Leadville last October, Terry Fitzsimmons, another Leadville native with AMAX in Golden, recently told WRW. He rated Kendrick's presentation "superb . . . There is no question that Bob's presentation must have played an important, if not key, factor in the process," Fitzsimmons said. Last month Kendrick was named chairman of the Colorado fund-raising effort for the Mining Museum by its Board. To date the Board, thru its Grubstake Fund, has raised more than a quarter million dollars, mainly from Colorado contributors.

There was "community-wide support for the National Mining Hall of Fame and Museum in Leadville. There was so much enthusiasm. They really wanted us," Chairman Douglas V. Watrous of the Museum Board said of Leadville residents after the site selection. More than 300 residents led by Mayor Dennis Reece turned out on Dec. 22 at a reception at City Hall for the Board to welcome the Museum.

Morris said the key local participants were the City of Leadville, Lake County Commissioners, the Leadville/Lake County Chamber of Commerce, Lake County Public School District R-1, and the Timberline Campus of Colorado Mountain College. They were backed up by support in the Divide country from neighboring communities—Aspen, Vail and Breckenridge—and by others.

The school district offered the vacant Lake County Junior High School building to the Board for $5 under a 10-year lease, with renewal rights. Two lots for parking next to the site were also provided. Some $50,000 in services were donated by the city, including two years' utility costs; also snow removal, office space and telephone hookups. Colorado Mountain College donated $13,000 in institutional support and technical assistance. Climax Molybdenum Co. pledged it would provide a model of its Climax mine. The state of Colorado made an economic grant of $40,000 to help put out a new brochure and provide new highway signs. And the area federal job training agency offered to commit funds to help pay for the cost of help at the Museum for the first six months.●

NAUM MEIMAN

● Mr. SIMON. Mr. President, I am pleased to inform my colleagues that two American citizens in the Soviet Union received permission to emigrate yesterday. Such actions by the Soviet Government lends credibility to its claims of reform. Soviet reforms must not be limited to a few releases, however. We must continue to put pressure on the Soviet Government until every citizen who wishes to emigrate is allowed to do so.

Naum Meiman is among the many refuseniks who desire to live life in the West. In the past 10 years Naum has experienced numerous refusals, persecution by the Soviet Government, and the death of his wife Inna. As he adjusts to life without his dear wife, Naum has one simple wish—to spend his remaining years in the West. He has suffered long enough. It is time for the Soviet Union to grant Naum his wish.

Statements by Soviet officials indicate that emigration levels will continue to rise over the next few months. This is a large step by the Soviet Government and I heartily encourage it. However, it is imperative that Naum

Meiman is among the individuals who are given permission by the Soviet Government to emigrate.●

HADASSAH'S 75TH ANNIVERSARY

● Mr. LEVIN. Mr. President: This year mark's the 75th anniversary of the founding of Hadassah, the Women's Zionist Organization of America. During these past 75 years, Hadassah has grown from the dream of one remarkable woman, Henrietta Szold, to an organization of 385,000 women. Today Hadassah is the largest voluntary woman's organization in the United States.

It is its volunteer nature that has always impressed me most about Hadassah. Hadassah's volunteers have performed so many vital functions. These functions have been both lifesaving and life-building. During the 1940's, Hadassah's Youth Aliyah program brought hundreds of thousands of European Jewish children to Israel where it educated them and trained them for productive lives. The absorption of children continued with young refugees from the Arab world—from Iraq, Syria, Tunisia, Morocco, and Yemen. During the last 10 years, Hadassah has continued its rescue and rehabilitation efforts through its work with Iranian and Ethiopian children.

Hadassah is best known for its medical facilities in Jerusalem—facilities which constitute the finest medical center in the Middle East. Hadassah hospital treats a half million patients a year. Most of those patients are Israeli but Hadassah does not bar treatment to anyone because of his or her nationality. In fact, men and women from states which do not recognize Israel—including Saudi Arabia and Jordan—have made their way to Hadassah where they know they will get the finest treatment available anywhere. Building bridges for peace has always been one of Hadassah's missions.

I am proud to salute Hadassah on its 75th anniversary. And I am proud that 8,000 women in Michigan—including many members of my own family—are included among the ranks of Hadassah. I trust that the next 75 years of this fine organization will be as productive, as life-sustaining, as these past 75 have been. There is no reason to expect anything less.●

TWO-YEAR BUDGET

● Mr. FORD. Mr. President, in September 1981, I introduced what was the first bill ever introduced in the Senate to establish a 2-year budget cycle. In every Congress since then, I have reintroduced such proposed legislation.

It was, therefore, with special interest and pleasure that I heard President Reagan in his Saturday radio broadcast commend such a reform for consideration. It is with additional pleasure and enthusiasm that I welcome my colleague, the ranking minority member of the Rules Committee, Mr. Stevens, as an original cosponsor of S. 286, the 2-year budget bill that I introduced in this Congress.

As the President's remarks seem to suggest, this is a budget reform idea whose time seems finally to have come. To facilitate its consideration, it is my intention to introduce soon a resolution to create a special committee for that specific purpose. Because jurisdictional interest in such legislation is spread so widely over several standing committees, it is my opinion that only with a special committee can real consideration and appropriate action be assured.

DRUNK DRIVING

● Mr. DANFORTH. Mr. President, Congress has taken a number of steps in the last 6 years to combat the problem of drunk driving and I am pleased it appears these efforts are beginning to pay off.

I ask that an article from the New York Times highlighting a shift in social attitudes against drunk driving be printed in the Record.

Further, I ask that a press release issued today from the Insurance Institute for Highway Safety be printed in the Record. Clearly the IIHS points out the positive effects of raising the drinking age to 21.

Mr. President, there is mention in the New York Times article of a program in Missouri for detecting highway trouble spots. I am gratified that my home State is making special efforts to combat this serious problem.

The materials follow:

[From the New York Times, Mar. 23, 1987]

Nation Is Gaining on Drunken Driving—New Laws and New Attitudes Are Making Roads Safer

(By Andrew H. Malcolm)

Chicago, March 22.—Widening public and legislative support for ever-tougher laws against drunken driving and tighter enforcement of existing regulations appear to be noticeably deterring may from driving while intoxicated.

In interviews, officials of several states said that they had detected a silent shift in social attitudes against drunken driving, akin to the reduced acceptance of smoking in public. At the same time social drinkers have been shunning hard liquor in favor of lighter drinks, like wine coolers and light beer.

Some experts see the shifting as part of a broader social trend emphasizing personal health habits involving, for example, less smoking, more physical exercise and greater attention to nutrition.

“PHENOMENAL” RECENT PROGRESS

“Many people have changed their habits,” Said Jim Edgar, the Illinois Secretary of State, a longtime advocate of strict enforcement of drinking laws. “People's consciousness is generally higher. It doesn't mean we are done, by any means. But the United States has made phenomenal progress in the last 48 months.”

Statistics indicate that a combination of factors, including Federal and state crackdowns and educational campaigns, are having beneficial effects, especially among social drinkers.

“There's definitely been a change in people's attitude toward drinking and driving.” said John Boffa, spokesman for the Governor's Traffic Safety Committee in New York. “they take it for more seriously now.”

For a while, several officials said, the public's declining tolerance for drunken driving and its related toll was far ahead of the more lenient attitudes of judges and elected representatives. But now the officials seem to be catching up.

According to Federal statistics, 44,000 people die on American highways each year, about half of them in accidents involving alcohol. But after bolstering their laws, some states are beginning to report reductions in the number of alcohol-related deaths.

MANY NEW LAWS ENACTED

John J. Grant, the program director for the National Commission Against Drunk Driving, which monitors legislative and educational activities in the states, said that in the last five years, some 3,000 laws on drinking and driving have been proposed around the nation, and as many as 400 new ones enacted in the states to strengthen enforcement.

While he said that there was work yet to be done and that some states had laws that are weaker in one respect than others might be, “over all the states in the last five years have begun to address the problem.”

In Illinois nearly 92 percent of the 55,000 people arrested in 1986 for drunken driving lost their driving privileges, up from only 25 percent a few years ago. And Mr. Edgar recently proposed legislation for even tougher regulations aimed at repeat offenders, about 22 percent of all drunken driving arrests here.

Among other things, new laws would elevate drunken driving to a felony and third-time offenders would face harsher treatment, the loss of their license for 10 years, and 3 years in prison.

“It may sound tough,” said Mr. Edgar, “but it's not really when you realize the enormity of what these individuals have done.”

IN CALIFORNIA, A MURDER CONVICTION

In California last month Dennis Jewell, a repeat offender charged in the death of five people, was the first person in San Bernadino County to be convicted of murder in a drunken driving case. He was sentenced to a prison term of 77 years to life and will not be eligible for parole until the year 2025. He had driven through a stop sign and hit a car in which a mother and her four children were riding.

“This case shows,” said Gary S. Roth, a deputy district attorney, “that in our county drunk driving is taken a lot more seriously by society, juries and the court.”

In Massachusetts, which banned the offering of free or discounted drinks at bars “happy hours” two years ago, the police regularly videotape drunken driving arrests to facilitate conviction, and state officials attribute at least part of a recent decline in traffic deaths in the state to tougher enforcement.

That state's Governor, Michael S. Dukakis, a contender for the Democratic Presidential nomination whose brother died in the early 1970's in a hit-and-run accident that the police attributed to alcohol, regularly visits school dances to warn against combining drinking and driving.

Other states have also seen a decline in the number of lives lost to drunken driving. A study in Wisconsin, where drunken driving conviction rates jumped from 70 percent 10 years ago to more than 90 percent today, found that 44.3 percent of 1981 traffic deaths were caused by drivers who were drunk. Last year the figure was down to 35.3 percent.

In Missouri, a quarter of traffic deaths last year involved drinking drivers, down from 49 percent in some previous years.

A MESSAGE TO OTHER DRIVERS

The Missouri State Police now use computers to detect highway trouble spots where more alcohol-related accidents occur. Then they establish roadblocks nearby. Besides catching drunken drivers and encouraging tough local policy action, the steps sent a message to those who might consider driving after drinking.

"You get stopped," said Capt. Ralph G. Biele of the Highway Patrol, "and you go home and tell your neighbor they're really cracking down."

Some courts across the country have been more lenient in allowing the police to stop drivers they think may be drunk. In Minnesota, repeat offenders, about 36 percent of drunken driving arrests there, can now expect a jail term of 7 to 90 days and a fine up to $1,500. Previous sentences varied widely, and officials say the maximum was rarely imposed.

Those who refuse a breath test automatically lose their licenses for a year. Last year 42,586 Minnesota drivers lost licenses, at least temporarily, up from 14,251 in 1976.

"NOT A DROP" FOR TEEN-AGERS

Wisconsin routinely suspends the licenses of teen-agers stopped with any measurable amount of alcohol—under the state's "not a drop" law—even below the 0.10 percent blood alcohol concentration level that is applied to adults in the state.

At least 43 states set a standard of 0.10 or less to prove sobriety, said Mr. Grant, the National Commission Against Drunk Driving official. For a 160-pound man, that could be about five drinks in two hours, according to the National Highway Transit Safety Administration.

Under the threat of losing Federal highway money, all but seven states have set their legal drinking age at 21, according to the National Commission Against Drunk Driving.

However, South Dakota, one of the states that has not, is challenging the Federal Government's authority to regulate drinking ages. The Supreme Court accepted the case for review last December.

But many officials now believe the most effective deterrent is immediate and virtually certain punishment, especially if it concerns loss of a driver's license.

"People think 'How am I going to get to work?' 'How am I going to get to school?' said Barbar Kopans of Massachusetts' Office of Public Safety.

Mr. Grant noted that Minnesota is one of 22 states in which an arresting officer can take a suspect's driver's license at the time of the offense, subject to appeal.

In Massachusetts the driver's license is revoked at arraignment for anyone accused of driving while intoxicated.

"Nothing makes victims' families angrier than discovering a drunk driver still driving," said Gary Mack of the Illinois Secretary of State's office.

TOMBSTONES ON A BLACKBOARD

In that state, drunken-driving warnings now begin in kindergarten.

To make a point, Bill Richter, a long-time eighth-grade teacher in Barrington, Ill, draws 16 tombstones on the blackboard, one for each of his former students who died in the last 30 years in accidents related to alcohol.

"In the 1970's" noted Secretary of State Edgar, a Republican overwhelmingly reelected last fall, "you could not get a drunk driving bill passed. Now, thanks to grassroots groups and the media focus on the issue, it's much easier. We get bipartisan support for every bill. We've got to make sure that the people we catch are actually punished with something meaningful, not just a slap on the wrist.

"Police tell me, they must look longer and harder now to find drunk drivers," he said.

In Minnesota, where the number of driver's licenses revoked in connection with alcohol jumped from 14,251 in 1976 to 42,586 last year, random roadside surveys indicate that 2.5 percent of drivers on the road at night are legally drunk, half the figure a decade ago.

A new survey by Louis Harris & Associates for Prevention magazine found that 26 percent said they had driven after drinking, down from 32 percent in 1983.

"We are deterring the social drinker," said Thomas A. Boerner, Minnesota's traffic safety director.

But of those who continue to drive under the influence, Albert L. Godfrey, a Maine highway safety representative, said: "We're getting into the hardcore alcoholics now."

"Before, they bagged social drinkers, and heavy drinkers got by," he said. "Now that social drinkers aren't out there, the alcoholics are getting caught."

Susan Cowan-Scott of California's Highway Patrol said that once drunken driving was considered a law-enforcement problem; now it is seen as a social problem with "a growing public attitude of intolerance."

TOUGHER PENALTIES GET RESULTS IN LOCAL STATES

In line with the national trends, all three states in the metropolitan area have revised their laws to discourage drunken driving.

In 1981, New York adopted its Stop-D.W.I. program, which significantly increased the penalties for driving while intoxicated.

Under the new laws, the minimum penalty for drivers with a blood alcohol level of 0.05 percent to 0.10 percent, designated as driving while impaired, was raised to a $250 fine and suspension of driving privileges for 90 days.

For those convicted of driving while intoxicated, defined as a blood alcohol level of 0.10 percent or higher, the minimum penalty was increased to a $350 fine and a six-month suspension of driving privileges.

Before the program took effect in November 1981, said John Boffa, a spokesman for the Governor's Traffic Safety Committee, there were no minimum fines and most drivers paid far less than the new minimums.

State officials say the number of accident fatalities involving drunken drivers fell by 23.2 percent in the three years after the changes took effect.

Mr. Boffa said the state's decision to raise the minimum drinking age to 21, from 18, had also resulted in a significant drop in the number of fatal accidents involving drunken drivers under that age. In the first seven months of the new law, which took effect Dec. 1, 1985, the number of such accidents was roughly half that of a similar period five years earlier.

New Jersey enacted 23 drunken driving statutes in the early 1980's that state officials say gave the state one of the toughest and most comprehensive body of laws on the subject. The state increased the drinking age to 19 from 18 in 1980 and then to 21 in 1982.

The state also increased penalties for driving with a blood alcohol level of 0.10 to include fines of $250 to $400, the loss of a driver's license for six months to a year, a discretionary jail sentence of up to 30 days, 12 to 48 hours of analysis and instruction at an Intoxicated Driver Resource Center and an annual $1,000 driver surcharge paid to the Division of Motor Vehicles for three years. A second offense increases the fines, $500 to $1,000, at least two days in jail and license suspension for two years. A third offense carries the same fines but the driver loses the privilege for 10 years.

The combination of tougher laws and police roadblocks around the state were credited in a 1985 report with reducing the number of alcohol-related traffic deaths over a four-year period by 43 percent.

Connecticut stiffened its penalties against drunken driving in 1985.

Under the 1985 Connecticut law, a first conviction for drunken driving carries a mandatory sentence of 48 hours in jail or 100 hours of community service. As a result, the number of people sentenced to jail for drunken driving jumped from 865 in 1985 to 1,864 in 1986.

Under previous law, judges, who had the option of imposing a jail sentence or a fine, generally chose fines.

A second conviction under the new law carries a mandatory penalty of 10 days in jail. The sentence for a third conviction is 30 to 120 days.

In addition Connecticut has raised the drinking age to 21, from 20.

State officials said they did not have recent traffic accident statistics to measure the effect of the tighter penalties.

NATIONAL DRINKING AGE OF 21 PROVEN TO SAVE LIVES

WASHINGTON, DC, March 24, 1987.—"A drinking age of 21 across the nation is an important way to reduce highway crashes involving young people," said Brian O'Neill, president of the Insurance Institute for Highway Safety, in releasing a legal brief on the subject. The Institute has joined with major insurance companies across the country in a brief of amici curiae to the Supreme Court supporting Secretary of Transportation Elizabeth Dole's authority to encourage states to raise the legal drinking age to 21. Dole was challenged on constitutional grounds by the state of South Dakota.

"Legislation to raise the alcohol purchase age is necessary on the federal level to keep young people from crossing state lines to buy alcohol and thereby endangering lives on the highways. States with lower drinking ages naturally attract young people from other states, sometimes with disastrous consequences," O'Neill also said.

Of all age groups, teenagers have the highest fatality rate per licensed driver. Research by the Institute and others have shown that raising the minimum alcohol purchasing age reduces fatal crash involvement among young people. In 26 states that raised their purchasing ages, there was a 13 percent decrease in nighttime fatal crashes in the 18- to 20-year-old age group. "This research evidence shows conclusively that raising the drinking age reduces crashes," O'Neill said.

"There are dozens of studies about the effects of raising the alcohol purchasing age," O'Neill continued. "Every one of the competent ones shows that this action leads to reductions in injuries and fatalities and is an effective way to save lives," O'Neill said.

A recent General Accounting Office (GAO) report concurs. GAO assessed 49 relevant studies and found that only a fraction were methodologically sound. On the basis of this review, GAO concluded that raising the drinking age has, on average, a direct effect on reducing alcohol-related traffic accidents among affected age groups across states.●

TRUCK SAFETY

● **Mr. DANFORTH.** Mr. President, since 1982, truck safety has been a priority of the Senate Commerce Committee. Congress has enacted three committee-approved bills addressing truck safety problems.

However, the job is far from done. This week, USA Today is running a series of articles that underscore this point. The articles are compelling pieces that describe, in poignant detail, the needless slaughter that is occurring on our Nation's highways.

Mr. President, I ask that the first two articles in a week-long series be printed in the Record.

I commend USA Today for a powerful presentation of a pressing national problem. Later this week, I will introduce new truck safety legislation. I invite Senators who share my concern to join in the development of a meaningful new law.

The articles follow:

[Monday, Mar. 23, 1987; USA Today]

Truck Deaths: 4,500 a Year, 50+ Last Week

(By Denise Kalette)

At least 53 people died in truck accidents on USA highways last week. Many more lives were shattered.

In Ochiltree County, Texas, a physician went through a stoplight and drove into a truck, killing his eight-year-old son. In Slidell, La., when Kahing Tjioe slowed his Volkswagen Rabbit on a foggy interstate, a truck hit him. He awoke in the hospital; the rest of his family died.

In North Star, Ohio, James Alexander fell asleep in front of TV; an out-of-control truck smashed into his home and killed him and the truck driver.

More people die in truck accidents than in planes, trains, ships and interstate buses combined. The toll: about 4,500 deaths this year. "It's equivalent to 20-plus airplane crashes a year, with 200 fatalities each crash. The public would be outraged" at that, said Brian O'Neill, president of the Insurance Institute for Highway Safety.

"There are unguided missiles on the road," said Maryland State Sen. Ida Ruben, reflecting growing fear about truck safety. Safety advocates charge that since 1980, when the trucking industry was deregulated, some economically-pressed companies have cut costs by skimping on critically needed repairs and pushing truckers to drive fatigued.

A three-month investigation by USA TODAY/Gannett News Service found:

Many trucks are accidents waiting to happen. At least one in four tractor-trailers is "dangerously unsafe," according to a roadside study conducted with USA TODAY.

The federal government has stalled in putting some safety rules in effect, despite congressional approval for them.

About one-third of truck drivers disconnect their front brakes, mistakenly believing that will help prevent jackknifing. A USA TODAY brake test shows that disconnecting brakes makes jackknifing more likely to occur.

By this time tomorrow, about 12 more people will die in truck crashes. Behind the statistic: human cost and devastated lives.

In the split second an asphalt truck with bad brakes blasted into her Toyota on Good Luck Road in Riverdale, Md., Lisa Beavers' life was forever altered. The 17-year-old's two best girlfriends, passengers in the car she drove, were killed. She has been hospitalized four times since the Nov. 17, crash. After graduation, a steel plate will be implanted in her head.

The truck hadn't been inspected in three years. Beavers and classmates at St. Vincent Parrotti High School testified for a yearly inspection law in Maryland and sent out 400 letters. But "we don't expect it to pass this year," said teacher Betta Borreilli.

More than a million heavy trucks ply the nation's highways. According to the Department of Transportation, one of three tractor-trailers will be involved in an accident this year, compared with one of every 13 cars. When a rig and car collide, the car driver is 40 times more likely to be killed than the trucker. That risk has shot up from 26 percent a decade ago.

Cars drivers cause more than half of truck-related fatalities, AAA said. Many take fatal chances, unaware of a rig's limitations.

The figures indicate a growing number of truck-related deaths at a time when traffic deaths in general are declining. Critics say the Department of Transportation has failed to put the same effort into truck safety that it puts into air and auto safety.

Accountability is a basic problem—for federal and state governments, and for companies and drivers.

No state requires formal training for truckers, though a new federal law will require written and road tests. In 18 states and the District of Columbia, anyone licensed to drive a compact car may drive an 80,000-pound rig. In 29 states, annual inspections are not required; in many states, companies do their own inspections.

These policies haven't worked State police find thousands of trucks with defects so serious they are taken out of service.

Brakes are the No. 1 equipment problem. In Los Angeles, a Highway Patrol inspection of 3,201 trucks turned up 1,909 brake violations; 69 cabs didn't properly connect with trailers. "The first thing they cut is maintenance," said supervisor Al Palmer.

Many truckers carry multiple licenses, which shields violators. Beginning in July, that's against the law, but it will be at least two years before it can be enforced with a computer network.

In the competitive pressure since deregulation, too many truckers drive exhausted trying to cope financially. Fatigue's a main cause in 41 percent of rig crashes. Log books, legally required to show eight hours' rest after 10 hours' work, are commonly forged and sarcastically called "comic books."

A dangerous minority of truckers abuse drugs. "On certain channels, you can hear them talking to one another. It's just a problem catching them," said Kansas City policeman Ron Hoyle.

Many communities have been stunned by fatal truck accidents. On June 21, 1985, in Van Buren, Ark., pop. 13,000, a tractor-trailer rammed a stationwagon carrying four adults and three children. All seven died, as did the truck driver and his bride.

Nearly two years later: Two children are fatherless. Three businesses ruined in a fire ignited by the exploding car still lie in charred rubble. Pharmacist Ron Coker watched his store and newly built home burn. Today, his pharmacy is housed in a "crackerbox," his wife has been hospitalized for depression.

Elderly Frank Bates died a few months after his historic hardware store burned. "Grieved himself to death," said Coker.

Paul Grant, lawyer for the children whose father was killed, said the trucking company was not prosecuted, although a civil suit was settled for $3 million. "The brakes were bad," and the underage driver (20) had been drinking.

One reason tougher laws aren't enacted is "the power of the trucking lobby," said O'Neill, and federal delay. In 1986, the trucking industry spent $1.8 million lobbying through political action committees. This year, safety is a priority for groups from the American Trucking Associations to the Teamsters.

State legislators are not "intimidated," exactly, but perhaps "influenced" by industry power, said Ruben. She has unsuccessfully urged an annual inspection law in Maryland for 12 years.

Today, state police and transportation officials bring a truck to Beavers' school to explain why they oppose the yearly inspection bill. They think roadside checks are better. It may be a tough sled.

For Beavers, truck safety is a campaign she can't quit. On the first nights of her intensive care, friends lined the hospital corridor until midnight. Now, she flirts with young men and carefully arranges her hair, covering the missing part of her skull.

Her mother, Judith, still mourns the two dead friends and worries about her daughter, driving her everywhere: "I went to pick her up on (Interstate) 95 today. That's all I saw was huge trucks. It's like they were closing in on me."

Poll: Toughen Rules for Trucks

(By Marilyn Adams)

Almost all motorists want big trucks inspected annually and their drivers specially trained, a USA TODAY poll shows.

But many are demanding even tougher rules: banning trucks from the passing lane, eliminating larger trucks, installing speed controls.

55 percent: Ban double and triple-trailer trucks.

55 percent: Install devices to limit trucks' speed.

45 percent: Ban trucks from left highway lanes.

One in four motorists say truck safety's the No. 1 problem on the road.

But a three-month USA TODAY, Gannett News Service study of the trucking industry found that there's a wide gulf between reality and the poll:

97 percent want truckers to have special training, but neither the federal government nor any state requires it. "We still have a gap," said National Transportation Safety Board Chairman Jim Burnett. "There's no comprehensive truck-driver training in place."

98 percent of motorists want trucks inspected yearly, but only 21 states and the District of Columbia do. A 1984 federal law required the Department of Transportation to set up an annual inspection program by January 1986.

Finally, last month the agency proposed a plan to let companies with five or more trucks inspect their own. "Totally ridiculous," said Sen. John Danforth, R-Mo., a sponsor of truck-safety laws.

Other motorist poll results:

66 percent would pay more for trucked goods if it improved safety.

68 percent said car drivers are more likely than truck drivers to drive drunk.

70 percent said truck drivers are more likely to drive when too tired.

27 percent said truckers are more likely to use drugs on road; 16 percent; motorists; 41 percent, no difference.

The poll of 808 mororists has a 4-percent margin of error.

Last Week's Toll: More Than 50 Dead

(Same were avoidable, others weren't. Truckers blamed motorists and motorists blamed truckers. In one week, ending 12:01 Sunday morning, at least 53 people died in truck-related accidents on the USA's highways. They were young, old, families, truckers at work. Here are their stories:)

SUNDAY

Jones County, Iowa: Icy conditions: Joseph Appleby tried to get out of the way when he saw the car cross the center line. He couldn't. Mary Kay Carter, 41, of Anamosa, Iowa, died when her car was hit broadside by Appleby's truck. The road was covered with ice. Appleby, 45, of Monticello, Iowa, had never had a serious accident. There wasn't "much he could have done," said Trooper Al Perkins.

Armstrong Township, Pa.: Rear ended: It was 9:05 p.m. and Marty Moore, 32, a trucker for 11 years, was straining at 15 mph to get his truck—loaded with 23 tons of coal—up Route 422. Earl E. Anderegg, 51, of Indiana, Pa., was killed instantly when his 1981 Chevy Malibu hit the back of Moore's rig. Car drivers, Moore said, test him every day. Many seem "to have forgotten what a yield sign means. They make you want to pull your hair out."

MONDAY

Jerome County, Idaho: Fiery death: "Are you all right? I'm trapped," shouted trucker Olin Lynn Martin 31, of Walker, La., when his tractor-trailer crashed after hitting a pickup truck. "I'm trapped, too," replied Cecil Ray Morrison, 33, who'd been resting in the cab's sleeper. Seconds later, Martin's truck—loaded with tomatoes—burst into flames. Morrison kicked his way out, Martin burned to death.

Rockport, Ind.: Head-on crash: It was 3:45 p.m. and Thomas W. Butler was heading north on Route 231. He was happy: It was his final coal run. Suddenly, a 1985 Mazda RX7 slammed head-on into his truck. Butler, 27, of Huntingburg Ind., never saw driver Thomas Gleason, 26, of Owensboro, Ky., who died two hours later. Said Butler. "It makes me wonder what it would be like for my family to lose me."

White County, Ind.: Asleep at wheel?: Why Tom Bouty died is a mystery. At 2:20 a.m. his log-hauling truck hit a guardrail, flipped over and burst into flames on I-65. Bouty, 23, of Escanaba, Mich., was trapped in the cab. Police think he fell asleep at the wheel, but Bouty's brother, Jim, also a trucker, disagrees. "There was a guy talking to him on the radio about five minutes before," said Jim Bouty, 38. "Tom was very alert—talking about his girlfriend. I think he was probably reaching for a can of pop and he lost control. I've driven off the road a few times doing the same thing." Death can be "the price you pay for a screw-up. You don't have anyone to blame but yourself."

Yuba City, Calif.: Baby killed: Houa Xiong, trying to pass a truck on Highway 99, drove into an oncoming truck. Killed was Xiong's 17-month-old daughter, Niva. Xiong was charged with manslaughter for making "an unsafe pass," police said.

Redkey, Ind.: Family baffled: Patsy Southworth's family can't understand why she pulled into the Route 67 intersection. The 49-year-old Dunkirk women was "normally a safe driver," said her husband, Jesse. "We're guessing she looked beyond the truck and didn't see it coming." He feels sorry for trucker Jerry Stults, 55, of Hartford City. "I know what he's going through. I don't think there was nothing he could do."

Franklin, W.Va.: Stormy weather: Ronna L. Long, preparing for knee surgery today, is "still in shock" over the crash on a snow-covered stretch of Route 33. It was there where she lost control of her car and swerved into William Harr's gas truck. Long's daughter, Mary Margaret Long, 2, suffered a mild concussion; her grandmother, Mary Bennett, 69, of Circleville, W.Va. died. "I couldn't believe Granny was killed," Long said. The scene was all too familiar for the family: Bennett's husband died in a 1984 car wreck.

Northampton, Mass.: A suicide: Michael Deane had called police earlier in the day, saying he was going to hang himself. But when police got to his Easthampton home, Deane, 35, was gone. At 8:50 a.m. he took a taxi to the Hilton Hotel near Route 91 and began walking on the shoulder, apparently hitchhiking. As a truck driven by Earl Haskell, 23, of Bridgewater, Mass., approached, Deane leaped. He died instantly.

Hope, Arkansas: Killed fixing flat: At first, Arthur Swanson's death looked like a hit-and-run: The 29-year-old Markham, Ill., man was run over while changing a tire on the back of his home-made trailer on I-30. The truck never stopped. But police later found that Swanson's trailer lights weren't on—it was 1:25 a.m.—and Swanson was lying down in the shoulder. "There's a good possibility the truck driver didn't even know he hit the man," said Lt. Ron Stovall.

Fairfield, Iowa: Supervisor killed: What caused Ernest "Shorty" Nelson to cross the center line into the path of an oncoming gravel truck is anyone's guess. Nelson, chairman of the Jefferson County Board of Supervisors, was killed and two other supervisors injured in an 8:35 a.m. crash. Trucker Jack Cook wasn't hurt. "Whether he was distracted or what, we don't know," said Trooper Rick Kinseth.

Douglas, GA.: Elderly man struck: Owen Jasper Griffen, 76, had become disoriented before. At 2:15 a.m. he wandered onto Route 221 and was struck by a truck driven by Mason Wright Henry, 46. "It was just one of those things," said Sheriff Paul Hutcheson.

Flora, Ill.: Trucker runs light: Estelle Zelenik, 74, of Louisville, Ill., lost her husband last October. Her family lost her at 1:40 p.m. when a truck driven by Kenneth Peoples, 39, of Lowell, Ark., ran through a stop sign at an intersection. Peoples, a driver for 14 years, was ticketed for failing to stop. Said Peoples: "It was a pure accident; it could've happend to anybody."

TUESDAY

Oxford, Ala.: Couple killed: At 84, William Harvey Burton still thought he was fit to drive a car despite failing eyesight. Burton and his wife, Annie, 77, of Lincoln, Ala., were killed instantly when their 1977 Chevrolet turned in front of a truck on U.S. 78. Trucker Pat Brown, 51, of Birmingham was slightly hurt.

Wilson County, Tenn.: Head-on crash: Alfred David Saylors' family said he was a model citizen: former junior high school teacher, Sunday school instructor, safe driver. "He didn't drink, he didn't smoke," said his sister Betty Harris. At 9:35 a.m. the 39-year-old Galitan insurance salesman died after hitting a truck. Trucker Richard Phillips, 25, was injured.

Longview, Texas.: He loved the road: Tommy Gene Whitehead of Joinersville, Texas, died the way he lived: trucking. "He liked people, and he enjoyed traveling," said his brother Bobby, "He went to just about all the lower 48 states." Whitehead 43, died when his truck crossed the center line on 1-20 and hit another tractor-trailer. He left behind two children, ages 6 and 8. The other trucker, Richard E. McClure, 57, of Dallas, suffered a broken left leg and right arm. McClure's wife, Marie, said it was his first serious accident in 36 years. Her feelings: "All truck drivers wives become immune to danger.

Carrollton, Ky: Rear-ended: Wayne Walker realized the 1982 Toyota Celica in his rear-view mirror wasn't going to slow down. "By the time I realized he was gonna eat me up, I couldn't do anything. It's hard to get a truck and trailer off the road that quick," said Walker, 28, of Frametown, W. Va. Daniel R. Hogue, 36, of Louisville died from head wounds in the 10 p.m. crash.

Bedford Township, Pa.: Speeding cited: Ricky D. Border probably never even saw the truck that ended his life. "There were no skid marks, no nothing," said Trooper Max Shaffer. "He probably failed to notice the truck." Border, 31, of Bedford, Pa., died in the 9:02 p.m. crash.

Lafayette, La.: Chicken stand hit: Workers at Churches Fried Chicken stand dashed to safety when a truck jumped a curb and smashed into the restaurant. An autopsy showed that driver Kermit Roberts, 47, of New Orleans died of a heart attack before the crash.

WEDNESDAY

Lima, Ohio: Depression cited: Robert N. Brownwell had been depressed ever since his grandmother died Christmas Eve. "It seemed he knew something was going to happen," said his girlfrend, Lisa Oliver. After a St. Patrick's Day party, Brownwell, 35, drove his Dodge into the rear wheels of a truck. Trucker Richard H. Church, 45, of Lima, wasn't hurt.

San Bernardino, Calif. Mountain crash: Barbara Leger, 44 her son, Richard, 18, and daughter-in-law, Kimberlie Hauer, 23, all of Running Springs, were killed when a flatbed truck went out of control and hit their car on winding mountain road. Trucker Paul Ahrens, 24, was slightly hurt.

Sacramento, Calif.: Tractor hit: Abel Vargas was accustomed to driving his tractor on highways. But trucker Russell Briggs, 26, of Montclair, Calif., apparently didn't notice him on I-80, when his truck struck and killed the 51-year-old farmer.

Sedalia, Mo: Near home: Police said Rasco Nedimaovic couldn't avoid hitting Sherry Hill's car after the 19-year-old Sedalia, Mo., woman pulled into an intersection near her home. Nedimaovic, 21, of Riverside, Calif., swerved before plowing into her.

Perryton, Texas: Family tragedy: An Elk City, Okla., family's ski vacation ended in tragedy when Dr. Craig Alan Phelps' van ran a stop light and slammed into a truck driven by Jennings Lewis Mitchem Jr. Of Amarillo. Phelps son Jeremy, 8, was thrown from the van and killed. Three other Phelps children were injured.

Akron, Ohio: Car entered lane. Howard A. Thomas, 47, of Youngstown didn't think anything was wrong when he saw the two headlights coming toward him on U.S. 20. But then the 1977 Chevy swerved into Thomas' lane and crashed into his truck. Kenneth W. Miller, 39, of Toledo, was killed.

THURSDAY

Vicksburg, Miss.: Expected too much: Timothy Reed's common-law wife says his employer expected too much of him. "They were pushing to get their loads out real fast," said Chris Mack, who lived with Reed, 27 of Arvada, Colo., for 4½ years. Police said Reed was killed when his truck crossed the median and ended up in the woods. Company officials couldn't be reached.

Frederick County, Md.: Lonely death: Kenneth Stine, 39, of Schuylkill Haven, Pa., died when his truck missed a curve and overturned on I-270. Police said Stines truck loaded with yarn, rounded a curve too quickly.

Middletown, Ohio Church mourns: Daryl Lawrence and his wife, Darlene, had spent the morning looking at new homes. At 2:30 p.m., Lawrence, 26, apparently didn't yield at a traffic light. His car was hit by a truck driven by Lawrence Potter, 60, of Grand Haven, Mich. Lawrence was killed, his wife seriously hurt. Lawrence was a youth minister at Middletown's Bonita Drive Church of Christ. "Young people loved him," said the Rev. Jim Kinser.

Booneville, Miss.: Too close: A hospital housekeeper on her way to work was killed when her car was hit by a truck, Trucker Allen L. Garner, 53, of Blue Mountain, was charged with following too closely. The crash killed Mary Sue McGill, 54, of Baldwyn.

Tillamook, Ore.: Families baffled: Bertel Nels Englund, 60, of Salem, Ore. had driven trucks most of his life. Twice a week, he'd take the same route on Highway 101 along the coast, hauling steel. His family can't understand his death, Police think his truck hit a soft shoulder.

Butler, Mo.: Friends out driving. Two 18-year olds, Bryan Showengerdt and Theodore Strobach of Butler, were out driving when Strobach's Chevrolet Celebrity hit a truck driven by John Harris, 49, of Leeton, Mo. Strobach, who was killed, had failed to yield at an intersection, police said. His friend was injured.

Browerville, Minn.: Fatal pass: Dennis H. Franz, 42, of Bingham Lake, Minn., and a passenger, John H. Hedquist, 44 of Browerville, were killed when their pickup was hit by a truck. Trucker Michael Dowdall, 29, of Pine River, told police he was passing the pickup when Franz suddenly made a left turn.

FRIDAY

South Grafton, Mass.: Happy-go-lucky guys: Michael Remillard and a friend were returning from the American Legion Post when the Grafton, Mass., man slammed his 1986 Ford LTD into a truck parked on Main Street. Killed were Remillard, 24, and a passenger, James Peterson, 32. Both men were volunteer firefighters—"two happy-go-lucky guys," said a friend, police Sgt. Russell Messier.

Maryland Heights, Mo: A cooler of beer: Police think Thomas Edward Simpson, 25, of Affton, Mo., may have been drinking when his Honda rammed head-on into a 48-foot truck driven by Terrell W. Price. A beer cooler was found near his car after the 4:37 a.m. crash. Price, 39, of Jackson, Mo., wasn't hurt.

Luling, Texas: Not enough time: Lawrence Carrigan, 80, was killed when his car was hit by a drilling rig truck on Highway 80. A witness told police that Carrigan tried to "beat the truck" across the highway. Trucker Erasmo Castillo, 26, of Luling, wasn't hurt.

De Pere, Wis.: Hit from the rear: After making a right turn, trucker Sidney Howell, 27, of Independence, Kan., watched in his rear view mirror as the 1980 Mazda smashed into his truck. Police Sgt. Richard Brick said there was nothing Howell could do. Killed was Robert Strehlow, 26, of Green Bay.

Susquehanna County, Pa.: A family man: No one knows why Neil Mackenzie's truck slammed into the back of another truck on I-81 shortly after midnight. The other driver, Edward Cruikshank, 47, of De Ruyter, N.Y., wasn't hurt. Mackenzie, 33, of Vestal, N.Y., had been on the road for 14 years and was "very much a family man," a friend said.

Lawrence, Kan.: Accident on a hill: Stephen Browning, 29, of Bonner Springs died when his car hit a dump truck. Truck driver Herbert Roberts, 56, of Lawrence, was turning left onto a country road when he was struck by Browning's car.

SATURDAY

Slidell, La.: Fog blamed: Kahing Tjioe slowed his Volkswagen Rabbit down because of the fog. That decision killed three family members and a truck driver, who hit his car, then plunged from an I-10 bridge. The crash set off a 36-car series of crashes. "I woke up in the hospital and they told me the rest of the family died. I felt terrible," said Tjioe, of the Netherlands.

North Star, Ohio: Asleep: James Alexander, 31, had fallen asleep watching TV in his living room when a truck smashed through the wall and killed him. Trucker Ronald Wheeler, 24, of Sidney, Ohio—who police think fell asleep at the wheel—also died.

North Miami Beach, Fla.: Wild drive: A trucker told police a man jumped on the roof of his cab after an argument in a parking lot—and stuck there during an eight-mile trip. The trucker told police that Boyd Blanchard, 29, jumped on his cab and held on during a wild drive that ended when he missed a curve. The truck flipped on its side, killing Blanchard. Police wouldn't identify the driver.

ONE IN FOUR TRACTOR-TRAILERS RIGGED FOR DISASTER

(By Rae Tyson)

At least one tractor-trailer in four is operating with dangerously unsafe equipment, random roadside surveys show.

Experts say 20 percent of all truck fatalities—about 4,500 annually—are caused by faulty equipment, including bad brakes, bald tires and faulty steering.

"A hell of a lot of those crashes could be eliminated," says Brian O'Neill, president of the Insurance Institute for Highway Safety.

Four states—in cooperation with USA Today—conducted roadside truck inspections last week. Random checks in California and Michigan—two of the USA's busiest truck states—found 27 percent with dangerous safety violations.

"This is a pretty good assessment of what's going down the road," says Michigan State Police Capt. Arlyn Brower.

Maryland and Tennessee—selectively checking trucks that appeared to have problems—found 58 percent with serious equipment defects.

Unsafe rigs were parked until repairs are made.

"If you save one person's life, what's one hour waiting here?" says Portland, Ore., trucker Bob Vaara.

One solution: 39 states are using federal grants—$50 million this year—to step up highway equipment checks.

"We hope they're scared enough to keep their vehicles in shape," says Ronald Lipps of Maryland's motor carrier safety program.

FAULTY RIGS "ROLLING TOWARD DISASTER"

It's a dangerous game of highway roulette, but some truckers—caught in a tough economic struggle—are ignoring serious safety defects.

"If I can't get it fixed I'm not going to shut it down—that's money," said San Antonio, Texas, trucker Leroy Faith.

Hindered by bald tires, poor brakes and other defects, these rigs aren't prepared for emergencies.

"They are rolling toward disaster," said Tennessee Public Service Commissioner Keith Bissell.

Some experts say 20 percent of all truck fatalities—approaching 4,500 annually—are caused by faulty equipment. Others say the unsafe rigs represent a small percentage of the industry.

"It's not as horrendous as it may sound, but it's not good and it's not getting any better," said engineer James L. Lewis of United Parcel Service, which operates one of the USA's largest truck fleets.

Blame is widely dispersed:

The Office of Motor Carrier Standards—responsible for enforcing interstate regulations—has just 130 inspectors checking more than one million trucks. They're adding 150 this year.

The National Highway Traffic Safety Administration has been slow to require equipment improvements; some reluctance stems from industry pressure.

Only 21 states and the District of Columbia require annual equipment inspections. Local drivers account for nearly half of all truck fatalities.

"There's a lot of junk running up and down the roads," said trucker Kay Vaughn of Malvern, Ark.

Others say there's hope:

The Department of Transportation is spending $50 million for tougher local enforcement this year.

Transportation Secretary Elizabeth Dole said: "I'm determined that safety will not be diminished here."

Said Navistar trucking company Vice President Dean Stanley: "Safety is a bigger issue every day."

Hi-Tech Hope: Anti-Lock Brakes

East Liberty, Ohio.—Trucker Tommy Lockhart says "its kind of hard to believe" how much safer his Freightliner rig is with an experimental, non-skidding brake system.

"It's already saved me a couple of times," said Lockhart, 46, a veteran driver for Manfredi Motor Transit Co. of Newbury, Ohio.

Safety experts are touting the high-tech system: Some say truck fatalities—4,528 in 1985—could be reduced by 10 percent if trucks were equipped with "anti-lock" brakes.

"It becomes a security blanket for the driver," said David Hammes of Cleveland-based Leaseway Transportation, which is testing anti-lock brakes on 10 semis.

USA TODAY tests show how effective: With anti-lock brakes, a loaded tractor-trailer stopped in 258 feet on wet pavement. The test driver executed a perfect lane change while jamming on the brakes at 40 mph.

A truck without anti-lock brakes needed 362 feet to stop; the driver was unable to negotiate a lane change.

If the quick stop was attempted on a busy highway, the 80,000 pound rig could have been involved in a rear-end collision.

How it works: individual electronic sensors control brake pressure, adjusting it when necessary to prevent the wheels from locking up.

Yet to be determined: whether the sophisticated system—now widely used in cars—is durable enough for tractors and trailers.

Companies such as Leaseway, one of USA's largest with 30,000 trucks, also worry about the added cost of anti-lock brakes, estimated at $4,000 per tractor-trailer.

Hammes says lower insurance rates would provide "financial incentives", Brian O'Neill of the Insurance Institute for Highway Safety says it is "unrealistic to expect discounts" for installing anti-lock brakes.

Anti-lock brakes attracted critics following a disastrous, government-imposed USA debut a decade ago. The trucking industry—citing major maintenance problems—successfully overturned the regulation in the Supreme Court.

Though European firms have since overcome most technical problems in the anti-lock system, some prominent firms are campaigning against another government requirement.

United Parcel Service—owner of 6,500 tractors and 27,000 trailers—said government should concentrate first on standardizing replacement brake parts, including linings and air valves.

"Let's do that first before we get into the Buck Rogers stuff again," said James Lewis, UPS automotive engineer.

About the Brake Test

With assistance from government experts, USA TODAY conducted brake tests at Ohio's Transportation Research Center, among the country's top test sites.

Drivers used a banked track to gain speed before entering the paved test area, which was treated with a sealer to guarantee a slippery surface.

All brake tests began at 40 mph on wet pavement, a more difficult surface to stop on. Pylons were used to simulate traffic lanes. Each truck wheel was marked with silver paint so observers could easily detect locking brakes.

Leaseway Transportation Corp. of Cleveland provided the trucks.

Test drivers: National Highway Traffic Safety Administration's Reeves "Buddy" Testerman and USA TODAY reporter and former truck driver Rae Tyson.

No Front Brakes—Jackknife!

East Liberty, OH.—Some truckers believe their tractor-trailer rigs are safer without front brakes.

"It's commonplace for drivers to eliminate them," says Insurance Institute for Highway Safety President Brian O'Neill.

Checks in California found one truck in three lacking front brakes.

The fear: loss of steering control during a quick stop.

The rationale: Brakes on four other axles provide adequate stopping power for the 40-ton behemoth.

But it's a popular—and potentially deadly—misconception, according to USA TODAY brake tests at the Transportation Research Center here.

With disconnected front brakes, test drivers consistently lost control of a 40-mph truck during panic stops.

The result: dangerous jackknifing. On a busy highway, the careening truck could easily cause a major accident.

"It's a risk to people sharing the road with those trucks," O'Neill says.

A tractor-trailer with front brakes consistently stopped quicker—without veering.

The Department of Transportation agrees: Next year, trucks built after 1980 must have working front brakes.

The DOT also is conducting a driver education program to show the advantages of front brakes.

The new regulation follows a bureaucratic snafu: For years, the DOT's National Highway Traffic Safety Administration required front brakes on new trucks while the Bureau of Motor Carrier Safety allowed drivers to disconnect them.

"Most drivers are unable to stop vehicles shorter and are less likely to lose control if they have no front brakes," said NHTSA research engineer Richard W. Radlinski.

What 4 State Truck Inspections Found

Phil Phifer pulled his truck into a Maryland weigh station, brimming with confidence. A week earlier, his truck had passed a rigorous mechanical inspection.

Within moments, the confidence was shattered: Inspectors found a dangerously cracked brake drum.

"I'm glad they found it; I don't want any accidents," said Phifer, 54, of Port Angeles, Wash.

The Maryland roadside inspection was one of four last week in cooperation with USA TODAY.

Inspectors in Maryland, Tennessee, Michigan and California checked 1,094 trucks; 455 had serious equipment problems.

But the results varied widely, depending on the selection procedure. In Michigan and California, checks were random. Of 604 trucks, 166 had serious equipment violations, 27 percent. Trucks were parked until repairs were made.

In Tennessee and Maryland, trucks were "selectively checked;" inspectors only looked at rigs that appeared to have defects. In those states, 287 of 498 rigs—58 percent—were taken off the road.

The most common violation: defective brakes.

In Turlock, Calif., inspectors found a fractured wheel on Bob Vaara's rig.

"I'm glad he pointed it out; I don't want a cracked wheel going through an automobile," said Vaara of Portland, Ore.

Other truckers—insisting their equipment was well-maintained—denounced the time-consuming inspections.

"I can't make any money if I'm stuck here," said Tim Simeral of Mariposa, Calif.

Inspectors also found other violations. In Knoxville, Tenn., two drivers were charged for drug and alcohol possession.

On Interstate 97 in Novi, Mich., two truckers were arrested on outstanding felony warrants; others were cited for leaking hazardous cargo.

On Interstate 70 west of Baltimore, Arkansas trucker Johnny McMunn was sidelined for six serious defects, including cracks in the trailer frame.

"It must've happened in Baltimore; those roads are terrible," said McMunn.

Most states are adopting aggressive roadside inspection programs.

In Tennessee, officials say the roadside program helped reduce truck fatalities by 20 percent last year.

"If trucks have to be safe coming through our state, then they're going to be safe going through other states" says Tennessee Public Service Commissioner Keith Bissell.

WHAT THEY CHECK

Rear

Trailer lights. Brake drums/adjustment.
Emergency brake
Frame, suspension.

Side

Air brake, connections.
Frame.
Fuel tank.
Tires, wheels.
Fifth wheel.
Load secure.

Front

Suspension/frame.
Brake drums/adjustment.
Lights, signals.
Wipers.
Brake hoses, linings.
Wheels, tires.

Driver/Cab

Seat belt.
Horn.
Fire extinguisher.
Emergency flares, reflectors.
License-med. cert.
Log book.
Shipping papers, permits.
Brake pressure warning gauge.
Fuel gauge.

One Safety Tool: Computer Control

If truckers continue to abuse regulations—speeding, driving illegally long hours to the point of dangerous fatigue—safety experts have a space age solution. A computer.

Several firms are already experimenting with a system call tachograph. It's installed in the truck to record major functions, includng speed, fuel consumption, distance travel and length of layover. Federal regulations require eight hours of rest following 10 hours on the road.

A main computer retrieves information from each truck: Employers can monitor each driver's performance to assure compliance with regulations.

Manfredi Motor Transit Co. of Newbury, Ohio has installed a system in its fleet of tank trucks. "At first there was 100 percent resentment, it was like having somebody sitting next to you," said driver Bob Becker, a 40-year veteran.

But Manfredi also uses the system to reward drivers; bonuses are paid for the best driving record. "Now, 90 percent of our drivers are in favor; they're getting more rest and they realize it's better on the equipment," Becker said.

Since July, Manfredi drivers have got only two speeding tickets: "It used to be that much in a day," Becker said.

Truck of the Future

Trucks of the future will be more fuel-efficient, quieter, safer and, perhaps, bigger than ever before.

Expected before 2000:

Aerodynamic styling will double mileage (now about 6 mpg), reduce spraying and splashing and help cut noise.

More efficient diesel engines will pollute less; electronically controlled transmissions will reduce the chance of driver error.

Computers will log mileage, speed, layovers. Police may plug in to catch violators; companies will use them to monitor drivers' performance.

The computer also will monitor vital functions, warning of pending mechanical ailments. Drivers can store maps in the computer system. Dispatchers will use satellite links to truck loads and communicate with the driver.

Rising Speed Limit

Though 55 mph abuse is widespread, some truckers disagree with last week's congressional decision to raise speeds by 10 mph on rural interstates.

Why they disagree: At 65 mph, an 80,000 pound tractor-trailer needs another 100 feet to stop. At 55 mph, most rigs can stop in 250 feet on dry roads. At 65 mph—or higher if the new limit is abused—"you've got an 80,000 pound misguided missile," says Arkansas trucker Kay Vaughn.

Hazardous Materials

Each day, thousands of trucks roll down USA highways, loaded with dangerous commodities. They're an essential part of daily life; gasoline, fuel oil and propane, lawn chemicals, disinfectants and a host of other common products.

Most reach their destination without incident.

Rensselaer Polytechnic Institute transportation expert Mark Abkowitz calls them a "moving time bomb."

But others say hazardous materials are transported more safely than ever. Trucks must display placards to help identify the cargo. Drivers must receive special training. Some communities restrict routes for hazardous shipments.

The chemical industry has a 24-hour hot line to help local police and fire departments respond to accidents.

USA vs. Europe

Europe's superior truck safety record is the result of tougher regulations, better inspection programs and stricter licensing.

In Sweden, for example, the truck fatality rate is ten times lower than the USA's.

But experts aren't sure if the European approach would work in the USA. "The American truck is a different animal," said Peter Rupp, president of Freightliner.

Unlike the USA, trucks must be inspected annually in most European countries.

Now, annual inspections are conducted only in these states: Arkansas, Delaware, Hawaii, Louisiana, Maine, Massachusetts, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Texas, Utah, Vermont, Virginia, and West Virginia.

By 1988, most of Europe will require antiskid brake systems; the USA tried and abandoned a similar regulation in the 1970s because of maintenance problems.

Other requirements unique to Europe: side and rear trailer collision guards; driver training programs; uniformly lower speed limits for trucks.

"We carried on where the Americans left off," said Paul Oppenheimer of England's Lucas-Gerling Ltd.●

THE IRISH SOCIETY OF PHILADELPHIA

● Mr. SPECTER. Mr. President, every year following that most joyous of Irish celebrations, St. Patrick's Day, the Irish Society of Philadephia honors one or more persons of Irish descent for their contributions to society and to their fellow man.

This year, the society has selected a renowned labor leader, Edward F. Toohey, president, Philadelphia Council, AFL–CIO; an educator, Daniel J. McGinley, president, Philadelphia Association of School Administrators; and a jurist, Judge Joseph L. McGlynn, Jr., of the U.S. District Court for the Eastern District of Pennsylvania.

Mr. Toohey is to receive the Irishman of the Year Award; Mr. McGinley, the Award for Excellence in Education; and Judge McGlynn, the Award for Judical Excellence.

For more than three decades, Edward F. Toohey has led the council with vigor and distinction, advancing the cause of the labor movement in Philadelphia through hard work and dedication. Beyond his efforts on behalf of the working man, Mr. Toohey is widely known and praised for his involvement in the broader fabric of the city, in its economic, educational, civic, social and political life.

Now, beginning his 10th term as president of the Philadelphia Council, AFL–CIO, Mr. Toohey effectively represents the interests and concerns of more than 200,000 union members in 140 union locals. He is founder and cochairman of the Philadelphia Area Labor-Management Committee [PALM]; vice president of the United Way; president of the Assistance Program; and president of the Committee on Political Education [COPE].

Daniel J. McGinley has had a long and distinguished career as an educator and administrator in the Philadelphia public schools. Since 1974, he has served as a representative of the system's administrators and, in this capacity, has nobly advanced the cause of public education in Philadelphia.

His educational philosophy can be summed up in one sentence: "I believe that educating all students to their maximum potential is a responsibility of each and every school district employee." And he has lived this philosophy for three decades, striving always to see that the system serves this goal to the greatest extent possible.

Judge Joseph F. McGlynn has served the interests of judical justice for more than three decades, first, as an assistant U.S. attorney, and, subsequently, as a judge of the County Court of Philadelphia, the Court of Common Pleas, and now the U.S. District Court. In all of these endeavors, Judge McGlynn has earned a reputation for absolute integrity and legal scholarship.

Each of these men has served his chosen profession well and each is deserving of the honor accorded them by the Irish Society of Philadelphia. They share a common heritage. Their forebears, as their proud Gaelic names so patently proclaim, were Irish.

The Irish Society of Philadelphia is justifiably proud of them and honors them as good men who have advanced the caused of humanity and as Irish-Americans who exemplify what is best in their ethnic group.●

AFGHANISTAN: LETTERS FROM THE STATE OF HAWAII

● Mr. HUMPHREY. Mr. President, last December the brutal Soviet occupation of Afghanistan entered its eighth year. The horrible condition of human rights in Afghanistan was recently described in a United Nations report as: "A situation approaching genocide."

As chairman of the Congressional Task Force on Afghanistan, I have received thousands of letters from Americans across the Nation who are outraged at the senseless atrocities being committed today in Afghanistan. Many of these letters are from Americans who are shocked at this Nation's relative silence about the Genocide taking place in Afghanistan.

In the weeks and months ahead, I plan to share some of these letters with my colleagues. I will insert into the Record two letters each day from varius States in the Nation. Today, I submit two letters from the State of Hawaii and ask that they are printed in the Record.

The letters follow:

Sir: Reports regarding the atrocities which Soviet occupation forces are committing against the people of Afghanistan, especially defenseless civilians, are indeed reminiscent of Nazi Germany.

As people who are concerned about the suffering of other people, we are sickened by the terroristic actions of the Russian military.

We support anything you can do as chairman of the Congressional Task Force in Afghanistan to turn the tide against the Soviets, to help the people of Afghanistan.

Sincerely,

DANIEL AND SUSAN FRIAS,
Hilo, HI.

DEAR SIR: I have just read the article in the March 1986 Reader's Digest entitled "Agony In Afghanistan". I am appalled and sickened by the fact that our Nations leaders are aware of the situation and yet do nothing to really help. Have we become a Nation of "peace cowards", that we can loll around in luxury and watch such brutality without lifting a hand to stop the butchery. I for one am not among those who cry "peace at any price!" If we are not for the Afghans then we are against them!

I have watched for years as the Soviets make fools of our leaders. I agree with President Reagan, they are an "evil nation". They need to be dealt with accordingly, and the sooner the better!

Very Sincerely,

BARBARA J. KILGOUR,
Kailua Kona, HI.●

RULES OF THE COMMITTEE ON SMALL BUSINESS

● **Mr. BUMPERS.** Mr. President, I am now submitting for publication in the RECORD the rules of the Committee on Small Business for the 100th Congress. These rules were adopted at an organizational meeting of the committee held on February 24, 1987. There is but one change from the rules which guided the committee in the 99th Congress. Because the number of our committee changed from 19 members to 18 members in this Congress, we have reduced the number of Senators required for an operating quorum from 7 to 6. This change merely reflects the Senate rule which requires that one-third of the membership be present for the committee to conduct business. In other respects, the rules are unchanged.

The rules follow:

COMMITTEE RULES

1. GENERAL

All applicable provisions of the Standing Rules of the Senate and of the Legislative Reorganization Act of 1946, as amended, shall govern the Committee and its Subcommittees. The Rules of the Committee shall be the Rules of any Subcommittee of the Committee.

2. MEETINGS AND QUORUMS

(a) The regular meeting day of the Committee shall be the first Wednesday of each month unless otherwise directed by the Chairman. All other meetings may be called by the Chairman as he deems necessary, on three days notice where practicable. If at least three Members of the Committee desire the Chairman to call a special meeting, they may file in the office of the Committee a written request therefor, addressed to the Chairman. Immediately thereafter, the Clerk of the Committee shall notify the Chairman of such request. If, within three calendar days after the filing of such request, the Chairman fails to call the requested special meeting, which is to be held within seven calendar days after the filing of such request, a majority of the Committee Members may file in the Office of the Committee their written notice that a special Committee meeting will be held, specifying the date, hour and place thereof, and the Committee shall meet at that time and place. Immediately upon the filing of such notice, the Clerk of the Committee shall notify all Committee Members that such special meeting will be held and inform them of its date, hour and place. If the Chairman is not present at any regular, additional or special meeting, the ranking majority Member present shall preside.

(b)(1) Ten Members of the Committee shall constitute a quorum for reporting any legislative measure or nomination.

(2) Six Members of the Committee shall constitute a quorum for the transaction of routine business, provided that one minority Member is present. The term "routine business" includes, but is not limited to, the consideration of legislation pending before the Committee and any amendments thereto, and voting on such amendments.

(3) In hearings, whether in public or closed session, a quorum for the taking of testimony, including sworn testimony, shall consist of one Member of the Committee or subcommittee.

(c) Proxies will be permitted in voting upon the business of the Committee by Members who are unable to be present. To be valid, proxies must be signed and assign the right to vote to one of the Members who will be present. Proxies shall in no case be counted for establishing a quorum.

3. HEARINGS

(a)(1) The Chairman of the Committee may initiate a hearing of the Committee on his authority or upon his approval of a request by any Member of the Committee. The Chairman of any subcommittee may, after approval of the Chairman, initiate a hearing of the subcommittee on his authority or at the request of any member of the subcommittee. Written notice of all hearings shall be given, as far in advance as practicable, to Members of the Committee.

(2) Hearings of the Committee or any subcommittee shall not be scheduled outside the District of Columbia unless specifically authorized by the Chairman and the Ranking Minority Member or by consent of a majority of the Committee. Such consent may be given informally, without a meeting.

(b)(1) Any Member of the Committee shall be empowered to administer the oath to any witness testifying as to fact if a quorum be present as specified in Rule 2(b).

(2) Any Member of the Committee may attend any meeting or hearing held by any subcommittee and question witnesses testifying before any subcommittee.

(3) Interrogation of witnesses at hearings shall be conducted on behalf of the Committee by Members of the Committee or such Committee staff as is authorized by the Chairman or Ranking Minority Member.

(4) Witnesses appearing before the Committee shall file with the Clerk of the Committee a written statement of the prepared testimony at least 24 hours in advance of the hearing at which the witness is to appear unless this requirement is waived by the Chairman and the Ranking Minority Member.

(c) Witnesses may be subpoenaed by the Chairman with the agreement of the Ranking Minority Member or by consent of a majority of the Members of the Committee. Such consent may be given informally, without a meeting. Subpoenas shall be issued by the Chairman or by any Member of the Committee designated by him. Subcommittees shall not have the right to authorize or issue subpoenas. A subpoena for the attendance of a witness shall state briefly the purpose of the hearing and the matter of matters to which the witness is expected to testify. A subpoena for the production of memoranda, documents and records shall identify the papers required to be produced with as much particularity as is practicable.

(d) Any witness summoned to a public or closed hearing may be accompanied by counsel of his own choosing, who shall be permitted while the witness is testifying to advise him of his legal rights.

(e) No confidential testimony taken, or confidential material presented to the Committee, or any report of the proceedings of a closed hearing, or confidential testimony or material submitted voluntarily or pursuant to a subpoena, shall be made public, either in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee.

4. AMENDMENT OF RULES

The foregoing rules may be added to, modified or amended: provided, however, that not less than a majority of the entire Membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose.●

STATE ATTORNEYS GENERAL TAKE ANTITRUST INITIATIVE

● **Mr. BIDEN.** Mr. President, last week the National Association of Attorneys General, representing the State attorneys general of all 50 States plus U.S. territories, took an unprecedented step which deserves attention and congratulation. In a 55-to-0 vote, these State law enforcement officers adopted a comprehensive set of guidelines explaining their antitrust enforcement policies with regard to corporate mergers and acquisitions.

In most States, the attorney general is the primary public enforcer of State antitrust law, as well as the chief representative of the States and local consumers in Federal antitrust litigation. States have the right to file suit to block proposed mergers and takeovers if such deals would harm consumers. These merger guidelines will provide a uniform framework for the States to evaluate the merits of a proposed merger and will give notice to the business community of the standards used by the attorneys general to review and when appropriate, challenge proposed horizontal mergers.

The standards adopted by the State AGS outline tests for measuring product and geographic markets, the level of concentration in an industry, both before and after a merger, and the likelihood of new competition. This is not dissimilar from the Justice Department merger guidelines which were revised in 1982 and 1984. But the NAAG guidelines provide tighter definitions of market power and concentration, leading to the possibility that more mergers might be challenged by the States than by the Federal antitrust authorities.

This unanimous action by the State attorneys general is much more than simply another interpretation of the Federal antitrust laws. It is a statement of protest against this administration's hands-off approach to antitrust enforcement and a call for more aggressive action by State authorities. Under the leadership of Attorney General Robert Abrams of New York and Attorney General John Van De Kamp of California, the States have given notice that they will move into the vacuum left by the Justice Department and the Federal Trade Commission when consumer interests are at stake.

The Justice Department might do well to consider the justifiable criticism which these guidelines represent. Unfortunately, the only comment so far from either the acting assistant attorney general for antitrust or the Chairman of the Federal Trade Commission has been to attack the State AGS action as "political." That seems to get the point of a unanimous effort endorsed by every single member of the national association—Democrat or Republican, elected or appointed, from every region of the country. Since 1980, merger transactions have more than quadrupled, but Federal challenges to proposed mergers have decreased by more than three-fourths. The State attorneys general are only saying the obvious—there needs to be tougher antitrust enforcement.

As chairman of the Judiciary Committee, I welcome this kind of input and I look forward to discussing this initiative with those who have been responsible for its formulation. The strong difference of opinion on antitrust policy expressed by the State attorneys general should serve as notice to us all. Antitrust law is not just something for the casebooks. It must be dusted off and put in its rightful place as a critical component of national economic policy.

Mr. President, I ask that the "Horizontal Merger Guidelines of the National Association of Attorneys General" and an executive summary of those guidelines, be printed in the RECORD.

The material follows:

STATE ATTORNEYS GENERAL SET GUIDELINES MEANT TO SLOW PACE OF MAJOR TAKEOVERS

(By Andy Pasztor)

WASHINGTON.—In an unusual attack on the Reagan administration's antitrust-enforcement policies, the National Association of Attorneys General unanimously adopted merger guidelines intended to slow the pace of major corporate takeovers.

The move, announced by a bipartisan group of eight attorneys general representing every region of the country, indicates the extent of state opposition to the administration's generally hands-off approach to merger enforcement. It also sets the stage for a more aggressive and better coordinated effort by states to challenge merger proposals in court.

The guidelines aren't binding and don't provide states with new authority to challenge corporate takeovers. But the state action is likely to boost the prospects of legislation on Capitol Hill to restrict certain takeovers, while fueling congressional efforts to prod federal agencies to challenge more mergers.

The guidelines also pose a potential political embarrassment for officials at the Justice Department and the Federal Trade Commission. Both agencies strongly objected to the guidelines, asserting that they were legally flawed and amounted to a political statement that would harm, rather than protect, consumers.

But California Attorney General John Van de Kamp said the administration's free-market policies and "the lack of firm and fair enforcement" at the federal level have "left a vacuum into which we have had to move."

The guidelines define relevant geographic and product markets in a more limited way than the Justice Department and the FTC. That will make it more likely that the analysis of a given merger will show a significantly higher market-share estimate for the merged company. A higher market share would make the merger a more likely target for antitrust action.

The states also intend to pay less attention to projected efficiencies stemming from mergers, while placing greater weight on the possibilities of collusion among competitors and barriers to entry by other companies.

Corporate lawyers planning mergers "are going to be reading these guidelines," Mr. Van de Kamp said, and "they're going to have to take us into account."

The guidelines will serve "as a catalyst, a spur to increase enforcement" of anti-trust laws, said New York Attorney General Robert Abrams, a persistent critic of the administration and, like Mr. Van de Kamp, a Democrat. Attacking what he called the federal government's "anything goes" policy toward mergers. Mr. Abrams asserted that many of the billion-dollar mergers approved in recent years "would never have passed muster under any other administration, be it Republican or Democrat."

The other states represented at yesterday's news conference were Ohio, Montana, Arkansas, Texas, Oregon and Pennsylvania, the last two of which have Republican attorneys general.

The announcement came amid a new wave of big merger proposals, including Chrysler Corp.'s $1.1 billion bid to acquire American Motors Corp. and USAir Group Inc.'s $1.59 billion offer for Piedmont Aviation Inc. Meanwhile, a Senate Judiciary subcommittee today is scheduled to open a round of hearings on increased concentration in the airline, cable television, steel and other industries.

Charles Rule, acting head of the Justice Department's Antitrust Division, said in an interview that the state action threatens to "restrict the ability of U.S. companies to restructure in order to compete effectively" overseas. That argument is likely to be a central theme as Congress wrestles with antitrust issues.

Mr. Rule said the state guidelines are "less an enforcement document than a political document," adding that political considerations "are much more blatant" in the state guidelines than in any issued by federal agencies.

"I think we're doing what the law requires," Mr. Rules said. He acknowledged that the number of federal enforcement cases regarding mergers has declined since the late 1970s, but said the decrease occurred largely because "we have made clear what the standards are."

NAAG HORIZONTAL MERGER GUIDELINES EXECUTIVE SUMMARY

The Horizontal Merger Guidelines of the National Association of Attorneys General (NAAG) will be presented for proposed adoption by the Attorneys General at the Association's spring meeting, March 8-10, 1987, in Washington, D.C. The Guidelines explain the general enforcement policy of NAAG and the 35 state and territorial Attorneys General who comprise NAAG's membership, concerning horizontal mergers and acquisitions. Individual Attorneys General may vary or supplement this general policy in the exercise of their individual prosecutorial discretion or to account for differences in state antitrust laws and variations in precedents among the federal circuits.

In most states, the Attorney General is the primary public enforcer of state antitrust law, and the Attorneys General also represent their states and consumers who live in their states in federal antitrust litigation.

Horizontal mergers are acquisitions between businesses operating in the same product and geographic market, that is, direct competitors seeking to sell the same product to the same group of buyers. Horizontal mergers can allow firms to attain market or monopoly power, raise prices to consumers above competitive levels and lessen competition. Market power is the ability of a firm to raise or maintain prices to consumers above a competitive level or to restrict output of the product. Some horizontal mergers may have no effect on competition or may improve firms' ability to compete by enhancing their efficiency. These Guidelines provide a necessary framework for states to evaluate proposed mergers and determine what effect they would have on competition.

The Guidelines serve three primary purposes. First, they put forward a framework for analyzing horizontal mergers that relies on market realities rather than speculation and is based on the clear purposes and meaning of section 7 of the Clayton Act, the federal antitrust law concerning mergers. Second, they provide a uniform framework for the states to evaluate the facts of a proposed merger. Finally, they inform the business community of the substantive standards used by the Attorneys General to review and, when appropriate, challenge proposed horizontal mergers.

The Guidelines use a four-step process for analyzing horizontal mergers. First, the product and geographic markets of the merging firms will be defined. Next, the level of concentration of the market, before and after the proposed merger and the amount of increased concentration caused by the merger will be determined. This absolute concentration level and increase will then be weighed against specific factors to determine whether the merger is likely to substantially lessen competition, in which case it is likely to be challenged. The factors are the ease of entry of new or expanded firms into the market, the past history of collusion or oligopolistic behavior by the industry, and whether mergers in moderately concentrated markets are likely to produce efficiencies. Finally, if one of the merging firms claims that it is a failing company, the merger will be analyzed to determine whether an anticompetitive merger should be allowed pursuant to the failing company defense. The Guidelines do not recognize a "failing division" defense, but state that prosecutorial discretion may be exercised to decline to challenge a merger that will sustain a failing division of an otherwise viable firm.

The U.S. Department of Justice issued a set of Merger Guidelines in 1968, which were revised in 1982 and 1984. The DOJ Guidelines have been criticized because they are not consistent with the legislative purposes of the Clayton Act. Last year, the Justice Department proposed legislation to amend the federal merger law to raise the standard of proof and otherwise limit the Clayton Act, consistent with DOJ's Merger Guidelines. At the Summer 1986 Meeting, NAAG unanimously resolved that the legislation should be rejected because it was at odds with the legislative history and Supreme Court interpretation of the current Clayton Act § 7. In addition DOJ's tests for product and geographic market definition are economic hypotheses impossible to perform in the real world and the market definition test is so lenient that it will frequently define the markets over-broadly and thus seriously anti-competitive mergers will not be challenged. Further, the DOJ Guidelines do not present a predictable, reliable framework for analyzing mergers that can be used by business as a planning tool, instead they rely on 13 general, unweighted factors that the Department may consider in deciding whether to challenge a merger.

In July 1986, the NAAG Antitrust Committee directed Attorney General Robert Abrams, Chair of NAAG's Antitrust Committee and Multi-State Antitrust Task Force, to draft horizontal merger guidelines for NAAG that would accurately state the law, be based upon the purposes of the Clayton Act, and provide a uniform framework for the States to evaluate proposed mergers.

The major differences between the NAAG and DOJ Guidelines are as follows:

1. The NAAG Guidelines define the product markets as each product produced in common by the merging firms plus comparably priced suitable substitutes. A product is deemed to be a substitute if it would be considered as a suitable substitute by at least 75 percent of the customers of the initial product. This test reflects the interests of consumers. It is based on the realities of the marketplace and uses actual sales figures and other hard evidence. (NAAG Guidelines § 3.1).

The DOJ Guidelines define the relevant product market as the common products of the merging firms plus that additional group of products over which a hypothetical monopolist "could profitably impose a small but significant and nontransitory" price increase, which is a 5 percent increase for one year, in most cases. (DOJ Guidelines § 2.11).

2. The NAAG Guidelines define the geographic markets by first determining the area where the merging firms sell the relevant product and where buyers of the relevant product readily turn for their supply. The market is defined as the geographic area from which the customers of the merging parties buy 75 percent of their supplies of the relevant product. This test is based on the buyers' interests and requires hard evidence rather than speculation to support it. (NAAG Guidelines § 3.2).

The DOJ Guidelines define the geographic market as the area in which a hypothetical monopolist could impose a "small but significant and nontransitory" price increase and continue to profit because buyers would not shift to suppliers of the product in other areas. (DOJ Guidelines § 2.31).

3. The NAAG Guidelines recognize that potential competition may emerge to limit an attempt of the merged firm to exercise market power and repress competition. Therefore the markets will incorporate such potential competition if it has been proven likely to emerge within one year of any attempted exercise of market power. The three sources of potential competition recognized by the NAAG Guidelines are that firms will divert supplies of the product not currently sold in the relevant market into that market, that current suppliers of the product will produce additional supplies for sale within the relevant market by using excess capacity or adding new production capacity, and that new sources of the product will be readily available from firms with production flexibility, that build new capacity, or engage in arbitrage. Mere speculation about these supply responses is unsatisfactory. The NAAG Guidelines require hard evidence of the probability of potential competition. (NAAG Guidelines § 3.3).

The DOJ Guidelines would include the following sources of supply and sellers within the product market definition; the amount of firms' capacity to shift production to make the relevant product, firms that recycle or recondition the product, and the amount of capacity of firms to sell supplies of the product that are produced for internal consumption. The geographic market definition would be expanded by increased foreign competition likely to result from a domestic increase in the price of the relevant product. (DOJ Guidelines §§ 2.2, 2.34).

A major difference between the two sets of Guidelines on this issue is the type of evidence that will be considered to be relevant to the correct definition of the product and geographic markets. The NAAG Guidelines will evaluate "hard evidence" such as historical patterns of sales, shipments, transfer of production, previous practice of arbitrage, and actual sales of the product. The DOJ Guidelines accept speculative evidence and do not require "hard" evidence of probable supply responses. For example, the DOJ Guidelines will include in the markets firms' capacity to substitute production and internal consumption without requiring a showing that it is likely that such capacity will be used and available to consumers. The DOJ Guidelines are willing to rely upon "reliable, circumstantial evidence." (DOJ Guidelines §§ 2.12, 2.2, 2.32, 2.34).

4. Both sets of Guidelines use the Herfindahl-Hirschman Index (HHI) to calculate the level of concentration in an industry before and after a merger and, therefore, the increase in concentration that would result from the merger. This index measures the number of firms in a market and their market shares. Economic research and scholarly literature generally agree that the level of concentration in an industry is directly related to competition and the ability of firms to exercise market power. As market concentration increases, the ability to exercise market power increases and competition tends to decrease. Both sets of Guidelines use the same thresholds to analyze whether a merger would cause excessive concentration and should be challenged. Both sets of Guidelines state that actions to challenge a merger are likely if: (1) the post-merger HHI is between 1000 and 1800 and the merger would increase the HHI by more than 100 points, or (2) the post-merger HHI is above 1800 and the merger would increase the HHI by more than 50 points. (NAAG Guidelines §§ 4.2, 4.3; DOJ Guidelines § 3.11).

The NAAG Guidelines also recognize that Congress wanted to prevent trends toward increased market concentration and therefore decided that competitive problems should be halted in their incipiency. Therefore, the NAAG Guidelines provide that actions to challenge mergers are also likely if: (1) the post-merger HHI is between 1000 and 1800, ther merger would increase the HHI by more than 50 points and during the 36 months preceding the proposed merger the HHI has increased by more than 100 points, or (2) the post-merger HHI is above 1800, the merger would increase the HHI by more than 25 points and during the 36 months preceding the merger the HHI has increased by more than 50 points. (NAAG Guidelines §§ 4.2(b), 4.3(b)).

The DOJ Guidelines make no provision for factoring in the dynamic conditions of an industry to halt trends towards concentration in their incipiency. The NAAG Guidelines take into account market dynamics over the past several years in evaluating mergers.

5. Both sets of Guidelines recognize that the merger of a dominant firm with a small firm in the market may create or increase the dominant firm's market power without exceeding the HHI thresholds and triggering a challenge to the merger. Both sets of Guidelines adopt the same special thresholds to review such mergers, that is, an action to challenge a merger is likely if a leading firm with a market share of at least 35 percent proposes a merge with a firm with a market share of at least 1 percent. (NAAG Guidelines § 4.4, DOJ Guidelines § 3.12).

The NAAG Guidelines also go further and recognize that new, innovative firms in a market are likely to enhance the general level of competition in a market. Therefore, the NAAG Guidelines provide that a proposed merger between an existing significant competitor with a market share of more than 20 percent and a new, innovative firm is likely to be challenged. (NAAG Guidelines § 4.4). The personal computer industry is a good example of the value of this provision. If IBM had recognized an innovative new company and acquired Apple Computer when Apple was a new company with a de minimus market share, the current healthy competition in the home computer market might have been limited. The DOJ Guidelines do not make any provisions for mergers involving such new, innovative firms.

6. The NAAG Guidelines recognize that there are three factors that should be considered in addition to the threshold tests in evaluating a proposed merger. Factor 1 recognizes that meaningful entry into the market can discipline any attempt by the merging firms to exercise market power and limit competition. In a proposed merger falling within any of the thresholds, an action to block a proposed merger is unlikely if easy and meaningful entry into the market is likely with one year of an attempted exercise of market power. (NAAG Guidelines § 5.1).

The second factor recognizes that a history of collusion, current collusion or oligopolistic behavior in a market undermines competition, shows that there are already competitive problems in a market and would make any anticompetitive effects of a merger more severe. Therefore, collusion and oligopolistic behavior make it more likely than otherwise that any proposed merger will be challenged under the NAAG Guidelines (§ 5.2).

Generally, the NAAG Guidelines find that there is no substantial empirical support for the assertion that mergers involving firms of sufficient size to raise concerns under the thresholds will result in substantial efficiencies. Further, the thresholds of concentration of Section 4 of NAAG Guidelines are set at levels that will allow most efficiency-producing mergers to take place without being challenged. However, the Guidelines give merging firms the opportunity to demonstrate by hard evidence that the merger will produce real efficiencies. Efficiencies will only be considered in situations with a post-merger with an HHI of less than 1800 points because the 1800 level, indicating extremely high concentration, may be considered an illegal merger. The Supreme Court has rejected the efficiency defense in *FTC* v. *Procter & Gamble,* 386 U.S. 568, 580 (1967), stating that "Possible economies cannot be used as a defense to illegality," and in *U.S.* v. *Philadelphia Nat'l Bank,* 374 U.S. 321, 371 (1963), stating that "We are clear, however, that a merger the effect of which 'may be substantially to lessen competition' is not saved because, on some ultimate reckoning of social or economic debits and credits, it may be deemed beneficial." The U.S. Supreme Court has stated that efficiency is not a defense to an illegal merger so the NAAG Guidelines do not allow efficiency to be used as a defense (§ 5.3). The DOJ Guidelines state that efficiency is not a defense, but DOJ will evaluate the efficiencies of any proposed merger, even one whose threshold exceeds HHI 1800. Additionally, DOJ will reject any claims of efficiencies that could be achieved by other means than a merger. The NAAG Guidelines will consider any efficiencies produced by a proposed merger with a post-merger HHI under 1800, because the Attorneys General do not wish to dictate how business should be run, thus preserving the right for business managers the freedom to manage their operations in the way they deem best. (NAAG Guidelines § 5.3, DOJ Guidelines § 3.5).

The DOJ Guidelines simply list and describe 13 factors as "examples" of factors that the Justice Department may consider in evaluating whether they challenge a proposed merger. The Guidelines do not state criteria for applying the factors and do not weigh which factors are more or less significant or which will cancel or balance other factors. (§ 3.3, 3.4). The DOJ Guidelines include the NAAG factors, which are ease of entry, the conduct of firms in the market (collusion or oligopoly behavior), and efficiencies as three of the 13 DOJ factors. Unlike the NAAG Guidelines, which consider entry within one year of an exercise of market power to be significant, the DOJ Guidelines generally will use a two year time period. The NAAG Guidelines chose the shorter period in order to give greater protection to buyers, who would be more damaged by firms abusing their market power during the longer period. (NAAG Guidelines § 5.1, DOJ Guidelines § 3.3).

7. The NAAG Guidelines adopt the failing firm defense as the only defense to an anticompetitive merger. In accordance with the Supreme Court standards discussed in *U.S.* v. *General Dynamics Corp.,* 415 U.S. 486 (1974); *U.S.* v. *Greater Buffalo Press, Inc.,* 402 U.S. 549 (1971), a merger is unlikely to be challenged if it is demonstrated that one of the merging firms is failing in that its resources are so depleted and the prospect of rehabilitation is so remote that the firm faces the grave probability of a business failure. It must also be demonstrated that the firm has made reasonable good faith efforts and failed to find another reasonable prospective purchaser and there is no less anticompetitive alternative to the merger. (NAAG Guidelines § 6).

The DOJ Guidelines also allow the failing firm defense. (DOJ Guidelines § 5.1). In addition, the DOJ Guidelines recognize a defense for "failing divisions" of otherwise healthy firms. (§ 5.2). This defense has not been adopted by the U.S. Supreme Court so the NAAG Guidelines do not treat it as a defense. However, they provide that prosecutorial discretion may be exercised by declining to challenge a merger that will sustain a failing division of an otherwise viable firm. Since the failing division claim is highly susceptible to manipulation and abuse, however, such claims will be viewed with the utmost skepticism and require clear and convincing proof of the elements of the failing firm defense.

NAAG is seeking the widest possible distribution of its Horizontal Merger Guidelines to members of Congress, the Administration, the legal community and business leaders to restore consistency, predictability and antitrust enforcement based on the meaning and purposes of § 7 of the Clayton Act to merger enforcement.

HORIZONTAL MERGER GUIDELINES OF THE NATIONAL ASSOCIATION OF ATTORNEYS GENERAL

1. Purpose and scope of the guidelines

These Guidelines explain the general enforcement policy of the fifty-five state and territorial attorneys general ("the Attorneys General") who comprise the National Association of Attorneys General[1] ("NAAG") concerning horizontal[2] acquisitions and mergers (mergers) subject to section 7 of the Clayton Act,[3] sections 1 and 2 of the Sherman Act[4] and analagous provisions of the antitrust laws of those states which have enacted them.[5]

The state attorney general is the primary or exclusive public enforcer of the antitrust law in most states. The Attorneys General also represent their states and the natural person citizens of their states in federal antitrust ligitation.[6]

These Guidelines embody the general enforcement policy of NAAG and its members. Individual attorneys general may vary or supplement this general policy in recognition of variations in precedents among the federal circuits and differences in state antitrust laws and in the exercise of their individual prosecutorial discretion.

These Guidelines serve three primary purposes. First, they provide a uniform framework for the states to evaluate the facts of a particular horizontal merger and the dynamic conditions of an industry. Second, they inform the business community of the substantive standards used by the Attorneys General to review, and when appropriate, challenge specific mergers. This will allow the business community to assess potential transactions under these standards and therefore be useful as a risk assessment and business planning tool. Third, the Guidelines put forward a framework for the analysis of horizontal mergers which relies upon market realities and which is grounded in and consistent with the purposes and meaning of section 7 of the Clayton Act, as amended by the Celler-Kefauver Act of 1950 ("section 7"), and as reflected in its clear legislative history and consistent interpretation by the United States Supreme Court.[7]

The organizing principle of the Guidelines is the application of facts concerning the marketplace and widely accepted economic theory to these authoritative sources of the law's meaning.

2. Policies underlying these guidelines

The federal antitrust law provisions relevant to horizontal mergers, most specifically section 7 and analagous state law provisions,[8] have one primary and several subsidiary purposes. The central purpose of the law is to prevent firms from attaining market or monopoly power,[9] because firms possessing such power can raise prices to consumers above competitive levels, thereby effecting a transfer of wealth from consumers to such firms.[10]

Congress determined that highly concentrated industries were characterized by and conducive to the exercise of market power and prohibited mergers which may substantially lessen competition. Such mergers were prohibited even prior to the actual attainment or exercise of market power, that is, when the trend to harmful concentration was incipient.

Other goals of the law were the prevention of excessive levels of industrial concentration because of the political and social effects of concentrated economic power and the fostering of productive efficiency, organizational diversity, technological innovation and the maintenance of opportunities for small and regional businesses to compete.[11]

Goals such as productive efficiency, though subsidiary to the central goal of preventing wealth transfers from consumers to firms possessing market power, are often consistent with this primary purpose. When the productive efficiency of a firm increases (its cost of production is lowered), the firm may pass on some of the savings to consumers in the form of lower prices. However, there is little likelihood that a productively efficient firm with market power would pass along savings to consumers. To the limited extent that Congress was concerned with productive efficiency in enacting these laws, it prescribed the prevention of high levels of market concentration as the means to this end.[12] Furthermore, the Supreme Court has clearly ruled that any conflict between the goal of preventing anticompetitive mergers and that of increasing efficiency must be resolved in favor of the former explicit and predominant concern of the Congress.[13]

The Congress evidenced little or no concern for allocative efficiency when it enacted section 7 and the other antitrust laws.[14] Nevertheless, preserving allocative efficiency is generally considered an additional benefit realized by the prevention of market power, because the misallocative act of restricting output has the concomitant effect of raising prices to consumers. It is counterintuitive, however, to primarily base merger policy on the analysis of these efficiency effects, which are inconsequential in the statutory scheme, and are insignificant in relation to the wealth transfers associated with the exercise of market power.[15]

Footnotes at end of article.

2.1 The competitive effects of mergers

Mergers may have negative or positive competitive consequences. The following is a summary description of the most common competitive effects of mergers relevant to enforcement of section 7.[16]

2.11 Acquisition of market power and wealth transfers

When two firms, neither possessing market power, cease competing and merge, the inevitable consequence is the elimination of the competition between them. More significantly, however, the merged entity may now possess market power, an unambiguously anticompetitive outcome.

A merger may also increase the concentration level in an industry to a point at which the few remaining firms can effectively engage in active collusion or implicitly coordinate their actions and thus collectively exercise market power.

When a firm or firms exercise market power by profitably maintaining prices above competitive levels for a significant period of time, a transfer of wealth from consumers to those firms occurs.[17] This transfer of wealth is the major evil sought to be addressed by section 7.[18]

The wealth transfer orientation of section 7 is the same as that of the Sherman Act. The major difference and reason for the enactment of section 7 of the Clayton Act was the "incipiency" standard, which permits antitrust intervention at a point when the anticompetitive consequences of a merger are not manifest but are likely to occur absent intervention. The Celler-Kefauver amendments retained and strengthened the "incipiency" standard by extending the coverage of the law to acquisitions of assets. In Section 4 of these Guidelines the Attorneys General specifically attempt to give expression to the statutory concern of "incipiency."

2.12 Productive efficiency

A merger may increase or decrease the costs of the parties to the merger and thus increase or decrease productive efficiency. A merger which increases productive efficiency and does not produce a firm or firms capable of exercising market power should lower prices paid by consumers. An inefficient merger in an unconcentrated industry is generally of no competitive concern. The efficiency effects of mergers are easy to speculate about but hard to accurately predict. There is much disagreement among economists as to whether merged firms usually perform well and whether, on average, mergers have been shown to produce significant efficiencies. However, most efficiencies and those most quantitatively significant will be realized in mergers involving small firms. Such mergers do not raise any concern under the enforcement standards adopted in Section 4 of these Guidelines. Furthermore, the concentration thresholds adopt in Section 4 are more than high enough to enable firms to obtain the most significant efficiences likely to result from growth through merger as opposed to growth through internal expansion.

2.13 Allocative efficiency

A merger which facilitates the exercise of market power results in a decrease in allocative efficiency. When firms with market power restrict their output, the total wealth of society diminishes. This effect is universally condemned by economists, and its prevention, while not a significant concern of the Congress which enacted section 7, is a goal consistent with the purposes of the antitrust laws.

2.14 Raising rivals' costs

In certain circumstances a merger may raise the cost of the competitors of the parties to the merger. For example, a merger could increase the power of a firm to effect the price that rivals must pay for inputs or the conditions under which they must operate, in a manner that creates a relative disadvantage for the rivals. If the market structure is such that these increased costs will be passed on to consumers, then the prevention of this effect is consistent with the goals of the antitrust laws. Preventing such effect will also prevent a decrease in allocative efficiency.

3. Market definition

These Guidelines are concerned with horizontal mergers, that is, mergers involving firms that are actual or potential competitors in the same product and geographic markets.

The primary analytical tool utilized in the Guidelines is the measurement of concentration in a particular market and increase in concentration in that market resulting from a merger. The market shares used to compute these concentration factors will depend upon the market definition adopted.[19] The reasonable delineation of these market boundaries is critical to realizing the objectives of the Guidelines and the antitrust laws. If the market boundaries chosen are seriously distorted in relating to the actual workings of the marketplace, an enforcement error it likely.[20] An overly restricted product or geographic market definition may trigger antitrust intervention when the merger would not significantly harm competition or in other circumstances result in the failure to challenge an anticompetitive merger. An overly expansive market definition also may result in the failure to challenge a merger with serious anticompetitive consequences.[21] Markets should be defined from the perspective of those interests section 7 was primarily enacted to protect, i.e., the classes of consumers (or suppliers) who may be adversely affected by an anticompetitive merger. The Attorneys General will utilize historical data to identify these classes of consumers ("the protected interest group") their sources of supply, suitable substitutes for the product and alternative sources of the product and its substitutes. The market thus defined will be presumed correct unless rebutted by hard evidence that supply responses within a reasonable period of time will render unprofitable an attempted exercise of market power.[22]

The following sections detail how these general principles will be applied to define product and geographic markets and to calculate the market shares of firms determined to be within the relevant market.

3.1 Product Market Definition

The Attorneys General will determine the customers who purchase the products or services ("products") of the merging firms. Each product produced in common by the merging parties will constitute a provisional product market. The provisional product market will be expanded to include suitable substitutes for the product which are comparably priced.[23] A comparably priced substitute will be deemed suitable and thereby expand the product market definition if, and only if, considered suitable by at least 75 percent of these customers.

Actual substitution by customers in the past will presumptively establish that a product is considered a suitable substitute for the provisionally defined product, however, other evidence probative of the assertion that customers deem a product to be a suitable substitute offered by the parties to the merger will also be considered.[24]

3.11 Product submarkets

Notwithstanding the determination in Section 3.1 that a product is a suitable substitute for the provisional product pursuant to application of the 75 percent rule, there may be small but significant groups of consumers who cannot substitute or can do so only with great difficulty. These consumers may be subject to price discrimination and be particularly adversely affected by a merger. In such instances, the Attorneys General may define additional narrower product submarkets.

Evidence of the commercial reality of such a submarket includes price discrimination, inelasticity of demand and industry or public recognition of a distinct submarket.

3.2 Geographic market definition

Utilizing the product market(s) defined in Section 3.1, the Attorneys General will define the relevant geographic market.

First, the Attorneys General will determine the sources and locations where the customers of the merging parties readily turn for their supply of the relevant product. These will include the merging parties and other sources of supply. To this group of suppliers and their locations will be added suppliers of buyers closely proximate to the customers of the merging parties. In determining those suppliers to whom the protected interest group readily turn for supply of the relevant product, the Attorneys General will include all sources of supply within the past two years still present in the market.

Utilizing the locations from which supplies of the relevant product are obtained by members of the protected interest group, the geographic market will be defined as the area encompassing the production locations from which this group purchases 75 percent of their supplies of the relevant product.

The product and geographic markets as defined above will be utilized in calculating market shares and concentrations levels unless additional sources of supply are recognized by application of the procedures specified in Section 3.3.

3.22 Geographic submarkets

The Attorneys General may define additional narrower geographic markets when there is strong evidence that sellers are able to discriminate among buyers in separate locations within the geographic market(s) defined in Section 3.2. The Attorneys General will evaluate evidence concerning discrimination on price, terms of credit and delivery and priority of shipment.[25]

3.3 Principles for recognizing potential competition

The firms identified as being in the markets defined by the procedures outlined in Sections 3.1 and 3.2 will be utilized in calculating market shares and measuring concentration unless the parties to the merger produce relevant hard evidence of profitable supply and demand responses which will be likely to occur within one year of any attempted exercise of market power. When such potential competition is proven to be likely to emerge within a year, the Attorneys General will calculate market shares and concentration levels after incorporating such sources of potential supply.

The Attorneys General will evaluate hard evidence produced by the parties to a merger of the following sources of potential competition:

(1) That firms will divert supplies of the product not currently sold in the relevant geographic market into that market.

(2) That current suppliers of the product will produce additional supplies for the relevant market by utilizing excess capacity or adding new productive capacity.

(3) That new sources of the product will be readily available from firms with production flexibility, firms who will build new capacity and firms engaging in arbitrage.

3.31 Diversion of existing supplies into the market

The parties to a merger may produce evidence that firms will divert supplies of the product into the market in response to a price increase or restriction of output. The Attorneys General will analyze proof concerning such probable diversions of supplies currently exported from the relevant market, supplies internally consumed by vertically integrated firms in the market and additional supplies from firms currently shipping part of their production into the market.

3.31A Exports

A firm currently exporting the product from the relevant market may divert the supply back into the market in response to a price increase or restriction of output.

This response is unlikely from an exporter who is a party to the merger, since it is unlikely to discipline its own attempted exercise of market power. It is also unlikely if the exporter is an oligopolist likely to benefit from the collective exercise of market power.

Although parties wishing to prove this supply response are free to produce any hard evidence, the most persuasive proof will be historical shipping patterns showing past diversion of exports in respons to price increases or restricted supply. In addition the parties should, at a minimum, address the following questions: Are the exports contractually committed and for what term? Are the exports otherwise obligated to current buyers?

3.31B Internal consumption

A vertically integrated firm producing the product for internal consumption may divert this supply to the open market. Diversion is unlikely if there are no suitable and economical substitutes for the product and/or the firm has contractual or other obligations for the goods utilizing the relevant product. The most persuasive proof of such diversion will be evidence that a vertically integrated firm already sells some of the product on the open market and has a history of transferring production intended for internal consumption to the open market.

3.31C Increased importation

A firm shipping part of its output of the product into the relevant market may respond to an attempted exercise of market power by diverting additional production into the relevant market. Parties seeking to prove the likelihood of this supply response should, at a minimum, address the factual issues of whether and for what terms these additional supplies are contractually or otherwise obligated to buyers outside the relevant market, the percentage of the suppliers' production now sent into the market and their historical shipping patterns.

3.32 Expansion of output

The parties to a merger may produce evidence that current suppliers of the product will expand their output by utilization of excess capacity or the addition of new capacity within one year of any attempted exercise of market power. Parties attempting to prove probable utilization of excess capacity should at a minimum address the issues of (i) the cost of bringing the excess capacity on line; (ii) the amount of excess capacity; (iii) for a firm not currently supplying the relevant market, prior history of supplying this market or present intention to do so; and (iv) how much prices would have to rise to likely induce this supply response.

3.33 New production sources of additional supply

The parties to a merger may produce evidence that firms not currently supplying the product will do so within one year of any attempted exercise of market power. This might be shown for firms with production flexibility, firms who will erect new production facilities and firms engaging in arbitrage.

3.33A Production flexibility

The Attorneys General will evaluate proof concerning firms with flexible production facilities who are capable of switching to the production of the relevant product within one year and are likely to do so. A history of such switching in the past will be the most persuasive evidence that this response is probable.

3.33B Construction of new facilities

A party may attempt to demonstrate that firms not presently supplying the product will erect new plant facilities (or establish new service facilities) within one year of an attempted exercise of market power.

3.33C Arbitrage

Firms proximate to the relevant market may respond to an exercise of market power by buying the product outside the market and reselling it inside the market. This potential source of supply is unlikely if the relevant product is a service or combined product and service. A history of arbitrage in the industry will be most probative that this potential response is probable.

3.4 Calculating market shares

Using the product and geographic markets defined in Sections 3.1 and 3.2, the firms supplying the market and any additional sources of supply recognized under Section 3.3, the shares of all firms determined to be in the market will be calculated.

The market shares of firms presently supplying the market shall be based upon actual sales within the relevant market. If there has been a demonstration of a probable supply response as defined in Section 3.3, the market shares of firms already selling in the market will be adjusted to account for the proven probable supply response. Similarly, market shares will be assigned to firms not currently supplying the market who have been shown to be likely to enter the market in response to an attempted exercise of market power. The assigned market shares of such firms will be based upon the amount of the product these firms would supply in response to an attempted exercise of market power. The Attorneys General will utilize dollar sales, unit sales or other appropriate sales measurements to quantify actual sales. Expected dollar or unit sales will be used when proven supply responses have expanded the market definition.

3.41 Foreign firms

Foreign firms presently supplying the relevant market will be assigned market shares in the same manner as domestic firms, according to their actual current sales in the relevant market. Foreign firms and their productive capacity are inherently a less reliable check on market power by domestic firms because foreign firms face a variety of barriers to continuing sales or increasing their sales. These barriers include import quotas, voluntary quantitative restrictions, tariffs and fluctuations in exchange rates. When such barriers exist, market share based upon historical sales data will be reduced.

A single market share will be assigned to the firms of any foreign country or group of countries which in fact coordinate their sales.[26]

4. Measurement of concentration

The primary tool utilized by the Attorneys General to determine whether a specific horizontal merger is likely to substantially harm competition is a measurement of the level of concentration in each market defined in section 3. Concentration is a measurement of the number of firms in a market and their market shares. The Guidelines employ the Herfindahl-Hirschman Index ("HHI") to calculate the level of concentration in an industry before and after a merger and, therefore, the increase in concentration which would result from the merger.[27] Basing merger policy on measurements of market concentration furthers the goals of both section 7 and these Guidelines.

Unlike the traditional four firm concentration ratio ("CR4") which was formerly used by enforcement agencies and courts to measure market concentration,[28] the HHI reflects both the distribution of the market shares of all the leading firms in the market and the composition of the market beyond the leading firms.[29]

The predominant concern of the Congress in enacting section 7 was the prevention of high levels of industrial concentration because of the likely anticompetitive consequences. Foremost among these likely anticompetitive effects of high concentration is the exercise of market power by one or more firms through monopolization, collusion or interdependent behavior in an oligopolistic market. Section 7 militates that the HHI levels which trigger an action to block a merger be set at the concentration levels likely to prevent these anticompetitive actions and interactions.

The objective of preventing future likely anticompetitive effects should be based primarily upon the historical picture of the market rendered by concentration levels, since industrial and economic concentration were the primary concerns of the framers of section 7. Furthermore, the predominant focus of scholarly economic inquiry into the competitive consequences of mergers has been the correlation of concentration levels with various indicia of competition. Other theories which predict the competitive effects of mergers based upon factors other than market concentration, though valuable, have not nearly reached the level of precision which is necessary for them to form the basis for responsible policy decisions. The facts of recent history are a far more reliable gauge of future consequences than such theories.[30]

The Attorneys General divide the spectrum of market concentration into the same three numerical regions utilized by the United States Department of Justice.[31] They are characterized in these Guidelines as "acceptable concentration" (HHI below 1000) "moderate to high concentration"

(HHI between 1000 and 1800) and "very high concentration" (HHI above 1800).[32]

4.1 General standards

The Attorneys General will calculate the post-merger concentration level in the market and the increase in concentration due to the merger. In certain cases, increases in concentration during the 36 months prior to the merger will also be assessed.

While it may be justifiable to challenge any merger above the threshold of market concentration where collusion and interdependent behavior are significantly facilitated (HHI 1000) the Attorneys General are unlikely to challenge mergers which do not significantly increase concentration. This policy recognizes section 7's prohibition of mergers whose effects "may be substantially to lessen competition." When the threshold of very high concentration is traversed (HHI 1800) the likelihood of anticompetitive effects are greatly increased and the increase in concentration likely to substantially lessen competition concomitantly reduced. The concentration increases which are likely to trigger an enforcement action under these guidelines have been adopted in reasonable accommodation of both the "substantiality" requirement of Section 7 and the need to objectively factor in the dynamic conditions in an industry. The latter concern is addressed by measuring increases in market concentrations during the 36 months prior to a merger.

4.2 Post-merger HHI between 1,000 and 1,800

An action to challenge a merger is likely if the merger:

(a) Increases the HHI by more than 100 points, or

(b) Increases the HHI by more than 50 points and during the 36 months prior to the proposed merger the HHI has increased by more than 100 points. Notwithstanding the foregoing, a challenge is unlikely in either case if assessment of the factors discussed in Sections 5.1 and/or 5.3 clearly compel the conclusion that the merger is not likely substantially to lessen competition.

4.3 Post-merger HHI above 1,800

An action to challenge a merger is likely if the merger:

(a) Increases the HHI by more than 50 points; or

(b) Increases the HHI by more than 25 points and during the 36 months prior to the proposed merger the HHI has increased by more than 50 points. Notwithstanding the foregoing, a challenge is unlikely in either case if assessment of the factor discussed in Section 5.1 clearly compels the conclusion that the merger is not likely substantially to lessen competition.

4.4 Mergers involving the leading firm or a new innovative firm in a market

The merger of a dominant firm with a small firm in the market may create or increase the market power of the dominant firm yet increase the HHI by an amount less than the levels set forth in Sections 4.2 and 4.3. Similarly, the merger of a new, innovative firm with an existing significant competitor in the market may substantially reduce competition yet increase the HHI by an amount less than the levels set forth in Sections 4.2 and 4.3. Therefore, an action to challenge a merger will also be likely if the proposed merger involves either a leading firm with a market share of at least 35 percent and a firm with a market share of 1 percent or more, or a firm with a market share of 20 percent or more and a new, innovative firm in a market with moderate to high concentration or very high concentration, unless assessment of the factor discussed in Section 5.1 clearly compels the conclusion that the merger is not likely substantially to lessen competition. In addition, in a market with moderate to high concentration the factor discussed in Section 5.3 will also be assessed.

5. Additional factors which may be considered in determining whether to challenge a merger

There are numerous factors aside from market share and market concentration which may make a merger more or less likely substantially to lessen competition. While the assessment of most or many of these factors would increase the flexibility of these Guidelines, this would also significantly vitiate the predictability of their application and the consistency of enforcement under the Guidelines and would greatly reduce their value as a planning and risk assessment tool for the business community.

While maintaining primary reliance on the concentration and market share analysis discussed in Section 4, the Attorneys General will, under the limited circumstances specified herein, assess three additional factors. These are "ease of entry," collusive behavior and efficiencies.

5.1 Ease of entry

If meaningful entry into the market can be easily and speedily accomplished, any attempted exercise of market power is likely to be disciplined. For entry to be meaningful it must contribute enough additional product to discipline a price increase or supply restriction. Entry must also be economical, so that there is sufficient incentive to make it likely to occur.[33] Financial, informational, technological and regulatory barriers to entry and those posed by excess capacity will also be assessed. Finally, entry must be likely to occur within one year. While entry requiring longer than this period of time can eventually discipline the exercise of market power, during a year consumers will suffer significant harm of the precise nature which the law was primarily enacted to prevent.

If under the foregoing standards the Attorneys General find that easy and meaningful entry can be accomplished within one year, action to block a merger is unlikely.

5.2 Collusion and oligopolistic behavior

If the market has a history of collusion or if there is evidence of current collusion or oligopolistic behavior,[34] the Attorneys General are more likely than otherwise to challenge a merger below one of the numerical thresholds set forth in Section 4[35] and very likely to challenge a merger exceeding any of the numerical thresholds set forth in Section 4.

The absence of collusion or oligopolistic behavior will not diminish the probability of a challenge otherwise likely under the standards set forth in Section 4.

5.3 Efficiencies

To the limited extent that efficiency was a concern of the Congress in enacting Section 7, that concern focused on productive efficiency and was expressed in the legislative finding that less industrial concentration would further that goal.[36] The Attorneys General find that there is no substantial empirical support for the assertion that mergers involving firms of sufficient size to raise concerns under the standards set forth in Section 4, usually or on average result in substantial efficiencies. Furthermore, the concentration thresholds adopted in Section 4 are more than high enough to enable firms to obtain the most significant efficiencies likely to result from growth through merger.

Even in those rare situations where significant efficiencies can be demonstrated, rather than merely predicted, this showing cannot constitute a defense to an otherwise unlawful merger.[37] Accordingly, efficiencies will only be considered when the post-merger HHI is 1800 points or below. When the post-merger HHI is 1800 or below the Attorneys General will evaluate any hard evidence offered by the parties that a merger will produce significant efficiencies, such as clearly proven savings on transportation costs or scale economies. In general, proven cost savings of 5%, for both firms using a weighted average, will make a challenge to a merger "unlikely" notwithstanding the standards set forth in Sections 4.2 and 4.4.[38] There may, however, be instances where proven cost savings of a lower magnitude may significantly reduce prices to consumers or where the Attorneys General will require evidence of cost reductions in excess of 5%.[39] The Attorneys General will evaluate such claims on a case by case basis.[40]

6. Failing firm defense

The failing firm doctrine, which has been recognized by the United States Supreme Court will be a defense to an otherwise unlawful merger.[41] Because it may therefore allow anticompetitive mergers, the defense will be strictly construed.

The Attorneys General are unlikely to challenge an anticompetitive merger when one of the merging firms is a failing company and satisfies its burden of showing the following three elements: (1) that the resources of the allegedly failing firm are so depleted and the prospect of rehabilitation is so remote that the firm faces the grave probability of a business failure; (2) that it had made reasonable good faith efforts and had failed to find another reasonable prospective purchaser; and (3) that there is no less anticompetitive alternative available.[42]

FOOTNOTES

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[1] The Attorneys General of American Samoa, Guam, The Commonwealth of Northern Mariana Islands, The Commonwealth of Puerto Rico and the Virgin Islands are members of NAAG. The Corporation Counsel of the District of Columbia, although not a member of NAAG, has also adopted these Guidelines.

[2] A horizontal merger involves firms that are actually or potentially in both the same product and geographic markets, as those markets are defined in Section 3 of these Guidelines.

[3] Section 7 of the Clayton Act, 15 U.S.C. § 18 prohibits mergers if their effect "may be substantially to lessen competition or to tend to create a monopoly."

[4] Section 1 of the Sherman Act, 15 U.S.C. § 1 prohibits mergers which constitute an unreasonable "restraint of trade." Section 2 of the Sherman Act, 15 U.S.C. § 2 prohibits mergers which creates a monopoly or constitute an attempt, combination or conspiracy to monopolize.

[5] Citations to the antitrust laws of the States are set forth in Appendix A.

[6] The authority of the Attorneys General to invoke section 7 of the Clayton Act to enjoin a merger injurious to the general welfare and economy of the State is confirmed in *Georgia* v. *Pennsylvania Railroad Co.*, 324 U.S. 439 (1945).

[7] This orientation recognizes a basic principle which should properly guide governmental enforcement of the law. It is the legislative function to make basic policy choices, whether or not those choices coincide with the beliefs of a particular administration, enforcement agency, or a particular school of economic theory.

[8] For example, see statutes of Hawaii, Maine, Mississippi, Nebraska, New Jersey, Ohio, Oklahoma, Texas, Washington and Puerto Rico for provisions analagous to section 7. Appendix B contains citations to state anti-merger provisions. However, all states with a provision analagous to Sherman Act § 1 may also challenge mergers under such authority. See note 6 concerning state enforcement of Section 7.

[9] Market power is the ability of one or more firms to maintain prices above a competitive level, or to prevent prices from decreasing to a lower competitive level, for a significant period of time.

[10] A buyer or group of buyers may similarly attain and exercise significant period of time. This is usually termed an exercise of "monopsony power." When the terms "buyer(s)" or "groups of buyers" are used herein they are deemed to include "seller(s)" or "groups of sellers" adversely affected by the exercise of market or monopsony power.

[11] *Brown Shoe Co.* v. *United States*, 370 U.S. 294, 315–16 (1962).

[12] There is vigorous debate whether firms in industries with high concentration are on average more or less efficient than those in industries with moderate or low levels of concentration.

The theory of "x-inefficiency" predicts that firms constrained by vigorous competition have lower production costs than firms in an industry with little or no competition. Various economists have attempted to quantify production cost increases due to x-inefficiency and the theory is gaining broad acceptance.

Regardless of such debate, Congress had the prerogative to make a choice, opting for less concentration, and did so with little regard for efficiency. The primary concern was wealth transfers from consumers to firms exercising market power.

[13] In *FTC* v. *Procter & Gamble Co.*, 386 U.S. 568, 580 (1967), the Court stated:

"Possible economies cannot be used as a defense to illegality. Congress was aware that some mergers which lessen competition may also result in economies but it struck the balance in favor of protecting competition."

"We are clear, however, that a merger the effect of which "may be substantially to lessen competition" is not saved because, on some ultimate reckoning of social or economic debits and credits, it may be deemed beneficial. A value choice of such magnitude is beyond the ordinary limits of judical competence, and in any event has been made for us already, by Congress when it enacted the amended § 7. Congress determined to preserve our traditionally competitive economy. It therefore proscribed anticompetitive mergers, the benign and the malignant alike, fully aware, we msut assume, that some price might have to be paid."

[14] Perfect "allocative efficiency" or "Pareto optimality" is a state of equilibrium on the so-called "utility-possibility frontier" in which no person can be made better off without making someone else worse off. Allocative efficiency can be achieved in an economy with massive inequalities of income and distribution, e.g., 1% of the population can recieve 99% of the economy's wealth and 99% of the population can receive 1%. A massive transfer of wealth from consumers to a monopolist is irrelevant to the concept of allocative efficiency. What is relevant is that a monopolist may restrict output, diminishing the total wealth of society and thereby reducing allocative efficiency. Economists term this loss of society's wealth the "deadweight loss."

[15] In most mergers creating market power, the effect of the wealth transfer from consumers will be many times as great quantitatively as the effect on allocative efficiency (dead weight loss). See note 14. It is important to re-emphasize that wealth transfer is irrelevant to the issue of allocative efficiency. The term of art "consumer welfare," often used when discussing the efficiency effects of mergers and restraints of trade, refers to the concept of allocative efficiency. A transfer of wealth from consumers to firms with market power does not diminish "consumer welfare." For the unwary Judge or practitioner stumbling upon this term it is important to understand this fact and to further understand that "consumer welfare" when used in this manner, has nothing to do with the welfare of consumers.

[16] These Guidelines deal only with these competitive consequences of horizontal mergers. Mergers may have many other consequences, beneficial or detrimental, not relevant to the enforcement of section 7. The penalization of ineffective management and the distortion of cash flow and capital flow patterns are two frequent results of mergers not substantially related to the purposes of section 7. More important, mergers may also have other consequences that are relevant to the objectives of section 7. These implicate concerns that are primarily social and political in nature, such as the effect upon opportunities for small and regional businesses to survive and compete. These consequences are especially significant in the analysis of conglomerate mergers, which are beyond the scope of these Guidelines.

[17] Tacit or active collusion on terms of trade other than price also produces wealth transfer effects. This would include, for example, an agreement to eliminate rivalry on service features or to limit the choices otherwise available to consumers.

[18] The predominant concern with wealth transfers was evidenced in the statements of both supporters and opponents of the Celler-Kefauver amendments. See, e.g., 95 Cong. Rec. 11,506 (1949) (remarks of Rep. Bennett); Id. at 11,492 (remarks of Rep. Carroll); Id. at 11,506, (remarks of Rep. Byrne); Hearings before the Subcomm. on the Judiciary, 81st Cong., 1st and 2d Sess., note 260, at 180 (remarks of Sen. Kilgore); 95 Cong. Rec. 11,493 (1949) (remarks of Rep. Yates); Id. at 11,490–91 (remarks of Rep. Goodwin); 95 Cong. Rec. 16,490 (1949) (colloquy of Sen. Kefauver and Sen. Wiley).

[19] For example, consider the proposed merger of two firms producing the same product. Each has a 50% share of the sales of this product in a certain state but only 1% of national sales. If the proper geographic market is the state, then the competitive consequences of the merger will be far different than if the geographic market is the entire country.

[20] Governmental challenge of a merger which is not likely to lessen competition substantially is frequently termed "Type I error." The failure to challenge a merger which is likely to lessen competition substantially is termed "Type II error." Type I error should be corrected by the Court which determines the validity of the challenge. Type II error will most likely go uncorrected, since the vast majority of merger challenges are mounted by the government. In other areas of antitrust law, private actions predominate and can correct type II error. Consumers, whose interests were paramount in the enactment of section 7 and section 1 of the Sherman Act, suffer the damage of type II error.

[21] Consider, for example, the market(s) for flexible wrapping materials. These materials include clear plastic, metallic foils, waxed paper and others. Firms A and B each produce 30% of the clear plastic wrap and 5% of all flexible wrapping material in a relevant geographic market. Firm C produces 70% of the metallic foil and 60% of all flexible wrap. If the proper market definition is all flexible wrapping materials, then treating clear plastic and metallic foils as separate markets may lead to an unwarranted challenge to a merger between firms A and B. The same incorrect market definition may also result in the failure to challenge a merger between Firm C and either Firm A or Firm B because of the incorrect assumption that metallic foil and clear plastic wrap do not compete. However, if the correct market definition is clear plastic wrap but the more expansive market definition of all flexible materials is chosen, this may result in the failure to challenge an anticompetitive merger of firms A and B.

[22] Hard evidence, as contrasted with speculation, is generally grounded in historical fact. Hard evidence of a probable supply response would include a factual showing that this response had occurred in the past when prices increased significantly. A mere prediction that a manufacturer will shift his production from one product to another to capitalize on a price increase, when unsupported by evidence of a previous similar response or other information of similarly probative nature, is not considered "hard evidence."

[23] The existence of a functionally suitable substitute which is significantly more expensive than the relevant product will not discipline an exercise of market power until the price of the relevant product has been raised to a level comparable to the substitute. The Attorneys General will also seek to ascertain whether current price comparability of two products resulted from an exercise of market power. For example, suppose that the provisionally defined product recently cost 20% less than a possible substitute, but its price has recently risen 20% as a result of the exercise of market power. Rather than serving as a basis for broadening the product market to include the possible substitute, this finding will provide compelling evidence that any further concentration through merger will only exacerbate the market power which already exists. To ascertain whether the price comparability of two possibly interchangeable products was the result of an exercise of market power over one product, the appropriate question to ask may be "what would happen if the price of the product in question dropped?" If a significant price decrease does not substantially increase sales, then a previous exercise of market power has likely been detected, and the two products should probably be considered to be in separate product markets. See, *United States* v. *E.I. duPont de Nemours & Co.*, U.S. 377, 399–400 (1956).

[24] Recycled or reconditioned goods will be considered suitable substitutes if they meet the requirements of this Section.

[25] The Attorneys General welcome submissions by buyers concerning such discrimination or any other hard evidence that a proposed merger will adversely affect them because it is likely substantially to lessen competition.

[26] For example, an import quota may be established for a particular foreign country and the foreign government may then apportion the quota among firms engaged in the import of the relevant product.

[27] The HHI is computed by summing the numerical squares of the market shares of all the firms in the market. For example, a market with four firms each having a market share of 25% has an HHI of 2500 calculated as follows: $25^2+25^2+25^2+25^2=2500$. A market with a pure monopolist, i.e., a firm with 100% of the market, has an HHI of 10,000 calculated as $100^2=10{,}000$. If the market has four firms, each having a market share of 25% and two of these four firms merge, the increase in the HHI is computed as follows: Pre-merger $25^2+25^2+25^2+25^2=2500$. Post-merger $50^2+25^2+25^2=3750$. The increase in the HHI due to the merger is 1250, i.e. $3750-2500=1250$. The increase is also equivalent to twice the product of the market shares of the merging firms, i.e., $25\times25\times2=1250$.

[28] The CR4 is the sum of the market shares of the top four firms in the market. A CR4 cannot be converted into any single HHI but rather includes a possible range of HHI levels. For example, consider two markets with CR4 of 100%. The first is comprised of 4 firms; each with a market share of 25%. This yields an HHI of 2500, i.e. $25^2+25^2+25^2+25^2=2500$. The second market is comprised of four firms with market shares of 70%, 10%, 10% and 10%. This yields an HHI of 5200, i.e., $70^2+10^2+10^2+10^2=5200$.

[29] The HHI also gives significantly greater weight to the market shares of the largest firms, which properly reflects the leading roles which such firms are likely to play in a collusive agreement or other exercise of market power. A single dominant firm's likely role as the price leader in an oligopolistic market is also reflected in the HHI. For these reasons, the HHI is now the generally preferred measure of concentration.

[30] There may be instances where clear evidence compels the conclusion that concentration levels and market shares inaccurately portray the competitive significance of a particular merger. In accordance with the doctrine of *United States* v. *General Dynamics Corp.*, 415 U.S. 586 (1974), such situations will require case by case analysis.

[31] Although these Guidelines and those of the Department of Justice are generally consistent in their adoption of the HHI thresholds which will likely trigger an enforcement action, the market definition principles employed are different. See Section 3 herein and Section 2 of the Justice Department Guidelines; U.S. Dep't of Justice, Merger Guidelines (June 14, 1984) reprinted in Antitrust & Trade Reg. Rep. (BNA) No. 1169 (June 14, 1984); Trade Reg. (CCH) No. 655 at 25 (June 18, 1984). The different market definition principles will often produce differing market shares which are then utilized to calculate the HHI. This is so because the process of market definition in the Justice Department's Guidelines will, in many respects, overstate the bounds of both the geographic and product markets in relation to the actual workings of the marketplace. This will result in the systematic understatement of market shares used in calculating market concentration.

[32] The Attorneys General are unlikely to challenge any merger in an industry with a post-merger HHI of less than 1000. An HHI of 1000, the level at which enforcement actions start to become probable under these Guidelines, can be found in a

market with ten firms each with a 10% market share. Collusion and/or oligopolistic behavior are plausible in a market comprised of ten or fewer firms of roughly equal size.

[33] Even a significant increase in prices following a merger might not elicit entry since the potential entrants may conclude that their entry into the market could cause prices to drop substantially.

[34] an oligopolistic market will usually be moderately to highly concentrated or very highly concentrated and prone to one or more of the following practices: 1) price leadership; 2) preannounced price changes; 3) price rigidity in response to excess capacity or diminished demand; 4) public pronouncements and discussions of "the right price" for the industry and, 5) systematic price discrimination.

[35] An oligopolistic market is unlikely to fall below the numerical concentration threshold of HHI 1000. However, a merger affecting such a market may not increase the HHI enough to make a challenge to the merger likely under the standards set forth in Section 4.

[36] For example, see 95 Cong. Rec. 11,487 (1949) statement of Rep. Celler (co-author of legislation) "Bigness does not mean efficiency, a better product, or lower prices"; 95 Cong. Rec. 11,495-98 (1949) (statement of Rep. Boggs); Corporate Mergers and Acquisitions: Hearings on H.R. 2734 before a Subcomm. of the Senate Comm. on the Judiciary, 81st Cong. 1st & 2nd Sess. 206, 308 (1950) (Statement of James L. Donelly).

[37] See Note 13.

[38] In a merger involving the leading firm and innovative firm proviso set forth in Section 4.4, proven cost savings will only be considered if the post-merger HHI is 1800 or below.

[39] Example: In an industry with a 1% profit margin, proven cost savings of 3% would be significant.

[40] If a merger which produces cost savings of the magnitude specified does not simultaneously facilitate the exercise of market power, these savings should reduce consumer prices, an effect complementary to the purposes of section 7. However, if the merger simultaneously produces these efficiencies and creates or enhances market power, there is no likelihood that consumer prices will be reduced. In such circumstances consumer prices will probably rise as a result of the exercise of market power.

[41] *U.S.* v. *General Dynamics Corp.*, 415 U.S. 486, 507 (1974); *U.S.* v. *Greater Buffalo Press, Inc.*, 402 U.S. 549, 555 (1971).

[42] The Attorneys General may exercise their prosecutorial discretion by declining to challenge a merger which will sustain a failing division of an otherwise viable firm. Since the failing division claim is highly susceptible to manipulation and abuse, the Attorneys General will view such claims with the utmost skepticism and in such cases require the three elements of the "failing firm" defense to be proven by clear and convincing evidence.

Appendix: The Antitrust Laws of the States

1. Alabama

Section 103 of Art. IV of Alabama Const.

Ala. Code § 8-10-1, 8-10-2, 8-10-3.

Ala. Code § 13A-11-122 Combination and Conspiracy.

Crim.—§ 8-10-1, 8-10-3, 13A-11-122.

2. Alaska

Alaska Stat. § 45.50.562 et seq.

Alaska Stat. § 45.50.564.

Alaska Stat. § 45.50.566.

Alaska Stat. § 45.50.568.

Alaska Stat. § 45.50.570.

Alaska Stat. § 45.50.471 et seq. Little FTC Act.

Crim.—§ 45.50.578 only.

3. Arizona

Uniform State Antitrust Act.

USAA Ariz. Rev. Stat. § 44-1401 to 44-1413.

Statutory Provisions Ariz. Rev. Stat. § 34-251 et seq.

Ariz. Rev. Stat. § 34-252.

Crim.—Ariz. Rev. Stat. § 34-252.

4. Arkansas

Ark. Stat. Ann. § 70-105 to 70-111.

Ark. Stat. Ann. § 70-101.

Ark. Stat. Ann. § 70-120 to 70-122.

Ark. Stat. Ann. § 70-301 et seq.

Crim.—No penalties under § 70-101 to 111.

5. California

State Business and Professions Code.

§ 16700-16760 (Cartwright Act).

§ 17000-17101 (Unfair Practices Act).

§ 17200-17208 (Unfair Competition Statute).

Crim.—Business and Professions Code § 16755.

6. Colorado

Colo. Rev. Stat. title VI, art. IV, § 6-4-101 through 6-4-109—Restraint of Trade and Commerce—title VI, art. II.

§ 6-2-101 to 6-2-117—Unfair Practice Act.

Crim.—Colo. Rev. Stat. § 6-4-102, § 6-4-104, and § 6-4-107(1), (2).

7. Connecticut

Conn. Gen. Stat. § 35-24 et seq.

§ 35-28—Connecticut Antitrust Act, conspiracies etc.

§ 35-29—Exclusive dealing.

§ 35-45—Price Discrim.

Little F.T.C. Act—Conn. Gen. Stat. § 42-110b (a).

Crim.—Conn. Gen. Stat. § 53(a)-161a. Criminal Sanctions for bid rigging on government projects enforced by states' attorneys.

8. Delaware

Del Code Ann. title 6, § 2100 et seq.—Antitrust Act.

§ 2103—Restraint of Trade.

§ 2102(d) Misc. Antitrust provision.

Crim.—Del. Code Ann. § 2504.

9. Florida

Fla. Stat. § 542.15 et seq.

§ 501.201 et seq.—Little FTC Act.

Crim.—§ 542.21(2) and § 542.27(1).

10. Georgia

Georgia Constitution Art. III, VIII.

There is no modern Antitrust Statute.

Ga. Code Ann § 20-504.

Provides contracts in general restraint of trade are deemed to be contrary.

Crim.—Ga. Code Ann. 26-2308.

11. Hawaii

Haw. Rev. Stat § 480-1 et seq.

Crim.—§ 480-16, § 480-4(a)—restraint of trade, § 480-4(b)—price fixing, § 480-6—refusal to deal, § 480-9—monopolization, and § 480-16(a)—$100,000 or 3 years; $1,000,000.

12. Idaho

§ 48-101 et. seq.—Antitrust Act.

§ 48-301 et. seq.—Fair Trading.

§ 48-201 et. seq.—Anti-Price Discrimination Act.

§ 48-401 et. seq.—Unfair Sales Act.

Crim.—§ 48-101, 48-102, 48-104, 48-110, 48-111.

13. Illinois

Ill. Rev. Stat. ch. 38, ¶ 60-3[1] and 60-3[4].

Crim.—ch. 38 § 60-3[1] and 3[4] and § 60-6 Money Damages.

14. Indiana

Ind. Code Ann. § 24-1-2-3—Antitrust.

Ind. Code Ann. § 24-2-1—Restraint of Trade.

Crim.—§ 24-2-1 and 2, 24-1-2-3.

15. Iowa

Iowa Code § 553.1 et. seq—Antitrust.

Iowa Code § 553.4—Iowa Competition Law.

Crim.—§ 553.14.

16. Kansas

Kan. Stat. Ann. § 50-101 through 50-801.

Crim.—§ 50-106 and § 50-114.

17. Kentucky

Ky. Rev. Stat. § 367.175(1) prohibits restraint of trade.

Ky. Rev. Stat. § 355.020 et. seq.

Unfair Practice Act.

No Criminal Penalties.

18. Louisiana

La. Rev. Stat. title 51, Part IV—Restraint of Trade.

La. Rev. Stat. title 51, § 331-337—Price Discrimination.

La. Rev. Stat. title 51, § 421-427—Sales Below Cost.

La. Rev. Stat. title 51, § 1401-1418—Unfair Trade Practice Law.

Crim.—§ 51:122, 51:123.

19. Maine

Me. Rev. Stat. title 10 § 1101 et seq.

Crim.—Title 10 § 1101 and 1102.

20. Maryland

Md. Code Ann., § 11-201 through 11-213—Antitrust Act.

Crim.—Comm. Law, § 11-212, § 11-207, § 11-207, § 11-207, § 11-207, and § 11-207.

21. Massachusetts

Mass. Gen. Laws, ch. 93, § 1 et. seq.—Antitrust Act.

Crim.—ch., 93, § 10.

22. Michigan

Mich. Comp. Law § 750.151.

Mich. Comp. Law § 750.557—Limit control of sale of articles of machinery, tools, etc.

Mich. Comp. Law § 750.558 Prohibits trusts.

Crim.—§ 750.588, § 750.151, § 750.557, and § 750.559.

23. Minnesota

Minn. Stat. § 325 D. 49 et seq.

Crim.—§ 325D.69, 325 D. 53.

24. Mississippi

Miss. Code § 75-21-1 et seq.

Crim.—§ 75-21-1 and 75-21-3.

25. Missouri

Mo. Rev. Stat. § 416.011.

Crim.—§ 416.051(1).

26. Montana

Mont. Rev. Codes Ann. title 30, ch. 14, § 30-14-101 et seq.

Crim.—§ 30-14-224, 30-14-224(2).

27. Nebraska

Neb. Rev. Stat. § 59-801.

Crim.—§ 59-801, 59-802, 59-805, 59-815.

28. Nevada

Sections 598A.010 et seq. of title 52 of the Nevada Revised Statutes (Nev. Rev. Stat. § 598A.020).

Crim.—§ 598A.250, § 598A.240.

29. New Hampshire

N.H. Rev. Stat. Ann. § 356:1.

Crim.—§ 356:4.

30. New Jersey

N.J. Stat. Ann. title 56, ch. 9, § 56:9-1.

Crim.—§ 56:9-11.

31. New Mexico

N. Mex. Stat. Ann. § 57-1-1 et seq.—Antitrust Act.

N. Mex. Stat. Ann. § 57-14-1 et seq.—Price Discrimination.

Crim.—§ 57-1-6, 57-1-6A.

32. New York

N.Y. Gen'l Bus. Law § 340 et seq.—Donnelly Act.

Crim.—§ 341 & 347.

33. North Carolina

Section 34 of Article I of the North Carolina Constitution—Prohibition against Monopolies, no comparable statutory prohibition.

Crim.—N.C. Gen. Stat. § 75-1, 75-7.

34. North Dakota

N.D. Cent. Code § 51-08-01 et seq.

Crim.—§ 51-08-03, § 51-08-06.

35. Ohio

Ohio Rev. Code § 1331.01 et seq.—Valentine Act.

Crim.—§ 1331.99, 1331.05.

36. Oklahoma

Antitrust Law—Oklahoma Constitution, Article 2, Section 32 bans Monopolies; Art. 9, Section 45—prohibits locality Price Discrimination.

O.S. 1981 title 79, § 3—Mergers.

Okla. Stat. Ann. title 79, ch. 1, § 1, § 1 to 7 and 21 to 37—Restraint of Trade; title 15, ch. 4, § 598.1 to 598.11—Unfair Sales Act.

Crim.—title 79 § 27.

37. Oregon

Ore. Rev. Stat. § 645.705.

Crim.—§ 646.815(1) Vests exclusive jurisdiction for Crim. Prosecution in the Att'y General. No express provision in the Antitrust Statute for Crim. Penalties.

38. Pennsylvania

No Antitrust Act of General Application.

Anti-bid Rigging Act.

Pa. Stat. Ann. title 73, § 211 et seq.—Unfair Sales Act.

Common Law Remedies.

Crim.—§ conspiracy—no statutes, case law title 73, § 214—Unfair Sales Act.

39. Rhode Island

R.I. Gen. Laws § 6-36-1 et seq.

Crim.—§ 6-36-16 of the Rhode Island Antitrust Act and, 6-36-16 (a) and (b).

40. South Carolina

S.C. Code, title 39, 39-3-10 and 39-3-130—Prohibits price fixing.

§ 39-3-120—Monopolies unlawful.

§ 39-3-140—Prohibits group boycotts.

§ 39-3-150—Prohibits sales below cost.

§ 39-75-320, 330, 340 Prohibit unfair pricing practices by wholesalers.

§ 39-5-10 et seq.—Unfair Trade Practices Act.

Misc. Antritrust Provisions: Insurance—§ 38-55-30 and Motion Pictures § 39-5-510 et seq.

41. South Dakota

Antitrust Provisions—S.D. Code Ann. § 37-1-3 through 33—Antitrust provisions.

Misc. Antitrust Provisions:

Insurance—§ 58-3802 of ch. 58-33.

Petroleum—§ 37-2-1 of ch. 37-2, title 37.

Cigarettes—§ 37-10-1 et seq. of ch. 37-10, title 37.

Railroads—§ 49-16A-12 of ch. 49-16A, title 49.

Trains—§ 49-43-33 of ch. 49-33, title 49.

Crim.—§ 37-1-20.

42. Tennessee

Tenn. Code Ann. § 47-25-101 et seq. and, § 47-25-201 et seq. Unfair Sales Act.

Crim.—§ 47-25-103.

43. Texas

Tx. Business and Commerce Code, title 2, § 15.01.

Crim.—§ 15.22.

44. Utah

Utah Code, title 76, ch. 10, § 76-10-911 through 926 Antitrust; § 76-10-903 Locality Price Discrim.

Misc. Utah Antitrust provisions:

Dairy—Crim. § 76-10-906, Civil § 50-2-2.

Electronic Funds Transfer Systems § 7-16-15.

Automobile Financing—Civil § 41-1-1, Crim. § 41-4-9.

Motor Fuels § 13-16-4.

Motion Picture Bidding § 13-13-1 et seq.

Crim.—§ 76-10-920(1), § 13-13-6.

45. Vermont

No Antitrust Statute of General Application.

Vt. Stat. Ann. title 9, § 2451 et seq.—Little FTC Act.

Misc. title 8, § 4721 et seq.—Insurance; § 908 of Title 28—Price Fixing in Sales to States; and § 2751 et seq. of Title 6—Dairy Product.

Crim.—title 28, § 906.

46. Virginia

Code of Va. title 59, ch. 1.1, §59.1-9.1 et seq.

Crim.—No Crim. Penalties.

47. Washington

Wash. Const. Article 12, Section 22 prohibits monopolies and trusts. RCW 19. 86, Unfair Business Practices—Consumer Protection Act, Prohibits Restraints of trade, monopolization.

Misc. Antitrust Provisions:

Dairy—RCW 15.32.780.

Insurance—RCW 48.30.

Cigarettes—RCW 19.91.

Agricultural Products—RCW 24.34.

Motion Picture Bidding—RCW 19.58.

Crim.—No crim. violations for Unfair Business Practices—Consumer Protection Act violations possible case law support for criminal conspiracy.

48. West Virginia

W. Va. Code § 47-18-1.

Crim.—§ 47-11A-11 of the West Virginia Unfair Practice Act.

Misc. Antitrust Provisions:

Petroleum Franchises § 47-11c-1 et seq.

Motion Picture Distribution § 47-11D-1 et seq.

Bid-Rigging—§ 17-4-22.

Insurance § 33-11-1 et seq.

Food Products—§ 61-10-19.

49. Wisconsin

Wisc. stat. Ann. § 133.01 title XIVA, ch. 133, through 133.18.

Misc. Antitrust Provisions:

Dairy—§ 100.201.

Insurance—§ 628.34.

Drugs—§ 100.31.

Property of Insurance—§ 134.10.

Crim.—§ 133.03 (1) and (2).

50. Wyoming

Wyoming Constitution, Article X, Section 8—Restraint of Trade.

Article 1, Section 30—Monopolies.

Wyo. Stat. § 40-4-101 to 105—Price Discrimination and § 40-4-106 to 116—Locality Price Discrimination.

Misc. Antitrust Provisions:

Insurance—§ 26-13-108.

Petroleum—§ 40-4-117.

Crim.—40-4-115.

51. District of Columbia

D.C. Code title 28, ch. 45, § 28-4501 to 28-4518—Antitrust Act.

Misc.—Prescription Drug Price Info—title 33 ch. 7, § 33.742.

Crim.—§ 28-4506.

52. Territories of the U.S.

Fed. Antitrust Laws Govern., but no prohibition against Monopolization.

53. Puerto Rico

P.R. Laws Ann. title 10, ch. 13, § 257-276.

Crim.—title § 266.

54. Virgin Islands

V.I. Code title 11, ch. 29, § 1501—Anti-monopoly law.

Crim.—title 11 § 1506.

STATE MERGER STATUTES

Alaska: Ak. Stat. § 45.52.040.

Hawaii: Haw. Rev. Stat. § 480-7.

Louisiana: La. Rev. Stat. Ann. § 51:125.

Maine: Me. Rev. Stat. Ann., title 10, § 1102-A (Supp 1984).

Mississippi: Miss. Code Ann. § 75-21-13.

Nebraska: Neb. Reissue Rev. Stat. § 59-1606.

New Jersey: N.J. Stat. Ann. § 56:9-4 (West Supp. 1984).

Ohio: Ohio Rev. Code Ann. § 1331.021 (Page Supp. 1983) (concerning oil company mergers).

Oklahoma: Okla. Stat. Ann., title 79, ch. 3, § 84.

Oregon: O.R.S. § 722.072 (domestic savings associations) O.R.S. § 733.110 (air carriers).

Puerto Rico: P.R. Laws Ann., title 10, § 261.

Texas: Tex. Bus. & Comm. Code Ann. § 15.05(d).

Washington: Wash. Rev. Code Ann. § 19.86.060.●

TED'S ENTANGLE SHRIMPERS

● **Mr. SHELBY.** Mr. President, I feel constrained to bring to your attention, and the attention of my colleagues, a situation which is mounting to a critical point in my home State of Alabama. I am referring to the implementation of proposed regulations by the National Marine Fisheries Service.

These regulations call for turtle excluder devices [TED's] to be installed by shrimp trawlers which pull nets in less than 10 fathoms of water and have a head rope over 30 feet in length. TED's prevent the incidental catch of various fish, and in the gulf coast specifically, the endangered species of the Kemps Ridley Turtle.

However, in an effort to protect these endangered animals, it seems that the National Marine Fisheries Service has taken what can only be viewed as an overzealous approach to the problem. Currently, there is no conclusive evidence that the shrimping industry is at fault in the dwindling of the Kemps Ridley Turtle populations.

Mr. President, these men and women in the shrimping industry are not only business people, but they are also concerned environmentalists. And yet, we need to realize that this proposed implemention of TED's to protect the turtles will compromise the safety and lives of the shrimpers utilizing them. In addition, TED's place an unnecessary and adverse financial hardship on shrimpers in Alabama.

Clearly, the only acceptable solution at this point is to delay the implementation on July 15, 1987, of the TED's, and request the National Oceanic and Atmospheric Administration to work with the shrimping industry to arrive at a compromise suitable to both the

National Marine Fisheries Service and the shrimping industry.

Mr. President, I lend my unequivocal support to the Alabama shrimper and I urge my colleagues, not just from the Gulf Coast States but from across this country, to consider the broad effects of regulating action of this sort. I believe that we can work together to find a suitable alternative to the turtle excluder device—an alternative that will protect the Kemps Ridley Turtle, as well as other endangered species—and yet not overburden this vital industry of the South.●

ORDERS FOR WEDNESDAY, MARCH 25, 1987

RECESS UNTIL 9 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

MR. HOLLINGS TO CONTROL TIME UNDER CLOTURE RULE

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow morning—I have cleared this on the other side of the aisle—the 1-hour under the cloture rule be under the control of Mr. HOLLINGS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that, at the conclusion of that 1 hour on tomorrow, the Senate stand in recess until the hour of 11:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that, at the hour of 11:30 a.m. tomorrow, Mr. DOLE and I retain our leader time and that there then be, upon the expiration or yielding back of the leader time, a period for the transaction of morning business not to extend beyond 12 noon and that Senators may speak therein for not to exceed 2 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader. I thank all Senators for their courtesy. I thank especially those Senators who voted for cloture today.

MANDATORY QUORUM WAIVED

Mr. President, I ask unanimous consent that the mandatory quorum call on tomorrow be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

Mr. BYRD. Mr. President, there being no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9 o'clock tomorrow morning.

The motion was agreed to; and at 4:26 p.m. the Senate recessed until tomorrow, March 25, 1987, at 9 a.m.

EXTENSIONS OF REMARKS

VIEWS DIFFER ON BASIS FOR U.S. COMPETITIVENESS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. FLORIO. Mr. Speaker, Congress is currently considering proposals to improve American economic performance. The suggestions for improvement may sometimes point in different directions. Before taking action, Congress should be sure to consider all the arguments. An example of this need for careful analysis arises in the field of antitrust policy. Some have suggested that in order to do better in international competition we need to relax antitrust enforcement. However, it has also been suggested that antitrust enforcement has been too relaxed and that by relying on foreign firms to inject competition into U.S. markets, we invite the export of American jobs. This view is expressed in the following article from the Legal Times.

[From the Legal Times, Feb. 16, 1987]

U.S. PAYS HIGH PRICE FOR IBM'S POWER

(By Richard Thomas DeLamarter)

Unleash our largest corporations! Get rid of the antiquated, counterproductive antitrust laws! Let our giant firm get on with protecting America's international economic interests!

This cry has arisen frequently in recent months, and among the criers have been the boosters of International Business Machines Corp., one of the most successful U.S. companies and one of those most frequently in trouble with the antitrust laws.

Consistent with this view, then Assistant Attorney General William Baxter dismissed in 1982 the government's monopoly case seeking to reorganize IBM into several vertically integrated, competing companies.

The dismissal only preserved the status quo. IBM still dominates the computer business worldwide and earns more than seven times the revenues of its nearest competitors. In many markets, IBM alone controls prices; it can if it wishes drive any or all others out of the business. Despite its often inferior products and high prices, the company can thus command the bulk of the commercial computer business. Its success derives not from efficiency, but from power.

We pay a high price for this accumulation of power. It leaves entire industries—banking, insurance, transportation—dependent on just one company for critical computer equipment. Worse, IBM's omnipotence limits or dooms the long-term commercial prospects of other U.S. firms in or near the computer business, their superior products notwithstanding.

Finally, IBM's power permits it to be wasteful in ways that would not be possible if it faced equal and more vigorous competitors. Today, as a result of Baxter's decision, the prospects for a major diminution of IBM's clout are remote.

A LOPSIDED CONTEST

In the sports world, the advantages of a highly competitive league are obvious. When each team has comparable resources, the winning team is the one that makes the greatest effort. When one team dominates all others, however, neither its players nor the opposition's are comparably motivated. Though its rivals may win an occasional game, the outcome of the season is never in doubt.

The world today is awash with surplus production capacity. Whether steel, semiconductors, or agricultural products are at issue, surplus capacity drives prices down. Eventually, the "winning" countries will be those whose firms can supply up-to-date products at the lowest possible prices—in a word, the most efficient.

The United States has been losing ground in these global battles to foreign firms that have triumphed by more diligently applying techniques and ideas first developed here. Our trade problems thus stem partly from insufficient motivation, not from any technological deficiencies. U.S. firms have not seen it as in their self-interest to strive for economic efficiency to the same degree as have their foreign competitors.

In a highly lopsided market like the computer industry today or the General Motors-dominated automobile industry of the past, the dominant firm can, if it wishes, drive out weaker rivals. Since all players know this, competition becomes less robust. In such an environment, good ideas are often viewed not as presenting opportunities but as imposing added costs.

In a truly competitive market, where commercial rewards are based directly on lower prices and better products, good ideas are not left unused. Witness the breathtaking changes that competitive pressure has compelled in once stable and uncompetitive markets.

What was once impossible in, for example, the automobile industry, is now done and done quickly. As we have known all along, intense and real competitive threats are a great source of motivation—both in sports and in industry.

The failure of U.S. public policy is that we have relied on foreign firms to supply this competitive pressure when we could have supplied it on our own. The price of this inertia—the export of vast numbers of industrial jobs abroad—has been high. Had more domestic companies of approximately equal size been competing aggressively in our markets, these employment shifts would have taken place within the United States, and this hemorrhaging would have been reduced.

The conclusion seems clear. The United States has a vital interest in competitive domestic markets, for only such a structure can motivate our companies to be efficient. Good economic performance will not come from poorly structured markets, and paltry economic performance gives our trading partners important advantages they are only too willing to exploit. A competitive structure should therefore be the goal of our public policy. Sadly, at present, it is not.

ARTIFICIALLY LOW PRICES

One example of misdirected public policy comes from the industry IBM dominates—electronic data processing. Reagan administration antitrust officials found nothing amiss when examining the extremely low prices of IBM computer equipment. Even though these prices were not expected to earn a profit and succeeded only in stopping Big Blue's competitors from eroding its dominant position, they were acceptable to the Department of Justice so long as they did not drop below the direct costs of making the equipment.

Yet in a well-publicized dumping proceeding last year, the administration's decision about the low semiconductor prices offered by Japanese firms was quite different.

Like IBM's prices, those of Japanese chips were not expected to earn any profit; also like IBM's, they were above the direct costs of making the chips. The Japanese prices, however, were viewed by the Commerce Department as unacceptable because they were below a "fair market" price needed for U.S. firms to survive. The Reagan administration, therefore, forced the Japanese firms to raise their prices.

If IBM had been limited in its pricing to a "fair market" value, many more of its domestic rivals would have survived. The survival of IBM's domestic competitors seems less important to this administration than the survival of the U.S. semiconductor firms challenged by the Japanese.

If our public policy is to allow IBM to play rougher with its rivals than foreign firms can, IBM will inevitably gain even a greater share of the domestic computer industry. This, in turn, will mean that the only place from which increased competitive pressure can come will be from abroad. The already lopsided lineup of domestic information processing firms will only be made worse.

The increasing flood of imports poses a dilemma. On one hand, it gives consumers additional choices and provides U.S. companies with a competitive stimulus. On the other hand, it has impoverished much of our own productive capacity and led to a loss of domestic jobs.

Imports pose a challenge to our economy by forcing us to use our resources and capabilities at the highest possible level of efficiency. But the process of lowering costs involves many factors that we cannot and do not wish to change. U.S. workers, for example, will not accept the low wages and stiff labor control that exist in some foreign economies.

There are some major factors, however, over which we do have control, the most important of which is the competitiveness of our domestic markets. If we lack the political will to insist on highly competitive markets at home, then we have no one to blame but ourselves when our market performance falls short. Relying on foreign firms to do what we refuse to do ourselves is an expensive and foolish strategy.

We need several large vertically integrated firms—not just one—in each primary market to ensure that competition is robust. The resulting efficiency will allow each firm to participate in international trade. Our salvation lies in a changed attitude toward

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

big business and a more aggressive antitrust enforcement policy to create and maintain a better market structure.

STOP DEVASTATION OF POLISH ENVIRONMENT

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. LIPINSKI. Mr. Speaker, I rise today to inform my colleagues of the enormous devastation Polish natural resources are currently suffering under the present government and to urge General Jaruzelski to take concrete action on averting a possible environmental catastrophe.

According to an article on the March 16, 1987, edition of the Washington Post,

> More than 50 percent of Polish rivers do not meet standards of cleanliness and are practically industrial gutters. More than 50 percent of Poland's land area is strongly affected by sulfur dioxide. Very little time is left to avert the threat of an ecological catastrophe.

This statement was not made by Solidarity or any opposition figures or groups, but by the national, Communist-backed Patriotic Movement for National Rebirth.

The article goes on to say that

> In Silesia, the broad band across southern and western Poland where much heavy industry is located, life expectancy runs 2 years below the national average. Cancer and respiratory-disease cases are reported to be more than one-third higher, largely because of the toxic fallout of air and water pollution. Lead content in the air and soil is far above international health norms. Overall 70 percent of the region's population has been estimated to live in highly contaminated conditions.

Mr. Speaker, statistics like these speak for themselves—clearly, something needs to be done.

Just this January, the Jaruzelski government set up a Environmental Protection Commission, but according to environmental activists the new organization has done nothing but churn out propaganda to "quiet the fears people have had after Chernobyl." The inability of the government to act has given rise to grassroots environmental protection groups, such as the Wroclaw Freedom and Peace Group, and lobbying efforts by those chiefly affected by pollution and cancer-causing materials. The Solidarity organization reports that 300 inhabitants of Konin—central Poland—recently signed a petition to the Council of State protesting the widespread use of asbestos, a carcinogen, as insulation. The signatories called for the formation of an independent social commission on ecological issues in view of the lack of any response from local authorities.

In Wroclaw a couple weeks ago, members of the Freedom and Peace Group demanded the closing of a huge, obsolete metal works by marching into the town square and defiantly locking arms in the face of police squads. The metal works plant had been targeted for closing years ago, but had been kept open because of alleged economic value. In the meantime, the plant has continued to poison the city's air and water supply, resulting in chromium and lead levels 50 times above normal in the local water supply. The most amazing fact of the incident is that the demonstrators were armed with a highly critical pollution report commissioned by the foundry itself.

The Temporary Council of Solidarity has named curbing environmental degeneration and ending devastation of Poland's natural resources as two of the country's most pressing priorities. The Government of Poland should do the same by giving the new Economic Protection Commission real power and by closing the Wroclaw metal works plant.

KILDEE HONORS MR. ISAIAH JACKSON

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. KILDEE. Mr. Speaker, it is a privilege and an honor to pay tribute to Mr. Isaiah Jackson, a man who has thrilled people throughout the world with the beauty and wonder of his musical talent. The people in the Flint area have truly been blessed to have a man of his talents as musical director of the Flint Symphony Orchestra, and we are all deeply saddened that Mr. Jackson will soon be leaving Flint to become musicial director of the Dayton Philharmonic.

The skills which Mr. Jackson has shared with the people of the world were honed at the Julliard School of Music, where he served as an assistant to Leopold Stokowski with the American Symphony Orchestra. Mr. Jackson also trained at such renowned musical schools as Fontainebleau, Aspin, and Tanglewood. In addition to his musical prowess, Mr. Jackson was a cum laude scholar at Harvard University, where he majored in literature and Russian history.

Mr. Jackson has traveled the world as a conductor of symphony orchestras, opera, and ballet. His work has taken him from the Dance Theatre of Harlem to the Vienna Symphony to the Spoleto Festival in Italy. He was enthusiastically received as the principal conductor of the Royal Ballet of London, and he will lead the group on a tour of the Netherlands and the U.S.S.R. this year.

Mr. Jackson has appeared as a guest conductor with some of the most respected and distinguished symphonies in North America as well, including the Boston Pops and The American Symphony Orchestra at Carnegie Hall. He has conducted orchestras from New York to Los Angeles, from San Diego to Toronto.

The citizens of Flint are proud of the cultural activities available in our city, and we are especially proud of Isaiah Jackson. In his capacity as musical director of the Flint Symphony Orchestra, Mr. Jackson has enhanced the quality of our culture and has increased the stature of our symphony orchestra. In the tough economic times our city has faced, Isaiah Jackson has been a shining star and a source of pride for all of us.

Mr. Speaker, Isaiah Jackson's musical talent has entertained people throughout the world and has made him a credit to his country and the musical profession. I am proud to honor Isaiah Jackson as an ambassador of that most beautiful form of communication, the language of music.

TRIBUTE TO JOE MACK WILSON

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. DARDEN. Mr. Speaker, on Thursday of last week the Endowment for Educational Excellence of the Marietta, GA, City Schools presented its Distinguished Alumni Award to one of the giants of Georgia political life—State Representative Joe Mack Wilson.

I have had the honor of knowing Joe Mack Wilson for almost 20 years—ever since I came to Cobb County as an assistant district attorney just out of law school. Even then, Joe Mack was establishing himself as one of the most hard-working and knowlegeable members of the Georgia General Assembly, and he already was a well-respected businessman in Marietta.

Over the years, we have become good friends, and I am pleased to have had the chance to work with Joe Mack to make Cobb County, and Georgia, better places to live.

From 1980 until my election to this body in 1983, I served with Joe Mack in the State house of representatives. By then, he had become a true power in that legislative body—chairman of the Ways and Means Committee and a member of the Appropriations and Rules Committees. But he always had time to listen to the ideas of younger members such as myself, and to offer advice based on his long experience in the halls of our State capitol.

Over the years, I have served Joe Mack twice as his attorney—first when an insurance company failed to adequately compensate him for injuries he received in an automobile accident, and later when the constitutionality of one of his pieces of legislation was challenged.

I am honored to have been Joe Mack Wilson's colleague. I am even more honored to be his friend and neighbor.

Let me join his many friends and associates in congratulating him on this well-deserved recognition. My wife Lillian and I send our best wishes to Joe Mack, his wife Jackie, and all his family on this special occasion.

CUBA'S CRIMES

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. SHUMWAY. Mr. Speaker, less than 90 miles from our shore, Fidel Castro has built one of the most repressive societies in the Western Hemisphere, including an elaborate network of prisons and concentration camps.

Today Cuba has the highest number of political prisoners, per capita, in the world. Yet for nearly three decades the U.N. Human Rights Commission has failed to address Castro's atrocities.

Yesterday the Washington Post carried an article by Ambassador Kirkpatrick in which she discusses the politics and the selectivity of the Human Rights Commission. The testimony of former political prisoners, including Armando Valladares, left no doubt about the only course of action to be taken in accordance with the principles of the U.N. Charter, the Universal Declaration of Human Rights, and the Commission's mandate. By a narrow vote the members of the Commission turned their backs on 15,000 political prisoners who languish in Castro's prisons. I commend Ambassador Kirkpatrick's article to the attention of my colleagues.

Also, I would like to invite you to join with me and over 50 Members of the House in condemning Castro's human rights record and calling upon the Human Rights Commission to find the courage to live up to its noble mandate when it convenes for its 44th session in Geneva next year.

[From the Washington Post, Mar. 23, 1987]

CUBA'S CRIMES, EVEN THE U.N. COULD NOT IGNORE THEM FOREVER

(By Jeane Kirkpatrick)

Something important happened at the United Nations Human Rights Commission meeting in Geneva a short time ago. By a vote of 19 to 18 with six abstentions, commission delegates voted not to express their concern about Cuba's human rights violations and not to put Cuban human rights practices on the agenda. But the mutilated hands, blinded eyes, deep scars and eloquent, wrenching accounts of former prisoners could not be avoided by the diplomats.

Although the Cuban government called it a "crushing defeat" for the United States, it was in fact a victory. It exposed the structure of politics inside the United Nations, illustrated why U.N. bodies are unable to consider political and moral questions on their merits, and dramatized what might be accomplished if such U.N. institutions as the Human Rights Commission were made to function as they were intended.

"Just the fact that we made them see and hear the human rights violations with their own eyes is a victory," a former Cuban political prisoner said. He is surely right. For 2½ decades, evidence of savage repression and barbaric prison conditions in Cuba has accumulated, but no U.N. body had taken note of Cuba's continuing serious violations of the Universal Declaration of Human Rights.

Until now, Cuba had been wholly protected against the censure of U.N. bodies while driving more than a million of its citizens into exile and imprisoning countless others for purely political offenses. More than any other country in the Americas, Cuba has repressed freedom of speech, religion, assembly, press and denied its citizens the right to emigrate.

Cuba's record has never come to the attention of U.N. human rights bodies because those institutions are "wired." They have long been controlled by blocs of nations that operate like an international protection racket. Cuba is a member of both the Soviet and the nonaligned blocs—whose members protect one another against negative political actions in the U.N. Cuba is, in addition, very active among the Latins and, with Mexico and Nicaragua, has worked hard to forge South American countries into a "progressive" Latin bloc that would support the regressive practices of Marxist states.

Inside the U.N. it is understood that human rights complaints cannot succeed against members of blocs. So no human rights complaints are brought against members of the African, ASEAN, Soviet or Islamic groups, or members of the nonaligned nations. This is why U.N. bodies remained silent while the Ethiopian government murdered 100,000 of its own citizens with a brutal forced-relocation program, while Libya invaded Chad, while Nicaragua destroyed the Miskito, Suma and Rama Indian communities. Like Ethiopia, Libya and Nicaragua, Cuba enjoys the protection of the overlapping Soviet and nonaligned blocs.

The practice of using human rights as a political weapon is so entrenched it has come to be accepted as part of the nature of things in the U.N. It is very rarely challenged, and challenges, when they occur, are unwelcome and disturbing. Twice before, regarding Poland and Afghanistan, Reagan administration human rights representatives successfully challenged the system. But the effort to make Cuban human rights violations the focus of attention this year was a more fundamental and more dramatic challenge. It focused on established patterns of human rights deprivations by a government extremely active and influential in U.N. politics.

"Why now?" journalists and other delegates inquired when the U.S. representatives began their efforts to focus attention on Cuban human rights abuses. After all, they said, information on the institutionalized repression and torture has been available for decades. Recently, however, three new factors were added.

First has been the accumulation of evidence on Cuba's political prisons gathered from long-term prisoners who have recently been released. This evidence has received growing public attention through the efforts of the Cuban American Foundation and has been dramatized through the brillant memoir of Armando Valladares ("Against All Hope").

A second factor has been the determination, persistence and skill of U.S. permanent representative to the United Nations, Ambassador Vernon Walters, and Assistant Secretary of State Alan L. Keyes in forcing international attention on Cuba's human rights violations. Walters delivered a powerful speech in Geneva, citing case after case of Cuba's criminal abuse of dissidents. In Washington, Keyes mounted a worldwide lobbying effort to secure support for the Geneva effort.

With rare imagination, the new U.S. human rights commissioner, San Francisco trial lawyer, E. Robert Wallach, treated the U.N. Human Rights Commission as a court into which he brought compelling witnesses and testimony on the repression of freedom and the incidents of torture and abuse in Cuba's prisons. The final vote demonstrated how persuasive this effort was.

Some of those who stood with Cuba—Bulgaria, Byelorussia, Ethiopia, East Germany, Mozambique, Nicaragua, the Soviet Union—are Cuba's fellow members in the Soviet "world system." They always vote together. There was also no surprise in the votes of Algeria, Congo, India, Mexico, Yugoslavia and China. These independent countries almost always align themselves with the Soviet bloc.

But the saddest votes cast to protect Cuban practices against U.N. scrutiny were those of three Latin democracies—Venezuela, Colombia and Argentina. Each knows a lot about Castro's prisons and political prisoners and also about his support for guerrillas and violence in the hemisphere. It is said that Castro himself telephoned the leaders of these Latin governments with appeals for solidarity. It is also said that Cuban representatives were vaguely intimidating in their appeals to fellow Latins. But unlike Costa Rica, which stood with the other democracies, or Brazil, which abstained, Argentina, Colombia and Venezuela succumbed to Castro's appeals for Latin solidarity.

Otherwise, the democracies stood together. Still, the whole pattern of alignment on this issue tells us things about the world that our government would rather not think about.

LET'S MAKE THE NEW GI BILL PERMANENT

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. SCHUETTE. Mr. Speaker, under four early versions of the GI bill, over 18 million veterans participated in this essential program since 1944. These programs have been of immeasurable value to the men and women who served our country as they return to civilian life.

Yesterday, with my strong support, the House of Representatives passed H.R. 1085, to make the new GI bill permanent. I see this as a way to both express our gratitude and continue our commitment to those who serve to protect our freedom and liberty.

Through this bill, which includes all active service personnel and reservists who have enlisted since July 1, 1985, we will be able to provide this important educational opportunity to a great deal more of our veterans. This program has also been a very effective tool in encouraging citizens to join our military services.

The value of encouraging talented citizens to volunteer in our armed services should not be underestimated. It is essential to offer these benefits to maintain the highest quality of volunteers who will be responsible for operating the increasingly technical equipment so vital to our national security. For those who are willing to share their time and talents with our Nation, the rewards must be just as great. I believe by making the new GI bill a permanent option, we take a large step in this direction.

It is my sincere hope that with this bill many men and women will now be encouraged to examine this program carefully to determine how they may benefit from the educational and financial aspects of this legislation. On behalf of mid-Michigan's veterans and active volunteer servicemen, I am pleased to have been able to support this necessary and deserved legislation.

REAUTHORIZATION OF BILINGUAL EDUCATION: A BILL TO BUILD THE AMERICAN COMMUNITY

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. MARTINEZ. Mr. Speaker, bilingual education is one of the most vital issues that will be considered in this Congress. It will help determine whether this country will continue to build the American community by opening the doors to opportunity for all its citizens, or will isolate its minority language citizens, dividing the country into linguistic haves and have nots.

I know firsthand the importance of languages. I went to school back when they punished you for saying anything in your native language—unless your native language happened to be English. This early school experience gave me—like most children who go through the ordeal—serious and unfounded doubts about my family and myself. It took me, like many others, years to undo the damage.

My grandchildren have been more fortunate. They are fluent in both English and Spanish. And they perform outstandingly in school. This pattern is not unusual. Increasing empirical data suggests that learning multiple languages early provides a child with a big plus in developing other cognitive skills. Rather than creating roadblocks to learning through yesterday's inflexible policies, research is showing how gates to opportunity can be opened to all our citizens.

For California, as for America, this is a major issue. There are over half a million limited English proficient students in California. Dropout rates among minority language students are shamefully high—two out of every five Hispanics and American Indians drop out of school. In dropping out of school they also drop off the ladder of opportunity. Language is an essential part of identity. Some of our most successful minorities—including our Jewish and Japanese citizens—have done an unusually good job building English proficiency while retaining their language and culture. By developing and reinforcing knowledge of who we are, we take an essential step to build the future. This program is important to California and the Nation.

There is a serious shortage of programs for building the language skills of our older citizens. The Los Angeles Times reported last fall that Los Angeles unified school district would turn away 40,000 applicants who want to enroll in adult English classes that are already filled to capacity. Many areas of our country face similar problems. It is clear that in California and the rest of the Nation this program is doing important work, but it needs to do more.

There are several fallacies in popular perception of the Bilingual Education Program which must be cleared up. Three of the most important fallacies are:

FALLACY NO. 1

It's a program for immigrants: In fact there are an estimated 28 million persons—1 in 8—in the United States whose native language is not English. Contrary to general belief, 2 out of 3 of them are not foreign but native born. These include Navajo, Cajuns, Hispanics, and others whose ancestors were among the first settlers of this country.

FALLACY NO. 2

Kids don't learn English in the program: In fact, English is a major part of the Bilingual Program from day one. The average stay in the program is only 2 to 3 years. Indeed there is much evidence that most kids are not staying in the program long enough. Too often success in the program is defined in terms of the rates at which students exit from bilingual classes. This is despite the fact that mounting evidence indicates that the programs best at building academic excellence are those that continue to provide development of both native language and English language skills for considerably longer periods of time. We need to move from this musical chairs approach to build effective schools that build academic excellence. Moreover, the existing program is reaching a very small portion of the students who could benefit—and the existing programs often suffer shortages of qualified teachers. Too many programs are bilingual in name only. The fact is that when well implemented, the program works well. We must ensure that resources needed for programs that work are available. The issue is not how long a child warms a chair in a classroom, but what is done in that time, and why.

FALLACY NO. 3

Teaching English is the only goal of bilingual education. There have been many statements, including recent statements by Secretary Bennett that suggest that the only goal of bilingual education is teaching English to kids. This is a goal—a major goal—of the program. However the authorizing legislation makes perfectly clear that building academic excellence, helping kids make progress in school is the other major goal of the program. A child who is not proficient in English is not prepared for life in the USA. But a child who does not have command of math, science, history, and other fields of knowledge is not prepared for life in the USA either. We simply cannot afford to go back to the bad old days when 80 percent of the kids who were not proficient in English simply dropped out. The manual jobs that allowed earlier generations to learn as they earned are quickly vanishing. Today a strong back is not enough to succeed. Learning English is one goal of the program; building the knowledge needed for effective citizenship and for tomorrow's jobs is the other major goal. You cannot effectively pursue one of these goals without pursuing the other. We cannot let minority language kids go back to sinking or swimming in English only courses while the ship of opportunity sails away into the future.

Everyone is entitled to their own views. However, they are not entitled to their own facts. The recent GAO report, "Bilingual Education: A New Look at the Research Evidence" makes it clear that the experts in education do not agree with this administration's assault on bilingual education. In the words of the report: "Only 2 of the 10 experts agree with the Department that there is insufficient evidence to support the law's requirement of the use of native language to the extent necessary to reach the objective of learning English. Second, 7 of the 10 believe that the Department is incorrect in characterizing the evidence as showing the promise of teaching methods that do not use native languages. Few agree with the Department's suggestions that long-term school problems experienced by Hispanic youths are associated with native-language instruction. Few agree with the Department's general interpretation that evidence in this field is too ambiguous to permit conclusions."

To survive and thrive in the emerging world, all our students should be proficient in more than their native language. To lament that America is not competitive and then to cut back on the very programs that build skills we need to compete is a terrible contradiction—a contradiction that America cannot afford. This administration has once again requested no funding for its international education and foreign language studies programs and seeks to recind the fiscal 1987 appropriation for these programs. I suggest this know-nothing approach to educating our future work force and citizens is a luxury our country cannot afford. Minority language students have special problems. If we do not help them help themselves now, we will pay later in unemployment and social problems.

Bilingual education is a program that works. That is why the legislation that is being introduced today does not call for major changes in the current ESEA title VII programs. It does not make major changes because they are not needed. The changes that it does make—such as expanding parent involvement, expanding administrative flexibility, expanding State role—provide useful fine tuning.

While this is a fine program, a program that works, there is room for improvement:

First, I am concerned because the current program reaches only a fraction of the students who need it;

Second, I am concerned because there are serious shortages of qualified teachers for these programs;

Third, I am concerned because the technical information and assistance needed to help teachers evaluate students is too often not available. This leads to less effective teaching, including keeping students in bilingual programs longer or shorter times than is appropriate for the students;

Fourth, I am concerned because effective schools and excellence in education too often are treated as something that has no relation to title VII. I am concerned because language minority students are seriously underserved by programs for identifying gifted and talented students. We need to identify the role of this program in building academic excellence and reinforce its role. More and more evidence points to the effectiveness of these programs—and we need to build on this foundation; and

Fifth, I am concerned because too many minority language adults, including parents of young children, fall between the cracks of English language and literacy programs. We need to strengthen and reinforce programs of family English which serve these citizens.

In sum, this is a program that works and works well. Too often, bilingual education is thought of as a program for the poor, while the big bucks families send their children to schools where their children can learn a foreign language to gain an advantage. As report after report on education and on international competitiveness has made clear, Americans lag in language learning. This is a program that integrates rather than isolates Americans; it builds competitiveness rather than undercutting it. It is fitting that in this year—declared by our President to be the "Year of the Reader," and this year which marks the 200th anniversary of our Nation's Constitution—that we act to build the American community, and to give all Americans the skills they need to be productive and responsible citizens.

World politics and the emergence of a world economy make knowledge of the world's cultures and languages increasingly essential to our prosperity and security. Miami, New York, and Los Angeles thrive because they can do business with the world in a multitude of languages. Whether in Madrid, Moscow, Peking, Tokyo, Teheran, or El Salvador, ignorance of local ways and sayings can only hurt America's diplomats, soldiers, and businessmen. Having many citizens who can speak two or more languages provides America with a powerful resource. In its diversity of second languages, the United States is uniquely blessed.

ON THE CHALLENGES OF AMERICAN CITIZENSHIP

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mrs. KENNELLY. Mr. Speaker, each year the Veterans of Foreign Wars and its ladies auxiliary conduct the Voice of Democracy broadcast scriptwriting contest. This year the winning speech from the State of Connecticut was written by Lisa Jean Visgilio, a senior at South Windsor High School. This stirring speech reminds us that we must not take our American citizenship for granted and of the great challenge of being an American. I commend Lisa for her keen insight, her thoughtfulness, and the fullness of her expression. I would like to share Lisa's essay with my colleagues at this point in the RECORD.

[The essay follows:]

THE CHALLENGE OF AMERICAN CITIZENSHIP

More than a scrap of paper, more than a murmured oath, and oh so much more than an expected right, American citizenship is an implied promise. A promise? Yes, A promise to try to excel in whatever path of American life chosen. A waitress catering to the population of a small cafe, a teacher explaining the importance of good penmanship, a farmer rising at dawn to tend to the inhabitants of his barn . . . all share the common goal of performing their duties in the best ways known to them. Herein lies the challenge of American citizenship: the responsibility of each individual to bring pride, self-sacrifice, and hard work to whatever they endeavor to do.

In Robert Frost's poem, "The Gift Outright", he ponders upon an unknown obstacle causing a weakness in early America, and eventually comes to the conclusion that ". . . it was ourselves, we were withholding from our land of living." If one holds back on talent, on effort, on ability, in anything, from ballet to politics, America will suffer. Imagine that favorite television show without the brilliant actress, or the Sunday paper minus the beloved comic strip, or the nightly salad at dinner without the luscious red tomatoes. The challenge of American citizenship ties in with the dedication and determination required to give the utmost of oneself, of not losing sight of ambitions and worth.

Citizenship involves a great degree of national pride and patriotism. Sacrificing oneself for a worthy cause or belief, for a loved one, or for one alone, unknown and unfortunate—spells out the meaning of America. Working for others, working to bring about favorable change or reform, working to produce that special aura that surrounds the stars and stripes—the challenge lies in the knowledge that millions of individuals, with enough effort, do equal one. A glorious equation, a dear country, a shining people.

And important still is realizing that improvement is always possible, and that little things can often lead to great deeds. Too often people shrug issues or conflicts off with the feeling that, "Oh I can't make a difference", or "What will I matter?" But many an election has been won by margins composed of people who once also argued "What could I possibly do?" Voting, staying aware of issues, volunteering for worthy causes . . . these and so much more can prove invaluable to a nation.

The challenge of American citizenship? The challenge is found coiled within each American, ready to be unwound as a ball of thread, to then be stitched into our wondrous flag, symbolic of unity and freedom. The challenge is in realizing the importance of individual worth to the United States of America, in realizing that all of the different colors of the country can be mixed to equal just red, white, and blue.

WELCOME TO FOURTH DISTRICT CONGRESSIONAL STUDENT PROGRAM

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. COATS. Mr. Speaker, it is my privilege to welcome the following members of the Fourth District Congressional Student Program from Indiana to Washington, DC, this week: Stephen Bates, Howe Military School; Julie Beckman, Huntington North High School; Katherine Boyer, Fort Wayne Christian School; Robert Davis, South Side High School; Jennifer Donahoo, Bishop Luers High School; Paige Fenstermaker, Southern Wells High School; Michael Fisher, Jay County High School; Sheryl Fritz, Carroll High School; Anja Gordon, Angola High School; Jeff Grabill, New Haven High School; Cathy Graves, Eastside High School; Kaye Haines, South Adams High School; Brad Hauenstein, Norwell High School; Doug Hedges, Heritage High School; Becky Hite, West Noble High School; Wendy Holocher, Snider High School; Ken Johnson, Lakeland High School; Chip Kugler, Prairie Heights High School; Dick Larrabee, Adams Central High School; Jennifer Madden, DeKalb High School; Renna Matthews, Garrett High School; Richard Michael, Fremon High School; Roger Mortemore, Bluffton High School; Mike O'Hear, Northrop High School Amy Richardson, Bishop Dwenger High School; Susan Ridgeway, Woodlan High School; Stephanie Riter, Paul Harding High School; Gary Robinson, Wayne High School Sandy Schultz, Bellmont High School; James Schrock, Central Noble High School; Julie Staple, Columbia City Joint High School; Matthew Stoudt, Concordia High School; Melissa Sutton, Leo Junior/Senior High School; Ginge Trumbull, Hamilton High School; Gwena Walker, Whitko High School; Joe Webster Elmhurst High School; Kerry Beth Wilt, Westview High School; Amy Woods, Churubusco High School; Jennifer Woods, North Side High School; Kerry Zook, Blackhawk Christian School; Susan Watts, Homestead High School; Aimee Billow, East Noble High School; and special thanks to chaperones Anita Wickersham, and Greg and Jennife Hoover of Huntington.

Each year, high schools in my district may select one of their students to participate in the Fourth District Congressional Student Program. This program offers to these outstanding young men and women the opportunity to experience firsthand the way our Nationa Government operates each day. As well as observing the people who serve our country these students also will be visiting some o Washington's historical sites including the Supreme Court, the Library of Congress and the White House. In addition, there will be some time for extracurricular activities during the week; the group will tour Harborplace in Baltimore, MD and Smithsonian Museums and wil attend a play at the Kennedy Center.

My special thanks to Senators RICHARD LUGAR and DAN QUAYLE and my colleagues JACK FIELDS, FLOYD FLAKE, FRED GRANDY NANCY JOHNSON, and BILL NELSON for taking time from their busy schedules to speak to these young people.

Again, I offer my congratulations and hopes for an enjoyable week in Washington to these very special Hoosiers. I hope that the participation in this week's program will one day encourage these students to become active in government and civic service.

HENRY THOMAS HUTCHINS, JR.—EDUCATOR AND ACTIVIST

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. PANETTA. Mr. Speaker, I want to talk to my colleagues today about one of the greatest educators I have ever had the privilege to know, Henry Thomas Hutchins, Jr. Dr Hutchins is going to be honored in just a few days by his colleagues and neighbors in California. I intend to be there to help pay tribute to Dr. Hutchins, and I want to take this opportunity to tell the Members of this body no only about his career but also about his dedication to the community in which he has lived for two decades.

Hank Hutchins was born in Georgia and began his career there after earning his masters degree from New York University. He earned his doctorate from the University of Oklahoma in 1963. After serving as a professor of education and chairman of the division of education at Albany State College, he taught briefly and served as a dean at Alabama State University. Then, in 1968, he moved to California, where he has been working ever since.

From 1968 to 1979, Hank served as an assistant superintendent in the Monterey Peninsula Unified School District. He was also a professor of education at a number of California institutions of higher learning.

Since 1979, he has been the superintendent of the Mount Pleasant School District in California but has continued to live on the Monterey Peninsula.

Of course, reciting Hank's career in this way does not come close to doing justice to his life. It is his dedication to the betterment of life for all of his fellow citizens that makes him the truly special individual that he is.

I am told that Hank has been active with over 152 different professional, fraternal, social, and religious organizations, and I suspect that may be a conservative figure. Very little has happened on the Monterey Peninsula over the past two decades in which Hank Hutchins has not been involved.

He has served on the boards of directors of the following organizations: Lions Club, Reality House, County Anti-Poverty Council, NAACP—also past president, Monterey Jazz Festival—also past president, Central Coast Development—Manpower, California Task Force OEO, Children's Home Society, Young Adults for Action, Operation Shoe-String, and Boys' Club.

Hank has also been very active on local and statewide educational organizations. Among many other groups, he has worked on the equal education opportunities committee of the Association of California School Administrators, and he is a past president of the California Task Force for Integrated Education and of the Monterey Catholic Diocese Board of Education and a member of the board of governors of California Community Colleges. He was also a founder and the first president of S.C.C.A.B.S.E.

Hank has received the Freedom Award Citation from the California NAACP. He also is a member of the Alpha Kappa Mu National Honor Society, the Phi Delta Kappa International Honor Society, and the Sigma Rho Sigma National Social Science Honor Society. In addition, he has received the Multi-Cultural Achievement Award from the California Association of Compensatory Education, an award for outstanding services from the Monterey Peninsula Unified School District, a Distinguished Services Award from the city of Seaside, and a host of other commendations from other organizations paying tribute to his work on their behalf.

Mr. Speaker, it is easy to recite all of these accomplishments, but they do not necessarily give the full measure of the man. Hank Hutchins is an individual who is dedicated to improving the lives of those around him, children and adults alike. He deserves every accolade he receives, and I am proud to be able to join the chorus.

EAGLE SCOUT BRIAN HOLLAND

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. LIPINSKI. Mr. Speaker, it is with great pleasure that I call to the attention of my colleagues an exemplary young citizen, Brian Holland. He will soon be recognized for achieving the highest rank in scouting, Eagle Scout.

In becoming an Eagle Scout, he will join the ranks of a very select group. The individual tasks which he had to complete are impressive alone. These tasks challenged every facet of his personality—mental, physical, psychological, and more. His accomplishment becomes even more notable when it is viewed cumulatively. That is, the entire sum of achievements and the perseverance of character demanded illustrate just what high caliber young man Brian is.

In today's society, our youth are truly bombarded with a variety of lifepaths to choose from. While the freedom of choice is in itself good, too often we hear of young people who are led astray by the ignorance of their years to a lifestyle they do not deserve. It is always refreshing to recognize young men who choose a constructive way of life and also excel at it. Though some credit should be given to the family of this young man and to the Scout leaders who provided support, Brian today knows that he can participate in society in a manner that will benefit himself as well as his community.

The achievement of attaining the rank of Eagle Scout lays an excellent base for a productive future. I'm sure my fellow Members of Congress join me in wishing Brian the best of luck in his endeavors.

THE BILINGUAL EDUCATION IMPROVEMENT ACT OF 1987

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. KILDEE. Mr. Speaker, I rise in strong support of the Bilingual Education Improvement Act of 1987, which would amend title VII of the Elementary and Secondary Education Act of 1965. This bill makes minor adjustments to the law enacted in 1984, when I, and a bipartisan coalition of members crafted the Kildee-Corrada bill that made much needed improvements in bilingual education.

Limited-English-proficient children are a Federal constituency in the same way handicapped children, disadvantaged children, and other special-needs children are. Since the original enactment of the Bilingual Education Act in 1968, the Federal Government has sought to lead the way in providing services for these children. The Federal effort so far, however, has only been a beginning. A small minority of limited-English-proficient children are receiving the bilingual education services they need to fully benefit from their education, while roughly half of limited-English-proficient children receive no special educational services at all. Between 3.5 and 5 million children are limited-English-proficient and they continue to be one of the most undereducated of all groups of American children.

The purpose of bilingual education is to enable the student to achieve proficiency in English. The native language is used to assure that in the meantime, students are able to meet promotion and graduation requirements. It would be a terrible failure for a student to go through this Nation's school system without learning English. It would be a terrible educational failure and a terrible social failure. This bill improves and refines the current Federal bilingual education program while allocating new resources to areas that have shown the greatest need. It addresses the themes of parental involvement and local flexibility that have been so prevalent in recent commentary on education. The bill also enhances the role of the State in the delivery of bilingual education services.

The Bilingual Education Improvement Act of 1987 is carefully designed legislation which ensures that the Federal commitment to this vital area continues and develops. As the House Education and Labor Committee proceeds with its consideration of this measure, I look forward to working with my colleagues on its improvement and eventual enactment.

TRIBUTE TO WILLIAM H. DUNAWAY

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. DARDEN. Mr. Speaker, I want to call to the attention of my colleagues the recent passing of William H. Dunaway, a man who truly embodied the spirit of entrepreneurism.

Bill Dunaway used a small pharmacy in my hometown of Marietta, GA, as a foundation for the system of 18 Dunaway Drug Stores which today is the largest independent drugstore chain in Georgia. His career spanned six decades, and during that time he became a noted leader of both the civic and business lives of Marietta and Cobb County.

Bill Dunaway was born in Paulding County, GA, and worked his way through pharmacy school at the University of Georgia. He opened his own pharmacy in Dallas, GA, in 1933.

His purchases of the Hodges Drug Store in Marietta 10 years later launched the ambitious expansion of the Dunaway chain, which now includes 12 stores in Cobb County and 6 others elsewhere in north Georgia.

Bill Dunaway was governor of Rotary Club District 690, a trustee of Kennesaw College and one of the originators of little league baseball in Cobb County.

Mr. Speaker, I ask that my colleagues join me in expressing sympathy to Bill Dunaway's wife of 55 years, Lenore Burns Dunaway, to his daughter Joyce Dunaway Parker and his son William Burns Dunaway, who continues to operate the drug store chain founded by Bill Dunaway—a true success story under America's free enterprise system.

A WAGE DEBATE WITH NO REAL WINNERS

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. SHUMWAY. Mr. Speaker, Nation's Business recently carried an excellent editorial entitled "A Wage Debate With No Real Winners." The article points out that few issues beat the minimum wage debate as opportunities for policies posturing, and that increasing the minimun wage will only hurt those we supposedly seek to help. In 1977 Congress approved a 46-percent increase to be phased in over 4 years. Unfortunately, that benevolent gesture had a somewhat disastrous repercussion: 650,000 jobs were lost. As the enclosed article asks, why do we even consider elevating the minimum wage if doing so will mean fewer jobs?

I am continually amazed at the ability of some in Congress to overlook the fact that we already have in place a very effective and accurate method for determining appropriate wage levels; the free market. With that thought in mind, I commend the following article to my colleagues' attention:

A WAGE DEBATE WITH NO REAL WINNERS

It is hard to beat the federal minimum wage as an opportunity for political posturing.

Members of Congress calling for an increase in the minimum wage present themselves as big-hearted people determined to right what they see as a very great wrong. At the same time, they want a very small group—employers—to pay the bill. They then can claim that they are not asking the public to finance their largess.

Current proposals call for raising the present minimum of $3.35 an hour to as much as $5.05.

Drawing a Dickensian picture of families living in squalor because tightfisted employers pay them starvation wages is particularly popular in the minimum wage debate.

The impoverished family is just one of the myths that have grown around this issue. The fact is that the vast majority of workers earning the minimum wage are students working part time, young people entering the work force and family members seeking to supplement the income of the principal breadwinner.

Another myth is that those rascally employers finance any increase in the minimum wage.

The truth is, everybody pays. When a company's operating expenses go up, it can pay those added costs only by reducing profits to the survival level, then raising prices. But very little is heard about the higher prices that a higher minimum wage will bring.

And fewer would get the wage. The 46-percent increase voted by Congress in 1977 to take effect over four years cost 650,000 jobs—jobs that were eliminated or not created because the higher pay made them too costly.

There is a compelling case for allowing the market—the needs and expectations of the employer and the worker—to set appropriate wage levels.

With the unemployment rate at 6.7 percent for all workers, 17 percent for all young people and 40 percent for black youths, it makes no sense for the federal government to discourage job creation. And a higher minimum wage would be just such a deterrent.

Those who see the federal minimum wage law as a vehicle for dealing with unemployment could learn from a recent editorial in the *New York Times*, which said.

"Raise the legal minimum price of labor above the productivity of the least skilled workers, and fewer will be hired. If a higher minimum means fewer jobs, why does it remain on the agenda of some liberals? . . . Those at greatest risk from a higher minimum would be young, poor workers, who already face formidable barriers to getting and keeping jobs."

Backers of a minimum wage increase should answer that question.

DEDICATION OF AMVETS POST 13

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. SCHUETTE. Mr. Speaker, I am privileged to have been invited to make a statement on behalf of the dedication of a new post home for AMVETS Post 13 in Higgins Lake MI. The dedication will be made on March 28, 1987.

Chartered in October 1966, AMVETS Post 13 has been active in community service projects for over a decade. In December of the same year, the auxiliary was given a charter, and an AMVETS junior post was formed and chartered in July 1984.

In its earliest days, the AMVETS met in members homes. The first post home was built in 1971 and this month Post 13 completed its new home.

Each year the AMVETS, auxiliary, and Junior AMVETS members participate in community Christmas and Easter parties for local children. Four years ago, the Post initiated a scholarship program to benefit high school students in area schools who wish to further their educations. Last year $1,000 in scholarship money was presented.

In addition the entire Post participates in parades and memorial services as patriotic members of their communities, while also hosting a July Fourth Parade for the past 15 years. However, the AMVET members do not limit their energies to only local services. In particular, the Junior AMVETS have raised a considerable amount of money for the Jerry Lewis Muscular Dystrophy Program.

The goals and purpose of AMVETS Post 13 is to serve our veterans, elderly, children, communities and country. Mr. Speaker, today I commemorate these outstanding citizens for their dedication and enthusiasm shown to the people of mid-Michigan.

TRIBUTE TO CHICAGO RIDGE POLICE CHIEF JAMES MICHAEL O'HARA

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. RUSSO. Mr. Speaker, our country functions and progresses through the efforts of countless public servants and officials who attend to their work with dedication and perseverance. Today I would like to pay tribute to a distinguished public servant, retiring after 20 years of service.

Chicago Ridge Police Chief James Michael O'Hara is well known throughout the southwest side of Chicago and southern suburbs. Prior to his 12 years as police chief, he was a patrolman in the department, promoted to sergeant, then detective sergeant and head of the juvenile division. He was appointed acting chief of police in 1976 and was soon appointed permanently to that rank.

Chief O'Hara, along with his outstanding service career with the police, also served our country in the military. After attending St. Brendan's Grammar School and DeLaSalle High School, Chief O'Hara entered the U.S. Air Force. It was here that he first found his love of law enforcement. Following basic training at Lackland Air Force Base, Jim was assigned to the Military Police and he completed every phase of Military Police training available. During his military police career, he served in Pusan, Korea, as well as throughout the United States.

Following his military service, Chief O'Hara continued his law enforcement career and joined the Illinois Central Railroad as a special agent for 5 years. He then was special investigator for the Cook County Department of Public Aid for 5 years before joining the Chicago Ridge Police Department.

Jim was raised in the southside, the oldest of five children, and he knows his area and he knows its needs and problems. He has brought to his work in law enforcement the professionalism, farsightedness and effectiveness we need for protecting our communities. He is credited with spearheading the drive to make the Chicago Ridge Police Department one of the most professional, modern law enforcement agencies in the entire metropolitan area of Chicago. He has always supported continuing education programs, including breath analysis, narcotics enforcement, crime scene processing, fingerprinting, and photography, to cite a few examples.

Jim and his wife, Margaret, have four children and are members of Our Lady of the Ridge Parish. He also finds time to be active in many civic organizations, including the Elks Lodge, American Legion, and the Illinois Police Association.

I know my colleagues join with me in extending congratulations and best wishes to Chief O'Hara and his wife on the occasion of his retirement. He has served his community and country well and deserves our thanks and acknowledgement.

BAYONNE RED CROSS HONORS JOHN P. FOYE AND SAMUEL D. KAYE

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. GUARINI. Mr. Speaker, on Saturday evening March 28, 1987, John P. Foye and Samuel D. Kaye will be honored by the Bayonne Chapter of the American Red Cross for their years of friendship and hard work for the citizens of Bayonne.

For the past 71 years, the Bayonne Chapter of the American Red Cross has been serving that community providing humanitarian services. A dinner-dance with the theme "A Time for Friendship and Sharing" will be held at the MacKenzie Post Hall in Bayonne. Chapter Chairman Henry Sanchez and Chairwoman Jeanne Sweeney indicate in celebration of the theme of friendship, two special men of honor have been chosen for the many years of service to the citizens of Bayonne.

John P. Foye is one of the individuals to be honored for his service to the American Red Cross and the people of Bayonne. He served from July 1, 1978 to July 1, 1986 as president of the Bayonne City Council, and first elected as first ward councilman in 1974 and reelected in 1978 and 1982. He has served as city council representative to the Bayonne Planning Board, the Environmental Commission, Industrial Commission, School Board of Estimates and as chairman of the city of Bayonne.

Married to the former Claire Anne Shanahan for 27 years, they have been blessed with three sons: John Drew, Kevin, and Jay. After earning his bachelor of science degree from Seton Hall University in 1959, Jack has been employed for well over 20 years by the State Farm Insurance Co.

A veteran of the U.S. Army, Jack Foye has been an active parishioner of St. Mary's Star of the Sea Roman Catholic Church and was elected president of their Holy Name Society for three terms. A very civic-minded individual, Jack is the standardbearer of the Jack Foye Association, a past officer of the Catholic War Veterans Post 155, a member of the Knights of Columbus Council 371, and a member of the Disabled American Veterans Commanders Club. In addition, he is a member of the Irish American League, Ireland's "32", the New Frontier Democrats, the Don Ahern Association, Elks Lodge No. 434, Bayonne City Democratic Club and the Bayonne Football Alumni Association.

Always active and dedicated to the youth recreation programs in the city, jack served as one of the first coaches of the Pop Warner football program as well as for the Bayonne Little League. He helped sponsor the Sports clinic for Special Children known as SCATE—Special Children Athletic Training Experience. "Irishman of the Year" was the honor bestowed on Jack by Ireland's "32" contingent in the St. Patrick's Day Parade. In June 1986, he was honored by the Department of Public Safety when they named the new class of firemen after him: "The Council President Jack Foye Class."

Jack Foye has been described as a person who firmly believes in family dedication and loyalty. He considers all of Bayonne as his family.

The second individual the Bayonne American Red Cross is honoring is Samuel D. "Sammy" Kaye, who is married to the former Lillian Berlin. They are parents of three children: Dr. Gary Kaye; Paula, who is married to Dr. Allan Krutchik, and Jacqueline.

Mr. Kaye is a partner in the Berlin's Ladies' Shop and has been serving Hudson County Freeholder continuously since January 1977. He is a confirmed believer of services above self, which can be reiterated by the following milestones in his career:

Past president of the Bayonne Merchants Board of Trade; past president—4 terms—of the Bayonne Chamber of Commerce and Tax Research Council; trustee of Temple Emanu-El; member of the Brotherhood; member of the Jewish Council of the Jewish Community Center at Bayonne; member of the Jewish War Veterans of Bayonne; member of the Zionist Organization of America; 1976 general chairman of the United Jewish Appeal; member of the Bayonne Menorah Lodge; member of the Journal Committee of the Jewish Hospital and Rehabilitation Center of New Jersey; past committee member of Israel Bond Drives; past trustee and treasurer of the United Fund; 1981 chairman of the American Red Cross, Bayonne chapter and member of the board of directors.

He is a former member of Governor Hughes' Local Property Tax Committee; member of the Advisory Council of the first Junior Achievement Program for Bayonne; recipient of the 1976 Brotherhood Award of the National Conference of Christians and Jews, Inc.—Bayonne Chapter—member of the Democratic Club; responsible for the creation of Bayonne's first Parking Authority. He is responsible for the new street lights on Broadway in Bayonne. Recipient of the Jersey Journal's "Outstanding Marketing Creativity" award for the creation of the Annual Newcomer's Guide; Kiwanis Club award recipient 1984. Freeholder Kaye attended Bayonne schools, Rutgers University, and New York University. He served in the U.S. Army as a Sergeant in World War II.

Sammy Kaye is indeed a fine family man who, like Jack Foye, regards his friends and neighbors as family also. It is interesting to note that both individuals being honored by the Bayonne American Red Cross are in public life. Unlike some of the stories we read about, both Jack Foye and Sammy Kaye have done outstanding work as public officials. Their results indeed echo the words of President John F. Kennedy who said:

> "It is when the politician loves neither the public good nor himself, or when his love for himself is limited and is satisfied by the trappings of office, that the public interest is badly served. And it is when his regard for himself is so high that his own self-respect demands he follow the path of courage and conscience that all benefit."

Hundreds of friends and grateful residents of Hudson County, including Bayonne Mayor Dennis F. Collins, will join in this tribute on March 28.

Bayonne City Council President Neil De Sena is honorary chairman of this important event.

I am sure that the Members of the House of Representatives present here join me in this salute to the Bayonne American Red Cross for doing so much good in so many ways on so many days, and to Jack Foye and Sammy Kaye.

BERKSHIRE CENTER FOR FAMILIES AND CHILDREN

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. CONTE. Mr. Speaker, I rise today to honor an institution in my district, the Berkshire Center for Families and Children, which is celebrating the 100th anniversary of its incorporation.

In the late 1800's, central organization for charitable works was unheard of in most areas of the country. Public and private charities had several failings, including a lack of willingness on the part of public officials to help those outside of the almshouse, and the fact that existing charities often overlapped or missed meeting needs. However, Mr. Speaker, in 1878 the Reverend Jonathan Jenkens of Pittsfield, MA, founded the Union for Home Work, the first of its kind. Incorporated in 1887, it was managed by a board of 25 men and women from the community, and was supported by public donations. Its functions were to distribute, assist, and fund work for the indigent and advance religious interests. The Union soon broadened the scope of its activities to include a sewing school, an evening school, a coffee room, and a series of meetings for mothers.

Over the years, responsibilities continued to increase as the selectmen of Pittsfield designated official duties to the Union and new buildings were constructed to house the expanding programs. In an effort to unify Pittsfield's charitable organizations, in 1915 the Union for Home Work joined with Associated Charities. In 1957 these efforts culminated in the formation of the Family and Children's Services of Berkshire County, a merging of the Pittsfield Day Nursery, the Association for Family Services, and the New England Home for Little Wanderers. In 1974, the name was again changed to the Berkshire Center for Families and Children.

Mr. Speaker, 109 years after its inception, the Berkshire Center for Families and Children in the best tradition of community spirit continues to offer comprehensive services to both the city of Pittsfield and the surrounding county. Its flexibility, responsiveness to community needs, combination of services, and concern is an inspiration to us all.

I am proud to have in my district an organization as responsive to the needs of the people as the Berkshire Center is, and I offer them my warmest and sincerest congratulations as they move into their second century of public service.

AGING AND ALCOHOLISM

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Ms. SNOWE. Mr. Speaker, in early February, Mr. BIAGGI and I, on behalf of the Subcommittee on Human Services of the Select Committee on Aging, sponsored an Educational Forum on Aging and Alcoholism. This forum grew out of a concern for those with alcohol problems and in recognition of the barriers faced by care providers, researchers, and policymakers who want to help.

While the majority of America's 35.6 million elderly persons aged 60 or older are leading productive lives, a significant minority have problems related to alcohol. Research indicates that somewhere between 2 and 10 percent of the elderly population experience some type of alcohol-related problem. Although the rates of alcohol problems among the elderly are no higher than the rates for other age groups, there appears to be a greater need for treatment services for older alcoholics. The vast majority of those elderly needing help are not diagnosed and treated, primarily as a result of their own embarrassment, the difficulties they encounter when they seek help, and the resistance of both treatment personnel, health care professionals and clients to work with older alcoholics. Identifying the elderly alcoholic is difficult because so many are isolated—some are separated from their children, a significant number are widowed, and others are institutionalized. Researchers and care providers have suggested that such elderly people may turn to alcohol to deal with their problems and stresses—problems and stresses that in some cases they were better to handle in earlier years.

People in the 60-plus population do suffer from alcohol and drug abuse problems, and efforts to address the needs of these people require some understanding of their social situations. Lifespan statistics have changed dramatically for a variety of reasons—changed lifestyles, more effective medications, modified and monitored nutritional habits and more awareness of the importance of physical exercise and recreational activity. But society in its zeal to extend life, has been delayed in addressing the problems, such as alcoholism, which face older citizens.

As is the case when we struggle to deal with new problems, the journey is often difficult and frustrating. While alcohol abuse is not the biggest problem in geronotology, it is one of major concern. This forum was held in the hope of fostering thoughtful awareness that a problem does exist and should be a concern to the fields of alcoholism treatment and geronotology. An opportunity exists for tangible and timely progress in research, preventive strategies, and active interventions. The size of the aging population is growing, and at the same time alcohol remains abundant. The issues focused on this educational forum were a first step toward articulating some of the problems, concerns, and barriers faced by care providers, researchers, and policymakers who want to help.

TRIBUTE TO GWENDOLYN BROOKS

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. GRAY of Pennsylvania. Mr. Speaker, I rise today to salute Gwendolyn Brooks, who for nearly half a century has reigned as America's premier poet laureate.

Ms. Brooks is the recipient of numerous awards, among them the Pulitzer Prize for Literature in 1950 for her second volume of verse, "Annie Allen." She was the first black American writer to win that honor.

Ever the champion of her people, her poetry has been called a bridge between the quiet and the vibrant struggle of black Americans to gain their full economic, political, and human rights.

The late Richard Wright, the widely acclaimed black novelist, describing Brooks' writing, said:

> Ms. Brooks easily catches the pathos of petty destinies, the whimper of the wounded, the tiny incidents that plague the lives of the desparately poor, and the problem of common prejudice * * *. There is not so much an exhibiting of Negro life to whites in these poems as there is an honest human reaction to the pain that lurks so carefully in the Black Belt.

Recognition and lofty titles, for Ms. Brooks, are nothing new. For 19 years, she has been poet laureate of Illinois, the successor to Carl Sandburg. She also has served as poet consultant to the Library of Congress, from 1985 to 1986.

Ms. Brooks had conducted poetry and fiction workshops and taught freshman English and 20th century literature at Chicago's Columbia College, Elmhurst College, Northeastern Illinois State College, and the University of Wisconsin.

She also has sponsored poetry competitions in elementary and high schools in Chicago, usually supplying the cash awards out of her own funds, participated in open-air readings, and supported the Kuumba Workshop, and experimental community theatre.

This Friday, March 27, Ms. Brooks will be honored at Temple University in Philadelphia for her life's work. This accolade is another testament to her steadfast commitment to use the power of the written word to change the life of her people and to inspire the human condition everywhere in the world.

In closing, I would like to share with my colleagues in the House of Representatives an ode to the poetress written by three school girls:

Strong, beautiful black woman a delight to the eye,
Your power with words no one can deny.
We stand humble before you
Your talents are superb
We thank you for your words which brought joy to the world.

HUMAN RIGHTS ABUSE

HON. WILLIAM HILL BONER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. BONER of Tennessee. Mr. Speaker, recently, I was approached by a spokesman for members of the Iranian-American population in Nashville, TN who expressed their concerns about human rights abuses in Iran. These individuals still have relatives and friends living in Iran, and are very distressed at what is happening to them. They are hopeful that if enough public officials speak out against these abuses, the Khomeini government might be pressured enough to end them.

For example, two former torture victims of the Khomeini government met with various officials and newspaper reporters to recount the violent torture they suffered when they were imprisoned on political charges. These two people have made it their mission to inform the world of the gravity of abuses in Iran. But their experiences are just an example of the widespread violations of human rights practiced in prisons throughout Iran. Tens of thousands of Iranian citizens have been harassed, intimidated, arrested, and imprisoned. Thousands more have been executed for their personal, political, or religious beliefs. These practices violate international law and simple standards of decency.

Mr. Speaker, these activities by the Khomeini regime are unacceptable. We must support international efforts to pressure the Khomeini regime to change their tactics.

THE PLO AT HOME IN WASHINGTON?

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. SOLOMON. Mr. Speaker, it is astounding to me personally that the Palestine Liberation Organization [PLO] continues to operate an office, reportedly with minimal oversight by our Government, right here in our Nation's Capital.

To bring this matter to my colleagues' proper attention, I would like to reprint for their information the following article originally published last year in the "Near East Report."

The article follows:

[From the Near East Report]

PLO: AT HOME IN WASHINGTON

At a time when the United States is urging action against international terrorism, the Palestine Liberation Organization (PLO) continues to operate an office in the nation's capital. But Washington's hospitality toward the PLO may be running out as Congress and the Justice Department investigate the Palestine Information Office's (PIO) activities.

In documents filed with the Justice Department, the information office states that it is wholly supported by the PLO. Last year, the PIO received $280,000 from the PLO to "bring the views of the Palestinian people . . . to the attention of the American people as well as to government officials throughout the U.S."

The office disseminates publications, arranges speaking tours and meets with foreign diplomats, mostly from Arab and East European countries. Last year, PIO staff members conducted their first meetings with Congressmen on Capitol Hill.

A State Department spokesman defended the operation of the PIO office saying that it may engage in diplomatic activity as long as it is registered as a foreign agent and staffed by permanent residents of the United States. The same activities, performed by non-U.S. residents working as diplomats, would be illegal since the United States does not recognize the PLO.

The Senate recently adopted a measure introduced by Sen. Frank Lautenberg (D-N.J.) directing the Justice Department to investigate whether the PIO is in full compliance with the Foreign Agents Registration Act (FARA). Although the office has been open since 1978, the Justice Department, which oversees the activities of foreign agents in the United States, has never conducted an on-site evaluation of the PIO's activities.

Speaking to the Conference of Presidents of Major American Jewish Organizations recently, Attorney General Edwin Meese revealed that the Justice Department already has begun to look into charges that the PIO might be engaged in activities for which it is not registered. Should the investigation reveal that the PIO is acting in violation of FARA, its continued operation would be called into question.

The renewed interest in the PIO follows two hearings conducted earlier this year by the Senate Subcommittee on Security and Terrorism. Subcommittee Chairman Sen. Jeremiah Denton (R-Ala.) called the sessions to examine the role of Yasir Arafat and the PLO in international terrorism and to explore how the United States can respond.

In his opening remarks, Denton decried the PLO's "cult of righteous violence" and asked committee members to assess how Arafat can be made accountable for his actions through the "full weight" of U.S. resources and international law.

Throughout the hearing, Denton called for tighter control of PLO activity in the United States in order to prevent the terrorist organization from "building a terrorist infrastructure and expanding their propaganda machine within this country." A Justice Department witness said he could not assure the committee that "any and all [PIO office] activities are legal."

Testifying before the committee, Lautenberg expressed his concern that the PIO office in Washington might be used as a base for terrorism and urged that it be registered under the Voorhis Act, a statute applied to organizations which engage in civilian military activity and advocate the violent overthrow of a government. The act would require the PLO to disclose the full reports that the PLO offices in Europe have been used in planning terrorist attacks, Lautenberg said: "The fear that this Washington office could be used as a base for terror is not farfetched. . . . We should not take that chance."

TRIBUTE TO COLIN DOUGHERTY AND CHANNEL 18, SAN JOAQUIN VALLEY

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. COELHO. Mr. Speaker, I would like to take this opportunity to congratulate Colin Dougherty and Channel 18 on their contribution to public television in the San Joaquin Valley.

When Channel 18 first went on the air on April 10, 1977, the operation was small, yet the vision was grand. In the last 10 years, Colin has served as the general manager of Channel 18 and has been largely responsible for its success. The staff has grown from a handful of people to 24 while the budget has increased fourfold. The station can now be accessed by 410,000 households in the area. Furthermore, with less Federal money available for funding and the needs of the station for additional funding, the station has had to turn to other sources within the community. The Channel 18 annual public auction was devised to provide additional money for the station, and has become an institution to the station.

On the 10th anniversary of the first airing of Channel 18, we can reflect on the accomplishment of Colin and the staff at the station. Much progress has been made due to the dedication of these people to public television. I have no doubt that we will continue to see even more in the years to come.

GREGORY WATSON AND HIS CAMPAIGN TO AMEND THE CONSTITUTION

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. PICKLE. Mr. Speaker, I want to bring to the attention of my colleagues in Congress and to our Nation the story about a young man in Austin, TX. It is a story about how an individual, working with persistence and dedication, can have a major influence on our system of government.

Five years ago, Gregory Watson was researching a paper he was writing for one of his courses at the University of Texas. He came across a very interesting fact, that one of the constitutional amendments proposed as part of the original Bill of Rights had not been ratified by the necessary number of States.

That amendment would prevent congressional pay increases from taking effect until after the following election. In the past 5 years, he has worked endlessly to bring this amendment to the attention of every State legislature in our country.

In 190 years, only eight States ratified the amendment. But since Gregory Watson started his work on this in 1982, 11 more States have ratified the amendment.

I strongly support his efforts and the proposed amendment to our Constitution.

I think the Nation should be aware of Gregory Watson's efforts because he deserves credit for his work. Thus, I want to share with my colleagues an article from the Dallas Times Herald of February 3, 1987, and also a list compiled by Mr. Watson of the States that have ratified this amendment.

The material follows:

[From the Dallas Times Herald, Feb. 3, 1987]

TEXAN WANTS TO LIMIT LAWMAKERS' PAY RAISES

(By Bob Drummond)

WASHINGTON.—Gregory Watson is working hard to remind America that the First Amendment wasn't always first.

The young Texan has dusted off a little known proposal that rated higher than freedom of speech and religion in the original Bill of Rights. And after nearly two centuries of neglect, Watson has almost single handedly mounted a campaign to make it the law of the land.

The amendment, first proposed in 1789, would restrict pay raises for members of Congress. Controversy over proposed federal salary increases—which will take effect at midnight tonight unless the House votes to reject them—has brought converts to the cause and added steam to Watson's five-year effort to revive the amendment.

As the bandwagon starts to roll and Washington bigwigs scurry to jump aboard, the 24-year-old Watson, a student at the University of Texas, is worried about whether his one-man band will be left behind.

Watson's effort began in 1982, when he ran across the amendment while researching a term paper in Austin. The one-sentence amendment would prevent congressional pay increases from taking effect until after the following election. It was one of the first two of 12 amendments proposed for the Constitution. The two amendments were never ratified, leaving 10 amendments known as the Bill of Rights.

"I thought that this was just as meaningful today as it was in 1789," Watson said. "I thought to myself right then and there, 'Greg, why don't you try to get that amendment ratified?' "

Watson, who works as a legislative aide during sessions of the Texas Legislature, began writing officials in state capitals around the country; seeking sponsors for the amendment.

In almost five years since he started his crusade, Watson has helped add 10 states to the list of those that have ratified the long-ignored amendment. Six states approved the amendment between 1789 and 1791 and two more than straggled onto the list over the next two centuries, bringing the total to 18. Thirty-eight states would have to ratify the amendment for it to become part of the Constitution.

A resolution to ratify the amendment is pending in the Texas Legislature, sponsored by Watson's boss, Weatherford Democratic Rep. Ric Williamson.

"I think it's great that some young college student has enough historical knowledge and patriotism to bring this thing up," said Montana state Sen. Thomas Keating, a Billings Republican who shepherded Watson's amendment through the Montana Senate earlier this year.

The amendment is awaiting action by the Montana House.

"He's made a lot of progress on getting this adopted," said Oklahoma state Rep.

Frank Davis, sponsor of a ratification proposal that was approved in 1985.

After five years of flooding state lawmakers with information about the amendment, Watson has seen a sharp rise in interest during recent weeks, as members of Congress continued to deal with a proposal to raise many federal salaries, including their own.

Under federal salary procedures, the proposal in President Reagan's budget would raise congressional salaries 15.6 percent from $77,400 to $89,500 at midnight tonight unless both chambers in Congress vote to reject the increase. The Senate turned down the raise last week.

There was some doubt, however, whether the pay issue would reach the House floor before Wednesday, technically too late to block the raises, but almost certain to lead to a series of court battles over the matter.

At a time of mounting federal budget deficits and economic hardship in broad regions of America, the proposed pay increase has drawn fire from many quarters.

"There's a lot of people in the country getting by on a whole lot less, and the public is very much against it," said Democratic Rep. John Bryant of Dallas, who is a sponsor of a resolution to reject the pay increase.

The brouhaha over salaries, Watson said, points to the need for an amendment that prevents a sitting congressman from gaining immediate benefit from a pay increase. The fact that Congress doesn't even have to vote, but can get a raise by simply failing to reject an administration proposal, he said, shows the need for salary reform.

In the crossfire over salaries, the unknown amendment so dear to Watson has started to draw notice from other quarters, most noticeably from consumer advocate Ralph Nader, who has supported its adoption.

"I resent it," Watson said of the growing involvement of Nader's Congress Watch organization. "When I think of all the nights I've stayed up until three or four o'clock in the morning typing letters and licking stamps, it just absolutely outrages me that some other person would come in like some white knight in shining armor and snatch it away. It's very insulting."

Craig McDonald, a spokesman for Congress Watch, said Nader's group isn't trying to minimize Watson's role.

"We by no means are shoving him aside," McDonald said.

Watson's work has not gone unnoticed in Congress.

"That's a very impressive student," said Republican Rep. Dick Armey of Denton.

States That Have Ratified the Constitutional Amendment To Reform the Congressional Salary Process

Maryland—December 19, 1789.
North Carolina—December 22, 1789.
South Carolina—January 19, 1790.
Delaware—January 28, 1790.
Vermont—November 3, 1791.
Virginia—December 15, 1791.
Ohio—May 6, 1873.
Wyoming—March 3, 1978.
Maine—April 27, 1983.
Colorado—April 18, 1984.
South Dakota—February 28, 1985.
New Hampshire—March 7, 1985.
Arizona—April 3, 1985.
Tennessee—May 23, 1985.
Oklahoma—July 10, 1985.
New Mexico—February 13, 1986.
Indiana—February 19, 1986.
Utah—February 25, 1986.
Montana—March 11, 1987.

TRIBUTE TO THE MEMORY OF MARION MARSHALL

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to the memory of an outstanding individual and dear friend, Marion Marshall. Marion was a compassionate and courageous individual whose dedication and service greatly enhanced the lives of many in our community. I was fortunate to have worked with Marion on many issues of mutual concern over the last decade.

Marion was well respected and admired by her colleagues, friends, and family. Her creative and pioneering work in adult education, gerontology, intergenerational programs, and as a mentor to dozens of educators has been recognized and honored nationally.

Marion earned a bachelor's degree in sociology from the University of Missouri and a master's degree in education from California State University, Los Angeles. She conducted seminars and taught in her major fields at many universities and was much in demand at conferences. She held leadership positions in professional and community organizations, most recently with the San Fernando Valley Interfaith Council and Na'amat U.S.A.

Marion is survived by her husband, Sol H. Marshall, son Ron, daughter Alice, son and daughter-in-law Steven F. and Deni D. Marshall, grandson Evan James Marshall, sister and brother-in-law Rosalind and Alfred J. Perlman, sister-in-law Lucile J. Waldner, and many relatives across the country.

Marion Marshall will be missed by all those whose lives she touched and will be remembered affectionately by her many friends and colleagues.

TRIBUTE TO RONALD HIGGINS, DISTINGUISHED SERVICE AWARD RECIPIENT, POMPTON LAKES CHAMBER OF COMMERCE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. ROE. Mr. Speaker, this Saturday, March 28, the Chamber of Commerce in Pompton Lakes, NJ, in my Eighth Congressional District, will honor one of its finest citizens, Mr. Ronald Michael Higgins, with its Distinguished Service Award. This event will be celebrated with a dinner dance on that date at the Regency House in Pompton Plains, NJ.

Mr. Speaker, I can not think of a more appropriate way to honor Ron Higgins for his many outstanding achievements in the redevelopment of the Pompton Lakes business district, achievements which have been vital to the economic well-being of this fine community.

Ronald Michael Higgins was born on St. Patrick's Day, 1936, to Donald and Violet Higgins. He was the first of three children with Joan and Gail Higgins still to come. Ron Higgins grew up in Union City, NJ, and graduated from Union Hill High School in 1954. He attended New York University where he received his business degree in 1958, and then served his country with a stint in the Army from 1958 to 1960.

Mr. Higgins began his business career with American Cyanamid and later worked for Muzak before buying his own insurance agency in Englewood, NJ. It was in 1970 when he became part of the Pompton Lakes business sector when he acquired an insurance agency right in Pompton Lakes.

Seven years later Mr. Higgins purchased what was known as the old police barracks on Hamburg Turnpike in Pompton Lakes, where he moved the insurance business that had been in Englewood. This was the beginning of Ron Higgins' renovation work that helped revitalize his community.

For Ron Higgins, buildings that were for sale became a challenge, starting with the purchase and improvement of a group of small buildings on Wanaque Avenue in 1980. In 1982 he took an old, run-down service station and turned it into a successful ice cream parlor known as the Ice Cream Station. He later moved his insurance operation further into town, renovating the second floor of the Washington Building, further enhancing the Pompton Lakes downtown business district. His most recent project was the Woolworth Building, which is a mini-mall now known as Towne Centre.

Ronald Higgins, who was first elected president of the Pompton Lakes Chamber of Commerce in 1985, is now in the midst of his second term. He married the former Claire Van Leuven in 1960 and has seven beautiful children ages 13 through 25; Michael, Timothy, Ellen, Susan, Barbara, Thomas, and Kathleen.

I want to take this opportunity to express my deepest appreciation to Ronald Michael Higgins for his many years of outstanding service as a model citizen, president of the Pompton Lakes Chamber of Commerce and as a business activist whose work has improved the lives of all of the citizens in his community.

RAYBURN BIOGRAPHY SHEDS NEW LIGHT ON "MR. SAM"

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. FASCELL. Mr. Speaker, as one who had the honor to serve in the House with the late Speaker Sam Rayburn, I would like to call the attention of our colleagues to a new book, "Rayburn: A Biography," by D.B. Hardeman and Donald C. Bacon. It is based on the authors' original research, including Mr. Rayburn's own reminiscences and personal papers, and sheds important new light on one of America's greatest legislators.

Mr. Hardeman was a staff assistant to Mr. Rayburn from 1957 until the Speaker's death in 1961. He subsequently served as administrative assistant to the late Hale Boggs. Mr. Bacon, a Washington journalist of long standing, is currently assistant managing editor of U.S. News and World Report. The difficult task they faced in adequately capturing the scope and richness of Mr. Rayburn's extraordinary life is, I believe, best summarized by these lines from the book's introduction:

> The long span of his eighty years covered almost half of the whole history of the nation. His interest in politics first was born when Grover Cleveland was President. It lasted through the Presidency of John F. Kennedy—from the twenty-first President to the thirty-fourth. From his service as a Texas state legislator to his death as Speaker of the U.S. House, he helped make laws regulating the daily lives of Americans for fifty-five years—longer than anyone else in American history. He had a significant part in guiding the nation through the depressions of 1920-1921 and 1929-1933, two world wars, and the Korean War.
>
> A Democrat without prefix or suffix, he was the last of his kind in American politics—an anachronism, born in the nineteenth century, imbued with all the unstinting patriotism and loyalty that is associated with the men and women who pioneered the nation and lived close to the soil. As a national leader, he came to epitomize honesty and integrity in public service. To many he represented patriotism at its best—proud of his country, confident of its future, aware of its shortcomings, conscious of its need to help and to lead others less fortunate.

TRIBUTE TO PVT. WILLIAM H. CARPENTER, USMC

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. BORSKI. Mr. Speaker, today I rise to pay tribute to Pvt. William H. Carpenter, USMC, who was born and raised in northeast Philadelphia.

In the summer of 1966, after graduating from Father Judge High School, Bill Carpenter felt the need to serve his country and enlisted in the Marine Corps. After basic training, he was assigned to the 1st Marine Division and sent to Vietnam as part of a Forward Air Control [FAC] team. This is a volunteer force whose job it is to direct air support for ground operations and the air evacuation of wounded. The job requires FAC team members to be on the front line—exposed to enemy fire—so they can see the enemy position and direct air attacks.

On December 27, Private Carpenter was killed in action while directing fire against the North Vietnamese Army. Even after being shot, Private Carpenter heroically continued to carry out his assignment and direct fire in support of fellow marines. Bill Carpenter was among 47 young Americans who lost their lives in this battle.

Mr. Speaker, many young men were killed in Southeast Asia, and it is our duty to remember their brave deeds. Billy Carpenter's friends are currently working to rename the Diston Recreation Center, where Billy spent many of his younger days, in his honor. This would serve to remind future generations of the sacrifices made by their neighbors to protect our freedom and our way of life.

In May, Vietnam veterans will be walking from the Vietnam Veterans Memorial in Washington to Philadelphia to raise funds for the construction of a memorial in Philadelphia. Operation Brotherly Love is intended to pay final tribute to the 625 Philadelphians, including Bill Carpenter, who lost their lives in Vietnam.

THE RETIREMENT OF COL. RICHARD SAVWOIR

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. MRAZEK. Mr. Speaker, I rise today to salute the retirement of Col. Richard Savwoir from the West Point Liaison Program, where he has served with distinction for the past 14 years.

Colonel Savwoir graduated from Southern University and was commissioned as second lieutenant on active duty with the 8th Army ordnance inspection team in Korea. Following his term of active duty, Colonel Savwoir attended Columbia Teachers College and the State University of New York at Stony Brook, where he received his master's degree in teaching. While pursuing his career as a teacher, Colonel Savwoir was active in the Army Reserves. In 1972, Colonel Savwoir jointed the Liaison Program at West Point, where he has served for the past 14 years.

Because of his outstanding service both in and out of the military, it is with a great deal of pleasure that I salute Colonel Savwoir on his retirement. I personally wish him the best of luck for the future.

H.R. 1733

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. MINETA. Mr. Speaker, last week I introduced H.R. 1733 to prohibit Department of Defense involvement in NASA's proposed space station.

NASA's credibility is at risk. I am concerned that the space agency, once a leader in scientific research and development, will become nothing more than a transit system for the Defense Department.

This legislation would prevent the Defense Department from using the station, conceived as a civilian laboratory in space, to research, develop, test, or deploy "Star Wars" or any weapons technology.

Until recently, the Defense Department maintained it had no project for which it needed the space station. Unfortunately, that policy seems to have changed. In December 1986, the Department told NASA of its interest in the station. Now, the Pentagon views the space station as an ideal location for star wars experiments. In a new Department of Defense space policy, released last week, the Department said it wanted to move in the direction of military man-in-space missions and "survivable space platforms." Just this past weekend, the New York Times, quoting Space Business News, reported that the Army is considering plans to use the station as a base for directing battles from orbit.

This legislation would block these alarming developments.

The space station—NASA's next major initiative—must remain a civilian endeavor if we are to resume an energetic role in space. Military activities have dominated this administration's space agenda. Since 1982, the Defense Department's space budget has outstripped that spent for civilian space purposes to the point where the military's space budget now doubles that for NASA. The military has become the top priority user of the space shuttle—as clearly shown by a revamped shuttle schedule that calls for Defense Department projects to make up the first five payloads when the shuttle renews its flight missions in February 1988. Of the 50 space science missions that had been planned before the *Challenger* tragedy of January 28, 1986, only 17 remain on the shuttle's manifest.

We cannot allow this militarization of NASA to continue. The military long has had its own space program. H.R. 1733 would send a clear message that NASA's traditional role as a civilian agency, dedicated to extending the boundaries of our scientific and technological knowledge, must take precedence within the agency.

Let me make clear that H.R. 1733 would allow NASA to sell the Defense Department equipment or facilities developed for the space station as long as that equipment is not used by DOD on or in conjunction with the space station. Nor would the legislation deny the Department the fruits of the civilian research conducted on the station. The Department, under this bill, still would be able to apply the technological innovations developed through work on the station to its own future projects.

Yet, military needs or desires must not be allowed to interfere with the important civilian work in life science, materials science, electronics and communications that are proposed for the space station. Let me raise an issue brought to your attention in January by my distinguished California colleague, the Honorable GEORGE BROWN. Congressman BROWN reminded this body that the military use of the space station, especially for star wars research, would threaten the openness of the program and cause serious management problems since it would be difficult as well as impractical to design the station so it could be divided into open, unclassified portions and closed, classified portions.

It is crucial that the space station serve as a visible, positive example for all to see that the United States is once again focusing its energies and its talents on space exploration.

This legislation would have several profound effects. It would ensure the continued cooperation of Canada, Japan, and the Europeans in the construction and development of the space station. Our international partners have been wary not just of the Defense Department's involvement in the station, but of its dominance as has occurred in the shuttle program. Also, a clear preference for civilian work aboard the station could generate a much-needed spark of enthusiasm within the space agency; a struggling, apprehensive group trying to recover from the *Challenger* tragedy, an increased military presence and, now, facing major budgetary pressures. Finally, an explicit message that the space station is, as it was conceived, a laboratory dedicated to civilian research may serve as a catalyst to once again help NASA become a beacon for the Nation's young, able scientists and engineers.

I'd like to take a moment to address my colleagues who question the expense of the proposed space station. It is important that we recognize the tremendous value of such a project. Scientists across the country believe that the station is essential to uncover the secrets of tomorrow's technologies. I recognize we are facing a time of difficult budgetary choices. I concede that it is difficult, in a land where children go without food, families go without shelter, and our Nation's minority youths go without jobs, to see the direct benefits of a multibillion dollar space project. Yet we must not close off our horizons. If we are to remain competitive in the world marketplace of jobs and ideas, so vital to the continued health of our economy and our citizens, we must support the scientific pioneers who propel our technology forward. And, for those concerned with today's realities, we must recognize that the space industry provides jobs—that the space station is projected to create more than 150,000 jobs and it is expected to help fuel a hesitant commercial space industry, which in turn will create more jobs.

Mr. Speaker, we must not forget the vital boost to the American spirit that the space agency has traditionally provided. A successful space station, dedicated to civilian purposes, is essential if our Nation's space program is to ignite enthusiasm and confidence as we seek to explore the frontiers of Mars and beyond.

INTRODUCTION OF THE BILINGUAL EDUCATION IMPROVEMENT ACT OF 1987

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 24, 1987

Mr. RICHARDSON. Mr. Speaker, I rise today in strong support of the Bilingual Education Improvement Act of 1987. It is a privilege to be an original cosponsor of a proposal that goes a long way toward opening the window of opportunity for thousands of our country's young people. I commend the chairman of the House Education and Labor Committee, the Honorable GUS HAWKINS, for his outstanding work on this comprehensive proposal that will equip students with the essential language tools they need to reach their full potential and become productive members of our society.

Mr. Speaker, my district in New Mexico is 40 percent Hispanic. The first language of many of the children is Spanish; the Spanish language is an integral part of our culture and heritage, of which we are all very proud.

You can well imagine the problems a young Spanish-speaking child, 5 or 6 years of age, faces when he or she starts school and cannot understand the instructions of the teacher, cannot keep pace with the class, cannot understand the stories being read. Before the Bilingual Education Act became law in 1968, more than 80 percent of these students dropped out of school. Achievement test scores for students with limited proficiency in English were 2 years below the expectancy norms. Limited familiarity with English made it extremely difficult for these children to attempt reading and writing and to develop conceptual skills. Implicit in English-only instruction was nonacceptance of the child's culture, heritage, and ethnicity. Extraordinarily high dropout rates meant low paying jobs for many, many children simply because they were raised speaking a different language than mainstream America.

Bilingual education programs have reduced the school dropout rates of Hispanic students by more than 50 percent. Bilingual education ensures that a child receives uninterrupted instruction while learning English as a second language. It increases the feeling of acceptance and self-esteem which, in turn, leads to an improved self-concept and more successful performance. Most importantly, bilingual education programs increase the child's capacity for learning as the transition to a new language is made.

I strongly support the philosophy of this reauthorization bill to move toward greater parental involvement in bilingual education programs and I am pleased to see that attention has been given to increased local control and the flexibility to encourage greater responsibility by the States.

Mr. Speaker, the need for continuing bilingual education in our schools is indisputable. Les ruego a mis colegas que se junten conmigo para asegurar todas oportunidades educacionales a cada hijo americano. I urge my colleagues to join with me today in ensuring full educational opportunity for all of America's children. Thank you.

HOUSE OF REPRESENTATIVES—*Wednesday, March 25, 1987*

The House met at 2 p.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, may we sense Your presence not only in the majesty of holy places, but in the actions of daily life. As You have created the whole world, so may we see Your handiwork in the struggles and the joys of life and the opportunities for righteousness in justice, in mercy, and peace. O God, may we not focus only on the hope of heavenly places but see Your presence in the moments of each day. This we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 47. Joint resolution to designate "National Former POW Recognition Day".

S.J. Res. 49. Joint resolution to designate September 18, 1987, as "National POW/MIA Recognition Day".

S.J. Res. 67. Joint resolution to designate the month of May 1987 as "National Digestive Diseases Awareness Month".

S.J. Res. 89. Joint resolution to authorize and request the President to issue a proclamation designating April 26, through May 2, 1987, as "National Organ and Tissue Donor Awareness Week".

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON BILL MAKING SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1987

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight to file a privileged report on a bill making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes.

Mr. WOLF reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

WHAT ABOUT THE BALANCED BUDGET AMENDMENT, MR. PRESIDENT?

(Mr. JACOBS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JACOBS. Mr. Speaker, back in the Nixon administration, spokespeople for the administration were fond of saying "Don't listen to what we say, look at what we do."

President Reagan has said recently and even before recently, that the Congress is spending too much money; it is out of line; it is responsible for the deficit, et cetera, et cetera. That is what the President says.

Now what the President does is submit a budget which calls for roughly $900 billion in taxation and about a trillion 34 billion dollars in spending.

Simple logic will tell you that either the President is asking for too much spending or too little taxes or a combination of the two.

The President also says he favors a balanced budget to the Constitution. A week ago Monday in the State of Montana, it was breakpoint for the 33d State, which would have brought about an amendment to require a balanced budget in our Constitution.

I was there to testify before the legislature; I didn't see President Reagan.

H.R. 281—CONSTRUCTION LABOR LAW AMENDMENTS OF 1987

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, we are soon to consider a bill, H.R. 281, that does away with the practice of allowing a construction firm the right to operate a union and a nonunion shop. This practice is known as dual shops or double breasting. Presently, the law allows this practice, as long as the operations of the shops are totally and completely separate.

Why has this piece of legislation been introduced? Well, Mr. Speaker, the answer is simple. This legislation has been introduced to redress the recent slide in the membership of organized labor. Twenty years ago, unions represented more than 80 percent of the employees on major construction projects. Today, they represent less than 30 percent.

The enactment of this bill would allow organized labor in the construction industry to extend compulsory unionism, even to right-to-work States like my State, North Carolina.

The unions of the construction industry maintain they are losing membership because of the establishment of dual shops. This is simply not the case, Mr. Speaker. They are losing membership nationwide because unionized companies can no longer compete in the marketplace. They have priced themselves out of the market because of their high negotiated wage scales.

I urge my colleagues to defeat H.R. 281 when it comes to the floor for a vote.

A $100 MILLION BRIBE

(Mr. BILBRAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILBRAY. Mr. Speaker, Senator BENNETT JOHNSTON of Louisiana, chairman of Energy and Natural Resources, is expected to introduce a bill today, proposing that the U.S. Government offer $100 million a year to any State in the Union which will accept a nuclear repository on its soil.

This bill is a trojan horse designed to divide opposition in States that are now being considered for a nuclear dump site. But worse yet, it's a $100 million bribe used to persuade some State, any State, to put scientific study aside, for money.

And where is this money going to come from? How can we, Congress, in these times of tightening the budget belt, pass a bill that pulls us back by leaps and bounds from our goal to reduce a growing deficit?

Senator JOHNSTON's bill has not enough regard for the health and safety of individuals. It ignores the real issue and that is to scientifically discover where the safest and most geologically appropriate place is to store high level nuclear waste.

□ 1410

EXTENDING DURATION OF OFFICE OF CLASSIFIED NATIONAL SECURITY INFORMATION WITHIN THE OFFICE OF THE SECRETARY OF THE SENATE

Mr. COELHO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 632) to amend the Legislative Branch Appropriations Act, 1979, as reenacted, to

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

extend the duration of the Office of Classified National Security Information within the Office of the Secretary of the Senate, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

Mr. **FRENZEL.** Mr. Speaker, reserving the right to object, I yield to the gentleman from California [Mr. COELHO], the distinguished majority whip, to explain the procedure here.

Mr. **COELHO.** I thank the gentleman for yielding.

Mr. Speaker, the Senate has asked the House to consider and pass the bill, S. 632. The bill extends the operation of the "Office of Classified National Security Information" within the Office of the Secretary of the Senate for a period of approximately 4 months, ending on June 5, 1987. By passing this bill earlier this month, the Senate has stated its need for this internal Senate function, and as a matter of comity regarding internal functions of the other body, the bill should be passed at this time.

Mr. **FRENZEL.** Mr. Speaker, further reserving the right to object, the distinguished majority whip has described the matter accurately; it is a matter of comity. The minority believes, along with the majority, that the bill should be promptly passed.

I therefore, Mr. Speaker, withdraw my reservation of objection.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 632

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Section 105(a) of the Legislative Branch Appropriations Act, 1979 (2 U.S.C. 72a note), as reenacted by section 115 of the joint resolution entitled "Joint resolution making continuing appropriations for the fiscal year 1982, and for other purposes", approved October 1, 1981 (95 Stat. 963), is amended by striking out "February 28, 1987," and inserting in lieu thereof "June 5, 1987,".

(b) The amendment made by subsection (a) shall take effect on March 1, 1987.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO POSTPONE CONSIDERATION OF VETO MESSAGE ON H.R. 2, SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT OF 1987 UNTIL TUESDAY, MARCH 31, 1987

Mr. **FOLEY.** Mr. Speaker, I ask unanimous consent that if a veto message from the President is received by the House on the bill, H.R. 2, prior to Tuesday, March 31, 1987, that consideration of the veto message be postponed until Tuesday, March 31, 1987.

The **SPEAKER.** Is there objection to the request of the gentleman from Washington?

Mr. **MICHEL.** Mr. Speaker, reserving the right to object, and I certainly shall not object, I only rise to say that I appreciate the courtesy of the gentleman from Washington inquiring earlier in the day as to whether or not this met the needs of the minority, and I am happy to comply. We obviously have no objection.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER.** Is there objection to the request of the gentleman from Washington?

There was no objection.

A TRIBUTE TO SAL LaCAPRIA

(Mr. **MICHEL** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **MICHEL.** Mr. Speaker, I want to bring to the attention of our colleagues the fact that after 20 years of distinguished service to the House, Sal LaCapria, one of our official House photographers, is retiring.

The House is justly proud of its institutional memory, of its reverence for traditions and commemoration of great events. Sal helped us to capture many of these events through his photographs, some filled with the solemnity of special occasions, others showing Members of Congress in informal and unofficial moments.

Sal began service to the House on September 1, 1966. Before that he was for many years with the Associated Press, where his professionalism gained for him a reputation for excellence.

He was born in New York and, like so many of us, served in the Army before truly launching his career. He is married, has two children, and now makes his home in Maryland.

Mr. Speaker, it is said that the camera doesn't lie. I don't know how true that is, but I do know that Sal LaCapria captured the truth of this institution, in all its moods, for many years and did so with a high degree of artistry and personal charm.

Sal, you have been a fixture around here and I just want you to know how very much we appreciate what you have done for all of us—and for this institution—over the years.

AN ADDITIONAL BILLION DOLLARS THIS YEAR FOR COAL STUDY IS BAD POLICY

(Mr. **SIKORSKI** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **SIKORSKI.** Mr. Speaker, last week, the President announced that he would request $2.5 billion in funding this year to do next year what he promised the Canadians last year—a 5-year study of clean coal technology. The press treated it as big news. The Prime Minister called it "significant movement." It is—backward. We used to study the problem of acid rain to death. Now we're asked to study the solution to death.

The day after announcing this expensive, taxpayer-funded study, the President indicated at his press conference he wasn't even sure of the need to act on acid rain. He also said Gramm-Rudman is preeminent. The dollars aren't there for the President to spend, unless we take them from health, education, or national defense programs.

And even if the dollars were available, an additional billion dollars this year for coal study is bad policy. It does nothing to control the emissions that cause acid rain, and it violates the "polluter pays" principle, which holds that those who benefit from pollution—not taxpayers—pay to clean it up.

This clean coal program is just a costly presummit ploy. Taxpayers shouldn't have to pay for it. And money spent on acid rain, whether by government or industry, should be used to stop it—not study it while our leaders do an acid rain publicity jig.

FLOOD INSURANCE IMPROVEMENT ACT OF 1987

(Mr. **UPTON** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **UPTON.** Mr. Speaker, today I introduced the Flood Insurance Improvement Act of 1987 to assist owners of condemned homes located on the shores of the many bodies of water around our great Nation.

Because of a flaw in the current FEMA guidelines, owners of condemned homes cannot be compensated for their loss until the structure receives considerable damage—often not until their house—along with everything from garage doors to septic systems—falls into the water; seriously harming the quality of our H_2O resources.

Clearly, the hardship on a family losing their home begins when they are forced to move—not at the time of actual destruction. My bill would help relieve this burden by allowing the collection of 40 percent of their claim under the FEMA Program once a house is condemned—thereby giving the owner the financial ability to search for a new residence. This only seems fair.

My bill provides an important incentive to have the homes razed before it's too late. Furthermore, my bill eliminates some of the fraud and abuse in the current system.

For these reasons, and many more, I urge my colleagues to join me in this effort to assist shoreline property owners and those using the lakes. Shoreline homeowners in my district should not be forced to live in housing more suitable to Jacques Cousteau than Jack from St. Joe.

TIME TO LEVEL THE PLAYING FIELD ON CANADIAN TARIFFS

(Mr. ERDREICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ERDREICH. Mr. Speaker, in general, Canadian tariffs on our United States products are two to three times those of our Government on Canadian goods. It is time to level the playing field on tariffs with our largest trading partner.

To help further that goal, I am introducing a bill today that would instruct the United States Trade Representative to negotiate with the Canadian Government toward the reduction of tariffs on the product of expanded metal. An expanded metal manufacturer in Birmingham let me know that it must pay tariffs of over 10 percent when exporting to Canada, yet the Canadian metal products coming into the United States are assessed at only 3.8 percent.

This is a small industry, but the penetration of imports takes hundreds of U.S. jobs. The square footage of imported expanded metal has increased from 1.9 million in 1975 to 6.8 million in September 1986. The Canadian products comprise over 50 percent of total imports.

The U.S. industry accepts the reality of foreign competition here in America, but the Federal Government must see that fair trade exists, that export barriers are knocked down. Canada's tariff, about three times ours on expanded metal, must be eliminated. Jefferson County and American jobs depend on it.

ACTION VERSUS WORDS ON THE DEFICIT

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of California. Mr. Speaker, President Reagan said the other night at his press conference that he was against any tax-rate increases.

He has said many times that he's against any tax increases.

What he doesn't say is that his own budget contains some $23 billion in new taxes in the form of user fees and Medicare copayments and increased student loan costs.

It's a strange thing to see a President say one thing and do another. It's strange to see him say he's against new taxes and then propose them in his own budget.

But that's nothing new for this President. He's said he's against deficit spending for many years, yet he has produced the biggest deficits in the history of the country.

I remember when he said he wouldn't deal with terrorists, too. He said he wouldn't trade arms for hostages.

If we've learned nothing else these past few months, we should have learned that we need to pay attention to what the President does, not just what he says.

□ 1420

THESE MONKEYS HAVE BEEN ABUSED ENOUGH

(Mr. ROSE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ROSE. Mr. Speaker, my colleagues will recall, in 1981, when the Maryland police raided the laboratory of NIH grantee, the Institute for Behavioral Research, and seized a colony of research monkeys who had been seriously abused. Subsequently, the researcher was charged with cruelty to animals and his NIH grant was revoked due to gross violation of NIH guidelines.

A number of us in the House wrote the President about the ultimate disposition of these monkeys, and in October of last year, we were assured by the Office of Assistant Secretary of Health that the animals would be transferred to the Delta Primate Center in Louisiana, will live out their natural lives with no invasive procedures. They will not be operated on and they will not be used to meet any research goals.

I have attained a confidential memorandum, Mr. Speaker, from the American Psychological Association, which is proposing that these monkeys now be given to Tulane University, where over half of them will be put to sleep, and the other half used for breeding purposes.

Mr. Speaker, NIH should think twice before they let something like this happen. If this goes through, the Department of Health and Human Services will not only have lied to the Congress, but to the Chairman of the Committee on Energy and Commerce from Michigan, which is probably even worse.

Mr. Speaker, I submit further information for the RECORD:

HOUSE OF REPRESENTATIVES,
Washington, DC, September 25, 1986.

Hon. RONALD REAGAN,
President, The White House,
Washington, DC.

DEAR MR. PRESIDENT: We would like to bring to your attention a serious and longstanding problem which could be quickly resolved with your intervention.

In these final days of the 99th Congress, we are deeply concerned with the outcome of an issue commonly referred to as "The Silver Spring Monkey Case." The case started in 1981 when the Maryland police raided the laboratory of an National Institutes of Health (NIH) grantee, the Institute for Behavioral Research (IBR), and seized its colony of research monkeys who had been seriously abused. Subsequently, the researcher was charged with cruelty to animals and his NIH grant was revoked due to gross violation of NIH guidelines.

Following seizure in 1981, the monkeys were warehoused at an NIH facility in Poolesville, Maryland, for five years at a cost of $30,000 tax dollars per year. During that time both NIH and IBR stated in writing that they had no research needs for these animals.

Inasmuch as the animals had been victims of abuse and were not needed for further research, many concerned citizens called for their release to a private primate sanctuary where they could be rehabilitated and resocialized to live out their lives comfortably. In fact, private humane organizations have agreed to pay all costs involved with such an effort.

Some in the biomedical community have claimed that releasing the animals to the private sector would set a dangerous precedent by limiting the freedom of biomedical researchers. The fact is that this case has nothing to do with biomedical research in general. Rather, it is a unique case having to do with a researcher who violated the terms of his NIH grant and a group of monkeys who are not part of any research protocol, who have been terribly abused, and who are now a drain on government resources.

This case has been highly publicized for the past five years and has received sympathetic coverage by all of the major media. In addition, strong Congressional support exists for moving these animals to a private sanctuary as evidenced by a majority in both the House and Senate having signed onto letters to this effect and now, by 198 members of the House and 17 members of the Senate having cosponsored Resolutions to this effect.

The NIH has simply been unwilling to cooperate with the private sector or the Congress on such an arrangement. Rather, they recently turned the animals over to a government funded laboratory, the Delta Regional Primate Center in New Orleans, Louisiana. In the handling of this case, NIH has been less than straightforward with Congress, the Department of Health and Human Services which oversees it, the media, and the American public. We, and many of our colleagues, regret the unprofessional and sometime deceptive treatment we have received from this federal agency.

Since the Silver Spring Monkey case represents an example of wasted tax dollars, bad science, and animal abuse, the controversy surrounding it will not go away until we can reach a reasonable solution.

We have personally investigated every aspect of this case and can assure you that on scientific, monetary, and moral grounds there is no justification for keeping these animals in a federally-funded research facility for the next fifteen years, which is how long they are expected to live. Clearly, this is a situation where the private sector should take over.

We respectfully request that you or your staff review the details of the case and join us in accomplishing this worthy and humane transfer. The Silver Spring Monkey Case is well-documented and we will readily provide you with any background information that you need.

Thank you for giving consideration to this request and we look forward to hearing from you.

Sincerely,
ROBERT C. SMITH.
CHARLIE ROSE.
ROD CHANDLER.

DISCUSSION NOTES FOR COUNCIL

Subject—APS' involvement to raise fund for the lifetime care of the Silver Spring monkeys.

Background—The 14 remaining monkeys (6 controls, 8 treated) have been housed at the Delta Regional Primate Center in Louisiana since last summer. The monkeys had been maintained by NIH at its Poolesville, MD, animal facility ever since their confiscation by police in September 1981.

The monkeys are the property of the Institute for Behavioral Resources (IBR) and at this time IBR owes NIH more than $20,000 for their care and feeding. For the past two years the scientific community (including APS), governmental agencies, the Congress, and animal rights groups have been trying to resolve the issues surrounding the future of the monkeys.

The scientific community has negotiated with IBR and governmental agencies a possible resolution to which everyone (except the animal rights advocates who want the monkeys given to them) has given an agreement to the general details.

Proposed Agreement—IBR gives title to the monkeys to Tulane University, thus freeing NIH from any responsibility as to the future of these animals. IBR pays NIH $16,000 owed for the monkeys' feed bill. (This is a possible snag as IBR in the past has refused to pay the bill. However, we have been told that there is a change of heart within IBR on this issue).

After gaining title to the monkeys Tulane could euthanize the treated primates and complete the research. The control monkeys would be resocialized for purposes of breeding. The anticipated lifetimes for these monkeys could be as long as 20 years.

Because animal rights advocates have been gaining public and congressional support by telling how tax dollars are being used to maintain these monkeys when (the advocates) would pay for their keep, Tulane wants an endowment so neither state nor federal funds are involved.

If all 14 monkeys were to be maintained for the normal life expectancies, it has been calculated that $95,000 would have to be raised. With the treated animals to be euthanized it has been estimated that $35,000 to $50,000 needs to be raised. (This does not include the IBR feed bill, which may need to be included should IBR have another change of heart).

Proposal to APS—Fred King, director of the Yerkes Regional Primate Center in Atlanta, has been discussing with the Society for Neurosciences and the American Psychological Association the need to raise the funds to endow the lifetime care for the monkeys. Both organizations have agreed to do it if APS would be the third member.

Neurosciences, APA, and APS are the three organizations that have been involved directly in this seemingly never-ending episode, largely because Dr. Ed Taub, who was doing the research on the monkeys, is a member of all three organizations.

Dr. William Danforth, president of Washington University in St. Louis, has indicated earlier a willingness to solicit funds from the research intensive institutions. Neurosciences, APA, and APS would be the steering committee to solicit funds from the scientific societies.

Recommendations—It would by my offering to Dr. Knox and the Council that:

The coalition be formed to secure funds to endow the care and feeding of the monkeys.

The coalition steering committee be increased to four: Neurosciences, APA, APS, and the AAMC. By adding the AAMC we get the deans involved which would be a help to Dr. Danforth who is going to have to raise the bulk of the needed funds.

The collection agency for funds be either APA or Neurosciences and not APS nor AAMC, both of which are conducting fund raising drives.

NABR be left out of this effort because (1.) it is a 501(c)6 and (2.) the monkey situation, in general, is viewed on the Hill as a PETA vs. NABR fight. The later came out loud and clear at the recent congressional breakfast.

A meeting with the major actors in this effort, including Danforth, Tulane, NIH, IBR, be held to be sure that everyone understands what is to be done and who is to do it.

No decision to be made by APS until it has had a full discussion by the Council at the end of this month.

MARCH 17, 1987.

DEPARTMENT OF HEALTH
AND HUMAN SERVICES,
Washington, DC, October 27, 1986.

Hon. CHARLIE ROSE,
House of Representatives,
Washington, DC.

DEAR MR. ROSE: I am responding to your September 25 letters to President Reagan, Secretary Bowen, and Dr. Wyngaarden regarding the fifteen nonhuman primates owned by the Institutes for Behavior Resources, Incorporated (IBR), and cared for at the Delta Regional Primate Research Center. Your colleagues who cosigned your letter will each receive an identical reply.

As you know, the purpose of relocating the animals to the Delta Center is to ensure their long-term health and well-being. The Delta Center has agreed to comply fully with the conditions in the plan submitted to the Congress in May 1986: the primates will live out their natural lives, no invasive procedures will be performed other than those required to meet veterinary medical emergencies, and every attempt will be made to resocialize the animals. Although the Delta Center is indeed a research facility, its staff shares our commitment that these primates will not be used for any research purpose other than resocialization. I am convinced that this agreement will continue to be fulfilled.

Resocialization of the primates as proposed by the NIH seems entirely consistent with the thrust of public concern. It is noteworthy that the Delta Center's program of animal care not only meets the highest standards for facilities and personnel but also is subject to recurring oversight by several agencies of the U.S. Government as well as a private accrediting body.

The chairman of the board of IBR remains convinced that the research in which these animals were involved should be completed and does not agree fully with the NIH effort to resocialize them. Because of its strong commitment to the Congress and to the public, however, NIH continues to encourage IBR's full cooperation in this matter. Assuming that cooperation, NIH and Delta Staff are confident about the prospects for resocialization.

There are no plans to separate the animals and send some of them to the Yerkes Primate Center or any other facility. All of the foreseeable requirements for resocialization are well within the capabilities of the Delta Center. The professional staff includes three clinical veterinarians, who are experienced in nonhuman primate medicine, and a behaviorial anthropologist trained in animal rehabilitation, all of whom are fully committed to improving the social stability of the animals.

Because of these factors, I continue to believe that the National Institutes of Health (NIH) and the Delta Center are following the most appropriate course of action.

Sincerely yours,
ROBERT E. WINDOM, M.D.
Assistant Secretary for Health.

RELATING TO SEMICONDUCTOR ANTIDUMPING ENFORCEMENT AGREEMENT

Mr. MATSUI. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means be discharged from further consideration of the resolution (H. Res. 127) relating to the semiconductor antidumping enforcement agreement, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. FRENZEL. Mr. Speaker, I reserve the right to object, and I yield to the distinguished gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, I thank the gentleman from Minnesota.

This matter was reported out of the House Committee on Ways and Means this morning at 10:30. It pertains to the resolution to ask the President to be tough with respect to the country of Japan regarding our semiconductor agreement that was entered into in September of 1986.

The resolution asks the President to take strong action under section 301. As the gentleman knows, last September, when we entered into the semiconductor agreement with Japan, we gave up valuable rights, one of which was to pursue two 301 actions, and we waive certain penalties that would have accrued to Japan, and in exchange for that, the Japanese agreed to open up their markets and not dump products in third countries and in the United States.

It is obvious that the agreement has been violated.

The second part, which is an amendment, is to ask that the Japanese Government maintain their agreement, which they have not, in a telecommunications agreement that was entered into in April of 1985. That agreement was, when Japan divested its telecommunications industry, they would allow up to 33⅓ percent participation by United States companies with the Japanese companies. At this time, the Ministry of Telecommunications has indicated that they are willing only to allow 3-percent equity participation.

Mr. FRENZEL. Mr. Speaker, I thank the gentleman for his explanation. I concur in the explanation.

The reason for the haste in passing the resolution is that the other body has passed a similar resolution, or rather, two of them, this week, and its effect, we hope, will be important on the officials of the Government of Japan, who are now being called upon to live up to their earlier agreements.

Since there may be discussions going forward as early as this week or this weekend, we think it is important that the House be recorded on this matter as well as the Senate. We know of no opposition to these two resolutions, the one in House Resolution 127; the other in the amendment which will shortly be adopted.

Mr. Speaker, further reserving the right to object, I do feel concerned that we are getting into difficult territory here. We believe that the Government of Japan has not lived up to its obligation. That is a serious allegation. We believe that it is becoming more recalcitrant at a time when the passions in the United States to achieve responsible and fair-market access in Japan are becoming more inflamed.

It is never a good thing when one has confrontation in international commercial negotiations. We would hope that this resolution would not fan the flames of confrontation more, but that it would persuade the Government of Japan that the Congress, as well as the administration, is serious about achieving reasonable access, but more importantly, believes that the Government of Japan ought to live up to the agreements that it makes and signs with the United States.

Mr. Speaker, as I have said before, I know of no objection or controversy surrounding this resolution.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the resolution, as follows:

H. Res. 127

Whereas the maintenance of a healthy domestic semiconductor industry is essential to the development of the United States economy and the preservation of the national security of the United States;

Whereas the United States semiconductor industry is a world leader in semiconductor technology and has demonstrated its competitiveness in all markets to which it has free access;

Whereas concurrent with three antidumping cases filed against Japanese companies in 64K DRAM's, EPROM's and 256K and above DRAM's, the United States Trade Representative on July 11, 1985, initiated an investigation into Japanese dumping of semiconductors in the United States market and lack of access for United States companies to the Japanese semiconductor market pursuant to section 301(d)(2) of the Trade Act of 1974, as amended;

Whereas on September 2, 1986, the Ambassador of Japan to the United States and the United States Trade Representative signed the Agreement between the Government of Japan and the Government of the United States of America concerning trade in semiconductor products which has been determined by the President to be an appropriate response to the practices of the Government of Japan with respect to trade in semiconductors,—pursuant to section 301(d)(2) of the Trade Act of 1974, as amended;

Whereas in return for Japan's pledge of increased sales in the Japanese market and avoidance of dumping in all markets, the administration waived the imposition of dumping duties in two antidumping cases and suspended action under section 301;

Whereas during the last six months, collection of substantial dumping penalties against Japanese companies have been foregoing;

Whereas during the last six months dumping has continued and there has been no increase in access to the Japanese market;

Whereas these acts represent violations of a trade agreement negotiated pursuant to the provisions and authority of section 301 of the Trade Act of 1974, as amended;

Whereas the President has determined that any failure by the Government of Japan to meet the commitments and objectives of the agreements would be inconsistent with a trade agreement or an unjustifiable act that would burden or restrict United States commerce;

Whereas the faithful implementation of the commitments and objectives of the agreement is the only effective means of addressing the twin problems of access for foreign semiconductor companies to the Japanese market and the prevention of dumping of semiconductors by Japanese companies; and

Whereas the Government of Japan has failed to meet the commitments that it made in the agreement signed on September 2, 1986: Now, therefore, be it

Resolved, That it is the Sense of the House that—

The President should immediately take all appropriate and feasible actions under section 301 of the Trade Act of 1974—

(A) to remedy and prevent further violation of the Agreement by Japan;

(B) to serve as an incentive for compliance;

(C) to compensate the United States for the harm suffered on account of noncompliance by Japan; and

(D) to prevent further injury to the United States;

Such actions should serve to increase, rather than restrict, international semiconductor trade and be aimed at enforcing commitments and achieving the objectives of the agreement, both with respect to market access and the prevention of dumping in the United States and other markets;

Such actions should be focused so as to directly penalize those who have acted inconsistently with the terms of the agreements; and

Such actions may be directed at products which contain semiconductors so as to avoid any adverse effects on United States semiconductor users.

AMENDMENT OFFERED BY MR. MATSUI

Mr. MATSUI. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Matsui: At the end of the Resolution, add the following new section:

Sec. 2. (a) Since in April 1985, the Government of Japan, pursuant to Market Opening Sector Specific negotiations with the United States, agreed to permit equity participation of up to thirty-three percent by foreign firms in a new Japanese telecommunications service company;

Since that company would provide competition with Kokusai Denshin Denwa (KDD) in the provision of international telecommunications services via a fiber optics, trans-Pacific cable (from Japan to the United States through Alaska);

Since an international consortium consisting of Japanese, United States, and United Kingdom companies has been formed to compete with KDD, and to construct the trans-Pacific cable and to provide telecommunications services to Japanese, United States, and European consumers;

Since this consortium would enhance critical communications services for agencies of the United States Government such as the Department of Defense, and would create significant opportunities for the sale of United States technology and equipment for fiber optic cable and other project components;

Since recent action by the Japanese Ministry of Post and Telecommunications indicate that Japan may not permit thirty-three percent foreign equity participation in any consortium formed to compete with KDD, but instead may support only a three percent foreign equity participation;

Since such action by the Ministry of Post and Telecommunications would undercut the credibility of the MOSS process casting serious doubt on a negotiated approach to solving services trade problems with Japan;

(b) Therefore, be it declared, that the President should immediately take all appropriate actions to communicate with the Government of Japan to insure that the commitment made by Japan under the terms of the Market Opening Sector Specific (MOSS) telecommunications negotiations for up to thirty-three percent equity participation by foreign firms in any consortium formed to compete with KDD be fulfilled.

Mr. MATSUI (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. The question is on the amendment offered by the gentleman from California [Mr. MATSUI].

The amendment was agreed to.

The SPEAKER. The question is on the resolution, as amended.

The resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

THE PRESIDENT'S BUDGET IS MORT IN THE HOUSE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the American people have become very leery over the years. They just do not believe certain statements anymore, like "I'll still love you in the morning," "I work for the Government and I am here really to give you a hand," and "As President, I won't raise your taxes."

This rhetoric will not fly any longer. The President says he will not raise taxes, but he has certain items in the budget, like asset sales and user fees, that add up to the tune of about $23 billion.

Who is he trying to kid? This is the same President who promised in his first campaign, and I quote,

> I will balance the Federal budget by 1983.

Now, after he was elected, he confessed to the American people and the Congress when he said,

> I cannot do it by 1983. Ladies and gentlemen, it will take me until 1984.

I think we have gone the full circle from Disney fantasy to Spielberg camp at the White House. The reason I have no real power here is, Mr. President, your budget is mort, mort in the House.

Any budget that will drop vocational education, child nutrition programs, seriously impact upon housing in this country and yet continue to expand the military establishment is really completely un-American.

I hope the Members of Congress, after his visit, send him that message, not by signals—we do not work for the airport—but by strong votes.

□ 1430

THE NATIONAL SCHOOLBUS SAFETY ACT

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, today I am reintroducing the National Schoolbus Safety Act. This legislation is important because we need to keep this issue before the public and not let it become lost in the bureaucracy. This bill grew out of the need to improve the safety requirements that our children face while riding back and forth to school each day.

Twenty million schoolchildren ride schoolbuses every year in the United States. We hear so much about the many dangers that are beyond our control. The lack of safety belts on our schoolbuses is an unnecessary danger, and it is time to change that.

Someone coined the phrase "safety belts" for a good reason—seatbelts save lives and prevent injuries. Each State is now considering mandatory seatbelt laws for passenger automobiles. The automotive industry has been experimenting with airbags. Child restraint laws are commonplace in all 50 States. It is about time that we put into practice on schoolbuses the safety features that we require on passenger vehicles.

GENERAL LEAVE

Mr. MATSUI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 127, the resolution just adopted by the House.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from California?

There was no objection.

AFFIRMATIVE ACTION GETS SUPREME COURT APPROVAL

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, I am delighted to be able to say that in an excellent Supreme Court decision today affirmative action was upheld for women. It was a 6 to 3 decision by the Reagan court, and they said that women are a qualified pool of applicants, and you not only have to hire them but should promote them so that they can get above the bottom rung.

I think that is an excellent decision. It was a surprising decision to many people, and I think that what it says is that when they looked at the applications, they found out that women and minorities were every bit as qualified as other people, so, therefore, they had to proceed to let affirmative action go forward.

SAFE FOOD IMPORT ACT OF 1987

(Mr. PANETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PANETTA. Mr. Speaker, today, I am joined by my colleagues FRANK HORTON, TONY COELHO, and ELTON GALLEGLY in introducing a bill to toughen the Food and Drug Administration's [FDA] enforcement of pesticide restrictions on food products imported from abroad. This bill is designed to improve the FDA's inspection practices and to deter the importation of contaminated fruits, vegetables, and other commodities which violate U.S. pesticide laws.

A recent investigation by the General Accounting Office [GAO] confirms the widespread concern that the existing inspection and enforcement system is wholly inadequate. Their report found that the FDA routinely inspects less than 1 percent of all imported fruit and vegetable shipments. And in these shipments alone, more than 6 percent were found to contain illegal pesticides. Dangerously high levels of pesticides were found on everything from tomatoes to bananas. Given FDA's inadequate inspections, it is impossible to know how big the problem is.

GAO found that inspection and sampling decisions are not conducted on a national basis, but rather, are left to the discretion of onsite FDA inspectors. It also found that the limited number of sampled shipments did not even represent the broad range of commodities imported into this country. In some cases, commodity shipments from certain countries were not sampled at all, and in other cases, very few samples were taken from many high-volume imported commodities. Between 1983 and 1985, for example, cucumbers were imported from 27 countries. However, shipments from only 9 of those countries were sampled during this entire period. This occurred during a time when the violation rate for cucumbers was running significantly higher than the average for other foods. In another example, although over 17 billion pounds of bananas were imported during fiscal years 1983–85, only 160 samples were taken.

To make matters worse, FDA's so-called multiresidue tests may detect less than roughly half the pesticides available in world markets today. These tests can only identify about

120 of the 350 to 600 pesticides used on foods worldwide.

Under current practices, FDA allows imports of perishable commodities to go directly on the market—with or without inspection sampling. And even if the shipment is sampled, FDA does not routinely detain the shipment until the test is completed. In theory, FDA claims that if they later find that the shipment is contaminated, they will require the importer to recall this shipment from the stores. But in practice, such recalls are rarely successful. As a result, unwitting consumers usually wind up eating the contaminated food.

And even when FDA discovers contaminated shipments, enforcement action is rarely taken against the violators. Despite this serious violation, the importer is rarely punished. These procedures not only allow dangerous foods to reach American markets but also do little to discourage future violations. GAO's findings are particularly alarming when you consider that more than 25 percent of the fresh fruit consumed in the United States comes from abroad.

These serious deficiencies expose American consumers to unreasonable health risks and put American farmers at an unfair disadvantage with foreign farmers. Our bill incorporates GAO's recommendations into a comprehensive measure. It is one designed to protect American consumers from exposure to toxic pesticides on imported fruits and vegetables. The bill also requires importers to comply with the same standards that American farmers operate under.

Our bill requires the FDA to:

First, establish a plan within 90 days after the date of enactment for the redistribution of resources. It would require the agency to improve the inspection and enforcement of pesticide levels on imported foods and ensure that food shipments are sampled on a representative basis. This would include adjusting such sampling to reflect the types of commodities imported, their country of origin, and the product's historic violation rate.

Second, prepare a detailed annual summary of information on imported commodities, inspections, and enforcement actions conducted during the year.

Third, propose legislation to strengthen the penalty system to deter violations of the law by importers.

Fourth, report annually on research FDA conducts to develop improved methods of detecting pesticide residues on farm products.

American consumers will continue to be at risk from exposure to dangerously high levels of pesticides until FDA's pesticide inspection and enforcement system is overhauled. We can no longer accept these risks. We must protect American consumers from exposure to toxic chemicals and punish those who endanger our citizens. This legislation will do just that. It does so by ensuring that imported foods comply with the same standards as food produced by American farmers. I urge your support of this very important legislation.

SECTION-BY-SECTION ANALYSIS—SAFE FOOD IMPORT ACT OF 1987

Section 2(a)(1) requires the Secretary of Health and Human Services (the "Secretary") to prepare a plan, within 90 days of enactment, for the distribution of Food and Drug Administration (the "FDA") resources for sampling imported raw agricultural commodities to ensure compliance with FDA laws, regulations, and enforcement requirements governing pesticide residues on these commodities; and to ensure the timely sharing among FDA districts of data and information relating to violations of these laws, regulations, and requirements. The Secretary must also describe the methods FDA will use to improve the enforcement of such laws, regulations, and requirements.

Section 2(a)(2) requires the Secretary within 45 days of enactment to publish the proposed plan in the Federal Register and to request pubic comments on the plan for a period of 30 days.

Section 2(a)(3) requires the Secretary to revise the plan as necessary within 45 days of each fiscal year.

Section 2(a)(4) requires the Secretary each fiscal year to implement the plan prepared or revised in accordance with sections 2(a) (1) or (3).

Section 2(b) requires the Secretary to prepare a summary within 45 days after the end of each fiscal year concerning the importation of raw agricultural commodities including each type of raw agricultural commodity imported during the fiscal year; the countries exporting these commodities; the volume of these commodities; the number of samples taken by FDA in connection with the laws, regulations, and enforcement requirements governing pesticide residue levels on these imported commodities; and the commodities, chemicals, importers, and countries involved in each violation.

Section 2(c) requires the Secretary, in any case an imported raw agricultural commodity is found during any growing season to violate provisions of laws, regulations or other enforcement requirements governing pesticide residue levels, to continue to monitor the compliance of the commodity with these pesticide residue laws, regulations and requirements during the immediately successive growing season.

Section 3 requires the Secretary to submit to the Senate Agriculture and Labor Committees and the House Agriculture and Energy Committees a report on FDA enforcement of the laws, regulations, and requirements governing pesticide residue levels on imported raw agricultural commodities including a copy of the plan and monitoring summary required under section 2 of the Act; and a description of the violations of these laws and regulations, the actions taken in response to these violations, and the reasons for such actions.

Section 3 also requires to be included in the report a description of any research conducted by the Secretary to develop improved methods to detect pesticide residues in or on raw agricultural commodities; and any recommendations the Secretary considers appropriate for legislation to add or modify penalties for violations of the laws, regulations, and other enforcement requirements governing pesticide residues in or on imported raw agricultural commodities.

Section 4 defines certain terms for purposes of the Act.

THE LONG-TERM HEALTH CARE AMENDMENTS OF 1987

(Mr. DAUB asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DAUB. Mr. Speaker, today, I am pleased to join with my colleague, BRIAN DONNELLY, in introducing the Long-term Health Care Amendments of 1987.

Certainly, I commend President Reagan; Health and Human Services Secretary, Otis Bowen; and my esteemed colleagues, PETE STARK and BILL GRADISON, for their leadership and efforts in developing legislation which addresses the acute illness area. I am, however, very concerned about the direction in which we are headed on this issue. Under both the Reagan and the Stark-Gradison proposals, approximately 5 to 8 percent of Medicare's 30 million elderly would benefit from the part A and part B payment expansions. I strongly believe that by limiting our focus to the acute care illness, we will be missing a real opportunity to act upon what I consider to be the real risks that most senior citizens face in a truly catastrophic illness—namely, those associated with long-term and nursing home care.

The time has come for Congress to reexamine the Medicare Program and to address the changing needs of our senior citizens. Therefore, the legislation I am introducing today addresses some of the most critical long-term care needs of our elderly population. The bill also offers incentives to the working-age population for developing their own long-term care protection. I have attempted to create balance in the bill by incorporating a combination of governmental, individual, and employer incentives to address the issue of long-term care.

My legislation has three major titles:

First, my bill creates a new part C of the Medicare Program to offer financial assistance for nursing home, home health, and community-based services that the elderly need for long periods of time. This long-term care benefit is income related, that is, the amount of an individual's out-of-pocket expense is related to his income level.

The second provision of the bill provides for individual incentives to allow an individual over the age of 50 to contribute up to $1,500 of noncore-interest income toward the purchase of a long-term care insurance policy. As an added incentive, this policy would retain a cash-surrender value, so that should the individual predecease the use of the policy, its value would roll over into his estate and could be transferred to his spouse.

Finally, the bill provides for group incentives for long-term care catastrophic protection.

This Congress has a real opportunity to act on some very critical health policy issues, but I hope we do so in a manner that looks toward tomorrow as well as takes in the needs of today. Congress cannot claim victory on this issue if it fails to address the long-term care needs of the elderly.

Mr. Speaker, under permission to revise and extend my remarks and to include therein extraneous matter, I include herewith a copy of the legislation and a summary of its major provisions, as follows:

LONGTERM HEALTHCARE AMENDMENTS OF 1987: OUTLINE OF MAJOR PROVISIONS

TITLE I—MEDICARE LONGTERM CARE BENEFITS

Section 1. New part C

(a) Scope of Benefits

The bill creates a new Medicare Part C to establish a longterm care program for the aged and disabled who are currently entitled to benefits under the hospital insurance program. The benefits provided to an individual under the new Part C are limited to home health services and nursing care.

(b) Longterm Care Deductible

Before providing reimbursement with respect to expenses incurred by an individual during any calendar year (and the three month period preceding the year), the total amount of qualified medical expenses incurred will be reduced by deduction equal to the longterm care deductible.

(c) Income-Related Deductible

The long-term care deductible for an individual in a calendar year ranges from a minimum of $10,000 to a maximum of $15,000 depending upon income. The amount of beneficiary liability is directly proportioned to income. A ceiling of $32,000 is placed on upper-limit income liability.

(d) Conditions and Limitations on Payments

Payment for services under the new Part C may be furnished only to providers of services which are currently eligible under . Provides same procedures for filing Part C claims as in current Medicare statutes.

Physician must certify that in the case of nursing facility care, services are required because the individual needs nursing care provided directly by or requiring the supervision of skilled nursing personnel or because individual needs rehabilitation services which can only be provided in a nursing facility on an inpatient basis.

Physican must certify that in the case of home health care, the individual required nursing case, physical, or speech therapy, or that the individual requires continued occupational therapy. The bill removes both the "intermittent" and "homebound" restrictions which currently exist for the provision of home health care. Prior to the provision of home health services, an individual plan for care must be established and periodically reviewed by a physician and the individual must remain under the care of a physician.

Payments to providers continue to be based on current Medicare reimbursement of the lesser of the customary or reasonable charges.

(e) Payments to Providers of Service

Continues current Medicare payment standards for reimbursement of services to eligible providers. Stipulates that no payment shall be made from the Part C fund for services which qualify for reimbursement under Part A.

(f) Eligible Individuals

Each Medicare beneficiary who is entitled to benefits under Part A is entitled to long-term care benefits under this part.

Section 2. Financing

(a) The bill apportions one-half of the currently scheduled 1988 and 1990 FICA tax increases from the combined Old Age and Survivors and Disability Trust Funds (OASDI) to the Hospital Insurance (Medicare) Trust Fund. A separate accounting mechansim is established to track Part C expenditures.

(b) Employee and Employer tax rates are not increased.

Section 3. Amendments relating to scope of benefits

Standards for nursing home care and nursing facilities are defined. Nursing home care services are defined as those that meet Medicaid requirements for reimbursement.

Section 4. Miscellaneous and technical amendments

Section 5. Effective date

The amendments made by this title apply to expenses incurred for services furnished after January 1, 1989.

TITLE II—INCENTIVE FOR INDIVIDUALS TO PURCHASE LONGTERM CARE INSURANCE

Section 1. Tax deduction for payment of certain qualified long-term care insurance premiums

(a) Amends Internal Revenue Code

Allows additional itemized deduction for payment of premiums on a qualified long-term care insurance policy.

(b) Limitations on Deduction

Deduction per individual in a taxable year cannot exceed $1500. The deduction is limited to only the amount of unearned, interest income used as premium payments. Thus, while an individual could contribute a portion of his earned income towards the premium payment, only that amount which is derived from unearned income and which does not exceed $1500 will be allowed as an annual deduction.

(c) Definitions

"Qualified long-term care insurance premium" is defined as the amount paid by the taxpayer for a "qualified longterm care insurance policy.

"Qualified longterm care insurance policy" is defined as one meeting the basic criteria set forth in the model of the National Association of Insurance Commissioners. The policy must provide coverage for at least 12 consecutive months for each holder, on an expense incurred, indemnity, or prepaid basis, and must cover certain medically necessary services which are provided in a setting other than an acute care hospital unit.

"Eligible Beneficiary" is defined as either a taxpayer, his spouse or his elderly dependents who have reached age 50.

(d) Effective Date

January 1, 1988.

TITLE III—INCENTIVES FOR EMPLOYERS TO PROVIDE GROUP LONGTERM CARE COVERAGE

Section 1. Group long-term care benefits may be provided by pension plans

(a) In General

The bill amends Section 401(a) of the Internal Revenue Code relating to qualified pension, profit-sharing, and stock bonus plans to allow employers to establish a qualified longterm health care benefit for employees or retired employees.

(b) Qualified Longterm Care

Benefits are identical in scope to those defined in Title II of the bill.

(c) Effective Date

January 1, 1988.

INTRODUCTION OF DAUB-DONNELLY LONG-TERM CARE LEGISLATION

(Mr. DONNELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONNELLY. Mr. Speaker, I am pleased to join with my colleague on the Committee on Ways and Means, the gentleman from Nebraska [Mr. DAUB], this afternoon introducing "Comprehensive Catastrophic and Long-Term Care Legislation."

Mr. Speaker, I was pleased when the administration announced a catastrophic health insurance plan, and I was encouraged when the gentleman from California [Mr. STARK] and the gentleman from Ohio [Mr. GRADISON] introduced their own bill. Unfortunately, neither proposal goes far enough. Neither proposal covers the much larger issue of long-term care. Absent from the administration's proposal and Stark-Gradison are necessary expansions of home health care benefits and Medicare coverage of nursing home costs.

The Daub-Donnelly bill addresses those needs. It changes the definition of "intermittent" care to allow expanded home health care benefits. It provides Medicare coverage of nursing home costs. It creates private sector tax incentives for insurance companies to offer long-term care policies, and finally, the bill is financed by transferring the scheduled Social Security tax increase in 1988 to the Medicare trust fund.

Mr. Speaker, the Daub-Donnelly bill is a solid piece of legislation which Members on both sides of the aisle can support. The 100th Congress could leave no greater legacy to tomorrow's senior citizens and the elderly than protection against financial ruin in their retirement years.

CELEBRATING ANNIVERSARY OF MARYLAND'S FOUNDING IN 1634

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, on this fine and beautiful spring day, we in Maryland celebrate the anniversary of the State's founding in 1634. Three hundred and fifty-five years ago, Cecilius Calvert, second Lord Baltimore, was granted the charter of Maryland on June 20, 1632. With 200 men and women aboard the *Ark* and the *Dove*, Calvert set sail for the colony from England on November 22, 1633.

The two ships arrived at the Chesapeake Bay on February 27, 1634. On March 25, the colonists, led by the brother of the second Lord Baltimore, erected a cross on St. Clements Island and held a thanksgiving service. A few days later they established St. Mary's as the capital.

Maryland, the first proprietary colony on the American mainland, was named after Henrietta Maria, the consort of King Charles I of England. The land was designated as "10 million acres of land between 40 degrees north latitude and the south bank of the Potomac River; a line drawn east from the mouth of the Potomac constituted the southern boundary on the Eastern Shore."

Although part of the land designated to Maryland under Lord Baltimore was donated to what is now Washington, DC, Maryland remains a versatile and beautiful land of many faces. It is America in miniature.

Within the limits of the State of Maryland you can find a working example of practically every stage of American history and life. Beginning at the tip of the Delmarva Peninsula where the Atlantic's sometimes feisty temper makes itself known, you can travel to the sleepy Eastern Shore towns of Cambridge and Chestertown where the treasures of the Chesapeake Bay keep alive the tradition of the "Maryland is for Crabs" slogan. Then consider the central bay area, where the Port of Baltimore and the Dundalk Marine Terminal connect Maryland to the vast cultural and economic resources of the world afar, to the western counties where skiing and farming are a way of life, and finally to the southern shores of Saint Mary's where it all began.

Tiny Maryland has just about every type of people—northerners and southerners, blacks and ethnics, civil servants and Cheasapeake Bay watermen—almost all the diversity of the United States compressed into one small package. This one small package is what Marylanders have called home for 353 years now. As each generation changes, and as our way of life changes to meet the demands of the modern world, it is my hope that Marylanders will continue to work toward better understanding of human nature. In this tradition, Maryland will remain a diverse and integral part of the history of the United States.

RETIREES OF STEEL COMPANY IN KOKOMO, IN, SEEK PAYMENT OF PENSION BENEFITS

(Mr. JONTZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. JONTZ. Mr. Speaker, I rise today to discuss a resolution in support of the former employees of Continental Steel Corp. in Kokomo, IN.

Continental Steel shut its doors in February 1986, yet these employees do not know—over 13 months later—what pension benefits they may be entitled to and when those benefits will be paid. This situation is intolerable.

Continental Steel Corp. was a relatively small steel company located in Kokomo. Continental was what is known as a minimill producing wire rod and other wire products from scrap steel. The company's demise was in part the result of import competition. Despite the President's Steel Import Reduction Program, foreign penetration of the wire market remains as high as 49 percent. The history of Continental Steel demonstrates the need for a concerted national trade policy in this country.

However, irrespective of the reasons for the failure of Continental Steel, we cannot continue to leave the victims of its collapse without relief. These employees, who gave many years of faithful service, deserve better treatment. I wholeheartedly endorse the resolution of the Kokomo City Council, and under permission to include extraneous matter I include the resolution for printing in the RECORD, as follows:

RESOLUTION NO. 2110

Whereas, the Common Council of the City of Kokomo recognizes the many sacrifices and continuing efforts of the employees of Continental Steel Corporation in their valiant efforts to insure the survival of Continental Steel Corporation as an important part of the Kokomo business economy, and

Whereas, despite such efforts Continental Steel Corporation ceased operations resulting in hardship and suffering to its employees, and

Whereas, the plight of the former employees of Continental Steel Corporation can and should be alleviated by the continuation of vested accrued basic pension benefits under the auspices of the Pension Benefit Guaranty Corporation as provided by law.

Now, therefore, be it resolved by the Common Council of the City of Kokomo:

1. That the Common Council of the City of Kokomo supports the efforts of the former employees of Continental Steel Corporation in seeking the basic pension benefits to which they are entitled as a matter of equity and justice. The Council urges the appropriate agencies and persons concerned to do everything possible to provide the basic pension benefits to the former employees of Continental Steel Corporation.

2. This Resolution shall be in full force and effect from and after its adoption by the Common Council and approval by the Mayor.

IN SUPPORT OF FUNDING FOR JOB TRAINING PROGRAM

(Mr. COYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COYNE. Mr. Speaker, recently, the Department of Labor revealed that it has no plans to seek a supplemental appropriation this year for the Job Training Program that is funded under the Trade Adjustment Assistance Act, despite the fact that a number of States, including Pennsylvania, have already run out of Federal funds for the current fiscal year.

This particular Job Training Program is especially important in two respects: First, it is specifically aimed at those workers who have lost their jobs because of unfair trade practices employed by some of our biggest trading partners, and second, it is the only Federal program that provides direct income assistance to these workers while they are in a retraining program. In Allegheny County and Pittsburgh, this program has delivered vital relief to some 1,100 workers who have been displaced because of uncompetitive imports.

But the administration wants to change all that. The Labor Department says the current program gives displaced workers an unfair advantage over others who are unemployed. And it is costing more money than the administration seems willing to spend. So the administration's solution is to lump all of the unemployed into one big catch-all training program where the average amount of money spent per worker would be slashed to the bone. This approach is a sharp reminder of the administration's failed trade policies and it demonstrates a lack of commitment to those workers who have lost their jobs through no fault of their own.

A more sensible, and more sensitive, solution is one that gives workers some short-term income assistance while they seek jobs offering useful on-the-job training. This formula would also include an opportunity for workers to enroll in remedial education courses that would help them acquire skills and jobs in new technology industries.

The Ways and Means Committee has adopted in its trade bill exactly this blend of opportunities for displaced workers. This is not the time to retreat from our commitment to displaced workers, but rather it is the time to renew and expand the programs many displaced workers have counted on for years to put them back to work.

□ 1440

LEGISLATION INTRODUCED TO AID VETERANS

(Mr. ROWLAND of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROWLAND of Georgia. Mr. Speaker, today, along with my good friend, JOHN PAUL HAMMERSCHMIDT from Arkansas, I have introduced legislation which will address the problem of some of our long-forgotten veterans. After World War II and up until 1957, there were some 220,000 military personnel that were exposed to ionizing radiation with the testing of atomic devices in the Southwestern part of the United States and also in the Pacific.

In addition to that, the occupation forces in Japan and Nagasaki and Hiroshima were also exposed to this ionizing radiation. Now we know that there are certain diseases that are increased in their incidence by exposure to ionizing radiation, such as leukemia, polythycemia vera, carcinoma of the thyroid and bronchogenic carcinoma to name just a few.

This legislation was introduced back in the 98th Congress but very little attention was given to it.

Mr. Speaker, it is time that we addressed this problem of these veterans who have essentially been ignored in the compensation and benefits that should be coming to them and their survivors.

THE LEGACY OF RONALD REAGAN IS A MOUNTAIN OF DEBT

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, the President opposes new taxes and this he has said. The President's budget contains new taxes and this he has not said. User fees, Medicare fees, services costs, indeed, $22 billion in new taxes from Ronald Reagan.

I would like to tell you this is a legitimate misunderstanding; a problem of communication. It is not. The fact is that there is more destroying the President's credibility than his sale of arms for hostages.

Mr. Speaker, the President is intellectually not an honest man. The President is for education, but he cut student loans. The President is for national security, but he has no trade policy. The President is for seniors, but he cuts Medicare. The President is against terrorism, but he trades arms for hostages. The President is against new taxes, but he has $22 billion in new taxes in his own budget.

Mr. Speaker, two things are clear: The legacy of Ronald Reagan is a mountain of debt. The legacy of Ronald Reagan is a sea of cynicism. Mr. Speaker, the President's greatest victim is his own intellectual dishonesty.

BUDGET DEFICITS ARE NOT WISHED AWAY

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, this is my fifth budget cycle and, frankly, I am incredulous that the administration is once again using its bag of tricks to hide perhaps the most fundamental problem this Nation faces—the budget deficit.

The President sent a fiscal year 1988 budget to the Hill that he said meets Gramm-Rudman targets. Nothing could be further from the truth. When all the gimmicks are stripped away, the President's budget is almost $30 billion over. I remember when the Carter administration was villified for simply proposing a 1980 budget that contained a $30 billion total deficit.

But there's nothing new in OMB's game. The Senate Budget Committee prepared a very interesting analysis. They asked how far off was OMB in hindsight—plugging in the actual GNP and inflation numbers—if the entire President's budget had been enacted. Between 1982 and 1986, OMB guessed wrong by $92 billion to $17 billion. This year it looks like they will be $53 billion off. And in every year except 1984, they have conveniently underestimated the deficit.

The American people deserve better than this. It is time for the President to come to the table and to talk sense; to talk honest sense; to talk about real deficit; real reduction.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 200

Mr. STANGELAND. Mr. Speaker, I ask unanimous consent that my name be removed from the list of consponsors of H.R. 200.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

GENERAL LEAVE

Mr. FRANK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include therein extraneous material, on the subject of the special order today by the gentleman from Massachusetts [Mr. MOAKLEY].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE INFORMED ELECTORATE ACT OF 1987

The Speaker pro tempore. Under a previous order of the House, the gentleman from New York [Mr. STRATTON] is recognized for 5 minutes.

Mr. STRATTON. Mr. Speaker, today I am introducing the Informed Electorate Act of 1987, which offers one solution to the growing problem of use and abuse of political television advertising. The bill is the companion to S. 593, sponsored by Senator PELL.

The bill would require television stations to provide a limited amount of free time to political parties in the 2 months before an election. The parties could then allocate time to candidates for the House of Representatives and the Senate, to be used between 7:30 and 8 p.m. local time. Spots could be no more than 15 minutes long, with at least 75 percent of the time made up of the candidates own remarks. Finally, each party would be limited to no more than 3 hours per station, so that no one station would likely be asked to provide more than 12 hours per election. Although I have always run a low budget campaign myself, I have seen a growing dependence on costly TV advertising to shape—and distort—campaigns. The extent of political advertising, and specifically negative advertising, in the 1986 elections is a case in point.

The Informed Electorate Act would improve the situation in two ways. First of all, it would reduce the advantage wealthy or well-financed candidates have over less affluent, but no less worthy candidates. Although the bill does not preclude the buying of additional time, it does assure some access to all candidates. Second, the bill provides some hope of elevating the quality of adverstising by requiring the candidates own words to comprise at least 75 percent of each ad. This should go far to cut down on the mud slinging that has become all too prevalent in recent years.

The American people depend on their elected representatives to govern intelligently. They deserve the chance to hear the views of the candidates in an evenhanded forum, to enable them to make informed and responsible choices.

Some of you may remember that I introduced a similar bill earlier this year. I believe, as Senator PELL does, that the approach we've taken in this new legislation should respond to the objections to the concept of free political advertising that have been raised in the past. The bill is more limited in scope, but can be equally effective in addressing the current problems.

HISTORY AND THE CONSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 5 minutes.

Mr. BROWN of California. Mr. Speaker, 200 years ago today a small group of men met in Philadelphia and elected George Washington as President of their hastily formed convention. Six months later, after much debate and compromise, they had incorporated the best ideas of their century into a document which has not only become the foundation and guide of our Government and society, but also one of the most influential political parchments of the modern era.

Over the next 2 years, the United States and the world will celebrate and honor the Constitution, the men who created it, and those who made it work. It seems an appropriate time for a renewed and increased interest in history and its applications by all members of our society. We must not, however, allow our remembrance to degenerate into a mindless patriotic euphoria, nor should we engage in blind reverence for the hallowed names and deeds of the past. We should instead examine our history—from 1607 to 1987—and seek to evaluate our heritage with the same dispassionate yet learned perspective of the Founding Fathers. As John Adams noted, "Liberty cannot be preserved without a general knowledge among the people."

Madison, Hamilton, Adams, Jefferson—all the best minds of the time—were obsessed with history and its implications, and our Constitution is in part a reflection of that obsession. The framers did not see history, at least not the history of any certain peoples or nations, as a linear progression. It was instead an organic cycle of genesis, development, and death. States and societies, no matter how powerful or prosperous, always carried within their culture the seeds of dissolution. Madison's notes on the convention are peppered with references to Greece and Rome, Poland and Germany. The Federalist devotes three numbers to the history of confederacies and their eventual demise. Jefferson said:

> Experience hath shewn that even under the best forms (of government) those entrusted with power have, in time and by slow operations, perverted it into tyranny.

Looking at history, the prospects of success seemed remote for the new Nation, but the men in Philadelphia persevered and used history to build a new order. Jefferson said:

> History only informs us what bad government is.

The Founding Fathers accepted this dictum and looked to history to show them mistakes already made, not for easy answers. According to Madison, their challenge was to create a government of which there could be found "no model on the face of the globe." He might have added no model in the annals of history.

The revolutionary generation had not only won independence from a corrupt government, they had also analyzed past governments, and figured out where those societies had self-destructed. Armed with this information, they attempted to fashion a cure for any foreseeable ills that might plague the United States. The system that emerged, now commonly referred to as checks and balances, was arrived at by a new approach to government, a new synthesis out of old ideas, and the peculiar American genius for improving on already existing ideas, inventions, and institutions. Madison believed the Constitution was indeed something new, based on history but not subject to history. Late in his life Madison would write that the Constitution was "without example ancient or modern, a system founded on popular rights, and so combining Federal form with the forms of individual republics, as may enable each to supply the defects of the other and obtain the advantages of both." Madison and his colleagues studied the past and then shaped the future.,

The framers realized that this was the last hope for a true republic and they relished the challenge. As Hamilton remarked:

> It seems to have been reserved to the people of this country, by their conduct and example, to decide the important question, whether societies of men are really capable or not, of establishing good government from reflection and choice, or whether they are forever destined to depend, for their political constitutions, on accident and force.

When a few wish to push ahead, to test a new invention, to put into action new ideas, there are always those who clamor for convention and look with abhorrence upon change. The Founding Fathers were not distressed by these attitudes. Writing as Publius, Madison asks:

> Is the experiment of an extended republic to be rejected merely because it may comprise what is new? Is it not the glory of the people of America, that whilst they have paid a decent regard to the opinions of former times and other nations, they have not suffered a blind veneration for antiquity, for custom, or for names to overrule the suggestions of their own good sense, the knowledge of their own situation, and the lessons of their own experience?

He concluded:

> To this, posterity will be indebted for the possession, and the world for the example of the numerous innovations displayed on the American theater, in favor of private rights and public happiness.

I believe the only way we will break out of the legislation of reaction we find ourselves mired in today is to adopt a historical outlook similar to the Founding Fathers. We cannot expect, nor should we want or trust answers from history, but a critical approach would no doubt help us inestimably as we try to keep history from overtaking us and continue forward with the vision that a republic can last in a world of despots and totalitarian regimes. It is still up to the United States to decide the important question. We must summon the energies, the resolve, and the critical abilities that will allow us to answer in the affirmative, just as Hamilton and the rest of his generation did two centuries ago.

I believe this generation has a similar opportunity to achieve greatness. However, no matter how much innovation we bring forth, no matter how drastically we change our world, we will still have in us a part of Jefferson, Adams, Hamilton, Washington, Franklin, and Madison. We can never be totally divorced from history, only one step ahead. John Dos Passos noted:

> In times of change and danger when there is a quicksand of fear under men's reasoning, a sense of continuity with generations gone before can stretch like a lifeline across the scary present.

It is my hope that we will be able to draw on the experiences of the Founding Fathers, without being enslaved by their opinions.

Our Constitution has survived for two centuries, and many more lie ahead if we have the courage to keep the experiment alive. Fifty years ago, President Franklin Roosevelt captured the essence and genius of the Constitution as well as anyone:

> So we revere it—not because it is old but because it is ever new—not in the worship of its past alone but in the faith of the living who keep it young, now and in the years to come.

□ 1450

A BILL TO SUSPEND FOR 3 YEARS THE MILITARY EDUCATION PROGRAM FOR CIVILIAN TECHNICIANS OF THE ARMY NATIONAL GUARD

The SPEAKER pro tempore (Mr. JOHNSON of South Dakota). Under a previous order of the House, the gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 5 minutes.

Mr. MOAKLEY. Mr. Speaker, today, along with my colleague the gentleman from California [Mr. DYMALLY], I am introducing a bill to temporarily suspend the Military Education Program for civilian technicians of the Army National Guard. The Military Education Program was established in March 1985, under the discretionary authority of the National Guard Bureau which oversees the various State National Guard units.

Civilian technicians employed under 32 U.S.C. 709 are outside the competitive service and must as a condition of continued employment maintain military membership in the National Guard. Under this new Military Education Program, all civilian technicians employed by the Army National Guard must attend these courses at one of two centers nationwide in order to be promoted militarily. The education program can last for up to 6 months.

In the past, civilian technicians could attend State run education programs on the weekends. Now under this new program, they must go out of State for up to 6 months, and the most deplorable part of the program is that they must use their annual leave time or leave without pay while they attend these courses.

While they are attending these courses, they and their families temporarily lose their civilian benefits such as health and life insurance and retirement benefits.

In addition to the problems faced by the individual workers, I am also concerned about what this new program will mean for the readiness of the equipment on which these technicians work. With these technicians away for extended periods of time for this new education program, there are no replacement personnel to work on our equipment and vehicles to ensure our preparedness.

Mr. Speaker, the terrible burdens placed upon these civilian technicians was brought to my attention by the National Association of Government Employees [NAGE] who represent all of the statewide Army National Guard civilian technicians in Massachusetts, with several units in my own district. But the problems created by this new Military Education Program are nationwide, and affect all Army National Guard technicians, wherever they are located.

The bill I am today introducing with my colleague from California, will suspend this program for 3 years while we get answers to the questions of preparedness and while we study the efficacy of this new education program. The Department of Defense would be required to report back to Congress by the end of 1988 on the cost effectiveness of the program, its effect on readiness and finally its impact on the benefits and morale of the civilian technicians. I think our bill is a fair temporary solution while the Defense Department studies the long term impact of this program, and I urge its consideration in the House.

Mr. DYMALLY. Mr. Speaker, I commend my distinguished colleague from Massachusetts [Mr. MOAKLEY] for introducing legislation to place a moratorium on the Military Education Program [MEP] for civilian technicians in the National Guard.

As a member of the Committee on Post Office and Civil Service, I have looked closely at the National Guard Technician Program. Civilian technicians are Federal employees in the excepted service who must hold military status as a condition of their civilian employment.

Pursuant to National Guard Bureau directives since August 1985, technicians must complete professional military education training before they will be considered for promotion to the next highest military grade.

I don't quarrel with the Guard Bureau's determination that certain education requirements are necessary to ensure proper training of its personnel. However, the implementation of the MEP with respect to civilian technicians has imposed undue hardships on these employees. I fear that morale and productivity have suffered as a result.

MEP training can take anywhere from several weeks to 36 weeks to complete. Often, the technician is not close to home.

To complete the required courses, a technician must use his annual and sick leave. If this runs out, he must enter a leave-without-pay status. In a LWOP situation, civil service employees lose their health benefits, life insurance, contributions into the retirement system, and cumulation of annual and sick leave.

Placing technicians in this type of hardship situation is patently unfair. The military education is required, and if it is not completed, technicians can be denied a military promotion. If they do not earn a promotion within a certain amount of time, they lose their military status. If they lose their military status, they are removed from civilian employment. Clearly, technicians are in a "catch-22" situation.

In addition, it is worthwhile to keep in mind that many civilian technicians are veterans. This means that they do not lack for some type of military training. At the very least, it seems only fair that technicians should be subjected to the same training requirements as full-time military personnel in the National Guard. But this is not the case.

My colleague, Mr. MOAKLEY, has adequately explained other problems resulting from current implementation of the MEP, including the adverse impact on readiness of National Guard units.

The decision to introduce legislation which suspends the MEP for 2 years was not made lightly.

In early February of this year, I sent a letter to the Chief of the National Guard Bureau, pointing out the various problems caused by the MEP. My letter was cosigned by nearly 30 of my colleagues.

We asked the National Guard Bureau to review these adverse consequences of the MEP, and to attempt to develop an administrative remedy. Unfortunately, the response we received did not acknowledge any of the problems cited in our letter.

Therefore, I see no choice but to address these problems legislatively. The legislation we are introducing today places a moratorium on further implementation of the Military Education Progam in the Army National Guard through fiscal year 1989.

In the interim period, we call upon the Secretary of Defense to submit to Congress a report which thoroughly examines the rationale for the MEP and its impact on cost, readiness, and benefits for civilian technicians.

Mr. Speaker, while we often should be reluctant to interfere with training programs for Federal employees, I believe this legislation is necessary to redress severe problems caused by such a program which have not been addressed administratively.

I urge my colleagues to support this measure.

REPORT ON EL SALVADOR AND NICARAGUA

The SPEAKER pro tempore (Mr. JOHNSON of South Dakota). Under a previous order of the House, the gentleman from California [Mr. LAGOMARSINO] is recognized for 60 minutes.

Mr. LAGOMARSINO. Mr. Speaker, this special order is to report to my colleagues on the trip I took to El Salvador and Nicaragua some 2 weeks ago as vice chairman of the Western Hemisphere Subcommittee of the Foreign Affairs Committee at the request of its new chairman, GEORGE CROCKETT. MIKE DEWINE and ESTEBAN TORRES also went.

I came back more than ever convinced that United States policy is correct—that we were right and continue to be right in supporting the Government of El Salvador and in assisting the prodemocratic anti-Sandinista forces in Nicaragua.

I want to primarily commend President Jose Napoleon Duarte for the significant progress which his administration has made in El Salvador during the past few years.

As most of us know, El Salvador has been moving along the road to full democracy. Since 1979, much progress has been made in the political arena in that country, including national assembly elections in 1982 and the free and open election of President Duarte in 1984, which I witnessed as an observer. Since then, President Duarte has continued to move his country toward a full democracy. He has called for national assembly elections next year and for Presidential elections in 1989.

By any standard, he has undertaken a democratic revolution in El Salvador based on freedom, not totalitarianism. He is attempting to solve the problems of his nation through a commitment to dialog and to civilian rule.

He is also to be congratulated for his deep and abiding commitment to human rights. There has been a dramatic decline in death squad activities in El Salvador and other human rights abuses and judicial reforms are underway there. A widespread human rights education effort has also begun. More remains to be done. President Duarte is committed to social reform and respects the will of the Salvadoran people in determining the future of that country.

The Salvadoran leader is determined to improve the economy of El Salvador in spite of a disastrous earthquake, guerrilla attacks on the infrastructure of that nation, and a decline in the export prices of many Salvadoran exports. President Duarte has wisely used U.S. economic assistance to better the lives of the Salvadoran people.

He has wisely professionalized the Salvadoran military, and that organization is assisting in stabilizing the country by providing security to the people of El Salvador who are being threatened by Communist guerrillas. The military is making progress in conduct of the war, and in respecting both human rights and the democratic process. I congratulate them and the Defense Minister Vides Casanova and urge them to continue and improve such activities.

All of these improvements have been made in El Salvador despite ongoing attacks by insurgents against Salvadoran economic targets and innocent civilians. In spite of their barbaric efforts, including indiscriminate mining, the Sandinista-backed guerrillas have failed to create political instability and economic chaos in that small country.

President Duarte continued to call for dialog with the guerrillas in spite of their unreasonable demands. Unlike the insurgents, the Salvadoran President has called for a prolonged peace that will benefit all of the people in that country.

In this spirit I commend this special order to my colleagues praising President Duarte for his outstanding accomplishments.

President Duarte, on conditions on aid to El Salvador, said:

> It would weaken me if conditions are put on military aid. If you put conditions on me, you are putting the authority into the hands of others and the result would weaken me but not the military.

□ 1500

I would hope, Mr. Speaker, as we consider legislation on this issue that we keep his words in mind.

We met with a number of groups in El Salvador, human rights groups. For example, we met with the Government Human Rights Commission. The commission works directly with the United Nations and with other international groups to include Amnesty International and Americas Watch; and while the commission now only reports on human rights violations, it may be able to prosecute in the future.

They reported that there were 25 cases of human rights violations by the armed forces that occurred in 1986 and 12 of those 25 cases resulted in prosecution, some released for lack of evidence.

The Salvadoran military do not have the court martial system, and the personnel must leave the military in order to be prosecuted by civilian judges. That is a real weakness in the system.

In the meeting that we held with President Duarte, I already told you what he said about proposed conditions on military assistance. He also told us that $400 million in economic and military assistance for El Salvador is badly needed.

He pointed out that recent economic difficulties include a decline in the price of Salvadoran exports, the insurgency, the disastrous earthquake, a drought, the deficit, and return of many Salvadorans from the United States as a result of our new immigration law.

He did say that U.S. assistance has helped him to stabilize the political scene and to give human rights training to the military, and has brought social progress to the Salvadoran people.

He did say that he proposes a democratic revolution based on freedom and calls for a prolonged war of peace rather than a prolonged guerrilla war, as the insurgents are carrying out.

He pointed out also, in response to a question by one of our group that military assistance would not be needed at all if guerrillas would stop the war against economic infrastructure of that country.

He said, as he has on many occasions both in his own country and here, that the solution to the guerrilla war is a political, not a military one; dialog must be created with the guerrillas.

When we asked him about the question of whether or not Nicaragua was supporting the insurgency in his country, he said it was, and he pointed out to us that during the time that Salvadoran guerrillas held his daughter captive after they had kidnaped her, that all of the negotiations regarding her release were conducted with them in Managua, Nicaragua.

We also met with Gen. Vides Casanova, who is the Minister of Defense of El Salvador. He reported to us that since 1984, the military situation in El Salvador is better, and the armed forces have taken the offensive against the Salvadoran guerrillas. They are using more aggressive tactics, that they have air superiority which has hurt the guerrilla movement.

He said also that Salvadoran military operations are now 14 months in duration instead of 15 days, as in the past. He said that most of the military now respect human rights; and the army no longer interferes with civilian government.

He did say that the Salvadoran legal system has problems, which it certainly does; but that those are in the process of being corrected by judicial reform.

He said that the Salvadoran military now follows strict rules of engagement, but the guerrillas have none, however.

With regard to human rights, he told us, and I want to put in the RECORD at this point, he told us about the visit of the U.N. Special Rapporteur who commended for progress in human rights and made the comment that most of the human rights violations in that country are now being carried out by the guerrillas.

The summary referred to follows:

SUMMARY OF SPECIAL RAPPORTEUR'S REPORT ON HUMAN RIGHTS IN EL SALVADOR

1. Following is text of summary of the U.N. special rapporteur's 1986 report on human rights in El Salvador.

SUMMARY

While remaining opposed in principle to the human rights double standard implicit in the continuing assignment of a UN special rapporteur for human rights in El Salvador, The GOES is largely satisfied that the 1986 report of the rapporteur is a fair assessment of the human rights situation in El Salvador. This satisfaction flows in large measure from the rapporteur's recognition of the tremendous progress made by the GOES over the past several years and the now officially documented increasing human rights violations being committed by the FMLN/FDR. The main substantive issues in dispute between the GOES and the FMLN/FDR over the past year were largely settled by the rapporteur in favor of the GOES:

(A) As the existence of a special rapporteur has become a political issue used by the left to question the legitimacy of the Duarte government, Pastor's praise of human rights progress and commitment of the GOES to the rule of law is seen as an endorsement of the legitimacy of the government.

(B) As the military are the primary focus for criticism, Pastor appears to have made a special effort to praise the performance of the military and the public security forces, noting that they are not in any way officially connected with what little rightist inspired violence that may remain;

(C) On questions related to observance of the Geneva Conventions and protocols thereto, Pastor criticizes the FMLN/FDR, not the GOES, saying the guerrillas misuse of civilian supporters and its indiscriminate land mine warfare constitute serious violations of international norms;

(D) On statistical accuracy, he questions Tutela legal's (the Catholic Church's human rights organization) methodology, calling it based on presumptions, not facts.

The GOES accepts as accurate his criticisms of the judicial system and the need to reform the legal code to deal with security prisoners.

The FMLN/FDR is incensed by Pastor's report and is questioning its objectivity. End summary.

3. Dr. Jose Antonio Pastor Ridruejo, United Nations special rapporteur for human rights in El Salvador, submitted his report "on the situation of human rights in El Salvador" to the United Nations third committee on October 21, 1986. Pastor's first report was presented to the United Nations Human Rights Commission in March 1982. Since then Dr. Pastor has visited El Salvador each September, submitting his preliminary report to the third committee each fall and his final report to the UNHRC each spring. In 1986 Pastor, an internationally respected Spanish jurist, visited El Salvador September 21-27, and met also with interested parties in New York. Throughout the year, both the Government of El Salvador and The FMLN/FDR guerrilla front provided Pastor with information. The following is a summary of Dr. Pastor's preliminary report for 1986. If past reports are any guideline, he will make only minor modifications before presenting it as the definite report to The UNHRC meeting in Geneva in spring 1987. While we do not agree entirely with each of Pastor's conclusions, we believe that his is the most objective assessment of human rights in El Salvador written by an outside human rights expert. The report itself was submitted in Spanish and we understand that the UN does not plan to translate the report until it is submitted to the UNHRC meeting.

4. Note: Large portions of the report dealing with agrarian reform and the economy have been omitted from the following excerpts. We have also omitted the conclusion section which repeats much of the excerpts we have selected:

5. Begin excerpts:

I. General political situation

There has been greater respect for human rights during 1986. A state of seige remains in force suspending freedom of movement, freedom of expression, and freedom of correspondence.

II. Economic, social, and cultural rights

After citing in lengthy detail information about the state of the economy, land reform, and the labor situation, the special rapporteur turns to guerrilla sabotage of the economy. He cites Salvadoran governmental human rights commission statistics that in the period from September 1985 to June 1986 the guerrillas initiated 50 attacks against public and private transport including machine-gunning, fire bombing, and dynamiting. In addition the guerrillas declared five transportation stoppages. Other guerrilla targets were cooperatives, farms, crop dusters, banks, private residences. There were 15 attacks against towns or villages. Five phone company offices were attacked, 4 city halls, 2 court houses, 3 schools, and the National Census Office was burned.

The National electric company reported that during the same period of time, it suffered 1035 guerrilla actions against its installations including the destruction of 66 high tension towers, 541 posts, 45 transformers and two substations. Two electric company workers were seriously wounded when they sought to repair a downed tower which the guerrillas had rigged with a mine. Total loss to the electric company of equipment totaled over 19 million dollars.

The special rapporteur cites the August 27, 1986, International Herald Tribune that "rebel violations include an increasing number of summary executions, attacks on road traffic, dozens of kidnapings and the indiscriminate use of land mines, which probably kill and wound many more civilians than does bombardment by the (Salvadoran) army."

In the conclusion of the report the special rapporteur once again calls attention to the fact that the systematic guerrilla attacks against the economic infrastructure gravely endanger the present and future enjoyment by the Salvadoran citizenry of important economic, social, and cultural rights.

III. Civil and political rights

Assassinations: Pastor warns that one must "proceed with extreme prudence" in examining the number of assassinations because of methodological differences between sources of information and because of the difficulty of investigating the deaths, especially in the conflictive zones. After citing figures from various organizations including the U.S. Embassy; Pastor notes that "the special rapporteur believes that at present commanders and high-ranking officers do not help or protect" the death squads. The report notes that despite the different figures given by different sources, "there exists among them an important point of coincidence: The number of political assassinations committed by agents of the state and perhaps paramilitary groups linked to the extreme right in 1986 is manifestly less than in 1985, which confirms the downward trend which was initiated in June 1984 when Jose Napoleon Duarte was inaugurated as President. The special rapporteur stresses the continuance of the downward trend while expressing the hope and desire that summary executions be completely eliminated in the shortest time possible."

Arrests and disappearances: The report notes that with regard to arrests and disappearances one must use great circumspection in evaluating the figures. As of September 23, 1986, there were 76 women incarcerated under the terms of decree 50 (which covers subversive activity) as compared to 44 one year previously, and 972 decree 50 prisoners in the men's prison as opposed to 462 in 1985.

Noting that the number of decree 50 prisoners has increased, "the special representative does not deny, of course, the right of the Salvadoran authorities to proceed legally against those attempting by force of arms to overthrow the constitutional order; his concern is centered on applying to such individuals a law as criticized as decree 50, whose long deadlines are not even met.

Treatment of political prisioners: citing information from a number of sources and testimony from individual prisoners, Pastor concludes that harsh psychological pressure is applied during the extrajudicial interrogation of some decree 50 prisoners. He notes that sources indicate that between 15 and 20 percent of political prisoners are psychologically abused although he "does not believe that it constitutes a deliberate and systematic practice by Salvadoran authorities."

State of the Salvadoran criminal justice system: After listing a number of unresolved high-profile cases which "demonstrate at the very least an anomalous slowness and high index of inactivity in the functioning of the Salvadoran criminal justice," he notes that ordinary Salvadorans deserve the same attention: "From the point of view of the rule of law all cases must merit identical treatment and interest as is required by the principle of equal justice under the law."

After reviewing data provided by the Salvadoran armed forces of soldiers turned over to the courts for prosecution, he concludes that all or almost all the cases involve common crimes and not violations of human rights committed with political motives.

The work of the Salvadoran justice system with regard to grave violations of human rights is ". . . highly unsatisfactory. While it is true that criminal investigations are initiated in all or almost all cases the impression is that these investigations advance at an extraordinarily slow pace and encounter almost insurmountable barriers to convictions, propitiating a harmful climate of impassivity."

According to the Salvadoran authorities, the obstacles to an adequately functioning justice system are: (1) Insufficient pay for judges and prosecutors, especially at lower levels; (2) lack of means to carry out investigations; (3) psychological pressure on the judges, many of whom were assassinated or threatened in previous years; (4) witnesses' fear of testifying in cases with political implications; (5) intimidated jurors; (6) legislation and procedures inadequate to the present climate of violence; and (7) destruction of courthouses and court records in the conflictive zones.

Violations of human and political rights attributed to the guerrillas: The special rapporteur, after cautioning that one must exercise the same circumspection when evaluating information received in this field as in evaluating that received about offenses committed by government forces, cites figures from various sources of the number of persons killed outside combat by the guerrillas, the number of persons kidnapped for political reasons by the guerrillas—here he rebukes the guerrillas for not having permitted the international committee of the Red Cross to visit Col. Omar Napoleon Avalos, held by the guerrillas since October 26, 1985. (Department note: Avalos has since been released in an exchange for wounded and imprisoned guerrillas); the guerrillas finally permitted the ICRC to visit Avalos in October 1986—and casualties suffered by the civilian population during FMLN-declared "traffic stoppages."

IV. Situation of refugees and the displaced

Referring to operation "Phoenix" carried out by the Salvadoran Armed Forces against the guerrilla redoubt on Guazapa Volcano in January and February 1986, and the forcible evacuation of civilian followers of the guerrillas, the report notes that based upon "article 17 of additional protocol II of the Geneva Conventions of 1949, the removals (from Guazapa) were allowed insofar as the security of the civilians required it . . . . Given the reality of the war, the suffering experienced by the civil population affected by these removals is less than that which would have been caused them as a consequence of combat if they were to have continued living in the conflictive zones."

V. Human rights and the armed conflict

Regarding civilian deaths as a consequence of combat, the special rapporteur notes that "presumptions play an important role in the methodology" of Tutela Legal, the archdiocesan human rights office. He notes that Tutela Legal figures for civilians "presumably" killed by the army in combat includes combatants and "constitutes a presumption." (Americas Watch relies almost exclusively on Tutela Legal for its statistics).

Regarding the "Masas" or civilian followers of the guerrillas, the special rapporteur notes that it is often difficult to distinguish between the Masas and the guerrilla combatants. To the extent that the Masas do not take part in combat they should be considered civilian population. However, he notes that with some frequency people belonging to the "Masas" participate for periods of time in actions inconsistent with their role as civilians. He reports talking with a young woman who told him that she not only traveled with the guerrillas but provided supplies and helped them transport ammunition. He notes that this last activity deprives Masas of their identity as civilians. He concludes that the "line between combatants and noncombatants can at times be imprecise. This should not be construed to mean the special rapporteur is affirming the legitimacy of attacking the Masas. . . . The active participation of the Masas in combat against the army, however exceptional and circumstantial it may be, can in fact motivate the harassment of the Masas and definitely result in some civilian victms caused occasionally by the army such as incidental damage to their property.

The special rapporteur believes that one of the reasons for the dramatic decline in the number of civilian victims caused by the ESAF is the removal from conflictive zones of the civilian population.

"The regular Salvadoran Army is conducting the war in a much more humanitarian manner at present than in the past and has been able to drastically reduce the number of civilian victims."

With regard to mines, the special rapporteur states his special concern and notes detailed information given him by the governmental human rights commission concerning 69 civilians killed and 208 gravely wounded during the previous year. "The generalized opinion picked up by the special rapporteur from independent sources is that the immense majority of mines killing or wounding noncombatants had been placed by the guerrillas. For his part, Reporter James Lemoyne wrote in August 1986: "Although both the army and the leftist guerrillas use land mines, the majority of civilian casualties appear to be caused by guerrilla land mines, according to several villagers and to leading human rights officials." This is the opinion of the special rapporteur as well."

VI. Concern of the GOES with human rights

In his 1986 visit, the special rapporteur reconfirmed that the GOES "remains firmly committed" to "respect for human rights, a concern which is noted in the process of democratic normalization, which is gradually and progressively bearing welcome results."

With regard to judicial reform, "the special rapporteur reiterates his opinion that the judicial reform project is serious and testifies to the progress of its components, although he once again points out that its effects will be felt in the Salvadoran reality in the medium and long term, particularly since the goal is precisely to change mind sets and civic habits, changes which cannot be achieved overnight."

The special rapporteur understands definitely that the constitutional authorities of the republic of El Salvador are persisting in their efforts to improve the human rights observance within the process of political normalization; efforts, it is correct to say, which increasingly have resonance in the Salvadoran reality, particularly in the crucial terrain of respect for the life of civilians, both outside and as a result of combat."

VIII. Recommendations

"The special representative recommends in particular to the constitutional authorities in El Salvador:

(A) The prompt removal of legislation incompatible with international standards of human rights and the adoption of norms compatible with those standards, especially in the prosecution of political crimes;

(B) The continuation and intensification of control of extrajudicial interrogation of political prisoners in order to adjust to the aforementioned standards;

(C) The continuation and deepening of judicial reform and agrarian reform. . . ."

The special rapporteur recommends especially to the forces of the FMLN:

(A) Refraining from locating mines which can kill or injure the physical integrity of the noncombatant population.

(B) Refraining from attacking the economic infrastructure in El Salvador.

(C) "Finally the special rapporteur recommends to all nations in the international community, particularly the wealthier and more developed, that within their possibilities they give necessary aid to provide relief and improve the conditions of life of those Salvadoran citizens who are refugees or displaced as a consequence of the conflict."

EL SALVADOR: 1,596 VICTIMS OF GUERRILLA LAND MINE WARFARE AWAITING TREATMENT

Indiscriminate use of land mines by the Salvadoran guerrillas united in the Farabundo Marti National Liberation Front (FMLN), joined politically with the Democratic Revolutionary Front (FDR), has resulted in the loss of one or more limbs by approximately 1,596 individuals who are currently awaiting assistance from the private and/or military rehabilitation facilities. Of the amputees, about 943 military personnel are awaiting rehabilitation (some 250 have already been fitted with prostheses). Approximately 653 civilians who have survived land mine explosions are awaiting assistance. Of this total, estimates are that between one-quarter to one-third are children under the age of 15. Many of these children live in rural areas and have not received medically appropriate amputations.

In the first seven months of 1986, a total of 393 soldiers and 172 civilians lost one or more limbs. This rate is triple that for the same period in 1985 and is, to date, double the total for all 1985 as well. In June and July of this year, 48 civilians (including 15 children) suffered amputations and nine civilians (including four children) died as a result of land mines. The military estimate that there have been 768 mine incidents involving military personnel so far in 1986 (through September 10). On the average, one of every four soldiers wounded in action is wounded as a result of contact with a land mine. On the average 50 percent of all military land mine casualties lose a limb. (July 1986: total wounded in action—199; wounded in contact—113; wounded by mines—86; amputations—38.)

Deaths due to land mines are increasing exponentially. Civilians killed due to mines: 1984, 31; 1985, 55; 1986 through July, 53. Military killed due to mines: 1984, 47; 1985, 85, 1986, 76 (through July).

In addition to the up to 1,596 individuals awaiting rehabilitative treatment, each day a greater number of individuals are added to the waiting lists. Current estimates are that between 20-25 civilians and 50-60 members of the armed forces per month are surviving land mine explosions with the loss of one or more limbs; at this rate, approximately 970 individuals will lose one or more limbs this year.

While the government of El Salvador has issued strict rules of engagement regulating protection of the civilian populace from aerial bombardment, no similar restraints are being exercised by the FMLN/FDR. Mines are being deliberately placed in farm areas and in places frequented by civilians. Guerrilla radio broadcasts openly acknowledge responsibility for indiscriminate land mine warfare declaring it to be an integral part of their revolutionary strategy.

The recently established military rehabilitation facility (the Center for Professional Rehabilitation of the Armed Forces, CERPROFA) produces 45 prosthetic devices per month (540 per year), projected to increase to 60 devices per month by end-1986. A U.S. Army medical humanitarian mobile training team is assisting CERPROFA to establish a program to make prosthetic devices and set up rehabilitation facilities. In FY 1986, the USG provided over $400,000 from U.S. military assistance programs to CERPROFA. $700,000 will be provided in FY 1987. These funds are part of a basic program to train Salvadoran prosthetists and orthotists to make El Salvador self-sufficient in the long run in rehabilitation capability. Due to the large backlog of amputees and the increasing number of victims, CERPROFA and the U.S. Army medical group are seeking direct assistance from commercial firms in the U.S. and are contracting with private rehabilitation specialists to assist the ongoing CERPROFA program. CERPROFA can only provide prosthetic limbs and rehabilitation to members of the armed forces.

The Salvadoran Civilian Rehabilitation Institute (ISRI), able to produce only 12-15 devices per year, is overwhelmed by the increasing numbers of civilian amputees (172 civilians have lost limbs to date in 1986, and projected total civilian victims in 1986 is 297.) For those 153 civilians who have signed up with ISRI for rehabilitation and are able to pay the $120-300, the wait will be 3-4 years at a minimum. For many, however, the cost is too great, and they will continue to walk only with the use of crutches and homemade wooden or plaster legs. In addition, an estimated 328 additional victims are distributed throughout El Salvador, with many in remote villages. In the first quarter of 1986, civilian mine incidents were recorded in 11 of the 14 departments, concentrated in Usulutan—19 killed or wounded; San Miguel, 17; San Vicente, 11; 2 in Morazan, and 5 in Chalatenango.

The U.S. Agency for International Development (AID) has recently signed a $280,000 grant agreement with ISRI to begin developing a rehabilitation infrastructure for civilian land mine victims. The AID program will assist ISRI improve and expand its programs. Additional assistance to ISRI to establish a vocational training program is being planned by CARE Germany to begin later this year. However, this long-term program will not immediately address the needs of the 653 civilians now awaiting rehabilitation assistance. Efforts are underway to identify charitable organizations willing to address the rehabilitation needs of El Salvador's civilian land mine victims.

The Salvadoran government and private sector are attempting to redress this national crisis through limited domestic resources. The private "20/30 Club" devoted its last telethon to raising funds to establish two regional rehabilitation centers in Santa Ana and San Miguel. These centers were opened in mid-July, each with 2 or 3 prosthetic technicians, but they will only slightly increase the domestic production of artificial limbs.

Unfortunately, while all of these efforts will result in improved rehabilitation services in the long term, none of these ongoing efforts provides an immediate solution for the 1,596 civilians and military personnel currently waiting for prosthetic devices and rehabilitation assistance. While the Salvadoran government is seeking agreement from the FMLN/FDR to "humanize" the war, there is currently no indication that the guerrillas will cease indiscriminate land mine warfare.

EL SALVADOR—GUERRILLA LAND MINE CASUALTIES

Military and civilian casualties	Civilian	Military	Total
Amputees:			
1984-86 (YTD)	[1] 653	[1] 1,193	
1986 (Jan.-July)	172	393	565
1986 Monthly average	25	56	82
1986 June and July			
(15 children.)			
Deaths:			
1984	31	47	78
1985	55	85	140
1986 (Jan.-July)	53	76	129

[1] Prior to 1985 no statistics were kept by GOES. Estimate total military amputees now at 1,193 (800 1982-85, plus 393 to date in 1986).

NUMBER OF MILITARY WOUNDED IN JUNE/JULY

Month	Wounded in contact	Percent	Wounded by mines	Percent	Mine victiums who lost limbs	Total wounded in action
June	136	63	80	37	57	216
July	113	57	86	43	38	199

Note: 1 of every 4 soldiers wounded in action is wounded as a result of contact with a land mine. 1 out of every 5 soldiers wounded loses a limb.

REHABILITATION

CERPROFA: MILITARY REHABILITATION INSTITUTE

MILGP MTT:

Prostheses Production: Current; 45/month—END CY86: 80/month.

Total 1193 Amputees Fitted: 250 (estimate).

Total Awaiting Rehabilitation: 943 (1193 minus 250).

Total To Be Fitted 1987: 720 (at 60/month).[1]

Projected Amputees 1987: 732 (62/month).[2]

Footnotes at end of table.

Assistance Level—MAP: FY86 $400,000 FY 87 $700,000.

ISRI: SALVADORAN REHABILITATION INSTITUTE.

AID/PVO's:

Prostheses Production: Current; 15/yr Projected: NA.

Total 653 Amputees Fitted: 0.

Total Awaiting Rehabilitation: 653.

ISRI Confirmed Waiting List: 153; 325.

1986 Survivors-to-Date List: 172.

Not on ISRI Waiting List: 328 (est).

Total Civilian Amputees (1982-YTD): 653.

Total To Be Fitted 1987: NA.

Projected Amputees 1987: 300.

Assistance Level:

AID: FY 86, $0; FY87, $280,000.

PVO's: FY 86, $0; FY87, $230,000.[3]

[1] Not all casualties will be medically ready for prostheses.

[2] Straightline projection based on rate-of-growth of mine victims over 18 month period.

[3] Under discussion.

A DIRTY WAR IN CENTRAL AMERICA

(By Frederick Downs, Jr.)

(Frederick Downs, Jr. has written two books about his experiences in Vietnam, "The Killing Zone" and "Aftermath." He is a health-care professional specializing in the disabled.)

The Government of El Salvador has been winning the war against its communist guerrillas. In desperation, the communists have indiscriminately used land mines against both the military and civilian population.

I recently returned from El Salvador, where I helped set up a program for amputees. Communist mines have blown one or more limbs off about 1,600 people, 950 military and 650 civilian. Of the civilians, it's estimated that a quarter to a third are children.

This catastrophe results from a guerrilla program of deliberately mining farm areas and places frequented by civilians. Guerrilla radio broadcasts acknowledge responsibility for indiscriminate land-mine warfare, declaring it an integral part of their revolutionary strategy.

The guerrillas intend to continue this strategy, as evidenced in a New York Times article headlined "Salvador Rebel Defends the Use of Land Mines." Guerrilla leader Shafik Handal said: "The use of land mines is a very important weapon for us." He added: "The mines cripple rather than kill their victims. . . . They leave the soldier in a condition so he can live and take up another line of work."

Contrast this with the situation in Nicaragua. Last July, articles in The New York Times and The Washington Post recounted a land-mine incident in which civilians were killed in Jinotega Province, and charges by the Sandinistas that civilians had been killed by mines in other parts of the country. Both sides blamed each other. While skepticism rages about these incidents, it is important to point out that neither side has an avowed policy to kill and maim civilians with land mines. Tragically, this is not the case in El Salvador.

Estimates are that 20 to 25 civilians and 50 to 60 soldiers per month survive land-mine explosions with the loss of one or more limbs. They sometimes must wait for years to get an artificial limb under the country's minimal prosthetic program.

This violence is significant for two major reasons. First, the maiming and terrorizing of civilians is specifically aimed at demoralizing the government and eroding the people's faith in its ability to protect them and to provide care for them—a tactic used very effectively by the communists in Vietnam. Second, military strategists know it is better to severely wound an enemy than to kill him, because a wounded man draws many more resources from his country. I had some experience with this in Vietnam and as an amputee in an Army hospital for a year.

Both of these points became much more meaningful to me as I went through the routine of a day in El Salvador.

The U.S. Army Mobile Medical Training Team had helped the El Salvadoran military build a modern prosthetic laboratory and was training the El Salvadorans to be self-sufficient as prosthetists. We were asked to see if we find ways to speed up the fabrication of artificial limbs.

A tour of the military hospital in San Salvador provided an excellent refresher of what war wounds do to people and to the health-care system.

In the emergency operating room, we saw a soldier who had been shot in the abdomen while on patrol. He had been in the emergency room for over a half hour but the resident had not been able to do anything. He did not want to start surgery without a surgeon to back him up, and none was available. When we left the hospital after about 45 minutes, a backup physician had yet to show up. (In 1983 El Salvador had about three doctors for every 10,000 people; the ratio is presumed to be even lower now.)

There were 450 patients in this 375-bed hospital. Sanitary conditions were primitive. The hospital had a 50 percent surgical infection rate.

We saw soldiers who had been blinded by booby-traps and mines being led by friends to a clock on the wall. One soldier who had been blinded the longest was teaching the others how to tell time by feeling the clock's hands.

There was no program to rehabilitate the blind and no equipment to help them regain a degree of mobility and independence. There were no white canes, braille writers or braille watches.

There were large numbers of amputees. The probable reasons were delays in being taken to care stations, contamination of wounds and faulty surgical techniques. Of course, the biggest reason of all was the guerrillas' increased use of land mines.

What we did not see were the casualties who had not made it back to the hospitals—those who had died. Out in the rural areas where the guerrillas hit the people the hardest, the system for evacuating civilian casualties is pathetically inadequate or nonexistent. A casualty is dependent on family or friends to carry him to a road where transportation can be gotten to a hospital.

The guerrillas has taken a toll other than combat injuries. Medical facilities have been closing, and health personnel fear for their lives. In 1983, the guerrillas assassinated the director and head nurse of Chalatenango Hospital. At Usulaton Hospital the guerrillas assassinated two residents, leaving the other four to wonder if they would be next.

Assassination of government officials or anyone connected to the government is an acceptable guerrilla tactic. Many wounded soldiers are afraid to return home for fear they will be killed.

The lack of support systems in such critical areas as pharmaceutical and medical supplies, including drug quality control, maintenance (buildings, vehicles, biomedical equipment) and information is increasingly debilitating.

When all of this is taken into account, it becomes easier to understand how the indiscriminate use of land mines adds a terrible drain to the resources of an already poor country. The comment that by crippling rather than killing, mines "leave a soldier in a condition so he can live and take up another line of work" becomes hideously ridiculous.

I will quote from some of the things from the rapporteur's report:

As the existence of a special rapporteur has become a political issue used by the left to question the legitimacy of the Duarte government, his praise of human rights progress and commitment of the Government of El Salvador to the rule of law is seen as an endorsement of the legitimacy of that government.

As the military are the primary focus for criticism by some groups, Pastor, the Rapporteur, appears to have made a special effort to praise the performance of the military and the public security forces, noting that they are not in any way officially connected with what little rightist-inspired violence that may remain.

On questions related to observance of the Geneva conventions and protocols, he criticizes the guerrillas, not the Government of El Salvador, saying the guerrillas' misuse of civilian supporters and its indiscriminate land mine warfare constitutes serious violations of international norms.

While I was in El Salvador, I had the opportunity to speak and to address the American Chamber of Commerce there, and I would like to include in the RECORD a copy of the remarks that I made at that time to that group.

The following is an address made to the American Chamber of Commerce in El Salvador on Friday, March 6, 1987, at the request of the United States Ambassador to El Salvador Edwin Corr.

ONE CONGRESSMAN'S VIEW OF UNITED STATES-EL SALVADOR RELATIONS

Ambassador Corr, members of the board of directors of the American chamber, ladies and gentlemen:

(1) It is a great pleasure for me to be with you today. I am traveling through Central America with a delegation of United States Congressmen, headed by George Crockett, the new chairman of the Western Hemisphere Affairs Subcommittee of the House Foreign Affairs Committee. We are looking at this area that is so close to us, so important to U.S. interests and so troubled by economic difficulties, conflicts and threats from Marxist-Leninist guerrillas and totalitarian governments. I have followed events in this beautiful but beleaguered country for many years now. I have visited your country before and have developed friend-

ships here which I cherish. I would like to take this opportunity to tell you how a Congressman and member of the House Foreign Affairs Committee—who is also a Republican and the Congressman in whose district lives the President of the United States views the changes in your country in recent years.

I can tell you firsthand about Ronald Reagans continuing strong support for El Salvador.

(2) Today all but one of the countries of this isthmus are democracies. The United States supports these nations in their efforts to consolidate and protect their democracies. Notice that I said "the United States supports" these democracies. I did not say, "republicans" or "democrats." Although I must tell you that there is an effort now being made to stop assistance, particularly military aid.

There is not even a major dispute in the Congress about the nature of the Government in Nicaragua.

Only a relative handful of Members support the Sandanista Communist Government of Nicaragaua.

As a matter of fact, in the last 20 or so hours of floor debate last held on the issue of aid to the Contras, all who spoke agreed:

(1) The Sandinista Communist Government is repressive to the people, in violation of the promises made in 1979 to the U.S. and the O.A.S. and is a threat to its neighbors; and

(2) The United States should do something about it. There was, of course, great disagreement about what to do, with the majority finally voting to provide $100 million in economic and military aid.

(3) Consolidation of democracy. Since 1982, you have held four elections under the watchful—and sometimes suspicious—eyes of hundreds of journalists and official observers from around the world. I observed both Presidential elections. The overwhelming majority of those observers including me and the now Speaker of the House Jim Wright declared those elections to be open, fair and honest. These elections gave meaning to your obvious desire to political freedom and, I might add, helped enormously those of us in the United States Congress who wanted to continue and increase aid to El Salvador in face of severe criticism from the left.

Just to show how important the elections were, we won a very important vote on military assistance by 2 votes shortly thereafter. There is no doubt in my mind that we would have lost had not President Duarte lobbied the Congress.

I know there are people here who are dissatisfied with your government's policies, especially its economic policies. I have some of the same reservations.

However, having said that it is vital that the issue be handled in a constructive way so as not to assist those who wish to destroy democracy in El Salvador.

I intend to take up this matter with President Duarte when we meet with him.

What is important is that in a democracy you can complain with no fear of repression.

And you do have elections to offer policy alteratives.

One of the most important and personally gratifying democratic developments has been the attitude of the armed forces.

Their commitment to constitutional democracy under the leadership of Defense Minister Vedes Casanova is increasingly evident. The improved professionalism of the Salvadoran military has drawn the support and respect of the people and the attention of the United States Congress.

(4) Human rights. El Salvador became front page news in the United States in the late 1970's and early 1980's when we were barraged with stories of barbarous human rights violations. You all know that there has been great progress in the past seven years. Deaths from political violence in El Salvador have decreased remarkably. Death squads are no longer active. Most of the political violence today comes from the FMLN. The FMLN's indiscriminate use of mines has killed and maimed innocent civilians throughout the country. The FMLN machine guns passing trucks and buses. This is the primary human rights violation in the country today. Civilian deaths from political violence now number about 22 a month instead of the hundreds of several years ago. The United States is committed to doing everything it can to help Salvadorans assure and protect their human rights. No other issue receives as much attention in Congress as human rights. Continued improvement will be vital to maintain U.S. support for El Salvador.

5. Administration of justice. No particular area is more important to the protection of human rights than the administration of justice. The rule of law, applied equally and regardless of position, wealth or power, is a cornerstone of democracy. Salvadorans must be able to see that police forces are efficient, law-abiding and humane, that criminals are arrested, that trials are speedy and fair, that judges and juries are free of intimidation, that jails are not packed with persons waiting years for trials. There is a long way to go here.

The best legal minds in the world can be stifled if the laws and legal administrative machinery don't work. The United States is assisting the Government of El Salvador to improve the administration of justice. The goal is to assure that every citizen has the fullest protection of the law. We in the Congress will watch this program closely.

Since 1974 the United States Government has been prevented by law from providing training and assistance to police, a restriction that I personally opposed. For the past year, under a waiver to this law that Congress has provided we have been able to provide limited amount of assistance and training to the Salvadoran police forces. I support this program and will continue to do so because it is vital to assuring democracy. Not all of my colleagues agree. The best way to convince them is to show success.

6. Conduct of war. Since the so-called final offensive of the FMLN in 1981, we have seen an increasingly professional Salvadoran Armed Forces, capable of carrying the war to the guerrillas anywhere in El Salvador. The guerrilla's "final offensive" of January 1981 failed because the people of El Salvador did not support the guerrillas. The "intervention" in Salvadoran affairs accellerated greatly after the Sandinistas took over in Nicaragua. At that time the United States had suspended all military aid to El Salvador and began generously to contribute to the Sandinistas. The Sandinistas meanwhile poured arms and munitions into El Salvador to the Farabundo Marti National Liberation (FMLN) guerrilla groups, many of whose leaders had already received training in Cuba, Vietnam and East European countries. When I visited Managua in 1979 and 1985, the Sandinistas [dissembled] when asked about their aid to the FMLN. As a matter of fact, a high ranking Sandinista official told us that while they were not helping the Salvador guerrillas they would stop if we would stop helping the Contras!

Since that time, the tide of battle has turned more and more against the FMLN. The major factors behind this trend are declining popular support for the FMLN, the professionalization of the Salvadoran Armed Forces and their change in comportment, and United States support. The level of full-time FMLN combatants has been reduced from near 12,000 in 1983 to perhaps 5,000 today.

7. Contadora negotiations and the search for peace. The view that the United States Government has rejected negotiations as a means to resolve conflicts in Central America is erroneous. There are those who believe that the Contadora process has failed because of the United States' influence over Central American governments. This is a distorted view of America's power and a lack of appreciation for Central American leaders' sense of pride, independence, and judgment. The Central American leaders believe that a bad treaty is worse than none at all.

It is not politic for larger Latin American countries to impose unsatisfactory solutions on the Central American democracies in the name of "Latin American solidarity." When Central American democratic leaders act independently in pursuit of their own nation's national interests, and these actions coincide with interests of the United States, that leaders is branded a puppet of the U.S. I give special praise to President Duarte for defending the true interests of his country and for his firm stand against Sandinista pressure and that of certain supposedly friendly countries who carry water for the FSLN.

The position of the United States on Contadora has been full support for a comprehensive, verifiable, simultaneously implementable treaty. The Reagan administration believes that a solution cannot be imposed on the Central Americans either by the United States or by other governments. I believe that I and the majority of U.S. Congressmen support that position. Many of us also support the goals and objectives of the plan of Costa Rican President Arias.

The position of the United States Government on dialogue between the Government of El Salvador and the FMLN-FDR has been and is in favor of it. The FMLN has only about 5,000 combatants, a decreasing number of active supporters, no territory under permanent control and only terrorism and violence as its claims to legitimacy. The Government, on the other hand, was elected by a million and a half citizens in elections declared to be open, fair and honest by international observers, and newsmen. The principal subjects, it seems to me, for negotiations revolve around the incorporation of the FMLN-FDR into the existing constitutional system. Congressional elections are slated again for 1988 and Presidential elections for 1989; this offers the opportunity for incorporation of the rank and file of the FMLN into the economic and social life of the country. FMLN-FDR leaders should disvow violence and seek by peaceful constitutional means to achieve their goals.

8. The economy. From 1979 to 1982, El Salvador suffered a 23-percent decline in its gross national product. In 1980 there was a negative nine percent growth rate. By 1984 the country was showing a slightly positive growth rate and has continued at that level. The country expended 42 percent of its export earnings on debt payments in 1985. Salvadoran exports in 1987 will be half what

they were in 1979. Finally the Salvadoran economy was badly hurt by capital flight during the 1970's and 1980's, and as long as the war continues, the return of capital will be slow. The challenge is to move to solid growth with a consequent increase in employment, and to a more equitable distribution of wealth. The economy is the area currently most requiring progress for the consolidation of constitutional democracy in El Salvador.

The embassy calculates that since 1980 the FMLN has cost the country nearly two billion dollars, or roughly the same amount as all U.S. Government economic assistance during the same time frame. Falling commodity prices have also been a problem. The tragic earthquake has exacerbated the already serious situation.

Thus the essential task of improving employment and production is formidable. There is hope for a stronger economic performance. Economic adjustments including greater reliance on free enterprise are needed to stimulate exports and to lower the rate of inflation. Adjustment is never popular but if delayed the situation will only get worse. With proper policies, including justice and the training of this country's ample and hard working labor force, El Salvador returned to economic growth and prosperity.

9. The United States Aid Program. The U.S. Assistance Program both military and political for each of the last two years has been about 450 million dollars. United States aid programs are in support of Salvadoran agrarian reform, judicial reform, education, health, private sector growth, and delivering goods and services to citizens in conflictive areas in order that the benefits of constitutional democracy can be appreciated by all Salvadorans.

During FY 1985 we provided over 320 million dollars for economic and social development and about 120 million dollars for military assistance. The comparable figures for FY 1986 were 311 million dollars and 121 million dollars. In FY 1987, owing to the earthquake, the U.S. economic and assistance programs will increase substantially. As you know, the Congress voted, 50 million dollars in earthquake assistance last year and we have an additional 100 million dollars pending before us now. We are proud of our efforts to help Salvadorans committed to democracy to establish and maintain a constitutional government.

10. Conclusion. I and most of my colleagues in the U.S. Congress are determined to strive to comprehend the reality of Central America, to live up to our ideals and defend our and your national security interests. We will provide sufficient support to help the true democrats of this region to institutionalize democratic systems and thereby offer a better life to their peoples.

You may rest assured that in BOB LAGOMARSINO you have a friend and supporter in the U.S. Congress.

Thank you.

Mr. Speaker, we also met with various human rights organizations in El Salvador. One of them was the organization called Tutela Legal, which is associated with the Catholic Church there.

They did say that the human rights situation was not as good as what I have described to you. However, even they admitted that there had been considerable progress in the human rights area that the government operations were far better than they had been and the lady who talked to us on behalf of Tutela Legal was not able to explain why the U.N. Special Rapporteur criticized their methodology.

We also met with the attorney general, who pointed out to us some of the problems with judicial reform, some of the reasons why it's not moving as fast as it should, and giving us some idea of what was going to happen in the future.

We had a very interesting conversation with four guerrilla defectors, and I will put their remarks in brief in the record as well.

The summaries follow:

Four Guerrilla Defectors: (Michelle Salinas, Dora Angelica viuda de Joval, etc.)

SALINAS

She joined Salvador guerrillas in order to win a better life for her people through armed struggle.

Five guerrilla groups unite and form FMLN.

Salvador Committee of Mothers used to stress case of the many disappeared and political prisoners.

VIUDA DE JOVAL:

She worked with non-government Human Rights Commission, a guerrilla front group, after her mother disappeared.

She altered Commission statistics concerning the number of troops/guerrillas killed.

The FMLN knew Americans were sensitive to the problems of the poor; funds from European groups given to Human Rights Commission were used by guerrillas to fight war.

THIRD EX-GUERRILLA (MAN):

He joined guerrillas because of human rights violations and institutionalized repression and lack of an alternative to solve these problems.

He received professional guerrilla training in El Salvador by Sandinista instructors in '80 and later attacked the American Embassy, National Guard units, and military airport and destroyed many aircraft.

Guerrillas in early 1980's were hopeful that a broad-based insurrection would occur.

He also trained in Nicaragua and Cuba and some targets were bridges, microwave relay stations.

He disagreed with new guerrilla strategy to shift forces to west and disperse.

MARCO ANTONIO GRANDE: FOURTH EX-GUERRILLA

Was recruited by Communist Party while a student at University and received scholarship to USSR.

In '82, since he did not like Soviet Union and the Marxist-Leninist theory he was studying, he was sent to Cuba for infantry training for guerrillas with other Latin Americans.

He received more training in Nicaragua and then went to El Salvador via Guatemala with false documentation.

He became unhappy with the destruction of the Salvador economy and how that contradicted with the thinking of a true revolutionary.

In past, Salvadoran soldiers equipment taken by guerrillas and used; now, army is better and insurgent equipment brought in from Nicaragua.

Guerrillas change strategy in '85 due to large losses, and now use land mines.

Mr. Speaker, one of the gentlemen that we talked to was recruited by the guerrillas in El Salvador; was instructed in Nicaragua, traveled to Cuba and was one of those who carried out the very effective attack on the Ilo Pongo Airport in El Salvador some several years ago, which practically wiped out the small air force the Salvadorans had at that time.

We talked to another guerrilla who was recruited by the Communist Party while a student at the university in San Salvador, and who received a scholarship in the U.S.S.R., and he went there for training.

He became unhappy with the destruction of the Salvadoran economy and felt that that contradicted the thinking of a true revolutionary, and he has since defected.

We met with others there, and then of course we went on to the country of Nicaragua. In Nicaragua, we found that the situation—at least I found the situation to be every bit as bad as I had felt it to be. We met with a number of people in the private sector, and we met with people in the Independent Human Rights Organization, who had been there before the Sandinistas took over.

We talked to high officials of the Catholic Church there.

When we arrived in Nicaragua, the first thing that we saw was a demonstration that had been called to mark International Women's Day, and to call attention to political prisoners in that country.

Ten people were arrested just before we got there, including Gilberto Quadra, who was scheduled to have lunch with us that day or the next day.

I later asked Vice President Sergio Ramirez to look into the matter and to ensure that Mr. Quadra was released, and I understand those arrested were released on Monday night, the day that we left.

High officials of the Catholic Church gave very poignant testimony to us. They said that the state of emergency in the country severely impacts on the abilities of various organizations to have activities, to gain access to information, and so forth.

They pointed out that the new constitution which has been so hailed by some people in this country and people around the world as evidence that Nicaragua is not a totalitarian state, pointed out that even if you accept the constitution for what it says, it was not in effect for even 1 day; I think it was about 4 hours before it was declared put aside.

One of the Catholic Church officials we met with told us that there may be 10,000 or more political prisoners in jail and many are living in terrible conditions without ever having had a fair trial, and in some cases with no trial at all.

□ 1510

He said that medical facilities in the country are inadequate and that the educational system teaches pro-Communist-Socialist ideas and that all schools, including Catholic schools, must use government texts and follow government programs of some 25 hours per week.

He said that neighborhood watch committees which have been set up by the Sandinista Communists terrorize Nicaraguans who oppose the government's policies by organizing divine mobs or, as they call them, turbas divinas. He said that young men interested in joining the seminary to study for the priesthood must first show their military ID's.

I asked him what his people thought about the Contras. I did not ask him what he thought because I did not want to get him in trouble. But I asked him what his people thought.

He said, "They like them a lot, almost all of them."

As I mentioned a moment or so ago, we did meet with the Permanent Commission on Human Rights. The Commission started in 1977 for the promotion and defense of human rights. It started during the term of the dictator Somoza.

He said some members of the Commission have been jailed, exiled, and others have had their homes attacked by the divine mobs.

Some of their offices have been occupied by the military. He said they look into about 140 human rights cases per month which include disappearances, murders, and tortures.

He said that in 1986, 600 Nicaraguans were sentenced by the anti-Somoza people's tribunal, and every one of them was found guilty. Those sentenced to 5 years in prison have their property confiscated. This law has been very effectively used against opponents of the Sandinistas.

He said also that the Catholic Church continues to be persecuted, to including confiscating the church's printing presses, closing the radio station they had, harassing priests, expelling Bishop Vega and not allowing Father Carballo back in the country when he had left.

Mr. FRANK. Mr. Speaker, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman.

Mr. FRANK. I appreciate much of what the gentleman says, but I ask him if he would, and I do not mean to divert him, and I will just ask this one question: The President has been very proud of the good relations he has had with the People's Republic of China. I wonder if he would, based on his experience here, tell me whether he thinks some of the same conditions he found in Nicaragua are also present in the People's Republic of China.

Mr. LAGOMARSINO. They probably are.

Mr. FRANK. Well, the problem is, I guess, without in any way approving any of what the gentleman talks about, I do not understand why that becomes grounds for armed intervention in one case when the People's Republic of China, which to my mind is much more repressive, in fact the Roman Catholic Church, as the gentleman probably knows, is banned from China, it is not just a question of harassing it. How come the President can be so friendly and so proud of his relations with the People's Republic of China if conditions there are worse than the conditions the gentleman cites as the reasons for his policy in Nicaragua?

Mr. LAGOMARSINO. I think part of the reason is the pragmatic one, that of the relationship between us and vis-a-vis the Soviet Union, and the practical political thing of where we often find ourselves with strange bedfellows, if you will, when we are engaged in warfare or in political opposition, just as in World War II we, at one point, were allies, so to speak, with the Soviet Union, against Hitler.

Mr. FRANK. If the gentleman will yield further, I appreciate his very forthright statement and his yielding to me and letting me in on his time. I would tend to agree with that. I will completely agree with it. The point I would make is it does seem to me, given that, that it would be better describing our policy vis-a-vis Nicaragua in those terms. I think it is hard to argue that the human rights aspect is a very important part of it when, as the gentleman suggests, when pragmatic interests of the United States dictate we would ally ourselves with people who would be in many cases more repressive.

So my point is simply that one's view of the human rights in Nicaragua, one way or the other—and I am very critical of what I see there, although perhaps less critical than the gentleman, but maybe not—but I do not think it would be reasonably advanced as a major reason for our policy there when we are in fact so supportive of countries which have worse human rights records. I think it is, as the gentleman says, the analysis of our national interests and the human rights aspect tends to be sort of a make-wave.

Mr. LAGOMARSINO. I thank the gentleman for his comments. I would only say that one reason that I take this special order and talk about some of the things that I have talked about is I think there is a feeling—I know some of my constituents do not believe that Nicaragua is violating or violates human rights. They do not believe that they are supporting subversives in other countries, although I think practically every Member of this body does. In the some 25 hours of debate on this subject last year and this year, if I am not incorrect, I do not think one Member of the House stood up and defended the Nicaraguan Government. Some attacked more strongly, as I am doing now, than others, but I do not remember one Member who said anything other than that the Nicaraguan Government was very repressive of its people and probably was supporting and was a threat to its neighbors.

But in any event, we met also with a union leader who pointed out that the original Sandinista revolution was a democratic one calling for pluralism, a mixed economy and non-alignment. He said it has been betrayed. The Sandinistas essentially control the private sector, and this control over that sector has caused serious problems for the economy. The private sector is private in name only.

I might point out that members of the private sector with whom we met said exactly the same thing. When I asked them, well, how come the government officials with whom we talked say that the private part of the economy is some 60 percent, He said, it is not anywhere near that, unless you call just mere ownership of an asset private property. He says everything we buy, everything we sell has to go through the government, they control everything including wages, prices, everything that we buy or not. And in any event that they do—they can and do confiscate our property, as did happen to the head of the private enterprise organization there. He said that the Contras, this union leader about whom I spoke, that the Contras are a product of the Sandinista failure and will continue if the Sandinistas do not change and return to the original revolution. He said, and this was interesting because it corresponded very closely with other information we had about this kind of opinion, he said that the draft, the rationing of food, unhappy businessmen have produced very negative effects on the Sandinistas and that they would win only about 30 percent of the votes if a free and fair election were held. We heard that their own private polls showed they would only win about 25 percent.

He pointed out, or he said, it was his opinion that the Sandinistas have neighborhood control of the society, block by block, which is something Somoza did not have, according to him.

We also met with a very courageous and charming lady, Violetta Chamorro, who was the wife of Pedro Joacquin Chamorro, whose death allegedly at the hands of the Somoza Government—there is some question about that—but anyway whose death led to the final revolution that overthrew Somoza. She was a former member of the five-person junta and is the owner of La Prensa newspaper. She said that both she and her husband were used by the Sandinistas who later betrayed the original revolution which she supported. She said that La Prensa took an independent, line unlike the government newspaper, La Barricada, closed La Prensa after publishing for 61 years. She said there was a limited amount of food for the Nicaraguan people. She showed us her ration card. Even though the diplomatic stores have everything you could want. She said this situation was far worse than under Somoza. She said the Contras are real pressure, which, when combined with diplomatic and political pressure, may achieve some results in Nicaragua. She made it plain she does not necessarily support them.

In fact, she said the Contras issue has become a political asset for the Sandinistas because it is seen as struggle between Ortega and Reagan.

None of the nongovernment political parties in Nicaragua, interestingly, are associated with any socialist or Sandinista parties. All of the parties, and we met with six of them, supported the original revolution, but now they say, all of them, that they are being used and manipulated by the Sandinistas.

The opposition parties participated in the 1984 elections in order to preserve their groups as political organizations and they won a few seats in the national assembly. But the Sandinistas have two-thirds of the seats.

The constitution, this is what they are all telling us, the constitution of Nicaragua is a product of the Sandinista party that responds to the interests of the Sandinistas. It does include some concessions designed to satisfy international opinion. They said although the constitution talks about pluralism, a mixed economy and nonalignment, these are not carried through in the actual constitution itself.

One of the leaders of a respected and long-time political party in Nicaragua, one of the parties that strongly opposed Somoza during all of his rule, advised that his party attempted to withdraw from the election when he realized they would not be honest or fair.

□ 1520

The Sandinistas refused to allow him to withdraw, and as a matter of fact, talk about public financing of campaigns, campaigned for him, put ads in the newspapers and on television and everything else, put up election posters.

He told us, as a matter of fact, that they promised him a certain number of seats in the assembly—I do not know how they knew how the votes would turn out, but apparently they did, if he would take part in the elections.

Although the opposition party representatives could not say publicly that they supported the Contras, they all agreed that the Democratic opposition was a viable form of pressure on the Sandinistas, but noted that the Sandinistas used the Contra issue to maintain the state of emergency.

You might say that some of them, certainly not all of them, thought that the Contras are a necessary evil. They did say—and one of the people with whom I spoke—and I certainly will not identify him for obvious reasons—said, "We used to be," and by that, he meant the nongovernment opposition, not only political but economic and so on, said, "We used to be public enemy No. 1. We are now public enemy No. 2. If the Contras disappear, we will become public enemy No. 1 again."

One interesting thing we heard—I do not know if it is accurate or not—but the people who told us certainly seemed to think it is, is that there are factions in the Sandinistas who do want a dialog and who do want to change their policies.

They said also, "Peace would be more dangerous than war." A rather interesting comment. The opposition parties would be banned. They pointed out that all revolutions are expansionist by nature, and the Sandinistas will influence the region.

The one thing that we heard a lot about throughout the area, in El Salavador as well as in Nicaragua, was that America must have a long-term policy for Central America; that we should try to arrive at a consensus and avoid changing direction every 2 years or so.

We did meet with a number of people in the Government, also. We met, for example, with a member of the National Assembly, who is a FSLN representative. We asked him what the position of the Nicaraguan Government was with relation to the proposal by President Arias of Costa Rica. A proposal had been made several weeks before we went down there.

We also asked that same question of Vice President Sergio Rimerez and of Victor Tenoka, the Vice Foreign Minister. Their answers, although basically the same, varied a little bit from, "We think it's an interesting proposal; we would like to fold that into Contadora."

Another said, "We will have our own proposal." One of them was quite critical of Costa Rica, saying that Costa Rica was not really a democracy, which I find interesting because it is, by all standards, the best and the oldest democracy in that part of the world.

Mr. Speaker, having just completed consideration of legislation dealing with aid to the Contras, it may be understandable that most Members will have turned their attention to other pressing business. I believe, however, that we must not simply assume that aid to the Contras is behind us for 6 months and we can forget about it. In anticipation of the vote on the $40 million, Time magazine published an essay entitled "Should the U.S. Support the Contras?" In the March 2, 1987, edition written by Charles Krauthammer. The commentary summarizes in the best, most concise form I have seen recently the rationale for the United States giving support to the Contras: "The failings, even the illegalities, of a President alter neither American strategic interests nor the morality—or immorality—of supporting anti-Communist rebels."

I urge my colleagues to read carefully this essay and consider the strategic interests of the United States in our efforts to support the Contras.

The essay follows:

SHOULD THE U.S. SUPPORT THE CONTRAS?

(By Charles Krauthammer)

Round 6, is it? President Reagan wants $105 million from Congress for next year's aid for the Nicaraguan contras. Congressional Democrats are moving now to block $40 million of this year's aid. We revisit the debate that will not die: Should the U.S. support the Nicaraguan resistance?

Congress is hardly the most finely honed instrument for making decisions of this kind. On the question of contra aid, Congress has returned answers, consecutively, of yes, yes, no, a bit, and—last year—yes again. (It was during the two years of "no" and "a bit"—1984 through 1986, when Congress first banned all aid, then only military aid—that Colonel North sought to circumvent Congress by funneling aid from other sources, including the Iran arms sale.) Lyndon Johnson once reminded critics that he was the only President we had. This is the only Congress we have. And by 1986 it did appear as if Congress had crossed a divide. After lengthy debate, both Houses voted military aid to the contras.

The Iran-contra affair shouldn't change all that, but it probably will. Less than three hours after Attorney General Meese had announced the discovery of the diversion of Iran arms funds to the contras, Senator David Durenburger of Minnesota, then chairman of the Senate Intelligence Committee, declared, "It's going to be a cold day in Washington, D.C., before any more money goes to Nicaragua."

This even before it was known whether or not the contra forces had seen any of the diverted money. This even before it was known whether the contras were even aware that funds were being illegally diverted for their benefit. What was known for more than a year was that the contras were the beneficiaries of some kind of supply operation run with a wink and a nod from the Administration. It was assumed that this was funded by "private" sources and possibly from money from third-party governments. And until Meese revealed that some money had also been skimmed from the Iran arms sales, this assumption aroused very little protest from Congress. Are the contras to be punished because they did not suspect an Iranian connection, something that, throughout November, no one in Congress (or in the press, for that matter) suspected?

But the gathering sentiment to reverse aid derives less from a desire to punish the contras than from a desire to punish the Administration. Of course, the Administration deserves to be punished. For the negligence of those who were ignorant or willed themselves into ignorance over the Iran arms affair. And for the lawlessness of those who actually carried out an operation designed to contravene congressional will.

But how to punish? Wounding a President by reversing his most cherished foreign policy goal is an understandable political instinct. But if it wounds the country, it is a bad one. Congress had come to the view that contra aid was in the national interest. It remains so. Abandoning that interest to get to a President is a high price to pay for sweet revenge.

The case for (and indeed, the case against the contras remains utterly unchanged by the North affair. Now as before, the case for the contras rests on two pillars. One strategic and the other ideological—moral, if you will.

For a century and a half the extraordinary security of the American mainland owed much to the fact that the U.S. resisted, under the Monroe Doctrine, any great-power penetration of its own hemisphere. For the past 40 years that local security has enabled the U.S. to look abroad and take responsibility for a vast alliance. Cuba was the first great breach in the Monroe Doctrine, and it has indeed complicated the U.S. strategic position not only in the Americas, where Cuba has actively engaged in the attempted destabilization of one country after another, but as far away as Africa, where Cuban troops serve as a Soviet foreign legion.

The Soviet bloc is now in the process of consolidating a second base in the Americas, this time on the mainland, in contiguity with Costa Rica and ultimately Panama to the south, and with Honduras, El Salvador and ultimately Mexico to the north. That the Sandinista revolution is without frontiers is not a hypothetical notion. It is historical. In the first years of their rule the Sandinistas poured considerable effort into the Salvadoran insurgency, which hoped to pull off a victory before the inauguration of Ronald Reagan. That attempt failed, but not for lack of trying. The Sandinistas have been more restrained in their support of the Salvadoran guerrillas during the Reagan Administration, not because of a change of heart but as a direct result of the military pressure that the U.S. has brought to bear during that time. Pressure in the form of the contras.

What is the strategic case against supporting a resistance that is trying to prevent the consolidation of a second Cuba? Some isolationists might argue that the "loss" of Third World countries does not really matter, and that we can sit behind a palisade of 10,000 nuclear warheads and not care who controls Central America. But the main opposition case is different. It does matter, say the Democrats. And the Sandinistas, they concede in speech after speech, are indeed Marxist-Leninist, expansionist, and pro-Soviet. But they can be contained by American power.

Tom Wicker, an articulate spokesman for the anti-contra view, put the case for containment: "Washington could state plainly that it will not tolerate any Soviet military base in Nicaragua, or any overt or covert attempt by Nicaragua to attack its neighbors." Now, what exactly does "will not tolerate" mean? One cannot just say it. Carter declared the Soviet brigade in Cuba intolerable. Reagan declared the crackdown on Polish Solidarity intolerable. And the intolerable endured, despite the brave words. To be serious about containing Sandinista subversion—overt and covert—will mean vigilance, resources and risk. It will mean everything from pouring aid into El Salvador, Honduras and Costa Rica to establishing a ring of American bases around the border of Nicaragua; even, as Walter Mondale suggested during the 1984 campaign, to setting up a naval blockade to contain the Sandinistas. But why is it preferable so hugely to commit American resources? To station permanently American troops to serve as a trip wire? (That is how containment works in Europe: the principal function of American soldiers in forward positions is to die and thus bring the U.S. into any European war the Soviets might be tempted to start.) And if a blockade ever became necessary, the U.S. would risk confrontation not just with Nicaraguan forces but with Soviet forces as well. Why is that strategically preferable to supporting 15,000 Nicaraguans themselves prepared to fight to reclaim their country?

Because, say the critics, the contras cannot do the job. They cannot win. How these experts divine the outcome of civil wars is hard to fathom. The contras have more than twice the recruits the Sandinistas had when they overthrew Somoza. Which side is today more popular? It is hard to find out in a dictatorship. But it is worth nothing that the Sandinistas have a conscript army, while the contras are a volunteer force.

The contras do have severe problems. They are in the midst of another agonizing reorganization, as the liberal civilian leadership tries, with U.S. support, to gain control over the military (not an uncommon problem, incidentally, for American friends from the Philippines to Guatemala). Critics point to the lack of significant contra military gains until now as proof that they cannot win. Perhaps. But it is equally possible that the lack of success has to do with two years of a grossly unbalanced arms race between the contras and the Sandinistas. Such imbalances are not rectified overnight, nor do they lend themselves to military spectaculars by the disarmed party. Guerrilla war requires arms, training and, above all, time for building an infrastructure in the countryside. The Sandinistas were in the field for 17 years before their victory over Somoza.

Some immediate visible success may be less a military than a political necessity for the contras. As Admiral William J. Crowe Jr., chairman of the Joint Chiefs of Staff, said, if the contras do not have "some kind of success" soon, they will likely forfeit American support. The contras' greatest weakness could be the nature of their great-power patron. It could be that the U.S. does not have the patience to support the incremental struggle that is guerrilla war. And the contras certainly cannot win without outside support. Very few guerrilla armies do. Not even the Viet Cong did.

Which makes the "they can't win" refrain somewhat ironic. It comes most often from precisely those people in Congress who are constantly fighting to cut aid to the contras, reducing their supplies to the barest minimum, or trying to eliminate assistance altogether. Having disarmed the resistance, they then assert that it cannot win, and then cite the inability to win as a reason for disarming it. A neat circle.

But what of international morality? Even if it is strategically important for the U.S. to prevent a Communist state in Central America, do not American values prevent us from overthrowing another government? In principle, no. It depends on the case. The 1983 overthrow of the thug government of Grenada, for example, surely qualified as one of the more moral exercises of American foreign policy.

The question of contra support, however, poses a different problem. It asks whether the U.S. has the right to support a 15,000-man peasant army that wants to overthrow its own government. That army believes that its country has been taken over by Leninists who have shut down the opposition, destroyed a free press, repressed the church and run a secret police "advised" by Cubans and East Germans. As the President of Costa Rica put it, the "Nicaraguan people . . . have fought so hard to get rid of one tyrant, one dictator, and seven years later they have nine."

Guerrilla war is always morally problematic, and it is therefore important for the U.S. to ensure that its allies conduct the war as humanely as any guerrilla war can be conducted. But is it wrong to support a resistance seeking to overthrow the rule of the comandantes? Americans value freedom in their own county. They would not tolerate the political conditions that Nicaraguans must suffer. There is no hope that Nicaraguans will enjoy anything near the liberty that Americans enjoy (and that the Nicaraguans were promised by the Sandinistas) unless their new tyranny is removed. How, then, does it serve American values to cut off aid to those trying to do the removing?

But then these arguments are familiar, too familiar. They have been debated in Congress and elsewhere with seasonal regularity. That is precisely the point, however. It is these familiar arguments that lie at the heart of the decision about whether the U.S. ought to support the contras. Not "What did the President know, and when did he know it?" The failings, even the illegalities, of a President alter neither American strategic interests nor the morality (or immorality) of supporting anti-Communist rebels. Let the debate begin, again. And may it be decided on its merits.

GENERAL LEAVE

Mr. LAGOMARSINO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of my special order today.

The SPEAKER pro tempore (Mr. JOHNSON of South Dakota). Is there objection to the request of the gentleman from California?

There was no objection.

FISCAL YEAR 1988 BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 60 minutes.

Mr. FRANK. Mr. Speaker, as I address the Chair, the Committee on the Budget is today, as it has been in the past, dealing with the task of trying to bring out a fiscal 1988 budget. I want to discuss some of the circumstances surrounding that.

It has become somewhat peculiar because the Republican members of the Committee on the Budget have refused to vote on the budget. In a rather extraordinary display, they have been sending letters to the chairman of the Committee on the Budget and the Democratic leadership setting forth their terms before they will participate in voting on the budget.

It seemed a little bizarre that trying to get Republican members of a committee to take part in its business would be a little bit more difficult than negotiating the treaty of Guadalupe Hidalgo. It seems to me, when you are confronted with rather strange behavior, you ought to try and figure out why we have it.

What we have is the Republicans sending letters saying they are not going to participate in the budget, and one of the main objections is that the chairman has refused to come up with a Democratic document drawn up in isolation from them and making that the order of the day.

It seems particulary strange that the Republican Party members would object to being given the opportunity to participate equally, but the point is that no one is talking about derogating their rights whatsoever. If they have ideas on the budget, what they ought to do is sit in the Committee on the Budget, make motions, vote, act, the way people ordinarily act in a parliamentary situation.

They are refusing to do that. What they have said is, for instance, they cannot sit in on the Committee on the Budget until, among other things, they have conditions for their participation. One would have thought that having run for office and having been elected and having read the Constitution, they would have understood that it is their responsibility to sit in the Committee on the Budget and vote yes or no and make amendments. They say no, they will participate, as if their participating in doing their duty is some favor to us, unless various things happen.

One is that they want a guarantee, I guess, that there will be no continuing resolution. They do not like doing all things in one. Of course, the reason we had a continuing resolution last year of the size we did, and of previous years, was basically the failure of the Republican controlled other body to act. Last year, for instance, when we had to do a continuing resolution, the House passed virtually all of the appropriations bills. The other body passed only about half of them.

I say that in no spirit of censoriousness, in conformance to our rule. I simply mention the facts. The House passed nearly all the appropriations bills and the other body passed only half of them.

Now why is it the fact of the Democratic House that we had to do a continuing resolution when the Republican other body would not pass the appropriations bills? That is hardly a serious argument.

Mr. Speaker, we have a situation where the Repubican Party is refusing to participate in the budget process. They say that the Democrats must first bring out a version. Interestingly, Mr. Speaker, there was one thing the Republicans have not asked. They fear something enormously. You might have thought that with the President of the United States, of recent memory, having sent to the Congress his budget, that the Republican demand would have been let us use the Republican budget of the President of the United States as a starting point. That, Mr. Speaker, is the last thing they want.

Republican Members of this body have avoided Ronald Reagan's budget the way cobras seek to avoid more than one mongoose. The Republicans, during my tenure here, which coincides with Ronald Reagan's, not to our mutual desire, but as a matter of historical fact, have never—not only do they not vote for the Republican President's budget, when on two occasions, Members of the House have presented the President's budget for a vote on the floor, they have been denounced by the Republicans for dirty tricks.

□ 1530

The Republicans have considered it unfair. So we have a situation where the Republicans will not come to the budget conference, and they send treaty requests as if they were negotiating with a foreign country. Treaty requests just do not make sense. They were objecting because the Senate last year did not pass enough appropriation bills so we had to do a continuing resolution, insisting that there be a Democratic budget to start with, and specifically not asking that they start with the President's budget.

Why this budget avoidance on the part of the Republicans? Why do they sit in the Budget Committee and vote "present" and boycott it and announce that they are not coming? The answer is that they have put themselves in a box out of which they cannot escape, and the box consists of several wholly unrealistic assumptions. One is that you can reach the $108 billion mandated by Gramm-Rudman rather easily.

They are saying that it is up to us to show them how to reach the 108. Well, there is a budget presented by the President of the United States in which he claims he has reached the $108 billion as the deficit figure. The problem is, of course, that he is the only person in the United States of America who believes that. He probably believes it, because one of the distinguishing characteristics of President Reagan is an ability to believe what he wants to believe, the facts to the contrary.

Remember, the President is the man who told us that he still believes in his heart that he did not trade arms for hostages, even though he knows that he did. I have not yet been able to understand what that sentence meant, except that the President has an ability to engage in wishful thinking.

He says that he has reached the $108 billion, and he says we are going to stick to the $108 billion deficit target without raising taxes. Well, in the first place, the President does raise some revenues, as he calls them—taxes, other people might call them. For instance, in the President's budget, people on Medicare would pay more. Ronald Reagan has been very consistent here. In 1985, for instance, he worked very hard to try to reduce cigarette taxes from 16 cents a pack to 8 cents a pack, while making up for that lost revenue by increasing the amount people had to pay when they are on Medicare.

Mr. Speaker, it seems to me that we would do better to tax the things that cause cancer rather than to tax the people who have cancer, and I think that the priorities the President showed in 1985 reverse that.

But the President has sent up a deficit figure that he says is down to $108 billion, and no one believes it. If the Republican Members of this House believed it, they would be pushing it. Why have they not done that which they have a right to do, that is, gone into the Budget Committee's deliberations and say, "Mr. Chairman, I move as a substitute the President's budget, item by item?" Why do they not just move to adopt the President's budget figures?

The reason is that they know it does not make any sense. It does not meet the deficit figure because it is inflated. The Congressional Budget Office estimates that it is about $25 billion off from where they say it is on the budget, probably because of the revenue estimates—and those are matters in dispute—and probably because they say they have underestimated spending.

By the way, the reason we have an extraordinary problem right now has to do with what the President likes to refer to as an "economic miracle." The President was very proud of the economic growth we had in 1983 and 1984. And we did have great growth as we bounded back from the deepest recession in American history, although, according to the minority leader—pardon me, the Republican leader; they do not like to be called the minority—the Republican leader, the gentleman from Illinois, he does not apparently think the President deserves much credit for improving the economy, because in the CONGRESSIONAL RECORD for March 18, at page H1462, we have Mr. MICHEL saying: "What this Government has done to the American economy, good or bad, has in fact been done by the Congress, the legislative branch."

Now, that is a claim for congressional supremacy a little bit beyond what I would have suspected, but he says it is the Congress that has done it. I think it is shared myself. I do not think he gives the President enough credit. But I can understand he is trying to defend the President's decisions of late, and he may get a little exasperated. He has got to defend the President's veto of the highway bill, which he is not too crazy about defending. I can understand that. The problem is, whether you give Congress the credit or the President the credit for the economy, when Gramm-Rudman was passed and it set the deficit reduction targets, the President told us that we were going to have about 4 percent annual economic growth.

We have not come close to that. This economy has been performing, unfortunately, not very well in the last year. In some regions of the country there has been a serious failure, exacerbated by government policy. In the region that the Speaker represents, people have been damaged despite efforts by you and others, Mr. Speaker, to correct government policies. The overall impact has been, according to the Congressional Budget Office, that with last year's revenues, we begin fiscal year 1988 with about $39 billion less in revenues than we expected to have when Gramm-Rudman was passed. Revenues are down by about $39 billion because of the shortfall in the economy of which the President is so proud. The economy has behaved in a sputtering fashion, barely growing for a couple of quarters.

So, therefore, it is harder to reach the target, not because we have not made some expenditure reductions but because we did not get the revenues. It is hard to reach the target for that reason, so that is the dilemma.

The President says he does not want to raise taxes, except, of course, he does. He raises user fees. And, by the way, to give you an example of how supported the President is by the Republicans, one of the areas in which the President wanted to raise more revenue was this: He wanted to raise the fees that you pay if you buy a house through the Veterans' Administration or the FHA or if you use the Government National Mortgage Association, Ginnie Mae. Additional revenues for that were in the President's budget. He was going to put the Ginnie Mae increase into effect early in March. Both Houses, I think unanimously or close to unanimously, without recorded votes—a couple of Members said they did not like it—repudiated it. Overwhelmingly, both Houses repudiated that.

So the first action we took on the President's budget was in a bipartisan way, to say, "no, don't raise the prices that middle income people who are trying to buy homes have to pay. Those are already too high."

At any rate, we have a budget where the President thinks he has reached a deficit target of $108 billion, which is very hard to reach because there has been a revenue shortfall. And nobody else thinks he has reached it; nobody agrees with him. I do not think there are any Members of the House who are ready to state under oath, "yes, we believe the President has reached the target." And the proof of that—and let me emphasize this again—is that in all this dispute about the budget the Republican members of the Budget Committee have religiously, consistently, undeviatingly refused to talk about using the President's budget as a starting point. They have not offered it; they do not want to have anything to do with it. I understand that.

Instead, they say that there must be a Democratic budget to start with. What the chairman of the Budget Committee proposed was this: "Let's take as a markup document an outlay freeze." Now, there were a series of statements on the floor by some of the Republican Members a week ago saying that the chairman, by talking about using an outlay freeze as a starting point, was going to deny people a COLA.

Mr. Speaker, as you well know, the rules of the House require us to show due regard for the honorable intentions of Members of the House, and I always follow the rules of the House when there is a Parliamentarian present. I do say that I do not recall a time when statements were made by a number of Members which in my judgment were more surprising. I am sure the Members who said that believed that because under the rules we obviously agree that everybody believes what they say here. But I am surprised that the Republican Members believed those incredible assertions that the chairman of the Budget Committee was in any way endangering the COLA.

What he was saying was this: "Let's start with the outlay freeze and amend it from there," and the Republican Members declined to vote. They would not vote on any of this. Instead, they sent us letters. They sent a letter to the Speaker saying, "We must have a budget proposal submitted by the committee majority as a basis for discussion."

Why? Will a Republican Member tell me why they did not offer the President's budget? I know why I would not have offered it. I do not think it is any good. But if that is what they agree with, then I think we ought to know that.

They asked if there were reconciliation instructions. There always have been. And they say that any omnibus appropriation bill will be discouraged at all times. The opinion of the Republicans on omnibus bills varies. We did not have an omnibus appropriation bill in 1981. We had one, and I have it here. Maybe some of the Members will be nostalgic about this. I know that my friend, the gentleman from Michigan, sitting over there probably has not seen it for a while. This is Gramm-Latta, Mr. Speaker, in which the Republicans put together one single piece of legislation which nobody on their side had read and nobody on our side had seen. They at least knew how thick it was, but we did not. It did terrible damage to poor people, elderly people, working people. Students lost loans, elderly people lost their minimum Social Security income. The Republicans voted for it in lockstep because they were told they had to. They had no problem voting for that.

Here is where we are in the budget process: We have a very difficult situation because the economy has failed to grow at anything like Ronald Reagan told us it would grow. We do not have the revenues that would allow us to meet the Gramm-Rudman target very easily. The President's response to that was to pretend that he met the targets when no one else thinks he has, and the Congressional Budget Office, a nonpartisan institution headed currently by a Republican says, "No, Mr. President, you are about $30 billion off." And the Republicans in the House go the President one better. He sends in a budget which he pretends meets the $108 billion target, and they do not do anything at all. They will not vote on it, and they avoid it because they know how impossible the task is that they set for themselves.

□ 1540

Mr. CONYERS. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Michigan.

Mr. CONYERS. I thank the gentleman for yielding to me.

Mr. Speaker, I appreciate the gentleman's discussion. The gentleman mentioned the Gramm-Latta proposal. Was that not the one that had a secretary's phone number printed in it inadvertently? I presume that was inadvertent.

Mr. FRANK. I would say to the gentleman I do not think it is Fawn Hall's number, if that is what the gentleman was going to ask me next. I do not know who the secretary is in question. I believe that phone number, as you know, is now the law of the land because it was voted on obediently by the Members on the other side.

Of course, I will have to say this to my friend from Michigan: They learned, having voted for Gramm-Latta, which they regretted and which they lost seats over in 1982. They are not voting for any more Presidents' budgets.

You know, in the 7 years I have been here the President's budget has come up twice on the floor. No Republican has ever offered Ronald Reagan's budget beginning in 1982. Mr. GRAY offered the fiscal 1987 budget last year. The vote was 312 to 12 against it. Seventy-eight Republicans voted "present."

In 1984, our late colleague, not late as a human being, just late as our colleague, the gentleman from Colorado who has now gone to the Senate, he offered the President's budget and it lost 401 to 1. I do not know who the one Republican was who stood by his man in 1984 because that was an election year so they were a little nervous about that.

The Republicans have abandoned the President's budget; they no longer want to have anything to do with it. By the way, it is not because it does not have enough spending. One of the arguments that we have got is that the President portrays himself as the person who is preventing Congress from spending more. The fact is that since Ronald Reagan became President, Congress has appropriated virtually the exact amount that Ronald Reagan has asked for; virtually the exact amount.

In most years, we appropriate marginally less; in a couple of years more. There is 1 year out of the 7 when there was a significant, a statistically significant difference. For fiscal 1983, at a time when we were in a deep recession, Congress voted $12 billion more than the President asked at a time when the budget was about $500 billion. So $12 million out of $500 billion, about a 2-percent-plus increase, that is because we thought we should respond to the misery of the recession and the President thought you would respond to that in a different way.

Other than that, more often than not, Congress has underappropriated and the totals for the 7 years of Ronald Reagan sending in budgets, including up to this year, with supplementals and everything else, are virtually identical. There is no question the President honestly believes that he has sent in lower budgets and Congress has voted more than he has requested.

Focusing on detail, we are told, is not one of Ronald Reagan's great strengths. That is an enormous understatement. Focusing on the facts is not one of Ronald Reagan's moderate strengths. He does not, I think, understand; I do not think he consciously misleads. But the fact is indisputable, the amount appropriated by the Congress, half of which, of course, was Republican during his first 6 years, but the amount appropriated has been essentially what he has asked for. The totals are minimal. According to the table I have here from the Appropriations Committee, the President's budget requests came to $3,572,289,000,000, and we appropriated $3,557,000,000,000. So we are talking about a $15 billion difference where Congress voted less. The only year where Congress voted significantly more, statistically more, was fiscal 1983. That was a vote taken in early in 1982 in the middle of tough recession.

So Congress has voted less than the President asked for. Why are we in such a difficult situation? Probably because of the unprecedented defense buildup. But we are in a particular problem right now with regard to Gramm-Rudman deficit targets because Ronald Reagan said the economy would grow by about 4 percent per year and he has simply been wrong, and that is a sad fact. I wish it were not the case; I wish we had economic growth so that there were not unemployed people in the big cities and we did not have the misery we have on the farms; we did not have people who are hurting the way they are. But we have it. To pretend that we have that revenue when we do not is a mistake. We have a $39 billion gap in revenue. By the way, the President then says, "Well, we are never going to raise taxes." He is going to raise taxes; he calls them a little bit different. The President in his budget, to reach his 108, does include increases in money that people pay the Government to the tune of about $7.5 billion in new fees or increased fees; 2.4 he says in increased tax enforcement. He is looking for the people to pay the Government $10 billion more than they otherwise would have. He does not want to call them taxes. I understand that. When he released a Russian spy in return for Nick Daniloff, he did not want to call that a swap.

When he sent arms to the Iranians in the hope that they would let some hostages come forward, he did not want to call that a trade. Ronald Reagan does not like to call things by their names; he is a man of great semantic delicacy. If, in his hour of travail, that gives him comfort, who are we to deny him that comfort.

The fact is that he is asking the public to cough up another $10 billion. Now, some of us have suggested maybe we could cough up even a little bit more, maybe up to 18 to 20. The Republicans have said in one level, no, but there was an interesting thing in their treaty proposal. Actually, I think we, I was surprised that it was the gentleman from Ohio, Mr. LATTA, who was approaching Mr. GRAMM. I would have thought they would have sent us Max Kampelman or General Rowney. These people have not been able to get any agreements with the Russians and so there would have been no danger of getting any agreement with the chairman of the Budget Committee. See, I do not think they wanted an agreement. Remember again where we are. We have a budget deficit target of $108 billion in Gramm-Rudman overwhelmingly supported by the Republican side. It came out of the Republican Senate.

It was always a difficult target to hit; it has been made virtually impossible to hit it by the Reagan shortfall in economic growth. So the President sends us a budget which he says meets the target and nobody believes him. CBO says is off by a factor of about 25 percent or more. The Republicans show their respect for their President by refusing to offer the President's budget. It is the absent actor in this scene.

You know, there is a Sherlock Holmes novel, I always like to be accurate on the floor. In this piece of fiction at one point Watson says, "Holmes, how did you know that such and such happened?" Holmes says, "It was the dog, Watson." And Watson, in his usual idolatrist incredulity says, "But Holmes, the dog did not do anything." And Holmes, in his kind of superiority said, "Ah-ha, the fact that the dog did not bark was significant." That is how he solved the crime.

Well, we apparently have some self-styled fiscal watchdogs on the Republican side, and here came the President's budget and guess what? Nobody barked. We got the Presient's budget and he says, "I have got the solution to the $108 billion." It has not been offered in the Budget Committee; maybe it is going to be offered on the floor, but if history is our guide, it will not be because the Republicans have never offered the President's budget on the floor since I have been here, and only 12 of them voted for it the last time. They thought it was a dirty trick. So that is where we are with regard to their own view of how they do things.

The question now is how do we deal with this particular budgetary problem. The question some of us have raised is well maybe we should have more revenues. The President asked for the public to pay $10 billion more, he also says he is going to get an additional $10 billion and I think one of my colleagues, the gentleman from Florida is going to address this by asset sales. Asset sales in which you exaggerate the amount of money you are going to get. You damage the future income stream of the Government, you do a lot of short-term gimmicry. These asset sales make very,

very poor fiscal sense and the President is talking about them.

Then we have, the Republicans have, well, they have sent two letters. They sent a March 18 letter to Mr. Gray and then apparently they renegotiated among themselves and they have a new condition here, and this is interestingly worded,

> No provision in the Budget Resolution provides for any adjustment in individual or corporate income tax rates.

Well, you know, there are a lot of other taxes that are at the individual and corporate income tax rates. We are not hearing too many proposals for raising the corporate tax rates right now. There was a proposal made to raise the income tax rates at the highest level, but there are other things that can be done. We could raise cigarette taxes. I think a lot of people would like to see cigarette taxes raised. Apparently, the Republicans say that is absolutely out of the question.

We can close loopholes. When the Republican Party says, "Absolutely no tax increases, except the $10 billion the President asked for," and you see what happens is when the President asks for them they are no longer tax increases. When the President says, "Make old people on Medicare pay more for their Medicare," that is OK; that is not a tax increase.

□ 1550

He talks about repealing some of the gasoline tax exemptions that some people have. He wants to make State and local employees pay more for Medicare, even though they may never get Medicare. He has got an increased tax on tips, on coal production. He has other small tax increases here and there. He would particularly increase the amount you have to pay if you want to get Government help buying a home at a time when home ownership is too high; so $10 billion of what the President wants to do comes from more money from the public, from us; $10 billion of its comes from asset sales, which are kind of phony.

By the way, those account for the $108 billion, that is the way he gets to the $108 billion. Even with those, he is still way off.

But I guess the question I would ask the Republicans when they say no tax increases at all, I guess dynasty is a relevant literary analogy here. Maybe the tax debate of last year was a dream and we are all going to wake up and emerge from it.

We passed a tax bill last year, which I voted for in the end. It had large bipartisan support, but even its most enthusiastic supporters have never argued that it got rid of all loopholes.

What the people who tell us no taxes at all are saying is that we have a perfect Tax Code. You do not have to increase equity. That is nonsense.

There continued to be, everybody knows that, there are all kinds of deals and trades. That is the nature of this process. There are all kinds of places in that Tax Code where without raising tax rates on the average person or on the average business you could easily raise $15 billion to $20 billion. Only those who believe we have a perfect Tax Code, people who think raising cigarette taxes is going to be a terrible idea, I think most Americans think the other way around.

There was a little special deal that was put in, voted by Democrats, the former chairman of the committee, the gentleman from Louisiana on the Senate side, where if you give money to a employee stock option plan, you do not have to pay any taxes. That was done in a rather poor fashion and it could cost us billions of dollars. We could knock that one out. We could close that one out. That is not going to hurt the economy.

There are tax loopholes that can be closed. All these things will be difficult to do. We have a deficit to which all parties have contributed, the President, the Senate, the House. We have overspent in some areas where I like spending. We have underspent in some areas where I do not like spending. We need a serious effort to collaborate. We are not getting it.

One reason we are not getting it may have been indicated by Pat Buchanan. Pat Buchanan was one of the President's chief strategists. He is the man who said that the greatest political vacuum in America was to the right of Ronald Reagan and that he was going to fill it for awhile, until I think he realized how happy the Democrats were at the prospect; but what he says is, he just wrote this in Newsweek, that the President should not compromise with us because a fight is the best way to keep Iran and Nicaragua off the front pages.

We have a situation where the President is somewhat embarrassed and his top people are embarrassed by the revelations of the Tower Commission, the revelations yet to come of the two special investigating committees, of the special counsel, now called the independent counsel, which by the way the Justice Department will not tell us if it thinks it is constitutional. We have something that has been on the books since 1978. The President signed a revision of it in 1982. The President signed it and we have asked the Justice Department if it is constitutional and they are a little bit offended to be asked. These people who have prescribed fairly specific personal regulations for most Americans appear to consider it an invasion of their privacy for the Congress of the United States to ask them if they think this statute that they signed into law in a revised form in 1982 is constitutional. They will not tell us.

Why will they not tell us? We know why. It is because they think it is unconstitutional, but they are embarrassed to say it is unconstitutional while so many of the President's closest friends are under investigation.

Mr. CONYERS. Mr. Speaker, will the gentleman yield?

Mr. FRANK. I yield to my good friend, a member of the Judiciary Committee, the gentleman from Michigan.

Mr. CONYERS. Mr. Speaker, I have asked the gentleman to yield, not for the purpose of extending his excellent presentation, because I hope to follow him shortly thereafter, but the gentleman will recall that in the Judiciary Committee the Attorney General of the United States appeared before the full committee and responded to that question from not only myself, but the gentleman from Massachusetts [Mr. Frank], and if I remember correctly, I thought he assured us that he felt fairly comfortable with the constitutionality of that provision, but I remember that immediately after, that same afternoon he held a press conference in which he announced something that appeared somewhat to the contrary.

I say that to jog the memory of the gentleman from Massachusetts about this subject.

Mr. FRANK. Mr. Speaker, the gentleman is right. He called my attention to that. The Attorney General appeared before us, discussed the subject, and then a couple hours later without having mentioned it to us, appointed the independent counsel, Mr. Walsh, as an Assistant Attorney General; but he did not say he was comfortable with the constitutionality. As I remember, what he said when I asked him, he said, "We are trying to find a way to defend this law."

I suggested going into court and filing a brief might be a fairly routine way, but they have not been willing to do that. They just will not take a position, and still when they testified before the Senate committee they refused to say whether they thought the law was constitutional or not, they were still working on it.

Mr. CONYERS. Mr. Speaker, if the gentleman will yield further, and again I am not trying to prolong his discussion unduly, but the Attorney General was under oath at the time that he gave that statement, so I want to assure all my colleagues that even though he omitted to indicate that he had already obviously had other intentions and plans which were not revealed under fairly repeated questioning on this subject, that I do not believe that he violated the oath that he gave Chairman Rodino when he began his testimony.

Mr. FRANK. Well, I would agree, and I would also point out to my friend that while the chairman swore Mr. Meese in, he neglected to give him a Miranda warning, so even if there had been any problem I think the Attorney General would probably be in the clear, because we still believe in those principles.

Mr. Speaker, I was just talking about what I think the motivations are. Pat Buchanan has been the ideological defender of the Reagan administration and when he has taken time away from objecting to the prosecution of Nazi war criminals, he has given the President some political advise, according to Newsweek. What he says, this is Pat Buchanan in the current issue of Newsweek, page 24:

> Iran-Contra, however, is the least hospitable terrain on which to engage. It is imperative to move it off. To get this controversy off page 1 we must find a new controversy to put on to page 1.

So what we have, I think, and some people think even the budget would be a good one to fight over. I mention that, but let no one think we have forgotten the devastating implications of the conduct of the irrational foreign policy of the Iran-Nicaragua situation; but I think that helps illustrate the phoniness of the budget crisis.

Here is where we are, very simply. Gramm-Rudman was passed late in 1985 on the assumption that we would have about a 4-percent economic growth. While Gramm-Rudman is passing, the economy is faltering significantly from that level. As a result, if you just look at the projection of revenues for fiscal year 1987—I may have misstated this before, so let me state it exactly now—in 1985 a projection was made by Government agencies about what the revenues would be based on the economy. Now we have a current projection; of course, that fiscal year is about half over. We are about $39 billion short, so the problem of meeting the Gramm-Rudman target, why is it so difficult? Because the $108 billion deficit for this year was based on an assumption of a degree of economic growth that would have given us $39 billion more in revenue. We are at least conservatively $39 billion more in the hole.

Now, how do we deal with a problem of a target which is now unrealistic, because the economic assumptions on which it was based have not been reached?

President Reagan's proposal is in the first place to ask for $10 billion in new taxes and fees from the American public, while denying that he is asking for them, so you get more from old people on Medicare and you get more from people trying to buy homes and then you claim that you are going to get an additional $11 billion by selling off the assets of the Government, short-term cash increase, does not do anything for your balance sheet. Selling assets does not increase the Government's wealth. In fact, it will diminish in some cases future income because of selling off assets that could have paid something back, so you get $10 billion in new taxes and fees, while you deny that. You get another $11 billion asset sales which are very shaky and very poor business practice. They are the kind of things that business people shudder at, give Government a bad name, and even with those, and, oh, then you underestimate spending. You basically underestimate the number of old people who are going to get sick and you put that down.

□ 1600

You know you have to pay it later, but you underestimate it, and with all that you come up with a figure that the Congressional Budget Office says, no, Mr. President, under your proposal it would be about $135 billion, not $108 billion. So the President reaches the task that has been made impossible by the economic shortfall by a set of phoney numbers that he believes in. I do not impugn his sincerity. I impugn his capacity. I do not think he understands the extent to which he has numbers that do not make sense, and he thinks they make sense.

Now then, what happens? The Democrats say over here, well, all right, there are a couple of things that we can do. We could raise taxes a little more than he raises them. He is talking about $10 billion and we are talking about another $10 or $15 billion, and there are various ways. I would like to raise cigarette taxes. Some of my colleagues would not want to do that. We could close some loopholes that were left open last year, or we could close a couple that were reopened last year in last year's bill. In that bill we reduced loopholes and we took fundamental steps in the direction of equity, but we did not do it perfectly.

The Republicans are now going to pretend that we have this perfect bill and that there is no way to increase revenues a little bit. No, they do not want to do that. The Democrats have said let us talk about how we can deal with this in a realistic way. Let us start, and the chairman, Chairman GRAY said, start with an outlay freeze and let us add or subtract from that outlay freeze based on that. The Republicans said, "No, we are not going to play. You do it, and then we will come in and talk about it."

Well, where is it written in the Constitution and in the rules of the House that the Republican members of the committee cannot participate unless the Democrats draft a version for them to start with? And whatever happened to the President's budget? Why does not the Republican Party in the House—is there not one Republican who is prepared to say this is my President's budget and I support it, and I offer it to the Budget Committee? No one has said that he is prepared to do that.

What we have is a Republican decision to say that the $108 billion target is inviolate, that there is no need for any additional revenues because apparently we have a perfect Tax Code with no loopholes. No one is talking about raising taxes on the average citizen. We are talking about closing some loopholes, some of us. They do not want to hear about that, so they cook up a very transparent set of demands. That is really what they sent most recently. JIM WRIGHT, the Speaker of the House, got from the Republican leader, the Republican whip, not the majority leader or the majority whip, the Republican leader and the Republican whip—the gentleman from Illinois and the gentleman from Mississippi—they sent the Speaker a letter. Frankly, it looks like something Dean would have gotten from SDS in 1968: These are our demands, and this is what they are telling people they will do. They will come to the Budget Committee and make motions and vote on things.

It is not a favor that the Republicans do the Democrats to participate. What we have is a facade erected by the Republican Party because they do not want to deal with the budget process. They do not believe the President has reached the $108 billion. They do not agree with him anyway, by the way, and in the speeches made on the floor of the House a week ago about the budget by my Republican colleagues, they all managed when they mention the President's budget to say, "But, of course, I do not agree with it; I do not agree with the priorities." Well, if you do not agree with the budget priorities, then I do not know what is left. So they really do not believe in the President's budget, but they have hoked up this reason not to participate.

In the past, of course, the Republicans have complained because the Democrats did come up with a budget, and they have said, "Oh, you did something privately, on your own." Now you come in and expect us to deal with it; that is not fair. So this year the chairman, Chairman GRAY, said we have a very difficult prospect here because the economy under Ronald Reagan has performed so much less well than we thought, and we do not have the kinds of revenues we thought we would have, and we may not be able to reach the Gramm-Rudman target. What do you want to do about it? Do you want to do the President's budget; do you want to start with outlay freezes? Have you got some other suggestion? The Republican members of the Budget Committee are firmly for none of the above. They simply do not want to deal with the situation.

We will be talking further about the budget. As I said, the gentleman from Florida, I think, is going to address the shakiness of the economic principles and practices reflected by the asset sales. We will also be talking about what specific damage would be done by the President's budget to reach the $108 billion, which he does not reach, and even while falling about $25 billion to $30 billion short of the Gramm-Rudman target, the President does enormous damage to students, to older people, to people who are quite needy.

We talk on the one hand about competitiveness, and we get a budget that says let us not have any Federal help for vocational education, which would undercut our ability to be competitive. That was in the budget that the President sent, secure in the knowledge that no one would ever act on it. If the President thought that that was going to be enacted into law, he would fear the consequences, but he knew that no Members of the Republican Party in this House would advocate the President's budget, as for 7 years they have consistently refrained from doing. Well, for 6 years. They worked for the Gramm-Latta in 1981 and virtually every Republican in this body, or everyone in one form or another, with a couple of exceptions, voted for Gramm-Latta.

Then too many of them spent too much time—they lost—and they spent too much time explaining to people why they voted to cut survivors' benefits for veterans, and Social Security, and why they had cut so deep into these other programs, and why they had knocked female members of religious orders, nuns, or supplemental income security.

So, they have said in one way or another that they are not ready, and have decided not to vote for the President's budget again. So they do not offer the President's budget. They have occasionally offered a budget of their own, not always, and this year we are confronted with the difficulty of meeting the Gramm-Rudman targets, and the Republican response has been inaction. I have never, having been in American parliamentary bodies since 1973, the State legislature and here, and I have read a lot about it, but frankly, I had thought that I was in Japan or in South Korea when I read a letter from the Republicans on the Budget Committee saying, "Mr. Chairman, Mr. Speaker, we will not participate unless you meet the following conditions." When did these become negotiable demands as a part of our parliamentary practice? They are a facade behind which the Republicans hide because they neither want to support the President's budget nor put forward one of their own.

On the Democratic side, the caucus had a recommendation which was: Let us take an outlay freeze and go up or down from that. That was the proposal put forward. The Republicans would not vote on that at all, because they do not want to make difficult political decisions. They want to pretend that you can reach the $108 billion; they want to pretend that $10 billion apparently of taxes and increases and fee increases on the people that the President asked for are not for that, and they will not talk about other types of increases, even if we are talking about some inequity and agree to close some loopholes and make it freer.

What is it they want to do? They want assurances that they will not have a continuing resolution.

Well, last year we had one because the Republican Senate voted not to pass on many of the appropriation bills. This House did not pass them all, but the House passed 11 out of 13. The Senate passed only 7 of the 13, and passed some of them so late that it was obvious that they never intended that they would pass them. The failure of the Republican Senate last year to pass appropriation bills has become one of the reasons invoked by our Republican colleagues here for not participating in the budget process.

The budget process will be a difficult one this year. Meeting the Gramm-Rudman target, even with the revenues that we had anticipated, would have been very difficult. With the economy under President Reagan having performed so much worse than he thought it would, and causing us to have so much less in tax revenue, it is virtually impossible to meet the $108 billion without an enormous amount of pain, some tax increases, or something else.

The President has waved his magic wand and pretended that he has $108 billion. Not one Republican supports the President's budget, not one.

I am told by my good friend, the gentleman from Virginia [Mr. SISISKY], that when he was asking the Secretary of Defense what he felt the response ought to be to this budget dilemma, the Secretary of Defense said, "Pass the President's budget." And both Democrats and Republicans in the committee laughed, involuntarily, because the President's budget is not a serious document.

The Democrats will be coming forward with something. We have a prediction that we will never see a Republican budget. They have not produced one yet, and they do not like the President's budget. The reason is that for them, trying to produce a budget would be to admit that it is impossible in an intellectually defensible way to take the position they are taking, that you can reach the $108 billion with no tax increases, and the President has tax increases in here, and he still does not meet the $108 billion.

The CBO says he is off. They would have to admit that what they are saying makes no sense, so they take refuge in the nonresponsibility of being in the minority, and they will make statements that it will be impossible to verify, but they will feel secure. And I think that we can predict again for the seventh year in a row that the Republican Members of this body will not support the President's budget.

I hope it will be offered. I will ask the Rules Committee, if no one else will; I will offer the President's budget. It seems to me, with all of the work that went into that, somebody ought to get a shot at it, and we will vote on it, and the Republicans will be unhappy about that, and they will, we assume, produce nothing. Maybe they are unhappy with the President's budget because it has too much tax increase in it. It does have $10 billion of increased contributions by the public to the Government, although it is interesting that we have already voted, and I see my leader in housing, the gentleman from Texas, is here.

□ 1610

One of the things he knows that the President proposes is, "Let's get more money from people who want to buy houses." I mean, you can't have Americans running around promiscuously buying houses when we have to build star wars. Where is there sense of what is important in this world?

So let's make them pay some more when they get a mortgage. And part of that was additional revenue that was going to come from raising the fees that you had to pay for using the Government National Mortgage Association.

The gentleman from Texas [Mr. GONZALEZ] expeditiously brought a bill to this floor to prevent that from taking effect which was revenue the President was counting in his budget—it was virtually unanimously accepted. I believe one Republican was going to object to it and a couple of other Republicans went up to him and said, "Let us explain to you what's in here" and they dropped it.

So that's the situation we are in. The President has got a fake budget. He has got air there. He has got a figure of $108 billion that includes some tax increases, includes some shaky asset sales and still does not make it, and the response of the Republican Party in the House? "Self-preservation has sensibly come out ahead of party loyalty." The President is a good fellow, but they are still not going to be caught with his budget. They are not going to defend it; they are not going to vote for it; they are not going to offer it in the Budget Committee.

They are going to sit there and pretend to do nothing.

Mr. Speaker, I am glad to yield to the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. I thank my distinguished colleague from Massachusetts [Mr. FRANK] and I rise—I do not want to detract from the gentleman's time—but I rise to adhere to his utterances, his observations, which are always incisive, and quite to point.

The gentleman is one of the outstanding members of the Committee on Banking, Finance and Urban Affairs and he is one of the leaders in the Housing Subcommittee, which I happen to chair.

I just wanted to thank him for his reference to the recently enacted legislation that would have prevented the mandated increase and the fees that GNMA, the secondary mortgage institution, was ordered to exact, that would have raised the cost of home purchases depending on the region you lived in in the country anywhere from $600 to $1,200.

I wanted to advise the gentleman that as of today, I have a copy of a letter from the Home Loan Bank Board mandating that its secondary mortgage institution, Freddie Mac, not go beyond a ceiling and a cap that has been mandated by the Office of Management and Budget.

What that means is that with the average American family being priced out of the dream of ownership of a suitable home; new or newly constructed, that this is one more impediment that we are going to have to get up and ask to join with my distinguished colleague to ward off and fight off again.

Mr. FRANK. Mr. Speaker, I thank the gentleman from Texas, and we should point out that these are the ways in which President Reagan tries to make the $108 billion budget deficit. He says he is against tax increases, but he is ordering these agencies to raise the amount of money that people spend to buy houses.

Now, some people say, well, a tax is involuntary; and this is not involuntary. That is right, this is voluntary; you do not have to buy a house. I suppose you could live in your car. You could live in the house you live in. You could have your job move and commute 400 miles.

The President says, "Let's make"—predominantly middle-income people we are talking about here—"pay more when they go to buy a house." Well, for some people, what is $600, $1,200? It is a lot of money, as the gentleman knows.

The President mandated that it be increased, and as he says now, they have got new limits on Freddie Mac—it is going to make it harder for people to buy a house. I suppose the view of the administration is that it is after all so important to send money to Nicaragua, to the Contras, and that money is so well used, as the gentleman knows, that a few Americans should not mind giving up their chance to buy a house. Maybe they should, you know, if they get knocked out by a ceiling and "We can't afford the house" they will feel good knowing that the Contras have gotten that money and the world is being made safe for democracy, as they live in whatever inadequate conditions they are living in.

Mr. Speaker, I again yield to the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Again, I am compelled to rise because the gentleman again has made reference to the perversity of priorities that the leadership of this administration, beginning with the President seems to have set.

Tragically, we have—the net consequences or the continuing, growing roles of homeless Americans, a blot to America if ever there was one. The other consequence: For the first time since 1914, within the last 2 years our Nation is a debtor nation. We are the biggest debtor nation.

These are the fruits of a President that ends up in being the first know-nothing President we seem to have on our hands.

Mr. FRANK. Well, let me ask my friend from Texas, he is an expert in the housing area: We hear a lot of unhappiness about homelessness. The homeless did not come from Mars; they are Americans who have been in some cases priced out of their markets.

I think the gentleman from Texas, [Mr. GONZALEZ] housing expertise is well regarded; and virtually unanimously the House, both sides, agreed with him—and let us be clear about this. Ronald Reagan says, "One way to reduce the budget deficit is to charge people more money when they buy homes and use the secondary mortgage market institution known as Ginnie Mae. And let's raise the amount that they have to pay. That is one way to reduce the deficit." That was counted, that revenue, I believe, in the President's budget.

The gentleman from Texas approached Members on the other side with whom he has a good working relationship, the gentleman from Connecticut, the gentleman from Ohio, ranking members of the subcommittee and full committee; and he said, "Do you agree with this?" They said no.

So, in a very quick movement, the House said "No, we're not going to do that." I think we ought to understand this. While people pretend to pay such tribute to the President, no one stood on the floor of the House to defend the first shot in the Reagan budget war.

We said, "Wait a minute. You can't do that"—he was going to do it right away. We repudiated that. I would ask my friend, what would the impact on homelessness be if we would adopt this Reagan budget, as he has sent it to us?

I would ask the gentleman from Texas [Mr. GONZALEZ] if he could tell us what he thought the effect on our efforts to deal with homelessness would be if we adopted a budget that President Reagan had sent us, which to their credit, not one Republican Member of the House is for adopting. But suppose it somehow got adopted?

Mr. GONZALEZ. Mr. Speaker, there is no question that the immediate effect would have been to add to the rolls not less than half a million homeless Americans.

The long-term effect would have been of course compounded, and it would be difficult to try to figure out a number.

I think the thing, though, that is correlated to this question you raise is, "What have been the consequences of the lack of leadership in this important area of budget formulation, of realistic recommendations to the Congress for budgetary defecit reductions?

What has been the price this country has paid? Well, they say—there is an old saying that says: The triumphs of a demagog are fleeting, but the ruins are eternal.

What we are seeing, Mr. Speaker, is a complete disorderly array in both our budgetary processes, in our fiscal and monetary management, merely because of the absence of executive department leadership. There is simply no leadership over there.

In every single thing that has finally been done it has been as a form of give-and-take or a tradeout with the congressional Members that can pass something that would be palatable to the President, that he could sign, and that he could describe as a not new tax bill.

For example, the 1983-84 tax bill, he did not call it that; he called it a revenue enhancement, a user's fee; but it was a tax bill, and he could sign it.

The end result is hard to see. All I can tell you is that if we continue the way we are, we will see the greatest number of homeless Americans than even during the Depression, given the differences in population from that time that I hope does not happen, but nothing is being done to divert us from that course.

The President's disastrous course is exemplified by fighting us. He spent $200,000 2 years ago in an attempt to disprove the figures that we had arrived at after many comprehensive hearings as to the total number of homeless in America. This year, he presents a budget in which he admits there is a problem of homelessness, and is recommending $100 million in the budget.

Mr. FRANK. I thank the gentleman from Texas for the point.

The question of taxes, Mr. Speaker, I just want to give some more specifics to a point I made before, as I summarize here, but I am told by my Republican friends: "No, we can't increase taxes."

Well, last year in the tax bill, and I think generally the tax bill improved equity, but it created one new loophole: Allowing estates to deduct from estate taxes the proceeds of sales of stock to employee stock option plans, stock ownership plans, even if the estate was not directly involved with it.

It was drafted improperly. That will occasionally happen. It was on the whole a well-drafted bill, but occasionally an error will slip in.

The Treasury and CBO now assume that that bill will cost us in foregone revenue, $7 billion over a 5 year period, which was not intended. I presume the no-new-tax people are going to want to say "OK, that's $7 billion we don't get back." I think that is $7 billion we ought to try and pick up. I do not find that a very useful way to deal with things.

So that shows the hollowness of this argument: "Never raise any taxes at all." No, I do not want to raise taxes on middle Americans, on upper-income Americans, on low-income Americans of most stripes; I do want to close some more of the loopholes.

To summarize, Mr. Speaker, here we are: The deficit target was $108 billion set in December 1985 with Gramm-Rudman. Because of the shortfall in the economy, its failure to perform the way President Reagan and his economic advisers have consistently said—they have for years now, a couple years, consistently overpredicted the economy; and it has preformed less well.

□ 1620

We have about $39 billion less to work with than we thought, which makes the $108 billion very hard to reach. The President pretends that he has reached it or he probably thinks he has; he does that by making damaging cuts on elderly, sick people, on our policies in the area of the homeless, on education, on students, damaging cuts there. Even with that and with asking for $10 billion more in fees from the elderly on Medicare and people trying to buy homes and with asset sales which are poorly planned with phoney figures of $11 billion, even with that he comes up with a budget which CBO says, "You are still $27 billion off." The Democratic response is to say, "OK, let us start with a freeze on the budget in outlays and go up and down from there and see how close we can come, and maybe we can close some tax loopholes. Maybe there is a way to do taxes equitably, let us take a look at it." The President, after all, has asked for $10 billion in taxes and fees, so maybe we can go to $15 billion or $16 billion. So let us take a look at the subject. Our Republican colleagues say no to all of it, no to the President's budget, which they won't because it is debt-advocating, no, they will not offer the President's budget at the Budget Committee.

You would have thought, if you just came in here naively on a tour, that Republican Members of the House of Representatives, sitting in the Budget Committee, might offer in whole or piece by piece a budget submitted by the Republican President. They know better, they know what a shambles that budget is, how much damage it would do to innocent people, how intellectually flawed its assumptions are. So they ignore that and instead, like SDS reborn, they send a list of demands to the Budget Committee chairman saying we will not participate in the process until you guarantee us that the Senate is going to pass all the appropriation bills. That is one of the things they are asking for. Of course, the Senate did not do that when it was in Republican hands, it passed about half of them. It says you have to insist that there will be no tax increases at all. Probably no loopholes could be closed. I do not know what that means about the tax increases that the President wants, whether they, like the President, think that because he has asked for them they are not tax increases. But that is where we are.

Yes, we will on our side come up with a budget. It will cause some pain to people because we have, all of us, overspent. The President has asked for a little bit more money than Congress has appropriated, but we have appropriated virtually the same amount. So the blame for spending is a shared blame; in my view much too much went to the military. I do not know how many hundreds of millions have gone down a rathole in Nicaragua and Central America that could have been used, had we had them, to reduce the homelessness completely—well, not completely, but substantially, not completely. In any case, that is where we stand today:

A budget by the President that no one respects and no one believes in, that is a laugh.

I yield to the gentleman from Michigan.

Mr. CONYERS. I thank the gentleman for yielding.

I would like to say that for the last hour the House has been treated to an extemporaneous address the equal of which I have not heard in a long time, and I genuinely want to commend my colleague from Massachusetts for his very intimate and expert knowledge of budgetary matters. I am delighted to hope that he continues his service in this excellent regard. I share with him a lot of the work in Judiciary, but I think that his remarks this evening should be studied very carefully in their printed version by each and every Member of the House and Senate.

Mr. FRANK. I appreciate that very much. As my time expires, I should say that my expertise owes a lot to the work of Mr. Cahn and Mr. Klueter of my staff who helped make me an expert. But I can assure the gentleman that many of us intend to continue discussing this situation in which we have a shabby budget from the President, intellectually shabby, and I think in policy terms, a Republican Party that will neither espouse their own President's budget nor come up with any alternatives and who act as if they would be doing the rest of us an enormous favor if they just sat on the committee and did their duty and voted on issues.

I yield back any time I have remaining.

GENERAL LEAVE

Mr. BILIRAKIS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

CELEBRATING THE OCCASION OF GREEK INDEPENDENCE DAY, MARCH 25, 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. BILIRAKIS] is recognized for 60 minutes.

Mr. BILIRAKIS. Mr. Speaker, it is an honor for me to recognize the glorious history which those of the Greek heritage and Greek Orthodox faith celebrate every March 25. It is also an honor for me to have some of my colleagues participate in this celebration and to them I express my appreciation and fellowship in sharing the significance of this glorious date.

March 25 is worthy of celebration for many reasons by those of us with a Hellenic heritage. It is Greek Independence Day, the 166th anniversary of Greece's independence from the yoke of the Ottoman Empire. The long and arduous struggle of the Greeks against their Turkish oppressors is no less than a perfect example of the ability to overcome obstacles that appear insurmountable if the will to persevere is strong enough. The example of the Greeks is one that oppressed people throughout the world should look to and gain strength from in their struggle to overcome their oppressors. Indeed, the example of the Greeks overcoming the Ottoman invader is the ultimate example of justice and right prevailing over might.

Mr. Speaker, I would interrupt my presentation here by yielding to the gentleman from Illinois [Mr. CRANE].

Mr. CRANE. I thank my distinguished colleague from Tarpon Springs, the citadel of Greek cities here in the United States, for recognizing me on this grand occasion when we have the opportunity to honor the 166th birthday of Greek independence from the Ottoman Empire. I think Americans should also be conscious of the unique contribution made by our own experiment in liberty to the Greek experience because when the Greeks established independence in the 1820's, intellectuals from that country translated our Constitution and Declaration of Independence and they used our Declaration as their own. And we borrowed heavily from the Greek experience in our experiment in liberty here in the United States, as Alexander Hamilton liked to describe it.

Since winning their freedom Greece and its citizens have continually contributed and participated in democracy around the world. They fought on the side of the Allied Forces in World Wars I and II and following the Second World War they fought valiantly to keep their hard-won liberties by defeating the Communist insurgents and thus reinforced their intense desire for independence.

Here in the United States the presence of hundreds of thousands of Greek Americans has contributed an added dimension as exemplified so outstandingly by my distinguished colleague from Florida, to the dynamics of American society and self-government.

So as we observe Greek Independence Day let us all remember the significance of this day and its bearing on world freedom.

Mr. BILIRAKIS. I thank the gentleman for his complimentary remarks.

Mr. Speaker, the history of the Greek war of independence is full of heroes and heroism. The roles of the Philhellenes—friends of the Greeks—were instrumental in recognition of the importance of this struggle to Europe, and to fledging republics. The legacy of Lord Byron is still inscribed indelibly in the history of the Philhellenes. If you find yourself one day in Greece, travel to Cape Sounion, where the Temple of Poseidon can be found. The temple stands on a promontory, gazing over a sea of azure blue that no doubt moved Byron to carve his initials in one of the temple columns. You can still see them there today: a moment in Greek history that breathes new life every time a hand is run over the smooth, weathered marble.

In that brief instant when history lives, you can see them in the mist of time: the Klephts, who swept down upon the invaders from the mountains, and turned their mischievous talents to the good of independence. You can feel the sea breeze freshen at your back. The same breeze that the sea captains of Hydra filled their sails with to chase a blockade from their waters. The Hydriots have a hallowed place in the history of a seafaring people. Today, generations of Greek merchant seamen are prepared at the academy which finds its home, so aptly, on Hydra.

At this time, again I would interrupt my remarks, Mr. Speaker, by yielding to the gentleman from Pennsylvania, my very close friend and fellow Hellene [Mr. GEKAS].

□ 1630

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, throughout my years, I have never failed to recall my younger days when this day in the calendar approaches because, unlike most national holidays, or ethnic holidays, as it were, the one in which the independence movement in Greece began also coincides with a high religious event in the calendar of the Greek Orthodox Church. That has a double meaning for us, we who were brought up in the Greek Orthodox tradition.

So it is that on March 25, we youngsters, in church and in Sunday school, could not escape the double meaning of the fact that on that holy day, also was the day that a cleric, in 1821, a man of the robe, arose, lifted a flag declaring independence of that glory that was Greece, and began the movement that later found Lord Byron and the whole Western World as one in support of the revolution against the Ottoman Empire.

So, as I stand here as a Member of Congress, looking back at those days, then a flood of other memories come rushing in that, as I matured, saw where there was a tremendous connection between that isolated moment when Father Germanos raised the flag of independence and July 4, 1776, and how it was that the Jeffersonians and the others who brought forth our democracy, banking on what they had learned about the history of Greece, evolved on our continent with a new brand of democracy and then, 50 years later, those same persons in Greece, on whom were the American frontiersmen dependent, now looked to the American independence movement as reason for their own new emergence into the new society of the New World.

We are indelibly and inexorably intertwined, we Americans of Greek descent and we Americans of Greek tradition and we Americans of a nation whose fundamental bases were fashioned after those of the cradle of democracy hundreds of years before.

That is why I am particularly grateful to the gentleman for taking this special order. The official RECORD, by now, has to be replete with our prideful remarks, I say to the gentleman from Florida [Mr. BILIRAKIS], but I warrant you that next March 25, we will be back on the floor so that we can relive these precious memories.

Mr. BILIRAKIS. Mr. Speaker, God willing, certainly that will come true, and I appreciate the gentleman's very eloquent remarks.

The most important legacy we have received from the Greeks, however, serves as the foundation for the responsibilities we pursue as legislators. Each time we perform our constitutional duty, we are doing so in the legacy of the ancient Greeks, for the United States Constitution has a rich classical ancestry.

In the American colonial period, during the formative years of the American experiment, no feature was more prominent that the extent to which Greek and Roman sources were cited by the framers of the Constitution. Indeed in this year of the historic 100th Congress, in this 200th anniversary of the founding of our Republic, it's significant that we realize, that the basis for our Constitution derives from Aristotle, was put into practice in ancient Rome, in 18th century England, and in the early state constitutions, before it was given its embodiment by the convention of 1787.

The overriding appreciation was for Aristotle's sense of balance, since the delegates viewed the tyrant and the mob as equally dangerous. Both Madison and John Adams emphasized what Aristotle wrote in "The Politics" that "the more perfect the admixture of the political elements, the more lasting will be the state."

The surprising familiarity with classical analogies and precedents is explained by the publication in January 1787, by John Adams, of his "Defence of the Constitutions of Government of the United States of America." The work reached the United States in March, before the opening of the Federal Convention, and was reprinted in Boston, Philadelphia, and New York.

Polybius was of special interest to Adams and the framers of the Constitution as the leading authority on the Greek city-states. John Adams said of Polybius,

> Though seldom quoted as a legislator, he appears to have considered this subject, and to have furnished arguments enough forever to determine the question.

Polybius tells us in his "Histories" that the best government is that which consists of three forms, kingly government, aristocracy, and democracy. History and the American experiment have taught us that the best form of government is that which is compounded of all three.

Centuries later, Montesquieu would repeat the lessons of ancient Greece and Rome by stating that the vice of kingly government is monarchy; that of aristocracy, oligarchy; that of democracy, rage and violence; into which, in process of time, all must degenerate.

It has become clear that not only was there a system of checks and balances, but a separation of powers. Polybius left no doubt in his statement that:

> When one part, having grown out of proportion to the others, aims at supremacy and tends to become too dominant * * * none of the three is absolute * * *.

Mr. Speaker, at this time, I would interrupt my remarks by yielding to the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. I thank the gentleman for yielding.

Mr. Speaker, today, I stand here proudly to help honor the freedom and independence won by Greece. In my home State of Maryland, we have a rich heritage of many ethnic communities contributing to the prosperity of the State. The Greek community is prominent in the great free State of Maryland.

I am particularly interested in participating in this special order in recognition of Greek Independence Day, not as a Greek, but as one who belongs to the Greek Orthodox Church, because our ancestry was similar. I am of Serbian parentage and the Serbian Orthodox and Greek Orthodox churches are identical except for language. Wherever I have lived, there has been Greek Orthodox churches and clergy, but not Serbian, so I have always belonged to the Greek Orthodox Church.

Only in America can be found a continuation of cultures from throughout the world. Because of our basic right of personal freedom, every individual may practice their religion and heritage. The United States has a long history of offering support to foreign nations faced with the threat of losing their independence. And rightly so. When America was struggling as a new nation, France offered assistance.

Because of our allies' help, we have been in a position to help other struggling nations preserve their freedom and home rule. Today, we can join our Greek neighbors in celebrating Greek independence.

Greece was first recognized by world powers as an independent nation in 1829 when Russia and Turkey signed the Treaty of Adrianople. This treaty came at the end of four centuries of Ottoman rule. Greek society was no longer polarized.

Independence of Greece came only after a long history of rule by an outside force and, even when independence was won, foreign domination and control continued to threaten this precious freedom. Western civilization first learned of democracy from Greece. It was in Athens, Greece, where civilization first practiced the earliest form of rule by democracy. The world has much to owe to Greek civilization.

At the latter part of the Ottoman Empire, the church emerged as a powerful political and social force in Greece. Greek culture endured during the slow deterioration of the Ottoman Empire. Greece suffered economic pressure as a result of increased taxation, corruption, and military defeats.

As the European Community and the United States experienced prosperity during the 18th century, Greece was marked by economic stagnation. Greek merchants visiting or trading in European countries became increasingly aware of the contrast and their dissatisfaction became fire for a revolution.

Many European leaders provided encouragement for a fight for Greek independence. The Greek Revolution soon followed. In the Greek revolution, Greeks not only fought Turkey but also each other. European powers, including Great Britain, France, and Russia, intervened and established an independent Greece in 1829. England was concerned that Russia might gain a foothold in Greece and thus endanger the British commercial lifeline which ran through the Mediterranean Sea. It has been stated that, without the intervention of the European powers, the Greeks would have never won.

Russia, England, and France sent a joint naval force which destroyed the Turkish-Egyptian fleet in the Bay of Navarino. A treaty was signed and Greek independence was won.

Keeping Greece independent and free from the threat of an oppressive foreign force should be one of the foremost policies of the United States. Greece is a strategic point for the world's major shipping. Located in the Mediterranean, ships must pass Greece to reach the Aegean Sea which leads to the Black Sea. Russia is located on the Black Sea. Maintaining a free shipping lane is of great importance to the free world.

The United States is in a position to implement effective policies designed to strengthen our independence. Reflecting on the history of Greece we can understand the importance of maintaining a capable naval force and to work for an effective trading policy to assist in achieving a healthy economy. These policies are essential to preserving our most precious commodity, freedom.

We can be proud indeed of how all Greeks since then have cherished that freedom. In Maryland we have an impressive Greek-American community, one of which we equally are proud—because they are proud of all their freedom.

Mr. BILIRAKIS. Mr. Speaker, I thank the gentlewoman from Maryland.

By May 1787 the topic of confederation and leagues of States had become a favorite for the delegates. Alexander Hamilton wrote that the:

> Leagues among the old Grecian republics were continually at war with each other, and for want of a union, fell prey to their neighbors.

This is why the states of Greece were splintered by Philip of Macedon and afterward by the Romans—because they contended for freedom separately.

In *the Continentalist of 1781* Hamilton wrote:

> The commonwealths of Greece were a constant scene of the alternate tyranny of one part of the people over the other.

In a memorandum he prepared for the convention, we see the recurring theme: the desire for a mixed government. Hamilton saw the articles of confederation as no more stable than the confederation of Greek city states, for he saw the dangers of a State within a State. The city states had ample powers to declare war and use force against delinquent members, but these powers were self destructive in the context of unity. The ancient democracies resulted in tyrannies, and resulted in the illusion of democracy.

Lycurgus, to avoid the anarchy into which these governments surely would degenerate, united in one all the advantages and properties of the best governments, to the end that no branch might degenerate into the tyranny that accompanied its excesses.

The question of the Amphyctionic Council and the precedent it set for the Bicameral Legislature is clear. In the opinion of the delegates, the executive represented the monarchical power, the Senate the aristocratical, and the House the popular power.

These analogies could be continued forever. Incomplete as this brief history is, it supports the contention that the framers of the Constitution were eager to relate the American experiment with the efforts of the ancient Greeks to establish a balance of powers. Such a relation, it was hoped by the framers, would enable America to escape the disintegration of government that had inevitably proven politically fatal throughout history.

It is the example of the ancient Greeks that we celebrate during the bicentennial of the Constitution, and it is the return of democracy to Greece that we rejoice in on this day of glory for the Greek people. The spirit of

March 25 lives on in defense of the principles for which so many of the free world's citizens have given their lives.

□ 1640

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. BILIRAKIS. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, once again I thank my distinguished colleague for yielding on this very auspicious occasion.

I had the privilege and honor of sharing with the gentleman last year's commemoration. On that occasion it was the 165th anniversary; today we celebrate the 166th anniversary of a glorious heritage, a great republic, and we are, I think, all indebted to the gentleman for his statement and summation that in this year we are honoring the writing of the Constitution, that is, the 200th anniversary of it. What the gentleman says is most apt, and I am very much impressed by his correlating the tremendous input into the deliberations by such men as John Adams and others, who were great scholars of the Greek philosophers and the Greek experience in government.

John Adams was in London at the time as our Minister, and he became concerned and wrote a very extensive missive that was immediately printed and reprinted in Boston, New York, and Philadelphia in which he alluded to the experience of government. And after all, it was Aristotle and the Greek philosphers who coined the word, "republic." I think that we owe a great debt of gratitude for this reservoir of knowledge that has been brought into the RECORD today on this occasion.

I would merely like to comment that in our day and time, in our great country, a pluralistic, cosmopolitan Nation, it has been those of Greek heritage who have contributed tremendously to the enlargement of the democratic process.

Few people would realize that my native city of San Antonio would have given hospitality for quite a number of years to Greek-descended individuals and actually Greek immigrants. We have a very substantial Church of the Greek Orthodox, St. Sophia, in San Antonio. About one-third of my neighbors and playmates were of Greek heritage, so I had occasion to become exposed to a very, very deep cultural strain of rich inheritance in religion, in philosophy, and in culture, and I only wish that we had had an opportunity while in school to have studied and gained some management of the language.

Mr. Speaker, I want to thank my colleague, the gentleman from Florida, for giving us the opportunity to mark on this occasion, the 25th of March, a very significant historical achievement, one that in the annuals of humanity's struggle for freedom looms large. I thank the gentleman for having given me this opportunity to share a few minutes with him.

Mr. BILIRAKIS. Mr. Speaker, I thank the gentleman from Texas for sharing in this very proud celebration. The gentleman from Texas [Mr. GONZALEZ] has always done a wonderful job and has shown his love for our people.

Mr. BROOMFIELD. Mr. Speaker, I am delighted to mark this special occasion—Greek Independence Day. This is an occasion when all free men can honor the country that gave birth to democracy.

Although Greece had a long period of democracy, that land fell under the rule of the Ottomans.

Finally, after 400 years of foreign control, the Greek people fought and won their liberation from Turkish domination.

It is important to note that the American Revolution became one of the ideals of the Greeks as they struggled for freedom. American volunteers sailed to Greece to participate in Greece's War for Independence.

The Greek War of Independence inspired other people who suffered under the yoke of foreign control.

Today, as we celebrate the Hellenic revolution, all of us can honor those Greeks who fought for the torch of freedom.

We also honor the close bonds that have developed between Greece and America. Our two nations share the ideals of democracy and independence.

I hope that these ties can be strengthened. I am convinced that because of that strong bond we can, working together, resolve the ongoing crisis in Cyprus. I only regret that more emphasis has not been placed on finding a solution to that human tragedy.

I call upon my colleagues to join me in celebrating Greek Independence Day.

Mr. DINGELL. Mr. Speaker, I rise today in recognition of March 25, 1987, as "Greek Independence Day: A national day of celebration of Greek and American democracy." Signed by the President last October, the joint resolution celebrates the interconnection of Greek and United States democracy, a bond which has shaped the histories and futures of each of our nations.

Each country has shared valuable ideals and visions in the development of the other. Ancient Greek democratic rule served as an instructive analogy to our forefathers in the structure of the United States Government. So in turn, the American Revolution became one of the ideals of the Greeks fighting for independence in the 1820's as well as the translation of the United States Declaration of Independence into Greek to be used as their own declaration. And of course, most every aspect of American life has been influenced by Greek literature, law, religion, and art. Our two cultures share a unique and strong bond of mutual admiration and respect.

March 25, 1987, marks the 166th anniversary of the revolution freeing the Greek people from nearly 400 years of rule under the Ottoman Empire. From the fall of Constantinople in 1453 through the declaration of independence in 1821, Greeks suffered through severe deprivation of their rights and liberties. Rightfully, those were restored and the nation now shares in the American good fortune of living in freedom. With approximately 40 percent of the world living with no measure of freedom, we thankfully recognize the bond of independence we share with Greece and other free nations. I am confident the compatibility of Greeks and Americans will continue to grow throughout history in celebration of our mutual democracies.

Mr. HALL of Ohio. Mr. Speaker, I join my colleagues in honoring March 25 as Greek Independence Day, a national day of celebration of Greek and American democracy.

More than 2,000 years ago the early Greeks formed the first democratic republic, where power was placed in the hands of the whole people. Democracy was born of a trust in human excellence and man's unique ability to think and act rationally. The Greeks believed man capable of bringing good government and justice to a people and nation.

The ingenuity of the ancient Greeks has made a lasting and monumental impression upon the history of the Western world, and has paved the road to modern democracy.

As recipients of this great Greek legacy, we recognize and cherish the virtues of democracy. Democracy provides an environment for high human achievement and realization of our greatest potential, and encourages active and responsible participation in one's own government. We honor democracy as a fair and accessible form of government.

Today marks the 166th anniversary of the signing of the Greek Declaration of Independence; 166 years ago the Greeks reclaimed their democratic heritage.

Today, on Greek Independence Day, we celebrate our past and present close ties with Greece. As Americans we have witnessed and experienced the hard work and perseverance necessary to maintain a democracy, as have the Greeks. We realize that democracy is not to be taken for granted, and that the ideals of democracy must be practiced and shown workable. In celebration of Greek Independence Day, we acknowledge the triumphant history of democracy and look forward to continued friendly relations with Greece and her people.

Mr. FLORIO. Mr. Speaker, I am proud to join my Greek-American constituents today in commemorating the 167th anniversary of Greek Independence Day. I join them in remembering the sacrifices made by the Greek people in their struggle to reignite the flame of freedom and democracy during the Greek war of independence.

On March 25, 1821, the Greek people rose in rebellion against the Ottoman rulers and declared their independence, sparking a 7-year struggle to retain the values and freedoms that have been associated with the Greek people since ancient times. One hundred and sixty-seven years later, I join with Greeks around the world in paying tribute to the Greek people for their dedication and perseverance in this and subsequent struggles. It is their commitment to the concepts of freedom and democracy that has enabled the accomplishment of so many advances in the areas of art, architecture, literature, government, and the sciences.

As we recall 1821, I urge my colleagues to also reflect on the plight of the thousands of Greek Cypriots who are to this day continuing their struggle for peace and stability on Cyprus. It has been 13 years since the Turkish armies invaded Cyprus and produced a harsh partition of the island.

I hope that the fierce tenacity and vibrant love of independence which was so evident in 1821 will also be beneficial to the Greek Cypriots as they persevere through diplomatic means to remove the grip of the conquering Turkish armies. I join in celebrating this joyous anniversary and commend this memorable reminder of one nation's struggle for freedom to the attention of my colleagues.

Mr. DEWINE. Mr. Speaker, today is Greek Independence Day, and I'm proud to join in this national celebration of Greek and American democracy.

Two hundred years ago, our Founding Fathers turned to ancient Greece in forming our representative democracy. Both James Madison and Alexander Hamilton wrote about the strong influence of the Grecian republics on American democracy, and Thomas Jefferson credited the ancient Greeks for leading early America to the light of democratic principles.

Throughout its history, Greece has never lost its longstanding appreciation and tradition for democracy. Despite being ruled by the Ottoman Empire for 400 years, Greece regained its independence in 1821 and translated the United States Declaration to use as its own. By recognizing the success of our democracy, Greece was drawn back to its own ancient political and philosophical tradition.

There has always been a special bond between the people of the United States and the people of Greece. Many United States citizens sailed to Greece to help the Greek people in their war of independence in the 1820's, and several thousand Greek families emigrated to America during the early 1900's. The United States and Greece fought together in World War II, and both countries have battled against Communist rebels. The people of both countries cherish their freedom and their shared democratic principles.

Greek culture has always been an important part of American life. Our laws, our literature, our religion, and our art have been touched by Greek tradition, and it is a tradition that promotes our intelligence and ingenuity.

As an honorary member of the Order of AHEPA in Springfield, I'm particularly proud of the close-knit Greek community in my local area. I'm hoping to participate in Springfield's Greek Orthodox and Order of AHEPA Independence Day to be held this summer. I join my colleagues in the Congress in congratulating all Greek Americans on this special occasion.

Mr. EDWARDS of California. Mr. Speaker, it was in the Greek tradition that our Constitution was conceived. Today we celebrate Greek Independence Day and the tradition upon which America was built. We can trace the origins of American democracy to the ambitions of the ancient Greeks, who believed that power was in the hands of the people, and that everyone is equal before the law.

On this special day there's much for all Americans to be proud of. As we commemorate Greek and American democracy, we remember the bond between the American tradition and Greek thought—a tie which influenced our literature, our art, and the principles of the American way of life. In modern times, Greece has continued in this great tradition, contributing international leaders in science, art, medicine, and politics.

I look forward to the celebrations that will take place in the coming years, in honor of Greek Independence Day. Certainly, the Greek people have only begun to make their contribution to the world. We should all be thankful for the Greek spirit which was the foundation for American democracy. Let's join the Greek-American community in its well deserved celebration.

Mr. BIAGGI. Mr. Speaker, it is my privilege and pleasure to have this opportunity to join my colleagues in commemorating today, March 25, as the 166th anniversary of the beginning of the revolution which freed the Greek people from the Ottoman Empire. Today we are celebrating Greek Independence Day, a national day of celebration of Greek and American democracy.

Both of our great nations owe much to the other in the forming and reforming of our democracies. The Greeks were the original leaders in democracy. Two thousand years ago, Greeks were celebrating a government "of the people, by the people and for the people." It was this Greek concept of equality under the law and before the law that provided the foundation for our own Constitution. In this year when we celebrate the bicentennial of our Constitution, it is important that we recognize those who made this Constitution possible. We are a relatively young nation. We owe our success and strength not only to our Founding Fathers, and our citizens, but also to the ideas of many nations who preceeded us.

What is remarkable about the history of Greek and American democracies is that each has influenced the other. While our Founding Fathers drew some of their ideas from the ancient Greeks, the American Revolution, and our Declaration of Independence became models for the Greeks as they fought for their independence in the 1820's. It is this sharing of ideas and ideals which has strenthened the relations between our nations.

The influx of Greek immigrants in the early 1900's also strengthened this bond of friendship. Two Greek Americans I would like to recognize are Dr. George Papanicolau—who invented the pap test for cancer—and Dr. George Kotzias—who developed l-dopa to combat Parkinson's disease. These great doctors have contributed much to the diagnosis and treatment of two of our most dreaded diseases.

I would like to take this opportunity to comment on an injustice which mars this celebration. Since 1974, Turkish troops have occupied Cyprus. Currently, before Congress there is legislation which I cosponsored, H.R. 957, which would prevent Turkish occupying forces from receiving any United States assistance. Today, I again call upon Turkey to remove their troops from Cyprus. It is my steadfast hope that when, a year from now, we again celebrate Greek Independence Day, Cyprus will be joining in this celebration.

Greece and the United States—our dedication to democracy united us and keeps us united in our effort to ensure freedom and liberty for all. I join with my colleagues in celebrating Greek Independence Day—may we have many more such occasions to celebrate.

Mr. MANTON. Mr. Speaker, I am pleased to join my colleagues today as we commemorate Greek Independence Day, a national day of celebration of Greek and American democracy. Today marks the 166th anniversary of Greek independence, the beginning of the revolution which freed the Greek people from the Ottoman Empire. As a cosponsor of the legislation which establishes this commemoration, I would like to thank my colleague, Mr. BILIRAKIS, for organizing the special order.

The ties between the people of America and the people of Greece are strong and are reinforced on a number of levels. The democracy which we practice here in the United States has its roots in the ideals and the government of the ancient Greeks. The concept that the power of government derives from the people and that equality exists between citizens, can be traced back to ancient Greece.

In more modern times, the brave soldiers of Greece and America have fought side by side against tyranny. Furthermore, there are many successful Americans of Greek ancestry. As the Representative of the Ninth Congressional District of New York, I know first hand that many of my constituents emigrated from Greece to the United States and helped build a strong and prosperous America.

Mr. Speaker, it is appropriate that we are commemorating the struggle which occurred 166 years ago when the Greek people regained their freedom. Their struggle was similar to our own fight 210 years ago when we gained our independence from Great Britain. The commitment of Greece and America to freedom serves as an example and a hope to people throughout the world who are battling oppression and fighting for freedom and self determination.

Mr. DIXON. Mr. Speaker, today I take great pleasure in marking the 166th anniversary of the independence of Greece. In politics and culture, philosophy, and the arts, all Americans are indebted to the contributions of Greek civilization and the Greek people, in ancient times and today.

The greatest legacy of Greek civilization lies in its contributions to government. Democracy first flourished in ancient Greece, and we have patterned our own form of democratic government on the model first established in ancient times. Two thousand years ago the great Athenian statesman Pericles articulated principles which even today we still strive to achieve:

> We are called a democracy because power is in the hands not of a minority but of the whole people. When it is a question of settling private disputes, everyone is equal before the law; when it is a question of putting one person before another in positions of public responsibility, what counts is not the membership of a particular class, but the actual ability the person possesses.

This political relationship comes a full circle when we consider the efforts of latter-day Greeks to obtain their independence, the anniversary of which we celebrate today. In their struggle in the 1820's, the Greek revolutionaries took the American revolution as a model for their own struggle. Greek intellectuals translated the Declaration of Independence and used it as their own declaration. A Greek commander in chief declared: "We shall initiate our ancestors and be thought worthy of them if we succeed in resembling you, citizens of America."

The contributions of the Greek people to American society continue to this day. By 1970, the children and grandchildren of Greek immigrants had achieved the highest median educational attainment levels of any American ethnic group. Today Greek Americans play a prominent role in every aspect of American society: In politics, Greek Americans are represented in Congress and in State and city houses of the Nation; in the performing arts and higher edcuation; and in every other field ranging from medicine to philosophy. Their contribution to American life and culture has been immense. I believe that all Americans should recognize that contribution.

Again, I proudly join my colleagues in recognizing March 25, 1987, as Greek Independence Day—a national day of celebration of Greek and American democracy.

Mr. LIVINGSTON. Mr. Speaker, on this date in 1821, Alexander Ypsilanti raised a flag and declared Greece independent from oppressive rule under the Ottoman Empire. The Ottoman Turks had ruled Greece for more than 400 years, and Ypsilanti's gesture began an 8-year struggle for Greece's recognition as an independent nation. Today, we recognize March 25, 1821, as the beginning of Greek independence and celebrate that nation's 166th anniversary. As Americans, we are proud of our origins of independence and our democratic government. We must not forget, however, that our model for freedom originated in ancient Greek society.

Our debt to the Greek people goes far beyond the beginnings of democracy and the basis for our system of government. Greek influence has helped shape what we know as art, drama and philosophy, and that influence has stood the test of time. We are not the only Nation indebted to the Greeks; their influence is recognized worldwide.

It is also an appropriate moment to recognize that the world is becoming a smaller place. Modern travel and technology continually bring us closer and closer to our world neighbors. Although relations may not have been smooth in the past, our future with modern Greece can be bright in this era, as it is becoming more and more necessary to maintain international friendship. There are more than 3 million Greek Americans in our Nation—a true 20th century statement that the cultures can coincide.

Mr. LAGOMARSINO. Mr. Speaker, today marks the 166th anniversary of Greece's independence from the Ottoman Empire. I join my colleagues in celebrating this historic event and the heroic legacy of the Greek people.

While many Americans many not realize it, Greece is the birthplace of American democracy.

> Our Constitution is called a democracy because power is in the hands not of a minority but of the whole people. When it is a question of settling private disputes, everyone is equal before the law; when it is a question of putting one person before another in positions of public responsibility, what counts is not membership of a particular class, but the actual ability which the man possesses.

One might think this statement was made by Thomas Jefferson, James Madison or even by an American living today. But it wasn't. Pericles made these remarks in an address in Greece some 2,000 years ago.

On a more contemporary note, Thomas Jefferson said "to the ancient Greeks * * * we are all indebted for the light which led ourselves—American colonists—out of gothic darkness." His colleagues, James Madison and Alexander Hamilton wrote in the Federalist Papers," among the confederacies of antiquity the most considerable was that of the Grecian republics * * * from the best accounts transmitted of this celebrated institution it bore a very instructive analogy to the present confederation of the American states."

The United States, in turn, provided a role model for Greek independence. Our revolution became one of the ideals of the Greeks as they fought for their independence in the 1820's. Greek intellectuals translated our Declaration of Independence and used it as their own declaration. Many volunteers from America sailed to Greece to participate in Greece's war for independence.

Today, the close friendship between Greece and the United States remains strong. Greece is a member of NATO and hosts important American military facilities. The economic, social and cultural ties grow stronger every day. Greek-Americans have provided great services to both countries. It is only befiting that Americans join their Greek friends in celebrating this joyous occasion. I look forward to celebrating many more March 25ths.

Mr. McHUGH. Mr. Speaker, today marks the 166th anniversary of the beginning of the revolution which freed the Greek people from 400 years of rule by the Ottoman Empire.

That revolution's valorous spirit was replicated a century later during World War II, when over 600,000 Greeks—almost 10 percent of the entire population of Greece—died fighting on the side of the allies.

After World War II, Greece engaged in an arduous and ultimately victorious struggle against Communist rebels. President Eisenhower said of the success of that struggle.

> Greece asked no favor except the opportunity to stand for those rights in which it believed, and it gave to the world an example of battle * * * that thrilled the hearts of all free men and free women everywhere.

Today we celebrate and honor that dedication to freedom and democracy that has been the great gift of Greece to the world for thousands of years. It was that spirit of democracy that inspired the birth and ideals of the American nation. And as democracy flourished in America, it was that spirit that led millions of Greeks to emigrate to this country and enrich it with their many talents. Later, that same spirit enabled Greeks to reestablish democracy in their homeland and safeguard it in the mid-20th century.

Today we celebrate the blessings of liberty that have been so hard won by both Greece and America, and we especially celebrate the partnership that both our peoples have been able to forge to protect and promote those blessings for ourselves and our posterity. I am honored to join in that celebration.

Mr. McGRATH. Mr. Speaker, democracy is a privilege that too few of this world's inhabitants enjoy. While we here in the United States have worked hard and fought for a democracy that has lasted over 200 years, many nations have not been so fortunate.

Today, however, we celebrate the anniversary of another long lasting democracy. Greece, which wrestled independence 166 years ago from the Ottoman Empire, is a stellar example of that nation devoted to the preservation of democratic ideals. While many Third World and European nations have juggled governments and constitutions, Greece has stood above, resisting temptation from Communist factions, to maintain a special liberty.

Like many congressional districts, mine contains a significant number of Greek immigrants. Their patriotism and dedication to democracy in this country is a mirror of the model set by their Greek forefathers. Not surprisingly, Greek Independence Day holds a special place in their hearts and minds. Moreover, this is a day for all free people to celebrate and to remember the sacrifices made by those to keep democracy vibrant throughout the world.

Mr. DELLUMS. Mr. Speaker, 166 years ago today the Greek struggle for independence from the Ottoman Empire began. It is an anniversary both to commemorate and celebrate, because of the universal legacy of Greek history and because of the many contributions people of Greek heritage have made to American society and culture.

The early strivings for a democratic form of government in Athens, enhanced by the writings of Plato and Aristotle, provided the basis for much of the best of Western civilization as we know it today. The Greek struggle for independence from the Ottoman Empire was, in many respects, modeled upon the first successful war of liberation against colonial empire—our own struggle for independence from the British Empire.

In World War II more than 600,000 Greeks—almost 9 percent of the total population—died in the stuggle against Fascist aggression. In the years since they have sought to maintain their freedom and independence against a succession of threats, both external and internal. Their current Prime Minister, Dr. Andreas Papandreou, is a brilliant man who has been a major force for sanity in the diplomacy of that region in recent years. I am also proud to note that, while he was living in forced exile in this country, he was a precinct worker in my first campaign for Congress in 1970.

For almost two centuries the Greek community in America has been a vibrant force in many facets of the collective life of this Nation. In my own congressional district Greek-Americans have made outstanding contributions to the betterment of our society. The Greek Orthodox Church in Oakland has played a leading role in promoting humanitarian causes. The annual Greek Festival in Oakland is a living testimonial to the diversity and the richness of our polyglot society and culture.

Many individual Greek-Americans have also made major contributions to making America a better place in which to live and work. One of the foremost is State Senator Nicholas Petris. Born and raised in Oakland, after law school he returned to work for the people as a community lawyer. For more than two decades he has been an outstanding member of the California State Legislature. He is a man of high principle and impeccable integrity, in both his public and private life. He truly represents the best that the Greek community has to offer to America. All of us in America should be both proud and grateful for the contributions he and they have made through the years.

Mr. KASTENMEIER. Mr. Speaker, today, we join with the people of Greece and with Greek Americans in celebrating the 166th anniversary of the start of the revolt against the Ottoman Empire which culminated with the establishment of an independent state of Greece.

This day, March 25, also holds a special significance to those of us in America for we owe a debt of gratitude to ancient Greece, where the roots of democracy began.

Through the years of independence of both the United States and Greece, the two nations have enjoyed a close relationship. This special kinship with the people of Greece has been further benefited by the pricelessness of Greek influence, both ancient and modern, on American society today, and by the immense contributions made by immigrants from Greece over the last century. The greatness that is inherent in the Greek culture, in philosophy, science, mathematics, and arts and industry, has been passed on to those of Greek origin who reside in the United States.

As the Greek people all over the world reflect upon their heritage and celebrate their long and glorious history, they can also point with pride at their devotion to maintaining those ideals which all free people hold in such high regard. It is important to pause on occasions such as these to recall that man's philosophical and moral birth began with the ancient Greeks, and for that we must be eternally grateful.

Mr. Speaker, I salute my many friends in the Greek-American community and I join with them in celebrating Greek Independence Day.

Mr. DERRICK. Mr. Speaker, I want to join my colleagues in recognizing 166 years of Greek independence.

We owe much to the Greeks. Greece was the birthplace of democracy. And just as we have borrowed the principle of democracy from the Greeks, so have the Greeks used us as a role model for their independence in the 1820's. It is that freedom which we celebrate today.

Greek-Americans have made many contributions: in the arts, in medicine, and yes—in government. I can point with pride to a Greek-American of note in my home State of South Carolina: Lt. Gov. Nick Theodore. Nick is a highly respected public servant of whom all Greek-South Carolinians can be proud.

In closing, Mr. Speaker, I want to convey my best wishes to my Greek-American constituents. May this date serve as an annual reminder of our shared love of freedom!

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today to commemorate the 166th anniversary of the independence of Greece from the Ottoman Empire.

It is to the ancient Greeks that Thomas Jefferson stated "We are all indebted for the light which led ourselves out of Gothic darkness." As the birthplace of democracy, Greece provided the ideals upon which our Founding Fathers based the foundation of our Government. James Madison and Alexander Hamilton acknowledged this contribution to our democratic ideals when they wrote, "Among the confederacies of antiquity, the most considerable was that of the Grecian republics * * *. From the best accounts transmitted, it bore a very instructive analogy to the present confederation of the American States."

Greece continues to serve as an example to those who value "power in the hands not of a minority but of the whole people," in the words of Pericles from 2,000 years ago. Almost one-tenth the population of Greece perished fighting the oppression of Nazi rule in World War II. In its struggle against Communist rebels after World War II, the spirit and courage displayed by the people of war-torn Greece was so inspiring that President Harry S. Truman said, "The valor of Greece * * * convinces me that the Greek people are equal to the task." So convinced was President Truman by the noble battle of the Greeks to repel Communist rule that he instituted the Marshall plan, which is widely credited with saving Western Europe's freedom.

Mr. Speaker, Greece today is an important NATO ally of the United States, anchoring the southern flank of Europe against Warsaw Pact aggression. Here in the United States we owe our most precious asset to the Greeks, the ideals of democracy from which our rule of the people and by the people has emanated. For this gift the people of the United States will always be indebted.

Ms. SNOWE. Mr. Speaker, today we celebrate Greek Independence Day, the 166th anniversary of the Greek Revolution. On March 25, 1821, the Greek patriot Alexander Ypsilanti proclaimed Greek independence after four centuries of occupation and oppression under the Ottoman empire. His declaration of independence ignited a fight for freedom that was to last for 7 long and difficult years and would be ranked among the most glorious pages of Greek history.

This struggle caught the attention of the world. From the free nations of Europe and America, hundreds of volunteers made their way to Greece to join the fight against oppression, the best known of them Lord Byron. In America, the exploits of the Greek patriots inspired John Adams, who claimed, "My old imagination is kindling into a kind of missionary enthusiasm for the cause of the Greeks." In his 1822 message to our predecessors in the 17th Congress, President Monroe exclaimed "The mention of Greece fills the mind with the most exalted sentiments.* * * A strong hope is entertained that these people will recover their independence, and resume their equal station among the nations on the Earth."

The support of free peoples was more than rhetorical. On October 20, 1827, the navies of Britain, France, and Russia destroyed the Turkish fleet at the battle of Navarino. This victory helped to prepare the way for the eventual Greek victory in 1829.

Mr. Speaker, we are honoring more today than the heroic deeds of the Greek patriots, we are honoring a shared tradition of democracy between our two nations, a tradition that was explicitly recognized in the legislation designating this day as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy." As we honor the freedom of the Greek people, we celebrate the rebirth of democracy in the land where democracy began, which gave democracy its name, and which inspired Americans in our own struggle for independence.

"Our constitution is called a democracy because power is in the hands not of a minority but of a whole people." These are not the words of our Founding Fathers but of the Greek statesman Pericles, speaking 2,000 years ago. But our Founding Fathers heard these words and acted on them in our own struggle for freedom. The thoughts of Pericles and other ancient Greek statesmen and philosophers find expression in our own Declaration of Independence and Constitution. As Thomas Jefferson said, "To the ancient Greeks * * * we are all indebted for the light which led ourselves out of Gothic darkness."

As an American of Greek descent, I am especially proud to speak today in celebration of Greek Independence Day. I am pleased that relations between our countries, which have been sometimes strained in recent years, are generally moving into what President Papandreou called calmer waters. Today, as we celebrate our ties of friendship and democratic tradition, let us work to build upon them to forge even stronger and more productive links between our countries in the future.

Mr. SCHUETTE. Mr. Speaker, today marks the 166th anniversary of the declaration of Greek independence from Ottoman rule. It is only fitting that we take a moment to recognize the achievement of freedom of a people who have contributed so much to the meaning of the very word.

Greece is often referred to as "the Birthplace of Democracy." The origin of the word "democracy" is actually Greek, meaning "the state of the people." Throughout history the Greek people have demonstrated an unwavering commitment to this ideal. From Aristotle to Alexander, from Plato to Pericles, the emphasis of the Greek leader, intellectual, or citizen was on the achievement of a just state where freedom was equal for all.

This ideal was kept alive during the 400 Dark Years in which Greece was under the rule of the Ottoman Empire. The slogan of the Greeks during this time was, "It is better to live 1 hour in freedom than 40 years in slavery and in prison." Through their undying belief in the importance of freedom they were able to reclaim it for themselves.

It is my sincere hope that, on this anniversary of Greek independence, each and every one of us takes a moment to reflect on the courage of the Greek people in defending democracy, and also to remember that in the world today a large number of oppressed people are unable to do the same.

Mr. WELDON. Mr. Speaker, today, I join hundreds of Greek-Americans in Delaware County in celebration of 166 years of freedom for the Greek people. On March 25, 1821, four centuries of Ottoman rule ended when freedom-loving Greeks rose up in arms and fought valiantly for one of life's most prescious gifts—liberty.

As Americans, we pay tribute to the Greeks for their dedication and perseverance. The events of March 25 will be celebrated today in schools and Greek Orthodox parishes throughout the Delaware Valley. The Greek spirit which did not tolerate domination, should be celebrated by all in America and not just by those of Greek descent. The Hellenic spirit must not be forgotten.

Mr. Speaker, we pause today to pay tribute to the Greek people because they have demonstrated a collective will to fight for what some may take for granted in this country: freedom. The lessons of history are available for decisionmakers today. The richness of the Greek experience must not only be preserved; it must be shared.

No one can deny the positive impact the Hellenic tradition has had on America. Our political values have been shaped largely by the Greek philosophers of old. American architecture, literature, art, and music constantly remind us of Greek influence.

Yes, indeed, Mr. Speaker, the occasion of Greek Independence Day should remind all Americans of the many blessings we share, and the positive influence of Greek Americans on our society.

Mr. DONALD E. LUKENS. Mr. Speaker, today I am honored to share in the celebration of a country's long and hard struggle to overcome 400 years of oppression, in the name of freedom, precious freedom.

I join the Greeks in celebrating their independence day, the 166th anniversary of Greece's liberation from the Ottoman Empire.

On this day last year, President Reagan signed into law the resolution to designate March 25 as Greek Independence Day, a national day of celebration of Greek and American democracy. Greek Independence Day is indeed symbolic of the triumph of democracy in two parts of the globe.

Greeks and Americans have throughout history served one another as role models in constructing democracy. The American revolution inspired the Greeks as they fought for their freedom in the 1820's. We recall also the many American volunteers who participated in Greece's war for independence.

As Americans we must be reminded that our Founding Fathers often looked to the Greeks in their design for a democratic form of government. James Madison and Alexander Hamilton frequently referred to the Grecian republics as model institutions of government. Thomas Jefferson once remarked that, "To the ancient Greeks * * * we are indebted for the light which led ourselves out of Gothic darkness."

Greek Independence Day is a celebration of freedom—freedom—the most basic of all human rights.

The Greek triumph should be an inspiration for oppressed people throughout the world in their struggle to attain the most basic of all human rights, precious freedom.

Mrs. MORELLA. Mr. Speaker, it gives me pleasure to honor Greek Independence Day today. My congressional district contains many Greek Americans. The concepts of freedom and democracy first laid down by ancient Greece are the same concepts upon which our Government was founded. As Thomas Jefferson said, "To the ancient Greeks . . . we are all indebted for the light which led ourselves (American colonies) out of Gothic darkness."

Today, Greece is a NATO ally. But Greece was ruled by the Ottoman Empire for almost 400 years—from the fall of Constantinople in 1453 until the declaration of independence in 1821. Her struggle was of deep concern in the United States, as expressed by President James Monroe in his message to Congress in 1822. He said, "A strong hope is entertained that these people will recover their independence, and resume their equal station among the nations on the Earth." Their success is the purpose of our celebration today, for as Percy Bysshe Shelley said, "We are all Greeks! Our laws, our literature, our religion, our art have their roots in Greece."

Mr. MARTINEZ. Mr. Speaker, it is eminently appropriate that we set aside time today and every March 25 hereafter to recognize Greek Independence Day, and to reflect on the contributions made by Greek and Greek-Americans in American society. March 25 will stand as a beacon of knowledge in the fog of ignorance; as a torch of culture in the darkness of uncivilization; as a pillar of fortitude—both personal and physical—in the edifice of human interaction. In short, Greeks and Greek-Americans have played a fundamental role in shaping American society in all its facets.

The influence of ancient Greek culture is indelibly suffused into 20th century culture here in the United States as well as most regions of the world. Their lessons continue to be taught and learned directly through study of the great works of Sophocles, Socrates, Plato, and Aristotle which have retained immortality through the world's finest learning institutions. The philosophies and reasoning progresses which they developed and epitomized are every bit as relevant today as the day they were created. Their perception of the universe and concepts of the arts constituted a quantum leap toward an ordered society, and established a direction to be followed in many generations to come.

The impact of the ancient Greeks is perhaps most profoundly felt in the domain of national and world politics. Surely it was during that period that the concept of "democracy" became ambulatory and first stretched its legs into the future. As Plato wrote in "The Republic," "Democracy is a charming form of government, full of variety and disorder, and dispensing a kind of equality to equals and unequals alike." The skeleton which they assembled formed the body of American democracy two millenia later, which in turn became the foundation for democracy in dozens of countries worldwide—including Greece—in two centuries since.

In the United States, individuals of Greek origin have had a substantial impact in areas which run the gamut of American life. Since the great wave of Greek immigration to the United States in the early 1900's, Greeks have played instrumental roles in the sciences, the government, the military, the arts, and virtually all sectors of the American economy and culture. A recitation of great Greek-Americans is a recitation of great Americans: the family next door just as much as the exceptional leader. To single out a few would be a misnomer: it is a whole people—our people—who have made the contribution.

I am delighted to participate in the recognition of March 25 as Greek Independence Day and all which it represents to American society and to world democracy.

Mr. BUECHNER. Mr. Speaker, I rise today to honor Greek Independence Day, a national day of celebration of Greek and American democracy. Some members of the Greek-American community from my home district, the Karakas family, have ancestors who were involved in the struggle for Greek independence.

Today is the 166th anniversary of Greece's independence from the yoke of the Ottoman Empire. The arduous fight of the Greeks against their invaders is no less than a perfect example of the ability to overcome obstacles that appear insurmountable if the will to persevere is strong enough.

The independence of our two countries is inexorably intertwined. Our war for independence became a role model for 19th century Greeks who fought for theirs. Greek intellectuals translated the Declaration of Independence of the United States and used it as their own declaration.

A Greek commander in chief appealed to the citizens of the United States, saying: "Having formed the resolution to live or die for freedom, we are drawn toward you by a just sympathy since it is in your land that liberty fixed her abode, and by you that she is prized as by our fathers. Hence, honoring her name, we invoke yours at the same time, trusting that in imitating you, we shall imitate our ancestors and be thought worthy of them if we succeed in resembling you."

Mr. Speaker, I join the Greek-American community in my home district, and the Greek-American community in the entire Nation in honoring Greek Independence Day.

Mr. GILMAN. Mr. Speaker, I would like to join all people of Greek heritage throughout the world, in celebrating, today, March 25, 1987, as the 166th anniversary of Greek independence day.

The concept of democracy, an idea which permeates American life, was born in Greece over 2,000 years ago. The Founding Fathers of our great Nation drew heavily upon the philosophical and political experience of ancient Greece in forming our own Declaration of Independence, and later, the U.S. Constitution.

Today, let us celebrate, with the Greek people, a common heritage of freedom and democracy that both our countries share. By celebrating today as "Greek Independence Day: A Celebration of Greek and American

Heritage" we will be reaffirming our strong allegiance to the principles of democracy which gave birth to our great Nation.

Accordingly, Mr. Speaker, I am pleased to have this opportunity, to call this celebration to the attention of my colleagues and to join all of the Greek people who are participating in all the festivities of this very special occasion.

Mr. BILIRAKIS. Mr. Speaker, to terminate my remarks, let me say that all of these principles that we have talked about here are truly embodied in the slogan "Eleftheria I' Thanatos"—"Liberty or Death." These principles are not uniquely Greek—instead, they are now a legacy which all democracies cherish, and have a responsibility to protect.

A HISTORY OF PAST ATTEMPTS TO HAVE CONTRA ACTIVITIES INVESTIGATED BY A SPECIAL COUNSEL

The SPEAKER pro tempore (Mr. JOHNSON of South Dakota). Under a previous order of the House, the gentleman from Michigan [Mr. CONYERS] is recognized for 30 minutes.

Mr. CONYERS. Mr. Speaker, I rise today to commend those members of the Judiciary Committee who joined me in the 99th Congress on October 17, 1986, to request of the Attorney General of the United States that an independent counsel be appointed to pursue the revelations that were coming forward from the downing of a C-123 cargo plane on October 5 of that same year laden with munitions that seemed to have apparently been involved with private efforts to support the Contras.

From this humble beginning and the outpouring of other events related to this, we now find ourselves in the incredible and very difficult situation that now engulfs the executive branch of the Government.

So I wanted to thank my colleagues, the gentleman from California, Mr. DON EDWARDS; the gentleman from Connecticut, Mr. BRUCE MORRISON; the gentleman from Michigan, Mr. GEORGE CROCKETT; the gentleman from Massachusetts, Mr. BARNEY FRANK; the gentleman from Wisconsin, Mr. ROBERT KASTENMEIER; our former colleague from Ohio, JOHN SEIBERLING; the gentlewoman from Colorado, Mrs. PATRICIA SCHROEDER; the gentleman from California, Mr. HOWARD BERMAN; the gentleman from Ohio, Mr. FEIGHAN; and the gentleman from West Virginia, Mr. STAGGERS. Those colleagues of ours on the Judiciary Committee, it seems to me, have done a very, very important service to this Nation in determining that long ago, some 5 months ago, we were in need of an independent counsel to investigate these activities.

In connection with that petition to the courts and to the Attorney General, it was required that we present some theory of the activities that would justify the courts complying with our request that an independent counsel or special prosecutor be appointed. So we had to construct from that point of view some indication of a factual nature as to what may have happened that would require the granting of our request, and I would like now to just go back over that with the Members. We must remember that this was back in October of 1986, and here is the submission that we made to the Department of Justice. We said this:

> It has been reported that in December 1983, a series of meetings involving Lt. Col. Oliver North, Central Intelligence Agency Director William Casey, the Vice President of the United States, GEORGE BUSH, then-White House counselor Edwin Meese, then-Interior Secretary William Clark, and President Ronald Reagan and others took place to plan a supply network to the Contras. It is said that these efforts were undertaken in anticipation of congressional prohibitions on aid to the armed rebels.
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> Lt. Col. Oliver North is reported to have been given principal responsibility in administering the supply operation and is reported to have had frequent contact with the Contras through intermediaries including United States General Retired Singlaub and Robert Owen. Donald Gregg, the Vice President's national security advisor, and Retired General Richard Secord were also detailed to assist the coordination of the network.

It is also reported that the U.S. officials planned to fund the Nicaraguan rebels through highly unusual and illegal methods. On November 25, 1986, Attorney General Edwin Meese acknowledged in a press conference that funds obtained from arms sales to Iran had been "transferred" to the Nicaraguan Contras. Lt. Col. Oliver North and National Security Advisor John Poindexter were said to be immediately involved.

□ 1650

Mr. Speaker, several trips to Iran paid for with United States funds seem to have been made by United States officials or representatives to discuss arrangements. News organizations reported that Chief of Staff Donald Regan had been informed, and approved the details, of the Iran arms sales. It also was reported by news organizations on November 27, 1986, that documents might have been destroyed relating to the arms sales to Iran and benefits from those sales derived and forwarded to the Contras.

The initial supply network plan was reportedly drafted by Lt. Col. Oliver North and to have been approved by then-National Security Council Counselor Robert McFarlane and President Reagan. From 1984 to 1986, when direct or indirect U.S. official involvement with the Contras was prohibited by law, the supply network seems to have flourished. The supply network seemed to involve the use of U.S. funds at air bases and elsewhere in violation of U.S. law. U.S. officials were alleged to have been involved in, and knowledgeable of, activities that may have constituted felonies including illegal arms shipments, neutrality law violations, foreign agents registration act violations and other criminal acts.

During the 2 years in which legal prohibitions on involvement with the Contras were in place, key individuals who say that they were involved in the supply efforts claimed to have frequent contact with administration officials, and that their activities were known to those officials. General Singlaub, for instance, who acknowledged publicly his principal role in the supply efforts said in a "60 Minutes" interview with Mike Wallace on October 5, 1986, that he kept informed CIA Director William Casey about his activities in supplying the Contras with military aid, and received encouragement from him. There were also reports Singlaub acknowledged clearing his actions with North and meeting frequently with CIA Director William J. Casey. The Hearst Syndicate also reported on May 15, 1986, that General Singlaub, operating with U.S. Government approval, agreed to provide arms and other supplies to Nicaraguan rebel leader Eden Pastora.

Also during the time in which the restrictions were in place, public funds are reported to have been used to assist efforts to supply the Contras. Department of Defense funds are said to have been used to upgrade military airfields at Ilopango in El Salvador, Aguacate, Jamastran, and Mocoron. Funds are also reported to have been used to maintain safehouses, pay telephone bills, and other activities that may be directly related to the supply network. Flight logs also showed that pilots involved in the supply efforts, including one killed in the October 5 downing of the C-123, which had Eugene Hasenfus aboard, had flown to sensitive U.S. military bases, including bases inside the United States where classified military research is conducted.

Individuals receiving public moneys, including official contracts, seem to have been involved in aiding the Contras and administering the supply network. John Hull, an American with CIA connections who lives in Costa Rica, is reported to have received $10,000 monthly from the NSC in 1984 and 1985 to coordinate Contra operations. It was alleged during that time that Robert Owen, who received contracts from NHAO, used Oliver North's office in his capacity as unofficial liason to the Contras and fundraiser for them.

It is also reported that Robert Owen worked to aid the Contras through private channels while working as a consultant to the NHAO at the State Department. Two sources are said to have told Senator Kerry's staff that they witnessed Owen engaged in arranging a weapons transaction with Adolfo Calero in the United States in the period when the Boland amendment was in force.

Illegal arms shipments were alleged to have transpired and the Office of the U.S. Attorney commenced investigation into them in Miami. One such shipment seems to have originated from Fort Lauderdale-Hollywood, FL, Airport on March 6, 1985, and was coordinated by John Hull and Robert Owen, who met the shipment at Ilopango military base in El Salvador. Francisco Chanes who is an official of legal humanitarian aid, is also alleged to have been involved in the arms shipment. Any administration involvement in this incident or knowledge of it and failure to report it, could constitute a criminal violation.

Key law enforcement officials, who may have feared public and congressional reaction to revelations of illegalities on the part of the Contras and their associates, may have exerted pressure to slow or halt the investigation at this point. Information obtained by Senator Kerry does not seem to have been acknowledged or acted upon at that time. Two unnamed law enforcement officials in an interview said that Attorney General Meese and former Deputy Attorney General Lowell Jensen applied pressure to slow the investigation of illegal arms shipment from Hollywood Airport.

The C-123 cargo plane, downed on October 5, 1986, revealed additional information. An identification card found in the wreckage of the downed C-123 identified captured flier Eugene Hasenfus as an "adviser" in the "U.S.A." group at the Ilopango air base in El Salvador. Entrance onto the base by Americans was said to require approval by U.S. officials.

Hasenfus, it had been frequently reported, was recruited by members of the network established by the administration. An unnamed Salvadoran familiar with CIA activities in El Salvador and also knowledgeable of the supply operation is quoted as saying "Do you think the Salvadoran Government would let hundreds of guns and big airplanes fly in and out of here for more than a year taking stuff to the guerrillas if the United States Government didn't tell them to?" Approving access to the base maintained with U.S. funds could constitute unauthorized assistance.

Subsequently, Hasenfus is quoted as saying that 24 to 26 CIA personnel acted as flight crews and maintenance crews; that they were also involved in refueling of flights that came through Ilopango, and that they helped create the flight plans. All fuel at Ilopango is thought to be purchased by either the CIA, the Pentagon, or the U.S. Military Aid Program.

□ 1700

At a press conference, Hasenfus is reported to say that Max Gomez and another CIA employee were responsible for the logistics and flight plans for private Contra supply flights. Mr. Gomez, it is recalled, was recommended by none other than the Vice President of the United States National Advisor, Mr. Donald Gregg, to the Salvadoran Air Force as a counter-insurgency specialist, and the distinguished Vice President of the United States, Mr. Bush and Mr. Gregg, are reported to have met with Gomez on at least two occasions. Mr. Gomez is also reported to have dined with the Ambassador to El Salvador, Mr. Edwin Corr. The Ambassador stated at one point that he did not know Mr. Gomez. Several days after that statement, an embassy spokesman retracted the Ambassador's comments.

There are indications that U.S. funds were used to support Gomez's activities at a time when such support was specifically prohibited by law. In a report in October 27 of last year, it was stated that three Salvadoran workers were paid by the U.S. Embassy to work on Mr. Max Gomez's house. In addition, the captured flier, Mr. Hasenfus, claims to have stayed at Mr. Gomez's residence located at 5272 Pasco Escalon in San Salvador. When a reporter, an American reporter, attempted to visit the location and gain entry, it is reported that armed security agents carrying U.S. Embassy identification cards appeared promptly at the scene. The reporter was turned away.

Also in October of last year, captured flights and record logs show that at least 15 private flights carrying weapons to resupply the Contras originated at the Honduran military base of Aguacate and some used the airfield at Mocoron, both improved with U.S. military exercise funds. But U.S. spokesmen for the exercises insisted that the airfields were only used to give American soldiers practice in field construction techniques, and said they would not be used for or by the Contras because of laws prohibiting indirect or direct aid to the Contras. Captured flight logs also record trips to highly sensitive U.S. military bases, including one in Nevada that is said to have conducted classified military research.

Nicaraguan troops are said to have recovered a navigational targeting instrument from the cockpit of the plane, which Mr. Hasenfus said was placed there by the Central Intelligence Agency to allow pilots to make more accurate drops of weapons shipments.

Phone bills from a safe house in San Salvador where Mr. Hasenfus and others stayed are reported to show numerous calls to Lieutenant Colonel North's private line at the National Security Council in the Capital of our Nation. The phone records show a series of calls to Mr. North's, Colonel North's office, arms merchants and air supply companies were involved in these telephonic transactions.

It is suspected that the U.S. Government paid for these phone bills.

As unnamed U.S. official is quoted as saying that the Economic Support Funds for El Salvador, Honduras, and Guatemala, had been diverted and were critical to the supply network.

Any number of other events reported, including that of Richard Secord's involvement in arranging for third parties to supply the Contras, including key officials and individuals in Saudi Arabia, in possible exchange for a favorable disposition of the Awac deal of Saudi Arabia have been noted.

It is also reported that the Attorney General of the United States, Edwin Meese, and Deputy Attorney General Donald Jensen applied pressure on the Office of the U.S. attorney to halt or slow the investigation into illegalities emanating out of Contra supply efforts, as it might have interfered with the administration's foreign policy goals.

This, Mr. Speaker, was information that the members of the Judiciary Committee provided the Attorney General and ultimately the three-man Federal court in asking for an independent counsel and suggesting possible alleged illegal efforts by the U.S. officials to assist the Contras that involved such conflicts of duty on the part of the Attorney General and others in the Department of Justice that an independent counsel should be appointed, and I am very, very pleased, of course, to suggest to you that they were appointed and that Mr. Walsh is on the job and is proceeding forthwith.

There was yet another part of our response to the Department of Justice, the request for an independent counsel, that suggested to them as was required under our interpretation of the law to elicit the statutes that might have been violated, what crimes, what criminal statutes might these U.S. Government officials have violated in their over-enthusiastic efforts to assist the Contras. We set forward a number of them.

Among them was title 18, section 641, of the United States Code which refers to the misuse of public money, property or records. This criminal statute provides penalties for the use of Federal money or property without legal authority, specifically for anyone who embezzles, steals, purloins or knowingly converts to his use or the use of another without authority, sells, conveys or disposes of any record, voucher, money or thing of value of the United States or any property made or being made under contract for the United States or any Department or Agency included within the United States.

Possible violations include approval or authorization by or involvement of Vice President GEORGE BUSH or former Chief of Staff, Mr. Donald Regan, former Head of the CIA, Mr. William Casey, the Head of the Department of Defense, Mr. Caspar Weinberger, the Attorney General of the United States, Edwin Meese, Mr. John Poindexter, Mr. William Clark, Mr. Robert McFarlane, Mr. Donald Gregg, Mr. Elliott Abrams, Col. Oliver North, Robert Owen, the U.S. Embassy, Central Intelligence Agency and Department of Defense personnel, referred to as other U.S. officials, to use U.S. funds or equipment for purposes prohibited by law, including the diversion to the Contras or the supply network that supported them of funds obtained through the sale of U.S. arms to the nation of Iran, particularly if U.S. officials arranged or otherwise facilitated the use of public properties, including arms in such a way as to obtain profits to assist the Contras, or trips to Iran by U.S. officials or Representatives paid for with U.S. Government funds for the purpose of arranging arms sales to Iran that would either directly or indirectly ultimately benefit the Contras.

□ 1710

Or the destruction of any documents regarding the sale of arms to Iran, the intended benefits of such a transaction to the Contras, or the involvement in or knowledge of public officials including administration officials in those dealings;

Or the establishment of, or assistance in setting up, Swiss bank accounts to funnel payment to the Contras of U.S. arms sales to Iran;

Or payment of construction, maintenance or other costs for safehouses in Central America used in connection with the private supply network, and payment of telephone bills at those safe houses;

Or unauthorized procurement of fuel for the Contras through the Salvadoran military with foreign aid funds;

Or coordination of supply efforts, including telephone calls and meetings, by U.S. officials and employees at a time when all "direct or indirect" assistance was prohibited by U.S. law;

Or allowing or facilitating the supply operation's use of facilities at airfields in Central America, including Ilopango, Mocoron, Aguacate, and Jamastran, constructed or maintained with U.S. funds;

Or unauthorized provision of U.S. airborne guidance equipment to the supply operation or U.S. officials helping with refueling, flight planning or communications;

Or payment of public funds and contracts to private air freight companies connected to the supply operations, including the well known Southern Air Transport, which has been tied to the downed C-123 cargo plane with Mat Hasenfus aboard; and if those moneys assisted the network in anyway;

Or involvement of any kind in fraud in the disposition of U.S. funds as reported by the General Accounting Office;

Or provision of Nicaraguan Humanitarian Assistance Office [NHAO] funds for purposes prohibited by law to individuals involved with the Contras or Contra supply operations;

Or Department of Defense officials approving construction, improvement, or maintenance of military airbases which assisted the supply operation to the Contras including airbases in Honduras at Aguacate (at an official estimated cost of $225,000), at Jamastran (at an official cost of $199,000), at Mocoron (at an official cost of $225,000) and in El Salvador at Ilopango;

Or diversion of U.S. Economic Support Funds [ESF] through El Salvador, Guatemala, and Honduras to the supply efforts.

No authority existed for such expenditures and use of public funds and property, and in fact such use was specifically prohibited by section 775 of the fiscal year 1984 Defense Appropriations Act (Public Law 98-212), section 105 of the fiscal year 1986 Intelligence Authorization Act (Public Law 99-169), section 8066 of the fiscal year 1985 Defense Appropriations Act (Public Law 98-473).

In addition, there are other criminal statutes that members of the executive branch and the U.S. Government may have violated in their activities in efforts to assist the Contras.

Title 18, section 1001 of the United States Code deals with fraud and false statements.

This statute provides criminal penalties for whoever "knowingly and willfully falsifies, conceals, or covers up by any trick, scheme or device a material fact, or makes any false, fictitious or fraudulent statements or presentations." Under this section, possible violations could include planning by, involvement in, or knowledge and concealment on the part of U.S. officials cited above together with Richard Secord, John Singlaub, William Cooper, Tom Posey, Filex Rodriguez also known as "Max Gomez," Luis Posada also known as "Ramon Medina," Aristides Sanchez, Mario and Adolfo Calero and others in activities with public funds and properties for purposes prohibited by law, particularly if vouchers or other claims were submitted.

COMMEMORATING 94TH ANNIVERSARY OF BIRTH OF DRAZA MIHAILOVICH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. CRANE] is recognized for 60 minutes.

GENERAL LEAVE

Mr. CRANE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the subject of my special order.

The SPEAKER pro tempore. (Mr. PRICE of North Carolina). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CRANE. Mr. Speaker, this week we commemorate the 94th anniversary of the birth of a great hero in the annals of World War II, Draza Mihailovich. It was his fate to be thrust upon the world stage in 1941 with the Nazi invasion of his homeland. And in common with the ideals that finally brought the United States into that conflict, he and his Serbian compatriots fought to secure unto themselves and their posterity, liberty and justice.

As commander in chief of the Yugoslav Army, General Mihailovich assumed the leadership of a movement which has grown up during the war called Ravnogorstvo atop the mountain of Ravna Gora in Serbia. He was heir, in this respect, to a grand Serbian tradition begun in the 14th century on the battlefield of Kosovo when Serbians bravely took up arms against the invading Turks. Although hopelessly outnumbered, on that occasion, and faced with certain defeat, the Serbs nevertheless laid down their lives for preservation of the same ideals the Serbian patriots once more defended in the face of totalitarianism in World War II, liberty and justice.

□ 1720

The Serbs were the first to confront this challenge to Western civilization in the 14th century. Five centuries later, in World War I, they did it again at what was called the Tessalonika front. Driven by this same spirit, General Mihailovich led his people's resistance to the hydra-headed evils of nazism and communism a generation later. General Mihailovich paid for his devotion to freedom with his life. While he triumphed against the Nazis, the twin menace of communism made him one of the first martyrs of the cold war.

General Mihailovich was betrayed because of his commitment to securing liberty and justice for his people. He was the first freedom fighter to experience the treachery of defeating nazism only to be delivered up as a human sacrifice to its twin, the evil of communism. Tragically, the Western World, still basking in the defeat of Adolph Hitler, turned its face in shameful disregard to the opening round of world war III. Today, we can tally some of the consequences of that betrayal of concern for liberty and justice by looking beyond the Iron Curtain to the slave states of Eastern Europe, the battlefields of Nicaragua, Afghanistan, Angola, Mozambique, and Cambodia, and the systematic genocide perpetrated by the Marxist dictator of Ethiopia.

There is a symbolism to Mihailovich's birthdate of March 27. On that very day, in 1941, the Serbs supported the military coup that occurred in Yugoslavia. It was clear to the Serbs, at that time, as it was to that portion of the royal army loyal to freedom, that war was preferable to a pact with the Nazis.

At that same time, the central committee of the minor Communist Party of Yugoslavia—obeying Stalin's directive—had strenuously urged support for the pact with the Nazis. In fact, they claimed the people were quite willing to surrender their freedom to avoid war.

But the Serbian officers of the regular Yugoslav Army, reflecting the antitotalitarian spirit of the Serbian people, turned down a nonaggression pact with the Axis powers. This, in turn, resulted in the crucial delay of Hitler's invasion of the Soviet Union that ultimately cost him a victory in that campaign. Yet, these same anti-Nazi officers were denounced by the Communists as war criminals.

Perhaps more significant was the fact that on this day, the birthday of Draza Mihailovich, the battle lines were drawn in Yugoslavia between Serbs and Communists that have persisted to this day.

Just a few years earlier, the man called Tito—who would later murder General Mihailovich—published two manifestos in the Swedish Communist newspaper that praised the Nazi and Soviet occupation of the three Baltic States. One of the tragic ironies of the war was that the Nazi sympathizer, Josip Broz Tito, was cosseted by the Allies at the expense of the true allied patriot, Mihailovich, because of Communist penetration of British intelligence during the war. The Yugoslav Royal Army ended up being defeated from within. What the Nazis had been unable to accomplish in the battlefield, Yugoslav Communists achieved from within.

On April 6, 1941, Germany invaded Yugoslavia. Four days later, at the plenum of the Central Committee of the Communist Party of Yugoslavia held in Zagreb, the Yugoslav Communists welcomed the German invaders. They held Great Britain to be an enemy and expressed the opinion that war against Germany was unnecessary and repugnant.

In spite of this disloyalty to the country, their Colonel Mihailovich, leading the combined unit of the royal army, refused to accept capitulation. Rapidly, his determined resistance grew. In a matter of weeks, his original unit became a well-organized army behind the enemy lines. The outpouring of support for his efforts, on the part of Serbs, was unselfish and spontaneous.

The underground grew in Belgrade and in all the cities and towns of Serbia. Led by Mihailovich the Serbs were the only force in Europe fighting the superior Nazi forces other than the British.

At this point, it is important to review some history surrounding events that are clouded in memory or virtually unknown to a postwar generation. National socialism and communism were ideological cousins. To be sure, there were theoretical differences and they had intramural quarrels, but their common enemy, free societies, enabled them to overlook their differences. Thus, in their mutual quest for world domination, the alliance between Hitler and Stalin to double-team Poland was a natural.

But this collectivist, totalitarian cooperation had existed for years throughout all of Europe. Tito, for example, worked in cooperation with the Nazis as far back as the Spanish Civil War. The Communists in Yugoslavia, who prided themselves on being "* * * the most Stalinist party of Europe," became Hitler's most dependable ally in Yugoslavia after creation of the Soviet-Nazi Pact.

Ribbentrop's top intelligence agent for the Balkans stated after the war that "Tito was our tool." For this reason, the Balkan Bureau of Hitler's foreign ministry arranged for Tito's transit from Switzerland to Yugoslavia to coordinate the Communists in opposition to the Serbian forces which refused to accept Yugoslav capitulation to the Nazis.

Until Hitler's doublecross of Stalin, then, there was tight coordination between the Nazis and the Yugoslav Communists to bring Yugoslavia into the Third Reich. But the Communist hostility toward the freedom loving Serbs who bravely resisted the Nazi invasion did not end once Hitler and Stalin became enemies. Tito issued an order on October 14, 1941, that "the liquidation of all Chetnik bands [Mihailovich's Serbian forces] is as important as the liquidation of the occupiers."

The Yugoslav Communists began a systematic attack on Serbian priests, distinguished citizens, and even the elderly heroes from World War I who had broken the Tessalonika front. On October 10, 1941, in the Serbian town of Kraqujevac, the Communists provoked a holocaust by killing a handful of the Nazi occupiers. The Nazis retaliated 11 days later by mercilessly killing 7,300 male Serbs, including high school students.

On the heels of this atrocity, Tito declared that the "Yugoslav Communist struggle is no longer a battle against the Axis Powers. At stake is the future political power in the whole country." In response, Tito's Communist supporters, at the end of October, began a full-fledged civil war in Yugoslavia by massacring all of Mihailovich's wounded soldiers at a hospital in Uzice.

Despite these historic facts, this was the very time that Communist disinformation came to twist history in the minds of many until well after World War II had ended. In this respect, the disinformation is not dissimilar from that engaged in by the Communists today with regard to Nicaragua, Afghanistan, Angola and Mozambique. Our own State Department obviously had difficulty sorting out fact from Communist propaganda, for it suppressed the fact until 1967 that General Mihailovich had been recommended to receive this Nation's highest decoration for valor to a nonnational by then Gen. Dwight Eisenhower, and this honor was bestowed by President Harry Truman.

On December 10, 1941, the German high command in Serbia, in a secret report, acknowledged that Mihailovich had escaped a trap they had laid for him. At the same time, in a public declaration announced to the Serbian population by radio and leaflets, Mihailovich was declared a criminal rebel and a reward of 200,000 dinars was posted for his head.

By July 6, 1942, the Comintern's radio, Free Yugoslavia, from Moscow, accused Mihailovich of "collaboration" with the Nazis. Eleven days after this announcement, Heinrich Himmler cabled from Hitler's headquarters in Germany to his commander in Yugoslavia that the basis of success in Serbia and all of southeastern Europe lay in "the annihilation of Mihailovich" at whatever cost.

Ironically, at about this same time, while the White House was praising the outstanding achievements of General Mihailovich and "his daring men," the Communist Daily Worker, in New York City, reported that Mihailovich was a "fascist and traitor."

In the meantime, Ravnogorstvo was bleeding unselfishly in behalf of liberty and justice for all.

During this time, the target of the Yugoslav Communists was not to contribute to the Allied victory in Europe, but to capture General Mihailovich and his supreme command. The objective of this emphasis was to terminate the Serbian national structure.

Simultaneously, Mihailovich's military, political, and economic intelligence contributed to the Allied cause. For example, it was Mihailovich's intelligence that first informed the Allies about the existence of the V1 bombs which were targeted on London. By contrast, according to the Yugoslav author, Milovan Djilas, "the radio link between the Communist intelligence and German military intelligence was fully operational to the last day of the war."

The Yugoslav Communists joined forces with the Nazi invaders in a combined effort to annihilate the Mihailovich forces and this objective became an all-consuming passion. "Mihailovich and his forces and supporters must be annihilated at any cost," announced Gen. Paul Bader, commandant of Serbia for the Nazis. Just 2 days before this, Radio Free Yugoslavia, from Moscow, was trumpeting the fact that Tito had charged Mihailovich with treason against the Communists. During this same time, January 1943, Mihailovich had successfully tied up three German and six Bulgarian divisions.

One can document endless cases of the treasonous relationship between the Nazis and Tito's Communist forces that culminated in the elevation of Tito to power at the end of World War II and the cruel assassination of General Mihailovich.

But, as Shakespeare wrote, "the past is prologue." At this moment in history, we can publicly honor this betrayed patriot in the fight for liberty and justice he waged so well in war and had stolen from himself and the Serbian people in peace.

But no eulogy to Draza Mihailovich is complete without a final word on his commitment that comes home forcefully to all Americans. At the same time he was being betrayed by Yugoslav Communists, and at the same time he was abandoned by the Allies thanks in large measure to disinformation provided by Communist moles in the British intelligence network, he kept the faith, and he saved the lives of over 500 downed American airmen.

Today, after Communist misrule has reduced the richest country of the Balkans to an economic, political, and moral basket case, we must not forget the enduring Mihailovich legacy. Mihailovich lives in the hearts and minds of people in Serbia today, and also in the hearts and minds of freedom-loving people everywhere as a symbol of the indomitable spirit of man to fight against all odds in behalf of the enduring, noble ideals of liberty and justice.

So as we honor today the birth and life of this great man and those Serbian patriots who paid the last full measure of devotion in behalf of our heritage of freedom, please join me in a moment of silent prayer that his legacy will remain forever unquenchable, so help us God.

□ 1730

I yield to the distinguished colleague of Serbian extraction from the great State of Maryland, the Honorable HELEN BENTLEY.

Mrs. BENTLEY. I thank the gentleman for yielding.

I want to thank my colleague from Illinois for his relentless battle to gain recognition for this great Serbian general who fought so hard to help the allied cause during the World War II, but was sabotaged and betrayed by his so-called friends.

As the only Serbian American in the Congress I particularly appreciate this cause which the gentleman has laid out so vividly here.

The gentleman has pointed out that we in this country seem to take a perverse pride in finding good things to say about our enemies and ignoring or vilifying our friends. Certainly General Mihailovich was just such a case.

The group which wishes to honor him is not some fringe organization with its own ax to grind. It is a group of men who risked their lives in the Second World War. Shot down over Yugoslavia, they owe their lives to Mihailovich and his Chetniks.

Even after our own leaders had cut him off and begun to support other guerrilla fighters, his Chetniks still continued to rescue downed allied airmen, often at the cost of their own lives. Who better than these men can judge the claim of Mihailovich to be honored by the United States.

We are told that to allow honor to this great man might embarrass us in our relationship with Yugoslavia. We are being asked to perpetuate a slur on his memory and to dishonor those brave men whose lives he saved for the convenience of the State Department. Should we tear down the statues of Baron Von Steuben and General Pulaski lest we offend current Eastern European nations?

One of the men who spearheaded the effort to recognize General Mihailovich was the late Capt. George Musulin who was on an OSS rescue mission code-named Operation Halyard, which evacuated 250 of the American airmen on August 9, 1944, from a makeshift airfield only 80 miles from Belgrade. It was probably the largest and most daring operation of its kind conducted anywhere in axis-occupied Europe during the whole of World War II. Through subsequent evacuations from secret airfields in the heart of axis-controlled Yugoslavia, the Halyard mission brought its total of rescued airmen, evacuated and returned to combat duty, to 432. Choosing to remain behind and continue his struggle to liberate Yugoslavia, General Mihailovich was eventually caught, imprisoned and executed by Tito for alleged collaboration with the Nazis, a charge which we know now has been fabricated by Tito's mole in Cairo.

I say here today I would hope that the Congress would recognize that the objections to this recognition would finally be overturned and I can think of no more fitting way for the 100th Congress to pay tribute to an American hero, George Musulin, as well, who died earlier this month in Virginia, than to carry out his long-time wish, that General Mihailovich be honored and recognized by the United States of America.

In closing, Mr. Speaker, I would like to add: Let us finally acknowledge the debt we owe General Mihailovich and his men; at least we should let those who know of his courage and owe their lives to it, show that respect and in the process show us that truth must eventually win out. What better day to begin to redress that balance than the general's birthday.

Mr. CRANE. I thank the gentlewoman for her gracious remarks on this momentous occasion. I know there were colleagues who had anticipated being here with us this evening, but the hour has run on later than most of us anticipated. So I will submit their statements for the RECORD, Mr. Speaker, and simply conclude by saying that I followed in the footsteps of a colleague who first alerted me to the role of General Mihailovich and ironically he was not a Serb. It was our former distinguished colleague, the Honorable Ed Derwinski, who had fought long and hard against State Department objections, a body in which he now serves as an Under Secretary—and a distinguished one—but he fought for years to get the State Department to release the suppressed information about the fact that General Mihailovich was the recipient of our Legion of Honor, and that it had been done at the recommendation of General Eisenhower, for his outstanding role in World War II. It had in fact been presented by President Harry Truman. For whatever perverse reason, our State Department endeavored to keep that information quiet.

It is a sad commentary on our own State Department, it seems to me, because there was abundant evidence of the role that General Mihailovich played even when he had in fact been betrayed by our allied forces because of the Communist disinformation that had been fed though British intelligence. We stopped our support; he did not stop his ongoing war against the Nazi invaders. But he was being attacked on two fronts simultaneously. Not only was he fighting the Nazis and in the process contributed mightily to the failure of Hitler in World War II because that is what cost Hitler his

Soviet campaign, but simultaneously he was dealing with an element within his own country of Communists who had put him on their hit list as surely as the Nazis had him on theirs. The subsequent post-World War II information revealed the collusion, the active working cooperation between the Communists in Yugoslavia and the Nazis right down to the very end of the war, notwithstanding the fact that the Soviets, after Hitler doublecrossed Stalin, the Soviets had joined the allied cause theoretically and yet there was still a cozy working relationship that existed between those two elements in Yugoslavia.

To his credit and to the honor of the man, General Mihailovich continued. He did his rescue work of the majority of those American airmen who had been downed at the time we turned our back on him. It was George Musulin, who, as my colleague from Maryland indicated, sadly, passed away last month, and I say especially sadly because he was in the vanguard of trying to get recognition on behalf of the downed American airmen, many of whom are still surviving, who fought for years to get a monument erected in this town to honor General Mihailovich for what he did in their behalf. But George never lived long enough to see that monument.

I would share the views expressed by my colleague from Maryland that this 100th Congress, in the centennial of the Congress of the United States when we are celebrating the bicentennial of our Constitution and we are honoring those immortal lines in the Preamble that those men wanted to secure unto themselves and to their posterity the blessings of liberty, that this is a fitting time, a fitting moment to honor General Mihailovich first, to honor the patriots like George Musulin, who went in there on the OSS operations, headed up that very daring rescue operation, to bring American transport aircraft in, with Nazi camps within just a handful of miles on either side, dramatically land those planes in cow pastures after the cows had been chased off, quickly load the American airmen aboard and get them out. And if you talk to many of those airmen, one of the things that comes across so forcefully is their gratitude not only to General Mihailovich who saved their lives, but to the Serbian people in those homes they were sheltered during the time they were hiding from the Nazis.

These were poor mountain folks who did not have a great deal of resources available at their disposal, but what they did have they insisted that the airmen partake of before they would share it with their own families. They moved those airmen around from house to house, kept them alive and, as I say, over 500 were ultimately rescued because of that loyalty and the devotion of the Serbian people, not just to the United States, but to really high ideals, the highest ideals that this country has acknowledged, as have those Serbian patriots who participated in that operation.

So as I say, Mr. Speaker, we are honoring the birthday of a great man, the 94th anniversary of his birth, a man who may have felt that the whole world turned on him when he was put to death by the dictator, Josif Brosz Tito, but a man whose memory lives on in the hearts of all who believe in liberty and justice.

Mrs. BENTLEY. I thank my colleague from Illinois. I would like to just make one other remark in connection with the collaboration between the Communists in Yugoslavia and the Nazis.

☐ 1740

There was a holocaust in Yugoslavia, just as there were holocausts elsewhere, but this was a different kind. It was not in gas chambers, but they lined up at one point, 7,000 young children, boys, youths between the ages of 7 and 14, and they shot them down. Nobody ever really realizes that we had incidents like that going on in Yugoslavia because of that collaboration. This was the type of thing that Mihailovich was trying to get around and trying to fight.

Mr. CRANE. He was, indeed, and the fact of the matter is, as I say, his story, like that of any contribution to the highest ideals of civilization, is one that they could keep buried under a bushel. His light has surfaced and I thank all of my colleagues who have devoted any time and energy to researching and backgrounding in anticipation of honoring this great hero for contributing to putting a flame up that will focus on the achievements of a man who should be memorialized in our history, just as surely as in his own.

Mr. HORTON. Mr. Speaker, I am happy to join with my good friend and colleague PHIL CRANE to honor Gen. Draza Mihailovich. PHIL'S efforts to ensure that General Mihailovich's place in history is remembered are commendable.

General Mihailovich was Yugoslavia's foremost freedom fighter. He began leading his people in resistance against the German occupation in April 1941. He was singularly responsible for saving the lives of more than 500 American airmen forced down on bombing missions involved over German-occupied Yugoslavia. He eventually was caught, imprisoned, and executed by General Tito for allegedly collaborating with the Nazis.

March is a fitting month for this tribute to the great General Mihailovich. He was born on March 27, 1893. In addition, President Truman conferred the honor of Legion of Merit in the Degree of Chief Commander posthumously to General Mihailovich—one of the highest honors which our Government can give to a non-American.

Our Department of State continues to claim that a controversy still remains regarding the role which the general played. However, the only controversy that has ever existed regarding Mihailovich's efforts is based on fictitious Soviet propaganda.

General Mihailovich deserves better. He was a true savior to more than 500 airmen he rescued. He remained a loyal ally even after his movement in Yugoslavia was abandoned by the West. He represents all that is good in the quest for individual freedom. His ultimate sacrifice for these goals should be remembered and cherished.

Mr. HYDE. Mr. Speaker, I am happy to join in the commemoration of Gen. Dragoljub Draza Mihailovich, a genuine nationalist hero of Yugoslavia's fight against Hitler in World War II.

Unfortunately history has become distorted and Tito and his Communist partisans have received most recognition for the defeat of Hitler. But it was the anti-Communist General Mihailovich and his followers who never flagged in their brave struggle against the Nazis. Because he was anti-Communist however and the Soviet Union was our great—if temporary—ally, the allies were misled into supporting Tito. General Mihailovich was never fully recognized for his great patriotic services.

The Teheran conference of December 1943 resulted in the Allies' abandonment of General Mihailovich and ultimately resulted in the death of 500,000 loyal Yugoslavs.

But there are many of us who remember the heroism of General Mihailovich and his soldiers and who are pleased to acknowledge his services to all mankind despite the distortions of history.

Mr. BURTON of Indiana, Mr. Speaker, I rise today to commemorate a man who dedicated his life to helping his country rid itself of Nazi and Soviet intervention. Col. Draza Mihailovich led a heroic resistance movement in Yugoslavia against the German occupation forces during World War II. His dedication and courage was invaluable to Allied forces fighting for freedom in Europe.

A Soviet disinformation campaign to discredit Mihailovich as a Nazi collaborator led Churchill to abandon Mihailovich, in favor of Soviet-backed Marshal Tito. Mihailovich, no longer supported by Allied forces, continued to be instrumental in helping over 500 United States airmen gain freedom after their planes had been shot down over German-occupied territory. I believe that after 40 years, international recognition for Draza Mihailovich is long overdue. I will support all efforts to erect a memorial to honor this man who worked so hard for Yugoslavian freedom.

Mr. COURTER. Mr. Speaker, it is important to begin with a note of appreciation to a distinguished colleague from Illinois, PHIL CRANE. Congressman CRANE'S statement today was a vivid reminder of all that General Mihailovich's forces did to assist American servicemen in the Second World War.

That war was begun when Soviet Communists and German Nazis tore apart the Polish Republic, and with it the health and peace of the world. The war ended, as the title of Churchill's history reminds us, with tragedy as well as triumph: Some one-half of the European peoples we fought to save from occupation and tyranny became prisoners again, prisoners behind the Iron Curtain of a newly expanded Soviet Empire.

It was not Mihailovich but another General, Tito, who took power and ruled in the postwar period. Tito made Yugoslavia a cooperative and sometimes enthusiastic member of the Communist international until his expulsion from the Comintern by Joseph Stalin in 1948.

Where does Yugoslavia stand today vis-a-vis the United States? For all the aid we poured into the country in the postwar years, for all the diplomatic support we gave Titoist communism, and despite Belgrade's continued possession of most favored nation trading status, the country's government is deeply anti-American. I am glad that the wartime conditions under which General Mihailovich helped us are unlikely to be recreated; I will say however that it would be almost unbelievable if anyone in the current government were ever to show the helpfulness toward us which Mihailovich showed.

Look for a moment at Yugoslavia's current foreign policies. One tally of U.N. General Assembly votes in the year 1985 shows Yugoslavia voting in concurrence with America less than 12 percent of the time. That is worse than Poland's record, or Romania's or even the Soviet Union's. A 1984 General Assembly tally is worse than 1985: Yugoslavia was with us 8.8 percent of the time, markedly below the whole Soviet Communist block.

So instead of repeating endlessly, as Washington policymakers and university professors are want to do, that Yugoslavia is nonaligned, we should ask ourselves what that means to the United States. It means that Belgrade opposes our interests as consistently as do our worst enemies, and yet we say nothing about it for fear somehow that things could get worse.

Who are Yugoslavia's friends, if not the Americans? The PLO, for one. The flight of *Achille Lauro* mastermind Abul Abbas to Belgrade, where the terrorist group enjoys the privileges of a formal diplomatic embassy, was but one incident among a dozen others which could be cited.

And Libya. Belgrade made a military agreement with Libya in October 1981. It sells the Libyans ships and armaments. The two governments' armed forces conduct high-level meetings. And Yugoslavia trains Libyan aviators and services Libyan submarines.

Then there is Cuba, which like the PLO and Libya claims to be nonaligned but in fact is predictably pro-Soviet. Last April the Cubans and Yugoslavia struck a 5-year agreement to double bilateral trade to $300 million. In September Fidel Castro spent 3 days in Yugoslavia and the upshot was an official press release about "the further development" of mutual relations.

What is true of Cuba is usually true of Nicaragua, and so it is no surprise that Managua, too, has excellent relations with Belgrade. More than $140 million in Yugoslavia aid—and I'm sure that estimate is far too low—has been delivered to Managua since 1979, despite the Eastern European country's $20 billion debt to the West.

Even relations with the Soviets are more regular than most Western analysts will admit. For example, Belgrade holds formal observer status in Comecon, the Soviet bloc's international economic union, and participates in 23 of its 33 specialized commissions. Yugoslavia attended the Comecon meetings in Havana and Cienfuegos last April, for example.

Far more disturbing is the pattern of military cooperation with the U.S.S.R., which becomes especially visible in times of crisis, such as the 1973 Middle East war. The Soviet armed services and those of the bloc states enjoy far better relations with Yugoslavia than is usually admitted publicly, as Dr. Harold Rood demonstrated irrefutably in his 1980 volume on geopolitics titled "kingdoms of the Blind."

In such circumstances it is difficult to remain unconcerned by the news of September that the head of the KGB, Viktor Chebrikov, made an official visit to Yugoslavia to complete an agreement on security cooporation.

Mr. Speaker, the neglect of General Mihailovich, who did so much to help our airmen, is only matched by our steady indulgence of Tito and of Tito's Communist successors. Such a policy belies the hard realities of what Belgrade is doing in the world. And it is certainly of no help to the Yugoslavs, who neither want nor deserves the tyranny of communism.

Mr. LAGOMARSINO. Mr. Speaker, I want to take this opportunity to point out to you and my colleagues the remarkable heroism of Yugoslavian Gen. Draza Mihailovich during World War II.

Mr. Speaker, the general was truly a hero with a special tie to our country, for not only was he a leader of his country's resistance to the Nazi occupation, but he was also a special savior to over 500 U.S. airmen fighting in Europe.

It seems that he spearheaded an operation designed to rescue American airmen who had been shot down in Yugoslavia behind the Nazi line. This operation sheltered and cared for at least 500 U.S. flyers until they were rescued, and was in the end responsible for saving their lives. In 1948, President Harry Truman awarded the Legion of Merit to the general in recognition of his heroism and in gratitude for his help to the hundreds of U.S. airmen saved through his rescue operation.

It is unfortunate that the high-level Communist mole named James Klugman got away for so long with trying to damage General Mihailovich by altering British intelligence coming out of Yugoslavia. It seems that Klugman also drafted bogus reports to make Mihailovich look like a Nazi collaborator.

Mr. Speaker, the National Committee of American Airmen rescued by General Mihailovich want to establish a memorial to him, at their own expense. They need Congress' permission to do so, however, because they want to erect it on public land.

I do hope that nothing will stand in the way of this simple request so that the men saved by General Mihailovich might honor him and his heroism.

Mr. SCHUETTE. Mr. Speaker, World War II was a time when the globe was tied up in a superhuman effort to defend the rights of individuals from aggressors who designed to infringe upon their personal freedoms. There are many stories of pain, defeat, betrayal, and atrocity. Needless to say, there are also stories of personal heroism and triumph which in history will far outweigh the horrors of that war.

I would like to speak today in memory of one of those heros who, if he had lived would be 94 years old this week. Gen. Draza Mihailovich was one of those who rose up to defend the integrity of his nation and the personal freedoms of his countrymen. His efforts as leader of the Chetnik resistance forces successfully challenged the expansion of the Nazi regime into Yugoslavia in 1941.

For these efforts, General Mihailovich is a true Yugoslavian patriot. However, his sacrifice went further than this. During his struggle he was able to rescue and protect 500 downed American airmen fighting in Europe. For this he can be considered a truly selfless humanitarian.

History records that he was the most successful contributor to the rescue plan Operation Halyard during August 1944. What makes the feat even more laudable is that he had been cut off from American support some time before. Faulty British intelligence advised that the United States abandon support of General Mihailovich in favor of the less impressive forces of Marshal Tito. Without American support and with no political reason to lend assistance, General Mihailovich continued to back our effort and care for our servicemen.

It is these same airmen who have for 40 years supported a tribute to their savior, General Mihailovich. In 1948 President Truman honored the general with the Legion of Merit in recognition of his unselfish heroism and in gratitude for his help.

Today, we simply want to remember a man on the 94th anniversary of his birth. A man who, despite not being an American, made sacrifices to defend the ideals which this country stands for, and who showed character we should all aspire to.

Mr. STANGELAND. Mr. Speaker, I rise in strong support of a recognition of the 94th anniversary of the death of Gen. Draza Mihailovich, the great Yugoslavian patriot. The general was executed many years ago in 1946, but his importance lives on. Any man who is willing to stand as a symbol of resistance in the lonely struggle against totalitarianism should be honored by a nation such as the United States. We are the embodiment of the belief in freedom and democracy, and the spirit of the struggle to halt the spread of totalitarianism.

During the bloody course of World War II, General Mihailovich displayed the intensity of patriotic heroism and dedication to freedom that burned in his character. Not only did he fight to resist the invasion of the expansionary Nazi Germany, but he fought to challenge the machinations of the Communist minority in Yugoslavia. He fought external aggressors and internal opportunists to sustain democracy and freedom in his homeland.

And Mr. Speaker, during this battle he was able to give comfort to, and in fact, save the lives of over 500 downed American airmen. These men have fought hard to remember and honor the general—their savior—for nearly 40 years.

Because of a bizarre irony, most of this fight to remember has been uphill. Deliberately reworked British intelligence reports stipulated that the general was a Nazi collaborator. Later proven to be the disinformation of a Communist mole in British intelligence—James Klugman—the damage had already been done. History shows that the general was indeed an anti-Communist, but certainly not a Nazi collaborator. His aim was to resist any infringement on the national intergrity of Yugoslavia or any debasement of the personal freedoms of Yugoslavian citizens.

In time, Winston Churchill urged on the basis of those faulty intelligence reports, that the Allies withdraw support for the general. He fought on as spirited as ever, and continued to facilitate the escape of hundreds of American airmen who had been downed during bombing raids over German held territory. His efforts continued after the liberation of Western Europe and were redirected toward the Communist forces of Marshal Tito.

For all his unselfish heroism he was both executed and honored. In 1946 after a Communist show trial accused him of Nazi collaboration, Marshal Tito ordered him executed for treason. In 1948 President Truman honored him with the Legion of Merit in the Degree of Chief Commander for "contributing materially to the Allied cause and being instrumental to final victory." The cold war had begun. It is the nagging irony of this story that his Presidential honor was kept classified and secret until many years later so as to not anger the new Communist government in Belgrade. Yugoslavia is still Communist and many of Eastern Europe's resistance fighters are now in the United States.

Today the world should know of the heroism of Gen. Draza Mihailovich. The purity of his effort pitted him on the side of democracy and against aggressive totalitarianism; with freedom-loving Yugoslavians and the United States, and forever against Nazi Germany and communism.

Mr. KOLBE. Mr. Speaker, I rise today to join my colleague from Illinois in honoring the memory of Gen. Draza Mihailovich. His is a memory that we must keep alive, but unfortunately has faded over the years for most Americans.

For 500 American airmen downed on bombing missions during the Second World War, General Mihailovich's memory will never fade—and will certainly never die. It was General Mihailovich and his Chetnik resistance force that rescued these airmen and insured their safe return to duty. According to many sources, this was the largest American rescue effort in history.

It is most fitting and proper that we should honor General Mihailovich at this time, for almost 40 years ago President Truman awarded the Legion of Merit in the Degree of Chief Commander to General Mihailovich. In awarding one of the highest possible honors to a foreign national, President Truman noted: "Through the undaunted efforts of his troops, many U.S. Airmen were rescued and returned safely to friendly control."

These Airmen are still working today to preserve the memory of General Mihailovich in a tangible way. Despite the intransigence of several Congresses and administrations, this group, known as the National Committee of American Airmen Rescued by General Mihailovich, has tirelessly lobbied for a permanent monument to the general here in Washington. I am pleased to note that the president of the national committee, retired Maj. Richard Felman is a constituent of mine from Tucson.

But we honor General Mihailovich today not for the special place he holds in the heart and mind of Major Felman or any of the other 500 Airmen who the general saved, but rather for the significant place he rightly deserves in history as a leader in the fight against totalitarianism—both of the right and of the left.

In 1979, then Governor Reagan, in noting General Mihailovich's considerable legacy, praised him as: "a symbol of resistance to all those across the world who have had to fight a similar heroic and lonely struggle against totalitarianism".

While much has been done to obscure his contributions and efforts to secure the freedom of both Americans and his of fellow countrymen from Nazi totalitarianism, it is my hope that by our efforts here today we will contribute in some small way to a greater understanding and appreciation of his role in history—not only as a rescuer of downed American airmen but as a freedom fighter opposing tyranny.

Mr. DORNAN of California. Mr. Speaker, we have come here today to commemorate a man who would make a fine American, Gen. Draza Mihailovich.

During World War II, his tenure as the leader of the Yugoslavian resistance afforded him the opportunity to display a great depth of patriotic heroism and unselfish sacrifice. Perhaps never as much as when, through his own personal dedication, he rescued and cared for over 500 American airmen downed while on bombing runs behind Nazi lines in Romania.

An association of these men, the National Committee of American Airmen Rescued by General Mihailovich, survivors of terrible circumstances in a terrible war, has fought to honor the general for nearly 40 years. He was their savior; they are alive today because of him.

But because of a bizarre irony which has taken years to resolve, these men and their efforts have been thwarted. During the war, a high-level Communist mole in the British intelligence services, later identified as James Klugman, was able to malign General Mihailovich and do him damage which eventually cost his life.

By drafting bogus intelligence reports, Mr. Klugman crafted a profile of General Mihailovich as Nazi collaborator and anti-Communist. History shows that the general was an anti-Communist, but certainly not a Nazi collaborator. His aim was simply to resist any foreign aggression and restore freedom in Yugoslavia. Based on faulty intelligence, Winston Churchill made the determination that Genral Mihailovich be cut off from British support. The United States, trusting the well-respected British intelligence network, soon followed suit. This Allied assistance was redirected in support of Marshal Tito, a Communist whose agenda General Mihailovich did not agree with.

However, at the time, the Allied armies were involved in an anti-Nazi alliance with the Soviets and their operatives throughout Eastern Europe. It was not until after the war that we realized how untrustworthy the Soviet regime really was.

And this is the sad irony of Gen. Draza Mihailovich. While he was accused of Nazi collaboration and executed by his rival Marshal Tito in 1946, his forces did far more than Marshall Tito's to forward the Allied cause in Yugoslavia. Prior to his trial an American commission heard testimony from the flyers he saved and who were denied the right to testify in his behalf in Belgrade. The commission cleared him, but Belgrade ignored the findings.

Two years later in 1948, President Truman posthumously awarded the Legion of Merit in the Degree of Chief Commander to General Mihailovich for "contributing materially to the Allied cause and being instrumental to final victory," but kept it secret for years so as to not offend the new government in Belgrade. Furthermore, despite being an avowed anti-Communist he is credited by historians for slowing the Nazi march on Russia, forcing the German offensive to bog down in the winter of 1941–42.

Today, Yugoslavia has been Communist for 40 years and Marshal Tito is dead. The Soviet Union, our allies in World War II, have shown their true colors and refused to leave a truly beautiful half of Europe. Germany is rid of her Nazis, split in two, and the Western half prospers as part of the free West. And finally, Harry Truman is gone, Gen. Draza Mihailovich is long dead, and his Legion of Merit stands as our sole commemoration of his sacrifice.

Today let us remember the spirit of sacrifice he exemplified on what would have been his 94th birthday.

Mr. ROE. Mr. Speaker, the National Committee of American Airmen Rescued by General Mihailovich have been, for nearly 40 years, desperately attempting to properly honor the man who was responsible for their survival during the Second World War. The persistence of these men who have carried on their quest for proper recognition of their savior is commendable and, when taking into account the horrifying conditions they were rescued from, understandable.

On March 29, 1948, President Harry S. Truman conferred the decoration, Legion of Merit in the Degree of Chief Commander, to General Mihailovich. The award was given in recognition of his role in the rescue of some 500 American airmen during the latter days of the Second World War. This award is among the highest honors that can be bestowed upon a foreign individual by the Government of the United States, and it, along with the accompanying citation, is ample proof of the gratitude then felt by this Nation toward General Mihailovich.

Even with the strong recommendation of President Truman, the Congress has not granted the wish of these surviving airmen to have the U.S. Government build a monument in honor of General Mihailovich. Beginning in 1974, and for each successive Congress since that time, this group of American veterans has petitioned Congress for permission to repay their debt to the general by erecting a memorial in his honor. This permission has twice been granted in legislation that passed the U.S. Senate, in 1976 and 1977. To date, the House of Representatives has failed to seriously consider identical legislation.

The least we can do now is honor General Mihailovich on his birthday. General Mihailovich was born on March 27, 1893. Although 94 years have now passed since his birth, we should nevertheless acknowledge this day and pay tribute to this great man.

Mr. LIPINSKI. Mr. Speaker, I rise to pay tribute to a man of great courage and conviction, Gen. Draza Mihailovich. This week will mark the 94th anniversary of his birth, but his spirit lives on in all the freedom-loving peoples of the world.

General Mihailovich, the great Serbian hero, fought the Germans from April 1941 until the end of the war when the Soviet troops entered Yugoslavia from Bulgaria and installed the Communist dictator Tito. During those years the general distinguished himself by rescuing nearly 500 American airmen shot down behind enemy lines and sending them back to safety.

One of the remarkable facts about Mihailovich is that he was provided with very little help from the allies, and yet still was able to operate an effective resistance organization. Unlike Tito, who was able to transmit propaganda from the U.S.S.R. and was given large quantities of material aid by the Russians, the general was given next to nothing. Yet, Mihailovich and his Chetniks—guerrillas—were responsible for decimating the 22 German divisions located in the Serb-Greece area. From April 1941 to December 1944 the Germans lost 80,000 killed and 125,000 wounded.

I would like to conclude, Mr. Speaker, with the words President Harry S. Truman spoke as he awarded the Legion of Merit to General Mihailovich:

> General Dragoljub Mihailovich distinguished himself in an outstanding manner as Commander-in-Chief of the Yugoslav Army Forces and later as Minister of War by organizing and leading important resistance forces against the enemy which occupied Yugoslavia, from December 1941 to December 1944. Through undaunted efforts of his troops many United States airmen were rescued safely to friendly control. General Mihailovich and his forces, although lacking adequate supplies and fighting under extreme hardships, contributed materially to the Allied cause, and were instrumental in obtaining final Allied Victory.

Mrs. VUCANOVICH. Mr. Speaker, as we celebrate the 94th anniversary of the birth of Gen. Draza Mihailovich, I want to take this opportunity to commend to you and to my colleagues the remarkable heroism of this man during World War II.

Mr. Speaker, General Mihailovich was truly a hero, with a very special tie to our country. Not only was he a leader of his country's resistance to the Nazi occupation, but also, to 500 U.S. airmen fighting in Europe, he was a savior.

General Mihailovich spearheaded an operation designed to rescue American airmen who had been shot down in Yugoslavia behind the Nazi lines. This operation sheltered and cared for at least 500 of our countrymen until they were rescued. There is no question that he, in fact, was directly responsible for their lives being saved. Some of the individuals who were saved have family ties in my district.

In 1948, President Harry S. Truman posthumously awarded the Legion of Merit to General Mihailovich in recognition of his heroism, his sacrifice, and his unwaivering dedication to freedom; and in gratitude for his help to the hundreds of U.S. airmen saved through his rescue operation. As the President said at that time, General Mihailovich contributed "materially to the Allied cause" and was "instrumental to [the] final victory."

In addition to this official recognition of his contribution to our country and to the cause of freedom, the men who were rescued by the general formed an organization—the National Committee of American Airmen Rescued by General Mihailovich—to pay tribute to the man who saved their lives and to keep his memory alive.

Unfortunately, as we now know, during the war a high-level Communist mole, by the name of James Klugman, falsified intelligence reports coming out of Yugoslavia, and depicted the general as a Nazi collaborator. The truth came out, but the damage had been done, for this brave and unselfish individual has yet to receive the full recognition due him.

His actions and ideals represent what our country has stood for, and in tribute on the occasion of his 94th birthday, I salute this genuine freedom fighter.

Mr. KLECZKA. Mr. Speaker, I am greatly honored to participate in today's special order commemorating the heroics of Gen. Dragoljub Mihailovich.

During World War II, General Mihailovich and his guerrilla army of Chetniks were renowned for fiercely resisting the brutal Nazi occupation of their homeland. At a time of terrible darkness, this brave man offered hope to his beleaguered people.

In the United States, General Mihailovich is best remembered for the role he played in saving the lives of over 500 American airmen downed in Yugoslavia during the war. Over 40 years later, these grateful men still work to honor the memory of the general who was responsible for rescuing them from torture and death.

Risking your life to save someone is truly a courageous act. To go beyond this and to risk your life repeatedly under conditions of war constitutes heroics worthy of recognition and remembrance. Surely there was no greater test of valor than to risk death by saving American airmen when one could have so profitably betrayed them or turned away in fear.

Let me share with you the words of President Harry S. Truman in describing this hero. He stated that, "General Dragoljub Mihailovich and his forces contributed materially to the Allied cause and were instrumental in obtaining a final Allied victory." President Truman later bestowed a great honor, the Legion of Merit Chief Commander citation upon the general.

Tragically, General Mihailovich was unable to enjoy the blessings of peace for which he had so ardently struggled. As we all deeply regret, he was unjustly executed at the end of the war by Marshal Tito's rival forces. It is a cruel irony that the general survived years of fighting the Nazis only to fall victim to a Communist show trial, a proceeding which could only be described as a travesty of justice. Had this misfortune been averted, I am convinced that General Mihailovich would have served his nation as nobly in peacetime as he had in wartime.

Mr. Speaker, I take this opportunity, in closing, to note that the United States still owes a great debt of gratitude to Gen. Dragoljub Mihailovich for the hundreds of American lives he helped to save. We must persevere to ensure that his proper place in history is forever remembered.

Mr. PACKARD. Mr. Speaker, for over 40 years, a group of American veterans have been attempting to clear the name of a Yugoslav general who saved their lives in World War II. Originally hailed as a hero by the Allies for his resistance campaign against the Nazis, Gen. Draza Mihailovich was suddenly abandoned by Winston Churchill, despite reservations on the part of the United States. The support of the Western Allies was withdrawn from the general's cause and reappropriated to General Tito, the leader of the Communist forces in Yugoslavia at the time. Evidence now reveals that this decision was based on falsified intelligence reports that charged Mihailovich with collaboration.

The recent release of previously classified documents from the top secret World War II Office of Strategic Services [OSS], coupled with startling revelations from abroad, cast new light on one of the Soviet Union's earliest and most successful disinformation campaigns. Information contained in these documents now makes it clear that General Mihailovich was the victim of an active campaign of subversion conducted by James Klugman, a highly placed Communist agent in British intelligence and close associate of master spy Kim Philby. Working for British intelligence out of Cairo during the war, Klugman skewed intelligence reports from Yugoslavia and submitted these to Allied command.

Even after he had been abandoned by the Western Allies, General Mihailovich and his forces were responsible for saving the lives of over 500 American airmen who were shot down or forced down over Yugoslavia on their way back from raids on Axis oil installations and bridges in Romania. Picked up, clothed, fed, medically cared for, and protected by Mihailovich's Chetnik forces throughout Yugoslavia, these airmen became eyewitnesses to the bitter battles between Nazi and Chetnik forces, and reported absolutely no incidents of collaboration.

These American MIA's were later evacuated from secret airfields in the heart of Axis-controlled Yugoslavia and returned to combat duty. General Mihailovich refused an offer from the Allies to provide him with a sanctuary and decided to remain in Yugoslavia and continue his struggle to liberate Yugoslavia. Unfortunately, General Mihailovich was finally caught, imprisoned, and executed on trumped-up charges of having collaborated with the Nazis.

On March 29, 1948, Harry S. Truman, on the recommendation of Gen. Dwight D. Eisenhower, posthumously awarded the Legion of Merit in the Degree of Chief Commander to General Mihailovich in recognition of his services to the Allied cause. In his speech, President Truman remarked that "through the undaunted efforts of General Mihailovich's troops, many United States airmen were rescued and returned safely to friendly control."

Given the large number of articles and books which have recently been written on the history of the Second World War, as it was fought in Yugoslavia, it is difficult to understand why anyone should continue to question the loyalty and integrity of General Mihailovich. But our own State Department still refuses to exonerate General Mihailovich of charges of collaboration with the Nazis. The Department of State recently claimed that a controversy still remains regarding the role which General Mihailovich played. The only controversy that has ever existed concerning the general's activities derives from fictitious Soviet propaganda

The State Department, on the same occasion, went on to assert, "Mihailovich's forces expended a substantial share of their efforts in actions against Tito's Partisans; that is, Communists, rather than joining the latter in the resistance." General Mihailovich was an ardent nationalist and, consequently, did not want to be subjected to the totalitarian oppression of communism any more than that of nazism.

I have always believed that the United States has supported and will continue to support freedom fighters engaged in the struggle against totalitarianism. As Americans, we praise the heroism and tenacity of the Mujahadeen in Afghanistan and the anti-Communist resistance in Cambodia, yet our own State Department, which we can in part hold responsible for the failure of the freedom movement in Yugoslavia, will not even go so far as to recognize that there was a legitimate nationalist movement in Yugoslavia in the 1940's. This situation brings to mind the closing remarks from a letter written by Gov. Ronald Reagan in 1979, in which he stated, "It has been demonstrated beyond doubt that both freedom and honor suffer when firm commitments become sacrificed to false hopes of appeasing aggressors by abandoning friends."

General Mihailovich was not only a friend and savior to those 500 American airmen that he rescued, but he remained a staunch patriot and ally even after his resistance movement was abandoned by the United Kingdom and the United States. It is one thing to be fooled by a disinformation campaign conducted by highly placed spies within an intelligence network and quite another to allow this misinformation to persist some 40 years later in the face of the truth. Nothing can be done to reverse this great injustice that sealed the fate of General Mihailovich and his freedom movement in Yugoslavia. But at the very least, we can honor General Mihailovich by remembering that 94 years ago, on March 27, 1893, General Mihailovich was born. We owe it to him, the patriotic Chetnicks who fought with him, and the remaining American flyers whose lives he saved.

THE BUDGET

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MACK] is recognized for 60 minutes.

Mr. MACK. Mr. Speaker, I am taking the time this evening to address some comments with regard to where we stand as far as the development of a budget in the House Committee on the Budget, where that stands.

I think it is fair to go back to the beginning of this year, or maybe even the end of last year, when, for the first time, as a result of the passage of Gramm-Rudman, it was necessary for the President early this year, within the first week in January, January 5, I believe, to submit a budget. The President did, in fact, meet that deadline and presented a budget which, according to the Office of Management and Budget, was a budget that, in fact, met the Gramm-Rudman deficit reduction requirement; that is, to receive or to get to a point where the deficit was no greater than $108 billion in fiscal year 1988.

Immediately after the President's proposal was received, we began to hear a great deal of talk from Democrats as to what was wrong with the President's plan, whether they disagreed with his proposals as far as revenues were concerned, or whether the President's proposal actually would meet the target. So, for the next 2½ months, we have heard a lot of talk from the Democratic Party. We have heard a lot of talk from the Members of the House Committee on the Budget, that is, the Democrats on the House Committee on the Budget, as to what was wrong with the President's plan.

I guess that is saying it politely. They spent a great deal of time running around the country bashing the President's budget. Each time I heard them in this conversation, I was convinced that the next day, we were going to see their plan. I guess, to put the whole discussion in more of a perspective, for the last several years, there has been a lot of rhetoric on the part of the Democrats as to the lack of leadership on the issue of the budget.

So one would assume that when 1987 rolled around, that is, when we started to develop the process for the 1988 fiscal year budget, that since the elections in November changed the makeup of the other body, and now we see that Democrats control both legislative Houses, one would have assumed that we would have seen their plan.

But it appears that there is an inability on the part of the House Democrats to put a plan together. There is a failure in the discipline. There is an inability to take the mandate, which they claim that they got in November 1986, and to move forward with that plan.

As a result of all this inaction and all of this talk, we were asked—we, those of us who are members of the Committee on the Budget on the Republican side—for the first time—this is my fifth year on the committee—we were asked for the first time to become involved in the development of a bipartisan plan.

I thought that that was rather unique, that just at the moment when there was an inability on the part of the Democrats to even come up within their own party as to what their plan was, after months of bashing the President for his plan, then to ask us to become involved as if we were going to have some real impact is rather interesting to me when it seemed like all they wanted to do was to put their plan forward, to have us put our fingerprints on it, and then we could say it was a bipartisan plan. Then the country would never have had the opportunity to see the plan that the Democrats had come up with.

I think that the point that they are trying to say that we are not involved in the budget discussions, I think, is totally erroneous.

Mr. DENNY SMITH. Mr. Speaker, will the gentleman yield?

Mr. MACK. I yield to the gentleman from Oregon.

Mr. DENNY SMITH. Mr. Speaker, I appreciate the gentlemen taking this time so that we can discuss this.

I think it is important for all Americans to understand what is going on, and the statements that he has made in regard to the previous years' service on the Committee on the Budget are certainly true.

Here we arrive at a point where normally the Democratic Caucus, I understand, prepares, in conjunction with the Democrats on the House Committee on the Budget, their position to come forward with. They got into the position where they could not compromise with themselves, so that lay out last year's spending levels—which is fine, if that is the way you are going to do it, but they are really not serious about voting for the proposal they put forward. So what they want to do now is invite us in so that they do have the bipartisan budget, as you have said.

I think it is important for everyone to understand what our leader has done and what the Speaker of the Democratic Party has said back and forth.

Mr. MACK. Mr. Speaker, I do not believe that the gentlemen feels any differently than I do, that you are prepared to become involved in a meaningful discussion with our colleagues on the Committee on the Budget if we can just see from what position they want to move.

This is what, late March? The President's plan was up here in early January and, to this date, we have still not seen—maybe there really is not one, but we have not even seen what the plan is as far as the Democratic budget is concerned.

I have heard rumors to the effect that their plan is to reduce the deficit by $36 billion. That $36 billion, assuming that that is what they are going to do, does not come anywhere near reaching the Gramm/Rudman target of $108 billion that we started with.

If that is what their plan is, I am not sure you and I want to get involved in a discussion over that.

Mr. DENNY SMITH. Mr. Speaker, if the gentleman will yield further, the button that I am wearing today is indicative of the $108 billion that Gramm-Rudman-Hollings-Mack required that we achieve in fiscal year 1988. It is important that we stick to that.

This is not the time to let the quicksand get under our feet. It is the time to stand firm and really settle on this $108 billion target. As the gentleman points out, there is no way that we should get involved in a process where—I believe there are 22 Democratic members on the House Committee on the Budget; is that correct?

Mr. MACK. That is about right.

Mr. DENNY SMITH. Mr. Speaker, I think there are 14 Republicans, so any time they want to put any kind of a budget through, they do not need the Republican members on the House Committee on the Budget to put that through. All they have to do is just vote up or down. They have been unwilling to do that, in fact, and they have brought forth a budget that was last year's level.

I have a comparison here that shows that they would arrive at a deficit of $109.35 billion. That is the plan that was laid before us last Friday, I believe it was.

Mr. MACK. Was that the Democratic plan?

Mr. DENNY SMITH. That was the Democratic markup plan, I believe.

Mr. MACK. Was that their proposal?

Mr. DENNY SMITH. That was their proposal. That is their budget, but they were unwilling to vote up or down on that, I believe.

Mr. MACK. I am a little bit confused now because if you are saying that there actually was a budget that the Democrats brought forward that called for a freeze in spending all across the board, were they really implying that they were going to freeze defense at last year's levels, that they were going to freeze Social Security at last year's level, and not allow for the new retirees to come into the program? I do not understand that.

□ 1750

Mr. DENNY SMITH. Mr. Speaker, if the gentleman will yield further, I think that is exactly the point they started at, because if you are in business, as the gentleman was at one time and as I was in business, we would not mind starting from last year and going forward. However, I think that the way the Democratic majority has laid this on us, they were not intending really to do anything but just get the Republicans involved so that they then could have a bipartisan effort. I think there was absolutely no question that it was a tongue-in-cheek budget. I think that is the best word I could use to describe it.

Mr. MACK. So what the gentleman is saying is that there was a proposal on the table which was a working document that said in effect, "this is not our plan. We disavow this. This is just what the spending levels were from last year, and we would like for you to get involved with us to help create our budget so we can in essence say that you were involved in a budget that raised taxes, cut defense, and had some marginal impact on social spending"; is that true?

Mr. DENNY SMITH. Mr. Speaker, if the gentleman will yield further, I was not at the hearing when you did go forward with some of this markup, but I understand there were a number of Members who wanted to continue to try to draw the Republican Members in, and we had a stipulation in a letter which went to the Speaker from our leader which requested that certain things be done by the Democratic leadership so we would know that we just were not being brought along so they would have a bipartisan stamp on it. But this letter which our leader wrote to the Speaker, JIM WRIGHT, was in fact to try to draw out the problems in the budget process and try to see if we could help to reform this system as we work on the 1988 budget.

Mr. MACK. Well, before we get on to the letter, let me say this—I should say, "letters" really, because there have been several that have gone back and forth between BOB MICHEL and Speaker WRIGHT and also Chairman GRAY. If we could, let us get back to the $108 billion, because when the gentleman mentioned the button there, for a minute it kind of reminded me of our Republican conference this morning when the President came. He, too, was wearing a button, and he challenged us in what I would call the first really meaningful step in the budget fight for 1987. Let me explain that.

He said that it is his objective to get to $108 billion to comply with the Gramm-Rudman targets, and then he said to the members of the Republican conference that it was his intention to veto the highway bill that was passed, and he challenged us to sustain that veto. In essence, he was making the point that "if you can't sustain this veto, then you are not going to be able to hold together and meet the target of $108 billion."

So I would say the President's challenge, asking each of us to sustain his veto this morning, is the first major step in the budget battle in 1987.

Let me then make one further point about that. If we do win, if the President is able to have his veto upheld, then I think the clear message to the Members, both Republicans and Democrats, is that this is going to be a year in which there is going to be a fight over any major spending, and that the President is going to veto anything that he considers to have too much expenditure called for in it, and he is going to be looking to us to sustain his vetoes.

So I would say that this is step No. 1, and fight No. 1 is the question over the transportation bill.

Mr. DENNY SMITH. If the gentleman will yield further, it is almost step No. 2, though, because the President did put forward the budget, as the gentleman pointed out, on the 5th of January which met the target of Gramm-Rudman-Hollings-Mack of $108 billion. So this is step 2, challenging us to meet the target again. So certainly you and I have no problem doing that.

I think the serious problem we have here, though, is one of public attention to the budget process, with the fact that we are sort of having to play here before the TV cameras to try to focus the light of day on this problem. The committee chairman has run around the countryside talking about the fact that they were going to meet the targets. They said they were going to do it, but we have never seen a plan that really does that.

Mr. MACK. But, if I may reclaim my time, even from the comments we are hearing, at least from what is being reported in the papers, there is no plan that I have heard of or seen in print that has talked about a deficit reduction plan that comes anywhere near the $108 billion target.

Mr. DENNY SMITH. That is certainly true. There is this continuing discussion about how it is kind of unrealistic and "we can't do it, and it is bigger than anything we can do here." The fact of the matter is that the President has done it. While many of us, even from his own party, may be not totally enamored of his budget plan, he has done it and proven it can be achieved. You and I know that. We have worked on the numbers.

I think clearly it is time for the Democratic Party in the House of Representatives and the Democratic Party which controls the U.S. Senate to lay out how they are going to have these new ideas move forward to the Gramm-Rudman-Hollings bill which they also voted for.

Mr. MACK. Mr. Speaker, the gentleman brought up the question about these letters. It might be helpful to give some kind of background about what these letters represent.

If the gentleman will help me in this, I recall that there was an attempt a couple of weeks ago to say that we ought to have a bipartisan effort on putting together a plan, and our reaction was this: We look at Lucy in the "Peanuts" cartoon in which the football is put down year after year after year, which on this occasion would represent bipartisan action, and just as the ball is about to be kicked, the ball is removed.

So many of our colleagues expressed real concern about the fact that we were being taken in one more time. But even after all the expressions of those concerns, it was determined that we ought to try once more to see if we could get some kind of bipartisan movement as far as the budget is concerned. So a letter was written, if I am not mistaken, by Vice Chairman LATTA to Chairman GRAY saying that there were certain conditions that we would want to have them respond to before we would agree to go into a bipartisan effort on the development of a plan.

Well, the discussion apparently took place, and they said, "Well, maybe we can move forward," but before the letter could be delivered, Chairman GRAY decided that he was going to move forward in the markup session with the document that the gentleman referred to earlier.

Mr. DENNY SMITH. I believe in fact we got a notice that the committee would meet, and there was a press conference before that, was there not?

Mr. MACK. That is exactly correct. So before we even had our meeting with our leadership to determine what that letter should include, we were informed that "we have changed our minds. We don't want you to be involved." So that meeting fell through.

Mr. DENNY SMITH. So basically, rather than going to the committee and really dealing with the problem, they were out in the media trying to win a budget with the $108 billion number in the media.

Mr. MACK. Yes. Again let me stop here and stress what is going on. All of this show—and that is what it is—all of this show was to put up a smokescreen so they do not have to come forward with their plan. Everything they are doing is trying to force us to participate in the very early stages of writing their document.

Mr. BUECHNER. Mr. Speaker, will the gentleman yield?

Mr. MACK. I am glad to yield to the gentleman from Missouri.

Mr. BUECHNER. Mr. Speaker, I am sorry that I was not here earlier. I happened to turn on C-SPAN and saw the dialog that was going on here, and I recognized that you are trying to bring out some of the issues that we on the Budget Committee have been trying to bring out to the press.

Unfortunately, we have been trying to deal with this issue as though we were Members of Congress trying to force the budget process to do what it is supposed to do, and that is present a budget. I think the gentleman from Oregon has eloquently pointed out that we have at every turn been faced with what is basically high theater, or low theater, as the case may be, and we have been finding out what the Budget Committee was going to do through the words of TONY COELHO, who, if I am not mistaken, is not a member of the Budget Committee—I have not seen him there, and I do not think he is an ex officio member—and of the Speaker. Frequently what has happened is that the statements that have been made in camera, in the budget hearings or in the meetings that we have had in the various offices, and the statements that the chairman of the committee has made have never been predicated upon approval of the Speaker or of Mr. COELHO. Yet, we find out what is going on by reading the press clippings, by turning on the television, and by listening to the statements about the President's budget, and yet we have not seen what they have as an alternative. Is that correct?

Mr. MACK. That is correct.

Mr. BUECHNER. Mr. Speaker, I can tell the gentleman as a member of the Budget Committee and as a freshman that in the first few months I have been there, I am really frustrated about the process because I do not really think there is an intent on the Democratic side, at least on the leadership side, although I think some of the members of the committee might wish to have one, to bring forth an alternative to what the President is required to bring under law.

Mr. MACK. You know why, do you not?

Mr. BUECHNER. I certainly would like to hear the gentleman's opinion on it. I have my opinions.

Mr. MACK. To be really straightforward, they do not want it to be seen. It is awfully easy to talk about what their document should be when they did not think they were going to have to produce one. But November 1986 changed all that. They now control both Houses of the legislature. They cannot hide behind the statement: "Well, let's wait and see what the other body does."

□ 1800

Mr. DENNY SMITH. If the gentleman will yield on that point, for the past 6 years when the Senate has been in the hands of the Republican Party, the President's party, if you will, we have been in a position on the House side where we had to sort of wait and see what Senator DOMENICI was going to do and we had to try and work together with the other body and we were sort of in a position where we needed to work with them.

At this point, we are in a position where the Democratic Party is now trying to say that we have to wait until the Senate comes out. That is not right any more; we do not have to do that. In fact, why would we come out and show our cards before they show their cards? If you are a cardplayer, that just does not happen. We are not the "dummy" hand.

Mr. MACK. Well, some people might think we are.

Let me put into perspective this whole discussion about who should put the plan on the table. Again, this is my fifth year in the Congress, fifth year on the Budget Committee, so I have somewhat of a limited number of years to draw on, but my experience has been that this is not the normal procedure. It is fair to ask the question about what the normal procedure is.

Let me just read to you a little note that I made here. "Under Chairman GRAY, the procedure has been to present a Democratic majority proposal to the full committee for its consideration. That is, the first document that the members of the House Budget Committee have seen on the Republican side in the years that Chairman GRAY has been chairman, it has been their budget proposal." This is now the unusual year. He customarily gives us little advance time to analyze it, because the majority usually is not really interested in a bipartisan product.

This year, when the majority is having difficulty developing a budget which can meet the Gramm-Rudman deficit targets of $108 billion in fiscal year 1988, the chairman has suddenly shown a real interest in trying to entrap the Republican minority one way or another into his problems. Our position has been that we are delighted to become involved in the process just as soon as you have put your budget on the table.

Now, if we should happen to read during the next few days that there is a budget plan from the Democrats then I think we can declare victory here. Because the whole purpose, what we have been trying to do is to say if you want to negotiate, it is only fair that there be two documents, and we just want to see yours.

Mr. DENNY SMITH. If the gentleman will yield, that is exactly right. We have to have the plan out there to begin with. If they were really serious about the document that we had presented last week as the markup document, I think we could have probably taken an up-down vote on that right there and maybe that would have been sufficient and we could have been done for the year and just taken it to the floor from there.

Mr. BUECHNER. Mr. Speaker, will the gentleman yield?

Mr. MACK. I yield to the gentleman from Missouri.

Mr. BUECHNER. I am sorry once again; I apologize for being late, but were you able to reiterate what that document really was that was the 1987 budget that they said was, what a working paper, they referred to it. They did not actually take credit for that being a budget and we all know and I think the public knows that. I cannot believe that the Democrats were going to offer a budget which would have so drastically cut Social Security that would have literally meant that we would be like Brazil, that we would refuse to pay our debts to our own citizens in foreign countries.

Mr. DENNY SMITH. If the gentleman will yield, I think that is exactly right. If they were willing to vote on that proposal. There are some of us around here who think that ultimately in order to get this problem put together we are going to have to allow for new people into Social Security but not pay a cost-of-living adjustment.

But I do not think that the Democrat majority who are on the Budget Committee or in this House are ready to vote on that plan. I think it is a very serious problem when we are saying one thing in public and trying to do another thing in private. I certainly think that the budget they laid out there—the one thing about the budget there though is that it does come awfully close to meeting the Gramm-Rudman-Hollings target of $108 billion.

Mr. BUECHNER. That is true, and I think that is why the gentleman said that in preparation for this ill-timed meeting that the Democrats are trying to lure us into something that if that was meaningful, that if they wanted to really come to that figure, that that would have been something that we could talk about but they are not willing to pin themselves down to that. They really, it was sort of like, "You tell us what you are willing to do and then we will tell you whether we are really serious."

Mr. DENNY SMITH. If the gentleman will yield, in fact did not the chairman say that his members were not ready to vote for this proposal; they would not vote for it or support it, but in fact this was going to be our document.

Mr. BUECHNER. That is correct. And, if I remember reading in the Washington Post, apparently that the Democrats had met on their own without any input from the Republican Members, which is their right, and had been literally unable to come up with a document from which to commence. Therefore, they reverted back to that, knowing full well that it was not, I think using legal terms, equitable terms, they did not have clean hands when they walked into that room with us.

Not having clean hands, I find it ludicrous that they can then continue to bash on the President's budget as being ill-conceived, irresponsible. When TONY COELHO talks about the little white lies in the President's budget, he is using that as a subterfuge to cover up the failure of leadership on the Democratic side of the budget process.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. MACK. I yield to the gentleman from California.

Mr. HUNTER. I would like to ask all three of the gentlemen who happen to be members of the Budget Committee a question that I think the American people have asked over the last several years. That question arises from the position of the Democrat leadership in numbers campaigns to the effect that it is Ronald Reagan who has been spending this country into a major deficit. They have said over and over again that national leadership campaign, leadership of this House and the leadership of the other body on the Democrat side have said that President Reagan is a guy who has been spending more money than this country has been taking in and that he is the one who is responsible for "the biggest deficit in history."

Now, I would just want to ask each of you your own opinion as to what perception the American people should draw from this current situation in which the President has submitted a budget, ostensibly meeting the Gramm-Rudman targets and the Democrat leadership now has a chance to come in and be fiscally responsible and they have opted not to act. What message should the American people take from this present situation that you three gentlemen are so heavily involved in and the Democrat leadership is involved in?

Mr. DENNY SMITH. If the gentleman will yield, I think what people should look to is the action of the Congress of the United States. We in the House in the minority have seen bill after bill that comes through over what the President has recommended and many of us have voted "no" on those appropriation bills.

Not a dollar is spent that is not approved by the Congress of the United States. And the President sits in a constitutional role but the Congress is the one who spends the money.

Mr. HUNTER. Let me ask one other question. The President mentioned this this morning in talking to us he said, "You know, it is pretty tough when you get what is known as a continuing resolution where you do not pass individual appropriations bills but you ball them all up into one giant bill at the end of the year," and the President does not have any line item veto. He either has to stop the country, basically send Federal workers home without their pay and do a lot of damaging, dangerous things or live with that particular giant ball of funding that is given to him at the 11th hour at the end of the year.

Is that one reason why we have major deficits in this country? That type of procedure?

Mr. DENNY SMITH. If the gentleman will yield, that is exactly right. I think that last year's appropriation process where we put everything together into one, gigantic bill is certainly not the way to run this country and not the way the responsible Congress should work.

With the hands of the Democrat Party firmly on the wheel in both the Senate now and in the House of Representatives, the President has very little choice but to veto the entire bill as in the highway bill that he talked to us about this morning in order to try and get the spending level down to something that he can afford to spend. I think that he made a point this morning, "If you will help me in this veto, and bring me back a bill that will fit our spending targets, we will be happy to put it back in a week and I will sign it."

Mr. MACK. Let me add a comment to the question of the gentlemen from California. I was feverishly looking through my papers here to see if I had this document with me but I do not.

What the graph showed were the levels of spending authorized and appropriated by the Congress since this President has been in office. You can compare that level of spending to what the President had requested. You are going to see in the graph that the Congress has spent more money each year than the President has requested.

Mr. BUECHNER. If the gentleman will yield, I am not exactly sure of the amount of the supplemental appropriations but when you add those to the current, what was appropriated from last session and what we are doing as we go along, emergency aid for the homeless, we are, even outside of the normal budget process, we are on an ongoing basis each time exceeding that amount putting a new factor into the formula.

□ 1810

So what we are talking about in the process, the process itself is not even static. The Congress has on its own initiative opted above the process each time.

I do not think the American public understands that what they hear about as the budget, what we are doing is not the budget. Through reconciliation the Democrats have constantly had add-ons. They cannot make enough political promises that stand outside the budget. They have to merge it all together so the American public is unable to perceive exactly what the gentleman is trying to raise here.

What is the message to the American public? The message that we are trying to give is that Gramm-Rudman is attainable, but we need to have such things as sequestration. The President has talked about it. We have mentioned it in our letters. We have raised it in the Budget Committee. Even the chairman has said—has the chairman not said, gentlemen, that he believes that we have to have the Executive back at the wheel, that the Executive has to take some part, maybe put OMB in the sequestration project or component?

The reason, and I hope the people out there understand it, is that unless we do it, unless we have somebody who is willing to take the cuts and that can withstand the political pressure, this Congress, especially under the leadership it currently has and has had, does not have the guts to balance the budget.

Mr. MACK. Well, the gentleman mentioned the words "reconciliation and sequestration," which reminded me again, a few months ago we began the discussion about the letters that have been going back and forth. What we basically said, those of us on the Budget Committee, that we are prepared to get into a dialog about a budget, provided it has certain conditions; so we sent that letter to Chairman GRAY. He made some attempt, but in an attempt, you know, trying to tie him down a little bit, he refused to answer, but he made some attempt to respond to that letter.

Mr. DENNY SMITH. Mr. Speaker, if the gentleman will yield, but only verbally, we got no letter back. There was a discussion and he said, "Well, I thought I had answered the questions."

Mr. BUECHNER. But he was using jurisdictional questions and legal discussion, and really all we wanted out of the chairman was a sense, if you will, a sense of the committee that it was important to deal with.

Mr. DENNY SMITH. Mr. Speaker, if the gentleman will yield further, it was very important to get him on paper so that we had something that we could back up the discussion.

Mr. MACK. Let me just kind of bring this up to the next step, because again our reaction was, well, since we could not get a definitive answer, that maybe there was some difficulty that the chairman was having, that he had to deal with the Speaker, and so maybe we should in fact direct a letter to the Speaker, so in a followup letter with a couple additional points that were added to it, it was sent to the Speaker.

Mr. DENNY SMITH. Mr. Speaker, if the gentleman will yield further, I wonder if maybe we ought to go down through these seven points that the gentleman from Illinois [Mr. MICHEL] put in that letter.

Mr. MACK. If the gentleman would do so, I would be pleased.

Mr. DENNY SMITH. We have already talked about the first one.

No. 1, we must have a budget proposal submitted by the committee majority as a basis for discussion.

No. 2, a final document should contain full and complete reconciliation instructions with full enforcement of these instructions spelled out in the resolution. This would be good teeth.

Mr. MACK. Yes, I was just going to say, why do we not just stop for a moment here and get a couple comments from all of you as to the importance of reconciliation. The gentleman might want to expand on that.

Mr. DENNY SMITH. Well, this is my seventh year here in the Congress. In 1981 the one time that a budget resolution made any difference would enforce spending changes, cuts, if you will, was in the Gramm-Latta budget reconciliation package in May 1981. Since then we have never really had a reconciliation that did not add to it.

This is the teeth. It enforces and makes the authorizing committees change the legislation so that things do not automatically happen that increase spending.

Mr. MACK. So if I understand the gentleman correctly, what the reconciliation bill does is that it attempts to carry out what the budget called for.

Mr. DENNY SMITH. The gentleman is exactly right.

Mr. MACK. Therefore, in other words, if there were legislative actions that had to be carried out, this reconciliation bill took care of those actions.

In other words, as the gentleman says, the budget is passed and it is really nonbinding.

Mr. DENNY SMITH. It is the road map that facilitates all these changes in spending.

Mr. MACK. Following up the budget is the reconciliation bill which carries out what the budget said we were going to do.

Mr. DENNY SMITH. That is exactly right.

Mr. MACK. The gentleman said he had been here 7 years and there was only 1 year in which we really had a meaningful reconciliation bill.

Mr. DENNY SMITH. Only 1 year that we had a reconciliation bill that really changed the spending levels downward.

Mr. MACK. So when we get through with the budget process, the next thing that comes along is reconciliation and it is that piece of legislation that carries out the budget. That really is the meaningful piece of legislation, and not the budget resolution itself.

Mr. DENNY SMITH. That is exactly right. The gentleman is exactly right. There is no force of law in the budget. It is a document of the Congress.

Mr. BUECHNER. Mr. Speaker, if the gentleman will yield, I think a good example would be that last year the Democrats tried to reauthorize the Housing Act in the reconciliation bill. They tried to take the hospital insurance trust off budget, in violation of that 1983 bipartisan agreement on Social Security, and they also tried to sell Government loans with full recourse. I think we all know that would have meant a loss in loan receipts as well as still having full liability for any loan defaults; so they use the process whenever they can abuse it, and that is basically it.

Mr. DENNY SMITH. Mr. Speaker, if the gentleman will yield, that is the third point in the letter from our leader, the gentleman from Illinois, BOB MICHEL, to the Speaker, JIM WRIGHT. That sentence is: "That reconciliation package should be brought to the floor with no new additions to it or incomplete action on the prescribed nondiscretionary reductions."

Mr. MACK. So in other words, what we are asking for in the letter is a commitment on the part of the leadership to bring a reconciliation bill to the floor of the House that would do no more than what is called for in the budget resolution.

Mr. DENNY SMITH. With no additional spending.

Mr. MACK. No additional spending. No new programs. I just wanted to make that point clear.

Mr. BUECHNER. Mr. Speaker, if the gentleman will yield, I think it is fair to point out that by narrowing this reconciliation project, we do not keep Congress from doing what it is supposed to do.

Mr. MACK. In no way.

Mr. DENNY SMITH. Let me, if I can, continue with point No. 4 in the Michel letter to the Speaker, JIM WRIGHT:

> That the Appropriations Subcommittees must be made to comply with their 302(b) outlay levels, with any failure to comply subject to a point of order. Further, that the so-called "Fazio exception" which allows the Appropriation Committee to bring forward bills which meet their discretionary number even though the Budget Committee outlay ceilings have been breached, must be eliminated.

Now, what has occurred in the past, as the gentleman well knows, is that the Budget Act, the 302(b) spending levels and the points of order that we would make against them here on the floor, which is a procedure by which we could object to bringing forth this kind of document, are waived. We are trying to just put some more teeth into this act.

Mr. MACK. If the gentleman will go on then, let us finish this up.

Mr. DENNY SMITH. All right. Sentence No. 5 in the Michel letter to the Speaker:

> That any omnibus appropriations bill will be discouraged at all times and that no such bill be brought to the floor of the House without approval of the bipartisan leadership for fiscal years 1988 and 1989.

Mr. MACK. Let me if I could just break in there. Is this omnibus appropriations bill, we are used to hearing the term around here, "continuing resolution," is that basically what this is referring to?

Mr. DENNY SMITH. That certainly would be how it has been couched around here. It was the same thing that happened last year where we put all 13 appropriation bills into one big ball of wax and brought them through the body.

Mr. MACK. So in other words, what we were saying was that if we are going to make a concerted effort, we are going to work together to put together a budget resolution that would meet the $180 billion target, we want your commitment that what we are going to do is we are going to work through each one of those appropriations bills, get them to the floor, have them debated, have a conference with the other body, bring those conference reports back and get those appropriation bills through the House, not have a continuing resolution where you can have over half a trillion dollars' worth of spending in one bill and then send it down to the President and say, "OK, now you go ahead and veto it." Is that the situation?

□ 1820

Sentence No. 6, that no provision in the budget resolution provide for any adjustment in individual or corporate income tax rates.

If the gentleman remembers, the Speaker, JIM WRIGHT of Texas, has made the point a number of times that maybe we ought to stop some of the changes in the 1986 tax law in order to raise more taxes from the American working people so that those taxes could be utilized in spending and our budget process.

Here again, what we said was we put this budget resolution together and the only commitment we are asking you to make as far as taxes are concerned is just we do not want you to renege on the tax rates we agreed upon in the tax reform package. I mean, that is fair.

Mr. DENNY SMITH. The gentleman is absolutely correct.

Mr. MACK. If it was just me, I would have gone further than that. But again, all we were saying to the Speaker is we just want your commitment that you are not going to raise the income tax rates, and he would not even respond to that. In a moment we will read the letter and he did in fact respond.

Mr. DENNY SMITH. The last sentence in the Michel to the Speaker letter, sentence No. 7 is that Gramm-Rudman be corrected to make the automatic sequestration procedure meet any constitutional challenge. Of course, that refers to the fact that the Supreme Court took the trigger mechanism, the teeth, out of the Gramm-Rudman-Hollings-Mack proposal where there was not going to be an automatic taking down of the budget levels if we could not agree in the Congress to any meaningful solution. So basically what started out as a very good approach to try and get the budget balanced by 1990, had the teeth pulled by the Supreme Court almost immediately, so we were just asking to try and correct the system.

Mr. MACK. Let me read a portion of the letter we received from the Speaker:

> As to your specific suggestions to Chairman Gray, I understand he responded to your initial 5 points in the committee last week.

Now, there is no question he did respond, but as I indicated, he would not be definite when asked specific questions.

Then the next sentence is: "The two new suggestions * * *" and mind you, this is the letter to the Speaker of the House. We first of all wrote the letter to the chairman, and the chairman said some of the things we were asking were beyond his jurisdiction. "The two new suggestions—Nos. 5 and 6—are clearly beyond the jurisdiction of the Budget Committee." Well, why does he think we wrote the letter to him? I mean, the Speaker of the House certainly is in a position to say to the Budget Committee, now look, this whole process has to move forward, and in order to move it forward these are the things we ought to agree upon. If we do not agree, let us at least negotiate those. Why should we get into the negotiation of a budget when we cannot even get them to sit down and negoitate these points?

Mr. DENNY SMITH. If the gentleman will yield further, basically he never did answer those five points on paper. We are still in the smoke and mirrors area like we talked about earlier, and the little white lies Mr. COELHO refers to basically as one of the reasons we are trying to get something on paper. And all this letter is designed to do is to get an answer from Chairman GRAY.

As the gentleman points out, if this is beyond his capabilities, points 5 and 6, certainly the Speaker—who is he going to go to next? I do not think he is going to the other body.

Mr. MACK. The gentleman is quite right.

Let me make two points.

The question might be raised why did you include the additional points in your letter to the Speaker as opposed to Chairman GRAY. It is the Speaker who first came out with the statement that he thought it would be appropriate to raise the tax rates; or another way to say that is to not allow the lower rates we approved in the tax reform package to go into effect. In other words, the Speaker said I want to raise taxes through raising rates, so we said if we are going to be sending the letter to him, certainly we ought to include that, and certainly we ought to ask the question of the Speaker about the Gramm-Rudman targets. So it seemed very appropriate that the letter we sent to the Speaker include those two very significant points.

Mr. SUNDQUIST. Mr. Speaker, will the gentleman yield?

Mr. MACK. I am glad to yield to the gentleman from Tennessee.

Mr. SUNDQUIST. I thank the gentleman for yielding and for taking out this special order. I would like to make a few comments.

Mr. DENNY SMITH. Mr. Speaker, will the gentleman yield for just one further thing?

Mr. MACK. I yield to the gentleman from Oregon.

Mr. DENNY SMITH. I noticed Chairman GRAY had a response, or I understand a press release or statement in response to the letter of the Speaker. Does the gentleman have that? Maybe I could read it to the gentleman.

Mr. MACK. Why don't you go ahead.

Mr. DENNY SMITH. It is a statement of WILLIAM H. GRAY III, chairman, House Budget Committee, response to Republican refusal to meet this afternoon, and this is dated March 24. I will read the text.

> Here we go again. We had expected a legislative process, not a diplomatic negotiation. Instead, we have another delay and another excuse for the President to lambaste the Democrats. I would remind my Republican colleagues that the Gramm-Rudman deadlines apply to the entire Congress, not just its Democratic Members.

I am surprised. We were just trying to get some of the Gramm-Rudman language back in so we could be sure it would work and meet the 108 target.

Mr. MACK. As the President said this morning, he is committed to the 108. He wants to see whether the Democrats are committed to the 108.

I am glad to yield to the gentleman from Tennessee.

Mr. SUNDQUIST. I thank the gentleman from Florida.

I would like to make a few comments relative to the Budget Committee. It is a privilege for me to serve on the

Budget Committee, although I am as frustrated probably as most of my Republican colleagues.

I was deeply disappointed at the Speaker's reaction in his letter that he sent, because as Republicans we thought what we had asked for was eminently fair, and we had hoped that we would receive a statement in principle from the Democrats that would allow us, and I think the country, for the first time in a long time to have what would truly be a bipartisan budget resolution. I think it is time to put politics aside, and I think it is time for the Democrats to do what is reasonable.

The list we had of basic understandings that the gentleman described earlier was not even given the dignity of a real response, either by the chairman or by the Speaker. I submit that if the Democrats were truly interested in the development of a bipartisan budget, at least they would have engaged us in a conversation about the merits of what we thought were very reasonable ground rules.

I think the Speaker's letter is an admission that the majority party wants to use the Republicans and not involve us. I am further amazed that the ground rules we proposed were dismissed as if they were designed to be partisan and unacceptable. It is interesting to me that most of my colleagues on the other side of the aisle that I have talked to, they think what we have asked for is very reasonable. We asked for no income tax increases.

Frankly, as I walk on the other side of the aisle, I see a great number of my friends, particularly from the South, on that side of the aisle who share with us the concern that we are going to try to tax our way out of this problem.

We asked to put the sequestration trigger back in Gramm-Rudman. The Democrats voted for that Gramm-Rudman bill, and they voted for the enforcement mechanism 2 years ago, so what is wrong with now putting that back in place?

As has been described, we asked for assurances of effective reconciliation and efforts to avoid another omnibus appropriations bill. No one, I do not think, on this side of the aisle or that side, wants to repeat the breakdown of the budget process we experienced last year.

And we asked something that I think is very fair, for a copy of the Democratic draft.

Mr. MACK. Excuse me, we asked for a copy of the draft?

Mr. SUNDQUIST. Of what their proposal is for a budget, a starting point, if you would. Historically, the majority in the committee, it is my understanding, has made that available.

Mr. MACK. It certainly has been Chairman GRAY's procedure in the past to bring the Democratic Members of the committee's proposal as a beginning point. The gentleman is absolutely correct.

Mr. SUNDQUIST. I think the American people and many on the other side of the aisle would agree that is only fair, it is only reasonable that we have a starting point. They had the fun of beating up on the President's proposal for several months, and I did not agree with everything in the President's proposal. but, nevertheless, the President's proposal did meet the 108. It did not have a general revenue increase, and maybe it is not what we need, but on a bipartisan basis, if they will start off with a document that seems to be reasonable, we can go from there.

□ 1830

But what has happened, to quote a friend of mine in Tennessee, what they are doing is they want to run with the rabbits and chase with the hounds. Now, you cannot do both. You cannot criticize on one hand the President for meeting the 108 and the mechanism that he used to meet the 108, and then over here say "Well, we're not going to come forth with a document. We want to do it together."

Well, that has never happened before. These new-found friends of ours on a budget tell me that they cannot do it or they will not do it.

I say that they made a big thing out of governing. I do not think—it is not a fact that they cannot govern; I think it is a fact that they will not govern; and this is a sign of weakness, in my estimation, that they are not governing in the House of Representatives.

Mr. MACK. Mr. Speaker, I just wanted to make the point that during those discussions we had in committee as to whether we were going to participate in the markup of some kind of working document that they would not own, the chairman in essence said, "Well, if you want—let me tell you what's going to happen to you if you don't participate. That is, that we'll just go back into caucus—we're going to put a plan together—we can come out here and just—you know, you're going to have to take it."

That was really no surprise to me. That happened to me a year ago; that happened to me 2 years ago; that happened to me 3 years ago; that happened to me 4 years ago.

So I am not particularly shocked that they might take that process, or take that method of putting their budget on the table, but I will say this: If in fact that Chairman GRAY does that, at least we will have a plan that is a democratic proposal as to what the spending and taxing of this Nation should be.

Up until now, we still do not have one.

Mr. SUNDQUIST. Mr. Speaker, if the gentleman will yield further, I can recall the vote last week on defense; I believe it was 13 to 3. The eight votes that we had on our side would not have made any difference.

So if they want to proceed with the budget document, they can go ahead and proceed without our help. They are trying to politicize the process, and I would be willing to make a guess, and I will ask the gentleman if he would agree with this, that if we took the request that we made to the chairman and to the Speaker, and ask our colleagues on the other side of the aisle—apart from political pressure, 1 to 1 and said; Do you think these make sense? Do you think these are fair? Do you think these are reasonable?

I would venture a guess that two-thirds of the people we talked to would say "What you've proposed is fair and is reasonable."

Mr. MACK. Let me respond to that, Mr. Speaker. That is an interesting point. I think certainly there are some members of the Democratic Party that want to try to find a way to reach the 108. Certainly there are some Members over there that would like to avoid the raising of the tax rates, but I am not too sure that we are going to get that kind of response from their leadership. At least, so far as we have heard that they are not too enlightened, too excited about reaching that target and holding the rates.

Mr. SUNDQUIST. I think that is exactly right. What we are seeing is, we are seeing a game of political chicken that has been initiated against us and that is not reasonable, and it is not fair.

What we are asking for is what is fair and what is reasonable for the American people. That is, we want to sit down together as equal partners and talk about the priorities of this country and fashion this budget document where we all have to make some sacrifices, and we all have to have the input of a variety of regions of this country, of different political parties; and I cannot think of anything that is more important to this Congress; I cannot think of anything that is more important to the well-being of the economic conditions in this country than for Republicans and Democrats to sit down together and work out a budget.

We are willing to be participants, but I do not think that the Republican Members of the Budget Committee are not—we are not willing to be pawns in this process. That is what, it seems to me, it seems to be a game with the Speaker and with the chairman, to try to position us in a way that is politically advantageous.

We are not looking for political advantages. We are looking for results that will solve the budgetary deficit problems in this country without taxing the American people, a group that is already overtaxed. We are not undertaxed in this country; we are overspent.

I think we have to sit down and do what is reasonable. I thank the gentleman for taking this special order, because I think it is important for us to communicate to our colleagues that we are willing, and we are ready to sit down on a bipartisan basis.

What we have asked for is very simple, and it is very fair, and it is reasonable, and I do not think in a body like this the opposing party can ask for any more.

Mr. MACK. Mr. Speaker, I thank the gentleman for coming out and participating in this special order. He is right, Mr. Speaker, we do need to see that our message gets out as to what is going on here, and clearly the message is that at least up until now the Democrats have failed to show any discipline, they have failed to show the ability to put together a consensus on their side along the plan that apparently the Speaker is interested in.

What we keep reading about is an increase in tax collections, of $18 billion a year, and I think it is rather interesting that the Speaker wants to add an additional $18 billion in tax collections when just over the last 4 years, if you go back and look at how tax collections have increased each year, 1983 to 1984, 1984 to 1985, 1985 to 1986—those increases fall in the range of roughly an average, anyway, of between $50 and $60 billion a year in new tax collections, and that does not satisfy the Speaker; he wants to add an additional $18 billion, or I would say somewhere in the neighborhood of 25 to 30 percent in new tax collections, because he just is not satisfied with the present level.

Mr. SUNDQUIST. Mr. Speaker, if the gentleman will yield for one more question, I would like the gentleman's opinion on this.

If we put this to a vote in our districts at town meetings, I believe that most of my constituents; I do not know about Florida, but I suspect it would be similar to Tennessee; would say that if we raise taxes that we will not cut spending.

Would the gentleman care to comment on that?

Mr. MACK. I would say that the overwhelming reaction is that if there is a new tax dollar that has found its way in to Washington, it will be spent.

Mr. SUNDQUIST. Is not that historical? Did we not do that a few years ago when we said we are going to raise taxes and cut spending?

Mr. MACK. Absolutely.

Mr. SUNDQUIST. Was the spending reduced?

Mr. MACK. I think anyone who looks at those numbers knows that spending was increased.

Mr. SUNDQUIST. I thank the gentleman.

Mr. MACK. Again, Mr. Speaker, I thank the gentleman for his participation, and I will be glad to yield to the gentleman from Texas [Mr. Boulter].

Mr. BOULTER. I thank my friend from Florida. I apologize for not having been here earlier.

Mr. Speaker, since I have been here, I have heard the terms "reconciliation," "sequestration," "Gramm-Rudman targets," and I understand what you all are talking about, and I bet you anything it has been fully explained to the people who are listening to the remarks.

For my personal part, I would just like to boil it down into terms that I can understand and I know that my constituents will understand, and I think what we are talking about here is really two competing visions for our country, and I just want to take a second on that.

Most of the folks over there on the Democrat side of the aisle, as represented by their leadership, honestly believe in expanding Government domestic programs, would you not say?

They honestly believe in that; they believe that America will be better off with more and more Government intervention.

That philosophy—I will never forget it—was represented by a statement that the last Speaker of the House, Tip O'Neill made. This is, I believe, a direct quote. He told the Members of this body that "America is great because its government is great. Because its government does great things for its people." Not that America is great because its people are great, but America is great because its government is great.

Harry Hopkins, who used to work for F.D.R. as an adviser, used to express the same philosophy, in "tax and spend, tax and spend." That is where that phrase came from.

Even our current Speaker, Jim Wright, has a tax plan of the week every week.

So there is a big debate going on here. Most Republicans, I believe, want to reduce the size and scope of the Federal Government, reform welfare, return work fare into our welfare; require people who receive welfare if they are able-bodied to work or to hunt for a job, maybe go to work on our public roads and our parks, on our infrastructure. That seems to be the philosophy of the Republican Party.

Both parties say they want to reduce the deficit. In reading the newspapers and serving with my friend on the Budget Committee, we know that Tony Coelho, Jim Wright say they want to reduce the deficit by cutting defense, again, and raising taxes. Is that right?

□ 1840

Mr. MACK. That is right.

Mr. BOULTER. Whereas we had, on the Republican side of the aisle, tended to say very, very strongly no new taxes at all. But I just feel, I say to the gentleman from Florida, like I have been invited to a banquet when they invite us to go into a bipartisan session with them on the Budget Committee. It is tempting because we all want to work with our Democratic friends on the Budget Committee. I do not think it is a matter of distrusting our friends on the Budget Committee from the Democratic Party, in fact I do trust most of them, especially Bill Gray.

It is a problem with their leadership, when Tony Coelho, Democratic whip, bashes our President on the head with a press conference just as we are trying to try to get together with them, that is not fair. I do feel like I have been invited to a banquet and through me to my constituents, and all I ask for is let me see the menu. I like you guys, I want to sit down with you and work on this great American problem, but I want to see the menu. I want my constituents to know that really the first dish has already been served, it already has been, if you look at the budget platter. The appetizer, so to speak, I believe was the congressional pay raise; that was the appetizer. The soup of the day at this banquet is going to be an $18 billion tax increase.

The Speaker of this place wants to raise his salary and my constituents' taxes. That is not right. The soup of the day is the tax increase. The entree is a budget fiasco where the Democratic leadership is even talking about freezing Social Security cost-of-living adjustments. I say to the Democrats I want to see what is on the table before I come to this banquet, and they say everything, including Social Security cost-of-living adjustments. I do not think that is fair to the 37 million people who rely upon those benefits. But they also say taxes. That is where we really draw the line, I think. We are not going to be drawn into this trick of working with them and then seeing them produce a budget that they know they have the votes to pass but they know that the American people do not like and will reject because it raises taxes by $18 billion.

Then finally for dessert the Democratic leadership says we are going to renege on the promise that this body made to our constituents with the Balanced Budget Act, the Gramm-Rudman Act when we are going to eliminate deficit spending over a 5-year period of time and stick to a deficit target in this coming fiscal year which does not exceed $108 billion a year; they are going to break that promise.

So I think all we are saying is that those are not the proper guidelines for us to work with you guys under. If that is your menu, we are not going to sit down at your banquet.

Mr. MACK. I thank the gentleman for his participation, and I would just say in closing that we are prepared, we are prepared at any moment, Mr. Speaker—we are prepared to be involved, we are prepared to try to make the process work, we are prepared to try to put a budget together that meets the $108 billion target. We are prepared to do that without raising taxes.

But Mr. Speaker, to imply that our requests that were put in a letter to you are outside the scope of your authority is just really hard for me to believe.

With that statement, it seems like what you are saying to us is that you are not serious at all about wanting us to be involved in a bipartisan effort to meet the goals.

GENERAL LEAVE

Mr. MACK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

AGRICULTURAL AID AND TRADE MISSIONS ACT

The SPEAKER pro tempore (Mr. PRICE of North Carolina). Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 10 minutes.

Mr. PANETTA. Mr. Speaker, today, I am introducing a bill to encourage greater use of existing U.S. agricultural aid and trade programs in an effort to rebuild our export markets. This bill would lay the foundation for expanded market potential in developing nations by providing for greater coordination between our Nation's aid and trade programs.

Last year, U.S. agricultural exports plummeted from a peak of $43.8 billion in 1981 to $26.3 billion. And for the first time in almost 30 years, U.S. imported more food than it exported during consecutive summer months in 1986. This sharp drop in agricultural exports over the past 5 years has had a devastating impact on our agricultural economy and rural communities. And despite Federal expenditures of more than $25 billion on farm programs in fiscal year 1986, thousands of family farms have been foreclosed.

The potential growth markets for our agricultural products are developing nations. Prior to 1981, these countries were an excellent export market. For example, between 1972 and 1983, developing nations increased their grain imports by 107 percent—which is significantly higher than the 46-percent increase in total world grain trade for the same period. This growth in export markets for U.S. agricultural goods was the direct result of coordinated food assistance, economic development, and market-building programs in the late fifties and throughout the sixties. Today, however, food aid and export programs are not being used to their fullest potential.

Private voluntary organizations [PVO's] and cooperatives play an important role in food aid programs. They not only provide humanitarian relief, but also help develop local facilities and businesses that improve the standard of living in these developing nations. And this can lead to market expansion, which when incomes grow, diets improve, and the demand for and ability to purchase food increases.

Providing U.S. food aid to developing countries not only helps these struggling nations, but also benefits our economy where more than 22 percent of the Nation's population is employed in agriculture-related jobs.

The key to moving a developing country from a subsistence stage to the stage of being a significant food importer is to stimulate economic growth. Food aid and export assistance programs can and should be used to stimulate growth and expand markets. They should also be used to their fullest extent to establish the infrastructure that is essential for market expansion for American farm products. Properly administered, U.S. food aid and export assistance programs can lead to future market expansion which will benefit U.S. agriculture in the near and long term.

Our bill would provide for the following:

First, it would establish agricultural aid and trade missions to 15 low- to mid-income countries to develop country by country strategies for economic and market development. These missions, which would be composed of public and private sector representatives, would have 1 year to develop a plan to address the humanitarian, developmental, and marketing needs of each country using the existing U.S. food aid and trade programs.

Second, it would amend the current Public Law 480 and section 416 programs to help private voluntary organizations [PVO's] and cooperatives in carrying out overseas development projects. To do this, the bill would allow PVO's and cooperatives to use local currencies generated from the sale or barter of food aid products to help pay not only for transportation, distribution, or other costs associated with direct feeding programs, but also to help finance agricultural, community, health, credit, and cooperative development projects. Even though current law permits PVO's and cooperatives to use local currencies for development projects, current administrative guidelines have severely limited the types of programs they can initiate.

Third, it would strengthen USDA's Foreign Agricultrual Service by adding 50 new employees to help carry out the full range of U.S. trade and food aid programs.

Fourth, and it would put more emphasis on the need to use existing food aid, trade, and export credit programs in financing infrastructure development in importing countries by requiring the Secretary to report annually to Congress on the progress of implementing these goals.

These provisions would make constructive modifications in existing programs. The establishment of trade missions and expansion in the use of food aid in developing countries would represent a positive step toward rebuilding our market potential abroad and improving our agricultural economy.

REAL PROPERTY ACCOUNTING ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, today I am introducing the Real Property Accounting Act of 1987, a bill which would establish equal accounting treatment for commercial banks and thrift institutions. This legislation is vital to the survival of local thrift institutions and the economies they serve.

Under current law, the Federal Home Loan Bank Board [FHLBB] and the Federal Savings and Loan Insurance Corporation [FSLIC] require the application of so-called regulatory accounting principles [RAP] to troubled assets maintained by thrift institutions. These regulatory principles of accounting are different from the generally accepted accounting principles [GAAP] which govern commercial banks. In general, the RAP system requires write downs of assets on a much harsher basis than the GAAP.

The disparity between these two systems of accounting in many instances results in unfair treatment of thrifts. Because of the RAP system, it is possible for a savings institution to be thrust into insolvency, while a nearby commercial bank with similarly troubled assets remains solvent under the GAAP system used by the Federal Deposit Insurance Corporation [FDIC] for Commercial bank regulation.

The bill I am introducing today would establish that the FSLIC and the FHLBB shall employ no accounting method which is any more stringent than the GAAP system in the regulation of troubled assets held by thrifts.

This legislation is needed not only to protect thrift institutions from insolvency, but also to sustain the FSLIC and to relieve local economies of unnecessary financial hardship.

The soundness of the FSLIC is not enhanced or protected by needlessly forcing an insured savings institution into insolvency by requiring it to account for its troubled assets in a manner harsher than that used by commercial banks or, for that matter, private business enterprises.

Instead, as these institutions are forced into insolvency, financial pressures on the FSLIC increase. These pressures have made the FSLIC recapitalization legislation which has been introduced in the 100th Congress extremely urgent. The legislation I am introducing today would help protect the FSLIC as well as well-managed savings institutions.

Other victims of the RAP system include the local economies of which the affected savings institutions are a part. The fire sale liquidation of troubled thrifts' real estate assets at unrealistically low prices disrupts the real estate market and serves to thwart a community's entire economy. These forced liquidations have a negative impact on all real estate values, and as these real estate values are forced downward, so is the real property tax yield of local and State governments.

Mr. Speaker, I would like to emphasize that the majority of the institutions addressed in this legislation are located in local and regional pockets of temporary economic distress. These are institutions located in areas where the local economy relies heavily upon the fortunes of agriculture, the oil industry, and timber. It is true that some of these institutions are troubled because of poor management, and so deserve to be shut down. But the vast majority of these institutions are victims of their local and regional economies. They are trying in good faith to work their way out of conditions they could not have foreseen or controlled. They suffer enough from the economic trauma that pervades their communities. They do not deserve to have their economic stress exacerbated by Federal regulators.

Mr. Speaker, for the economic good of local economies across the Nation, the systems of accounting applied to commercial banks and thrift institutions respectively must be made equitable. I urge your support for the Real Property Accounting Act of 1987 and encourage my colleagues to join me as cosponsors of this legislation.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Upton) to revise and extend their remarks and include extraneous material:)

Mr. Parris, for 60 minutes, on March 31 and April 1.

Mr. Mack, for 60 minutes, today.

Mr. Gingrich, for 60 minutes, today.

Mr. Latta, for 60 minutes, today.

(The following Members (at the request of Mr. Frank) to revise and extend their remarks and include extraneous material:)

Mr. Stratton, for 5 minutes, today.

Mr. Brown of California, for 5 minutes, today.

Mr. Moakley, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Panetta, for 10 minutes, today.

Mr. Conyers, for 30 minutes, today.

Mr. Gonzalez, for 60 minutes, today.

(The following Member (at the request of Mr. Mack) to revise and extend his remarks and include extraneous material:)

Mr. Alexander, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Upton) and to include extraneous matter:)

Mr. Gunderson.

Mr. Fish.

Mrs. Saiki in two instances.

Mr. Broomfield in two instances.

Mr. Young of Alaska.

Mr. Fields.

Mr. Hefley.

Mr. Lagomarsino in four instances.

Mr. Wolf.

Mr. Moorhead.

Mr. Lowery of California.

Mr. Coleman of Missouri.

Mr. Bliley.

Mr. Miller of Washington.

Mr. Stump.

Mr. Livingston.

Mrs. Bentley in two instances.

Mr. Dornan of California in three instances.

Mr. Weldon in three instances.

Mr. Parris.

Mr. Donald E. Lukens.

Mrs. Morella in two instances.

Mr. Duncan in two instances.

Mr. Lewis of California.

(The following Members (at the request of Mr. Frank) and to include extraneous matter:)

Mr. Yatron.

Mr. Lipinski.

Mr. Hamilton.

Mr. McHugh.

Mr. McCloskey.

Mr. McMillen.

Mr. Gephardt.

Mr. Mavroules.

Mr. Bosco.

Mr. Lehman of Florida.

Mr. Wolpe.

Mr. Kildee.

Mr. Jenkins.

Mr. Kastenmeier.

Mrs. Byron.

Mr. Levine of California.

Mr. Leland.

Mr. Edwards of California.

Mr. Hall of Ohio.

Mr. Russo.

Mr. Derrick.

Mr. Dorgan of North Dakota.

Mr. Dingell.

Mr. McHugh.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 47. Joint resolution to designate "National Former POW Recognition Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 49. Joint resolution to designate September 18, 1987, as "National POW/MIA Recognition Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 67. Joint resolution to designate the month of May 1987 as "National Digestive Diseases Awareness Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 89. Joint resolution to authorize and request the President to issue a proclamation designating April 26, through May 2, 1987, as "National Organ and Tissue Donor Awareness Week"; to the Committee on Post Office and Civil Service.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 632. An act to amend the Legislative Branch Appropriations Act, 1979, as reenacted, to extend the duration of the Office of Classified National Security Information within the Office of the Secretary of the Senate, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, a bill of the House of the following title:

On March 24, 1987:

H.R. 2. An act to authorize funds for construction of highways, for highway safety programs, and for mass transportation programs, to expand and improve the relocation assistance program, and for other purposes.

ADJOURNMENT

Mr. MACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 44 minutes p.m.) the House adjourned until tomorrow, Thursday, March 26, 1987, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

976. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to improve the operation of the sugar price support program and for other purposes; to the Committee on Agriculture.

977. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. act 7-5, "Rental Housing Act of 1985 Temporary Amendment Act of 1987," pursuant to D.C. Code section 1-233-(c)(1); to the Committee on the District of Columbia.

978. A letter from the Secretary of Education, transmitting a copy of the Final Regulations—Leadership in Educational Administration Development Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

979. A letter from the Assistant Secretary—Indian Affairs, Department of the Interior, transmitting notification that the Department is proceeding with the transfer of the existing Institute of American Indian Arts to the Board of Trustees of the new Institute of American Indian and Alaska Native Culture and Art Development (Public Law 99-498), and that it is the Department's position that the new Board would be in a better position to address the need for any new museum facility, pursuant to Public Law 98-306, section 14(b)(2); to the Committee on Education and Labor.

980. A letter from the Assistant Secretary for Tourism Marketing, Travel and Tourism Administration, Department of Commerce, transmitting a marketing plan to stimulate and encourage travel to the United States in fiscal year 1988, pursuant to 22 U.S.C. 2123(a)(15); to the Committee on Energy and Commerce.

981. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by Sol Polansky, of Maryland, Ambassador Extraordinary and Plenipotentiary of the United States-designate to the People's Republic of Bulgaria; and John Shad, of the District of Columbia, Ambassador Extraordinary and Plenipotentiary of the United States-designate to the Kingdom of the Netherlands, and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

982. A letter from the Secretary of Education, transmitting the Department's calendar year 1986 report of its activities under the Freedom of Information Act, pursuant to 5 U.S.C. 522(d); to the Committee on Government Operations.

983 A letter from the Secretary of the Interior, transmitting a report that describes the operation of an out-of-region land and property selection pool to meet Federal obligations to the Cook Inlet Region, Inc., pursuant to 43 U.S.C. 1611 nt.; to the Committee on Interior and Insular Affairs.

984. A letter from the Secretary of the Interior, transmitting a report entitled, "Outer Continental Shelf Lease Sales Fiscal Years 1978 through 1983: Evaluation of Alternative Bidding Systems," which is in response to the requirements to evaluate alternative bidding systems and competition found in section 8 and 15 (43 U.S.C. 1337 (a)(9) and 1343) of the Outer Contintental Shelf Land Act; to the Committee on Interior and Insular Affairs.

985. A letter from the Office of the Secretary of Defense (Executive Secretary), transmitting a report on Department of Defense procurement from small and other business firms for October 1986 through November 1986, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

986. A letter from the Secretary of Agriculture, transmitting a report entitled, "Assessment of Impact of Current USDA Foreign Assistance Activities on United States Agricultural Exports," pursuant to 7 U.S.C. 1736z(b); jointly, to the Committees on Agriculture and Foreign Affairs.

987. A letter from the Executive Director, Prospective Payment Assessment Commission, transmitting a copy of a report entitled "Medicare Prospective Payment and the American Health Care System"; jointly, to the Committees on Appropriations and Ways and Means.

988. A letter from the Secretary of Energy, transmitting the 10th report entitled: "Comprehensive Program and Plan for Federal Energy Education, Extension and Information Activities," pursuant to 42 U.S.C. 7373(2); jointly, to the Committees on Energy and Commerce and Science, Space, and Technology.

989. A letter from the Chairman, U.S. Railroad Retirement Board, transmitting a courtesy copy of the Board's annual report for the fiscal year ended September 30, 1985, which was transmitted to the Congress by the President in his message of September 25, 1986; jointly, to the Committees on Energy and Commerce and Ways and Means.

990. A letter from the Secretary of State, transmitting the determination that the Government of Jamaica has been sufficiently responsive to U.S. concerns on drug control and added expenditure of funds is in the national interest of the United States, pursuant to Public Law 99-190, section 537 (99 Stat. 1308); jointly, to the Committees on Foreign Affairs and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTEN: Committee on Appropriations. H.R. 1827. A bill making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes. (Rept. 100-28). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DAUB (for himself and Mr. Donnelly):

H.R. 1776. A bill to amend title XVIII of the Social Security Act to provide long-term care benefits under the medicare program and to amend the Internal Revenue Code of 1986 to provide for a deduction of premiums paid for long-term care policies and to permit pension plans to provide similar long-term care benefits; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. MICA (for himself and Ms. Snowe) (by request):

H.R. 1777. A bill to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the United States Information Agency, and for other purposes; to the Committee on Foreign Affairs.

By Mr. PANETTA (for himself, Mr. Horton, Mr. Coelho, Mr. Gallegly, Mr. Boehlert, Mr. Ridge, and Ms. Slaughter of New York):

H.R. 1778. A bill to improve the safety of imported raw agricultural commodities produced with pesticides, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DUNCAN:

H.R. 1779. A bill to amend the Internal Revenue Code of 1954 to conform the treatment of residential lot interest expense to current law treatment of second home interest expense; to the Committee on Ways and Means.

By Mr. ALEXANDER:

H.R. 1780. A bill to amend the National Housing Act and the Home Owners' Loan Act of 1933 to prevent the Federal Savings and Loan Insurance Corporation and the Federal Home Loan Bank Board from requiring institutions within their jurisdiction to write down or establish reserves against assets in amounts in excess of what would be required under generally accepted accounting principles; to the Committee on Banking, Finance and Urban Affairs.

H.R. 1781. A bill to reduce the rate of duty on allyl chloride; to the Committee on Ways and Means.

By Mr. McCloskey (for himself, Mrs. Lloyd, Mr. Cooper, Mr. Quillen, Mr. Hamilton, Mr. Murphy, Mr. Bonior of Michigan, Mr. Jones of Tennessee, Mr. Horton, Mr. Bustamante, Mr. Flippo, Mr. Martinez, Mr. Coleman of Texas, Mr. Nichols, Mr. Boland, Mr. Lagomarsino, Mrs. Boxer, Mr. Neal, Mr. Smith of Florida, Mr. Hutto, Mr. Daub, Mr. Montgomery, Mr. Downey of New York, Mr. Myers of Indiana, Mr. Bennett, Mr. Skelton, Mr. Donnelly, Mr. Rose, Mr. Panetta, Mr. Fields, Ms. Oakar, Mr. Owens of New York, Mr. Fazio, Mr. Darden, and Mr. Jontz):

H.R. 1782. A bill to recognize the organization known as the 82d Airborne Division Association, Inc.; to the Committee on the Judiciary.

By Mr. ASPIN (for himself and Mr. Dickinson):

H.R. 1783. A bill to make technical corrections in certain defense-related laws; to the Committee on Armed Services.

By Mr. BEREUTER:

H.R. 1784. A bill to extend, under certain circumstances, nondiscriminatory treatment to the products of nonmarket economy countries that are currently ineligible for such treatment; to the Committee on Ways and Means.

By Mr. BIAGGI:

H.R. 1785. A bill to amend chapter 44, title 18, United States Code, to prohibit certain firearms that are not detectable by airport security metal detectors and airport security x-ray systems; to the Committee on the Judiciary.

By Mr. BLILEY (for himself, Mr. Tallon, Mr. Hunter, Mr. Coats, Mr. Dornan of California, Mr. Boland, Mr. Robinson, Mr. Daniel, Mr. Lagomarsino, Mr. Smith of New Jersey, Mr. Staggers, Mr. Bateman, Mr. Swindall, Mr. Rogers, Mr. Sikorski, Mr. Bryant, Mr. Cooper, Mr. Moorhead, Mr. Whittaker, Mr. Ritter, Mr. Fields, Mr. Callahan, Mr. LaFalce, Mr. Valentine, Mr. Wolf, Mr. Clinger, Mr. Rinaldo, Mr. Slaughter of Virginia, Mr. Tauke, Mr. Barton of Texas, Mr. Oxley, Mr. Hutto, Mr. Hertel, Mr. Dannemeyer, Mrs. Bentley, Mr. Thomas A. Luken, Mr. Donald E. Lukens, Mr. Fawell, Mr. McMillan of North Carolina, Mr. Parris, Mr. Boulter, Mrs. Smith of Nebraska, Mr. Mrazek, Mr. Olin, Mr. Schaefer, Mr. Burton of Indiana, Mr. Bennett, Mrs. Patterson, Mr. Nielson of Utah, Mr. Bilirakis, Mr. Packard, Mr. Daub, and Mr. Weldon):

H.R. 1786. A bill to amend the Communications Act of 1934 to restrict the making of obscene and indecent communications by telephone; to the Committee on Energy and Commerce.

By Mr. BOEHLERT:

H.R. 1787. A bill to amend the Social Security Act to provide for improved treatment of small rural hospitals and sole community hospitals under titles XVIII and XIX of such act, and for other purposes; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mrs. BOXER:

H.R. 1788. A bill to amend title 10, United States Code, to improve congressional oversight of defense programs treated in a manner designed to conceal the existence or scope of the program (commonly referred to as black programs); to the Committee on Armed Services.

By Mr. BURTON of Indiana:

H.R. 1789. A bill to require each State to ensure that individuals residing in the State are tested annually for the purpose of determining whether such individuals are infected with the etiologic agent for acquired immune deficiency syndrome; to the Committee on Energy and Commerce.

By Mr. COLEMAN of Missouri:

H.R. 1790. A bill to clarify the treatment of certain education loans in bankruptcy proceedings; to the Committee on the Judiciary.

By Mr. DINGELL:

H.R. 1791. A bill to provide a program of national health insurance, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DYMALLY:

H.R. 1792. A bill to give the Board of Parole for the District of Columbia exclusive power and authority to make parole determinations concerning prisoners convicted of violating any law of the District of Columbia, or any law of the United States applicable exclusively to the District; to the Committee on the District of Columbia.

By Mr. ERDREICH:

H.R. 1793. A bill relating to negotiations to remove the Canadian tariff on expanded metal of base metal, and for other purposes; to the Committee on Ways and Means.

By Mr. EVANS:

H.R. 1794. A bill to amend title 5, United States Code, to provide that civilian employees of the National Guard may not be required to wear military uniforms while performing civilian service; jointly, to the Committees on Armed Services, and Post Office and Civil Service.

By Mr. GOODLING (for himself and Mr. Hawkins):

H.R. 1795. A bill to establish a Federal, State, and local partnership for educational innovation in elementary and secondary education; to the Committee on Education and Labor.

By Mr. HAMMERSCHMIDT:

H.R. 1796. A bill to eliminate certain restrictions on the use of natural gas and petroleum, and for other purposes; to the Committee on Energy and Commerce.

By Mr. HUCKABY (for himself, Mr. Anthony, Mr. Emerson, Mr. Hammerschmidt, Mr. Hayes of Louisiana, Mr. Jones of Tennessee, Mr. Marlenee, Mr. Tauzin, and Mr. Hatcher):

H.R. 1797. A bill to revise the price support level, and implement a marketing loan program, for the 1988 through 1990 crops of soybeans under the Agriculture Act of 1949; to the Committee on Agriculture.

By Mr. JENKINS:

H.R. 1798. A bill to amend the Internal Revenue Code of 1954 to exempt from tax earnings on certain investment accounts for savers and investors; to the Committee on Ways and Means.

By Mr. JENKINS:

H.R. 1799. A bill to amend the Internal Revenue Code of 1954 to provide that nonrecognition of gain on the sale of a principal residence shall apply where one of the spouses who occupied the old residence dies before occupying the new residence; to the Committee on Ways and Means.

By Mr. JONES of Tennessee (for himself and Mr. de la Garza):

H.R. 1800. A bill to assist in the revitalization of rural communities through economic diversification and the provision of community facilities to meet basic human needs, and for other purposes; to the Committee on Agriculture.

By Mr. KILDEE (for himself and Mr. Tauke):

H.R. 1801. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to authorize appropriations for fiscal years 1989 through 1992; to the Committee on Education and Labor.

By Mr. LELAND:

H.R. 1802. A bill to promote the integration of women in the development process in developing countries; jointly, to the Committees on Foreign Affairs, and Banking, Finance and Urban Affairs.

By Mr. LENT (for himself and Mr. Biaggi):

H.R. 1803. A bill to amend the Merchant Marine Act, 1920; to the Committee on Merchant Marine and Fisheries.

By Mr. LIGHTFOOT:

H.R. 1804. A bill to authorize loans under the Small Business Act for economic injury caused by Federal action, to establish criteria for the determination of substantial economic injury under section 7 of the Small Business Act, and for other purposes; to the Committee on Small Business.

By Mr. LUNGREN:

H.R. 1805. A bill to amend title 28, United States Code, to provide that an independent counsel shall be a full-time position; to the Committee on the Judiciary.

By Mr. McKINNEY:

H.R. 1806. A bill to repeal the special treatment provided by the Tax Reform Act of 1986 of an investment in a technology transfer service organization; to the Committee on Ways and Means.

By Mr. MAVROULES (for himself, Mr. Hayes of Illinois, Mr. Conyers, Mr. Mfume, Mr. Flake, Mr. Eckart, Mr. Savage, Mr. Torres, Mr. Lancaster, and Mr. Gonzalez):

H.R. 1807. A bill to amend the Small Business Act to reform the Capital Ownership Development Program and for other purposes; to the Committee on Small Business.

By Mr. MOAKLEY (for himself and Mr. Dymally):

H.R. 1808. A bill to suspend through fiscal year 1989 the military education program for civilian technicians of the Army National Guard; to the Committee on Armed Services.

By Mr. PANETTA:

H.R. 1809. A bill to establish agricultural aid and trade missions to assist foreign countries to participate in United States agricultural aid and trade programs, and for other purposes; to the Committees on Agriculture and Foreign Affairs.

By Mr. RANGEL:

H.R. 1810. A bill to amend the Internal Revenue Code of 1986 to permanently extend the exclusion for amounts received under qualified group legal services plans; to the Committee on Ways and Means.

By Mr. ROWLAND of Georgia (for himself, Mr. Hammerschmidt, Mr. Montgomery, Mr. Solomon, Mr. Applegate, and Mr. McEwen):

H.R. 1811. A bill to amend title 38, United States Code, to provide certain benefits to veterans and survivors of veterans who participated in atmospheric nuclear tests or the occupation of Hiroshima and Nagasaki and who suffer from diseases that may be attributable to low levels of ionizing radiation; to the Committee on Veterans' Affairs.

By Mr. ROYBAL:

H.R. 1812. A bill to amend the Immigration and Nationality Act to waive the continuous residence requirement under the legalization program for spouses and children of qualified legalized aliens; to the Committee on the Judiciary.

H.R. 1813. A bill to amend the Immigration and Nationality Act to waive the continuous residence requirement under the legalization program for parents of U.S. citizen children born on or after December 31, 1981, and before November 7, 1986; to the Committee on the Judiciary.

By Mr. SIKORSKI:

H.R. 1814. A bill to amend section 207(e) of title 18, United States Code, to require that the Executive Office of the President be treated as a single agency or department; to the Committee on the Judiciary.

By Mr. SMITH of Florida (for himself, Mr. Hayes of Illinois, Mr. Hall of Ohio, Mr. Lantos, Mr. Towns, Mr. Blaz, Mrs. Boxer, Mr. Owens of New York, Mr. Yates, Mr. Gejdenson, Mr. Berman, Mr. Ackerman, Mr. Frost, and Mr. Mineta):

H.R. 1815. A bill to establish restrictions on the provision of financial assistance by the Department of Education to educational agencies in States or other political subdivisions that do not impose certain requirements relating to the inspection and equipping with safety belts of schoolbuses; to the Committee on Education and Labor.

By Mr. STARK (for himself, Mr. Markey, Mrs. Boxer, Mr. Waxman, Mr. Chandler, Mr. Martinez, Mr. Beilenson, Mr. Morrison of Connecticut, Mr. Schumer, and Mr. Frank):

H.R. 1816. A bill to amend the Motor Vehicle Information and Cost Savings Act to repeal the authority of the Secretary of Transportation to reduce passenger automobile fuel economy standards below the level set by such act; to the Committee on Energy and Commerce.

By Mr. STRATTON:

H.R. 1817. A bill to amend the Federal Election Campaign Act of 1971, to better inform the electorate in elections for the office of Senator or Representative in the U.S. Congress; jointly, to the Committees on House Administration, and Energy and Commerce.

By Mr. STUMP:

H.R. 1818. A bill to convey Forest Service Land to Flagstaff, AZ; to the Committee on Interior and Insular Affairs.

By Mr. STUMP (for himself, Mr. Udall, Mr. Kolbe, Mr. Kyl, Mr. Rhodes, Mr. Montgomery, Mr. de la Garza, Mr. Nichols, Mr. Owens of Utah, Mr. Lagomarsino, Mr. Roe, Mr. Frost, Mr. Bilbray, Mrs. Patterson, and Mr. Archer):

H.R. 1819. A bill to designate the Tucson Aqueduct, Phase A, of the Central Arizona project as the "Stewart Udall-Barry Goldwater Aqueduct"; to the Committee on Interior and Insular Affairs.

H.R. 1820. A bill to designate the Granite Reef Aqueduct of the Central Arizona project as the "Hayden-Rhodes Aqueduct"; to the Committee on Interior and Insular Affairs.

H.R. 1821. A bill to designate the Salt-Gila Aqueduct of the Central Arizona project as the "Fannin-McFarland Aqueduct"; to the Committee on Interior and Insular Affairs.

By Mr. TORRICELLI:

H.R. 1822. A bill to suspend until December 31, 1991, the duty on transparent acrylic decorative articles containing a cavity formed in one wall; to the Committee on Ways and Means.

By Mr. UPTON (for himself, Mr. Sensenbrenner, Mr. Vander Jagt, Mr. Davis of Michigan, Mr. Stangeland, Mr. Hiler, Mr. Schuette, Mr. Wolpe, Mrs. Martin of Illinois, Mr. Gunderson, Mrs. Johnson of Connecticut, Mr. Boehlert, Mr. Broomfield, Mr. Pursell, and Mr. McKinney):

H.R. 1823. A bill to amend the National Flood Insurance Act of 1968 to revise the schedule for payment of flood insurance to encourage the owners of structures located on land subject to imminent collapse or subsidence to dismantle and remove the structures; to the Committee on Banking, Finance and Urban Affairs.

By Mr. YOUNG of Alaska (for himself, Mr. Archer, Mr. Fields, Mr. DeLay, Mr. Huckaby, Mr. Livingston, Mrs. Boggs, Mr. Inhofe, Mr. Lagomarsino, Mr. Tauzin, Mr. Edwards of Oklahoma, Mr. Barton of Texas, Mr. Saxton, Mr. Holloway, Mr. Roemer, Mr. Dannemeyer, Mr. Hayes of Louisiana, Mr. Baker, Mr. Thomas of California, and Mr. Bartlett):

H.R. 1824. A bill to encourage the continued exploration and development of domestic energy resources located in hostile areas; to the Committee on Ways and Means.

By Mr. FEIGHAN (for himself, r. Smith of Florida, Mr. Gilman, Mr. Bilbray, Mr. Atkins, Mr. Torricelli, Mr. Levine of California, Mr. Roth, Mrs. Meyers of Kansas, Mr. Berman, Ms. Snowe, Mr. Dornan of California, and Mr. Durbin):

H.J. Res. 202. Joint resolution disapproving the certification by the President with respect to the Bahamas under section 802(b) of the Trade Act of 1974; to the Committee on Ways and Means.

H.J. Res. 203. Joint resolution disapproving the certification by the President with respect to the Bahamas under section 481(h) of the Foreign Assistance Act of 1961; jointly, to the Committee on Foreign Affairs, and Banking, Finance and Urban Affairs.

By Mr. GOODLING:

H.J. Res. 204. Joint resolution designating May 5, 1987, as "National Teacher Day"; to the Committee on Post Office and Civil Service.

By Mr. LIPINSKI:

H.J. Res. 205. Joint resolution to designate October 28, 1987, as "National Immigrants Day"; to the Committee on Post Office and Civil Service.

By Mr. MOORHEAD:

H.J. Res. 206. Joint resolution to designate October, 1987, as "Computer Learning Month"; to the Committee on Post Office and Civil Service.

By Mr. OLIN:

H.J. Res. 207. Joint resolution commemorating the 40th anniversary of the Marshall plan; to the Committee on Post Office and Civil Service.

By Mr. PARRIS:

H.J. Res. 208. Joint resolution to designate the week of August 23 through August 29, 1987, as "National CPR Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Florida (for himself, Mr. Gilman, Mr. Feighan, Mr. Bilbray, Mr. Atkins, Mr. Torricelli, Mr. Levine of California, Mr. Roth, Mrs. Meyers of Kansas, Mr. Berman, Ms. Snowe, Mr. Dornan of California, and Mr. Durbin):

H.J. Res. 209. Joint resolution disapproving the certification by the President with respect to Panama under section 802(b) of the Trade Act of 1974; to the Committee on Ways and Means.

H.J. Res. 210. Joint resolution disapproving the certification by the President with respect to Mexico under section 802(b) of the Trade Act of 1974; to the Committee on Ways and Means.

H.J. Res. 211. Joint resolution disapproving the certification by the President with respect to Panama under section 481(h) of the Foreign Assistance Act of 1961; jointly, to the Committees on Foreign Affairs, and Banking, Finance and Urban Affairs.

H.J. Res. 212. Joint resolution disapproving the certification by the President with respect to Mexico under section 481(h) of the Foreign Assistance Act of 1961; jointly, to the Committee on Foreign Affairs, and Banking, Finance and Urban Affairs.

By Mr. COELHO:

H. Con. Res. 86. Concurrent resolution expressing the sense of the Congress congratulating the people of Berlin on the occasion of the city's 750th anniversary in the year 1987, commending the people of Berlin for their centuries of great tradition and continuing courage in the face of historical adversity, and recognizing the deep and lasting relations they have with the people of the United States of America; to the Committee on Foreign Affairs.

By Mr. HEFLEY:

H. Con. Res. 87. Concurrent resolution to recognize the International Association of Fire Fighter and the National Fallen Fire Fighters Memorial in Colorado Springs, CO; to the Committee on House Administration.

By Mrs. SAIKI:

H. Con. Res. 88. Concurrent resolution expressing the sense of the Congress that Federal funding for vocational education should be continued; to the Committee on Education and Labor.

By Mr. BENNETT:

H. Res. 130. Resolution expressing the sense of the House of Representatives that the United States should place greater emphasis on the improvement of the capabilities of United States conventional forces; seeking also additional cooperation in conventional defense measures with other member nations of the North Atlantic Treaty Organization; jointly, to the Committees on Armed Services, and Foreign Affairs.

By Mr. DYMALLY (for himself, Mrs. Schroeder, and Mr. Wolpe):

H. Res. 131. Resolution to state the guiding principles of United States policy toward South Africa's illegal occupation of Namibia; to the Committee on Foreign Affairs.

By Mr. GEPHARDT:

H. Res. 132. Resolution directing the Secretary of Defense to provide to the House of Representatives documents prepared for certain report requirements in the 1986 and 1987 Department of Defense Authorization Act relating to the Strategic Defense Initiative Program and the antiballistic missile treaty; to the Committee on Armed Services.

MEMORIALS

Under clause 4 of rule XXII,

16. The SPEAKER presented a memorial of the Lieutenant Governor of Alaska, relative to the establishment of a nuclear freeze; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CONYERS:

H.R. 1825. A bill for the relief of Denise Glenn; to the Committee on the Judiciary.

By Mr. KEMP:

H.R. 1826. A bill for the relief of Natasha Susan Middelmann, Samantha Abigail Middelmann, Naomi Katrina Orloff Middelmann, and Hannah Emily Middelmann; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 4: Mr. Mfume and Mr. Espy.

H.R. 8: Mr. Ballenger.

H.R. 20: Mr. Gilman, Mr. Kostmayer, Mr. Penny, Mr. Stark, Mr. Lowry of Washington, Mr. Torres, and Mr. Volkmer.

H.R. 21: Mr. Gilman, Mr. Kostmayer, Mr. Penny, Mr. Lowry of Washington, Mr. Torres, and Mr. Volkmer.

H.R. 118: Mr. DeLay.

H.R. 182: Mr. Swindall, Mr. Daub, Mr. Spence, and Mr. Parris.

H.R. 186: Mr. McEwen.

H.R. 260: Mr. Courter, Mr. Berman, and Mr. Synar.

H.R. 281: Mr. Coyne, Mr. Dicks, Mr. Downey of New York, Mr. Dwyer of New Jersey, Mr. Ford of Michigan, Mr. Gilman, Mr. Hertel, Mr. Kolter, Mr. Lehman of California, Mr. Murphy, Mr. Roybal, Mrs. Schroeder, Mr. Stark, Mr. Gaydos, Mr. Thomas A. Luken, and Mr. McCloskey.

H.R. 347: Mr. Alexander, Mr. Dellums, Mr. Howard, Mr. Hughes, Mr. Lewis of Georgia, Mr. Lehman of California, Mr. Miller of California, Mr. Morrison of Connecticut, Ms. Oakar, Mr. Obey, Mr. Roybal, Ms. Slaughter of New York, Mr. Waxman, Mr. Wheat, Mr. Yates, and Mr. Kennedy.

H.R. 372: Mr. Dannemeyer, Mr. Hastert, Mr. Dornan of California, Mr. McCandless, and Mr. Weber.

H.R. 382: Mrs. Boggs, Mr. Neal, Mr. Espy, Mrs. Kennelly, Mr. Olin, Mr. Udall, and Mr. Penny.

H.R. 384: Mr. Wolf, Ms. Snowe, and Mr. Rangel.

H.R. 385: Mr. Solarz, Mr. Kildee, Mr. Howard, Mr. Rangel, Mr. Staggers, Mr. Horton, and Mr. Dymally.

H.R. 386: Mr. Rangel.

H.R. 387: Mr. Owens of Utah, Mr. Stark, Mrs. Johnson of Connecticut, and Mr. Frost.

H.R. 388: Mr. Rangel, Mr. Valentine, Mr. Gallo, Mr. Dellums, Mr. Clinger, Mr. Frost, Mr. Smith of New Hampshire, Mr. Boehlert, Mr. Craig, Mr. Leath of Texas, Mr. Kolter, Mr. Moakley, Mr. Brown of California, Mr. Berman, Mr. English, Mr. Tauzin, Mr. Coughlin, and Mr. Mineta.

H.R. 456: Mr. Oberstar.

H.R. 457: Mr. Weiss.

H.R. 459: Mr. Guarini.

H.R. 510: Mr. Walgren.

H.R. 515: Mr. Bosco, Mr. Russo, Mr. Borski, Mr. Sawyer, and Mr. Parris.

H.R. 543: Mrs. Saiki, and Mr. Applegate.

H.R. 557: Mr. Feighan.

H.R. 567: Mr. Andrews, Mr. Chandler, Mr. Daub, Mr. Dorgan of North Dakota, Mr. Duncan, Mr. McGrath, Mr. Hall of Ohio, Mr. Traxler, Mr. Rowland of Connecticut, Mr. Davis of Illinois, Mr. Badham, Mr. Harris, Mr. Chapman, Mr. Smith of New Hampshire, Mr. Kolbe, Mr. Sensenbrenner, Mr. Upton, Mr. Thomas of Georgia, Mr. Hughes, Mr. Erdreich, Mr. Dwyer of New Jersey, Mr. Schaefer, Mr. Panetta, Mrs. Morella, Mr. Huckaby, Mr. Spence, Mr. Gordon, Mr. Saxton, Mr. Stallings, Mr. Combest, Mr. Jones of Tennessee, Mr. Mrazek, Mr. Fawell, Miss Schneider, Mr. Petri, Mr. Roe, Mr. Bliley, Mr. Mica, Mr. Ireland, Mr. Smith of Florida, Mr. Buechner, Mr. Clinger, Mr. Wilson, Mr. Carr, Mr. Nelson of Florida, Mr. Leath of Texas, Mr. Henry, Mr. Roberts, Mr. Whittaker, Mr. Craig, Mr. Schuette, Mr. Boulter, and Mr. Torres.

H.R. 575: Mr. Roberts.

H.R. 578: Mr. Conyers.

H.R. 592: Mr. DeFazio, Mr. Lewis of Georgia, Mr. Mrazek, Mr. Scheuer, Mr. Stokes, Mr. Combest, Mr. Dornan of California, Mr. Roth, Mr. Badham, Mr. Dellums, Mr. Biaggi, Mr. Murphy, Mr. Henry, Mr. Perkins, Mr. Hefner, Mr. Ford of Michigan, and Mr. Ridge.

H.R. 594: Mr. Daub.

H.R. 606: Mr. Evans.

H.R. 618: Mr. Smith of Florida, Mr. Stokes, Mr. Sawyer, Mr. Akaka, and Mr. Mfume.

H.R. 671: Mr. Martinez, Mr. Gray of Illinois, Mr. Dellums, Mr. Weiss, Mr. Hochbrueckner, and Mr. Fazio.

H.R. 672: Ms. Kaptur, Mr. Gray of Illinois, Mr. Owens of New York, Mr. Dwyer of New Jersey, Mrs. Collins, Mr. Kastenmeier, Mr. Roe, Mr. Frank, Mr. Mfume, Mr. Crockett, and Mr. Solarz.

H.R. 673: Ms. Kaptur, Mr. Gray of Illinois, Mr. Owens of New York, Mr. Dwyer of New Jersey, Mrs. Collins, Mr. Kastenmeier, Mr. Roe, Mr. Frank, Mr. Mfume, Mr. Crockett, and Mr. Solarz.

H.R. 674: Ms. Kaptur, Mr. Gray of Illinois, Mr. Owens of New York, Mr. Dwyer of New Jersey, Mrs. Collins, Mr. Kastenmeier, Mr. Roe, Mr. Frank, Mr. Mfume, Mr. Crockett, Mr. Solarz, and Mr. Mrazek.

H.R. 675: Ms. Kaptur, Mr. Gray of Illinois, Mr. Owens of New York, Mr. Dwyer of New Jersey, Mrs. Collins, Mr. Kastenmeier, Mr. Roe, Mr. Frank, Mr. Mfume, Mr. Crockett, and Mr. Solarz.

H.R. 676: Ms. Kaptur, Mr. Gray of Illinois, Mr. Owens of New York, Mr. Dwyer of New Jersey, Mrs. Collins, Mr. Kastenmeier, Mr. Roe, Mr. Frank, Mr. Mfume, Mr. Crockett, and Mr. Solarz.

H.R. 677: Ms. Kaptur, Mr. Gray of Illinois, Mr. Owens of New York, Mr. Dwyer of New Jersey, Mrs. Collins, Mr. Kastenmeier, Mr. Roe, Mr. Frank, Mr. Mfume, Mr. Crockett, and Mr. Solarz.

H.R. 678: Mr. Walgren, Mr. Crockett, Mr. Dellums, Mr. Boehlert, Mrs. Collins, and Mr. Martinez.

H.R. 679: Mr. Martinez, Mrs. Collins, Mr. Dellums, Mr. Crockett, and Mr. Boehlert.

H.R. 680: Mr. Martinez, Mr. Gray of Illinois, Mr. Borski, Mr. Weiss, Mr. Dellums, Mr. Hochbrueckner, Mr. Fazio, Mr. Crockett, Mr. Walgren, Mrs. Collins, Mr. Boehlert, Mr. McKinney, Mr. Hughes, and Mr. Neal.

H.R. 792: Mr. Porter, Mr. Smith of New Jersey, Mr. Nielson of Utah, and Mr. Boehlert.

H.R. 898: Mr. Jontz.

H.R. 915: Mr. Martinez, Mr. Studds, Mr. Leland, and Mr. Anderson.

H.R. 925: Mr. Levine of California.

H.R. 936: Mr. Schaefer and Mr. Martinez.

H.R. 954: Mr. Owens of New York and Mr. Roe.

H.R. 955: Mr. Dornan of California, Mr. Swindall, Mr. Espy, Mr. Parris, Mr. Wortley, and Mr. Combest.

H.R. 967: Mr. Mineta, Mr. Fish, and Mr. Foglietta.

H.R. 1018: Mr. Mfume.

H.R. 1038: Mr. Ballenger.

H.R. 1048: Mr. Fawell, Mr. Lagomarsino, Mr. Dornan of California, Mr. Dannemeyer, Mr. Henry, Mr. Archer, and Mr. Porter.

H.R. 1063: Mr. DeLay, Mr. Combest, Mr. Armey, and Mr. Saxton.

H.R. 1070: Mr. Swift.

H.R. 1115: Mr. Horton, Mr. Scheuer, Mr. Bartlett, Mr. Hayes of Illinois, Mr. Price of Illinois, Mr. Sundquist, Mr. Chandler, Mr. Wortley, Mr. Shumway, Mr. Henry, Mr. Lagomarsino, and Mr. Leach of Iowa.

H.R. 1122: Mr. Akaka, Mr. Atkins, Mr. Bates, Mr. Berman, Mr. Boland, Mr. Bonior of Michigan, Mr. Bonker, Mrs. Collins, Mr. Coyne, Mr. Crockett, Mr. Davis of Michigan, Mr. Dellums, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Edwards of California, Mr. Espy, Mr. Fauntroy, Mr. Florio, Mr. Frank, Mr. Gray of Illinois, Mr. Hertel, Mr. Jacobs, Mr. Jenkins, Mr. Kanjorski, Mr. Kildee, Mr. Kolter, Mr. Levin of Michigan, Mr. Lowry of Washington, Mr. Mfume, Mr. Murtha, Mr. Oberstar, Mr. Owens of New York, Mr. Pease, Mr. Pepper, Mr. Perkins, Mr. Rahall, Mr. Richardson, Mr. Roe, Mr. Solarz, Mr. Stark, Mr. Stratton, Mr. Studds, Mr. Torres, Mr. Towns, Mr. Traxler, Mr. Weiss, and Mr. Ford of Tennessee.

H.R. 1181: Mr. Sunia, Mr. Borski, Mr. Feighan, Mr. Guarini, Mr. Espy, Mr. Kastenmeier, Mr. Solarz, Mr. Atkins, Mr. Bevill, Mr. Wyden, Mr. Lewis of Georgia, Mr. Berman, Mr. Sawyer, Mr. Crockett, Mr. Williams, and Mr. Weiss.

H.R. 1185: Mr. Olin, Mrs. Roukema, Mr. Ray, and Mr. Moody.

H.R. 1201: Mr. Jacobs.

H.R. 1202: Mr. Daub and Mr. Weber.

H.R. 1216: Mr. Wise, Mr. Vento, Mr. Martinez, Mr. Dorgan of North Dakota, Mr. Espy, Mr. Owens of New York, Mr. Mfume, Mr. Conte, Mrs. Boxer, Mr. Downey of New York, and Mr. Rangel.

H.R. 1233: Mr. Andrews.

H.R. 1240: Mr. Lagomarsino and Mr. Dornan of California.

H.R. 1241: Mr. Annunzio, Mr. Olin, Mr. Clinger, and Mr. Badham.

H.R. 1302: Mr. McCloskey, Mr. Fazio, Mr. Ackerman, Mr. Chapman, and Mr. Fauntroy.

H.R. 1330: Mr. Armey.

H.R. 1332: Mr. Smith of New Hampshire, Mr. Badham, Mr. Sensenbrenner, Mr. Herger, Mr. McGrath, Mr. Dornan of California, and Mr. Coleman of Missouri.

H.R. 1333: Mr. Badham, Mr. Sensenbrenner, and Mr. Daub.

H.R. 1334: Mr. Dornan of California, Mr. Smith of New Hampshire, Mr. Clinger, Mr. Hansen, Mr. Fields, Mr. Bateman, Mr. Badham, Mr. Barton of Texas, Mr. Kolbe, and Mr. Sensenbrenner.

H.R. 1335: Mr. Sensenbrenner and Mr. Daub.

H.R. 1337: Mr. Wilson, Mr. Skeen, Mrs. Bentley, and Mr. DioGuardi.

H.R. 1340: Mr. Morrison of Washington, Mr. Penny, Mr. Gunderson, and Mr. Staggers.

H.R. 1368: Mr. Davis of Illinois, Mr. Armey, Mr. Kasich, Mr. Bryant, Mr. Buechner, Mr. Courter, Mr. Nielson of Utah, and Mr. Gekas.

H.R. 1413: Mr. Oberstar, Mr. Gunderson, Mr. Combest, Mr. Beilenson, Mr. Quillen, Mr. Perkins, Mr. Martin of New York, Mr. Dyson, Mr. Lancaster, Mrs. Bentley, and Mr. Coelho.

H.R. 1425: Mr. Gray of Illinois and Mr. Fauntroy.

H.R. 1546: Mr. Mollohan, Mr. Lewis of California, Mr. Richardson, Mr. Crockett, Mr. Lehman of Florida, Mr. Fauntroy, and Mr. Morrison of Connecticut.

H.R. 1568: Mr. McHugh.

H.R. 1599: Mr. Clinger, Mr. Lagomarsino, and Mr. Lewis of Georgia.

H.R. 1604: Mr. Biaggi, Mrs. Saiki, and Mr. Clinger.

H.R. 1622: Mr. Rose.

H.R. 1638: Mr. Kolter.

H.R. 1731: Mr. Penny.

H.R. 1734: Mr. Mavroules, Mr. Moakley, Mr. Frank, and Mr. Owens of New York.

H.R. 1770: Mr. Dornan of California.

H.J. Res. 52: Mr. Kildee, Mr. Wheat, Mr. Hatcher, Mrs. Roukema, Mr. Feighan, Mr. Fields, Mr. Brown of Colorado, Mr. Hefley, Mr. AuCoin, Mr. Smith of New Hampshire, Mrs. Martin of Illinois, Mr. Buechner, Mr. Lewis of California, Mr. Smith of Iowa, Mr. Ritter, Mr. Gonzalez, and Mr. Spence.

H.J. Res. 67: Mr. Biaggi, Mr. Boner of Tennessee, Mrs. Boxer, Mr. Broomfield, Mr. Cardin, Mr. Carper, Mr. Carr, Mr. Conte, Mr. DioGuardi, Mr. Erdreich, Mr. Fascell, Mr. Fauntroy, Mr. Fazio, Mr. Fuster, Mr. Gordon, Mr. Green, Mr. Hochbrueckner, Ms. Kaptur, Mr. Kennedy, Mr. Lagomarsino, Mr. Lantos, Mr. Leland, Mr. Lent, Mr. Levin of Michigan, Mr. Lewis of Georgia, Mr. McDade, Mr. McHugh, Mr. Manton, Mr. Mazzoli, Mr. Molinari, Mr. Mrazek, Mr. Panetta, Mr. Porter, Mr. Richardson, Mr. Robinson, Mr. Roe, Mr. Scheuer, Mr. Schumer, Ms. Slaughter of New York, Mr. Smith of Florida, Mr. Solarz, Mr. Stark, Mr. Stratton, Mr. Sunia, Mr. Torricelli, Mr. Weber, Mr. Wolf, Mr. Wortley, and Mr. Yates.

H.J. Res. 111: Mr. Atkins, Mrs. Bentley, and Mr. Waxman.

H.J. Res. 116: Mr. Stump, Mr. Leach of Iowa, Mr. Traficant, Mr. Tauzin, Mr. Thomas of Georgia, Mr. Synar, Mr. Emerson, Mr. Sundquist, Mr. Fish, Mr. Derrick, Mr. Bunning, Mr. Gordon, Mr. Darden, Mr. Jones of Tennessee, Mr. Roemer, Mr. Yates, Mr. Cardin, and Mr. Bustamante.

H.J. Res. 121: Mr. Davis of Michigan, Mr. Fields, Mr. Carper, Mr. Bunning, Mr. Hefner, Mr. Bennett, Mr. Traxler, Mr. MacKay, Mr. Boner of Tennessee, Mr. Sweeney, Mr. Howard, Mr. Mavroules, Mr. Lagomarsino, Mr. Oberstar, Mr. McEwen, Mr. Dorgan of North Dakota, Mr. Akaka, Mr. Livingston, Mr. Horton, Mr. Kleczka, Mr. Bateman, Mr. Manton, Mr. Young of Alaska, Mr. Fazio, Mr. de la Garza, Mr. Vander Jagt, Mr. Levin of Michigan, Mr. Lancaster, Mr. Coelho, Mr. Roth, Mr. Lehman of Florida, Mr. Lipinski, Mr. Barnard, Mr. Martinez, Mr. Kanjorski, Mr. Miller of Washington, Mr. Carr, Mr. Brooks, Mr. Martin of New York, Mr. Volkmer, Mr. Tallon, Mr. Gray of Illinois, Mr. Fauntroy, Mr. McCloskey, Mr. Rahall, Mr. Miller of Ohio, Mr. Clinger, Mr. Daniel, Mr. Chappell, Mr. Fascell, Mr. Bevill, Mr. Garcia, Mr. Ireland, Mr. Anderson, Mr. Roe, Mr. Ortiz, Mr. Green, Mr. Richardson, Mr. Gunderson, Mr. Nowak, Mr. Inhofe, Mr. Weldon, Mr. Florio, Mr. Sunia, Mr. Daub, Mr. Schuette, Mr. Bonker, Mr. Murphy, Mr. Vento, Mr. Dornan of California, Mr. Wilson, Mr. Blaz, Mrs. Bentley, Mr. Sundquist, Mr. Lent, Mr. Savage, Mr. Pursell, Mr. Hutto, Mr. Towns, Mr. Murtha, Mr. Espy, Mr. DioGuardi, Mr. Bryant, Mr. Anthony, Mr. Lungren, Mr. Taylor, Mrs. Vucanovich, Mr. Dyson, Mr. Bosco, Mrs. Boxer, Mr. Hatcher, Mrs. Lloyd, Mr. Saxton, Mr. Shaw, Mr. Spratt, Mr. Thomas of Georgia, Mr. Hochbrueckner, Mr. Valentine, Mr. Gingrich, Mr. Hertel, Mr. Derrick, Mr. Bliley, Mr. Boland, Mr. Young of Florida, Mr. Staggers, Mr. Watkins, Mr. Fuster, Mr. Ritter, Mr. Stangeland, Mr. Kostmayer, Mr. Jeffords, Mr. Darden, Mr. Goodling, Mr. Neal, Mr. Boucher, Mr. St Germain, Mr. Quillen, Mr. Leland, Mr. Bonior of Michigan, Mr. Montgomery, Mr. Brown of Colorado, Mr. English, Mr. Dymally, Mr. Hayes of Illinois, Mr. Gregg, Mr. Owens of New York, Mr. Clay, Mr. Ford of Michigan, Mr. DeFazio, Mr. Bustamante, Mr. Applegate, Mr. Grandy, Mr. Whitten, Mr. Rodino, Mr. Natcher, Mr. Rose, Mr. Stump, Mr. Tauke, Mr. Flippo, Mr. Hoyer, Mr. Lewis of Florida, Mr. Rangel, Mr. Pepper, Mr. Leach of Iowa, Mr. Weber, Mr. Dickinson, Mr. Smith of Iowa, Mr. Smith of Florida, Mr. Conte, Mr. Foley, Mr. Wyden, Mr. Synar, Mr. Jenkins, Mr. Fish, Mr. Gallo, Mr. Ravenel, Mr. Sabo, Mr. AuCoin, Mr. Yatron, Mr. Perkins, Mr. Whittaker, Mr. Feighan, Mr. Dingell, Mr. Emerson, Mr. McDade, Mrs. Patterson, Mr. Harris, Mr. Walgren, Mr. Guarini, Mr. Spence, Mr. Brennan, Mr. Hayes of Louisiana, Mr. Atkins, Mr. Berman, Mr. Biaggi, Mr. Dicks, Mr. Dowdy of Mississippi, Mr. Lewis of California, Mr. Foglietta, Mr. Frenzel, Mr. Kasich, Mr. Kolter, Mr. Lewis of Georgia, Mr. McCollum, Mr. Roberts, Mr. Rowland of Connecticut, Mr. Russo, Mr. Studds, Mr. Torricelli, Mr. Petri, Mr. Borski, Mr. Jones of Tennessee, Mrs. Boggs, Mr. Robert F. Smith, Mr. Huckaby, Mr. Hughes, Mr. Campbell, and Mr. Nichols.

H.J. Res. 152: Mr. Nagle, Mr. Nielson of Utah, and Mr. Biaggi.

H.J. Res. 155: Mr. Fish, Mr. Jontz, Mr. Edwards of Oklahoma, Mr. Coble, Mr. Schaefer, Mr. Anthony, Mr. Gallo, Mrs. Bentley, Mr. Borski, and Mr. Flippo.

H.J. Res. 171: Mrs. Johnson of Connecticut, Mr. McCollum, Mr. Lancaster, and Mr. Jones of North Carolina.

H.J. Res. 178: Mr. Frost, Mrs. Collins, Mr. Shaw, Mr. Anderson, and Mr. Bustamante.

H.J. Res. 197: Mr. Bennett, Mr. Huckaby, Mr. Lagomarsino, Mr. Hiler, Mr. Lewis of California, Mr. Wilson, Mr. Daniel, Mr. Fawell, Mr. Derrick, Mr. Davis of Illinois, Mr. Wolf, and Mr. Brown of Colorado.

H.J. Res. 198: Mr. Hiler, Mr. Wortley, and Mr. McGrath.

H. Con. Res. 35: Mr. Crockett.

H. Con. Res. 50: Mr. Evans, Mr. Bruce, Mr. Oxley, Mr. Madigan, Mr. Bustamante, Mr. Kolbe, Mr. Bliley, and Mr. Carr.

H. Con. Res. 62: Mr. Hefner.

H. Con. Res. 63: Mr. Howard and Mr. Leach of Iowa.

H. Con. Res. 68: Mr. Akaka, Mr. Bateman, Mr. Berman, Mr. Blaz, Mr. Bliley, Mr. Boulter, Mr. Burton of Indiana, Mr. Bustamante, Mr. Courter, Mr. Dannemeyer, Mr. DeWine, Mr. Dornan of California, Mr. Erdreich, Mr. Fawell, Mr. Fields, Mr. Florio, Mr. Gallo, Mr. Gilman, Mr. Gray of Illinois, Mr. Green, Mr. Hall of Ohio, Mr. Horton, Mr. Hoyer, Mr. Lagomarsino, Mr. Levin of Michigan, Mr. Lewis of Florida, Mr. Lipinski, Mr. Mavroules, Mr. Miller of Washington, Mr. Moorhead, Mr. Mrazek, Ms. Oakar, Mr. Owens of New York, Mr. Porter, Mr. Ritter, Mr. Saxton, Mr. Shaw, Mr. Sikorski, Mr. Solarz, Mr. Swindall, Mr. Torricelli, Mr. Traficant, Mr. Wilson, Mr. Wolf, and Mr. Wortley.

H. Res. 68: Mr. AuCoin and Mr. Price of Illinois.

H. Res. 71: Mr. Neal, Mr. Dellums, Ms. Oakar, and Mr. Foglietta.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 200: Mr. Stangeland.

SENATE—*Wednesday, March 25, 1987*

(Legislative day of Tuesday, March 24, 1987)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. KERRY].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, Your word declares that * * * *there is no power but of God, the powers that be are ordained of God.*—Romans 13:1.

In this place of power, grant to Your servants the grace to distinguish between controlling their power and being controlled by it. The words of a 19th-century theologian (P.T. Forsyth) remind us: "As we become civilized, we grow in power over everything but ourselves. We grow in everything but power to control our power over everything."

Kind and patient Heavenly Father, help us to see that the safest place for the powerful is to be in submission to the God of all power. In His name in whom resides all power in heaven and on Earth. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 25, 1987.

To the Senate:

Under the provisions of Rule I, Section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable John F. Kerry, a Senator from the State of Massachusetts, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. KERRY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I have a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. Will the majority leader state the parliamentary inquiry?

Mr. BYRD. Is not the control of the 1 hour under the cloture rule lodged exclusively in the hands of Mr. HOLLINGS?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. BYRD. I thank the Chair.

And then, does the Senate, at the conclusion of the 1 hour, recess until 11:30 a.m. today?

The ACTING PRESIDENT pro tempore. The leader is again correct.

Mr. BYRD. I thank the Chair.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina is recognized.

POLICY FOR REVIEWING THE NEGOTIATION RECORD OF THE ABM TREATY

Mr. HOLLINGS. Mr. President, I thank the majority leader for his courtesy in granting me this time to review the history and facts pertaining to the ABM Treaty—and to discuss recent allegations made in the Senate about the Reagan administration's interpretation of the treaty.

Mr. President, by way of introduction, permit me to review my longstanding interest in space-based defense and the ABM Treaty.

When President Carter was dragging his feet on developing a space-based defense, I joined with Senator WALLOP of Wyoming to increase research funding for a ballistic missile defense capability—BMD for short, the forerunner of SDI. As a member of the Appropriations Committee—6 years on the Military Construction Subcommittee and 10 years on the Defense Subcommittee—I have been involved continuously with space-based defense. I was chairman of the Defense Task Force of the Senate Budget Committee in the mid-1970's.

Senator WALLOP and I have been the Senate chairmen of the Coalition for SDI since 1985. Over the years, I have participated as a member of the Office of Technology Assessment in its space studies and reports. Moreover, I presently serve as chairman of the Appropriations Subcommittee that controls the budget for the Arms Control and Disarmament Agency, and also as chairman of the authorizing committee for NASA, which plays a very critical role in the SDI Program.

Accordingly, I take a very keen interest in any kind of budgetary or legislative constraints on research, testing, and development related to space.

Mr. President, in recent days, this body has been presented with a so-called narrow interpretation of the ABM Treaty that is the result, quite frankly, of a fundamental disregard of the clear and most reasonable reading of the treaty's language.

The treaty and its negotiation record both speak with one voice in substantiating the view of President Reagan that research and testing of the strategic defense initiative—along with its potential deployment by the mid-1990's—are clearly in accord with the terms of the treaty ratified by the Senate on August 3, 1972.

The treaty's ratification process was far from definitive on today's dispute over a "broad" as opposed to a "narrow" interpretation. And I would point out that the entire floor debate on the ABM Treaty was so brief and cursory that it occupies only 10 more pages in the CONGRESSIONAL RECORD than the recent exegesis by Senator NUNN. "Broad" versus "narrow" was not in the vocabulary of Senators in 1972. Only now has the Senate or any administration seen fit to explore the exact meaning of the treaty. Only now has that issue become truly relevant. Only now has the option to test and develop mobile exotics become technologically feasible.

Moreover, I have concluded that the new, narrow interpretation can be arrived at only by ignoring the negotiation record and the treaty itself.

The treaty our ABM negotiators sought and the treaty they wound up with are two different things. They were instructed to reach a ban on future exotic ABM systems. They did not. To this day, they apparently hope that by saying a prohibition on future ABM systems was obtained—and by repeating this often enough—they will make it so. In fact, nothing in the negotiation record, the Nixon administration's statements at that time, or internal documents explicitly confirms Soviet acceptance of such a prohibition—and, thus, a restrictive interpretation.

● **This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.**

Certainly, it is right and proper for all Members to assess the relevant documents in reaching conclusions on this matter. I would urge my colleagues to review the treaty and the classified material available in room S-407 in the Capitol.

And later today, I will introduce, at the conclusion of my remarks, a resolution expressing the sense of the Senate that the President declassify the negotiation record pertaining to the ABM Treaty.

However, it is neither right nor proper for Members to impugn the integrity of those in the administration who have spent countless hours preparing a thoughtful and balanced marshaling of facts that credibly support President Reagan's interpretation of the treaty.

Let us be absolutely clear on this point: I am not arguing for deployment of SDI now. General Abrahamson has just testified before the Senate that it will be, at best, 5 years before research and testing have progressed sufficiently to permit deployment. The current administration will be long gone before any final decision is made on deployment. And, I repeat, this Senator has no intention of voting for deployment until we have had successful testing and development.

Nonetheless, I believe that those who argue for a narrow interpretation are being misleading and disingenuous in presenting their views. It is obvious to me that the purpose of those opposing the President in this matter is not limited to propounding a new, so-called restrictive interpretation of the treaty. Their larger objective—certainly the larger effect of their actions—is to kill the SDI Program outright. They hope that if the President senses trouble for SDI in the Senate, he may compromise his position on testing in exchange for greater budget support. They know that if he is forced to amend the treaty, such action would be stonewalled by the Soviets and, thus, the President's plans will be stymied. If they can stop testing, they can delay or stop research, drive up program costs to prohibitive levels, and in the process destroy SDI.

Indeed, the opposition well understands the effect of delays in testing and development. If we are only permitted to test and develop under a narrow interpretation, then the contracts today for testing and development would have to be scaled back. Then, as add ons to the contracts are made 5 years into the future, we would be faced with prohibitive costs and delays.

I would cite our experience with the manned space station. Originally, it was estimated to cost $8 billion; that was just 2 years ago. Today, that cost estimate approaches $21 billion.

So what would appear to be innocent delays under a narrow view of the ABM Treaty are really very treacherous. The opposition knows what it is doing, and that is why they roll out the heavy artillery by conjuring a "constitutional crisis." If a constitutional crisis were to result from every erroneous or misleading misrepresentation by the executive to the legislative branch, then we would be in perpetual crisis and chaos.

Senator Jackson felt that SALT I was misrepresented by the administration; hence, the Jackson amendment. But there was no cry of constitutional crisis. A majority of Senators felt that SALT II was misrepresented by the administration; hence, it was never ratified. But no cry of constitutional crisis. We negotiated a treaty with the People's Republic of China and threw the treaty with Taiwan out of the window. But no cry of constitutional crisis. And today, the President represents to the Congress that his budget meets the deficit level required by law; in fact, it is $27 billion off. But no cry of constitutional crisis.

Mr. President, the language of arms treaties is notoriously slippery and technical and not amenable to commonsense understanding. Arms negotiators are artists, not scientists, and no one experienced in this field would think of characterizing disagreements in interpretation as constitutional crises.

Before presenting specific points from the treaty, the negotiation record and the ratification process—and also before correcting some of the misconceptions that have been presented on the Senate floor—permit me to make some general observations.

In determining the intent and meaning of a treaty, just as in a football game, you have to carry the ball over the goal line to score. In the case of the ABM Treaty, you must carry the treaty over the goal line to score its true meaning. Yet it is here that the Senator from Georgia fumbles. In his detailed and argumentative presentation, Senator NUNN drops the ball on the 50 yard line and instead carries his helmet across the goal line. That is, he fumbles the treaty and scores with the ratification record while everybody explains the play in his own way. Indeed, Senators' statements and explanations for voting are in many instances little more than cheers for or against a proposition.

Like parole evidence in contracts, they are useful only to clarify an ambiguity. Certainly they cannot be employed to create an ambiguity. Yet, this is pecisely Senator NUNN's pitfall. He skirts the treaty and negotiation record—he skirts the essential question, whether the Soviets agree to be bound and he resorts to the sparse ratification record to justify his invocation of a "constitutional crisis."

Rather than join with those intent on killing SDI, let us all stop, look and listen. The President has merely asked his counsel to clarify his options under the ABM Treaty. You would think that State Department Legal Adviser Abraham Sofaer's scholarly analysis of the treaty and negotiations record was some insidious conspiracy to produce a treaty other than the one ratified on August 3, 1972. To label Judge Sofaer's work "legal gymnastics" and to raise the specter of a "constitutional crisis," is a shocking departure on the part of the competent Senator from Georgia. But a calm reading of his presentation makes clear that Senator NUNN's rationale is fundamentally flawed.

The flaw is his misrepresenting the content of articles II and V, the true record of which is clearly spelled out in Judge Sofaer's analysis. Furthermore Senator NUNN appears to find the one section that actually deals with systems based on other physical principles, and took months and many meetings to negotiate; namely, agreed statement (D), to be redundant. Absurd. Agreed statement (D) has already been agreed to; it cannot be cast aside and disregarded by renegotiation. It is the one section that took months and months and meeting after meeting to negotiate. It is the center of the dispute. A study of the negotiation record shows clearly that this is the section of the treaty that deals with SDI. We fought hard to get it and it was all the Soviets were willing to give up on the issue of regulating unknown devices.

You do not need a ratification record to understand that the formulation of agreed statement (D) categorically allowed research and testing of an SDI, and the right to deploy is at worst subject to discussion in accordance with article XIII and agreement in accordance with article XIV of the treaty. It can be reasonably contended, in fact, that article XIV does not require agreement and therefore there is a right to deploy. But this question is moot at this point because it will be 5 years before deployment could occur.

What is important at this point is research, development, and testing of SDI. This is unequivocally permitted, and there is not any narrow or broad interpretation involved. The content of the treaty and the negotiation record leave no ambiguity to be clarified by the ratification record. Let us review a few salient points.

Mr. President, far too much importance and credence is given to the ratification record of the ABM Treaty on August 3, 1972. I was there. Virtually no one was on the floor, and while 8 hours were set aside during the day, 1 hour was yielded back because there was little debate. No mention was made of a broad interpretation or a narrow interpretation. Our attention insofar as the ABM Treaty was concerned was that we felt good that we finally had a treaty.

Three years previously, a long debate did ensue on the floor of the Senate over several days and weeks to the effect that if we went forward with an ABM system, the Soviets would walk away from the table and never agree to an ABM Treaty. I and others contended that this was precisely the way to get them to the table. We prevailed by one vote. By the month of August at the time of ratification of the ABM Treaty, we spent only an afternoon with cursory statements on the ABM Treaty because SALT I held our overwhelming attention. Heavy missiles held our attention and future research held our attention. Soviet MIRV's held our attention and the Minuteman III and B-1 held our attention. But concerning the ABM Treaty ratification, to describe a scenario whereby the Senate was misled by the executive branch is absurd. We were not misled because we were not led.

In addition, it is unnecessarily hyperbolic to allege that a "constitutional crisis" has been incited by the President's action. The Senate ratified the treaty in its role under the Constitution, and the President is abiding by the treaty and the interpretation expounded when the treaty was ratified. What we are witnessing is a concerted effort to intimidate the administration into backing off on SDI.

The President's interpretation has erroneously been labeled a "new" and "broad" interpretation when, in fact, it is the proper and reasonable interpretation of the treaty. The opponents of the President—attempting to seize the high ground—describe their position as the "traditional" or "restrictive" view. The "facts" supporting such a position cannot be verified. They make profound statements on constitutional integrity and the rule of law and then ignore or reinterpret international and domestic law concerning the interpretation of treaties and the role of the Senate.

Senator NUNN bases his conclusions supporting the restrictive interpretation of the ABM Treaty almost exclusively of the Senate ratification proceedings. Such proceedings have the least probative utility for judging a treaty's meaning when the Senate fails to make such interpretation a part of its resolution of ratification, and especially when the treaty's wording is susceptible to objective interpretation, and the negotiation record is clear. Rather than focusing on the ratification proceedings, he should have weighed the evidence of the treaty text and the negotiation record in the first instance. Had that evidence offered up a convincing meaning, as it does, the ratification proceedings need only be referred to for consistency or deviation from the understanding of the parties. (*Air France* v. *Saks,* 470 U.S. at 400 (1985).) Even then, that record could not provide a basis for binding the Soviets to an understanding of which they were not formally informed.

Mr. President, I met in Helsinki in 1971 with our ABM and SALT I negotiators. I am 1 of 19 Members of this body who voted for ratification of the ABM Treaty. The vote was 88 to 2 for ratification. Roughly 1 month later, on September 14, 1972, I was one of two Senators voting against the SALT I Treaty because it sanctioned the arms race, it institutionalized inequalities and inferiorities in critical areas that we have never been able to overcome. Indeed, the acronym SALT, in my view, stands for Stop America's Lead in Technology. The ABM Treaty, however, created an equality in numbers, it allowed the research and development of new ABM technologies, and I supported it on that basis.

The treaty contains no ambiguity whatsoever on the point of future ABM technologies. It clearly permits them. The ambiguity has been manufactured by the President's critics to obscure the issue and lend credibility to a flawed thesis. Moving beyond their unquestioning allegiance to the flawed SALT II Treaty, the President's opponents on ABM technology would force him to comply unilaterally with a new interpretation of the ABM Treaty not substantiated by any record. Indeed, it is a treaty that the Soviets brazenly violate. Further, the actions of these critics would require the Soviet's blessings for the United States to proceed. In effect, they would grant the Soviets power to decide our rights and obligations—to dictate our defense programs and policies.

I repeat, at the time of the ABM Treaty ratification, no attention was given to a narrow or a broad interpretation. The treaty was represented as being balanced and verifiable—it sought only to control those things that could be controlled. At the time of the ratification of the treaty, the discussion and debate for all practicable purposes was carried on off the floor and focused almost exclusively on SALT I. We were talking about future technologies and strategies. In connection with SALT I, the Jackson amendment of August 7, provided:

> . . . the Congress considers that the success of these agreements and the attainment of more permanent and comprehensive agreements are dependent upon the maintenance of a vigorous research and development and modernization program leading to a prudent strategic posture.

As I saw it, Mr. President, that was the key point to the Jackson amendment.

Senator NUNN addressed the Senate on 3 consecutive days. It was a clever presentation. On the first day, he spent most of his time parsing the ratification record in order to justify his views that the administration's position is a "reinterpretation" of what he calls the "traditional" interpretation.

But Senator NUNN's legal analysis is backward; no one can seriously contend that the negotiation process in an arms control treaty is of lesser probative value than the ratification process. The second day Senator NUNN made a brief presentation of the actions of the parties subsequent to the treaty and, almost as an afterthought, the third day he touched on the negotiation record, again quoting sources that have little probative value—his classified study of that record is still not available. I must state categorically to my colleagues that in an arms control treaty, the negotiation process cannot be disregarded and often governs the result. You cannot get the true meaning or understanding the content of any of our arms control treaties without a reference to the negotiation process. The Soviets accept this, and have frequently done so. Particularly is this true of the ABM Treaty.

There are two important sections to the ABM Treaty—one dealing with present systems and the other with future systems. Article II that defines ABM systems deals with the present. Our negotiators tried their utmost to have this section also govern systems, but their numerous attempts over months of negotiations were completely thwarted. And so we were left in article II with current components of ABM systems—that is, those existing in 1972—as distinguished from the limitations on future devices contained in agreed statement (D). When you understand this, you understand that the prohibition on mobile/space-based systems in article V refers to variants or improvements of the then existing land-based components in article II as distinguished from future devices based on other physical principles in agreed statement (D). Senator NUNN conveniently ignores this and intentionally distorts it. He says the restrictive language of article II is merely illustrative and future systems are included in this definition. This is incorrect. Agreed statement (D) and the language on future devices took months to reach, and it is an agreement and not an understanding.

There is no way to reconcile agreed statement (D) with article II if article II covers future systems. Senator NUNN realizes this and suggests that we refer agreed statement (D) to the consultative commission to obtain agreement. Here we have an agreement, yet in order to justify his exercise we are asked to have it once again agreed upon. Once you understand these two points, you begin to realize how misleading the Nunn presentation is. The Senator misreports disputed sections of the treaty and repeatedly cites the ratification record. Yet it is clear from all authority that the ratification process and record are far from binding.

There is no reason for this confusion. The treaty, together with the negotiation record, is categorical. It is in no way ambiguous. It is clear what was intended and neither the Soviet Union nor the United States can be bound by subsequent administration or Senate statements. The experts cited by Senator NUNN as supporting the narrow interpretation all spoke differently or noted differently at the time of the negotiations. Ambassador Paul Nitze, who was present throughout the negotiations, has verified the administration's view of a so-called broad interpretation. Henry Kissinger, former Secretary of State and National Security Advisor at the time the treaty was negotiated, has also affirmed that the broad interpretation and not the narrow one conforms to the treaty.

Judge Sofaer has asked as the administration's counsel to give the options under the ABM Treaty. He has done so with a credible and scholarly analysis of the treaty and the negotiation record itself. He is now completing a comprehensive report on all facts relevant to the treaty. His report is due April 30.

Mr. President, the arms control agreement of the 1970's put a hold on American technology, allowing an inferior Soviet capability time to catch up and match us. The advocates of these policies preached that the key to world peace and stability lay in bristling, overwhelming nuclear arsenals that promised the certainty of mutually assured destruction if they were ever unleashed.

To the dismay of proponents of this mad doctrine, the President's SDI Program brought with it not only the potential to truly protect and defend our Nation, but to render nuclear arms obsolete. Confounded by this breakthrough, the President's opponents have scrambled to revise the history of the ABM Treaty.

A major reason why we can hear conflicting points of view about the treaty is the fact that the negotiation record and analysis of the treaty are classified. Accordingly, I urge the President to declassify this information and open the record to the public.

As I said, at the conclusion of my remarks, I shall introduce a sense-of-the-Senate resolution to that effect.

Currently, the President's opponents are using the cloak of classification to their advantage. Yet the record, if opened to the light of day, demonstrably supports the President's view.

THE TREATY AND THE NEGOTIATION RECORD

The ABM Treaty allows futuristic, exotic ABM technology that is space-based, period. It is not ambiguous on this fact, notwithstanding any statement to the contrary made on the Senate floor. There are three parts of the treaty relevant to a discussion on future ABM technologies and deployment. They are articles II and V of the treaty and agreed statement (D) to the treaty. Let us now look at the letter of these three articles. The emphases are my own.

ARTICLE II

> 1. For the purpose of this Treaty an ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory, *currently consisting of:*

This particular language was debated and discussed at great length during the negotiations on the treaty. Finally it was agreed upon with the emphasis on "currently consisting of." Thereafter, under section 2 of the article, the components that constituted an ABM system in 1972 were listed as, operational; under construction; undergoing testing; undergoing overhaul, repair, or conversion; or mothballed.

Every one of those were present systems, none future. The word "currently" was used in article I, section 1, and by way of emphasis, elaboration and words of restriction were included under article II—they had to be either operational or under construction, undergoing testing, undergoing overhaul, repair, or conversion, or mothballed. But they had to be those systems existing in 1972. That must be emphasized. The distinguished Senator from Georgia comes forth and says that precludes future systems. The words of the article confuse my colleague.

> (a) ABM interceptor missiles, which are interceptor missiles constructed and deployed for an ABM role, or of a type tested in an ABM mode;
>
> (b) ABM launchers, which are launchers constructed and deployed for launching ABM interceptor missiles; and
>
> (c) ABM radars, which are radars constructed and deployed for an ABM role, or of a type tested in an ABM mode.
>
> 2. This ABM system components listed in paragraph 1 of this Article include those which are:
>
> (a) operational;
>
> (b) under construction;
>
> (c) undergoing testing;
>
> (d) undergoing overhaul, repair or conversion; or
>
> (e) mothballed.

In 1972, U.S. technology in the ABM area was of a land-based nature. The language in article II of the treaty categorically limits ABM systems to those extant in 1972.

The negotiation record clearly shows that U.S. negotiators sought for months to make the definition in article II include not only those systems existing in 1972 but all futuristic ABM systems and components. We proposed language that would have achieved this result unambiguously, but the Soviets flatly refused to accept any limitation or prohibition on unknown devices.

You can see that time and time again in the negotiations record over the months and months of negotiations. In fact in exchange for the Soviet acceptance of the words "currently consisting of" in article II, the United States side conceded that future systems would be covered elsewhere than in article II.

That is fundamental to the reading of the ABM Treaty, Mr. President, not what Senators say on the floor.

The opponents of the President ignore the record and, instead, state that the article II definition is generic and the components listed therein are strictly illustrative.

They affirmatively state that the categorical confinement of ABM systems to the present also includes the future. This gives them an opportunity thereafter to distort the future systems, or those "based on other physical principles" in article (D) of the agreed statements. I refer to a statement by Senator NUNN on page S2975 of the March 11, 1987 CONGRESSIONAL RECORD.

Mr. President, I find this explanation somewhat amusing. The Senate supposedly ratified a treaty that was "illustrative" of what was intended. By this same logic, I suppose the numerical limitations in the SALT II Treaty can be called illustrative.

For example, the 820 limit for total MIRV'd ICBM launchers is an illustration and not binding. You could have 775 or 850, just be in the range, because it is illustrative. I believe Members of the Senate voted on the ABM Treaty based on its wording and not on the basis that it was only illustrative of what the treaty was intended to do.

There are two problems with Senator NUNN's statement regarding article II. First, he omits a portion of the article, clause II(2), which clearly ties ABM systems to the technology of 1972. The interesting aspect of this omission is that my colleague is guilty of the charge which the critics abundantly impute to the administration—namely, showing only part of the record in an attempt to strengthen one's case.

The second problem concerns the assertion that President Reagan's interpretation finds article II ambiguous. To the contrary, President Reagan's interpretation sees no ambiguity in article II. It states that ABM systems defined in article II consist of those existing in 1972. That is what the Soviet insisted on and got us to agree to. Case closed.

One final point on article II. Senator NUNN ignores the attempt made by the United States to include future systems in article II. The negotiation record indicates that repeated attempts were made to include "exotic" or "future" ABM technologies. The fact that every attempt failed proves that the language of article II is a categorical confinement to then-extant components. If this was not the case, then it should have been an easy matter to refer to "exotic" or "future ABM technologies" in article II.

ARTICLE V

1. Each Party undertakes not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based.

2. Each Party undertakes not to develop, test, or deploy ABM launchers for launching more than one ABM interceptor missile at a time from each launcher, not to modify deployed launchers to provide them with such a capability, not to develop, test, or deploy automatic or semi-automatic or other similar systems for rapid reload of ABM launchers.

Article V goes into the "space-based systems and components." In section I, each party promises not to develop, test, or deploy ABM systems which are sea-based, air-based, space-based, or mobile land-based. At a cursory reading, when you see the phrase "space-based," and you read that without any reference whatsoever to article II, or including its limitations to present systems—article II, section 2—agreed statement (D), you may conclude there is a limit on "space-based" systems. But it is "space-based" systems or components which are variants or improvements to ABM systems defined by article II.

Article V categorically does not prohibit the development, testing, and deployment of future, exotic, mobile/space-based ABM systems or components based on other physical principles.

Both the negotiation record and the ratification process confirm that the limitations on futuristic—exotic—ABM technologies were not included in article V. In a manner similar to the question of future "exotics" raised during negotiations of article II the U.S. negotiating team tried for several months to tie this technology to the prohibition of mobile/space-based systems referred to in article V.

The Soviets resisted repeatedly, citing their refusal to include prohibition on unknown devices. In turn, this refusal led to the formulation of agreed statement (D) and the conclusion that limits on future ABM technology would be contained in this additional clause.

The prohibition contained in article V on ABM systems or components which are sea-based, air-based, space-based, or mobile-based relate to the then-extant ABM systems defined in article II.

In the interpretation advanced by the components of President Reagan, since article II and its broad "illustrative" definition includes all futuristic "exotic" ABM systems, article V therefore bans the development, testing, or deployment of all mobile/space-based versions of ABM systems including "exotics."

However, this view contradicts the meaning of article II and the record on it. Because article II defines ABM systems as limited to the ground-based technology of 1972, article V can only be referring to mobile/space-based versions of those systems. This becomes quite clear and consistent when articles II, V, and agreed statement (D) are reviewed in concert. And thereupon you understand why our distinguished colleague from Georgia says, "Oh, by the way, on agreed statement (D), let's refer it to the standing consultative commission." To do what? To renegotiate it. That is how he tries to ignore finesse agreed statement (D). It cannot be ignored; it cannot be finessed. It is fundamental to the future of SDI. It is fundamental to the ABM treaty itself. And therein is my dismay, that such a component individual would engage in this particular exercise obviously when he knows agreed statement (D) is there but would still ignore its clear meaning and renegotiate it.

AGREED STATEMENT (D)

In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the Treaty, the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such systems and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

Agreed statement (D) is the only section of the treaty dealing with futuristic ABM technology or exotics. This statement is part of the treaty for one reason and one reason only. United States negotiators failed to gain Soviet acceptance of a prohibition of future ABM systems in articles II and V. It was this failure that created the need for and resulted in agreed statement (D). The classified record, Mr. President is clear on this particular fact.

Senator NUNN, speaking for the President's opponents, offers a highly imaginative interpretation of agreed statement (D). He raises two points in support of his restrictive interpretation: One, that the term "based on other physical principles" refers solely to fixed, land-based exotics—which it cannot—and two, if no agreement is reached on amendments to the treaty, deployment of exotics remains prohibited.

There are several flaws in these arguments. If agreed statement (D) refers only to fixed, land-based exotics, why doesn't it explicitly state "fixed, land-based systems" rather than "ABM systems based on other physical principles"?

Further, why was this entire separate statement added to the treaty when qualifying words could have been added to both articles II and V of the treaty to handle the fixed, land-based contingency, which, Mr. President, let me emphasize was attempted time and time again by the U.S. negotiators. Time and time again the U.S. negotiators attempted to do that, but they did not succeed. They failed.

There is no possible way to interpret agreed statement (D) as referring only to fixed, land-based exotics, and the negotiation record confirms this.

If articles II and V of the treaty prohibited futuristic "exotic" ABM technology, then agreed statement (D) would be superfluous. It only makes sense to have agreed statement (D) if articles II and V don't ban futuristic systems. Then a comprehensive reading of articles II and V and agreed statement (D) clarifies the definition and limitations for those ABM systems existing in 1972—articles II and V—and future ABM systems based on other physical principles—the language of agreed statement (D). The classified record and ratification statements also clarify this distinction.

The President's opponents are correct when they assert that there is an ambiguity under his "correct" interpretation of agreed statement (D). The ambiguity concerns whether deployment of ABM systems based on other physical principles can occur if agreement if not reached on limitations under article XIV. Agreed statement (D) is imprecise on this issue, and it is my view that you can deploy whether or not agreement is reached.

LEGAL INTERPRETATION

The analysis presented to the Senate against the President's "correct" interpretation also dealt with aspects of international law relative to treaties when the words of the treaties are imprecise. This is nonsense, Mr. President, in the face of the treaty and the negotiation record.

This analysis attempts to bend the principles of treaty construction to divert attention from their ordinary application. Having directed us to the usual authorities—the Vienna Convention on the Law of Treaties; Lord McNair's profound treaties, the Law of Treaties; McDougal and Laswell's Interpretation of Agreements; and the Restatement, Foreign Relations Law—the analysis proceeds to ignore the lessons of all. Where each of these authorities sets forth what is, in essence, a step-by-step process for determining the meaning of a treaty, in which the successive steps are only necessitated by the failure of the previous ones to enunciate the meaning, the analysis ascribes each step equal weight.

For instance, Lord McNair does not arrive at his 2½-page discussion of the "aim and purpose of the treaty" until he first has spent 15 pages discussing the preliminary—and possibly determinative—step of looking to the "plain terms" of a treaty for its meaning. McNair quotes Vattel for the splendid limiting principle, "La premiere ce qui n'a pas besoin d'interpreter." The translation is, "It is not permitted to interpret that which has no need of interpretation." By contrast, the analysis presented on the Senate floor leapfrogs McNair's first principle—that is, to give "effect to the expressed intention of the parties, that is, their intention as expressed in the words used by them in the light of the surrounding circumstances to demand that equal weight be given to "subsequent practices."

The deceptiveness of this approach is made manifest when the case of *Nielsen* v. *Johnson,* 279 U.S. 47 (1928), is quoted for a proposition for which it does not stand. The analysis quotes Nielsen for the proposition that when a treaty's meaning is unclear, one may look to the negotiating record to interpret it. In fact, Nielsen stands for the proposition that "when a treaty provision fairly admits of two constructions, one restricting, the other enlarging rights which may be claimed under it, the more liberal interpretation is to be preferred." There is the broad interpretation Mr. President. Quite obviously, this case actually supports the proponents of the broad interpretation of the ABM Treaty.

A further citation is made for a recent case, *Air France* v. *Saks,* 470 U.S. 392 (1985), for the same proposition; that is, that one should look beyond the plain words of a treaty. But the Supreme Court in Saks takes quite the opposite approach, stating, "The analysis must begin, however, with the text of the treaty and the context in which the written words were used." That is in 470 U.S. at page 397. The Court goes on to refer to the negotiating history and the conduct of the parties only to confirm that its interpretation is consistent with these seminal records. That is in 470 U.S. at page 400.

In sum, treaty interpretation requires rational reliance upon the treaty text and the context in which the written words were used. Common sense tells us to look to the plain meaning of the words in the context of the treaty as a whole. First, we do not interpret that which requires no interpretation. Second, if there is some ambiguity, and if the ambiguity involves restricting or enlarging interpretations, "the more liberal interpretation is to be preferred. That is how all lawyers read all contracts, Mr. President.

Third, having looked to the context as expressed in the words used by the parties to the treaty in light of surrounding circumstances, we may turn to the negotiating record to see if the words were given special meaning. Finally, if all previous steps fail to clarify the treaty's meaning, we may resort to the ratification process and the subsequent practices of the parties.

THE RATIFICATION PROCESS

The Senate ratification proceedings cannot be used to prove the circumstances surrounding the parties' understanding of the "context in which the written words were used." They can only give tentative indications of one party's unilateral intentions, the least element of a last resort consideration. The President's critics attribute—erroneously—the far greatest weight to this element.

In no case can one sovereign nation be bound by the unilateral statements of another. There is no reason for the Soviets to accept these unilateral interpretations as an "instrument which was made by one or more parties in connection with the conclusion of the treaty and accepted by the other parties as an instrument related to the treaty." This is found in Vienna Convention on the Law of Treaties, article 31. Even if a unilateral statement to the Senate were clear, it could not be considered an "instrument related to the treaty," and in any case it was not "accepted by the parties."

A claim is made by the President's critics—page 5310, CONGRESSIONAL RECORD, March 11, 1987—that a Soviet citizen was present during Senate hearings on the treaty. Can you imagine going to this extreme? An outstanding presentation, they said, very seriously delivered, and this is how serious they got: A Soviet citizen was present during Senate hearings on the treaty. Further, they contend that his failure to speak binds the Soviets to the views being discussed—erroneously cast by Senator NUNN as "restrictive" views. It is the ultimate naivete to claim that Moscow was bound by its silence to something heard by some Soviet official in an internal United States forum. Taking this point one step further, why would a Soviet official object to a unilateral decision by the United States to abide by a provision not required by a treaty? Obviously, it is to the Soviet's advantage and to our detriment. Mr. President, let me emphasize this question: Why would the Soviets object? If we want to make fools of ourselves, so be it. Just be sure the Soviet citizen does not clap. I do not expect the Soviet to get up and object, but I would worry about him applauding. I think we should watch that very carefully in these hearings in the U. S. Senate.

There is no doubt that the U.S. negotiators sought a ban on future technologies. Similarly, there is no doubt that the intent of Soviet negotiators was to avoid such a prohibition. The Soviets prevailed.

Some witnesses at the ratification proceedings made statements implying that research, development, or deployment of futuristic technologies were prohibited by the treaty.

These statements were made in the context of "selling" the treaty or "puffing their wares" over the fine job they did. Some may suspect this was to hide their failure to achieve a major goal—the ban on future technology. Who can blame them for not wanting to advertise that they were bested in the negotiations?

Let me also point out that it has been reported that the administration has located documents demonstrating that key United States officials were aware at the time of the ABM Treaty and thereafter that serious doubts existed as to whether the United States had secured Soviet agreement to the prohibition of exotic/space-based systems. These documents reportedly will show the situation was quite different from what Senator NUNN has suggested—that the Soviets did not agree with the "restrictive" interpretation limiting development of any exotic ABM system based on other physical principles.

The theme of the "broad" interpretation is embodied in both the fiscal year 1974 and fiscal year 1975 posture statements by then Chairman of the Joint Chiefs of Staff, Adm. Thomas Moorer. The parameters established by our own military after ratification of the ABM Treaty were consistent with the broad interpretation espoused by President Reagan. In his Military Posture for fiscal year 1974, the JCS Chairman wrote:

> As a hedge against the emergence of new threats which could gravely jeopardize our national safety, we plan to continue * * * new technological approaches to even more advanced ABM systems. The strategic situation is still fraught with many uncertainties. It is only prudent, therefore, that we continue our efforts to advance our ABM technology to the full extent permitted by the Treaty. This is the kind of action the Joint Chiefs of Staff had in mind with regard to the third of the "three assurances" I presented to this Committee last summer in connection with the Hearings on the SAL Agreements; namely, full support of a "vigorous research and development program."

In the fiscal year 1975 Posture Statement, the Chairman repeated the general thrust of the 1974 statement, but added:

> * * * and retain the option to deploy a more advanced ABM system for the defense of the National Command Authority or to deploy a more extensive system should the ABM Treaty be abrogated for any reason.

How our Armed Forces could achieve these objectives under the "restrictive" interpretation of the treaty is hard to imagine. The Chairman was speaking of advanced technologies, vigorous research and development, clearly linked finally to the option to deploy an extensive system.

The only way to exercise this option—to reach this goal—would be through an effective developmental and testing program. Such a program could be conducted only under a "broad" interpretation of the treaty.

Since the negotiation record on futuristic "exotic" ABM technology is unambiguous, those Senators opposing President Reagan now seek to muddy the water by citing various statements by Senators at hearings or during floor debate on the treaty. We all know that individual Senators habitually give individual or idiosyncratic reasons for their votes in the Senate. But none would argue that these individual rationales change the treaty itself.

The most celebrated example cited by the President's critics is taken from testimony before the Senate Foreign Relations Committee and during Senate debate by Senator James Buckley—one of two Senators voting against the treaty. Senator Buckley is quoted as follows:

> Thus the agreement goes so far as to prohibit the development, test, or deployment of sea, air, or space based ballistic missile defenses. This clause, in article V of the ABM Treaty, would have the effect, for example, of prohibiting the development and testing of a laser type system based in space. (August 3, 1972, page 29703 of the Congressional Record.)

That reading of article V may have been Senator Buckley's reason for voting against the treaty. Unfortunately, Senator Buckley's reading of article V was flat wrong. Article V does not prohibit space-based laser activity. Indeed, Senator Hiram Fong articulated a reading of the treaty that directly contradicted Senator Buckley's.

Senator Fong stated on page 29707 of the Record:

> The principal provisions of the ABM Treaty may be summarized as follows: . . . Fourth. Allows research and development on ABM systems to continue, but not the deployment of exotic or so-called future systems.

So now the score is one to one. I can bring up my own vote and my view at the time to the effect that advances in U.S. technology, whether land-based or space-based, were not prohibited. The point is simply this: One Senator's interpretation of a treaty is not a binding legal opinion on the matter.

Based on the often contradictory things said in Senate debate, I could interpret the ABM Treaty in 100 different ways. By citing misinformed statements by various Senators, the President's critics make his reading of the treaty appear like a bolt out of the blue. They cite the names of Goldwater and Jackson, to the point where one wonders how to stop the running-amok of this administration. They would have us believe we have an administration that, in its zeal of deployment of an SDI Program, is prepared to disregard the Senate itself.

We witnessed this same fallacy last week when the Senate voted an additional $40 million in aid for the Contras. Immediately, the majority leader, who opposed the aid, announced victory on the floor, claiming that opponents of the Contras had actually prevailed. But I say: Look at the vote, look at the letter of the law if you want the truth. Look not at what individual Senators say, but at what the Senate as a body does—there is a big difference.

Next, there is the matter of statements by the administration and some of the U.S. negotiating team that are used as illustrations, and the assertion that President Reagan's interpretation is not supported by his analysis. Senator Nunn, speaking against the President's interpretation, stated on page 5305 of the March 11 Congressional Record that—

> The Analysis of the Reinterpretation has not identified a single statement in the record of ratification proceedings which explicitly supports its case . . .

I read Senate testimony in a far different light than suggested by this statement. On June 19, appearing with Secretary of State Rogers before the Senate Foreign Relations Committee, Ambassador Gerard C. Smith, Director of ACDA, was questioned by Senator Aiken as follow:

> Senator Aiken. I have been reading lately in several places about the effectiveness of the laser guided bombs in wiping out SAM's in North Vietnam. If a laser can be used in wiping out the SAM's, could the laser also be effective in the ABM system?
>
> If the laser had come three years ago, one would have voted against the ABM system when it was first proposed.
>
> Secretary Rogers. Under the agreement we provide that exotic ABM systems may not be deployed and that would include, of course, ABM system based on the laser principle.
>
> Senator Aiken. Is the ABM system getting somewhat obsolete?
>
> Secretary Rogers. Excuse me?
>
> Senator Aiken. Is the ABM system getting obsolete? If the lasers can be used to knock out the SAM's, wouldn't they be effective against other types of missiles also?
>
> Mr. Smith. Senator Aiken, I think it is an entirely different problem with respect to the use of lasers to help guide offensive missiles and from their use to guide defensive missiles, but we have covered this concern of yours in this treaty by prohibiting the deployment of future type technology. Unless the treaty is amended, both sides can only deploy launchers and interceptors and radars. There are no inhibitions on modernizing this type of technology except that it cannot be deployed in mobile land-based or space-based or sea-based or air-based configurations. But the laser concern was considered and both sides have agreed that they will not deploy future type ABM technology unless the treaty is amended. (Page 20 of the June 19, 1972 SALT hearings before the Senate Foreign Relations Committee.)

It is clear from this exchange that both Secretary Rogers and Ambassador Smith concurred that the prohibition on exotic systems dealt solely with deployment and not research and testing. Further, the prohibition on mobile/space-based systems—in article V—is tied to launchers, interceptors, and radars—the components of the ABM systems defined in article II—and those components existing in 1972. The prohibition on deployment of exotic systems can thus be tied to agreed statement (D). And, please note, there is no indication that the restriction applies only to fixed, ground-based systems.

Ambassador Smith gave further testimony in this regard. Appearing before the Senate Armed Services Committee on June 23, 1972, he told the committee that—

> Development and testing, as well as deployment of sea-, air-, space-based, and land-mobile devices is prohibited. Of perhaps even greater importance, the parties have agreed that no future types of ABM systems based on different physical principles from present technology can be deployed unless the treaty is amended.

Once more, he had identified exotic systems as based on different physical principles from present technology. He did not limit these to fixed, land-based systems. He spoke only of a prohibition on deployment.

Finally, on July 25, 1972, Ambassador Smith appeared before the House Armed Services Committee and spoke of—

> the prohibition on the deployment of future types of ABM systems that are based on physical principles different from present technology.

He stressed that such a ban was provided for in agreed statement (D). He stated that—

> If such systems are developed, and one or the other side wants to deploy them under the limitation of this Treaty, there would have to first be a discussion of the question in the Standing Consultative Commission we are proposing to establish under the Treaty, and then the Treaty would have to be amended before such novel ABM system would be deployed.

Mr. President, this conclusively lays to rest what our chief negotiator believed to be the case concerning future, exotic, ABM technology. Ambassador Smith said that research and testing are clearly allowed, while deployment requires consultation and amending of the treaty. Further, agreed statement (D) and not articles II and V, governed this future, exotic technology.

This is part of the ratification record, and it directly contradicts the assertion that nothing in the ratification proceedings supports the President's interpretation of the treaty. What is correct is that the ratification process does not support the critics' unambiguous claim that the President is subverting the intent of the treaty and the ratification role of the Senate.

To touch briefly on a related issue, I would note that Senator Nunn's analysis cites a statement made by Raymond Garthoff, executive officer to the U.S. ABM Delegation (p. 5583 of the March 12 CONGRESSIONAL RECORD) stating that the word "currently" was inserted in article II to ensure that future systems would be banned by article III—which prohibits deployment of ABM systems, except limited systems at a single site—and article V—which prohibits development, testing, and deployment of mobile/space-based ABM systems.

This statement conflicts with the negotiation record. The Soviets continually rejected all United States negotiator's attempts to include future technologies in articles II and V and insisted they be dealt with "elsewhere." That "elsewhere" is agreed statement (D), and the record confirms this.

The importance of the "practices" since ratification is invoked to verify the interpretation of the President's opponents in this matter, but this approach is spurious. The advanced exotic technology efforts of the United States addressed in agreed statement (D) were initiated at the Army's Ballistic Missile Division in Huntsville. They have now been absorbed by the SDI Program. Even with the significant funding levels for SDI over the past few years—roughly $9 billion—the technology has not advanced to the point where it conflicts even with the newly propounded "strict" interpretation under article V of the treaty and not agreed statement (D).

Under these circumstances, certainly the practice is as advertised by my colleagues. So what? Neither party to the ABM Treaty, until now, so far as we are able to know, has had the capability to face the question of "restrictive" or "broad" interpretation of restraints on ABM systems or components based on physical principles other than those existing at the time of treaty signature. This part of the debate, therefore, is premature.

We are now hoping for deployment of SDI within the next 6 to 8 years, and that is why the President is addressing the issue now. Likewise, that is why his critics are protesting. Meanwhile, the Soviets are in open violation of the treaty with their Krasnoyarsk radar. In addition, there are probable Soviet covert violations with SAM systems being tetsted both in an ABM mode and in a mobile mode. Beyond these violations, we can only guess what the Soviets are doing from their space station.

From March 1983, when President Reagan announced his intention to proceed with SDI research and development, until October 1984, the Soviet Union heavily criticized the United States for introducing weapons into space and developing a large-scale ABM system. None of the Soviet criticisms suggested SDI was a violation of the AMB Treaty. These concerns only started in late 1984 and early 1985.

As a matter of fact, the Soviets spent most of their time propagandizing about the spread of the arms race to outer space and the need for a complete ban on the testing and deployment of all space-based weapons for striking targets on Earth, in the air, or outer space. If the Soviets shared the so-called narrow interpretation of the treaty with United States arms control proponents, why did it take nearly 2 years for the Soviets to use the treaty as a buldgeon against SDI?

President Reagan's administration is the first to give serious study to the treaty and the negotiation record. He is to be commended for his actions. I have had differences with the President over aspects of his defense policy. But, his approach to the AMB Treaty is the correct one, and I am encouraged to see good common sense being used in the formulation of our nuclear defense policy.

America is so zealous to come to terms with the Soviets in arms control that any agreement is immediately hailed as a victory and there is a stampede for ratification. Knowing this, I closely examined SALT II after Soviet Premier Brezhnev and President Carter had come to terms. I wondered why our chief negotiator, Lt. Gen. Edward Rowny, was hanging up his stars and resigning from the Army rather than be a part of the agreement.

A close examination at that time of the negotiation record showed that the treaty was not in the security interest of the United States. We had all agreed to the Jackson amendment in SALT I, requiring SALT II to be equal, to be balanced, and to be verifiable. The record showed that it was none of the three.

SALT I, for example, was unequal, not balanced and unverifiable. And the Jackson amendment simply stated that we couldn't agree to these inequities again. We understood SS-19's to constitute a heavy missile; the Soviets did not. We understood that there would be no test range at Kamchatka; the Soviets did not. In short, there was no firm meeting of the minds. For instance, SALT II did not control missiles. Article IV, section 10 second agreed statement allowed decoys; thus warheads were not controlled and launchers were not even defined much less controlled. The Soviets had in mind silos with a repetitive cold-launch process and therefore unlimited. We had in mind canisters. So for all the to-do about SALT II, it did not control missiles, launchers or warheads. The Senate Armed Service Committee rejected the treaty and the votes of Democrats were there to kill the ratification.

It was not Afghanistan that stopped SALT II, it was the treaty and negotiation record that defeated SALT II. Now the opposition is using a 15-year-old treaty to block the research and development on ABM technology that will defend the United States and they are doing it by the record made on the floor of the Senate. We all know how unreliable that is.

What the President's critics seek is unilateral compliance by the United States to the AMB Treaty. But, that is only one side of the debate. Its proper context also includes U.S. strategic vulnerabilities and the correct response to hedge against those vulnerabilities. It includes an understanding of Soviet performance with regard to the ABM Treaty and other treaties; that is, the fact that we are discussing unilateral compliance with a treaty already breached materially by the Soviets.

Intuitively, one could believe that some case might be made if the Senate had taken the opportunity to amend the treaty or declare its understanding to be conditional to its consent to ratify. But the Senate did none of these things. The Senate's proceedings cannot impute any special meaning that the two parties did not spell out in the plain language of the treaty; they cannot bind the other party to a unilateral understanding.

Nor can this be done in the negotiation process. As just one example of the Soviets' refusal to be bound by unilateral interpretations, I would cite the issue of Soviet SS-19 heavy missiles. The interim agreement of SALT I prohibited additional heavy missiles but did not define what it meant by the term "heavy missile." The United States chose to define the term in a unilateral statement, and boldly asserted that this unilateral interpretation would be binding on the Soviet Union.

Henry Kissinger stated that—

> . . . there is the safeguard that no missile larger than the heaviest light missile that now exists can be substituted.

Melvin Laird assured us that—

> . . . Regarding missile size, as you know, the United States told the Soviets that we consider a "heavy" ICBM to be one having a volume significantly greater than the largest ICBM now operational on either side, which we consider to be the SS-11.

Similarly, Ambassador Gerard Smith noted that—

> The U.S. delegation at Helsinki did make a unilateral statement that it would consider any ICBM significantly greater in volume than the largest light ICBM—which is the SS-11—to be heavy.

Paul Nitze reiterated this point, stating that a 50-percent increase in volume "would conflict with the U.S. unilateral statement."

But, no sooner was SALT ratified and signed than the Soviets began first to test and then to deploy the SS-19. Some 360 of these missiles with

2,000 warheads now exist. In response, Henry Kissinger observed:

> I think it is at least open to question whether the United States can hold the Soviet Union responsible for its own statements when the Soviet Union has asserted that it does not accept this interpretation.

The lesson, of course, is that United States unilateral interpretations are a prescription for a double standard of compliance and unilateral Soviet advantage.

The debate on the ABM Treaty involves decisions that may have far-reaching effect on issues much more important than the question about restrictions under which we pursue the SDI, or questions about SDI funding levels, or about specific technologies, or about the order in which they are investigated.

It could change the Executive's ability to conduct relations with foreign powers on the basis of mutually agreed understandings and undertakings. The Executive will be subjected unilaterally to obligations that some Senators and other officials may hope foreign powers will accept as binding. The impact would be to change the nature of constitutional responsibilities.

It is clear after reviewing the treaty, the negotiation record, and the ratification process, that the treaty allows the development of the SDI Program. Failure by the administration to follow through with its decision that SDI is consistent with the terms of the treaty would seriously undermine our national defense. We must have an effective and robust program exploring the feasibility of strategic defense. It is the only prudent course for responding to the Soviets' massive buildup in strategic arms.

The opponents of SDI, the opponents of the President's interpretation of the treaty, would effectively give the Soviets veto power over the strategic defense of our Nation. The recent and very promising ABM advances hold the key to our national security in the future. To compromise the treaty is to compromise and end SDI. It is unfortunate that the President's opponents won't step forward and acknowledge that this is their goal.

Mr. President, I send to the table a sense-of-the-Senate resolution calling upon the President to declassify the negotiation record of the ABM Treaty and ask that the resolution be printed at the close of these remarks.

There being no objection, the text of the resolution was ordered to be printed in the RECORD, as follows:

S. RES. 175

Whereas it is in the national interest of the United States to have the same interpretation as the Soviet Union of the Anti-Ballistic Missile (ABM) Treaty and the agreed statements thereto, as ratified on August 3, 1972;

Whereas the ABM Treaty is an integral part of the formulation and conducting of foreign policy by the United States;

Whereas the ABM Treaty is an integral part of the development and conducting of military strategy and policy by the United States;

Whereas the Senate supports the President's efforts for a comprehensive analysis of all facts relevant to an objective interpretation of the ABM Treaty;

Resolved, That it is the sense of the Senate that the President declassify the negotiation record pertaining to the ABM Treaty.

RECESS UNTIL 11:30 A.M.

Mr. HOLLINGS. Mr. President, I move that the Senate stand in recess in accordance with the previous order.

The motion was agreed to, and at 10 a.m., the Senate recessed until 11:30 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. REID).

RECOGNITION OF THE MAJORITY LEADER

The PRESIDING OFFICER. Under the standing order, the majority leader is now recognized.

Mr. BYRD. Mr. President, I thank the Chair.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, how is the time divided, may I ask?

The PRESIDING OFFICER. The leader has 10 minutes under his standing order, and the same with the minority leader.

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the distinguished Republican leader be reserved to him throughout the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

HIGHWAY BILL VETO

Mr. BYRD. Mr. President, the highway bill was sent to the White House yesterday. From the reports I have seen, the President intends to veto it. I think that would be a serious mistake.

Some have said that the President's leadership is at stake in this veto. This veto, even if it is mistaken, will not make or break this President. But it certainly could make or break the lives of some half a million, or more, men and women who need the jobs that will be created by this bill.

In my own State of West Virginia, more than $100 million in construction moneys will be lost. What a waste it would be for so many jobs, so many people to be idled by the side of the road with no work because there is no money because of a Presidential veto just to shore up the strength of the President—in others words, to prove that the President is strong, that he has macho. That is a poor excuse to support the veto of any President.

I hope that in the efforts by the White House to show a "vigorous" President, that he will not forget the human cost that his veto will extract.

What will be the price just for the effort to show a vigorous President who has bounded back? What a cost, and what a price.

I also fear that the President may have been misled about the budget impacts of this bill. He claims that it is a budget buster. It is not. In fact, the American people have already paid for 86 percent of this bill through the gasoline tax.

If the President will not spend the money on what we have paid for, then I think we should ask for a refund. We paid for better highways. We paid for better bridges. We paid for better buses. If the President will not spend the money for these highways, mass transit, and bridges, then let's give the money back.

Furthermore, this bill not only is within the totals set by this year's budget resolution, it actually provides less spending than the continuing resolution—which the President signed last October.

Even in future years, the differences amount to only some 3 percent, hardly sufficient reason to kill such an important bill.

Mr. President, this country needs this bill. Highways are the lifeblood of our industrial society. Many States have already run out of highway funds and others soon will. Without a continuation of the highway program, we will lose jobs, streets, and bridges will deteriorate, and our economy will have a heavier burden to bear.

I hope the President will reconsider his views and sign the highway bill, or failing that, that Congress will keep the commitment to the American people and override the veto.

Mr. President, the highway construction season is upon us. I hope that Senators and Members of the House will not be misled by statements that, if the President vetoes the bill, and if that veto is sustained, another bill can be passed within just a few days or a few weeks.

Mr. President, we all know that the 65-mile speed limit is one of the factors that is driving this bill—lifting the speed limit, allowing the States to lift the speed limit to 65 miles per hour. If this bill is vetoed, Mr. President, I hope that Senators and Members of the House will remember how long it took to produce this bill. We have been 3 months, Mr. President, in producing this bill, even though practically the same legislation passed, in essence, in the last Congress when the Senate was controlled by the administration's party. We sent highway legislation to a conference last year. It died in that conference. Even with all of that background, with all of the previous work that went into the bill from last year, it has taken 3 months to pass the bill this year.

If the President vetoes this highway bill, it is not going to be repassed in a few days because there are too many problems associated with it. I hope that Senators will think hard and long. It is their States, their constituents, and we need to make our judgments on the basis of what is best for our States, our people, and our constituencies, not what it takes to shore up a President who has been weakened by his own actions, in many respects by inattentiveness to his own work—a management style that has cost him and cost the Nation.

So I hope that we will consider the cost, the price of sustaining this veto; the price in jobs, the price in highways, the price in bridges, the price in moneys to the States, and the price to the economy.

Mr. President, if I have any time remaining, I ask unanimous consent that I may reserve it.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNITION OF THE REPUBLICAN LEADER

The PRESIDING OFFICER. Under the standing order, the Republican leader is now recognized.

Mr. DOLE. Mr. President, I thank the majority leader for reserving my time.

BICENTENNIAL MINUTE

MARCH 25, 1937: SENATE AGREES TO PRESERVE HISTORICAL RECORDS

Mr. DOLE. Mr. President, 50 years ago today, on March 25, 1937, the Senate agreed to transfer its historical records to the newly opened National Archives.

Even since Congress moved to Washington in 1800, Senate clerks had followed the practice of sending noncurrent records to the Capitol's attic and basement storerooms, and promptly forgetting about them. Over the years war, vermin, moisture, and souvenir hunters ravaged these documents. In 1927, Harold Hufford, a young file clerk in the Office of the Secretary of the Senate, went to a storeroom to locate some older documents. As he cautiously opened the door, he saw papers stacked in boxes and strewn on the floor. He looked down to see that he was standing on an official-looking document. He later recounted that the document bore two important markings: "The print of my rubber heel, and the signature of Vice President John C. Calhoun."

During the following decade, Hufford diligently searched the Capitol and the Senate Office Building. He found records dating from the First Congress in more than 50 locations. With great care, he moved most of them to a dry storage area in the Capitol attic.

Early in 1937, an appraiser from the National Archives examined the collection and found that most records were dirty, water-damaged and brittle. In spite of their poor condition, the examiner concluded:

> From the standpoint of historical, as well as intrinsic interest, this is perhaps the most valuable collection of records in the entire Government. It touches all phases of governmental activity.

He continued:

> And contains a vast amount of research material that has never been used.

On the strength of that report, the Senate agreed to send these documents to the National Archives for proper care and public access.

LET BENJAMIN CHARNY JOIN HIS FAMILY

Mr. DOLE. Mr. President, today's lead story in the New York Times reports that emigration for Soviet Jews has just reached the highest monthly rate in 5 years. For everyone involved in urging the Soviet Union to open its doors—to Jews, and others who wish to settle elsewhere—that is very hopeful news.

But the progress made, granting up to 500 exit visas in March, is still a drop in the bucket. Conservative estimates show close to 400,000 Soviet Jews who would emigrate if they could.

And this news makes one case, which I recently learned about, even more tragic and timely.

Two weeks ago I had the pleasure to meet a dedicated man—a desperate brother. His cause is simple: Leon Charny's brother, Benjamin, lives in the Soviet Union and is dying of cancer. Leon wants Benjamin to have the best possible medical treatment and the comfort and healing powers of being close to his family. But the Soviet Government has turned a deaf ear.

This quiet and unassuming young man is doing everything he can to bring his brother's case to the public's attention and hopefully, shake the Soviet bureaucracy into action.

Last Friday, Anthony Lewis wrote a column about Leon and Benjamin Charny in the New York Times. Let me quote a paragraph:

> There are other human rights matters in which the logic of Soviet policy is hard to grasp. For example, about a dozen Soviet-American couples, married and engaged, are still kept apart because the U.S.S.R. will not grant exit visas. But if anything is inexplicable in its embarrassment to the Soviet Union, it is not letting cancer victims spend what may be their last days with their families abroad.

Today, Leon Charny holds a vigil outside the Soviet Embassy hoping someone inside will take notice, and finally grant his brother the exit visa he has been seeking for 7 years. And he is not alone; in the Soviet Union, Benjamin's wife begins a hunger strike on behalf of her husband.

There is no reason for them not to let Benjamin Charny leave. Granted, he was a mathematician. But the last time he worked was 15 years ago, and his works were all published in the Soviet Union. A hospital in Boston has volunteered its medical services free, so there is no cost involved. And Leon Charny wants nothing more than to repay the brother who raised him after their parents died, by providing him the love and care he needs.

There is no reason that makes sense to us—to Americans—who value each individual human life as something to be cherished. Nor does it make sense to those of us who would like to believe that conditions—human rights conditions—are changing for the better in the Soviet Union.

Benjamin Charny is not the only cancer victim awaiting permission to travel for medical help—there are eight others.

So, in the name of human decency and compassion, I call on the Soviet Government to act quickly to allow them to leave—allow Benjamin Charny to join his family in America. Quickly, so that unlike Inna Meiman and Michael Shirman, he has more than a few weeks to share, to enjoy, to live, with his loved ones.

Mr. President, I ask unanimous consent to have printed in the RECORD a copy of Anthony Lewis' column as well as a copy of a letter I sent Secretary Shultz asking that this case, as well as other human rights issues, be raised at his April meeting with Soviet Foreign Minister Shevardnadze.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 20, 1987]

WHAT IS THE POINT?

(By Anthony Lewis)

BOSTON.—Benjamin Charny is a Soviet mathematician, 49 years old, who is desperately ill with cancer. He wants to join his brother, Leon, in the United States. Soviet officials have denied him permission to leave.

As the human rights problems of the world go, the Charny case is of modest dimensions. It can set no great precedents, shake no institutions. So far as one can tell, the only stakes are the human longings of one family.

But that is what makes the case so puzzling: it and a handful of others like it. Benjamin Charny is one of nine advanced cancer patients in the Soviet Union who are known to have asked permission to join relatives abroad—and been told they cannot. Why? What imaginable official interest can there be in those denials? What interest could outweigh the damaging impression of casual inhumanity?

Leon Charny, who is at the Massachusetts Institute of Technology, is convinced that there is no logic in the treatment of these cancer victims: no high-level Soviet policy. "I think it is just bureaucratic," he said. "Someone has to stick his neck out, and bureaucrats don't like to do that."

Leon is 15 years younger than his brother, and Benjamin brought him up after their parents died. The two tried to leave the Soviet Union in 1979, but only Leon got an exit visa. Benjamin was told that he could not go because he had done secret work. Leon says that was 15 years ago, and the work has all been published in the Soviet Union. Someone just needs to correct the file, he believes.

"If the people at the top had their attention drawn to these cases," Leon Charny said, "I think they would act. It goes against the new Gorbachev image."

The cancer cases do raise questions about Mikhail Gorbachev: not humanitarian questions so much as political ones. They really go to his understanding of the United States. As he works to improve relations with this country, does he appreciate how Americans react to individual tragedies of this kind? Does he understand what damage they do to the prospect of better relations?

It has been Soviet practice in the past to use individual human rights cases for diplomatic ends. At the time of a summit meeting, for example, some imprisoned dissidents would be released, refuseniks allowed to emigrate, wives allowed to join husbands abroad.

The idea apparently was that those gestures would improve the atmosphere at important diplomatic moments. But surely the negative impact on opinion in the West was cumulatively far greater.

Mr. Gorbachev has seemed to understand that. He has released a significant number of political prisoners, including men as important as Anatoly Koryagin and Iosif Begun. A respected correspondent in Moscow, Patrick Cockburn of The Financial Times of London, wrote last month that "Mr. Gorbachev and his advisers, unlike their predecessors, are very conscious" of the effect in the West of "dramatic individual cases."

But the cancer patients, small in number, have been dealt with in a way that might have been calculated to offend: slowly, reluctantly, with no sign of understanding.

Last year five cancer victims applied to leave the U.S.S.R. Protest built up on their behalf. Finally four, all but Benjamin Charny, were allowed to leave. The best known of those, Inna Meiman, died three weeks after reaching this country, in January.

A patient in Israel, Michael Shirman, needed a bone marrow transplant from his sister, who was in the Soviet Union. She and her family were only given permission to leave after so much delay that the operation was too late and her brother died.

Now Benjamin Charny and eight others are waiting. They range from 71-year-old Fayina Kogan to 8-year-old Edward Erlikh. How can the Soviet Union benefit by holding up the human resolution of those cases, by letting attention and outrage build?

There are other human rights matters in which the logic of Soviet policy is hard to grasp. For example, about a dozen Soviet-American couples, married and engaged, are still kept apart because the U.S.S.R. will not grant exit visas. But if anything is inexplicable in its embarrassment to the Soviet Union, it is letting cancer victims spend what may be their last days with their families abroad.

Secretary of State Shultz is due to go to Moscow on April 13. He will no doubt have with him the usual list of human rights cases that we want resolved. But how much better it would be if the Soviet leadership understood that its interest would be served not by dealing with such cases as the cancer victims one by one, anguishingly, but by just letting them go.

U.S. Senate,
Office of the Republican Leader,
Washington, DC, March 18, 1987.

Hon. George P. Shultz,
Secretary of State, Department of State, Washington, DC.

Dear Mr. Secretary: I know that you will have a full and important agenda when you meet with Soviet Foreign Minister Shevardnadze next month. But I hope that high on your list will be the whole gamut of unresolved human rights issues.

In this past week alone, I met an American citizen, Leon Charny whose brother Benjamin is dying of cancer and requires treatment only available in the West. Unlike several other similar cases, the Soviet government has refused to grant Charny an exit visa. And yesterday, I received a phone call from Moscow. The caller was a Soviet Jew, Yevgeny Yakir, who for the past fourteen years has been trying unsuccessfully to emigrate to Israel with his wife and son.

The new spirit of "glasnost" may offer hope to the thousands of Soviet citizens who have been denied their basic human rights for decades. But we—the Administration and Congress—must continue to make clear that the issues of Jewish emigration, divided spouses, blocked marriages and humanitarian travel, must be addressed if we are to make progress toward a more constructive relationship with the Soviets.

Sincerely yours,

Bob Dole,
United States Senate.

Mr. DOLE. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. Four minutes twenty seconds.

Mr. DOLE. Mr. President, I would like to yield 2 minutes to the Senator from Nevada [Mr. Hecht] and the remainder to the distinguished Senator from South Dakota [Mr. Pressler].

The PRESIDING OFFICER. The Senator from Nevada.

(The remarks of Mr. Hecht and Mr. Heinz appear later in today's Record under Statements on Introduced Bills and Joint Resolutions.)

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 2 minutes 20 seconds.

VETERANS EDUCATION PROGRAMS

Mr. PRESSLER. Mr. President, from the early days of World War II, it was recognized that extensive planning was needed for the postwar return to civilian life of some 16 million U.S. service members. In January of 1942, the National Resources Planning Board, which coordinated planning for an orderly demobilization, came to the consensus that major readjustment assistance was needed. This was based on experience following World War I, when U.S. service members returned to a postwar depression with no employment or educational assistance available.

The Armed Forces Committee on Postwar Educational Opportunities for Service Personnel—referred to as the Osborn Committee—chaired by Maj. Gen. Fredrick Osborn, studied the education issue and many of the committee's recommendatons were incorporated into legislation. Thus, began readjustment assistance for our service members. Other benefits, such as employment assistance, housing and business loans, and unemployment allowances were included in the Servicemens' Readjustment Act of the GI bill of rights.

The purpose behind the first GI bill, was: First, to avoid high levels of veterans unemployment, such as occurred following World War I; second, to help eliminate educational shortages which may develop from a war's interruption of the education of many young service members; and third, to assist service members in their readjustment to civilian life.

The original GI bill provided education benefits, including tuition, fees and subsistence allowances to all World War II veterans; first, who had served a minimum of 90 days active duty between 1940 and the end of the war; second, who were discharged other than dishonorably; and third, whose education was interrupted by military service, or who desired a refresher course.

The World War II GI bill of rights ended on July 25, 1956. Although many modifications were made in this program, it was successful. Some 7.8 million World War II veterans—about 50 percent of all those eligible—took advantage of the education and training possibiities which it provided. More than 2.2 million of these attended colleges and universities and approximately 3.5 million attended schools below the college level; 1.4 million were on-job trainees, and 690,000 were on-farm trainees. The total cost of this program was $14.5 billion.

When the U.S. Armed Forces were called into action during the Korean conflict, immediate consideration was given to an extension of the GI bill, so those who served might also benefit.

The Korean GI bill ran from February 15, 1955 to January 31, 1965. Nearly 2.4 million veterans—roughly 43 percent of those eligible—participated in educational and training benefits—about 1.2 million of the participants attended colleges and universities, 860,000 attended vocational/technical schools; and 223,000 were on-job and 95,000 were on-farm trainees. The total cost of the Korean GI bill was 4.5 billion.

After the Korean conflict, numerous pieces of legislation were introduced to extend the GI bill to include post-Korean of cold war veterans. Many opposed this, arguing that such benefits should be reserved for war veterans, and that experienced career military participants would be encouraged to leave service to resume civilian life. Proponents argued, however, that unlike previous peacetime periods, military service remained in effect. Trouble spots throughout the world, such as Cuba, Berlin, and Southeast Asia, created a need for our military personnel to stand ready if those crisis areas erupted. As our involvement in Southeast Asia escalated, support for a new GI bill mounted and a program was devised similar to the Korean GI bill. I might add that as a Vietnam war veteran who served in Vietnam I had the privilege of attending law school in part on benefits from the post Korean/Vietnam era GI bill.

Approximately 8 million of the eligible personnel—about 66 percent—received educational and training under the revised post-Korean/Vietnam GI bill. Of these, roughly 4.9 million enrolled in colleges and universities; about 2.5 million attended vocational/technical schools; 590,000 were on-job and 56,000 were on-farm trainees. The total cost of this program at the end of fiscal year 1984 was approximately $38.1 billion.

Congress saw value in educational assistance for veterans. Public Law 94-502, while terminating the GI bill of rights, also created a new post-Vietnam Era Veterans' Educational Assistance Program, or VEAP. Two factors provided the formulation for this new educational program: That it was to be used as a recruitment tool in times of peace, and it was to be a contribution to the Nation's education.

Anyone who participated in this program had a full decade following discharge from service to use the benefits. All courses in elementary or secondary schools, vocational or technical schools, business schools, junior colleges, correspondence schools, professional school, as well as colleges and universities, needed to be VA approved. Benefits are not provided for on-job training or apprenticeships.

However, criticism of the VEAP Program began at the very start of the program. Enrollment was lower than expected—approximately 28 percent of those eligible—and there was an astonishing 50 percent disenrollment from the program. The military was experiencing severe problems recruiting quality personnel and the VEAP was criticized as being an ineffective recruiting tool.

Based upon this concern, Congress passed the All-Volunteer Force Educational Assistance Program, on the new GI bill. This program offers educational benefits not only to service persons and veterans, but also to reservists.

Although the impact of this new program cannot be conclusively determined at this time, it appears that it is having a tremendous impact in attracting top quality recruits who are needed to operate increasingly sophisticated and complicated military equipment.

Each branch of the armed services reports significant improvements over the Veterans Educational Assistance Program. The new GI bill is one of the most effective recruiting tools to come along since the implementation of the All-Volunteer Armed Forces. It is also very cost effective. It provides service members with the opportunity to gain the skills and training needed to compete in the civilian job market. It also allows participants who complete the program to begin working without the burden of huge student loan repayments.

Mr. President, we have had a long and successful experience with education assistance to veterans. Now it is important to maintain this effort in order to recruit and retain well qualified military personnel. My remarks today suggest the historical background for veterans educational benefits legislation we will consider in the weeks ahead.

COMPETITIVE EQUALITY BANKING ACT

Mr. BYRD. Mr. President, upon the disposition of the cloture vote today, if that vote does not succeed—and I do not harbor any delusions that it will succeed today—I think the Senate has to go on to other business. We will have had three votes on invoking cloture.

So in the interest of getting on to other business, I ask unanimous consent that upon the disposition of the cloture vote today if it does not succeed, the Senate proceed to the consideration of Calendar Order No. 59, S. 790.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, Mr. BINGAMAN has been waiting.

Mr. BINGAMAN. Mr. President, Senator KENNEDY must return to his committee.

Mr. BYRD. Very well.

Mr. President, I yield the remainder of my time to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 1 minute 34 seconds.

Mr. BYRD. Mr. President, the time remaining between now and 12 o'clock is to be morning business?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. Mr. President, I yield the remainder of my time to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, the Senate will attempt yet again to get an accounting of the millions of dollars slipped into the Contra's back pockets. Yesterday's vote of 50 to 50 shows just why the Contra supporters are afraid to take up this responsible, reasonable moratorium—they know they will lose and they are afraid of what will be revealed in the Contra process.

Daily, more gory details of the administration's activities are being revealed. While those in the know try to keep the lid on, the press and congressional investigative committees are slowly sorting through the intricate web of shaky Presidential findings, secret bank accounts, tax-exempt Contra organizations and monthly stipends for Miami-based Contra leaders.

Just this morning, we learn that CIA Director Casey was deeply involved not only in conceiving, directing, and orchestrating the fiasco of Irangate but also in recruiting Oliver North to keep the Contras afloat—to hide the CIA's involvement and keep Congress in the dark.

In addition, the administration's highest officials lent a helping hand to tax-exempt organizations raising money for the Contras. Donald Regan, Elliott Abrams, Admiral Poindexter—and even President Reagan—all showed up to lobby for support for the Contras. This fundraising extended far beyond our shores—Saudi Arabia, Brunei, South Korea, and Taiwan all felt the need to acquiesce in the administration's demands to help the Contras.

Who knows how much tax-exempt money was channeled to the Contras—with Oliver North's guidance? Who knows how much money was laundered through the Cayman Islands and Swiss bank accounts? Who knows how many other countries were bribed or extorted into circumventing the law and doing the administration's bidding?

No one knows—but it is high time we found out.

The Contra supporters in the Senate have good reason to fear this moratorium. The American people already overwhelmingly reject the administration's policy of wider war in Central America. That policy is not working—and those who vote to sustain this filibuster know it. The CIA's so-called spring offensive proves the point. Holding no territory, having no support from the Honduras people, and with no hope of military victory, the Contras, with blueprints from the CIA, are preparing to spend the next few months engaged in terrorist bombing attacks on civilian installations in Nicaragua.

As a show of strength, the United States plans to send 50,000 troops to Nicaragua for military exercises to coincide with the CIA's spring offensive. The exercises are called Solid Shield, but they are no protection against the leaky sieve of Contra aid.

The spring offensive is no threat to the Sandinistas. It will only serve as a reminder to the people of Nicaragua that the United States is behind the terrorist attacks. Solid Shield should more properly be called thin veil, because it is a transparent cover for what is clearly a dry run for a United States invasion of Nicaragua.

The time has come to unveil the administration's illegal, immoral policy in Central America. The moratorium is the answer, and I urge the Senate to support it.

Mr. President, I ask unanimous consent that articles relating to the administration's role in supplying aid to the Contras be printed in the Record.

There being no objection, the materials were ordered to be printed in the Record, as follows:

[From the New York Times March 25, 1987]

Casey Is Termed the Mastermind of Efforts To Supply the Contras

(By David E. Rosenbaum)

Washington, March 24.—Congressional investigators have clear indications that William J. Casey, the former Director of Central Intelligence, masterminded the Reagan Administration's efforts to help the Nicaraguan rebels get military supplies, according to two Senators and a Representative.

The lawmakers, members of the special committees investigating the Iran-contra affair, did not say what specific evidence they had. But other legislators and staff assistants said actions taken by Mr. Casey, who is critically ill with a brain tumor, had become a central focus of the committees' investigation.

They said they did not know whether Mr. Casey was involved in channeling money from the secret weapons sales to Iran to the contras.

In testimony last year before he was hospitalized, Mr. Casey denied any role in supplying the Nicaraguan insurgents. Robert M. Gates, the acting director of the agency, who was Mr. Casey's deputy, said in Congressional testimony last month that neither Mr. Casey nor the agency as a whole took part in activities prohibited by Congress.

A C.I.A. spokesman, asked today about the possible involvement of senior agency employees in Washington with contra supply efforts, said: "The C.I.A. has a longstanding policy, which it reiterated to employees twice, of avoiding agency involvement with the contras' private benefactors. There is no basis for stating that senior agency officials authorized any activities contrary to that policy."

FINGERPRINTS ARE EVERYWHERE

But the lawmakers and staff assistants, who spoke on condition that they not be identified, said they believed Mr. Casey had encouraged Lieut. Col. Oliver L. North, then on President Reagan's National Security Council staff, to organize the supply operation. Mr. Casey, they said, had probably told Colonel North that the President wanted him to do it.

They said Mr. Casey had turned to Colonel North to coordinate the operation to mask the C.I.A.'s involvement and to avoid having to report the matter to Congress.

That would explain, a Republican lawmaker said, how a relatively lower ranking Marine officer like Colonel North, who was unlikely to have acted without orders, could have been in the position of directing such an important foreign policy operation. It would also explain, the legislator said, why Colonel North believed he had the authority to use money from the arms sales to help the contras.

"Casey's fingerprints are everywhere," one lawmaker said. Another said, "North surely needed the expertise and help of the C.I.A. to do all the things he did in the Central America."

The Tower Commission, which concentrated on the arms sales to Iran and dealt much less throughly with the supply of the rebels, did not address in its report last month the issue of Mr. Casey's role.

But the commission took note of a memorandum written by Rear Adm. John M. Poindexter, the former national security adviser, saying he had told Mr. Gates that "the private effort should be phased out."

The report also noted that the Central Intelligence Agency's station chief in Costa Rica, who goes by the name of Thomas Castillo, had been instrumental in arranging for military supplies to be delivered to the contras, as the rebels are known.

LIMITED IMMUNITY VOTED

Last week, according to people familiar with the committees' work, the panels voted to give Mr. Castillo limited immunity from prosecution to compel his testimony on the matter.

The lawmakers and staff assistants said that Mr. Casey, who is hospitalized and being fed through a tube in his stomach, would almost certainly be unable to testify. But they said they hoped to document his role and that of the C.I.A. through the interrogation of what one person called "scores of people in the agency."

The joint public hearings of the committees, scheduled to begin May 5, will concentrate at the outset on the contra supply network, the panels' leaders said last week.

In preparation for those hearings, the committees have subpoenaed dozens of people, companies and organizations, casting a wide net for documentary evidence that might provide new leads in the investigation.

Subpoenas obtained from those who were served with them ask for "all materials pertaining, referring or relating in any way whatever to" more than 50 people, more than 60 companies and dozens of United States Government agencies and governments of other countries. The subpoenas specifically ask for all tax, bank and telephone records.

Among those mentioned in the subpoenas are familiar figures such as Colonel North and Richard V. Secord, a retired Air Force major general who had an integral part in both the arms sales to Iran and the shipment of supplies to the contras. But the subpoenas also mention such less publicized figures as Robert Lilac, a former staff member of the National Security Council who now works for the embassy of Saudi Arabia; José Bueso Rose, a Honduran military officer convicted of conspiracy in an assassination attempt, and Theodore Shackley, a former American intelligence official.

Senator Daniel K. Inouye, the Hawaii Democrat who is chairman of the Senate panel, said the subpoenas were "in the usual form."

Asked about the sweeping nature of the subpoenas, a staff assistant said, "You cast the net widely so you have a reasonable expectation you're not going to miss anything."

Other senators familiar with the subpoenas said lawyers for those subpoenaed would be able to negotiate with the committees, counsels to narrow the demands if they proved unnecessarily burdensome. For example, the senators said, investigators might agree to demand bank records only for specific years.

TEAMS OF SIX PLANNED

In the six weeks before joint public hearings began May 5, investigators plan to take sworn depositions from dozens of witnesses.

Many of the witnesses will not be called to testify in public according to Senator Warren B. Rudman of New Hampshire, the top Republican on the Senate panel. He said he expected 25 to 50 people to testify at the public sessions.

Plans now are to divide the committees into teams of six, composed of one senator and one representative from each party and two staff lawyers. Each team will concentrate on specific witnesses or a specific aspect of the investigation and will be in charge of presenting this testimony at the public hearings.

[From the Washington Post, Mar. 25, 1987]

Fund-Raisers for Contras Capitalized on Access

(By Ted Gup and Thomas B. Edsell)

In early 1986, at a time when the Nicaraguan contras desperately needed new sources of funds to survive, Lt. Col. Oliver L. North and conservative fund-raisers capitalized on their direct access to top White House officials-including President Reagan—to raise millions of dollars, according to documents obtained yesterday.

The strategy, which included taking the donors inside the White House for "private briefings" with senior Reagan administration officials, paid off as a small number of wealthy conservatives gave more than $3 million during this critical period, the documents show.

The money went to the National Endowment for the Preservation of Liberty (NEPL), a tax-exempt foundation run by Carl R. (Spitz) Channell. In 1985 and 1986, according to other NEPL documents, NEPL sent $1.7 million to a Swiss bank account controlled by North, who worked for the National Security Council until he was fired last November for allegedly diverting money form the Iran arms sales to aid the contras.

North, who worked with Channell in the fund-raising campaign, used the Swiss account to finance the purchase and delivery of military equipment for the contras, according to informed sources and information in the Tower board's report on National Security Council activities in the Iran-contra affair. At least one donor apparently believed that North would decide how his contribution would be spent, according to the documents.

The documents, which consist of internal NEPL financial records and correspondence, show that Channell and his fund-raisers made liberal use of the White House's name in wooing donors. For example, letters to donors referred to two meetings between Channell and Reagan in March 1986.

During this period, NEPL also raised money for a television campaign aimed at putting pressure on Congress to approve a $10 million aid package for the contras to help them in their fight against the government of Nicaragua, as well as to pay for contra leaders to come to the United States to speak.

Reagan was asked about his meetings with these donors at his news conference last week. He replied, "I met with them to thank them because they had raised money to put spot ads on television in favor of the contras in an effort to try and influence Congress to continue giving aid. And I thought that was worth a thanks."

The documents present no evidence that Reagan was aware of any funneling of money to the Swiss bank account, which was held in the name of Lake Resources Inc.

The documents were obtained by former NEPL employe Jane E. McLaughlin. She has been interviewed by the office of independent counsel Lawrence E. Walsh, who is investigating the Iran-contra affair.

Channell's fund-raising methods can be seen in his appeal sent to Bruce Hooper, a wealthy Pennsylvanian. On April 3, 1986, McLaughlin wrote Hooper:

"As you know, we are in the final days of the president's crucial campaign to achieve the aid of the Freedom Fighters so desperately needed. Not simply humanitarian aid, but more importantly the effective military aid needed if the Freedom Fighters are to continue successfully resisting attacks by Soviet-supplied Mi24/HIND-D gunships."

On May 1, 1986, North wrote Hooper on National Security Council stationery: "Dear Bruce . . . I hope you will remain steadfast with the president as he leads this effort. I know personally that he values your help very much . . . Please maintain your invaluable, strong support."

Four days later, Hooper wrote Channell describing a meeting he had with North and McLaughlin. The next day, McLaughlin wrote Hooper: "Ollie would be able to meet with your brothers either here or in Philadelphia, if they would like."

On May 27, 1986, Hooper sent $100,000, NEPL records show. In a letter accompanying the contribution, Hooper wrote: "Please have Ollie contact me to let me know what he is going to do with it, if that is possible."

Last night, Hooper said in a telephone interview that he felt comfortable in making a donation because North—a White House official—was involved and because he assumed the money was going for "nonlethal aid." At the time, Congress had banned any direct U.S. military aid to the contras.

This exchange of letters coincides with a period when White House officials were extremely worried about the ability of the contra movement to survive. According to the Tower board's investigation, North wrote a fellow NSC staff worker on April 22, 1986:

"The picture is dismal unless a new source of 'bridge' funding can be identified . . . . We need to explore this problem urgently or there won't be a force to help when the Congress finally acts."

According to the documents, the White House assembled an impressive array of senior officials, along with the president, for briefings with NEPL contributors.

Abrams wrote Channell on Oct. 17, 1986: "Dear Spitz . . . You have set both a standard and a challenge to which we must all aspire if we are to be successful in Central America." On Nov. 11, North presented Channell with the "Freedom Fighter" award at a black-tie dinner at the Willard Hotel.

A Jan. 30 meeting, according to a letter from Channell to a contributor, would be attended by "Donald T. Regan, White House chief of staff, Elliot Abrams, undersecretary of state for Latin American affairs, and Admiral John Poindexter, national security adviser [who] will be conducting the briefing along with me [Channell." Reagan also met with donors then, a White House spokesman confirmed.

In April, prospective donors were told: "You are one of 10 private citizens being asked to participate in this briefing [at the White House] . . . . A special project to specifically support the president's goals in Nicaragua will be discussed and undertaken by the group. The project is urgent and requires me to call you for confirmation and White House security clearance . . . . Your dinner and accommodations at the Hay Adams Hotel on Lafayette Square are complimentary."

One document, entitled "Top 25 contributors as of Oct. 3, 1986," lists two donors who gave in excess of $1 million: Ellen St. John Garwood, a widow from Austin, Tex., who gave $2.44 million; and Barbara Newington, a widow from Greenwich, Conn., who contributed $1.15 million.

[From the Washington Post, Mar. 25, 1987]

CASEY'S POOR HEALTH LEAVES BIG GAP IN IRAN ARMS PROBE

REAGAN CONFIDANT PLAYED KEY ROLE

(By Walter Pincus)

The probability that former CIA Director William J. Casey's health will keep him from testifying before Congress and the independent counsel leaves a major gap in the probes into the Iran-contra affair, according to investigators.

"He was a confidant to [President Reagan] and that long relationship gave him access . . . to events at key points," said a source who helped draw up the Tower board's report on the matter.

But now Casey cannot give his account of those events. He underwent surgery for a cancerous brain tumor Dec. 18 and returned to Georgetown Hospital last week for further treatment.

In a Dec. 10, 1985 memo for the files after a White House meeting, Casey wrote that Reagan had not given up on sending arms to Iran, even though an Israeli shipment the previous month had not brought about the release of American hostages in Lebanon. The Tower commission considered the memo one of the few contemporaneous documents illustrating Reagan's mood about the operation, according to sources.

In the memo Casey wrote, "I suspect [the president] would be willing to run the risk and take the heat in the future if this will lead to springing the hostages."

"We felt [Casey] knew what was going on more than anyone else except [former national security adviser John M.] Poindexter and [Lt. Col. Oliver L.] North," former secretary of state Edmund S. Muskie, a Tower board member, said recently. "That was our very strong feeling."

Casey set in motion the covert aid program that led to the creation of the contras in 1981 and continued as one of their principal defenders in the Reagan administration. He was also the senior Cabinet advocate for the Iran arms operation, which Secretary of State George P. Shultz and Defense Secretary Caspar W. Weinberger opposed.

In mid-1985, Casey sent the White House a memo that first mentioned sending arms to Iran, and he supported the program during its 18-month existence in 1985 and 1986.

In addition, according to Central Intelligence Agency and Reagan White House officials, Casey had an unusual direct relationship with the NSC's North on both the Iranian arms sales and the efforts to aid the contras.

When the story of the Iran arms sales became public on November, Casey was deeply involved in attempts to limit the information given Congress.

During a Nov. 21 appearance before the Senate and House Intelligence Committees, Casey left out important elements of the story, including the warnings he had been given by his subordinates that funds from the arms sales program may have been diverted to the contras.

Casey had no illusion about the Iranians with whom the administration was dealing. The Tower commission report recounts an interview between Manucher Ghorbanifar, the Iranian middleman in the arms deal, and a top CIA official in which Ghorbanifar said he was arranging arms-for-hostages deals with Iranian Prime Minister Mir Hosein Musavi-Khameini and Oil Minister Gholam Reza Aqazadeh and not with so-called moderates.

Ghorbanifar explained that the release of the hostages would have to come through the radical Iranian Revolutionary Guard Corps (IRGC). "All that is required for the Americans to be freed," Ghorbanifar said, "is for [Musavi] to issue an order and the IRGC will secure their release."

While his agency experts voiced mistrust of Ghorbanifar, Casey continued to support using him. The Tower report said that Casey told aides that Ghorbanifar was the only contact who had produced results.

Spokesmen for the House and Senate select committees said yesterday they thought they could "establish Casey's role in the affair" with testimony from people he spoke to and documents they have obtained. But without Casey's testimony, there may be no way to obtain the full story of what he knew or to get his account of meetings in which he participated.

"No doubt we would do better talking to him," one committee aide said.

The Tower board did not interview Casey but the panel published documents that showed at several key moments when Reagan's Iran initiative was about to falter, the CIA director stepped forward to keep it going:

In mid-1985, Casey sent the White House a CIA memo suggesting the United States encourage other countries to ship arms to Iran and later endorsed that approach in a note to then-national security adviser Robert C. McFarlane.

In November 1985, Casey wanted the president to sign an intelligence "finding" that would have legitimized the CIA's role in a shipment that month and at the same time authorized it to play a bigger role in a December arms transfer.

In December 1985, when Shultz and Weinberger opposed continued arms sales, Casey realized the president wanted to continue and he worked with North to get the program going again. On Dec. 23, he sent Reagan a memorandum saying Ghorbanifar, the man the "NSC staff believes arranged to release [the first American hostage, the Rev. Benjamin] Weir," was in Washington with "3 or 4 scenarios he would like to play out" and setting the stage to work with him.

Two weeks later, Casey worked with North and Poindexter to draft a new presidential intelligence finding that authorized the arms sales operation.

In mid-January 1986, when Weinberger was blocking implementation of the arms sales program, North went to Casey for help in overcoming the defense secretary's opposition. Casey eventually told North that "he did not see any particular problem in making [retired Air Force major general Richard V. Secord] an agent for the CIA in this endeavor", according to note North wrote on Jan. 15. Secord went on to play that role.

In February 1986, the first 1,000 TOW antitank missiles were delivered and the promised hostages not released. An aide to Casey who was following the operation called the negotiations handled by Ghorbanifar "extraordinary nonsense."

On July 26, 1986, in a note to Poindexter, Casey said of the release of the Rev. Lawrence M. Jenco that "it is indisputable that the Iranian connection actually worked this time." Casey concluded that the White House should continue working with Ghorbanifar and that the Iran official involved likely expects the United States to respond quickly" and deliver promised spare parts to U.S.-made Hawk antiaircraft missiles.

He added that Poindexter should consider what "minimum requirements . . . would lead to release of the rest of the hostages" and held out the idea that resolving the hostage issue could potentially lead "to contacts with moderate factions in Iran that we may be able to deal with in the longer term."

Mr. President, I yield the remainder of my time to the Senator from New Mexico.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the noon hour, with statements therein limited to 2 minutes each.

The Senator from New Mexico is recognized.

Mr. BINGAMAN. I thank the Chair.

(The remarks of Mr. BINGAMAN appear later in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. GORE. I thank the Chair.

SUPERCONDUCTIVITY AND COMPETITIVENESS

Mr. GORE. Mr. President, I rise to discuss the subject of superconductivity and to make my colleagues aware of dramatic new developments which have been disclosed in the news media and which have been taking place in the field of science during the last 6 weeks. Last week in New York City, there was an unprecedented conference which was described by participants as unlike anything the field of science had ever seen before. A series of rapid-fire dramatic new discoveries in the science of superconductivity, which means the creation of materials which conduct electricity with no resistance whatsoever, promise to open up tremendous new applications in fields from electricity transmission to high-speed rail transit to the construction of appliances and the like. We must have a national response to this new opportunity.

I have requested a study by the National Academy of Sciences. I also have requested a set of hearings which have been approved and will take place 2 months from now. We need to devote a lot more attention to the work being done on superconducting ceramics in our national laboratories.

Mr. President, I view this as a new opportunity for American science and technology to excel. Last week, as I stated, scientists from around the world gathered in New York to discuss the amazing technological breakthrough of the discovery of a new class of high temperature superconductors.

In what some participants are calling the Woodstock of physics, scientists from research labs on three continents reported their findings to an overflow crowd of more than 2,000 physicists. The excitement ran high as the 5-minute reports continued from 7:30 in the evening until nearly 3:15 the next morning. Prof. Theodore H. Geballe of Stanford University said: "It's a phenomenon—there's never been anything like it in the history of physics." Prof. Terry P. Orlando of the Massachusetts Institute of Technology said, "This kind of thing you see once in your lifetime."

What was causing all this excitement? Scientists have discovered new ceramic superconductors that work at record high temperatures. These materials conduct electricity without loss at up to 125 degrees Kelvin, or minus 234 degrees Fahrenheit. Before this breakthrough, liquid helium was needed to keep superconductors cool enough to take advantage of their special properties. Now liquid nitrogen, a much cheaper cryogenic liquid, can be used to cool these superconductors. This breakthrough has the potential to revolutionize many areas of technology.

The possible applications range from magnetically levitated high speed trains to a new type of supercomputer. Because superconductors carry electric current without loss, they do not generate heat. Magnets made from superconductors need a fraction of the power required to run traditional electromagnets. These high field magnets can be used to magnetically float a train above its rails. Japan nearly has ready for commercial use such a train that travels at more than 250 miles per hour. Superconducting magnets are also used in magnetic resonance imaging, or MRI, which performs sophisticated medical diagnosis. The proposed superconducting super collider for high energy research uses superconducting magnets to keep the subatomic particles moving along the circular track. Some other uses mentioned so far have been for long distance power lines, for lighter power generators which could be used in airplanes, for fast electronics in radar, and for military weapons. If these new superconductors can be commercially developed, the applications mentioned will become cheaper and new uses will be found.

For all the enthusiasm, scientists warn that we still have much to learn about these materials. The first of the highest temperature materials was announced on February 15, 1987. Before they can be applied, many properties of these superconductors must be improved. Scientists are looking for ways to increase the amount of current that can be carried, to improve the mechanical properties, and to insure their long term stability. Until these questions are answered, scientists will not know if these materials will really fulfill their technological promise.

The United States is not the only country with scientists looking at these new superconductors. Groups in Japan, China, France, Germany, and Switzerland have also focused their efforts on the new materials. Less than 2 weeks after the announcement of the breakthrough, Japan had formed a research consortium including Japanese companies, universities, and Government laboratories.

What will be the American response to this technological opportunity? Many of the best scientists are working in American labs on this challenge. There has already been great progress at our national laboratories including Oak Ridge, Argonne, Los Alamos, and Brookhaven. How can we best use the national resource of these labs? Will we be able to take the next step of using the excellent basic science already under way to start answering the questions of commercial application? I call on the National Academy of Science to look at what role the U.S. Government can play in meeting this challenging opportunity.

The choice is ours. We can ride the bullet train of technological progress—or shake our heads in wonder as it passes us by.

Mr. President, let me conclude by reading two responses to this set of discoveries. The General Electric Co. was quoted in the Wall Street Journal as saying, "It is too soon to jump into an industrial competition with anyone, including the Japanese."

The Japanese response was to move bunk beds into the laboratories and work around the clock. A leading newspaper in Japan says, "The objective is to organize industry to get the jump on the West in applications and commercialization for a huge new market."

We must have an American model for sharing risk and focusing intense national effort on areas of high priority such as this area, which has been opened by the unprecedented series of discoveries in superconductivity.

Mr. President, I ask unanimous consent that the article from the Wall Street Journal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Mar. 20, 1987]

JAPAN IS RACING TO COMMERCIALIZE NEW SUPERCONDUCTORS

(By Stephen Kreider Yoder)

TOKYO.—In the corner of Prof. Shinichi Uchida's laboratory at the University of Tokyo, across from the bottles of liquid nitrogen, stands a bunk bed.

Until recently it was little used. Then, on Feb. 15, a University of Houston press conference announced the latest breakthrough in the science of superconductivity, a development with potentially enormous commercial applications.

The lab and its bunks here seldom have been empty since.

For three weeks, Prof. Uchida's 12-researcher team worked around the clock, seven days a week to duplicate the Houston results. Sleeping in shifts, they cooked their meals in a tiny kitchenette while their latest batch of experimental ceramic pellets baked in the lab's kiln.

In other labs, in company board rooms and in the offices of the powerful Ministry of Trade and Industry, or MITI, the Houston breakthrough has galvanized Japan. Scientists, industrialists and government officials have responded frantically, convinced they can, and must, walk away with the commercial applications. "When it comes time to make something out of it," predicts Prof. Shoji Tanaka, who is Prof. Uchida's boss, "the Japanese will have the upper hand."

In the U.S., by contrast, the reaction has been more measured. Labs are busy, but there isn't any nationally coordinated drive for commercialization. Leaders in superconductivity research caution that much science remains to be done first. "You must keep in mind that the scientific scene is changing so rapidly that to decide (on specific applications) on the basis of what is known today would be a mistake," says John Armstrong, director of the research division at International Business Machines Corp. It would also be wrong, he thinks, "to turn this into a race between East and West."

Here in Tokyo, however, the race is already on, showing once again the competitive drive and speed with which Japan can seize on Western science.

New materials that conduct electricity at warmer temperatures with almost no loss of power, have "opened a fantastic world of future industries," says Masatoshi Urashima, a MITI official. Because previous superconductors operated only at extremely low and expensive-to-maintain temperatures, the new materials make economical the creation of tiny, superfast computers, magnetically floating trains, long-distance power lines that don't waste electricity and even appliances that use almost no power.

The discovery meshes with technologies Japan has refined for years. Japan has a train using superconductivity that is almost ready for commercial use. It travels at more than 250 miles an hour while hovering five inches above a track on a magnetic cushion created by superconducting coils. Japan's shipbuilders, meanwhile, have spent $23 million to build a fast ship propelled by superconducting magnets.

NEC Corp. and others already have produced prototypes of superconducting computer chips; the West gave up trying to do so four years ago. Such giant electronics concerns at Hitachi Ltd. are supplying the West with millions of dollars of superconducting equipment. And Japan's leading role in industrial ceramics will help it develop ceramic superconductors. "A lot of revolutionary things are going to come up and a lot of it is going to come from Japan," says David L. Keller, a technology analyst with James Capel & Co., a British securities firm. "The Japanese will dramatically lead the rest of the world."

The Japanese government already is organizing that. Four days after the Houston bombshell. Japan's Science and Technology Agency announced its intent to form a research consortium of Japanese companies, universities and government labs. A week later, the consortium was in place, including such industrial giants as NEC, Toshiba Corp, Nippon Steel Corp. and Mitsubishi Electric Corp. "We've gathered all the leading-edge researchers in superconductivity in Japan," says Koji Yamaguchi, the agency official overseeing research. "We need to get everybody together to share information and decide how to move."

MITI, the agency that picks and funds national projects like the one that helped Japanese makers dominate the memory chip business, began moving on the day of the announcement. It already is polishing up an existing feasibility study on a superconducting power plant and plans to have a working model built by 1992.

"The objective is to organize industry to get the jump on the West in applications and commercialization for a huge new market," said Nihon Keizai Shimbun, Japan's leading business daily. The earliest application, researchers say, could be superconducting computer chips that would enable creation of a shoe box-sized supercomputer, IBM and most other U.S. companies abandoned research in 1983 on the chips, called Josephson Junction devices, partly because of the complications of cooling with helium. That left NEC, Hitachi and a MITI lab to refine the technology with little foreign competition.

For all the government-inspired organization, Japan's research labs didn't wait for government orders when they heard news from Houston last month.

ELEMENTS OF SURPRISE

At the University of Tokyo, Mr. Uchida sat his researchers down in front of a large periodic table of the elements. For hours they debated which elements Houston could possibly have used. While they were still guessing, a rumor came over the phone that the material was fluoric. Students ran out and bought fluorinated chemicals. For three days they tried out hundreds of combinations until they found the rumor was false.

Acting on another tip that the Houston material was dark green, the researchers mixed all the plausible chemicals that would become green when fired, again with no success. (The material needs to be fired further until it is black, they found later.) Then a news report said a Chinese lab had achieved superconductivity at 100 degrees Kelvin (minus 173 degrees Celsius) using a ceramic with ytterbium in it and researchers attacked that. The report proved wrong—the element was yttrium. (Ironically, the University of Tokyo lab later found by coincidence, that ytterbium works. The lab patented the discovery.)

Finally at 2 a.m., March 1, they got superconductivity. "It was an other-worldly experience," says Prof. Uchida. They drank a toast and launched back into another week of experiments, this time to refine the resulting ceramic. On March 8 they announced a purified form. On Wednesday the lab finally took a holiday.

Meanwhile, labs at Tohoko University, Hokkaido University and a government research facility in Tokyo have burst forth with rapid-fire announcements of their advances in superconductivity. They and other labs have been snatching up the ingredients for superconductors so fast that there are shortages. Suppliers have run out of yttrium, for example, and labs must wait three weeks for others to be filled.

THE REAL THING

Prof. Uchida's lab has been flooded by calls and visits from companies. Sumitomo Electric Industries Ltd. researchers brought in some rudimentary wire made from superconducting ceramic. Engineers from Toshiba, Fujitsu Ltd. and Hitachi have visited the lab to keep watch on developments. "Company people have the conviction that this is finally the real thing. A lot are starting to pick it up . . . They see that superconductivity is sure thing and they want to get on to application," says Prof. Uchida.

Of course, there is scientific and commercial excitement in the U.S., too, but it's less frenetic and isn't centrally controlled. Scientists say indications of an incipient breakthrough came as early as April 1986, when researchers at IBM's laboratory in Zurich, Switzerland, reported they had achieved superconductivity in a new class of materials, the metal oxide ceramics. This galvanized researchers throughout the world. By November, the Japanese and Chinese had confirmed the IBM discovery and by December, scientists in Houston and at American Telephone & Telegraph Co.'s Bell Laboratories were reporting important advances with the new materials.

About 5,000 physicists jammed the ballroom of the Hilton Hotel in New York Wednesday night for an unprecedented special session on superconductors at the annual meeting of the American Physical Society. They listened to the presentation of 60 papers on superconductivity research done largely within the last two to three months. Although scientists from U.S. universities dominated the program, there were reports from IBM, Bell Labs, Westinghouse Electric Corp. and Exxon Corp. as well as from Japanese, Chinese and Canadian scientists.

The breakthrough generated tremendous excitement among Bell Labs scientists, says Robert A. Laudise, director of the laboratories' inorganic chemistry branch. "Usually, research managers are coaching people to do this or that," Mr. Laudise notes. "But in this case we had people coming around from all different disciplines wanting to know if there was anything in this for their area," he says.

TOO SOON FOR APPLICATIONS

"We've had a lot of people going without sleep," Mr. Laudise says. But he agrees with IBM's Mr. Armstrong that it's still too soon for anyone to settle on specific applications of the superconductors, "We're not trying to make any specific devices or systems," he says.

Bell Labs researchers are, however, trying to fabricate various superconducting materials into experimental devices,. At Wednesday's APS meeting they displayed a superconductor in the form of a flexible ceramic tape that can be formed and then hardened into a shape to fit a superconducting device.

Researchers at General Electric Co.'s big research and development center in Schenectady, N.Y., agree that it's too soon to jump into an industrial competition with anyone, including the Japanese.

JURY IS STILL OUT

"In the materials field, the events of the last several weeks have been quite spectacular, but in the applications sense, the jury is still very much out," says Michael Jefferies, manager in the center's engineering physics laboratory.

Until recently, the GE lab didn't have a group of scientists working on superconducting materials. "But we're now trying to confirm and duplicate the results that are being reported," Mr. Jefferies says.

Guy Donaruma, vice president for research at the University of Alabama in Huntsville, says governmental agencies and private concerns have shown a keen interest in the university's superconductivity research, which duplicated the Houston breakthrough.

"Wherever I go around town somebody buttonholes me and asks how we're coming along or when can we use this," Mr. Donaruma says. Some inquiries have come from the space and defense related agencies in the area, including the Marshall Space Flight Center and the U.S. Army Missile Command, he says.

In Palo Alto, Calif., where Stanford University recently announced a breakthrough in fabricating a superconducting thin film, useful in electronic devices, a news conference last week was packed with industry people. Several other scientists have called for more information for use in making a superpowerful magnet used by geological researchers. Niels Reimers, director of Stanford's technology licensing office, said however, that he hasn't been fielding many industry inquiries.

CRASH PROGRAMS

In Japan, however, companies that already sell conventional superconducting wire to the U.S. have begun crash programs to commercialize the new discovery. Fujikura Ltd. and Sumitomo Electric, for example, say they have developed rudimentary wire out of the new ceramic, despite skepticism among some scientists that the material won't lend itself to wiremaking.

Like their U.S. counterparts, Japanese makers temper their euphoria with warnings that too little is known about the new ceramic superconductor to tell when and how the material will be commercialized.

Aside from possible problems in forming brittle ceramic into wire, the new superconductor still can't handle enough current to be used in heavy applications such as power plants. Superconductors also don't work well with alternating current the type of electricity used in most of the world's power equipment.

But Japanese labs are convinced they can solve the problems over the next several years. Now that the West has made the basic breakthrough, they say, the ball is in their court. "It will be difficult and will take time," says Kasumasa Togano, a government scientist. "But that's precisely where Japan's labs and makers have the edge."

Still he and other researchers admit to a twinge of hurt pride. "To be honest, we're following in the footsteps of the U.S.," Mr. Togano says. "Here, again, the originality is coming from the West. We have a measure of sadness about that."

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized for a period of not to exceed 2 minutes.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that I may have 4 minutes because the hour of 1 o'clock will have arrived before I can finish and I shall need more time to finish my statement.

Mr. SIMON. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator is recognized for 2 minutes.

Mr. MURKOWSKI. I shall decline to take my 2 minutes at this time, Mr. President.

Mr. BYRD. Mr. President, I wonder if the Senator from Illinois will be agreeable to letting the Senator from Alaska have an additional 2 minutes and I shall ask unanimous consent that the Senator from Illinois have an additional 2 minutes likewise.

Mr. SIMON. I have no objection to that.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alaska is recognized for 4 minutes.

Mr. MURKOWSKI. I thank the Chair and I thank the majority leader and the Senator from Illinois.

U.S. POLICY IN CENTRAL AMERICA

Mr. MURKOWSKI. Mr. President, the Senate last week voted to fulfill the last installment of our pledge to supply the Nicaraguan democratic resistance with $100 million in aid. Despite my concerns about that aid, I voted to honor that commitment—but with the understanding that in the future, we are going to have to find a new basis for a national consensus on policy toward Nicaragua.

The continuing division and debate over our present policy make it all too clear that the American people are uncertain and confused over our objectives and purposes in Central America. It is time to ask the basic question: What is United States policy toward Nicaragua trying to achieve?

I want us to reexamine our objective, and I suggest that the question should not be the overthrow of the Government of Nicaragua.

Our real problem is that inside Nicaragua today there is a strong and growing Soviet, Cuban, and Libyan military presence. That is what enforces the Sandinistas' internal repression. That is what gives them the ability to subvert their neighbors. That is what makes them a threat to us.

Last year alone, the Soviets supplied 570 million dollars' worth of military aid to Nicaragua. That's five times the level of total U.S. aid to the anti-Communist resistance.

It is the Soviet military intervention which has transformed an internal conflict in Nicaragua into an international conflict which directly threatens the security of this hemisphere.

Our security does not require us to intervene in every Third World revolutionary conflict. Our message to the world is that we will not tolerate the Soviet military machine building its base within a few day's drive of our border.

United States policy toward Nicaragua should focus squarely on our fundamental goal: Preventing the Soviets from establishing a military base in Central America which threatens our security.

The Soviets and their Cuban allies must withdraw from Nicaragua. I mean, of course, a real, verifiable withdrawal: One that includes withdrawal of advisers, combat personnel, and weapons systems—like the sophisticated helicopter gunships which they also use in Afghanistan—which have destabilized the entire region. If that can be achieved, Nicaragua will cease to pose a serious threat to its neighbors and to this hemisphere.

In return for the removal of the Soviets and Cubans, we should be prepared to terminate our assistance to the Nicaraguan resistance. This may or may not mean an end to the insurgency. If the resistance has developed indigenous sources of support, it can continue on its own and eventually will succeed. But it will be a straight fight between Nicaraguans, without United States, Soviet, or Cuban involvement.

The current Arias plan for a settlement in Central America is a useful and praiseworthy initiative. I support it and I hope it works. But by focusing on a cease-fire, it does not address the core problem of Soviet and Cuban presence. The approach I propose is fully compatible with what President Arias is trying to achieve. But it would go beyond it to do two things:

First, to spell out that our aid is not provided with the goal of overthrowing anybody, but of countering threats to our security from the Soviet military buildup.

Second, to say that United States aid would cease completely if the Soviets, Cubans, and their weapons are withdrawn, not just new Soviet aid suspended.

There are many other issues that we will also need to address: Soviet economic aid to Nicaragua, United States economic and military support to other Central American states, United States military exercises in the region, human rights and civil liberties, and Sandinista hostility toward their neighbors. No genuine peace can come to Nicaragua until there is democracy there, and that means free and genuine elections.

We must continue to consider all these points with an eye toward an eventual negotiated agreement that will bring peace to Central America. But the place to begin is at the root of the conflict—ending the Soviet and Cuban involvement. That should be the basis of our Nicaraguan policy.

Mr. President, I have introduced a resolution in order to try to redefine and focus our debate on America's objectives in Central America. It will be referred to the Foreign Relations Committee for consideration as a basic policy alternative. This is what we have to focus on: Not moratoriums on current aid, but a fresh new look at our entire policy.

Before the administration requests additional aid for the resistance forces, I want the Foreign Relations Committee and the Senate to spend their time debating, not particular amounts of money, but the fundamental question of what our objectives are in Nicaragua.

The basic threat which we must counter is the Soviet military intervention and continuing presence in Nicaragua. Our military aid to the Contras can terminate if the Soviets and their Cuban allies get out of Central America.

CONGRESS' CHANCE TO STOP INDISCRIMINATE ARMS SALES

Mr. PROXMIRE. Mr. President, does the Congress have a moral responsibility to decide whether or not manufacturers of military weapons in this country should be able with Presidential approval to sell their weapons to foreign countries? Until 1983 the Congress had this power. It was in 1983 that the Supreme Court struck down the law as an unconstitutional legislative veto. So what power over the sale of military weapons to foreign countries remains with the Congress? Practically none. Oh, sure the House and Senate can pass a joint resolution opposing a particular arms sale approved by the President. But what would happen to that joint resolution? The President would veto it. And then what? Then the vetoed resolution would have to pass both the House and the Senate by two-thirds vote in both the House and the Senate to stop the arms sale. From a practical standpoint that means the Congress can forget stopping whatever arms sale a President may wish to promote.

The recent sale of 2,000 TOW missiles to Iran out of the stocks of the Defense Department is the most recent case in point. Most Americans and most Members of the Congress strongly oppose that sale. But this was a covert sale and covert sales of this kind, wrong as they may be, are very hard to prevent. Fortunately, covert sales are relatively few and far between. On the other hand, there is a massive open traffic in lethal military weapons amounting to billions of dollars. Most of it involves our NATO allies and Israel and Japan. These sales have and should have no significant opposition in the Congress. On the other hand, there are also billions of dollars of highly controversial arms sales involving the People's Republic of China, Pakistan, India, Argentina, Brazil, and many other nations. These sales are not even distantly related to this Nation's national security. And what do they accomplish? They raise the level of violence, particularly since they often involve sales of weapons to potential adversaries such as India and Pakistan, Brazil and Argentina, and China and Taiwan.

Frankly, this Senator cannot imagine a more vicious policy that this country could follow than the indiscriminate sale of weapons of death to foreign countries when the sale does not provide a clear protection for the defense of our country. Why in the world should the Congress duck its clear, moral responsibility in this matter? Fortunately Members of both the House and the Senate will introduce legislation to give the Congress the power to stop some of these sales. To his great credit Congressman Mel Levine of California has introduced a bill in the House. In this body Senator Joe Biden and Senator Claiborne Pell have introduced a similar bill. This legislation would require that a majority of both Houses of the Congress would have to approve most sales of aircraft, rockets, missiles, antiaircraft artillery, radars and other sensitive weapons except to close allies, regardless of the value of the sale. The bill could not stop such covert sales as the Iran arms sale. It could stop the overwhelming majority of sales that are not made to this country's allies.

Mr. President, winning the passage of this legislation will be extremely difficult. It will be opposed and vigorously opposed by the administration. The bill will face a fierce, all-out, no-holds-barred lobbying campaign by the Nation's defense contractors. The defense contractors are a very well heeled, thoroughly professional, free spending group that can wield a very big clout. Mr. President, here is a great challenge for those of us in the Congress who believe in the sanctity of human life.

The defense industry will argue that they need the bigger production that these sales will provide in order to reduce the per copy cost of their missiles and artillery. The State Department has already moved its lobbying guns into action against the bill. Assistant Secretary Edward Fox has written many Members of Congress. He argued that if this legislation had been in effect it could have given the Congress the chance to act on as many as 39 arms transactions last year, 28 in 1985 and 37 in 1984. Secretary Weinberger has weighed in with a speech at the National Press Club in which he calls the bill "extraordinarily dangerous to American foreign policy." The chairman of the United Technologies Corporation has wired Members of the Congress that have States or districts where United Technologies does business arguing that the arms sales help offset our trade imbalance and accounts for 5 percent of all American exports.

Mr. President, let's not kid ourselves. Arms sales that go to countries that are not our allies do not contribute to our national security. They cause the death of literally thousands of human beings. They are wrong, wrong, wrong.

I ask unanimous consent that an excellent article that appeared in the January 28, 1987 issue of the New York Times headlined "Arm Wrestling as It Were With White House" by John H. Cushman, Jr. be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, Jan. 28, 1987]

Arm Wrestling, as It Were, With White House

(By John H. Cushman Jr.)

Washington, Jan. 27.—President Reagan's appointment with Congress tonight, to deliver his annual State of the Union message, came at a time when a shift seems to be under way in the balance of power between the executive and legislative branches of the Federal Government.

Because Mr. Reagan's Presidency is entering its final two years, because the opposition Democratic Party now controls both houses of Congress and, more than all else, because a scandal has erupted over the Administration's clandestine arms sales to Iran, Congress finds itself in the ascendancy.

A sign of the new potency felt by lawmakers comes this week, when Democcrats in the House of Representatives and the Senate are expected to introduce legislation that would tilt the scales a little more to

Congress in one especially sensitive area, the making of foreign policy.

A HOT TOPIC

The bill, which would amend the Arms Export Control Act to give Congress more control over arms sales abroad, was first introduced in the waning days of the 99th Congress, but it drew little attention at the time and expired at the end of the legislative session. Now, partly because arms sales are a hot topic and partly because the bill would put additional powder in Congress's political artillery, it is getting plenty of notice.

The Administration opposes the bill, and the arms industry is deeply concerned about its prospects for passage.

Under the measure, a majority in each house of Congress would have to approve most sales of aircraft, rockets, missiles, antiaircraft artillery, radars and other sensitive weapons except to close allies, regardless of the value of the sale.

Until recently, either the House or the Senate could block an arms sale by a majority vote. The law called for advance notice of most sales worth more than $14 million; opponents in one chamber or the other could block a sale by passing a "concurrent resolution" of disapproval, a device that is not sent to the President for signature and hence cannot be vetoed. The Supreme Court in 1983 struck down such laws, saying they amounted to an unconstitutional legislative veto. After that, both houses had to vote against an arms sale and give the President an opportunity to veto their "joint resolution" of disapproval. This meant the President could force an arms sale through Congress by winning one vote more than a one-third minority in either house—enough to sustain his veto.

Paradoxically, the new bill would not affect secret arms deals like the shipments to Iran. Covert operations, no matter how unpopular, are not covered by the Arms Export Control Act, specialists say.

But the Iran affair has helped the bill's Democratic sponsors, led in the House by Representative Mel Levine of California and in the Senate by Senators Joseph R. Biden Jr. of Delaware and Claiborne Pell of Rhode Island, now the chairman of the Foreign Relations Committee.

"WE STARTED GETTING CALLS"

"As soon as the Iran thing started to heat up, we started getting calls on the bill," said William G. Andresen Jr., Mr. Levine's administrative assistant.

Mr. Andresen expects more than two dozen members of the House from both parties to co-sponsor the bill; the tally from a "dear colleague" letter seeking support is still incomplete. But that hardly means it will go unopposed. Indeed, the bill provides not only a vignette of the perpetual struggle for power between two branches of Government but also a panoramic view of a large industry mobilizing to protect its interests.

"Defense contractors are going to make this probably one of their top priorities, if not their top priority," Mr. Andresen said. "They are getting organized and are going to fight hard."

The tactic of the opposition is the lobbying blitz. It began even before the bill's reintroduction. One typical telegram went out from Robert F. Daniell, chairman of United Technologies Corporation, to 61 members of Congress representing states and districts where United Technologies does business.

"With the declining U.S. defense budget," Mr. Daniell said, "foreign sales become particularly important for retaining jobs, keeping production lines operating and keeping defense production costs down." Arms exports also help offset the trade deficit, he suggested, accounting for 5 percent of all American exports.

Gale W. McGee, a former Senator from Wyoming who is now president of the American League for Exports and Security Assistance, an industry lobbying group, has been mustering the opposition. In a letter, Mr. McGee asked senators to approach the proposal "with extreme caution, and refrain from endorsing any specific approach until the relevant committees have held hearings and all sides of the story can be told."

In particular, Mr. McGee urged members not to make their decisions "under pressure of immediate events."

Defense Secretary Caspar W. Weinberger has been more explicit in urging Congress not to let the Iran affair become an excuse to grab power from the President.

"DANGEROUS" CONSEQUENCES

"We cannot afford to be a one issue country," Mr. Weinberger said in a recent speech to the National Press Club. "Were the Congress to react to the Iran affair with additional restrictions on Presidential discretion, the consequences would be extraordinarily dangerous to the future of American foreign policy."

J. Edward Fox, the State Department's assistant secretary for legislative affairs, outlined his agency's opposition to the bill in a letter delivered to key members of Congress this week.

"This Administration, as would any administration, strongly opposes legislation along this line," he wrote. Foes of the bill have been carefully reminding the Democrats that such legislation could work against a future Democratic President as well as in the current circumstances.

In a fact sheet outlining his objections, Mr. Fox said that if the proposed bill had been in effect, Congress would have had to debate the merits of 39 arms transactions in 1986, 28 in 1985 and 37 in 1984.

Like Mr. Weinberger, he argued strenuously that American interests lie in being perceived as a "reliable defense partner."

LOSS OF "LUCRATIVE MARKETS"

Mr. Fox's letter also raised the commercial implications of the bill, which the defense contractors are emphasizing in their campaign.

"The proposed legislation could also result in loss of economically lucrative markets for U.S. defense industries," Mr. Fox said.

Mr. McGee of the arms exporters' association estimates that between $7 billion and $10 billion in weapon export sales were lost to the United States industry last year because the Administration decided not to send Congress some disputed proposals, like one to sell missiles to Jordan.

FARM CREDIT LEGISLATION

Mr. BOREN. Mr. President, there is no question that the Farm Credit System, the Nation's largest single agricultural lender, is in serious financial trouble. In 1986, the System registered a $1.9 billion loss. For the second consecutive year, loan volume declined by more than $12 billion, leaving the System with gross loans outstanding of $54.8 billion at year end.

Of outstanding loans, $5.7 billion are nonaccruing loans and another $5.7 billion are considered "other high risk." The relative increase in the share of nonaccrual loans as a proportion of total assets, increases in other nonearning assets, including acquired property, and the significant proportion of high coupon bonds remaining in the System's portfolio. Competitive pressure on the demand side is also squeezing interest earnings.

In addition to aggregate financial accounts, certain banks are in far worse shape than the aggregate statistics suggest. For example, 5 of 12 Federal land bank's had negative net interest income. Further, seven Federal land banks and one production credit association required the use of regulatory accounting principles [RAP] to prevent impairment of borrower stock.

Unless reforms are made very soon, the FCS will face a bleak future. Estimates are that loan volume will decline substantially in 1987 and losses are estimated to be in the neighborhood of $400 million per quarter. At the end of 1986, the system had only $1.4 billion of surplus remaining. It's not hard to see that this will be gone by the end of the year.

WHY WE CAN'T WAIT

In simple terms, the longer we wait to provide Federal assistance, the more it will cost. The problems confronting the Farm Credit System are worsening daily. The longer we delay action, the more it will cost because the delay will weaken the district banks and associations that are still relatively healthy.

Despite urgings in 1985 and 1986 by some of us, Congress and the administration failed to address the problems of the Farm Credit System and failed to put the System back on the right track. If we had acted sooner, we could have prevented the decline in loan volume of $12 billion in 1986 alone. If the System had received the interest income on this $12 billion for the full year, the System could have reduced 1986 losses by $1.2 billion—assuming an average interest rate of 10 percent—thereby resulting in losses of only $700 million, instead of $1.9 billion.

Without congressional action, the System will remain caught in a vicious cycle. Higher quality borrowers are leaving the System for two reasons. First, interest rates are cheaper elsewhere. Second, these borrowers fear that they will lose their stock if their local associations are liquidated. As these borrowers leave, interest income is reduced, thereby necessitating higher interest rates for the remaining borrowers. This puts more pressure on the remaining borrowers and forces many of them to be unable to make the higher interest payments. As more of these borrowers' loans are liquidated, pressure is again added to remaining borrowers as it has become difficult to move acquired property due to the general economic condition. Today's current situation exactly parallels the problems confronted during the Depression. The longer we wait, therefore, the more the problem is exacerbated—more damage is done to the System and the more it will cost to return the System to a profitable position. We simply can't wait any longer.

NO SIMPLE BAILOUT

Any Federal assistance provided to the System will be in the form of a loan. As has been done with the System since it began in 1916, any assistance provided directly to the System will be in the form of a loan. During the thirties and forties, the System was given financial assistance, but they had paid every penny of that back by 1968.

I certainly am not in favor of giving the System a blank check. There will have to be significant reforms in the System. The System will have to earn the temporary help by making changes. In addition, the System must be put in the position that it won't be back in here asking for more money in a few years. Reforms that will avoid repeating the same mistakes must be made.

For example, there is no doubt that the major reason the System got into its present condition is the method used during the seventies to price interest rates. Prior to 1971, the System was required to base interest rates on the most recent bonds issued by the institution. In this manner, the interest rate offered to farmers and ranchers closely reflected current financial market conditions, thereby permitting System interest rates to track those of other competitors. After the 1971 act, however, interest rates were based primarily on the average cost of bonds the bank had issued. By using the average cost, interest rates in the seventies and early eighties were artifically lower than those for other commercial lenders and most recently they have been substantially higher than other lenders. In 1981, for example, the prime rate was 18.87 percent. The interest rate for commercial banks at that time were 18.5 percent for operating loans, while the interest rate offered, on average, by production credit associations was 14.46 percent for operating loans. On average, in 1981, the interest rates for agricultural real estate loans were 15.42 percent by commercial lenders while the Federal land banks were offering 11.27 percent. It is now clear that the System, in the 1970's and early 1980's used the average cost pricing method to gain an unfair advantage over commercial lenders and encouraged farmers to borrow too much money. If there is to be Federal assistance provided to the System, we must be assured that this will never happen again.

Another reason the System is facing difficulties is the change in 1971 of the amount of money that could be loaned on a farm. The 1971 act increased this amount to 85 percent of the current market value from 65 percent of the normal agricultural value. In many cases, this immediately doubled the amount of money a producer could borrow. It worked well as long as land values were going up every year, but the minute that stopped, the bottom fell out for farmers who had increased their debt in the seventies. We should also gradually change this back to 65 percent of the appraised agricultural value as new loans are made. Only in this way will we prevent the System from loaning more money than a farmer can hope to repay.

Because the Farm Credit System is restricted to making only agricultural loans and loans to farmers, ranchers, and their cooperatives, the success of the System depends on the success of agriculture alone. When the agricultural economy is depressed, the System faces difficulty. In addition, the main reason the System was established was to provide long-term agricultural real estate loans. Unlike other commercial lenders, a substantial portion of the System's loans are long-term real estate loans. Seventy-three percent of the System's total outstanding loans are long-term real estate loans, compared with 28 percent of outstanding loans for commercial banks. This obviously puts greater stress on Federal land bank associations than most commercial banks experience. Despite this, the FCS must not have an unfair advantage over other lenders. If we fail to make the reforms mentioned above, the FCS will be able to undercut interest rates offered by other commercial lenders the moment interest rates start rising again. In addition to modifying the System's method of pricing interest rates, we are also exploring the possibility of including in the Farm Credit bill, the establishment of a secondary market for agricultural loans that would be available to all lenders. A secondary market could help even out the playing field by giving other lenders the opportunity to make long-term real estate loans at reasonable rates. This could also benefit farmers and ranchers by providing more competition in real estate loans, thereby reducing interest rates.

I believe that relief for the Farm Credit System should also be coupled with a program to reduce interest rates for all agricultural borrowers. It would not be fair to address only the problems of Farm Credit System borrowers.

CONCLUSION

In conclusion, any assistance package will have to include certain principles. First, any financial assistance must be conditional on substantial reforms that will prevent a repeal of the same problems in the future. There will be no blank checks. Second, we must enact a long-term solution to the System's problems. Third, we must provide some form of interest rate buy-down/principal reduction relief for all eligible farmers and ranchers regardless of their lending institution. Fourth, we must ensure that the System does not have an unfair advantage over other lenders by providing a more even playing field. Fifth, we must strengthen the control the farmer-borrowers have over the System. Sixth, we must ensure that the System will not be just another large bank and prevent extreme centralization of System institutions. Seventh, we must restrict the System's lending authority to agriculture. Finally, there must be no more delays in dealing with the problems of the System. To delay further will just increase the cost to the taxpayers.

NO MORATORIUM ON PREVIOUSLY VOTED CONTRA FUNDS

Mr. BOREN. Mr. President, I have made it clear that I believe it would be a mistake to prematurely cut off the funds previously voted for the Nicaraguan resistance. To do so, especially when there is no alternative policy to put in its place, would create a power vacuum which would be filled by those hostile to our interests. It is imperative, however, that the administration move to broaden the base of the current policy and to forge a bipartisan coalition to support it.

While I would not vote for a moratorium on the release of funds previously appropriated, I do, however, favor a full accounting of the use of these funds. The debate on this matter has now proceeded long enough. I will, therefore, vote for cloture today in the hope that a way will be found to assure a full accounting without any moratorium or premature cut off of funds. I know that Senator NUNN, and others with whom I have spoken, share the same viewpoint. A vote for cloture today, however, should clearly not be taken as an indication of support for the moratorium. I would not vote for the moratorium portion of the current proposal while I would vote for a full accounting.

ALL CENTRAL AMERICAN ASSISTANCE SHOULD BE EARMARKED

Mr. BYRD. Mr. President, there are some mechanisms which can be used to enhance accountability for, and accounting of, funds going to Central America. One chief way would be for Congress to earmark our assistance programs to these countries.

I submit for the Record the conclusions of a study which was completed recently by the staff of the Senate Democratic Policy Committee. This study, "Foreign Aid to Central America, FY 1981-1987," is a history of foreign assistance to Central America during the Reagan administration. The purpose of the study was to track the process by which the large-scale increases in aid to Central America have taken place since President Reagan took office.

This study raises concerns about how the very nature of the foreign aid process has given the Reagan administration a relatively free hand in the allocation of foreign aid resources. Because Congress does not authorize or appropriate foreign aid on a country-by-country, function-by-function basis, we have had relatively little control over the flow of resources into Central America.

Congress appropriates global amounts for aid categories with a few country-account-specific funding levels, or earmarks. This process effectively leaves it to the administration to decide how to allocate, on a country-by-country basis, the global amounts appropriated by Congress for each aid category.

This is an important distinction: Even when Congress thinks it has appropriated funds at specific levels in response to an administration request, as usually is the case for a supplemental appropriation, the administration remains free to allocate the global amount as it sees fit. I am concerned that this process can be abused, that the administration can abuse this flexibility to circumvent congressional intent—to pump more money into programs that Congress may be less supportive of and less money into programs Congress wants to see funded.

I am even more disturbed by allegations in the report of the Tower Commission, that the Reagan administration has used foreign aid as a club to induce the Central American countries to do our bidding on a variety of matters ranging from tacit support of the Contras to permitting the use of air bases for illegal Contra supply missions. Until publication of the Tower Commission report, however, we have not had direct evidence to support these allegations.

I am particularly concerned that foreign aid not be used as a club by the administration—particularly if such manipulation contravenes the will of Congress. These fragile democracies need our support, not our threats.

To that end, I suggest that the Congress should earmark, country by country, and category by category, the funding levels for all assistance to the Central American democracies of Costa Rica, El Salvador, Guatemala, and Honduras. Not only would earmarking enhance significantly Congress' control over the flow of resources into Central America, I would expect that such earmarking would also make it easier to trace funds within the system.

By tradition, Congress does not appropriate foreign aid on a country-by-country basis. It does, however, earmark funds for certain functions for certain countries—Israel, Egypt, Cyprus, and Turkey being longstanding examples. There is no reason, therefore, why Congress could not also earmark the funding levels for the Central American democracies.

The Senate should support diplomatic efforts made by the Central American democracies—not inhibit them. If the Central American democracies know that their aid levels will be set by Congress, not by an administration, whose only standard is support for its military aid programs to the Contras, it may make them more willing to resist administration pressure. If the Congress supports diplomacy, then earmarking the aid for the Central American countries may be one way to enhance efforts toward diplomatic solutions to Central American problems.

I am submitting the conclusions of this special report, prepared by the staff of the Senate Democratic Policy Committee, an exhaustive study entitled, "Foreign Aid to Central America, FY 1981-1987," dated February 18, 1987.

There being no objection, the study was ordered to be printed in the Record, as follows:

Foreign Aid to Central America, 1981-1987

During the Reagan Administration, foreign assistance to Central America has dramatically increased. Not only has the number of dollars flowing to Central America increased; so too has the percentage of the total foreign aid budget allotted for Central America. In 1979, $103.9 million, or less than 1 percent of the total foreign aid budget of $13.845 billion, went to the Central American countries of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua. In the last year of the Carter Administration, 1980, $188.9 million, or slightly less than 2 percent of the total aid budget of $9.694 billion, went to Central America.

By contrast, in 1985, the last year for which there are totals for actual obligations, $1.258 billion (including $27 million in humanitarian aid to the anti-Sandinista "Contra" rebels) went to Central America out of a total budget of $18.128 billion. In 1985, 6.9 percent of all foreign assistance went to Costa Rica, El Salvador, Guatemala, Honduras, and the Contras.

In 1986, the percentage is even higher—8.7 percent of the estimated foreign aid budget was allocated for Central America. $995.5 million (including $100 million in aid to the Contras approved by Congress on October 17, 1986) of the total aid budget of $14.913 billion was allotted for Central America.

The Reagan Administration has placed high priority on greatly increased aid to Central America as a means of countering the threat posed to other Central American countries by the Sandinista government of Nicaragua. Consequently, Administration aid requests for Central America as a region have increased every year, and allocations to the region from congressionally-appropriated aid have similarly increased.

In deciding what level of foreign assistance is adequate to meet this foreign policy objective, Congress has had to rely largely on the information provided to it by the executive branch, particularly the recommended program funding levels contained in the congressional presentation documents accompanying the budget.

In these documents and in supporting testimony before the relevant congressional committees, the Administration is supposed to give its best estimate of what resources will be required to carry out an effective foreign policy. Of course, there are times when unforeseen events require the provision of additional resources above what the Administration believed was originally needed. Under such circumstances, it may be necessary for the President to request additional funds in the form of a supplemental funding request. In cases of sudden emergency, it may even be necessary for the President to exercise emergency authorities granted by Congress so that he might act quickly to meet unforeseen events.

Moreover, the very nature of the foreign aid process gives the Administration a relatively free hand in the allocation of foreign aid resources. Because Congress does not authorize or appropriate foreign aid on a country-by-country, account-by-account basis, it has had relatively little control over the flow of resources into Central America. It can set limits, or ceilings, on the amount of funds for a particular account in a specific country—as it has done several times for aid to El Salvador. But the Administration has been able to exceed those limits through reprogrammings. As this study demonstrates, one of the most important factors responsible for the dramatic increases in aid to Central America has been reprogrammings by the Administration.

In order to provide a comprehensive record of foreign assistance funding levels for Central America during the Reagan Administration, the staff of the Senate Democratic Policy Committee has completed a detailed report on American military and economic aid flows to the region from fiscal year 1981 through fiscal year 1987. The purpose of the study was to track the process by which the largescale increases in aid to Central America have taken place.

The heart of the study is a year-by-year breakout of aid to each of five Central American countries: Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua. For 1981-1984, the study tracks aid to the government of Nicaragua; for 1985 and 1986 (years in which there was no aid to the Sandinista government), information is provided on aid appropriated for the Contras.

The foreign aid process begins with the Administration's request for funds in its congressional presentation documents which usually appear in early February—roughly eight months prior to the start of the fiscal year for which the request is made. The next step is congressional appropriation of aid which consumes much, if not most, of that entire eight month period—if not longer. Then come supplemental requests and appropriations—which tend to overlap the regular appropriations process. Often supplemental requests for the current fiscal year are sent to Congress as part of a package with requests for the coming fiscal year.

Congress appropriates global amounts for aid categories (foreign military sales credits, grant military assistance, the economic support fund, development assistance, the P.L. 480/Food for Peace program, international organizations and programs, the Peace Corps, etc.), with a few country/account-specific funding levels, or "earmarks." This process effectively leaves it to the administration to decide how to allocate, on a country-by-country basis, the global amounts appropriated for each aid category. Since the purpose of this study is to track aid from the amount requested to that which is actually obligated, the study focuses more on the Administration's internal allocations than on congressional authorizations or appropriations.

This is an important distinction: even when Congress thinks it has appropriated funds at specific levels in response to an Administration request, as usually is the case for a supplemental appropriation, the Administration remains free to allocate the global amount as it sees fit. Supporters of this process argue that this preserves Administration flexibility to allocate aid as needs change over time, particularly since the congressional appropriation process is lengthy, and much time can elapse between the drawing up of an aid request and the congressional response to it. Opponents of the process argue, however, that the Administration uses this flexibility to circumvent congressional intent—to pump more money into programs that Congress may be less supportive of and less money into programs Congress wants to see funded.

In most years covered by this study, Congress required the Administration to report back to it within 30 days of any appropriation (regular or supplemental) on how the Administration intended to allocate the funds appropriated. These reports, if so required, are called 653(a) reports after the relevant portion of the Foreign Assistance Act of 1961, as amended. These internal allocations made after regular appropriations bills (or continuing resolutions as often happened in the 1980's), provide the most accurate picture of how much the Administration thinks it will need for a given country at the beginning of the fiscal year. Allocations made after supplementals reveal Administration priorities after passage of supplemental appropriations, which may or may not have changed from the time the request was submitted. Sometimes, Congress does not require these allocations to be reported; but in all cases, such allocations were made and documents were available as sources for these allocations.

The final step in tracking aid from requests to actual obligations is determining how much reprogramming the Administration did. Technically, any change in funding levels from those authorized and appropriated, or from initial Administration allocations, is a reprogramming. Each relevant piece of appropriations legislation for the year covered by this study, usually Section 523, 524, or 525 of the foreign assistance portion of the Act or the Continuing Resolution, required the Administration to report to the Appropriations Committees any change in funding levels. In some cases, it was possible to obtain copies of reprogramming notifications sent to Congress. It is extremely difficult, however, to determine the full extent of reprogramming from the notifications filed with Congress. There are an enormous number of notifications and reporting requirements vary by account, agency, and year. In some cases, notifications are required for changes in project funding levels (a literacy program in southern El Salvador, for example) rather than for changes in a country's funding level by account (Economic Support Fund of development assistance). In many cases, projects are funded by more than one account.

Therefore, given the difficulty of accurately determining reprogramming from the notifications filed, reprogramming was calculated by adding together all allocations (regular and supplemental) and any relevant special presidential authorities, then subtracting from the amounts actually obligated.

CONCLUSIONS

Although this study is intended largely as a reference work, a number of conclusions can be drawn from it.

(1) This study demonstrates that the Reagan Administration has consistently underestimated the funds required to carry out its policy in Central America and has relied every year upon supplemental mechanisms, special authorities, and reprogrammings to acquire large amounts of additional resources. In every year, the actual level of foreign assistance provided to Central America far exceeded the Administration's original request.

For example, the congressional presentation documents (CPD) for fiscal years 1981 through 1985 reflect an aggregate total Administration request for military and economic aid to El Salvador of $1.13 billion. This represents an average program level of $226 million per year. However, for fiscal years 1981-85, the Administration actually obligated a total of $1.74 billion in military and economic assistance to El Salvador.

This is $610 million more than what the Administration had justified to the Congress originally as resources necessary to carry out our policies in that one country—an average annual increase of $122 million. That means the total resources allotted to El Salvador was 54 percent more than what the Administration originally told Congress it would need.

The same pattern can be found for Honduras during the same time period. Administration requests totaled $503.4 million with $794.4 million actually obligated. That is a 58 percent increase over the total requested. In the case of Costa Rica, the totals are $435.3 million in original requests and $700.0 million actually obligated—a 61 percent increase.

In Guatemala, although total obligations for FY 1981-85 ($191.9 million) were lower than the total original requests ($232.7 million), in 1981, 1982, and 1983, actual obligations were higher than the amounts requested; only in 1984 and 1985 were obligations lower than the requests. The overall totals are skewed by an unusually large request for 1984. Only in Nicaragua, from which the U.S. gradually disengaged in the wake of the 1979 revolution, did the amounts obligated ($66.3 million) come close to equaling the original requests ($65.8 million).

One is forced to conclude that either the Administration's policy has been less successful than anticipated, and therefore required every year more funds than the Administration planned, or that the CPD request levels have been kept artificially low in order to keep Congress from fully understanding the cost of the Administration's policy.

(2) The Administration has repeatedly argued that its aid program for Central America is primarily economic rather than military in composition, claiming that 3 of every 4 aid dollars is for economic assistance. In large part, this claim is based on lumping the Economic Support Fund (ESF) with economic assistance. Given the multiple uses for ESF, a more accurate description of the changes in the aid program for Central America can be seen by continuing to keep the categories separate.

The actual composition of the Central American aid program since the beginning of the Reagan Administration (FY 1981-1987) has been 23.4 percent military, 43.8 percent ESF, and 32.8 percent economic. If aid to the Contras is excluded, the composition for FY 1981-1987 (which includes FY 1986 and 1987 allocations by the Administration), is 22.6 percent military, 44.9 percent ESF, and 32.5 percent economic.

It should be noted, however, that these proportions represent a sharp change from the traditional composition of U.S. aid to the region. Between 1946 and 1980, only 7.7 percent of U.S. aid was for military assistance. In FY 1979 and 1980, the last two years of the Carter Administration, military aid to Central America was more or less consistent with this historical level: 2.2 percent in FY 1979 and 5.2 percent in FY 1980. In FY 1981, the first year of the Reagan Administration, the proportion for military assistance rose to 15.4 percent of total aid, and in FY 1982 continued upward to 25.5 percent. Since then, military assistance has ranged from 18 to 36 percent of total aid to Central America.

In addition to the sharp rise in the proportion for military aid during the Reagan years, there has been a virtual explosion in the use of ESF. Under Carter in FY 1979, 7.7 percent of aid to Central America was ESF; in FY 1980, it was 5.4 percent. In the first year of the Reagan Administration, 35.1 percent of all aid to Central America was ESF. For FY 1981-1987, 43.8 percent of all aid was ESF. If aid to the Contras is excluded, the percentage is slightly higher—44.9 percent.

As a result of the major increases in the proportions for these two kinds of assistance, it is not surprising, therefore, that there has been a sharp drop in the proportion for economic assistance to Central America: from 90.1 percent in FY 1979 to 32.6 percent for both the FY 1986 and FY 1987 allocations (including aid to the Contras). The lowest point was in FY 1984 with only 27.5 percent of all aid going for economic assistance.

The Administration's emphasis on military assistance is even more apparent when one examines the rate of increase in all aid categories over the past few years. By FY 1985, military aid to Central America was 24 times higher than it had been in FY 1980, whereas economic assistance was only twice the FY 1980 level.

Of equal interest, however, is the massive growth in ESF assistance to Central America. As a 1985 Congressional Research Service study noted, the Economic Support Fund combines features found in many U.S. aid programs and applies them on a case-by-case basis to support economic, political, and security policy goals of the U.S.[1] Although it is supposed to provide non-military assistance, ESF requests are presented in the President's budget as a component of security assistance, together with military aid. The Economic Support Fund, however, is not intended primarily as a humanitarian or development program—although it may have important benefits in those areas for recipient countries.

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[1] Larry Q. Nowels, "An Overview of the Economic Support Fund," April 24, 1985. Report No. 85-93 F, Congressional Research Service, The Library of Congress, pp. 1-2 and 7-8.

Since 1951, ESF-type assistance has been used largely to support countries at war or under threat of war. As the CRS study notes, it has helped to underwrite the costs of rebuilding Western European military capabilities, contributed in a large way to the war in Vietnam, helped the fight against communism in East Asia, and supported peace efforts in the Middle East. Under the Reagan Administration, it has been a significant component in aid to Central America.

The types of aid channelled through ESF include financing for non-military imports, general budget support, cash transfers, and project aid to support long-term development. In large part, ESF supports activities that to a certain extent are ineligible or inappropriate for funding under other programs. Some argue that the program has grown so rapidly primarily because the executive branch is trying to avoid congressionally-imposed restrictions and guidelines that govern other assistance programs.

Another recent CRS study concluded that a substantial portion of the growth in ESF assistance to Central America under the Reagan Administration has been due to the growth in balance of payments aid—now the largest form of U.S. aid to Central America.[2] Balance of payments support includes all ESF stabilization aid and P.L. 480 Title I food loans—both of which are fast-disbursing aid designed to help finance imports.

Considerable concern has been raised about the increase in ESF assistance, largely because of cash transfers, for which there is the least amount of accountability as to how the countries spend the money. Even though the aid may be intended to support legitimate economic needs, the fungible nature of ESF makes it possible for this aid to be used inappropriately. A number of charges have been made in particular about inappropriate use of such aid to El Salvador.

Since the Democratic Policy Committee study does not provide a breakdown between grant and loan aid, it is worth noting that the Sanford CRS study concluded that, unlike under President Carter, the Reagan Administration has provided aid to Central America largely on a grant rather than a loan basis. In FY 1980, only 18 percent was provided on a grant basis; in 1985 and 1986, over 83 percent was on a grant basis.[3]

(3) Reprogramming has been used consistently by the Reagan Administration to increase the amount of funds flowing into the Central America countries. A close examination of the reprogramming figures, however, suggests that the Administration has tended to rely on reprogramming to increase the aid flow for countries where it was more difficult to turn up the aid tap via supplemental appropriations and special authorities.

For example: in FY 1981, the first year of the Reagan Administration, all countries (except Nicaragua) benefited enormously from reprogramming. In that year, the Administration had not yet persuaded the Congress to drastically increase the flow of aid to Central America. So the Administration poured in additional resources via reprogramming. In 1981, 38 percent of El Salvador's total aid obligations can be attributed to reprogramming; 15 percent of Honduras'; 43 percent of Costa Rica's; and 31 percent of Guatemala's. Thirty-seven percent of Nicaragua's total aid was reprogrammed out, in other words, was not obligated in Nicaragua, but used elsewhere.

In FY 1982, a year with a large supplemental appropriation for Central America, only 2 percent of El Salvador's total aid obligations can be attributed to reprogramming whereas 29 percent can be attributed to the supplemental appropriation. Similarly, 14 percent of Honduras' total aid obligated in FY 1982 can be attributed to reprogramming whereas 41 percent can be attributed to the supplemental. In both cases, these are countries for which additional aid was set as a high priority by both Congress and the Administration.

By contrast, the Administration has relied more on reprogramming to channel aid to countries, such as Guatemala, which have been less popular with Congress and for which supplemental requests were likely to be viewed less favorably than those for El Salvador and Honduras. In FY 1984, only 5 percent of Guatemala's total obligated aid can be attributed to the supplemental, whereas 19 percent can be attributed to reprogramming. Although the FY 1984 supplemental was passed late in the fiscal year and most of it was not obligated until FY 1985, only 3 percent of El Salvador's total obligated aid can be attributed to reprogramming and 34 percent to the portion of the supplemental which was obligated in FY 1984. Similarly in FY 1985, 7 percent of Honduras' total obligated aid can be attributed to reprogramming and 26 percent to supplemental appropriations (most of which was carried over from FY 1984).

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the hour of 12 o'clock noon having arrived, the clerk will report the motion to invoke cloture.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of House Joint Resolution 175, a joint resolution to impose a moratorium on U.S. assistance for the Nicaraguan democratic resistance until there has been a full and adequate accounting for previous assistance.

Robert C. Byrd,
Spark Matsunaga,
Jim Sasser,
Barbara A. Mikulski,
Claiborne Pell,
J.J. Exon,
Brock Adams,
Terry Sanford,
Paul Simon,
Daniel K. Inouye,
J.R. Biden,
Jay Rockefeller,
Max Baucus,
John Glenn,
Carl Levin,
Paul Sarbanes,
Wyche Fowler,
Timothy Wirth,
Daniel P. Moynihan, and
Bill Proxmire.

VOTE

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

The question is: Is it the sense of the Senate that debate on the motion to proceed to the consideration of House Joint Resolution 175, a joint resolution to impose a moratorium on United States assistance to the Nicaraguan democratic resistance until there has been a full and adequate accounting for previous assistance, shall be brought to a close?

The yeas and nays are automatic under the rule.

The clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 54, nays 46, as follows:

[Rollcall Vote No. 38 Leg.]

YEAS—54

Adams
Baucus
Biden
Bingaman
Boren
Bradley
Bumpers
Burdick
Byrd
Chafee
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Harkin
Hatfield
Heinz
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Specter
Stafford
Stennis
Weicker
Wirth

NAYS—46

Armstrong
Bentsen
Bond
Boschwitz
Breaux
Chiles
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Evans
Garn
Graham
Gramm
Grassley
Hatch
Hecht
Heflin
Helms
Hollings
Humphrey
Johnston
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Pressler
Quayle
Roth
Rudman
Shelby
Simpson
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

The PRESIDING OFFICER (Mr. ROCKEFELLER). On this vote, the yeas are 54, the nays are 46. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, for the information of the Senate, I would expect additional rollcall votes today.

The Senate will be proceeding immediately to the consideration of Calendar Order No. 59, S. 790, the banking bill, and there are some controversies involved. I anticipate amendments and rollcall votes.

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[2] Jonathan E. Sanford, "Major Trends in U.S. Foreign Assistance to Central America: 1978-1986," April 8, 1986. Report No. 86-88 F, Congressional Research Service, The Library of Congress, pp. 13-14.

[3] Sanford, pp. 16, 18.

I would suggest to Senators that they be prepared to vote daily today, tomorrow, and Friday. If they will take a look at the calendar now, it reflects the dedication and activity of the committees that have been hard at work to report matters to the Senate, and we are beginning to build up a strong calendar.

This means we will have more floor work in the days ahead. We had 3 months now with a sparse calendar, and committees have taken advantage of this opportunity to get legislation to the floor.

I compliment the committees, Republicans and Democrats, the chairmen and the ranking minority members of those committees. They have done their work well. While they will continue to work in committees, we are beginning now to have an ample platter for work on the Senate floor.

So, I urge Senators to schedule their days accordingly. We are no longer in a position now to say there will be no rollcall votes on Fridays and no rollcall votes on Mondays.

I would hope that Senators would believe me when I say this. I have tried to be as considerate as I could be as the leader to the needs of the committees to meet and work. But we only have about 103 or 104 days left, Mr. President, in the session, if we are to get out the very early part of October. We can do that if we work hard.

While I want to concentrate on, and emphasize the work on the budget, on appropriations bills, on the heavy stuff like the trade legislation, there are other matters that have to be tended to. So I urge that Senators be prepared for votes, be prepared for work on Fridays as well as Mondays. I hope that we will be able to deal effectively with the people's business in this way.

Mr. DOLE. Will the majority leader yield?

Mr. BYRD. Yes.

Mr. DOLE. I can advise the majority leader that Calendar No. 65, Calendar No. 66, and Calendar No. 58 have been cleared on this side. That would help. I think we could dispose of those three matters rather quickly.

Mr. BYRD. Very well.

If it is agreeable with the distinguished Republican leader, could we proceed forthwith with Calendar Order No. 58?

Mr. DOLE. Yes.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader.

INDEPENDENT SAFETY BOARD AUTHORIZATION ACT

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration, for not to exceed 2 minutes, with no amendments in order thereto, of Calendar Order No. 58, S. 623. When I say "No amendments," I, of course, am not ruling out the committee amendment.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 623) to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1988, 1989, and 1990, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment as follows:

On page 2, line 15, strike "appropriations.".", and insert "appropriations"."

So as to make the bill read:

S. 623

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Independent Safety Board Act Amendments of 1987".

SEC. 2. Section 304(a)(2) of the Independent Safety Board Act of 1974 (49 App. U.S.C. 1903(a)(2)) is amended by striking "and to cause notice of the issuance and availability of such reports to be published in the Federal Register".

SEC. 3. Section 304(b)(6) of the Independent Safety Board Act of 1974 (49 App. U.S.C. 1903(b)(6)) is amended—

(1) by striking "and" after "intangible);"; and

(2) by inserting immediately before the period at the end thereof the following: "; and (H) require payment or other appropriate consideration from Federal agencies and State, local, and foreign governments for the reasonable cost of goods and services supplied and to apply the payment or consideration received to the Board's appropriations".

SEC. 4. Section 304(b) of the Independent Safety Board Act of 1974 (49 App. U.S.C. 1903(b)) is amended—

(1) by redesignating paragraph (10) as paragraph (11); and

(2) by inserting immediately after paragraph (9) the following:

"(10)(A) The Board may conduct a school or schools for the purpose of training employees of the Board in those subjects necessary for the proper performance of all authorized functions of the Board. The Board may also authorize attendance of other governmental personnel, personnel of foreign governments or personnel from the transportation industry at courses given in such school or schools, except that, if the attendance of such persons increases the cost of operation of such school or schools, the Board may require the payment or transfer of sufficient funds or other appropriate consideration to offset such increased costs. In providing any training to employees of the Board or other agencies of the Federal Government, the Board shall be subject to the provisions of chapter 41 of title 5, United States Code.

"(B) Funds received by the Board under this paragraph shall be credited—

"(i) to appropriations current at the time the expenditures are to be or have been paid;

"(ii) to appropriations current at the time such funds are received; or

"(iii) in part, as provided under clause (i) and in part, as provided under clause (ii) of this subparagraph.".

SEC. 5. The last sentence of section 307(a) of the Independent Safety Board Act of 1974 (49 App. U.S.C. 1906(a)) is amended to read as follows: "The Board shall make copies of each such recommendation and response to each such recommendation available to the public at reasonable cost.".

SEC. 6. Section 309 of the Independent Safety Board Act of 1974 (49 App. U.S.C. 1907) is amended—

(1) by inserting "(a) GENERAL AUTHORIZATION.—" Immediately after "SEC. 309.";

(2) by adding at the end of subsection (a), as so designated by paragraph (1) of this section, the following:

"There are authorized to be appropriated for the purposes of this Act not to exceed $26,200,000 for the fiscal year ending September 30, 1988, $27,500,000 for the fiscal year ending September 30, 1989, and $28,800,000 for the fiscal year ending September 30, 1990, such sums to remain available until expended."; and

(3) by adding at the end thereof the following:

"(b) EMERGENCY FUND.—An emergency fund of $1,000,000 is authorized for expenditure by the Board to be available for necessary expenses, not otherwise provided for, of the Board for accident investigations. There is authorized to be appropriated such sums as may be necessary to establish such emergency fund and to replenish such fund annually. Such sums shall remain available until expended. Whenever the Board determines to expend any sums in the emergency fund, the Board shall notify the appropriate committees of the Congress of such determination, together with an identification of the activity for which sums will be expended, a justification for using such sums for such activity, and reasons why such activity could not be performed under the amounts made available by any act providing annual authorization and appropriations of funds provided for other activities of the Board.".

Mr. FORD. Mr. President, the Senate is now considering legislation to authorize appropriations for the National Transportation Safety Board for fiscal years 1988 through 1990. This legislation, which I believe is noncontroversial and should be passed, will assure the continuation of needed funding for the Safety Board's efforts to improve transportation safety.

S. 623, which I introduced on March 3, would provide the necessary funding to ensure a continuation of current program and staffing levels for the NTSB. Specifically, it would authorize funding levels of $26.2 million in fiscal 1988, $27.5 million in fiscal 1989, and $28.8 million in fiscal 1990. These levels will support a staffing complement of 347 full-time positions. It would also make certain changes to allow the Safety Board to better utilize the funds that it receives.

The amounts provided for in this bill are virtually identical to those unanimously approved by the Congress last year. However, subsequent to our adjournment, sine die, the President vetoed that bill, calling it a budget buster.

Mr. President, we held hearings on S. 623 on March 4, 1987, to determine what level of funding the National Transportation Safety Board needed to accomplish its mandate of transportation safety. At that hearing, NTSB Chairman Jim Burnett testified that, without the funding levels provided for by S. 623, the Board would be forced to make staffing reductions. And, as the importance of transportation safety continues to increase, I do not want to be caught short handed with respect to our ability to recognize and make necessary safety improvements.

The National Transportation Safety Board is charged with investigating and determining the probable cause of accidents in several transportation industries, including aviation, highways, rail, pipeline, and marine. Following its investigations, the Board also has the responsibility of making recommendations to Federal, State, and local agencies to prevent the recurrence of accidents. And, as chairman of the Aviation Subcommittee, I assure my colleagues that the Safety Board serves a very important function to the Congress by evaluating the performance of other transportation agencies in achieving safety.

Every day we continue to see tragic transportation accidents taking hundreds of human lives and costing untold millions of dollars. The NTSB plays a vital role in examining the causes of these accidents and making recommendations so that similar accidents can be prevented in the future.

I strongly urge my colleagues to support passage of this bill. To date, the committee has not heard from anyone who opposes this bill, including the Office of Management and Budget. As a result, it is my hope that we will see early approval of this bill by the House of Representatives, with President Reagan signing it into law.

The Congress and the American people deserve our best when it comes to ensuring an adequate margin of transportation safety. And the NTSB is an important part in the process of ensuring that safety.

I, therefore, urge this body to approve S. 623.

Mr. HOLLINGS. Mr. President, I rise in support of S. 623, the Independent Safety Board Act Amendments of 1987. This legislation will provide the necessary funding for the National Transportation Safety Board for the next 3 fiscal years. It is badly needed legislation and I urge my colleagues to support its passage.

As chairman of the Commerce Committee, I fully appreciate the importance of the NTSB to our efforts to enhance transportation safety. The Safety Board has provided our committee with a great deal of analysis and insight into transportation and ways in which safety can be improved. And recent accidents in the rail, maritime, and aviation industries highlight the need to do everything we can to make these and other modes of transportation as safe as possible.

The bill before us is very simple. It would authorize appropriations for fiscal years 1988 through 1990, and it would make several minor changes in the manner in which the Board uses these funds. It has moved through our committee without adverse comment and deserves our support.

This bill was necessitated by the veto last year of a bill virtually identical to S. 623. In his veto statement, the President said that while his administration was committed to ensuring transportation safety, the NTSB authorization bill was over budget.

The fact is that if we do not pass this bill, the Safety Board will be forced to make reductions in staffing, which in turn, will mean fewer investigations into the cause of transportation accidents and fewer safety recommendations. In that very real sense, these funding levels are needed to ensure safety. Anything less will compromise our efforts to provide the American public with the safest transportation systems available.

Mr. President, I want to compliment Senator FORD for moving this bill expeditiously to the floor for our consideration. And I think Senator KASSEBAUM, the ranking minority member on the Aviation Subcommittee, deserves credit as well.

I believe that they have put together a good bill, and I urge its passage.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 623) was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. Mr. President, in further response to the distinguished Republican leader's proposal, I ask unanimous consent that, anent Calendar Orders Nos. 65 and 66, there be a time limitation on each of not to exceed——

Mr. DOLE. Twenty minutes, equally divided.

Mr. BYRD. Twenty minutes, to be equally divided in accordance with the usual form, that no amendment be in order, that no motions to refer be in order, and that on any motion to reconsider on final passage there be no time for debate thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I am informed that the yeas and nays are going to be requested on both measures. I ask unanimous consent that the Senate be permitted to proceed at this time to order the yeas and nays on both resolutions, notwithstanding the measures are not before the Senate, and with one show of seconds.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I thank the Chair and I thank the able Republican leader.

May I say to the leader that these votes on these two measures will be scheduled at a later time, after consultation with the distinguished Republican leader.

Mr. President, I thank the able Republican leader for his help. It certainly will be needed in moving forward on the calendar. I deeply appreciate his assistance.

Mr. President, a moment ago, in relation to Calendar Order No. 66, the time agreement that I proposed provided that no amendments be offered. Mr. President, my request does not preclude committee amendments.

The PRESIDING OFFICER. The Chair understands.

COMPETITIVE EQUALITY BANKING ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 790, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 790) to regulate nonbank banks, impose a moratorium on certain securities and insurance activities by banks, recapitalize the Federal Savings and Loan Insurance Corporation, allow emergency interstate bank acquisitions, streamline credit union operations, regulate consumer checkholds, and for other purposes.

The Senate proceeded to consider the bill.

Mr. PROXMIRE. Mr. President, I understand the distinguished Senator from New Mexico has a brief statement he would like to make in connection with a bill he is introducing. I am happy to yield to him.

Mr. DOMENICI. Mr. President, I ask unanimous consent that I be permitted to proceed for up to 10 minutes as if in morning business for the purpose of some remarks and the introduction of a bill for referral.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. DOMENICI appear later in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, I ask unanimous consent to proceed out of order for the purpose of introducing a bill.

Mr. PROXMIRE. Mr. President, will the Senator briefly yield?

Mr. WILSON. I yield.

Mr. PROXMIRE. Mr. President, I have no objection to the request of the Senator from California, but I do hope that we can limit such requests and get on to the bill. It is a big bill and will require considerable time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. I thank the distinguished manager of this important legislation.

(The remarks of Mr. WILSON appear later in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield 3 minutes to the distinguished Senator from North Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the distinguished Senator from Wisconsin.

(The remarks of Mr. HELMS appear later in today's RECORD under Submission of Concurrent and Senate Resolutions.)

The Senate resumed consideration of the bill.

(Mr. WIRTH assumed the chair.)

Mr. PROXMIRE. Mr. President, as we begin the consideration of this bill, I want to take this opportunity to applaud the efforts of colleagues who have gone before me. First and foremost, I want to hail the work of Senator JAKE GARN from Utah, who is on my right and who chaired the committee, I think with real distinction, from 1981 until the end of last year. In 1984, Mr. GARN ushered another controversial banking bill through the Senate. Though he confronted two attempts to block the bill, he prevailed, winning an astounding 89 to 5.

Let me also highlight the efforts of some of my fellow Democrats on the committee. Senator CHRIS DODD is the author of title VI of this bill, limiting checkholds. My friend from Connecticut is chairman of the subcommittee on consumer affairs. This section, which promises to end the abusive holds on checks, is the first of what Senator DODD says will be a long series of legislative efforts to promote the role of the consumer in this financial revolution.

Let me also thank Senators DONALD RIEGLE and PAUL SARBANES. In writing this bill, I met with every Senator on the committee, and met with my fellow Democrats several times. These two Senators contributed valuable, eloquent comment. They emphasized the need for a thorough evaluation of the financial structure in America, and it is an evaluation to which I have pledged the Banking Committee's attention.

Senator ALAN DIXON has played an extremely constructive role in the development of this bill despite heavy pressures on him to postpone tough issues to a later date.

Senator JIM SASSER of Tennessee has lent his steady and reasoned analysis throughout the shaping of this bill.

We have three new Democrats on the committee: Senators DICK SHELBY of Alabama, TERRY SANFORD of North Carolina, and BOB GRAHAM of Florida. While I expected these newcomers to bristle at the complexity of the issues before us, I was surprised to learn that they were comparative masters of the subject. Their States have elected excellent students of public policy, even when that public policy rests outside the usual boundaries of campaigning and popular speeches.

Finally, let me express my thanks to Senator ALAN CRANSTON. Senator CRANSTON drove a hard bargain in shaping this bill. At first, he was persuaded that we must avoid any legislation except the recapitalization of the Federal Savings and Loan Insurance Corporation. But in tough negotiations, we agreed to the bill we now present to Congress. I thank Mr. CRANSTON and the rest of the Senate Banking Committee.

On the Republican side, Senators HEINZ and D'AMATO were extremely helpful in forging the compromises represented in titles I and II of the bill. Senator PHIL GRAMM added a valuable amendment on forbearance policy.

Indeed, Mr. President, all 18 members of the committee participated actively in the committee's four hour markup of this legislation. While no member is entirely happy with all the results, it was reported to the Senate by a 12 to 6 margin. In my nearly 30 years of service on the committee, I have never experienced a markup with as high a degree of involvement by all the committee's members.

In fact, I cannot remember any markup in which all members of the committee, every one without exception, was there at least 95 percent of the time. I have served on other committees and have never seen it happen on other committees, either.

Of course, Senators are busy and it is very hard for them to be in attendance in any one committee. We are all members of other committees and subcommittees and we have our duties on the floor and so forth. I think this was a real indication of their intense interest in the bill and their dedication to the work.

I say to my colleagues, the Competitive Equality Banking Act includes six titles; it bans new nonbank, and limits the growth of those protected; it freezes the entry of banks into new financial markets; it recapitalizes the Federal Savings and Loan Insurance Corporation; it streamlines the administration of credit unions; and it limits the abusive holds banks place on checks.

First, a brief note on the titles that are not controversial.

Title IV expands the authority for Federal regulators to arrange the sale of failed and failing banks to interstate buyers. It also enables regulators to operate failed banks for up to 3 years in an effort to search for a permanent operator of the bank. That is the bridge bank provision. Behind these new powers is an attempt to keep banks open in troubled areas of the Nation, such as the Farm Belt and energy-producing States.

Under the Garn-St Germain Act of 1982, Federal bank regulators were empowered to invite out-of-State banks to purchase failed banks with at least $500 million in assets. The purpose of this legislation was to ease the drain on the Federal Deposit Insurance Corporation when large banks fail. Because of the general deference to States to control which banks operate within their borders, however, Congress chose not to permit acquisitions of banks or bank holding companies with less than $500 million. The term of that law has elapsed, and we are here to extend it. We are also here to expand it.

Since passage of that law, bank failures have continued to surge. Each year, a new postdepression record for failures is set. FDIC Chairman L. William Seidman testified that his agency expects a sizable increase in the number of bank failures in 1987—up from 138 in 1986—with no relief yet in sight. The increased numbers of bank failures, the geographic concentration of banking problems, and the relatively large size of some troubled banks are making it increasingly difficult to find purchasers for all failed banks. Though 37 States have enacted legislation providing for some form of regional or national full-service interstate banking, the FDIC continues to seek enactment of emergency interstate acquisition authority to enhance its ability to handle failed and failing banks with minimum disruption to local economies and minimum cost to the insurance fund.

To improve those emergency tools, the FDIC sought several new powers. One of the most important of these new powers is the ability of the FDIC itself to operate a bridge bank. A bridge bank is a bank that would take over the assets of a failed or failing bank in the event no other buyer could be found. It could run the bank for as long as 3 years in search of that buyer. In this way, communities might be protected from the loss of a much needed source of credit.

The purpose of title V is to make technical and clarifying amendments to the Federal Credit Union Act. Generally, those changes provide the National Credit Union Administration with flexibility in its supervision of credit unions, including the strengthening of NCUA's conservatorship authority.

Title VI of the bill is the Fair Deposit Availability Act of 1987. The provisions set forth in this title represent the culmination of several years of study and hearings before the committee starting in 1982 concerning the practice of depository institutions delaying the availability of funds deposited by checks.

Mr. President, as a package, this legislation is carefully structured to address two critical needs. The first is to halt the aggressive exploitation of loopholes in our banking laws. The bill does this by closing nonbank bank loopholes, as of March 5, 1987. This provides Congress with time for a careful consideration of the need for new financial services legislation. And it encourages financial service industry groups to participate constructively in the committee's efforts to reconsider the laws governing the ownership of federally insured depository institutions.

The second need is to recapitalize the Federal Savings and Loan Insurance Corporation [FSLIC] and to make that recapitalization as effective and economical as possible.

First, let me address the critical need of FSLIC. Although the vast majority of thrift institutions are profitable, several hundred thrift institutions are suffering losses so large they cannot be accommodated with the resources available to the FSLIC within its existing statutory framework. This legislation amends the FSLIC's governing statutes to enable the resources of the FSLIC to be augmented by a combination of capital market loans and thrift industry contributions. The legislation provides $7.5 billion in borrowing authority for 2 years and requires congressional review and approval before additional funds could be borrowed. Although the time limit on the borrowing authority is less than that sought by the Treasury Department, the amount of permissible annual borrowing is in the range indicated by Treasury and the General Accounting Office as essential. In a sense, this is the full Treasury plan, placed on a 2-year term rather than a 5-year term. This ensures congressional oversight. The recapitalization provided for is, in the committee's judgment, fully sufficient to enable the FSLIC to meet its obligations and can be implemented with no Government funds.

Let me turn now, to the most serious aspect of this legislation and, indeed, what will prove the most serious task our Banking Committee and Congress will address in financial law.

At the foundation of American financial law is a longstanding tradition of separating banking and commerce. This separation has served to preserve the equal availability of credit in the United States and minimize the concentration of financial and economic power.

The U.S. economy is the most powerful engine of its kind in the history of the world. Yes, there are other designs, and possibly American policymakers and captains of industry can learn from them. Nevertheless, we must be careful to understand what factors in the American economic engine make it run so effectively, so forcefully.

One of those factors, I am convinced, is the wide and equal availability of credit in the United States. No other nation has the vast pluralist net of banks that we have here in America. As a matter of fact, in most countries 5 or 6 banks do 95 percent of the business. In this country, there are 14,000 independent banks. There are some 7,000 thrifts; that is, savings and loans. And there are 20,000 credit unions. In Japan, Germany, France, and Britain, there are only a handful of banks that do the overwhelming majority of the business with banks everywhere.

What is special about this proliferation of creditors in the United States? What is special is that small banks are the lifeblood of small business. Ninety-five percent of a small bank's loans are made to small business. Seventy percent of a medium-size bank's loans are to small business. Only 13 percent of a large bank's loans are made to small business. And if I may add, none—zero, zip—of nonbank banks loans are made to small business. These figures come from a survey done, incidentally, not by bankers but by small business—by the National Federation of Independent Business.

This is not to say that big banks are bad. On the contrary, it is the American entrepreneur's dream to expand his or her business. Many of those businesses have grown tremendously. And there are corresponding banks that have grown correspondingly huge. While the comparatively few Japanese, German, and British banks are naturally huge, some of the 14,000 American banks have grown so successful that they annually populate the list of the largest banks in the world. Citicorp is, in fact, the largest in the world. Citicorp, of course, is the huge money center bank in New York. Those of us who are champions of small business can nevertheless be proud of this.

This legislation is aimed at preserving this vast network of credit from both large sources, and small, far-flung sources. It achieves this by attacking the so-called nonbank loophole.

The nonbank bank loophole arises from the definition of a bank in the Bank Holding Company Act. Under that act, a bank is defined as an institution that accepts demand deposits and makes commercial loans. A bank that refrains from one of those two activities is not considered a bank for purposes of the Bank Holding Company Act; hence the term nonbank bank.

The loophole arose through two changes enacted in 1966 and 1970 made to accommodate the unique case of a single trust company. It is clear that the new definition of a bank was intended not as a major policy change but rather as a limited exemption for a single institution.

However, beginning in the early 1980's, lawyers looking for a way around the Bank Holding Company Act seized upon the 1970 redefinition. They advised their clients that the act could be circumvented if the bank gave up either its demand deposits or commercial lending.

To avoid the regulation under the Bank Holding Company Act, a bank need not make drastic changes in its operations. For example, a nonbank bank can offer interest-bearing NOW accounts—that is, checking accounts that bring interest, checking accounts that most people consider demand accounts—rather than demand deposits and still escape regulations. Under current court rulings, it can also engage in a wide variety of business lending activities—including making broker call loans, issuing bankers acceptances, and investing in commercial paper or certificates of deposit—without being considered to be in the business of making commercial loans. In other words, these nonbank banks can really do just about everything substantial and significant that a bank can do.

Nonbank banks escape major regulations. They can expand interstate. Other banks cannot. And they escape the ban on mixing banking with commerce. Other banks cannot.

Naturally, nonbank banks are a means by which large diversified companies can invade the banking business. Some of the Nation's largest retailing, securities, and insurance companies have been able to enter the banking business through the nonbank bank loophole while banks are prevented from entering those businesses by the Bank Holding Company Act.

The Senate acted, by a vote of 89 to 5, to close the nonbank bank loophole in 1984. That was the Garn bill which, as I said before, closed the nonbank banks loophole. Unfortunately, the House failed to take action on the bill in the closing days of the 98th Congress. The House Banking Committee did report legislation early in 1985 to close the nonbank bank loophole, but that legislation became embroiled in other controversies and did not clear the House Rules Committee.

The continued failure of the Congress to close the nonbank bank loophole will cause a number of problems in our banking system. It will subvert the right of the States to determine their own banking structure; needlessly increase the cost of recapitalizing the FSLIC; erode the policy of separating banking from commerce; create new competitive inequities in our financial system; undermine the ability of the bank regulators to maintain a safe banking system; and jeopardize the payment system. As Chairman Volcker testified before the committee, closing the nonbank bank loophole is just as important and urgent as recapitalizing the FSLIC.

Let me repeat that, Mr. President, for Senators who think we should simply go ahead and proceed with recapitalization of FSLIC and drop everything from the bill. The man who I think has the greatest prestige and the greatest respect, an expert in this area, Chairman Paul Volcker of the Federal Reserve Board, has testified that closing the nonbank bank loophole is just as important, just as urgent as recapitalizing FSLIC.

Under the Bank Holding Company Act, a bank holding company cannot buy a bank in another State unless the law of that State specifically permits it to do so. The Congress deliberately enacted that policy in 1956 in order to preserve a decentralized banking system and to maintain local control over local credit resources. The policy has resulted in the United States having the least concentrated banking system among the major industrial nations of the world. While the 10 largest banks control upward of 90 percent of banking assets in most European countries, in the United States, the top 10 control less than 30 percent of banking assets.

To be sure, a number of States have recently modified their banking laws to permit interstate banking, at least on a regional level. But most of those laws have been carefully drafted to permit regional banks to grow in size before taking on the full competitive onslaught of the major money center banks. These carefully designed regional timetables can be easily circumvented if the major money center banks are free to penetrate regional banking markets through nonbank banks irrespective of State law.

There are those who argue that a controversial issue such as nonbank banks should not be made part of our efforts to rescue FSLIC. But the nonbank bank is critical to FSLIC's health. If the nonbank bank loophole remains open, it will increase the cost of recapitalizing the FSLIC. The main reason for purchasing a troubled thrift institution is to enter a market from which the acquiring company would otherwise be legally foreclosed. The FSLIC can reduce its losses by, in effect, selling the franchise of that thrift to the highest bidder. But if companies are free to acquire nonbank banks, they will have little incentive to take on the heavy capital and management burden of acquiring a failed or failing thrift institution, and the cost of resolving problem cases will greatly increase. As Chairman Gray of the Federal Home Loan Bank Board testified before the committee:

> It is important to the health of the FSLIC to enact legislation to close the nonbank bank loophole, once and for all. At a time when the FSLIC fund is dangerously low, the FSLIC needs the unhampered ability to offer valuable noncash incentives (i.e., a coveted franchise) to potential acquirers.

Thus it would be imprudent to embark upon a multibillion-dollar recapitalization without closing the nonbank bank loophole.

Nonbank banks could threaten the safety and soundness of our financial system. There is no practical way to separate a nonbank bank from its parent and affiliates, either operationally or in the public mind. There may be strong retailers who would not fail. But what if W.T. Grant had controlled a bank? W.T. Grant, as we know, had its troubles and failed. In its dying days, would it have abused its nonbank subsidiary? These are worries and concerns of no less than Fed Chairman Volcker.

The nonbank bank loophole threatens our Nation's payments system by giving large diversified firms direct access to that system. The payments system is highly complex and requires a high degree of trust among the participants. A financially troubled affiliate of a nonbank bank could, for example, direct the nonbank bank to make irrevocable wire transfers far exceeding the balance in the affiliate's account at the nonbank bank. Such transfers could precipitate the failure of the nonbank bank, resulting in loss to the FDIC, the Federal Reserve System, and the nonbank bank's depositors and creditors. The failure of the nonbank bank could, in turn, create chaos in the payments system.

Most important, let me return to the principle menace: Nonbank banks undermine the principle of separating banking and commerce, a policy that has long been the keystone of our banking system. Most corporations are free to engage in any lawful business; banks, by contrast, are limited to the business of banking.

Our free enterprise economy relies on banks to allocate credit to its most productive use. When bankers make good credit decisions, the entire economy benefits; when bankers make poor credit decisions, economic growth is impaired. the separation of banking from commerce helps ensure that banks allocate credit impartially, and without conflicts of interest. The nonbank bank loophole erodes that separation by allowing commercial companies to control banks. It raises the risk that banks' credit decisions will be based not on economic merit but on the business strategies of their corporate parents.

Closing the nonbank bank loophole while placing restrictions on existing nonbank banks does not mean either I or the committee necessarily conclude that the current boundary line between banking and nonbanking activities is optimal. Given the pace of technological change in the delivery of financial services, it may be that banks need to engage in a broader range of financial services, while other financial services firms may need greater entry into banking. But the committee believes any redrawing of the boundary lines must come about as the result of deliberate congressional decision and not through the exploitation of loopholes.

Some lobbyists are saying that the bill gives special advantages to foreign banks. That is not true at all. The bill does not give any new powers to foreign banks operating in this country, nor does it loosen the existing restrictions on what those banks can do here. The bill makes no changes whatsoever in the regulatory structure that the Congress imposed on foreign banks in the International Banking Act of 1978.

Some people may want to reexamine that structure. Fine. But that is a separate issue from this bill.

Furthermore, the bill does not restrict the already considerable authority that U.S. bank holding companies have to compete abroad. Take securities powers, for example. The Glass-Steagall Act does not apply to the overseas activities of U.S. bank holding companies. Thus U.S. bank holding companies can underwrite securities abroad. The bill will not change that at all.

This brings me to the purpose of title II. In this section of the bill, we place several moratoria on proposed new activities of banks. This is highly controversial and will be subject to an amendment that the distinguished Senator is going to offer shortly. I know that many Members of the Senate have heard from bankers complaining that this provision sets back progress by several years.

As many Senators know, I favor many of the powers that bankers seek. I think it would be good for the economy to introduce new competition into the commercial paper, municipal bond, mortgage-backed securities, and even real estate and insurance markets. Competition is what makes all American industry strong.

However, my fellow committee members, a majority of whom I was able to convince that we needed to ban nonbank bank's pending a thorough review, in turn persuaded me of the necessity of a similar ban on new bank powers. The price of a nonbank ban, of keeping commercial firms out of the banking industry, is a freeze on bankers getting into new businesses.

On March 18—it is only a freeze; it is not at all permanent and it is not going to be permanent—the Federal Reserve approved an application by Chase Manhattan Bank to underwrite commercial paper. While this activity is in the economic interests of America, it is Congress, and not the Fed, that should grant such a power. If we do not approve title II, we will be abdicating our responsibilities for writing banking law.

The Competitive Equality Banking Act of 1987 gives all of the major industry participants an interest in participating constructively in the development of comprehensive legislation.

The bill, then, is a series of political carrots and sticks designed to encourage the various financial services interest groups—including consumers—to participate constructively in shaping new legislation.

As discussed, the bill places freezes on the proliferation of nonbanks. And with a growth restriction of 7 percent in 1 year, those parents will be pressing for new legislation to relieve that restriction. Seven percent may sound like ample growth, but remember that small companies often grow at 100 percent, or 200 percent a year. In Delaware, the Greenwood Trust Co., in 1986, grew from $24 million in assets to $1 billion, in 1 year. That is a 38-fold increase in size. I do not think there has ever been a bank in the history of the world that has grown that fast; certainly, no bank that grew from $20 million or so. Seven percent growth is the rate of a mature firm, and will be a severe restriction on these nonbank buccaneers.

Title II also places a 1-year moratorium on certain securities activities that will prevent the Federal Reserve Board from approving the pending applications. This bill gives Congress an additional year in which to consider, in the context of a comprehensive review of the financial services industry, the issues raised by the proposed new securities powers. But because the moratorium is not permanent, the securities industry will have a strong incentive to participate constructively in the development of new legislation.

The 1-year moratorium on regulatory approval of new insurance and real estate powers will also help preserve the status quo while the Congress considers comprehensive reform in those areas. Because the moratorium is not permanent, the insurance and real estate industries will have a stake in new legislation. By contrast, if those industries obtained the permanent bans they are seeking, they would have no incentive to cooperate in framing new legislation.

Needless to say, banking groups will strongly push Congress to act, since the bill does not give them new securities powers, nor does it loosen the Bank Holding Company Act's restrictions on nonbanking activities.

By encouraging all the major participants to come back to the bargaining table, we greatly enhance the prospects for constructive hearings and for the passage of legislation. The committee will promptly review and, if needed, propose major revisions of the laws governing the activities of companies that own federally insured depository institutions. I have stated on several occasions that if the Competitive Equality Banking Act is enacted, the committee will immediately schedule hearings on a broad range of fundamental issues confronting the financial services industry, with the goal being to bring the committee together to make permanent decisions by October 1987.

Let me summarize. FSLIC must be recapitalized. There is no question about that. But we must also launch a deliberative process to examine financial law, and that deliberation requires us to control the law, rather then let it disintegrate.

Make no mistake; navigating this ban through the Senate Banking Committee was no easy trick. The pressure many Senators have faced from interest groups in the last several days should serve as testimony. This difficulty should also demonstrate that if we do not act now, we will not be able to act later. Granted, the ban on nonbanks in this legislation is not perfect. We have had to grandfather many players. But this is far better than opening the floodgates, unleashing a problem we may be unable to tame. Should we fail to enact this ban, we will be signaling to American executives that Congress can no longer defend the barrier between banking and commerce. The barrier will be shattered. We will be confronted with lawmaking by disintegration, rather than deliberation.

Mr. President, I yield the floor.

The **PRESIDING OFFICER** (Mr. WIRTH). The Senator from Utah.

Mr. GARN. Mr. President, I regret having to oppose Chairman PROXMIRE on this particular bill. We have had opportunity to work together on the Senate Banking Committee for 12 years, 6 years of his chairmanship and 6 years of mine, and we have been a good team. On most of these issues over the years we have agreed with each other and we have supported each other irrespective of who was chairman and who was the ranking minority member.

I appreciate that support and I appreciate his work on bringing this bill early to the Senate floor despite the fact that I disagree with the product of the committee.

The reason I do I will explain in a few minutes, but I want to go a little more into the background that the chairman talked about as an explanation of why I so strongly feel that we should be adding nothing to a regulator's bill and FSLIC recap, that it should be clean and responding to an immediate emergency situation.

When I was a new freshman Senator 12 years ago and started studying the banking laws at that time—from Glass-Steagall, to the Bank Holding Company Act, the Federal Reserve Act, McFadden, all the other laws that deal with the financial services industry in this country, I came to a conclusion that Congress was very good at moratoriums, at 90-day extensions, at short-term emergency pieces of legislation and very, very poor at making any long-term decisions or making decisions particularly with all the special interest groups that are involved on all sides of this coin, and there are not just two; there are many. And I felt very strongly that we should have comprehensive legislation and that it would be necessary to step on some toes in order to do that.

Former Senator Tom McIntyre of New Hampshire, a Democratic member of the committee, at that time proposed what in 1975 was known as a Financial Institutions Act, and it was the first attempt at broad-based comprehensive legislation rather than legislation of the type we are dealing with today. It passed the Senate 2 years in a row, if my memory is correct, in both 1975 and 1976. It passed the Senate Banking Committee and I believe it passed the Senate. As you can see we faced the same thing 12 years ago, that both the chairman and I have faced as chairmen of the Senate Banking Committee, of the House unwilling to act. The Financial Institutions Act died twice 10 and 12 years ago.

It was finally 1980 before Chairman PROXMIRE achieved a comprehensive act.

One of the things that occurred in that act in 1980 was the dissolution of regulation Q, and I mention that at this time because we will be talking a great deal more about temporary moratoriums and temporary acts that we hear are going to be only temporary and we will certainly make decisions on them. Regulation Q, which was anticonsumer as anything this Congress has ever done, put interest rate ceilings on what a consumer could earn on his deposit or savings account in a bank or a savings and loan.

I always wondered what right we had as Government to say it does not matter what you want or what the market rate of interest is; you are only going to be allowed to pay 5.25 or 5.5 percent.

That is what regulation Q was all about, and then we had a differential giving the savings and loan a quarter percent more to try and attract more funds to the housing industry. The regulation was supposed to be temporary in 1966.

Chairman PROXMIRE was successful in getting it off the books in 1980, just a little 14-year temporary regulation.

I will not take the time of the Senate to go into more examples of moratoriums that have lasted on and on and on.

However, one notable one might be the Federal income tax of 1913 which was going to be a temporary measure and was passed as such, but I believe it is still in effect as we will all find out on April 15, and that is very, very typical of most things we enact.

No matter how much I believe the sincerity of those who say that these will only be temporarily, the history of Congress tells me otherwise, particularly when these temporary moratoriums are supposed to expire 1 year from the date of enactment of this bill. Let us assume that it takes a couple of months and we are into May before it is enacted, if it is enacted, and a year from that will put us into May or June 1988.

I have been in this body during election years and during Presidential election years. After 12 years on this committee, if we have not had the courage to make decisions on many of these very controversial issues because of the power of the various special interest groups, I really wonder if it is logical to assume that in May or June of a Presidential election year, with the entire Congress being up for reelection and one-third of the Senate, that we are going to make Glass-Steagall decisions, that we are going to make decisions on whether banks should be allowed to sell municipal revenue bonds and have interest powers. I really rather doubt it.

To get back to my little history lesson, after all those things, Chairman PROXMIRE did succeed in 1980 with a comprehensive bill.

In 1982, Garn-St Germain was passed, the second step. In 1984, the third step of this process was to take place, and, as the chairman mentioned, we succeeded, on an 89-to-5 vote, and once again reminiscent of 1975 and 1976 the House refused to go to conference. I was told that there was no consensus on these issues. I apologize to the House of Representatives for not getting the other five votes that day, but I thought 89 to 5 was a pretty good margin. This body, the Senate of the United States, had the courage to make some difficult decisions by an overwhelming margin.

Senator PROXMIRE mentioned that the bill in 1984, in August, did close the nonbank bank loophole. As a matter of fact, it closed it very tight, with a grandfather date of July 1, 1983. It was actually retroactive because that was a date that Chairman ST GERMAIN and I announced at the institution of the legislation, that everyone be put on warning and that we would close the nonbank bank loophole as of that date.

We also had in that bill a number of powers for banking institutions. It was a well-balanced comprehensive bill that took and gave things to various elements of the financial services industry. No one really liked it. Maybe that was the best reason for passing it, that it irritated everybody a little bit which meant it was probably a pretty well-balanced bill and pretty fair, but that was the context in which the nonbank bank loophole was closed.

It has always been my position to close the nonbank bank loophole, but as part of a comprehensive piece of legislation. So there were tradeoffs.

Now nearly 3 years later we are attempting to close it in isolation. It was possible, any time over the last 3 years to close the nonbank bank loophole by itself. I chose not to do that. Chairman PROXMIRE's first attempt was also not to do that. His first introduction of a bill this year was even comprehensive with new powers for banking institutions.

So we went, in the first draft of this bill, with the nonbank bank loophole closer, with a retroactive date and also new powers for banks. Now we are going in just the opposite direction and prohibiting new powers.

I fail to understand, after all these years, how we are coming around to that conclusion. I would not have any objection to closing the nonbank bank loophole if it were part of a comprehensive bill.

In 1986, I made another attempt and proposed another comprehensive piece of legislation. Despite the fact that the administration in early 1986 was encouraging me to go with a clean FSLIC bill because of the problems of the thrifts, I felt that it would be more sensible to try and once again couple the problems of the thrifts with comprehensive legislation so that we were not just having a bailout of $15 billion, but were also changing some of the rules of the game in the marketplace to make it more competitive, so that some of these institutions could compete and be saved and helped by being more competitive rather than having to have a bailout.

However in July it became evident to me that this was not going to take place. I could once again pass a comprehensive bill out of the Senate Banking Committee, bring it to the floor and pass it, but my intelligence from the House told me that the pattern of 12 years was still going forth and that it did not matter what we did here in the Senate, the House would not agree.

Therefore, I felt so strongly that we had a growing problem among the thrift institutions of this country and that the responsible thing to do was simply take everything out of my bill except a regulators' bill and an FSLIC recapitalization.

So toward the end of July, I held a press conference and announced that no matter how near and dear all of those provisions had been to me, not just in 1986 but my entire Senate career, that I was going to withdraw all of them and that the responsible thing for Congress to do was take care of an immediate emergency problem. And the Senate Banking Committee was very relieved. I was patted on the back. They said, "Hey, that's great. That is what we ought to do." Kind of under their breaths: "Then you won't make us make decisions on the floor of the Senate, or in the committee, either."

Well, everybody was relieved and everybody was supportive. We got down to the last days of the session and I came back to this body and stood on the floor for 3 or 4 nights in a row trying to get a clean FSLIC recap bill passed when I probably should not have been back yet, referring to the surgery that I had in September in relation to the kidney donation to my daughter. I sat here on a Friday night until 1:30 in the morning and had two alternatives—one was the FSLIC recap and the regulators bill and the other was a backup measure to simply extend the expiring provisions of title I and title II of Garn-St Germain to give the regulators some authority to work while we were out of session.

Do you know what happened? That wonderful House of Representatives said, "We are not going to go with an FSLIC recap unless you put a very expensive housing authorization bill on it."

Now the Senate was once again held hostage, an attempt to blackmail the Senate by the House of Representatives at the end of a session to try and force something through that they knew otherwise would not pass. I could not agree to that. Chairman PROXMIRE could not agree to that. And, even if we had, the President had announced that he would veto the entire bill if a housing authorization bill were attached to it.

Nevertheless, the House refused to pass a clean FSLIC bill. I think that was an incredible irresponsibility on their part, considering that failure to pass has cost the FSLIC insurance fund $6 million per day, 7 days a week, even on Sunday, since last October. That is on the backs of the House of Representatives. With all the trouble FSLIC has—and you read the GAO reports and the other reports of the difficulties; we know of more than 400 S&L's in this country that, if you apply generally accepted accounting principles, are bankrupt and many of them should be closed—we have been increasing the cost to FSLIC at the rate of $6 million a day because we wanted to attach a housing bill, or at least the House did.

But the ultimate irresponsibility, in my opinion, is when we rushed out to campaign in November, when we sent over an extension of existing law giving the regulators power to take over failing institutions and attempt to solve their problems the House also wanted to attach a housing bill to that simple extension of current law. We did not give the regulators emergency authority again until last month, when we finally extended until next September title I and title II of Garn-St Germain.

So to be in favor of a clean FSLIC bill is not a new decision. It has nothing to do with Republicans or Democrats. These issues have never been partisan and I hope they never will become so. There is nothing partisan about Glass-Steagall or McFadden or the Douglas amendment or the Bank Holding Company Act. And now we have an emergency out there and yet we are attempting to add extraneous material to it.

But the point I wish to make very strongly is that this was not made as a decision since the November election. I want to emphasize it was a decision I made last July when I was chairman of the Senate Banking Committee and when I fully expected to still be chairman of the Senate Banking Committee. I certainly did not anticipate the big change that took place in November. So it was a conscious decision made last July and I still feel it was the best decision because since that time the problems of the thrifts have grown and the emergency has become greater.

Now, first of all, I feel very strongly that even if I agreed with the provisions that were attached to a clean FSLIC bill, I would be standing up making exactly the same speech on the necessity of as rapidly as we can passing a FSLIC recap bill unencumbered by any amendments, regardless of how meritorious, and stop the losses of $6 million per day to the fund.

Let me get to some of the details of why I oppose the provisions on substance, beyond the issue of feeling so very, very strongly that we should do what is responsible, what we should have done last October, and take up the emergency part of this bill only.

The FSLIC recapitalization plan was conceived by Congress and the administration to be a response to an emergency situation confronting the FSLIC fund and the thrift industry. The plan adopted by the committee is objectionable because, No. 1, only a clean FSLIC plan and the regulators' safety and soundness package provide an adequate response to the emergency situation.

I believe the plan is fiscally unsound in its present form. Successful and prompt enactment of a FSLIC recapitalization plan will be jeopardized by extraneous provisions because they leave the entire bill open for attack and delay, not only in the Senate but certainly in the House of Representatives.

Failure to provide more than $7½ billion flies in the face of the overwhelming amount of testimony received by the committee. Support of a partial recapitalization plan demonstrates the committee's failure to comprehend the size and the nature of the problem confronting FSLIC.

The bill's plan sends the wrong message to the public, FSLIC-insured institutions, and the investors who will be asked to purchase the securities that must be sole to recapitalize the FSLIC fund. The report of the Comptroller leads to the inevitable conclusion that the FSLIC fund is operating at a deficit and is, as of the end of 1986, technically insolvent.

The Treasury-Federal Home Loan Bank Board plan for FSLIC recapitalization suggests that unless they have the necessary addition to the interest fund reserve to continue general liabilities, FSLIC may have a negative net worth of more than $3 billion.

Furthermore, GAO reports note that as of the third quarter of 1986, 445 operating thrift institutions were insolvent under generally accepted accounting principles. The General Accounting Office adds that these insolvent institutions held $112.7 billion in assets and were losing money at the rate of over $3 billion per year. As a result, the Federal Home Loan Bank Board estimated current costs to FSLIC of already recognized troubled institutions could be as high as $23.5 billion. Failure to provide FSLIC adequate funding will turn the short-term liability crisis presently confronting FSLIC into a crisis of confidence adversely affecting both healthy and distressed thrifts and eventually the safety and soundness of our entire financial system.

The administration has recommended a $15 billion recapitalization plan. The committee has provided only half that amount. Some members of the committee consider the administration's request extravagant and unwarranted. And they are left to ponder the following question: How many times has this administration asked for funding that exceeded the funding levels that a majority of the committee members deemed appropriate, or as a matter of fact, of the Senate as a whole? Not very often in the last 6 years. That might indicate the seriousness of the problem, particularly from the viewpoint of this administration.

The need for an adequate recapitalization of FSLIC was articulated by Treasury Under Secretary George Gould in his January 21, 1987, testimony before the committee. He said, "The time to act is now. The low interest rate environment has enabled most of the industry to have high earnings. Every day we wait FSLIC estimates its costs increase by $6 billion," as I have already mentioned. "Devising our plan to recapitalize FSLIC, two simple requirements were uppermost in our minds. First, the time-tested notion of self-help was vital. The taxpayer must not be called upon to bail out an industry that with some measure of sacrifice over time can help itself."

I might divert from Secretary Gould for a moment to speak about a meeting of thrift executives that I was at a few weeks ago. During the question and answer period one of them got up and said he did not think there should be a FSLIC recap plan at all. What he thought should be done is that the taxpayers of this country should bail out the thrift industry. I said, "Well, I may never be invited to this group again but that is immaterial because I totally and completely disagree with you." There is simply no reason that the taxpayers of this country should bail out fraud, mismanagement and stupidity. As you look at the strong thrifts that are in no difficulty, despite some of the economic conditions we have had, it is because they have been prudent, they have been well run, and they have been well managed. You also find that most of the thrifts that are in trouble are because they have made good old-fashioned bad loans in real estate, not the new powers, not mushroom farms, nothing exotic—only the business they were supposed to be in: In residential construction, commercial development, and things of that nature.

The taxpayer has no obligation to bail them out. That is why we are talking about a FSLIC recap plan funded by the industry themselves. And there are those who resent it—who say, well, I have been well run. Why should I be penalized? I am not in trouble. I am making record profits this year. The savings and loan industry wants to remain specialized; institutions primarily in mortgage and lending. Therefore it is important that their industry be saved, and that they participate in saving it. Otherwise, if we have massive failures, you will see great pressures for merging FSLIC and the FDIC, and a great deal more pressure to have all institutions compete with each other without the specialized functions that we have today.

Going back to Secretary Gould's second reason, the recapitalization plan must have enough resources up front to meet the real problems we all recognize today. During the 99th and 100th Congress the committee heard all of the arguments in favor of and in opposition to the full $15 billion. Three of the arguments that were made during those hearings I believe merit some rebuttal.

No. 1, the first argument is that FSLIC does not need $15 billion to resolve anticipated losses. As noted above the GAO strongly disagreed with that argument. The adoption of plans involving lesser recapitalization resources, $5 to $7 billion or 7.5 would be tantamount to the adoption of a continuous crisis resolution.

No. 2, the second argument derives from the first. Critics of the $15 billion plan contend that it could be excessive, that Congress should not lock itself into a $15 billion 5-year plan. A $15 billion, 5-year plan does not lock the FSLIC into spending the full $15 billion. Even if the problems facing FSLIC today were dramatically reduced, the administration plan does not lock the $15 billion into financing. The markets will not accept, at reasonable interest rates, more than an estimated $3 billion a year in bond issuances. Bonds would be issued only to the extent funds are necessary. Also, the General Accounting Office will review periodically the issue of what funds are necessary. Furthermore, Congress will certainly have ample opportunity and the means to ensure that excessive bonds are not issued under the $15-billion recapitalization plan.

Finally, Senator GRAMM's amendment provides for congressional hearings and reports within 2 years of enactment to further assure that Congress would have a formal means of reexamining the plan.

No. 3, the third argument advanced to thwart the passage of the $15-billion recapitalization plan has forbearance for economically distressed areas. A March 9, 1986 letter to myself from Federal Home Loan Bank Chairman Edwin Gray noted that the bank board has followed a policy of forbearance.

I will not take the time to go into his full letter, but forbearance has been going forth. He states, "In short, we have taken, reaffirmed, or committed ourselves to rational devices of forbearance." Quoting his last paragraph, "We have gone well beyond the commercial banking regulators. We have shown very significant forbearance and discretion in dealing with institutions in States with depressed economies. The success of the recapitalization plan in its present form is jeopardized by the 2-year sunset provision and the arbitrary limitation on the financing corporation's ability to issue only $3.7 billion in a given year."

In its current form the recapitalization would force investors to rely upon the hope that a future Congress would take timely and affirmative action 2 years from now to pass legislation allowing FSLIC to raise enough funds to recapitalize itself. The very act of Congress passing a deficient recapitalization alternative would convince investors of the added seriousness of the risk 2 years hence. Investors will surely demand higher interest rates under a plan involving lesser capitalization.

Mr. President, I apologize for taking so much time, but I assure you when we get to the amendments, having made many of the arguments beforehand, I will not have to repeat them.

Let me turn to title I and title II and why I believe they should be deleted from this bill again, beyond the issue of separation and just going with the clean bill.

Nonemergency provisions of the bill, principally, titles I and II, are clearly backward steps from comprehensive reform for two reasons: No. 1, they directly undermine FSLIC recap. No. 2, they protect special interests by moving backward toward a coddled, segmented financial services industry.

What I am talking about here is whatever amount we pass, $7.5 billion, $15 billion, $10 billion, whatever the final amount is, I firmly believe that title I and title II increase the cost of FSLIC recapitalization. So the bill is in conflict with itself. While we are passing bonding measures for billions of dollars, it will cost billions of dollars more because of title I and title II.

Title I diminishes the thrift franchise so dramatically that whole classes of potential buyers are either barred or severely deterred from purchasing thrifts. This certainly is no small matter particularly in the case of troubled or failing thrifts. It costs FSLIC far more to liquidate a troubled thrift, simply when they go in and say OK, we are closing you down, and we are going to pay off all the depositors up to $100,000.

That is the most costly way to solve the problem.

The most efficient way to solve the problem is to find merger partners, find someone to acquire it. Both the FDIC and the FSLIC have been doing that for years. Most of the failures in banks over the past 5 or 6 years have been handled by mergers at a greatly reduced cost. What good does it do to recapitalize FSLIC at whatever amount we decide on and then put provisions into the bill that greatly diminish the number of potential partners and force the FSLIC into strictly straight payouts up to the $100,000?

Let me enumerate four ways title I does this.

First, it deters any diversified financial firm from buying a failing thrift because of the cross marketing restrictions imposed on all diversified companies.

Second, it prohibits any grandfathered nonbank bank from acquiring a failing thrift without losing its grandfather rights.

Now this is just the opposite of the approach I proposed last year as a solution to the nonbank bank problem. Tell them that they had a choice, that if they really wanted to be in the banking business, then come on in. The way they would get in rather than through the nonbank bank loophole was to buy a troubled thrift because then we were solving the nonbank bank loophole problem without moratoriums, without divestiture, and we were requiring them to help with the other problem we had, to buy a troubled thrift and then they can have checking accounts, then they can make commercial loans, then they can do all the things they want to.

We are doing just the opposite here. We are prohibiting nonbank banks from buying a troubled thrift. That is not an opinion; it is a fact.

We are cutting down the number of potential buyers. That makes no sense to me, to have a bill that conflicts one title with another.

Third, it prohibits any grandfathered unitary thrift from acquiring a failing thrift without losing its grandfather rights. So if you are one of these grandfathered unitary thrifts, you say, "Boy, what a deal we have, we have the camel's nose under the tent, is that not a nice situation? We have no new competition from nonbank banks because they have been prohibited. We retain all the rights we currently have except we cannot buy one of those thrifts. If we do, we lose our grandfather rights as a nonbank bank."

That is the third situation where we cut down that pool of potential buyers.

Finally, it prohibits any diversified financial firm or commercial firm affiliated with either a grandfathered nonbank bank or a unitary thrift from acquiring a failing thrift without divesting the grandfathered institution.

Thus the bill imposes an additional restriction that substantially diminishes the thrift franchise. You diminish the thrift franchise and you reduce the value of it and even where firms are prohibited from buying them under title I you are going to make it so valueless they will say, "I would not buy that even with FSLIC help."

What this means is that securities firms cannot purchase thrifts. Neither can firms affiliated with securities firms like insurance and major diversified financial services firms.

In short, if Congress enacts title I into law, who is going to buy a thrift? I do not know. But I do know that $7.5 and $15 billion will not be enough then because all this new bonding authority we are about to give FSLIC will be used up where they have to go in to liquidate since they cannot find partners to assist in mergers.

The bill also, in my opinion, protects special interests from competition. It is a ruse, in my opinion, to pretend that this bill preserves the status quo until Congress enacts comprehensive, progressive legislation. The bill is regressive. It coddles the securities, insurance, and real estate industries by moving backward toward protected, segmented markets and easy profit. The protected market of the securities industry is producing profits that can only be described as astronomical if not illegal. Top partners in investment banking firms routinely earn tens of millions annually, sometimes as much as $100 million, which we have read about, while entry-level MBA's struggle on salaries in the six figures.

Insider trading, market manipulation, and conflict of interest now coming to light have increased these amounts.

A rational congressional response, of course, would be to clean up that industry and let in some healthy competition to drive down these profits. Congress is not always rational, as this bill demonstrates. Far from providing more competition, this bill moves in exactly the opposite direction. By responding to the whining cries for protection, the bill prohibits banks and thrifts from even very limited access to the securities industry, despite the fact that this access is or may be permitted by current law.

Preserving the status quo would be to preserve that access, but the bill takes it away in three specific instances:

First, it prohibits banks from engaging in certain security activities under section 20 of the Glass-Steagall Act.

Second, it prohibits State-chartered banks who are not members of the Federal Reserve from engaging in security activities.

There is another example of it making the thrift institutions which are in trouble less desirable.

So the bill, when we talk about a moratorium under section 20 of the Glass-Steagall Act, does not resolve the issue. It simply places a 1-year moratorium on the Federal Reserve from granting any such application.

This is the same copout that I have experienced in my entire 12 years on this committee of a Congress that is simply unwilling to make decisions.

As I said in my earlier remarks, this is to think that by putting moratoriums on for 1 year that will make us braver, that sometime during this year we are going to confront decisions that we would not confront in 1984 and 1986, and in the beginning of 1987, that somehow some magical fairy is going to come in and tap us on the head and say, "You have courage, ladies and gentlemen. Now you are going to make a decision on bank powers and securities powers and cross-industry selling and geographical boundaries, and all of that."

I believe before we have enough courage to do that we will see the second coming of the Lord by July 1. If any of the last 12 years tell me anything, that would be a more likely event.

Again, to repeat myself, at the expiration of those moratoriums in the middle of a Presidential election, are we going to get our courage at that time?

I believe the banks should be allowed to compete but even more than that the Federal Reserve Board should be permitted to interpret existing law.

I would prefer that Congress take action. The reason we have so many court decisions, the reason we have been getting involved, the reason we have a Federal Home Loan Bank Board making decisions, the reason we have State legislatures making decisions that we do not like, is because they are filling a vacuum of 12 years of inaction, and with moratoriums all we are doing is legalizing that inaction.

The only positive aspect of this moratorium, notwithstanding other statements to the contrary, is the clear statement of congressional intent that the Federal Reserve Board has the legal authority to approve section 20 applications.

With this bill we are applying Glass-Steagall to State-chartered, nonmember banks. The restrictions of the Glass-Steagall Act do not currently apply to State-chartered banks that are not members of the Federal Reserve System. So we are trampling all over the States' rights and the rights of State legislatures to deal with State-chartered banks residing and operating totally within their own boundaries. This bill would change the status quo to apply these restrictions for the 1-year moratorium period.

We believe it is up to the States to decide what their banks should do if they are not members of the Federal Reserve System.

We are also applying Glass-Steagall to thrifts. The bill imposes the Glass-Steagall restrictions on thrifts permanently. Thus, the bill sends the wrong signals to thrifts, about who they must compete against and how hard they must compete.

Title II of the bill uses a moratorium to impose a number of new restrictions on the insurance activities of banks, particularly State-chartered banks. These restrictions are similar to but even more onerous than those included in the so-called Dodd amendment that passed the Senate in 1984.

Among other things, they preclude Federal regulators from taking any action to increase the insurance powers of any banking entity beyond those set forth in the Holding Company Act. The moratorium is even more specific about including a bank holding company in acquiring any new State-chartered bank or savings bank unless the holding company promises to limit the activities of the new bank to Federal restrictions of section 4(c)8.

Moreover, the bill goes further by prohibiting a simple reorganization of a State bank into a bank holding company without limiting the new institution's insurance activities to the Federal standards. I strongly oppose that provision. Not only does it protect insurance agents from needed competition, but it tramples on States' rights to determine the scope of both the charter issued to local banks and the statutory framework of that State's insurance business.

Let me comment about this little battle with the insurance agents so everybody knows.

I used to be one. For 10 years I made my living as an independent insurance agent so I think I know something about their business.

One of the things that was more near and dear to our hearts as insurance agents than anything else was the fact that we had no Federal regulation. There is no Federal regulation of insurance. There is a McCarran-Ferguson Act that gives them an exception so they deal with their State legislators and their State's insurance commission.

I still agree with that. But it is the height of hypocrisy for insurance people and their trade associations to come back here as they are, heavily lobbying—even this week—and demand Federal regulation of State-chartered institutions to prohibit banks from selling insurance.

I happen to agree with them. I am not in favor of banks wholesale getting into insurance. Maybe that is my bias from having been in the insurance industry over 12 years ago. But I have the courage to lobby my State legislature if they want to grant those powers to State institutions.

I want to be very clear that we are talking about a State's rights issue here. I am not talking about federally chartered institutions. That is prohibited under title VI of Garn-St Germain. What I am talking about is this hypocrisy of independent insurance agents—who always get up and give free enterprise speeches at Kiwanis Clubs and Lions Clubs and how they do not want the Federal Government to interfere and want no Federal rules and regulations at all—how they in good conscience can come back here and, on the issue of State-chartered institutions selling insurance, which is good and right under Garn-St Germain, lobby for the legislature to prohibit the right of banks to get into the insurance business.

I get kind of emotional about that because I was part of that insurance industry, and I was never afraid to compete with a bank. I do not remember a bank ever taking a sale away from me because when I was in the insurance business, I did not get calls every day or have people knocking on my doors begging me to sell them insurance. I had to go out and look for customers, and I had to work hard to sell them. Bankers sitting in their marble lobbies selling insurance, I do not worry about that kind of competition. I also do not have any trouble lobbying my State legislators.

People should not be lobbying for violating States' rights on this issue because it will come back to bite them someday and they will have no defense. And someone—not this Senator because I do not disagree with them—will want to repeal McCarran-Ferguson because it is time that we had uniform rules and regulations and laws for this entire country; it is time we did away with the State legislatures' rights to make decisions on insurance companies and every company having to file all of their rates with every one of the 50 States and territories in this country. They had better be careful and think that one through when they are asking for preemption of States' rights to prevent competition.

Well, I have taken far too much time, Mr. President, but I promise the chairman that it will lessen the time on the amendments.

In summary, let me repeat so that nobody misunderstands what my position is: I still favor comprehensive legislation. I still favor closing the nonbank bank loophole. I favor solving an immediate emergency problem for the thrifts and particularly the insurance fund that insures them.

No one has been more committed to comprehensive financial institution legislation for the last 12 years. I have not backed off of that. I am willing to start working this afternoon or tonight on everything I can do to cooperate with the chairman from Wisconsin on comprehensive legislation. But I am absolutely opposed to doing it on a piecemeal basis with a few moratoriums that are anticompetitive, And that will increase the problems of the thrifts. I believe this body should do the responsible thing, as we did last October, and simply pass a clean regulators bill and recapitalization of FSLIC. Then we can get back to these controversial issues.

I thank the chairman and the Chair for their patience.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. SANFORD. I thank the Chair.

Mr. President, let me begin by expressing my appreciation to the Senator from Utah for his splendid statement and his recounting of the history of much of our banking legislation. More importantly, I thank him for his contribution in working on our financial service problems over the last half dozen years. I can certainly sympathize with the feeling that it has been too difficult to get something done, and too difficult to get up the courage to take on these various financial institutions. Consequently, I can see why he would come now with some sense of dismay that we have before us a bill that does not quite do all of the job and does, perhaps, more than he thinks it should do.

I can certainly sympathize with that. I would like now, though, to talk just about the recapitalization of the FSLIC fund and perhaps come back later to talk about title II.

Mr. President, there is no question that we need to beef up the FSLIC fund. While some may argue about the way to do that and how much money should be committed, the Banking Committee finally agreed upon a figure of $7.5 billion in borrowing authority. That figure is not, by any means, a unanimously accepted one, but the Banking Committee, after hearings and a great deal of discussion, did settle on a recapitalization plan providing this borrowing authority of up to $7.5 billion over 2 years, after which time, the Banking Committee felt that it would be in a position to assess the progress. The committee believes that the dollar figure is enough and that the time of 2 years is enough. This $7.5 billion total would be divided equally to provide borrowing authority of $3.75 billion per year.

I would like to emphasize that these borrowed funds are not the only funds that will be available to the FSLIC over the next 2 years. The $7.5 billion will be over and above the FSLIC's other sources of revenues.

Let me enumerate those sources:

First, the FSLIC is expected to earn $275 million this year in investment income from U.S. Treasury securities.

Second, the FSLIC holds about $12 billion in receivership assets which are being disposed of in significant part by the Federal Assets Disposition Association, or FADA. The General Accounting Office estimates that we can expect 42 percent of that amount to be collectible, while others argue that the percent that is collectible is considerably higher. Even assuming the GAO's more conservative estimate, however, the amount available each year over the next 2 years from asset disposition should be in the neighborhood of $1 billion.

Finally, we come to the source of the bulk of the FSLIC's funding over the year—the amount paid in as assessments by savings and loan institutions all over the country. The Nation's FSLIC insured savings institutions this year will put a total of nearly $2 billion into the FSLIC insurance fund—$800 million in regular premium assessments, plus an additional $1.1 billion in special assessments. These special assessments have been in effect for more than 2 years now and will continue until 1991.

Thus, the total available to the FSLIC for the year comes to $3.175 billion, before any moneys are raised on Wall Street through the recapitalization program we are authorizing in this bill.

The committee has determined that an additional $3.75 billion be made available through the borrowing mechanism, which amount would bring the total available for the disposition of FSLIC problem cases to almost $7 billion less operating costs and interest on market borrowings. Estimates indicate that these costs will be $250 million or less, leaving FSLIC with $6.75 billion to spend each year for the next 2 years.

I also want to emphasize that none of this substantial amount of money comes from the U.S. Treasury or from taxpayers; all of it comes from the savings institutions, either directly in the form of assessments or through the interest and other costs that our S&L's will pay to service the debt generated through this borrowing plan.

The real question before us is whether this $6.75 billion a year for the next 2 years is enough—and I submit to you that it is an entirely appropriate amount to be putting into FSLIC at this time. The bill would give the FSLIC over 80 percent more funds to spend each year for the next 2 years than it has had available to it in any previous year.

In addition, the special assessments placed on the savings institutions will continue until at least 1991, making at least another $3.75 billion available in assessments and other income each year in the 3 years following the phase out of the borrowing authority granted by this bill. Thus if we look at the picture over the next 5 years, FSLIC can count on capital infusions of over $20 billion over the next 5 years, and that should be an adequate amount.

This is a very substantial sum of money and represents a solid commitment on the part of the Senate and of our savings institutions to solve the FSLIC problem. Indeed, this capital infusion provides more funds to FSLIC over the next 2 years than the Treasury's $15 billion plan would have.

Moreover, as was well documented at the hearings before the Banking Committee, many of the problems facing the savings institutions stem from particular economic problems in our energy and agricultural States. While I do not belittle the troubles those regions are facing, there is a good deal of hope that over the next 2 years oil prices will go back up and our trade imbalances and difficulties in the agricultural area will improve enough to allow many of these troubled institutions to work through the problems they now face. At a minimum, I believe it is imperative that we give these well-managed but troubled institutions the opportunity to work out of the downturn they are now facing.

In addition, in assessing whether we have adequately addressed the FSLIC situation, we must look at whether the regulatory apparatus set up to administer this program—the Federal Home Loan Bank Board and the FSLIC—can effectively spend the money that we are commiting to their care.

I ask unanimous consent to have printed in the RECORD an item from the February 28, 1987, edition of the Washington Post entitled "Decentralization of FSLIC Urged, Independent Study Says Agency Has No Uniform Policy for Selling, Closing Sick S&L's."

The article reports a study commissioned by the Federal Home Loan Bank Board and conducted by the well-known management consulting firm of Booz-Allen & Hamilton. I will quote the first two paragraphs:

> The federal agency that insures the savings and loan industry manages billions of dollars without proper audits, has no uniform policy for selling or closing ailing S&Ls, and has dumped homes and other properties into depressed economies at reduced prices, an independent study requested by the government has concluded.
>
> The study, prepared by a major management consulting firm and costing hundreds of thousands of dollars, recommends that the Federal Savings and Loan Insurance Corp. be revamped entirely to spread day-to-day operations across the nation and to tighten oversight from Washington.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 28, 1987]

DECENTRALIZATION OF FSLIC URGED

INDEPENDENT STUDY SAYS AGENCY HAS NO UNIFORM POLICY FOR SELLING, CLOSING SICK S&L'S

(By Kathleen Day)

The federal agency that insures the savings and loan industry manages billions of dollars without proper audits, has no uniform policy for selling or closing ailing S&Ls, and has dumped homes and other properties into depressed economies at reduced prices, an independent study requested by the government has concluded.

The study, prepared by a major management consulting firm and costing hundreds of thousands of dollars, recommends that the Federal Savings and Loan Insurance Corp. be revamped entirely to spread day-to-day operations across the nation and to tighten oversight from Washington.

The study of FSLIC is the first independent support for complaints from many S&L executives, especially in Texas and other economically depressed states, that they have been treated unfairly and arbitrarily by S&L regulators. Although FSLIC officials refused to release the study, The Washington Post obtained a copy.

The chairman of the Federal Home Loan Bank Board, the federal agency that regulates S&Ls and controls FSLIC, requested the study last year. Chairman Edwin J. Gray has accepted its conclusions and is pushing to revamp the insurance fund as the study suggests, a bank board official said.

Many officials in Congress, the bank board and the S&L industry believe that the plan could cut the government's cost of selling or merging ailing S&Ls. But many others warn that if the plan to decentralize FSLIC is not carried out with adequate safeguards, it will lead to even greater confusion—and potential for conflict of interest—among federal S&L regulators.

"You can shuffle around the deck chairs, assuming you have good management, and get some results," said Bert Ely a banking consultant based in Alexandria. "But the real problem at the bank board, the core problem, is bad management. Just decentralizing something won't do anything without improving management."

The study, which was completed last fall, concludes that FSLIC suffers from:

A lack of independent auditing or other fiscal controls, which leaves an agency handling billions of dollars in deposit insurance money free to oversee itself without checks or balances.

A lack of consistent, written standards and policies, which has caused conflicting procedures when S&Ls are closed or sold.

"Insufficient oversight" and leadership because gray has allowed frequent changes in the top management of FSLIC and has left one key job "vacant" for months.

A staff that in many cases has underestimated by 25 percent the government's cost of liquidating ailing S&Ls. If the cost of liquidating an ailing institution is underestimated, the bank board could expect a higher price from firms interested in buying the S&L. As a result, the bank board has rejected acceptable offers from bidders who want to buy sick institutions.

A policy of paying contractors more when they sell assets from failed S&Ls than when they hold onto the assets until they can get a better price. The arrangement has caused "forced sales" or dumping "in temporarily depressed markets, such as Houston."

The study by Booz, Allen & Hamilton Inc. confirms the view of many S&L executives who complain FSLIC is badly run.

The complaints have grown louder in recent months as Congress struggles to pass a bill that would pump as much as $25 billion in new funding into FSLIC, which congressional auditors say ended 1986 at least $3.8 billion in the red.

The Booz Allen report's remedy for FSLIC's woes is to decentralize operations for liquidating or selling sick S&Ls by moving the tasks into the 12 regional Federal Home Loan Banks. The banks were created by Congress to lend money to the S&L industry at favorable rates, but they also oversee and examine the books of S&Ls to make sure institutions follow federal regulations.

At the same time, the study says, auditing and other controls must be strengthened in Washington to ensure that policies are consistent throughout the bank board system and to guard against abuses at the local level.

But many within the industry fear that the bank board might not be capable of imposing those safeguards and that decentralization will just make FSLIC harder to control.

William M. Isaac, a banking consultant who is a former head of the Federal Deposit Insurance Corp., the federal fund that insures funds at commercial banks, said, "If you deregulate operations, you have to tighten policies and control from the top. If you don't, it could be a disaster."

Isaac said, however, that Gray's plan is "exactly" what the FDIC did five years ago in anticipation of having to handle the growing number of bank failures. "It would have been impossible for the FDIC otherwise," Isaac said of the FDIC's decision to reorganize.

But while the FDIC is generally considered a well run agency, the bank board has suffered from an image of being badly run and too closely tied to the industry it regulates.

"Lack of controls is a legitimate area for concern," said one top bank board official who discussed the Booz Allen report on the condition that his name not be used. "But I can assure you the bank board has made no decision on this."

Others in the bank might disagree. According to Pat McKelvey, chief spokesman for the bank board, the decision to decentralize has been made. The decision that remains is how to do it. "It's a matter of implementation, something that all have agreed to," McKelvey said.

S&L industry sources say the plan is being pushed by Gray and bank board chief of staff Shannon Fairbanks in the hope it will be in place when Gray's term expires July 1.

McKelvey said he did not know if the two other bank board members, Lawrence White and Lee Henkel, need to approve the plan. He said it is possible Gray could act on his own. White, Henkel and Gray were unavailable for comment.

Mr. SANFORD. As if to provide support for the Booz-Allen findings, another article appeared in the Washington Post just last week entitled "Memo Faults FSLIC on Property Dealings." I ask unanimous consent that this article, dated March 18, 1987, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, March 18, 1987]

MEMO FAULTS FSLIC ON PROPERTY DEALINGS

(By Kathleen Day)

When federal savings and loan regulators visited upstate New York last fall to inspect a resort the government inherited from a failed S&L, they took a commercial flight to Albany, then chartered a plane and limousine for the rest of the trip, federal documents show.

Renting a car for the two-hour drive from Albany to the resort at Lake Placid would have cost the government $75. Instead, the tab for the plane and limousine came to $769.50, all of it paid by the Federal Savings and Loan Insurance Corp., the financially strapped fund that insures S&L deposits. FSLIC is asking Congress for a $15 billion bailout.

Employees at the Lake Placid resort say that when the federal regulators started for home, "they were seen leaving with mementos of the historic club, including china bearing the seal of the club," aides to Rep. John D. Dingell (D-Mich.) said in a memo summarizing a recent investigation of the resort.

After meeting with FSLIC officials about the Lake Placid resort, Dingell's staff concluded that "it became obvious that FSLIC has virtually no internal controls that would identify waste, fraud and abuse in the handling of their properties."

The Lake Placid resort is one of thousands of properties that FSLIC has taken control of in recent years amid rising S&L failures. In December, Dingell began an investigation into the resort as part of a larger inquiry on how the bank board audits S&Ls and keeps track of government assets.

FSLIC is the insurance arm of the Federal Home Loan Bank Board, the federal agency that regulates S&Ls. The fund's cash reserves have been drained in recent years as the cost of paying off depositors at failed S&Ls outpaces the fund's income from fees charged to S&Ls and from the sale of property.

So far, Congress has focused on FSLIC's ability to repay depositors in collapsed institutions, rather than on how the fund handles the swell in government-owned property.

"What has been ignored is the ability of . . . FSLIC to manage and liquidate . . . enormous inventories of properties spread all over the United States with a minimum of fraud and waste," Dingell's staff concludes in a memo. "Based on our experience, the stage is set for the scandal of the next decade."

Some industry leaders don't think the public will have to wait that long. "Nobody has confidence in FSLIC. What do you think this is all about?" said John H. Rousselot, president of the National Council of Savings Institutions, a leading S&L lobby group. "Almost everybody has doubts as to FSLIC's ability to perform administratively."

Bank Board Chairman Edwin J. Gray yesterday defended his agency's handling of government assets. He said accusations are being circulated by opponents of a bank board and White House plan to pump $15 billion into FSLIC, which ended 1986 $3.8 billion in the red.

Cases such as the Lake Placid resort are being used by House Speaker Jim Wright (D-Tex.) and other critics of the bank board as arguments for limiting the amount of new funds given to FSLIC for managing and closing hundreds of ailing S&Ls. Now those S&Ls are being kept open because FSLIC lacks the money to close them.

Also, the attorney general of Texas in recent weeks launched his own probe of FSLIC's activities in that state. And many S&L executives across the country have filed lawsuits accusing FSLIC of closing troubled but potentially healthy S&Ls without proper cause and of illegally seizing property.

Many critics of the FSLIC, including several of its own staff and former bank board members who would speak only on the condition that their names not be used, say FSLIC lacks consistent policies, proper auditing and other controls.

They point for example, to what happened to Independent American Savings in Dallas. Early last year, the bank board pressured management to resign, saying the S&L's liabilities far exceeded its assets. The bank board then named Thomas E. Hendricks, a senior vice president at the Federal Home Loan Bank of Dallas, as chief operating officer.

Hendricks promptly voted himself a $109,000 bonus, according to court documents filed by the S&L's major stockholder, who has sued Hendricks and other officials the bank board put into the S&L. Hendricks, who said he could not comment until he filed a counter suit, said he left the S&L in January when the shareholders regained control of the S&L from the bank board and voted in a new board of directors, who dismissed him.

Although FSLIC is not involved directly in the suit, it has agreed to pay Hendricks' legal fees, a bank board spokesman said.

Several FSLIC employes say that the agency's problems reflect a lack of leadership at the top, namely from bank board chairman Gray, who has allowed frequent turnover in FSLIC's top jobs and has left at least one crucial job at the agency vacant for months.

"FSLIC needs to be reorganized to give executives the same confidence in the fund we expect our depositors to have," said Joe E. Russo, an S&L owner in Houston. "We need to take a hard look at the stewardship of FSLIC."

An outside consultant to FSLIC recently reached a similar conclusion, saying the fund manages billions of dollars without proper audits, has no uniform policy for selling or closing ailing S&Ls and has dumped homes and other properties into depressed economies at cut-rate prices.

As criticism of FSLIC mounts, bank board chief of staff Shannon Fairbanks and other officials who have managed FSLIC are reorganizing the fund to try to make it more efficient.

Fairbanks has refused to discuss the plan, but yesterday she presented a proposal to the three-member bank board.

According to internal bank board documents, FSLIC would be decentralized throughout the country, a move that many critics say will make the bank board's asset-management program harder for the public to monitor but easier for the S&L industry to control.

The plan calls for transferring responsibility for managing and selling more of FSLIC's assets into a new, quasi-government corporation called the Federal Asset Disposition Association. FADA is a government-owned S&L that buys and sells assets from privately owned S&Ls that have failed.

At least two top FSLIC officials, including the former head of mergers and acquisitions, Dan Kaschmitter, have joined FADA in recent months, a move that entitles them to salaries that industry sources say are two to three times the government salary FSLIC offers.

FSLIC already has plowed $25 million of its dwindling funds into the year-old corporation, including $250,000 a year in salary for FADA president Roslyn B. Payne, who at a press conference last fall in San Francisco said she thinks she is not paid enough.

Problems at properties such as the one at Lake Placid have left Dingells' staff wondering if, without tighter supervision from Washington, FADA will be able to handle assets any better than FSLIC has.

When FSLIC took over the Lake Placid resort in 1985 from a failed S&L in Mississippi, for example, it needed to find a manager for the 93-year-old complex. Without a competitive bid, federal officials hired a local Lake Placid resident named Joseph Brooks for $97,000 a year to manage the federal government's interest in the resort, Dingell's staff says the bank board has told them.

Brooks told the bank board he had no experience managing such properties, the Dingell memo said.

Since then, Brooks has been investigated by the IRS and the Labor Department, and by Dingell, according to the Dingell staff memo. The Dingell probe raise questions about instances where Brooks allegedly used hundreds of gallons of government gasoline for personal use, made resort groundskeepers cut his lawn and club mechanics work on his car, and otherwise misused government property.

FSLIC officials continue to employ Brooks. And, Brooks has acted with the full knowledge of FSLIC officials, Dingell's investigators say.

Brooks could not be reached for comment.

Mr. SANFORD. This article speaks of extravagance and waste in the maintenance of this property by the FSLIC, of allegations of misfeasance and misappropriation. It speaks of a lack of leadership at the FSLIC, of frequent turnover in FSLIC's top jobs, and of the lack of confidence in the FSLIC expressed by the people who pay its premiums—namely the savings institutions themselves.

Mr. President, I personally enter into this recapitalization arena with some degree of wariness. Not because I lack confidence in the program that we consider here today, for the program itself is well thought out and well constructed. It provides a solid foundation from which to build. My anxiety is not with the program but, rather, with the administration of it.

This has been my continuing concern in the development of this legislation, and that concern rises in direct proportion to any suggestion that the bonding authority in this program be set higher than the $7.5 billion recommended by the Banking Committee. Through the bill before us, we are ensuring a judicious use of the resources by the FSLIC by allocating the borrowing authority on an annual basis and by having the governing body of the FSLIC justify before us its need for continued extraordinary funding.

Toward the end of the second year, after careful monitoring of the use of the funds, the Congress can extend the borrowing authority if the need for such an extension is found to still exist. If the details of the Treasury plan we are enacting are working reasonably—and the money used prudently—and if the economic condition of the agriculture and energy region has not substantially improved—then extension will be a simple matter.

Finally, I must note that most institutions in this Nation are profitable, and many of the profitable institutions are very profitable indeed. Despite this fact, roughly one-tenth of the total are troubled. Some of these troubled thrifts, the well-managed institutions which are the victims of turbulent local economic conditions, will survive, given half a chance. Others, which are not so well managed and may indeed be troubled due to poor management or worse, will and should fail.

Unfortunately, the price of their failure, the price in some cases of their folly, will be borne by their survivors. Thus, eager as we might be to resolve the FSLIC's problems, we must consider just how much the thrift institutions of this Nation can afford to contribute to the resurrection of other failing institutions. I submit that the $7.5 billion funding level is as high as this Congress dare go without threatening to undo the success of those healthy institutions which have proved their managerial mettle. By authorizing a bonding level any higher than $7.5 billion, we invite the very certain danger of seeing healthy institutions so drained of profit as to be forced to marginal levels. Worse still, we run the very risk of compounding the FSLIC's problems by forcing marginal thrifts into certain insolvency, thus adding needlessly to the FSLIC's case loan.

We believe we have struck the proper balance in this bill as it has been reported out by the Banking Committee. There were some who thought a higher bonding authority might be appropriate, while others thought that something less than $7.5 billion would be adequate for the task. During our committee deliberations it was suggested that the Senate should come in with a high number, on the speculative chance that a lesser amount from the House would permit a compromise at some figure midway between the two.

I do not subscribe to that. Indeed, the majority of the Banking Committee did not subscribe to that thinking when it agreed to report to you a bill with the borrowing authority set at $7.5 billion.

I urge you colleagues to support the recapitalization bill as it was reported by the Banking Committee, with the knowledge that they will be providing a potential of almost $7 billion each year for the next 2 years for FSLIC to use in resolving problem cases, and over $20 billion over the next 5 years, all without relying on taxpayers dollars. This is a vital program and it deserves our support.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Thank you, Mr. President.

Mr. President, I believe that Senate bill 790 should be supported as it is with all five titles intact. I intend to vote for it and I urge my colleagues to do likewise.

There are two obvious realities facing the American financial industry. One is that we are confronted with new challenges. Our financial systems are largely based on some old monetary decisions. The new problems that we face today are complex and contemporary. Second, the system is not awaiting action by this Congress. Change is occurring. Change is occurring through a variety of factors. Aggressive entrepreneurship, technology, international competition, securitization, and State action are all examples of forces which are operating to change the environment of our American financial system while we in Congress stand silent.

The American theologian Harvey Cox has stated that not to decide is to decide. In this case the decision of Congress not to act has been the decision to allow a vacant field to be occupied by other forces.

The bill before us attempts to do two things. It addresses our most urgent banking concerns. It has been described as a handyman's bill. It deals with those issues, Mr. President, which if left unattended will be more difficult to deal with at a future date. Second, it sets the stage for us to move from handyman to architect, to begin to deal with the longer range questions of what type of financial house do we want to build for America in the 1990's and the 21st century. It creates incentives and opportunities for us to exercise our proper congressional creativity.

An issue within this bill which illustrates the handyman and architectural challenges is the issue of the nonbank bank. The nonbank bank is not an institution which this Congress or our predecessors authorized. It is a bank which has been created as a result of innovative entrepreneurship. Today there are 169 nonbank banks around the Nation. There are, Mr. President, 203 pending applications for additional nonbank banks. These exist because of a loophole in the banking law—a loophole which Congress has thus far failed to close.

The recent proliferation of nonbank banks has blurred the traditional distinction between banking and commerce.

The loophole has undermined the right of States to set up their own financial structures—and extended the privilege of accessing the Nation's payment systems to nonbank banks.

In addition, nonbank banks frequently concentrate their services in higher income areas and therefore do not adequately serve low-income consumers.

Since most nonbank banks do not make commercial loans, small business' access to credit can be curtailed. Farmers in rural areas face the same problem since nonbank banks do not make farm loans.

The loophole removes incentives to buy failing thrifts or banks and in general undermines banks and thrifts and their Federal insurance funds.

Title I of this bill closes the nonbank bank loophole as of March 5, 1987, by strictly redefining a bank.

It grandfathers nonbank banks already existing on or before March 5, 1987.

It does not allow existing nonbank banks to expand their current activities. It forbids new activities—new cross-marketing or products—and new annual growth beyond 7 percent of current assets.

It is urgent that we deal with the nonbank bank loophole now. In 1983 there were 50 applications for new nonbank banks. Today there are 203.

While we move to close this loophole, the Comptroller of the Currency is in district court in Jacksonville, FL, to remove an injunction against the chartering of some new nonbank banks.

A favorable judicial decision could open a floodgate of new nonbank bank applications and would hasten approval of the existing 203 applications.

It is therefore timely that Congress is legislating action on the nonbank bank issues rather than permitting the courts to determine what should be done. It is our responsibility to deal with issues which traditionally fall within the authority of Congress. This is no time for procrastination and abdication of that historic obligation to our Nation's financial systems.

We need to take an architect's approach to redesigning our banking system to function effectively and efficiently in this decade, in the 1990's and beyond. The bill we consider today is a handyman's bill. But I think it will keep the house in order until we can do some restructuring and rebuilding.

Mr. President, we may have individual reservations. We may prefer more time for deliberation. We may have alternative suggestions for how some of these issues should be dealt with.

But we need to deal with the issues this bill addresses now. We need to deal with FSLIC recapitalization now. We need to deal with the question of Federal mergers of failing financial institutions now. We need to deal with the nonbank bank loophole now.

Ultimately we must draw up plans for the future of American financial services. The architectural style of our contemporary banking policy must allow for rapidly expanding world economies and overnight changes. We must reassert ourselves as world financial leaders and recapture the momentum in domestic markets.

We are all aware that we need more than short-term solutions.

But S. 790 outlines pragmatic short-term solutions. It reinforces the security of our banking system and buys us time.

It deserves to remain in its present form—and it deserves our support.

Mr. PROXMIRE. Mr. President, I congratulate my good friends, the Senator from North Carolina and the Senator from Florida, on their excellent statements.

It is important that we have an understanding of how important it is that we act right now on a nonbank bank, or we will have a complete transformation of our financial system without having any congressional input, without having any careful and thoughtful reasoning that lies behind it, and it is going to have a profoundly adverse effect, in my judgment.

AMENDMENT NO. 45

(Purpose: To make a number of technical, conforming, and other amendments to the bill)

Mr. PROXMIRE. Mr. President, Senator GARN and I disagree on a few things in this bill, but we agree on a managers' amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. PROXMIRE], for himself and Mr. GARN, proposes an amendment numbered 45.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 6, strike out lines 1 through 7 and insert in lieu thereof the following:

"(H) an industrial loan company, industrial bank, or other similar institution which was in existence on March 5, 1987, and

"(i) was chartered under the laws of a State which had in effect or under consideration in its legislature a statute which required or would require such institution to obtain Federal deposit insurance; and

"(I) does not accept demand deposits that the depositor may withdraw by check or similar means for payment to third parties;

"(II) has total assets of less than $100,000,000; or

"(III) is not acquired by a company; or

"(ii) obtained insurance under the Federal Deposit Insurance Act on or before March 5, 1987, and does not, directly or indirectly or through an affiliate, engage in any activity in which it was not lawfully engaged as of March 5, 1987.

No institution shall retain the exemption provided by this subparagraph if it permits any overdraft, including any intra-day overdraft, or incurs any such overdraft in its account at a Federal reserve bank, on behalf of an affiliate, unless such overdraft results from an inadvertent computer or accounting error that is beyond the control of the institution and affiliate.

On page 13, line 9, before the period, insert the following: ", except that insurance activities shall be limited to those permissible under section 4(c)(8). A savings bank that was engaged in the sale of savings bank life insurance as of March 5, 1987, may also continue to sell such insurance if such activity (A) is expressly authorized by the State of Connecticut, Massachusetts, or New York and the bank is located in one of those States that authorizes such activity; (B) is carried out by the savings bank and not by any subsidiary or holding company affiliate of the savings bank; (C) is carried out by the savings bank in accordance with the residency or employment limitations set forth in the savings bank life insurance statute in effect on March 5, 1987, in the aforementioned State where the bank is located; and (D) is otherwise carried out in the same manner as the savings bank life insurance activity of savings banks in the same State that are not subsidiaries of a bank holding company registered under this Act".

On page 13, line 14, after the first period, insert the following: "For the purpose of this subsection, the term 'savings bank' includes a cooperative bank that is an insured bank as defined in section 3(h) of the Federal Deposit Insurance Act."

On page 13, lines 21 through 24, strike out "October 15, 1982), and any other bank affiliated with the savings bank prior to the date of enactment of this subsection, constitute" and insert in lieu thereof "March 5, 1987) constitute on March 5, 1987, and thereafter".

Beginning with "In" on page 13, line 25, strike out all through the first period on page 14, line 2.

On page 14, line 2, after the first period, insert the following: "For the purpose of this subsection, the term 'savings bank' includes a cooperative bank that is an insured bank as defined in section 3(h) of the Federal Deposit Insurance Act."

On page 20, line 6, strike out all that follows the period.

On page 20, between lines 6 and 7, insert the following:

"(E) The provisions of this paragraph shall not apply to any trust company or credit card bank, as defined in subparagraphs (D) or (F), respectively, of section 2(c)(1) of the Bank Holding Company Act of 1956."; and

On page 22, line 3, after the comma insert "except where the acquisition is pursuant to section 406(f) or section 408(m),".

On page 25, line 3, after "institution" insert "and including a savings and loan holding company which would have benefit of this exemption but for its ownership of one or more subsidiary insured institutions acquired pursuant to section 408(m) of the National Housing Act if all such subsidiary insured institutions are qualified thrift lenders".

On page 25, line 12, before "assets" insert "tangible".

On page 26, line 1, before "assets" insert "tangible".

On page 26, line 5, after "bank" insert "or cooperative bank".

On page 26, line 7, after "bank" insert "or cooperative bank".

On page 26, line 9, before "assets" insert "tangible".

On page 26, line 11, before "assets" insert "tangible".

On page 26, line 14, before "assets" insert "tangible".

On page 26, line 21, before "assets" insert "tangible".

On page 27, line 2, before the period insert the following: ", or when the Corporation determines that such grant will facilitate a transaction authorized under section 406(f) or 408(m) of this Act and that the acquired institution will meet the same percentage of assets requirements applicable to institutions under the last sentence of subparagraph (B)".

On page 27, line 23, strike out "stock savings".

On page 30, line 23, after the comma insert the following: "and a cooperative bank that is an insured bank, as defined in section 3(h) of the Federal Deposit Insurance Act,".

On page 31, between lines 7 and 8, insert the following:

(g) Section 408 of the National Housing Act (12 U.S.C. 1730a) is amended by striking out subsection (n).

On page 31, line 15, after "Act" insert ", or unless such member is an insured institution which was chartered prior to October 15, 1982, as a savings bank under State law or which acquired its principal assets from an institution which was chartered prior to October 15, 1982, as a savings bank under State law or is currently a savings bank as defined in section 3(g) of the Federal Deposit Insurance Act".

On page 31, line 18, after "SEC. 106." insert "(a)".

On page 33, between lines 20 and 21, insert the following:

(b) The amendment made by subsection (a) shall cease to be effective one year after the date of enactment of the Competitive Equality Banking Act of 1987.

On page 37, line 4, strike out "(f)" and insert in lieu thereof "(g)".

On page 37, line 5, after "bank" insert "or cooperative bank".

On page 37, under line 21, insert the following:

NOW ACCOUNTS

SEC. 109. Section 2(a)(2) of Public Law 93-100 (12 U.S.C. 1832(a)(c)) is amended by inserting the term "political," immediately after "educational,".

EXEMPTION FROM AFFILIATE TRANSACTION RESTRICTIONS

SEC. 110. Section 408 of the National Housing Act (12 U.S.C. 1730a) is amended by adding at the end thereof the following:

"(r) EXEMPTIONS.—Notwithstanding any other provision of law—

"(1) an institution, the accounts of which are insured by the Corporation, that is not controlled by any company and that is or becomes a savings and loan holding company through the acquisition of 100 per centum of the voting stock (except for directors' qualifying shares) of one or more institutions the accounts of which are so insured shall not be subject to the provisions of subsection (d) of this section, as to transactions with such subsidiaries, or to subsections (f) and (g) of this section;

"(2) an institution, the deposits of which are insured by the Federal Deposit Insurance Corporation, that is not controlled by any company and that is or becomes a savings and loan holding company through the acquisition of 100 per centum of the voting stock (except for directors' qualifying shares) of one or more institutions the deposits of which are so insured shall not be subject to the provisions of subsection (d) of this section, as to transactions with such subsidiaries, or to subsections (f) and (g) of this section; and

"(3) the insured subsidiaries referred to in paragraphs (1) and (2) shall not be subject to the provisions of subsection (d) of this section, as to transactions with their parent institution, or to subsections (f) and (g) of this section.".

CONSIDERATION OF CERTAIN ACQUISITIONS

Sec. 111. (a) Section 408 (e) of the National Housing Act (12 U.S.C. 1730a(e)) is amended—

(1) by redesignating paragraph (4) as (5);

(2) by inserting a new paragraph (4) to read as follows:

"(4) In every case in which a filing of any type is required by this section or regulations hereunder prior to the acquisition of stock of an insured institution, the Corporation, in evaluating such filing, shall consider the likelihood that the proposed acquisition will result in the loss or reduction of the tax benefits of the insured institution's net operating loss carryforwards under section 382 of the Internal Revenue Code of 1986. The Corporation may not permit any acquisition which will increase the likelihood of future loss or reduction of the tax benefits of an insured institution's net operating loss carryforwards under section 382 of the Internal Revenue Code of 1986 if such net operating loss carryforwards result from the insured institution's acquisition of insured institutions under section 406 of the National Housing Act, under subsection (m) of this section, or pursuant to acquisitions that are otherwise supervisory cases. Notwithstanding the above, the Corporation may permit—

"(A) acquisitions where the proposed acquirer commits in writing to inject sufficient capital into the insured institution to compensate for any future loss or reduction of the tax benefits of net operating loss carryforwards,

"(B) acquisitions which are approved by the majority of the holders of voting stock of the institution, or

"(C) acquisitions pursuant to section 406 of the National Housing Act, subsection (m) of this section or that are otherwise deemed supervisory cases by the Corporation.

In situations described in subparagraphs (A), (B), and (C), the Corporation may deny a proposed acquisition if it determines that the loss or reduction of the net operating loss carryforwards will be harmful to the insured institution involved.".

(b) Section 407(q) of the National Housing Act (12 U.S.C. 1730(q)) is amended—

(1) by redesignating paragraphs (8) through (18), respectively;

(2) by inserting a new paragraph (8) to read as follows:

"(8) In every case in which a filing of any type is made under this subsection or the Corporation's regulations hereunder prior to the acquisition of stock of an insured institution, the Corporation, in evaluating such filing, shall consider the likelihood that the proposed acquisition will result in the loss or reduction of the tax benefits of the insured institution's net operating loss carryforwards under section 382 of the Internal Revenue Code of 1986. The Corporation may not permit any acquisition which will increase the likelihood of future loss or reduction of the tax benefits of an insured institution's net operating loss carryforwards under section 382 of the Internal Revenue Code of 1986 if such net operating loss carryforwards result from the insured institution's acquisition of insured institutions under section 406 or section 408(m) of the National Housing Act or pursuant to acquisitions that are otherwise supervisory cases. Notwithstanding the above, the Corporation may permit—

"(A) acquisitions where the proposed acquirer commits in writing to inject sufficient capital into the insured institution to compensate for any future loss or reduction of the tax benefits of net operating loss carryforwards,

"(B) acquisitions which are approved by the majority of the holders of voting stock of the institution, or

"(C) acquisitions pursuant to section 406 or 408(m) of the National Housing Act or that are otherwise deemed supervisory cases by the Corporation.

In situations described in subparagraphs (A), (B), and (C), the Corporation may deny a proposed acquisition if it determines that the loss or reduction of the net operating loss carryforwards will be harmful to the insured institution involved.".

On page 39, line 1, strike out "notwithstanding the provisions of" and insert in lieu thereof "except as provided in".

On page 39, line 5, after "bank" insert "other than a savings bank as defined in section 3(g) of the Federal Deposit Insurance Act".

On page 39, lines 9 and 10, strike out ", including a State-chartered savings bank".

On page 47, line 16, strike out "required to be carried" and insert in lieu thereof "added".

On page 52, line 17, strike "required to be carried" and insert in lieu thereof "added".

On page 52, line 22, after "1985" insert a comma.

On page 53, line 12, after the open parenthesis insert "the amount of".

On page 56, line 6, strike out "(7)" and insert in lieu thereof "(6)".

Beginning with page 56, line 13, strike all through page 58, line 6 and insert in lieu thereof the following:

"(f) Assessment Authority of the Financing Corporation.—

"(1) In general.—The Financing Corporation may, with the approval of the Board, assess semiannually on each insured institution an assessment, except that the aggregate amount assessed under this paragraph on any insured institution for any year may not exceed an amount equal to 1/12th of 1 percent of the aggregate amount of all accounts of insured members of such insured institution for such year.

"(2) Supplemental assessment authorized.—Upon the unanimous vote of the Directorate that additional funds are needed to pay the interest on the obligations of the Financing Corporation because no other funds are available, the Financing Corporation may, with the approval of the Board and in addition to any assessment assessed under paragraph (1), assess on each insured institution an assessment, except that the aggregate amount assessed under this paragraph on any insured institution for any year may not exceed an amount equal to 1/8th of 1 percent of the aggregate amount of all accounts of insured members of such insured institution for such year.

"(3) Total amount of assessments may not exceed interest and financing costs.—The aggregate amount of all assessments assessed under paragraphs (1) and (2) for any year may not exceed—

"(A) the aggregate amount of—

"(i) issuance costs (as such term is defined in subsection (g)(5)(A)) incurred with respect to obligations issued during such semiannual period;

"(ii) interest paid on (and any redemption premium paid with respect to) obligations of the Financing Corporation during such year; and

"(iii) custodian fees (as such term is defined in subsection (g)(5)(B)) incurred during such year; minus

"(B) the aggregate amount of any payments under subsection (g)(4) during such year.

"(4) Payment to financing corporation.—All assessments assessed by the Financing Corporation under paragraph (1) or (2) shall be paid to the Financing Corporation.".

On page 59, after the open parenthesis insert "the amount of".

On page 61, line 15, strike out "The" and insert in lieu thereof "Except as provided in subsection (e)(7)(B), the".

On page 73, strike out lines 13 through 22, and insert in lieu thereof the following:

"(vii) Final payoff year defined.—For the purpose of this subparagraph, the term 'final payoff year' means the year of maturity of the last maturing obligation of the Financing Corporation which was issued under section 21 of the Federal Home Loan Bank Act and will mature before January 1, 2027.

On page 75, line 23, strike out "(e)" and insert in lieu thereof "(d)".

On page 75, line 23, strike out "(h)" and insert in lieu thereof "(g)".

On page 86, lines 6 and 7, strike out ", as established by the Financial Accounting Standards Board".

On page 86, lines 15 and 16, strike out ", as established by the Financial Accounting Standards Board".

On page 86, under line 23, insert the following:

PARTICIPATION IN PUBLIC OFFERINGS

Sec. 312. The Chairman of the Federal Home Loan Bank Board shall, in conjunction with the Federal Savings and Loan Insurance Corporation, ensure that minority owned or controlled commercial banks, investment banking firms, underwriters, and bond counsels, shall have an opportunity to participate to a significant degree in any public offering under section 21 of the Federal Home Loan Bank Act.

POWERS OF THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Sec. 313. Section 402(c) of the National Housing Act (12 U.S.C. 1725(c)) is amended by adding at the end thereof the following:

"(6) To issue such rules, regulations, and orders as necessary to define any terms used in this Act and administer and carry out its purposes, including regulation of unsafe or unsound practices by insured institutions.".

On page 108, between lines 19 and 20, insert the following:

AUTHORITY OF FDIC

Sec. 408. The last sentence of section 9 of the Federal Deposit Insurance Act (12 U.S.C. 1819) is amended by adding at the end thereof the following: "including regulation of unsafe or unsound practices by insured banks".

On page 115, between lines 10 and 11, insert the following:

TRANSFER OF FTC JURISDICTION TO NCUA

SEC. 515. (a) Sections 5(a)(2), 6(a) and 6(b) of the Federal Trade Commission Act (15 U.S.C. 45(a)(2), 46(a) and 46(b)) are amended by inserting immediately after "section 18(f)(3)," the following: "Federal credit unions described in section 18(f)(4),".

(b) The second proviso in section 6 of the Federal Trade Commission Act (15 U.S.C. 46) is amended—

(1) by inserting immediately after "section 18(f)(3)," the following: "Federal credit unions described in section 18(f)(4),"; and

(2) by inserting immediately after "in business as a savings and loan institution" the following: ", in business as a Federal credit union,".

(c)(1) The second sentence of section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended by inserting immediately after "paragraph (3))" the following: "and the National Credit Union Administration Board (with respect to Federal credit unions described in paragraph (4))".

(2) The last sentence of section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended—

(A) by striking "either such" and inserting in lieu thereof "any such";

(B) by inserting "or Federal credit unions described in paragraph (4)," immediately after "paragraph (3)," each place it appears therein; and

(C) by inserting immediately after "with respect to banks" the following: ", savings and loan institutions or Federal credit unions".

(3) Section 18(f) of the Federal Trade Commission Act (15 U.S.C. 57a(f)) is amended by redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively, and by inserting immediately after paragraph (3) the following:

"(4) Compliance with regulations prescribed under this subsection shall be enforced with respect to Federal credit unions under sections 120 and 206 of the Federal Credit Union Act (12 U.S.C. 1766 and 1786).".

On page 138, strike out lines 12 through 16.

Mr. PROXMIRE. Mr. President, this amendment makes various technical and conforming changes.

It applies to FDIC insured cooperative banks—which closely resemble mutual savings banks—the same provisions that S. 790 applies to FDIC-insured mutual savings banks.

It ensures that minority owned or controlled investment banking firms and bond counsels shall have an opportunity to participate to a significant degree in all public offerings to recapitalize the Federal Savings and Loan Insurance Corporation.

It permits a savings and loan holding company which is a multiple savings and loan holding company because it acquired a failing thrift under the extraordinary provisions of the Garn-St Germain Act, to continue to be accorded "unitary" savings and loan holding company status provided that all the thrift institution subsidiaries of such holding company meet the qualified thrift lender test.

It authorizes State-chartered savings banks involved in forming a holding company to continue offering savings bank life insurance to consumers as authorized by State law.

It exempts thrift institutions which become savings and loan holding companies—and are not themselves controlled by another company—from the restrictions imposed by the savings and loan holding company statutes on affiliate transactions, declaration of dividends, and holding company indebtedness, so long as the parent and subsidiary institutions are supervised and regulated by the same Federal insuring agency and the subsidiary is 100 percent owned by the parent thrift institution.

It deletes subsection (n) of section 408 of the National Housing Act, the previous qualified thrift lender [QTL] asset composition test replaced by the new test in S. 790.

It specifies that the new qualified thrift lender test in S. 790 applies to only tangible assets.

It removes the reference to Financial Accounting Standards Board in section 310.

It specifies that organizations operated primarily for political purposes and not for profit are eligible to own negotiable order of withdrawal accounts.

It exempts trust companies and credit card banks from the provisions of the extension of the Glass-Steagall Act in S. 790.

It exempts Federal credit unions from the jurisdiction of the Federal Trade Commission and requiring the National Credit Union Administration to issue substantially similar regulations to those issued by the FTC.

It enables the FSLIC to conserve its resources by permitting the purchasers of a failing thrift up to 10 years to come into compliance with the "qualified thrift lender" test and thereby increase the attractiveness of purchasing failing thrift institutions.

It authorizes the FHLBB to disapprove the purchase of more than 10 percent of the stock in a previously failing thrift by one purchaser if the purchase would cause the thrift to lose the tax benefits of its net operating loss carryforward.

It assists the FSLIC case resolution process by assuring that a nonunitary-QTL savings and loan holding company would not lose grandfathered activities authority as a consequence of acquiring a failing FSLIC-insured institution.

It provides the FDIC and the FHLBB authority to define the term "unsafe and unsound practices".

It exempts industrial loan and thrift companies under certain limited conditions from the definition of "bank".

It extends Glass-Steagall provisions to cover the FSLIC-insured institutions for 1 year.

I hope the amendment will be adopted.

Mr. GARN. Mr. President, the managers' amendment includes two changes that would make the bill slightly—but only slightly—better in terms of encouraging the acquisition of both healthy and unhealthy thrifts.

First, it permits grandfathered unitary savings and loan holding companies that fail to satisfy the new QTL test to acquire failing thrifts without giving up grandfather rights.

Second, it turns the permanent application of Glass-Steagall to thrifts into a 1-year moratorium.

However, a bill still imposes substantial restrictions on the acquisition of thrifts:

Grandfathered nonbank banks and the companies that own them cannot buy even a failing thrift without losing their grandfather rights. Because most of the real players in the financial services industry already own nonbank banks—insurance companies, diversified financial companies, securities firms, retailing companies, and banks—this is a very powerful deterrent to acquiring a thrift to the very companies that would be most interested in doing so.

Diversified companies that own thrifts will be subject to new cross-marketing restrictions. Cross marketing is one of the principal attractions to buying a thrift, as the committee report freely concedes. By taking it away, purchasers will be deterred. Furthermore, grandfathered nonbank banks can still engage in cross marketing, but if they buy a thrift, they would have to give up that cross marketing. That is a double whammy.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 45) was agreed to.

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GARN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Does the Senator from Louisiana seek recognition at this time?

Mr. BREAUX. I do.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Mr. President, as a freshman Senator from Louisiana and one who is not on the Committee on Banking, which is chaired by the distinguished Senator from Wisconsin [Mr. PROXMIRE], let me start by saying that I commend him and the other members of the committee for bringing forth legislation which I think is long overdue.

The bill before the Senate today does address an incredibly serious problem that affects nearly every person in this country, certainly every American who has any kind of savings in a federally insured savings and loan.

The statistics in the country are frightening, and not just in States suffering economic setbacks. They are frightening throughout the country. In the savings and loans around the country today, we have over $900 billion of citizens' money which they have been assured by this Government is adequately protected. The simple fact is that they are not adequately protected.

If you look at the Federal Savings and Loan Insurance Corporation, you will find that that $900 billion of savings that Americans have entrusted to a federally insured deposit savings and loan is backed up not by the $900 billion in Federal funds but is secured by only $1.4 billion, as guaranteed by the Federal Savings and Loan Insurance Corporation. What a frightening situation that presents to the institutions around this country that are in shaky condition at best.

The statistics on the savings and loans are much more than shaky. My own State of Louisiana has 26 savings and loans currently, under the law—in the opinion of any accountant or CPA—technically and legally insolvent.

In addition, there are over 440 federally insured savings and loans throughout this Nation that are technically and legally—any way you want to look at it—insolvent. The total amount of the deposits at those savings and loans, $900 billion, is guaranteed by a Federal institution that has less than $1.5 billion able to back up those losses of those American citizens.

That is a situation that cries for a solution, and that is the situation that the chairman's measure does address, and I commend him for it. The legislation that he and Senator GARN worked on for a long time is finally on the floor of the Senate, something that is absolutely essential, and the other body should not hesitate to bring it to the floor and send it to the President as a first priority of legislation that needs to be enacted so that the average person—the mom and pop saver, the small business person—in this country can go to sleep at night saying, "I know that my money in my local savings and loan is adequately guaranteed"; so that I can tell the 26 institutions in my relatively small State of Louisiana that their deposits are adequately protected, no matter what happens to the economy of my particular State, which has the highest unemployment in the Nation because of what has happened in the oil and gas industry, because of what is happening in the agriculture industry, because of failed policies in Washington. But that is another story. But at least we, as a Congress, have the ability to adopt legislation which will ensure that those depositors are adequately protected.

The title in the bill does address this. The title in the bill, I think, addresses it adequately and helps solve the problem before us.

Unfortunately, some of the chairman's ideas and thoughts regarding other sections of the bill were not able to get out of committee. I appreciate the delicate balances that have to be struck. I appreciate the delicate compromises that have to be agreed upon in order to bring legislation to the floor.

I served in the other body for 14 years, and I am aware that many times legislation that finally reaches the floor of the House of Representatives or the Senate contains provisions with which many Members are uncomfortable, provisions that some Members would like to see deleted.

I have an amendment, which I am prepared to offer later, which would address one of those sections which I think members of the committee would agree should not be in the legislation on this floor today.

I have an amendment that would delete title II of the bill.

Title II has nothing to do with the main purpose of the bill, to take care of those savings and loans that do not have enough funds to guarantee the deposits. I think this legislation should be even: It should be even as to the way we treat everybody in financial institutions, and I am afraid it does not.

I know that the intent of the chairman and the members of the committee was to come out with a product that makes for a level playing field.

But the bill, in my opinion, clearly does not do that. It does not do that because we treat banks differently from security companies, we treat banks differently from insurance companies, and we treat banks differently from real estate firms.

There is something in this legislation for just about all of those financial institutions as far as giving them authority to do things that they cannot do today except with regard to banks.

Title II places a 1-year moratorium, which may lapse into a 10-year moratorium or a 14-year moratorium, if we look at previous moratoriums that were supposed to be for 1 year. It says that for 1 year banks will not be able to engage in security operations, that banks will not be able to engage in insurance operations, that banks will not be able to engage in real estate transactions. But does it say that those industries cannot continue to engage in banking activities? The answer is "No."

And that is why I suggest that if a moratorium is good for the banks of America, a moratorium should also be good for the other companies that are actively and daily engaged in competition to get more and more income derived from banking practices. If it is good for one, why is it not good for all?

I say that the bill is defective, that in order to be fair we should play on a level playing field. Striking title II would go a long way to bring us back to establishing a level playing field in this area.

The problem that I would like to see addressed has been considered by those who are much more knowledgeable in this area than I, those who on a day-to-day basis deal with these problems as the regulators of this country.

For instance, we have a statement from the administration on this particular legislation saying how important it is to address the savings and loan problem, but it also goes further. In the administration's letter a statement says: "The President's senior advisers would recommend disapproval of this legislation if it were presented to the President in its current form."

They say that because of their concern about the titles that I am addressing, title II, for instance, that puts a moratorium on banks but not a moratorium on other lending institutions.

We have a letter from the Secretary of the Treasury, certainly an individual and certainly a department that understands the financial institutions of this country and what needs to be done in order to make America more competitive. The Secretary of the Treasury in his letter dated March 23, 1987, recognizes that this legislation goes a step toward addressing the condition of the savings and loan situation in this country.

He also points out, however, that there are other sections of the bill that are not needed, that are not good policy and therefore should not be part of this legislation. And the Secretary of the Treasury recommends that we pass this legislation cleanly and without additional titles that cause problems that I am addressing this afternoon.

What is the opinion of the Federal Reserve System? Should not we consult with Chairman Paul Volcker on this particular legislation? I think he is knowledgeable. I think he is a superb professional in this area, one who understands this particular type of legislation.

His letter, dated March 24, 1987, talks about title I, which my amendment does not address, but he talks about title II, which my amendment does address, which my amendment seeks to take out of this legislation, and Chairman Volcker says with regard to that particular title:

> The major problems I see in this bill are in title II. Instead of providing expanded and new authority for bank holding companies to underwrite certain securities, as I and others have strongly recommended to the committee, this title, title II, sets a moratorium beginning with the date of enactment and extending over a year on certain bank and bank holding company activities in the area of securities underwriting as well as insurance and real estate development. This title is clearly retrogressive. It takes away powers that existing law permit the regulatory authorities to grant to banking organizations.

This is the Chairman of the Federal Reserve who says that this moratorium is far more than a moratorium because it does not freeze things as they happen to be, that this moratorium in fact is retrogressive, that it takes away the existing powers that existing laws permit regulatory authorities to grant to the banking organizations.

So I would say when we talk about a moratorium, what the chairman of the Federal Reserve says is that it is not a moratorium, that it takes away existing legal authority and is retrogressive.

I question whether this body wants to move retrogressively to try and address a problem, considering the condition of the banks of this country at this time.

I would suggest we do not want to do this and that by getting rid of title II we in effect help improve the bill dramatically.

The Comptroller of the Currency, certainly a person whose opinion we should consider on whether this banking legislation should be enacted, points out in a letter dated March 24, 1987, that: "The administration opposes the bill in its current form."

He says in addition:

> Instead, the administration urges the immediate enactment of FSLIC recapitalization from the private capital markets at $15 billion over 5 years.

When the Comptroller of the Currency talks about title II, I think that we should consider his statements. His statement says:

> Title II adopts an approach which is completely contrary to the needs of the banking system. Instead of providing for the diversification of income sources of banks and bank holding companies, it bars them from exercising even some of the restrictive powers that they possess under the current law.

Is this a moratorium?

I would suggest that when we have the chairman of the Federal Reserve saying it is retrogressive and takes away existing legal authority, when we have the Comptroller of the Currency saying that it changes existing law, it limits it even further, this is not a moratorium, again a reason for doing away with title II.

The Chairman of the Federal Deposit Insurance Corporation, again a person that I think we should look to and ask the question whether this is good public policy, whether this is something that is going to help the lending institutions of America, his words of wisdom, I think, are worth reading. He says in a letter dated March 18, 1987, that he continues to hold the views that he presented in testifying before the distinguished chairman's committee, and—

> In that testimony I stated that new powers could improve the banking system and allow banks to remain and once again become viable competitors in the financial marketplace.

I would suggest that we have statements from the distinguished individuals, distinguished professionals in the financial fields of this country that it would be well for those of us who are involved in policymaking to consider those statements and to go by their recommendations unless there was some overwhelming reason we should not, and I clearly suggest there is not.

In addition to being one sided, which I think we have established by the fact of the moratorium affects banks but does not affect securities companies, does not affect insurance companies, does not affect real estate companies, only is a moratorium on banks, in addition for that very logical reason to be against title II, there are additional reasons.

There is the treatment of nonbank banks, a very serious problem, and the chairman has been a leader in the forefront of trying to come up with legislation which would address this particular problem. They would argue I think that the problem is addressed because we do not allow any more nonbank banks to be formed. The problem with the legislation is the way it handles the nonbank banks. It may not give nonbank banks any additional authority but I can argue they do not need much more authority to do what they are doing.

We have in this legislation grandfathered in 160-some-odd nonbank banks. What are we talking about when we say "nonbank banks"? Are we talking about little bitty ones that may want to move into some local community and participate in banking activities? Oh, no. We are not talking about mom and pop companies coming in and trying to take business away from banks, not having to follow the same rules as banks, not having to have the same ratios of deposits to their liabilities, not having to do anything else that a bank would have to do, but could come in and act like a bank.

In Louisiana I have said many times if it looks like a duck, walks like a duck, and quacks like a duck, it is probably a duck. It ought to follow the same rules and regulations. If they are going to play like a bank, they ought to start to consider playing by the same rules that a bank is required to play by.

But instead the approach of the legislation, instead of addressing the heart of the problem, says no, we are going to kind of sweep it under the rug, we are going to allow 160-some odd of these companies to continue doing what they are doing. We are going to allow them unlimited growth in the first year, unlimited. If they want to double their size, no problem, go ahead and do it; if you want to increase your size by 1,000 percent the first year, go right ahead and do it. No problem. We have some limitations on a 7-percent growth in the years after that. But in the first year there is no restriction on what they can do as far as the growth that they can encounter and participate in.

Those 160-some-odd institutions that are grandfathered in to allow them to compete with local banks are such small groups as Sears Roebuck; American Express; Household International Finance; the Gulf & Western Co.; the Chrysler Corp.; Shearson/American Express; the Dreyfus Co.; E.F. Hutton Co.; ITT Corp.; Control Data Corp.; the J.C. Penny Co.; the Prudential Insurance Co.; Merrill Lynch Co., Inc.; E.F. Hutton, Inc.; Transamerica Corp.; Aetna Life & Casualty Co.; Colonial Penn; Drexel Burnham Lambert; Textron Inc.; Weyerhaeuser Corp.; John Hancock Subsidiaries; Ford Motor Co.; Citibank Corp.; Western Pacific Bank Corp.

These are the companies that are being grandfathered in this legislation, which would allow them to continue to be like banks, take money and business away from banks and continue to operate without any restrictions.

So those who say we have done something to the nonbank banks, they are probably saying, "Thank goodness you have done that to us because you have legislatively allowed us to continue." And I think that is not the right approach and another reason why I think we should support the elimination of title II.

A third reason is because of the situation with regard to foreign banks. Foreign banks sometimes provide a real service, provide capital to business ventures in this country that may not be able to find the necessary capital to enter into that product or that business without some foreign investment. We should encourage some foreign investment. We have been sending enough money overseas. We are the greatest debtor nation in the world now.

But I tell you, if I had a choice between helping an American bank and helping a foreign bank with offices overseas that employed people over there that take their profits back to their country, legally, and invest them in other projects over there, my choice is going to come down in favor of American banks.

What the legislation does in attempting to address this problem I think does not go nearly far enough. It is not a problem? Is it a problem to continue to allow foreign banks to do things that we are now saying our own banks cannot do because of a moratorium? I think it is, because what they are doing to this country I think is frightening.

An estimated 25 percent—more than $110 billion—of all outstanding commercial and industrial loans in the United States are now held by foreign banks. Take the small businessman who has a loan or take the big businessman who has a loan in a bank in Germany or London or Japan. Is he as safe dealing with that bank as he is dealing with an American bank that knows the industry, knows the firm or knows the business? I would say he is not.

Overseas banks now hold one-third of the $70 billion market for banker's acceptances in the United States. And that has doubled the 1978 foreign bank share. Is that a problem when they double it in less than 10 years? I think it is.

In just 3 years, foreign banks, mostly Japanese, have sewn up the market for letters of credit on municipal bonds, bonds that finance the water projects and sewer projects for local communities throughout the United States.

In 1986, foreign banks had 71 percent of the market, up from 12 percent in 1983. Four of the top 10 banks in California are now Japanese. I think we have some problems.

I think that what this legislation does, instead of addressing that problem, is it is going to make it easier for foreign banks to do business in the United States because we are restricting our own banks' ability to compete. Is it fair to say to American banks that you are going to be subject to a moratorium but the foreign banks that have been grandfathered in are going to be able to do securities work, continue to do municipal bonds, continue to do real estate transactions, continue to do insurance work? I think, at the very least, we ought to be concerned by saying that foreign banks are not going to have a better deal than American banks. I do not think the legislation does that.

Title II, which I am trying to eliminate, would undermine the American banks' competitiveness by allowing substantial numbers of foreign banks to be grandfathered in and allow them to continue to compete not subject to any of these rules and regulations.

We know that the International Banking Act of 1978 grandfathered existing affiliations of foreign commercial banks with investments here in the United States. Who are we talking about? We are talking about the DeutscheBanc, the largest commercial bank in Germany, which can underwrite corporate securities in this country and will be able to continue to do so. Credit Suisse, one of the major Swiss banks, will be able to continue to do their same type of operations. They are not going to be covered by a moratorium.

Overall, the International Banking Act allows more than a dozen foreign banks, commercial banks, to engage simultaneously in commercial banking and co-op securities underwriting in this country, while, if title II stays in, our American banks will continue to be under a moratorium.

I think that we ought to do away with title II, allow American banks to at least be as competitive as some of the principal foreign banks that we would continue to allow, with a major loophole, to continue to participate and take business away from American banks when they need it as a priority.

Mr. President, we have had some concern expressed by insurance agents. I respect their positions and I respect their opinions. I have worked with them and want to continue to do so. But I think that they have been sold a bill of goods about fearing the deletion of title II, which is not justified. They have been told by some of their Washington representatives that: "Well, there is a South Dakota loophole and that South Dakota loophole is going to put you insurance agencies out of business and you need title II to protect you."

There is no South Dakota loophole. I would suggest it is a straw man that they have thrown out in order to get insurance agents in this country to oppose my amendment when, in fact, they do not need to do so. There is no South Dakota loophole.

Very briefly, in 1983, the State of South Dakota enacted legislation and determined in 1983 that they were going to permit out-of-State bank holding companies from anywhere—New York or what have you—to come in to South Dakota and acquire a South Dakota bank. That legislation then authorizes that bank to engage in insurance business outside the boundaries of South Dakota. And, as soon as, as you may imagine, South Dakota passed that legislation, the next step was taken: a bank holding company acquires a State of South Dakota bank and they apply for a permit through the Federal Reserve System to engage in insurance activities outside of South Dakota. That would have been the South Dakota loophole that insurance companies should have to worry about. That would have allowed banks to start participating in insurance sales outside of South Dakota, except for one very basic fact which those who argue the South Dakota loophole forget: The Federal Reserve never approved it.

The Federal Reserve, on August 1, 1985, denied the application of that South Dakota bank, an out-of-State bank which had purchased it, to acquire the South Dakota bank and thereby closed the South Dakota loophole to all bank holding companies through regulatory action. Had the Federal Reserve approved it, there would have been a South Dakota loophole. But the Federal Reserve System saw what was happening and said that this is not good public policy. As a result, the Federal Reserve System closed any potential South Dakota loophole. There is none, and so that argument is not a valid argument.

There are some who have spoken to me, saying, "Well, I am also concerned, as an individual insurance agent, that current law allows a national bank located in any place of 5,000 population or less to act as an insurance agency." That is correct. That is the law. A national bank in a community of 5,000 or less can act as an insurance agency, the policy being that may be the only avenue of insurance in that small town.

Insurance agents then tell me that the Comptroller of the Currency has permitted at least one national bank to go in and acquire a local bank in a small community of less than 5,000 and they gave them the permission to then sell insurance not just in that little small town, but nationwide. And that is correct.

But I think that that decision, administrative decision which is being litigated, which is being challenged in court, in all probability, if the judge reads the law, will say they cannot do that. We should not have to change an act of Congress merely because someone makes an incorrect administrative decision.

The court is the place to decide that. Insurance agencies of America I think do not have to worry about that decision being upheld. It clearly restricts those activities to cities of 5,000 or less population. I think insurance agencies really do not have a problem with that.

So I say, Mr. President, I probably have taken too long, that my intent is to offer an amendment to strike title II because I believe we should put banks, security companies, insurance companies, and real estate agencies on the same level playing field.

Title II singles out banks and says you have a moratorium for at least 1 year, maybe forever if we extend it, but nobody else has that same moratorium. I am only advocating a level playing field in fairness across the board.

Again, having said that about title II, my statement to the distinghished chairman of the full Banking Committee is very sincere. He has performed a real service to America in addressing the problem. We have not been able to do it. So his courage and his efforts in that committee were not easy in crafting this bill, and to get it to the floor.

We now have the opportunity to improve it by supporting the amendment to delete title II.

I thank the Chair.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Louisiana yields the floor.

The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I thank the Chair.

Mr. President, the bill that we have before us today represents—I suppose you could say—about 6 or 7 years' work by the Senate Banking Committee. Yet it is a very controversial bill.

What I would like to do briefly is to review what is in the legislation, why it is in the bill, and how it is we might realistically achieve the goal of the bill's sponsors; that is, to do comprehensive legislation, which is neither accomplished in this bill nor in a stripped-down version of it.

What we have before us, of course, is S. 790 which was reported by the Banking Committee on March 10 of this year. The Competitive Equality Banking Act of 1987 is, by my view, carefully structured to address two critical needs. The first is obviously to recapitalize the Federal Savings and Loan Insurance Corporation, and to make that recapitalization as effective and as economical as possible.

The second objective is to halt the aggressive exploitation of the growing loopholes in our banking laws which have been created by State and judicial actions, regulatory fiat, and congressional inaction. These loopholes are undermining our basic philosophy toward our banking laws and, indeed, of our banking laws themselves.

I recognize that there are a lot of differences of opinion regarding the appropriate remedy to be prescribed to cure the patient. But I must say I have not detected any disagreement that the Federal Savings and Loan Insurance Corporation is gravely ill and requires financial resuscitation.

The FSLIC's problems have been with us for far too long. As I noted last year in remarks to the Senate, ". . . it is incontrovertible that the FSLIC is a ticking time bomb. It is being pushed beyond its capacity, and it faces potential bankruptcy in the absence of any remedial action . . ."

Since I uttered those words last August 6, 1986, the situation has continued to deteriorate to the point that the GAO has declared FSLIC to be technically insolvent. The FSLIC recapitalization plan adopted by the committee will rectify this problem. In short, it consists of the Treasury and Federal Home Loan Bank Board funding framework, with a borrowing limitation of $7.5 billion. The borrowing authority runs for 2 years, and requires congressional review and approval before additional funds can be borrowed.

Most importantly, the plan involves no Government funding, in that the FSLIC's recapitalization would be financed entirely from the resources of the FSLIC's insured institutions.

Although the time limit on the borrowing authority is less than that sought by the Treasury Department, the amount of permissible annual borrowing is in the range indicated by Treasury and by the General Accounting Office as essential.

The proposed recapitalization plan provided for the FSLIC appears, at least to this Senator, sufficient to enable the FSLIC to meet its obligations without involving Government funds or a Government bailout. Therefore, I believe it is a sensible and a practical solution to a complex problem.

The other key features of S. 790 are, of course, found in titles I and II. The former closes the so-called nonbank bank loophole, at least to a certain degree. The second imposes a moratorium on the Federal banking agencies, and prevents them from granting bank holding companies and their subsidiaries certain new securities, insurance and real estate powers.

The nonbank bank loophole is the result of the definition of a bank in the Bank Holding Company Act written many years ago. A bank at the time of the writing of the act was defined as an institution which received deposits and made commercial loans. By foregoing either one or the other of those two activities, the bank was not a bank for purposes of the Bank Holding Company Act. What is significant is that although the bank was a bank for purpose of its deposits being insured by the FDIC, by foregoing the making of commercial loans or conversely, receiving deposits. The bank became a nonbank and escaped regulation under the Bank Holding Company Act.

The bill closes this loophole by defining the term "bank" to include any bank whose deposits are insured by the FDIC or any institution that both accepts deposits and engages in the business of making commercial loans.

Title I of S. 790 closes the nonbank bank loophole as of March 5, 1987. Nonbank banks existing as of that date may continue to do everything they were doing prior to that date, including all cross-marketing activities but they may not commence any new activities; cross-market products or services not permissible for bank holding companies unless the product or service was being cross-marketed on March 5 of this year; permit any overdrafts on themselves with the Federal Reserve on behalf of an affiliate; increase their assets at an annual rate of more than 7 percent per year beginning 1 year after the date of enactment; or acquire more than 5 percent of another bank and thrift with certain exceptions. Those are the main restrictions.

I might note, parenthetically, that this is a far more lenient closing of the nonbank bank loophole than was contained in the Senate's 1984 financial institutions' bill that was passed by the Senate on a 89 to 5 vote. The 1984 bill was a bill whose passage I supported, a bill with which I did not agree with every part, but a bill which drew a very clear line between banks and nonbank banks, and between the activities that banks and their competitors and securities firms and their competitors and financial institutions of all types might properly engage in.

We might have avoided this whole discussion today, Mr. President, if the House had passed any comparable legislation that year, and if the Senate and the House—together—had resolved whatever differences might have resulted. We would have done something that we certainly are not doing as of yet: that is, facing up to our responsibilities to make the decisions on how Congress—not the regulators, not the banks, not the marketplace—will live up to its responsibilities to draw the lines and to the extent to which they choose to do so, to separate our financial institutions.

Sometimes, Mr. President, people get confused as to why there should be distinctions among financial institutions as to what function or activities they can undertake. The basic reason there need to be distinctions is because we insure certain activities of certain institutions. The reason we are here with a FSLIC recapitalization is because we have been insuring the activities of savings and loans in which too many savings and loans have engaged in unsafe lending practices. As a result, we are here with what some people have described as a FSLIC bailout.

I hope it is not a bailout. But it is an emergency recapitalization that makes us all uncomfortable in that we should have to act in this fashion.

Any time the Federal Government insures the activity of anybody in the private sector, we are inviting that private sector institution to take risks on the Government's and on the taxpayers' tab. Insured institutions—banks, savings institutions, credit unions, or other insured institutions—have their depository base insured. We are now witnessing them engage in transactions other than what the laws interpret to be the business of banking—where we have a history of some 40 or 50 years of legal precedent, interpretation and regulation by the various regulators involved—the Fed, the Comptroller of the Currency, the FDIC, the FSLIC, the Bank Board, and so forth. Any time we allow financial institutions to use insured deposits to go into new areas, we need to be very cognizant of the risk that we are underwriting and subsidizing.

Make no mistake, it is a subsidization.

Any time we engage in subsidizing an activity, somebody else pays the price.

That, in a nutshell, is the most compelling reason why distinctions need to be made. That is why when people use the term "level playing field" they must qualify which part of the field they are on, the insured part of the field or the uninsured part of the field. More importantly, we must recognize that it would be a matter of egregiously shortsighted public policy were the insured part of the field to be on exactly the same level as the uninsured part.

Our committee report explains many reasons why the nonbank bank loophole should be closed. They include among other things the need to preserve the right of the States to control the entry of out-of-State banks within their borders; the need to avoid increasing the cost of recapitalizing the FSLIC—the principal purpose of purchasing a troubled thrift institution being to enter a market from which the acquiring company would be otherwise foreclosed.

And the need to prevent the eroding of commerce.

As to the last point: Nonbank banks, by their nature, undermine the principle of separating banking and commerce which has been the hallmark of our country's financial policy for more than a century. Our economy depends on banks allocating credit to its most productive use. The separation of banking from commerce helps to ensure that banks allocate credit impartially and without conflict of interest.

Further, we need to close the loophole to avoid threatening the safety and soundness of our financial system.

Let me observe that there is no practical way to separate a nonbank bank from its parent's affiliates, either operationally or in the public mind. No less an expert than the Chairman of the Federal Reserve Board, Paul Volcker, has testified:

> The practical realities of the marketplace and the internal dynamics of a business organization under central direction drive bank holding companies to act . . . as one business entity, with the component parts drawing on each other for marketing and financial strength.

Mr. President, if a nonbank bank's parent or affiliate should encounter financial difficulties, the resulting loss of public confidence may force the bank to borrow from the Federal Reserve discount window or even seek to receive financial assistance from the FSLIC. Beyond a doubt, the nonbank bank loophole increases the risks to which the taxpayers and ultimately, our economy, are exposed.

Mr. President, let me address for a moment title II of the bill, which imposes a temporary moratorium on approval of certain nonbanking activities by Federal banking agencies.

In listening to the last speaker, I suppose it is fair to say that the Senate is not of one mind as to the desirability of title II. Nonetheless, I think the Senate would be well advised to keep title II in the bill.

Let me explain what we are talking about.

Title II creates a moratorium on this limited set of nonbanking activities which begins March 6 and ends 1 year from the date that the bill becomes law.

Specifically, the moratorium prevents the Federal Reserve Board from granting authority to a bank or bank holding company to engage in any securities activity through a loophole interpretation of certain language in section 20 of the Glass-Steagall Act. There are presently pending, Mr. President, three applications by large New York City banks before the Board requesting authority to underwrite and deal in commercial paper, ineligible revenue bonds, mortgage-backed securities, and securities backed by consumer receivables.

Section 20 of the Glass-Steagall Act prohibits the bank from becoming affiliated with a company principally engaged in the securities business.

The plan of the applicant is to transfer into an affiliate a sufficient amount of bank-eligible securities, such as general obligation bonds and Government securities, or produce revenues from nonsecurities activities, so that the revenues derived from the presently ineligible securities powers, which are subject to approval and are the subject of the applications, will be small in comparison to total revenues. Thus, the applicants argue that the affiliate will not be engaged principally in the securities business.

The fact is, however, that the amount of business these affilates could conduct under this contrived formula could give them a place among the largest securities firms in the country.

In my view, the Congress should prevent the Fed from approving these applications based upon a highly dubious analysis of the engaged principally language found in section 20 of the Glass-Steagall Act. I agree with the opinion expressed by Chairman PROXMIRE in a letter he wrote to Chairman Volcker on January 30, of this year:

> The applications at issue here fly in the face of that Congressional intent. They would allow the applicants to make a regular and (in both relative and absolute terms) a substantial business of underwriting ineligible securities. Even if the Board imposed percentage limitations such as those in Bankers Trust New York Corporation (Dec. 24, 1986), I believe that approval of the applications would contravene the intent of section 20 and render that section a toothless tiger. "To say that a securities firm ranking [as applicants would] among the leading investment bankers of the country with respect to . . . [the securities in question] . . . should be held beyond the scope of the statute is," in the Board's own words "to say that Congress enacted a statute with the intention that it would apply to no one"—or at least not to large banking organizations. *Board of Governors* v. *Agnew*, 329 U.S. 441, 451 (1947) (Rutledge, J., dissenting) (quoting from the Board's discussion of "primarily engaged" in Section 32 of the Glass-Steagall Act).

Mr. President, I previously noted title II also imposes a temporary moratorium on the Federal banking agencies approving new insurance and real estate activities for bank holding companies and their affiliates. I wish to emphasize that the provisions of title II are temporary. They will only be in effect for 1 year following the enactment of S. 790. During this moratorium period, the Senate Banking Committee is committed to a comprehensive review of the extent to which bank holding companies should be granted increased powers to expand their securities, insurance, banking, and real estate activities.

I might say quite specifically that the committee, speaking for myself, welcomes the input from all quarters to examine most carefully the structure of our financial system and resolve these matters during the 100th Congress. Until now, no Glass-Steagall review employing the full resources of academic experts, committee staffs, the regulatory agencies and industry, and consumer representatives has been undertaken. Such study has preceded major regulatory changes in the past. I believe Glass-Steagall, a foundation law of our financial system, deserves such a study. Our distinguished chairman, the Senator from Wisconsin [Mr. PROXMIRE], has committed to reach a legislative conclusion in the Senate Banking Committee on these issues by October. I believe every member of the committee shares this goal and through a cooperative effort it can be achieved.

Let me, in conclusion, Mr. President, make a couple of comments on my concerns about those who seek to strike title II from this bill.

One of the difficulties, and it is a real difficulty, that the Senate faces when a complex matter and a largely obscure matter, namely, the regulation of our financial institutions—is brought to the floor in what is necessarily a lenghty bill—S. 790 contains 138 pages—is that rewriting this kind of relatively technical, obscure, and, to many people, unimportant measure—not that it is unimportant but that most people do not get into these issues except on the committees of jurisdiction—is that in rewriting a bill like this on the floor, we may do tremendous violence to what might otherwise be a carefully thought out congressional initiative. In the process, we may impose into our legislation some amendments, some principles, some practices that, were they actually to go into effect, we might well live to regret.

In sum, it is dangerous to rewrite complex and technical legislation on the floor of either the House or the Senate. I understand that there will be an effort to do that. I hope that the sponsors of motions to strike various titles from this bill will not proceed to do so. I suspect that plea falls on somewhat deaf ears. I say that out of no disrespect to anybody planning to offer such amendments. People have their points of view and they are supposed to be relied upon to follow them through. We all should. But I do want to bring to our colleagues' attention, Mr. President, the following kinds of danger.

It has been said, and I think with some accuracy, that this bill is not comprehensive financial legislation; that at best, this buys time. It buys for the Senate Banking Committee and the Senate 1 year to do the job it ought to have done in previous Congresses in previous years, as we tried to do in 1984—to draw clear lines. Well, the lines have gotten a lot more blurred since 1984.

In 1984, we were able to put through the Senate with practically no dissent whatsoever a nonbank bank loophole closer that retroactively closed the nonbank bank loophole to July 30, 1983. We reached back over a year and on this floor, without any material dissent, we closed that loophole. Today, we cannot even close the loophole. We cannot in this bill—try in committee as we might—basically do much to the loophole until a year from now. That is how bad it is.

We ought to recognize that with every month that passes, drawing clear lines is going to become progressively more difficult. It may very well get to the point where there is a minority of Senators—and it only takes 40 to prevent getting cloture on a bill—who have so many conflicting interests in their State, or who would not want to have to vote on the issues one way or the other, or who represent the views of interts which might be, in their view, prejudiced or injured by some of the provisions we might report in our bill, to defeat this type of legislation.

I have given 3 good reasons that 40 Senators might frustrate the will of the Senate from ever coming up with any comprehensive banking legislation.

What drives the moratorium in this bill, the partial closing of the nonbank bank loophole in title I, is that we just do not want the current complicated situation to get any messier. But if people do proceed to try to undo what we have tried to do in terms of a freeze while we try to sort out what is in the refrigerator, the following is likely to happen: We will have to legislate on the floor of the Senate some permanent policy if our temporary moratorium is taken out. That, it seems to me, would be the only responsible course for us to follow.

What do I mean? In 1984, on the Senate floor, Senator Dodd and I offered an amendment to permanently resolve the question of who could and could not sell insurance. That legislation, which put very tight restraints on banks selling insurance, passed overwhelmingly, better than 2 to 1. I am not anxious to have to make a permanent, final decision on the Senate floor, but I want my colleagues to go on notice that if we start taking apart this carefully crafted compromise, which passed out of our Banking Committee by a 2-to-1 vote, this Senator is going to offer an amendment to permanently resolve the insurance issue. I suspect I shall be very successful. We had the votes 2½ years ago; I suspect we will have them again.

That is not the way I want to proceed; however, if we strike title II, that is the way I am going to have to proceed.

I will give another example. The nonbank bank loophole has basically been finessed in the bill. We do not really slow it down much for the next year. Then we have some modest, slightly discomfiting—for the nonbank banks already across the line—restrictions for future years. Maybe what we ought to do, if we strike either title II or title I—and I do not think we will strike title I—is to vote up or down or closing, really closing, the nonbank bank loophole and really closing it retroactively to some date—maybe earlier this year, maybe to 1984, 1985, 1983.

Maybe we ought to try out the Senate's will on all four of those issues until we get one the Senate agrees upon. At least what we will get, Mr. President, is a policy—a policy as to where the Senate really stands on closing the nonbank bank loophole.

I am not sure that that is anybody's preference as to how we ought to legislate in the Senate, to bring up issues that most of our colleagues have not had many days, weeks, or months to consider. Yet, Mr. President, if the delicately crafted compromise we have in this bill is stricken from the bill, those of us who have been trying to be responsible, who have been trying to get some time for the new members of the committee and the new Members of the Senate and for the Senate as a whole to address this issue carefully and responsibly will have no choice. Because if we let the clock tick away without some way of slowing down time or, as I said a minute ago, freezing the players in place, the rest of us who believe that Congress has a responsibility to legislate will have to take matters into our hands here, on the floor of the Senate, and legislate. Not temporarily but permanently. If that is the Senate's will, and I hope it is not, that is what we will do.

Mr. President, it is my hope that Senators will seriously consider not just what they are hearing from one group of people or another group of people. We know that there are all kinds of special interests involved in every nook and cranny. These are securities people, real estate people, insurance people, big banks, small banks, New York banks. There are every kind of securities, real estate, mutual funds, and every other kind of financial interest you can think of.

I understand as well as anybody in this body—I have been on the Banking Committee since my first year in the Senate in 1977—just how fraught with peril are all the decisions that we have to make in this kind of ligislation. But I plead with our colleagues to be thoughtful, to be reasonable and to not put us in the position of doing something I do not really think they want us to do on the floor of the Senate: That is, to try and write on the Senate floor permanent policy which we in the Banking Committee thought, and I think properly, would be a mistake to write on such a tight timetable.

There is one other reason as well. We have in title III of this bill urgent legislation. We have the FSLIC recapitalization. Anybody who really is sincere about wanting to get that FSLIC recapitalization through should understand that the way they will really frustrate their own and the Senate's will is to begin to try and take apart the compromise we reached in the Banking Committee, which we did in order to try and accommodate a number of different points of view, the substance of which I have explained and alluded to earlier, so that we could in fact speed through the Senate the very legislation, the FSLIC recapitalization, that I think all of us want to see enacted as quickly as possible.

Mr. President, I yield the floor.

Mr. PROXMIRE addressed the Chair.

The PRESIDING OFFICER (Mr. DeConcini). The Senator from Pennsylvania has yielded the floor. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I congratulate my good friend from Pennsylvania for a superlative and very, very clear and strong speech. It is very helpful.

The **PRESIDING OFFICER**. The Senator from New York.

Mr. **MOYNIHAN**. Mr. President, I rise to discuss a subject which I think is fairly said to be the one that has been the most continuously debated in the Senate of any matter that is still before us, which is to say the banking system and the whole question of who creates money.

I am sorry to see the Senator from Wisconsin necessarily has to be leaving for a moment. Let it be recorded that I am going to be speaking about him in the warmest possible terms and he need not remain. He knows my feelings. I stand here to say this is a superb act the Senator has brought to this floor. If there is one measure I join the Senator in wishing was not necessary, that was not within his powers but was within his powers, it is an emergency measure to save the savings and loan associations of this country. We are going to pass it. It is going to be done and the Senator shall have done it. It will only be the first event of this 100th Congress that the Senator has done and, if not the least significant, characteristically done quickly, effectively, and absolutely impartially in judgment of what is in the interest of the American people and in this case most conspicuously the small depositors of the thousands and thousands of savings and loan associations in this country.

Mr. **PROXMIRE**. Will my good friend from New York yield just briefly?

Mr. **MOYNIHAN**. I am happy to yield.

Mr. **PROXMIRE**. I thank my good friend and tell him there is nobody in the Senate whose support I would rather have than the marvelous Senator from New York. He is a dear friend and an outstanding statesman, and I deeply appreciate his words.

Mr. **MOYNIHAN**. I thank the Senator.

Mr. President, we have been debating the subject of banking in the Senate since the 18th century. We began to ask ourselves a question, could we have a national bank, which Mr. Hamilton, of New York, thought we could do and should do. We created one. It had a very brief tenure. It went out of existence just in time that the Federal Government had no financial resources for the War of 1812, so it was reinstituted, as I recall, in 1816 for 20 years, and went out of existence just in time for the panic of 1837. We went through greenbacks. There must have been a wampum period. We went to gold coinage. Then a free coinage of silver dominated our politics for almost two decades, as farmers sought liquidity and availability of credit. Finally, at the end of a century of exhaustive debate, we more or less gave up and adopted what we now call the Federal Reserve System, which is no one thing nor yet another.

It is not a central bank. It is clearly not a bank. It is certainly not a decentralized bank but a decentralized banking system stays with it. To say we debated this matter for a century is certainly true but I do not think we have had a long discussion in banking on the subject of nonbank banks. You are really reaching for obscurity when you define an issue as we have done, and yet that seems to be the term with which we will have to deal. I shall speak to the matter briefly but I hope with some import to those who are here on the floor or who may be listening.

First, might I agree with the Senator from Pennsylvania who spoke about, to use his phrase, how fraught with peril this type of legislation can be. The report before us has an example of that in the further comments of the distinguished former chairman, the Senator from Utah. A small paragraph on page 94 takes note that in testimony before the committee:

> We learned that increasingly U.S. companies need bank financing less and less frequently and more frequently turn to the Eurobond market in London for their debt financing. Many were startled to learn that new U.S. corporate debt issuances in 1985 were larger in London than in the United States.

U.S. corporations borrowed more moneys for the normal purposes of their businesses in London than they did in New York. Now, why was that? Because the Eurobond market is located in London. Why is it located in London? Because of a tax which we imposed on foreign borrowing in the United States, called the interest equalization tax, in 1968. Thinking, for some errant reason, to discourage foreign borrowing here, we imposed an extra tax on the income received from such lending and drove the transactions in dollar denominated bonds to Europe and specifically to London, such that today more borrowing is done by U.S. corporations there than here, all the result of a tax which we repealed once we realized what was done, but it was too late when we did it. And a very large fact. Not only are we the largest debtor nation in the world, thanks to the incumbent administration, we borrow most of our money abroad, thanks to administrations of the past and Congresses of the past.

Right now we are trying to deal with a particular emergency which is the running out of funds of the insurance system modeled on President Franklin Roosevelt's Federal Deposit Insurance Corporation, which came in in the context of the great bank failures that so dominated the early depression and 1930's and which has worked so well until the last decade. The Federal deposit insurance was, of course, made available to savings and loans associations, and you have the elegant acronym FSLIC.

Well, FSLIC is fizzling and needs some restoring, and we are going to do it at an adequate measure. Mr. Gould, at the Treasury, argues that $15 billion is necessary. I know that the Senate committee hoped for $10 billion. Others and the House seem to wish less. We have $7.5 billion before us.

We also have before us, however, this question of what to do about the emergence of the nonbank banks. It is a crazy term and it is bound only to confuse or rapidly to turn away interest on the part of the public generally, but it has a meaning. In its meaning, you might begin by saying what it is not. A nonbank is not a bank.

What is a bank? Well, a bank is particular in one respect. Again, this very excellent report of the Banking Committee makes it clear. It says:

> Most corporations are free to engage in any lawful business. Banks, by contrast, are limited to the business of banking.

That is about what came out of that sanctuary of debate which begins with Hamilton and ends with, I guess, Senator Aldrich, who prepared the Federal Reserve Act of 1913, if I am correct.

The fear of banks in our country—there was a time when, under President Jackson, the biggest issue of the day in national politics was, would we have a bank of the United States, and would it tyrannize our society? So thought the Jacksonians. Hence, no bank. There is none to this day.

I suppose we are the only major industrial country that does not have a large national bank, as against a banking system with a national headquarters, as we finally compromised on, and not with the worst results, by any means, but with complexities.

A complexity emerged in recent years when lawyers discovered a loophole in the Bank Holding Company Act, which defined a bank in such a way that there were two conditions: You had to take demand deposits, as I recall, and you had to make loans. If you only did one, not both, you were exempt from the restriction; whereupon, a large number of organizations were set up, usually with very large financial sponsors.

The distinguished Senator from Louisiana has listed for us the names of corporations—the automobile companies, the insurance companies, and the land and cattle companies—that have gone into banking by virtue of not doing one of the two things you have to do in order to be declared a bank under the Bank Holding Company Act, therefore enabling you to do all the things that other banks can do.

This is a real problem for the existing banks which find themselves under restraints they have lived with, without serious complaint, for more than a quarter century in the case of the Bank Holding Company Act and for almost a century in the case of the Federal Reserve System. Suddenly, they find that their activities are encroached on and they are not able to do things that they ought to do, that they are going to need to do, if they are going to survive.

There is one striking statistic, Mr. President. Can we not think about it for just a moment? In 1970, 6 of the 10 largest banks in the world were in the United States; in 1985, only 1. In the same period, we have seen the number of Japanese banks in such a situation go from none to as many as we once had, six.

We have seen our corporations go overseas to borrow dollars—in London. We have seen deposits and activities go overseas for every purpose, to East and West, to the competing offshore islands of England and Japan.

We will have to ask ourselves, can we survive this? Is this in our interest? I think there is one issue not in dispute here and not in jeopardy—one circumstance not in jeopardy—if we act intelligently, and that is the proposition that we will have a pluralist banking system.

The Supreme Court put this very clearly just this last term in the case of Board of Governors versus Northeast Bancorp, in upholding a regional interstate compact as a legitimate exercise of the State power to regulate banks in a dual banking system. We have nationally chartered banks and we have State-chartered banks. We are a continent. One arrangement cannot ever be a good idea for us. The Supreme Court said:

> But with respect to the business of banking, we do not write on a clean slate; * * * we have said that "banking and related financial activities are of profound local concern." This statement is a recognition of the historic fact that our country traditionally favored widely dispersed control of banking. While many other Western nations are dominated by a handful of centralized banks, we have some 15,000 commercial banks attached to a greater or lesser degree to the communities in which they are located.

This is a fact that any American will recognize.

When the Senator from New York needs to paint the farm house, he does not go to lower Manhattan for a loan. He goes over to the county seat of Delhi, and he gets a home improvement loan from the National Bank of Delhi. And so it is with each of us. We can usually reach out and find a bank very close to us and identified with us, be we an ordinary person borrowing money for a car or a house, or businesses borrowing for their purposes.

We want to retain that. We do not want to see our major banks put out of business by foreign competitors acting here but under rules established there though indeed, as in the case of the Eurobond market, acting in London, or now the largest banks in the land acting out of Tokyo.

We have to find a solution to the nonbank banks, competition in existing institutions, and it will not be found by rolling back the present arrangements. There is just no going home again in a world economy. It may have been a poor idea to have allowed the present arrangements to come into place. It is an absurd idea to think they can be undone, reversed. The only thing to do is to go forward and enable the existing institutions larger scope than they now have under a restrained system that applies only to them and no longer applies to direct competitors. This is the rule of survival in a world economy, and it applies to banks as surely as to any other institutions, notwithstanding how secure their granite facades may appear or wish to appear.

The problem with this bill, however, is that it puts off that decision process.

The very distinguished and learned chairman of the committee has said that he will have a set of proposals for us by October, if not sooner, and if he says so, he is right. If he had had his way, he would have it on the floor now.

But he was not able to bring a new committee with him, save for this emergency absolute necessary measure with respect to savings and loan insurance.

So we are asked for the better part of a year in terms of when we will actually be able to legislate or perhaps not, but a long period, in any event, in which present situations, as the Senator from Louisiana has made so clear, bad grown worse.

Moreover, the moratorium imposes a very disturbing question.

This morning the Superintendent of Banks of New York City, Mrs. Considine, flew down to visit with me to say that they were quite startled in New York, which is a banking center, if I may suggest, to find that their powers which they have been exercising longer than the Congress has been exercising its, because the New York State Legislature is older than the U.S. Congress, under the supremacy clause, I suppose, are also frozen by this moratorium, that New York cannot act, Connecticut cannot act, Illinois cannot act, neither can Utah, and neither can the State of Wisconsin, because of this moratorium we are imposing.

This does not seem an advisable precedent. It is certainly not an attractive one. At the very moment, when we are looking for new ideas and solutions, we are saying not this year or if they are to come they are to come from this body and not from any other institution.

That seems to me, Mr. President, to be unwise. It seems to me to violate the one agreement we did reach in a century of debate which was that we would have a decentralized system and a dual system. I repeat, we debated the issue of banks and who could create money for a century. The whole of the 19th century was taken up with that issue. It was the one issue in the 19th century we never solved and we finally gave up trying to solve it with the Federal Reserve System, and that worked very well enough as many an impromptu arrangement will work until this sudden burst of entrepreneurial activity giving us the elegantly titled nonbank bank, which puts in jeopardy insitutions that go back to the beginning of this Nation.

I think, for example, and I do not mean to be parochial but I do not know many other examples, if you walk down 5th Avenue in Manhattan you will come upon the very handsome headquarters of the Bank of New York, and on black marble there is carved in the exact replication of the printing type of the age the little circular that was put out in 1784 announcing that a group of merchants would be meeting at a particular coffee house with the purpose of establishing a bank and stating what the conditions of specie and other matters would be required, the specie only for the capital, and inviting those who wished to join the discussion to do so; hence an institution older than the American Constitution and functioning without fault or blame to my knowledge from that time forward; yet, suddenly its activities jeoparized by an event that lawyers discovered a loophole in a law that was thought settled that unsettled the entire commercial banking arrangement of the country.

This is not a small matter and, therefore, I would hope that in the effort to redress the imbalance that has all of a sudden developed we might support the thoughtful amendment of the Senator from Louisiana to strike title II and to give the Banking Committee, with our full confidence, the mandate to proceed immediately to the work of redressing the imbalance in the commercial banking matters that has arisen in this past decade and which threatens the arrangements of centuries that are central to the health of the Americam economy and for that matter to the economy of the world.

Mr. President, I thank you for the thoughtful attention of the body on this necessary complex matter. I hope I have not added to the complexity and perhaps in some small manner stated the views of those of us who support the legislation and will vote for it regardless of the outcome but desire that title II be taken out and the work anticipated by the committee commence immediately under the necessary pressure of the absence of a moratorium.

Mr. President, I yield the floor.

The **PRESIDING OFFICER.** The Senator from Connecticut.

Mr. **DODD.** Mr. President, first of all, let me commend my colleague from New York. It is always a distinct pleasure to be on the floor or in any committee hearing to listen to his historical perspective on the issues. It is always important and rarely done when we discuss matters of substance such as these we are discussing here this afternoon, to go back and analyze and explore the history of these issues. Too infrequently we assume that they occurred only yesterday. There is a long tradition and long history and a long debate, I might add, that has gone on and will go on for the foreseeable future over what the roles of banks should be and what the difference between banks and commerce should be in this country.

I am delighted to have been able to be present this afternoon to listen to that dissertation.

We disagree about the title II provision of the bill, and I respect his thoughts and feelings about it and I hope that I might, with the powers of persuasion, be able to convince him to think again on this matter. If that is not being the case, I certainly am delighted to have been here to listen to his explanation.

Mr. **MOYNIHAN.** I thank my friend.

Mr. **DODD.** Mr. President, I also commend the chairman of the committee, Senator PROXMIRE, and other members of the committee, and Senator GARN, who was the chairman of the committee, of course, for my first 6 years on the committee, where we reviewed again and again many of these same issues that we are debating here today.

Mr. President, there is little or no controversy that I know of about the FSLIC title of this bill, title III. All of us are in agreement that we truly have an emergency on our hands. We have to deal with the recapitalization of FSLIC, as well as the emergency acquisitions provisions. We also should quickly adopt the check hold provisions. To the best of my knowledge there is not a single Member of this body who disagrees with the provisions of that particular title. There may be some disagreement—I see my friend from Texas, who is here—over whether or not there are adequate levels included in the bill to deal with the present crisis in FSLIC, but that is a matter that I presume will work itself out in time. On the fundamental questions there is no real issue at all.

The controversy that surrounds this bill involves title II and will, as I presume, be the subject of an amendment or amendments to be offered by at least one if not two of our distinguished colleagues.

I would like just to spend a couple minutes if I could explaining why it was that the committee felt it so important to deal with title II. We could have very easily just decided to deal with FSLIC. In fact, there were those who argued why bother to bring this up—the issue of bank powers—at all; why not just leave it for some later date. It was the strong feeling of a majority of the committee, after debating those issues of product deregulation, that we ought to set up a dynamic in which, over the coming months in the 100th Congress, we would be able to try and resolve the longstanding disputes that have existed between the various financial institutions in this country. To not mention them at all would not leave the situation in a status quo position, as some may assume. In fact, there is a lot happening in the marketplace. There is a great deal that can happen with the regulators that could change dramatically in the coming weeks and months: what happens to our financial institutions or what they would look like, the landscape, if you will, or the financial institutions in this county.

So to have said nothing, to do nothing, in the bill does not mean that nothing will happen in the marketplace, or that the status quo will be maintained.

I think it is extremely important that people in this Chamber and elsewhere understand that.

The committee felt it important to set up a framework as best we could that would allow for us to address these problems in a timely fashion over the next 8 or 10 months and present to the Congress a comprehensive bill that would deal with the question of expanded bank powers.

My colleague from New York and my colleague from Utah have laid out the rationale of why we should proceed immediately in some of these areas.

I would say to them, as I have said in committee, that I do not disagree with many of their thoughts in this regard. But it seems to me we owe it to not only the providers of these financial services and to our constituents, but also, obviously, to the users of these financial services, that we examine that issue thoroughly and completely. The issue of expanded bank powers should not be based on whether or not you can get one or two more votes for a particular power in a committee or on the floor. It should be decided thoughtfully and comprehensively.

So my hope would be that our colleagues here today would respect the work of the majority of the committee to set up this framework that calls for a moratorium on the Fed's approval of new bank powers, and limit as well, the expansion of nonbank banks.

These limitations are not as tight as many would like, but, nonetheless, this structure does allow us to basically freeze in place any kind of movement that could occur that could change the financial landscape over the next 8 or 10 months.

I would point out, as well, that a majority of the committee has indicated in the committee report and elsewhere that it will not vote to extend the moratorium. I include myself in that number. I know there is concern that this will just be a repeat of Regulation Q; that that was only to be a 1-year moratorium and it went on for 14 or 15 years.

I would say to those who have raised that concern that, as far as this Senator is concerned and in a majority of votes of the Banking Committee, that will not occur in this case. We are either going to do our job in the time we have before us or we will not be able to do it, and we should not hold things up.

But I think we should leave ourselves, at the least, that window of opportunity to try to do that job. We were elected to this Chamber and the other Chamber to try to set policy, not to leave it up to the Federal Reserve Board or the Comptroller General. We, as elected Members of the U.S. Senate, should determine what the financial institutions of this country ought to look like. That is what we were elected to do.

What we have suggested, what the chairman has suggested with titles I and II of this bill is to give us that opportunity, to give us that chance to try to accomplish that goal. We want to conduct a thorough review of these issues over the next 8 or 10 months and then present to this Congress a bill that would lay out how bank powers and other financial activities ought to be regulated. That is what ought to be done, and it should not be left to others.

That is all titles I and II do. I hear those who stand up and say, "Well, look, this bill isn't going to prohibit competition and preserve inequality by grandfathering more than 169 nonbank banks in the banking system."

Listen to what the Chairman of the Federal Reserve Board, Paul Volcker, has had to say: "This bill will stop that erosion at least for the next 10 months or so. I wish we could roll back the clock on nonbank banks. But we cannot. The least we can do is stop that erosion from occurring further." And Chairman Volcker endorses this effort in the bill to stop that erosion.

Certainly, if you fail to pass title I and II of this bill, any protections at all in that area are going to be lost entirely, it seems to me.

Point two, we are told, as well, that a moratorium will not bring other parties to the table. I mentioned earlier that we have a majority in the committee who are determined to come back and say that we will not support an extension of the moratorium. And a majority of us believe if we do not make that clear there will be those who will try and take advantage of that moratorium and extend it indefinitely into the future. I would oppose that.

Third, we said this is a gross affront to the rights of States to shape their own financial system. States are wonderful when it comes to State's rights. They want to be able to decide the financial environment and they want us to pay for their mistakes.

So while I certainly understand the States would like to be able to do as they please, regardless of Federal action, I do not think what we really want to do, in light of the emergency that brings us to the floor of the Senate today to debate this issue, is to say that we have no role here, considering that it may very well be the Federal Government that pays the price for the States.

Fourth, we are told there were no hearings on the moratorium provisions. That is not true at all. We have had countless hearings, in fact, on the question of whether or not you can have a freeze or moratorium. That certainly is something we have debated as well in the past. We are also told, by the way, that foreign banks, foreign financial institutions, have a distinct advantage here. But foreign banks cannot do anything that domestic banks are prohibited from doing. The only ones that can do what our own domestic banks cannot do are those that are grandfathered in, and they were already engaged in those practices before legislation was passed.

There is a legitimate question about whether or not we ought to try to open up the process so that we can be more competitive. I do not disagree with that. But those who have been going around saying that foreign banks have a distinct advantage over domestic banks doing business in this country are just flat wrong, and arguments on that basis are just inaccurate and ought to be labeled as such.

Finally, we are told here that the moratorium does not retain the status quo; it deprives banks of limited ability under present law to remain competitive by freezing both the Federal bank regulator and States for more than a year. I would point out that for 50 years we have had banks that were trying to get the Federal Reserve to give them broader powers. For years they have been turned down in that process. This is not a new request that came up in the last couple of years or the last few months. For 50 years they have been trying.

There is some concern that we may have a Fed making some different decisions and allowing some expanded powers. Many of us may agree with that concern. But, again, I come back to the point that I do believe that we at least deserve the opportunity in the Senate to address that issue. If we fail to address it in the year, so be it. But I do believe it is in our purview to at least have an opportunity to take a crack at it. And that is really what we are asking for in both titles I and II of this legislation, just to be given the opportunity to try to see if we cannot come up with that framework and proposal that meets the concerns of many—not all, I am sure.

The failure to pass this legislation, I believe, not only jeopardizes our ability to do that but may very well jeopardize FSLIC as a practical political matter. I would point out the practical political matter is the other body feels very strongly about the issue of expanded bank power. In fact, far more strongly than I think Members of this body do.

So I urge my colleagues, when looking at these proposals, to weigh them carefully and to listen to the debate and understand that the Banking Committee must have the opportunity to thoroughly weigh and debate these issues. It seems to me that to give us another 10 months under this new Congress is little to ask for, when, in fact, the final result may be something far more favorable than the opponents of this legislation would anticipate. I think if they showed a little more patience on this they would discover they were not going to be quite as damaged as they thought they were going to be.

So I hope we would reject the amendments offered to strike title II or strip the bill down to the FSLIC provisions only. I think it will create far more problems than the proponents allegedly argue that they would solve.

With that, Mr. President, I urge the adoption of the bill without those amendments. I yield the floor.

The PRESIDING OFFICER (Mr. HARKIN). The Senator from Missouri.

Mr. BOND. Mr. President, I commend the chairman of the Banking Committee, on which I am privileged to serve, for moving expeditiously to bring out this legislation on an extremely important matter, the security and safety of the thrift institutions in this country.

I must, however, join with the ranking minority member, the distinguished Senator from Utah, in raising grave questions about the soundness of this approach. Unfortunately, in my view, S. 790, as it is currently drafted, weighs down the Federal Savings and Loan Insurance Corporation, recapitalization with extraneous provisions which do nothing to improve the safety or the soundness of our financial system. These provisions may, in fact, make it even less likely that we can provide the support that FSLIC and the thrift institutions need.

It is possible that we will be taking a step away from ensuring the soundness that the families, the men and women of this country who deposit in thrifts expect from those thrift institutions. The bad news about FSLIC has gotten worse in the past 18 months. The ratio of FSLIC reserves to deposits has steadily declined since 1983 as the losses of insured savings and loan associations have increased. Although the Federal Home Loan Bank board has required individual S&L's to pay higher insurance premiums, this additional income is not enough to resolve the growing number of very expensive FSLIC cases.

The GAO has testified that FSLIC may have a negative net worth of more than $3 billion. I have with many of my colleagues signed on to Senator HEINZ' legislation which expresses the sense of Congress that the full faith and credit of the U.S. Government stands behind the FSLIC fund. It strikes me as rather ironic, however, that Congress has to pass resolutions because it has been unwilling or unable to take the steps necessary to ensure that FSLIC has adequate funding to do the job.

If Congress would quickly move to recapitalize FSLIC, it would be unnecessary for us to pass these resolutions to assure depositors that their funds are in fact safe. But both Houses of Congress passed recapitalization legislation last year, yet the bill failed. It failed to be enacted into law because of controversial and extraneous provisions precisely like those that we find in S. 790. Time is running out again this year for Congress to act on the FSLIC recapitalization. And we waste precious, valuable time trying to use the FSLIC recapitalization as the vehicle for measures which are not directly related to the safety and soundness of the S&L system.

The immediate need is for Congress quickly and cleanly to recapitalize FSLIC. I wholeheartedly concur, however, that over the longer term Congress should and must take a hard look at the legal and regulatory structure of our financial system. American financial institutions are operating in a world market and offering products that were unheard of 5 years ago. But Congress has neither responded to this new reality nor fashioned a legislative structure to assure sound and competitive financial services to our constituents.

I applaud the chairman's promise to hold comprehensive hearings on the structure of the financial services industry, and I assure the chairman I shall do everything I can to support his efforts to report out major legislation.

I do not believe, however, that the non-FSLIC provisions in this measure are necessary to ensure that Congress acts.

The logical restrictions and competitive inequities in this bill as it is currently drafted do nothing to further the cause of financial services industry reform.

Why is it necessary to grandfather 166 nonbank banks and create a special class of institutions that have powers that no one else has? The 166 grandfathered institutions might in time have a significant market advantage over other financial institutions. In fact, we may even grandfather some businesses into activities that Congress could later decide are inappropriate for them.

It is argued that the restrictions in this bill are only temporary. That may well be true. But I believe that my colleagues should still consider the possibility that S. 790 will become the law of the land for many years to come. Is this what we want the structure of our financial system to look like? I suggest it is not.

Furthermore, I suggest it is not good public policy to enact legislation under the assumption, rightly or wrongly, that it will be temporary. Given Congress' demonstrated inability to achieve a solution to these issues and its willingness to avoid voting on these issues, it is more realistic, unfortunately, to assume that what we may pass here could well be permanent. S. 790 should be evaluated on this basis.

Another argument is made that closing the nonbank bank loophole is necessary to ensure that there are buyers for ailing thrifts. In fact, this bill would have the opposite effect. It could dry up the pool of potential purchasers for ailing thrifts. It has been the policy of the Federal Home Loan Bank Board, as we heard in committee, to refuse to act on bids for failed thrifts by companies involved in the securities industry. Merrill-Lynch, American Express, Sears, and John Hancock have all attempted to acquire weak thrifts in recent years. Every one of them has been turned down. This does not improve the market for ailing thrifts.

The manager's amendment, which was just accepted, eases somewhat the restrictions in the bill. Nevertheless, I still believe and contend that it is unnecessary to add these extraneous provisions to the FSLIC recapitalization.

Mr. President, the Competitive Equality Banking Act does not live up to the promise in its title. This legislation is not necessary to ensure that Congress moves ahead with financial services industry reform nor is it necessary to ensure that the FSLIC recap will succeed. Every day that Congress spends in futile debate over the controversial provisions of this bill adds to the total cost of resolving the thrift crisis. I encourage my colleagues to support a clean FSLIC bill.

I yield the floor, Mr. President.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, I rise in support of the legislation and the committee's position frankly with some degree of reluctance. I have served on the Banking Committee since assuming my seat in the U.S. Senate in January 1981 and have supported on past occasions legislation to extend to banks in this country substantial additional powers. And I am pleased to see my old friend, the present ranking member of the committee, who chaired that committee in those years, here on the floor, and I think my record in support of expansion of bank powers is fairly clear.

One of the issues, I think, presented to the Senate in connection with this whole question now is the suggestion by my distinguished friend from Louisiana that we ought not to close the door on the expansion of bank powers this year by the moratorium in this bill, which he addresses in his amendment to title II.

But I would like to earnestly suggest to my friends who may be following this debate in their offices because, as I look about the floor with the exception of my friend from Louisiana who will offer the amendment to title II, the rest of us are members of the Banking Committee who are coming into the Senate Chamber and then leaving to express our own opinions. But for those who may be trying to come to a conclusion about what we are doing here, I would like to try to present as simply as I can what those of us in the Banking Committee are attempting to do with this legislation.

First of all, I think it has been suggested by others, but I think it is worth repeating here, that this bill on a highly controversial subject came out of committee 12 to 6. So by a 2-to-1 vote in committee, a majority of the committee felt that on balance this was the best way to address the problem.

Now, there are a number of other things in the bill, but essentially the important three things that are up for consideration in this bill are, one, the FSLIC provisions with an appropriated sum of $7.5 billion; two, the nonbank bank provisions of the bill; and lastly, the moratorium on the granting of bank powers by the Fed during the next year while we try to make a determination of what ought to be done on this whole subject matter.

I think that what is going to transpire here is that my friend from Louisiana is going to offer an amendment to title II to strike title II. I will be talking about that in a little while. But at some other point in the proceedings, either my friend, the ranking member, or others on his side or someone here, will either offer an amendment, I believe, in the second degree to the amendment of my friend from Louisiana, which strips the bill of everything but the FSLIC provision, or at some point in time, Mr. President, that amendment is going to be offered.

I think, then, that we ought to look at this in the context of everything that has happened in that committee. In the committee there was a good deal of support, that all we ought to do is a FSLIC bill. Somewhere along the line we will debate that on the floor.

I have no argument with the fact that we have to do something about the FSLIC matter this year. Everybody in the House agrees with that and everybody in the Senate agrees as well. There is positively no question at all about the fact that we are going to do something about the FSLIC problem.

If under some strange set of circumstances no bill emerges, a FSLIC bill will come out of the House in any event, though one has not been marked up yet.

I think what everyone has to understand is that the FSLIC problem will be addressed shortly, either in this bill which addresses it properly or in some other bill.

So it is not, I think, a reasonable argument that we ought to set aside the whole work product of the committee and settle just on a FSLIC bill. The only argument on the FSLIC question is numbers. The administration originally asked for $15 billion. We voted on that in the committee and it was rejected. Some on the committee asked for $10 billion, and we voted on that and on a tie vote it was rejected. The highest number that could be agreed upon in the committee was $7.5 billion.

Members ought to know that the House probably generally favors a lower number. The healthy thrifts in the country favor a lower number. So the probabilities of a lower number may be good in the final analysis. I do not argue that question. This Senator voted for $7.5 in the committee and I am prepared to do it in this bill.

But the point is that the first argument about FSLIC that I consider to be specious, Mr. President, unless you want to say, "I shrink from all other discussions. I do not want to solve or address any other problems. All I want to do is simply a FSLIC bill."

There are some Members who may retreat to that. Mr. President, if they want to, it is all right with this Senator. But the argument that that is all we ought to do because in the end it is an emergency and we have to do it has no validity, no weight. It does not impress me because I assert again for the final time we will do a FSLIC bill.

The second question is, Should we do anything about the nonbank banks?

That is divided in two ways, Mr. President. There are some here and there are many in the country at large who say do not do anything at all. On the other hand, there are clearly some here and there are a whole lot in the country who say this bill has not done enough. You can get a reasonable argument on either side of this question.

In all fairness to the chairman, who is sitting down here bearing the brunt of most of the criticism, the chairman wanted to do more on the nonbank bank question. The chairman was the farthest out in front of all the membership of the committee, and I think it is my fair representation of the facts that, only one other person in the committee supported the chair, who wanted to do something really fundamentally and completely responsive to the nonbank bank problem. He wanted to roll it all the way back.

I did not support that. I will be candid about it. I did not support it in our private discussions, and I did not support it in the committee.

For those who say we did not do enough about the nonbank banks, let me say what we are doing here is saying that there will be no more for the next year. They will stay in place and, after that, growth will be restricted to 7 percent a year. The reason, of course, for that is to bring these massive and important institutions in the country to the table with those of us on the committee to see if in the committee all of these competing economic interests can bring their separate views to bear on a final work product of the committee that will be meaningful.

I hope to expand more on that in a moment.

Let me say that perhaps the biggest nonbank in the country is in this Senator's State: Sears. A fine institution and one I support. I do not intend to try to put them out of business, and this bill will not, nor will the future conduct of the committee put those in place out of business.

But I do think it is time that we drew the line and erected a barrier, Mr. President, against more nonbank banks in the country. That ultimately would be destructive, I think, to the financial institutions that most of us, particularly in the small towns of America, have come to depend upon.

Now, let us talk about the banks and the powers. That is the third question here. What we have said is that there is a moratorium for the next year on the banks and the granting of any additional powers to the banks by the Fed while those of us on this committee try to solve this great problem of all of the different economic forces that come to bear on this issue.

Mr. President, there are all the economic forces in the town you live in and in the town I live in. There are all the insurance agents in America, every one of them in every town, that belong to every Kiwanis, every chamber of commerce, every Rotary and every Lions Club and all the real estate dealers and all the security agents in the country—the brokers, the big houses, and the little people in the small towns.

Mr. President, that gets complicated because there are the big banks, which probably favor what my friend from Louisiana wants to do, but there are the little banks who are against what he wants to do.

There are the New York banks, who think in an altogether different way. There are the foreign banks. There are the nonbank banks, who are just as interested in what we do about the banks. And then there are the thrifts. All of these economic groups, when you put them together, form a large part of the economic forces that work in every community in America, and they all have different points of view.

Fundamentally, all we have said here, Mr. President, is "For 1 year, let's do nothing, and let's not allow the Fed do what we in the Congress ought to do."

Can I repeat that and stress it?

"Do not let the Fed, do not let a regulatory agency, do not let an administrative body that did not go up before the people in this country in 435 congressional districts or 50 different states do what we in the Congress, as elected public officials representing the people of our country, ought to do."

The point here is that if we as a Congress do not react to the forces in our society, the financial forces that are molding the marketplace, the regulators will. The Federal Reserve will ultimately do that.

Some people say it is not a fair balance. I say, "Look, as well as you can, put something together that tries to hold the thing in place for a year while we try to produce a solid, comprehensive work product. Keep the nonbanks in place. No further proliferation of them. Compact their growth for the future, for a year, say to the banks themselves, 'Stay in place as you are for this 1 year while we try to completely solve the problem.'"

Mr. President, it is easy to say that this is not a great bill. I guess the truth of it is this: If any individual Member was writing a bill, this bill would not be his or her bill. It would not be the bill I would write, Mr. President. This bill has a lot of features that I do not embrace or call my own.

If that is the case, you might ask why I am here speaking in favor of the bill? My answer to that question would be that I am here speaking for the bill because I am serving in my seventh year in the U.S. Senate. This is my seventh year on the Banking Committee. I have listened to thousands and thousands of hours of testimony from every competing economic group in the country and I am absolutely certain, beyond any doubt, that if we do not have a bill like this with a kicker or two in it, we will never have a bill at all. We are going to abandon to the forces of the economic marketplace and the Fed will ultimately dictate what happens to the financial institutions as we know them in this country. That may be good enough for some, but it is not good enough for this Senator, because I know we can do better.

The ranking member, who is on the floor again and who served with great distinction as the chairman, knows that when he was chairman, I supported him in every way and worked on his side of the aisle when it was not so popular, to help him bring legislation out of that committee that gave substantial powers to the financial institutions of this country. It died in the House and nothing happened. The fact is that this time, early on, the votes were not there to craft that kind of bill again.

Our chairman, in his attempt to do the best he could with what he had in committee to work with, cooperated with the majority of members to bring forth legislation that might produce in the timeframe of 1 year a piece of legislation. Legislation which would say to every economic group in the country—to the nonbanks, to the banks big and little, to the thrifts, to the insurance agents, to the real estate dealers, all of them—to come to the table and help us to craft meaningful legislation to address the problem.

Mr. GARN. Will the Senator yield for a brief comment?

Mr. DIXON. I will, Mr. President, if I could conclude—I almost called him Mr. Chairman, and I apologize to the present chairman.

Mr. GARN. I appreciate that. All I wish to say is the Senator is correct, he was extremely helpful in passing the bill out of the committee in 1984. I only wish to add further that he was also helpful in helping me get out a clean FSLIC bill last August.

Mr. DIXON. Mr. President, I try to be helpful wherever I can.

Let me make this point. I suppose the subject has been belabored long enough, Mr. President. I would simply like to add this: What my friend from Louisiana wants to do is well intended. There are probably some who have not been involved in the process who, first being exposed to it, would embrace it and say this is the right thing to do. The truth is I do not have any personal argument with his basic premise. The banks ought to have some expanded powers. But it is not the answer to the problem right now and it will not solve the problem but will add to it.

What others want to do, stripping this bill of everything but FSLIC, is a waste of time. We are going to get a FSLIC bill in the end anyhow. Let us reach out further and try to solve some problems in our society.

The FSLIC problem is a serious one. We are going to solve it. Why settle for the least we can do? Why do we not have the ambition to do more?

So I say in conclusion, that this is not a perfect bill. The chairman and those of us who finally voted for it do not make that claim. But I think it is the best bill we can find in the circumstances, to ultimately craft, within the year, meaningful legislation. If that fails, Mr. President, let me make the statement that my colleague from Connecticut previously made: I say here, I pledge myself, if this bill does not do the job and does not get us additional legislation, to not vote to continue the moratorium but to discontinue that moratorium.

I urge my colleagues, many of whom do not serve on this committee and probably think we are talking about unimportant points, to look at this bill as the best the committee can do to get a very good bill within a year that will address the problems of the financial community.

Mr. SHELBY. Mr. President, I rise to make some observations about the legislation and the issues before the Senate today.

Today, our financial services industry is engulfed in turmoil.

We have new products and new players—new domestic players and new international players.

Obviously, the basic legal framework governing our financial system established by Congress 50 years ago has been left in the dust by rapid technological innovations and changed market conditions.

As the debate over this bill indicates, there is a great deal of controversy and numerous competing interests surrounding the reform of our financial services industry. Some institutions want additional powers to provide increased services in order to remain competitive. Others want to protect their piece of the pie.

The conflict generated by the measure before us is evidence that we have yet to reach a consensus on what sort of financial services system we want and who we want to provide which service.

In the past several weeks, I have heard countless speeches emphasizing the importance of our financial system to the overall well-being of our country and the need to assure its continued safety and soundness. I am concerned, Mr. President, that we are approaching this task in a haphazard, perhaps ad hoc manner.

The reform of our financial services industry is an area that we must carfully explore. I pointed this out on several occasions in the Committee.

But first, Mr. President, we must take care of the matters that demand immediate attention. For me, that is the recapitalization of FSLIC. While there is disagreement as to the amount of funds needed, there is no disagreement that action is urgently needed.

At the beginning of my service on the Senate Banking Committee, I sought a clean FSLIC bill—not for the purposes of delay or to be dilatory, but because the immediate recapitalization of FSLIC was right and prudent. This Nation can ill-afford to let this urgent matter become bogged down in a political quagmire.

We cannot play political games with such a delicate and potentially catastrophic situation.

The bill now before us is not the best bill. It is the result of a lot of work, as has been pointed out, by the committee. It is the work of the politics in the committee, as it always is. It is not what I would have brought out, but I have supported the bill. I am going to support it on the floor in its present condition because it does speak to some things, but it does not speak to everything. I will later join in more debate as certain amendments are offered and debated on the floor.

Mr. GRAMM. Mr. President, I begin by thanking my colleagues on the Banking Committee for the adoption of the thrift industry recovery guidelines which are a part of this bill. I believe these guidelines are vitally important. They provide a blueprint which will allow thrift institutions that are well managed but in economically depressed areas the opportunity to work their way out from underneath those problems. In the process not only do we maximize the number of thrifts that survive current problems but also minimize the impact on the FSLIC insurance fund. A fund which insures the 900 billion dollars' worth of deposits in the Nation's savings and loan associations.

Mr. President, we have tried to deal with the problem in the savings and loan industry on an individual savings and loan by savings and loan basis, and I think it has become increasingly clear in recent years that the problem is too big for that. In trying to deal with ailing thrifts on a thrift-by-thrift basis, we create two problem in the process. No. 1, the inevitable claim that we are engaged in some kind of favoritism; that we are not applying the same yardstick to every institution. And second, we create uncertainty as to what the policy is and how it might be applied to the next savings and loan that faces similar problems.

The objective of the thrift industry recovery guidelines is to set out a concrete program so that the investors who look at troubled savings and loans can look at the blueprint we have set out and hopefully conclude that those savings and loans, under this new set of guidelines, using this new roadmap, can work their way out from under their problems and can ultimately be profitable again.

That is a very important part of this proposal because it will attract new capital into the savings and loan industry and strengthen the system through private funding, rather than being forced to rely on FSLIC to provide funds to simply allow us to close troubled savings and loans.

Our thrift industry recovery guidelines represent a self-help program, and it works basically as follows: Those savings and loans that are deemed to be worthy, that are deemed to be well managed, that are believed by the Federal Home Loan Bank Board to be capable of working their way out from under their problems, are issued capital certificates. These interest accruing certificates can be used only to meet their capital requirement. This way, we grant forbearance to institutions that currently do not have net worth sufficient to meet their capital requirements. The capital certificates that are issued as part of the forbearance represent a self-help program whereby those institutions that become profitable will pay interest on the worth of the certificate and the amount of time they use it.

In the process, we eliminate the inequitable situation where we have two savings and loans in the same city, on opposite corners of the street, one that has followed a prudent practice and has been more conservative; another that has made different decisions but has not been irresponsible enough that we want to shut them down. Yet, we are assessing both in order to recapitalize the FSLIC. As a result the person who does not have the problem will pay for the person who has not been similarly prudent. However, by issuing capital certificates that are interest accruing, those who use the certificates will pay into FSLIC an interest payment based on the amount of forbearance they received.

In addition, we make radical changes in the regulatory process. We institute a procedure similar to that used by the Comptroller of the Currency to allow savings and loans to sit down with their troubled borrowers and to restructure loans so that those loans might cash flow and so that the cash worth of the savings and loan might be preserved.

We do not force the regulator to classify the loan, because restructuring has occurred. We seek a new appraisal standard that represents some reasonable compromise between the fire sale value on the one hand and the wish value on the other, so that we might have some consistent pattern in asset evaluation. This pattern will reflect the realities we face in the marketplace, and the value, especially of real estate assets, so that we might have some realistic standard for carrying those assets on the books.

We institute generally accepted accounting principles to set out a more realistic bookkeeping system in our savings and loan associations. We establish an appeals process of supervisory decisions. In general, we set out a blueprint that will allow institutions to work their way out from under their problems. I think that this, combined with recapitalization, gives us an opportunity to deal with the problems we face.

I do have some real concerns about the adequacy of funding in this bill. As is true in most of the things we debate, there are two sides to the story.

Many healthy savings and loans are concerned that if we provide too much in the way of recapitalization of FSLIC, that we will encourage the Federal Home Loan Bank Board to go out and shut down savings and loans that could otherwise survive.

On the other hand, many of us have concerns that if we do not provide adequate financing, we will end up being forced to carry institutions that are not only in the red but also are losing money every day. I hope that in this bill we have found the right balance.

Unfortunately, there are savings and loans that cannot make it, even under the thrift industry recovery guidelines. Those institutions that have not been well managed, that are not well managed today, that have engaged in what borders on outright corrupt practices, that not only have negative worth but losses that are getting bigger every day, in all probability are not going to survive.

What we are trying to do here is to provide funds to deal with those problems, stop the bleeding, and provide a structure that will maximize the number of institutions that can survive while minimizing the cost of FSLIC, thereby providing for the savings and loans and their customers a happy solution.

This is a real problem. In my State, we have 56 savings and loans that currently have negative net worth, even if you give them 50 percent credit for their good will. Obviously, that represents a very real problem and a problem that has to be dealt with.

I hope we can act in a very speedy fashion to adopt the recapitalization of FSLIC, to allow us to close those institutions that cannot survive, and to use the resources we have available, including the provisions of this bill, to maximize the number of thrifts that can.

Mr. President, there are several other points I would like to make about the bill.

First of all, I congratulate our distinguished chairman for trying to deal with a broad number of issues. However, I am concerned that while we have made an effort in that direction, by having moratoriums in the bill on so many issues, such as granting additional powers to banks, I am afraid that we are doing the job in bits and pieces, and that we will never get back to dealing with the overall problem: To try to bring the regulatory system of our banking institutions into line with the current practices in the marketplace.

There are a number of institutions that act as banks, many of which do not have banking charters, many of which do not have charters of any kind. I think that calls for a sweeping reform of the regulatory system, and I do not believe we have done it in this bill.

I am concerned, Mr. President, that if we act only on part of the problem, we may never get back to the rest. That is why I supported in committee moving ahead with the emergency parts of the bill: Recapitalization of FSLIC, the regulators bill, and the procedure that deals with problems in credit unions. If that amendment is offered on the floor, and I am relatively certain it will be, I will support it. If that amendment is successful, then we have a bill that conforms with the House bill; and I think that would maximize our chances of having a speedy resolution of our problems concerning the savings and loan industry and FSLIC recapitalization. If that amendment is not successful, obviously I am committed to try to work out the differences between the bill in the House and the bill in the Senate.

Let me finally say—since I know that several colleagues wish to speak—that there is an additional area in this bill that I think needs to be dealt with.

Every committee has programs they wish to exempt from the Gramm-Rudman-Hollings law. We have had only one sequester order. Congress knew that was coming and wrote the bill by starting the process 1 year early. Whether or not we will ever have another one is uncertain at this point. I hope we do not. I am committed to doing what we have to do—that is, meeting the targets to prevent that from happening.

Obviously, each committee could find programs within its jurisdiction that it thinks are so worthy that they should be exempt from the process. In the Banking Committee, in a fairly close vote, we voted to exempt the bank regulatory agencies from Gramm-Rudman-Hollings.

At this point, I am not going to get into a long debate about the merits of that. But the bottom line is that, meritorious as the arguments might be, the procedure of Gramm-Rudman-Hollings requires 50 percent of the reductions out of defense and 50 percent out of nondefense. When we exempt more programs, a heavier burden falls on everything else that is left in the pot.

So, when we address this issue—as we will in an amendment—Members of the Senate will have to decide whether or not these regulatory agencies, important as their mission might be, are so important that they ought to be exempt from any future sequester order so that every other program must be cut more if they are.

My view is that if we are going to exempt them, we ought to do it in a specific bill dealing with that problem. We ought to take a broad look at what will be affected, and we ought to look at a lot of other problems related to the regulatory agencies. One of those problems is competitive pay. Current pay practices have shown that auditors are being lost very quickly as regulatory agencies train people, give them human capital, and then they end up being hired away by the private sector.

Finally, let me address one additional issue that I am concerned about and that issue has come to be known on the committee as the nonthrift thrift issue.

I have had many people representing many institutions come to my town meetings or come to Washington or come to my offices in the State and say to me "We want you to vote to close the nonbank bank loophole." The arguments for closing the loophole are basically sound and are addressed in this bill.

But no one has ever come to me and said "We want you to close the nonthrift thrift loophole."

I think basically what has happened here is that in our desire to have symmetry in the bill, we have decided to act on something which is not broken, but we've determined must be fixed. As the distinguished Senator, the ranking minority member of the committee, Senator **Garn**, has made so clear, the result of this attempt to simply have symmetry in the bill is that we are making savings and loans, especially troubled savings and loans, far less attractive to would-be buyers. When we are looking at somewhere in the range of a $25 billion problem, according to the GAO, when we intend not to have the taxpayer pick up the tab, when we are faced with a very real limit of our ability to assess healthy savings and loans, it seems to me that the last thing we want to do is to discourage other institutions from buying troubled savings and loans and putting new private capital into them.

So I hope as we have deliberations and amendments on these issues and others our colleagues will look at them and will deal with those particular problems.

I am happy to yield the floor.

Mr. GARN. Mr. President, I understand there are two or three other Senators who wish to speak on this issue. They are supposedly on their way, as we are often told on the floor. I have always wondered after 12 years where they are on their way from, but at least the statement has been repeated: They are on their way.

It has been 4 hours since I gave my opening statement, and I listened very patiently to a lot of Senators who have spoken on both sides of the issue and on both sides of the aisle.

It is really very interesting to me as I listen to some of these arguments. I am amazed particularly with this great worry about the South Dakota loophole.

The distinguished Senator from Louisiana pointed it out very well that there is no South Dakota loophole.

Some 3 years ago in the bill that I proposed at that time and passed in the Senate 89 to 5, there certainly was a loophole and in my original bill it was closed. I do not think there is anyone in this body who feels that a State legislature should have the right to export services with their financial institutions across State lines. That is an invasion of Federal right and Federal preemption. So the loophole was closed very tightly.

However, on the floor an amendment by the Senator from Connecticut closed it even tighter and took it beyond Federal prohibitions to a preemption of States' rights.

But interestingly enough, as nearly 3 years have passed, and as the Senator from Louisiana adequately points out, there simply is no South Dakota loophole because the Fed has refused to approve any applications, and they won't. I know we have had incredible lobbying effort to close the nonbank bank loophole by insurance agents across the country. It is a straw man. It does not exist.

Yet for 3 or 4 hours we have heard how important it is to close that loophole. I think it just needs to be repeated that there has not been a single application of any financial institution, any bank, in this country allowed by the Federal Reserve because no one except the South Dakota Legislature, I suppose, thinks that they should have ever done that. So it is entirely academic.

We have also heard about this crying need to close the nonbank bank loophole. I will repeat that we did close it in 1984, at least on the Senate side, much more stringently than we are attempting to close it in this bill.

We had a retroactive feature to July 1, 1983, and there was even some discussion of backing it up and causing divestment. This did not occur. But something else has happened in those 3 years. There was a Federal court decision in Florida that precludes the Comptroller of the Currency from granting any applications for nonbank banks. There is a narrow exception in terms of four or five States where States can grant nonbank bank charters, but it is a very narrow part of the spectrum in just a few States.

So, here we have heard these wonderful and very eloquent speeches about how we need to close two loopholes, and neither one of them are open at this time. The South Dakota loophole will not be opened.

You could have a change in the court prohibition on appeal. That injunction could be removed, but certainly the Government is not pursuing that particular prohibition. The appeal papers have not even been filed.

We also had statements last year from all the regulators saying they were opposed to the approval of nonbank banks until Congress made a decision.

So we have really set up a couple of straw men beyond what I talked about earlier concerning the urgent need to pass FSLIC recapitalization on an emergency basis, which should have been done last October.

Interestingly enough, many of the speakers today, too, who are so in favor of encumbering a clean, quick fix to the FSLIC problem were among my most ardent supporters last summer in favor of a $15 billion FSLIC recap over a 5-year period.

Now, I don't know what has happened since last August. I do not know why we suddenly have to rush to close a nonbank bank loophole that does not exist, because of a court prohibition or a South Dakota loophole that does not exist at all, because the Fed simply will not approve it and, if they did, this body would act rapidly to cut it off. I cannot imagine there is one single Representative who favors it, maybe the Senators from South Dakota, but I do not know, I have not talked to them about that.

I just wish I understood all that has gone on, in light of the history of this particular legislation and the members of the Banking Committee being so excited, congratulating me, even giving me a couple of hugs on the floor, for holding my press conference last July and pulling everything off my bill except a clean FSLIC. I do not know what has happened in 6 months, to encumber a clean FSLIC and add things to it.

At this point, I would suggest that Senators are so inclined to be against the preemption of States' rights, and yet some are for title I and title II of this bill. I have a letter from Governor Bill Clinton, the Governor of Arkansas, who is chairman of the National Governors Conference.

> DEAR SENATOR: The National Governors Association urges your opposition to the broad preemption of State authority over the activities of State chartered financial institutions contained in S. 790. . . .
>
> On behalf of our Nation's Governors, I urge you to support amendments striking or significantly modifying Title II and Sections 103 and 106 of Title I.

Now, here we are talking on the floor about preemption of States' rights and hearing Senators say that it is not a preemption of States' rights. Well, forget the opinions of the Senator from Utah. The Governors, 50 Governors represented by Bill Clinton, are saying: "Stay out of our business. Don't preempt States' rights."

I wish I knew where we were coming from. What right do we have as a Senate—the arrogance—to ignore 50 Governors of both political parties that say: "Don't preempt our States' rights. Don't preempt the rights of our legislatures to decide what State-chartered banks do."

Then I have another letter from the Conference of State Bank Supervisors, the National Association of State Savings and Loan Supervisors, the National Association of State Treasurers, and the National Conference of State Legislatures. It is signed by the president of each of those organizations:

> DEAR SENATOR GARN: We, the undersigned, urge your opposition to the broad preemption of state authority over the activities of state-chartered financial institutions contained in S. 790, the "Competitive Equality Banking Act of 1987". A century of public benefit, derived from the state-federal partnership in regulating America's financial institutions, should not be discarded lightly.
>
> In particular, we are opposed to the blanket extension of Glass-Steagall restrictions to all institutions and the unnecessary moratorium on all federal approvals of state-authorized activities.
>
> A decentralized system of financial resource allocation requires the maintenance of a meaningful degree of flexibility. Consumers benefit from a system in which financial services are tailored to local needs, competition is enhanced at each level of the economy and progress is made responsibly without nationwide risk. The elimination of the aforementioned benefits would produce a profound change in our Federal system of government and a very tangible and real public loss.
>
> We urge you to support amendments striking or significantly modifying Title II.

Again that is the State bank supervisors, the savings and loan supervisors, the State Treasurers, and the National Conference of State Legislatures, and all 50 Governors. And we are going to ignore that? I am amazed that we think we are so bright and so capable as 100 Senators that we know what is best for all of these people. And it is virtually every level of State Government. And yet I have heard every Senator in this body who has spoken in favor of this bill at one time or another defend States' rights.

Well I hope they have to answer to their Governors. I hope my colleagues or their staff are listening someplace today in their offices and will make sure that every Senator knows the State Treasurers, the State bank supervisor, the State legislatures, and the Governors of this country oppose us preempting States' rights.

I yield the floor.

The PRESIDING OFFICER (Mr. ADAMS). The Senator from Utah has yielded the floor.

Mr. HECHT addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. HECHT. Mr. President, I want to thank the distinguished Senator from Utah for his eloquent plea to recapitalize FSLIC. He has made a very dramatic and moving oration. I certainly feel he is on the right track.

Nevada, like a lot of other States, has some very sound savings and loans. But, unfortunately, if this problem is not dealt with, savings are going to be taken out of institutions in Nevada, not to mention institutions all around America. We must do something to prevent this.

First of all, we must again instill confidence in our financial institutions. And we must do this by the immediate recapitalization of FSLIC.

The Secretary of Treasury wrote a letter, dated March 23. I want to quote just a couple of paragraphs from this letter which strongly suggest that Congress has to act and has to cut immediately, on FSLIC recapitalization.

The Secretary said:

> I strongly urge you to place safety and soundness considerations foremost by: (1) ensuring that FSLIC's recapitalization includes the $15 billion/5-year infusion of additional private capital; and (2) passing this recapitalization and the bank regulators' emergency provisions swiftly and cleanly. This recapitalization is the same basic plan that passed both houses of Congress last year, but was not enough because of controversial and extraneous amendments like those in S. 790.
>
> FSLIC's recapitalization is necessary to protect the basic savings of depositors nationwide—$900 billion in S&Ls alone. We all are aware of the tremendous financial costs and personal burdens imposed on depositors, industry, and taxpayers in Ohio and Maryland as a result of the failure of their insurance funds, both of which had a higher ratio of reserves to deposits than FSLIC has currently.

I want to go on to the last paragraph of Secretary Baker's letter.

> The Administration presented a workable, responsibly funded FSLIC plan when others failed to do so. Now it is time for Congress to act promptly on this critical safety and soundness legislation, without inviting delay by combining it with the many controversial and unrelated provisions in S. 790.

Mr. President, I now ask unanimous consent that the letter from the Secretary of Treasury be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, DC, March 23, 1987.

DEAR SENATOR: Two weeks ago the Senate Banking Committee reported the so-called "Competitive Equality Banking Act" (S. 790) that contains a half-hearted and insufficient effort to recapitalize the Federal Savings and Loan Insurance Corporation (FSLIC), which guarantees savings and loan deposits up to $100,000. S. 790 also contains a number of controversial, anti-competitive, special interest provisions—which do nothing to protect depositors' savings, but which threaten to bog down a vital infusion of capital for FSLIC.

I strongly urge you to place safety and soundness considerations foremost by: (1) ensuring that FSLIC's recapitalization includes the $15 billion/5-year infusion of additional private capital; and (2) passing this recapitalization and the bank regulators' emergency provisions swiftly and cleanly. This recapitalization is the same basic plan that passed both houses of Congress last year, but was not enacted because of controversial and extraneous amendments like those in S. 790.

FSLIC's recapitalization is necessary to protect the basic savings of depositors nationwide—$900 billion in S&Ls alone. We all are well aware of the tremendous financial costs and personal burdens imposed on depositors, industry, and taxpayers in Ohio and Maryland as a result of the failure of their insurance funds, both of which had a higher ratio of reserves to deposits than FSLIC has currently.

S. 790's FSLIC recapitalization of $7.5 billion over two years is insuffcient in light of the General Accounting Office's preliminary audit requiring an $8 billion loan loss writedown which leaves FSLIC insolvent by at least $3 billion. Congress' own auditors have testified that FSLIC's known problems are far larger.

The proposal we presented in 1986 and again this year enable—but does not require—FSLIC to draw about $15 billion of funds from new sources, so it can utilize about $25 billion over about five years to resolve its caseload. This plan balances the financing burden between the Federal Home Loan Banks and the thrifts, and avoids any U.S. government guarantees or expenditures of taxpayer funds. This proposal has been certified by CBO, OMB, and GAO as budgetary neutral.

Many of the provisions included in the so-called Competitive Equality Banking Act discourage competition and are anti-consumer: they raise controversial issues, many of which are nongermane to safety and soundness concerns and have not even been introduced in the House of Representatives. They do nothing to protect depositors, who trust the government to assure that FSLIC is adequately capitalized.

The Administration presented a workable, responsibly funded FSLIC plan when others failed to do so. Now it is time for Congress to act promptly on this critical safety and soundness legislation, without inviting delay by combining it with the many controversial and unrelated provisions in S. 790.

Sincerely,

JAMES A. BAKER, III.

Mr. HECHT. Mr. President, although I believe $15 billion may actually not be needed, the point is that FSLIC must be recapitalized.

Mr. President, the savings and loan industry has served a great purpose in America. They have helped the housing industry, which has led our great country through hard times and bad, and has been the leader in providing numerous jobs for our country. We must do everything to keep the housing industry intact and aggressive, and we must keep them building homes. The last few months, I think we have had some of the highest number of housing starts in Nevada. The savings and loan industry has been a big part of this. We cannot jeopardize these vital institution by inactions on the part of Congress.

I urge my colleagues in the Senate to act promptly and swiftly to recapitalize FSLIC.

I yield the floor.

Mr. GARN. Mr. President, prior to the Senator from Nevada's speaking, I had been quoting from some letters from the administration.

The Senator from Nevada did place the letter of the Secretary of the Treasury in the RECORD. I would also like to ask unanimous consent that in addition to that letter, which has already been placed in the RECORD, the two that I quoted from, a letter from the National Governors Association in opposition to this bill, and also the Conference of State Bank Supervisors, State Treasurers and State Legislatures be included in full in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL GOVERNORS' ASSOCIATION,
March 24, 1987.

DEAR SENATOR: The National Governors' Association urges your opposition to the broad preemption of state authority over the activities of state-chartered financial institutions contained in S. 790, the "Competitive Equality Banking Act of 1987," recently introduced on March 27, 1987, after having been reported out of the Committee on Banking, Housing and Urban Affairs. The bill will soon be on the floor for your consideration. A century of public benefits derived from the existence of the dual banking system, based on a state-federal partnership in regulating America's financial institutions should be preserved.

The National Governors' Association opposes Title II which extends Glass-Steagall restrictions to all financial institutions, regardless of where chartered, and imposes an unnecessary moratorium on all federal approvals of state-authorized activities in the securities, insurance and real estate areas. A decentralized system of financial resource allocation requires the maintenance of a meaningful degree of flexibility. Consumers benefit from a system in which financial services are tailored to local needs, competition is enhanced at each level of the economy and progress is made responsibly without nationwide risk.

We recognize the urgent need to recapitalize FSLIC. Yet, elimination of the foregoing benefits would radically alter our dual banking system and result in very tangible and real public loss.

On behalf of our nation's Governors, I urge you to support amendments striking or significantly modifying Title II and Sections 103 and 106 of Title I.

Thank you for your support.

Sincerely,

BILL CLINTON, *Governor.*

CONFERENCE OF STATE BANK SUPERVISORS, NATIONAL ASSOCIATION OF STATE SAVINGS AND LOAN SUPERVISORS, NATIONAL ASSOCIATION OF STATE TREASURERS, NATIONAL CONFERENCE OF STATE LEGISLATURES,

March 23, 1987.

Hon. JAKE GARN,
U.S. Senate,
Washington, DC.

DEAR SENATOR GARN: We, the undersigned, urge your opposition to the broad preemption of state authority over the activities of state-chartered financial institutions contained in S. 790, the "Competitive Equality Banking Act of 1987". A century of public benefit, derived from the state-federal partnership in regulating America's financial institutions, should not be discarded lightly.

In particular, we are opposed to the blanket extension of Glass-Steagall restrictions to all institutions and the unnecessary moratorium on all federal approvals of state-authorized activities.

A decentralized system of financial resource allocation requires the maintenance of a meaningful degree of flexibility. Consumers benefit from a system in which financial services are tailored to local needs, competition is enhanced at each level of the economy and progress is made responsibly without nationwide risk. The elimination of the aforementioned benefits would produce a profound change in our Federal system of government and a very tangible and real public loss.

We urge you to support amendments striking or significantly modifying Title II.

Thank you for your consideration.

Sincerely,

Speaker IRV STOLBERG,
President, National Conference of State Legislatures.
JOHN MALARKEY,
President, Conference of State Bank Supervisors.
GEORGE KING,
President, National Association of State Savings and Loan Supervisors.
EDWARD T. ALTER,
President, National Association of State Treasurers.

Mr. GARN. Mr. President, there is one additional item, a statement of the New York superintendent of banks which is quite lengthy. And I certainly will not take the time to read in its entirety the statement of Jill M. Considine. I will quote part of it, and will put the rest of it in the RECORD.

The Proxmire banking bill now before the Senate represents an audacious assault on the fundamental principle of the dual banking system, the sovereign right of the states to regulate state banks. In the guise of a "moratorium" on federal banking agencies expanding certain nonbanking activities of bank holding companies, the real impact of Title II of the bill is to preempt the power of states, retrospectively and prospectively, to determine what activities are appropriate for state chartered banks. Not only will particular institutions and consumers be denied the benefits envisioned by state legislatures, but the federal government will lose the dynamic of the federal system, the states' creativity and initiative in grappling with issues of a rapidly changing financial services industry.

Preemption results from the fact that in addition to state authorizations and approvals, one or more federal banking agencies must approve bank acquisitions and certain subsidiary investments. By prohibiting federal banking agencies from taking action which would increase the insurance or real estate powers of banks and their holding companies, the Proxmire "moratorium" will prevent routine transactions and subsidiary investments from occurring. Used or threatened as a veto, the "moratorium" will also force state banks to cease engaging in previously permitted activities in order to obtain federal banking agency approval.

She goes into several examples.

At this point I ask unanimous consent that the remainder of her statement be placed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF NEW YORK SUPERINTENDENT OF BANKS JILL M. CONSIDINE

The Proxmire banking bill now before the Senate represents an audacious assault on the fundamental principle of the dual banking system, the sovereign right of the states to regulate state banks. In the guise of a "moratorium" on federal banking agencies expanding certain nonbanking activities of bank holding companies, the real impact of Title II of the bill is to preempt the power of states, retrospectively and prospectively, to determine what activities are appropriate for state chartered banks. Not only will particular institutions and consumers be denied the benefits envisioned by state legislatures, but the federal government will lose the dynamic of the federal system, the states' creativity and initiative in grappling with issues of a rapidly changing financial services industry.

Preemption results from the fact that in addition to state authorizations and approvals, one or more federal banking agencies must approve bank acquisitions and certain subsidiary investments. By prohibiting federal banking agencies from taking action which would increase the insurance or real estate powers of banks and their holding companies, the Proxmire "moratorium" will prevent routine transactions and subsidiary investments from occurring. Used or threatened as a veto, the "moratorium" will also force state banks to cease engaging in previously permitted activities in order to obtain federal banking agency approval.

A few examples illustrate the potential for dismantling the dual banking system which flow from the "moratorium."

SAVINGS BANK LIFE INSURANCE

Since the early part of this century, several states have permitted savings banks to sell inexpensive life insurance. The Heinz-Dodd amendment to Section 201 mandates that a savings bank seeking Federal Reserve Board approval to establish a holding company during the "moratorium" must agree to terminate SBLI within two years and limit SBLI activities during that period to renewal of existing policies. (A parallel but permanent divestiture provision, Section 101(d), strips away all unique state chartered savings bank powers from any institutions failing the "thriftness" test.) A bank holding company seeking to acquire a savings bank must agree to cease selling SBLI as a condition to Federal Reserve Board approval. In both cases, banks seeking permission for routine transactions would be forced to give up SBLI authority, and the benefit the state legislatures felt would accrue to consumer would be diminished, all in the name of preserving the "status quo."

INTERSTATE ACQUISITIONS

Interstate regional compacts, reciprocal and invitational state statutes, upheld unanimously by the Supreme Court in 1985 in recognition of the value of the dual banking system, have created a flood of interstate acquisitions. Specifically sanctioned by the laws of the several states, each transaction requires an order of a federal banking agency. Section 201 explicitly prohibits the federal banking agencies from issuing any order which would have the effect of increasing the insurance or real estate powers of bank holding companies. It follows that if a bank holding company doing business in a state which did not authorize banks or their subsidiaries to enagage in such activities sought authority to acquire a bank holding company in an adjoining state which permitted even limited activities, an approval order would have the effect of increasing the powers of the acquiring bank holding company and could not be issued during the "moratorium". Interstate acquisitions often require the approval of several federal banking agencies, any one of which might read the prohibition literally. A businessman faced with the alternatives of costly, lengthy litigation with the federal bank regulator or accommodation to the desires of the agency and its staff is not likely to see the "moratorium" as merely preventing permissive federal banking agencies from granting new powers.

SECURITIES ACTIVITIES

Currently federally insured, state nonmember banks and thrift institutions are permitted under FDIC regulations and the laws of many states, including New York, to engage in certain securities activities. Former Sections 103 and 106, reportedly incorporated now in Title II, brashly expand the prohibitions of Glass-Steagall to include specifically state chartered institutions during the "moratorium". While it is sincerely to be desired that Congress debate the appropriateness of this New Deal legislation in the globalized banking industry of today, the "moratorium" in fact legislates broad new restrictions. Its target is state legislatures and state banking departments which permit limited investments in subsidiaries engaged in certain securities activities. While the states' posture may not admit to being intimidated by enactment of the "moratorium", it is likely that the FDIC would be obliged to retreat substantially from its 1984 regulation to permit insured banks, consistent with the soundness of the fund, to engage in underwriting and dealing in investment grade securities.

The tragedy of preemption masquerading as "moratorium" is that Congress takes hostage the states' ability to legislate within the framework of a dual banking system. It will have a chilling effect on state initiatives, such as in New York the DeWind Commission recommendations to integrate in an orderly manner the banking, securities and insurance industry, which might languish because of the federal veto inherent in the "moratorium" This may only be the opening salvo in a battle to extend the "moratorium", as bills have already been introduced to make the "moratorium" permanent.

[From the American Banker, March 24, 1987]

NY BANKING CHIEF HITS PROXMIRE BILL MORATORIUM

(By Jed Horowitz)

NEW YORK.—Jill M. Considine, New York's superintendent of banks, is leading a states' rights charge against a provision of the Senate Banking Committee bill passed earlier this month.

"The Proxmire banking bill now before the Senate represents an audacious assault on the fundamental principle of the dual banking system, the sovereign right of the states to regulate state banks," Ms. Considine said in a statement released Monday.

The banking committee, headed by Sen. William Proxmire, D-Wis., approved a bill that includes, in Title II, a one-year moratorium on approval of certain nonbanking activities for bank holding companies by federal agencies.

Ms. Considine charged that the moratorium is actually a "preemption" of states' powers to determine activities of state-chartered banks. Even if states authorize new activities for a bank, she said, federal agencies invariably have a say in approving related transactions—such as holding company acquisitions or investments of the new subsidiaries.

In her statement she also argued that the moratorium will prevent "routine transactions and subsidiary investments from occurring," and could force state banks to cease previously permitted activities in return for receiving other federal approvals.

"The tragedy of preemption masquerading as 'moratorium' is that Congress takes hostage the states' ability to legislate," she said in her written statement.

"Maybe somebody should start reading the Federalist Papers again as this is the 200th anniversary of the Constitution," she noted in a phone interview.

Ms. Considine, who was appointed by Democratic Gov. Mario Cuomo, also said Congress should continue to permit states to be "testbeds" for new ideas in banking. NOW accounts, regional banking pacts, and limits on the amount of time banks can hold customers' checks, for example, were all begun by states, Ms. Considine said.

"Set a date for pilot projects and let the states report on what's been done," she said.

In the interview, the former head of First Women's Bank of New York also said she feared the one-year moratorium could be extended indefinitely.

Separately, a group of senators on the banking committee said they will oppose any effort to extend the moratorium. The senators included Christopher J. Dodd, D-Conn., and John Heinz, R-Pa., leaders of an effort to curb bank's insurance powers.

Ms. Considine also argued that Congress legislates to "the best common denominator . . . and New York doesn't fit the definition of the least common denominator." New York, she said, is home to major financial services powers, which are striving to maintain their dominance among increasingly strong foreign competition.

Her statement, which she wants the Conference of State Banking Supervisors and other state regulatory groups to endorse, said the Proxmire bill "will have a chilling effect on state initiatives . . . which might languish because of the federal veto inherent in the 'moratorium.' "

In December 1986, Ms. Considine's department issued an interpretation of the state's "little Glass-Steagall Act" that would permit bank subsidiaries to conduct currently prohibited securities activities. It offered a liberal interpretation that appears broader than what the Federal Reserve Board has signaled it will let member banks do through securities subsidiaries. However, the Proxmire bill contains a provision that prohibits state-chartered nonmember banks from widening their nonbanking activities for a year.

Ms. Considine noted that the Proxmire bill is retroactive to new powers granted as of March 5, 1987. Since the New York interpretation was made last year, an argument can be made that New York-chartered nonmember banks can take advantage of the New York law, she said.

Several large bank companies have hinted that they might drop their Fed charter if they were shut off from expanding their businesses.

Mr. GARN. I also will briefly quote from a statement of administration policy just sent to the Senate today.

The administration urges the immediate enactment of FSLIC's recapitalization from the private capital markets at $15 billion over five years, without extraneous or controversial amendments. The administration opposes S. 790, because it provides inadequate resources for FSLIC to protect depositors and contains many controversial, seriously anti-competitive and otherwise unacceptable provisions. The President's senior advisers would recommend disapproval of S. 790 if it were presented to the President in its current form.

So we have heard a great deal of talk today, and my position on the one side is that one way to solve this emergency problem is to go as quickly as possible to a clean FSLIC recap and regulators bill. I have heard on the other hand that these extraneous provisions will speed up the process of having a bill. But I would suggest that what this says is all the President's senior financial advisers, if the bill passes in its present form, will recommend a veto.

So I ask unanimous consent that that statement be placed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF ADMINISTRATION POLICY ON S. 790—COMPETITIVE EQUALITY BANKING ACT OF 1987

The administration urges the immediate enactment of FSLIC's recapitalization from the private capital markets at $15 billion over five years, without extraneous or controversial amendments. The administration opposes S. 790, because it provides inadequate resources for FSLIC to protect depositors and contains many controversial, seriously anti-competitive and otherwise unacceptable provisions. The President's senior advisers would recommend disapproval of S. 790 if it were presented to the President in its current form.

S. 790's FSLIC recapitalization of $7.5 billion over two years is insufficient, in light of the General Accounting Office's preliminary audit requiring a $8 billion loan loss writedown, which leaves FSLIC insolvent by at least $3 billion. Congress' own auditors have testified that FSLIC's known problems are far larger.

Swift passage of safety and soundness legislation—including amendments to reauthorize emergency acquisitions of troubled institutions and the operation of bridge banks—is essential to maintain depositor confidence.

Many provisions of S. 790 are anti-consumer and anti-competitive; most are nongermane to safety and soundness and have yet to be introduced in the House of Representatives. The acquisition of limited-service banks to serve consumers is prohibited without any provision for review. Existing opportunities for banking institutions to offer new products and services and to promote greater competition with the insurance, real estate and securities industries are foreclosed—with no public benefit—for at least one year, and probably longer.

Of greater importance, these controversial, special interest provisions do nothing to protect insured depositors who trust the FSLIC to stand behind their savings. These extraneous provisions also raise competitive issues that should be considered carefully by the Congress in the context of legislation which truly modernizes our financial system and allows the Nation's financial institutions to compete effectively at home and with their foreign counterparts. As currently drafted, S. 790 does nothing in this regard. Moreover, exempting the Federal financial regulatory agencies from Presidential apportionment oversight authority is also highly objectionable. It is essential that these agencies remain accountable to the Executive branch.

The administration supports other provisions in the Senate bill, such as amendments to the Federal Credit Union Act contained in title V and provisions of title VI mandating the disclosure of check hold policies, but prefers to see them considered as separate legislation.

Mr. GARN. I also have editorials from several different papers. First of all, the Minneapolis Star & Tribune headlined "A Backward Step for Banking" in opposition to the bill; Dallas Times Herald, "Permit Banks to Compete"; Daily News Digest of the Wall Street Journal, "Banking on Deregulation"; The New York Times, "What Is a Bank?"; and speaking of increased competition and underwriting, the Washington Post, "Battle of the Banks."

I ask unanimous consent that these editorials be placed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star and Tribune, Mar. 16, 1987]

A BACKWARD STEP FOR BANKING

Congress deserved criticism for coming up empty-handed on bank deregulation in the past three years. But the Senate Banking Committee deserves even more criticism for passing a bill last week that is worse than nothing. What started out as a well-rounded step toward orderly restructuring of the financial-services industry turned into a step backward that jeopardizes the soundness of the country's banks. The bill, sponsored by Committee Chairman William Proxmire, D-Wis., should go no further in its current form.

Proxmire initially sought to allow banks into investment activities such as underwriting municipal bonds, mortgage-backed securities and commercial debt. But the insurance, securities and real-estate industries successfully defended their turf against that added competition, and bankers' ranks were split by disputes between large and small institutions.

Opponents not only stripped Proxmire's bill of its deregulatory provisions, but succeeded in adding a one-year moratorium on Federal Reserve actions that would accomplish much the same through the regulatory route. And while the bill properly closes a loophole that allowed companies such as Sears and Merrill Lynch to evade federal restrictions on banking, it does only half the job. Congress also needs to open a legal avenue for such change in the financial-services industry.

Banks cannot afford to wait another year while Congress fiddles through still more hearings. While banks remain bound by tight restrictions, less-regulated insurance and investment competitors are siphoning away prime corporate business. That leaves bankers confined to limited activities with riskier customers—a proven recipe for disaster. Allowing banks into some investment activities would strengthen them by diversifying their financial bases. By offering new competition to investment and insurance firms, banks also would serve their customers well by increasing services and driving down costs.

To get around President Reagan's threatened veto of a regressive bill, the committee tied its proposal to a desperately needed bailout of the Federal Savings and Loan Insurance Corp., which insures savings and loan deposits. But even the committee's bailout plan is inadequate. Because FSLIC lacks adequate funds with which to close down insolvent thrift institutions, many remain open despite deepening losses. A minimum of $15 billion is needed to deal with the worst cases. Instead the committee provided only $7.5 billion.

Lawmakers should not defer to special interests with that package. This should be the year that they stand up for the larger public interest by passing legislation that allows for a stronger, more competitive financial-services industry. But if Congress is again unable to proceed with balanced, comprehensive banking reform, then an adequate FSLIC bailout should pass alone and let the Federal Reserve, state legislatures and the courts make the deregulatory decisions.

[From The Dallas Times Herald, Feb. 8, 1987]

PERMIT BANKS TO COMPETE

In the aftermath of the stock market crash of 1929 and the collapse of the American banking system, Congress passed the Glass-Steagall Act which separated bank operations from investment activity on the theory that it was not safe for banks to enter this type of legalized gambling with depositors' money. That theory was appropriate to an era when banking was a localized endeavor lacking federal depositors' insurance guarantees.

But nearly 60 years later, in an era of international electronic financial exchanges, with billions sloshing around the globe overnight, lingering restraints from the age of rural America are inappropriate. They dangerously hamper the ability of U.S. financial groups to compete with their international counterparts. Congress, which has intermittently debated the issue for the past four years, must immediately repeal the Glass-Steagall Act of 1933 and develop a modern regulatory system.

The issue is urgent because the Federal Reserve Board is planning to rule by the end of April on the request of three New York banking companies—Citicorp, J.P. Morgan, and Bankers Trust—to expand their services to include underwriting commercial paper, mortgage-backed securities, and municipal revenue bonds. They also want to offer consumer services such as credit cards and auto loans through nonbanking subsidiaries.

Not surprisingly, the major Wall Street firms are opposing any expansion of financial services by banks—though these same firms have moved wholesale into the banking business. The commercial paper market is worth more than $300 billion annually, and more than $100 billion in municipal revenue bonds were underwritten last year. Permitting banks to enter this arena would bring more competition to a relatively closed marketplace and increase consumer services.

Federal Reserve Board Chairman Paul Volcker publicly supports banks expanding into these areas as well as into underwriting corporate stocks and bonds. However, he adds that the nation would be better served if changes were to come through legislation, rather than the piecemeal regulatory route. He is correct. The regulatory route, by definition, is not permanent. Its rulings are subject to change with each new administration. America's financial system needs the stability provided by congressional action.

The expansion of banking services is not without peril. Congress should examine carefully the role of federal insurance corporations under an expanded system. A bank's investment in one of its own, nonbanking subsidiaries should not be insured with the public's money, for example. And antitrust and securities laws should be adapted to prevent bank-owned investing arms from benefiting improperly from insider information gleaned from its regular banking business. But these are not insurmountable problems. Congress need only act, prudently, and quickly.

[From the Wall Street Journal, Feb. 13, 1987]

BANKING ON DEREGULATION

A lot of high-priced banking talent hopped the shuttle from Wall Street to the Federal Reserve in Washington last week to argue over four words in a 1933 statute. The Glass-Steagall Act prohibits deposit-taking banks from being "principally engaged" in underwriting "ineligible securities," thus separating commercial banks and investment banks.

The idea behind this New Deal legislation was to protect depositors by restricting the kinds of investments banks could make with funds in demand accounts. Some bank regulation is necessary, but the notion that the Depression was caused by too little regulation is a myth. Brookings senior fellow Robert E. Litan wrote recently that "there was no evidence that the securities underwriting practices were a significant cause of the collapse of the banking system or that certain highly publicized abusive underwriting practices were widespread." In our view, the Depression was caused by protectionism, but showed up first in the financial markets because they correctly anticipated political actions and their economic effect.

Whatever the original value of the commercial investment bank distinction, the markets have eroded it. For one thing, no industry is more international than banking. U.S. banks' foreign competitors are not hobbled by Glass-Steagall. Commercial banks discovered that the only way they could get into new financial services was to get passports for their employees. London and Tokyo have become beehives of American bank subsidiaries underwriting corporate debt and making other investments denied them in the U.S. On the other foot, when Goldman Sachs went looking for an infusion of capital, it found a commercial bank that wasn't bound by Glass-Steagall—Japan's Sumitomo.

The big irony is that restricting the investments that banks can make *increases* the risk to depositors. The very key to bank soundness is a diversified loan portfolio. Restricting thrift institutions to fixed-rate mortgages was a blunder only regulators could make. Ditto the farm credit system. Commercial banks haven't been able to diversify their portfolios into new instruments like mortgage-backed securities; instead, they're stuck with Third World debt. Commercial banks are especially troubled by being frozen out of the commercial-paper market. This short-term corporate debt is now a $300 billion market, up from $15 billion only 20 years ago. By issuing this paper, the big investment banks have eaten away at the commercial banks' best, least risky clients.

Only about one-third of all assets held by financial institutions are now held by commercial banks, down from more than half in 1946. Thrifts, insurance companies, pension funds and investment banks now hold the bulk of financial assets. Bankers have responded to this loss of business in a healthy way. They don't want protection, they want freedom to compete.

Congress has been the stumbling block. Despite the slogan of "American competitiveness," Democratic Reps. Fernand St Germain and Charles Schumer have sandbagged all efforts to reconsider Glass-Steagall. Fed Chairman Paul Volcker has also begged Congress for years to take up the issue, even urging that commercial banks be allowed into all kinds of underwriting, including corporate. Wearying of congressional inaction, the banks have come knocking at Mr. Volcker's door.

Citicorp, J.P. Morgan and Bankers Trust have applied to the Fed for permission to have their holding companies begin underwriting commercial paper, mortgage-backed securities and municipal revenue bonds. Brokers at the big investment banks now perform the bulk of these activities. The three banks pledged in their applications that the new activities would not exceed 15 percent of the business of the holding companies. While Mr. Volcker doesn't think the Fed has the power to undo Glass-Steagall on its own, the 15 percent limitation puts the Fed on the spot since this seems within the "principally engaged" test.

The problem is that there are a handful of issues that have to be resolved before the barriers for commercial banks can be lowered. Chief among these is the role of explicit FDIC guarantees, and implicit Fed guarantees to prevent a string of bank failures. Commercial banks obviously get a benefit from federal insurance, which they shouldn't use for gambling with risky investments. Gerald Corrigan, president of the New York Federal Reserve Bank, has published a long paper trying to sort out what kind of regulation will have to remain.

While details have to be worked out, the markets have already made a big step toward deregulation almost inevitable. And as usual, the markets are right; more competition among financial institutions will cut costs and promote efficiency. The only question is how deregulation will come—through the Fed, by inducing banks to exchange federal charters for state ones, or by exporting the banks to London. By far the best solution would be for Congress to get to work moving the laws into the modern age.

[From the New York Times, Feb. 5, 1987]

WHAT IS A BANK?

Big commercial banks have long had a big itch: to enter markets for financial services reserved for investment bankers, stockbrokers and insurance companies. Now the Federal Reserve Board appears ready to scratch. After a public hearing this week at which Wall Street's heaviest weights are making one last attempt to defend their turf, the Fed is likely to extend the banks' powers to underwrite a variety of securities.

Increased competition in underwriting should cut borrowing costs for business and local governments. But that's just a first, easy step toward rationalizing the financial services industry. Gerald Corrigan, president of the Federal Reserve Bank of New York, offers a bold outline for reform.

During the Depression it was widely believed that stock speculation was responsible for the collapse of the banking system. To prevent a recurrence, Congress passed the Glass-Steagall Act barring banks from most securities business.

In fact, the system failed because the Federal Reserve did not act vigorously to check the fall in bank reserves, as worried depositors withdrew money. Today, the threat to the stability of the system plainly lies in activities untouched by Glass-Steagall: loans to foreign governments, real estate developers and the energy industry. Banks would now be better able to withstand losses in these activities if they had been able to diversify into the securities industries.

Congress would have modified Glass-Steagall by now were it not for opposition from protected investment bankers. Their loss would be the public's gain, as competition from commercial banks would push down the stiff fees charged for underwriting bonds and other securities.

The encouraging prospect is that the Fed is about to do through statutory interpretation what Congress has not done by law—permit bank subsidiaries to underwrite all municipal bonds, short-term corporate debts and securities backed by home mortgages and car loans.

This is only a beginning. Big financial corporations—Citibank, Merrill Lynch, Sears—believe they can remain globally competitive only by offering a full range of services. Their lawyers have been working overtime to exploit loopholes and state rivalries to establish beachheads in brokerage, insurance, underwriting and traditional banking. Many banks now sell insurance in their lobbies; many insurers offer checking services.

This new competition has proved generally beneficial. Why not let the big boys chew away at the barriers between their industries?

The pace of reform shouldn't be left to private initiative alone. Neither should the rewards be appropriated by firms with the cleverest lawyers. It isn't clear, moreover, that every market-broadening change would serve the public.

Gerald Corrigan wisely argues that the current legal distinctions between financial industries make little economic sense. But banks shouldn't be allowed to use their depositors' money to discriminate in favor of their own manufacturing subsidiaries—or against competitors of such subsidiaries. Nor should government insurance of bank deposits implicitly cover a bank's investments in, say, its own chain of fast food restaurants.

Mr. Corrigan proposes to eliminate barriers between financial services but to strengthen the wall between traditional banking and non-financial commerce. This would allow financial companies to expand to serve almost every need. But it would minimize the incentives for favoritism in investment decisions, as well as the risks to government-insured deposits.

The Corrigan proposal may not be faultless. At the very least, however, it offers a valuable framework for a much more sophisticated debate. It's an opportunity for Congress to welcome, and seize.

[From The Washington Post, Feb. 4, 1987]

BATTLE OF THE BANKS

The battle of the banks is gathering force. At one level it's merely a test of political power between the banks and the securities industry over who can do what kinds of business. But beyond this struggle looms the increasingly urgent need for fundamental reorganization of the whole financial sector—banking, securities, insurance, the works.

Three of the big New York banks appeared before the Federal Reserve Board yesterday to press their applications for the power to engage in several activities at present forbidden to them. They want to underwrite and trade in municipal revenue bonds, commercial paper and mortgage-backed securities—all of which, they convincingly argue, would be less risky than conventional bank lending. But the current rules leave those activities to the securities industry, which naturally enough is vigorously protecting the status quo.

The hearing itself was a sharp and clear example of the way not to proceed with this basic financial reorganization—piecemeal, quarreling over one subcategory of securities at a time, with much attention to narrow legalities and little thought to the broad architecture of the evolving result. The Federal Reserve Board has already said that the expanded powers at issue here are appropriate for banks. As its chairman, Paul Volcker, said, the question isn't what's right but what's legal under the controlling law, written in 1933 in the depths of the Depression. Answers that make sense will require revision of the law, he observed—and that requires action by Congress. The Senate Banking Committee under its new chairman, William Proxmire, has been holding interesting hearings, and it looks as though substantial legislation may at least be introduced this year.

The sense of urgency is rising. The rapid development of the securities markets is making it possible for many big businesses to go directly there for financing rather than depending on the bank loans that were traditionally central to most banks' profits. That's why the banks are trying to fight their way into the securities business. The 1933 law as supposed to keep them separate, but people on both sides have been chipping away at the wall and reaching through the chinks. The radical deregulation of the London financial markets last year has raised the bankers' level of anxiety here. American banks, through their British subsidiaries, can now carry on securities transactions prohibited to them here—and they fear that their business will increasingly drift abroad if the American law is not changed.

Congress usually prefers to move one step at a time in a subject as complex as this one, and that's often the wiser choice. But the restructuring of financial services is an exception. Here the circumstances require change that is profound, rapid and sweeping.

Mr. GARN. What we are seeing here today is something that I have not seen in awhile: Overwhelming opposition from a variety of sources, all bipartisan, including newspapers from all over the country, and the administration. I am rather amazed at the current problem. My committee, when I was still chairman last year, unanimously reported out a clean FSLIC bill with an emergency situation of this kind. We should proceed as promptly as possible to take care of this problem, and deal with these others later. The additional issues really compound the situation and endanger FSLIC recap.

Mr. President, I see that other Senators still not wishing to speak are not on the floor. But I have no desire to take any more time at this time.

Does the majority leader wish to be recognized?

I yield the floor.

Mr. BYRD. I thank the distinguished Senator.

Mr. President, while the distinguished senior Senator from Utah is on the floor, and is the acting Republican leader, may I say to him that I have cleared the following requests with the leadership on the other side, all Senators.

ORDERS FOR THURSDAY

RECESS UNTIL 9:30 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stands in recess until the hour of 9:30 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME LIMITATION AGREEMENT—SENATE CONCURRENT RESOLUTION 27 AND SENATE CONCURRENT RESOLUTION 21

Mr. BYRD. Mr. President, I ask unanimous consent that, immediately after the recognition of the two leaders or their designees under the standing order, the Senate proceed to the consideration of Senate Concurrent Resolution 27, which is Calendar Order No. 66; and that, upon the expiration of the time, or the yielding back thereof on that concurrent resolution, Senate Concurrent Resolution 27 be temporarily laid aside and the Senate proceed to the consideration of Senate Concurrent Resolution 21, Calendar Order No. 65; and that upon the conclusion of debate thereon the Senate then proceed to vote immediately and without further debate or motions on Calendar Order No. 65, and that upon disposition of that measure, the Senate vote immediately on the disposition of Calendar Order No. 66; provided, that there be a limitation on the second rollcall vote, it being a back-to-back vote, of 10 minutes, with the warning bells to sound at the conclusion of 2½ minutes; provided further, that upon the disposition of Senate Concurrent Resolution 27, then the Senate resume consideration of the banking measure; provided, further, that in the meantime Mr. BREAUX lay down his amendment tonight.

This has been cleared with the distinguished manager of the bill, and I hope with the ranking manager. But may I say before the Chair puts the question on these requests, the two measures that I have mentioned, Calendar Orders Nos. 65 and 66, have time agreements already thereon. They have been entered into earlier today. It is just a matter of having the debate on the two measures back to back, with no amendment other than committee amendments; and then with the yeas and nays having already been ordered also, having those votes back to back, the second vote with a 10-minute time limitation.

The PRESIDING OFFICER. Is there objection?

Mr. GARN. Reserving the right to object, and I will not object, because I would tell the distinguished majority leader that their request has been cleared by the Republican leader. I would only reserve the right to object to pose a question of what the time limits are on those two measures so that we can anticipate what time we will be back on the banking bill.

Mr. BYRD. Yes, Mr. President, there is 20 minutes on each of the two measures to be equally divided, and it may be that part of that time will be yielded back. However, if it is all used, there will be 40 minutes total for debate on the two measures.

Mr. GARN. If I could further reserve the right to object to ask one more question. Returning to the banking issue, I suppose it is rather unusual for the ranking minority member to ask a question trying to protect the rights of a majority member, but I do know that Senator BOREN wishes to offer an amendment. He was unable to be on the floor this afternoon.

The scenario that was discussed was that the Senator from Louisiana would offer his amendment and then Senator BOREN's amendment would be offered as an amendment to that.

I am aware that if we lay down the Breaux amendment and then someone asks for the yeas and nays, Senator BOREN would be precluded from offering his amendment to the Breaux amendment.

Is there any way we can formulate the unanimous-consent request so that Senator BOREN would be protected and allowed to offer his amendment to the Breaux amendment without any procedural interference?

Mr. PROXMIRE. Mr. President, I would object to that. I would want to feel free to offer an amendment. I do not want to foreclose that. I may not do that but I would have to object to any unanimous-consent agreement shutting everybody out from offering an amendment except Senator BOREN. I am managing the bill on the majority side. I may have an amendment to offer. I do not want to be shut out. I think the unanimous-consent request suggesting that only Senator BOREN can offer his amendment would shut me out.

Mr. GARN. No; it would not.

Mr. PROXMIRE. Of course it would. It would be in the second degree.

The PRESIDING OFFICER. The Senator from Utah has the floor on a reservation. The Senator from Utah can proceed with his reservation.

Mr. GARN. That was not my intent in any way. The Senator has worked with me for a long time. My intent was not to preclude anyone else. It was simply to make sure that Senator BOREN had the opportunity to offer his amendment without being precluded by a procedural motion. My question would be the same on the amendment by the Senator from Wisconsin, so that he would have that same opportunity. It is not my place, but I would advise Senator BREAUX not to lay down his amendment if we end up not giving Senator BOREN the right. Again, I find myself in the peculiar position of defending the right of someone on the other side of the aisle.

Mr. PROXMIRE. I am sure Senator BREAUX will lay down his amendment at some time or another. If not, we can go to third reading and pass the bill. But if I wanted to, I may want to offer an amendment myself. If Senator BOREN gets the floor first, he can offer an amendment and foreclose me. But I do not want to give up my right.

Mr. GARN. If I were advising my colleagues, I would advise Senator BOREN to lay down his amendment first. That would solve all these problems.

Mr. PROXMIRE. If he gets the floor first, he can do that.

Mr. GARN. Well, he can unless the Breaux amendment is laid down first. But I hope Senator BOREN is not precluded from offering his amendment through procedural motions. The Senator from Wisconsin knows that at no time that I was chairman did I ever, either in committee or on the floor, do that procedurally. I was always willing to have an up-or-down vote.

Mr. PROXMIRE. That is fine, but I wanted to be sure that I was protected and feeling free that I could offer an amendment to the Boren amendment. I have not decided whether to do that or not. I may decide not to offer such an amendment. I would hope it could simply be that Senator BOREN can offer his amendment. When Senator BOREN comes back we can discuss it and decide at that time.

Mr. GARN. I do not object to what the majority leader is attempting to do. If he would modify his request to make no reference to the banking bill other than that we return to it, not by unanimous consent to require the Senator from Louisiana to lay his amendment down, then I would have no objection.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. I thank the Chair and I thank the distinguished Senator from Utah. I will remove from my request the provision that would stipulate that the distinguished Senator from Louisiana lay down his amendment tonight. He can do that, if he gets recognition, in any event, without his being included in the request. I am happy to remove that portion of the request.

Mr. GARN. I have no objection.

The PRESIDING OFFICER. Is there objection?

Mr. DODD. Reserving the right to object. Will the majority leader be so kind as to restate the unanimous-consent request?

Mr. BYRD. Yes.

Mr. President, in response to the distinguished Senator from Connecticut, there are two measures on the Calendar of Business, orders numbered 65 and 66, each of which under an agreement allowing for 20 minutes of debate. It is my request that, on tomorrow after the two leaders have been recognized under the standing order, the Senate begin debate on Calendar Order No. 66 and complete the debate on that measure, and then set that measure aside and go to Calendar Order No. 65, complete the debate thereon, and then have the rollcall vote, which has already been ordered, beginning at 10:30 a.m.—and I want to add that specific hour to my request so that Senators will know that it is at a specific hour that the first rollcall vote will occur, namely, at 10:30 a.m.—on Calendar Order No. 65, and immediately after that vote, go to a vote, back-to-back, on Calendar Order No. 66 with a 10-minute limitation on that rollcall vote. Following the disposition thereof, the Senate would resume consideration of the banking bill, S. 790.

The PRESIDING OFFICER. Is there a further reservation?

Mr. DODD. No; I thank the majority leader very much.

Mr. BYRD. Mr. President, I want to be sure that my request specifically provides that the first rollcall vote, and this is in further answer to the initial question by Senator GARN, occurs at 10:30 a.m. This will accommodate the Republican leader who wants that specific hour.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request by the majority leader? Hearing none, it is so ordered.

Mr. BYRD. Mr. President, I thank the Chair, and I thank all Senators. I thank the manager and the ranking manager of the bill. I am sure Mr. BENTSEN will appreciate this arrangement also.

The text of the agreement follows:

S. CON. RES. 21 AND S. CON. RES. 27

Ordered, That on Thursday, March 26, 1987, following the expiration of leadership time, the Senate proceed to the consideration of S. Con. Res. 27, a concurrent resolution stating the sense of the Senate that the United States Department of Commerce and Special Trade Representative should initiate investigations of Canadian agricultural subsidies, with debate thereon limited to 20 minutes, to be equally divided and controlled, and with no amendments in order, except committee reported amendments.

Ordered further, That at the conclusion of the time or the yielding back thereof, the concurrent resolution be temporarily laid aside and the Senate proceed to the consideration of S. Con. Res. 21, a concurrent resolution expressing the sense of Congress in opposition to the proposal by the European Community for the establishment of a tax on vegetable and marine fats and oils and urging the President to take strong and immediate countermeasures should such a tax be implemented to the detriment of United States exports of oilseeds and products and inconsistently with the European Community's obligations under the General Agreement on Tariffs and Trade, with debate thereon to be limited to 20 minutes, to be equally divided and controlled, and with no amendments in order.

Ordered further, That at the hour of 10:30 a.m., the Senate proceed without intervening motion or debate to vote on S. Con. Res. 27, to be followed immediately by a vote on S. Con. Res. 21. (March 25, 1987)

COMPETITIVE EQUALITY BANKING ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I want to reassure Members of the Senate that there is very substantial support for the bill that emerged from the Senate Banking Committee, not only emerged by a 12-to-6 bipartisan vote with every Democrat and two Republicans voting for it, but strongly supported by the Independent Bankers Association. They said:

> On March 10, the Senate Banking Committee reported out a comprehensive banking bill by a bipartisan 12-6 vote. The issues contained in this legislation are not new—in fact, some of the issues in this bill have been pending before the Senate Banking Committee and the Congress for four years. The Independent Bankers Association of America, a national trade association for approximately 7,000 community banks, strongly supports the thrust of this reported bill which links the recapitalization of the FSLIC and the regulators' bill with the closure of the nonbank bank loophole.

Mr. President, this organization as we know represents the small banks in this country and their position is absolutely crystal clear.

Now let me point out that the Chairman of the Federal Reserve Board has also made it clear that he supports this legislation. His name has been brought up and people have said, "Well, he supports it but not all the way and so forth."

Let me read from a letter that he wrote yesterday.

> Many of the provisions of the bill are urgently needed and should be promptly adopted by the Senate. That is certainly true of Title III of the recapitalization of FSLIC.

On title I, he said:

> Title I, is, in its own way, also essential legislation. I have stressed for some time the importance of a Congressional reaffirming of the important principle of separating banking and commerce. I do not think, as a practical matter, that we can make positive progress towards adaptation of the banking system to deal with the changing financial services market until this fundamental step has been taken.

He also concludes this about title II which many people feel the Federal Reserve Board opposes. Of course, title II would provide a moratorium on the Federal Reserve Board acting on new bank powers for a year. He indicates he has great hesitation on that. Here is what he concludes:

> I recognize, however, that, as a practical matter, despite the merits of the case, there may not now be a willingness to adopt these limited securities powers at this time, pending further study. Assuming that is true, I welcome the commitment that the Committee has made to examine and vote on fundamental financial restructuring legislation, and the intention of the Chairman to have the Committee make such decisions by October.

In other words, it is clear that the Chairman of the Board of Governors of the Federal Reserve System also strongly supports the thrust of this bill.

Indeed, he was very, very helpful in talking to members of the committee about it and in testifying on the bill. He has a particularly strong feeling about the nonbank bank loophole.

Finally, Mr. President, the United States League of Savings Institutions. I have a letter from William O'Connell, president. He says:

> On behalf of the U.S. League and its 3,400 savings institutions members, I urge you to support FSLIC recapitalization as reported by the Senate Banking Committee in Title III of S. 790 and to preserve Title I of that important bill, plugging the nonbank bank loophole.
>
> S. 790, as reported, provides greater upfront resources to rebuild FSLIC reserves than the plan submitted by the Treasury and the Federal Home Loan Bank Board and, of great importance, the bill assures Congressional involvement in the longer term funding and case resolution of the FSLIC. Our business will pay the entire cost: no appropriated funds or taxpayer dollars are involved.
>
> I ask your vote for S. 790, particularly Titles I and III. It will assure that savings institutions will continue to serve the thrift and home finance needs of communities across America.

Mr. President, I think that is a pretty emphatic endorsement of this bill. Any impression people have gotten because there are editorials in papers here and there criticizing the bill in its present form should not confuse Members of the Senate. We have solid support from members of the industry, from regulators—not only Chairman Volcker but other regulators. Therefore, I hope the Senate will act affirmatively on this amendment.

I ask unanimous consent that the letters I referred to be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

INDEPENDENT BANKERS
ASSOCIATION OF AMERICA,
Washington, DC, March 16, 1987.

Hon. DAVID KARNES,
U.S. Senate,
Washington, DC.

DEAR SENATOR KARNES: On March 10, the Senate Banking Committee reported out a comprehensive banking bill by a bi-partisan 12-6 vote. The issues contained in this legislation are not new—in fact, some of the issues in this bill have been pending before the Senate Banking Committee and the Congress for four years. The Independent Bankers Association of America, a national trade association for approximately 7000 community banks, strongly supports the thrust of this reported bill which links the recapitalization of the FSLIC and the regulators' bill with the closure of the nonbank bank loophole. In our judgment, these issues must be linked, since continued exploitation of the loophole will further undermine existing depository institutions and their insurance funds, as well as undermining the Federal Reserve's authority under the Bank Holding Company Act.

We also believe that major public policy issues such as the separation of banking and commerce should be decided by the Congress and not by clever lawyers exploiting loopholes for the benefit of a few money center banks and Fortune 500 clients. In formal testimony before the Senate Banking Committee earlier this year, Fed Chairman Paul Volcker urged the Senate Banking Committee to decide this "marker" issue now. They have now so decided.

We are disappointed in some of the specific language in the bill. We would have strongly preferred the July 1, 1983, grandfather date for nonbank banks which was contained in an earlier draft of the bill considered by Senate Banking. Those exploiting the nonbank bank loophole were clearly put on notice on October 4, 1984, when the then-Chairman of the Senate Banking Committee Jake Garn and House Banking Committee Chairman St Germain issued a joint statement, after failing to reach an agreement on legislation, which stated:

"As regards the specific issue of the nonbank bank loophole, it is our intention that the grandfather date of July 1, 1983, become law. Those who invest funds now assuming this grandfather date will be extended will, in our opinion, end up having to divest, no matter what the cost."

The permanent closing of the nonbank bank loophole is a major step forward, but the March 5, 1987, grandfather date does reward those few firms that thumbed their noses at the Congress and set up nonbank banks between July 1, 1983, and March 4, 1987.

We are also disappointed about the one-year moratorium on new powers. However, we note that Chairman Proxmire intends to hold hearings on this issue later this year and clearly, following these hearings, the Senate Banking Committee could again address this issue. The moratorium decision reflected the fact that banking, at this time, did not have anywhere near the necessary votes in the Senate Banking Committee.

We are aware that Secretary Baker and his allies are arguing against Senate Banking's decision to link the closing of the loophole with the FSLIC recapitalization bill. We are disappointed in Secretary Baker. At the very time when Senate Banking was moving to mark up this bill, Administration lawyers were moving in the courts to free up the hands of the Comptroller of the Currency (a direct employee of the Secretary of the Treasury) to commence the chartering of nonbank banks. Some 300 applications are pending.

This legal action must be regarded as a clear signal of what the Secretary of Treasury plans to do if the Congress doesn't act. And unfortunately, our court case has only stopped the new chartering of nonbank banks by the Comptroller, and not the creation of nonbank banks (by other agencies) formed by commercial firms under the Change in Bank Control Act.

In issuing a preliminary injunction against the Comptroller (an injunction the Administration is now seeking to dissolve as well as seeking summary judgment), the District Court judge stated:

"It is the Comptroller, not the plaintiffs, who should seek Congressional authority before imposing his personal policy preferences relating to interstate banking on the banking structure of the United States."

In conclusion, we strongly urge you to support the thrust of the legislation reported out of the Senate Banking Committee linking the closing of the loophole with the FSLIC recapitalization. Anything less will have adverse consequences for the future safety and soundness of our existing system of depository institutions and will abrogate the Congress' responsibility for determining the future financial and economic structure of the United States.

Sincerely,

CHARLES T. DOYLE,
President.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, DC, March 24, 1987.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC.

DEAR CHAIRMAN PROXMIRE: I am responding to your request for my views on provisions of the Competitive Equality Banking Act.

Many of the provisions of the bill are urgently needed and should be promptly adopted by the Senate. That is certainly true of Title III on the recapitalization of FSLIC. It is essential that the Congress restore the financial integrity of this fund so that it can promptly and effectively deal with the serious problems affecting a limited, but still very significant, portion of the thrift industry. Financial assistance for the FSLIC is urgently required and Title III provides the initial resources of $7.5 billion—an amount that I believe should be increased to the full $15 billion originally requested.

Title I is, in its own way, also essential legislation. I have stressed for some time the importance of a Congressional reaffirming of the important principle of separating banking and commerce. I do not think, as a practical matter, that we can make positive progress towards adaptation of the banking system to deal with the changing financial services market until this fundamental stop has been taken.

Other provisions of the bill are also important. We strongly support the provisions on emergency acquisition of banks and we have no objection to the credit union administrative provisions. The sections of the bill dealing with deposit availability provide us with useful tools that will enable us to make significant improvements in the payments system so as to help assure that banks can make prompt availability of deposits by check to their customers within a realistic and practical framework.

I urge that no further weakening amendments be made to Titles I and III. In Committee amendments to Title I were adopted which loosen the restrictions on nonbank banks and nonthrift thrifts. Further amendments that would weaken the limitations on these institutions—such as those which would allow affiliate overdrafts in nonbank banks owned by primary dealers—would very seriously compromise the usefulness of this Title.

Similarly, Title III has been weakened by reducing the amounts available for FSLIC recapitalization, and by including amendments that restrict the thrift supervisors from carrying out their responsibilities. Here too, further restricting amendments could seriously limit the usefulness of this Title in setting the FSLIC and the thrift industry on a positive course toward rebuilding confidence.

The major problems I see in the bill are in Title II. Instead of providing expanded and new authority for bank holding companies to underwrite certain securities as I and others had strongly recommended to the Committee, this Title sets a moratorium, beginning with the date of enactment and extending over a year, on certain bank and bank holding company activities in the area of securities underwriting, as well as insurance and real estate development. This Title is clearly retrogressive; it takes away powers that existing law permit the regulatory authorities to grant to banking organizations. We are opposed to this provision and very much regret that the bill no longer provides authority for bank holding companies to engage in underwriting mutual funds, mortgage-backed securities, revenue bonds, and commercial paper. My preference remains for a positive vote on these powers at this time.

I recognize, however, that, as a practical matter, despite the merits of the case, there may not now be a willingness to adopt these limited securities powers at this time, pending further study. Assuming that is true, I welcome the commitment that the Committee has made to examine and vote on fundamental financial restructuring legislation, and the intention of the Chairman to have the Committee make such decisions by October. This intention could be given real meaning if you were to shorten the life of the proposed moratorium and let it expire no later than the end of the current session.

To sum up, basic precepts in our banking structure must be preserved and FSLIC Must be recapitalized—and these steps must be taken on an urgent basis if the Congress wishes to preserve the opportunity to maintain stability and build carefully for the future. Undesirable changes, having the effect of weakening Titles I and III, must be avoided. Title III should be strengthened. Title II should be eliminated or amended. The Congress should act promptly on this legislation.

Sincerely,

PAUL A. VOLCKER,
Chairman.

UNITED STATES LEAGUE
OF SAVINGS INSTITUTIONS,
Chicago, Il, March 24, 1987.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, DC.

DEAR SENATOR PROXMIRE: On behalf of the U.S. League and its 3,400 savings institutions members, I urge you to support FSLIC recapitalization as reported by the Senate Banking Committee in Title III of S. 790 and to preserve Title I of that important bill, plugging the nonbank bank loophole.

As Chairman Volcker testified before the Senate Banking Committee, closing the nonbank bank loophole is just as important and urgent as recapitalizing the FSLIC. If nonbank banks are allowed to proliferate, there is little incentive for corporations to assist the FSLIC by acquiring troubled thrifts since they'll be able to organize nonbank banks. In turn, the cost of FSLIC case resolution is magnified and FSLIC reserves are further depleted. Plugging the loophole, together with a sensible supervisory approach to asset valuation and real estate appraisals—also found in Title III of S. 790, as reported—make possible a businesslike approach to the FSLIC's problems.

S. 790, as reported, provides greater upfront resources to rebuild FSLIC reserves than the plan submitted by the Treasury and the Federal Home Loan Bank Board and, of great importance, the bill assures Congressional involvement in the longer term funding and case resolution of the FSLIC. Our business will pay the entire cost: no appropriated funds or taxpayer dollars are involved.

I ask your vote for S. 790, particularly Titles I and III. It will assure that savings institutions will continue to serve the thrift and home finance needs of communities across America.

Sincerely,

WILLIAM B. O'CONNELL,
President.

Mr. PROXMIRE. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan [Mr. RIEGLE].

Mr. RIEGLE. Mr. President, let me begin by commending the chairman of the committee and our colleague [Mr.

PROXMIRE] for his leadership on this issue. The matters that are before us are very important matters for the country and the financial services industry. Certainly, the recapitalization of FSLIC is a matter of considerable urgency.

The chairman, I think, has moved very quickly and early in this session and has moved with great leadership, I think, to guide the committee and to enable us to bring the package to the floor at this time. I commend him because, too often around here, when extraordinary work is done, it is not acknowledged. I think in this case, we have a work product by the chairman of the committee that merits great applause, I think, all around.

Having said that, it is not necessarily everything that everybody would like. It is not everything that he would like or the rest of us, but I think it marks fully the best that we can do at this time, because it is early in the session. These are very complex matters. If we are going to be able to move later in the year in an orderly way on these issues, it is very important that the sections that are attached to the FSLIC recapitalization be taken forward as a package. The FSLIC recap is really the issue that gives us the opportunity to bring the other issues up on the table in an orderly way so that we might deal with them and dispose of them over the course of this legislative year. That is clearly the intent of this legislation and of the committee. It has been stated many times. It was stated in the committee markup, in the committee report, and in the supplemental views to the committee report; and, of course, here again, on the floor, by others and now by myself.

Why are we doing it this way? I think it is important as part of our legislative history to understand what is happening to the financial services industry in the United States as we broadly define it. In that broad definition, I think we have to include the banks, we have to include the investment houses, the major investment banking houses, we have to include the securities industry, we have to include real estate, insurance, and other major segments of the mutual fund industry. All taken together, they comprise what today is—including the nonbank banks which were mentioned—a broad financial services industry in the United States. There is a whole pattern of history and practice of law that defines what those businesses are, what they can do, where the pattern of regulation exists.

In the case, for example, of insurance, we tend in this country to regulate insurance practices at the State level rather than at the Federal level; whereas, in the case of banking and other kinds of financial services, the regulation is carried out at the Federal level. So we have a whole pattern of unique practices and decisions and precedents over a long period of time that bring us up to the mixture of market forces and financial services that we see across the country today.

It is important to understand that and then put beside it the fact that, due to the enormous trade deficit in the United States that has been running now for several years—$170 billion last year—we are exporting a great amount of American capital in exchange for foreign goods coming into this country. The nations that have the large trade surpluses with the United States—Japan first among them—are now taking those dollars that they have taken from us—earned from us, if you will—and they are bringing that financial power back into the United States in new ways.

Very specifically, the Japanese have decided that the financial services industry in the United States is a very tempting target for intense competition by them. I am told by people in a position to know that the Japanese have been sizing up the American financial services industry and have laid plans to come in here with a competitive assault, to do to the financial services business in the United States what they previously have done quite successfully in taking on the American automobile and truck business.

Coming from Michigan, as I do, I understand something about the nature of that challenge by Japan over a period of years and the fact that they have been able to move their market penetration for new car sales in the United States now up over 20 percent, with the prospect, but for voluntary import limits, to take it much higher. But there has been an enormous financial consequence in this country: Displacement of jobs, displacement of plants across the country, and otherwise affect economic health across the United States. The same thing is about to happen with respect to financial services.

We are about to see a wave of new international competition come in here. If we are not ready for it, if we do not anticipate it properly and undertake the kind of restructuring that may be necessary to position the American financial services industry to meet that competition on an equal footing, we are going to find ourselves falling behind the trade dynamics in that area. I believe that would be a very dangerous thing to allow to happen.

The capital markets in the United States are the finest in the world, they are the most efficient. That does not mean they are perfect. We have some problems now, as we well know, with insider trading and some other difficulties. But taking those problems into account, we have a system that the world envies. It is very important that we maintain its strength and its integrity—its integrity to shareholders, its integrity in terms of its efficiency, and its integrity in terms of remaining strong and viable as a national resource in this country.

So we have to make sure that the financial services industry of today is positioned to deal with this new international competitive threat that is coming.

That is the backdrop against which this whole debate, I think, has to be weighed and considered. Because on the one hand, while we have moved urgently on FSLIC recapitalization and on giving bank regulators authority so they can deal with banks that are on the verge of bankruptcy or headed into bankruptcy, we have to use the occasion of the passage of that legislation to set the stage for a very serious analysis and discussion and debate and decision later this year on these broader questions about the future of the U.S. financial services industry.

These are not easy matters. They will not be easy matters when we take them up in committee in an orderly way over the next few weeks and months, and they will not be easy matters when they come here to the Senate floor. Those of us who have had the pleasure of serving on the Banking Committee and to be in the midst of the crossfire that has taken place over the years in the various elements of sections of the financial services industry may say to friends who have not the opportunity to have that experience yet, it is one that you can anticipate. Because when these issues eventually come for decision to the Senate floor, as a whole, we find them to be issues that are strongly contested and about which there is great feeling coming from different vantage points and very powerful arguments that can be waged on different sides of these issues.

What our bill attempts to do is try, with a 1-year moratorium, as best we can to freeze the conditions that now exist in the U.S. financial services industry, which are the result of this pattern that has grown up over the years, to try to freeze that as much as we can in place for a limited period of time, to put in some incentives beyond the 1-year moratorium to try to create a favorable back pressure on all the parties at interest who want to come in during the 1-year moratorium and engage in a debate where we really try to think through these questions and issues and make decisions.

Some will say, and I know my friend from Louisiana has said, that he is not satisfied with the fact of the way the banks are treated and that the banks feel that others who have taken advantage of the marketplace opportunities or loopholes in the law, or other changes as to procedure with respect to either regulatory decisions or administrative body decisions, have been able to move out and do some things and the banks have been confined in narrower straits and not been able to do so.

There is some validity to that point. The problem is that to the extent that that is going to be dealt with and adjusted in some fashion, we are not in a position to do that today. I do not believe that we are ready as a committee or a Senate or as a Congress to bring these issues to the floor in a finished form to be able to take them up. I think we can, however, within a 1-year period of time.

That presumes a lot of work is done and a lot of good faith effort is made during that period of time. So I think the Senator from Louisiana is correct in his assessment of the fact that you do not have a level playing field at the moment; you have a very-odd-shaped playing field, and we are not in a position at the moment to be able to do much about that. We are trying as best we can with this legislation to take the playing field as it is, to keep it essentially the way it is for this period of time to give us a chance to do this rather fundamental reassessment, and to see if we cannot come to some kind of broad judgment as to how we are going to move into the future and prepare ourselves to withstand what I think will be withering international competition that is coming at us.

Having said that, let me say something else because I hope some of the groups that are the parties of interest will be following this debate either now or by rebroadcast and, to the extent they are, they must understand they have a role to play over this intervening 12 months, assuming this legislation passes. The responsibility, it seems to me, that they have to themselves, to the country, and to this process is to see if they cannot sit down together and reason with people who may be thought of as adversaries, people who may be thought of as competing interest groups, and that we not just let this be a matter of sort of brute strength in terms of how we define who does what, but to try as best we can to think in a broader sense about the kinds of arrangements this nation will need if we are going to have a strong economic future in this important sector over the next 20 years. That is really the issue.

Now, sometimes it is very hard to get to that if there is the feeling that you are in a sector of the financial services market that is being eroded or you feel some direct competitive threat from the person in the neighboring sector, and so forth, and we understand that. But I think there are some broader issues we have to now deal with, and so I am appealing to those leaders who are in the financial services industry in the various sectors to be prepared to sit down with their counterparts in competing financial service sectors in this country and begin a dialog, a serious set of discussions as to where we are and where we are going, because I do not think in the end any one sector is going to win by themselves.

I think it is the wrong view to have. If we are going to be successful as a nation—after all, that ought to be part of the goal structure in the private sector as it profoundly has to be the center of the goal structure in the Senate in terms of public policy—if we weigh those factors properly I think it is possible for us to begin to develop some consensus in the private sector which can in turn have some very significant bearing on the development of our thinking in terms of the public policy issues that we are called upon to address.

So that is what we are undertaking. I realize these are arcane issues, they are difficult issues to understand, because they go to complex areas of law, they go to areas of law that, if you are not a specialist, you may not necessarily have much immediate knowledge of what the practices may be.

Despite that, I hope the Senate will follow the lead of the Senate Banking Committee. We have produced this legislation with a strong bipartisan vote and with it, then, the pledge to take these issues up in due course.

Mr. President, I want to leave that part of the discussion and address specifically the recapitalization of the Federal Savings and Loan Insurance Corporation, FSLIC as we call it. This is an urgent matter and it is one that we ought to have resolved last year and we did not, and so we are back around with it today.

I think most people are familiar with the background of the legislation. The Treasury Department and the Federal Home Loan Bank Board produced a recapitalization plan last year. The mechanism for the plan's operation now is the same mechanism that was laid out in the debate last year. There are a few differences and I would like to speak briefly to some of those differences.

First, the bonding authority limits agreed to by the committee are reduced from what the Treasury and the Bank Board had sought. There are good reasons for this, not the least of them being the admission by Treasury Under Secretary Gould in testimony before the House Banking Committee that:

> Given FSLIC's organizational constraints, this infusion probably represents the maximum level of resources that FSLIC can efficiently use to resolve problem cases.

When Under Secretary Gould made that comment, he was speaking about an authorization level of $5 billion, not the $7.5 billion we are providing, which is, of course, a figure 50 percent larger and I think under the circumstance is a sufficient measure. So we have put forward the $7.5 billion bonding authority figure to be divided equally for each of 2 years. Thus, the total that is available for resolution of FSLIC problem cases will be $3.75 billion from the bond, plus an additional $2.5 billion in regular FSLIC income, for a total of $6.25 billion a year. I think that is a sufficient amount, particularly in view of the comment of the Under Secretary of the Treasury I just cited.

Another major difference in our committee bill is that it addresses the matter of forbearance on the part of the Bank Board and FSLIC. In my view a reasonable forbearance policy directed at well-managed institutions lending in areas of singular economic distress is essential to the success of this recapitalization plan.

Now, in April of last year the commercial bank regulators, the Comptroller of the Currency, and the FDIC recognized the problems plaguing commercial banks in our oil-producing States, in our agricultural regions, and in areas where the economy is heavily dependent upon timber products, all areas that have been in trouble. A year ago those commercial banking regulators put into effect a policy of capital forbearance which would permit banks in those areas time to work out from under their temporary economic distress, a situation that was really not of their own creation.

I believe that a similar policy of forbearance should be implemented by the Federal Home Loan Bank Board. I know there is great discussion about that, but I want to lend my support to the wisdom of moving in that direction.

Now, the bill before us today contains a provision which will establish an accounting requirement for the Bank Board and FSLIC to employ in dealing with such situations. This provision states that the Bank Board may not direct or require an institution to establish excess reserves against or write down the value of any asset in an amount in excess of the amount that would result from an evaluation of the asset consistent with generally accepted accounting principles. This is the very same practice the Comptroller of the Currency and the FDIC have been following since last April, so it tracks well in that respect.

So, Mr. President and colleagues, I hope that we would pass the FSLIC recapitalization proposals that are before us today, along with the rest of the legislation in this package. I think those, together with the forbearance provisions, will put us in a very strong position to deal with the problems that are out there. I think the people expect us to do so. They are right in having that expectation. I think we are ready to act.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I regret that earlier today I was not on the floor when my colleague, Senator BOND, made his speech. It was Senator BOND's first speech on the floor of the Senate. Unfortunately, although I knew that he was going to be speaking this afternoon, at the time of his address to the Senate I was tied up in the midst of a meeting in my office with the Japanese Ambassador, and there was no way that I could cut that meeting short in time to make it to the floor of the Senate. However, I was able to see a videotape recording of Senator BOND's remarks. Having fought against televising the proceedings on the Senate floor for years, I have to admit that it did have its use this afternoon, because I was able to watch my colleague's remarks.

Mr. President, my history with my colleague goes back a number of years. We started out in government on exactly the same day, in the attorney general's office in Jefferson City. KIT BOND served as the State auditor and then as Governor at the time I was attorney general. We have been on the same ticket in several elections, and it is, as I say, a history that goes back something like 18 years.

KIT BOND brings to the U.S. Senate a wisdom, an intelligence, and a keenness which I think will mark him as a truly outstanding Member of this body. Typically, his first comments on the floor of the Senate were not ordinary banalities. It was not the typical 5- or 10-minute speech to be made in morning business; but, rather, he came to the floor to speak about probably the most controversial issue to be faced so far by the 100th Congress, and he spoke on it in the first hours that it was on the floor. He took a position which was clear, which was strong, which was decisive, and he did so on a complex issue, on a difficult issue, and on a controversial issue.

I think this is typical of the kind of participation we can expect of Senator BOND in the years in which he will serve in the Senate. He is a persuasive person. He studies issues, and he has studied this issue. I have sought his advice and talked to him about this question on several occasions, most recently about an hour ago in a lengthy telephone conversation, and will be discussing it further.

As I say, he is persuasive. Whether he ends up persuading me on this issue remains to be seen. I think there is something to be said for the bill that has been reported by the committee. On the other hand, there is a lot to be said for proceeding with the recapitalization of FSLIC without getting it bogged down. So my own mind as yet is unmade on the merits of the bill.

I did not want the day to go by without coming to the floor to comment on the maiden speech of my colleague from Missouri and to express my respect for his ability, for what he said today, and for the contributions he will be making to the Senate.

Mr. DIXON. I rise to engage the distinguished floor manager in a colloquy. Mr. President, a central theme of S. 790 is that only Congress is empowered to decide whether banks, bank holding companies and their affiliates should be permitted to exercise new powers not granted under existing law. As a result, S. 790 calls upon Federal bank regulators to stay their hand on certain pending applications, until Congress has reviewed the complex issues involved in expanding bank powers. While some controversy has arisen regarding certain pending applications that would rely upon the "principally engaged in" provision in the Glass-Steagall Act, other pending applications are clearly impermissible under existing law. For example, one pending application would allow a bank holding company, through its affiliate, to promote and operate an unregistered exchange for trading options on U.S. Government securities. Bank-run, proprietary securities exchanges are not authorized under existing law and present unprecedented, profound legal and policy issues. In addition to general safety and soundness concerns raised by bank-run exchanges, the threat of insider trading created by a bank-run exchange is serious and warrants congressional scrutiny before approval of this activity is even considered. I ask the distinguished floor manager whether my understanding of S. 790 and existing law is correct.

Mr. PROXMIRE. The Senator from Illinois is correct. The pending application he describes represents a substantial change in new bank powers. The competitive and public interest concerns raised by the application thus involve both securities and banking law and underscore the need for a comprehensive approach to changes in financial sevices regulation. If unregistered bank-run exchanges are to be permitted at all, Congress, not a regulatory body, must authorize this expansion in bank powers. Thus, consistent with S. 790, the pending application for a bank-run Government securities options exchange should be deferred until Congress has reviewed and resolved the complex issues presented in this novel proposal.

The PRESIDING OFFICER. Is there a Senator who seeks recognition?

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNITED STATES-CANADA TRADE NEGOTIATIONS

Mr. BENTSEN. Mr. President, last week, the House of Commons of Canada debated the subject of a trade agreement with the United States. I would like to take a moment of the Senate's time to comment on that debate and generally upon the state of trade negotiations between our two great countries.

Mr. President, I had the privilege of being introduced in that great body last December, along with Senators MATSUNAGA, BAUCUS, and CHAFEE.

Then I had the opportunity to listen to some of their debate. Judging by that visit, the life of a Canadian Prime Minister in Parliament is anything but serene.

The Prime Minister of Parliament himself stands right there on the floor of Parliament and faces the opposition parties, day in and day out. They have the right to ask him questions about his policies, and they are direct about it. If any Senator thinks the President of the United States takes a beating from Sam Donaldson at a White House press conference, he should take a look at the Canadian Prime Minister during question periods.

Debate in the House of Commons is sharp at any time, but the trade issue is as hot a subject as the Prime Minister faces in that body today. So it was quite remarkable that last week the Prime Minister's government offered a resolution supporting the negotiations with the United States.

I am pleased to report that the Prime Minister's resolution was adopted by the House of Commons, and I can certainly make allowances for words uttered in the heat of battle in the House of Commons. However, after taking all that into account, some things were done and said during that debate that disturb and concern me. President Reagan is going to visit the Prime Minister in Canada next week, and I am hoping he will take these same concerns with him.

The first thing that concerns me is the text of the Canadian resolution, which states:

> This House supports the negotiation of a bilateral trading arrangement with the United States, as part of the Government's multilateral trade policy, while protecting our political sovereignty, social programs, agricultural marketing systems, the auto industry, and our unique cultural identity.

I do not question Canada's right to protect its political sovereignty or cultural identity. However, if these phrases mean the Government of Canada means to take important economic issues off the table in these negotiations, I am deeply concerned.

For example, a few weeks ago I received reports of a decision by the Government of Canada to license the importation of films.

Now, licensing is one of the most protectionist forms of trade regulation known in the world. The United States spent years convincing the Government of Mexico to replace licensing of imports with duties, even high duties. Licensing subjects importers to harassment as well as administrative control.

In Canada, film licensing would mean that no independently produced motion picture could be shown in Canada unless a Canadian firm distributed it, because only Canadian firms would be eligible for the licenses necessary to import such films. Again, limiting access to distributorships is a virulent form of protectionism. For example, I got a letter recently from a Texas manufacturer of heat sinks—a product used to dissipate heat in semiconductor chips—and he described in detail how distributorships in Japan were commonly used to prevent American firms from getting a fair chance to compete in that country.

So the Canadian announcement of a decision to license the distribution of firms conjured up for me all the worst forms of protectionism, and I have written a personal letter to the Prime Minister urging him not to introduce such legislation in Canada.

Now, one of the things that troubles me about the Canadian resolution is that innocent phrases, like the phrase "unique cultural identity" can be used to support such invidious legislation.

In announcing the film licensing plan, Canadian Communications Minister McDonald said the purpose of the legislation was to put more money in the hands of Canadian film distributors, so they could play a greater role in financing and marketing Canadian films.

Certainly it is fair for Canadians to be concerned about their culture being overwhelmed by United States culture, and to promote Canadian culture. But to throw a blanket of cultural identity over this protectionist program calls into question the motivations of the Canadian program.

Moreover, if, as the resolution of the Canadian House says, other sectors are not to be on the table as well, the resolution may further call into question the viability of a free trade area agreement. We need a truly free trade agreement, which means both countries have to work toward a deal that is mutually beneficial and comprehensive, a large agreement.

Last year, I released a study of the ways governments restrict trade. It showed that Canada uses 15 of these methods, whereas the United States uses only 6. If Canada proposes a trade agreement where both countries get rid of six methods of trade restriction, that will not be a fair agreement, and it will be difficult to get the Senate to approve such an agreement. I am deeply concerned that when the President visits Prime Minister Mulroney next month, he will be presented with this kind of argument, and I hope he makes it clear—as I did when I was in Canada—that only a mutually beneficial agreement will be successful.

Mr. President, a bilateral trade agreement with Canada has great potential. We can improve what is already the largest bilateral trading relationship in the world. We can light the way of the resolution of some of the toughest issues in trade today—control of subsidies, opening trade in services, and limitations on investment.

I support such an agreement. I believe the Senate Committee on Finance will support such an agreement. Last week, the committee moved away from a precipitous response to some serious concerns about a recent Canadian subsidy decision that affects our agricultural producers, and instead adopted a resolution urging our administration to employ regular procedures to examine the matter.

So I continue to urge the President and Mr. Mulroney to work toward a free trade agreement that is truly free trade—an agreement that is mutually beneficial and comprehensive.

SHOULD WE TRUST THE RUSSIANS?

Mr. PELL. Mr. President, Arnold A. Saltzman has served five Presidents in a variety of policy-level economic and diplomatic assignments. He received a Presidential commendation for his work on the Atomic Weapons Non-Proliferation Treaty. He has excellent contacts with high-level government officials in several East Europe countries including the Soviet Union. Ambassador Saltzman is thus able not only to report on what happened at the recent Round Table Conference in Moscow, in which he participated, but also to share his views.

Arnold Saltzman is also known to me as a warm and stalwart friend whose views I deeply respect. I believe his views would and should be of interest to my colleagues and for that reason I ask unanimous consent that a report by him on his recent trip to the Soviet Union, and the accompanying letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VISTA RESOURCES, INC.,
New York, NY, March 13, 1987.

Senator CLAIBORNE PELL,
Russell Senate Office Building,
Washington, DC.

DEAR CLAIBORNE: Before I left for the Soviet Union, you suggested that I put my thoughts into writing about how we might proceed with the Russians. Since I was invited to participate in the political segment of the Round Table Conference in Moscow, I preferred to make a more detailed report.

You will recall that two years ago, after I spoke with Russian leaders in Moscow, you published my report which was timely and turned out to be accurate. This time aside from what I learned in the conference, Soviet leaders were again very candid with me in personal conversations.

I would hope that you could once again find it possible to publish this report in the RECORD. We may be reaching a point where something good can happen, and I believe that this could help.

Incidentally, this report will be published next month by the National Committee on American and Foreign Policy. I have been reading a number of good things about you recently which pleases me greatly.

Sincerely yours,

ARNOLD A. SALTZMAN.

(Moscow, Feb. 19, 1987)

"SHOULD WE TRUST THE RUSSIANS?"

I went to the Moscow International Conference not only to experience and participate in Secretary Gorbachev's peace extravaganza, but even more to engage in private conversations with Arbatov and other political leaders in the foreign ministry and central committee. This current invitation to meet with Gorbachev and some of his team repeated one tendered me two years ago. Thus I would be in a unique position to determine what had changed in the past two years.

The Soviet Union is no longer a riddle wrapped within an enigma whose Byzantine policymaking was unclear externally as well as domestically. Today Gorbachev is letting it all hang out. He is flat out saying what they want and what they need without the previous Soviet lecturing or tub thumping.

In spring of 1985 Gorbachev was trying to improve the economy, but within normal Communist boundaries. Today he is abandoning conventional Soviet techniques in favor of decentralization aiming at substantive change. The six hour speech he made on January 28th at the plenary session of the Communist Party should be carefully read by Americans of all political persuasions.

THE NEW ECONOMIC DIRECTION

The speech was quickly followed by adoption of new economic laws and new rules implementing the words. Joint ventures with foreign capitalists permitting repatriation of profits have begun. Individuals can own small businesses; e.g., car repairing, restauranting, tailoring if they do the work themselves. They can keep or reinvest the proceeds, or a number of people can join together and run their own cooperative responding to market forces. State enterprises will now fulfill a general state plan while simultaneously reserving substantial productive capability to respond to the marketplace. They will now have to be responsive to the wants of their customers, as well as the "plan" and will profit accordingly. More successful enterprises can increase wages, pay bonuses, even purchase equipment for expansion etc., while being self-financing. Bosses will be elected by all employed in the enterprise and not selected by a party chieftain. Above all, everyone is being exhorted to think in new directions, to experiment, to risk change. None of this is cosmetic aimed at the West. The new Soviet leaders are dismayed at the possibility of entering the 21st century industrially and technologically far behind Japan, the United States and West Germany. They are taking great risks because they are forcing radical economic change contrary to rigid ideology even though they would not and do not use those words.

In private meetings with members of the Central Committee, which were more significant than the work of the Round Table Conference, I asked these tough questions and received startling answers:

Question. If you succeed in reshaping your economy as Secretary Gorbachev has indicated, what happens to the classic socialist definitions previously propounded by the Soviet Union?

Answer. Socialism must be defined as Lenin would—a means of meeting the needs of our people and which is now being updated in accordance with the times.

Question. If you liberalize your economy and people experience the benefits of diminished central economic control, will you not be pressured for similar political liberalization?

Answer. There is no other choice, and there is no turning back.

But can these younger, more aggressive leaders force the notoriously entrenched self-perpetuating Russian bureaucracy to do their will? Khrushchev could not, the Czars could not, and Brezhnev did not even try. Unless Gorbachev can produce noticeable benefits soon, if disillusionment with words instead of results sets in, the bureaucrats, and for the moment, very quiet hardliners and ideologues may bring him down.

This is part of the reason why Gorbachev has decided to release from confinement writers and journalists who, along with others, are being given freedom to criticize and expose flaws in the system. They are attacking the bureaucrats and the systemic rigidities unmolested since they are the enemies of Gorbachev's enemies. The West should not delude itself that Gorbachev's thrust is primarily fence-mending and cosmetic. It is rather his drive for a more liberalized economic system attacking stereotypes of past thinking. Included in that effort is the desire to participate in Western economic institutions such as IMF, GATT, and the World Bank.

Accompanying this so-called new thinking is a different spirit, an upbeat mood—in some quarters almost euphoric. The pervasive presence of vodka is diminished and the "high" is now found in talk and hope for better things to come. None of this is absolute, of course, and alcoholism continues as a serious problem. But Gorbachev's campaign of higher prices for vodka and tougher penalties for drunkenness has made a dent. Other than less visible alcohol consumption, on a philosophical basis, it's as though a dam had cracked. While much of the dam is still erect, pieces of concrete dogma, together with rivers of words, thoughts and ideas long repressed are pouring out.

MILITARY AND GEOPOLITICAL CONSIDERATIONS

However, turning from the economic and social scene to military, geopolitical considerations, not much has changed. What Soviet leaders told me two years ago is almost identical to their statements today. Forty of us from a dozen countries sat around a rectangular table that the Soviets called a "round table", a political forum chaired by Arbatove and Primikov. No one represented his country since we all came as private citizens, but the views expressed were nonetheless indicative of the thinking in the countries whose citizen experts participated.

The Soviets repeated their call for a moratorium on testing in space, for a no first strike pledge, getting the nukes out of Europe and their challenge to cut way back on conventional arms and troops in Europe. Above all, they railed against SDI offering to make mutual huge reductions on nuclear missiles if the U.S. renounced testing in space and deploying SDI systems. The Soviets label SDI offensive in character and a violation (beyond research) of the ABM Treaty. (If testing and deployment goes forward, all the participants from England, France, Canada, India, Japan, China, Italy, Soviet Union, Finland, Sweden and almost all from the United States agreed that SDI was an impediment to agreement on major cutbacks in nuclear missiles and should not be implemented. Interestingly, India was the most vocal in support of the Soviet Union and Romania's support the mildest.)

Since I had reported all of the above to our State Department, White House and Congress in May of 1985, including their offer of a 50 percent cut in nuclear weapons with full on site inspection, I could not understand why the Soviet proposals at Reykjavik were called a surprise by the President's people.

In our round table, aside from the Soviet's proposals referred to above, a number of additional issues raised deserve mention.

1. Both France and West Germany opposed the U.S. removing all cruise and Pershing missiles recently stationed in Europe in a deal with the Soviets for removal of all their intermediate range missiles. Thus they no longer supported the zero-zero option on missiles unless more far reaching disarmament in Europe was agreed upon both in weaponry and troops. And this additional disarmament carried risks requiring carefully arranged safeguards.

2. The Soviets stated that the old debate about inspection to safeguard agreements made was no longer an issue. They supported multi-national, or any other form of inspection within the Soviet Union, but said they wanted the same inspection procedures inside the U.S. or Western Europe as the case may be.

3. The Soviets made it clear that the economic changes proposed and underway in the Soviet Union were all part of their overall plan which included cutbacks in armaments—nuclear and conventional. They were not dividing their internal policies from external, but saw them as coordinated and reinforcing.

4. The Soviet participants said their stated position was that henceforth arms control negotiations were a "package". What had caused this statement was the U.S. trying to negotiate reductions of ICBM's while leaving SDI intact. This was unacceptable to the Soviets (most other countries sided with the U.S.S.R.). However, it was implied that the "package" might be broken to separate arms control issues in Europe from SDI and ICBM's.

5. The Soviets were and are willing to negotiate intermediate range missiles of both sides out of Europe without insisting on eliminating French and British missiles. The Soviets would like to go farther in slashing conventional arms and troops of both sides in Europe. Either or both of the above are negotiable now even though they officially talk "package". Since Arbatov, Primikov and two of their top generals were the U.S.S.R. round table representatives, their statements and hints are more indicative of what the U.S.S.R. will do than when French, German, U.S. or British participants gave their opinions as informed, influential, but private citizens.

6. The fear was expressed that there was proliferation of nuclear missiles or nuclear missile capability in general, and it was spreading. It was felt that agreement by the U.S. and U.S.S.R. on their own cutbacks would provide a better climate for the superpowers to tackle this dangerous problem together.

7. There were questions raised by non-U.S. members whether the Iran mess had isolated Reagan from endeavoring to reach an agreement on nuclear cutbacks. The Soviets did not identify themselves with this position.

8. West Germany remarked that part of their diminished support for SDI was because the U.S. was not giving them a piece of the SDI development pie as originally promised.

9. In regard to Jewish emigration, the Soviets say they will not allow free exit. They will not do so even if MFN were offered in exchange. They will, however, allow people to leave to join families abroad and will speed up that process and liberalize it.

10. The Soviets said they intended to withdraw their troops from Afghanistan soon, but the U.S. was delaying and aggravating the problem by arming and abetting Pakistan's border activities.

11. Many participants stated and restated that the impediment to arms control was the lack of trust on both sides. I wish particularly to address myself to that issue in my remarks below and summarize my own personal conclusions.

CONCLUSIONS

The U.S.S.R. leadership has gone through a period of deep introspection over the last two years—since I last met with them—and has arrived at certain far reaching conclusions. Their economic growth rate has slowed; they are falling behind industrially and technologically. A new generation is growing up, untouched by the revolution or the last great war, that wants greater variety and better quality in consumer goods. They have decided this requires institutional change—not exactly like the Hungarian model—but still decentralization and democratization of their economy.

They were wise enough to see that one cannot proceed full blast on production and development of weapons and still accomplish all that they wish on internal, domestic production. Thus they tell us they want and need curtailment of the arms race. They also make clear that the U.S. ought to want this too, that cutting back on armaments ought to be good for us too, for the whole human race, both economically and also for the chances of staying alive.

For the first time in more than a generation, there is an opportunity not just to control nuclear expansion, but to achieve major nuclear cutbacks. If enough nuclear missiles are destroyed the "first strike" capability disappears which concern has itself increased missile production in an accelerating, circular paradox. Major nuclear cutbacks also argue against the need for SDI deployment. What has produced this opportunity is that the Soviets find they need arms control. This raises the interesting question that will undoubtedly cause controversy in the U.S. If it is good for the U.S.S.R., does that mean it is bad for us?

Leaders of Czechoslovakia have recently privately told me they are liberalizing as well, certainly encouraged by the actions of the U.S.S.R. Hungary already has, Poland is on the way. One can see an attitudinal shift in East Europe and, as a result, a new ballgame in all of Europe if the Soviet internal efforts are for real and they succeed. If so, does that not lessen the need for huge nuclear arsenals and improve chances for agreement.

Thus we get back to the question one hears over and over again. "Can we trust the Russians?" (They, of course, pose the same question in reverse.) To me that question is irrelevant. "Trust" has hardly been the most fundamental principle on which nations rely for their national security. Therefore, I see no reason that "trust" become the essential ingredient for reaching an agreement with the Soviet Union. There are more fundamental forces than "trust" that could or should move both sides in that direction.

(1) Agreed upon cutbacks in nuclear missiles and weaponry of all sorts diminishes fear, suspicion, and the possibility of blowing each other up—even if by accident or miscalculation. (2) The Soviets badly need to use resources for non-military purposes, but so do we since we too are falling behind Japan, financially and industrially, even if not as rapidly as the Soviet Union. (3) A more liberalized and internationalized Soviet economy would bring bridges of trade and contacts, financial and social, weaving a fabric of mutual benefit if Gorbachev's internal efforts become reality and not just intent. (4) And most important, the recent Soviet decision to accept absolutely clear and reciprocal inspection procedures as a condition for reaching nuclear weapon agreements greatly enhances "trust" while also making it less essential. (5) Last of all, the risks to national security are greater than escalating nuclear buildups than by finding reasonable accommodation to roll back such weaponry.

Thus the issue is not "trust" but rather how to minimize risk in a world beset by problems—military, social, ideological and economic; how to inhabit a planet where Chernobyls or acid rains know no boundaries, and triggerpoints of potential conflict abound.

What is needed in the U.S. today—which is sorely lacking—is a coordinated evaluation of what should be our policies—plural—to the new situation in the U.S.S.R. All the alternative possibilities should be considered as a totality, not simplistic knee jerk reactions linked to the past.

The changes in the Soviet Union no longer permit static confrontational responses by the U.S. if for no other reason than the fact that our allies will not stand still. Is it still in our interest to perpetuate a philosophy that "what hurts the Soviet Union helps us?" What should our response be towards Gorbachev's new liberalization aimed at improving the industrial capability of the Soviet Union and the economic lives of its people? Do we assist the Soviet Union to enter into the western capitalist economy via IMF, GATT, MFN treatment, World Bank, etc. or do we restrict them? What is our total approach to arms control including SDI and a substantially demilitarized Europe? We have not yet formulated a broad policy in response to Gorbachev's challenge of a demilitarized Europe.

United States policymaking, both in the Presidency and the Congress has for many years suffered from three major deficiencies: (1) It is ad hoc uncoordinated; we make policy in bits and pieces frequently counterproductive in areas not considered and (2) policymaking is not anticipatory—does not lay out opportunities as well as problems and set forth alternative solutions to consider, but rather is rooted in the past and geared to putting out fires. (3) Our policies for national security have not appropriately coordinated economic issues with military considerations. In fact, they are indivisible as World War II demonstrated, and foreign policy cannot be divorced from domestic policy.

It is essential at this time that our Government override the Iran mess long enough to produce the kind of total re-evaluation of what our policies should be vis-a-vis the U.S.S.R. with Eastern Europe generally and also of the NATO-Warsaw pact relationship. Not only on weapons, but the whole ball of wax. The Soviet Union has challenged us by their liberalized economic policies, by their anti-nuclear proposals. The opportunity is there for us to do something positive—the need is there. This is my message from Moscow.

WINNING THE WAR AGAINST DRUNK DRIVERS

Mr. PELL. Mr. President, some 5 years ago the country was in the midst of great concern about the scourge of drunken driving on our Nation's highways. The newspapers were filled with front page stories detailing the broken lives and family tragedies occasioned by the reckless actions of drunk drivers, who in any given 2-year period were responsible for as many deaths as occured during the entire Vietnam war.

To a great extent the country has passed on to other areas of pressing concern, and with some glaring exceptions the front page stories of lives lost at the hands of drunk drivers have disappeard from the daily newspaper. Some may believe that the issue of drunk driving was an example of the media focusing on a problem for a period of time, then dropping it off the front pages when all the horror stories had been exhausted. Others may think that the wave of concern about drunk driving was simply part of a long-term cycle of focus on a problem, followed by frustration at the lack of immediate progress, followed by a lapse back into apathy.

I believe that, in fact, great progress has been made in winning the war against drunk driving, and that in large part this progress is directly attributable to the Federal and State initiatives and educational campaigns that began in the early past of this decade. Most significantly, public attitudes in this country have finally begun to change. For years the right of every American to drink and drive was considered a corollary of the right to operate a motor vehicle. Without a change in fundamental attitudes about drinking and driving, no media campaign, no program of law enforcement no amount of preaching to high school seniors before prom night, could hope to make a long-term dent in the death rate credited to drunk drivers. There are very positive signs that drunk driving is no longer regarded as a God-given right, and that young people themselves are taking the lead in changing social attitudes and conduct. The death rate is still high—unacceptably high—but steady progress is being made through a combination of tougher laws, more effective educational campaigns, and leadership programs like the highly successful "Students Against Drunk Drivers" [SADD].

I remember my frustration almost a dozen years ago when two young and valued members of my own staff had been killed in separate accidents caused by drunk drivers, and there was absolutely no support in the Congress for legislation to toughen penalties against those drivers who combined alcohol abuse with personal injury or death to innocent people they encountered on the highways. Thanks to the constructive involvement of the media and the relentless, grass roots campaigning of groups like "Mothers Against Drunk Drivers," the American people ended decades of apathy and came around to support—indeed, demand—tougher, more effective laws against drunk drivers. I was pleased to have sponsored the first Federal legislation in this field with Senator JOHN DANFORTH and Congressman Michael Barnes and later to have served as a member of the President's Commission on Drunk Driving under the great leadership of our chairman, former Governor, John A. Volpe. All of these initiatives contributed to turning the tide against drunk drivers, and today we are seeing the positive results of lower death rates and continuing commitment to remove the threat of death or injury on the highway that occurs when people thoughtlessly combine alcohol and driving. Even though it is not on the front pages every day, the war against drunk driving is going on in every community—and we are winning it.

Mr. President, to elaborate on many of the points, I have made, I would like to share with my colleagues an article which appeared in Monday's New York Times entitled, "Nation Is Gaining on Drunken Driving: New Laws and New Attitudes Are Making Roads Safer." Mr. President, I ask unanimous consent that the text of the article by Andrew H. Malcolm be printed in full in the RECORD at this point:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATION IS GAINING ON DRUNKEN DRIVING—NEW LAWS AND NEW ATTITUDES ARE MAKING ROADS SAFER

(By Andrew H. Malcolm)

CHICAGO, March 22.—Widening public and legislative support for ever-tougher laws against drunken driving and tighter enforcement of existing regulations appear to be noticeably deterring many from driving while intoxicated.

In interviews, officials of several states said that they had detected a silent shift in social attitudes against drunken driving, akin to the reduced acceptance of smoking in public. At the same time social drinkers have been shunning hard liquor in favor of lighter drinks, like wine coolers and light beer.

Some experts see the shifting as part of a broader social trend emphasizing personal health habits involving, for example, less smoking, more physical exercise and greater attention to nutrition.

PHENOMENAL RECENT PROGRESS

"Many people have changed their habits," said Jim Edgar, the Illinois Secretary of State, a longtime advocate of strict enforcement of drinking laws. "People's consciousness is generally higher. It doesn't mean we are done, by any means. But the United States has made phenomenal progress in the last 48 months."

Statistics indicate that a combination of factors, including Federal and state crackdowns and educational campaigns, are having beneficial effects, especially among social drinkers.

"There's definitely been a change in people's attitude toward drinking and driving," said John Boffa, spokesman for the Governor's Traffic Safety Committee in New York. "They take it far more seriously now."

For a while, several officials said, the public's declining tolerance for drunken driving and its related toll was far ahead of the more lenient attitudes of judges and elected representatives. But now the officials seem to be catching up.

According to Federal statistics, 44,000 people die on American highways each year, about half of them in accidents involving alcohol. But after bolstering their laws, some states are beginning to report reductions in the number of alcohol-related deaths.

MANY NEW LAWS ENACTED

John J. Grant, the program director for the National Commission Against Drunk Driving, which monitors legislative and educational activities in the states, said that in the last five years, some 3,000 laws on drinking and driving have been proposed around the nation, and as many as 400 new ones enacted in the states to strengthen enforcement.

While he said that there was work yet to be done and that some states had laws that are weaker in one respect than others might be, "over all the states in the last five years have begun to address the problem."

In Illinois nearly 92 percent of the 55,000 people arrested in 1986 for drunken driving lost their driving privileges, up from only 25 percent a few years ago. And Mr. Edgar recently proposed legislation for even tougher regulations aimed at repeat offenders, about 22 percent of all drunken driving arrests here.

Among other things, new laws would elevate drunken driving to a felony and third-time offenders would face harsher treatment, the loss of their license for 10 years, and 3 years in prison.

"It may sound tough," said Mr. Edgar, "but it's not really when you realize the enormity of what these individuals have done."

IN CALIFORNIA, A MURDER CONVICTION

In California last month Dennis Jewell, a repeat offender charged in the death of five people, was the first person in San Bernadino County to be convicted of murder in a drunken driving case. He was sentened to a prison term of 77 years to life and will not be eligible for parole until the year 2025. He had driven through a stop sign and hit a car in which a mother and her four children were riding.

"This case shows," said Gary S. Roth, a deputy district attorney, "that in our county drunk driving is taken a lot more seriously by society, juries and the court."

In Massachusetts, which banned the offering of free or discounted drinks at bars' "happy hours" two years ago, the police regularly videotape drunken driving arrests to facilitate conviction, and state officials attribute at least part of a recent decline in traffic deaths in the state to tougher enforcement.

That state's Governor, Michael S. Dukakis, a contender for the Democratic Presidential nomination whose brother died in the early 1970's in a hit-and-run accident that the police attributed to alcohol, regularly visits school dances to warn against combining drinking and driving.

Other states have also seen a decline in the number of lives lost to drunken driving. A study in Wisconsin, where drunken driving conviction rates jumped from 70 percent 10 years ago to more than 90 percent today, found that 44.3 percent of 1981 traffic deaths were caused by drivers who were drunk. Last year the figure was down to 35.3 percent.

In Missouri, a quarter of traffic deaths last year involved drinking drivers, down from 49 percent in some previous years.

A MESSAGE TO OTHER DRIVERS

The Missouri State Police now use computrs to detect highway trouble spots where more alcohol-related accidents occur. Then they establish roadblocks nearby. Besides catching drunken drivers and encouraging tough local police action, the steps send a message to those who might consider driving after drinking.

"You get stopped," said Capt. Ralph G. Biele of the Highway Patrol, "and you go home and tell your neighbor they're really cracking down."

Some courts across the country have been more lenient in allowing the police to stop drivers they think may be drunk. In Minnesota, repeat offenders, about 36 percent of drunken driving arrests there, can now expect a jail term of 7 to 90 days and a fine up to $1,500. Previous sentences varied widely, and officials say the maximum was rarely imposed.

Those who refuse a breath test automatically lose their licenses for a year. Last year 42,586 Minnesota drivers lost licenses, at least temporarily, up from 14,251 in 1976.

'NOT A DROP' FOR TEEN-AGERS

Wisconsin routinely suspends the licenses of teen-agers stopped with any measurable amount of alcohol—under the state's "not a drop" law—even below the 0.10 percent blood alcohol concentration level that is applied to adults in the state.

At least 43 states set a standard of 0.10 or less to prove sobriety, said Mr. Grant, the National Commission Against Drunk Driving official. For a 160-pound man, that could be about five drinks in two hours, according to the National Highway Transit Safety Administration.

Under the threat of losing Federal highway money, all but seven states have set their legal drinking age at 21, according to the National Commission Against Drunk Driving.

However, South Dakota, one of the states that has not, is challenging the Federal Government's authority to regulate drinking ages. The Supreme Court accepted the case for review last December.

But many officials now believe the most effective deterrent is immediate and virtually certain punishment, especially if it concerns loss of a driver's license.

"People think 'How am I going to get to work?' 'How am I going to get to school?' " said Barbara Kopans of Massachusetts' Office of Public Safety.

Mr. Grant noted that Minnesota is one of 22 states in which an arresting officer can take a suspect's driver's license at the time of the offense, subject to appeal.

In Massachusetts the driver's license is revoked at arraignment for anyone accused of driving while intoxicated.

"Nothing makes victims' families angrier than discovering a drunk driver still driving," said Gary Mack of the Illinois Secretary of State's office.

TOMBSTONES ON A BLACKBOARD

In that state, drunken-driving warnings now begin in kindergarten.

To make a point, Bill Richter, a long-time eighth-grade teacher in Barrington, Ill., draws 16 tombstones on the blackboard, one for each of his former students who died in the last 30 years in accidents related to alcohol.

"In the 1970's," noted Secretary of State Edgar, a Republican overwhelmingly re-elected last fall, "you could not get a drunk driving bill passed. Now, thanks to grass-roots groups and the media focus on the issue, it's much easier. We get bipartisan support for every bill. We've got to make sure that the people we catch are actually punished with something meaningful, not just a slap on the wrist.

"Police tell me, they must look longer and harder now to find drunk drivers," he said.

In Minnesota, where the number of driver's licenses revoked in connection with alcohol jumped from 14,251 in 1976 to 42,586 last year, random roadside surveys indicate that 2.5 percent of drivers on the road at night are legally drunk, half the figure a decade ago.

A new survey by Louis Harris & Associates for Prevention magazine found that 26 percent said they had driven after drinking, down from 32 percent in 1983.

"We are deterring the social drinker," said Thomas A. Boerner, Minnesota's traffic safety director.

But of those who continue to drive under the influence, Albert L. Godfrey, a Maine highway safety representative, said: "We're getting into the hardcore alcoholics now."

"Before, they bagged social drinkers, and heavy drinkers got by," he said. "Now that social drinkers aren't out there, the alcoholics are getting caught."

Susan Cowan-Scott of California's Highway Patrol said that once drunken driving was considered a law-enforcement problem; now it is seen as a social problem with "a growing public attitude of intolerance."

CELEBRATION OF GREEK INDEPENDENCE DAY

Mr. PELL. Mr. President, today we celebrate Greek Independence Day, a day to be celebrated not by Greeks alone, but by all people who cherish freedom and democracy. Two thousand years ago the ancient Greek statesman Pericles proclaimed that the Greek "Constitution is called a democracy because power is in the hands not of a minority, but of the whole people." America's Founding Fathers looked to these words as they crafted our own Constitution and shaped the future of a democratic America. As Thomas Jefferson once said, "to the ancient Greeks we are all indebted for the light which led us out of Gothic darkness."

Just as these democratic principles of the ancient Greeks inspired a young America, so did the American Declaration of Independence inspire the modern Greeks as they struggled for their own independence in the 1820's. Greek intellectuals translated the American Declaration of Independence and embraced it as their own. And in 1821 a Greek commander stood before the Messenian Senate of Calamata and appealed to the citizens of the United States with the following words: "Having formed the resolution to live or die for freedom, we are drawn toward you by a just sympathy since it is in your land that liberty has fixed her abode, and by you that she is prized as by our fathers."

This Greek and American love of liberty brought us together to fight side by side to battle oppression during World War II. And it was American and Greek determination that Greece should not have battled bravely in World War II only to fall to the Communists that President Truman unveiled the Truman Doctrine and provided Greece with badly needed assistance. At that time, President Truman declared that "the valor of Greece convinces me that the Greek people are equal to the task." President Truman announced his assistance program exactly 40 years ago this month, and it is fitting that we celebrate Greek Independence Day as we celebrate the 40th anniversary of the Truman Doctrine.

The common bonds that have grown between the United States and Greece go beyond the shared democratic visions that we have inherited from ancient Greece. The modern-day bonds are clearly apparent in the tremendous contributions that Greek immigrants have made to American society—in art, in medicine, in music, in literature, and in politics. These contributions have been essential ingredients in the melting pot that is America. So as we celebrate Greek Independence Day, we celebrate the tremendous contribution Greek Americans have made to our national life, and we celebrate the freedoms and democratic principles that are dear to all Americans.

THE RIGHT TO DEMOCRACY

Mr. DECONCINI. Mr. President, I am not going to take a lot of time. I realize that we are in a debate on a very important matter of responsibility in the banking area here. I have a matter I would like to discuss for a brief moment.

I ask unanimous consent that the following Senators be added as cosponsors to Senate Resolution 174 expressing the sense of the Senate condemning the problem in the Soviet-backed Angola Government, the Marxist government: Senators CHILES of Florida, HOLLINGS of South Carolina, FORD of Kentucky, HATFIELD of Oregon, GRASSLEY of Iowa, and DOLE of Kansas.

Mr. President, last night, I submitted Senate Resolution 174 on democracy in Angola. As we discuss the situation in Nicaragua, it is only appropriate that we begin to openly address the abysmal state of affairs taking place in Marxist Angola. The people of Angola, too, have a right to democracy. The people of Angola have a right to fair and free elections. And the people of Angola have a right to freedom.

My colleagues have been on the floor for the last few days debating the presence of a Marxist government in Nicaragua. During this debate, facts and figures have been thrown about. My colleagues claim, and rightly so, that the Soviets have channeled more than $1.2 billion into Nicaragua. In Angola, the Soviets have supported the Marxist MPLA to the tune of $4 billion. Mr. President, $2 billion of this has been deliverd in the last 2 years. My colleagues have accurately stated that there are 7,000 Cuban troops or advisers in Nicaragua. In Angola, there are 35,000 Cuban troops and 2,500 Soviet advisers. Five times as many Cubans are in Angola.

My colleagues are genuinely concerned about a Soviet presence near the vitally important Panama Canal. In Angola, the naval port facility the Soviets occupy presents the potential to compete with our U.S. naval fleet and impair supertankers turning the Cape of Good Hope. As we are concerned about Central America, we should be concerned about our geostrategic interests in Africa.

As we discuss and debate the alternatives or options to Contra aid in Central America, it is important that we immediately address the situation in Angola stressing peaceful reconciliation; condemning human rights abuses and Cuban-Soviet expansionism; curtailing U.S. businesses supporting the MPLA; and asking Secretary Shultz to reevaluate our foreign policy with respect to Angola. This represents a policy which vigorously pursues peaceful negotiation, economic sanctions, and political leverage.

Before closing, Mr. President, I would like to mention the State Department's Annual Country Reports on Human Rights Practices for 1986, recently provided to Congress as required by the Foreign Assistance Act. This report should be of keen interest to all Members of Congress, especially as we consider foreign aid and foreign policy. Tragically, this report is filled page after page with evidence of brutality and human rights abuse around the world. While there are many instances of abuse, I want to focus on the country and people of Angola. Following is a passage on Angola which I found very disturbing:

> Political dissension is not tolerated. In fact the Angolan people live under censorship, intimidation, and government control of the media. Opposition views are not tolerated . . . The government publicly emphasizes the importance of propagating atheism and has been critical of all religious activities.

Additionally, Mr. President, the report contains a sentence which I find intolerable: "Citizens do not have the right to change their government * * *" Angola, with its Marxist government, has decided it need not even pretend that its citizens have rights—even the most fundamental right of the people choosing their government.

Mr. President, this resolution expressly favors a national reconciliation of the various factions in Angola. This resolution seeks peaceful settlement, and urges in the strongest terms for the withdrawal of Soviet and Cuban troops. It also urges fair and free elections for the people of Angola. We cannot ignore what is going on in Angola. Forty years ago, President Truman outlined a doctrine which declared the policy of the United States "to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures." This Truman Doctrine pledged the United States to contain Soviet power and promote freedom wherever it could around the world. The people of Angola have a right to democracy. I hope the Senate will soon consider this resolution.

Mr. President, I ask unanimous consent that the resolution, Senate Resolution 174, be printed in the RECORD. I would also ask unanimous consent that the entire section from the Country Reports on Human Rights Practices for 1986 on Angola be printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. RES. 174

Whereas the people of Angola have suffered under colonial domination for centuries;

Whereas the Portuguese promise of independence and free elections for Angola embodied in the Alvor Accord of 1975 was nullified when the Marxist Popular Movement for the Liberation of Angola (hereafter in this resolution referred to as the "MPLA") illegally and militarily seized power with the support of Soviet and Cuban troops;

Whereas that Marxist regime has continually denied the most basic human rights to the people of Angola since 1975 culminating in one of the worst human rights records reported by the Department of State, as described in the report entitled "Country Reports on Human Rights Practices for 1986";

Whereas the Marxist regime in Angola has allowed the country of Angola to become a Soviet base for aggression and subversion in southern Africa, including the expansion of a Soviet naval port, the presence of 35,000 Cuban troops, and the influx of $4,000,000,000 in Soviet weaponry;

Whereas the naval port facilities in Angola pose serious potential threats to United States naval interests in the Atlantic and around the Cape of Good Hope;

Whereas the Soviets and Cubans have engaged in the most blatant foreign intervention in post-colonial history of Africa, and the MPLA is hostage to these foreign forces as evidenced by the fact that the MPLA had the worst anti-United States voting record in the United Nations last year;

Whereas the MPLA government of Angola in 1986 obtained 90 percent of its foreign exchange from the extraction and production of oil with the assistance of American companies;

Whereas most Angola's oil is extracted in Cabinda Province, where 65 percent of it is extracted by an American oil company;

Whereas United States business interests are in direct conflict with overall United States foreign policy and national security objectives in aiding the MPLA government;

Whereas the United States currently refuses to recognize the Marxist government of the MPLA;

Whereas representatives of the Government of Portugal's three main political parties have recently visited the liberated territory and will soon announce a commission to promote national reconciliation in Angola;

Whereas the United States has an obligation to encourage peace, freedom, and democracy and to condemn tyranny where it may exist; and

Whereas the growing intensity of war, the mounting suffering of the Angolan people, the growing presence of communist forces in Angola, and the failure of the MPLA to respond to diplomatic initiatives gives new urgency to efforts to reach a peaceful settlement: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United States, so long as Soviet and Cuban military forces occupy Angola, should encourage peace and national reconciliation in Angola through a negotiated settlement to the eleven-year military conflict and stress the holding of free and fair elections as outlined in the 1975 Alvor Agreement through—

(1) continued multilateral initiatives designed to support Soviet and Cuban withdrawal and a negotiated peaceful settlement acceptable to the people of Angola; and

(2) consistent efforts by the President and the Secretary of State to convey to the Soviet leadership that continued military build-up and presence in Angola directly hinders future positive relationships with the American people and the United States Congress.

SEC. 2. The Senate hereby requests the President to use his special authorities under the Export Administration Act to block United States business transactions which conflict with United States security interests in Angola.

SEC. 3. It is further the sense of the Senate that the Secretary of State should—

(1) review the United States policy with respect to the United States refusal to recognize the Marxist MPLA government, the abysmal human rights record of the MPLA government (as reported by the Department of State, and the worst 1985 voting record supporting United States interests in the United Nations; and

(2) prepare and transmit to the Congress a report containing the findings of the review required by paragraph (1), together with a determination as to whether it is in the United States interest to continue under the current trade and business policy with respect to Angola.

SEC. 4. The Secretary of Senate shall transmit a copy of this resolution to the President and the Secretary of State.

AFRICA: ANGOLA*

The People's Republic of Angola, the regime established in Luanda upon the withdrawal of the Portuguese in 1975, is ruled by the only recognized political party, the Marxist-Leninist Popular Movement for the Liberation of Angola (MPLA). President Jose Eduardo dos Santos is both Head of State and chief of the MPLA. His rule was reconfirmed by the MPLA's Second Party Congress in December 1985. All major policy decisions are made by a small elite in the MPLA, which also controls all means of mass communication. Open political dissension is not tolerated.

Now in its 11th year, the internal conflict between the Government and the main opposition force, the National Union for the Total Independence of Angola (UNITA), again dominated events in 1986. The extension of the war to new areas in the north and the undiminished intensity of the fighting in the south caused many hundreds of casualties on each side. Each side accused the other of killing civilians and committing atrocities. In addition, some 200,000 to 500,000 persons in central, eastern, and southern Angola have been displaced from their homes largely as a result of civil strife.

A number of deaths also occurred in the course of hostilities between the Southwest Africa People's Organization (SWAPO—a Namibian resistance movement with bases in Angola) and South Africa, which controls the territory of Namibia on Angola's southern border. During 1986 South Africa conducted repeated cross-border raids into Angola, including a June 5 raid on the southern port of Namibe and almost continuous interventions in pursuit of SWAPO and in support of UNITA.

The Angolan Government receives extensive military assistance from the Soviet Union—well over $4 billion since 1975—and in 1986 Soviet advisers again played an important role in planning and directing military operations. An estimated 35,000 Cuban military personnel provide logistical support, training, and advice to government forces as well as garrison key strategic population and economic centers. The Angolan armed forces total approximately 100,000

UNITA, led by Jonas Savimbi, apparently has the allegiance of a substantial portion of the population, especially among Angola's largest ethnic group the Ovimbundu, and controls the southeastern quarter of Angola's territory. UNITA has stated publicly that it favors a government of national unity and has not sought to establish an alternative government.

The intensification of the fighting has devastated the country's infrastructure, forced a return to barter in some areas, and has led the Government to divert most of its assets to the military. Payments to the Soviet Bloc for military equipment and Cuban combat troops are a heavy burden on the economy. In addition, the low world market price of oil, the principal source of the Angolan Government's revenue as well as most of its foreign exchange, has exacerbated this serious economic situation. With the end of the drought, the production of food crops recovered somewhat in 1986, but the military conflict increasingly interfered with harvest and distribution efforts. Angola has had to import 80 percent of its food in recent years, at a cost of about $300 million a year. Oil production and exploration continued, with new discoveries reported in 1986 off the northwestern coast of Angola.

RESPECT FOR HUMAN RIGHTS

SECTION 1.—Respect for the Integrity of the person, Including Freedom from:

a. Political killing

The escalation of the war in Angola has resulted in numerous allegations that government, UNITA, and South African forces have killed civilians and that the MPLA and UNITA have executed political prisoners. While it is difficult to substantiate the various claims and counterclaims, available evidence suggests that both government and UNITA forces have on occasion arbitrarily executed prisoners. The fighting has also resulted in hundreds of civilian deaths. Undoubtedly, some of these deaths were inadvertently caused by military operations, but others appear to have been deliberately perpetrated by opposing forces to intimidate civilian populations. The MPLA and UNITA have publicly and repeatedly accused each other of practicing terrorism against their respective opponents, including killing or maiming civilians. UNITA has charged that Cuban forces have also been involved in attacks on civilians. Civilians also have died as a result of guerrilla actions, such as attacks on ground transportation. There are no reliable casualty figures, but upwards of 10,000 persons may have lost limbs as a result of indiscriminate mining.

b. Disappearance

There is no information to confirm that abductions, secret arrests, or clandestine detentions are practiced by government security agencies, or by UNITA, although both sides have accused each other of such practices.

c. Torture and cruel, inhuman, or degrading treatment or punishment

Allegations of torture and mistreatment made by both sides appear to have some basis in fact. But torture of opponents does not appear to be a systematic practice of either the Government or UNITA.

Angolan prisons are overcrowded, with substandard diet and sanitation, but these conditions seem to reflect the poor state of the economy rather than deliberate maltreatment. There are some unconfirmed reports that foreigners are not well treated, but Americans who have been imprisoned in Angola appear to have been relatively well treated and to have had access to medical care.

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*The United States does not maintain diplomatic relations with the People's Republic of Angola and thus has no diplomatic personnel in country to monitor human rights conditions or evaluate allegations of abuses.

Prison authorities reportedly have wide latitude in the treatment of prisoners. Treatment of political prisoners at the prisons controlled by the Ministry of State Security is alleged to be harsher than treatment in the regular prisons. Mistreatment reportedly includes physical intimidation, including beatings and threats, and prolonged interrogation with the use of force. Prison visits appear to be arbitrarily restricted in many instances. Foreign advisers, including Cubans and East Germans, are involved in assisting Angolan state security services and may be involved in helping to run state security prisons. The Government continues to put captured UNITA supporters on public display.

Very limited information is available on the situation and administrative structure within UNITA-held area. It is known, however, that UNITA holds a number of foreign and government prisoners, captured in the course of military operations. In makeshift facilities in its area of control in southeastern Angola. There have been no reports that UNITA has mistreated its prisoners. During 1986 UNITA cooperated with the International Committee of the Red Cross (ICRC) in releasing foreign prisoners, including some 200 hostages taken in March. None of the released alleged mistreatment.

d. Arbitrary arrest, detention, or exile

Two of the most persistently and frequently reported charges of human rights violations have been arbitrary arrest and imprisonment without due process. Numerous reports allege that persons are arrested and imprisoned by the Government on suspicion and denunciation by others and, in some cases, held for a year without being notified of the charges against them. In its 1986 Report, Amnesty International judged that there continue to be few safeguards against the arrest and detention of political suspects by Government security services.

Under Angolan law, persons suspected of committing serious acts against the security of the state may be held by the Ministry of State Security without charge for an initial period of 3 months, renewable for a further period of 3 months. Such detainees need not be presented to a judge within 48 hours of their arrest, as otherwise stipulated in the code of criminal procedure, and apparently have no right to challenge the grounds of their detention. After 6 months in detention without charge, the detainee must be informed of the accusation against him, with the state security service either informing the public prosecutor of the charges against the suspect or releasing him. Once the case is presented to the limit within which a suspect must be brought to trial, and many political detainees—the exact number is not known but may be at least several hundred—have been held for years without being tried.

The deterioration of the security situation has contributed to the general deterioration of judicial safeguards and due process. The Government has established regional military councils throughout much of Angola. They are responsible directly to President Dos Santos and have broad authority to restrict the movement of people and goods, to requisition people and goods without compensation, and to try crimes against the security of the State. The government has also created "people's vigilance brigades" for urban areas, whose powers are not clear but include general administration and "protecting the people and ensuring public order and stability."

During 1986 both sides reportedly relied increasingly on forced conscription of young males for recruitment into the military forces. In 1984 the Angolan Government was cited by the International Labor Organization (ILO) in Geneva for being in violation of ILO Convention 105, which prohibits forced labor.

The basis of this citation is Angolan legislation still in force providing for compulsory labor for breaches of labor discripline and participation in strikes.

e. Denial of fair public trial

The Constitution states that no citizen shall be arrested and brought to trial except under the terms of the law, and it guarantees the right of the accused to a defense. There is, however, insufficient evidence to determine to what extent these rights are observed in practice. Amnesty International expressed concern in its 1986 Report that trials of government opponents, notably in military tribunals, do not conform to internationally recognized trial standards. In particular, defendants reportedly were not given adequate opportunity to present their defense or appeal their cases. Judicial lines of authority are unclear, especially since the regional military councils have been given responsibility for the trial of offenses against the security of the State, including "economic crimes." It is not known which trials are open to the public and under what rules of procedure the various military and civilian courts operate. The Constitution provides for a People's Supreme Court, but its jurisdiction is not known.

f. Arbitrary interference with privacy, family, home, or correspondence

Although the Constitution guarantees the inviolability of the home and privacy of correspondence, the Government conducts arbitrary searches of homes, censors private correspondence, and monitors private communications.

SECTION 2.—Respect for Civil Liberties, Including:

a. Freedom of Speech and Press

The Constitution guarantees freedom of expression "in the context of the achievement of the basic objectives of the People's Republic of Angola." In fact, the Angolan people live under censorship, intimidation and Government control of the media. Opposition views are not tolerated, and critics such as Bartolomeu Dias Fernandes, who was accused of "insulting the Head of State," have been sentenced to long prison terms.

The Government is especially sensitive to criticism in the foreign press. But in 1986 the Government began to allow the travel of foreign correspondents to Angola in a controlled flow. Angola subscribes to the "Front Line" States' ban on accepting South Africa-based news correspondents. The circulation of Western journals and periodicals in Angola is tightly restricted.

b. Freedom of peaceful assembly and association

Freedom of assembly is denied to any political group or movement other than the MPLA. All other political movements have been banned. There are numerous unconfirmed reports of arrests of people who voice support of opposition movements or alternative political systems. The people's vigilance brigades, which have some law enforcement authority in urban areas, and the martial law climate throughout the country tend further to restrict freedom of assembly and association.

The only trade union movement in Angola is the National Union of Angolan Workers, which is controlled by the MPLA and is a member of the continent-wide Organization of African Trade Union Unity. Traditional labor union activities are tightly controlled by the Government, and legislation ensures only a single trade union structure. Strikes are prohibited by law as a crime against the security of the State.

c. Freedom of religion

Although the Constitution guarantees the inviolability of freedom of conscience and belief and provides for separation of church and state, the Government publicly emphasizes the importance of propagating "atheism" and has been critical of religious activities. The overwhelming majority of the Angolan population is Christian, however, and the Government has not moved to close down churches. Church services are regularly held, and there is widespread attendance. Foreign and Angolan missionaries are allowed to carry out their normal activities. Reportedly, UNITA respects freedom of religion in the areas it controls. But in 1986, UNITA several times captured foreign missionaries, releasing them unharmed after publicly warning them of the dangers of being caught in the war's crossfire.

d. Freedom of movement within the country, foreign travel, emigration, and repatriation

As a result of the increased fighting, the Government is acutely security-conscious and has tightly restricted travel. Indeed, travel by road in most areas of Angola is dangerous. The Government has instituted a pass system within Angola, and foreigners are generally prohibited from traveling outside the principal cities. UNITA has publicly warned that it considers all of Angola to be a war zone and that it cannot guarantee the safety of persons traveling there.

Angolan citizens are allowed to travel abroad, but this travel is carefully controlled by restrictions on issuance of passports and exit visas and by currency restrictions. Emigration is restricted. The Government limits travel to Angola through a selective and stringent visa policy. Angola is a party to the U.N. Protocol Relating to the Status of Refugees. There are currently approximately 70,000 Namibian, 15,000 Zairian, and 9,000 South African refugees or displaced persons in Angola. Since mid-1980, between 120,000 and 140,000 former Zairian displaced persons in Angola returned home under the auspices of the U.N. High Commissioner for Refugees.

Approximately 200,000 Angolans have taken refuge in Zaire since 1975, and an estimated 100,000 have taken refuge in Zambia. Of the estimated total of 400,000 Angolans who have left the country since independence, the Government claims that 180,000 have returned, but this claim cannot be verified.

Section 3.—Respect for Political Rights: The Right of Citizens to Change Their Government:

Citizens do not have the right to change their Government. Angola is ruled by a small group of officials within the party apparatus of the ruling MPLA. The Constitution provides for popular participation in the political process, but political activity is limited to participation in the MPLA or in one of its controlled and sanctioned organizations such as its youth wing, the Angolan

Women's Organization, or the trade union movement. Political power is centered in the elite membership of the politburo and the somewhat larger central committee. Party membership is very restricted, with fewer than 30,000 members out of a population of almost 8 million, according to the official media.

The Constitution provides for a popularly elected National People's Assembly, established in 1981, and people's assemblies at the provincial and local level. However, despite recent suggestions from President Dos Santos that the powers and membership of the National People's Assembly be broadened, as of the end of 1986 only candidates chosen and endorsed by the party have been elected. Key members of the party also hold leadership positions in the people's assemblies.

Section 4.—Governmental Attitude Regarding International and Nongovernmental Investigation of Alleged Violations of Human Rights:

The Government has allowed the ICRC and United Nations International Children's Emergency Fund (UNICEF) to provide food and medical assistance in areas it controls, and UNITA allows the ICRC to conduct similar operations in areas it controls or is contesting. The Government permitted the ICRC to visit one South African prisoner in Luanda but did not respond to ICRC requests for access to all persons arrested in connection with internal events and the military situation in the country. In its 1986 Report, Amnesty International reports mixed success in receiving Government responses to its inquiries and the information necessary to investigate possible abuses and track outstanding cases.

Section 5.—Discrimination Based on Race, Sex, Religion, Language, or Social Status:

Angola's population of about 8 million is growing at the rate of 3 percent a year. Estimated gross domestic product per capita in 1985 was approximately $540, but this reflects the oil revenues from the Cabinda field and has little meaning to the bulk of the population in the midst of civil war and in any case has been stagnant. Many rural inhabitants have abandoned the countryside to seek food and safety in urban areas, such as Luanda, which have been overwhelmed by the influx. Given the great poverty and hardship prevailing in most of Angola, it is difficult to point to the possible effects of discrimination on the basis of race, sex, religion, language, or social status. For the average Angolan, life is nasty, brutish and short.

Both the MPLA and UNITA have primarily ethnic bases of support—the MPLA among the Kimbundu, and UNITA among the Ovimbundu. Members of all of Angola's ethnic groups and religions, as well as women, participate in the MPLA, some at high levels of the party. But non-Kimbundu groups are greatly underrepresented in the small group within the ruling MPLA central committee and politburo. Over the last year, several prominent mesticos (Angolans of mixed racial background numbering only about 1 percent of the population) in the ruling MPLA have been removed from office or demoted. But mesticos remain the most highly skilled and educated group and are influential—politically, culturally, and economically—beyond their numbers. Women and blacks were given more positions in the top leadership by the 1985 Second Party Congress.

CONDITIONS OF LABOR

There is no information available on working conditions in Angola.

U.S. OVERSEAS—LOANS AND GRANTS—OBLIGATIONS AND LOAN AUTHORIZATIONS

[U.S. fiscal years—millions of dollars]

Country: Angola	1984	1985	1986
I. Econ. assist.—total	2.7	4.2	0
Loans	0	0	0
Grants	2.7	4.2	0
A. AID	0	0	0
Loans	0	0	0
Grants	0	0	0
(Sec. supp. assist)	0	0	0
B. Food for Peace	2.7	4.2	0
Loans	0	0	0
Grants	2.7	4.2	0
Title I—total	0	0	0
Repay. in S-loans	0	0	0
Pay. in for. curr	0	0	0
Title II—total	2.7	4.2	0
E. Relief. ec. dev & wep	2.7	2.2	0
Vol. relief agency	0	2.0	0
C. Other econ. assist	0	0	0
Loans	0	0	0
Grants	0	0	0
Peace Corps	0	0	0
Narcotics	0	0	0
Other	0	0	0
II. Mil. assist.—total	0	0	0
Loans	0	0	0
Grants	0	0	0
A. Map grants	0	0	0
B. Credit financing	0	0	0
C. Intl mil. ed. trng	0	0	0
D. Tran—excess stock	0	0	0
E. Other grants	0	0	0
III. Total econ. & mil	2.7	4.2	0
Loans	0	0	0
Grants	2.7	4.2	0
Other U.S. loans	84.8	0	0
Ex-Im Bank loans	84.8	0	0
All other	0	0	0

ASSISTANCE FROM INTERNATIONAL AGENCIES

	1984	1985	1986	1946–86
Total	33.1	1.3	0	75.1
IBRD	0	0	0	0
IFC	0	0	0	0
IDA	0	0	0	0
IDB	0	0	0	0
ADB	0	0	0	0
AFDB	31.7	1.0	0	47.5
UNDP	1.4	0.3	0	18.5
Other—UN	0	0	0	9.1
EEC	0	0	0	0

GREEK INDEPENDENCE DAY

Mr. DECONCINI. Mr. President, today we commemorate Greek Independence Day. Today, above others, we remember and salute the history of democratic freedom both of our Hellenic brothers as well as all democracies throughout the world. The unique relationship between our two governments and peoples has long been established. Their struggle for independence parallels our own. The American revolution became one of the ideals of the Greeks as they fought for their independence in the 1820's, and intellectuals actually translated the Declaration of Independence of the United States and used it as their own declaration. After an impassioned plea by Petros Mavomichalis, a Greek commander in chief, many volunteers from various localities in the United States sailed to Greece to participate in Greece's war for independence.

Our own history, here in the United States, is deeply intertwined with Greece. Leaders such as Thomas Jefferson, James Madison, and Alexander Hamilton praised the model established by the ancient Greeks, a model that has proven to be indestructible throughout the changing forces of time. It is indeed true as Thomas Jefferson said:

> * * * to the ancient Greeks * * * we are indebted for the light which led ourselves out of gothic darkness.

Greek Independence Day, 1987, marks the 166th anniversary of the beginning of the revolution which freed the Greeks from the Ottoman empire. Since that time they have built a society which has progressively grown to the democracy in existence today.

Greece has proven to be a valuable ally on both military and economic spheres. During World War II, 600,000 Greeks died fighting with the allies. Following the war, Greece's struggle against Communist rebels provided the same example of fierce determination in maintaining its freedom as it did during their struggle to overthrow the Ottomans. Today, as a member of NATO, Greek support for U.S. bases which provide security for the entire NATO region is crucial for Western democratic interests. Economically, Greece has established itself as a strong and valuable trading partner to the European Community and the United States providing important commodities and resources.

Mr. President, we see around us in the world many groups struggling for their freedom, just as the Greeks did 166 years ago. In Afghanistan, we see rebels fighting for self-determination; in Angola, we see frustration from oppression manifesting itself in guerrilla warfare; in Thailand, we see refugees turned away from sanctuary; in South Korea, we see middle-class citizens demonstrating for expanding democracy; and in South Africa, we see people being denied their basic civil rights purely on the basis of the color of their skin. The example of Greece, both the wisdom of the ancients as well as the steadfast determination of today's democracy, is a model for those countries struggling for their freedoms.

While we celebrate Greek Independence Day, we also share in the 200th anniversary of the signing of our own Constitution. This document established for civil law the unequivocal rights of democracy and freedom, rights that were first recognized by the ancient Greek philosophers such as Plato and Aristotle.

Our own leaders, since the establishment of this constitutional democracy, have drawn from the teachings of the ancients, and have recognized the example set forth by the struggle of the Greeks. The words of President Harry

S. Truman summarize this best: "The valor of Greece * * * convinces me that the Greek people are equal to the task." And so, Mr. President, today we congratulate the Greeks, and thank them for this "valor" which has given so much to the philosophy and tenacity of democracy throughout the world.

ILLITERACY

Mr. WIRTH. Mr. President, I rise to express my deep concern over the growing problem of illiteracy in our Nation.

Present evidence indicates that millions of Americans do not have the minimal skills necessary to function in our society. These people cannot read a newspaper, fill out a job application, read a ballot, or understand a warning label on a bottle of medicine.

Although definitions of illiteracy vary, there can be no denying the scope of this problem in the United States. The latest administration figures estimate that 17 to 21 million American adults, 13 percent of the population, are illiterate by the simplest tests of everyday reading, writing, and comprehension. Additionally, 38 million adults have not completed high school and are estimated to have only marginal abilities to perform these tasks.

If these numbers are correct, almost one-third of the adult American population lacks the basic abilities to participate effectively in everyday life. The effect of these numbers on our economic productivity and national security are staggering. An additional effect of widespread illiteracy is the lack of an informed citizenry capable of actively functioning in a democracy.

I would now like to highlight three particular areas of concern that may be attributed to illiteracy. First, illiteracy is most harmful to those with the greatest needs; namely, the poor and minorities. With the highest rates of illiteracy located in the lowest income levels, little opportunity exists for economic self-improvement among the poor and minorities, crime increases, and dependence on federally funded welfare programs grows.

Second, as the complexities of our technological and information-oriented society demand ever greater skills, there is concern that the number of functional illiterates will grow. Employers often find it necessary to provide extra or remedial training programs for employees with marginal reading and comprehension skills. Similarly, the military attracts a large percentage of recruits with a reading ability below the level required for job-related reading materials. The only possible end result of this phenomenon is a decline in our Nation's economic productivity and national security.

Third, while there is no universally accepted international comparison of literacy, there is little doubt that the United States is falling behind other leading Western nations in literacy levels. The future implications of this trend are a lessening of our comparative technological advantage, a decline in American worldwide prestige, and, most likely, an increasing trade deficit. If we, as a nation, cannot teach our citizens simple skills like reading and writing, then how is our Nation supposed to compete effectively in an increasingly complex and interdependent world?

Certainly, not all of our Nation's problems are singularly attributable to illiteracy. Nevertheless, illiteracy is a huge drain on our Nation's resources. I cite a report by the American Library Association that claims functionally illiterate adults cost our society $224 billion annually in welfare payments, crime, and prison costs, job incompetence, lost taxes, and remedial education. In a time of huge Federal budget and trade deficits, this figure is patently unacceptable. I urge my colleagues in the Senate to strive in this session toward the elimination of this burdensome problem, both in educating currently illiterate adults and making sure our children do not grow up lacking the basic skills to function in our society. Through the alleviation of illiteracy, the United States may improve economic productivity, national security, and technological advancement, and gain an informed citizenry that can view the future with courage and confidence.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal, which were referred to the appropriate committees.

(The nominations and withdrawal received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:32 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 568. An act to establish the San Pedro Riparian National Conservation Area in Cochise County, Arizona, in order to assure the protection of the riparian, wildlife, archeological, paleontological, scientific, cultural, educational, and recreational resources of the conservation area, and for other purposes; and

H.J. Res. 122. Joint resolution to designate the week beginning July 13, 1987, as "Snow White Week".

At 3:07 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 632. An act to amend the Legislative Branch Appropriations Act, 1979, as reenacted, to extend the duration of the Office of Classified National Security Information within the Office of the Secretary of the Senate, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

S. 632. An act to amend the Legislative Branch Appropriations Act, 1979, as reenacted, to extend the duration of the Office of Classified National Security Information within the Office of the Secretary of the Senate, and for other purposes.

The enrolled bill was subsequently signed by the Deputy President pro tempore [Mr. MITCHELL].

MEASURES REFERRED

The following bill and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 568. An act to establish the San Pedro Riparian National Conservation Area in Cochise County, Arizona, in order to assure the protection of the riparian, wildlife, archeological, paleontological, scientific, cultural, educational, and recreational resources of the conservation area, and for other purposes; to the Committee on Energy and Natural Resources.

H.J. Res. 122. Joint resolution to designate the week beginning July 13, 1987, as "Snow White Week"; to the Committee on the Judiciary.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, March 25, 1987, he had presented to the President of the United States the following enrolled bill:

S. 632. An act to amend the Legislative Branch Appropriations Act, 1979, as reenacted, to extend the duration of the Office of Classified National Security Information within the Secretary of the Senate, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FORD, from the Committee on Rules and Administration:

Special Report on the Legislative Review Activities of the Committee on Rules and

Administration during the 99th Congress (Rept. No. 100-22).

By Mr. BENTSEN, from the Committee on Finance, without amendment:

S. 829: An original bill to authorize appropriations for the United States International Trade Commission, the United States Customs Service, and the Office of the United States Trade Representative for fiscal year 1988, and for other purposes (Rept. No. 100-23).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources:

James W. Ziglar, of Maryland, to be an Assistant Secretary of the Interior;

Lawrence F. Davenport, of Virginia, to be an Assistant Secretary of Energy (Management and Administration); and

Raymond G. Massie, of New Jersey, to be Director of the Office of Minority Economic Impact.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Frank H.T. Rhodes, of New York, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 1992;

Haward A. Schneiderman, of Missouri, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 1992; and

Charles A. Shanor, of Georgia, to be General Counsel of the Equal Employment Opportunity Commission for a term of four years.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. INOUYE (for himself, Mr. Hollings, Mr. Danforth, and Mr. Packwood):

S. 828. A bill to provide authorization of appropriations for activities of the National Telecommunications and Information Administration; to the Committee on Commerce, Science, and Transportation.

By Mr. BENTSEN from the Committee on Finance:

S. 829. An original bill to authorize appropriations for the U.S. International Trade Commission, the U.S. Customs Service, and the Office of the U.S. Trade Representative for fiscal year 1988, and for other purposes; placed on the calendar.

By Mr. STAFFORD (for himself, Mr. Dole, and Mr. Pell):

S. 830. A bill to clarify the treatment of certain education loans in bankruptcy proceedings; to the Committee on the Judiciary.

By Mr. BINGAMAN (for himself, Mr. Rockefeller, Mr. Baucus, Mr. Glenn, Mr. Riegle, Mr. Chiles, Mr. Sarbanes, Mr. Kerry, and Mr. Byrd):

S. 831. A bill to provide grants to States for fellowships for individuals who have outstanding ability, demonstrate an interest in a teaching career, and will teach in areas of the State in which there is a shortage of quality elementary or secondary school teachers or in fields of study in which there is a shortage of quality elementary or secondary school teachers, or both, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DOMENICI (for himself, Mr. Dole, Mr. Quayle, Mr. Garn, Mr. Graham, and Mr. Symms):

S. 832. A bill to provide for improved Federal fiscal procedures; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee has 30 days of continuous session to report or be discharged.

By Mr. HECHT (for himself, Mr. Proxmire, Mr. Heinz, Mr. Reid, and Mr. Baucus):

S. 833. A bill entitled the "Nuclear Waste Transportation Prohibition Through Urbanized Areas Act of 1987"; to the Committee on Environment and Public Works.

By Mr. BOSCHWITZ:

S. 834. A bill for the relief of Elisa Mollahan; to the Committee on the Judiciary.

By Mr. WILSON (for himself, Mr. Chiles, and Mr. McClure):

S. 835. A bill to improve the safety of imported raw agricultural commodities produced with pesticides, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. JOHNSTON (by request):

S. 836. A bill to amend the Department of Energy Organization Act to authorize protective force personnel who guard the strategic petroleum reserve or its storage and related facilites to carry firearms while discharging their official duties and in certain instances to make arrests without warrant; to establish the offense of trespass on property of the strategic petroleum reserve; and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. KENNEDY:'

S. 837. A bill to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. LAUTENBERG (for himself, Mr. Wirth, Mr. Kennedy, Mr. Bingaman, Mr. Riegle, Mr. Bradley, Mr. Moynihan, Mr. Sarbanes, Mr. Kerry, Mr. Dodd, and Mr. Matsunaga):

S. 838. A bill to provide financial assistance to the States for computer education programs, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. JOHNSTON (for himself and Mr. McClure):

S. 839. A bill to authorize the Secretary of Energy to enter into incentive agreements with certain States and affected Indian tribes concerning the storage and disposal of high-level radioactive waste and spent nuclear fuel, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. THURMOND (for himself, Mr. Boschwitz, Mr. Warner, Mr. Inouye, Mr. Bingaman, and Mr. Cochran):

S. 840. A bill to recognize the organization known as the 82d Airborne Division Association, Inc.; to the Committee on the Judiciary.

By Mr. DODD (for himself, Mr. Pell, Mr. Simon, and Mr. Kennedy):

S. 841. A bill to establish and expand foreign language and international education programs designed to strengthen the competitiveness of American industry, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. CRANSTON:

S. 842. A bill to amend the Peace Corps Act to authorize appropriations for fiscal years 1988 and 1989, to authorize the encouraging of contributions to the Peace Corps, and to provide for activities to promote Americans' understanding of other peoples; to the Committee on Foreign Relations.

By Mr. STAFFORD:

S. 843. A bill to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 to extend and improve the procedures for the protection of the public from nuclear incidents; to the Committee on Environment and Public Works.

By Mr. SIMON:

S. 844. A bill to exempt certain activities from provisions of the antitrust laws; to the Committee on the Judiciary.

By Mr. LEAHY (for himself, Mr. Heflin, and Mr. Harkin):

S. 845. A bill entitled the "Rural Area Revitalization Act of 1987"; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BOREN (for himself, Mr. Cohen, Mr. Bentsen, Mr. Boschwitz, Mr. Bradley, Mr. Chiles, Mr. Cochran, Mr. Cranston, Mr. DeConcini, Mr. Dodd, Mr. Dole, Mr. Durenberger, Mr. Exon, Mr. Garn, Mr. Glenn, Mr. Gramm, Mr. Hatch, Mr. Hecht, Mr. Hollings, Mr. Inouye, Mr. Leahy, Mr. Lugar, Mr. McCain, Mr. Metzenbaum, Mr. Mitchell, Mr. Moynihan, Mr. Murkowski, Mr. Nickles, Mr. Nunn, Mr. Pell, Mr. Roth, Mr. Rudman, Mr. Specter, Mr. Stennis, Mr. Symms, Mr. Warner, and Mr. Wilson):

S.J. Res. 104. Joint resolution to designate the week of May 31, 1987, through June 6, 1987, as "National Intelligence Community Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HOLLINGS:

S. Res. 175. Resolution regarding the policy for reviewing the negotiation record of the ABM Treaty; to the Committee on Foreign Relations.

By Ms. MIKULSKI (for herself, Mr. Kennedy, Mr. Sanford, Mr. Moynihan, Mr. Weicker, Mr. Simon, Mr. Sarbanes, Mrs. Kassebaum, Mr. Dodd, and Mr. Cranston):

S. Res. 176. A bill calling for the immediate release of all the children detained under the state of emergency regulations in South Africa; to the Committee on Foreign Relations.

By Mr. HELMS:

S. Con. Res. 39. Concurrent resolution calling for the President to uphold American rights under the United States-People's Republic of China Cultural Agreement and other matters; to the Committee on Foreign Relations.

S. Con. Res. 40. Concurrent resolution expressing the sense of Congress that the current urgent situation in human rights in the People's Republic of China should be placed on the agenda of the United Nations Commission on Human Rights at its next meeting in Geneva, Switzerland; and that the Congress calls upon the Government of the People's Republic of China to release Mr. Yang Wei; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. INOUYE (for himself, Mr. Hollings, Mr. Danforth, and Mr. Packwood):

S. 828. A bill to provide authorization of appropriations for activities of the National Telecommunications and Information Administration; to the Committee on Commerce, Science, and Transportation.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

● Mr. INOUYE. Mr. President, today I am introducing a bill to authorize appropriations for the National Telecommunications and Information Administration of the Department of Commerce.

The bill authorizes $14,718,000 for NTIA for fiscal year 1988 and $15,000,000 for fiscal year 1989, and allows for necessary nondiscretionary cost increases. The proposed figure for 1988 is identical to the amount contained in the President's fiscal year 1988 budget request submitted to Congress. These amounts represent increases from the $13,000,000 appropriated to NTIA in fiscal year 1987. These increases include about $1 million in nondiscretionary cost hikes and an additional $725,000 in order to maintain existing levels for two programs previously funded from other sources.

NTIA serves as the principal adviser to the executive branch on domestic and foreign telecommunications issues, develops plans and policies for submission before various regulatory bodies, manages Federal use of the radio frequency spectrum, and conducts research.

NTIA also plays an important role in conducting negotiations with foreign nations to advance U.S. trade possibilities and to coordinate U.S. policies within international standard-setting organizations. For example, NTIA recently successfully negotiated the China Protocol, under which China has agreed to engage in discussions with American businesses concerning trade ventures and spectrum management issues. NTIA has also been active in studying the possibilities for telecommunications development in less developed countries.

The time has come to renew our interest in and oversight of this important Government agency to ensure that U.S. policies are properly served. I urge my colleagues to support this measure.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 828

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is authorized to be appropriated for activities of the National Telecommunications and Information Administration $14,718,000 for fiscal year 1988, and $15,000,000 for fiscal year 1989, together with such sums as may be necessary for increases resulting from adjustments in salary, pay, retirement, other employee benefits required by law, and other nondiscretionary costs, for each of the fiscal years 1988 and 1989.●

By Mr. STAFFORD (for himself, Mr. Dole, and Mr. Pell):

S. 830. A bill to clarify the treatment of certain education loans in bankruptcy proceedings; to the Committee on the Judiciary.

STUDENT LOAN BANKRUPTCY PREVENTION ACT

Mr. STAFFORD. Mr. President, today Senator Dole, Senator Pell and I introduce the Student Loan Bankruptcy Prevention Act, a bill to clarify the treatment of certain education loans in bankruptcy proceedings. This bill amends title 11 of the United States Code by strictly limiting the circumstances under which guaranteed student loan borrowers are able to discharge their debts under Federal bankruptcy laws. A companion bill is also being introduced in the House by my friend and colleague, Tom Coleman, the ranking member of the House Postsecondary Education Subcommittee.

Financial aid officers from around the Nation have expressed concern about increasing numbers of student loan borrowers filing chapter 13 bankruptcies. These individuals, who have enjoyed the generosity of the American taxpayers for years, are discharging their student loans entirely, or repaying a fraction of the dollar amount of their original loans. In the State of California alone, over 1,200 chapter 13 bankruptcy claims were filed during a 2½-year period. This is a dramatic increase and reflects a total value of close to $5 million. Repayment of 10 percent or less on these debts under liberal chapter 13 bankruptcy provisions, results in a tremendous cost to the Federal Government. This legislation would track what is already current law for chapter 7 bankruptcy cases. Simply stated, borrowers claiming bankruptcy under chapter 7 must repay their Federal student loan debts in full.

During the past year, over $1.3 billion in default claims were paid out in the GSL Program and over 14 percent of the loans in the NDSL Program will be in default. For those of us in the Congress who support education programs, these defaults represent money which could be going to other student borrowers. Particularly in the case of the NDSL Program, money which is not repaid to the schools is money which cannot be loaned to other needy low-income students.

Who are these student borrowers who are trying to escape their responsibilities by filing chapter 13 bankruptcies? Profiles sent to me by financial aid officers alarmed by the practice point to doctors, lawyers, and other professionals. The Congress put a stop to their use of chapter 7 bankruptcy loopholes several years ago. It is time to call a halt to similar abuses under chapter 13 proceedings.

Certainly, GSL and NDSL borrowers who experience severe financial crises deserve the same legal protections afforded other individuals with unmanageable debts. The circumstances of their borrowing, however, differ from conventional loans. Student loans are available because the Federal Government and the American people believe that the pursuit of educational achievement should not be limited by economic hardship. Hard working people who have not had the opportunity to attend college themselves make GSL's and NDSL's a reality for these students. In the mind of this Senator, that kind of public trust must be honored by those who reap the benefit.

In offering this legislation today, I would be remiss if I did not mention the hard work of the Coalition of Higher Education Assistance Organizations in bringing this problem to the attention of the Congress. I look forward to working with the members of this organization in working for passage of the Student Loan Bankruptcy Prevention Act.

Mr. President, I ask that the bill be printed in its entirety in the Congressional Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 830

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Student Loan Bankruptcy Prevention Act".

TREATMENT OF CERTAIN EDUCATION LOANS IN BANKRUPTCY PROCEEDINGS

Sec. 2. (a) General Rule.—Section 1328(a)(2) of title 11, United States Code, is amended by striking out "section 523(a)(5)" and inserting in lieu thereof "paragraph (5) or (8) of section 523(a)".

(b) Effective Date.—The amendment made by subsection (a) shall not apply to any case under title 11, United States Code, commenced before the date of the enactment of this Act.

By Mr. BINGAMAN (for himself, Mr. Rockefeller, Mr. Baucus, Mr. Glenn, Mr. Riegle, Mr. Chiles, Mr. Sarbanes, Mr. Kerry, and Mr. Byrd):

S. 831. A bill to provide grants to States for fellowships for individuals who have outstanding ability, demonstrate an interest in a teaching career, and will teach in areas of the State in which there is a shortage of quality elementary or secondary school teachers or in fields of study in which there is a shortage of quality elementary or secondary school teachers, or both, and for other purposes; to the Committee on Labor and Human Resources.

FUTURE TEACHER TRAINING CORPS ACT

Mr. BINGAMAN. Mr. President, I rise to reintroduce legislation to confront the problem of teacher shortages and teacher quality in our country. My bill, the Future Teacher Training Corps Act, is the same version I introduced in the 99th Congress. Senators Rockefeller, Baucus, Glenn, Riegle, Chiles, Sarbanes, Kerry, and Byrd have joined me as original cosponsors.

I ask unanimous consent that Senator Byrd be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. It has almost been a year since I first introduced this legislation, yet the pressures facing us to meet the coming teacher shortage and to assure quality education for our children have not abated. In fact, the debate about improving our educational system and the emphasis on educational reform all may prove meaningless unless we have enough quality teachers to implement these changes. All indicators, today, point to a teacher deficit throughout our schools.

This deficit comes at a particularly challenging time in our Nation's history. We are in the grip of a national economic crisis that affects our long-term ability to compete in the international marketplace. Any discussion of our competitiveness must, therefore, include a discussion of our education, the quality of which begins in the classroom and comes full circle back to the excellence of our teachers.

What is holding us back from filling our teacher deficit? What we are competing against are strong demographic and social forces that are creating the current shortage. Four such trends are compounding the problem.

The first trend shows that within the next 10 years there will not be enough teachers to meet the student demand. The Carnegie Forum on Education and the Economy estimates that between 1986 and 1992 this Nation will need 1.3 million new teachers. This occurs against a backdrop of a declining pool of young college graduates from which prospective teachers can be recruited. Last year, the chief recruiter from the Albuquerque Public School District in New Mexico did a survey of area colleges to determine how many students had chosen education as their profession. Of 95,631 total university students at selected universities in the States of Colorado, New Mexico, and Arizona, only 5 percent were enrolled in teacher training. The University of New Mexico was the lowest at 3 percent. This explains why my State of New Mexico is being forced to go beyond its borders to fill 50 percent of its teacher demand. The demand for teachers also plays against an increasing older teacher force. The Carnegie Forum estimates that fully one-half of the teachers teaching today in the public schools will retire in the next 6 years—at a time when the children of the baby boomers are swelling the enrollment in our schools.

One of the largest school district in my State, the Albuquerque Public School District, is feeling the pinch. The district reports that soon, recruiters will seek 375 new teachers for the coming school year outside the State. Another 225 new teachers will be recruited from New Mexico colleges. Annually, the district must replace 600 teachers from turnover, growth, and retirements. Yet, this district is one of the most desirable places to teach in New Mexico, whereas more remote areas are hard pressed to attract and keep teachers in their schools.

What I find even more appalling is that in other parts of our country, teacher recruitment goes beyond State lines to foreign countries. According to a Wall Street Journal article dated January 15, 1987, some districts have been recruiting in Germany, Spain, and other nations with an oversupply of teachers. New York reports it has imported about 200 teachers from Spain over the past 2 years.

A second trend shows that the quality of students attracted to teaching is creating a serious problem. Recent data indicates that almost one-half of the students enrolled in teacher education come not from academic programs but from general and vocational programs. Also influencing the quality of our teachers is the practice of issuing emergency certificates. Many States do it, and the practice continues to put unqualified teachers in the classroom who must teach subjects outside of their fields of competence. The U.S. Department of Education found that in 1981, 58 percent of the new teachers teaching mathematics were in fact not certified or eligible for certification to teach math courses. Fifty-five percent of the teachers teaching sciences and 50 percent of teachers teaching English were also not eligible.

A third trend is the growing number of disadvantaged students in our schools—students from low-income families, from non-English speaking backgrounds, and from single-parent households. They pose an immense challenge for teachers and our educational system. These students need teachers who have a more sophisticated and complete understanding of their subjects and their students. Simply stated, these disadvanaged students are more dependent upon schools than are students from more advantaged backgrounds.

The final and fourth trend is the declining proportion of minority teachers in our teaching force. The changing composition of the student body is, in fact, the reverse of the changing composition of our teaching force. The minority student population continues to increase, while the percentage of minority teachers is declining. By the 1990's minorities will constitute 30 percent of the total school population; yet, they will comprise less than 5 percent of the elementary and secondary teaching force. Our students need role models and a teaching system that reflects the diversity of the Nation's racial and cultural heritage.

Mr. President, by no means do I feel that my bill is a panacea for the trends I have just described. I do believe, however, that it serves as an excellent starting point to encourage students and midcareer individuals to go into teaching, while at the same time pushing for excellence in our teachers.

The purpose of the Future Teacher Training Corps Act is to award graduate fellowships through State grants to outstanding undergraduate students and to midcareer people who are interested in the teaching profession. In return for the scholarship, the recipient will agree to teach in geographical areas of the State and/or in subject areas where a teacher shortage exists. The bill defines fields of study in shortage areas as math, the sciences, and any other three subjects determined by the State. Geographic shortage areas, also determined by the State, may include remote rural areas or inner city schools.

The State would be the grantee, receiving grants in proportion to its share of the total school-age population. The bill requires that recipients be selected on the basis of outstanding scholarship in undergraduate school, and if appropirate, previous work experience.

The bill sets certain preconditions that a State must meet to qualify as a grantee. One of these requirements is that a recipient may only attend institutions that have a Clinical Internship Program approved by the State. Further, the State must have a precertification teachers examination program in place by the time the first recipients graduate.

These two requirements work together to ensure that students will have a practical internship experience, while also requiring that the State have in place an exam for entering teachers to test their academic skills. Currently 44 States have in place or are considering a precertification exam for incoming teachers. This represents 14 additional States from last years total of 30 States.

A third prerequisite requires that the State have in place a continuing education requirement for practicing teachers. Maintaining and improving one's skills applies to all of us, but particularly to teachers, since changes occur frequently in subject matter areas and techniques.

Education experts point to the serious underrepresentation of minority teachers in the United States. This bill requires the State to recruit underrepresented groups in teaching, including black Americans, Hispanics, Asian Americans, and American Indians.

A student will continue to receive a $5,000 annual fellowship if he or she is enrolled full time in a graduate program pursuing teacher certification, participates in a Clinical Internship Program approved by the State, and if appropriate, pursues academic courses in the field in which he or she intends to teach.

Those targeted for participation are students now in undergraduate school that may need an incentive to enter teaching, or those desiring to make a midcareer change. Recipients cannot be certified by the State at the time of the award, so the legislation will not take current teachers out of the teaching force and further erode our teacher supply.

In conclusion, Mr. President, I remain convinced that given the social and demographic trends pointing to a serious continuing teacher shortage, we in the Senate must act.

Teacher education continues to belong to the States and the universities, but there is also room for the Federal Government to promote capable individuals to consider teaching careers. I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 831

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Future Teacher Training Corps Act".

SEC. 2. Title V of the Higher Education Act of 1965 is amended by adding at the end thereof the following new part:

"PART F—FUTURE TEACHER TRAINING CORPS FELLOWSHIPS

"FINDINGS AND STATEMENT OF PURPOSE

"SEC. 581. (a) The Congress finds that—

"(1) excellence in and access to education is a national priority to improve human resources of the Nation, particularly to maintain economic competitiveness of the Nation;

"(2) although the States and localities bear primary responsibility for elementary and secondary education, educational achievement is a national concern;

"(3) demographic trends show a serious teacher shortage with some estimates projecting by 1990 1 million new teachers will be needed in the United States;

"(4) shortages of teachers exist in certain geographic areas of each State and in certain subject matter areas;

"(5) while there is a dramatic increase in minority student population, the proportion of minority teachers is declining, so that by 1990 minorities will constitute 30 percent of the total school population and comprise less than 5 percent of the elementary and secondary teaching force; and

"(6) it is appropriate to provide fellowship funds for outstanding students and experienced individuals to encourage them to pursue careers in teaching and help address the serious teacher shortage.

"(b) The purpose of this part is to make available, through grants to the States, fellowships to individuals—

"(1) who are outstanding postsecondary students or experienced individuals, and

"(2) who demonstrate an interest in a teaching career and a desire to teach in areas of the State in which there is a shortage of elementary or secondary school teachers or in fields of study in which there is a shortage of elementary or secondary school teachers in the State, or both.

"ALLOTMENT OF FUNDS

"SEC. 582. (a) GENERAL ALLOTMENT.—From the sums available pursuant to section 590(a) to carry out this part in any fiscal year, the Secretary shall allot to each State an amount which bears the same ratio to such remainder as the school-age population of the State bears to the school-age population of all States, except that no State shall receive less than one-half of 1 percent of such remainder.

"(b) MOST RECENT DATA.—For the purpose of this section, the population of a State and of all States shall be determined by the most recently available data from the United States Census Bureau.

"(c) REALLOTMENT.—If any State elects not to receive its allotment under this part, the Secretary shall reallot among the remaining States, amounts from such State in accordance with subsection (a) of this section.

"(d) DEFINITION.—For the purpose of this section, the term 'school-age population' means the population 5 years of age through 17 years of age.

"SELECTION OF FELLOWSHIP RECIPIENTS

"SEC. 583. (a) SELECTION REVIEW PANEL.—The Governor shall appoint a Selection Review Panel for the purpose of selecting individuals who will be awarded fellowships under this part who are interested in careers in teaching and who agree to teach in areas of the State in which there is a shortage of elementary or secondary school teachers or in fields of study in which there is a shortage of elementary or secondary school teachers in the State, or both.

"(b) SELECTION PROCEDURE.—(1) The Governor shall establish selection procedures to be applied by the Selection Review Panel appointed pursuant to subsection (a), together with such application procedures as may be necessary.

"(2) The application procedures established under paragraph (1) shall include—

"(A) rank in the graduating class at an institution of higher education,

"(B) grade point average in the institution of higher education,

"(C) leadership activities in the institution of higher education,

"(D) scores on recognized admission examinations for institutions of higher education and for graduate education, if applicable,

"(E) recommendations of faculty at an institution of higher education,

"(F) submission of evidence of scholarship, including a writing sample or a completed project, and

"(G) a description of previous work experience.

"GRANT APPLICATIONS

"SEC. 584. (a) IN GENERAL.—The Secretary is authorized to make grants to States in accordance with the provisions of this part. In order to receive a grant under this part, a State shall submit an application at such time, in such manner, and containing or accompanying such information as the Secretary may prescribe. Each application shall set forth a program of activities for carrying out the purpose set forth in section 581 in such detail as will enable the Secretary to determine the degree to which such program will accomplish such purpose.

"(b) TERMS OF APPLICATIONS.—The Secretary shall approve an application only if the application—

"(1) describes the selection criteria and procedures to be used by the State in the selection of fellowships under this part which meet the requirements of section 583 and the other provisions of this part;

"(2) provides that the Governor of the State will administer the program;

"(3)(A) describes the outreach effort the Governor intends to use to publicize the availability of the fellowships authorized by this part to postsecondary students in the State and to potential midcareer applicants in the State;

"(B) provides assurances that the State will recruit among underrepresented groups for the program authorized by this part, particularly Black Americans, Hispanics, Asian Americans, and American Indians;

"(4) provides assurances that each recipient eligible under section 586(c) who receives a fellowship shall enter into an agreement with the governor under which the recipient shall—

"(A) within the 3-year period after completing the postsecondary education for which the fellowship was awarded—

"(i) teach in areas of the State in which there is a shortage of elementary or secondary school teachers or in fields of study in which there is a shortage of elementary or secondary school teachers in the State for a period of not less than 3 years for the first year for which assistance was received and 4 years if the recipient receives assistance for 2 years; and

"(ii) teach in areas of the State in which there is a shortage of elementary or secondary school teachers in a field of study in which there is a shortage of elementary or secondary school teachers in the State for a period of not less than 2 years for the first year for which assistance was received, and

3 years if the recipient receives assistance for 2 years,

in an elementary or secondary school of a local educational agency of such State, a public elementary or secondary school of such State, an Indian school funded by the Bureau of Indian Affairs, or a public educational program in such State, any of which may be determined by such State, but in no event shall any recipient be required to teach for less than 2 years or more than 4 years;

"(B) provide the Governor with evidence of compliance with section 586 as required by such agency; and

"(C) repay all or part of a fellowship received under section 585 plus interest and, if applicable, reasonable collection fees, in compliance with section 587 and regulations issued by the Secretary under section 588, in the event that the conditions of clause (A) are not complied with, except as provided for in section 589;

"(5) provides (A) that the agreement entered into with recipients shall fully disclose the terms and conditions under which assistance under this part is provided and under which repayment may be required, and (B) a description of the manner in which the Governor will collect amounts owed under the program authorized by this part;

"(6) provides assurances that fellowship recipients may only attend institutions of higher education that have a clinical internship or experience program approved by the State;

"(7) provides that the State has a continuing education requirement for practicing teachers within the State;

"(8) provides assurances that a precertification teachers examination program will be in effect not later than 2 years after the first fellowships are awarded in the State under this part;

"(9) provides assurances that fellowships authorized by this part will be awarded without regard to sex, race, handicapping condition, or creed;

"(10) provides assurances that, with respect to the awarding of fellowships under this part, equal opportunity will be given to all postsecondary students in the State; and

"(11) provides that not more than 3 per centum of the grant shall be used for the adminsitrative costs of the State in carrying out the provisions of this part.

"(c) CONSULTATION.—In developing the selection criteria and procedures to be used by the State, the State shall solicit the views of local educational agencies and other interested parties as the State deems appropriate, including classroom teachers, representatives of institutions of higher education, and representatives of the general public

"AMOUNT AND DURATION OF ASSISTANCE

"SEC. 585. (a) IN GENERAL.—Each recipient shall receive a fellowship not to exceed $5,000 for each academic year of graduate education in preparation to become an elementary or secondary school teacher. No individual shall receive fellowship assistance for more than 2 years of graduate education, as determined by the Governor.

"(b) INTERNSHIP ASSISTANCE.—Each institution of higher education, at which fellows receiving assistance under this part are enrolled in a post-baccalaureate program, is encouraged to insure that each such fellow will participate in an internship program at an elementary or secondary school of a local educational agency under which the local educational agency will provide assistance to the participating fellow.

"FELLOWSHIP CONDITIONS

"SEC. 586. (a) Recipients of fellowship assistance under this part shall continue to receive such fellowship payments only during such periods that the Governor finds that the recipient is—

"(1) enrolled in a post baccalaureate program in an institution of higher education;

"(2) pursuing such a program for teacher certification, and, if necessary, together with courses in an academic field in which the student intends to teach;

"(3) participate in a clinical internship experience program approved by the State; and

"(4) maintaining satisfactory progress as determined by such institution of higher education.

"(b) At the time a recipient of a fellowship is chosen, the recipient may not meet the teacher certification standards of the State.

"FELLOWSHIP REPAYMENT PROVISIONS

"SEC. 587. Recipients found by th Governor to be in noncompliance with the agreement entered into under section 584(b)(4) shall be required to repay a pro rata amount of the fellowship awards received, plus interest, a penalty equal to 100 percent of such pro rata amount of such fellowship awards (without regard to interest thereon), and, where applicable, reasonable collection fees, on a schedule and at a rate of interest to be prescribed by the Secretary by regulations issued pursuant to this part.

"EXCEPTIONS TO REPAYMENT PROVISIONS

"SEC. 588. (a) IN GENERAL.—A recipient shall not be considered in violation of the agreement entered into pursuant to section 584(b)(4)(C) if the recipient—

"(1) is serving, not in excess of 3 years, as a member of the armed services of the United States;

"(2) is temporarily totally disabled for a period of time not to exceed 3 years as established by sworn affidavit of a qualified physician;

"(3) is unable to secure employment for a period not to exceed 12 months by reason of the care required by a spouse who is disabled;

"(4) is seeking and unable to find full-time employment for a single period not to exceed 12 months; or

"(5) satisfies the provisions of additional repayment exceptions that may be prescribed by the Secretary in regulations issued pursuant to this part.

"(b) TOTAL DISABILITY.—A recipient shall be excused from repayment of any fellowship assistance received under this part if the recipient becomes permanently and totally disabled as established by sworn affidavit of a qualified physician.

"AUTHORIZATION

"SEC. 589. (a) AUTHORIZATION AND NUMBER OF FELLOWSHIPS AUTHORIZED.—(1) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this part for the fiscal year 1988 and for each of the succeeding fiscal years ending prior to October 1, 1991.

"(2) The Secretary is authorized during the fiscal year 1988 and for each of the succeeding fiscal years ending prior to October 1, 1991, to award not to exceed 5,000 fellowships under this part.

"(b) AVAILABILITY OF FUNDS.—Sums appropriated pursuant to this section for any fiscal year shall be available until the end of the second fiscal year succeeding the fiscal year for which they were appropriated.

"DEFINITIONS

"SEC. 590. As used in this part—

"(1) 'clinical internship or experience program' means a program that provides the student with a progressive series of preprofessional field experiences in a regular school classroom setting on a regular basis throughout the student's graduate education, including classroom observation, tutorial roles with students, teacher helper roles, teacher aide roles, and internships or periods of student teaching;

"(2) 'continuing education' means a program of education that takes into account developments in theories of learning and content areas, and may indclude locally based in-service instruction;

"(3) 'fields of study in which there is a shortage of elementary or secondary school teachers' means mathematics, the sciences, and any 3 other fields of study designated by the Governor;

"(4) 'Governor' means the chief executive of a State; and

"(5) 'State' means the several States of the Union, the District of Columbia, and the Commonwealth of Puerto Rico.".

● Mr. GLENN. Mr. President, I am deeply concerned about the serious decline in the quality of math and science education in this country. I believe that we need to take immediate action to address this problem. That is why I have joined my colleague, Senator BINGAMAN, as an original cosponsor of the Future Teacher Training Corps Fellowship Program.

In 1960, John Kennedy called on the American people to join with him in meeting the challenges of the New Frontier. We responded to that call and moved our economy into its most dynamic decade of growth in this century. We did it by expanding opportunities for all of our citizens and by setting new standards of excellence in education, research, and development. The world has changed dramatically since then and so have the challenges that confront us.

Our scientific and technological leadership is being overtaken by competitors throughout the world, the productivity of our workers and industries is lagging behind that of our trading partners, and the foundation of educational excellence upon which we built our international preeminence is being eroded by a rising tide of mediocrity. Our education system is simply not providing the education in science and technology which is required in order for our young people to move into high-technology jobs.

In business, in government, and in the military, science is becoming the key to success. My own State of Ohio has come to the realization that even smokestack America is a high-technology industry. Just outside of Canton, OH, a steel processing facility has computerized much of its operation and is using sophisticated materials-handling techniques and equipment. While steelmaking experience is important, high-technology education is just as vital for workers at this plant.

As our need for scientific and engineering personnel increases, we are in danger of drawing down our pool of qualified personnel to dangerously low levels. We can no longer tolerate substandard instruction in math and science in our public schools, yet we lack incentives for highly qualified persons to take teaching positions. This legislation addresses this problem by awarding graduate fellowships through a State grant to outstanding undergraduate students and those in midcareer. These individuals must be interested in devoting a specified amount of time to the teaching profession and they must want to teach in subject area where a teacher shortage exists or in an area of the State in which there is a teacher shortage. I have long been an advocate of this type of approach and, in previous years introduced similar legislation on this issue.

The challenge of international competition and technological change place a premium on the kind of long-term investments in education that this bill provides. I urge my colleagues to join me in cosponsoring this important legislation.●

By Mr. DOMENICI (for himself, Mr. DOLE, Mr. QUAYLE, Mr. GARN, Mr. GRAHAM, and Mr. SYMMS):

S. 832. A bill to provide for improved Federal fiscal procedures; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee has 30 days of continuous session to report or be discharged.

FEDERAL FISCAL PROCEDURES IMPROVEMENT ACT

Mr. DOMENICI. Mr. President, I rise today to introduce the Federal Fiscal Procedures Improvement Act of 1987. I am pleased that the distinguished minority leader, Senator DOLE, has joined me, along with Senator QUAYLE, Senator GARN, and Senator GRAHAM. I have not had an opportunity, I say to the rest of the Senators, to circulate this proposal. The reason that some of the Senators are on it is obvious to them. Many of the proposals encapsulated in this comprehensive bill are theirs. They have suggested them heretofore and they are freestanding proposals of theirs or they are part of the Gramm-Rudman-Hollings approach to mandatory sequestration. But I am especially pleased that Senator DOLE would join me.

Simply stated, it is my sincere desire to see to it that our budget goals, once established, are reached in an orderly and in a reasonable way and that credibility and accountability are restored to this system.

I am not one that thinks procedures will help us avoid the hard votes. But I am one that is convinced at this point that it is extremely difficult for many Members here and for the President of the United States, to support our processes because, in a very real way, they are the opposite of what I have just stated our goals should be. They are not very orderly. They are not very credible. They are enormously complex, arcane and, if you look back over a period of 8 or 10 years, they are lacking in reliability and credibility. For this I blame no one, other than a very complex process.

I think the vast majority of my colleagues will agree that our budget and appropriation processes have not been working in the way that we intended. The President has once again this week referred to the sorry spectacle of Congress' fiscal machinery.

I have, from time to time, been critical of his budgets, so with respect to this entire process, let me just say there is plenty of blame to go around.

We spend too much of our time every year debating almost endless budget questions. Our authorizing committees have been squeezed out of the schedule of the budget and appropriation-related cycle. We have come to use our reconciliation bills as the primary vehicle for authorizations. They have nothing to do with deficit reductions and, in some cases, they actually worsen the deficit.

I would almost be bold enough to say, without even doing an audit, that we have probably passed as many new authorization bills in reconciliation as we have in straight, freestanding authorization bills using the entire process of the Congress.

I would also be bold enough to say without an audit that while reconciliation has saved money as mandated in the first year, the year of the mandate, that almost all reconciliation bills have had another side of the coin; that is, that they have changed programs, added programs such that over a 3- or 4-year time period they cost us money rather than save money.

We seem to have an increasingly difficult time completing our appropriations work on time, and I know that many will blame this on our own appropriators, and justifiably so: we have different rules here than the House and, therefore, they can get started and we cannot. I understand that. Part of what I propose would clear that up by making the rules as they apply to accounting and points of order the same in both Houses.

Essentially, in the remarks that I have prepared here, I have gone through somewhat of a history of our successes and our failures. I ask the Senate to consider these ideas all together in one package because I do not believe our procedural problems can be solved in any piecemeal manner.

Mr. President, I know some will immediately say you cannot solve our fiscal problems by changing the procedures. I probably said that two or three times over the past 5 or 6 years. But, Mr. President, with the passage of each year it is getting more and more obvious that less and less credibility is vested in this process of budgeting and appropriating.

The authorizing committees are left behind because they do not seem to fit in this process. We pool our appropriation bills. We use continuing resolutions instead of freestanding bills. We abuse the reconciliation process and, therefore, fewer and fewer Senators, as I view it, are willing to vote for budget resolutions including hard choices; be it the hard choice of an entitlement reform, the hard choice of revenue—that is, added taxes—because they really do not believe the outcome that is contemplated will be achieved.

As a matter of fact, I could not stand here and tell the Senate that if they approve a budget resolution with $18 or $20 billion in new taxes—if that is a hypothesis here—that what is predicted in these budget resolutions to be the outcome this year or the next year resulting from that revenue would happen. And I am not talking about economic changes. I am talking about what will happen by way of abusing and finding loopholes, ways to get around that budget resolution.

So it seems to me that the first step in truly meeting the Gramm-Rudman-Hollings totals, the first step in getting some kind of bipartisan support, and maybe even the first step in getting the President of the United States to talk about this budget and in the next 3 or 4 years with this Congress, and on the latter I make no commitment, but I merely say maybe the first step is to get our processes in order.

I urge that serious consideration be given to these reform proposals. I urge that they not be sent to the graveyard of hearings in three or four committees. I urge that the leadership here and in the House find some way to address by task force or otherwise the propriety, the validity, and the objections to these suggested reforms. I claim no universal wisdom. I do not know that this is all of the reform that is necessary. I do not even know whether some would suggest that there are better ways. There might be. But clearly it seems to this Senator that the first step in getting something really done this year is to assure this body, assure the people, and assure the President that we have done something dramatic to change these processes to make them simpler, more reliable, more credible, and to make room, since we would do this only every 2 years, for the orderly authorizing processes and oversight.

I see no reason for us to appropriate every year. I see no reason for us to budget on a 1-year cycle. I truly believe the cornerstone to reliability, the cornerstone to reform, is that. But there are many other parts of this that are absolutely necessary if we are going to have a system that draws more support. Mr. President, we have had Members vote and take hard, hard votes only to find that the Senate 3 months later has no interest in enforcing those hard votes, and as a matter of fact, find ways to avoid them in their entirety, and fund programs that the budget process caused people to vote on thinking we had really taken some positive action.

Those are innumerable. It is causing many people on my side of the aisle to really ask, "Why vote on that kind of process." Let us make some changes.

I ask unanimous consent that Senator SYMMS be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. My objectives in proposing this legislation today are many. But simply stated, it is my sincere desire to see to it that our budgetary goals, once established, are achieved in an orderly and reasonable way, and that credibility and accountability are restored to this system.

I think the vast majority of my colleagues will agree with me when I say that our budget and appropriations processes have not been working in the way they were intended to. The President has once again this weekend referred to the sorry spectacle of Congress' fiscal machinery. He referred to it as a magic show.

We spend far too much of our time every year debating seemingly endless budget questions. Our authorizing committees have been squeezed out of the schedule by budget-related bills.

We have come to use reconciliation bills as the primary vehicles for authorizations that have nothing to do with deficit reduction, and, in some cases, actually worsen the deficit.

We seem increasingly unable to complete our appropriations work in the proper fashion, let alone on time.

In this period of fiscal pressures, there are major loopholes in the budget process that continue to let excessive spending slip through the cracks. When the President sends us requests to reduce funding in certain areas, we refuse to even consider them.

And when we finally do reach a compromise on the broad budget picture, in the budget resolution, we, and the President, find that the hard-fought defense level, agreed to in that compromise, is raided to fund additional domestic programs.

This is a comprehensive bill. It embodies some of the best thinking on this subject by a number of my colleagues. The concepts joined together in this bill are not entirely new to anyone, but I am frank to say that this is the first time I have asked my colleagues to consider them as a unit.

I ask the Senate to consider these ideas together, in package form, because I do not believe that our procedural problems can be solved in a piecemeal fashion.

Some of you may say, "This is just a distraction to get our minds off of the real business of deficit reduction." Let me answer you this way: I do not intend this proposal to take our minds off of the deficit problem. I intend this package to address a far more deep-seated problem, an institutional problem.

Once we make our budget decisions, the reforms proposed in this package will make it easier to live by those budget decisions. These reforms will give us more time to see to our other vital legislative activities, by providing incentives for completing our fiscal duties in a timely and efficient manner.

Let me outline for my colleagues the contents of this proposal.

This proposal incorporates S. 416, the Federal Budget Reform Act of 1987, a bill introduced by my distinguished colleague, Senator ROTH, and myself. S. 416 institutes a biennial budget cycle. The 2-fiscal-year budget period begins on October 1 of each odd-numbered year. The first session of each Congress would be devoted to a 2-year budget resolution, 2-year appropriations bills, and a reconciliation bill, if needed. The second session of each Congress would be devoted to authorization bills and oversight bills and oversight activities.

This bill would also amend Gramm-Rudman-Hollings to provide enforceable deficit targets for every odd-numbered fiscal year: $72 billion in fiscal year 1989, and $0 in fiscal year 1991. This change is intended to reflect the concept of a 2-year fiscal cycle.

My colleagues will note that these deficit targets are the same for those years as are currently enforced under Gramm-Rudman-Hollings. Spending for the even-numbered years would be controlled by the budget resolution, through sections 302 and 311 of the Budget Act, and by the effect of that spending in the year thereafter.

This proposal includes S. 75, the bill introduced by my friend, Senator GRAMM, which reinstates the automatic sequester procedures of Gramm-Rudman-Hollings. My colleagues should note, however, that this package modifies S. 75 so that the sequester process will occur every other year, just prior to the beginning of the odd-numbered fiscal year. This change was made to more correctly reflect the concept of a 2-year budget cycle.

The bill would strengthen our current reconciliation procedures to make it more difficult to include in reconciliation bills provisions which cost little in the first year and are offset in that year, but which balloon into big spending programs in the outyears. Also, this bill requires that motions to strike committee-reported savings be offset so that the net effect of the amendment does not worsen the deficit. This bill also makes the Byrd rule prohibiting extraneous provisions permanent.

To ensure that the level of defense funding agreed to in the budget resolution is actually provided, this bill would initiate another set of section 302 allocations for defense and nondefense discretionary spending. In addition, it would not be in order to consider legislation which would cause the allocations for domestic spending to be exceeded. This provision removes one of the biggest causes of breach of the defense agreement—where money is removed from function 050, National Defense, and spent in nondefense discretionary accounts.

One of the compromises made in enacting Gramm-Rudman-Hollings was to let the other body breach its section 311 aggregate ceilings when individual committees are within their allocations. This bill would remove that inequity and place the two Chambers on an even footing, repealing the so-called Fazio exemption.

In enduring our budget deliberations each year, we could make our lives much easier if we just agreed to consider the President's rescission proposals. I am not under any illusion that we would agree to them all, or possibly even to most of them. But surely there are some that we would accept.

This bill, therefore, incorporates Senate Concurrent Resolution 16, introduced by my learned colleague, Senator QUAYLE, which would force a vote in each Chamber on rescission requests submitted by the President under an expedited procedure.

We all know that appropriations account for only about half of Federal spending, far less if you take out defense. But I think it behooves us to at least consider the President's proposed rescissions.

I would remind my colleagues that in the last 5 fiscal years, beginning with fiscal year 1983, we have approved only $201 million of the $20 billion proposed to be rescinded. And in the current fiscal year 1987, we have approved none of the $5.8 billion proposed to date.

Also included in this bill is the President's proposal to change the budgetary treatment of credit programs. Introduced separately as S. 745 by Senator HEINZ, Senator TRIBLE, and myself, this is a complicated proposal with a simple purpose: To introduce into the budget a more accurate measure of the cost of loan programs. While this Senator does not agree with every aspect of the administration's plan, I believe that it provides a reasonable starting point for our deliberations on the subject of credit reform.

We all know that continuing resolutions have become our annual legislative hyrda-headed monster. This bill would go a long way toward decapitating that monster by providing for automatic continuing appropriations for those programs not funded in one of the regular appropriation bills by the beginning of the fiscal cycle.

In other words, if we do not enact all 13 bills by October 1, those programs for which bills have not been enacted will continue to function, automatically, with the previous year's level, unless and until we finish the regular bill. This mechanism will thus tone down, if not eliminate, our annual game of "budgetary chicken" with the executive branch.

And finally, this bill includes language expressing the sense of the Congress that a constitutional amendment requiring a balanced Federal budget should be passed by the Congress and ratified by the States. I have in mind the amendment which failed in the Senate last year by one vote.

My colleagues will understand that the amendment itself is not suitable for inclusion in a bill of this nature, but must be passed as separate legislation. This proposal endorses the amendment, not as a panacea, but as an added layer of persuasion against deficit spending, so that our children and grandchildren will be assured of our commitment that our Government's fiscal house will never again fall into such dangerous disorder.

Let me close by saying to my colleagues that I believe this proposal to be sound, and worthy of consideration. I do not believe it is too much to hope that this proposal can be implemented as early as this year. I offer this reform package out of deepest respect for the institution of the Senate, and of the Congress, and out of a sincere desire to improve and maintain effective and credible fiscal processes in the Congress.

DOMENICI BUDGET REFORM PACKAGE

Mr. DOLE. Mr. President, today I join Senator Domenici in sponsoring his thoughtful, much-needed, budget reform package.

It's spring again, and that means it is also the time of year when Congress begins its annual budget rain dance. The rhetoric will flow, on both sides of the aisle. And hopefully, by early summer we will have adopted a budget resolution for the coming fiscal year. What that resolution translates into in terms of setting a fiscal game plan, in terms of real deficit reduction is anybody's guess.

Something has to be done to make the budget process work, to give the process some teeth, to translate the countless hours the budget committees and we on the floor spend talking about the budget, into meaningful action.

We took a step in the right direction when Congress adopted the Gramm-Rudman-Hollings law. But we need to go further, to reestablish the credibility and accountability of the process, as well as beef-up budget discipline.

The Domenici proposal goes a long way toward achieving that goal. Perhaps the most radical change from current practice would be to use a 2-year, instead of annual budget cycle. By handling the budget resolution, appropriations bills, and reconciliation in 2-year bites, Congress would have the opportunity to spend time it should on policymaking and oversight.

The measure would also express that it is the sense of the Senate that a constitutional amendment requiring a balanced budget be passed and ratified as soon as possible. I have long been a supporter of the balanced budget amendment—there is no tougher mechanism we could put in place to force us to live within our budgetary means. It works at the State level, and there is no reason to believe that it would not work at the Federal level.

Mr. President, I want to take a moment to commend Senator Domenici, who probably more than any other Senator has lived with and worked with the budget process. And no one knows its strengths and weaknesses any better than he. And this bill reflects all his knowledge and experience.

It is no panacea. Congress, whatever the process, will ultimately have to make the tough choices necessary to regain control over the deficit. But we can help ourselves, and thereby the American people, by making the budget process more reasonable and responsible. That is what this bill would do.

Mr. President, I reserve the remainder of my time.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 832

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Fiscal Procedures Improvement Act of 1987".

TITLE I—TWO-YEAR BUDGET CYCLE

SEC. 101. REFERENCES IN TITLE.

Except as otherwise specifically provided, whenever in this title an amendment is expressed in terms of an amendment to or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Congressional Budget and Impoundment Control Act of 1974.

SEC. 102. REVISION OF TIMETABLE.

Section 300 (2 U.S.C. 631) is amended to read as follows:

"TIMETABLE

"Sec. 300. The timetable with respect to the Congressional budget process for any Congress is as follows:

"First Session

"On or before:	Action to be completed:
15th day after the session begins.	President submits budget for the 2-fiscal-year budget period. Budget period beginning on October 1 of the same calendar year (including current services budget).
February 15	Congressional Budget Office submits report to Budget Committees with respect to the 2-fiscal-year budget period.
March 15	Committees and joint committees submit reports to Budget Committees with respect to the 2-fiscal-year budget period.
April 15	Budget Committees report concurrent resolution on the budget for the 2-fiscal-year budget period to their Houses.
May 15	Congress completes action on the concurrent resolution on the budget for the 2-fiscal-year budget period (including any reconciliation instructions for such period).
June 1	House Appropriations Committee reports all regular appropriation bills for the 2-fiscal-year budget period.
June 15	House completes action on all regular appropriation bills for the 2-fiscal-year budget period.
June 30	Senate Appropriations Committee reports all regular appropriation bills for the 2-fiscal-year budget period.
July 31	Senate completes action on all regular appropriation bills for the 2-fiscal-year budget period.
September 30	Congress completes action on all regular appropriation bills and reconciliation bill or resolution for the 2-fiscal-year budget period.
October 1	2-fiscal-year budget period begins.

"Second Session

"On or before:	Action to be completed:
January 15	President submits revised budget for the 2-fiscal-year budget period beginning on October 1 of the preceding calendar year.
March 31	Congressional Budget Office submits report to Budget Committees with respect to the 2-fiscal-year budget period.

"On or before:	Action to be completed:
The last day of the session.	The Congress completes action on bills and resolutions authorizing new budget authority for the 2-fiscal-year budget period beginning on October 1 of the succeeding odd-numbered calendar year.".

SEC. 103. AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.

(a) Purposes.—Section 2(2) (2 U.S.C. 621(2)) is amended by striking "each year" and inserting in lieu thereof "biennially".

(b) Definitions.—

(1) Section 3(4) (2 U.S.C. 622(4)) is amended by striking "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period".

(2) Section 3(6) (2 U.S.C. 622(6)) is amended by striking "for any fiscal year" in the second sentence thereof and inserting in lieu thereof "for any odd-numbered fiscal year".

(3) Section 3(7) (2 U.S.C. 622(7)) is amended to read as follows:

"(7) The term 'maximum deficit amount' means—

"(A) with respect to the fiscal year beginning October 1, 1988, $72,000,000,000;

"(B) with respect to the fiscal year beginning October 1, 1990, zero.".

(4) Section 3 (2 U.S.C. 622) is further amended by adding at the end thereof the following new paragraph:

"(11) The term '2-fiscal-year budget period' means the period of 2 consecutive fiscal years beginning on October 1 of any odd-numbered year.".

(c) Duties of CBO.—

(1) Section 202(f)(1) (2 U.S.C. 602(f)(1)) is amended—

(A) by striking "February 15 of each year" and inserting in lieu thereof "February 15 of each odd-numbered calendar year";

(B) by striking "the fiscal year commencing" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period commencing";

(C) by striking "such fiscal year" the first place it appears and inserting in lieu thereof "such 2-fiscal-year budget period"; and

(D) by striking "such fiscal year" the second place it appears and inserting in lieu thereof "each fiscal year in such 2-fiscal-year budget period".

(2) Section 202(f) (2 U.S.C. 602(f)) is further amended—

(A) in paragraph (2) by striking "paragraph (1)" and inserting in lieu thereof "paragraphs (1) and (2)";

(B) in paragraph (3)—

(i) by striking "each year" and inserting in lieu thereof "each even-numbered calendar year",

(ii) by striking "the fiscal year ending September 30 of that calendar year" in clause (A) and inserting in lieu thereof "either fiscal year in the 2-fiscal-year budget period beginning October 1 of the preceding calendar year",

(iii) by striking "the fiscal year ending September 30 of that calendar year" in clause (B) and inserting in lieu thereof "either fiscal year of such 2-fiscal-year budget period", and

(iv) by striking "fiscal year beginning October 1 of that calendar year" and inserting in lieu thereof "succeeding 2-fiscal-year budget period";

(C) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(D) by inserting after paragraph (1) the following new paragraph:

"(2) On March 31 of each even-numbered year, the Director shall transmit to the Committees on the Budget of the House of Representatives and the Senate such revisions of the report required by paragraph (1) as may be necessary due to changing economic conditions and due to any revisions in the Budget transmitted by the President to the Congress on January 15 of that year pursuant to the last sentence of subsection (a) of section 1105 of title 31, United States Code.".

(d) Biennial Concurrent Resolution on the Budget.—

(1) Section 301(a) (2 U.S.C. 632(a)) is amended—

(A) by striking "April 15 of each year" and inserting in lieu thereof "May 15 of each odd-numbered year";

(B) by striking "the fiscal year beginning on October 1 of such year" the first place it appears and inserting in lieu thereof "2-fiscal-year budget period beginning on October 1 of such year";

(C) by striking "the fiscal year beginning on October 1 of such year" the second place it appears and inserting in lieu thereof "each fiscal year in such period"; and

(D) by striking "each of the two ensuing fiscal years" and inserting in lieu thereof "each fiscal year in the first and second succeeding 2-fiscal-year budget periods".

(2) Section 301(b) (2 U.S.C. 632(b)) is amended—

(A) in the matter preceding paragraph (1) by inserting "for a 2-fiscal-year budget period" after "concurrent resolution on the budget"; and

(B) in paragraph (3) by striking "for such fiscal year" and inserting in lieu thereof "for either fiscal year in such 2-fiscal-year budget period".

(3) Section 301(d) (2 U.S.C. 632(d)) is amended by striking "February 25 of each year" and inserting in lieu thereof "March 15 of each odd-numbered year".

(4) Section 301(e) (2 U.S.C. 632(e)) is amended—

(A) in the first sentence by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period";

(B) by inserting between the second and third sentences the following new sentence: "On or before April 15 of each odd-numbered year the Committee on the Budget of each House shall report to its House the concurrent resolution on the budget referred to in subsection (a) for the 2-fiscal-year budget period beginning on October 1 of that year."; and

(C) in paragraph (6)—

(i) by striking "five" and inserting in lieu thereof "six",

(ii) by striking "such fiscal year" and inserting in lieu thereof "the first fiscal year of such 2-fiscal-year budget period,", and

(iii) by striking "such period" and inserting in lieu thereof "such six-fiscal-year period".

(5) Section 301(f) (2 U.S.C. 632(f)) is amended by striking "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period".

(6) Section 301(i)(1)(A) (2 U.S.C. 632(i)(1)(A)) is amended—

(A) by striking "for a fiscal year" and inserting in lieu thereof "for a 2-fiscal-year budget period"; and

(B) by striking "for such fiscal year that is set forth" and inserting in lieu thereof "that is set forth for the second fiscal year in such 2-fiscal-year budget period".

(7) The section heading of section 301 is amended by striking "ANNUAL" and inserting in lieu thereof "BIENNIAL".

(8) The table of contents set forth in section 1(b) (2 U.S.C. 621 note) is amended by striking "Annual" in the item relating to section 301 and inserting in lieu thereof "Biennial".

(e) Committee Allocations.—

(1) Paragraphs (1) and (2) of section 302(a) (2 U.S.C. 633(a)) are amended—

(A) by inserting "for a 2-fiscal-year budget period" after "budget" the first place it appears in each such paragraph; and

(B) by inserting "for each fiscal year in such 2-fiscal-year budget period" after "estimated allocation" each place it appears.

(2) Section 302(c) (2 U.S.C. 633(c)) is amended—

(A) by striking "for a fiscal year" each place it appears and inserting in lieu thereof "for either fiscal year in a 2-fiscal-year budget period"; and

(B) by striking "for such fiscal year" each place it appears and inserting in lieu thereof "for such 2-fiscal-year budget period".

(3)(A) Section 302(f)(1) (2 U.S.C. 633(f)(1)) is amended—

(i) by striking "for a fiscal year" and inserting in lieu thereof "for a 2-fiscal-year budget period", and

(ii) by striking "such fiscal year" each place it appears in the matter preceding subparagraph (A) and inserting in lieu thereof "a fiscal year in such 2-fiscal-year budget period".

(B) Section 302(f)(2) is amended—

(i) by striking "for a fiscal year" and inserting in lieu thereof "for a 2-fiscal-year budget period", and

(ii) by striking "for such fiscal year" and inserting in lieu thereof "for such 2-fiscal-year budget period".

(f) Section 303 Point of Order.—

(1) Section 303(a) (2 U.S.C. 634(a)) is amended by striking "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period".

(2) Section 303(b) (2 U.S.C. 634(b)) is amended—

(A) by striking "fiscal year" each place it appears and inserting in lieu thereof "2-fiscal-year budget period"; and

(B) in the matter following paragraph (2) by striking "any calendar year" and inserting in lieu thereof "any odd-numbered calendar year".

(g) Permissible Revisions of Concurrent Resolutions on the Budget.—Section 304 (2 U.S.C. 635) is amended—

(1) by striking "fiscal year" the first two places it appears and inserting in lieu thereof "2-fiscal-year budget period";

(2) by striking "for such fiscal year"; and

(3) by inserting before the period "for such 2-fiscal-year budget period".

(h) Procedures For Consideration of Budget Resolutions.—Section 305(b)(3) (2 U.S.C. 636(b)(3)) is amended—

(1) by striking "the concurrent" and inserting in lieu thereof "a concurrent"; and

(2) by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(i) Committee Action on Appropriation and Other Spending Bills.—

(1) Section 307 (2 U.S.C. 638) is amended to read as follows:

"ACTION ON APPROPRIATION BILLS

"Sec. 307. (a) House Committee Action.—On or before June 1 of each odd-numbered calendar year, the Committee on Appropriations of the House of Representatives shall report to the House all regular appropriation bills providing new budget authority for the 2-fiscal-year budget period that begins on October 1 of that year.

"(b) Action by House.—On or before June 15 of each odd-numbered calendar year, the House of Representatives shall pass all regular appropriation bills providing new budget authority for the 2-fiscal-year budget period that begins on October 1 of that year.

"(c) Senate Committee Action.—On or before June 30 of each odd-numbered year, the Committee on Appropriations of the Senate shall report to the Senate all regular appropriation bills providing new budget authority for the 2-fiscal-year budget period that begins on October 1 of that year.

"(d) Action by Senate.—On or before July 31 of each odd-numbered calendar year, the Senate shall pass all regular appropriation bills for the 2-fiscal-year budget period that begins on October 1 of that year.

"(e) Completion of Action by Congress.—On or before September 30 of each odd-numbered calendar year, the Congress shall complete action on all regular appropriation bills for the 2-fiscal-year budget period beginning on October 1 of that year.

"(f) Point of Order.—

"(1) Notwithstanding subsections (b) and (d), it shall not be in order in the House of Representatives or the Senate to consider any regular appropriation bill for a 2-fiscal-year budget period until the Committee on Appropriations of that House has reported to its House all of the regular appropriation bills for such 2-fiscal-year budget period.

"(2) Paragraph (1) may be waived or suspended in the House of Representatives or the Senate by a vote of three-fifths of the Members of that House, duly chosen and sworn.

"(3) If the ruling of the presiding officer of the House of Representatives or the Senate sustains a point of order raised pursuant to paragraph (1), a vote of three-fifths of the Members of that House, duly chosen and sworn, shall be required to sustain an appeal of such ruling. Debate on any such appeal shall be limited to two hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees. An appeal of any such point of order is not subject to a motion to table.".

(2) The item relating to section 307 in the table of contents in section 1(b) (2 U.S.C. 621 note) is amended to read as follows:

"Sec. 307. Action on appropriation bills.".

(j) Reports and Summaries of Congressional Budget Actions.—

(1)(A) Section 308(a)(1) (2 U.S.C. 639(a)(1)) is amended—

(i) in the matter preceding subparagraph (A) by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period",

(ii) in subparagraph (A) by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period", and

(iii) in subparagraph (C) by striking "such fiscal year" and inserting in lieu thereof "such 2-fiscal-year budget period".

(B) Section 308(a)(2) is amended by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(2) Section 308(b)(1) (2 U.S.C. 639(b)(1)) is amended—

(A) by striking "fiscal year" the first place it appears and inserting in lieu thereof "2-fiscal-year budget period";

(B) by inserting "for such 2-fiscal-year budget period" after "concurrent resolution on the budget"; and

(C) by striking "the fiscal year preceding such fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period preceding such 2-fiscal-year budget period".

(3) Section 308(c) (2 U.S.C. 639(c)) is amended—

(A) by striking "Five" in the subsection heading and inserting in lieu thereof "Six";

(B) by striking "each fiscal year" in the matter preceding paragraph (1) and inserting in lieu thereof "each fiscal year in a 2-fiscal-year budget period";

(C) by striking "5 fiscal years" and inserting in lieu thereof "6 fiscal years"; and

(D) by striking "such period" each place it appears and inserting in lieu thereof "such 6-fiscal-year period".

(k) Completion of Action on Regular Appropriation Bills.—Section 309 (2 U.S.C. 640) is amended—

(1) by inserting "of any odd-numbered calendar year" after "July";

(2) by striking "annual" and inserting in lieu thereof "regular"; and

(3) by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(l) Reconciliation Process.—

(1) Section 310(a) (2 U.S.C. 641(a)) is amended—

(A) by striking "any fiscal year" in the matter preceding paragraph (1) and inserting in lieu thereof "any 2-fiscal-year budget period";

(B) in paragraph (1) by striking "such fiscal year" each place it appears and inserting in lieu thereof "each fiscal year in such 2-fiscal-year budget period"; and

(C) in paragraph (2) by inserting "for each fiscal year in such 2-fiscal-year budget period" after "revenues".

(2) Section 310(f) (2 U.S.C. 641(f)) is amended—

(A) in paragraph (1)—

(i) by inserting "for a 2-fiscal-year budget period" after "subsection (b)", and

(ii) by striking "June 15 of each year" and inserting in lieu thereof "September 30 of the calendar year in which the 2-fiscal-year budget period begins"; and

(B) in paragraph (2)—

(i) by inserting "of any odd-numbered calendar year" after "July",

(ii) by striking "fiscal year beginning on October 1 of the calendar year to which the adjournment resolution pertains" and inserting in lieu thereof "2-fiscal-year budget period beginning on October 1 of such calendar year", and

(iii) by striking "for such fiscal year" and inserting in lieu thereof "for such 2-fiscal-year budget period".

(m) Section 311 Point of Order.—Section 311(a) (2 U.S.C. 642(a)) is amended—

(1) by striking "for a fiscal year" and inserting in lieu thereof "for a 2-fiscal-year budget period";

(2) by striking "such fiscal year" the first, second, and third places it appears and inserting in lieu thereof "a fiscal year in such 2-fiscal-year budget period";

(3) by inserting "for such fiscal year" after "outlays";

(4) by striking "concurrent resolution on the budget for such fiscal year" and inserting in lieu thereof " concurrent resolution on the budget for the 2-fiscal-year budget period in which such fiscal year occurs";

(5) by inserting "for such fiscal year" after "revenues" the first place it appears;

(6) by inserting "for such fiscal year" after "set forth" the second place it appears; and

(7) by striking "a deficit for such fiscal year" and inserting in lieu thereof "a deficit for the second fiscal year in such 2-fiscal-year budget period".

(n) Bills Providing New Spending Authority.—Section 401(b)(2) (2 U.S.C. 651(b)(2)) is amended by striking "for such fiscal year" the second place it appears and inserting in lieu thereof "for the 2-fiscal-year budget period in which such fiscal year occurs".

(o) Analysis By CBO.—Section 403(a) (2 U.S.C. 653(a)) is amended—

(1) by striking "4" in paragraph (1) and inserting in lieu thereof "five"; and

(2) by striking "four" in paragraph (2) and inserting in lieu thereof "five".

SEC. 104. AMENDMENTS TO TITLE 31, UNITED STATES CODE.

(a) Definition.—Section 1101 of title 31, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) 'two-fiscal-year budget period' has the meaning given to such term in paragraph (11) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11))".

(b) Budget and Appropriations Authority of the President.—Section 1104(c) of title 31, United States Code, is amended—

(1) by inserting "(1)" after "(c)";

(2) by striking the second sentence thereof; and

(3) by adding at the end thereof the following new paragraph:

"(2) The budget submitted pursuant to section 1105 for the 2-fiscal-year budget period beginning on October 1, 1989, and the estimates of outlays and proposed budget authority required to be submitted under section 1109 for such 2-fiscal-year budget period, shall be set forth in the same accounts which are set forth in the Budget Accounts Listing contained in the budget submitted for fiscal year 1989 under section 1105. Any change in the accounts used in the budget submitted under section 1105 for the 2-fiscal-year budget period beginning on October 1, 1989, or any succeeding 2-fiscal-year budget period, or in the estimates of outlays and proposed budget authority required under section 1109 for any such 2-fiscal-year budget period, from the accounts set forth in the Budget Accounts Listing contained in the budget submitted under section 1105 for fiscal year 1989 or the preceding 2-fiscal-year budget period, as the case may be, shall be made only in consultation with the Committees on Appropriations, the Committees on the Budget, and the committees having legislative jurisdiction over the programs or activities which will be affected by such changes. The provisions of this paragraph do not prohibit the inclusion of new accounts in the Budget Accounts Listing contained in the budget submitted pursuant to section 1105 solely for purposes of presenting estimates for new programs.".

(c) Budget Contents and Submission to the Congress.—

(1) So much of section 1105(a) of title 31, United States Code, as precedes paragraph (1) thereof is amended to read as follows:

"(a) On or before the fifteenth day after the day on which the first session of a Congress convenes, the President shall transmit to the Congress, the budget for the 2-fiscal-year budget period beginning on October 1 of such calendar year. The budget transmitted under this subsection shall include the President's Budget Message, summary data and text, and supporting detail. The budget shall set forth in such form and detail as the President may determine—".

(2) Section 1105(a)(5) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period for which the budget is submitted and the 4 fiscal years immediately following the second fiscal year in such 2-fiscal-year budget period".

(3) Section 1105(a)(6) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period for which the budget is submitted and the 4 fiscal years immediately following the second fiscal year in such 2-fiscal-year budget period".

(4) Section 1105(a)(9)(C) of title 31, United States Code, is amended by striking "the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period".

(5) Section 1105(a)(12) of title 31, United States Code, is amended—

(A) by striking "the fiscal year" in subparagraph (A) and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period"; and

(B) by striking "after that year" in subparagraph (B) and inserting in lieu thereof "immediately following the second fiscal year in such 2-fiscal-year budget period".

(6) Section 1105(a)(13) of title 31, United States Code, is amended by striking "the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period".

(7) Section 1105(a)(14) of title 31, United States Code, is amended by striking "that year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period for which the budget is submitted".

(8) Section 1105(a)(16) of title 31, United States Code, is amended by striking "the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period".

(9) Section 1105(a)(17) of title 31, United States Code, is amended—

(A) by striking "fiscal year following the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period following the 2-fiscal-year budget period";

(B) by striking "that following fiscal year" and inserting in lieu thereof "each such fiscal year"; and

(C) by striking "fiscal year before the fiscal year" and inserting in lieu thereof "2-fiscal-year budget period before the 2-fiscal-year budget period".

(10) Section 1105(a)(18) of title 31, United States Code, is amended—

(A) by striking "the prior fiscal year" and inserting in lieu thereof "each of the 2 most recently completed fiscal years";

(B) by striking "for that year" and inserting in lieu thereof "with respect to that fiscal year"; and

(C) by striking "in that year" and inserting in lieu thereof "in that fiscal year".

(11) Section 1105(a)(19) of title 31, United States Code, is amended—

(A) by striking "the prior fiscal year" and inserting in lieu thereof "each of the 2 most recently completed fiscal years";

(B) by striking "for that year" and inserting in lieu thereof "with respect to that fiscal year"; and

(C) by striking "in that year" each place it appears and inserting in lieu thereof "in that fiscal year".

(12) Section 1105(a) of title 31, United States Code, is further amended by adding at the end thereof the following new sentence:

"By January 15 of each even-numbered year, the President shall transmit to the Congress any revisions the President may desire to make in the Budget transmitted in the previous year.".

(d) Estimated Expenditures of Legislative and Judicial Branches.—Section 1105(b) of title 31, United States Code, is amended by striking "each year" and inserting in lieu thereof "each even-numbered year".

(e) Recommendations to Meet Estimated Deficiencies.—Section 1105(c) of title 31, United States Code, is amended—

(1) by striking "fiscal year for" each place it appears and inserting in lieu thereof "2-fiscal-year budget period for";

(2) by inserting "or current 2-fiscal-year budget period, as the case may be," after "current fiscal year"; and

(3) by striking "that year" and inserting in lieu thereof "that period".

(f) Statement With Respect to Certain Changes.—Section 1105(d) of title 31, United States Code, is amended by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(g) Capital Investment Analysis.—Section 1105(e) of title 31, United States Code, is amended by striking "ensuing fiscal year" and inserting in lieu thereof "2-fiscal-year budget period to which such budget relates".

(h) Compliance With Maximum Deficit Amount.—Section 1105(f) of title 31, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking "a fiscal year" and inserting in lieu thereof "a 2-fiscal-year budget period", and

(B) by striking "such fiscal year" the first place it appears and inserting in lieu thereof "the second fiscal year in such 2-fiscal-year budget period"; and

(2) in paragraph (2) by striking "in the budget so transmitted for any fiscal year" and inserting in lieu thereof "for the second fiscal year in a 2-fiscal-year budget period in the budget transmitted pursuant to subsection (a) for such period".

(i) Supplemental Budget Estimates and Changes.—

(1) Section 1106(a) of title 31, United States Code, is amended—

(A) in the matter preceding paragraph (1) by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period", and

(B) in paragraph (1) by striking "that fiscal year" and inserting in lieu thereof "each fiscal year in such 2-fiscal-year budget period";

(C) in paragraph (2) by striking "following the fiscal year" and inserting in lieu thereof "following the 2-fiscal-year budget period";

(D) by striking "future fiscal years" in paragraph (3) and inserting in lieu thereof "the 4 fiscal years following the 2-fiscal-year budget period for which the budget is submitted"; and

(E) by striking "fiscal year" the last place it appears in paragraph (3) and inserting in lieu thereof "2-fiscal-year budget period".

(2) Section 1106(b) of title 31, United States Code, is amended by striking "the fiscal year" and inserting in lieu thereof "each fiscal year in the 2-fiscal-year budget period".

(j) Current Programs and Activities Estimates.—

(1) Section 1109(a) of title 31, United States Code, is amended—

(A) by striking "On or before the first Monday after January 3 of each year (on or before February 5 in 1986)" and inserting in lieu thereof "At the same time that the President submits the budget for a 2-fiscal-year budget period under section 1105";

(B) by striking "the following fiscal year" and inserting in lieu thereof "each fiscal year in such 2-fiscal-year budget period"; and

(C) by striking "during that year" and inserting in lieu thereof "during each such year".

(2) Section 1109(b) of title 31, United States Code, is amended by inserting "odd-numbered calendar" after "each".

(k) Year-Ahead Requests for Authorizing Legislation.—Section 1110 of title 31, United States Code, is amended—

(1) by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period (beginning on or after October 1, 1989)", and

(2) by striking "year before the year in which the fiscal year begins" and inserting "second calendar year preceding the calendar year in which the 2-fiscal-year budget period begins".

(l) Budget Information on Consulting Services.—Section 1114 of title 31, United States Code, is amended—

(1) by striking "The" each place it appears and inserting in lieu thereof "For each 2-fiscal-year budget period, the"; and

(2) by striking "each year" each place it appears.

SEC. 105. TITLE AND STYLE OF APPROPRIATION ACTS.

Section 105 of title 1, United States Code, is amended to read as follows:

"§ 105. Title and style of appropriation Acts

"(a) The style and title of all Acts making appropriations for the support of the Government shall be as follows: 'An Act making appropriations (here insert the object) for the 2-fiscal-year budget period ending September 30 (here insert the odd-numbered calendar year.).'.

"(b) All Acts making regular appropriations for the support of the Government shall be enacted for a 2-fiscal-year budget period, and shall specify the amount of appropriations provided for each fiscal year in such period.

"(c) For purposes of this section, the term '2-fiscal-year budget period' has the same meaning as in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11)).".

SEC. 106. AMENDMENTS TO RULES OF HOUSE OF REPRESENTATIVES.

(a) Clause 4(a)(1)(A) of rule X of the Rules of the House of Representatives is amended by inserting "odd-numbered" after "each".

(b) Clause 4(a)(2) of rule X of the Rules of the House of Representatives is amended by striking "such fiscal year" and inserting in lieu thereof "the 2-fiscal-year budget period in which such fiscal year occurs".

(c) Clause 4(b)(2) of rule X of the Rules of the House of Representatives is amended by striking "first concurrent resolution on the budget for each fiscal year" and inserting in lieu thereof "concurrent resolution on the budget required under section 301(a) of the Congressional Budget Act of 1974 for each 2-fiscal-year budget period".

(d) Clause 4(f) of rule X of the Rules of the House of Representatives is amended by striking "annually" each place it appears and inserting in lieu thereof "biennially".

(e) Clause 4(g) of rule X of the Rules of the House of Representatives is amended—

(1) by striking "March 15 of each year" and inserting in lieu thereof "March 15 of each odd-numbered year";

(2) by striking "fiscal year" the first place it appears and inserting in lieu thereof "2-fiscal-year budget period"; and

(3) by striking "that fiscal year" and inserting in lieu thereof "each fiscal year in such ensuing 2-fiscal-year budget period".

(f) Clause 4(h) of rule X of the Rules of the House of Representatives is amended by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

(g) Subdivision (C) of clause 2(l)(1) of rule XI of the Rules of the House of Representatives is repealed.

(h) Clause 4(a) of rule XI of the Rules of the House of Representatives is amended by striking "fiscal year if reported after September 15 preceding the beginning of such fiscal year" and inserting in lieu thereof "2-fiscal-year budget period if reported after August 1 of the year in which such 2-fiscal-year budget period begins".

(i) Clause 2 of rule XLIX of the Rules of the House of Representatives is amended by striking "fiscal year" and inserting in lieu thereof "2-fiscal-year budget period".

SEC. 107. EFFECTIVE DATE; APPLICATION.

(a) In General.—Except as provided in subsections (b) and (c), this title and the amendments made by this title shall become effective on the date of the enactment of this Act, and shall apply to 2-fiscal-year budget periods beginning on or after October 1, 1987.

(b) Fiscal Year 1987.—Notwithstanding subsection (a), the provisions of—

(1) the Congressional Budget Act of 1974, and

(2) title 31, United States Code,

(as such provisions were in effect on the day before the date of the enactment of this Act) shall apply to the fiscal years beginning before October 1, 1987.

(c) Fiscal Year 1989.—

(1) Notwithstanding the amendments made by this title, in the case of the 2-fiscal-year budget period beginning October 1, 1987, the President shall submit—

(A) the budget required by section 1105 of title 31, United States Code, for the second fiscal year in such period, and

(B) the estimates required by section 1109 of title 31, United States, for the second fiscal year in such period,

on or before the day that is 30 days after the date of the enactment of this Act.

(2) Notwithstanding the amendments made by this title, in the case of the 2-fiscal-year budget period beginning October 1, 1987, the Congressional Budget Office shall submit the report required by section 202(f)(1) of the Congressional Budget and Impoundment Control Act of 1974 for the second fiscal year in such period on or before the day that is 30 days after the date of the enactment of this Act.

(d) Definition.—For purposes of this section, the term "2-fiscal-year budget period" shall have the meaning given to such term in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11)), as added by section 103(b)(2) of this title.

TITLE II—PROCEDURES FOR EXPEDITED RESCISSIONS

SEC. 201. EXPEDITED RESCISSIONS.

(a) In General.—If the President, within three calendar days (excluding Sundays) of the time the President approves any appropriation bill, transmits to both Houses of the Congress, one or more special messages in accordance with subsection (b) proposing to rescind all or part of any items of appropriation provided in the appropriation bill, such special messages shall be considered in accordance with the provisions of this section.

(b) Special Messages.—

(1) Each special message transmitted under subsection (a) shall specify, with respect to each item of appropriation (or part thereof) proposed by the message to be rescinded, the matters referred to in paragraphs (1) through (5) of section 1012(a) of the Impoundment Control Act of 1974 (2 U.S.C. 683(a)).

(2) Each special message transmitted under subsection (a) shall be accompanied by a draft bill or joint resolution that would, if enacted, rescind each item of appropriation (or part thereof) proposed by the message to be rescinded.

(3)(A) Except as provided in subparagraph (B), the President may transmit one special message under subsection (a) with respect to each agency for which an appropriation bill appropriates or otherwise makes funds available. A special message may propose to rescind one or more items of appropriation with respect to the agency to which it relates.

(B)(i) For purposes of subparagraph (A), except as provided in clause (ii), the term "agency" means—

(I) any Executive department (as defined in section 101 of title 5, United States Code), and

(II) any independent establishment (as defined in section 104 of title 5, United States Code),

of the United States Government.

(ii) The President shall incorporate in a single special message all rescissions proposed with respect to any independent establishment—

(I) for which an appropriation bill appropriates or otherwise makes funds available, and

(II) for which the total amount appropriated or otherwise made available for the fiscal year immediately preceding the fiscal year in which the special message is transmitted was less than $100,000,000.

For purposes of subclause (II) of this clause, the total amount appropriated for an independent establishment for a fiscal year shall be determined without regard to any rescission or deferral under this section or under the Impoundment Control Act of 1974, and without regard to any reduction or sequestration under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) Procedures in Senate and House of Representatives.—

(1)(A) On the day on which a special message proposing to rescind an item of appropriation is transmitted to the House of Representatives and the Senate under subsection (a), the draft bill or joint resolution accompanying such special message shall be introduced (by request) in the House by the majority leader of the House, for himself and the minority leader of the House, or by the Members of the House designated by the majority leader and the minority leader of the House, and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by the Members of the Senate designated by the majority leader and the minority leader of the Senate. If either House is not in session on the day on which a special message is transmitted, the draft bill or joint resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which such House is in session.

(B) A bill or joint resolution introduced in the House of Representatives or the Senate pursuant to subparagraph (A) shall be referred on the date of introduction to the Committee on Appropriations of such House. The committee shall report the bill or joint resolution without substantive revision (and with or without recommendation) not later than 5 calendar days of continuous session of the Congress after the date on which the bill or joint resolution is introduced. A committee failing to report a bill or joint resolution within the 5-day period referred to in the preceding sentence shall be automatically discharged from consideration of the bill or joint resolution, and the bill or joint resolution shall be placed on the appropriate calendar.

(C) A vote on final passage of a bill or joint resolution introduced in a House of the Congress pursuant to subparagraph (A) shall be taken on or before the close of the 10th calendar day of continuous session of the Congress after the date of the introduction of the bill or joint resolution in such House. If the bill or joint resolution is agreed to, the Clerk of the House of Representatives (in the case of a bill or joint resolution agreed to in the House of Representatives) or the Secretary of the Senate (in the case of a bill or joint resolution agreed to in the Senate) shall cause the bill or joint resolution to be engrossed, certified, and transmitted to the other House of the Congress on the same calendar day on which the bill or joint resolution is agreed to by such House.

(2) If prior to the passage by one House of a bill or joint resolution introduced in that House under this section, that House receives a bill or joint resolution containing the same provisions from the other House pursuant to subparagraph (C) of paragraph (1), then—

(A) the procedure in the House receiving the bill or joint resolution with respect to the bill or joint resolution introduced in that House shall be the same as if the bill or joint resolution had not been received from the other House; but

(B) the vote on final passage shall be on the bill or joint resolution of the other House.

(3)(A) A motion in the House of Representatives to proceed to the consideration of a bill or joint resolution under this section shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the House of Representatives on a bill or joint resolution under this section shall be limited to not more than 4 hours, which shall be divided equally between those favoring and those opposing the bill or joint resolution. A motion to postpone, made in the House of Representatives with respect to the consideration of a bill or joint resolution under this section, and a motion to proceed to the consideration of other business, shall not be in order. A motion further to limit debate shall not be debatable. It shall not be in order to move to table or to recommit a bill or joint resolution under this section or to move to reconsider the vote by which the bill or joint resolution is agreed to or disagreed to.

(C) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a bill or joint resolution under this section shall be decided without debate.

(D) Except to the extent specifically provided in the preceding provisions of this paragraph, consideration of a bill or joint resolution under this section shall be governed by the Rules of the House of Representatives applicable to other bills and joint resolutions in similar circumstances.

(4)(A) A motion in the Senate to proceed to the consideration of a bill or joint resolution under this section shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the Senate on a bill or joint resolution under this section, and all debatable motions and appeals in connection therewith, shall be limited to not more than 4 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a bill or joint resolution under this section shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill or joint resolution, except that in the event the manager of the bill or joint resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a bill or joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a bill or joint resolution under this section is not debatable. A motion to table or to recommit a bill or joint resolution under this section is not in order.

(d) PROHIBITION OF AMENDMENTS.—No amendment to a bill or joint resolution considered under this section shall be in order in either the House of Representatives or the Senate. No motion to suspend the application of this subsection shall be in order in either House, nor shall it be in order in either House for the Presiding Officer to entertain a request to suspend the application of this subsection by unanimous consent.

(e) DEFINITIONS.—For purposes of this section—

(1) "item of appropriation" means any numerically expressed amount of budget authority set forth in an appropriation bill;

(2) "appropriation bill" means any general or special appropriation bill, and any bill or joint resolution making supplemental, deficiency, or continuing appropriations;

(3) "appropriation Act" means any appropriation bill that has been approved by the President and become law;

(4) "budget authority" has the meaning given to such term in section 3(2) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(2)); and

(5) continuity of a session of the Congress shall be considered as broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of the 5-day and 10-day periods referred to in subsection (c) of this section. If a special message is transmitted under this section during any Congress and the last session of the Congress adjourns sine die before the expiration of 10 calendar days of continuous session (or a special message is transmitted after the last session of the Congress adjourns sine die), the message shall be deemed to have been retransmitted on the first day of the succeeding Congress and the 5-day and 10-day periods referred to in subsection (c) of this section shall commence on the day after such first day.

(f) EXERCISE OF RULEMAKING POWERS.—The provisions of this section are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

TITLE III—BUDGETARY TREATMENT OF CREDIT TRANSACTIONS OF THE UNITED STATES GOVERNMENT

SEC. 301. DEFINITIONS.

For purposes of this title:

(1) The term "Federal agency" means an executive department, an independent Federal establishment, or a corporation or other entity established by the Congress that is owned in whole or in part by the United States. The term does not include the Board of Governors of the Federal Reserve System or the College Construction Loan Insurance Association.

(2) The terms "private insurers" and "private sector" mean entities that are not Federal agencies, entities established by the Federal Government, or units of State or local government or entities established by them.

(3) The term "direct loan" means a disbursement of funds by the Federal Government to a non-Federal borrower under a contract that requires the repayment of such funds with or without interest. This term includes the purchase of, or participation in, a loan made by another lender, as well as disbursement on behalf of a Federal agency by the Federal Credit Revolving Fund as required under section 310(c) of this title. This term does not include the acquisition of a federally guaranteed loan in satisfaction of default claims. For the purpose of carrying out the provisions of this title, direct loans may be grouped and treated as a single loan as agreed to by the Secretary and the head of the affected agency.

(4) The term "direct loan obligation" means a binding agreement entered into by a Federal agency for the Government under which a Federal agency agrees to make a direct loan once specified conditions are fulfilled by the borrower.

(5) The term "loan guarantee" means any guarantee, insurance, or other pledge with respect to the payment of all or a part of the principal or interest on any debt obligation of a non-Federal borrower to a non-Federal lender, but does not include the insurance of deposits, shares, or other withdrawable accounts in financial institutions. For the purposes of carrying out the provisions of this title, loan guarantees may be grouped and treated as a single loan as agreed to by the Secretary and the head of the affected agency.

(6) The term "loan guarantee commitment" means a binding agreement entered into by a Federal agency for the Government under which a Federal agency agrees to guarantee a loan once specified conditions are fulfilled by the borrower, the lender, and any other parties to the guarantee agreement.

(7) The term "subsidy" means the measure of financial assistance to the borrower of Federal credit. For a direct loan, the subsidy means the difference between the face value of the loan and the estimated proceeds from the sale of the loan in the investment securities markets. For a loan guarantee, it means the estimated net cost to the Government to reinsure the guarantee (including transfer of responsibility for all future administration) with a private insurer. For loan guarantees with an interest payment by the Government, the subsidy calculation would also include the present value, based on a comparable market discount rate, of the difference between the interest paid by the borrower and the interest that would be charged by a private lender for such loan. To the extent that the Federal Government charges fees to beneficiaries, such fees will be taken into account in estimating the required appropriations for subsidies. For direct loans not routinely sold and for guaranteed loans not routinely reinsured, the subsidy is the estimated net present value, based on a comparable market discount rate, of the difference in cost to the borrower between the direct loan or guaranteed loan and alternative private financing potentially available to the same or a similar borrower for the same or a similar purpose. Estimates made by the Secretary or by agencies under rules prescribed by the Secretary shall constitute the appropriate computation of the subsidy. To the extent practicable, such estimates shall be based upon experience from sale of direct loans or reinsurance of loan guarantees.

(8) The term "fund" means the Federal Credit Revolving Fund, as established by section 304(a) of this title.

(9) "Secretary" means the Secretary of the Treasury.

SEC. 302. DIRECT LOAN PROGRAMS.

(a) Beginning October 1, 1987, an obligation by any Federal agency to make a direct loan to the non-Federal borrowers shall be an obligation of the fund.

(b) For each fiscal year beginning with fiscal year 1988, the Federal agency shall include in its budget proposal (1) the planned level of new direct loan obligations, and (2) the estimated subsidy associated with the proposed direct loan obligations.

(c) Beginning October 1, 1987, a Federal agency shall not obligate the fund to make a direct loan obligation unless an appropriation has been made to the Federal agency for its subsidy or a limitation is enacted in an annual appropriations Act on the use of funds otherwise available to the Federal agency for the subsidy.

(d) At the time a direct loan obligation is incurred, the Federal agency shall obtain an estimate of the subsidy of the loan from the Secretary or, at the discretion of the Secretary, shall make such an estimate based upon guidelines established by the Secretary. For the purposes of section 1501 of title 31, United States Code, (1) the amount of such estimate shall constitute an obligation of the Federal agency; and (2) the difference between such estimate and the face value of the loan shall constitute an obligation of the fund.

(e) The subsidy associated with the direct loan as determined in subsection (d) shall be paid as the loan is disbursed, unless the Secretary determines otherwise.

(f) Subject to section 305(a)(5) of this title, the Secretary or the Federal agency acting for and under the guidance of the Secretary, shall sell direct loans to the private sector. Such sales shall be without Federal guarantee of repayment of principal or interest, in whole or in part, and shall include the transfer of responsibility for servicing such loans to the private sector.

(g) Nothing in this section shall be construed as changing the responsibility of a Federal agency to determine the terms and conditions of eligibility for, or the amount of assistance provided by, direct loans made by the Federal Government.

SEC. 303. LOAN GUARANTEE PROGRAMS.

(a) Beginning October 1, 1987, a commitment to guarantee a loan shall be a commitment of the fund.

(b) For each fiscal year beginning with fiscal year 1988, a Federal agency authorized to make loan guarantee commitments shall include in its budget proposal (1) the level of new loan guarantee commitments and (2) the estimated subsidy associated with the proposed loan guarantee commitments.

(c) Beginning October 1, 1987, a Federal agency shall not commit the fund to guarantee a loan unless an appropriation has been made to the Federal agency for its subsidy, or a limitation is enacted in an annual appropriations Act on the use of funds otherwise available to the Federal agency for the subsidy.

(d) At the time a loan guarantee commitment is made, the Federal agency shall obtain an estimate of the subsidy of the loan guarantee from the Secretary or, at the discretion of the Secretary, shall make an estimate of the subsidy based upon guidelines provided by the Secretary. The amount of such estimate shall constitute an obligation of the Federal agency for the purposes of section 1501 of title 31, United States Code.

(e) The subsidy associated with the loan guarantee determined in subsection (d) shall be paid to the fund at the time the underlying loan agreement is executed, unless the Secretary determines otherwise.

(f) Subject to section 305(a)(5) of this title, the Secretary or the Federal agency, operating for and under the guidance of the Secretary, shall purchase reinsurance of the guarantee from private insurers.

(g) Nothing in this title shall be construed as changing the responsibility of a Federal agency to determine the terms and conditions of eligibility for, or the amount of assistance provided by, guaranteed loans made by the Federal Government.

SEC. 304. ESTABLISHMENT OF THE FUND WITHIN THE DEPARTMENT OF THE TREASURY.

(a) There is hereby established in the Treasury of the United States a Federal Credit Revolving Fund.

(b) Beginning October 1, 1987, the fund will serve as a central revolving fund and financing mechanism for all new Federal direct loans and loan guarantees in accordance with the terms and conditions of this title. Amounts received pursuant to subsections (a)(3) and (a)(5)(A) of section 305 of this title shall be credited to the fund and shall be available for the purposes of subsections (a)(4), (a)(5)(B), (a)(6), and (a)(8) of such section.

SEC. 305. AUTHORITY OF THE SECRETARY TO MANAGE THE FUND.

(a) With regard to direct loans and loan guarantees made beginning October 1, 1987, the Secretary shall—

(1) estimate the subsidy, or require estimates to be made by the Federal agencies, for each direct loan and loan guarantee or for groups of similar direct loans and loan guarantees, taking into account the risk and other costs of the program;

(2) furnish the appropriate Federal agency with the subsidy estimates in a timely fashion;

(3) receive into the fund the following collections:

(A) subsidy payments from the Federal agencies;

(B) payments of principal, interest, fees, and other moneys due the Federal Government for direct loans obligated after September 30, 1987;

(C) the proceeds from the sale of a direct loans obligated after September 30, 1987, and the proceeds of the sale of any collateral received as the result of defaults on such loans;

(D) fees and other moneys due the Federal Government for loan guarantees for which commitments were made after September 30, 1987, and the proceeds from the sale of any collateral received as the result of defaults on such loan guarantees;

(4) disburse the direct loan to the borrower and, in accordance with agency loan agreements, make claim payments for those guaranteed loans in default that have not been reinsured;

(5) either directly or through the Federal agencies administering such loans and guarantees, (A) sell direct loans, without Federal guarantee of repayment of principal or interest, in whole or in part and (B) purchase reinsurance of loan guarantees; or after consultation with the affected Federal agency, and with the concurrence of the Director of the Office of Management and Budget exempt such direct loans from sale and such guarantees from reinsurance;

(6) maintain reserves to cover loan guarantee defaults for any loan guarantees not reinsured by private insurers;

(7) credit interests to the fund monthly on the average amount of the undisbursed cash balances of the fund during the preceding month at a rate determined by the Secretary, taking into consideration the current average market yields on outstanding marketable obligations of the United States of comparable maturity;

(8) transfer from time to time to the general fund of the Treasury such balances of the fund as the Secretary determines are in excess of the needs of the fund;

(9) ensure full accountability for the credit activity of each Federal agency by identifying separately the credit activity of each credit program of such agency on the fund's books; and

(10) require timely uniform reporting from Federal agencies on loan performance and borrower characteristics, monitor due diligence debt collection efforts, assess Federal agency performance, and otherwise study and undertake improvements in Federal agency credit management.

(b) The Secretary is authorized to appoint such officers, attorneys, employees, agents, consultants, and financial advisors as may be required, to define their duties, to fix and to pay such compensation for their services as may be determined, subject to the civil service and classification laws, to require bonds for them and pay the premium thereof, to carry out the functions to the fund.

SEC. 306. AGENCY RESPONSIBILITIES.

The head of each Federal agency authorized to make or guarantee loans covered by this title shall—

(1) provide the Secretary in a timely fashion with information about the Federal agency's direct loan or loan guarantee programs sufficient to enable the Secretary to calculate the estimated subsidy, or shall, as required by the Secretary, estimate the subsidy in accordance with the Secretary's guidance;

(2) request annual appropriations, or limitations on funds otherwise available, for the subsidies attributable to that Federal agency's direct loan or loan guarantee program in each fiscal year;

(3) carry out the Federal agency's direct loan or loan guarantee programs within the lower of (A) applicable appropriations Act limitations on direct loan obligations or loan guarantee commitments, or (B) annual appropriations or funds otherwise available to cover subsidy costs for the program;

(4) take such action as may be necessary, prior to October 1, 1987, to ensure that loan contracts executed by such agency on or after such date require a purchaser of such a loan, pursuant to section 305(a)(5) of this title, to afford the borrower under the loan the same procedural and substantive rights as are afforded to the borrower by the Federal agency under the loan contract;

(5) to the extent authorized and subject to such limitations as provided in annual appropriations Acts, retain guarantee or other fees to be used for the purpose of administering direct or guaranteed loan programs;

(6) except as provided in paragraph (5), and notwithstanding any other provision of law, pay to the fund all sums received with respect to any direct loan or guaranteed loan that is an obligation or commitment of the fund.

SEC. 307. BUDGETARY TREATMENT.

(a) For the purposes of chapter 11, title 31, United States Code (relating to the executive budget process) and of titles III and IV of the Congressional Budget Act of 1974, in the case of any direct loan made by a Federal agency beginning October 1, 1987, the subsidy shall be treated as an obligation made by such agency.

(b) For the purposes of chapter 11, title 31, United States Code (relating to the executive budget process) and of titles III and IV of the Congressional Budget Act of 1974, in the case of any loan guarantee commitment made by a Federal agency beginning October 1, 1987, the subsidy shall be treated as an obligation made by such agency.

(c) For the purposes of chapter 11, title 31, United States Code (relating to the executive budget process) and of titles III and IV of the Congressional Budget Act of 1974, financing requirements of Federal credit programs in excess of subsidies paid by agencies shall be treated as obligations of the fund.

SEC. 308. AUTHORIZATION OF APPROPRIATIONS.

(a) The Secretary is authorized, at his discretion, to use the proceeds of the sale of any securities hereafter issued under the Second Liberty Bond Act (1) to finance direct loans to the extent not covered by the moneys received under subsections (a)(3) and (a)(5)(A) of section 305 of this title; and (2) to pay claims, resulting from federally guaranteed loans, in excess of the reserves of the fund. The fund shall pay interest to the Treasury on any borrowing to meet such purposes at the same rates as those prescribed under subsection (a)(7) of such section.

(b) In the event that the fund sustains losses on its operations there are authorized to be appropriated to the fund such sums as may be necessary for the purposes of liquidating debt.

(c) There are authorized to be appropriated to each Federal agency otherwise authorized to make obligations for direct loans, such sums as may be necessary for the subsidies associated with proposed direct loan obligations.

(d) There are authorized to be appropriated to each Federal agency otherwise authorized to make loan guarantee commitments, such sums as may be necessary for the subsidies associated with proposed loan guarantee commitments.

(e) There are authorized to be appropriated to the Secretary such sums as may be necessary for the salaries and expenses incurred to carry out his responsibilities under this title.

SEC. 309. TREATMENT OF DEPOSIT INSURANCE AGENCIES.

(a) Notwithstanding any other provision of this title, the credit activities of the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the National Credit Union Administration, the Pension Benefit Guaranty Corporation, and the Securities and Exchange Commission shall be treated as follows:

(1) Obligations to make direct loans to the public or to assume loan assets shall remain obligations of the agencies.

(2) Commitments to guarantee a loan shall remain commitments of the agencies.

(3) For each fiscal year beginning with fiscal year 1988, such agency shall include in its budget proposal the estimated subsidy cost associated with proposed direct loan obligations, including acquisitions of loan assets.

(4) For each fiscal year beginning with fiscal year 1988, such agency shall include in its budget proposal the estimated subsidy cost associated with proposed loan guarantee commitments. The estimated subsidy costs associated with proposed loan guarantee commitments shall constitute an obligation of the agency.

(5) No appropriations or limitations on the use of funds otherwise available shall be required for subsidies.

(b) Nothing in this section shall be construed as changing the responsibility of such agencies to determine the terms and conditions of eligibility for, or the amount of assistance provided by these agencies.

SEC. 310. EFFECT ON OTHER LAWS AND CONFORMING AMENDMENTS.

(a) Nothing in this title shall be construed as limiting the authority of any Federal agency to enter into agreements to make or to guarantee loans under statutes that existed prior to the date of the enactment of this Act or that may be enacted subsequently: *Provided,* That all such agreements shall be contingent upon meeting the requirements of this title.

(b) This title shall supersede, modify, or repeal any provision of law heretofore enacted to the extent such provision is inconsistent with this title.

(c)(1) A Federal agency other than the Department of the Treasury may not issue, sell, or guarantee an obligation of a type that is ordinarily financed in investment securities markets, as determined by the Secretary, unless the terms of the obligation provide that it may not be held by any person or entity other than the Secretary. The Secretary may waive this requirement with respect to obligations that the Secretary determines are (A) not suitable investments because of the risks entailed in such obligations, (B) financed in a manner that is least disruptive of private financial markets and institutions, or (C) financed in a manner that is least disruptive of Government securities markets. To the extent that the head of a Federal agency other than the Department of the Treasury is authorized by any law other than this title to issue, sell, or guarantee such obligations, the head of such agency is authorized to issue, sell, or guarantee such obligations to the Secretary. Any purchases by the Secretary under this subsection shall be upon such terms and conditions as to yield a rate of return which shall be not less than a rate determined by the Secretary, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity.

(2) Any obligation guaranteed by a Federal agency and financed by the Secretary pursuant to this section shall be deemed to be a direct loan of the fund, notwithstanding any other provision of law, and shall be subject to section 302 of this title.

(d)(1) Notwithstanding any other provision of this title, the purchase by the Secretary under subsection (c) of this section of the obligations of any local public body or agency within the United States shall be made upon such terms and conditions as may be necessary to avoid an increase in borrowing costs to such local public body or agency as a result of the purchase of the Secretary of its obligations. The head of the Federal agency guaranteeing such obligations, in consultation with the Secretary, shall estimate the borrowing costs that would be incurred by the local public body or agency if its obligations were not sold to the Secretary.

(2) The Federal agency guaranteeing obligations purchased by the Secretary under subsection (c) of this section may contract to make periodic payments to the Secretary that shall be sufficient to offset the costs to the Secretary of purchasing obligations of local public bodies or agencies upon terms and conditions as prescribed in this section. Such contracts may be made in advance of appropriation therefor, and appropriations for making payments under such contracts are hereby authorized.

(e) Collections resulting from direct loans obligated or loan guarantees committed prior to October 1, 1987, shall be credited to the accounts to which such collections were credited prior to the date of the enactment of this Act. Amounts so credited shall be available, to the same extent that they were available prior to the date of the enactment of this Act, to liquidate obligations arising from such direct loans obligated or loan guarantees committed prior to October 1, 1987, including repayment of any obligations held by the Secretary or the Federal Financing Bank. From time to time, the unobligated balances of such accounts that are in excess of current needs shall be transferred to the general fund of the Treasury.

(f) Section 3(a)(2) of the Congressional Budget and Impoundment Control Act of 1974 is amended by adding at the end thereof the following: "Such term includes the subsidy for direct loan and loan guarantee programs, as those terms are defined in section 301 of the Federal Fiscal Procedures Improvement Act of 1987."

SEC. 311. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect upon the date of the enactment of this Act.

TITLE IV—SEQUESTRATION PROCEDURES.

SEC. 401. SEQUESTRATION PROCEDURES.

(a) REFERENCES.—Except as otherwise specifically provided, whenever in this section an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be a reference to a section or other provision of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) INITIAL ESTIMATES.—Section 251(a)(1) is amended by striking "each fiscal year" in the matter preceding subparagraph (A) and inserting in lieu thereof "each odd-numbered fiscal year".

(c) REPORTS.—

(1) Section 251(b) is amended to read as follows:

"(b) REPORTS BY THE COMPTROLLER GENERAL AND THE DIRECTOR OF OMB.—

"(1) REPORT TO THE DIRECTOR OF OMB AND THE CONGRESS BY THE COMPTROLLER GENERAL.—

"(A) REPORT TO BE BASED ON OMB-CBO REPORT.—The Comptroller General shall review and consider the report issued under subsection (a) by the Directors for the fiscal year and, with due regard for the data, assumptions, and methodologies used in reaching the conclusions set forth therein, shall issue a report to the Director of the Office of Management and Budget and the Congress on August 25 of the calendar year in which such fiscal year begins, estimating the budget base levels of total revenues and total budget outlays for such fiscal year, identifying the amount of any deficit excess for such fiscal year, stating whether such deficit excess will be greater than $10,000,000,000 (zero in the case of fiscal year 1991), specifying the estimated rate of real economic growth for such fiscal year, for each quarter of such fiscal year, and for each of the last two quarters of the preceding fiscal year, indicating whether the estimate includes two or more consecutive quarters of negative economic growth, and specifying (if the excess is greater than $10,000,000,000, or zero in the case of fiscal year 1991) the percentages by which defense and nondefense accounts must be reduced during such fiscal year in order to eliminate such deficit excess. Such report shall be based on the estimates, determinations, and specifications contained in the report submitted by the Directors under subsection (a) and shall utilize the budget base, criteria, and guidelines set forth in subsection (a)(6) and in sections 255, 256, and 257.

"(B) CONTENTS OF REPORT.—The report of the Comptroller General under this paragraph shall contain such views as the Comptroller General considers appropriate concerning the estimates, determinations, and specifications contained in the report submitted by the Directors under subsection (a). The report of the Comptroller General shall explain fully any differences between the contents of such report and the report of the Directors under subsection (a).

"(2) REPORT TO PRESIDENT AND CONGRESS BY THE DIRECTOR OF OMB.—

"(A) REPORT TO BE BASED ON GAO REPORT.—The Director of the Office of Management and Budget shall review and consider the report issued by the Comptroller General under paragraph (1) of this subsection for the fiscal year and, with due regard for the data, assumptions, and methodologies used in reaching the conclusions set forth therein, shall issue a report to the President and the Congress on September 1 of the calendar year in which such fiscal year begins, estimating the budget base levels of total revenues and total budget outlays for such fiscal year, identifying the amount of any deficit excess for such fiscal year, stating whether such deficit excess will be greater than $10,000,000,000 (zero in the case of fiscal year 1991), specifying the estimated rate of real economic growth for such fiscal year, for each quarter of such fiscal year, and for each of the last two quarters of the preceding fiscal year, indicating whether the estimate includes two or more consecutive quarters of negative economic growth, and specifying (if the excess is greater than $10,000,000,000, or zero in the case of fiscal year 1991), by account, for nondefense programs, and by account and programs, projects, and activities within each account, for defense programs, the base from which reductions are taken and the amounts and percentages by which such accounts must be reduced during such fiscal year in order to eliminate such deficit excess. Such report shall be based on the estimates, determinations, and specifications, and views of the Comptroller General under paragraph (1) and shall utilize the budget base, criteria, and guidelines set forth in subsection (a)(6) and in sections 255, 256, and 257.

"(B) CONTENTS OF REPORT.—The report of the Director of the Office of Management and Budget under this paragraph shall—

"(i) provide for the determination of reductions in the manner specified in subsection (a)(3);

"(ii) contain estimates, determinations, and specifications for all of the items contained in the report submitted by the Directors under subsection (a); and

"(iii) state whether the estimates, determinations, and specifications contained therein are consistent with the views contained in the report of the Comptroller General under paragraph (1)(B), and, if not, shall justify the reasons for any deviation.".

(2) Section 251(c) is amended—

(A) by striking out "President" in subparagraph (A) of paragraph (2) and inserting in lieu thereof "Director of the Office of Management and Budget";

(B) by striking out "subsection (b)" in such subparagraph and inserting in lieu thereof "subsection (b)(1)"; and

(C) by adding at the end of such subparagraph the following new sentence: "Such report shall be based upon the same economic and technical assumptions, employ the same methodologies, and utilize the same definition of the budget base and the same criteria and guidelines as the report submitted by the Comptroller General under subsection (b)(1) (except that subdivision (II) of subsection (a)(6)(D)(i) shall not apply)."; and

(D) by striking out subparagraph (B) of paragraph (2) and inserting in lieu thereof the following new subparagraph:

"(B) The report of the Comptroller General under this paragraph shall revise (to the extent necessary) the views contained in the report submitted pursuant to subsection (b)(1)(B)."; and

(E) by adding at the end thereof the following new paragraph:

"(3) REPORT BY THE DIRECTOR OF OMB.—

"(A) On October 15 of the fiscal year, the Director of the Office of Management and Budget shall submit to the President and the Congress a report revising the report submitted by the Director of the Office of Management and Budget under subsection (b)(2), adjusting the estimates, determinations, and specifications contained in that report to the extent necessary in the light of the revised report submitted to the Director of the Office of Management and Budget by the Comptroller General under paragraph (2) of this subsection.

"(B) The revised report of the Director of the Office of Management and Budget under this paragraph shall provide for the determination of reductions as specified in subsection (a)(3), shall contain all of the estimates, determinations, and specifications required (in the case of the report submitted under subsection (b)(2)) pursuant to subsection (b)(2)(B)(ii), and shall justify any deviation between the revised report of the Director under this paragraph and the report of the Comptroller General under paragraph (2).

"(C) The revised report of the Director under this paragraph shall contain estimates, determinations, and specifications for all of the items contained in the initial report and shall be based on the same economic and technical assumptions, employ the same methodologies, and utilize the same definition of the budget base and the same criteria and guidelines as those used in the report submitted by the Director under subsection (b)(2) (except that subdivision (II) of subsection (a)(6)(D)(i) shall not apply), and shall provide for the determination of reductions in the manner specified in subsection (a)(3).

"(D) The revised report of the Director under this paragraph for a fiscal year shall not contain, with respect to any item, an amount of budget authority, outlays, spending authority (as defined in section 401(c)(2) of the Congressional Budget Act of 1974), revenues, obligation limitation, obligated balances, unobligated balances, loan guarantee commitments, or direct loan obligations, which is different than the amount of budget authority, outlays, spending authority (as so defined), revenues, obligation limitation, obligated balances, unobligated balances, loan guarantee commitments, or direct loan obligations specified for such item in the report of the Director under subsection (b)(2) for such fiscal year unless, after the Director submits the report required under such subsection (b)(2)—

"(i) legislation is enacted,

"(ii) a final regulation is promulgated, or

"(iii) a notice of a sale of assets is published in accordance with subsection (l),

which requires a change in the estimate of such budget authority, outlays, spending authority (as so defined), revenues, obligation limitation, obligated balances, unobligated balances, loan guarantee commitments, or direct loan obligations for such item.".

(3)(A) Section 251(e) is amended by striking out "Directors or the Comptroller General" and inserting in lieu thereof "Directors, the Comptroller General, or the Director of the Office of Management and Budget".

(B) Section 251(f) is amended by striking out "subsections (b) and (c)(2)" and inserting in lieu thereof "subsections (b)(1) and (c)(2), and the reports of the Director of the Office of Management and Budget submitted to the Congress under subsections (b)(2) and (c)(3),".

(c) PRESIDENTAL ORDER.—

(1) Section 252(a) is amended—

(A) by striking out "Comptroller General" the first place it appears in paragraph (1) and inserting in lieu thereof "Director of the Office of Management and Budget";

(B) by striking out "section 251(b)" each place it appears in paragraphs (1) and (3) and inserting in lieu thereof "section 251(b)(2)";

(C) by striking out "September 1" in paragraph (1) and inserting in lieu thereof "September 3";

(D) by striking out "COMPTROLLER GENERAL'S" in the heading for paragraph (3) and inserting in lieu thereof "DIRECTOR'S";

(E) by striking "1987-1991" in subparagraphs (B) and (C)(ii) of paragraph (6) and inserting in lieu thereof "1987, 1989, and 1991".

(2) Section 252(b) is amended—

(A) by striking out "Comptroller General" each place it appears and inserting in lieu thereof "Director of the Office of Management and Budget";

(B) by striking out "section 251(b)" each place it appears and inserting in lieu thereof "section 251(b)(2)";

(C) by striking out "section 251(c)(2)" each place it appears and inserting in lieu thereof "section 251(c)(3)"; and

(D) by striking out "October 15" in paragraph (1) and inserting in lieu thereof "October 17".

(e) TERMINATION OR MODIFICATION OF CERTAIN CONTRACTS.—

(1) Section 251(d) is amended by striking out paragraph (3).

(2) The last sentence of section 251(c)(1) is amended by striking out "and authorized under subsection (d)(3)(D)(i)".

(3) Section 256(l)(2) is amended by striking out ", in accordance with section 251(d)(3),".

(f) CONFORMING CHANGES.—

(1) Section 254(b)(1)(A) is amended by striking out "Comptroller General under section 251(c)(2)" and inserting in lieu thereof "Director of the Office of Management and Budget under section 251(c)(3)".

(2) Section 274(f)(5) is amended by striking out "section 251 (b) or (c)(2)" and inserting in lieu thereof "section 251 (b)(2) or (c)(3)".

(3) Section 274(h) is amended—

(A) by striking out "Comptroller General" the first place it appears and inserting in lieu thereof "Director of the Office of Management and Budget"; and

(B) by striking out "Comptroller General under section 251 (b) or (c)(2)" and inserting in lieu thereof "Director of the Office of Management and Budget under section 251 (b)(2) or (c)(3)".

(g) ECONOMIC ASSUMPTIONS.—Section 251 is amended by adding at the end thereof the following new subsections:

"(h) ECONOMIC ASSUMPTIONS.—

"(1) REPORTS BY THE DIRECTORS AND THE COMPTROLLER GENERAL.—By July 25 of the calendar year in which the fiscal year begins, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall each submit to the Temporary Joint Committee on Deficit Reduction established by section 274 a report proposing economic assumptions (for each of the items specified in paragraph (5)) for use by the Directors and the Comptroller General in preparing each report required by subsections (a), (b), and (c) for such fiscal year.

"(2) REPORTING OF JOINT RESOLUTION.—The Temporary Joint Committee on Deficit Reduction established under section 274 may, at any time before September 15 of the calendar year in which a fiscal year begins, report to the Senate and the House of Representatives a joint resolution for such fiscal year which—

"(A) specifies, for one or more economic assumptions, the amount (within the range of the amounts proposed for each such economic assumption by the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General in the reports required under paragraph (1)) for such economic assumption for such fiscal year;

"(B) directs the Directors and the Comptroller General to use the amount specified in such joint resolution for each such economic assumption in preparing each report required under subsections (a), (b), and (c) for such fiscal year; and

"(C) directs the President to modify the most recent order (if any) issued under section 252 for such fiscal year in a manner which implements the amount specified in such joint resolution for each such economic assumption.

"(3) PROCEDURES.—The provisions relating to the consideration of joint resolutions under section 254(a)(4) shall apply to the consideration of a joint resolution reported pursuant to paragraph (2), except that debate in each House shall be limited to two hours.

"(4) ACTION IF ECONOMIC ASSUMPTION IS NOT SPECIFIED BY JOINT RESOLUTION.—In any case in which a joint resolution is not enacted under this subsection specifying an amount for an economic assumption for a fiscal year, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall, in preparing the reports required by subsections (a), (b), and (c) for such fiscal year, use the amount for such economic assumption proposed by such Director or Comptroller General in the report required under paragraph (1) for such fiscal year.

"(5) SPECIFIED ITEMS.—The items specified in this paragraph are:

"The average level of the nominal gross national product.

"The average level of the real gross national product.

"The average level of the gross national product deflator index.

"The average level of the CPI-U index.

"The average level of the CPI-W index.

"The average level of the civilian unemployment rate.

"The average level of the three-month Treasury bill rate.

"The average level of the ten-year government bond rate.

"The average level of corporate profits (economic).

"The average level of wage and salary disbursements.

"The average level of other taxable income.

"The average level of the capital consumption adjustment.

"The average level of the inventory valuation adjustment.

"The average level of refiners' acquisition cost for oil.

"The average level of merchandise imports.

"(6) DEFINITION.—For purposes of this subsection, the term 'range of amounts' means, with respect to an economic assumption, any of the amounts for such economic assumption which is—

"(A) not less than the lesser of the amounts proposed for such economic assumption by either Director or by the Comptroller General in the reports required by paragraph (1) for a fiscal year; or

"(B) not more than the higher of the amounts proposed for such economic assumption used by either Director or the Comptroller General in such reports.

"(i) BUDGETARY RESOURCE-OUTLAY RATIOS.—

"(1) IN GENERAL.—

"(A) BASIC RULE.—Except as provided in paragraph (2) and in subparagraph (E), in preparing each report required under this section for a fiscal year, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall calculate budget outlays resulting from each item of budgetary resources (specified in subclauses (I) through (VII) of subparagraph (F)(i)) for an account in accordance with this subsection, for purposes of—

"(i) determining under subsection (a) budget base levels of budget outlays for such fiscal year;

"(ii) determining the amount of budget outlays for such fiscal year for defense programs to which subsections (a)(3)(E)(ii) and (d) apply; and

"(iii) determining the amount of budget outlays for such fiscal year for non-defense programs to which subsection (a)(3)(F)(iv) applies.

"(B) COMPUTATION RULES.—For purposes of subparagraph (A), in order to determine the amount of budget outlays for a fiscal year resulting from an item of budgetary resources for each account to which clause (i), (ii), or (iii) of such subparagraph applies, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall make the following determinations:

"(i) The amount of such item of budgetary resources for such account for such fiscal year shall be determined.

"(ii) The ratio described in subparagraph (C) shall be determined for such item of budgetary resources for such account.

"(iii) The amount of budget outlays resulting from such item of budgetary resources for such account for such fiscal year shall be equal to the product of the amount determined under clause (i) of this subparagraph for such item of budgetary resources multiplied by the ratio determined under clause (ii) of this subparagraph for such item of budgetary resources.

"(C) DETERMINATION OF RATIO.—For each item of budgetary resources for each account, the ratio referred to in clause (ii) of such paragraph (B) shall be equal to the quotient of—

"(i) the amount of budget outlays specified as the average of the amounts of budget outlays proposed by each of the Directors for fiscal year 1986 for such account in the first appendix of the report submitted by the Directors under subsection (a) for fiscal year 1986 (as such report was modified by the report of the Comptroller General under subsection (b) for such fiscal year and reaffirmed by H.J. Res. 672, as adopted on July 17, 1986), except as provided by subparagraph (D) of this paragraph, divided by

"(ii) the amount for such item of budgetary resources specified as the average of the amounts for such item proposed by each of the Directors for fiscal year 1986 for such account in such appendix.

"(D) ACCOUNTS WITH MORE THAN ONE ITEM OF BUDGETARY RESOURCES.—In any case in which, in the appendix described in subparagraph (C)(i), there is—

"(i) more than one item of budgetary resources for an account to which clause (i), (ii), or (iii) of subparagraph (A) applies;

"(ii) or an excluded budgetary resource for such an account,

the amount of budget outlays for each such item of budgetary resources, for purposes of subparagraph (C)(i), shall be the amount of budget outlays determined by the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, or the Comptroller General, as the case may be, that was associated with such item of budgetary resources for fiscal year 1986 in the preparation of such appendix.

"(E) EXCEPTION.—

"(i) Subparagraph (A) shall not apply to the calculation of budget outlays resulting from an item of budgetary resources for an account if the appendix described in clause (i) of subparagraph (C) does not specify the amount of budget outlays described in such subparagraph or the amount for an item of budgetary resources described in clause (ii) of such subparagraph.

"(ii) In preparing the reports under subsections (a) and (c)(1) for a fiscal year, the Director of the Office of Management and Budget and the Director of the Congressional Budget Office shall calculate the budget outlays resulting from an item of budgetary resources described in clause (i) in the same manner as the budget outlays resulting from such item were calculated by such Director for purposes of determining the budget base level of total outlays under subsection (a)(1)(A) for fiscal year 1986.

"(F) DEFINITION.—For purposes of this subsection—

"(i) the term 'item of budgetary resources' means—

"(I) budget authority;

"(II) spending authority (as defined in section 401(c)(2) of the Congressional Budget Act of 1974);

"(III) offsetting collection amounts for spending authority (as so defined);

"(IV) direct loan limitations;

"(V) obligation limitations;

"(VI) unobligated balances for defense programs; and

"(VII) budget authority for programs subject to special sequestration rules; and

"(ii) the term 'excluded budgetary resource' means—

"(I) spending authority (as defined in section 401(c)(2) of the Congressional Budget Act of 1974) for automatic spending increases;

"(II) direct loan floors;

"(III) guaranteed loan limitations;

"(IV) guaranteed loan floors;

"(V) unobligated balances for administrative expenses; and

"(VI) budget authority for automatic spending increases.

"(2) PROPOSAL OF ALTERNATIVE RATIOS.—

"(A) IN GENERAL.—By June 20 of the calendar year in which the fiscal year begins, the Directors may submit a joint report to the Temporary Joint Committee on Deficit Reduction established under section 274(f) which proposes, for one or more items of budgetary resources, the use, for purposes of paragraph (1), of a ratio for such fiscal year which is different than the ratio prescribed by subparagraph (C) of such paragraph. The report shall include, for each such item for which a different ratio is recommended, an explanation of the reasons why the ratio prescribed by paragraph (1)(C) is no longer adequate for purposes of paragraph (1) and a justification for the ratio proposed for such account.

"(B) REPORTING OF JOINT RESOLUTION.—Within 5 days after receiving a report under subparagraph (A), the Temporary Joint Committee may report to the Senate and the House of Representatives a joint resolution affirming the report submitted under subparagraph (A). The provisions relating to the consideration of joint resolutions under section 254(a)(4) shall apply to the consideration of a joint resolution reported pursuant to this subparagraph, except that debate in each House shall be limited to two hours.

"(C) EFFECT OF JOINT RESOLUTION.—If a joint resolution is enacted under subparagraph (B) for a fiscal year, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall each, in preparing each report required under this section for such fiscal year, use for each item of budgetary resources for which a ratio is contained in the report submitted under subparagraph (A), the ratio contained in such report (as affirmed pursuant to such joint resolution).

"(j) COMPUTATION OF BUDGET BASE OUTLAYS RESULTING FROM OBLIGATED BALANCES.—In determining the amount of budget base outlays resulting from obligated balances for defense programs and nondefense programs for a fiscal year for purposes of the reports required under subsections (a) and (c)(1)—

"(1) the Director of the Office of Management and Budget shall use the methodology used by such Director in determining such budget base outlays in the report required under subsection (a) for fiscal year 1986; and

"(2) the Director of the Congressional Budget Office shall use the methodology used by such Director in determining such budget base outlays in the report required under subsection (a) for fiscal year 1986.

"(k) FEDERAL REGULATIONS.—Except as provided in subsection (a)(6)(D)(ii), in preparing each report required under this section for a fiscal year, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall assume that only regulations which have been promulgated as final regulations by August 15 of the calendar year in which the fiscal year begins (with respect to reports required under subsection (a) or (b) for such fiscal year), or by October 5 of the fiscal year (with respect to reports required under subsection (c) for such fiscal year), shall be in effect during such fiscal year.

"(l) ASSET SALES.—In preparing each report required under this section for a fiscal year, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall assume that the sale of an asset by the Federal Government will occur during such fiscal year only if a final notice of sale during such fiscal year (including a description of the asset to be sold and the date of sale) is published in the Federal Register by August 15 of the calendar year in which such fiscal year begins (with respect to reports required under subsection (a) or (b) for such fiscal year), or by October 5 of the fiscal year (with respect to reports required under subsection (c) for such fiscal year).

"(m) PAY INCREASES.—

"(1) IN GENERAL.—In preparing each report required under this section for a fiscal year, the Director of the Office of Management and Budget, the Director of the Congressional Budget Office, and the Comptroller General shall—

"(A) include amounts of budgetary resources and budget outlays necessary to pay for any Federal pay adjustments for statutory pay systems if such adjustments have been recommended by the President or, notwithstanding subsection (a)(6)(D)(i), have been enacted by law;

"(B) include amounts of budgetary resources and budget outlays necessary to pay for any pay adjustments for elements of military pay if such adjustments occur pursuant to law or are specifically enacted by law; and

"(C) assume that the percentage of the amounts of budgetary resources and budget outlays necessary to pay for such adjustments that will be absorbed by all Federal agencies will not exceed the average (for the three most recently completed pay adjustment absorption fiscal years) of the percentages of such amounts absorbed by Federal agencies for such fiscal years.

"(2) DETERMINATION OF AGENCIES ABSORBING PAY ADJUSTMENTS.—For purposes of paragraph (1)(C), a Federal agency shall be treated as having absorbed a percentage of pay adjustment for a fiscal year only if—

"(A) a pay adjustment becomes effective with respect to the agency in such fiscal year, and

"(B) a bill or joint resolution making supplemental appropriations for pay (including, in the case of members of the uniformed services, elements of military pay) was enacted with respect to the agency for such fiscal year.

"(3) DEFINITIONS.—For purposes of this paragraph—

"(A) the term 'budgetary resources' includes any of the types of budgetary resources described in clauses (i) and (ii) of subsection (i)(1)(F);

"(B) the term 'pay adjustment absorption fiscal year' means a fiscal year in which—

"(i) a pay adjustment becomes effective with respect to any Federal agency, and

"(ii) a bill or joint resolution making supplemental appropriations for pay (including, in the case of members of the uniformed services, elements of military pay) for such fiscal year is enacted for any Federal agency with respect to which such an adjustment becomes effective;

"(C) the term 'statutory pay system' has the same meaning as in section 256(g)(2)(A); and

"(D) the term 'elements of military pay' has the same meaning as in section 256(g)(2)(B).".

(h) BUDGET BASE.—Section 251(a)(6)(A) is amended by inserting before the semicolon a comma and "including the continuation of current law with respect to entitlements funded through annual appropriation Acts and with respect to the Food Stamp Act of 1977".

(i) COMPLIANCE REPORT.—Section 253 is amended to read as follows:

"SEC. 253. COMPLIANCE REPORT BY COMPTROLLER GENERAL.

"On or before November 15 of each odd-numbered fiscal year (beginning with fiscal year 1989), the Comptroller General shall submit to the Congress and the President a report on—

"(1) the extent to which the President's order issued under section 252(b) for such fiscal year complies with all of the requirements contained in section 252, either certifying that the order fully and accurately complies with such requirements or indicating the respects in which it does not;

"(2) the extent to which each report of the Director of the Office of Management and Budget under section 251 (b)(2) and (c)(3) for such fiscal year complies with all of the requirements contained in this part, either certifying that the order fully and accurately complies with such requirements or indicating the respects in which it does not; and

"(3) any recommendations of the Comptroller General for improving the procedures set forth in this part.".

(i) EXEMPT PROGRAMS AND ACTIVITIES.—Section 255(g)(1) is amended by inserting before the first item relating to the Western Area Power Administration the following new item:

"Washington Metropolitan Area Transit Authority, Interest payments (46-0300-0-1-401);".

(j) FALLBACK PROCEDURES.—Section 274(f) is amended—

(1) in paragraph (1) by inserting "on or after the date of the enactment of the Federal Fiscal Procedures Improvement Act of 1987" after "invalidated"; and

(2) in paragraph (2)—

(A) by striking out "Upon the invalidation of any such procedure there" in the first sentence and inserting in lieu thereof "There";

(B) by striking out "and" before "to report" in the third sentence and inserting in lieu thereof a comma; and

(C) by inserting before the period in the third sentence a comma and "and to carry out the functions specified in subsections (h) and (i) of section 251".

(k) APPLICATION.—The amendments made by this section shall apply with respect to any report required to be submitted, and any order required to be issued, under part C of the Balanced Budget and Emergency Deficit Control Act of 1985 for an odd-numbered fiscal year beginning on or after the date of the enactment of this Act.

SEC. 402. REVIVAL OF PRIOR LAW.

(a) IN GENERAL.—Subject to subsection (c), if legislation is enacted, at any time after the date of the enactment of this Act, that—

(1)(A) establishes the Comptroller General of the United States as an officer of the executive branch of the Government; or

(B) establishes an independent agency in the executive branch of the Government to carry out the functions of the Comptroller General which are executive in nature; and

(2) provides that this section will become effective upon the enactment of the legislation,

the provisions of sections 251, 252, 253, and 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 shall be restored and revived.

(b) RESPONSIBILITIES ASSIGNED.—If, pursuant to subsection (a), the provisions of sections 251, 252, 253, and 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 are restored and revived, the responsibilities assigned by such sections (as so revived and restored) to the Comptroller General shall be carried out by—

(1) the Comptroller General (if provisions of law described in subsection (a)(1)(A) have been enacted); or

(2) the head of the agency established pursuant to provisions of law described in subsection (a)(1)(B),

as the case may be.

(c) Timing of Sequestration.—Notwithstanding subsection (a), no report shall be transmitted pursuant to section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985, and no order shall be issued pursuant to section 252 of such Act, for any even-numbered fiscal year beginning on or after the date of the enactment of this Act.

SEC. 403. APPEALS OF CERTAIN RULINGS IN THE SENATE.

(a) In General.—

(1) Section 271 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by adding at the end thereof the following new subsection:

"(d) Appeals of Rulings.—An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under section 301(i), 302(f), 304(b), 306, 310(d), 310(g), or 311(a) of the Congressional Budget Act of 1974.".

(2) Section 275(b)(2)(D) of such Act is amended by striking out "section 271(b)" and inserting in lieu thereof "subsections (b) and (d) of section 271".

(b) Exercise of Rulemaking Powers.—The amendments made by this section are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

TITLE V—MISCELLANEOUS FISCAL REFORMS

SEC. 501. REPEAL OF EXCEPTION TO SECTION 311 POINT OF ORDER.

Section 311 of the Congressional Budget Act (2 U.S.C.642) is amended by striking subsection (b) and redesignating subsection (c) as subsection (b).

SEC. 502. COMMITTEE ALLOCATIONS.

(a) Allocation of Totals.—Section 302(a) of the Congressional Budget Act (2 U.S.C. 633(a)) is amended by adding at the end the following new paragraph:

"(3) The joint explanatory statement accompanying the conference report on a concurrent resolution on the budget for a 2-fiscal-year budget period shall include an estimated allocation for each fiscal year in such period, based upon such concurrent resolution as recommended in such conference report, of the appropriate levels of budget authority and outlays, divided between major functional category 050 (National Defense) and all other nondefense discretionary spending, among each committee of the House of Representatives and the Senate that has jurisdiction over the bills and resolutions providing such budget authority.".

(b) Reports by Committees.—Section 302(b) of such Act (2 U.S.C. 633(b)) is amended—

(1) by striking "and" at the end of paragraph (1),

(2) by striking the period at the end of paragraph (2) and inserting in lieu thereof "; and", and

(3) by adding at the end the following new paragraph:

"(3) each committee of the House of Representatives and the Senate to which an allocation is made under subsection (a)(3) shall, after consulting with the committee or committees of the other House to which all or part of its allocation was made, further subdivide its allocation among its subcommittees.".

(c) Point of Order.—Section 302(f) of such Act (2 U.S.C. 633(f) is amended by adding at the end the following:

"(3) Nondefense Allocations.—

"(A) At any time after the Congress has completed action on the concurrent resolution on the budget required to be reported under section 301(a) for a 2-fiscal-year budget period, it shall not be in order in the House of Representatives or the Senate to consider any bill or resolution (including a conference report thereon), or any amendment to a bill or resolution, that provides for budget outlays or new budget authority for nondefense discretionary spending in excess of the appropriate allocation of outlays or authority for such programs reported pursuant to subsections (a)(3) and (b)(3) in connection with the most recently agreed to concurrent resolution on the budget for such 2-fiscal-year budget.

"(B) Subparagraph (A) may be waived or suspended in a House of the Congress by a vote of three-fifths of the Members of that House, duly chosen and sworn.

"(C) If the ruling of the presiding officer of a House of the Congress sustains a point of order raised pursuant to subparagraph (A), a vote of three-fifths of the Members of that House, duly chosen and sworn, shall be required to sustain an appeal of such ruling. Debate on any such appeal shall be limited to two hours, to be equally divided between, and controlled by, the majority and minority Leaders of the House involved, or their designees. An appeal of any such point of order is not subject to a motion to table.".

SEC. 503. AUTOMATIC CONTINUING RESOLUTION.

(a) In General.—

(1) Chapter 13 of title 31, United States Code, is amended by inserting after section 1310 the following new section:

"§ 1311. Continuing appropriations

"(a)(1) If any regular appropriation bill for a 2-fiscal-year budget period does not become law prior to the beginning of such period, there is appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any project or activity for which funds were provided in the preceding 2-fiscal-year budget period (or in the case of the first 2-fiscal-year budget period to which this section applies, the preceding fiscal year)—

"(A) in the corresponding regular appropriation Act for such preceding 2-fiscal year budget period or fiscal year, as the case may be; or,

"(B) if the corresponding regular appropriation bill for such preceding 2-fiscal-year budget period or fiscal year, as the case may be, did not become law, pursuant to this section.

"(2) Appropriations and funds made available, and authority granted, for a project or activity for any 2-fiscal-year budget period pursuant to this section shall be at a rate of operations not in excess of the lower of—

"(A) subject to paragraph (3)—

"(i) the rate of operations provided for in the regular appropriation Act providing for such project or activity for the preceding 2-fiscal-year budget period or fiscal year, as the case may be, or

"(ii) in the absence of such an Act, the rate of operations provided for such project or activity pursuant to this section for such preceding 2-fiscal-year budget period or fiscal year, as the case may be; or

"(B) the rate of operations provided for such project or activity in the budget submitted by the President under section 1105 for the 2-fiscal-year budget period with respect to which the determination is made.

"(3) In determining the rate of operations for a preceding 2-fiscal-year budget period for purposes of paragraph (1)(A), if the rate of operations for a project or activity for the second fiscal year in such period differs from the rate of operations provided for such project or activity for the first fiscal year in such period by reason of reductions made pursuant to an order issued under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985, the rate of operations for the second fiscal year in such period (after such reduction) shall be deemed to be the rate of operations for such 2-fiscal-year budget period.

"(4) Appropriations and funds made available, and authority granted, for any 2-fiscal-year budget period pursuant to this section for a project or activity shall be available for the period beginning with the first day of such 2-fiscal-year budget period and ending with the earlier of—

"(A) the date on which the applicable regular appropriation bill for such 2-fiscal-year budget period becomes law (whether or not such law provides for such project or activity), and

"(B) the last day of such 2-fiscal-year budget period.

"(b) An appropriation or funds made available, or authority granted, for a project or activity for any fiscal year pursuant to this section shall be subject to the terms and conditions imposed with respect to the appropriation made, funds made available, or authority granted for such project or activity for the preceding 2-fiscal-year budget period or fiscal year, as the case may be.

"(c) Appropriations and funds made available, and authority granted, for any project or activity for any 2-fiscal-year budget period pursuant to this section shall cover all obligations or expenditures incurred for such project or activity during the portion of such 2-fiscal-year budget period for which this section applies to such project or activity.

"(d) Expenditures made for a project or activity for any 2-fiscal-year budget period pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever a regular appropriation bill providing for such project or activity for such period becomes law.

"(e) No appropriation is made by reason of clause (B) of subsection (a)(1) for a fiscal year occurring in a 2-fiscal-year budget period for any project or activity for which there is no authorization of appropriations for such fiscal year.

"(f) This section shall not apply to a project or activity during a 2-fiscal-year budget period if any other provision of law (other than an authorization of appropriations)—

"(1) makes an appropriation, makes funds available, or grants authority for such project or activity to continue for such period, or

"(2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall be granted for such project or activity to continue for such period.

"(g) For purposes of this section 'regular appropriation bill' means any regular appropriation bill (within the meaning given to such term in section 307 of the Congressional Budget Act of 1974 (2 U.S.C. 638)) making appropriations, otherwise making funds available, or granting authority, for any of the following categories of projects and activities:

"(1) Agriculture, rural development, and related agencies programs.

"(2) The Departments of Commerce, Justice, and State, the judiciary, and related agencies.

"(3) The Department of Defense.

"(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

"(5) The Departments of Labor, Health and Human Services, and Education, and related agencies.

"(6) The Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.

"(7) Energy and water development.

"(8) Foreign assistance and related programs.

"(9) The Department of the Interior and related agencies.

"(10) Military construction.

"(11) The Department of Transportation and related agencies.

"(12) The Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

"(13) The legislative branch.".

(2) The analysis of chapter 13 of title 31, United States Code, is amended by inserting after the item relating to section 1310 the following new item:

"1311. Continuing appropriations.".

(3) The amendments made by this subsection shall apply with respect to 2-fiscal year budget periods beginning on or after October 1, 1987.

(b) Point of Order Against Continuing Resolutions.—

(1) Notwithstanding any other provision of law, of any concurrent resolution, of any resolution, or of the Standing Rules of the Senate, it shall not be in order in the Senate to consider or to vote on the question of agreeing to any bill or joint resolution making continuing appropriations for a 2-fiscal-year-budget period or any conference report thereon.

(2) Paragraph (1) may be waived or suspended in the Senate by a vote of three-fifths of the Members, duly chosen and sworn.

(3) If the ruling of the presiding officer sustains a point of order raised pursuant to paragraph (1), a vote of three-fifths of the Members duly chosen and sworn shall be required to sustain an appeal of such ruling. Debate on any such appeal shall be limited to two hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees. An appeal of any such point of order is not subject to a motion to table.

(c) Gramm-Rudman-Hollings Budget Base.—Section 251(a)(6) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(a)(6)) is amended—

(1) in subparagraph (B) by striking "the prior year's appropriations" and all that follows through "have been enacted" and inserting in lieu thereof "the appropriations provided for such account for such fiscal year pursuant to section 1311 of title 31, United States Code, except to the extent that regular appropriations have been enacted for the entire 2-fiscal-year budget period in which the fiscal year occurs", and

(2) by adding at the end thereof the following: "For purposes of subparagraph (B), the term '2-fiscal-year budget period' shall have the meaning given to such term in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974.".

SEC. 504. RECONCILIATION.

(a) Motions to Strike.—Section 310(d)(2) of the Congressional Budget Act of 1974 (2 U.S.C. 641(d)(2)) is amended—

(1) by inserting "(including a motion to strike)" after "amendment" the first place it appears, and

(2) by striking ", except that a motion to strike a provision shall always be in order".

(b) Extraneous Provisions.—

(1) Section 20001 of the Consolidated Omnibus Budget Reconciliation Act, as amended by section 7006 of the Omnibus Budget Reconciliation Act of 1986, is amended—

(A) in subsection (c) by striking "the date" and all that follows through "1988" and inserting in lieu thereof "April 7, 1986",

(B) in subsection (d)(1) by inserting "and ; (E) a provision shall be considered extraneous if it produces increases in outlays or decreases in revenues during a fiscal year after the fiscal years covered by the reconciliation bill or reconciliation resolution" before the period at the end thereof.

(2) Nothing in the amendments made by paragraph (1) shall be construed as limiting the manner in which S. Res. 286 (99th Con., 1st sess.), as amended by S. Res. 509 (99th Cong., 2d sess.), shall apply to reconciliation bills and reconciliation resolutions considered on or after the date of the enactment of this Act.

SEC. 505. SENSE OF THE CONGRESS.

It is the sense of the Congress that a joint resolution containing the provisions of S.J. Res. 225 (99th Congress), as reported by the Committee on the Judiciary of the Senate, and as modified by the Senate, should be adopted by the Congress and ratified by the States as soon as possible.

By Mr. HECHT (for himself, Mr. Proxmire, Mr. Heinz, Mr. Reid, and Mr. Baucus):

S. 833. A bill entitled the "Nuclear Waste Transportation Prohibition Through Urbanized Areas Act of 1987"; to the Committee on Environment and Public Works.

NUCLEAR WASTE TRANSPORTATION PROHIBITION THROUGH URBANIZED AREAS ACT

Mr. HECHT. Mr. President, I am introducing a bill today to resolve a great deal of the controversy that has surrounded the issue of transporting high level nuclear waste.

Too often in the past, Mr. President, States and local governments have been anxious and frustrated with the Federal Government over whether or not shipments of high level nuclear waste would pass through urban areas.

I feel there is no good reason to subject our citizens and local governments to this uncertainty. Regardless of where the Government eventually locates a nuclear repository, or a monitored retrievable storage facility, I hope we all can agree that high level waste shipments should not be going through our cities. My bill makes this very clear, and still leaves the Department of Energy and the Department of Transportation ample time to make safe transportation plans that avoid urban areas.

Mr. President, I urge the Senate to take rapid action on this bill so the Congress can send the appropriate message to the Federal agencies and the people of America.

Mr. HEINZ. Mr. President, I rise today as an original cosponsor of the Nuclear Waste Transportation Prohibition Through Urbanized Areas Act of 1987. This bill addresses an important concern for many cities in Pennsylvania and across the country. It would encourage local governments to identify less populated areas through which the Department of Energy may transport shipments of high level radioactive waste and thereby avoid major population centers.

Under current law, DOE requires local officials to prove exceptional circumstances to warrant rerouting of hazardous materials around urban areas. In fact, local officials are often not notified that shipments of high level radioactive waste are passing through their town, thus denying them opportunity to take appropriate precautionary measures. Our legislation would provide the authority to recommend a less populated alternative route as a matter of course without the need for exceptional circumstances.

My support for this legislation involves more than academic interest. Beginning in July 1986, DOE contracted a 2-year plan to route shipments of radioactive debris from the Three Mile Island nuclear reactor in Harrisburg through my home State of Pennsylvania to an Idaho repository. Over a 2-year period, more than 40 loads of radioactive waste have been scheduled to be shipped through several densely populated areas of Pennsylvania, including the cities of Pittsburgh, Johnstown, Harrisburg, and Altoona. Despite our repeated attempts to offer an alternative route and, at the very least, provide for advance notification for local officials, DOE denied our requests.

In the unfortunate event of a train derailment or accident involving high level radioactive waste, DOE claims that the radioactivity would not spread beyond a two-block area. In downtown Pittsburgh, Johnstown, or any other community, for that matter, even this amount of contamination could be devastating.

Although DOE assures us that extreme safety precautions are taken in the transport of all radioactive debris, we shouldn't take any chances when alternative rail routing may be available. I urge my colleagues to support this legislation both on principle and in practice. We should protect our communities' right to know and we should offer local officials, upon whom responsibility ultimately falls in the case of any incident within their jurisdiction, a role in decisions affecting transportation of high level radioactive waste. This legislation will do just that.

By Mr. WILSON (for himself, Mr. CHILES, and Mr. MCCLURE):

S. 835. A bill to improve the safety of imported raw agricultural commodities produced with pesticides, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

IMPORTED RAW AGRICULTURAL COMMODITY SAFETY ACT

Mr. WILSON. Mr. President, the Congress performs many duties and responsibilities but none more important than making certain that the laws passed for the protection of the public health are enforced by the appropriate Federal agencies and departments.

One such agency is the Food and Drug Administration, which, among its other duties, is charged with enforcing the laws and regulations that establish the levels of pesticide residues permitted by U.S. law on imported raw agricultural commodities. Recently, serious question has arisen as to whether FDA has adequately performed this duty. Aggravating such doubts is a General Accounting Office study that found that less than 1 percent of approximately 1 million imported food shipments were sampled by FDA.

The potential for a serious health risk is compounded by the fact that imports of raw agricultural commodities continue to increase each year. In fact, the United States presently imports over 20 million tons of food annually, up 43 percent from nearly a decade ago. Almost half of these imports appear to be from developing countries with questionable consumer safety practices.

To ensure that FDA's Pesticide Monitoring Program provides maximum protection against public exposure to illegal pesticide residues in imported raw agricultural commodities, I am, with cosponsorship of several of my colleagues, introducing the Safe Food Imports Act of 1987.

As you know, Mr. President, the American farmer is required to comply with stringent U.S. pesticide laws to protect the American consumer from harmful pesticide residues. It is imperative—and it is only fair—that our foreign competitors meet these same health standards. The bill we are introducing today not only will most importantly help to protect the public health from harmful substances that may be found on imported raw agricultural commodities, but will also prevent an unfair competitive advantage from accruing to foreign growers.

First, our legislation would require the Secretary of Health and Human Services to prepare a plan for the distribution of FDA resources for sampling imported raw agricultural commodities to ensure compliance with U.S. laws governing pesticide residues on these commodities.

Second, we would require the Secretary to ensure the timely distribution of data and information relating to violations of our pesticide laws among all of the FDA districts, so as to provide needed information to warn west coast FDA inspectors, for example, that a particular commodity which is about to enter the United States through other ports, such as Los Angeles or San Francisco, has been found to be in violation on the east coast.

In addition to the plan for the distribution of FDA resources, the Secretary would be required to submit to Congress a monitoring summary of all sampling activities taken with respect to imported produce. This will not only provide the necessary data to Congress to determine whether there is a need to revise our import inspection laws, but will also provide a basis for determining how efficiently FDA has allocated its resources in protecting the public from illegal pesticide residues on imported produce.

This legislation would also ensure that commodities found to contain illegal pesticide residues will be monitored during the next growing season after a violation has been detected. There is understandable concern that foreign growers are, in effect, being given "one on the house" and a clean slate by FDA in successive growing seasons. Incredibly, while an imported commodity may be found in violation of U.S. law in the previous crop year, FDA does not continue to monitor that particular commodity during the next growing season.

In addition, the Imported Raw Agricultural Commodity Act requires the Secretary of HHS to submit to Congress an annual report on all enforcement actions taken with respect to tainted imported food commodities, along with the sampling plan and the monitoring summary. Specifically, we would require the Secretary to submit a detailed description of the violations found, and FDA actions taken in response to these violations, including the reasons for taking such actions.

Although adequate enforcement regulations and penalties appear to exist for FDA to utilize, the GAO study which I mentioned earlier indicates that importers who illegally distribute contaminated foods to the market are rarely penalized. Consequently, there is little incentive for importers not to distribute their contaminated foods to the market. The real irony is that the importer who complies with U.S. regulations by removing adulterated shipments from the marketplace incurs an economic loss, while those that do not, incur no economic loss. In addition to submitting the detailed analysis of enforcement actions taken with respect to violations, we would require FDA to make recommendations to Congress on improving its overall enforcement procedures.

In closing, Congress should approve legislation to ensure that FDA's Import Inspection Program provides maximum protection to the public from illegal pesticide residues in food, and that our Nation's agricultural industry is provided with a fair environment in which to compete. I urge my colleagues to join us in our efforts.

Mr. President, I ask unanimous consent that the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 835

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Imported Raw Agricultural Commodity Safety Act of 1987".

SAMPLING AND ENFORCEMENT

SEC. 2. (a) PLAN.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall prepare a plan—

(A) specifying the distribution, in the fiscal year for which the plan is prepared, of the resources of the Food and Drug Administration available for sampling imported raw agricultural commodities to ensure—

(i) compliance with laws, regulations, and other enforcement requirements governing the level of pesticide chemicals permitted in or on such commodities; and

(ii) the timely sharing among Food and Drug Administration districts of data and information relating to violations of such laws, regulations, and requirements found in each such district; and

(B) describing the methods the Food and Drug Administration will use to improve the enforcement of such laws, regulations, and requirements in the fiscal year for which the plan is prepared.

(2) Within 45 days after the date of enactment of this Act, the Secretary shall cause to be published in the Federal Register a proposed plan which complies with paragraph (1) and a notice requesting public comments on such proposed plan for a period of 30 days beginning on the date such notice is published.

(3) Not later than 45 days after the expiration of each fiscal year, the Secretary shall revise, as necessary, the plan prepared under paragraph (1).

(4) Each plan prepared or revised under paragraph (1) or (3), respectively, for a

fiscal year shall be implemented by the Secretary in such fiscal year.

(b) MONITORING SUMMARY.—Within 45 days after the end of each fiscal year, the Secretary shall prepare a summary with respect to the importation of raw agricultural commodities during such fiscal year. Each such summary shall specify—

(1) each type of raw agricultural commodity imported during such fiscal year;

(2) each country exporting each such commodity;

(3) the volume of each such commodity imported from each such country during such fiscal year;

(4) the number of samples of each such commodity taken during such fiscal year in carrying out provisions of laws, regulations, and other enforcement requirements governing the level of pesticide chemicals permitted in or on such commodity; and

(5) for each violation of such laws, regulations, or requirements during such fiscal year—

(A) the raw agricultural commodity with respect to which such violation occurred;

(B) each pesticide chemical used in or on such commodity;

(C) the name of the person who imported such commodity; and

(D) the country exporting such commodity.

(c) IMPROVED MONITORING.—In any case in which a raw agricultural commodity imported from a particular country is found, during any growing season, to violate provisions of laws, regulations, or other enforcement requirements governing the level of pesticide chemicals permitted in or on such commodity, the Secretary shall continue to monitor the compliance of such commodity with such laws, regulations, and requirements by sampling shipments of such commodity imported from such country during the immediately successive growing season.

ANNUAL REPORT

SEC. 3. (a) Within 60 days after the end of each fiscal year, the Secretary shall prepare and transmit to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Labor and Human Resources of the Senate and the Committee on Agriculture and the Committee on Energy and Commerce of the House of Representatives a report on the enforcement during such fiscal year of provisions of laws, regulations, and other enforcement requirements governing the level of pesticide chemicals permitted in or on imported raw agricultural commodities. Each such report shall contain—

(1) a copy of the plan prepared or revised under section 2(a);

(2) a copy of the monitoring summary required under section 2(b) for such fiscal year;

(3) a description of—

(A) the violations of such laws, regulations, and requirements which occurred during such fiscal year;

(B) the actions taken in response to such violations; and

(C) the reasons for such actions;

(4) a description of any research conducted by the Secretary to develop improved methods to detect residues of pesticide chemicals in or on raw agricultural commodities; and

(5) any recommendations the Secretary considers appropriate for legislation to add or modify penalties for violations of laws, regulations, and other enforcement requirements governing the level of pesticide chemicals permitted in or on imported raw agricultural commodities.

DEFINITIONS

SEC. 4. For purposes of this Act—

(1) the term "raw agricultural commodity" means any food in its raw or natural state, including all fruits that are washed, colored, or otherwise treated in their unpeeled natural form prior to marketing; and

(2) the term "Secretary" means the Secretary of Health and Human Services.

SECTION-BY-SECTION ANALYSIS OF THE SAFE FOOD IMPORTS ACT OF 1987

Section 2(a)(1) requires the Secretary of Health and Human Services (the "Secretary") to prepare a plan, within 90 days of enactment, for the distribution of Food and Drug Administration (the "FDA") resources for sampling imported raw agricultural commodities to ensure compliance with FDA laws, regulations, and enforcement requirements governing pesticide residues on these commodities; and to ensure the timely sharing among FDA districts of data and information relating to violations of these laws, regulations, and requirements. The Secretary must also describe the methods FDA will use to improve the enforcement of such laws, regulations, and requirements.

Section 2(a)(2) requires the Secretary within 45 days of enactment to publish the proposed plan in the Federal Register and to request public comments on the plan for a period of 30 days.

Section 2(a)(3) requires the Secretary to revise the plan as necessary within 45 days of each fiscal year.

Section 2(a)(4) requires the Secretary each fiscal year to implement the plan prepared or revised in accordance with sections 2(a) (1) or (3).

Section 2(b) requires the Secretary to prepare a summary within 45 days after the end of each fiscal year concerning the importation of raw agricultural commodities including each type of raw agricultural commodity imported during the fiscal year; the countries exporting these commodities; the volume of these commodities; the number of samples taken by FDA in connection with the laws, regulations, and enforcement requirements governing pesticide residue levels on these imported commodities; and the commodities, chemicals, importers, and countries involved in each violation.

Section 2(c) requires the Secretary, in any case an imported raw agricultural commodity is found during any growing season to violate provisions of laws, regulations or other enforcement requirements governing pesticide residue levels, to continue to monitor the compliance of the commodity with these pesticide residue laws, regulations and requirements during the immediately successive growing season.

Section 3 requires the Secretary to submit to the Senate Agriculture and Labor Committees and the House Agriculture and Energy Committees a report on FDA enforcement of the laws, regulations, and requirements governing pesticide residue levels on imported raw agricultural commodities including a copy of the plan and monitoring summary required under section 2 of the Act; and a description of the violations of these laws and regulations, the actions taken in response to these violations, and the reasons for such actions.

Section 3 also requires to be included in the report a description of any research conducted by the Secretary to develop improved methods to detect pesticide residues in or on raw agricultural commodities; and any recommendations the Secretary considers appropriate for legislation to add or modify penalties for violations of the laws, regulations, and other enforcement requirements governing pesticide residues in or on imported raw agricultural commodities.

Section 4 defines certain terms for purposes of the Act.

● Mr. CHILES. Mr. President, I rise to join my distinguished colleague from California in cosponsoring the "Safe Food Imports Act of 1987."

This legislation will protect consumers from illegal residues of pesticides on imported food. Further, it will provide equity to U.S. food producers who comply with stringent standards, yet who must compete with foreign producers who do not have such standards.

The General Accounting Office says that the Food and Drug Administration annually samples less than 1 percent of imported food shipments. This must be improved if we expect to adequately protect consumers. More alarming than this is that most of the time importers shipping contaminated products into U.S. markets are never penalized. What incentive is there to abide by our laws if they are not enforced?

The "Safe Food Imports Act of 1987" will encourage FDA to establish better sampling and enforcement programs. For these reasons, I am pleased to join, Mr. WILSON, in cosponsoring the legislation.●

By Mr. JOHNSTON (by request):

S. 836. A bill to amend the Department of Energy Organization Act to authorize protective force personnel who guard the Strategic Petroleum Reserve or its storage and related facilities to carry firearms while discharging their official duties and in certain instances to make arrests without warrant; to establish the offense of trespass on property of the Strategic Petroleum Reserve; and for other purposes; to the Committee on Energy and Natural Resources.

SECURITY AT STRATEGIC PETROLEUM RESERVE FACILITIES

● Mr. JOHNSTON. Mr. President, I am introducing today, at the request of the Department of Energy, legislation to give the Department of Energy explicit authority to arm its Strategic Petroleum Reserve (SPR) security personnel and empower them in certain instances to make arrests without warrants for violations of Federal law, and to establish the Federal offense of trespass on federally-owned SPR sites.

I ask unanimous consent that the test of the bill and the Department's letter to the President of the Senate be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a new section 661 is added to the Department of Energy Organization Act after section 660 (42 U.S.C. § 7270) to read as follows:

"GUARDS FOR STRATEGIC PETROLEUM RESERVE FACILITIES

"SEC. 661. (a) Under guidelines prescribed by the Secretary and concurred with by the Attorney General, employees of the Department of Energy and employees of Department of Energy contractors while discharging their official duties of protecting the Strategic Petroleum Reserve or its storage or related facilities and protecting persons upon the Strategic Petroleum Reserve or its storage or related facilities may—

"(1) carry firearms, if designated by the Secretary and qualified for the use of firearms under the guidelines, and

"(2) arrest without warrant any person for an offense against the United States—

"(A) in the case of a felony, if the employee has reasonable grounds to believe that the person—

"(i) has committed or is committing a felony; and

"(ii) is in or is fleeing from the immediate area of the felony; and

"(B) in the case of a felony or misdemeanor, if the violation is committed in the presence of the employee.".

SEC. 2. A new section 662 is added to the Department of Energy Organization Act after section 661 added by this Act to read as follows:

"TRESPASS ON STRATEGIC PETROLEUM RESERVE FACILITIES

"SEC. 662. (a) The Secretary may issue regulations relating to the entry upon or carrying, transporting, or otherwise introducing or causing to be introduced any dangerous weapon, explosive, or other dangerous instrument or material likely to produce substantial injury or damage to persons or property into or onto the Strategic Petroleum Reserve, its storage or related facilities, or real property subject to the jurisdiction, administration, or in the custody of the Secretary under part B of title I of the Energy Policy and Conservation Act (42 U.S.C. §§ 6231-6247). The Secretary shall post conspicuously on the property subject to the regulations notification that that property is subject to the regulations.

"(b) Whoever willfully violates a regulation of the Secretary issued under subsection (a) shall be guilty of a misdemeanor and punished upon conviction by a fine of not more than $5,000, imprisonment for not more than one year, or both.".

SEC. 3. The table of contents for the Department of Energy Organization Act is amended by adding after the item relating to section 660 the following new items:

"SEC. 661. Guards for Strategic Petroleum Reserve facilities.

"SEC. 662. Trespass on Strategic Petroleum Reserve facilities.".

DEPARTMENT OF ENERGY,
Washington, DC, September 22, 1986.

HON. GEORGE BUSH,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Enclosed is proposed legislation to give the Department of Energy explicit authority to arm its Strategic Petroleum Reserve (SPR) security personnel and empower them in certain instances to make arrests without warrants for violations of Federal law, and to establish the Federal offense of trespass on Federally-owned SPR sites.

PURPOSE OF THE LEGISLATION

The Department of Energy is custodian of a vast quantity of oil stored for use in an energy emergency. Experienced and professional protective force personnel are essential to maintaining the proper security level at the SPR. In order for the security personnel staff to be able to perform their duties properly, they must be armed and should have the authority to detain or arrest, without warrant if necessary, those persons who threaten site security by violating, or attempting to violate, Federal law.

The risk of terrorist activities at SPR sites, where crude oil essential to the national security is stored, or at related Government facilities used in oil transportation to and from those sites presents a real and present danger. All of the SPR sites are in relatively remote areas and subject to local law enforcement agencies. These agencies, however, have limited human and physical resources to apply to deterring acts by terrorists or other criminal groups. Moreover, while it is key to the security of the SPR that potential offenders be kept from vital SPR facilities and that there be an ability to react to apparent threats at SPR sites, SPR guards generally have authority only to make citizens' arrests for trespass under state law. Local enforcement agencies have deputized some protective force contractor personnel in order to provide them with some additional measure of authority with which to conduct their security functions.

Those deputy commissions, however, can be withdrawn by the local authorities at their sole discretion. In addition, those commissions are limited to specific jurisdictions. In Texas this limitation would not permit the interchange of personnel between many sites. Also, the commissions would be of no value if the protective force contractor personnel had to be moved across state lines to meet a significant threat posed at another site.

Protective force personnel of the Department of Energy and its contractors undergo a stringent training program to prepare them for dealing with a myriad of confrontation situations. Their ability to react to terrorist activities against persons and property, however, may be impaired to the detriment of the public safety and national security by their lack of confidence in their authority to respond to criminal conduct and their concern over personal civil liability in the event of error. Without federal or state arrest authority, SPR guards can make only citizens' arrests. These arrests are difficult to perfect and can result in deficiencies that end in the release of a criminal. In addition, the SPR guards could be subject to civil or criminal liability for honest and reasonable mistakes in the execution of their duties. The proposed legislation, therefore, primarily is intended to accord SPR guards adequate personal protection from civil or criminal liability when they discharge a firearm or arrest individuals while responsibly executing their duties.

THE BILL

The proposed legislation would add a new section to the Department of Energy Organization Act (42 U.S.C. §§ 7101-7352) to authorize the Secretary of Energy to arm SPR protective force personnel while they are protecting the SPR or its storage and related facilities. It also would authorize them to make arrests without warrant for violation of a federal offense committed in their presence or a felony if they have reasonable ground to believe that the person to be arrested has committed or is committing the felony.

The authority sought through the new section is similar to the specific authority already vested in protective force personnel at nuclear facilities under section 161k of the Atomic Energy Act (42 U.S.C. § 2201(k)), and in personnel of several other agencies, *e.g.,* United States Marshals (18 U.S.C. § 3053); Secret Service inspectors and agents (18 U.S.C. § 3056); postal inspectors (18 U.S.C. § 3061); General Services Administration special policemen (40 U.S.C. § 318d); the Customs Service (26 U.S.C. § 7607); and the Drug Enforcement Administration (21 U.S.C. § 878). Moreover, as in the case of the protective force personnel at nuclear facilities, the authority sought through the new section could be granted to contractor personnel as well as federal employees of the Department of Energy. This would be consistent with the long-standing, extensive, and successful use of contractors by the Department of Energy and its predecessor agencies to carry out agency missions.

The legislation also would make trespass on SPR sites designated by the Secretary a federal crime. There is no federal law of general applicability concerning trespass on federal property. A number of federal activities, however, are protected by trespass statutes that have proven to be useful in maintaining adequate security at covered installations. The trespass provision in this proposal is modeled after section 229 of the Atomic Energy Act (42 U.S.C. § 2278a), which makes it a federal offense to trespass on Department of Energy atomic energy facilities. *See United States* v. *Thompson,* 687 F.2d 1279 (10th Cir. 1982). The Secretary would be authorized to issue regulations prohibiting unlawful entry onto the SPR, its storage or related facilities, or real property subject to the jurisdiction of the Secretary under the SPR provisions of EPCA. Those who violate these regulations could be punished by a fine of not more than $5,000, imprisonment for not more than one year, or both.

Given its importance to the security of the Nation, the SPR is a potential target of terrorists. The grave responsibility of assuring protection of the SPR falls upon and necessitates decisive action by its protective force personnel. Enactment of this legislation is necessary for the maintenance of adequate security of the SPR and its storage and related facilities so that they will continue to be available when needed.

COST AND BUDGET DATA

Enactment of this legislation will not result in a significant increase in budgetary requirements for the Department of Energy.

The Office of Management and Budget advises that from the standpoint of the President's program, there is no objection to the presentation of this legislation for the consideration of Congress.

Sincerely,

J. MICHAEL FARRELL,
General Counsel.●

By Mr. KENNEDY:

S. 837. A bill to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes; to the Committee on Labor and Human Resources.

MINIMUM WAGE RESTORATION ACT

Mr. KENNEDY. Mr. President, today I am introducing legislation to make the minimum wage a living wage. Our bill will increase the minimum wage from its present level of $3.35 an hour to $3.85 in 1988, $4.25 in 1989, $4.65 in 1990. In later years, the level will be indexed to 50 percent of the average hourly wage.

When President Franklin Roosevelt signed the original minimum wage into law in 1938, he stated: "Except for the Social Security Act, it is the most far-reaching, far-sighted program ever adopted here or in any other country."

Nothing has happened in the past 49 years to change that assessment.

The first minimum wage was 25 cents an hour. Six times since then Congress has raised the minimum wage. Six times we have heard dire prophecies of unemployment, inflation, and bankruptcy. And six times these prophecies have been false, workers in need have received a living wage, and America has prospered.

It is now 6 years since the minimum wage was last increased to its present level of $3.35 an hour. In that time, its purchasing power has eroded by 27 percent. We often hear this administration talk of a subminimum wage for youth. In fact, we already have a subminimum wage—for everyone.

A subminimum wage is substandard public policy—for young or old. The time has come for Congress to redeem the promise of the minimum wage by restoring its value for American workers.

Today a full-time worker earning the minimum wage makes less than $7,000 a year. That amount is only 77 percent of the poverty level for a family of three, and 60 percent of the poverty level for a family of four.

In America in 1987, the minimum wage is not a subsistence wage, and Congress should not let another year go by without correcting it. A minimum wage that does not permit full-time workers to provide the bare necessities for their families is unacceptable:

It permits unscrupulous firms with significant market power to exploit their lowest-paid workers.

It violates the work ethic by condemning to lives of hardship and deprivation millions of citizens who are ready, willing, and able to work. A full-time job in the workplace should never mean a lifetime of poverty or welfare dependency.

What we have today is a failed system in which the taxpayers are making up the difference. Through welfare and other safety net programs, the Government is subsidizing the payrolls of firms with low-wage employees.

Throughout the half-century history of the minimum wage, Congress has tied increases to the level of hourly earnings. Sometimes the minimum wage has been above 50 percent. Sometimes below—but 50 percent is the standard, and by that measure, the minimum wage today should be $4.45 an hour.

It is difficult to make up for 6 years of abdication of responsibility. But it has to be done, and this legislation achieves its goal in annual steps designed to minimize hardship on any firm. Those who claim employment and business disruption do not have the historical experience of the past six minimum wage increases on their side. In any event, complaints about this legislation come with ill grace from those who have profited from 6 years of neglect by profiteering at the expense of workers.

In 1977, Congress created a Minimum Wage Study Commission to analyze all of these issues. The comprehensive report of the Commission, submitted to Congress in 1981, lays to rest any doubt about the inflated claims of hardship by some firms. As the Commission found, raising the minimum wage has no significant impact on adult unemployment, youth unemployment, inflation, or the viability of business enterprises.

I hope that those concerned with this issue will take the ideological diatribes raised against it with a grain of salt. As we have learned in past battles on the minimum wage, no one fears more for the future of the country than a well-paid executive about to be required by law to raise the minimum wage for his lowest paid employees. Six times we have made this fight, and six times the sky has not fallen in. And it is not going to fall in when President Reagan signs this legislation—or when Congress overrides his veto.

I ask unanimous consent that the text of the bill may be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 837

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Minimum Wage Restoration Act of 1987".

SEC. 2. RESTORATION OF MINIMUM WAGE.

(a) INCREASE.—Subsection (a)(1) of section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) is amended to read as follows:

"(1) except as otherwise provided in this section, not less than $3.35 an hour during the period ending December 31, 1987, not less than $3.85 an hour during the year beginning January 1, 1988, not less than $4.25 an hour during the year beginning January 1, 1989, not less than $4.65 an hour during the year beginning January 1, 1990, and after December 31, 1990, not less than the minimum wage rate determined in accordance with subsection (b);".

(b) INDEX.—Subsection (b) of such section is amended to read as follows:

"(b) Effective January 1, 1991, and January 1 of each succeeding year, the minimum wage rate in effect under subsection (a)(1) shall be revised so that the rate is equal to 50 percent of the average private, nonsupervisory, nonagricultural hourly wage as determined by the Bureau of Labor Statistics of the Department of Labor for the previous November, rounded to the nearest multiple of 5 cents."

By Mr. LAUTENBERG (for himself, Mr. WIRTH, Mr. KENNEDY, Mr. BINGAMAN, Mr. RIEGLE, Mr. BRADLEY, Mr. MOYNIHAN, Mr. SARBANES, Mr. KERRY, Mr. DODD, and Mr. MATSUNAGA):

S. 838. A bill to provide financial assistance to the States, for computer education programs, and for other purposes; to the Committee on Labor and Human Resources.

COMPUTER EDUCATION ASSISTANCE ACT

● Mr. LAUTENBERG. Mr. President, computers are fast becoming a fact of everyday life for all Americans. They are changing the way we work, the way we live, and the way we learn. We have left the industrial age and entered the information age. As innovation and change surges forward, this country must assure that the benefits associated with this change are widely shared. Information technology can be beneficial for those who are trained to use it, but potentially limiting for those who are not.

The competitive position of this Nation in the world economy dependent upon our ability to be innovative and adaptable, and to demonstrate technical prowess. We can meet the challenge of the future, but to do so we must continue to produce well-educated, skilled and creative workers, workers who understand the uses of the new information technology. This will require adequate resources to support the best possible education for our children.

The last few years have seen much criticism of American education, and important beginnings in its revitalization. But concern remains. The chairman of the National Association of Manufacturers recently wrote about his concerns. He said, "For the first time in our history, we may produce a generation less educated than its predecessor. More alarmingly, it may possess the wrong skills—or simply inadequate ones—for the jobs of the future."

In a similar vein, a paper prepared for the National Governors' Association's report on education said, "We appear to be raising a generation of Americans largely lacking the understanding and skills to participate fully in the technology world in which they live and work."

I share this concern and believe that we must make greater strides toward strengthening American education.

Computer education must be part of that process. In the last two Congresses I introduced legislation to establish a program of Federal assistance for schools to develop and improve computer education programs. Senator WIRTH was a leading voice on this issue when he was in the House of Representatives, and I am pleased that he is joining as a cosponsor of this bill in the Senate. The bill that I am introducing today, with Senator WIRTH and our colleagues, Senators KENNEDY, DODD, BRADLEY, MOYNIHAN, KERRY, SARBANES, MATSUNAGA, BINGAMAN, and RIEGLE is an improved version of the earlier bill, with the same goals and concepts.

The Computer Education Assistance Act of 1987 provides for a program of competitive grants for the purchase of computer hardware and software and in-service teacher training. It requires careful planning for the inclusion of computer education in the school curriculum. The bill authorizes assistance for teacher-training institutes for elementary and secondary school teachers. It also provides for evaluation of computer hardware and software and the development of model instructional programs which can be adopted by interested schools.

At a time when new Federal expenditures are viewed with great skepticism, the kind of investment I am proposing will pay for itself many times over in a more productive citizenry. This investment is particularly important in schools with concentrations of poverty-level children who should not be deprived of the benefits of a modernized and challenging curriculum.

Mr. President, computer education is no substitute for the three R's. Putting computers into the classroom is not a cure-all for the problems of American education. Computers will not replace inadequate teachers; on the contrary, they will require creative and skilled teachers to put them to the best use. Carefully designed computer education programs can greatly enhance good teaching.

Planning for the appropriate role of computer education is as important as the purchase of hardware and software. Thoughtful consideration must be given to the way to integrate computers into the curriculum. Computer education planners must first consider the overall goals for their schools. Then, they must decide how computers can help them meet those goals. For some purposes, existing methods will continue to be best. For other purposes, computers offer exciting possibilities for transforming the curriculum and the way it is taught.

Computers can be crucial in the transition from traditional education, with its relative emphasis on rote learning, to a new emphasis on assimilating information and solving problems. Computers can be used by students in every subject in every grade. Students can use word processing programs to improve their writing by editing and revising more easily than they do now. They can learn to simulate "what if" situations in history classes so that they can understand more clearly the factors that affect human behavior and events. They can learn to use graphics to present data in a clear and meaningful way. Some scientific experiments can be carried out through simulations.

These uses of the computer in schools would go far beyond the teaching of computer awareness or programming. A basic understanding of the working and operation of a computer should be a beginning for computer education, not an end. Computers are more like pencils than books. As educators come to view computers in this way, as tools, they will begin using them to expand their students' horizons and improve their analytical and critical thinking skills.

Thinking of computer education in broader terms will require coordination with curriculum planning. It is more than drill and practice exercises. Computer education involves the use of application software in word processing, spread sheet analysis, and data base analysis, all of which can be used more generally than highly specialized instructional courseware.

Use of computers in schools is growing, but the need for Federal assistance is convincing. Two years ago, 90 percent of U.S. school children attended schools that had at least one computer. This represents a tremendous growth since 1981 when only 18 percent of the schools had even one instructional computer. A report by Quality Education Date [QED], a private research firm in Denver, showed in 1985-1986 the student to computer ratio in public schools, from kindergarten through 12th grade, was 50 to 1. This was a marked improvement over 1984-1985, when the ratio was 75 to 1, and 1983-1984, when it was 125 to 1.

However, many of these schools have only the one computer. The penetration of computers is wide, but not deep. The machines are frequently spread too thin to be used in optimum ways. Consider what it would mean if students had to share paper and pencil to the extent that they must share computers. Clearly the computer revolution in the schools is in its infancy.

Furthermore, the benefits of the growth in computers in schools are not evenly distributed among schools serving different socio-economic groups. A study conducted in the fall of 1984 found that 92 percent of affluent schools had at least one computer, while only 74 percent of poor schools were so equipped.

Even more startling is the growth in the gap between rich and poor schools in the amount of computer equipment that each has. In 1983 the difference between the average number of computers in affluent and poor schools was just over two per school. One year later the difference had increased to nearly four, with affluent schools averaging 10.6 computers per building and poor schools averaging only 6.8.

The exposure that students have to computers varies by economic class also. One study found that twice as many students in well-to-do urban areas said that they had ever used a computer in school as students in disadvantaged urban areas. The number of computers in homes far exceeds the number in schools and the lion's share of those computers are in more affluent homes, including many with children. The additional exposure to computers in the home creates further disparity between rich and poor children.

Teachers differ greatly in their access to, and familiarity with computers. The second national survey of instructional use of school computers, which as conducted in 1985 by the Johns Hopkins University Center for Social Organization of Schools, found that only about 25 percent of all teachers who used computers with students were considered "expert" in various aspects of computer knowledge, 21 percent of middle school teachers were expert, and only 10 percent of elementary school teachers were expert.

The public, whether they have school-age children or not, feel very strongly that computers should be part of education. The Star-Ledger/Eagleton Poll, a survey of New Jersey residents, found in October 1986, that 95 percent of respondents said that learning to use a computer is at least somewhat important to a child's education, and 70 percent said it was very important. Three-quarters of the respondents with children in school said that the school had a computer for the use of students. Three years earlier only two-thirds of the parents reported a computer in the child's school.

Mr. President, the Computer Education Assistance Act of 1987 will establish a program to assist States and local school districts in developing the ambitious Computer Education Program that is needed. The program will authorize $150 million for the first year and such sums as necessary for an additional 3 years for grants to schools for acquisition of hardware and software and teaching training. The level of the appropriation for this program would not necessarily be the full $150 million. The funds will be allocated to the States, half on the basis of school age population and half on the basis of the chapter I formula, used for aid to disadvantaged schoolchildren. Each State will make grants to local school districts, which must assure that at least half the funds are used to serve chapter I eligible children and that funds are targeted on schools with the greatest need for computers.

School districts will be required to do some fairly extensive planning. This will include: Setting goals for computer education in the schools and relating these goals to the overall educational objectives of the district; planned revisions in the basic curricula of the schools designed to incorporate the use of computers; instructional priorities for the use of computers; schedules for placing computers in the elementary and secondary schools; criteria for selection of the hardware and software; after school and vacation availability of the computers for use by parents and students; and standards for the evaluation for the program, including student achievement.

This planning can be done in conjunction with the assessment required under title II of the Education for Economic Security Act.

The Federal grants are to be matched, with the Federal share set at 75 percent and the non-Federal at 25 percent. The non-Federal share can come from public or private sources, and may be in cash or in-kind. Local districts that can make arrangements with businesses and industries to donate equipment, personnel, or cash will not have to use their own funds for the matching share. Private school students would be eligible for assistance.

The bill provides $20 million a year for 4 years to the National Science Foundation for the establishment of teacher-training institutes. These institutes would provide more in-depth training for teachers than the in-service training allowed in another section of the bill. Proper preparation of teachers is essential to the success of a Computer Education Program. These institutes will offer teachers an opportunity to learn about computers and the best methods for using them in the schools.

Evaluations of existing hardware and software and research and development on new software and instructional models will provide much of the underpinning for the new programs of computer education. Title III of this bill authorizes the National Science Foundation and the Department of Education to provide assistance to organizations that have expertise to carry out this research.

The planning requirement in this legislation is extremely important. Education planners need to take a careful look at the role of computers in the total curriculum. They also need to consider such questions as whether to institute saturation programs at a few schools or to provide computers in every classroom in a particular grade throughout the district. The bill does not set a goal for a specific ratio of students to computers or daily access time per student.

Plans are to include provisions for teachers, children, and parents to use computers after school and during vacations. This would permit parents and children to spend additional time working on the computers and gaining familiarity with them. Such after school programs would be especially helpful to those without access to computers at home. The children who do not have computers at home are very likely also to be attending schools which are least likely to have many computers. In such areas, special outreach programs to encourage parental participation may be necessary.

The funds from the Computer Education Assistance Act of 1985 will be used in all schools, but at least half the funds will be targeted on schools with poverty-level children. Priority also is to be given to schools with the greatest need for computers. By establishing the targeting requirement and the priority for underserved schools, the bill aims to concentrate its resources in a way that benefits schools and children that are falling behind in computer usage.

The grant funds can be used for acquisition of equipment and computer programs and in-service teacher training. Each district will decide the mix of uses to which they will put their funds. This provides school districts with a great deal of flexibility.

In addition, the non-Federal matching share can be in-kind, such as donations of equipment or personnel services from private sources or from public agencies. This provides additional flexibility and incentive for local school districts to involve the business community in their planning.

Mr. President, the program of planning and grant assistance for the purchase of equipment, training, and research authorized by this bill will provide Federal seed money for computer education programs. A great deal of flexibility is allowed and the result should be a better education for all children. This result is important for the growth and success of our children and our country.●

By Mr. JOHNSTON (for himself and Mr. McCLURE):

S. 839. A bill to authorize the Secretary of Energy to enter into incentive agreements with certain States and affected Indian tribes concerning the storage and disposal of high-level radioactive waste and spent nuclear fuel, and for other purposes; to the Committee on Energy and Natural Resources.

NUCLEAR WASTE POLICY ACT AMENDMENTS ACT

● Mr. JOHNSTON. Mr. President, today I am introducing a bill to amend the Nuclear Waste Policy Act of 1982. My bill would add a new title IV that would set up an alternative procedure for carrying out the requirements of the act to develop repositories or monitored retrievable storage facilities. Under this procedure, the Secretary of Energy could enter into incentive agreements with affected States and tribes for development of nuclear waste storage and disposal facilities.

Under my alternative, an affected State or Indian tribe could receive substantial benefits to mitigate any perceived disadvantages to having a repository or monitored retrievable storage facility [MRS] sited within its borders. In exchange for these benefits, the State or Indian tribe would agree to work with the Department of Energy toward developing a repository or MRS and would agree to help expedite that process. By following this course, a State or Indian tribe could receive benefits as great as $100 million a year in exchange for its help in siting a repository and $50 million a year in exchange for its help in siting an MRS. These benefits would be in addition to those already envisioned by the 1982 act, such as grants in lieu of taxes, impact assistance, new jobs, and improved highway and rail systems.

My bill would also establish a review panel to allow maximum oversight of the Department of Energy's work by State and local officials and other interested parties.

To receive the benefits, a State or Indian tribe would negotiate and sign an incentive agreement with the Department of Energy, setting out each party's rights in development of a waste facility. As part of that agreement, the State or Indian tribe would waive its rights to seek judicial review of issues covered by the agreement and waive its veto rights established under the 1982 act. For its part of the agreement, the Department of Energy would agree to share relevant site information with the State or Indian tribe and would allow the State or Indian tribe to participate in the design of a repository or MRS. Payments made to the State or Indian tribe would come from the nuclear waste fund.

My bill would authorize the Secretary of Energy to negotiate an incentive agreement with the Governor of any of the States containing a site selected for characterization as a candidate for a first repository. The bill would also authorize the Secretary to negotiate an incentive agreement for construction of an MRS with any State containing a site that the Secretary determines to be suitable for such a facility.

The bill would not, however, limit this process to only those sites. For a period of 12 months following enactment of this title, any State or Indian tribe may seek to enter into an incentive agreement with the Department of Energy if it can demonstrate it has a suitable site for either an MRS or a repository. Other States could, in effect, bid for the facility.

The 1982 act is not a perfect law, but it is a good one. It was reached after many years of hard work, and it set up a rational process for development of a geologic repository. It also provided for the Department of Energy to submit to Congress a proposal for construction of an MRS. I do not believe we should give up on the fundamental principles laid out in the 1982 act.

Unfortunately, the concensus behind the program was very seriously damaged by the administration when the Secretary of Energy abruptly stopped the search for a second repository last May. As a result of that action, the States selected for a potential first repository in the West have demanded a shutdown of that part of the program as well. But the Department of Energy has collected a substantial amount of data on the three first repository sites selected for characterization, and this process should be allowed to continue to determine if these sites are suitable for development as a repository. Somehow a new consensus must be developed to allow the program to go forward.

We must also find a consensus to allow design and construction to begin on a monitored retrievable storage facility. The Department of Energy has been prevented from submitting its MRS proposal to Congress because of a court challenge, but it appears that these legal difficulties will be resolved soon. DOE will then be able to submit the proposal, and we can begin to debate its merits.

An MRS will not depend on new technology, and it will provide us a way to store and cool spent fuel prior to its final disposal in a geologic repository. The Federal Government has a commitment to accept spent fuel from utilities beginning in 1998. An MRS will allow the Government to meet that commitment. The MRS has a chance of acceptance. The community leadership of Oak Ridge, TN, has studied DOE's MRS proposal, and they have supported it.

At the time of passage of the 1982 act, we did not pay enough attention to the benefits that would be available to a State hosting a repository or MRS. Certain benefits would be already available to a State or local community under the current law. The Department of Energy estimates that construction of an MRS would provide 2,000 jobs for 5 years and that operation of an MRS would provide 1,300 jobs for 25 to 30 years. In the case of a repository, site characterization would provide between 700 and 1,500 jobs for 5 to 6 years, construction would provide 3,000 jobs for 5 years, and operation would provide 2,800 jobs for 23 years. Capital improvements, such as highway and rail upgrades, and improved fire, hospital, and emergency response services, would also likely be provided for the State. Additional benefits could be available to the State or local community through the growth of spinoff industries such as robotics and state-of-the-art waste management. The area surrounding a waste facility could easily become a high-technology center.

My bill would offer additional payments to a host State or Indian tribe. Upon execution of an incentive agreement with a repository State or Indian tribe, the Secretary of Energy would give the State a single payment of $100 million. During site characterization and construction, the Secretary would make annual payments of $50 million to the State or Indian tribe. Annual payments to the State or Indian tribe would increase to $100 million once spent fuel is received at a facility. These payments would continue until closure of the facility. For an MRS, the Secretary would give the State or Indian tribe a single payment of $50 million upon execution of an incentive agreement. The Secretary would then make annual payments of $20 million to the State or Indian tribe during site development and construction. Annual payments would then increase to $50 million after spent fuel is received at an MRS, and payments would continue until closure of the facility. Not less than one-third of these payments would be transferred by the State to the affected units of local government.

My bill would also authorize construction of a monitored retrievable storage facility. The 1982 act required DOE to submit an MRS proposal to Congress, but it did not authorize construction of such a facility. I believe that an MRS is an essential part of an integrated waste disposal system. It is also crucial if the Federal Government is to fulfill its commitment to take spent fuel from utilities beginning in 1998.

The bill would also defer any search for a second repository while incentive agreements for an MRS and a first repository are in effect. Failing confection of both agreements, the provisions of title I as presently written in the act would apply. This alternative procedure would neither add to nor detract from those provisions.

While an incentive agreement for a repository is in effect, site characterization activities at any other site selected for characterization as candidate sites would be suspended. My bill allows for only one incentive agreement for a repository and one incentive agreement for an MRS to be in effect at any time. The bill allows for the Secretary to terminate an incentive agreement if a site is disqualified for technical reasons or if it appears that the site could not be licensed within a reasonable amount of time.

A substantial amount of money could be saved by using this alternative approach. Only one site would have to be characterized for a repository under this approach. At the time of passage of the 1982 act, we thought the cost of site characterization would be $40 million per site. DOE now estimates the cost will be $1 billion per site. Therefore, as much as $2 billion could be saved from the cost of characterization. A portion of this savings could then be put toward benefits to a host State.

I want to emphasize that this bill is not intended to short circuit the technical process laid out in the 1982 act. Rather, it is intended to help move that technical process forward by addressing some of the political issues related to the siting of a nuclear waste facility. An MRS or repository would have to be licensed by the Nuclear Regulatory Commission and would be subjected to NRC's rigorous licensing process. But any State that hosts a nuclear waste facility will be performing an immense service to the Nation, and we should be willing to pay them for that service.

We have a national responsibility to carry out in moving this program toward a permanent solution to nuclear waste disposal. I think my bill will start that process moving again.●

● Mr. McCLURE. Mr. President, I am pleased to join the Senator from Louisiana in cosponsorship of this bill.

Since enactment of the Nuclear Waste Policy Act of 1982, the original authors of that landmark piece of legislation have fiercely resisted amendments, even in the face of wrenching growing pains experienced as a result of the act's implementation. While the authors of the bill never assumed that the act was perfect, we nevertheless held out hope that, despite setbacks and pitfalls along the way, we would somehow survive the process, because the right elements and the right balance was implicit in this bill.

I now believe that events that have taken place over the last year or so have dashed our hopes and dampened our spirit. For one, we no longer have a level playing field, since the Department of Energy announced last year its "indefinite postponement" of second repository site selection activities. For another, the first-round candidate States see nothing but negatives in their experience to date in grappling with the program.

For these reasons, I feel it is imperative that we now amend the act, not for the purpose of performing major surgery, for I still believe the basic elements of the act are still valid. But I do believe it is time for some first aid. We need to enhance the positives in the act, encourage more productive interactions between the States and the Federal Government, reiterate the fact that balance and fairness are still intact, and recognize some justifiable schedule changes. The incentive bill being introduced today will hopefully serve as a catalyst for further refinements in the nature of realistic, achievable, and necessary enhancements to the act in its present form.

I would be remiss if I didn't admit to a certain queasiness about opening up the act at this time, or ever. But the alternative, it appears, is to simply allow the program to stagnate in its present, tenuous state, and eventually die of its own weight. I would prefer to take the risks now in order to resuscitate the program, rather than face possible derailment of the program in its present form.●

By Mr. THURMOND (for himself, Mr. BOSCHWITZ, Mr. WARNER, Mr. INOUYE, Mr. BINGAMAN, and Mr. COCHRAN):

S. 840. A bill to recognize the organization known as the 82d Airborne Division Association, Incorporated; to the Committee on the Judiciary.

82D AIRBORNE DIVISION ASSOCIATION

Mr. THURMOND. Mr. President, I rise today to introduce a bill to grant a Federal charter to the 82d Airborne Division Association.

The 82d Airborne Division was activated initially as an infantry division which participated in three of the major campaigns of World War I: Lorraine, St. Michel, Meuse-Argonne. On May 27, 1919, the 82d Airborne was inactivated. The division was reactivated on March 25, 1942, under the command of Maj. Gen. Omar Bradley and became the Army's first airborne division under the command of Maj. Gen. Matthew B. Ridgway. Deployed to North Africa in 1943, the 82d made parachute and glider assaults on Sicily and Salerno. In a 2-year period during World War II, the regiments of the 82d saw action in Italy at Anzio, in France at Normandy, where I landed with them on D-day, June 6, 1944, and at the Battle of the Bulge.

Following the end of the war, the sky soldiers of the 82d were ordered to Berlin to serve as "America's Guard of Honor" for 5 months of 1945. Due to logistical problems associated with the servicing of an airborne division overseas, it was returned to the United States where it was greeted with a New York City tickertape reception as it marched triumphantly on Fifth Avenue, on January 12, 1946.

The division was assigned to Fort Bragg, NC, to become a leading element of the Nation's military reaction force as well as to participate in a number of peacekeeping missions. Elements of the division have valiantly served in Korea, the Dominican Republic, Vietnam, and Grenada. Peacekeeping units have served in Sinai.

Designed to move quickly to any part of the world and to be prepared to fight immediately upon arrival, the members of the 82d Airborne have served with distinction for over 45 years. They have demonstrated a tireless commitment to our Nation's defense and ideals. Therefore, I can think of no other military association more deserving of the recognition given by Congress in the granting of a Federal charter. I urge my colleagues in this body to join me in cosponsoring this measure to grant such a charter to the 82d Airborne Division Association.

I ask unanimous consent that a copy of the measure be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 840

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CHARTER

SECTION 1. The 82nd Airborne Division Association, Incorporated, a nonprofit corporation organized under the laws of the State of Illinois, is recognized as such and is granted a Federal charter.

POWERS

SEC. 2. The 82nd Airborne Division Association, Incorporated, (hereinafter in this Act referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

OBJECTS AND PURPOSES OF CORPORATION

SEC. 3. The objects and purposes of the corporation are those provided in its articles of incorporation and shall include—

(1) perpetuating the memory of members of the 82nd Airborne Division who fought and died for our Nation,

(2) furthering the common bond between retired and active members of the 82nd Airborne Division,

(3) providing educational assistance in the form of college scholarships and grants to the qualified children of current and former members,

(4) promoting civic and patriotic activities, and

(5) promoting the indispensable role of airborne defense in our national security.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the State or States in which it is incorporated and the State or States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. (a) Subject to subsection (b), eligibility for membership in the corporation and the rights and privileges of members of the corporation shall be as provided in the constitution and bylaws of the corporation.

(b) Terms of membership and requirements for holding office within the corporation shall not discriminate on the basis of race, color, national origin, sex, religion, or handicapped status.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The composition of the board of directors of the corporation and the responsibilities of such board shall be as provided in the articles of incorporation of the corporation and shall be in conformity with the laws of the State or States in which it is incorporation.

OFFICERS OF CORPORATION

SEC. 7. The positions of officers of the corporation and the election of members to such positions shall be as provided in the articles of incorporation of the corporation and shall be in conformity with the laws of the State or States in which it is incorporated.

RESTRICTIONS

SEC. 8. (a) No part of the income or assets of the corporation may inure to the benefit of any member, officer, or director of the corporation or be distributed to any such individual during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual and necessary expenses in amounts approved by the board of directors.

(b) The corporation may not make any loan to any officer, director, or employee of the corporation.

(c) The corporation and any officer and director of the corporation, acting as such officer or director, shall not contribute to, support, or otherwise participate in any political activity or in any manner attempt to influence legislation.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The corporation shall not claim congressional approval or Federal Government authority for any of its activities.

LIABILITY

SEC. 9. The corporation shall be liable for the acts of its officers and agents whenever such officers and agents have acted within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 10. The corporation shall keep correct and complete books and records of account and minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep, at its principal office, a record of the names and addresses of all members having the right to vote in any proceeding of the corporation. All books and records of such corporation may be inspected by any member having the right to vote in any corporation proceeding, or by any agent or attorney of such member, for any proper purpose at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(73) 82nd Airborne Division Association, Incorporated.".

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as the report of the audit of the corporation required by section 2 of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101). The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND, ALTER, OR REPEAL CHARTER

SEC. 13. The right to amend, alter, or repeal this Act is expressly reserved to the Congress.

DEFINITION OF STATE

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1954.

TERMINATION

SEC. 16. If the corporation fails to comply with any of the restrictions or provisions of this Act, the charter granted by this Act shall expire.

By Mr. CRANSTON:

S. 842. A bill to amend the Peace Corps Act to authorize appropriations for fiscal years 1988 and 1989, to authorize the encouraging of contributions to the Peace Corps, and to provide for activities to promote Americans' understanding of other peoples; to the Committee on Foreign Relations.

PEACE CORPS ACT AMENDMENTS

Mr. CRANSTON. Mr. President, I am today introducing S. 842, the proposed Peace Corps Act Amendments of 1987. The basic purpose of this legislation is to extend the authorization of appropriations for the Peace Corps and to do so at levels that would enhance this unique agency's efforts to help the peoples of other countries meet their needs for trained manpower and to promote a mutual understanding between American people and the peoples of other nations.

For more than 25 years, Peace Corps volunteers have promoted international peace and friendship by helping persons in many nations overcome the often harsh realities—including, malnutrition, lack of clean water, disease, and illiteracy—of their lives. Since the Peace Corps' establishment in 1961, over 120,000 American men and women have served as volunteers in 92 nations around the world.

Mr. President, this bill would amend the Peace Corps Act, first, to authorize increased appropriations for fiscal years 1988 and 1989; second, to clarify the authority of the Peace Corps relating to the encouragement of donations from the private sector to help carry out Peace Corps activities; and, third, to direct the Peace Corps to encourage, facilitate, and assist activities of returned Peace Corps volunteers and other individuals and organizations connected with such efforts in furtherance of the third goal of the Peace Corps—namely, the promotion of a better understanding of other peoples on the part of the American people.

AUTHORIZATION OF APPROPRIATIONS

Mr. President, section 2 of this bill would authorize to be appropriated for the Peace Corps $146.2 million and $157 million for fiscal years 1988 and 1989, respectively. This level of funding would enable the Peace Corps to make progress toward achieving the congressionally established goal of a Peace Corps volunteer strength of 10,000, as enacted in section 1102 of the International Security and Development Cooperation Act of 1985, Public Law 99-83. As the Senate author of that provision, I believe that the Congress should take the steps necessary to provide the Peace Corps with the resources to make steady progress toward realizing that goal.

Despite the continued national support for the Peace Corps among the American people and its symbolic significance to our aspirations for world peace and understanding, the numbers of Peace Corps volunteers have declined over the past two decades from more than 15,000 volunteers in 1966 to 9,000 in 1970, to just over 5,000 in 1984. At the same time, the populations in the developing nations of the world have increased dramatically.

Currently, there are only about 5,500 men and women serving in the Peace Corps. At present, however, the Peace Corps has over 2,400 more requests for volunteers from host countries, and nearly 500 more qualified applicants, than the agency's current budget enables it to use.

Following establishment of the 10,000-volunteer goal, I and a number of other Members of the House and Senate, including the distinguished chairman of the Senate Foreign Relations Committee, the Senator from Rhode Island [Mr. Pell], the very able chairman of the committee's Subcommittee on Western Hemisphere and Peace Corps Affairs [Mr. Dodd], and the chairman of the House Foreign Affairs Committee, Representative Dante Fascell, requested that Loret Ruppe, Director of the Peace Corps, develop a phased, realistic, and programmatically appropriate plan to meet that goal. Director Ruppe's plan, submitted to Congress on March 5, 1986, provides a realistic blueprint for moderate Peace Corps growth through the end of this decade and into the beginning of the next. The funding levels called for in that plan over the next 2 fiscal years—$146.2 million in fiscal year 1988 and $156 million in fiscal year 1989—are the amounts that would be authorized to be appropriated by this legislation.

Mr. President, the funding levels proposed in this bill are essential if the Peace Corps is to move toward making the 10,000-volunteer goal a reality. In view of the increased opportunities for promoting world peace that would be provided with these modest increases, I truly believe they would be a small price to pay.

With respect to fiscal year 1987, last year the Foreign Relations Committee proposed and the Congress enacted legislation, in the Omnibus Diplomatic Security and Antiterrorism Act of 1986, Public Law 99-399, to increase the fiscal year 1987 authorization of appropriations from $130 million to $137.2 million to meet the first year's funding level in Director Ruppe's 6-year plan. We were almost successful last fall in getting these extra funds approved in the Senate Appropriations Committee, and we are still pursuing that result. Without this augmentation in the fiscal year 1987 funding level, the number of Peace Corps volunteers will fall to an all-time low since the program was first launched—5,000 volunteers.

On March 16, 1987, I joined with Senator Pell and Senator Dodd from the Foreign Relations Committee, Senator DeConcini and Senator Leahy from the Appropriations Committee, and Senator Rockefeller in a letter urging the Committee on Appropriations' Subcommittee on Foreign Operations to recommend the additional $7.2 million in funding for fiscal year 1987 for the Peace Corps.

Mr. President, I ask unanimous consent that the text of our March 16 letter to the chairman of the Appropriations Subcommittee on Foreign Operations, the distinguished Senator from Hawaii [Mr. Inouye], as well as a letter that Senators Pell, Dodd, and I sent to Director Ruppe asking for an update of the 10,000-volunteer goal blueprint, be printed in the Record at this point.

There being no objection, the letters were ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, DC, March 16, 1987.

Hon. Daniel K. Inouye,
Chairman, Subcommittee on Foreign Operations, Committee on Appropriations, U.S. Senate, Washington, DC.

Dear Dan: We are writing to urge that, during consideration of the FY 1987 Supplemental Appropriations bill, adequate funding for the Peace Corps be provided to support progress toward the Congressionally-mandated goal of a Peace Corps volunteer strength of 10,000 and to achieve certain programmatic improvements.

As you may know, legislation enacted in section 1102 of the International Security and Development Cooperation Act of 1985 (Public Law 99-83) established the 10,000-volunteer goal. Currently, there are approximately 5,500 men and women serving in this unique and valuable program.

Despite broad and continuing national and international support for the Peace Corps and its significance in the pursuit of world peace and understanding, the number of Peace Corps volunteers has steadily decreased over the last two decades—from its height of more than 15,000 volunteers in 1966 to 9,000 in 1970, to little more than 5,000 in 1984. During this same period the populations of the developing nations of the world dramatically increased, adding to the multitude and complexity of problems confronting the people of these lands—problems which Peace Corps volunteers are in a unique position to assist in alleviating. In this regard, the Peace Corps presently has over 2,400 more requests for volunteers from host countries, and nearly 500 more qualified applicants, than the agency's current budget enables it to meet.

In order to provide for the orderly achievement of the 10,000-volunteer goal, at our request, Peace Corps Director Loret Ruppe prepared a 6-year plan for reaching that level by the end of fiscal year 1992. A copy of that plan submitted in March 1986 is enclosed. To keep pace with that plan and to make needed improvements in the operation of the Peace Corps, we believe that $7.2 million in funding to supplement the agency's FY 1987 appropriation of $130 million is essential. Such an appropriation would simply provide full funding for the current authorization for the Peace Corps. Of this modest increase, $6.2 million would enable the Peace Corps to enhance and expand operations in the Philippines (50 PCVs) in accordance with the expressed wishes of President Aquino; to increase modestly the number of new volunteers enrolled this year for service in other countries (200 PCVs); to extend the terms of a small number of current volunteers with special skills (100 PCVs); and to assess the potential for developing Peace Corps programs in new host countries.

Over and above the $800,000 in supplemental funding requested by the Administration for raises in Peace Corps staff pay and additional financial requirements from the new Federal Employment Retirement System, an additional $6.4 million, would, in addition to making it possible to achieve the purposes described above and shown in the enclosed chart, help enable the Peace Corps to deal with a number of unforeseen expenses stemming from fluctuation in the exchange rates of international currencies and increases in the agency's fixed costs. Thus, with this $7.2 supplemental, the Peace Corps' FY 1987 appropriation would total $137.2 million, the full amount currently authorized for FY 1987.

We know you share our enthusiasm for the Peace Corps and its mission of promoting peace and international understanding. We urge your support for the $7.2 million necessary to bring about those opportunities.

With every good wish,

Ever sincerely,

CLAIBORNE PELL,
Chairman.
CHRISTOPHER DODD,
Chairman, Subcommittee on Western Hemisphere Affairs.
ALAN CRANSTON,
Chairman, Subcommittee on East Asian and Pacific Affairs.
COMMITTEE ON FOREIGN RELATIONS.
DENNIS DECONCINI,
Member, Subcommittee on Foreign Operations.
PATRICK LEAHY,
Member, Subcommittee on Foreign Operations.
COMMITTEE ON APPROPRIATIONS.
JOHN D. ROCKEFELLER IV.

Peace Corps—Fiscal year 1987 supplemental proposal

	Millions
Expand and enhance operations in the Philippines	$1.0
Expand program by 50 volunteers to restore volunteer reductions made in the Philippines in response to Gramm-Rudman and to demonstrate continued support for the new government's focus on development through specialized agricultural training programs. (Increased numbers of volunteers and agricultural emphasis on Peace Corps programs in the Philippines is consistent with President Aquino's desires expressed to the Director of the Peace Corps in a November 1986 meeting in the Philippines.)	
Other increases in the numbers of volunteers	3.2
Increase the number of volunteers elsewhere by 200 to meet requests from host countries which cannot currently be met with existing budget resources.	
Extend term of special-skilled volunteers	1.0
Expand the use of the experience and expertise of 100 volunteers who have already completed two years of service and would like to extend their service for a third year.	
New country entry developments	1.0
Conduct assessments of new country entries (possible candidates: Chad, Sudan, Comoros, Bolivia, Equatorial Guinea, Pakistan, Uraguay, Djibouti, and China); start-up costs for 3 to 5 entries.	
Total	6.2

PEACE CORPS,
Washington, DC, March 5, 1986.

Hon. ALAN CRANSTON,
Member, Senate Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR SENATOR CRANSTON: In response to your request of February 3, we are providing a detailed plan for attaining a volunteer level of 10,000 over the next six years.

We share with you the concern for the needs of the developing world and a conviction that long-term development needs are best met through grassroots-level assistance. As we enter our second quarter-century, Peace Corps is reaffirming its role in providing such assistance, a role unique in the foreign assistance community.

As I participate in 25th Anniversary symposia around the nation, I am pleased and very proud of the continued support of the American people for the basic goals of the Peace Corps. The strong response made by Americans throughout the nation to our appeals for increased numbers of volunteers to support our Africa Food Systems Initiatives has been repeated in the enthusiastic response to our anniversary activities. The so-called "me generation" is in fact very responsive to the needs of people on the other side of the world, and willing to contribute their time and skills to meeting those needs. And an older generation of Americans has renewed its interest in international volunteerism; their extensive experience ensures that they have the skills so much needed overseas.

Due to time constraints, the attached plan has been developed by Headquarters staff, with limited participation by our overseas staff, who are occupied in making the program reductions required under Gramm-Rudman. Despite this constraint, we feel that the outlined volunteer levels are feasible and supportable. We considered possibilities for expanding existing programs, for initiating new projects in countries where we now serve, and for establishing new programs in countries where we do not now operate. We also weighed the likelihood that host countries would agree to, and support, potential expansions. And we carefully evaluated "saturation levels" for each country (the levels at which the sheer numbers of volunteers in a particular country would preclude further increases).

While increased levels of volunteers are feasible, it is important to note the limitations inherent in development of this plan:

The need to reduce the Federal deficit continues to be an urgent priority of this Administration. As I noted in my earlier letter, we need to balance the economic needs of the developing world with the economic needs of our own Nation.

Potential increases noted in the plan must be viewed as somewhat tentative, as they depend heavily on the concurrence of the host country government. As you know, the bulk of our volunteer activity is in direct response to a specific request from a host country. Since host country governments did not participate in the development of this plan, we cannot guarantee their response. We feel that the overall numbers are attainable, however, in light of the numerous requests we have received for new or expanded efforts, although this will also depend on the availability of scarce skills among our applicants.

Increases are also subject to change based on changing political and economic environments in the countries served. We have not identified individual countries in this plan for that reason. The overall numbers would not be expected to fluctuate much, though, as one country's increase may well offset another country's decrease.

Increased levels cannot be attained without the establishment of programs in countries where we do not now operate. As with expansions, such new country entries depend on the concurrence of the host country. We have received a number of contacts concerning possible new country entries, but would have to go through the formal negotiation process before establishing programs.

Any increase in volunteer levels would require a commitment of resources in both dollar and personnel terms, and may be difficult to achieve in the current budget environment. Peace Corps cannot, and will not, place volunteers overseas without adequate support to ensure their continued health and safety.

Despite the tentative nature of any specific numbers, especially on a country-by-country basis, Peace Corps does feel that the need for development assistance is there, and that we can play a valuable role in helping the developing world meet its long-term needs. As you well know, Peace Corps is a most cost-effective (and, in our eyes, our most effective) development assistance program.

I hope the enclosed plan responds to your request. If you have any questions or need additional information, I and my staff are available to assist you in any way possible.

Thank you for your continuing interest in, and support for, Peace Corps' programs.

Sincerely,

Loret Miller Ruppe,
Director.

SUMMARY

Summary of resources required to reach a volunteer force of 10,000 by 1992:

	Fiscal years [1]						
	1986	1987	1988	1989	1990	1991	1992
Trainee imput	2,615	3,171	3,714	4,233	4,572	4,890	5,317
Volunteer years	5,103	4,961	4,999	5,737	6,571	7,256	7,830
Volunteers on board end of year	6,012	6,108	6,630	7,686	8,581	9,307	10,054
Budget requirements (millions of dollars)	[2] 124.4	137.2	146.2	157.0	172.8	185.3	196.2
Staffing requirements (FTE)	1,039	1,097	1,168	1,211	1,269	1,309	1,318

[1] Projected resource requirements are in constant dollars.

[2] Excludes $5.59 million sequestered (from a total appropriation of $130 million) as a result of Gramm-Rudman-Hollings constraints.

Establishing and maintaining a volunteer force of 10,000 would require more than doubling our annual trainee input over the next four to six years. From 1199 to 3053 in Africa (up 1854); from 707 to 986 in Inter America (up 279); from 684 to 1253 in North Africa, Near East, Asia and Pacific (up 569).

Most of the volunteers would serve in agriculture and education programs, with lesser increases in health, water/sanitation, forestry and small enterprise development.

Over a dozen new country entries would be planned (up from 63 at present).

Funding would need to increase by $72 million over current levels.

Staffing would need to increase by close to 300 FTE over current levels.

Fiscal year 1987

Trainee input	3,171
Volunteer years	4,961
V's on board end of year	6,108
Staff (FTE)	1,097
Total (millions)	$137.2
Program support (millions)	$45.2
RCDE (millions)	$12.8
Volunteer operations (millions)	$79.2

Increased trainee input over FY 1986 by 556; 282 Africa, 224 Inter America; 50 North Africa, Near East, Asia and Pacific (NANEAP).

Major increases are in agriculture/rural development, education, small enterprise development and health.

Assumes entry into four (4) new countries (1 in Africa, 3 in Inter America).

Increases in staff provide for overseas staff, recruitment, and support services.

Increases in volunteer operations provide for	$4.6
Basic training for new volunteers (trainees)	(3.3)
Program planning to support the expansion	(.4)
Medical support	(.5)
Program materials for volunteers	(.2)
Recruitment, other (1 FTE)	(.2)
Increases in RCDE provide for	2.5
Recruitment (8 FTE)	(2.2)
Support to the UN Volunteer program (+5 volunteers)	(.3)
Increases in Program Support provide for	5.7
Overseas staff (28 FTE)	(1.4)
Headquarters staff (21 FTE)	(.8)
One-time costs—new posts	(.8)
Conversion to State systems for personnel/payroll	(.5)
One-time upgrade of overseas computer systems	(.8)
Overseas support costs (vehicles, FAAS)	(.6)
One-time computer expansion	(.5)
Support services	(.3)

Fiscal year 1988

Trainee input	3,714
Volunteer years	4,999
V's on board end of year	6,630
Staff (FTE)	1,168
Total (millions)	$146.2
Program support (millions)	$49.6
RCDE (millions)	$13.0
Volunteer operations (millions)	$83.6

Increases trainee input over FY 1987 by 543; 360 Africa, 108 Inter America, 75 NANEAP.

Major increases continue in agriculture/rural development, education, and small enterprise development.

Assumes entry into 3 new countries (1 in NANEAP, 2 in Africa).

Increases in staff provide for overseas staff, recruitment and support services.

Increases in volunteer operations provide for	$4.4
Basic training for new volunteers (trainees)	(3.2)
Overseas support to new volunteers (allowances, travel, in-service training, supplies, etc.)	(.4)
Medical support	(.5)
Recruitment, other (1 FTE)	(.3)
Increases in RCDE provide for	.2
Recruitment (8 FTE)	(.3)
Support to UNV program (grant in alternating years)	(−.1)
Increases in program support provide for	4.4
Overseas staff (43 FTE)	(2.1)
Headquarters staff (19 FTE)	(.7)
Overseas support costs (vehicles, FAAS)	(.4)
One-time upgrade of overseas computer systems	(1.2)
One-time costs for new posts	(−.2)
Other	(.2)

Fiscal year 1989

Trainee input	4,233
Volunteer years	5,737
V's on board end of year	7,686
Staff (FTE)	1,211
Total (millions)	$157.0
Program support (millions)	$48.4
RCDE (millions)	$13.7
Volunteer operations (millions)	$94.9

Increases trainee input over 1988 by 519; 300 in Africa, 144 in Inter America, 75 in NANEAP.

Major increases are in agriculture/rural development.

Assumes no new country entries.

Increases in staff provide for overseas staff, recruitment, and support services.

Increases in Volunteer Operations provide for	$11.3
Basic training for new volunteers (trainees)	(3.1)
Overseas support to new volunteers (allowances, travel, in-service training, supplies, etc.)	(7.5)
Medical support	(.6)
Other (1 FTE)	(.1)
Increases in RCDE provide for	.7
Recruitment (6 FTE)	(.4)
Support to UNV program (grant in alternating years)	(.2)
WATS equipment (one time)	(.1)
Changes in Program Support provide for	−1.2
Increases in:	
Overseas staff (31 FTE)	(+1.5)
Headquarters staff (5 FTE)	(+.2)
Overseas support costs (vehicles, FAAS)	(+.4)
Offset by decreases in:	
One-time computer purchases	(−.5)
One-time upgrade to overseas computer systems	(−2.0)
One-time costs for new posts	(−.8)

Fiscal year 1990

Trainee input	4,572
Volunteer years	6,571
V's on board end of year	8,581
Staff (FTE)	1,269
Total (millions)	$172.8
Program support (millions)	$51.1
RCDE (millions)	$14.4
Volunteer operations (millions)	$107.3

Increase trainee input over FY 1989 by 339; 373 in Africa, −134 in Inter America, 100 in NANEAP.

The Inter America decrease reflects a slight slowing after the peak years of IFCA (Initiative for Central America).

Assumes two new country entries (in Africa).

Major increases in small enterprise development, water/sanitation, and agriculture/rural development.

Increases in staff for overseas staff, recruitment and support services.

Increases in volunteer operations provide for	$12.4
Basic training for new volunteers (trainees)	(2.0)
Overseas support to new volunteers (allowances, travel, in-service training, supplies, etc.)	(8.4)
Medical support	(1.7)
Other (3 FTE)	(.3)
Increases in RCDE provide for	.7
Recruitment (9 FTE)	(.7)
Support to UNV program grant in alternating years	(−.1)
New recruitment film	(.1)
New area office (3 FTE)	(.1)
WATS equipment (one time)	(−.1)
Increases in program support provide for	2.7
Overseas staff (32 FTE)	(1.6)
Headquarters staff (11 FTE)	(.4)

Overseas support costs (vehicles, FAAS)	(.3)
One-time costs—new posts	(.4)

Fiscal year 1991

Trainee input	4,890
Volunteer years	7,256
V's on board end of year	9,307
Staff (FTE)	1,309
Total (millions)	$185.3
Program support (millions)	$536
RCDE (millions)	$14.6
Volunteer operations (millions)	$117.1

Increase trainee input over FY 1990 by 318; 254 in Africa, −36 in Inter America, 100 in NANEAP.

Inter America continues slowing.

Assumes 3 new country entries (1 in NANEAP, 2 in Africa).

Major increases in education and agriculture/rural development.

Increases in staff for overseas staff, recruitment and support services.

Increases in volunteer operations provide for	$9.8
Basic training for new volunteers (trainees)	(1.9)
Overseas support to new volunteers (allowances, travel, in-service training, supplies, etc.)	(6.9)
Medical support	(.9)
Other (2 FTE)	(.1)
Increases in RCDE provide for	.2
Recruitment film (one time)	(−.1)
Recruitment (7 FTE)	(.2)
Support to UNV program (grant in alternating years)	(.1)
Increaseas in program support provide for	2.5
Overseas staff (28 FTE)	(1.2)
Headquarters staff (3 FTE)	(.1)
Overseas support costs (vehicles, FAAS)	(.2)
Replace overseas computer systems	(.8)
One-time costs—new posts	(.2)

Fiscal year 1992

Trainee input	5,317
Volunteer years	7,830
V's on board end of year	10,054
Staff (FTE)	1,318
Total (millions)	$196.2
Program support (millions)	$54.9
RCDE (millions)	$14.7
Volunteer operations (millions)	$126.6

Increase trainee input over FY 1991 by 427; 285 in Africa, −27 in Inter America, 169 in NANEAP.

Inter America continues slowing.

Assumes 2 new country entries (in Africa).

Major increases are in education and agriculture/rural development.

Increases in staff for overseas staff, recruitment and support services.

Increases in volunteer operations provide for	$9.5
Basic training for new volunteers (trainees)	(2.5)
Overseas support to new volunteers (allowances, travel, in-service training, supplies, etc.)	(5.8)
Medical support	(1.1)
Other (1 FTE)	(.1)
Increases in RCDE provide for	.1
Recruitment (8 FTE)	(.2)
Support to UNV program (grant in alternating years)	(−.1)
Increases in program support provide for	1.3
Overseas support to volunteers (vehicles, FAAS)	(.4)
Reduced staff travel	(−.1)
Replace overseas computer systems	(1.2)
One-time costs—new posts	(−.2)

COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, March 11, 1987.

Hon. LORET MILLER RUPPE,
Director, Peace Corps,
Washington, DC.

DEAR LORET: We are writing in connection with the plan you developed last year to achieve the Congressionally-mandated goal of a Peace Corps volunteer strength of 10,000 individuals.

As you are well aware, following enactment of legislation contained in section 1102 of Public Law 99-83, establishing the 10,000 volunteer strength goal, we, along with a number of members of the authorizing and appropriating committees of both the House and Senate, requested that you prepare a detailed plan on how to achieve that growth in a phased and orderly manner within present stringent budgetary limitations. Your plan, submitted on March 5, 1986, was extraordinarily helpful in providing guidance to our efforts in the 99th Congress to secure the legislative changes to start on the path toward achieving this growth in volunteer strength.

As we renew those efforts in the new Congress, we would appreciate your providing us with an update of the plan, taking into account FY 1987 staff salary increases, those estimated for FY 1988, increases in Peace Corps' fixed costs, FERS costs, and fluctuations in international currency exchange rates.

We look forward to working with you on this and other matters aimed at strengthening and improving the Peace Corps.

With every good wish.

Ever sincerely,

CHRISTOPHER J. DODD,
Chairman, Subcommittee on Western Hemisphere Affairs.
CLAIBORNE PELL,
Chairman.
ALAN CRANSTON,
Chairman, Subcommittee on East Asian and Pacific Affairs.

CLARIFICATION OF AUTHORITY TO ENCOURAGE DONATIONS

Mr. CRANSTON. Mr. President, section 3 of this bill would clarify the authority of the Peace Corps to develop the commitment of private sector resources to support activities carried out by the Peace Corps.

Since the Peace Corps' earliest years, thousands of Americans, without ever leaving their communities, in schools, churches, civic organizations, foundations and corporations—have helped advance the goals of the Peace Corps. For example, under the Peace Corps Partnership Program individuals and organizations have through their financial contributions assisted Peace Corps volunteers in carrying out small-scale projects in overseas locations. Their donations have often made the difference in countless villages as to whether a well, a classroom, or a small medical facility could be constructed, or whether other activities aimed at helping persons in developing nations at the grassroots level meet their most pressing needs could be undertaken. At the same time, through the exchange of letters, music, photographs, and other items with these villages, participants in the Partnership Program have been provided the opportunity to learn about another way of life and what it means to live in an interdependent world.

I believe the partnership effort should be larger and make a greater contribution to enhancing the activities of Peace Corps volunteers overseas and encouraging the participation of Americans in international devleopment and assistance.

This provision—by making expressly clear in the Peace Corps Act that the agency has the authority to contact private individuals and organizations to make them aware of the opportunities to make such contributions—would enhance these and other efforts of the Peace Corps to encourage individuals and organizations in this country to become involved in and help support Peace Corps projects and activities.

PROMOTION OF THE PEACE CORPS' THIRD GOAL

Mr. President, the third goal of the Peace Corps, set forth in section 2(a) of the Peace Corps Act, is to promote a better understanding of other peoples on the part of the American people.

The first two goals—helping the peoples of other countries in meeting their needs for trained manpower and promoting a better understanding of Americans on the part of the peoples served—flow most naturally from sending Peace Corps volunteers to serve overseas. The achieving of the third goal, however, depends to a large part on the activities of volunteers after they have returned to the United States and resumed their careers in this country and no longer have formal ties to the Peace Corps. Thus, promotion of the third goal can benefit from special efforts designed to help returned volunteers carry out activities that will increase our understanding of the peoples they served.

To help foster such efforts, section 4 of this bill would direct the Peace Corps to encourage, facilitate, and assist activities of returned Peace Corps volunteers, as well as other individuals and agencies supporting such efforts, to further the third goal of the Peace Corps.

Mr. President, as I mentioned earlier, over the life of the Peace Corps more than 120,000 American men and women have served as volunteers in close to a hundred nations around the world. As a result of their experiences, these individuals represent an invaluable resource of knowledge and insight into the problems confronting peoples in developing countries.

In this regard, on the occasion of the Peace Corps' 25th anniversary celebration in September 1986 almost 5,000 former Peace Corps members gathered in Washington, DC, to commemorate this special event and to undertake and promote third goal activities. This legislation would enhance the agency's efforts to capitalize and build on the momentum of that event.

Mr. President, I believe now is a most appropriate time to attach a higher priority to the third goal in recognition of the countless contributions returned Peace Corps volunteers can make and have made toward a fuller understanding on the part of our citizenry about developing countries and the human dimension of international development efforts.

Over the years, the Peace Corps has sporadically carried out activities aimed at promoting the third goal. Its statutory authority to carry out third-goal activities, other than for the Peace Corps Partnership Program dealt with in section 3 of the bill, is nowhere expressly stated. The Peace Corps congressional presentation for fiscal year 1988 contains only the following very general description of current third-goal activities: The Peace Corps works through and with returned volunteers, civic, business, and university groups to share information gained through the activity of the volunteers.

I believe that more can be done and should be done and done regularly and systematically to encourage the activities of returned Peace Corps volunteers and others working with them to share their experiences with their fellow Americans. There needs to be a clear congressional directive to the Peace Corps to promote third-goal activities.

In 1981, just before leaving office as Peace Corps Director, Richard F. Celeste, now the Governor of Ohio, submitted a report to the Congress outlining a series of third-goal activities to be pursued. Some have been undertaken since that time; others are getting underway under Peace Corps Director Loret Ruppe's leadership. On March 11, 1987, Senators PELL, DODD, and I wrote to Mrs. Ruppe asking for her to update us on the status of all Peace Corps activities, plans, and views in connection with the 1981 Celeste report, as well as to outline Peace Corps third-goal activities in connection with the recent 25th anniversary events.

Mr. President, I ask unanimous consent that a copy of our March 11 letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, March 11, 1987.

Hon. LORET MILLER RUPPE,
Director, Peace Corps, Washington, DC.

DEAR LORET: We are writing in connection with the Peace Corps' development education and other activities to achieve the Third Goal of the Peace Corps.

As you know, section 2(a) of the Peace Corps Act (Public Law 87-293) includes as the third of the three statutory goals of the Peace Corps the promotion in the United States of "a better understanding of other peoples." With the Peace Corps having just celebrated its 25th anniversary, we believe that is an appropriate time to attach a higher priority to this objective in recognition of the countless contributions returned Peace Corps volunteers can make and have made toward a fuller understanding on the part of our citizenry about developing countries and the human dimension of international development efforts.

Since the Peace Corps' establishment in 1961, approximately 120,000 American men and women have served in developing nations around the world. These individuals represent an invaluable resource of knowledge and insight into the problems confronting peoples in many developing countries. Moreover, we believe that the agency has a tremendous opportunity to capitalize and build on the momentum of the 25th anniversary events, culminating in almost 5,000 former Peace Corps members gathering in Washington, D.C., last September, to undertake and promote Third Goal activities.

Hence, we would appreciate your providing us with a description of activities, and resources being devoted to them, being undertaken or planned, in furtherance of the Third Goal. Please also provide a description of Peace Corps activities in connection with the 25th anniversary. Finally, we would also like to know your views regarding each of the recommendations in the January 15, 1981, report, entitled "A Report on a Plan Providing for More Effective Utilization of Returned Peace Corps Volunteers," submitted to the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs by former Peace Corps Director Richard F. Celeste. Please describe activities undertaken or planned that are responsive to those recommendations.

Because we expect to use the information requested in preparing the Peace Corps' FY 1988 and 1989 authorization legislation, we would appreciate your response by March 25.

With every good wish.

Ever sincerely,

CLAIBORNE PELL,
Chairman.
CHRIS DODD,
Chairman, Subcommittee on Western Hemisphere Affairs.
ALAN CRANSTON,
Chairman, Subcommittee on East Asian and Pacific Affairs

Mr. CRANSTON. Mr. President, of all the international efforts we make to achieve world peace and understanding, there is no greater contribution than that which the American people make through the Peace Corps. In this unique program, we share with the developing nations of the world the best of America—our people, our spirit, our ingenuity, and our compassion. Upon their return to this country, Peace Corps volunteers are a source of knowledge about another way of life that can be tapped to promote a broader understanding among Americans about peoples.

Mr. President, our nation and all of the other nations in which Peace Corps volunteers serve are immeasureably enriched by the contributions made by Peace Corps volunteers. These are dollars extremely well invested, and I urge all of my Senate colleagues to support this measure.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 842

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Peace Corps Act Amendments of 1987".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 3(b) of the Peace Corps Act (22 U.S.C. 2502(b)) is amended by amending the first sentence to read as follows: "There are authorized to be appropriated to carry out the purposes of this Act $130,000,000 for the fiscal year 1986, $137,200,000 for the fiscal year 1987, $146,200,000 for the fiscal year 1988, and $157,000,000 for the fiscal year 1989.".

SEC. 3. AUTHORITY TO ENCOURAGE CONTRIBUTIONS.

Section 10(a)(4) of the Peace Corps Act (22 U.S.C. 2509(a)(4)) is amended—

(1) by redesignating clauses (A) and (B) as subclauses (i) and (ii), respectively; and

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By Mr. STAFFORD:

S. 843. A bill to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 to extend and improve the procedures for the protection of the public from nuclear incidents; to the Committee on Environment and Public Works.

PRICE-ANDERSON AMENDMENTS ACT

● Mr. STAFFORD. Mr. President, the Price-Anderson Act expires on August 1 of this year. It is important that the law be extended, and I believe that Congress will be able to reauthorize it in a timely manner if we start from a sound consensus position.

To that end, I am introducing today the Price-Anderson Amendments Act of 1987. This bill is identical in virtually every regard to the Price-Anderson bill recently introduced in the House of Representatives by my colleagues there, Chairman UDALL and Chairman SHARP. It also is similar to the bill that was reported to the Senate last year by the Committee on Environment and Public Works.

In my view, the bill represents a solid compromise position on the

Price-Anderson issues that have been debated for the last few years.

The bill I am introducing differs from the House bill in one respect, but it is an important difference. It provides a stronger guarantee of compensation to victims in the event that damages from an accident exceed the limit on liability set in the House bill. It provides this stronger guarantee without disturbing the balance achieved on other major issues.

Let me explain this additional feature.

A basic purpose of Price-Anderson is protection of the public in the unlikely event of a catastrophic nuclear accident. But, no one can predict in advance the amount of injury and damage that might result from such an accident.

For that reason, setting any limit on liability—no matter how generous it might appear to be in advance—cannot guarantee that victims of a catastrophic nuclear accident will be fully compensated for their injuries.

It remains my hope that a majority of the Members of this body will agree that it is unfair to have the victims of an accident bear the cost of that accident. But, that is what a limit on liability does when the damages exceed the limit.

It now appears that it may not be practical to determine in advance precisely who should pay for all the damages that might result from a major nuclear accident. But, we should be at least able to decide in advance that it should not be the victims who will have to bear the cost.

Only one of the bills before the Congress thus far attempts to guarantee full compensation for victims. Indeed, each of the other pending bills suggests that victims would quite likely have to bear the cost of any accident where those costs were greater than the liability limits established in the legislation.

The victims would have no legal right to such compensation because the courthouse doors would be closed once liability reached a certain level.

The victims would have to plead their individual cases to the Congress. And, history has demonstrated that it is difficult for Congress to establish comprehensive compensation schemes for victims of toxic torts after the exposure.

A landmark study done in 1963, entitled "Catastrophic Accidents in Government Programs," concluded:

> As to compensation of the victims, while it is impossible to predict what Congress would do in a future catastrophe, the only comparable experience in recent history—the Texas City disaster of 1947—presents a discouraging example.

The compromise proposal I introduce today would define and provide a legal right of victims to full compensation in the following manner:

One. For damages up to the liability limit of $7 billion, my bill retains the provision of the House compromise. That means damages are paid from annual retrospective premiums for Nuclear Regulatory Commission licensees and indemnification by the Department of Energy for DOE contractors.

Two. For damages over the $7 billion liability limit, my bill proposes Federal indemnification for damages over that limit and the use of congressional review mechanisms to determine the proper source of funding to satisfy valid claims over $7 billion.

As in the House bill, there is an inflation index and the length of extension would be 10 years.

With respect to incidents arising out of the High-Level Waste Program, damages up to $7 billion would be paid from the Nuclear Waste Fund.

The Federal Government, through the Department of Energy, would indemnify its contractors for all liability above this amount. Congress would review the circumstances of an accident and would determine how to finance indemnification payments over $7 billion.

Under this compromise, "full compensation" would be defined as compensation for all legal liability, as defined by traditional State tort law, arising from a nuclear accident. The procedures and standards for determining valid claims over the $7 billion limit would be the same as for claims under $7 billion.

The validity of the claims would be determined in a Federal court, according to established substantive standards of State tort law. All judgments and awards would be subject to full Federal appellate review. This bill, thus, retains the traditional definition of, and method for, determining full compensation.

This bill seeks to provide a legal right to full compensation by obligating the Federal Government to provide funding, from whatever source or sources Congress chooses, for the payment of damages that exceed $7 billion.

As the study on "Catastrophic Accidents" noted:

> A right to recover a judgment in court—even if dependent on the willingness of Congress to appropriate it—is substantially different from a mere hope that legislation will be enacted in the future to provide such a right.

The purpose of congressional review under this proposal would be to determine the source of funds for indemnification payments. Congress could follow any legal and constitutional course.

For example, Congress could impose additional retrospective payments upon utilities. It could impose fees on electricity produced by nuclear power, or by other fuels. Or, the Congress could simply use general tax revenues.

The nuclear industry testified last year that the industry, itself, might be a proper potential source of funds for payments above the liability limits, but that this determination should be made by the Congress only after an accident. My proposal incorporates this approach suggested by the industry.

This bill provides a stronger guarantee that Congress will provide full compensation to victims than does the process of congressional review provided in other proposals for limited liability.

In the final analysis, Congress could refuse to act on compensation proposals, but that is an unlikely event because it would be breaking contractual commitments to the indemnified parties. Although the courts have no direct power to enforce judgments requiring appropriations by Congress, the moral authority of such judgments is strong.

In short, Mr. President, the bill I introduce today provides greater assurance that all victims of a catastrophic nuclear accident will receive full compensation, even while leaving the decision on who should pay for those damages above $7 billion until after the accident has happened.

It is my judgment that this approach comes closest to satisfying the interests of all persons concerned with nuclear power and compensation of victims. I urge my colleagues to examine the proposal with an eye to the best interests of the public and of the nuclear power industry.

I ask unanimous consent that the bill, and a summary of the bill, and a section-by-section comparison of the bill with H.R. 1414 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 843

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Price-Anderson Amendments Act of 1987".

SEC. 2. FINANCIAL PROTECTION.

(a) PRIMARY FINANCIAL PROTECTION AMOUNT REQUIRED FOR LARGE ELECTRICAL GENERATING FACILITIES.—Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended—

(1) by inserting "primary" before "financial protection" the first, second, third, and sixth places it appears;

(2) by inserting before the period at the end of the proviso in the first sentence the following: "(excluding the amount of private liability insurance available under the industry retrospective rating plan required in this subsection)"; and

(3) by striking in the third sentence all that precedes "private liability insurance" and inserting the following: "The Commission shall require licensees that are required to have and maintain primary financial pro-

tection equal to the maximum amount of liability insurance available from private sources to maintain, in addition to such primary financial protection,".

(b) Standard Deferred Premium Amount.—Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended—

(1) in the second proviso of the third sentence by striking "That" and all that follows through "protection" and inserting the following: "That the aggregate amount of the standard deferred premium that may be charged following any nuclear incident under such a plan shall not be more than $63,000,000 (but not more than $10,000,000 in any 1 year) for each facility required to maintain the maximum amount of primary financial protection"; and

(2) in the third proviso of the third sentence, by striking "and costs".

(c) Lesser Annual Deferred Premium Amounts.—Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended—

(1) by inserting "(1)" after the subsection designation;

(2) in the first sentence, by redesignating clauses (1) through (3) as clauses (A) through (C), respectively;

(3) by striking the fifth and sixth sentences; and

(4) by adding at the end of the fourth sentence the following new paragraph:

"(2)(A) The Commission may, on a case by case basis, assess annual deferred premium amounts less than the standard annual deferred premium amount assessed under paragraph (1)—

"(i) for any facility, if more than one nuclear incident occurs in any one calendar year; or

"(ii) for any licensee licensed to operate more than one facility, if the Commission determines that the financial impact of assessing the standard annual deferred premium amount under paragraph (1) would result in undue financial hardship to such licensee or the ratepayers of such licensee.

"(B) In the event that the Commission assesses a lesser annual deferred premium amount under subparagraph (A), the Commission shall require payment of the difference between the standard annual deferred premium assessment under paragraph (1) and any such lesser annual deferred premium assessment within a reasonable period of time, with interest at a rate determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the date that the standard annual deferred premium assessment under paragraph (1) would become due.".

(d) Borrowing Authority.—Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended—

(1) by inserting "(3)" before the penultimate sentence and redesignating the penultimate and last sentences as a paragraph (3); and

(2) by adding at the end the following new paragraph:

"(4)(A) In the event that, the funds available to pay valid claims in any year are insufficient as a result of the limitation on the amount of deferred premiums that may be required of a licensee in any year under paragraph (1) or (2), or the Commission is required to make reinsurance or guaranteed payments under paragraph (3), the Commission shall, in order to advance the necessary funds—

"(i) request the Congress to appropriate sufficient funds to satisfy such payments; or

"(ii) to the extent approved in appropriation Acts, issue to the Secretary of the Treasury obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be agreed to by the Commission and the Secretary of the Treasury.

"(B) Except for funds appropriated for purposes of making reinsurance or guaranteed payments under paragraph (3), any funds appropriated under subparagraph (A)(i) shall be repaid to the general fund of the United States Treasury from amounts made available by standard deferred premium assessments, with interest at a rate determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the date that the funds appropriated under such subparagraph are made available.

"(C) Except for funds appropriated for purposes of making reinsurance or guaranteed payments under paragraph (3), redemption of obligations issued under subparagraph (A)(ii) shall be made by the Commission from amounts made available by standard deferred premium assessments. Such obligations shall bear interest at a rate determined by the Secretary of the Treasury by taking into consideration the average market yield on outstanding marketable obligations to the United States of comparable maturities during the month preceding the issuance of the obligations under this paragraph. The Secretary of the Treasury shall purchase any issued obligations, and for such purpose the Secretary of the Treasury may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which securities may be issued under such chapter are extended to include any purchase of such obligations. The Secretary of the Treasury may at any time sell any of the obligations acquired by the Secretary of the Treasury under this paragraph. All redemptions, purchases, and sales by the Secretary of the Treasury of obligations under this paragraph shall be treated as public debt transactions of the United States.".

SEC. 3. INDEMNIFICATION AGREEMENTS FOR ACTIVITIES OF NUCLEAR REGULATORY COMMISSION LICENSEES.

Section 170c. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"(c). The Commission shall, with respect to licenses issued between August 30, 1954 and August 1, 1997, agree to indemnify and hold harmless the licensee and other persons indemnified, as their interests may appear, from public liability arising from nuclear incidents which is in excess of the amount of financial protection required of the licensee. Any payments required pursuant to such an agreement of indemnification for public liability in excess of the maximum amount of financial protection required of the licensees covered by an industry retrospective rating plan required by section 170b. shall be made in accordance with the provisions of section 170 i. Such a contract of indemnification shall cover public liability arising out of or in connection with the licensed activity, including costs of investigating and settling claims and defending suits for damage. With respect to any production or utilization facility for which a construction permit is issued between August 30, 1954 and August 1, 1997, the requirements of this subsection shall apply to any license issued for such facility subsequent to August 1, 1997."

SEC. 4. INDEMNIFICATION AGREEMENTS FOR ACTIVITIES UNDERTAKEN UNDER CONTRACT WITH DEPARTMENT OF ENERGY.

(a) In General.—Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is amended to read as follows:

"d. Indemnification of Contractors by Department of Energy.—(1)(A) In addition to any other authority the Secretary of Energy (in this section referred to as the 'Secretary') may have, the Secretary shall, until August 1, 1997, enter into agreements of indemnification with any person who may conduct activities under a contract with the Department of Energy that involve the risk of public liability.

"(B)(i)(I) For all nuclear waste activities, indemnification under subparagraph (A) shall be the exclusive means of indemnification under this section.

"(II) In any such agreement of indemnification, the provisions relating to the waiver of any issue or defense as to charitable or governmental immunity, authorized in subsection n. (1) to be incorporated in agreements of indemnification, may also be made applicable to nuclear incidents arising out of nuclear waste activities.

"(ii) For the purpose of compensating public liability claims, as defined in section 11 w., arising out of nuclear waste activities funded by the Nuclear Waste Fund established in section 302 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222), the Secretary shall make available funds from the Nuclear Waste Fund in an amount not to exceed the maximum amount of financial protection required of licensees under subsection b. and subject to the limitations in section 302(e)(2) of such Act.

"(iii) Public liability claims arising out of nuclear waste activities not specified in clause (ii), shall be compensated in accordance with the provisions of this Act and, to the extent approved in appropriation Acts, from the general revenues of the Treasury.

"(2) In agreements of indemnification entered into under paragraph (1), the Secretary may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity, and shall indemnify the persons indemnified against such claims above the amount of the financial protection required, to the full extent of the aggregate public liability of the persons indemnified for each nuclear incident, excluding costs of investigating and settling claims and defending suits for damage.

"(3) Notwithstanding paragraph (2), if the maximum amount of financial protection required of licensees under subsection b. is increased by the Commission, the amount of indemnity, together with any financial protection required of the contractor, shall at all times remain equal to or greater than the maximum amount of financial protection required of licensees under subsection b. The amount of indemnity provided contractors under this subsection shall not, at any time, be reduced in the event that the maximum amount of financial protection required of licensees is reduced. The Secretary shall amend any agreement of indemnification under which the Secretary may be required to indemnify any person under this subsection to provide for any increase required by this paragraph in the amount of indemnity required by this subsection.

"(4) In the case of nuclear incidents occurring outside the United States, the amount of the indemnity provided by the Secretary under this subsection shall not exceed $100,000,000.

"(5) The provisions of this subsection may be applicable to lump sum as well as cost type contracts and to contracts and projects financed in whole or in part by the Secretary.

"(6) A contractor with whom an agreement of indemnification has been executed and who is engaged in activities connected with the underground detonation of a nuclear explosive device shall be liable, to the extent so indemnified under this section, for injuries or damage sustained as a result of such detonation in the same manner and to the same extent as would a private person acting as principal, and no immunity or defense founded in the Federal, State, or municipal character of the contractor or of the work to be performed under the contract shall be effective to bar such liability.

"(7) Any payments required pursuant to an agreement of indemnification entered into under this subsection for public liability in excess of the maximum amount of financial protection required of the licensees covered by an industry retrospective rating plan required by subsection b. shall be made in accordance with the provisions of subsection i."

(b) DEFINITIONS.—Section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014) is amended by adding at the end the following new subsections:

"dd. The terms 'high-level radioactive waste' and 'spent nuclear fuel' have the meanings given such terms in section 2 of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101).

"ee. The term 'transuranic waste' means material contaminated with elements that have an atomic number greater than 92, including neptunium, plutonium, americium, and curium, and that are in concentrations greater than 10 nanocuries per gram, or in such other concentrations as the Nuclear Regulatory Commission may prescribe to protect the public health and safety.

"ff. The term 'nuclear waste activities', as used in section 170 d., means activities that the Secretary of Energy is authorized to undertake, under this Act or any other law, involving the storage, handling, transportation, treatment, or disposal of, or research and development on, spent nuclear fuel, high-level radioactive waste, or transuranic waste, including (but not limited to) activities authorized to be carried out under the Waste Isolation Pilot Project under section 213 of Public Law 96-164 (93 Stat. 1265).".

SEC. 5. PRECAUTIONARY EVACUATIONS.

(a) COSTS INCURRED BY STATE GOVERNMENTS.—Section 11 w. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(w)) is amended by inserting after "nuclear incident" the first place it appears the following: "or precautionary evacuation (including all reasonable additional costs incurred by a State, or a political subdivision of a State, in the course of responding to a nuclear incident or a precautionary evacuation)".

(b) DEFINITION.—Section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"gg. The term 'precautionary evacuation' means an evacuation of the public within a specified area near a nuclear facility, or the transportation route in the case of an accident involving transportation of source material, special nuclear material, byproduct material, high-level radioactive waste, spent nuclear fuel, or transuranic waste to or from a production or utilization facility, if the evacuation is—

"(1) the result of any event that is not classified as a nuclear incident but that poses imminent danger of bodily injury or property damage from the radiological properties of source material, special nuclear material, byproduct material, high-level radioactive waste, spent nuclear fuel, or transuranic waste, and causes an evacuation; and

"(2) initiated by an official of a State or a political subdivision of a State, who is authorized by State law to initiate such an evacuation and who reasonably determined that such an evacuation was necessary to protect the public health and safety.".

(c) LIMITATION.—Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) is amended by adding at the end the following new subsection:

"q. LIMITATION ON AWARDING OF PRECAUTIONARY EVACUATION COSTS.—No court may award costs of a precautionary evacuation unless such costs constitute a public liability.".

SEC. 6. INITIAL LIMIT ON RETROSPECTIVE PAYMENTS AND LIMIT ON AGGREGATE LIABILITY FOR A SINGLE NUCLEAR INCIDENT.

Section 170e. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"(1) With respect to liability for one or more nuclear incidents covered by an industry retrospective rating plan required by subsection b. which is not in excess of the maximum amount of financial protection required of the licensees covered by the industry retrospective rating plan—

"(A) the aggregate payments in a single year by or on behalf of persons indemnified shall not be required to exceed the amount of financial protection provided in that year pursuant to subsection b., and

"(B) the funds provided by financial protection pursuant to subsection b. in any year by or on behalf of such persons indemnified and, where appropriate, the funds provided as a result of the issuance of obligations pursuant to subsection b. in any year by or on behalf of such persons indemnified and, where appropriate, the funds provided as a result of the issuance of obligations pursuant to subsection b.(4), shall be the exclusive source of payments for public liability claims.

"(2) With respect to activities of contractors with whom the Secretary has entered into an agreement of indemnification under subsection d., other than those activities funded by the Nuclear Waste Fund, the aggregate liability for a single nuclear incident of persons indemnified, including the reasonable costs of investigating and settling claims and defending suits for damage, shall not exceed the sum of $500,000,000 together with the amount of financial protection required of the contractor, *Provided*, That in the event of a nuclear incident involving damages in excess of that amount of aggregate liability, Congress will thoroughly review; the particular incident and will take whatever action is deemed necessary and appropriate to protect the public from the consequences of a disaster of such magnitude: *And provided further*, That with respect to any nuclear incident occurring outside of the United States to which an agreement of indemnification entered into under the provisions of subsection 170 d. is applicable, such aggregate liability shall not exceed the amount of $100,000,000 together with the amount of financial protection required of the contractor.".

SEC. 7. COMPENSATION PLANS.

(a) IN GENERAL.—Section 170i. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(i)— is amended to read as follows:

"i. COMPENSATION PLANS.—(1) After any nuclear incident involving damages that are likely to require payments by the United States under this section, the Secretary or the Commission, as appropriate, shall—

"(A) make a survey of the causes and extent of damage; and

"(B) expeditiously submit a report setting forth the results of such survey to the Congress, to the Representatives of the affected districts, to the Senators of the affected States, and (except for information that will cause serious damage to the national defense of the United States) to the public, to the parties involved, and to the courts.

"(2) Not later than 90 days after any determination by a court, pursuant to subsection o., that the public liability from a single nuclear incident may exceed the maximum amount of financial protection required of licensees covered by an industry retrospective rating plan required by subsection b., or the limit on aggregate public liability under subsection e., as appropriate, the President shall submit to the Congress—

"(A) an estimate of the aggregate dollar value of personal injuries and property damage that arises from the nuclear incident;

"(B) recommendations for additional sources of funds to pay claims exceeding the maximum amount of financial protection required of licensees covered by an industry retrospective rating plan required by subsection b., or the limit on aggregate public liability under subsection e., as appropriate, which recommendations shall consider a broad range of possible sources of funds (including possible revenue measures on the sector of the economy, or on any other class, to which such revenue measures might be applied);

"(C) 1 or more compensation plans, that either individually or collectively shall provide for full, equitable, and efficient compensation for all valid claims and contain a recommendation or recommendations as to the relief to be provided, including any recommendations that funds be allocated or set aside for the payment of claims that may arise as a result of latent injuries that may not be discovered until a later date; and

"(D) any additional legislative authorities necessary to implement such compensation plan or plans.

"(3) Nothing in this section or in any agreement of indemnification entered into pursuant to this section shall preclude a recommendation from the President, the approval by Congress, or the enactment of a compensation plan that assesses any person or persons, including any person or persons that already have made payments to satisfy claims for public liability, as a source of funds for payments of indemnification for public liability.

"(4) Any compensation plan transmitted to the congress pursuant to paragraph (2) shall bear an identification number and shall be transmitted to both Houses of Congress on the same day and to each House while it is in session.

"(5) No such compensation plan may be considered approved for purposes of sections 170c., 170d., and 170k. Unless between the date of transmittal and the end of the first period of one hundred and twenty calendar days of continuous session of Congress after the date on which such action is transmitted to such House, each House of Congress passes a resolution described in paragraph 7 of this subsection.

"(6) For the purpose of paragraph 5 of this subsection—

"(A) continuity of session is broken only by an adjournment of Congress sine die; and

"(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the one hundred and twenty calendar day period.

"(7) This paragraph is enacted by Congress—

"(i) As an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by clause (B) and it supersedes other rules only to the extent that it is inconsistent therewith; and

"(ii) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of the House.

"(B) For purposes of this paragraph, the term 'resolution' means only a resolution of either House of Congress the matter after the resolving clause of which is as follows: "That the   approves the compensation plan numbered   submitted to the Congress on   , 19   ,   amendment.", the first blank space therein being filled with the name of the resolving House, the last blank space being filled with "with" or "without", as appropriate, and the other blank spaces being appropriately filled; but does not include a resolutions which specifies more than one compensation plan, unless such plans collectively provide for full, equitable, and efficient compensation and funding.

"(C) A resolution once introduced with respect to a compensation plan shall immediately be referred to a committee (and all resolutions with respect to the same compensation plan shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

"(D)(i) If the committee to which a resolution with respect to a compensation plan has been referred has not reported it at the end of sixty calendar days after its referral, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge the committee from further consideration with respect to such compensation plan which has been referred to the committee.

"(ii) A motion to discharge may be made only by an individual favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same compensation plan), and debate thereon shall be limited to no more than two hours, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

"(iii) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same compensation plan.

"(E)(i) When the committee has reported, or has been discharged from further consideration of, a resolution, it shall be at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

"(ii) Debate on the resolution referred to in clause (i) of this subparagraph shall be limited to not more than thirty hours, which shall be divided equally between those favoring and those opposing such resolution. A motion further to limit debate shall not be debatable. A motion to recommit the resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such resolution was agreed to or disagreed to.

"(F)(i) Motions to postpone, made with respect to the discharge from committee, or the consideration of a resolution or motions to proceed to the consideration of other business, shall be decided without debate.

"(ii) Appeals from the decision of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedures relating to a resolution shall be decided without debate.".

(b) CONFORMING AMENDMENT.—Section 170o. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(o)) is amended—

(1) in the matter preceding paragraph (1), by striking "subsection 170e.:" and inserting "subsection e., or the maximum amount of financial protection required of the licensees covered by an industry retrospective rating plan required by subsection b., as appropriate:"; and

(2) in paragraphs (1) and (2), after "such limit of liability", by inserting "or the maximum amount of financial protection required of the licensees covered by an industry retrospective rating plan required by subsection b., as appropriate," and

(3) by striking paragraph (4).

SEC. 8. DATE OF EXEMPTION FROM FINANCIAL PROTECTION REQUIREMENT.

Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended by striking "August 1, 1987" each place it appears and inserting "August 1, 1997".

SEC. 9. PRESIDENTIAL COMMISSION ON CATASTROPHIC NUCLEAR ACCIDENTS.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) is amended by striking subsection l. and inserting the following:

"l. PRESIDENTIAL COMMISSION ON CATASTROPHIC NUCLEAR ACCIDENTS.—(1) Not later than 90 days after the date of the enactment of the Price-Anderson Amendments Act of 1987, the President shall establish a commission (in this subsection referred to as the 'study commission') in accordance with the Federal Advisory Committee Act (5 U.S.C. App.) to study means of fully compensating victims of a catastrophic nuclear accident that exceeds the maximum amount of financial protection required of licensees covered by an industry retrospective rating plan required by subsection b., or the amount of aggregate public liability under subsection e., as appropriate.

"(2)(A) The study commission shall consist of not less than 7 and not more than 11 members, who—

"(i) shall be appointed by the President; and

"(ii) shall be representative of a broad range of views and interests.

"(B) The members of the study commission shall be appointed in a manner that ensures that not more than a mere majority of the members are of the same political party.

"(C) Each member of the study commission shall hold office until the termination of the study commission, but may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

"(D) Any vacancy in the study commission shall be filled in the manner in which the original appointment was made.

"(E) The President shall designate 1 of the members of the study commission as chairperson, to serve at the pleasure of the President.

"(3) The study commission shall conduct a comprehensive study of appropriate means of fully compensating victims of a catastrophic nuclear accident that exceeds the maximum amount of financial protection required of licensees covered by an industry retrospective rating plan required by subsection b., or the amount of aggregate public liability under subsection e., as appropriate, and shall submit to the Congress a final report setting forth—

"(A) recommendations for any changes in the laws and rules governing the liability or civil procedures that are necessary for the equitable, prompt, and efficient resolution and payment of all valid damage claims, including the advisability of adjudicating public liability claims through an administrative agency instead of the judicial system;

"(B) recommendations for any standards or procedures that are necessary to establish priorities for the hearing, resolution, and payment of claims when awards are likely to exceed the amount of funds available within a specific time period; and

"(C) recommendations for any special standards or procedures necessary to decide and pay claims for latent injuries caused by the nuclear incident.

"(4)(A) The chairperson of the study commission may appoint and fix the compensation of a staff of such persons as may be necessary to discharge the responsibilities of the study commission, subject to the applicable provisions of the Federal Advisory Committee Act (5 U.S.C. App.) and title 5, United States Code.

"(B) To the extent permitted by law and requested by the chairperson of the study commission, the Administrator of General Services shall provide the study commission with necessary administrative services, facilities, and support on a reimbursable basis.

"(C) The Attorney General, the Secretary of Health and Human Services, and the Director of the Federal Emergency Management Agency shall, to the extent permitted by law and subject to the availability of funds, provide the study commission with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the study commission.

"(D) The study commission may request any Executive agency to furnish such information, advice, or assistance as it determines to be necessary to carry out its functions. Each such agency is directed, to the extent permitted by law, to furnish such information, advice or assistance upon request by the chairperson of the study commission.

"(E) Each member of the study commission may receive compensation at the maximum rate now or hereafter prescribed by law for each day such member is engaged in the work of the study commission. Each member may also receive travel expenses, including per diem in lieu of subsistence under sections 5702 and 5703 of title 5, United States Code.

"(F) The functions of the President under the Federal Advisory Committee Act (5 U.S.C. App.) that are applicable to the study commission, except the function of reporting annually to the Congress, shall be performed by the Administrator of General Services.

"(5) The final report required in paragraph (3) shall be submitted to the Congress not later than the expiration of the 2-year period beginning on the date of the enactment of the Price-Anderson Amendments Act of 1987.

"(6) The study commission shall terminate upon the expiration of the 2-month period beginning on the date on which the final report required in paragraph (3) is submitted.".

SEC. 10. WAIVER OF DEFENSES.

(a) STATUTE OF LIMITATIONS.—Section 170 n. (1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(1)) is amended in clause (iii) of the first sentence by striking the following: ", but in no event more than twenty years after the date of the nuclear incident".

(b) APPLICABILITY.—Section 170 n. (1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(1)) is amended—

(1) by redesignating subparagraphs (a), (b), and (c) as subparagraphs (A), (B), and (C), respectively;

(2) by striking "or" at the end of subparagraphs (A) and (B); and

(3) by inserting after subparagraph (C) the following new subparagraphs:

"(D) arises out of, results from, or occurs in the course of, the construction, possession, or operation of any facility licensed under section 53, 63, or 81, for which the Commission has imposed as a condition of the license a requirement that the licensee have and maintain financial protection under subsection a.,

"(E) arises out of, results from, or occurs in the course of, transportation of source material, byproduct material, or special nuclear material to or from any facility licensed under section 53, 63, or 81, for which the Commission has imposed as a condition of the license a requirement that the licensee have and maintain financial protection under subsection a., or

"(F) arises out of, results from, or occurs in the course of, nuclear waste activities undertaken by the Secretary, including, but not limited to, activities undertaken by contract,".

SEC. 11. JUDICIAL REVIEW OF CLAIMS ARISING OUT OF A NUCLEAR INCIDENT.

(a) CONSOLIDATION OF CLAIMS.—Section 170 n. (2) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(2)) is amended—

(1) in the first sentence—

(A) by striking "an extraordinary nuclear occurrence" each place it appears and inserting "a nuclear incident"; and

(B) by striking "the extraordinary nuclear occurrence" each place it appears and inserting "the nuclear incident";

(2) in the second sentence, by inserting after "court" the first place it appears the following: "(including any such action pending on the date of the enactment of the Price-Anderson Amendments Act of 1987)"; and

(3) by adding at the end the following new sentence: "In any action that is or becomes removable pursuant to this paragraph, a petition for removal shall be filed within the period provided in section 1446 of title 28, United States Code, or within the 30-day period beginning on the date of the enactment of the Price-Anderson Amendments Act of 1987, whichever occurs later.".

(b) DEFINITION OF PUBLIC LIABILITY ACTION.—Section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"hh. The term 'public liability action', as used in section 170, means any suit asserting public liability. A public liability action shall be deemed to be an action arising under section 170, and the substantive rules for decision in such action shall be derived from the law of the State in which the nuclear incident involved occurs, unless such law is inconsistent with the provisions of such section.".

(c) SPECIAL CASELOAD MANAGEMENT PANEL.—Section 170 n. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)) is amended by adding at the end the following new paragraph:

"(3)(A) Following any nuclear incident, the chief judge of the United States district court having jurisdiction under paragraph (2) with respect to public liability actions (or the judicial council of the judicial circuit in which the nuclear incident occurs) may appoint a special caseload management panel (in this paragraph referred to as the 'management panel') to coordinate and assign (but not necessarily hear themselves) cases arising out of the nuclear incident, if—

"(i) the United States district court having jurisdiction under paragraph (2) determines that the aggregate amount of public liability is likely to exceed the amount of primary financial protection available under subsection b. (or an equivalent amount in the case of a contractor indemnified under subsection d.); or

"(ii) the chief judge of the United States district court (or the judicial council of the judicial circuit) determines that cases arising out of the nuclear incident will have an unusual impact on the work of the court.

"(B)(i) Each management panel shall consist only of members who are United States district judges or circuit judges.

"(ii) Members of a management panel may include any United States district judge or circuit judge of another district court or court of appeals, if the chief judge of such other district court or court of appeals consents to such assignment.

"(C) It shall be the function of each management panel—

"(i) to consolidate related or similar claims for hearing or trial;

"(ii) to establish priorities for the handling of different classes of cases;

"(iii) to assign cases to a particular judge or special master;

"(iv) to appoint special masters to hear particular types of cases, or particular elements or procedural steps of cases;

"(v) to promulgate special rules of court, not inconsistent with the Federal Rules of Civil Procedure, to expedite cases or allow more equitable consideration of claims;

"(vi) to implement such other measures, consistent with existing law and the Federal Rules of Civil Procedure, as will encourage the equitable, prompt, and efficient resolution of cases arising out of the nuclear incident; and

"(vii) to assemble and submit to the President such data, available to the court, as may be useful in estimating the aggregate damages from the nuclear incident.".

SEC. 12. REPORTS TO CONGRESS BY NUCLEAR REGULATORY COMMISSION AND DEPARTMENT OF ENERGY.

Section 170 p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by striking "shall submit to the Congress by August 1, 1983, a detailed report", and inserting the following: "and the Secretary shall submit to the Congress by August 1, 1993, detailed reports"; and

(3) by adding at the end the following new paragraphs:

"(2) Not later than April 1 of each year, the Commission and the Secretary shall each submit an annual report to the Congress setting forth the activities under this section during the preceding calendar year.

"(3) Not later than February 1, 1988, the Secretary shall submit a report to the Congress identifying and explaining the criminal and civil liabilities of all Department of Energy contractors and other persons indemnified who intentionally cause or attempt to cause a nuclear accident at a Department of Energy facility. The Secretary shall include in such report such recommendations as the Secretary determines to be appropriate for punishing such misconduct, enacting new provisions of law, or clarifying law in effect on August 1, 1987.".

SEC. 13. LIABILITY OF LESSORS.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"r. LIMITATION ON LIABILITY OF LESSORS.—No person under a bona fide lease of any utilization or production facility (or part thereof or undivided interest therein) shall be liable by reason of an interest as lessor of such production or utilization facility, for any legal liability arising out of or resulting from a nuclear incident resulting from such facility, unless such facility is in the actual possession and control of such person at the time of the nuclear incident giving rise to such legal liability.".

SEC. 14. PUNITIVE DAMAGES.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"s. LIMITATION ON PUNITIVE DAMAGES.—No court may award punitive damages in any action with respect to a nuclear incident or precautionary evacuation against a person on behalf of whom the United States is obligated to make payments under an agreement of indemnification covering such incident or evacuation.".

SEC. 15. INFLATION ADJUSTMENT.

Section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210), as previously amended by this Act, is further amended by adding at the end the following new subsection:

"t. INFLATION ADJUSTMENT.—(1) The Commission shall adjust the amount of the aggregate standard deferred premium under subsection b. (1) not less than once during each 5-year period following the date of the enactment of the Price-Anderson Amendments Act of 1987, in accordance with the aggregate percentage change in the Consumer Price Index since—

"(A) such date of enactment, in the case of the first adjustment under this subsection; or

"(B) the previous adjustment under this subsection.

"(2) For purposes of this subsection, the term 'Consumer Price Index' means the Consumer Price Index for all urban consumers published by the Secretary of Labor.".

SEC. 16. TECHNICAL AND CONFORMING AMENDMENTS.

(a) References to Nuclear Regulatory Commission.—

(1) Section 11 q. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(q)) is amended by striking "Commission" each place it appears and inserting "Nuclear Regulatory Commission".

(2) Section 170 a. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(a)) is amended by striking "Commission" in the first sentence and inserting the following: "Nuclear Regulatory Commission (in this section referred to as the 'Commission')".

(b) References to Secretary of Energy.—

(1) Subsections j. and m. of section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014) are amended by striking "Commission" each place it appears and inserting the following: "Nuclear Regulatory Commission or the Secretary of Energy, as appropriate,".

(2) Section 11 t. (2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(t)(2)) is amended by striking "Commission" and inserting "Secretary of Energy".

(3) Section 170 f. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(f)) is amended by inserting after "Commission" the first 2 places it appears the following: "or the Secretary, as appropriate,".

(4) Subsections g., h., j., and m. of section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) are amended by inserting after "Commission" each place it appears the following: "or the Secretary, as appropriate,".

(5) Section 170 n. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)) is amended—

(A) in paragraph (1)—

(i) by striking "Commission" in subparagraph (C) and inserting "Department of Energy"; and

(ii) by inserting after "Commission" the second place it appears the following: "or the Secretary, as appropriate,"; and

(B) in paragraph (2), by inserting after "Commission" the following: "or the Secretary, as appropriate".

(6) Section 170 o. (3) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(o)(3)) is amended—

(A) by inserting after "Commission" the first place it appears the following: "or the Secretary, as appropriate,"; and

(B) by inserting after "Commission" the second place it appears the following: "or the Secretary, as appropriate".

(c) References to Revised Statutes.—

(1) Section 170 g. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(g)) is amended by inserting "(41 U.S.C. 5)" after "Statutes".

(2) Section 170 j. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(j)) is amended by striking "section 3679 of the Revised Statutes, as amended" and inserting the following: "sections 1341, 1342, 1349, 1350, and 1351, and subchapter II of chapter 15, of title 31, United States Code".

(d) Internal Cross-References.—

(1) Section 11 q. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(q)) is amended by striking "subsection" each place it appears and inserting "section".

(2) Section 11 t. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(t)) is amended by striking "subsection" each place it appears and inserting "section".

(3) Section 11 w. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(w)) is amended by striking "subsections 170 a., c., and k." and inserting "subsections a., c., and k. of section 170".

(4) Section 170 a. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(a)) is amended—

(A) in the first sentence, by striking "subsection 2 i. of the Atomic Energy Act of 1954, as amended" and inserting "section 2 i.";

(B) in the first sentence, by striking "subsection 170 b." and inserting "subsection b."; and

(C) in the second sentence, by striking "subsection 170 c." and inserting "subsection c.".

(5) Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended in the first sentence by striking "subsection 170 a." and inserting "subsection a.".

(6) Section 170 n. (1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)(1)) is amended in the last sentence by striking "subsection 170 e." and inserting "subsection e.".

(7) Section 170 o. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(o)) is amended in paragraph (2), by striking "subparagraph (3) of this subsection (o)" and inserting "paragraph (3)".

(e) Subsection Captions.—

(1) Section 170 a. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(a)) is amended by inserting after the subsection designation the following: "Requirement of Financial Protection for Licensees.—".

(2) Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by inserting after the subsection designation the following: "Amount and Type of Financial Protection for Licensees.—".

(3) Section 170 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended by inserting after the subsection designation the following: "Indemnification of Licensees by Nuclear Regulatory Commission.—".

(4) Section 170 f. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(f)) is amended by inserting after the subsection designation the following: "Collection of Fees by Nuclear Regulatory Commission.—".

(5) Section 170 g. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(g)) is amended by inserting after the subsection designation the following: "Use of Services of Private Insurers.—".

(6) Section 170 h. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(h)) is amended by inserting after the subsection designation the following: "Conditions of Agreements of Indemnification.—".

(7) Section 170 j. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(j)) is amended by inserting after the subsection designation the following: "Contracts in Advance of Appropriations.—".

(8) Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended by inserting after the subsection designation the following: "Exemption from Financial Protection Requirement for Nonprofit Educational Institutions.—".

(9) Section 170 m. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(m)) is amended by inserting after the subsection designation the following: "Coordinated Procedures for Prompt Settlement of Claims and Emergency Assistance.—".

(10) Section 170 n. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(n)) is amended by inserting after the subsection designation the following: "Waiver of Defenses and Judicial Procedures.—".

(11) Section 170 o. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(o)) is amended by inserting after the subsection designation the following: "Plan for Distribution of Funds.—".

(12) Section 170 p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended by inserting after the subsection designation the following: "Reports to Congress.—".

SEC. 17. EFFECTIVE DATE.

(a) In General.—Except as provided in subsection (b), the amendments made by this Act shall become effective on August 1, 1987, and shall be applicable with respect to nuclear incidents occurring on or after such date.

(b) Exceptions.—

(1) The amendments made by section 9 and subsections (a) and (b) of section 11 shall become effective on the date of the enactment of this Act.

(2) The amendments made by subsections (a) and (b) of section 11 shall be applicable with respect to nuclear incidents occurring on any date.

SEC. 18. INDEMNIFICATION FOR NON-PROFIT EDUCATIONAL ACTIVITIES.

Section 170 k. of the Atomic Energy Act of 1954, as amended, is amended—

(i) in paragraph (1) by striking the sentence beginning with "The aggregate indemnity" and ending with "defending suits for damage" and inserting in lieu thereof the following: "Any payments required pursuant to such an agreement of indemnification for public liability in excess of the maximum amount of financial protection required of the licensees covered by an industry retrospective rating plan required by subsection 170 b. shall be made in accordance with the provisions of subsection 170 i."; and

(ii) in paragraph (2) after "licensed activity" by inserting the following: ", including costs of investigating and settling claims and defending suits for damage".

Senate Price-Anderson Amendments Act of 1987—Summary

I. COMMERCIAL ACTIVITIES

The bill continues to provide for three layers of compensation for victims of accidents at commercial nuclear power plants.

The first two layers would be identical to the two layers of protection provided in H.R. 1414.

The essential difference this bill and H.R. 1414 is in the third layer, which provides a legal right to full compensation, rather than just the hope of Congressional action.

1. Primary layer of financial protection—Each utility would be required to purchase the maximum amount of private insurance available (currently $160 million).

2. Secondary layer of financial protection—Each utility would be required to contribute to an annual retrospective premium system in the event of an accident for which damages exceeded the amount of private insurance available.

Each utility would pay up to $63,000,000 (but no more than $10 million per year).

The NRC is authorized to establish maximum aggregate deferred premiums that may be charged any licensee in one year (to prevent undue hardship to utilities based upon factors such as multiple reactors, impact on ratepayers, impact on cash flow, and reactor shutdown). Any amounts over the annual maximum would be required to be paid in subsequent years, with interest.

This bill would limit the initial financial liability of the nuclear utilities to this amount. Nuclear utilities could not be charged more except by an affirmative act of Congress. This is no different from the liability of the nuclear utilities under H.R. 1414.

3. Inflation index.—The annual retrospective premium system would be adjusted for inflation. The NRC would be required to adjust the amount of the standard deferred premium at least once every five years to reflect the change in the consumer price index.

4. Borrowing authority.—The NRC would have the authority to borrow funds from the Treasury, subject to appropriations, to satisfy valid claims that emerged faster than the funds made available from the retrospective premiums.

5. Third layer of financial protection.—There would be no limit on aggregate public liability. For claims above the amount provided by the limited annual retrospective premium system, the federal government would provide indemnification for any liability.

The federal government would guarantee payment of all damages above the industry's initial exposure limit.

Congress would decide after the accident how to pay and who would pay these damages above the amount available from retrospective premiums. A Congressional review mechanism would be used to make this determination. The President would submit a report as provided in H.R. 1414, and Congress would consider the report under procedures similar to those provided in last year's Senate bill S. 1225. The difference between the Congressional review provision under this bill and other Price-Anderson bills, including S. 1225 and H.R. 1414, is that Congress would not have the discretion to determine how much to compensate each valid claim; rather it would determine only how to pay such compensation.

Congress could assess any person or persons for such payments, consistent with the Constitution. Thus, for example, the Congress could impose additional retrospective premiums upon the nuclear industry, impose fees on nuclear-generated electricity, on electricity generated from all sources, or simply collect the money from taxes.

As with claims below the industry exposure limits, the validity of claims above these limits would be determined in federal court according to established standards of law, and subject to full federal appellate review. Limited liability proposals provide for legislative and executive determinations of amounts of full compensation. Such nonjudicial determinations would not be subject to any standards or rules, would be subject to a much more limited, if any, judicial review, and would subject purely factual questions of amounts of damages to political pressures.

The third layer would be similar to the third layer of protection that existed prior to the licensing of the 80th reactor in 1982, at which time the second layer of retrospective premiums phased out the layer of governmental indemnity which had existed since 1957. Unlike this previous third layer, under this proposal the federal treasury would not be the only possible source of funds for satisfying claims.

This approach decouples the issue of how much to compensate victims from issue of how much is fair for the industry to contribute towards victims compensation.

6. Omnibus coverage.—Omnibus coverage is continued. All public liability would be satisfied through these three layers of protection.

7. Aggregate liability for other NRC licensees.—Nonprofit educational institutions within the scope of the Act will be indemnified for all public liability in excess of $250,000. All other licensees presently indemnified under section 170c. would be indemnified for all public liability in excess of the amount of financial protection required. The Congressional review mechanism applicable to commercial accidents involving public liability in excess of the amounts available through the retrospective premium system would be used to review the payment mechanism for public liability of indemnified nonprofit educational institutions or indemnified non-commercial licensees in excess of the maximum amount that would be available under the retrospective premium system for a commercial accident (at this time approximately $7 billion). The federal government would pay for all public liability less than that amount.

II. HIGH-LEVEL WASTE ACTIVITIES

The bill clarifies that DOE indemnification authority extends to all contract activities concerning the storage, disposal, and transportation of spent nuclear fuel, high-level radioactive waste, and transuranic waste.

The bill clarifies that the waiver of defenses provision applies to accidents involving the storage, transportation, and disposal of high-level radioactive waste and other nuclear materials.

Sovereign immunity is waived for nuclear incidents arising from nuclear waste activities regardless of whether the incident constitutes an extraordinary nuclear occurrence.

With respect to DOE contractual activities that are paid for through the Nuclear Waste Fund:

There would be no limit on public liability.

DOE must indemnify the contractor for all public liability above the amount of financial protection required.

The Nuclear Waste Fund would be the source of indemnification payments for accidents involving damages up to the maximum amount available under the industry retrospective premium system for commercial accidents (which presently would be approximately $7 billion under this bill).

For damages above this amount, there still would be public liability. Congress would decide after the accident under the Congressional review mechanism how to fund this liability.

Congress could make additional assessments from the Nuclear Waste Fund, use money from general revenues, or assess any other source that would be constitutionally appropriate.

The procedures for Congressional review and establishment of a funding mechanism for valid claims above the predetermined funding level would be the same as for large accidents involving commercial facilities.

This full compensation mechanism is similar to that of H.R. 1414 if Congress failed to act within one year of the accident. Under this bill, Congress would not have the option after the accident to redefine "full" compensation. The same measure of "full" compensation would be used for public liability below and above $7 billion.

III. DEPARTMENT OF ENERGY CONTRACTORS (OTHER THAN HLW)

The limit on public liability would be removed.

DOE would provide indemnification for all public liability.

Public liability up to the amount available from the retrospective premium system in the event of an accident at a commercial nuclear power plant would be paid by DOE.

Congress would review the situation and establish a funding mechanism for public liability arising out of an accident involving DOE contractual activities above this amount.

The procedures for Congressional review and establishment of a funding mechanism for valid claims above the predetermined funding level would be the same as for large accidents involving commercial facilities.

IV. OTHER

1. Litigation costs.—Cost incurred by the nuclear insurance pools or industry defendants in investigating, settling, or defending damage claims can not be paid out of insurance proceeds, deferred premiums, or government indemnity pools for public liability not in excess of the amounts available through the industry retrospective premium system.

The following provisions are identical to those in H.R. 1414:

2. Length of extension.—The NRC and DOE's authority to enter into indemnity agreements with their licensees and contractors, respectively, would be extended for 10 years.

3. Statute of limitations.—Suit need only be instituted within 3 years from the date the claimant first knew, or reasonably could have known, of the injury.

4. Illegal diversion.—Current law is preserved. (Sabotage at a licensed facility or on an intended transportation route is covered; accidents arising from nuclear material stolen and diverted from a facility or intended transportation route are not.)

5. Precautionary evacuations.—Price-Anderson coverage extended to liability resulting from precautionary evacuations, including reasonable costs incurred by state and local government.

6. Punitive damages.—Courts would be barred from awarding punitive damages where the Federal Government would have to pay. This is consistent with the Federal Tort Claims Act's prohibition against punitive damages against the Government. Current law on punitive damage awards against commercial licensees is preserved.

7. Federal jurisdiction.—Consolidates all claims arising out of any nuclear incident, not just extraordinary nuclear occurrences, in federal court.

8. Caseload management panel.—The federal court in which Price-Anderson claims are consolidated may appoint a special caseload management panel to assist in managing cases.

9. Sale-leaseback agreements.—Clarifies that licensee-lessees, not passive investor-lessors are liable for payment of Price-Anderson assessments.

10. Presidential Commission on Catastrophic Nuclear Accidents.—Upon enactment of the bill, the President is required to establish a commission on catastrophic nuclear accidents to study the appropriate means for fully compensating victims of a catastrophic accident that exceeds the maximum amount available under the industry

retrospective premium system and to report appropriate recommendations to the Congress within two years.

11. Effective date.—The provisions of the Act establishing a Presidential commission on catastrophic accidents and providing for consolidation of claims would be effective upon enactment. All other provisions would take effect on August 1, 1987.

SECTION-BY-SECTION COMPARISON OF SENATE PRICE-ANDERSON AMENDMENTS ACT OF 1987 AND H.R. 1414

Section 1. Both Acts are entitled "The Price-Anderson Amendments Act of 1987".

Section 2. Section 2 of the Senate bill is identical to section 2 of H.R. 1414.

Section 3. Section 3 of the Senate bill directs the NRC to indemnify all of its licensees for public liability in excess of the level of financial protection required of the licensee. This is intended to provide for full compensation for victims of a nuclear incident that arises out of activities of NRC licensees.

Under the current section 170c., the NRC indemnifies only those licensees for which it requires financial protection of an amount less than $560,000,000. Section 170c. limits such indemnification to a maximum of $500,000,000, excluding costs of investigating and settling claims and defending suits for damage. The current section 170e. correspondingly limits public liability for these indemnified licensees to the amount of indemnification together with the amount of the licensee's financial protection.

Thus, there is neither liability nor indemnification for damages above the amount provided by private insurance and limited indemnification. For damages exceeding this amount, current section 170e. states that the Congress will take whatever measures it deems necessary to protect the public.

Section 3 would make several major changes to section 170c. First, it would remove the threshold of less than $560,000,000 in financial protection that is presently necessary in order for an NRC licensee to obtain indemnity from the NRC for public liability. Second, all NRC licensees required to obtain financial protection would be indemnified for all public liability above such amount of financial protection. Third, there would be no limit on the amount of indemnification. Correspondingly, section 170e. would be amended to remove the limit on liability for accidents involving NRC licensees.

For licensees not covered by the annual retrospective premium system, the NRC would be required to make indemnification payments for all liability up to the amount that would be available under the retrospective premium system. Thus, the NRC would be responsible for indemnification payments up to approximately $160,000,000 plus $63,000,000 multiplied by the number of large nuclear powerplants covered by the retrospective premium system. This sum presently is approximately $7.0 billion.

This bill thus would establish a predetermined level of funding for indemnification payments for public liability that would be available regardless of the type of licensee involved in the incident. Payments up to approximately $7.0 billion for incidents involving licensees covered by the retrospective premium system would be made through the retrospective premium system, and payments up to approximately $7.0 billion for incidents involving other NRC licensees would be made by the federal government, through the NRC.

Because there would be no limit on liability or the amount of indemnification, all victims would have a legal right to full compensation, regardless of whether total liability exceeded the predetermined funding level of approximately $7.0 billion. However, section 3 provides that for damages in excess of the predetermined level of funding for indemnification payments (i.e., the amount of financial protection required of licensees covered by the industry retrospective rating plan required by section 170b.—now approximately $7.0 billion), Congress would determine how the additional required indemnification payments would be funded. Under current law Congress decides both how much compensation to provide and who would provide it for damages in excess of the predetermined funding level. Under this bill Congress would have the discretion only as to who would provide the funds for compensation. The amount of compensation would be determined through the judicial system, under the same legal procedures and standards as for any other type of injury. The procedures by which Congress would review the accident and resulting damages and determine the funding mechanism for indemnification payments for valid claims are set forth in section 7, which amends section 170i. of the Atomic Energy Act.

Section 4. Section 4 concerns indemnification of Department of Energy contractors involved in activities under risk of a nuclear incident. Section 4 of the Senate bill and section 4 of H.R. 1414 both provide that the Department shall provide any indemnification "to the full extent of the aggregate public liability of the persons indemnified for each nuclear incident, excluding costs of investigating and settling claims and defending suits for damage." Section 4 of the Senate bill differs from section 4 of H.R. 1414 in that the Senate bill provides that any payments required pursuant to an agreement of indemnification that are in excess of the maximum amount of financial protection required of the licensees covered by the retrospective premium system (i.e., for liability above approximately $7.0 billion) shall be made in accordance with the Congressional review procedures set forth in section 7 of the Senate bill.

Both the House and Senate bills provide that for incidents arising out of activities funded by the Nuclear Waste Fund, the Nuclear Waste Fund is to be the source of funds for public liability claims up to the amount of financial protection required of large nuclear powerplants. For all other DOE contractor activities, public liability claims up to such an amount would be compensated from the general revenues of the Treasury.

Section 6 of the Senate bill, as amended, does not contain a limit on liability for activities of DOE contractors. Thus, DOE would indemnify its contractors without limit for all public liability arising out of the nuclear incident. Claims against DOE contractors above the maximum amount of financial protection available for commercial reactors, regardless of the type of contractual activity involved in the incident, would be compensated according to the Congressional review procedures of section 170i. Because liability and indemnification would not be limited under this bill, victims would have a legal right to full compensation, even for liability above this predetermined funding level of approximately $7 billion.

Section 5. Section 5 of the Senate bill, concerning precautionary evacuations, is identical to section 5 of H.R. 1414.

Section 6. Unlike the House bill, Section 6 of the Senate bill, as amended, which amends section 170e. of the Atomic Energy Act, does not contain a limit on liability for any nuclear incidents occurring within the United States.

First, the section clarifies that, for public liability arising from activities of large nuclear power reactors, which does not exceed the total amount of financial protection provided by the annual retrospective premium system, no additional payments shall be required by or on behalf of persons indemnified if payments are provided in that year pursuant to the retrospective rating plan required by section 170b. However, additional payments may be required by Congress, pursuant to section 170i., if public liability does exceed the total amount of financial protection provided by the annual retrospective premium system.

Second, the section continues the current limit on liability of $100,000,000 for incidents occurring outside the United States.

Section 7. Section 7 of the Senate bill contains essentially the same provisions as section 7 of H.R. 1414 regarding the submission of a full compensation plan by the President following a nuclear incident for which damages may exceed the predetermined level of funding—i.e., the amount available through the retrospective premium system, which presently is approximately $7 billion. The President would be required to estimate the full amount of damages from the incident, submit a compensation plan to provide for full compensation for all valid claims, and recommend additional sources of funding for those valid claims.

The sources of funding for liability in excess of the predetermined funding level would be any person from whom the Congress could constitutionally require such payments. Thus, the sole fact that a person may have been required to contribute to the funding mechanism for public liability prior to the initiation of Congressional review would not limit the ability of Congress to assess such persons after initiation of Congressional review.

Section 7 of the Senate bill additionally provides that once the President's recommended compensation funding plan is submitted to the Congress, the Congress shall consider and act upon such compensation funding plan in accordance with expedited congressional review procedures, in order to ensure that a prompt decision is reached by the Congress. As required by sections 3, 4, and 18 of the Senate bill, Congress is required to enact compensation funding plans, to fund indemnification payments for all public liability claims arising from the accident.

Sections 8-17. Sections 8 and 10-17 of the Senate bill are identical to the corresponding sections in the House bill. Section 9, which establishes a Presidential Commission on Catastrophic Nuclear Accidents, differs in the Senate bill only to reflect the fact that for nuclear incidents within the United States Congressional review of the payment mechanism is triggered by the level of predetermined funding for the incident rather than the aggregate limit on liability.

Section 18. The Senate bill contains this additional section. This section conforms the treatment of non-profit educational licensees of the NRC to the treatment of its other licensees. Under this section, section

170k. (i.e., non-profit educational) licensees of the Commission would be indemnified for all public liability in excess of $250,000. For public liability in excess of this amount but less than the amount of financial protection required of large nuclear powerplants (i.e., approximately $160,000,000 plus $63,000,000 multiplied by the number of large nuclear powerplants with operating licenses), any required payments of indemnification would be paid by the federal government. For liability in excess of the amount of financial protection required of large nuclear powerplants, Congress would determine how these required indemnification payments would be funded. The procedures by which Congress would review the accident and resulting damages and determine the funding mechanism for valid claims are set forth in section 7, which amends section 170i. of the Atomic Energy Act.●

By Mr. SIMON:

S. 844. A bill to exempt certain activities from provisions of the antitrust laws; to the Committee on the Judiciary.

INDUSTRY GUIDELINES ON TELEVISION VIOLENCE

Mr. SIMON. Mr. President, the bill I introduce today grants a limited antitrust exemption to the television industry so that its representatives may discuss meaningful ways to diminish the negative effects of television violence.

I am pleased to have the support of my distinguished colleagues, Senators Thurmond, Metzenbaum, DeConcini, Simpson, and Heflin, who are original cosponsors of the legislation. As my colleagues may know, I introduced a similar bill, S. 2323, in the 99th Congress which passed this body by voice vote on October 3, 1986. That legislation earlier had been approved by the Committee on the Judiciary by voice vote.

The evidence is overwhelming: Violence on television has a harmful effect on viewers' attitudes and behavior, and especially on children. Researchers have tabulated the changes wrought in children's behavior and have shown that U.S. viewers who watch a great deal of television tend to vastly overstate the crime rate and that aggressive people become more aggressive.

In 1982, the National Institute of Mental Health analyzed research done since the Surgeon General first prepared a report on television violence in 1972. In 1982 the NIMH panel confirmed that the "sizable number of studies did support the inference that there was a causal connection between the viewing of televised violence and later aggressive behaviors." [Dr. David Pearl, Chief of Behavioral Sciences Research in 1982, NIMH.]

Several of the significant conclusions of this body of research are:

Frequent viewers of television violence tend to become desensitized to violence in the real world, thus decreasing their concern for actual victims of violence.

Viewers of television violence see violence as an acceptable way of resolving conflict.

Television violence promotes fear.

A "TV Guide" article in May 1986 detailed the fears of small-town teenagers in New Mexico. Because many violent crime shows are set in large urban centers, these small-town youths felt safer remaining in their own town. Is television acting as a barrier to opportunity when small-town adolescents say they would rather stay home than venture into America's "crime-ridden cities?

There are a few isolated researchers who deny any link between violence viewed on television and aggression. The most commonly cited study was conducted by Thomas Freedom of the University of Toronto. He concludes that while television violence may be linked to aggression in laboratory settings, the linkage does not apply to television violence viewed in a natural setting. Much has been written critiquing both Freedman's conclusions and methodology.

On June 20, 1986, the Judiciary Committee held a hearing on the earlier bill. The committee was honored to hear testimony from distinguished members of the television industry and renowned researchers.

When asked if any of the industry representatives opposed the bill, not one answered with a definite "yes." One of the representatives explained he did not oppose the bill, but he did dispute the notion that a problem exists.

We also heard from two experts on television violence and its effects, Dr. Rowell Huesmann, professor of psychology at the University of Illinois and Dr. William Dietz, chairman of the American Academy of Pediatrics' task force on children and television. Dr. Huesmann designed and conducted research which found exposure to violence harmful. Dr. Dietz represents professionals who see the negative effects of TV violence on children.

The bill's antitrust exemption is narrowly drawn. It simply permits certain designated members of the television industry to act jointly to discuss, develop and disseminate voluntary guidelines on the subject of televised violence. Such an exemption is needed because of recent interpretations of Federal antitrust statutes preventing such action. Any suggested guidelines drawn by the industry could be voluntarily adopted by local broadcasters and other industry members. The bill excludes boycotts from the exemption, making it clear that we are not encouraging coercion.

The bill grants an exemption to a representative of the three networks, program producers, and network affiliate organizations, and the presidents of the National Cable Television Association, the Association of Independent Television Stations, Inc., the National Association of Broadcasters, and the Motion Picture Association of America, or their designees.

This group includes all the participants in the programming process, from the producer to the distributor.

The bill also includes a 3-year sunset provision for the exemption.

This bill is endorsed by the National PTA, the American Academy of Pediatrics, the American Psychological Association and the Institute for Mental Health Initiatives.

Television is a major factor in modern American life. It has impact and it has influence. Television can appeal to the best in us or to the worst in us. In spicing the programs we see with large doses of violence, television today is appealing too much to the worst in us. Violence has become such a potent way to inexpensively boost ratings that few in the industry unilaterally want to risk backing away from its overuse. Our bill will lessen that risk and permit this self-evaluation by the industry.

Clearly, our intent is to find a meaningful solution to television violence while protecting first amendment rights. Any guidelines arising from this process would be written by the industry and not by Government, just as the television code of a decade ago.

I encourage my colleagues to read the bill and lend their support as we attempt this modest step to encourage the Nation's television industry to consider steps to reduce the amount of violence on television.

Mr. President, television can appeal to the best in us or the worst in us. We happen to have the most violent television of any country on the face of the Earth with the possible exception of Japan, and we now have well over 46 studies which show that violence on television is causing violence in our society. There is only one study on the other side, funded by NBC, which says there is not a problem.

Last year I introduced a bill giving the television industry exemption from the antitrust laws so they could get together and establish standards. That was unanimously passed by this body last year but was not acted upon by the House.

I am introducing that same legislation today. Clearly, we have to do something.

Now, it is true that the television industry has that one study and when they came into my office I said, "You remind me of the Tobacco Institute people who come in here and they have a study showing that cigarettes do no harm. All the other studies are on the other side."

The National Institute of Mental Health has given us a study, the Sergeon General of the United States, the American Medical Association is on record saying we have a problem, the American Psychiatric Association, the American Academy of Pediatrics. I could go on and on. Clearly, we have a problem. The television industry says to us today if you buy 30 seconds' worth of TV commercial you can have great impact on the Nation. But if you have 27 minutes of violence on television in the rest of the half hour, it has no impact whatsoever.

That clearly is wrong. My proposal involves no censorship. It simply says to the industry you can get together and establish standards without violating antitrust laws.

By Mr. LEAHY (for himself, Mr. HEFLIN, and Mr. HARKIN):

S. 845. A bill entitled "The Rural Area Revitalization Act of 1987"; to the Committee on Agriculture, Nutrition, and Forestry.

RURAL AREA REVITALIZATION ACT

● Mr. LEAHY. Mr. President, I rise today to introduce S. 845, the Rural Area Revitalization Act of 1987. This legislation takes a modest—but important—first step in the direction this Nation ought to be moving to rebuild rural America, which is now suffering through some of its worst economic times in many decades.

I call this a first step because I want to consider in the coming months a much more sweeping attack on the broad and well-entrenched problems that have beset rural citizens and their communities.

I am also launching a series of hearings to bring rural problems to the attention of my colleagues and urban and suburban voters, who may not be aware of their severity. They also may not be aware of how quickly and acutely these rural problems also become urban problems.

Just as important, these hearings will help us construct a longer-term commitment to revitalizing rural America. I want to be sure that any such plan is carefully thought out and sound, and that it embodies the input of as many rural interests as possible. I do not want to legislate through press releases and speeches with nothing behind them.

However, I do believe we must begin to plant some important seeds of revitalization as quickly as possible. That is why I am introducing S. 845 today rather than waiting until our broader plan is ready.

The Rural Area Revitalization Act of 1987, then, can help light the way. It recognizes the already-established need for stimulating additional sources of off-farm income in farm-dependent communities, for economic diversification in the production of services as well as manufactured goods, and for fostering entrepreneurship among rural people. This act would provide a new Federal stimulus for such approaches locally in economically stressed rural communities.

The act makes use of a relatively new financial assistance tool in the Federal catalog, the Rural Development Loan Fund [RDLF]. This fund, authorized under the credit title of the 1985 farm bill, makes loan capital and technical assistance available to rural businesspeople through nonprofit agencies dedicated to rural development. In using such private sector groups, the act avoids expanding the Federal staff required to deliver local services and provides room for innovation unencumbered by Federal redtape.

The Rural Area Revitalization Act builds on the promise of the RDLF in several ways:

First, it authorizes the expansion of the capital available for relending through nonprofit corporations by $20 million per year. The terms and conditions currently applicable to the RDLF would apply to these funds as well.

Second, it authorizes a complementary grant program of $25 million per year for business capital and public improvements which would support the present RDLF lending activity.

Third, it authorizes a new grant program to support the work of local private nonprofit and public development agencies in searching out new business opportunities and helping existing and prospective entrepreneurs to take advantage of them. This program is authorized on a pilot basis for tne next 5 years, at a level not to exceed $25 million per year.

In addition, the Rural Area Revitalization Act would provide a new source of innovation in a longstanding, successful Federal effort to provide essential services—safe, affordable drinking water supplies—to rural communities. The act authorizes a $10 million a year program to explore new ways to meet the needs of geographically isolated and low income rural residents whose needs are not readily met by the construction of central public water supply system facilities.

SPECIFIC PROVISIONS OF THE ACT

The economic development provisions of the act are contained in sections 2 and 3.

Specifically, section 2 provides for an expansion in the capital available to the Rural Development Loan Fund by $20 million per year for the next 5 years. RDLF loans are currently administered by about 30 nonprofit and public organizations across the Nation. The RDLF program permits local organizations to relend Federal funds for the purpose of stimulating growth and development in distressed rural communities. This program cuts Federal costs by requiring local private organizations to perform the function of administering this program.

Section 3 of the act creates a complementary grant program of $25 million per year which would provide grants for rural economic and community development projects in economically distressed rural communities. Funds will be administered on an national basis and eligible grantees include local organizations whose principal mission is to promote economic development in poor, rural areas.

Federal support for economic development in the form of business lending or guarantee programs and funds for the construction of public facilities are both tested approaches in helping local areas to grow and prosper. However, this growth does not reach the communities that need it the most unless there are local leaders and organizations actively looking for ways that growth can happen.

Supporting this leadership and financing the search for new business opportunities is the mission of the third piece of the Rural Area Revitalization Act. This is the 5-year, $25 million pilot program for business development.

This program is to be administered by a special office for innovation in rural development within the Farmers Home Administration of USDA, provided in section 5 of the act. The office would solicit proposals from private nonprofit and public development groups around the country.

These proposals could involve local programs to:

First, analyze and identify opportunities for new businesses and the expansion of existing firms that would draw on local economic and human resources to produce products and services for local, regional, national, or international markets.

Second, search out, train, and extend management and technical assistance to local people who are already in business or are good prospects for becoming entrepreneurs.

Third, mobilize capital from within and outside the local community needed by such entrepreneurs.

FmHA funding would consists of project grants, with the Farmers Home share of total project costs not to exceed 75 percent unless the project was focused on a community at or near the poverty level.

The act requires that such grants be made only for projects serving communities with populations of not more than 20,000 people. The intention is to target the program on rural communities where recent declines in farming or other sectors of the economy are the most severe, or where long term trends have seriously depressed the living standards for rural residents.

These funds are being provided to support leadership and expertise for development. They are not intended for financing businesses—the RDLF and other programs address this need—or for the construction of public facilities—FmHA and other Federal agencies provide support for those needs.

Neither are the funds intended to support efforts to entice businesses located in other areas to relocate facilities in a community. The emphasis in this program is to be on strengthening local business people to better utilize local resources.

Although the program is authorized as a pilot and its implementation would be new to the Farmers Home Administration, successful efforts of this type have been conducted in a number of parts of the country for a decade or more.

In the Northeast, a community-based investment corporation has a 10-year history of providing equity and loan financing for local people creating or expanding businesses from footwear to business services. In Appalachia, a nonprofit development group has searched out market opportunities and assisted local people in wood products firms to diversify communities heavily dependent on the booms and busts of the mining industry. In small villages in rural Alaska, another community development corporation has fostered employee ownership of strong and growing retail stores.

These groups and others like them operate in very diverse economic and community environments. What they have in common is a commitment to making development happen, through hands-on assistance to local people, in rural communities where economic growth would otherwise seem unlikely. Action, not planning, is their operating strategy. They offer a lesson in how to make a little outside financial support go a long way.

Section 4 of the act addresses a different form of development need. This is the need for essential drinking water services, still unmet in the case of many thousands of rural citizens.

FmHA-funded research in the early 1980's found that less than 40 percent of unincorporated rural communities had a public water supply system. Even in the incorporated communities up to 10,000 population, 30 to 40 percent of households lacked these services. Not surprisingly, EPA-funded research has found that biological contamination of drinking water supplies is greatest in households served by the smallest systems or by individual water supplies.

The present FmHA water and waste disposal grant and loan programs have done an excellent job in helping many rural communities, particularly those served by municipal systems, to build, renovate, and expand their water systems. However, these programs don't necessarily reach the most isolated or neediest rural residents. Other solutions are necessary.

The act authorizes program grants to local public or private nonprofit agencies, including cooperatives such as mutual water companies, to implement innovative solutions to these problems. Funds could be used for the design of alternative approaches to small public water system facilities, for the construction or rehabilitation of cluster systems to serve small numbers of geographically isolated families, for management support for existing systems that are having a hard time because of their size or for approaches as simple as enabling very low-income residents to connect onto existing public water lines which may be geographically close, but economically out of reach.

The program has two major purposes. One is innovation and the search for cost-effective approaches that extend beyond the current financing of central system facilities. A second is to meet the basic human needs of rural people still at risk because they can't afford water fit to drink.

The last section of the act, section 5, provides for one other form of innovation in the Nation's rural development efforts: innovation within the structure of the Farmers Home Administration itself. The act mandates the creation of an office whose primary purpose is to encourage different approaches to economic and community development problems in rural areas.

The office need not be large in staff size. It should be large only in the imagination it brings to making rural communities competitive partners in the American economic system and productive contributors to American society.

I also wish to commend my colleague, Representative JONES from Tennessee, for introducing this bill in the House today. Mr. JONES is chairman of the House Agriculture Subcommittee on Conservation, Credit, and Rural Development, and for many years has been a leader in the fight to improve conditions and opportunity for America's rural citizens. He and his staff have been working on this bill from day one.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 845

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Rural Area Revitalization Act of 1987".

SEC. 2. Section 1323(b)(2) of the Food Security Act of 1985 is amended by—

(1) striking out "and" at the end of subparagraph (B);

(2) striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; and"; and

(3) adding at the end thereof the following:

"(D) there is authorized to be appropriated for each of the fiscal years during the period beginning October 1, 1987, and ending September 30, 1992, an amount not to exceed $20 million for loans to intermediary borrowers under terms and conditions provided under subparagraph (B) of this paragraph.".

SEC. 3. Section 1323 of the Food Security Act of 1985 is amended by adding at the end thereof the following:

"(c)(1) Effective for each of the 1988 through 1992 fiscal years, the Secretary may make grants, not to exceed $25 million in total for each fiscal year, to public or private nonprofit organizations, operating in rural areas, whose principal mission is to improve business, industrial, and employment opportunities, particularly assisting low income rural people and economically distressed rural communities. Such assistance may be used for financing new business ventures, community improvements, capital improvements, infrastructure development, and other activities the Secretary deems consistent with the purpose of this subsection.

"(2) Notwithstanding any other provision of law, the Secretary may use the funds, facilities, and authorities of the Rural Development Insurance Fund under section 309A of the Consolidated Farm and Rural Development Act to implement the grant program under this subsection.

"(d)(1) Effective for each of the 1988 through 1992 fiscal years, the Secretary may make grants, not to exceed $25,000,000 in total for each such fiscal year, for the purpose of stimulating economic growth and diversification in rural communities affected by recent declines or chronic underdevelopment in basic economic sectors, such as agriculture.

"(2) Grants under this subsection may be made to public and nonprofit private institutions for activities consistent with the purposes of this subsection, including but not limited to—

"(A) identifying business opportunities that will use local economic and human resources;

"(B) identifying, training, and providing technical assistance to existing or prospective local entrepreneurs and managers; or

"(C) mobilizing capital from within and outside local communities to stimulate the formation and expansion of local business activities.

"(3) Grants may be made only for projects intended to provide direct benefit to rural areas not within a city or town with a population in excess of 20,000 inhabitants. The Secretary shall give preference to projects serving areas with the most serious economic distress.

"(4) Any grant under this subsection may not exceed 75 percent of the costs of implementing the project covered by the grant, although the Secretary may waive this limitation in the case of any project serving a rural community in which the average income level does not exceed 80 percent of the nonmetropolitan median household income within the State in which the project is located or does not exceed the poverty line established by the Office of Management and Budget, whichever is greater.

"(5) Notwithstanding any other provision of law, the Secretary may use the funds, facilities, and authorities of the Rural Development Insurance Fund under section 309A of the Consolidated Farm and Rural Development Act to implement the grant program under this subsection.".

SEC. 4. Section 306(a) of the Consolidated Farm and Rural Development Act is amended by adding at the end thereof a new paragraph as follows:

"(20) The Secretary may make grants, not to exceed $10,000,000 in total annually, to associations described in paragraph (1) of this subsection to test cost-effective methods of meeting the basic needs of rural residents who do not have and cannot afford safe drinking water facilities. Such grants may include, but are not limited to, financing for—

"(A) costs associated with the development or improvement of individual or small, multiuser drinking water facilities;

"(B) costs associated with enabling such rural residents to connect to community water supply systems, such as the payment of connection fees;

"(C) costs associated with improving the operation, maintenance, or management of small community water systems that currently are unable to provide safe drinking water at affordable rates to such rural residents; or

"(D) costs associated with implementing other alternatives to meeting the basic drinking water needs of such rural residents.".

SEC. 5. The Secretary of Agriculture shall establish an office within the Farmers Home Administration of the Department of Agriculture whose purpose shall be to encourage innovation and the application of effective solutions to the economic and community development problems of rural areas. The office shall participate in the review of project proposals and in the oversight of project implementation of projects funded under sections 2 and 3 of this Act and shall perform such other functions as the Secretary may assign to it.●

By Mr. BOREN (for himself, Mr. COHEN, Mr. BENTSEN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. CHILES, Mr. COCHRAN, Mr. CRANSTON, Mr. DECONCINI, Mr. DODD, Mr. DOLE, Mr. DURENBERGER, Mr. EXON, Mr. GARN, Mr. GLENN, Mr. GRAMM, Mr. HATCH, Mr. HECHT, Mr. HOLLINGS, Mr. INOUYE, Mr. LEAHY, Mr. LUGAR, Mr. MCCAIN, Mr. METZENBAUM, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NICKLES, Mr. NUNN, Mr. PELL, Mr. ROTH, Mr. RUDMAN, Mr. SPECTER, Mr. STENNIS, Mr. SYMMS, Mr. WARNER and Mr. WILSON):

S.J. Res. 104. Joint resolution to designate the week of May 31, 1987, through June 6, 1987, as "National Intelligence Community Week"; to the Committee on the Judiciary.

NATIONAL INTELLIGENCE COMMUNITY WEEK

● Mr. BOREN. Mr. President, my good friend and colleague, the vice chairman of the Select Committee on Intelligence, and I are here today to introduce a joint resolution to designate the week of May 31 through June 6, 1987, "National Intelligence Community Week." We hope that this recognition will convey a deep sense of gratitude to the men and women who, with selfless dedication, devote themselves to our country through their mostly unrecognized duties in the intelligence community.

The United States stands tall and stands alone among all nations in the world, in risking the inherent difficulties of exposing our intelligence functions to the political process. For example, in 1985, the CIA conducted more than 500 briefings of congressional staffs exclusive of hearings and written responses. Every American can be proud of yet another indication that this Government dares to be responsive to the people through the oversight of the congressional Committees on Intelligence.

Today's intelligence community has evolved over the last 40 years. In fact, the second generation of employees is now conducting the intelligence gathering and analysis. Obviously for national security reasons, we seldom can draw appropriate and deserved attention to their accomplishments. Good intelligence has become more imperative with the advent of modern day terrorism, technology transfer, illegal narcotics trade, and the proliferation of chemical and biological weapons. I believe these dedicated citizens are meeting the test and deserve our support.

I ask my colleagues to join Mr. COHEN, the 35 cosponsors, and me by enacting this joint resolution for a "National Intelligence Community Week" to recognize this significant contribution to ensure the continued security of the United States.●

● Mr. COHEN. Mr. President, I am pleased to join with the chairman of the Select Committee on Intelligence and 35 other cosponsors in introducing a joint resolution to designate the week of May 31 through June 6, 1987, as "National Intelligence Community Week."

The work of the intelligence community must, for the most part, be performed out of public view. Similarly, the successes and accomplishments of the Intelligence community rarely become known or fully appreciated by the American people. Those of us who serve on the Intelligence Committee do have the opportunity to observe this large and complex operation in depth and in all of its manifestations. We also are fortunate enough to work with many of its professionals, men and women who are dedicated to the task of collecting and analyzing the information needed by this country to provide for its defense and to carry out its relationships with other governments. Some of these tasks are carried out at great personal peril, and at great personal sacrifice, to those involved. But the benefits for this country have been substantial, and these selfless, dedicated professionals can take justifiable satisfaction, which comes from few other areas of Government service, in their accomplishments.

It is to honor these men and women of the U.S. intelligence community that we introduce this joint resolution proclaiming "National Intelligence Community Week." In this small, symbolic way, we express the gratitude of the American people for a job—a tough job—well done.●

ADDITIONAL COSPONSORS

S. 6

At the request of Mr. CRANSTON, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 6, a bill to amend title 38, United States Code, to improve various aspects of Veterans' Administration health-care programs, to provide certain new categories of persons with eligibility for readjustment counseling from the Veterans' Administration and to postpone the transition period for the Vet Center Program, to authorize the establishment of a pilot program for the furnishing of noninstitutional care to certain veterans, and to increase the per diem rates paid to States for providing care to veterans in State homes; and to prohibit the excessing of certain Veterans' Administration properties; and to promote greater emphasis of affiliated health-professional training institutions on geriatric training and research, and for other purposes.

S. 34

At the request of Mr. MOYNIHAN, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 34, a bill to establish an independent agency, governed by a bipartisan board, to administer the Old-Age, Survivors, and Disability Insurance Program under title II of the Social Security Act, the Supplemental Security Income Program under title XVI of such act, and the Medicare Program under title XVIII of such act, and for other purposes.

S. 52

At the request of Mr. PRESSLER, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 52, a bill to direct the cooperation of certain Federal entities in the implementation of the Continental Scientific Drilling Program.

S. 104

At the request of Mr. INOUYE, the names of the Senator from Michigan [Mr. RIEGLE], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 104, a bill to recognize the organization known as the National Academies of Practice.

S. 216

At the request of Mr. MITCHELL, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 216, a bill to amend title 38, United States Code, to increase the per diem rates paid to States for providing care to veterans in State homes.

S. 314

At the request of Mr. PRESSLER, the names of the Senator from Ohio [Mr. METZENBAUM], and the Senator from Rhode Island [Mr. PELL] were add as cosponsors of S. 314, a bill to require certain telephones to be hearing aid compatible.

S. 397

At the request of Mrs. KASSEBAUM, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 397, a bill to amend the Federal Deposit Insurance Act.

S. 429

At the request of Mr. DURENBERGER, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 429, a bill to amend the Tax Reform Act of 1986 to delay for 2 years the exception for certain technical personnel from certain rules for determining whether an individual is an employee or independent contractor for employment tax purposes.

S. 461

At the request of Mr. MITCHELL, the names of the Senator from Vermont [Mr. STAFFORD], the Senator from Colorado [Mr. WIRTH], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Rhode Island [Mr. CHAFEE], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 461, a bill to prohibit the implementation of certain regulations of the Secretary of Health and Human Services and the Secretary of Agriculture respecting irradiated foods, to amend the Federal Food, Drug, and Cosmetic Act to prescribe labels for irradiated food, and for other purposes.

S. 466

At the request of Mr. METZENBAUM, the name of the Senator from New York [Mr. MOYHIHAN] was added as a cosponsor of S. 466, a bill to provide for a waiting period before the sale, delivery, or transfer of a handgun.

S. 477

At the request of Mr. CRANSTON, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 477, a bill to assist homeless veterans.

S. 491

At the request of Mr. D'AMATO, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 491, a bill to repeal the provision of the Tax Reform Act of 1986 which disallowed the treatment of certain technical personnel as self-employed individuals.

S. 514

At the request of Mr. KENNEDY, the names of the Senator from Indiana [Mr. LUGAR], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 514, a bill to amend the Job Training Act to establish an incentive bonus for the successful placement of certain employable dependent individuals, to provide targeting of assistance from certain carryover funds for such individuals, and for other purposes.

S. 524

At the request of Mr. ROCKEFELLER, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 524, a bill to provide financing for adjustment to international competition, to provide additional weeks of unemployment compensation for individuals participating in a Job Training Program for dislocated workers; and to strengthen the Job Training Program for dislocated workers under title III of the Job Training Partnership Act.

S. 547

At the request of Mr. HEINZ, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 547, a bill to amend the Export Administration Act of 1979.

S. 549

At the request of Mr. HOLLINGS, the names of the Senator from Montana [Mr. MELCHER], the Senator from Connecticut [Mr. WEICKER], the Senator from New Hampshire [Mr. RUDMAN], the Senator from North Dakota [Mr. BURDICK], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 549, a bill to remedy injury to the U.S. textile and apparel industries caused by increased imports.

S. 553

At the request of Mr. ROCKEFELLER, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 553, a bill to amend the Veterans' Job Training Act to extend and improve the program under that act.

S. 563

At the request of Mr. BINGAMAN, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 563, a bill to amend the Internal Revenue Code of 1986 to exclude from the gross income of landowners certain payments or economic benefits received from the abandoned mine reclamation fund for uses set forth in section 401 of the Surface Mining Control and Reclamation Act of 1977, and for other purposes.

S. 582

At the request of Mr. EXON, the names of the Senator from Nevada [Mr. HECHT], the Senator from Montana [Mr. MELCHER], the Senator from Iowa [Mr. GRASSLEY], and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of S. 582, a bill to provide for improved air transportation to small communities, and for other purposes.

S. 585

At the request of Mr. DURENBERGER, the names of the Senator from Alabama [Mr. HEFLIN], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 585, a bill to provide relief to State and local government from Federal regulations.

S. 690

At the request of Mr. BINGAMAN, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 690, a bill to establish a Commission on U.S. Trade in the 1990's.

S. 691

At the request of Mr. KERRY, the names of the Senator from Maryland [Mr. SARBANES], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 691, a bill to limit the testing of antisatellite weapons.

S. 698

At the request of Mr. THURMOND, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 698, a bill to amend title 17, United States Code, to prohibit the conveyance of the right to perform publicly syndicated television programs without conveying the right to perform accompanying music.

S. 789

At the request of Mr. BIDEN, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 789, a bill to provide the framework necessary to pursue a coordinated and effective national and international narcotics control policy.

S. 806

At the request of Mr. METZENBAUM, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of S. 806, a bill to provide that the Clayton Act and Sherman Act apply to the air transportation industry.

S. 809

At the request of Mr. BYRD, the names of the Senator from Texas [Mr. BENTSEN], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 809, a bill to provide urgently needed assistance to protect and improve the lives and safety of the homeless.

S. 810

At the request of Mr. BYRD, the names of the Senator from Texas [Mr. BENTSEN], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 810, a bill to authorize housing assistance for homeless individuals and families.

S. 811

At the request of Mr. BYRD, the names of the Senator from Texas [Mr. BENTSEN], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 811, a bill to provide health services, mental health services, and job training for homeless individuals and education for homeless children.

S. 812

At the request of Mr. BYRD, the names of the Senator from Texas [Mr. BENTSEN], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 812, a bill to amend the Food Stamp Act of 1977 to provide urgent relief to improve the nutrition of the homeless, and for other purposes.

S. 813

At the request of Mr. BYRD, the names of the Senator from Texas [Mr. BENTSEN] and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 813, a bill to provide urgently needed assistance to protect and improve the lives and safety of the homeless.

SENATE JOINT RESOLUTION 14

At the request of Mr. HELMS, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of Senate Joint Resolution 14, a joint resolution to designate the third week of June of each year as "National Dairy Goat Awareness Week."

SENATE JOINT RESOLUTION 15

At the request of Mr. PRESSLER, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of Senate Joint Resolution 15, a joint resolution designating the month of November 1987 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 48

At the request of Mr. HATCH, the names of the Senator from South Dakota [Mr. DASCHLE], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of Senate Joint Resolution 48, a joint resolution designating the week of September 14, 1987, through September 20, 1987, as "Benign Essential Blepharospasm Week."

SENATE JOINT RESOLUTION 77

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Joint Resolution 77, a joint resolution to designate October 14, 1987, as "William Penn Appreciation Day."

SENATE JOINT RESOLUTION 86

At the request of Mr. DECONCINI, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from Michigan [Mr. RIEGLE], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of Senate Joint Resolution 86, a joint resolution to designate October 28, 1987, as "National Immigrants Day."

SENATE JOINT RESOLUTION 87

At the request of Mr. RIEGLE, the names of the Senator from Michigan [Mr. LEVIN], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Joint Resolution 87, a joint resolution to designate November 17, 1987, as "National Community Education Day."

SENATE CONCURRENT RESOLUTION 19

At the request of Mr. WIRTH, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of Senate Concurrent Resolution 19, a concurrent resolution urging the President to take immediate action to reduce the depletion of the ozone layer attributable to worldwide emissions of chlorofluorocarbons.

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. GORE, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of Senate Concurrent Resolution 20, a concurrent resolution to express the sense of Congress that funding for the vocational education program should not be eliminated.

SENATE CONCURRENT RESOLUTION 27

At the request of Mr. DURENBERGER, the names of the Senator from Iowa [Mr. GRASSLEY], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of Senate Concurrent Resolution 27, a concurrent resolution stating the sense of the Senate that the U.S. Department of Commerce and Special Trade Representative should initiate investigations of Canadian agricultural subsidies.

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. DECONCINI, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of Senate Concurrent Resolution 29, a concurrent resolution expressing the sense of Congress regarding the inability of American citizens to maintain regular contact with relatives in the Soviet Union.

SENATE RESOLUTION 174

At the request of Mr. DECONCINI, the names of the Senator from Florida [Mr. CHILES], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Kentucky [Mr. FORD], the Senator from Oregon [Mr. HATFIELD], the Senator from Iowa [Mr. GRASSLEY], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of Senate Resolution 174, a resolution expressing the sense of the Senate condemning the Soviet-Cuban buildup in Angola and the severe human rights violations of the Marxist regime in Angola.

SENATE CONCURRENT RESOLUTION 39—CALLING FOR THE PRESIDENT TO UPHOLD AMERICAN RIGHTS UNDER THE UNITED STATES-PEOPLES REPUBLIC OF CHINA CULTURAL AGREEMENT AND OTHER MATTERS

Mr. HELMS submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 39

Resolved by the Senate (the House of Representatives concurring),

Whereas Mr. John Fisher Burns, a British subject and Beijing correspondent for the New York Times was accused of espionage by officials of the People's Republic of China Ministry of State Security;

Whereas the said espionage consisted of having photographed a 1,000 year old marble bridge;

Whereas Mr. Burns was expelled from China on July 23, 1986;

Whereas Mr. Lawrence MacDonald, an American citizen and Beijing correspondent for the Agency French Press was accused of espionage by officials of the People's Republic of China Ministry of State Security;

Whereas both Mr. MacDonald and Agency French Press formally denied the accusations of espionage;

Whereas the charges against Mr. MacDonald were totally unfounded and Mr. MacDonald had never transcended the standards of professional ethics;

Whereas these actions taken by the People's Republic of China Ministry of State Security were intended to intimidate both Chinese sources and Western journalists;

Whereas the expulsion of Mr. MacDonald came in retaliation for legitimate broadcasting by the Voice of America, an agency of the United States Government;

Whereas press relations between the United States and the People's Republic of China were established by the United States-People's Republic of China Cultural Relations Agreement signed in Washington January 31, 1979;

Whereas Article II of the said agreement commits the Chinese Government to encourage and facilitate the development of contacts and exchange between the two countries including news organizations;

Whereas the United States Information Agency is the lead agency on the said cultural agreement for the United States Government;

Whereas the expulsions of Mr. Burns and Mr. MacDonald were contrary to the spirit and intent of the said cultural agreement;

Whereas the expulsions of Mr. Burns and Mr. MacDonald were meant to discourage the development of contacts and exchange between the two countries and, thus, specifically contrary to Article II of the said cultural agreement;

Whereas Chinese reporters and correspondents are not private citizens but rather officials of the Government of the People's Republic of China;

Resolved by the Senate, (the House of Representatives concurring), That it is the sense of the Congress that the Government of the United States should expel one reporter of the People's Republic of China from the territory of the United States; be it further

Resolved, That the Secretary of State should personally inform appropriate officials of the Government of the People's Republic of China that if another American reporter or another reporter for an American news organization should be expelled under like circumstances, the United States would be forced to consider the said cultural agreement null and void.

SENATE CONCURRENT RESOLUTION 40—CALLING ON THE UNITED NATIONS COMMISSION ON HUMAN RIGHTS TO CONSIDER THE CURRENT URGENT SITUATION IN HUMAN RIGHTS IN THE PEOPLE'S REPUBLIC OF CHINA

Mr. HELMS submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 40

Resolved by the Senate (the House of Representatives concurring),

Whereas Mr. Liu De, Editor of the Jianan Literature and Art Journal has been imprisoned for seven years by the Peoples Republic of China Ministry of State Security;

Whereas the principal charge against Mr. Liu was his advocacy of "democracy and freedom", for his native country;

Whereas Mr. Liu Binyan, Vice Chairman of the Chinese Writers Association has been dismissed from his position and has become the target of a public campaign of vilification and abuse;

Whereas the said Mr. Liu Binyan is best known to Chinese readers as an investigative reporter who uncovered abuses of power by local Communist Party secretaries, extortion, bribery, intimidation of intellectuals and persecution of ordinary people;

Whereas Mr. Liu Xinhu, director of the magazine "People's Literature" has been dismissed from his position for having advocated pluralism in literature;

Whereas the Shenzhen Youth News in southern China has been ordered closed by officials of the Peoples Republic of China;

Whereas the said Shenzhen Youth News was accused by Chinese officials of promoting Western democratic ideals;

Whereas the Shenzhen newspaper Special Zone Workers has been closed for having advocated Western democratic ideals;

Whereas the Shenzhen monthly Special Zone Literature has been closed for having advocated Western democratic ideals;

Whereas the Society newspaper of Shanghai has been ordered closed by officials of the Peoples Republic of China;

Whereas the Society newspaper of Shanghai was accused of advocating Western democratic ideals;

Whereas the Hubei Youth News in central China has been closed for having advocated Western democratic ideals and its reporters are under investigation by political authorities;

Whereas the Anhui Science Journal in eastern China has been closed for having advocated Western democratic ideals;

Whereas the Anhui Journal of Scientific News in eastern China has been closed for having advocated Western democratic values;

Whereas a new bureau has been established directly under the Chinese State Council to tighten control and censorship of the press;

Whereas radical elements within the Chinese Communist Party are reported to be targeting the World Economic Herald of Shanghai, a newspaper that has published a wide variety of views over the past year;

Whereas Mr. Wang Ruowang, the former Deputy Editor of Peoples Daily, has been dismissed from his position and has become the subject of a public campaign of vilification and abuse;

Whereas the said Mr. Wang, a Communist Party member for fifty years, was accused of having said, "If I am not given freedom, I will fight for it";

Whereas Mr. Fang Lizhi, the Vice President of the University of Science and Technology at Hefei, Anhui, has been dismissed from his position and has become the subject of a public campaign of vilification and abuse;

Whereas the said Mr. Fang has been accused of arguing that "the starting point of democratic ideology is from the lower levels to higher";

Whereas Mr. Guan Weiyan, the President of the University of Science and Technology at Hefei, Anhui, has been dismissed from his position for not having censored the said Mr. Fang.

Whereas Mr. Lu Jiaxi and Mr. Yan Dengsheng, the President and Vice President, respectively, of the Chinese National Academy of Sciences, have been dismissed from their positions for having advocated freedom of scientific inquiry;

Whereas Mr. Yang Wei, a 1983 graduate of the University of Arizona has been imprisoned and charged with unspecified counterrevolutionary activities by officials of the Shanghai Public Security Bureau;

Whereas the principal accusation against the said Mr. Yang is advocacy of political freedom in China;

Whereas Dr. Che Shaoli, Mr. Yang's wife and a student at Baylor University in Houston, Texas, has been refused information about her husband's whereabouts by Chinese authorities;

Whereas the treatment of Mr. Yang and his family is frightening to all Chinese students now studying in the West and meant to be so by Chinese authorities;

Whereas Mr. Zhu Houze, the Chief of Propaganda for the Chinese Communist Party has been dismissed from his position for advocating freedom of expression in ideological debate;

Whereas Mr. Wei Jing-sheng, one of the leaders of the Chinese democracy movement of 1978-80 remains in prison because of "counterrevolutionary crimes";

Whereas the People's Republic of China is a member state of the United Nations;

Whereas the People's Republic of China has adopted the United Nations Charter and accepted its principles in authoritative declarations and resolutions including the Universal Declarations of Human Rights;

Whereas the activities of the People's Republic of China authorities described above violate such principles in the United Nations Charter as are presented in the Preamble (emphasizing fundamental human rights); Article 2 (2) (pledging all members to a good faith commitment to Charter obligations); Article 55(a)(b)(c) (promotion of human rights and fundamental freedoms); and Article 56 (pledge to carry out said principles);

Whereas the activities of the People's Republic of China authorities described above violate the basic standards found in the Universal Declaration of Human Rights via the Preamble (pledge of respect for human rights and fundamental freedoms); Article 2 (guarantee of all rights to every citizen of signatory member state); Article 3 (guarantee of life, liberty and security of the person); Article 7 (equal protection before the law); Article 8 (trial by competent tribunal); Article 9 (prohibition against arbitrary arrest or detention); Article 10 (fair public trial); Article 18 (freedom of thought and conscience); Article 19 (freedom of speech and expression); Article 20 (freedom of peaceful assembly and association); and Article 29 (limitation of state intrusion on individual rights);

Whereas the People's Republic of China by the action of its Government and Communist Party authorities violated Article 13 (1)(b) (promoting international education and assisting human rights) of the United Nations Charter;

Whereas the People's Republic of China has violated the Universal Declaration of Human Rights in Article 26 (right to an education directed at full development of personality) and Article 27 (1)(2) (right to participate in cultural life with protection of moral and material interests resulting from one's own intellectual labors);

Whereas cultural relations between the United States and the People's Republic were established by the United States-People's Republic of China Cultural Agreement signed in Washington on January 31, 1979;

Whereas under the terms of the said Cultural Agreement the People's Republic of China guaranteed the encouragement and facilitation of the exchange of information and cooperative programs (Articles I, II, and III);

Whereas exchanges of scholars and students between the United States and the People's Republic of China were established by the Understanding on the Exchange of Students and Scholars reached in Washington in October 1978 and the United States-People's Republic of China Agreement in Science and Technology signed in Washington January 31, 1979;

Whereas under the terms of the said agreement on the exchange of students and scholars, the People's Republic of China guaranteed a two-way scientific and scholarly exchange for students, graduate students and scholars, offering full study support and research opportunities for the purpose of improving contacts in science, technology and education;

Whereas under the terms of the said agreement on Science and Technology the People's Republic of China promised cooperation, exchange of information and documentation, joint research, contacts between scientific entities and cooperation among the scientific communities of each nation;

Whereas the Government and Communist Party officials of the People's Republic of China are in violation of the aforesaid Cultural, Scientific and Technology and Exchange of Students and Scholars Agreements by the arrest and continued detention without trial of returned University of Arizona student Yang Wei;

Resolved by the Senate, (The House of Representatives concurring) That it is the sense of the Congress that the current urgent situation in human rights in the People's Republic of China should be placed on the agenda of the United Nations Commission on Human Rights at its next meeting in Geneva, Switzerland: Be it further

Resolved, That the Congress of the United States calls upon the government of the People's Republic of China to release Mr. Yang Wei; be it further

Resolved, That it is the sense of the Congress that the United States Government should reexamine its policy towards permitting Chinese students to study at American colleges and universities; be it further

Resolved, That it is the sense of the Congress that the United States Government should reexamine its technology (including nuclear) and arms transfer policies towards the People's Republic of China.

Sec. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the chief of the diplomatic mission of the People's Republic of China to the United States.

Mr. HELMS. Mr. President, I have watched events in mainland China for many years. For the most part they have not been happy or productive years for the Chinese people. Just when the Chinese people think the pressure is off and they can begin to rebuild their shattered lives, yet another ridiculous political campaign is launched by the Communist Party leadership and the average person in China pays the price.

And there has been a large price to pay, mostly in lives but also in crushed hopes for a better life. Collectivization, the antirightist campaign, the Great Leap Forward, the Cultural Revolution, in all of these campaigns the toll was high, often in the millions. We know from the Chinese' own population statistics that tens of millions of people starved to death in the Great Leap alone. A Belgian art historian has deplored the permanent loss of cultural art treasures destroyed by ignorant mobs during the Cultural Revolution.

During all of this time the Chinese Communist Party sat at the top claiming to be omnipotent no matter how much destruction it visited on the Chinese people. It is no wonder that the editors of the Wall Street Journal accused the Chinese Communist Party of leading the Chinese people on a "long march to nowhere." When the final accounting is made the Communists will have much to answer for.

Mr. President, I regret to inform the Senate that the Communists have unleashed yet another political campaign on their long-suffering people. Called the campaign against "bourgeois liberalism," it has three main characteristics: First, it is anti-intellectual. Second, it is antidemocratic. Third, it is antiforeign in general and anti-American in particular.

Some victims are already known and many others we will probably never know: the leading scientists at the Academy of Sciences, the leading investigative journalist, leading educators, editors, and critics. Newspapers and intellectual journals have been closed down. Countless intellectuals have been intimidated.

Continued dictatorship is the aim of the campaign and the Communists do not really hide their agenda. They may call it the "peoples' democratic dictatorship" but it is still dictatorship. It is therefor no wonder that they reacted with such fury to the students and workers who appealed for limited freedoms in December. Their great fear is democracy. With an accounting by the Chinese people, their fate would be sealed.

An early hint of the antiforeign and anti-American trend of the campaign came last summer when the very able Peking correspondent for the New York Times was charged with espionage for having photographed a 1,000-year-old bridge. It was made explicit in January when the charge of espionage was leveled against the U.S. reporter with the best language capabilities. Then leaks were put about in Hong Kong newspapers that he was being expelled as a warning to others not to get too close to the story.

In short, Mr. President, the orthodox Leninists are back in full charge of the party. Many of them are in their 80's. They know nothing of the outside world. They rarely travel and then mostly to other poverty-stricken Communists lands. The rare foreign visitors they meet are mostly fellow Communists from such progressive places as North Korea and Bulgaria.

Undoubtedly the biggest losers in this latest campaign is the generation of young people now of college age. An unprecedented number of them are in graduate school abroad, including 19,000 in the United States alone. Among the students is the second son of Deng Xiao-ping, who is on a post-doctoral fellowship.

I have met some of these students. They are hard working and patriotic. They had hopes of being able to better their country and themselves. They are aware of the difference between life on Taiwan and on the mainland. They know, for example, that the standard of living on Taiwan is better than 10 times that of the mainland. They know that it is not a question of lack of natural or human resources. They know it is simply politics: the competence of the Republic of China leadership on Taiwan and its commitment to basic human values.

On February 19 of this year I reported to the Senate on the response of the Chinese students to the current political campaign on the mainland. At the time I said that over 1,000 Chinese students have signed a letter of concern to the Chinese Communist leadership. Now I am informed that the number of signers approaches 2,000.

Also signing petitions and letters is the American community of China scholars. In a letter to Representative Solarz, 20 distinguished American scholars from the Center for Chinese Studies at the University of Michigan noted the remarkable resemblance between the tone of the current campaign against "bourgeois liberalism" and the disastrous antirightist and Cultural Revolution campaigns.

Among the human tragedies being played out on mainland China is the fate of University of Arizona student Yang Wei. As I informed the Senate on February 19, Mr. Yang was arrested by the Chinese secret police and is being held without charge somewhere in the Chinese gulag. I have met personally with his wife, who is a student at the Baylor College of Medicine in Houston. Her courage and determination strikingly remind me of Mrs. Shcharansky, who had to travel the globe for 8 years to plead for the release of her husband from the Soviet gulag.

Mr. President, today I am introducing two human rights resolutions on Communist China. The first addresses the issue of access by our reporters to stories in China. It calls for retaliation against the Chinese for having thrown out legitimate Western journalists on trumped-up charges of espionage.

The second resolution lists the victims of the current campaign against "bourgeois liberalism," to the extent of our knowledge. It is different from the one I discussed in this body on January 29 because they have shut down more newspapers and suspended more intellectual journals.

Mr. President, it is common in Communist China to make political expressions with big-character posters. I have with me today a big-character poster which says, in Chinese, Shi Feng Yang Wei or "Free Yang Wei." My resolution calls upon the Chinese to do just that.

Mr. President, I ask unanimous consent that the February 4 letter from the American China scholars to Representative Solarz be included in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The University of Michigan,
Center for Chinese Studies,
Ann Arbor, MI, February 4, 1987.
Hon. Stephen J. Solarz,
Chairman, Subcommittee on Asian and Pacific Affairs, Committee on Foreign Affairs, House of Representatives, Washington, DC.

Dear Representative Solarz: During the past decade, as academics, we have been deeply involved in the expansion of Sino-American relations. We have been consulted by our government concerning our nation's China policy. We have been members of organizations that have fostered scientific, cultural, and technical exchanges with China. We have welcomed countless Chinese scholars to our university. We have followed with interest and admiration China's renewed economic and intellectual vitality in recent years.

These have been gratifying years for us. For we believe that expanded Sino-American relations contribute to the welfare of the peoples of both countries and to peace and stability in world affairs. Fortunately, the leaders on both sides—Presidents Nixon, Ford, Carter and Reagan and such Chinese leaders as Mao Zedong, Zhou Enlai, and Deng Xiaoping—helped to create an environment in which improved relations were possible.

We must therefore regretfully share with you and your committee our concern over recent developments in China. Recent attacks upon some Chinese intellectuals and signs of political instability and deep division among the top leaders are worrisome. The tone of the Chinese press is sadly reminiscent of periods in 1957 and 1965-6 which ushered in eras of turmoil.

It is still too early to conclude that gross human rights abuses are about to commence against large numbers of leading intellectuals, though the pointed attacks on and dismissals of particular intellectuals are disturbing. It is premature to conclude that the open door policy and the reform program, which have elicited much respect and helped restore China's role in international affairs, will soon be curtailed, although some articles in the Chinese press point in this direction.

But it is not too early to be concerned over the consequences of the recent developments for Sino-American relations. The diverse coalition of Americans who support expanded ties between China and the United States in this country is fragile, and we suspect it would be difficult to sustain the American openness toward China, should the leaders of China again adopt a repressive and anti-foreign stance. It would be more difficult, for example, to encourage American companies to invest in China, to encourage American scientists and social scientists to engage in exchanges with Chinese universities, or to promote exchanges in music, theatre and the fine arts. We therefore thank you for holding your hearings today. We appreciate your willingness to stimulate careful thought on how the United States is likely to and should respond to a possibly changing Chinese environment.

Sincerely,

William H. Baxter, Assistant Professor of Chinese; Chun-Shu Chang, Professor of History; James I. Crump, Jr., Professor of Chinese; Robert Dernberger, Professor of Economics; Kenneth DeWoskin, Associate Professor of Chinese; Norma Diamond, Professor of Anthropology; Richard Edwards, Professor of History of Art; Albert Feuerwerker, Professor of History; Yitsi Feuerwerker, Associate Professor, Asian Languages and Culture; Luis O. Gomez, Professor of Buddhist Studies; Whitmore Gray, Professor of Law; Hsin-hsin Liang, Lecturer in Chinese; Kenneth Lieberthal, Professor of Political Science; Harriet Mills, Professor of Chinese; Donald J. Munro, Professor of Philosophy; Rhoads Murphey, Professor of History; Barry Naughton, Research Associate of the Center for Chinese Studies; Michel Oksenberg, Professor of Political Science; Wan Wei Ying, Head, Asian Library and Librarian; Martin Whyte, Professor of Sociology.

SENATE RESOLUTION 175—REVIEWING THE NEGOTIATING RECORD OF THE ABM TREATY

Mr. HOLLINGS submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 175

Whereas it is in the national interest of the United States to have the same interpretation as the Soviet Union of the Anti-Ballistic Missile (ABM) Treaty and the agreed statements thereto, as ratified on August 3, 1972;

Whereas the ABM Treaty is an integral part of the formulation and conducting of foreign policy by the United States;

Whereas the ABM Treaty is an integral part of the development and conducting of military strategy and policy by the United States;

Whereas the Senate supports the President's efforts for a comprehensive analysis of all facts relevant to an objective interpretation of the ABM Treaty:

Resolved, That it is the sense of the Senate that the President declassify the negotiation record pertaining to the ABM Treaty.

SENATE RESOLUTION 176—CALLING FOR THE RELEASE OF ALL CHILDREN DETAINED IN SOUTH AFRICA

Ms. MIKULSKI (for herself, Mr. KENNEDY, Mr. SANFORD, Mr. MOYNIHAN, Mr. WEICKER, Mr. SIMON, Mr. SARBANES, Mrs. KASSEBAUM, Mr. DODD, and Mr. CRANSTON) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 176

Whereas the Republic of South Africa under its system of apartheid indiscriminately detains black children without charge or trial, and denies parental access to these children;

Whereas the Detainees' Parents' Support Committee of South Africa has compiled information estimating that more than 25,000 people were detained since June 12, 1986 under state of emergency regulations, and approximately 40% of these were children, including some under the age of 10, and that thousands of children are still in detention;

Whereas the South African Minister of Law and Order Adriaan Vlok admitted in February 1987 that more than 13,000 people were detained under state of emergency regulations for more than 30 days since June 12, 1986, and that 281 children under the age of 16 were currently in detention, including one 12-year-old, eighteen 13-year-olds, and ninety-one 14-year-olds, and 169 15-year-olds; and

Whereas the United States Ambassador to South Africa Edward J. Perkins has stated that such detentions are "a most serious abuse of human rights, particularly so where detainees are children as young as 11": Now, therefore, be it

Resolved, That the Senate hereby

(1) calls for the immediate release of all the children detained under state of emergency regulations in South Africa; and

(2) pending the release of the children, calls on the Government of the Republic of South Africa to—

(A) permit parental access to the detained children;

(B) make public the names and locations of all the detained children;

(C) provide the detained children with adequate food, clothing, and protection; and

(D) permit an international organization to verify that (A), (B), and (C) are being carried out and that the detained children are not being abused, tortured, put into solitary confinement, and are not being held in detention in the company of adults.

Ms. MIKULSKI. Mr President, 2 weeks after winning my Senate seat last November, I read a Washington Post article about hundreds of children in South Africa who were being taken off the streets and put in jail. I was appalled. I was outraged and immediately contacted both our President, Secretary of State, and President Botha.

I immediately sent letters to South African President P.W. Botha, Secretary of State Shultz, and the U.S. Ambassador to South Africa calling for the release of these children.

In my letters to them I expressed my concern that the basic human rights of innocent young children were being flagrantly violated. I was joined by 40 of my colleagues in the House of Representatives in this effort. I never received a reply from Pretoria, but I did receive a reply from President Reagan that assured me that we would press for the release of those children.

Last month I met with the South African Ambassador to the United States. I told him the South African Government had no business detaining innocent children. I urged him to carry that message to his government.

I said this issue transcends the issue of politics or economics. It was a question of basic human rights.

Today, several thousand blacks are in detention. Over 1,000 are children. But no definite figures are available because the South African Government will not release the names and locations of those detained.

South African Minister of Law and Order Adriaan Vlok admitted in February that 281 children under the age of 16 were in detention. But the Parents' Committee and other groups say many more children are being detained.

Earlier this month, the International Commission of Jurists issued a report strongly condemning the treatment of the detained children. The report stated that:

> Children are being subjected to widespread physical abuse and torture by the security forces;
>
> There appears to be a wide use of electric shocks and tear gas on detainees;
>
> Some children have been seriously injured and have died as a result.

Last year, an independent panel of doctors reported that of those children detained and released, 83 percent were physically abused and 60 percent were severely beaten.

Many children have been held in cells with up to 40 people, including adults. Those who have been released report that sexual abuses are rampant. They have suffered from inadequate food and unsanitary living conditions. None of the parents of the detained have access to their children.

The imprisonment and torture of children is an affront to civilized principles everywhere. Expressing U.S. concern over this matter through normal diplomatic channels is not sufficient.

That is why today I introduced a bipartisan resolution calling for the immediate release of all the children who have been detained under the state of emergency.

Pending the release of the children, this resolution requests the South African Government to take the following actions:

Permit parental access to the detained children;

Make public the names and locations of those detained;

Provide the children with adequate food, clothing, and protection;

Permit an international organization to verify that the children are not being abused, tortured, put into solitary confinement, or being held in the company of adult prisoners.

Joining me in introducing this resolution today are: Senators KENNEDY, KASSEBAUM, SARBANES, WEICKER, CRANSTON, SIMON, MOYNIHAN, SANFORD, and DODD.

By passing this resolution, the United States Senate will send a message to South Africa and the nations of the world that children everywhere are special. They are the hope for the future. The children of South Africa should be freed.

AMENDMENTS SUBMITTED

COMPETITIVE EQUALITY BANKING ACT

PROXMIRE (AND GARN) AMENDMENT NO. 45

Mr. PROXMIRE (for himself and Mr. GARN) proposed an amendment to the bill (S. 790) to regulate nonbank, banks, impose a moratorium on certain securities and insurance activities by banks, recapitalize the Federal Savings and Loan Insurance Corporation, allow emergency interstate bank acquisitions, streamline credit union operations, regulate consumer checkholds, and for other purposes; as follows:

On page 6, strike out lines 1 through 7 and insert in lieu thereof the following:

"(H) an industrial loan company, industrial bank, or other similar institution which was in existence on March 5, 1987, and

"(i) was chartered under the laws of a State which had in effect or under consideration in its legislature a statute which required or would require such institution to obtain Federal deposit insurance; and

"(I) does not accept demand deposits that the depositor may withdraw by check or similar means for payment to third parties;

"(II) has total assets of less than $100,000,000; or

"(III) is not acquired by a company; or

"(ii) obtained insurance under the Federal Deposit Insurance Act on or before March 5, 1987, and does not, directly or indirectly or through an affiliate, engage in any activity in which it was not lawfully engaged as of March 5, 1987. No institution shall retain the exemption provided by this subparagraph if it permits any overdraft, including any intra-day overdraft, or incurs any such overdraft in its account at a Federal reserve bank, on behalf of an affiliate, unless such overdraft results from an inadvertent computer or accounting error that is beyond the control of the institution and affiliate.

On page 13, line 9, before the period, insert the following: ", except that insurance activities shall be limited to those permissible under section 4(c)(8). A savings bank that was engaged in the sale of savings bank life insurance as of March 5, 1987, may also continue to sell such insurance if such activity (A) is expressly authorized by the State of Connecticut, Massachusetts, or New York and the bank is located in one of those States that authorizes such activity; (B) is carried out by the savings bank and not by any subsidiary or holding company affiliate of the savings bank; (C) is carried out by the savings bank in accordance with the residency or employment limitations set forth in the savings bank life insurance statute in effect on March 5, 1987, in the aforementioned State where the bank is located; and (D) is otherwise carried out in the same manner as the savings bank life insurance activity of savings banks in the same State that are not subsidiaries of a bank holding company registered under this Act".

On page 13, line 14, after the first period, insert the following: "For the purpose of this subsection, the term 'savings bank' includes a cooperative bank that is an insured bank as defined in section 3(h) of the Federal Deposit Insurance Act."

On page 13, lines 21 through 24, strike out "October 15, 1982), and any other bank affiliated with the savings bank prior to the date of enactment of this subsection, constitute" and insert in lieu thereof "March 5, 1987) constitute on March 5, 1987, and thereafter".

Beginning with "In" on page 13, line 25, strike out all through the first period on page 14, line 2.

On page 14, line 2, after the first period, insert the following: "For the purpose of this subsection, the term 'savings bank' includes a cooperative bank that is an insured bank as defined in section 3(h) of the Federal Deposit Insurance Act."

On page 20, line 6, strike out all that follows the period.

On page 20, between lines 6 and 7, insert the following:

"(E) The provisions of this paragraph shall not apply to any trust company or credit card bank, as defined in subparagraphs (D) or (F), respectively, of section 2(c)(1) of the Bank Holding Company Act of 1956."; and

On page 22, line 3, after the comma insert "except where the acquisition is pursuant to section 406(f) or section 408(m),".

On page 25, line 3, after "institution" insert "and including a savings and loan holding company which would have benefit of this exemption but for its ownership of one or more subsidiary insured institutions acquired pursuant to section 408(m) of the National Housing Act if all such subsidiary insured institutions are qualified thrift lenders".

On page 25, line 12, before "assets" insert "tangible".

On page 26, line 1, before "assets" insert "tangible".

On page 26, line 5, after "bank" insert "or cooperative bank".

On page 26, line 7, after "bank" insert "or cooperative bank".

On page 26, line 9, before "assets" insert "tangible".

On page 26, line 11, before "assets" insert "tangible".

On page 26, line 14, before "assets" insert "tangible".

On page 26, line 21, before "assets" insert "tangible".

On page 27, line 2, before the period insert the following: ", or when the Corporation determines that such grant will facilitate a transaction authorized under section 406(f) or 408(m) of this Act and that the acquired institution will meet the same percentage of assets requirements applicable to institutions under the last sentence of subparagraph (B)".

On page 27, line 23, strike out "stock savings".

On page 30, line 23, after the comma insert the following: "and a cooperative bank that is an insured bank, as defined in section 3(h) of the Federal Deposit Insurance Act,".

On page 31, between lines 7 and 8, insert the following:

(g) Section 408 of the National Housing Act (12 U.S.C. 1730a) is amended by striking out subsection (n).

On page 31, line 15, after "Act" insert ", or unless such member is an insured institution which was chartered prior to October 15, 1982, as a savings bank under State law or which acquired its principal assets from an institution which was chartered prior to October 15, 1982, as a savings bank under State law or is currently a savings bank as defined in section 3(g) of the Federal Deposit Insurance Act".

On page 31, line 18, after "SEC. 106." insert "(a)".

On page 33, between lines 20 and 21, insert the following:

(b) The amendment made by subsection (a) shall cease to be effective one year after the date of enactment of the Competitive Equality Banking Act of 1987.

On page 37, line 4, strike out "(f)" and insert in lieu thereof "(g)".

On page 37, line 5, after "bank" insert "or cooperative bank".

On page 37, under line 21, insert the following:

NOW ACCOUNTS

SEC. 109. Section 2(a)(2) of Public Law 93-100 (12 U.S.C. 1832(a)(c)) is amended by inserting the term "political," immediately after "educational,".

EXEMPTION FROM AFFILIATE TRANSACTION RESTRICTIONS

SEC. 110. Section 408 of the National Housing Act (12 U.S.C. 1730a) is amended by adding at the end thereof the following:

"(r) EXEMPTIONS.—Notwithstanding any other provision of law—

"(1) an institution, the accounts of which are insured by the Corporation, that is not controlled by any company and that is or becomes a savings and loan holding company through the acquisition of 100 per centum of the voting stock (except for directors' qualifying shares) of one or more institutions the accounts of which are so insured shall not be subject to the provisions of subsection (d) of this section, as to transactions with such subsidiaries, or to subsections (f) and (g) of this section;

"(2) an institution, the deposits of which are insured by the Federal Deposit Insurance Corporation, that is not controlled by any company and that is or becomes a savings and loan holding company through the acquisition of 100 per centum of the voting stock (except for directors' qualifying shares) of one or more institutions the deposits of which are so insured shall not be subject to the provisions of subsection (d) of this section, as to transactions with such subsidiaries, or to subsections (f) and (g) of this section; and

"(3) the insured subsidiaries referred to in paragraphs (1) and (2) shall not be subject to the provisions of subsection (d) of this section, as to transactions with their parent institution, or to subsections (f) and (g) of this section.".

CONSIDERATION OF CERTAIN ACQUISITIONS

Sec. 111. (a) Section 408 (e) of the National Housing Act (12 U.S.C. 1730a(e)) is amended—

(1) by redesignating paragraph (4) as (5);

(2) by inserting a new paragraph (4) to read as follows:

"(4) In every case in which a filing of any type is required by this section or regulations hereunder prior to the acquisition of stock of an insured institution, the Corporation, in evaluating such filing, shall consider the likelihood that the proposed acquisition will result in the loss or reduction of the tax benefits of the insured institution's net operating loss carryforwards under section 382 of the Internal Revenue Code of 1986. The Corporation may not permit any acquisition which will increase the likelihood of future loss or reduction of the tax benefits of an insured institution's net operating loss carryforwards under section 382 of the Internal Revenue Code of 1986 if such net operating loss carryforwards result from the insured institution's acquisition of insured institutions under section 406 of the National Housing Act, under subsection (m) of this section, or pursuant to acquisitions that are otherwise supervisory cases. Notwithstanding the above, the Corporation may permit—

"(A) acquisitions where the proposed acquirer commits in writing to inject sufficient capital into the insured institution to compensate for any future loss or reduction of the tax benefits of net operating loss carryforwards,

"(B) acquisitions which are approved by the majority of the holders of voting stock of the institution, or

"(C) acquisitions pursuant to section 406 of the National Housing Act, subsection (m) of this section or that are otherwise deemed supervisory cases by the Corporation.

In situations described in subparagraphs (A), (B), and (C), the Corporation may deny a proposed acquisition if it determines that the loss or reduction of the net operating loss carryforwards will be harmful to the insured institution involved.".

(b) Section 407(q) of the National Housing Act (12 U.S.C. 1730(q)) is amended—

(1) by redesignating paragraphs (8) through (18), respectively;

(2) by inserting a new paragraph (8) to read as follows:

"(8) In every case in which a filing of any type is made under this subsection or the Corporation's regulations hereunder prior to the acquisition of stock of an insured institution, the Corporation, in evaluating such filing, shall consider the likelihood that the proposed acquisition will result in the loss or reduction of the tax benefits of the insured institution's net operating loss carryforwards under section 382 of the Internal Revenue Code of 1986. The Corporation may not permit any acquisition which will increase the likelihood of future loss or reduction of the tax benefits of an insured institution's net operating loss carryforwards under section 382 of the Internal Revenue Code of 1986 if such net operating loss carryforwards result from the insured institution's acquisition of insured institutions under section 406 or section 408(m) of the National Housing Act or pursuant to acquisitions that are otherwise supervisory cases. Notwithstanding the above, the Corporation may permit—

"(A) acquisitions where the proposed acquirer commits in writing to inject sufficient capital into the insured institution to compensate for any future loss or reduction of the tax benefits of net operating loss carryforwards,

"(B) acquisitions which are approved by the majority of the holders of voting stock of the institution, or

"(C) acquisitions pursuant to section 406 or 408(m) of the National Housing Act or that are otherwise deemed supervisory cases by the Corporation.

In situations described in subparagraphs (A), (B), and (C), the Corporation may deny a proposed acquisition if it determines that the loss or reduction of the net operating loss carryforwards will be harmful to the insured institution involved.".

On page 39, line 1, strike out "notwithstanding the provisions of" and insert in lieu thereof "except as provided in".

On page 39, line 5, after "bank" insert "other than a savings bank as defined in section 3(g) of the Federal Deposit Insurance Act".

On page 39, lines 9 and 10, strike out ", including a State-chartered savings bank".

On page 47, line 16, strike out "required to be carried" and insert in lieu thereof "added".

On page 52, line 17, strike "required to be carried" and insert in lieu thereof "added".

On page 52, line 22, after "1985" insert a comma.

On page 53, line 12, after the open parenthesis insert "the amount of".

On page 56, line 6, strike out "(7)" and insert in lieu thereof "(6)".

Beginning with page 56, line 13, strike all through page 58, line 6 and insert in lieu thereof the following:

"(f) ASSESSMENT AUTHORITY OF THE FINANCING CORPORATION.—

"(1) IN GENERAL.—The Financing Corporation may, with the approval of the Board, assess semiannually on each insured institution an assessment, except that the aggregate amount assessed under this paragraph on any insured institution for any year may not exceed an amount equal to 1/12th of 1 percent of the aggregate amount of all accounts of insured members of such insured institution for such year.

"(2) SUPPLEMENTAL ASSESSMENT AUTHORIZED.—Upon the unanimous vote of the Directorate that additional funds are needed to pay the interest on the obligations of the Financing Corporation because no other funds are available, the Financing Corporation may, with the approval of the Board and in addition to any assessment assessed under paragraph (1), assess on each insured institution an assessment, except that the aggregate amount assessed under this paragraph on any insured institution for any year may not exceed an amount equal to 1/8th of 1 percent of the aggregate amount of all accounts of insured members of such insured institution for such year.

"(3) TOTAL AMOUNT OF ASSESSMENTS MAY NOT EXCEED INTEREST AND FINANCING COSTS.—The aggregate amount of all assessments assessed under paragraphs (1) and (2) for any year may not exceed—

"(A) the aggregate amount of—

"(i) issuance costs (as such term is defined in subsection (g)(5)(A)) incurred with respect to obligations issued during such semiannual period;

"(ii) interest paid on (and any redemption premium paid with respect to) obligations of the Financing Corporation during such year; and

"(iii) custodian fees (as such term is defined in subsection (g)(5)(B)) incurred during such year; minus

"(B) the aggregate amount of any payments under subsection (g)(4) during such year.

"(4) PAYMENT TO FINANCING CORPORATION.—All assessments assessed by the Financing Corporation under paragraph (1) or (2) shall be paid to the Financing Corporation.".

On page 59, after the open parenthesis insert "the amount of".

On page 61, line 15, strike out "The" and insert in lieu thereof "Except as provided in subsection (e)(7)(B), the".

On page 73, strike out lines 13 through 22, and insert in lieu thereof the following:

"(vii) FINAL PAYOFF YEAR DEFINED.—For the purpose of this subparagraph, the term 'final payoff year' means the year of maturity of the last maturing obligation of the Financing Corporation which was issued under section 21 of the Federal Home Loan Bank Act and will mature before January 1, 2027.

On page 75, line 23, strike out "(e)" and insert in lieu thereof "(d)".

On page 75, line 23, strike out "(h)" and insert in lieu thereof "(g)".

On page 86, lines 6 and 7, strike out ", as established by the Financial Accounting Standards Board".

On page 86, lines 15 and 16, strike out ", as established by the Financial Accounting Standards Board".

On page 86, under line 23, insert the following:

PARTICIPATION IN PUBLIC OFFERINGS

Sec. 312. The Chairman of the Federal Home Loan Bank Board shall, in conjunction with the Federal Savings and Loan Insurance Corporation, ensure that minority owned or controlled commercial banks, investment banking firms, underwriters, and bond counsels, shall have an opportunity to participate to a significant degree in any public offering under section 21 of the Federal Home Loan Bank Act.

POWERS OF THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Sec. 313. Section 402(c) of the National Housing Act (12 U.S.C. 1725(c)) is amended by adding at the end thereof the following:

"(6) To issue such rules, regulations, and orders as necessary to define any terms used in this Act and administer and carry out its purposes, including regulation of unsafe or unsound practices by insured institutions.".

On page 108, between lines 19 and 20, insert the following:

AUTHORITY OF FDIC

Sec. 408. The last sentence of section 9 of the Federal Deposit Insurance Act (12 U.S.C. 1819) is amended by adding at the end thereof the following: "including regulation of unsafe or unsound practices by insured banks".

On page 115, between lines 10 and 11, insert the following:

TRANSFER OF FTC JURISDICTION TO NCUA

Sec. 515. (a) Sections 5(a)(2), 6(a) and 6(b) of the Federal Trade Commission Act (15

U.S.C. 45(a)(2), 46(a) and 46(b)) are amended by inserting immediately after "section 18(f)(3)," the following: "Federal credit unions described in section 18(f)(4),".

(b) The second proviso in section 6 of the Federal Trade Commission Act (15 U.S.C. 46) is amended—

(1) by inserting immediately after "section 18(f)(3)," the following: "Federal credit unions described in section 18(f)(4),"; and

(2) by inserting immediately after "in business as a savings and loan institution" the following: ", in business as a Federal credit union,".

(c)(1) The second sentence of section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended by inserting immediately after "paragraph (3))" the following: "and the National Credit Union Administration Board (with respect to Federal credit unions described in paragraph (4))".

(2) The last sentence of section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended—

(A) by striking "either such" and inserting in lieu thereof "any such";

(B) by inserting "or Federal credit unions described in paragraph (4)," immediately after "paragraph (3)," each place it appears therein; and

(C) by inserting immediately after "with respect to banks" the following: ", savings and loan institutions or Federal credit unions".

(3) Section 18(f) of the Federal Trade Commission Act (15 U.S.C. 57a(f)) is amended by redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively, and by inserting immediately after paragraph (3) the following:

"(4) Compliance with regulations prescribed under this subsection shall be enforced with respect to Federal credit unions under sections 120 and 206 of the Federal Credit Union Act (12 U.S.C. 1766 and 1786).".

On page 138, strike out lines 12 through 16.

CHAFEE AMENDMENT NO. 46

(Ordered to lie on the table.)

Mr. CHAFEE submitted an amendment intended to be proposed by him to the bill S. 790, supra; as follows:

At the bottom of page 37, add the following:

TITLE II—MORATORIUM ON CERTAIN NONBANKING ACTIVITIES

MORATORIUM ON CERTAIN NONBANKING ACTIVITIES

SEC. 201. (a) Beginning on March 6, 1987, and until one year after the date of enactment of the Competitive Equality Banking Act of 1987—

(1) a Federal banking agency may not issue any rule, regulation, or order that would have the effect of increasing the insurance powers of banks or bank holding companies or banking or nonbanking subsidiaries thereof either with respect to specific banks or bank holding companies or subsidiaries thereof or generally beyond those expressly authorized for bank holding companies under subparagraphs (A) through (G) of section 4(c)(8) of the Bank Holding Company Act of 1956;

(2) notwithstanding the provisions of section 3(f) of the Bank Holding Company Act of 1956, the Board of Governors of the Federal Reserve System may not approve the acquisition by a bank holding company of any company, including a State-chartered bank, unless the bank holding company has agreed to limit the insurance activities of that company to those permissible under section 4(c)(8). This paragraph shall not apply to the acquisition of a State-chartered bank, including a State-chartered savings bank that upon acquisition would be subject to the Bank Holding Company Act of 1956, pursuant to a reorganization plan under which the stockholders of the bank exchange their shares for shares in a newly created bank holding company which is not a subsidiary of any other company or to the acquisition of a State-chartered bank by a bank holding company that on March 6, 1987, controlled one or more State-chartered banks that have engaged in insurance activities identical to those of the newly acquired institution so long as the bank holding company agrees that it will (A) within 2 years of the consummation of its acquisition of the State-chartered bank, divest or terminate that bank's impermissible insurance activities, and (B) limit the bank's insurance activities during that 2-year period to the renewal of existing policies; and

(3) a national bank may not expand its insurance agency activities pursuant to the Act of September 7, 1916 (12 U.S.C. 92), into places where it was not conducting such activities as of March 5, 1987.

(b) As used in this section—

(1) the term "bank holding company" has the same meaning as in section 2(a) of the Bank Holding Company Act of 1956; and

(2) the term "Federal banking agency" has the same meaning as the term "appropriate Federal banking agency" has in section 3(q) of the Federal Deposit Insurance Act.

(c) Nothing in this section may be construed to increase or reduce the insurance authority of bank holding companies or banking or nonbanking subsidiaries thereof or of national banks under current law.

BREAUX AMENDMENT NO. 47

(Ordered to lie on the table.)

Mr. BREAUX submitted an amendment intended to be proposed by him to the bill S. 790, supra; as follows:

Beginning with page 38, line 1, strike out all through page 41, line 4, and redesignate the remaining provisions accordingly.

PRICE-ANDERSON AMENDMENTS ACT

STAFFORD AMENDMENT NO. 48

(Ordered referred to the Committee on Environment and Public Works.)

Mr. STAFFORD submitted an amendment intended to be proposed by him to the bill (S. 843) to amend the Price-Anderson provisions of the Atomic Energy Act of 1954 to extend and improve the procedures for the protection of the public from nuclear incidents; as follows:

The "Price-Anderson Amendments Act of 1987" is amended by striking section 6 and inserting in lieu thereof the following:

"SEC. 6. INITIAL LIMIT ON RETROSPECTIVE PAYMENTS AND LIMIT ON AGGREGATE LIABILITY FOR A SINGLE NUCLEAR INCIDENT OUTSIDE THE UNITED STATES."

Section 170e of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"(1) With respect to liability for one or more nuclear incidents covered by an industry retrospective rating plan required by subsection b. which is not in excess of the maximum amount of financial protection required of the licensees covered by the industry retrospective rating plan—

"(A) the aggregate payments in any single year by or on behalf of persons indemnified shall not be required to exceed the amount of financial protection provided in that year pursuant to subsection b., and

"(B) the funds provided by financial protection pursuant to subsection b. in any year by or on behalf of such persons indemnified and, where appropriate, the funds provided as a result of the issuance of obligations pursuant to subsection b.(4), shall be the exclusive source of payments for public liability claims.

"(2) With respect to any nuclear incident occurring outside of the United States to which an agreement of indemnification entered into under the provisions of section 170d. is applicable, such aggregate liability shall not exceed the amount of $100,000,000 together with the amount of financial protection required of the contractor.".

NOTICES OF HEARINGS

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. NUNN. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold a hearing on exploitation of young adults in door-to-door sales.

This hearing will take place on Monday, April 6, 1987 at 10 a.m. in room 342 of the Dirksen Senate Office Building. For further information, please contact Daniel F. Rinzel of the subcommittee's minority staff at 224-9157.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs, of the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Wednesday, March 25, 1987, at 2 p.m. to hold hearings on ambassadorial nominations and an overview of U.S. policy toward Asia.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WESTERN HEMISPHERE AND PEACE CORPS AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Western Hemisphere and Peace Corps Affairs, of the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Wednesday, March 25, 1987, to hold hearings on the fiscal year 1988 authorization request for the Western Hemisphere.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, March 25, 1987, at 2 p.m. to hold hearings on proposed legislation relating to the Government's role in economic competitiveness.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 25, 1987, to resume closed hearings on proposed legislation authorizing funds for fiscal year 1988 for the intelligence community.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL FINANCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on International Finance and Monetary Policy of the Committee on Banking, Housing and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, March 25, 1987, to conduct oversight hearings on the Export-Import Bank, export trading companies, and export promotion programs of the Department of Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Wednesday, March 25, 1987, to hold hearings on the impact of imports on national security, including the provisions of S. 285, introduced by Senator BYRD; title V of S. 490, the Senate trade bill, introduced by Senators BENTSEN and DANFORTH; S. 470, introduced by Senator GRASSLEY; S. 694, introduced by Senator BENTSEN and others; and section 171 of H.R. 3.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ANTITRUST, MONOPOLIES, AND BUSINESS RIGHTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust, Monopolies, and Business Rights of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Wednesday, March 25, 1987, to hold hearings on airline deregulation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, March 25, 1987, to consider pending calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Committee on Armed Services, be authorized to meet during the session of the Senate on Wednesday, March 25, 1987, to hold open and closed hearings on U.S. military strategy in the area of responsibility of the U.S. European Command.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PROJECTION FORCES AND REGIONAL DEFENSE

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Projection Forces and Regional Defense Subcommittee, of the Committee on Armed Services be authorized to meet during the session of the Senate on March 25, 1987, at 3 p.m., to receive testimony on Navy mine warfare programs in review of the Department of Defense authorization request for fiscal years 1988 and 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON READINESS SUSTAINABILITY AND SUPPORT

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Readiness, Sustainability and Support Subcommittee, of the Committee on Armed Services be authorized to meet during the session of the Senate on March 25, 1987, at 1:30 p.m., to receive testimony on readiness and sustainability programs in review of the fiscal years 1988 and 1989 Department of Defense authorization request.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

GREEK INDEPENDENCE DAY

● Ms. MIKULSKI. Mr. President, today marks the 166th anniversary of the start of the Greek uprising against nearly four centuries of tyrannical Turkish Ottoman rule. For close to a decade, the Greeks fought valiantly and aganist tremendous odds to reestablish Greek independence and freedom.

It is particularly fitting that Americans, as we prepare to celebrate the 200th anniversary of the signing of our Constitution, join in observing Greek Independence Day. The ties binding our two nations always have been strong and continue strong today. We never can forget that America's Founding Fathers relied extensively upon the political and philosophical experiences of the ancient Greeks when they were drawing up our own democratic form of government. The constitutional democracies that we share have forged a deep and lasting bond between our nations. That bond is apparent still, not only in the many contributions made by Greek Americans in our country today, but in our ongoing partnership with Greece in the North Atlantic Treaty Organization [NATO].

As a result of that partnership, Greece is the location of four vital military bases supporting U.S. interests in the eastern Mediterranean.

Let us hope that a relationship built upon 150 years of mutual support can continue to move forward in that spirit. As our nations begin talks to renew the leases on those military bases, I call upon our Government to continue the steady and even handed approach that has characterized our foreign policy dealings with Greece in recent years. Specifically, I urge continuance of the firm 7-to-10 ratio of foreign aid assistance to Greece and Turkey, and continued pressure on Turkey to withdraw its occupying forces on the island of Cyprus.

The year 1987, an historic year in American history, is an appropriate time to review our relations with modern Greece and reflect upon how much we have shared over the centuries. As we join today in observing Greek Independence Day, we can be grateful that our alliance with what Thomas Jefferson called "the first of civilized nations" not only survives, but grows stronger. Let us hope that we continue to nourish our unique and valuable friendship.●

GREEK INDEPENDENCE DAY

● Mr. SPECTER. Mr. President, last year in the 99th Congress, I introduced a joint resolution designating March 25, 1987, as "Greek Independence Day": a celebration of Greek and American democracy.

One hundred and sixty-six years ago, the Greeks began the revolution that would free them from the Ottoman Empire and return Greece to its democratic heritage. It was, of course, the ancient Greeks who developed the concept of democracy in which the supreme power to govern was vested in the people. Our Founding Fathers drew heavily upon the political and philosophical experience of ancient Greece in forming our representative democracy. How fitting, then, that we should recognize the anniversary of the beginning of their effort to return to that democratic tradition.

This democratic form of government is only the most obvious of the many benefits we gained from the Greek people. The ancient Greeks contributed a great deal to the modern world and particularly to the United States of America, including art and philosophy, science, and law. Today, Greek Americans continue to enrich our culture and to make valuable contributions to American society, business, and government.●

TRIBUTE TO JEWISH WAR VETERANS

● Mr. SARBANES. Mr. President, I am pleased to bring to our colleague's attention today the important work being done by the Jewish War Veterans of the U.S.A. and their local posts throughout the Nation. I especially want to commend the Howard County, MD, Post for its active and dedicated work on behalf of disabled veterans.

Chartered by an act of Congress in 1958, the Jewish War Veterans are active in many aspects of contemporary life as well as working to preserve the history of Jews who have fought with distinction in our Nation's armed services. JWV sponsors scout organizations, scholarships, and programs to involve Vietnam veterans and active in service members in their activities as well as a research library, archives, and a museum.

Mr. President, for over 90 years, the Jewish War Veterans and its predecessor organizations have worked to serve veterans and the entire community. I ask that a brief history of the organization be printed in the RECORD.

The history follows:

JWV: 1896 TO THE PRESENT

In the 1890's, a generation after the close of the Civil War, a war in which there were at least six Jewish Medal of Honor recipients, aspersions were cast on Jewish patriotism in general, and on Jewish service in the military, in particular. Amongst those slurs was a letter published in the North American Review of December 1891. The writer, a Civil War Veteran, noted:

"I have served in the field about 18 months . . . but I cannot remember meeting one Jew in uniform or hearing of any Jewish soldier. . ."

Patently untrue, and proven to be so by the service of upwards of between 8–10% of the Jewish population and by the very lives of those Jewish Veterans who had survived the bloody battles of that war, 78 Jewish men who had served gathered together, on March 15, 1896, for the first meeting of the Hebrew Union Veterans. At the opening meeting, the 78 men pledged to maintain their true allegiance to the United States of America; to combat the powers of bigotry wherever originating and whatever their target; to uphold the fair name of the Jew and fight his battles wherever unjustly assailed; to assist such comrades and their families as might stand in need of help, encouragement or protection; to gather and preserve the records of patriotic service performed by men of Jewish faith; and to honor the memories and shield from neglect the graves of the Jewish heroic dead.

Eighty-nine years after that first meeting, during the controversy surrounding President Reagan's visit to Bitburg Cemetery in Germany, on May 5, 1985, the Jewish War Veterans headquarters received a call from a teacher who wanted to know why the Jewish War Veterans were so vocal in their protest against the visit. "After all," she said, "Jews never served in America's armed forces."

There are always people who don't want to be confused with facts. Those facts, however, speak for themselves. Jews have been woven into the fabric that we call America from the earliest history of this country, beginning with Columbus' voyage; from Asser Levy, often referred to as "the first fighting Jew in the New World," to the young Jewish men and women who serve in today's military.

From our inception in 1896, Jewish War Veterans have also been activists in defense of human rights through the decades.

In the early years of this century, when pogroms against the Jews of Russia reached a peak, Jewish veterans of the Civil War and the Spanish-American war stirred up public opinion against Russia's murderous actions. Diplomatic pressure from the U.S. followed, and the pogroms came to an end.

At the close of W.W.I., the Jewish War Veterans actively campaigned against racial slurs and antisemitism and concerned itself with the general well-being of veterans the world over.

In 1933, JWV was the first Jewish organization to adopt a boycott of German goods, and JWV's lead was followed by others.

In 1944, JWV effectively campaigned for the G.I. Bill.

In 1951, during the Korean War, the Jewish War Veterans undertook the obligation of being a prime factor in assuring adequate blood supply for servicemen and civilian population, achieving a 100% record of Post cooperation across the nation.

In August, 1963, JWV was the only national veterans organization to join in the Rev. Martin Luther King, Jr.'s historic March on Washington.

In 1985, the JWV spearheaded a drive, in response to President Reagan's visit to Bitburg, to have Allied Veterans Councils hold memorial ceremonies honoring American war dead who gave their lives to fight fascism.

The JWV of the USA continues its proud record as the Patriotic Voice of America Jewry. We bear witness to the ongoing participation of Americans of Jewish faith in the defense of this country's principles and freedom.●

NATIONAL POW AND MIA RECOGNITION DAYS

● Mr. McCAIN. Mr. President, yesterday the Senate unanimously passed two resolutions that rekindle memories of our Nation's glorious, but costly history. Enactment of Senate Joint Resolution 47, which designates April 9, 1987, as National POW Recognition Day; and Senate Joint Resolution 49, which designates September 18, 1987, as National POW/MIA Recognition Day, is continued testimony that America has not forgotten the sacrifices borne by many of our Nation's citizens.

All through our history, America has served as a beacon to others; serving as a source of political inspiration, a haven for the poor and oppressed, and a friend to nations in times of need. But our efforts to defend with our lives, certain inalienable rights and liberties for all people, wakes us to the realization that the price of freedom is very high indeed.

We owe all of our veterans of military service a special debt of gratitude. It has been their commitment and selfless devotion that has helped our great Nation persevere through more than two centuries of struggle. But I believe we must also acknowledge and thank those Americans who defended our Nation under the most arduous conditions, our prisoners of war.

Our Nation's prisoners of war fought with great courage and skill against enormous odds and tenacious enemies. From Andersonville to Bataan to the Hanoi Hilton, American prisoners of war have exhibited truly Herculean character. Their efforts and conviction are emblematic of the spirit and dreams that have kept America alive, vibrant, and free. But like their fathers before them, they were merely fighting for what Americans have always fought for: freedom, human dignity, and justice.

On April 9 and September 18, as we pause to reminisce and thank all of our Nation's former prisoners of war, let us also recommit ourselves to resolve the fate of all the Americans that are still listed as missing in action. The memory of those who fought for freedom demands that we make every effort to determine their fate. We cannot, indeed, shall not, rest until we obtain a full and complete accounting of these courageous men. And as we remember the commitment and valor exhibited by our country's POW/MIA's, let us hope and pray that no other generation of young men or women will ever have to share their experiences nor repeat their sacrifices.●

U.S. SPACE PROGRAM NEEDS LEADERSHIP

● Mr. RIEGLE. Mr. President, one of the major issues facing this Nation today is the structure and direction of the civilian space program. The loss of the *Challenger* last year was the most dramatic evidence that the Nation's Space Program was in serious difficulty, and that major steps had to be taken to put it back on track.

The United States has suffered setbacks in all aspects of its Space Program, while other Nations move forward with aggressive exploration and development programs. Most notably, the Soviet Union has made operational its third-generation space station. There are cosmonauts working in that station today, they intend on breaking their own duration record. The Soviet station has both commercial and military applications. We haven't even finalized the plans for a space station, and even with a full-scale development and deployment effort we couldn't have an operational system before 1995.

I recently came across an article in the Christian Science Monitor entitled, "U.S. Program Still on Launchpad as World Takes Off Into Space." This article states accurately the challenges that face the U.S. Space Program, and it concludes with that leadership and vision is currently lacking in the Space Program, and that without Presidential leadership it will continue to drift. I commend this article to my colleagues, and ask that it be printed in the Record.

The article follows:

[From the Christian Science Monitor, Mar. 10, 1987]

U.S. Program Still on Launchpad as World Takes Off Into Space

(By Robert C. Cowen)

Japanese controllers put MOS-1—the ocean observing satellite launched last month—through its paces.

India pays the Soviet Union to launch IRS-1—the first of three remote-sensing satellites—this year. It expects to launch the other two with Indian rockets.

French astronauts train to evaluate a truss they'll erect on orbit when they visit the Soviet MIR space station next year. And the Soviet Union itself prepares something like a dozen scientific missions for launch over the next few years (five this year) while cosmonauts Yuri Romanenko and Alexander Laveikin are hard at work on the MIR station itself.

Around the world, civilian space programs are entering an era of increased activity.

Meanwhile, American space scientists are frustrated by the delay of authorized missions and lack of new "starts." EOSAT, the company that now runs the Landsat remote sensing program, says it's handicapped by inadequate funding. And the future of NASA's "next logical step into space"—the space station—is uncertain as the administration and Congress confront sharply escalating costs. Estimates have jumped from $8 billion a couple of years ago to something like $12 billion today.

It's time the United States stopped talking about its "leadership" in civilian space activity and faced the fact that the rest of the space-faring world is moving on while its own program stagnates.

This stagnation can't be blamed simply on the disarray that has followed the Challenger accident. It results from a lack of presidential leadership in laying out an agenda for civilian space activity that Congress will fund and the Office of Management and Budget will support.

One shouldn't overstate the situation. The U.S. still has a massive capability for space science. But while it fumbles around trying to decide how best to use that capability, other nations forge ahead.

The USSR also has massive capability. It now is opening its civilian space program widely to international participation. It's entering the market for commercial launch services.

France, with its SPOT earth observing satellite program, is taking a leadership position in commercial remote sensing. The European Space Agency is moving ahead with its own scientific program and an effort to develop a manned space flight capability in the '90s.

Japan's space program now is poised for strong action in civilian space fields with its own rockets, satellites, and deep space probes. And India's program, although relatively little known in Western countries, also is getting ready to make a notable mark in the 1990s.

None of this would seriously challenge American leadership if the United States could focus its capability to implement a coherent long-term strategy. Unfortunately, no such space strategy exists.

In manned space flight, the space station—to be built and serviced via the shuttle—remains the centerpiece of NASA planning. Yet there's no consensus as to what that station can, will, or should do, to say nothing of what ultimate goal this "next logical step" is stepping toward. The belated claim to station access by the Defense Department, which admits it has no idea what it wants to do there, further muddles this issue.

In commercial space activity, President Reagan has removed the shuttle from the launch services market. The Air Force is underwriting development of a new launch rocket that might also be used for civilian payloads. But it's unclear whether or when any American company will enter the field. EOSAT worries publicly that it may not be able to launch replacement satellites without a larger subsidy. This is hardly a vigorous commercial space strategy.

In space science, there are plenty of plans but little action. The Space Telescope is to be launched next year by shuttle as are the Magellan Venus radar mapper and the Galileo Jupiter mission. The Mars Observer has been delayed. It's uncertain what new missions will follow. In spite of detailed strategies for space exploration proposed by the Space Science Board (SSB) of the National Academy of Sciences and the National Commission on Space, there is no official long-term space science program. The SSB is about to issue yet another game plan. Since it calls for substantially increased NASA spending, it too may gather dust.

Only the President can pull the fragmented space effort together. He should formulate a meaningful long-term program and announce it this year. That's the kind of space leadership the United States urgently needs.●

PESTICIDE SAFETY IMPROVEMENT ACT OF 1987

● Mr. McCLURE. Mr. President, I rise today in support of the Pesticide Safety Improvement Act of 1987. This act is meant to protect American people from harmful substances which have been banned from use in the United States but remain in use by other countries. Although the United States can not regulate pesticides used abroad, we can protect our citizens by insuring that harmful pesticides on imported foods do not reach American consumers and that foreign competitors do not gain an unfair advantage through the use of pesticides not available in the United States. If foods are contaminated by use of a chemical in the United States they are just as contaminated by the use of the same chemical in another country.

This bill would insure that the FDA provides Congress with annual reports on pesticide residues found on imported foods. These annual reports are necessary because the FDA is currently testing less than one percent of all fruits and vegetables imported by the United States. The reports would encourage the inspection of more foods so that harmful pesticide residues can be discovered and safeguarded against.

Mr. President, the State which I represent, the great State of Idaho, understands the trials of farming and how vital pesticides are in the production of healthy crops. We also understand that certain pesticides have been found to be toxic in certain dosages and the Federal Government has taken steps to restrict their uses to protect human health. We may not always agree that these restrictions are entirely necessary but we abide by the law. U.S. agricultural products are grown under some of the strictest environmental standards in the world. Foreign importers do not have to meet these standards, thus lowering their costs of production. It is unfair that these foods should be able to be produced with chemicals that are unavailable to U.S. farmers because they show up in the human food chain but are allowed to come into this country on the foods Americans will eat.

I urge my colleagues to support this legislation offered by the good Senator from California [Mr. Wilson]. It is time we take a closer look at what chemicals are allowed into this country so that we may protect all Americans from possible harm.●

THE TORTURE VICTIM PROTECTION ACT

● Mr. LEAHY. Mr. President, I am pleased to be an original cosponsor of the Torture Victim Protection Act. It is a sad commentary on the world today that I find it necessary to do so.

According to Amnesty International, although most countries condemn torture, it is widespread throughout the world. Dozens of governments systematically engage in acts of barbarism reminiscent of the dark ages. These gross violations of human rights occur in countries of every political persuasion and in every region of the world—whether Chile, Cambodia, South Africa, or Afghanistan. We have all read the spine-chilling accounts of electric shocks, burnings, and beatings, often to extract "confessions" for so-called political crimes.

The United States has made human rights an important part of its foreign policy for over a decade. Recently, in 1984, Congress adopted and the President signed a joint resolution on torture. In reaffirming U.S. abhorrence of the use of torture under any circumstances, it calls upon the Congress to develop concrete measures by which the United States can combat the use of torture throughout the world. This bill will help to fulfill that responsibility.

It establishes a clear Federal cause of action on behalf of victims of torture or extrajudicial killing in foreign countries. It serves notice on anyone who engages in human rights violations that the United States condemns these acts and will not offer sanctuary to violators from being held accountable.

As Senator SPECTER has explained, it contains important limitations to prevent a flood of lawsuits based on any violent crime overseas. Only persons acting "under actual or apparent State authority" would be liable for damages, and "torture" and "extrajudicial killing" are specifically defined. Moreover, U.S. courts could decline jurisdiction if a claimant had not exhausted "adequate and available remedies" in the country where the alleged violation occurred.

Mr. President, the United States has a responsibility to set an example for the world by its respect for human rights. Torture and extrajudicial killing are the most insidious forms of human rights violations, and are often used by State-sponsored terrorists. By extending compensation to victims of these terrible crimes we can become a model for other nations.

As one who has often spoken out against State-sponsored terrorism and for strong action to protect human rights, I strongly encourage my colleagues to support this legislation.●

DETAINED CHILDREN IN SOUTH AFRICA

● Mr. WEICKER. Mr. President, I join with my colleague from Maryland in introducing today a resolution that highlights one of the greatest inhumanities to man. The detention of children in South Africa is indeed another example of how insensitive to human suffering men can become in the pursuit of their system of violence called apartheid.

The South African Minister of Law and Order Adriaan Vlok has publicly disclosed that 281 children under the age of 16 are currently in detention under state of emergency regulations. Now we would all agree that this figure is artifically low, but even if it is accurate, it is reprehensible. Would we stand for children as young as age 11 being held in our prisons?

The state of emergency regulations imposed on June 12, 1986, meant that someone can be indefinitely detained without charge or trial. The authorities are not required to say who is being detained or why. The Government says that when children are detained that their parents are immediately notified. This is the Government rhetoric, but what is reality?

Reality is that children are being picked up by random sweeps of areas. Parents go home to find their children missing and no indication of their whereabouts. When the parents do know where their children are, they must apply for a permit to visit them and this is not routinely granted.

The children are often denied legal representation either because their parents are unaware of their whereabouts or because the date and place of legal proceedings is withheld from them. In comparison to an adult, a child certainly needs a legal advocate in such a situation.

To say that there is evidence that the detained children are ill treated is an understatement. The Lawyers Committee for Human Rights has issued its study entitled "The War Against Children: South Africa's Youngest Victims." I recommended this book to my colleagues, because it documents the abuses suffered by children at the hands of the South African police and security forces. Children have been known to be placed in overcrowded cells with adults. Lack of food, lack of exercise, lack of medical attention are all charges that are substantiated.

But all of this pales in comparison to the accounts of the physical abuse by these same forces. These accounts can be nauseating to read, but what is worse and far longer lasting than the physical scars are emotional scars that these children will most probably carry for the rest of their lives and maybe the lives of their children. The brutality seems designed to instill fear in the children, and you had better believe that children who are subjected to this treatment suffer from anxiety disorders, depression, psychotic disorders, and more. These children are being held by terrorists who are the representatives for the ruling white minority.

One story to illustrate this point is the story of Johnny Mashiane, age 15. He was arrested as part of gathering at the house of a school friend who had been shot dead by the police. At the police station, he was whipped. In prison he was beaten continually for 14 days. Even when the authorities released him, they hit him when he was unable to sign his name. "The War Against Children" reports:

> Four months after his detention Johnny was still very sick and undergoing psychiatric examinations to try to determine what was wrong. His parents said that they had great difficulty in communicating with him and they fear that he will never fully recover.

There you have it—a boy that went into prison in the prime of his life and came out a vegetable.

Bishop Desmond Tutu put it this way:

> (Johnny's Story) ought to fill any decent person who cares about human rights, and especially the rights of defenceless children, with revulsion and indignation. It would galvanise such a person into the kind of action that will ensure that such dastardly deeds will not easily be repeated with so much impunity and disregard for the feelings of others.

Mr. President, we in this Nation must speak out for these children. I wish that this resolution could effectively free these children. We are powerless to do that. We can, however, focus attention on policies of the South African Government that constitute a blot on any country and people who profess to be civilized.●

GREEK INDEPENDENCE DAY

● Mr. WEICKER. Mr. President, by celebrating Greek Independence Day, we are celebrating democracy. History shows us that it was the Greeks who formulated the foundations for our present day democracy. Greece finally won its independence in 1827, after 400 years of being ruled by the Ottoman Empire. Under the reign of the Ottoman Empire, the people of Greece were deprived of the civil rights embodied in the U.S. Constitution.

Today marks the 166th anniversary of the beginning of the revolution that freed the Greek people. As in most battles for freedom, the uprising began years before the outbreak of war. In 1814, merchants and the like began forming an underground organization of all Greeks in the European section of the Sultan's Empire. In 1821, the revolution began in central Greece as well as in the Philoponnese and the Aegean Islands. After an arduous revolution lasting 6 years, freedom was finally won in Greece; 120 years later, to uphold their belief in democracy, 600,000 Greek citizens lost their lives fighting with the United States in World War II.

It is only appropriate that the United States takes part in the spirit of Greek Independence Day. Greek Americans have contributed a considerable amount to our culture, with their architecture, art, science, and literature. By recognizing this important anniversary, the United States is honoring the growth of democracy.●

GREEK INDEPENDENCE DAY'S 166TH ANNIVERSARY

● Mr. LAUTENBERG. Mr. President, I am pleased to rise in honor of "Greek Independence Day: A National Day of Celebration of Greek and American Democracy." Last year I introduced the resolution to designate March 25, 1986, as Greek Independence Day, and I am pleased that we will again recognize the holiday this year.

March 25, 1987, marks the 166th anniversary of the beginning of the revolution which freed the Greek people from the Ottoman Empire. It is fitting that we celebrate this day together with Greece in order to reaffirm the common democratic heritage of Americans and Greeks.

The ancient Greeks forged the very notion of democracy in which the ultimate power to govern was vested in the people. As Aristotle said:

> If liberty and equality, as is thought by some, are chiefly to be found in democracy, they will best be attained when all persons alike share in the government to the utmost.

Because the concept of democracy was born in the age of the anicient Greeks, all Americans, whether or not of Greek ancestry, are kinsmen of a kind to the ancient Greeks. Indeed, our own Founding Fathers drew heavily upon the political and philosophical experience of ancient Greece in forming our representative democracy.

Constitutional democracy has made the American way of life possible. It established the precious freedoms of speech, religion, and assembly which Americans cherish, and which are so fundamental to American democracy. For that contribution alone, we owe a heavy debt to the Greeks. The common heritage which we share has forged a close bond between Greece and the United States, and between our peoples. And it is reflected in the numerous contributions made by present-day Greek Americans in New Jersey and across the country to our Amercian culture.

I am pleased that today we pay tribute to those contributions, past and present, which have greatly enriched American life.●

STATUE OF LIBERTY ENTRANCE FEE

● Mr. BRADLEY. Mr. President, today the Energy Committee reported my legislation to rescind a new entrance fee at the Statue of Liberty. The vote was unanimous, 17 to 0.

The support I have received for this effort came from Senators of all political stripes and geographic regions. I have also been pleased by the outpouring of public support for this legislation. A class of New Jersey sixth graders recently visited the statue and sent me the following comments which I would like to share with my colleagues:

> "The sixth grade agrees with you, that there should be no fee to get into the Statue of Liberty. The Statue is not a place of entertainment; it is a place for the appreciation of freedom and a place of education."
>
> "We felt that the Statue represented the people that came to America for freedom, and that she welcomed all, rich and poor."
>
> "Immigrants that come to America like to see the Statue of Liberty. What if they can not afford the ferry ride plus the entrance fee? The Statue of Liberty is a place to learn and a symbol of freedom, not a place to fool around. It should not cost one dollar or even one penny. Yes, parks or other places could have entry fees but not the Statue of Liberty."
>
> "It is unfair to have to pay to get in; after all, it's not for fun like an amusement park."
>
> "When I heard about paying to get in I was really disappointed. American school children gave money for the Statue's restoration."
>
> "When the Statue of Liberty was being renovated and 75 million dollars was needed we helped to raise that money. Now I agree with you that it should be free for anyone to see the Statue of Liberty."
>
> "Freedom is for free. Free to see the statue and go up in it."
>
> "Wilson School raised money to help restore the statue. We took pride in being part of the many who helped restore the statue."
>
> "It is an outrage, because the Statue is a symbol of hope and freedom. The Statue is not a park for entertainment. It is a place to learn the appreciation of our freedom and just how important it is."
>
> "It is not an entertainment center or a recreation park. It is an educational place where people learn about America and the Statue."
>
> "No one should pay to see the symbol of freedom."

I thank these sixth graders from the Wilson School in North Arlington, and their teacher, Mary Woodmaska, for their support. Clearly, Lady Liberty strikes a chord in all of us that rings out a message of freedom and opportunity.●

GREEK INDEPENDENCE DAY

● Mr. HUMPHREY. Mr. President, March 25 marks Greek Independence Day the 166th anniversary of the start of the revolution which freed the Greek people from the Ottoman Empire.

In order to celebrate the ties between Greek and American democracy, legislation was enacted last year designating this day as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy".

The Democratic institutions that we have in the United States, had their origin in the early Greek city states. Two thousand years ago, the Greek philosopher Pericles spoke in favor of equality before the law for all men. He also believed that elevation to public office should be based on ability rather than on wealth or social class. In 1987, we still honor those traditions and strive to apply them in our daily lives.

Our forefathers, too, were influenced by the thoughts of the early Greeks. The democracy that men such as Jefferson, Madison, and Hamilton established was built in a large part on Greek foundations. Later, when the Greek people were fighting for their independence, our American revolution was seen as a role model—the fulfillment of the political theories of the great Greek philosophers.

We are all aware of the contributions that Greek immigrants have made to American life. From politics to science, Greek Americans have accomplished much that has benefited us all. I am proud to add my voice to those who today salute the Greek roots of democracy around the world.●

A MUTUALLY BENEFICIAL CULTURAL EXCHANGE PROGRAM

● Mr. PELL. Mr. President, I would like to call my colleagues attention to an interesting cultural exchange program being carried out by students in both Lincoln, RI, and Sainte Maxime, France.

During this academic year, fourth-grade students at the Lincoln Central Elementary School have been exchanging letters with their counterparts, each in their native language, at the Simeone Fabre School in Saint Maxime. Besides exchanging personal information about each other, the students mutually benefit by learning about the local history and geography of the transatlantic correspondent assigned to them. This remarkable exchange could not occur at all without the linguistic talents of the Lincoln Senior High School French IV class, who serve as the translators in this cultural enterprise.

I understand that the students have been most enthusiatic about this program, learning, as they become familiar with their literary counterpart, that understanding and respect for peoples of different nations must begin and end at the most elemental level—the level of our common humanity. For this reason and their effort, I heartily commend the students in both Lincoln, RI, and Saint Maxime, France.●

EXIT VISA URGED FOR NAUM MEIMAN

● Mr. SIMON. Mr. President, the Soviet Union has signed international agreements stating that it would comply with human rights issues. Jewish citizens in the Soviet Union, however, are subjected to harrassment and persecution by the Government. They are not permitted to teach Hebrew or practice Judaism freely without suffering severe consequences, such as losing their jobs or being imprisoned. This inhumane treatment must not continue.

Furthermore, Jews are not allowed to leave the Soviet Union to practice their religion elsewhere. In recent years, emigration levels have continuously declined.

Even in emergency situations where an individual is in need of medical attention that is not available in the

Soviet Union, the Soviet Government has refused to cooperate. In the case of Inna Meiman, the cost of the Soviets' inaction was Inna's life. Inna was a victim of cancer and needed treatment offered in the United States. The Soviet Government delayed issuing Inna an exit visa until her case was beyond treatment. Inna's husband, Naum, was never given permission to emigrate—not even to attend his wife's funeral.

There are indications by Soviet officials that the situation may be improving. Secretary Gorbachev has promoted a more open policy and a desire for better relations with our country. Emigration levels have picked up in the last month, and there are reports that 10,000 to 12,000 Soviet Jews may leave this year. I completely support such actions by the Soviet Government and strongly encourage the Soviets to uphold such statements.

These reforms are insignificant if Naum Meiman and other refuseniks are deprived of their freedom. Naum, who is in his seventies, deperately wishes to live the remainder of his life in the West. It is imperative that the Soviet Government grant Naum Meiman an exit visa immediately.●

SARAH GODDARD POWER

● Mr. LEVIN. Mr. President, with the death of Sarah Goddard Power yesterday, Michigan lost one of its most extraordinary citizens. Sarah was a woman of immense talent, compassion, and dedication to improvement in the human condition. She served in the last administration as Deputy Assistant U.S. Secretary of State for Human Rights and Social Affairs, where her talent and compassion could be directly applied. For the last 13 years, she was a regent at the University of Michigan.

She was wholly involved in the daily life of that great university. Her devotion to duty went far beyond what is expected of a regent and she became a model for those who volunteer their services to great causes. Typically, just a few days ago, she poured herself into the effort to recommit the University of Michigan to goals of equal opportunity and nonstereotypic treatment of human beings.

Her commitment to her community at times took her from her husband, Phil, and from their young son, Nathan. While I have a terrible personal sense of loss, I feel even more keenly about what her loss means to the community. But I guess compared to the emptiness that is left in her family's life, even that is insignificant. All of her friends and the entire University of Michigan community must now pull together and let her family know that she and her good works not only live through them but will live through us.

It would be a fine tribute if that special community we call the University of Michigan would bind together more closely than ever in her honor and allow her passing to serve as a reminder that a devotion to democratic human values can see us through times of division, and that dedication to causes outside of ourselves can permit us to accomplish much that otherwise would not be possible.●

THE PLIGHT OF BENJAMIN CHARNEY

● Mr. SIMON. Mr. President, I would like to call my colleagues' attention to the plight of Benjamin Charney, a Soviet cancer victim who is in desperate need of treatment available in the West. Benjamin is 48 years old and has a malignant tumor. If he is not permitted to emigrate immediately to receive treatment, he may not survive.

I am angered by the Soviet Union's refusal to cooperate with the United States and other Western countries in cases which involve cancer patients. In the past, individuals who might have lived did not as a result of the Soviet Government's inaction. This unnecessary loss of life must not continue. I urge the Soviets to allow individuals who require cancer treatment available in the United States to emigrate and receive the appropriate care.

Benjamin Charney's brother, Leon, is protesting his brother's captivity in front of the Soviet Embassy. I ask my colleagues to lend their public support to Leon Charney and to the cause of Soviet cancer patients. The cooperation of the Soviet Government in this instance might not only save Benjamin's life, but would also give the Soviet Union an opportunity to demonstrate their seriousness about improving relations.

I implore the Soviet Government to issue Benjamin Charney an exit visa.●

GREEK INDEPENDENCE DAY

● Mr. SIMON. Mr. President, today is Greek Independence Day and I would like to take this opportunity to pay tribute to a nation and a culture which have played a major role in shaping the way our world looks and thinks.

Our democratic government finds its origins in ancient Greece. The Greeks have always had a strong love for democracy and their commitment is a constant source of inspiration for all of us in the free world.

One hundred and sixty-six years ago today Greece began a revolution which restored their freedom. Last year Congress decided to commemorate their heroic struggle by designating today as "A National Day of Celebration of Greek and American Democracy."

My home State of Illinois is fortunate to have a large Greek community. Their hard work and cultural richness are one of the many reasons that I am proud to be representing Illinois.

Greece has also been a trusted ally of the United States. Their brave efforts and great sacrifices in World War II will always be remembered.

I am honored to be joining many people worldwide in remembering and rejoicing with the Greeks on this very historic day.●

GREEK INDEPENDENCE DAY

● Mr. BINGAMAN. Mr. President, I rise to join my colleagues in recognizing today, March 25, 1987, as Greek Independence Day.

I want to take a few moments to reflect on the birth of Greek independence and the connections between Greece and America. Today marks the 166th anniversary of the start of the revolution which led to Greek liberation from the Ottoman Empire. Greece had lain under Ottoman oppression for nearly 400 years—from the fall of Constantinople in 1453 until the declaration of independence in 1821.

American history and Greek history are closely intertwined. Our Founding Fathers drew their inspiration and model for democracy from ancient Greece. Ironically, less than 100 years later, the Greeks borrowed from the ideals and lessons of the American Revolution. Greek intellectuals translated the U.S. Declaration of Independence into a document for their own political freedom and expression.

Ever since these democratic beginnings, our histories have been closely linked in other ways as well. There was significant Greek immigration to the United States in the early 1900's. During that time, about one-quarter of all Greek men aged 15 to 45 migrated to the United States.

Greek-American men and women have left their mark on all facets of American life, including public service in this body in the past and currently. I am pleased to join my colleagues in recognizing that contribution and the legacy of Greek and American democratic origins.

Let me end by quoting Shelley. He said, "We are all Greeks! Our laws, our literature, our religion, our art, have their roots in Greece."●

GREEK INDEPENDENCE DAY

● Mr. SARBANES. Mr. President, on this day, 166 years ago, the Greek nation began an arduous struggle to reestablish its independence after nearly four centuries of despotic Turkish Ottoman rule. Struggling for 8 long years against tremendous odds, the Greek patriots ultimately succeeded in reaffirming both the independence of Greece and the integrity of individual freedom.

Regarded skeptically by the monarchical governments of Europe, the uprising in Greece nonetheless captured the imagination and commanded the admiration of many on both sides of the Atlantic. President James Monroe, in 1923, felt that "the whole civilized world took a deep interest in the heroic struggle of the Greeks which brought to mind both exalted sentiments and best of feelings."

Mr. President, this year we celebrate the 200th anniversary of the American Constitution, one of the most enduring and important documents in political history. It is worthwhile to reflect on both the origins of many of that document's guiding principles in the Greek heritage as well as the long relationship between these two leading democracies. Thomas Jefferson acknowledged the debt the Founding Fathers of American democracy owed to the classical philosophers of Greece, "to the ancient Greeks . . . we are all indebted for the light which led ourselves (the American Colonists) out of Gothic darkness."

Nowhere was there greater enthusiasm for the Greek struggle than in the young American Republic, where the recent experience of colonial domination overthrown and democratic republic established was very vivid. State legislatures and town meetings across the Nation passed resolutions in support of the Greek effort, and Congressman Daniel Webster put the Greek case to his House colleagues in the 18th Congress:

"The Greeks," he said on the floor of the House of Representatives in 1823, "a people of intelligence, ingenuity, refinement, spirit, and enterprise, have been for centuries under the most atrocious, unparalleled Tartarian barbarism that ever oppressed the human race.

"They look to us as the great Republic of the Earth," he continued, "and they ask us by our common faith, whether we can forget that they are now struggling for what we can now so ably enjoy? I cannot say, sir, that they will succeed; that rests with heaven. But for myself, sir, if we tomorrow hear that they have failed—that their last phalan had sunk beneath the Turkish scimitar—that the frames of their last city had sunk in ashes and that naught remained but the wide melancholy waste where Greece once was, I would still reflect with the most heartfelt satisfaction, that I had asked you, in the name of seven millions of freemen, that you would give them at least a cheering of one friendly voice."

The ties which join the two nations and the two peoples were thus forged in the early days of the American Republic, as the war in Greece for Greek independence was being waged. For more than 150 years they have been reinforced in countless ways, the enduring ties of history reaffirmed by the very personal ties which join the American and Greek peoples, and by the role Americans of Greek background play in our own national life.

As nations and peoples, Americans and Greeks were steadfast allies in World War I. In the bleak early days of World War II the Greek defeat of Mussolini's army gave the besieged free world its first victory over the Axis Powers, forcing Hitler to dispatch his own armies to occupy Greece. Nowhere was the Nazi occupation more brutal than in Greece; and nowhere, in turn, was the resistance more determined or heroic than in Greece. In the postwar period, the commitment of President Harry Truman and the American people helped the people of Greece to turn back a Communist insurgency and to rebuild their country, ravaged by years of armed conflict. Today Greece is a stable democracy, a member of the NATO alliance and of the European Community.

Throughout their long history, often in the face of great adversity, the Greeks have maintained their abiding commitment to freedom; and they remain deeply concerned, therefore, over the situation on Cyprus, where for nearly 13 years Turkish occupation, imposed by force, has routed several hundred thousand Greek Cypriots from their homes and communities and divided the island Republic. The Greeks know from their own experience that freedom is not divisible; and like lovers of freedom everywhere they seek the restoration of peace, justice and national integrity to Cyprus.

Mr. President, it is fitting today to mark Greek Independence Day, because the Greek War of Independence has significance for all of us. It is not only an inspiring chapter in the long history of Greece's steadfast devotion to the principles we also cherish; it is a milestone in the struggle for freedom in the modern world. In the words of Senate Joint Resolution 308, passed by the 99th Congress last year, and which for the first time officially authorized the designation of today as Greek Independence Day, "The ancient Greeks developed the concept of democracy, in which supreme power to govern was vested in the people. The Founding Fathers of the United States of America drew heavily upon the political and philosophical experience of ancient Greece in forming our representative democracy." Today we rededicate ourselves to the principles which inspired the free and democratic peoples of America and Greece.●

TRUCK SAFETY

● Mr. DANFORTH. Mr. President, I ask that the third article in a week-long series by USA Today on truck safety be printed in the RECORD.

In addition, I ask that a press release issued today from the American Trucking Associations, Inc. be printed in the RECORD. As the sponsor, along with Senator HOLLINGS, of legislation that would require drug and alcohol testing of key transportation professionals, I welcome ATA's endorsement today of random testing of truck drivers.

The most effective deterrent to substance abuse by truck drivers, bus drivers, airline pilots, rail employees and other key transportation professionals is random drug testing. Random testing is the heart—the critical component—of the legislation.

The article follows:

[From USA Today, March 25, 1987]

RACE AGAINST TIME, FATIGUE COMPETITION

(By Joe Bridgman)

ALONG INTERSTATE 10—"If you've got a tight schedule, you just can't stop," says Greg Kriewaldt of Round Lake, ILL, as he slips his 1977 Kenworth 18-wheeler into a lower gear to get it up and over the long, legendary grades of Arizona.

"You're always behind schedule. That's what competition is all about. That's the American Way."

A desperate race for profits is forcing truck drivers like Kriewaldt to roll too far, too fast and with too little rest. If he wasn't willing to spend 15 hours a day behind the wheel (federal law requires eight hours of rest after each ten hours of driving and a maximum of 70 hours in eight days), shippers wouldn't hire Kriewaldt, 29, to carry their freight.

For Kriewaldt and the USA's other 2 million truck drivers, the job of long-distance hauling is a difficult mix of boredom and pressure. He calls it "hurry up and wait"—days of waiting for loads, hours loading and unloading, and then a rush to the finish—trying to get the goods delivered.

For some, the pressure is too much.

Preliminary data from the first known study of drug use among truck drivers found 26 percent had some traces of drugs in their body. The Insurance Institute for Highway Safety reported that 14 percent showed traces of marijuana; 11 percent, the stimulant used in such diet pills as Dexatrim and Dietrim; 1 percent, amphetamines.

"It's no longer the kind of professional skill that we knew many years ago. It's a mess, and more and more truck drivers are concerned about it," said Sam Yaksich, executive director of the American Automobile Association Foundation for Traffic Safety.

Government licensing procedures across the USA do little to screen out drivers who could become highway hazards. In 19 states, a standard driver's license is authority enough to drive an 80,000-pound semi. No state requires would-be truck drivers to complete a course of instruction.

And about 12 percent of USA truckers drive with suspended, revoked or multiple driver's licenses—the last a trick to hide violations, according to a study by Nevada officials.

That's supposed to stop under a new federal law passed late last year requiring uniform testing and licensing of all truck drivers.

"I'm sure there are companies that are hiring drivers they should not hire," said Ed

Kynaston, a former California Highway Patrol chief and now president of the Professional Truck Driver Institute of America.

Serious medical problems—diabetes, epilepsy, vision problems—are "surfacing in more and more major accidents we're investigating," said Claude Harris, chief of the National Transportation Safety Board's highway accident division.

Economic deregulation by the federal government in 1980 flooded the interstate trucking business with new entries. Between 1978 and 1985, the number of firms rose from 17,000 to 33,000; 90 percent have fewer than five trucks and many of those are on shaky financial footing.

Diary of a Trucker

ALWAYS BEHIND: Trucker Greg Kriewaldt often drives 15 hours a day to keep up: 'That's the American Way.'

KRIEWALDT'S ROUTE

Friday

7 a.m.: Arrives produce dock in Holtville, Calif.

9 p.m.: Finishes loading; discovers truck is overweight; unloads.

Saturday

12:05 a.m.: Completes reloading; heads east.

Midnight: Roswell, N.M.; sleeps in cab.

Sunday

6 a.m.: Heads northeast.

9 p.m.: Arrives Springfield, Mo.; parks easts, goes to sleep at 10:30

Monday

7 a.m.: Wakes up.

9 a.m.: Leaves after sun melts ice on roads.

10 p.m.: Arrives at South Water Market docks in Chicago, gets in line to unload, sleeps in cab.

Tuesday

8 a.m.: First in line to unload when docks open.

Tougher To Curl Hair Than Drive a Truck?

Laws are tough on hairdressers. For health reasons, you must pass a 1,000-to 2,000-hour course and take a written and skill test to get a license to style and color hair in any of the 50 states. By comparison, getting behind the wheel of an 80,000-pound truck can be a breeze.

"If you can drive a Volkswagen, you can get a license to drive an 18-wheeler in Alabama," Gov. Guy Hunt said.

Until last year, there was no federal law requiring special licenses. The new law will change that, requiring states to make people applying for a truck license take a written test and show they can drive a truck. However, it's a slow process. Officials estimate it will be 1992 before all truckers are taking the new tests.

Here are the current road-and written-test requirements for those who already have a regular driver's license. Some states are listed in two categories:

No additional requirements: Alabama, Alaska, Arkansas, District of Columbia, Kentucky, South Dakota, Vermont, West Virginia.

Must take written test that is used for all commercial drivers (taxi, bus, etc.): Arizona, Florida, Idaho, Indiana, Iowa, Louisiana, Mississippi, Missouri, Montana, Ohio, Oklahoma, Tennessee, Wisconsin.

Must take special written test with questions about trucks: California, Colorado, Delaware, Georgia, Illinois, Kansas, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Oregon, Pennsylvania, South Carolina, Texas, Utah, Washington, Wyoming.

Must take road test: Connecticut, Hawaii, Iowa, Kansas, Maine, Maryland, Massachusetts, Minnesota, Nebraska, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Pennsylvania, Rhode Island, South Carolina, Texas, Utah.

Must take road test unless you or your employer certify your driving ability, or show you have had truck training: California, Colorado, Delaware, Illinois, Michigan, Nevada, New Mexico, Oregon, Virginia, Washington.

Life Behind the Wheel

(By Joe Bridgman)

Breaker, breaker: The CB radio is a way to fight boredom. Kriewaldt brags about the 52 speeds on his truck's transmission, designed so he doesn't have to slow on hills.

Truck driver Greg Kriewaldt says there's no other job he would want.

"What I like about trucking is that you see different people every day and they all have slightly different attitudes. The guy on the dock will have a down-on-the-world attitude, and at another dock they'll be real friendly. Trucking doesn't have the normal frictions of the work place," he said.

Kriewaldt, 29 and single, has been driving for nine years, and lives with two roommates in a house he owns in Round Lake, Ill. He learned to drive a truck as a youngster helping out at his grandfather's farm.

When he's home he's often tinkering with his truck to keep it in good shape. "Some truckers, even when they're home, they go sit in the truck-stop. That's their thing. But when I'm home, I got too many things to do," he said.

Kriewaldt is a trucker because he loves mechanical things. He owns his truck, which he built from a $7,000 junker cab and $2,000 in additional parts. He took the engine out of his truck which he wrecked halfway between Cheyenne and Laramie, Wyo. (No one was hurt).

"The big thing about being successful in this business is being reliable. All we are is a service-oriented business. If you don't provide the service somebody else will."

Kriewaldt spurns the use of drugs and has little good to say about drivers who use them. "It's just a continual flow of drug addicts. The guys on drugs can only last so long. They usually burn out or end up wrecking."

Kriewaldt welcomes toughening licensing requirements and defends the truck driving community. "Most of them are out there just trying to make a living. It's the silent majority."

Voices From the Open Road

What truckers have to say about living a life from stop to stop and load to load:

Lonely at times: 'At times, it does get lonely out there, but I really enjoy it. You have to really watch yourself at these produce docks. A lot of them notice when a single woman gets out of a truck. I have a big dog with me, when I go in, and it helps. If you act like a lady, they basically treat you good.'—Gayl Russell, 24, Wise River, Mont.

Good work: 'It's a day's work, just like working on the farm. That's the way I take it. The main thing is meeting people, seeing that the world is a place worth living in, that people don't care just because you've got a dark skin on your body. The toughest thing about trucking is being away from home. When you call home, you don't know what you're going to find. I also think about what it's going to be like when I'm older. Am I gonna be able to continue trucking? I'm gonna be trucking as long as I live.'—Leon Bell, 49, of Gainesville, Fla.

Rolling along: 'To run strictly legal, the owner-operator would be out of business. The only time truckers make money is when they are rolling. An independent can't make it and run legal. You run like hell and hope you don't get caught.'—Rick Christenson, 34, Sioux Falls S.D.

ATA President Pledges "Whatever It Takes" to Get Substance Abusers Out of Trucking Industry

WASHINGTON (March 25).—The trucking industry will do "whatever it takes" to get truck drivers who abuse drugs and alcohol off the road, Thomas J. Donohue, president and CEO of the American Trucking Association (ATA), said today.

Donohue said that the trucking industry would support random drug testing of the nation's truck drivers to "rid the industry" of this problem.

"While it is not known whether the problem extends to 1 percent, 10 percent, or 20 percent of the truck drivers on the road, however widespread it is we are going to address it, detect it, and terminate it," Donohue said.

Legislation introduced in Congress would require motor carriers to screen truck drivers for drug and alcohol abuse upon application for employment and to conduct random and post-accident tests for operators of commercial vehicles. Current federal rules disqualify truck drivers who use drugs, even if they are not shown to be under the influence of drugs while driving.

Donohue pledges industry support for such legislation, provided that it is "universal, fair, equitable, and constitutionally proper."

He emphasized that the trucking industry is already on record in support of drug testing as part of biennial physical examinations and pre-employment physicals, and roadside checks of drivers for drug abuse provided there is reasonable suspicion of use.

ATA and the trucking industry also supported a tough new law that disqualifies truck drivers for one year for driving under the influence of drugs or alcohol and permanently for a repeat offense.

A program for random testing of truck drivers would be expensive, Donohue said. But, he added, "We in this industry are prepared to continue to pay our share, and more" to eliminate the problem. He also urged programs to provide rehabilitation and counseling for drivers who need help.

THE URGENT RELIEF FOR THE HOMELESS ACT

● Mr. CHAFEE. Mr. President, this week I joined Senators DOLE and BYRD in introducing S. 809, the Urgent Relief for the Homeless Act. This is a bipartisan measure that addresses the compelling needs of the those who lack the basics of human existence in our country. This is a responsible and realistic approach to the immediate problems faced by the masses of men, women, and children who must live on our streets every day—and sleep on benches every night.

There are anywhere from 250,000 to 2 million homeless individuals in the United States. They are of disparate backgrounds, they are of all ages and colors. They have one thing in common. They are united by a basic human need for food, shelter, and clothing. The American dream remains unfulfilled so long as we continue to look the other way as we pass hungry children and broken men on our way to work.

Two basic facts must be remembered in discussing the homeless problem. First, there is no pat answer, no easy solution to this crisis. The causes of homelessness are as varied as the faces that we see on the grates. Second, it is not a problem that will go away on its own. The Department of Housing and Urban Development reports the number of homeless people increased 10 percent annually between 1980 and 1983. The National Bureau of Economic Research reports a 23- to 30-percent increase between 1983 and 1985. Not only is the suffering growing, it is growing faster by the year.

This is an emergency measure. It does not purport, and cannot be expected to solve the spreading problem of homelessness. What it can be expected to do, however, is to ease the discomfort of those who are homeless and save lives when the winter cold sets in and there is no room at the inn.

The bill has four major components. First, the bill addresses the immediate demand for food and shelter among the homeless by expanding the Emergency Shelter and Rehabilitation Program, the Transitional Housing Grants Programs, Housing Certificate Programs under the Housing and Urban Development Department, FEMA Emergency Food and Shelter Grants Program, and the Surplus USDA Commodities Program. In doing this, the measure seeks to implement improvements in existing facilities and build new ones. It also requires that any State receiving additional funding through these programs submit a comprehensive homeless assistance plan.

Second, the bill provides immediate aid in such crucial services as health care, nutrition, and education.

Third, the bill takes that crucial and necessary first step into assisting the homeless out of their predicament by providing meaningful mental health services for those in need. Others would participate in job training demonstration projects designed to provide the skills that lead to income and security and a future in which homelessness is but a bitter memory.

Lastly, the measure creates an independent interagency council on the homeless comprised of representatives from agencies whose programs provide services to the homeless. The council would review current programs; monitor, evaluate, and recommend improvements in programs; and, provide technical assistance to the State and local levels for programs serving the homeless. Most importantly, the council would prepare an annual report to the President and the Congress which we hope will give us not only a clearer picture of the problem and its causes, but also some insight as to our next step in resolving what can only be deemed, an American tragedy.

Mr. President, Rhode Island alone has approximately 500 homeless persons; a disproportionate number of these are children. They don't have a chance without our help. Homelessness has no place in this country.●

WILLIAM PENN APPRECIATION DAY

● Mr. D'AMATO. Mr. President, today I join my distinguished colleague Senator HEINZ to honor a great man in the history of our Nation, William Penn. Some may know William Penn as the founder of the great Commonwealth of Pennsylvania. However, that is only one of his achievements. To honor all that he was and stood for, Senator HEINZ has introduced Senate Joint Resolution 77 setting aside the anniversary of Penn's birth, October 14, 1987, as "William Penn Appreciation Day."

As history records, William Penn was a rebel who fought, and was imprisoned, for his unbending belief in religious tolerance and individual freedom, a peacemaker who devoted much of his life to settling local and international disputes, a champion of judicial and prison reform, and an American pioneer whose ideals were later embraced in our Constitution.

Mr. President, it is wholly appropriate that Congress formally recognize William Penn during the year in which we celebrate the bicentennial of the U.S. Constitution. As the founder of a State based upon fundamental individual freedoms and truly representative government, William Penn's was an example followed not only by other States but by the Nation as well.

I urge my colleagues to give their full support to this resolution.

Thank you, Mr. President.●

AFGHANISTAN: LETTERS FROM THE STATE OF INDIANA

● Mr. HUMPHREY. Mr. President, last December, the brutal Soviet occupation of Afghanistan entered its eighth year. The horrible condition of human rights in Afghanistan was recently described in a U.N. report as: "A situation approaching genocide."

As chairman of the Congressional Task Force on Afghanistan, I have received thousands of letters from Americans across the Nation who are outraged at the senseless atrocities being committed today in Afghanistan. Many of these letters are from Americans who are shocked at this Nation's relative silence about the genocide taking place in Afghanistan.

In the weeks and months ahead, I plan to share some of these letters with my colleagues. I will insert into the RECORD two letters each day from various States in the Nation. Today, I submit two letters from the State of Indiana and ask that they be printed in the RECORD.

The letters follow:

DEAR SIR: The article "Agony in Afghanistan" in the March issue of Reader's Digest prompted this letter. I am appalled at what is occuring in Afghanistan.

I am afraid I do not understand how we as a nation can sit back and do nothing to help these people. This violence and bloodshed has got to stop. I am alarmed that we allow it to go on. Isn't there anything we can do? Are we totally helpless.

Surely we have a responsibility to speak out against the Soviets and their "reign" of terror. I am not knowledgeable enough to know how we can speak out. Have we as a nation said anything at the United Nations about these atrocities. Have we publicly protested against the Soviet Union for their policies in Afghanistan?

My fear is that if we continue to close our eyes to what is happening in Afghanistan, the Soviet Union will simply move into yet another country and another until there won't be anyone to defend or help us in a similar situation. As a mother of two small children, that prospect is indeed a horrible one.

Anything you can do to speak out against this violence will be greatly appreciated. Thank you so much for your time.

Sincerely,

NEVA D. MCFARLAND,
Terre Haute, IN.

DEAR SENATOR HUMPHREY, we have just read the "Agony in Afghanistan" article in the Readers Digest. We are appalled at the violence communism exerts there and throughout the world. We are almost equally appalled that our country cannot seem to aid those people that are fighting for their own freedom and indeed their very lives. We strongly support aid to those people who are fighting for democracy and ideals like ours. Please be assured that we are writing to our own representatives and the President to express this view. We pray that this country will recognize the evils that communism brings and will rise up to resist it.

Sincerely,

MIKE AND BONNIE STORER,
Crawfordsville, IN.●

GREEK INDEPENDENCE DAY

● Mr. RIEGLE. Mr. President, today marks the 166th anniversary of the beginning of the struggle of the Greek people for independence from Ottoman rule. To commemorate this important date, Congress last year, passed a resolution, which I was proud to cosponsor, declaring March 25 "Greek Independence Day: A National Day of Celebration of Greek and American Democracy".

So, today, we take a moment to reflect on the centuries-old friendship that has blessed the American and Greek people, and to celebrate the common democratic heritage which we share.

The ancient Greeks forged the very notion of democracy, in which the ultimate power to govern was vested in the people. Because the concept of democracy comes to us from the ancient Greeks, all Americans, are connected to that ancient heritage. Indeed, our own Founding Fathers drew heavily upon the political and philosophical experience of ancient Greece in forming our representative democracy.

The Greek democratic example established an important precedent for us. Thomas Jefferson stated ". . . to the ancient Greeks we are all indebted for the light which led ourselves (American colonists) out of Gothic darkness." In the Federalist papers, James Madison and Alexander Hamilton wrote that "the Grecian republics bore a very instructive analogy to the present confederation of the American States."

Constitutional democracy has made the American way of life possible. It established the precious freedoms of speech, religion, and assembly which Americans cherish and which are so fundamental to American democracy. In the preface to his poem "Hellas," Shelley wrote: "We are all Greeks! Our laws, our literature, our religion, our art, have their roots in Greece."

The Greek people's devotion to their freedom and their commitment to democracy has long inspired citizens of other lands to establish for themselves a system of government which is dedicated to preserving individual rights and freedoms. At the same time, the Greeks taught us that free men must be vigilant in guarding their liberty and protecting democracy for future generations.

Americans have not only learned from the Greeks. We, too, have shared our knowledge and experience with them. The American revolution provided one of the ideals of the Greek struggle for independence, and Greek intellectuals translated the American Declaration of Independence and used it as their own.

The strong ties that bind the American people to the Greek people means that we are one with them in their joys and in their sorrows. We are with the victims of the Kalamata earthquake and their loved ones, to whom we offer aid. We are with the members of the Greek community in Cyprus, who continue to suffer under the Turkish occupation forces there, and we are working to bring about a just and peaceful resolution of that tragedy. We are with the 400,000 Greeks in northern Epirus, who are persecuted in that Albanian Gulag. And we are deeply concerned about the survival of the ecumenical patriarchate in Constantinople, which Turkish authorities threaten with extinction. The Greek people must know that their American friends stand ready to help them, and that they can count on our support.

The common heritage which we share has forged a closed bond between Greece and the United States, and between our peoples. It is reflected in the numerous contributions made by present day Greek-Americans to our own culture. Our democratic form of Government is only the most obvious of the many benefits we have gained from the Greek people. The ancient Greeks contributed a great deal to the modern world, including art and philosophy, science and law. Today, Greek-Americans continue to enrich our culture and to make valuable contributions to American society, business, and government.

The United States and Greece have long enjoyed amicable relations, partly because of American respect for the Greek devotion to freedom. As nations and peoples, Americans and Greeks were steadfast allies in World War I. In the bleak early days of World War II the Greek defeat of Mussolini's army gave the besieged free world its first victory over the Axis powers, forcing Hitler to dispatch his own armies to occupy Greece. Nowhere was the Nazi occupation more brutal than in Greece, and nowhere was the resistance more determined or heroic than in Greece. In the postwar period, the commitment of President Harry Truman and the American people helped the people of Greece to turn back a Communist insurgency and to rebuild their country, ravaged by years of armed conflict.

During that period, President Harry S. Truman noted: "The valor of Greece . . . convinces me that the Greek people are equal to the task." President Dwight D. Eisenhower said in 1953, after Greece had defeated the Communists: ". . . Greece asked no favor except the opportunity to stand for those rights in which it believed, and it gave to the world an example of battle . . . a battle that thrilled the hearts of all free men and free women everywhere."

Today Greece is a stable democracy, a member of the NATO alliance and of the European Community. Throughout their long history, often in the face of great adversity, the Greeks have maintained their abiding commitment to freedom and democracy. The Greek people know, from their own experience, that freedom is not divisible, and, like lovers of freedom everywhere, they seek the restoration of peace, justice, and national integrity.

Mr. President, it is fitting today to mark Greek Independence Day, because the Greek War of Independence has significance for all of us. It is not only an inspiring chapter in the long history of Greece's steadfast devotion to the democratic principles which we also cherish; it is a milestone in the struggle for freedom in the modern world.●

ORDER OF PROCEDURE

(Ms. MIKULSKI assumed the Chair.)

Mr. BYRD. Madam President, I have cleared these requests with the distinguished Republican leader and, while Mr. GARN is here acting as the leader on the other side of the aisle, I shall propound the requests.

TECHNICAL CORRECTIONS TO THE FEDERAL EMPLOYEES' RETIREMENT SYSTEM

Mr. BYRD. Madam President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 35.

The PRESIDING OFFICER. The bill will be reported by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1505) making technical corrections relating to the Federal Employees' Retirement System.

There being no objection, the Senate proceeded to consider the bill.

Mr. STEVENS. Madam President, I support passage of H.R. 1505, making technical amendments to the Federal Employees' Retirement System Act (Public Law 99-335) which we passed last year.

The first amendment corrects a provision in the original law dealing with the benefits of survivors of certain employees who transfer from the Civil Service Retirement System [CSRS] to the new Federal Employees' Retirement System [FERS] beginning in July of this year.

The employees who would be adversely affected by the current provision are those who have at least 5, but less than 10, years of service under CSRS and die within 18 months of transferring to FERS. This amendment rectifies this situation by providing that prior creditable service under CSRS will be creditable for the purposes of satisfying the 18-month service requirement for survivor's benefits under FERS.

The second amendment corrects a provision dealing with participating in the thrift savings plan by employees who were automatically covered under FERS on January 1, 1987, but who did not have CSRS contributions withheld from their pay during 1984, 1985, and 1986. This amendment ensures that all such employees will be able to begin thrift savings plan participation on April 1, 1987, rather than having to wait until January 1, 1988, as provided in current law.

Finally, Madam President, I want to put the Senate on notice concerning a problem with the provision of personal liability insurance for the members of the Thrift Investment Board, the Board's Executive Director, and other Federal employee fiduciaries of the thrift savings fund under FERS.

The fiduciaries of the thrift savings fund must act with the care, skill, prudence, and diligence that a prudent person acting in a like capacity would use in the conduct of a similar enterprise. A fiduciary of the fund is personally liable for any losses resulting from any breach of his or her obligations.

The current law provides authority for buying private insurance to cover the potential liability of the fund fiduciaries. According to the Board, however, it appears unlikely that any available insurance policy will be adequate to meet the immediate needs of the thrift savings fund, and that even if adequate insurance were available, it would be less costly to the Government to self-insure the risks involved.

Consequently, at the earliest possible moment I intend to offer an amendment or introduce legislation allowing the Government to self-insure for the risks involved in managing the thrift savings fund established under FERS.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment.

If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 1505) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. GARN. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE EXECUTIVE CALENDAR

Mr. BYRD. Madam President, I would like to inquire of the able acting Republican leader, Mr. GARN, if the following nominations have been cleared on his side of the aisle: Those appearing under "New Reports" on page 2 of the Executive Calendar and those appearing under the title "Nominations Placed on the Secretary's Desk in the Coast Guard."

Mr. GARN. I would inform the distinguished majority leader that those items have been cleared for passage.

Mr. BYRD. Madam President, I thank the Senator.

EXECUTIVE SESSION

Mr. BYRD. Madam President, I ask unanimous consent that the Senate go into executive session to consider the nominations on page 2, under "New Reports" and on page 3, "Nominations Placed on the Secretary's Desk in the Coast Guard."

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Madam President, I ask unanimous consent they be considered and confirmed en bloc and that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

NEW REPORTS

Stephen R. Lyne, of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ghana.

Alfred Hugh Kingon, of New York, to be the Representative of the United States of America to the European Communities, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Daryl Arnold, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Singapore.

James Keough Bishop, of New York, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Liberia.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE COAST GUARD

Coast Guard nominations beginning Winston S. Jones, and ending Michael A. Zustra, which nominations were received by the Senate on March 9, 1987, and appeared in the CONGRESSIONAL RECORD of March 10, 1987.

Mr. BYRD. Madam President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BYRD. Madam President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD. Madam President, the Senate will convene at 9:30 tomorrow morning. After the two leaders, or their designees, have been recognized under the standing order, the Senate will proceed to the consideration of Calendar Order No. 66, Senate Concurrent Resolution 27, a concurrent resolution stating the sense of the Senate that the United States Department of Commerce and Special Trade Representative should initiate investigations of Canadian agricultural subsidies. There is an agreement that has been entered which specifies that the time for debate on this concurrent resolution will be limited to 20 minutes. No amendment will be in order, other than the committee amendment.

Upon the expiration of the time, or its having been yielded back, the Senate then will set aside Calendar Order No. 66 and proceed to the consideration of Calendar Order No. 65, Senate Concurrent Resolution 21, a concurrent resolution expressing the sense of Congress in opposition to the proposal by the European Community for the establishment of a tax on vegetable and marine fats and oils and urging the President to take strong and immediate countermeasures should such a tax be implemented to the detriment of U.S. exports of oilseeds and products and inconsistently with the European Community's obligations under the General Agreement on Tariffs and Trade.

Under a time agreement, the debate on this measure is limited to 20 minutes, no amendments are in order and, upon the expiration of the time or its having been yielded back, the Senate will then proceed to vote by rollcall on Calendar Order No. 65 and, immediately upon the disposition of that measure, the Senate will proceed by rollcall, back to back, on Calendar Order No. 66. The second vote is to be a 10-minute rollcall vote, with the warning bell to be sounded after the first 2½ minutes have expired.

Madam President, the first vote will occur at 10:30 a.m. under the order and the second vote, as I have stated, will be back to back and will occur immediately thereafter; following which, the Senate will resume consideration of Calendar Order No. 59, S. 790, a bill to regulate nonbank banks, and for other purposes.

I expect rollcall votes to occur during the day tomorrow. And if action is not completed on the banking bill tomorrow, the Senate will resume consideration of the bill on Friday and rollcall votes will occur. The Senate will stay on the bill and complete it.

I urge Senators to be prepared to be in session on Friday. If we have not completed the banking bill, we will be in session on Friday to dispose of it. If the Senate has completed action on the banking bill and if there is other business that can be transacted on Friday, then the Senate will be in to transact that business.

RECESS UNTIL 9:30 A.M. TOMORROW

Mr. BYRD. Madam President, if there be no further business, and if the distinguished acting Republican leader on the other side of the aisle has no further business, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9:30 tomorrow morning.

The motion was agreed to; and, at 6:24 p.m., the Senate recessed until tomorrow, Thursday, March 26, 1987, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 25, 1987:

CORPORATION FOR PUBLIC BROADCASTING

William Lee Hanley, Jr., of Connecticut, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1992, reappointment.

PUBLIC HEALTH SERVICE

The following candidates for personnel action in the regular corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

For appointment:

To be assistant surgeon

Diane S. Ackerman
Kenneth J. Fattman, Jr.
Earl H. Lynch

CONFIRMATIONS

Executive nominations confirmed by the Senate March 25, 1987:

DEPARTMENT OF STATE

Stephen R. Lyne, of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Ghana.

Alfred Hugh Kingon, of New York, to be the representative of the United States of America to the European Communities, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Daryl Arnold, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Public of Singapore.

James Keough Bishop, of New York, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Liberia.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE COAST GUARD

Coast Guard nominations beginning Winston S. Jones, and ending Michael A. Zustra, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 10, 1987.

WITHDRAWAL

Executive message, transmitted by the President on March 25, 1987, withdrawing the following nomination from further consideration by the Senate:

NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT

Wallie Cooper Simpson, of New York, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1988, reappointment, which was sent to the Senate on January 26, 1987.

EXTENSIONS OF REMARKS

RURAL AREA REVITALIZATION ACT

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. JONES of Tennessee. Mr. Speaker, today I am introducing the Rural Area Revitalization Act which initiates a thorough review by the Subcommittee on Conservation, Credit, and Rural Development of how the Federal Government can best spur the growth of strong, diversified economies in rural communities.

Senator PATRICK LEAHY, chairman of the Senate Committee on Agriculture, Nutrition, and Forestry has made rural development a top priority of his committee, and I am proud that he is introducing an identical bill in the Senate today.

The task of developing ways for the Federal Government to effectively assist rural business development, create jobs for rural residents and build an infrastructure for economic growth is not an easy one. This bill represents at best a small piece of the puzzle. However, I hope it will help focus the attention of my colleagues, executive branch officials, business people, and nonprofit groups on the job ahead. My colleague and the ranking minority member on the subcommittee, THOMAS COLEMAN, also has a strong commitment to developing a comprehensive rural development bill. I look forward to working with him as we begin hearings later this year.

I enclose the following fact sheet:

FACT SHEET: RURAL AREA REVITALIZATION ACT

Major sectors of the American economy are in the midst of change. They face the need to adapt to new competitive pressures and raise their standards of productivity.

These changes are having a major impact on the nation's rural communities. Shifts in the agricultural sector have resulted in serious dislocation, both for farmers and for the communities where they live. In other parts of the United States, trends affecting employers in such fields as lumbering, mining and manufacturing are also creating new challenges for small towns and rural areas.

Policy research sponsored by the Congress and by USDA has suggested several directions for new rural development initiatives. These include the importance of stimulating additional sources of off-farm income in farm-dependent communities, of economic diversification in the production of services as well as manufactured goods and of fostering entrepreneurship among rural people.

The Rural Area Revitalization Act would provide a new federal stimulus for such approaches at the local level in economically stressed rural communities.

The Act makes use of a relatively new financial assistance tool in the federal catalog, the Rural Development Loan Fund, or RDLF. This fund, authorized under the credit Title of the 1985 farm bill, makes loan capital and technical assistance available to rural businesspeople through nonprofit agencies dedicated to rural development. In using such private sector groups, the Act avoids expanding the federal staff required to deliver local services and provides room for innovation unencumbered by federal red tape.

The Rural Area Revitalization Act builds on the promise of the RDLF in several ways:

1. It authorizes the expansion of the capital available for relending through public and private nonprofit corporations, including cooperatives, by $20 million per year. The terms and conditions currently applicable to the RDLF would apply to these funds as well.

2. It authorizes a complementary grant program of $25 million per year for business capital and public improvements which would support the present RDLF lending activity.

3. It authorizes a new grant program to support the work of local private nonprofit and public development agencies in searching out new business opportunities and helping existing and prospective entrepreneurs to take advantage of them. This program is authorized on a pilot basis for the next five years, at a level not to exceed $25 million per year.

In addition, the Rural Area Revitalization Act would provide a new source of innovation in a longstanding, successful federal effort to provide essential services—safe, affordable drinking water supplies—to rural communities. The Act authorizes a $10 million a year program to explore new ways to meet the needs of geographically isolated and low income rural residents whose needs are not readily met by the construction of central public water supply system facilities.

The economic development provisions of the Act are contained in Sections 2 and 3.

Specifically, Section 2 provides for an expansion in the capital available to the Rural Development Loan Fund by $20 million per year for the next five years. RDLF loans are currently administered by about 30 nonprofit and public organizations across the nation. The RDLF program permits local organizations to relend federal funds for the purpose of stimulating growth and development in distressed rural communities. This program cuts federal costs by requiring local private organizations to perform the function of administering this program.

Section 3 of the Act creates a complementary grant program of $25 million per year which would provide grants for rural economic and community development projects in economically distressed rural communities. Funds will be administered on a national basis and eligible grantees include local organizations whose principal mission is to promote economic development in poor, rural areas. Eligible grantees include universities, rural electric cooperatives and other public and private non-profit institutions with a track record of promoting rural economic development.

Federal support for economic development in the form of business lending or guarantee programs and funds for the construction of public facilities are both tested approaches in helping local areas to grow and prosper. However, this growth does not reach the communities that need it the most unless there are local leaders and organizations actively looking for ways that growth can happen.

Supporting this leadership and financing the search for new business opportunities is the mission of the third piece of the Rural Area Revitalization Act. This is the five-year, $25 million pilot program for business development.

This program is to be administered by a special office for innovation in rural development within the Farmers Home Administration of USDA, provided in section 5 of the Act. The office would solicit proposals from private nonprofit and public development groups around the country.

These proposals could involve local programs to:

1. Analyze and identify opportunities for new businesses and the expansion of existing firms that would draw on local economic and human resources to produce products and services for local, regional, national or international markets.

2. Search out, train and extend management and technical assistance to local people who are already in business or are good prospects for becoming entrepreneurs.

3. Mobilize capital from within and outside the local community needed by such entrepreneurs.

FmHA funding would consist of project grants, with the Farmers Home share of total project costs not to exceed 75% unless the project was focused on a community at or near the poverty level.

The Act requires that such grants be made only for projects serving communities with populations of not more than 20,000 people. The intention is to target the program on rural communities where recent declines in farming or other sectors of the economy are the most severe, or where long term trends have seriously depressed the living standards for rural residents.

These funds are being provided to support leadership and expertise for development. They are not intended for financing businesses—the RDLF and other programs address this need—or for the construction of public facilities—FmHA and other federal agencies provide support for those needs.

Neither are the funds intended to support efforts to entice businesses located in other areas to locate new facilities in a community. The emphasis in this program is to be on strengthening local businesspeople to better utilize local resources.

Although the program is authorized as a pilot and its implementation would be new to the Farmers Home Administration, successful efforts of this type have been conducted in a number of parts of the country for a decade or more.

In Vermont, Northern Communities Investment Corporation, a community-based investment corporation has a ten-year history of providing equity and loan financing for local people creating or expanding businesses from footwear to business services. In

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Kentucky, Mountain Association for Community Economic Development, a nonprofit development group has searched out market opportunities and assisted local people in wood products firms to diversify communities heavily dependent on the booms and busts of the mining industry. In small villages in rural Alaska, Community Enterprise Development Corporation another community development corporation has fostered employee ownership of strong and growing retail stores.

These groups and others like them operate in very diverse economic environments. What they have in common is a commitment to making development happen, through hands-on assistance to local people, in rural communities where economic growth would otherwise seem unlikely. Action, not planning, is their operating strategy. They offer a lesson in how to make a little outside financial support go a long way.

Section 4 of the Act addresses a different form of development need. This is the need for essential drinking water services, still unmet in the case of many thousands of rural citizens.

FmHA-funded research in the early 1980's found that less than 40% of unincorporated rural communities had a public water supply system. Even in the incorporated communities up to 10,000 population, 30% to 40% of households lacked these services. Not surprisingly, EPA-funded research has found that biological contamination of drinking water supplies is greatest in households served by the smallest systems or by individual water supplies.

The present FmHA water and waste disposal grant and loan programs have done an excellent job in helping many rural communities, particularly those served by municipal systems, to build, renovate and expand their water systems. However, these programs don't necessarily reach the most isolated or neediest rural residents. Other solutions are necessary.

The Act authorizes program grants to local public or private nonprofit agencies, including cooperatives such as mutual water companies, to implement innovative solutions to these problems. Funds could be used for the design of alternative approaches to small public water system facilities, for the construction or rehabilitation of cluster systems to serve small numbers of geographically isolated families, for management support for existing systems that are having a hard time because of their size or for approaches as simple as enabling very low income residents to connect onto existing public water lines which may be geographically close, but economically out of reach.

The program has two major purposes. One is innovation and the search for cost-effective approaches that extend beyond the current financing of central system facilities. A second is to meet the basic human needs of rural people still at risk because they can't afford water fit to drink.

The last section of the Act, Section 5, provides for one other form of innovation in the nation's rural development efforts: innovation within the structure of the Farmers Home Administration itself. The Act mandates the creation of an office whose primary purpose is to encourage different approaches to economic and community development problems in rural areas.

The office need not be large in staff size. It should be large only in the imagination it brings to making rural communities competitive partners in the American economic system and productive contributors to American society.

Mr. Speaker, in closing I want to welcome criticism, suggestions, and advice on how we can best serve our rural constituents. I look forward to working with and learning from each of you.

RESIDENTIAL LOT INTEREST EXPENSE CONFORMING ACT OF 1987

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. DUNCAN. Mr. Speaker, I am today introducing H.R. 1779, the Residential Lot Interest Conforming Act of 1987. The bill is intended to conform the treatment of residential lot interest expense to the current law treatment of interest expense incurred for second home purchases. This legislation would eliminate an obvious inequity with the treatment afforded interest expense incurred to purchase a residential lot. The obvious nature of this inequity can be best described by explaining the operation of current law as a consequence of the Tax Reform Act of 1986. Under section 163(h)(5) of the Internal Revenue Code of 1986, a taxpayer is entitled to a deduction for the interest expense incurred to purchase both his principal residence and a second home. However, if a taxpayer cannot afford to purchase a second home immediately but can only afford to purchase a residential lot with the expectation that a second home will be built on that lot in the future, the interest expense incurred with respect to the purchase of the residential lot is not deductible. When such taxpayer finally is able to build a second residence on the lot the interest expense incurred with respect to both the purchase of the lot and any interest expense associated with the building of the residence would be deductible, but only from that point forward. The obvious inequity of this treatment is apparent.

My bill would simply conform the treatment of residential lot interest expense to the current law treatment of second home interest expense. As a result, the taxpayer described above who is only able to purchase a residential lot would be entitled to an interest deduction just like the individual who had the financial ability to purchase the second home immediately.

My bill would permit a taxpayer to designate a residential lot as a qualified residence and to deduct the interest expense incurred with respect to the purchase of that lot. The taxpayer would be able to designate such a lot only if it satisfies three important criteria in addition to the designation requirement. First, the lot could not be used by the taxpayer in a trade or business or held by the taxpayer for investment. Second, the taxpayer must have a present intent to build a dwelling unit on the lot at the time of the purchase. Third, the lot would have to constitute a residence within the meaning of section 1034 if a dwelling unit were located on it. These restrictions insure that a taxpayer may not purchase a lot for purposes of locating office buildings or other commercial establishments thereon and still qualify for an interest deduction under this change. Likewise, a lot used for farming would not qualify within the meaning of the legislation.

I believe that my legislation would bring an important element of fairness to the Tax Code which is currently lacking. This unfairness particularly impacts on middle and lower income taxpayers who have purchased a lot with the expectation of building a residence thereon, perhaps for retirement. This particularly impacts on middle age taxpayers who are contemplating a retirement home at some point in the future. The obvious lack of fairness in the current law which allows the deductibility of interest for a second home but not for a residential lot on which a taxpayer plans to locate a second home highlights the need for this remedial legislation. I would urge all my colleagues to support my legislation.

AMBASSADOR EDWARD L. ROWNY'S ADDRESS TO THE PACIFIC AND ASIAN AFFAIRS COUNCIL

HON. PATRICIA F. SAIKI

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mrs. SAIKI. Mr. Speaker, I would like to submit Ambassador Rowny's address to the Pacific and Asian Affairs Council, given last December in Honolulu. Ambassador Rowny discusses the East Asian and Pacific aspect of arms control. This is an important issue which deserves our attention, and I highly recommend that my colleagues in the Congress take this opportunity to review Ambassador Rowny's thoughtful remarks. I respectfully request that Ambassador Rowny's address be included in the CONGRESSIONAL RECORD as follows:

"ARMS CONTROL: THE EAST ASIAN AND PACIFIC FOCUS"

(By Ambassador Edward L. Rowny)

I'm delighted to have this occasion to visit our beautiful Pacific Island state and once again to be able to participate in a program of the Pacific and Asian Affairs Council. Your organization is a model of community leadership in keeping the public informed of international affairs.

I have noted with great interest the proceedings of the conference held here under your sponsorship two months ago on "U.S. National Security Interests in Asia and the Pacific." That conference took place just following President Reagan's meetings with General Secretary Gorbachev in Iceland. I was glad to observe in the remarks of our Assistant Secretary for East Asian and Pacific Affairs, Gaston Sigur, a reference to the importance of our Asian allies and friends to U.S. efforts to establish a more peaceful and stable relationship with the Soviet Union. Mr. Sigur noted that President Reagan's position is strengthened when he meets with the Soviet General Secretary by the recognition that our friends and allies "are solidly behind him."

I am most aware of this fact since I have had the privilege of being very active in consultations with America's friends and allies in East Asia and the Pacific regarding our arms control negotiations with the Soviet Union. In October I travelled to Reykjavik as an adviser to the President; immediately afterwards I participated in consultations with our friends and allies in Asia. This Asian mission took me to Japan, the Republic of Korea, and the People's Republic of China. Accordingly, I can attest that the significance of Asia and the Pacific to American and Soviet security and arms control considerations has been growing and is continuing to grow. Let me focus on this phenomenon in some detail.

REYKJAVIK AND ASIAN SECURITY ISSUES

First, it may be useful briefly to recount the overall agenda and development of events at Reykjavik. During the days and weeks that followed the meetings in Iceland, some public confusion arose about details of the President and General Secretary's discussions. The Soviets for their part decided it would serve their propaganda purposes to sow some of that confusion.

We arrived at Reykjavik committed to the discussion of all four major elements of the U.S.-Soviet relationship: bilateral exchanges, human rights, arms control and regional conflicts. In this latter category, both Southwest Asia and Southeast Asia figured prominently in the talks. We told the Soviets that the Soviet's ongoing war against the people of Afghanistan and the military occupation of Cambodia by the Soviet client state of Vietnam remain obstacles to improving relations not only with the United States but also with our friends and allies in Asia.

On Saturday afternoon at Reykjavik, arms control issues came to the fore. Since the first Reagan-Gorbachev meeting in Geneva eleven months earlier, the two leaders had been active both with public pronouncements and in confidential diplomacy on arms control. In their 1985 summit they had agreed to accelerate negotiations toward mutual reductions of strategic nuclear arms by 50 percent and to seek an interim agreement on Longer-Range Intermediate-Range Nuclear Forces (LRINF). These latter weapons include the powerful, triple-warhead SS-20 missiles deployed in Europe and threatening our NATO allies and those in Asia threatening Japan, the Republic of Korea, the People's Republic of China and other friends and allies in the region. As the Nuclear and Space Talks in Geneva continued throughout 1986, one of the most stubborn points of Soviet intransigence concerned reductions or elimination of its Asian-based LRINF missiles. Even as they had been willing to allow significant LRINF reductions in Europe, the Soviets remained profoundly reluctant to agree to any reductions in their Asian forces.

Still we remained hopeful of breaking this impasse, and in their one-on-one discussions, the President and Mr. Gorbachev began to make progress on a number of issues. By afternoon's end they directed their arms control experts to work through the night on details. As I arrived for the experts' meeting I sensed that the session would be productive. Leading the Soviet team was the Soviet Chief of the General Staff, Marshal Akhromeyev. Only once before during my years as an arms control negotiator had I seen such a senior Soviet armed forces officer come to the bargaining table; never had I known a ranking military officer to preside over such a delegation. At Reykjavik as in the other instance when a senior military officer joined the negotiations, the progress made was significant.

Early Sunday morning, after we had completed our marathon work session, we presented to the two leaders areas of significant agreement. These included reductions of strategic nuclear offensive warheads by 50 percent in five years, that is, by 1991—to levels of 1,600 strategic nuclear delivery vehicles and 6,000 warheads. There would be significant cuts in Soviet heavy missiles. We also presented progress that we hoped would lead toward step-by-step reductions of nuclear testing.

However, during our all-night experts' session, the Soviets had remained intransigent against making any reductions in their huge arsenal of Asian-based SS-20s. Mr. Gorbachev himself offered President Reagan the long-awaited compromise on Soviet LRINF in Asia. As part of an overall LRINF reductions package which would cut these systems by more than 90 percent worldwide, Mr. Gorbachev agreed to reduce the number of Asian-based systems to 100 warheads. Both sides agreed that LRINF in Europe would be eliminated altogether.

As we know, the Reykjavik meetings ended without the formalization of these understandings in a framework for an agreement. The most prominent reason for this result was Mr. Gorbachev's unreasonable demand that we accept constraints on our Strategic Defense Initiative more restrictive than required by the Anti-Ballistic Missile Treaty. The Soviet General Secretary insisted, in effect, that we kill SDI. This, President Reagan said, "we could not and will not do." There also were other sticking points that prevented an agreement—matters which Soviet propaganda has sought to obscure as it attempts to depict SDI as the only obstacle to an accord.

One of these unresolved points concerns verification, where no specifics for effective means of guarding against cheating were agreed upon. Another area of lingering disagreement involved Shorter-Range Intermediate Range Nuclear Forces (SRINF), where we proposed to use Soviet levels as a ceiling which we would be entitled to match. The Soviets demanded a "freeze" with no U.S. right to build up to equal levels; thus they sought an outcome that would award them a monopoly in this class of weapons.

A third disputed point had to do with the second five years—from 1991 to 1996—of proposed reductions of nuclear weapons in a prospective 10-year comprehensive strategic arms agreement. In the context of a 10-year commitment not to withdraw from the ABM Treaty, the U.S. called for the elimination of all offensive ballistic missiles, the most threatening weapons. Until a more stable conventional balance is achieved, we believe it is essential to continue to rely on nuclear deterrence. Our position at Reykjavik was based on the belief that, with the elimination of all ballistic missiles, the remaining balance of air-breaking nuclear forces would provide a more stable deterrent. The Soviet position on this point was a fairly transparent attempt again to decouple the U.S. from its overseas allies, for eliminating all strategic weapons would leave those allies unshielded against Soviet superiority in conventional forces.

On returning to the United States, President Reagan won resounding public support for his decision to step back from an agreement that would have tied our hands in further development and research on SDI, even though we offered to keep our efforts fully in compliance with existing agreements. According to opinion polls, three-quarters of the American people stand behind his determination not to bargain away a future opportunity to develop and deploy a defense against nuclear missile attack. This magnitude of domestic political support is one reason why the President remains hopeful that we might yet reach agreements which were given an impetus at Reykjavik.

As noted earlier, another major factor contributing to the progress at Reykjavik was the stronger relations we have forged under the Reagan Administration with our Asian allies and friends. In economic ties, in political understanding and in mutual security we have moved forward with sureness. There can be no doubt that America's pro-growth policies and resistance to trade protectionism under President Reagan have been a boon to the economics of Japan, Korea and the emerging industrial countries of East Asia. United States-Asian consultations on economic and political questions have been closer at all levels during the 1980s than in the preceding decade. Our relationship with the People's Republic of China is beginning to show signs of maturity and durability.

SOVIET MILITARY POWER AND POLITICAL AMBITIONS IN ASIA

As far as the security of our Asian allies and friends is concerned, the modernization of our defenses and the restoration of American self-confidence over the past six years has been a major factor in the development of peace and security over the past six years. For the past decade the Soviet Union has been embarked upon an unprecedented initiative to extend and expand its influence in the Pacific Basin. Throughout this time this initiative has concentrated on increasing and projecting military power. Without slowing their military drive, recently the Soviets also have become more active diplomatically in the region.

The Soviet military buildup, both in quality and quantity, has been dramatic. The Soviet Pacific fleet, now its largest, operates from major bases on the Kamchatka Peninsula and in the Sea of Japan as well as at Cam Ranh Bay in Vietnam. The Soviet fleet of strategic nuclear-powered ballistic missile submarines is the world's largest, with 25 of these vessels—more than one-third of the Soviets' worldwide total—operating in the Pacific from bases at Vladivostok and Petropavlovsk. Seven conventionally powered ballistic missile submarines also operate out of these ports.

From Kamchatka to Cam Ranh Bay, the Soviet Pacific fleet also includes forty-four nuclear attack submarines; forty diesel-electric attack submarines; and a surface ship force composed of two aircraft carriers, sixteen cruisers, eighty-two destroyers and frigates and numerous support, logistics and amphibious units. Moreover, Cam Ranh Bay has become the largest Soviet naval forward-deployment base outside the USSR.

Soviet naval aviation poses another powerful threat in the Pacific. More than 200 Backfire, Blinder, and Badger bombers patrol the region, with the Badgers' strike range from Cam Ranh Bay reaching as far as the Philippines. Guam and western Micronesia. These forces are supplemented by an airborne anti-submarine complement of 165 fixed-wing and rotary aircraft. Soon, the new Soviet Blackjack bomber may be deployed to the area.

On the ground, the Soviets station more than 50 divisions along the Sino-Soviet border and in Mongolia. Here, too, they base some 1,700 tactical aircraft, in addition to Backfire bombers. Allied with the Soviets in Southeast Asia is Vietnam's army—the world's fourth-largest in manpower—which has received more than $5 billion in arms aid from Moscow since 1978. In Northeast Asia, too, the Soviets have been strengthening military relations. Recently they provided North Korea with some 35 to 45 MiG-23 aircraft. In return, Pyongyang has allowed the first visit by major Soviet naval combatants to one of its ports; North Korea also apparently has agreed to give the Soviets military overflight permission.

As I mentioned earlier, the Soviets continue to threaten Japan, the Republic of Korea and the People's Republic of China with deployments of SS-20s, which are highly accurate mobile missile systems. It should by now be clear that even if we should succeed in negotiating the removal of this class of dangerous weapons, the Soviet Union will still have a formidable and preponderant nuclear and conventional military presence in East Asia and the Pacific.

Since Mikhail Gorbachev came to power in 1985, the Soviets have intensified diplomatic approaches aimed at extending their Asian-Pacific interests. During Rajiv Gandhi's visit to Moscow in May 1985, Gorbachev brought forward a purposefully vague initiative for an "All-Asian Security Forum." This body, with its structure modeled on the European Conference on Security and Cooperation that produced the 1985 Helsinki accords, would focus on "peace and disarmament" issues. Unlike an earlier pan-Asian suggestion by Leonid Brezhnev, Mr. Gorbachev's proposal appears to be directed less against China than against the U.S. security presence in Asia.

On July 28 of this year, Mr. Gorbachev sought to advance his "peace offensive" through a major speech on Pacific affairs, delivered in Vladivostok. My Asian affairs colleagues, including Assistant Secretary Sigur, believe we are seeing only the beginning of a protracted Soviet campaign of subtle diplomatic tactics in the region. While we do not underestimate Soviet skill in such campaigns, we are confident our own solid record in recent Asian relations will be judged more favorably in the region than the Soviet General Secretary's sweeping suggestions of "confidence building measures" which are backed by no concrete action.

NO "SECOND-CLASS" TREATMENT FOR U.S. FRIENDS AND ALLIES

From my recent experience in arms control policy and diplomacy, I am convinced the Soviets are struggling to play a diplomatic catch-up game in East Asia. I believe they are stung by the realization that the United States and its Asian friends and allies have established strong new bonds of trust during the 1980s. It is impossible for them to hide the contrast between the stagnant economies of the Soviet bloc states as compared with the thriving market economies along the Pacific Rim.

Three times between January of this year and the October meetings in Reykjavik, President Reagan sent me to Asia for consultations. Since Reykjavik I have been sent on two followup missions to the region. Early on, the President asked me to convey to Asian leaders that we would not bend to Soviet efforts to divide us from our Asian friends and allies by Soviet insistence on no LRINF cuts in SS-20s in Asia while agreeing to such cuts in Europe. We have held to this course, and our position today, after another year of complex negotiations, is one of which we can be proud. On President Reagan's instructions, our INF negotiating groups in Geneva consistently have adhered to the point that the Soviet Asian-based SS-20s must be a part of any U.S.-Soviet agreement on LRINF systems. It now would appear that U.S. persistence on this point is paying dividends: The Soviets at last have acknowledged that reductions of their Asian-based SS-20s as well as their SS-20s in Europe must be included in any global LRINF agreement. This is the sort of diplomatic progress that comes from solidarity with our friends and allies in both regions.

Our future dealings toward arms control with the Soviets now must follow the formula that has begun to produce success. Success will require confidence in our strengths and clarity about our adversaries' threats. It will require mindfulness that worthwhile agreements with the Soviets are arrived at only through great patience. Finally, it will demand care to assure that the interests of our allies and friends in one region of the world are protected no less than those elsewhere.

REACHING OUT TO HELP YOUR NEIGHBOR

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. DORNAN of California. Mr. Speaker, nothing typifies the American spirit so much as reaching out to help you neighbor in times of need. It has been this unselfishness, this willingness to band together when times are tough that has kept this country free and has made it a beacon for the rest of the world.

There are two very special women who live in my district that are splendid examples of this American spirit in action. Julia Taylor and Jennie Castillon, both of Garden Grove, have dedicated their lives to helping those less fortunate than themselves.

Julia Taylor, known as "Mom," has passed out tons of food and clothing to countless poor and homeless people. She has even opened the doors of her own home to those homeless who need temporary shelter.

Jennie Castillon drives over 120 miles from her home once or twice each week to bring much needed food, medicine, clothing, and drinking water to the poverty-stricken residents of Tijuana's outskirts. Begun as a one woman operation, Jennie now runs an organization of 20 volunteers called Corazon, or Heart.

Both these women show that good can be accomplished by one person with hard work and dedication. They represent the best America has to offer.

Mr. Speaker, I would like to submit the following two articles about Jennie Castillon and Julia Taylor. I urge my colleagues to read these wonderful stories about two very good samaritans.

WIDOW TOILS 100 HOURS A WEEK TO FEED, CLOTHE AND SHELTER THE POOR

(By Chris Fuller)

Sixteen years ago Julia Taylor had a vision of a skinny, hungry man pushing an empty cart—and ever since then she's been handing out food and clothing to thousands of desperately poor and needy people.

"That vision completely changed my life," said the 62-year old widow.

"After seeing that sad, hungry face, I knew I had to devote my life to helping those less fortunate than me. I believe that vision was a message from God."

Julia—who's known simply as Mom to the down-and-out people she helps—works more than 12 hours a day collecting the food and clothing she passes on to them. She often puts in 100 hours a week. What's more, her modest home in Garden Grove, Calif., is always open to the homeless who need temporary shelter.

"Women and children are my priorities—especially those sleeping in parks, abandoned cars or public rest rooms," she said.

"I bring them home, give them a sleeping bag, listen to their problems and try to give them advice to help get their lives straightened out."

Recalling the vision that inspired her to help others, Julia said:

"I suddenly woke up one night—and right in front of me was a pitifully withered Chinese man pushing an empty cart. He was all skin and bones. His haggard face was a picture of hunger and despair.

"When I blinked and looked again, I was baffled to see that the cart was now full of rice—and the person pushing the cart was me!"

The very next morning Julia loaded a borrowed van with as much rice as she could afford to buy and drove to a ghetto in nearby Santa Ana.

There she began distributing the rice on a street corner.

"After that first mission I had no money left to buy more food.

"My only income is a small veteran's pension left by my late husband.

"But like a miracle I was suddenly bombarded by calls from friends, neighbors and even total strangers who had heard of my work and wanted to help by donating food and clothing. Other concerned citizens, especially young people, volunteered their vehicles and energy to help collect and distribute, the goods."

Ever since, Julia has been making what she calls her monthly "food invasions" to poor neighborhoods all over southern California, dropping off food at parking lot distribution points.

She announces her upcoming "food invasions" on radio station KBRT in Los Angeles.

Said station executive Roy Taylor:

"Over the years, 'Mom' Taylor has passed out tons of food and clothing to countless thousands of poor and needy people.

"She is truly a Good Samaritan."

GRANDMA, 63, BRINGS FOOD, CLOTHES AND HOPE TO THE HOPELESS

(By Joseph Policy)

To the dirt-poor downtrodden people living in the shabby slums of Tijuana, Mexico, kind-hearted Jennie Castillon is an angel of mercy sent from heaven.

Once or twice a week for the past 10 years, the 63-year-old grandmother has driven 120 miles from her home in Garden Grove, Calif., to deliver food, clothing, medicine and drinking water to the destitute residents of squalid shacks on Tijuana's outskirts.

Some are so poor they live off the city's garbage dumps, scrounging through the trash for tin cans or anything else they can sell for a few pesos.

"We work with the poorest of the poor," Jennie said. "The average family has eight children and lives in a one-room shack, usually made of cardboard, scraps of wood and tar paper salvaged from the dumps."

Jennie, who is of Mexican descent herself, explained why she works so hard to feed and clothe the poor:

"It is only by the grace of God that I was born in America and not over there. This is a job the Lord has given me, and as long as He wants me to do it, I'll do it."

Ten years ago, a young missionary challenged her to visit Tijuana and see how the other half lives. Jennie, whose husband is an aerospace engineer and whose four grown children all have successful careers, had never seen such pitiful poverty in her life.

"I was horrified by what I saw," she recalled "Malnourished children . . . people literally starving to death, just miles away from the American border. I went back to my beautiful home and tried to put the whole experience behind me. But I could not."

She began collecting food and clothing from friends, neighbors and local merchants. For the first three years, only her husband Gus assisted her. Then, as word of her good deeds spread, volunteers began to join her on her weekly journeys. Donations began to trickle in.

Today, Jennie has an organization of 20 volunteers called Corazon—which means "heart" in Spanish—to help her. They have two warehouses where nonperishable items are stored.

Four times a year, donated items are sold at parking lot sales, and the money is used to buy beans and rice for the poor.

Last Christmas, Corazon workers drove a fleet of 28 vans and trucks to Tijuana, where 132 volunteers passed out 17,000 pounds of food to hundreds of starving Mexican families.

In addition, Corazon transports a volunteer doctor to Tijuana once every three weeks to man a makeshift clinic and provide basic medical care to the sick. About 100 patients are treated each visit.

Every six weeks or so, a building crew sponsored by Corazon heads south and builds a sturdy one-room house for the family with the most desperate need. So far, Corazon has built 35 houses in four years.

One Mexican woman, Martha Loperna, 75, after receiving food and a $5 bill from Jennie, said, with tears running down her face, "I have no words to describe what a gift from God this woman is."

NATIONAL SENIOR CITIZEN CENTER WEEK

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. SKELTON. Mr. Speaker, today I stand in support of House Joint Resolution 196 proclaiming the week of May 10 as National Senior Citizen Center Week. The role of senior citizen centers in this country is as of yet unheralded, and it is time that they received recognition for the important functions they perform and for the even more important services they provide for the elderly in their communiites.

Senior citizen centers perform two primary functions. They provide services for the elderly in many ways and they provide a convenient gathering place for the older Americans in our society. These two functions support the physical and social welfare of the elderly in the United States. Further, few other groups able to satisfy those needs are readily accessible by seniors.

I have visited many senior citizen centers over the years and have seen what they do firsthand. I have seen the benefits of providing a place for seniors to gather and socialize. I have seen nutritionally balanced meals prepared and served. And I have seen the regard seniors have for these centers and for the services they provide.

Insuring the maintenance and proliferation of these centers requires our attention and our support. Let's start by giving these senior citizen centers the recognition they deserve.

CIGARETTE EXCISE TAXES

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. DUNCAN. Mr. Speaker, I rise today to address the issue of indexing the cigarette excise tax to the Consumer Price Index. Recently, H.R. 1233 was introduced and a dear colleague circulated advocating the increase of the cigarette excise tax and having annual increases indexed to the CPI. The explanation for these efforts is that since inception of the Federal tax on cigarettes in 1951 at 8 cents per pack, it has increased to only 16 cents per pack, that occurring temporarily in 1982 and made permanent in 1986.

As with virtually all tobacco issues, the proponents tell only half the story. Excise taxes have historically been left to the States as a measure of generating revenue. It is not surprising then that in addition to the Federal tax, each State and American territory and 388 cities and counties impose excise and sales tax on cigarettes. The State taxes range from a low of 2 cents in North Carolina to 31 cents per pack in Washington State. The municipal taxes range from 1 cent to 15 cents per pack. On average, State and local excise taxes on cigarettes are 22 cents per pack. Combined with the Federal tax of 16 cents, each pack of cigarettes sold in the United States has an average excise tax of 38 cents.

If we assume that consumer prices have increased 400 percent since 1951 and include State and local excise taxes in our calculations, we will find that the cigarette excise tax has, in fact, kept pace with the CPI.

But this fact does not legitimize efforts to index this Federal excise tax. Are other commodities with a Federal excise tax levied on them indexed to CPI? No. Should any excise tax be indexed. No. By what logic should any tax automatically be increased?

Excise taxes, and particularly the excise tax on cigarettes are extremely regressive. The recent CBO study, released by Senator GEORGE MITCHELL, more than adequately proves this point. That study was unequivocal in its determination that "An increase in the excise tax on tobacco would be the most regressive of all of the tax increases considered." To illustrate this point, I want to share with you a chart prepared by the Coalition Against Regressive Taxation [CART] on the differences in percent of income paid in excise taxes for low income families—$5,000 and under—and high income families—$50,000 and over:

EXCISE TAX AS PERCENT OF INCOME, BY CLASS, 1985

	$0 to 5,000	$50,000 plus	Ratio
Excise tax:			
Airfare	0.43	0.09	5:1
Gasoline	1.62	0.22	7:1
Wine	0.07	0.01	7:1
Liquor	0.75	0.11	7:1
Telephone	0.61	0.07	9:1
Beer	0.37	0.04	9:1
Tobacco	1.05	0.07	15:1

As anyone can plainly see, lower income families have an effective excise tax rate on tobacco products which is 15 times greater than that for high income families. Indexing the excise tax to the CPI can only ensure that this disproportionate and unfair taxation continues.

The proponents of the legislation are correct when they say that the cigarette tax is a significant source of revenue. For the fiscal year ending June 30, 1986, $4.4 billion was paid in Federal tax along with $4.5 billion paid in State and local excise taxes. I believe that this constitutes more than a fair share in payment of taxes. Increasing and indexing the cigarette excise tax is not the answer to solving our Federal deficit. It is the answer to increasing the tax burden for hardworking, low-income Americans.

KAUAI COUNTY COUNCIL RESOLUTION RECOGNIZING HANAPEPE AS THE BOUGAINVILLAEA CAPITAL OF KAUAI

HON. PATRICIA F. SAIKI

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mrs. SAIKI. Mr. Speaker, the Kauai County Council has recently informed me of a council resolution recognizing Hanapepe as the home for the most breathtaking display of bougainvillaea flowers. Since the introduction of these flowers to the island in 1911, the community has worked hard to cultivate this beautiful array. A bougainvillaea festival will now be an annual event in Hanapepe, featuring floats, crafts, and leis. I believe this resolution is deserving of national recognition, and so I respectfully request that the Kauai County Council resolution be included in the CONGRESSIONAL RECORD as follows:

COUNTY COUNCIL, COUNTY OF KAUAI,
RESOLUTION NO. 18

RESOLUTION RECOGNIZING HANAPEPE AS THE BOUGAINVILLAEA CAPITAL OF KAUAI

Whereas, Hanapepe has been long known by residents of the Garden Island for having the most attractive display of bougainvillaea flowers, which sets its east hillside completely awash in brilliant shades of red, orange and purple; and

Whereas, over the years, Hanapepe's picturesque bougainvillaea hillside has not only delighted island residents but also entranced vistors, who often stop by the wayside to capture its natural beauty on film; and

Whereas, the beautiful array of various bougainvillaea on Hanapepe's east hill can be traced back 76 years ago to its first planting in 1911; and

Whereas, these original bougainvillaea plants have been nurtured over the years, particularly through the efforts of Mr. and Mrs. Shopei Nagamine, Hanapepe taro farmers; the volunteer help of 4-H Club members; and the expertise of a noted horticulturist, Dr. Horace Clay from Honolulu; and

Whereas, local families, businesses and the entire community are engaging in a concerted effort to magnify the beauty of the bougainvillaea throughout the town by cultivating it as Hanapepe's main flower; and

Whereas, Hanapepe Main Street, which joined the National Main Street program in August 1986, plans on holding a Bougainvillaea Festival as an annual event and as the town's way of sharing its fascination and the beauty of the bougainvillaea with people throughout the world; and

Whereas, the June 6, 1987 Bougainvillaea Festival will feature the bougainvillaea theme in floats, crafts, leis, an original play and a beauty contest; now, therefore,

Be it resolved by the Council of the County of Kauai, State of Hawaii, That is recognizes Hanapepe, the Garden Island's "Biggest Little Town" as the Bougainvillaea Capital of Kauai, an acknowledgement and an appreciation of the town's historic efforts in sharing and promoting the beautiful bougainvillaea.

Be it further resolved, That it requests the State Legislature to consider adopting a similar concurrent resolution to further recognize Hanapepe as the Bougainvillaea Capital of Hawaii and requests its assistance in obtaining national recognition of Hanapepe as the Bougainvillaea Capital of the U.S.A.

Be it further resolved, That a copy of this resolution be forwarded to House Speaker Richard Kawakami; Senate President Richard Wong; State Senators Lehua Fernandes-Salling and James Aki; State House Representatives Ezra Kanoho and Peter Apo; U.S. Senators Daniel Inouye and Spark Matsunaga; U.S. House Representatives Daniel Akaka and Patricia Saiki; Mayor Tony T. Kunimura, and Main Street Hanapepe.

TRIBUTE TO FRANCIS J. GORMAN

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues an outstanding resident of my district and a distinguished public servant, the Honorable Francis J. Gorman.

Franny Gorman is best known to all of us as a member of the New Jersey Assembly. He most recently was the ranking member of the minority leadership and served on the joint ethics committee and the assembly appropriations committee. During his 14-year tenure in the legislature, Franny has quietly and effectively represented his district, always keeping in touch with the needs and concerns of his constituents, and always working hard to ensure that those needs were met.

It is often said that Franny was born into public life. His father, the late John Gorman, served Camden County as its sheriff. Born in Gloucester City on November 19, 1924, Franny graduated from Gloucester Catholic School in 1942 and LaSalle College in 1949. He has served as city treasurer of Gloucester City since 1958, has served as a city councilman and as a member of the Camden County Democratic Committee, and was a delegate to the Democratic National Conventions of 1968 and 1976.

Franny has not only represented his constituents, but his country as well, having served in the Navy during World War II and the Korean war.

Aside from his public life, Franny has always placed a high priority on family. He and his lovely wife, Margaret, have been blessed with 10 children, all of whom are a tremendous source of pride for both of them.

On March 16, 1987, Franny Gorman announced his retirement from public life for reasons of ill health, an announcement which both shocked and saddened the State of New Jersey. He will be sorely missed by his colleagues in Trenton, and by all who have had the honor and pleasure of knowing and being served by Franny.

Over the years, I have always admired Franny's ability to work through difficult problems while remaining calm and soft spoken. Perhaps it is this trait, more than any other, which has allowed Franny to remain successful for so many years. It is difficult to put into words the love and respect that Franny has earned from all of us. He has been a selfless individual, a tireless worker, and an outstanding example of what public service is all about.

Mr. Speaker, I know that my colleagues would join me in wishing Francis J. Gorman a quick recovery and a long and happy retirement. No one deserves it more.

Francis J. Gorman's long career of public service was hailed in an editorial of the Courier-Post newspaper, a copy of which follows:

JUST PLAIN EFFECTIVE

The celebration of St. Patrick's Day this year was dampened by sad news: The retirement from public life of Francis J. Gorman of Gloucester City. Poor health forced the congenial, 62-year-old Irish-American to resign his public offices, including a seat in the state Assembly, this week.

Gloucester City treasurer for 29 years and an assemblyman for 14, Mr. Gorman had a way of frustrating his political opponents. What had he done, they demanded, campaign after campaign, to deserve re-election? He rarely introduces legislation, rarely raises to speak for or against other bills. When he does—in the appropriations committee, for example—his words are plain, his thoughts unremarkable.

His critics have been on the mark. Mr. Gorman has never displayed much sparkle or polish. Neither, however, do the industrial cities and nearby suburbs that make up his district. His speech lacks rhetorical flourishes, but so does the conversation in the taprooms of Camden and Gloucester City. His concerns are basic (jobs, public or private sector, and a fair return for his district on the taxes it sent to Trenton), but his constituents think that attending to the basics is job enough.

Mr. Gorman has remained in touch with his district. He has never apologized for what he does or who he is, nor has he pretended to be someone else. He believes in representative government, in which the elected do the best they can to reflect meeting the needs of those who elected them.

The father of 10 children, he knew the value of remaining calm amidst confusion. Even in the heat of the political wars he has been swept into over the years, he has remained softspoken and conciliatory. Unlike some politicians, he much prefers awarding jobs to taking them away, rewarding loyalty to punishing dissidence.

Mr. Gorman was first elected to political office—the Gloucester City Council—in 1953. It could be said that, as the son of the late John Gorman, a Camden County sheriff, he has been involved in politics all his life. He has earned a rest. We join his many friends in wishing him a fast recovery and a long and happy retirement.

WHEN IS A TRADE AGREEMENT NOT AN AGREEMENT?

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. GEPHARDT. Mr. Speaker, as we consider legislation to eliminate excess trade surpluses with foreign protectionist countries—the so-called Gephardt market access provision—we must insist on results backed up by sanctions. The current United States-Japanese battle over semiconductors is a case in point.

Last July, USTR announced what is called "the most commercially significant section 301 action ever taken." Armed with strong evidence that the Japanese were dumping semiconductors into the United States, supplanting our exports in third countries through even greater predatory dumping, and freezing United States exports out of the Japanese market, USTR got tough with the Japanese. The result: the Japanese Government agreed to open its internal market to United States exports of up to $4 billion in 5 years, and to ensure that Japanese companies would no longer sell computer chips below cost in the United States and in third countries.

As a result of this agreement, an antidumping investigation against the Japanese was suspended, despite an ITC determination that there was a reasonable indication of United States injury from Japanese semiconductors. But even before the ink was dry on this agreement, the Japanese redoubled their efforts to squeeze United States manufactures out of third country markets and maintained their tight controls on United States exports to Japan. Within months, industry reports indicated that the Japanese were ignoring the agreement. Japanese semiconductor salesmen were given instructions to undercut United States suppliers at all costs: to cut prices by 10 percent, and then continue cutting them by 10 percent until the sale was made. USTR

Clayton Yeutter recently announced that he feels betrayed, and the Japanese are being given "one last chance" to clean up their behavior before an April 1 deadline for retaliation.

There are vital interests at stake in this case. Beyond the preservation of American jobs and manufacturing exports, we risk deterioration of our production capacity to the extent that we will become dependent on foreign suppliers in this area so important to our national security.

Japan's refusal to allow us fair access to its markets is not an aberration. Despite a litany of Japanese promises of reform, USTR has identified a panoply of barriers to expanded United States exports to Japan. These include tariffs, import charges, quotas, discriminatory government procurement practices, lack of respect for U.S. intellectual property, and service barriers. Particularly egregious has been the Japanese refusal to allow United States companies to receive contracts on the $8 billion Kansai International Airport project and the refusal to allow sales of United States telecommunications equipment. The EEC is so frustrated with this pattern of unfair trade practices that it has filed an action to have Japan declared a GATT violator, not just for a single practice, but for its entire practice toward foreign trade.

We should not fault USTR efforts to negotiate fair treatment for American manufacturers with foreign protectionists. But the refusal of the Japanese to keep their word underscores the basic fallacy in depending on the "untender mercies" of our foreign competitors for enforcement. We would never sign an agreement with the Soviets which did not allow for effective monitoring and verification. We must apply equally tough standards on agreements to preserve our economic security as we apply on agreements to preserve our defense security. We cannot continue to sign trade agreements in such sensitive areas without result-oriented mechanisms to ensure their implementation.

The lesson should not be lost as we prepare to act on a forceful market access proposal during the upcoming floor debate on the comprehensive trade bill, H.R. 3. We must adopt legislation that insists on results, not mere promises.

"RAYBURN: A BIOGRAPHY" REVEALS MR. SAM'S DREAMS FOR HIS BELOVED LAND

HON. BILL GRANT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. GRANT. Mr. Speaker, Sam Rayburn died some 25 years ago, and yet the presence of that great and beloved Speaker of the House is still heavily felt in this Chamber. Hardly a day passes in which a Member of Congress or the press does not invoke his name or recall his legendary achievements. Speaker Rayburn's sense of fairness, his integrity, his loyalty to friends and party, and his belief in the benefits of hard work during 50 years of congressional service—including nearly 20 years as Speaker—still are the benchmarks to which we all strive.

Because Mr. Sam preferred to work out of the limelight, shunning publicity and never having a press secretary, many of the details of his career and his rich life have remained obscured in the mists of history. Today, I am happy to report that an important new study of Mr. Rayburn's life has just been published by Texas Monthly Press. The book, "Rayburn: A Biography," by D.B. Hardeman and Donald C. Bacon, is based primarily on Mr. Rayburn's own reminiscences and personal papers, which previously have been unavailable to historians and biographers. Having seen the book, I can heartily endorse the following review which recently appeared in Publishers Weekly:

RAYBURN

(D.B. Hardeman and Donald C. Bacon, Texas Monthly)

Sam Rayburn made available his congressional papers, personal correspondence and taped conversation with the late Hardeman to Bacon (Congress and You), who completed this biography. The book presents an intimate look at a man who had the longest lawmaking career in American history, having served in the House of Representatives for 49 years at the time of his death in 1961. As Speaker of the House, "Mr. Sam" epitomized honesty and integrity in public service. Referred to here as "arguably the most underrated public official in twentieth-century politics," he is revealed as a major architect of New Deal legislation, adviser to the presidents from Wilson to Kennedy, and a man whose "outrageously optimistic dreams came true." Rayburn's legislative battles are described in detail, from his confrontation with public-utility holding companies in the '30s to his last major victory, a showdown with conservatives over control of the House Committee on Rules. Also covered are Truman's reliance on the Speaker's counsel and the father-son relationship between Rayburn and his protégé, Lyndon Johnson. An inspiring portrait of a politician who may have been the last of his kind. *Photos. (April)*

ABOUT THE AUTHORS

Donald C. Bacon, originally of Jacksonville, Florida, has covered national affairs as a Washington journalist for more than a quarter century. Joining the Wall Street Journal after graduation from the University of Florida in 1957, he provided much of the newspaper's reporting of the southern civil-rights movement in the late 1950s and early 1960s. He also participated in an award-winning Journal series which later became a widely read book, "The New Millionaires."

In 1961, Bacon was awarded a Congressional Fellowship, allowing him to study Congress from the inside as an unpaid staff assistant to the late Hale Boggs of Louisiana, then the House Democratic Whip. He joined the Newhouse News Service as congressional correspondent in 1963 and, in that post, covered many of the major news events of the 1960s, including the assassination and burial of John F. Kennedy and the enactment of Lyndon Johnson's War-on-Poverty programs. In 1965, he entered into formal partnership with D. B. Hardeman, who had been friend and staff assistant to Sam Rayburn, to complete Hardeman's unfinished biography of the late Speaker. Bacon worked on that project, as time permitted, until the book was published some 20 years later. In 1969, he wrote "Congress and You," a popular treatise on the legislative process. He became White House correspondent for the Newhouse newspaper chain in 1968 and remained in that position through the Nixon and part of the Ford administrations. He covered three U.S.-Soviet Summit Conferences and was among journalists selected to accompany President Nixon on his history-making journey to China in 1972. From 1969 through 1975, Bacon's nationally distributed column, "The Presidency", appeared regularly in some 100 newspapers. He joined U.S. News & World Report as special-reports editor in 1975. His cover story on the plight of black youths in America won the Lincoln University award for oustanding magazine journalism in 1977. He became assistant managing editor of U.S. News, responsible for overseeing the magazine's coverage of Congress, in 1981.

Bacon and his wife Barbara live in Chevy Chase, Maryland. Under auspices of the Lyndon B. Johnson Foundation, he is currently participating with leading historians and political scientists in the planning of a multivolume history of Congress.

D.B. Hardeman, of Goliad, Texas, was a well-known figure in Texas politics and journalism for nearly a half century. After graduating from the University of Texas in 1931, he wrote for several Texas newspapers and edited the forerunner of the Texas Observer. He also managed several statewide campaigns, including the 1946 governorship race of Dr. Homer P. Rainey—still remembered as one of the most bitter campaigns in Texas history. Hardeman in his own right was elected to two terms in the State House of Representatives, where he led a small band of maverick legislators, known as the Gas House Gang, aligned against some of the state's powerful economic interests.

In 1952, he joined Sam Rayburn and a handful of other loyal Texas Democrats supporting party nominee Adlai Stevenson for President while most leading Texas Democrats backed popular Republican candidate Dwight D. Eisenhower. Four years later, he helped organize and win Stevenson's second Democratic presidential nomination.

Hardeman came to Washington following the 1956 election, determined to resume a career in journalism. His plan was to write a magazine profile of Rayburn, to which the Speaker has offered his cooperation. Hardeman's research, however, stretched into months and, ultimately, he became such a fixture around the Speaker's office that Rayburn offered him a job. Hardeman accepted, and the two bachelors became fast friends, spending many hours together on the job and off. For the last four and a half years of Rayburn's life, Hardeman served as Rayburn's research assistant, writing speeches, briefing legislation, handling legislative and political assignments, dictating letters and doing research. As the Speaker's chief liaison with the press, he became a well-known and popular congressional staff member. He was a regular attendee at Rayburn's "Board of Education," an informal after hours drinking-and-conversation group that convened daily in a small room below the Speaker's lobby. As a counterpoint, Hardeman playfully formed his own group, the "Board of Ignorance," comprised mainly of congressional aides, reporters and executive-branch bureaucrats. With Rayburn's blessing he continued his research on Rayburn's life, which included hundreds of hours of interviews and conversations with the

Speaker, with the aim of someday writing a full-scale biography.

Gradually, other demanding responsibilities caused Hardeman to put aside his Rayburn research. When Rayburn died in 1961, he became administrative assistant to House Democratic Whip Hale Boggs of Louisiana. For more than three years, he worked primarily on the House floor trying to pass legislation supported by the Democratic leadership. In 1965, he asked Donald C. Bacon, a friend and journalist, to complete the research and write the Rayburn biography.

Hardeman left Capitol Hill in 1965 to begin a new career as a teacher. His course on Congress and politics at Washington's Trinity University won him much acclaim. For the next decade, he was in demand as a lecturer and seminar participant on campuses across the country. In the mid 1970s, he moved to San Antonio. He cut back on teaching to pursue other interests, especially his lifelong passion for book collecting. He died in 1981 and is buried in the Texas State Cemetery in Austin, beside his great grandfather, Dr. Joseph Barnard, a hero of the Texas Revolution.

Mr. Speaker, this book is an important one in our attempt to understand our past and to plan for our future. Many Members of the House, Mr. Sam, perhaps the greatest of all Speakers—up to this time—and his impact on this Nation, its future and its institutions can never fully be measured.

Suffice it to say that we owe a debt of gratitude to Mr. Hardeman for his intense interest in preserving history. We owe a debt to Mr. Bacon for completing this work.

Both have contributed immeasurably to our understanding of this beloved institution in which we serve and how this one man of courage and devotion helped shape our future.

It is well worth reading more than once.

On a more personal note, I want it noted that I served with Mr. Rayburn. That might sound strange coming from a freshman Member of Congress or it might cause a little consternation when you realize that I was in high school.

I was a page and I remember Mr. Rayburn. He was held in awe. When he spoke, we thought the world trembled. I knew at the time that I was in the presence of someone great.

President Harry S. Truman once said that the only thing new is the history you haven't read. We can understand more about this institution, about our Nation, about our Government, and plan better for this Nation's future by understanding more of the dreams and aspirations of this man from Bonham, TX. I commend it to you.

TRIBUTE TO IRVING SCHRIMMER

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. LEVINE of California. Mr. Speaker, I rise today to recognize Irving Schrimmer, an exceptional man living in southern California who will celebrate his 95th birthday on April 2, 1987. Very few Americans are blessed with such a long and full life and it is a pleasure to share a glimpse of his past with my colleagues in the U.S. House of Representatives.

Born in Syracuse, NY, on April 2, 1892, Irving was the oldest of three children born to German immigrants Henry Karl and Dora Fox. His sister, Gertrude, died at the age of 24, and his brother, Marvin, is 87 and lives in Mannsville, NY. At the age of 18, Irving left Syracuse and headed to New York City where he went to work for the fine linen house of Campbell, Metzger & Jacobson. He earned his livelihood as a traveling salesman until he was drafted by the U.S. Army in 1917. Irving was stationed overseas in France where he served his country during World War I. When the war was over, Irving turned down an opportunity to go to officers training school so that he could return to the States and resume his career in business. He went back to Campbell, Metzger & Jacobson and stayed on with the company another 10 years until the company dissolved in 1929. It was then that Irving started his own linen business with three other men. The company, Paragon Art & Linen, located at 385 Fifth Avenue in New York City, prospered selling fine linen and needlepoint to stores all over the Nation and Canada. Irving and his partners stayed in business 31 years until they sold the company in 1960. Irving remained with the company until 1963, and then retired so that he could move to California to be close to his children who had settled in California during the 1950's. In 1966, he and his wife Rita moved from Mount Vernon, NY, to Laguna Hills, CA.

Irving is married to Rita Willner, his wife of almost 60 years and they have two sons: Henry Karl, named after Irving's father and married to Meryl June Hyman; and Robert Simon, married to Jean Adelle Weaver. In addition, Rita and Irving have five grandchildren: Mark Steven, who is married to Vicki Vinikow; David Barry, an exceptional granddaughter whom I respect and admire greatly; Janet Lynn, who is married to Robert Rosenblum; Joan Robin and Jay Jordan.

Irving continues to read the newspaper cover to cover every single day and he exercises for 15 minutes every morning and every night. In addition, Irving goes to the gym 5 days a week where he rides a stationary bicycle for 30 minutes and lifts a few weights. He still likes to poke around the garden and best of all he hasn't lost his very witty and sharp sense of humor. He is a delight to all of those who are lucky enough to know him and a true inspiration to those several decades younger.

Irving will celebrate his birthday with family and close friends at a special birthday party being given in his honor on April 5, at the Four Seasons Hotel in Newport Beach, CA. to help mark this occasion, I ask that the leadership and members of this body join me in sending birthday greetings to Irving wishing him continued good health and happiness for many more years to come.

MR. EARL H. GRAHAM TO RETIRE

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. WELDON. Mr. Speaker, I rise today to commemorate the brilliant career of Mr. Earl H. Graham, the chairman of the Pennsylvania Suburban Water Co. After 30 years of dedicated service, Mr. Graham is retiring from his position. He leaves behind him a legacy of hard work, compassion, and innovative ideas.

In 1947 he began his career with the Water Company as a laborer. His fun loving spirit and instinct for hard work helped him climb the corporate ladder. During his three decades with the company, he served as an engineering inspector, superintendent of construction, general superintendent, assistant vice president, vice president of operations, and, finally, a member of the board of directors. Along the way, he earned the respect of his fellow employees. They admired his keen mind and his ability to get the most out of any situation. Earl Graham thrived on challenges and grew from the camaraderie that comes from working with one's colleagues.

He will be most remembered for his improvements in the Water Company's management. In 1974, he was responsible for introducing the Employee Stock Purchase Plan. This program gave employees the opportunity to own common stock in the company. Employees began to feel that they had a personal stake in the future of the company.

Mr. Graham instigated other administrative reforms that have become commonplace in the company's structure. For example, the Water Company now uses job descriptions for all personnel, precise identification of responsibilities, competitive salary structures updated annually, and performance evaluations. Perhaps his greatest contribution was the implementation of labor-management meetings. By having quarterly meetings with union representatives, he gave management the opportunity to review employee grievances. The meetings have made the Water Company's rapport with the unions unusually smooth.

Mr. Graham's efforts turned the Philadelphia Suburban Water Co. into a profitable, efficient operation. It is fitting that he retires as the Water Company celebrates its 100th year of operation. After all his management has ensured the company's healthy existence for at least another 100 years. Earl Graham is an example for American business to follow, especially during this time of increased competition from abroad. Like many people from the Philadelphia area, I will miss him.

STOP THE USE OF LIVE ANIMAL LURES

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. DORNAN of California. Mr. Speaker, on March 5, 1987, I introduced H.R. 1433, the Anti-Live Animal Lure Act, which will stop the reprehensible practice of training racing dogs, such as greyhounds, with small animals—an event know as coursing.

For every dog trained, countless animals—kittens, rabbits, chickens and small pigs—are sacrificed. The small animals are tied to the end of mechanism called a whirl-a-gig and dangled over an oval track. As the dogs chase after the animal the whirl-a-gig operator keeps the small animal just out of reach. Trainers will, at some point, slow the device down, and as the animal lure looks on in terror, the dog is rewarded by ripping into the soft underbelly of the living animal. Although the animal lure is ripped and bleeding, the mangled creature is used again, writhing on the whirl-a-gig until it is lifeless.

The real tragedy is it accomplishes nothing. The dogs will chase by instinct. There is emperical evidence that dogs trained with the same mechanical devices used in actual race conditions are every bit effective as those trained with live animals. In fact, this foul abuse of some of God's littlest creatures is rejected as vicious and idiotic in Ireland, Great Britain, and Australia.

Mr. Speaker, in response to an excellent National Enquirer article in support of my legislation, I received more than 35,000 letters signed by more than 60,000 individuals all expressing their outrage and disgust, and asking me to continue in my efforts to see that this brutal and needless slaughter of animals stops. These letters were from concerned citizens of every age and walk of life, and I might add, from every congressional district. Please, I urge all my colleagues to support H.R. 1433 and put a rapid end to this unspeakable cruelty.

[From the National Enquirer, Oct. 14, 1986]

U.S. CONGRESSMAN CHARGES: HELPLESS ANIMALS ARE BEING RIPPED APART AS LIVE BAIT TO TRAIN RACING GREYHOUNDS

Up to half-million rabbits, kittens and puppies are brutally slaughtered each year by racing greyhounds—torn limb from limb and shredded alive in barbaric training sessions.

But you can help put a stop to the senseless bloodbath by filling out the coupon (below) and sending it to the Enquirer. The most bloodcurdling training method used by heartless dog trainers is a grotesque procedure referred to as "live-lure training.

"Living, conscious little animals are tied by their back legs to a pole that rotates around the track," revealed Frank Dantzler, an official with the Humane Society of the United States (HSUS). "Dangling by its hind legs just above the track, the animal usually starts squealing immediately because it senses danger and is completely helpless.

"It is moved around the track in front of two to seven dogs, who chase it as fast as they can. At the end of a lap the pole is slowed down so the dogs can catch up to it. "Then the dogs attack the animal and tear it up."

Puppies and kittens have been used in this gruesome spectacle, but usually the victims are fuzzy jackrabbits.

Helpless bunnies are also the favorite target in another cruel greyhound training method, called "coursing." A rabbit is released into a penned-in area—quickly followed by two or more ferocious greyhounds.

Racing for its life, the rabbit dashes for an exit at one end of the pen.

"The rabbit is caught by the dogs and torn apart alive almost every time—it's a bloody mess," said HSUS senior investigator Bernard Weller.

"The screaming of the poor rabbits when they're caught is horrendous.

"It's a high-pitched wail that sounds exactly like a human infant.

"Often there are six or seven dogs after one rabbit.

"At a training track near Waco, Tex, I once saw trainers run 25 rabbits in one morning. At the end of a day there is always a pile of mangled, maimed rabbits, some dead and some still suffering.

"The rabbit handlers are often just youngsters 10 or 12 years old.

"Once I heard one say at the end of the day's runs, 'I wish just once the rabbit would win.'"

Another HSUS investigator, Robert Baker, added that if by some miracle a small animal does survive a training session, it is simply run through the grisly procedure again and again.

"They're used over and over until they are dead or so maimed they can't be used anymore," Baker revealed. "Then they are simply thrown in a trash can or pile.

"If they're lucky the trainer may slam their head against a fence or kick them in the head to put them out of their misery.

"Every year up to a half-million small animals are torn apart alive in greyhound training—up to 10 live animals for each dog."

And nationwide there are about 48 grayhound racing tracks in 14 states: Oregon, South Dakota, Colorado, Arizona, Arkansas, Iowa, West Virginia, Alabama, Florida, Rhode Island, Connecticut, Massachusetts, New Hampshire and Vermont.

And within the next year Kansas, Illinois, Pennsylvania, Wisconsin and Missouri may approve dog racetracks. It will mean millions of dollars in tax revenue—and untold suffering for the sport's helpless victims.

"These barbaric atrocities are absolutely shocking and horrifying," said Rep. Robert K. Dornan (R. Calif.) "It is scandalous that such vicious cruelty against innocent animals goes on in America.

"It makes my heart sick to think that hundreds of thousands of these poor creatures are brutally and painfully murdered every year in the name of dog racing. All decent Americans should be outraged.

"I have introduced in Congress strong legislation that will put an end to this brutal and vicious form of animal abuse.

"It is absolutely necessary legislation.

"But I need the help of Enquirer readers. "Simply fill out and mail the coupon provided with this article.

"Together, we can put an end to this national disgrace."

CENTER FOR HUMAN SERVICES, SEDALIA, MO

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. SKELTON. Mr. Speaker, I would like to take a moment to recognize the achievement of The Center for Human Services, of Sedalia, MO, which serves the needs of people with disabilities. The Commission on Accreditation of Rehabilitation Facilities [CARF] recently awarded the center the highest level of acreditation for all center services through January 1990.

The CARF Survey report had much praise for the center, including this short excerpt from the Survey Outcome section:

> The primary strengths of the organization are its excellent administrative leadership, its well qualified staff, and its comprehensive array of services. Throughout its history, the organization has developed a very strong administrative function that has established all of the key elements for a strong human service agency. The Center for Human Services enjoys an excellent reputation in its community, as well as with its professional peers both in the community and throughout the state. Of particular note is the long history of the infant and early childhood services that the center has developed and expanded. Also of note is the development of the prime manufacturing area, with the focus towards developing real work alternatives for adults with disabilities.

I am sure all my colleagues will join me in congratulating the people at the center on their past achievements, and in wishing them the best of luck in continuing their fine work for many years to come.

THE RENAMING OF THE CENTRAL ARIZONA PROJECT

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. STUMP. Mr. Speaker, I am introducing legislation today to rename three segments of the central Arizona project for Senator Carl Hayden, former House Minority Leader John Rhodes, Senators Paul Fannin and Ernest McFarland, former Interior Secretary Stewart Udall, and Senator Barry Goldwater. These six individuals were instrumental in successfully guiding the central Arizona project through the legislative and administrative processes. All exemplify the countless individuals who had the foresight to envision the project, and the determination to ensure the completion of the lifeblood of central and southern Arizona.

The bills I am introducing would:

First, designate the Granite Reef Aqueduct of the Central Arizona Project as the "Hayden-Rhodes Aqueduct;"

Second, designate the Salt-Gila Aqueduct of the Central Arizona Project as the "Fannin-McFarland Aqueduct;" and

Third, designate Phase A of the Tucson Aqueduct as the "Stewart Udall-Barry Goldwater Aqueduct."

Getting the central Arizona project authorized and sufficiently funded over the past three decades has not been an easy task. At the very least, the long and arduous efforts of these six national leaders from Arizona should be honored through the naming of portions of this project.

Mr. Speaker, I urge my colleague's support for this legislation, and ask that the House Interior Committee take timely action.

THE 69TH ANNIVERSARY OF BYELORUSSIAN INDEPENDENCE

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. LIPINSKI. Mr. Speaker, I rise today to commemorate the 69th anniversary of the proclamation of the Byelorussian Democratic Republic. Even though the Republic was short-lived, the struggle for the ideals of 1918 continues to this day.

During this century hundreds of thousands of Byelorussians emigrated to this country in order to attain the freedom they have found so elusive in their native land. Under the present Soviet occupation, the Byelorussian language, customs, and culture have slowly been eroded and forgotten due to a vigorous campaign of Russification. Russian, not the native tongue, is taught in the schools, is emphasized in the media, and is mandatory for nearly all types of employment.

Considering that there are nearly 1 million American citizens of Byelorussian birth and that the Byelorussians along with the American people share a common yearning for freedom and independence, the United States has a deep interest in the internal affairs of the nation. The suppression of the rich Byelorussian cultural heritage is a tragedy which the United States must acknowledge and condemn.

America must take advantage of the new Soviet policy of "glasnost" by pressing for the release of political prisoners and urging the Soviet Government to grant greater automony and personal freedom in Byelorussia. One of the more positive outcomes of this policy has been the recent release of long-time Byelorussian national activist, Mikhail Kukobaka. In my capacity as Member of the U.S. Congress, I wrote a letter last April, cosigned by 37 of my colleagues, urging Secretary Gorbachev to release Kukobaka—a man whose only crime was to love his country and criticize the illegal actions of the Soviet Union.

On a more specific level, I would support the desire of the Byelorussia-American Association of having the Voice of America [VOA] broadcast in the Byelorussian language rather than in Russian. In this way, VOA would be able to more directly involve itself in the affairs of the country. It is a sad state of affairs that Byelorussia is the only major national area in Eastern Europe that is not addressed by VOA in its native language.

Mr. Speaker, I would like finally to convey my warmest wishes to the Americans of Byelorussian descent who will be gathering on March 29 in New Brunswick, NJ to celebrate the anniversary of their native land's independence.

TRIBUTE TO JAMES KANE

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. WELDON. Mr. Speaker, I rise to pay tribute to James Kane, who has retired recently as an active volunteer with the Radnor Fire Co.

James Kane is a lifelong citizen of Radnor who has been an active volunteer of Radnor Fire Co. for 62 years. Jim started firefighting in 1921 and was only the 18th member to join the fire company back then. In addition to the widespread respect from his neighbors and friends, Jim has been cited in the national record for bravery in handling such fire battles at the Valley Forge Military Academy and Villanova University.

Mr. Speaker, today, I join Jim's wife, Mary, his children, Maureen, Trish, and Jimmy, in paying special tribute to this extraordinary public servant.

REAUTHORIZATION OF THE JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. KILDEE. Mr. Speaker, I am pleased to introduce today, with the Honorable THOMAS J. TAUKE, legislation to reauthorize the Juvenile Justice and Delinquency Prevention Act of 1974. As introduced, the bill provides for a 4-year extension of the act at the current authorization levels. The current authorization is due to expire September 30, 1988.

The Juvenile Justice and Delinquency Prevention Act [JJDPA] authorizes assistance to prevent and treat juvenile delinquency. It promotes the coordination of Federal policies and programs, the development and dissemination of innovative projects, and the provision of training and technical assistance. Also, the act accords a high priority to approaches which maintain and strengthen the family unit.

The central focus on the act is the Formula Grant Program which allocates funds to the States. As a condition for receipt of the funds, the States agree to make improvements in their juvenile justice systems, such as placing status offenders—for example, runaways and truants—in nonsecure programs rather than detention and removing children from adult jails and lockups. However, the act does not specifically prescribe how these goals must be accomplished. Instead, it authorizes funding, training, and a broad range of activities so that each State can make changes and fashion programs that fit its unique needs and circumstances. In most instances, the States have pursued changes in their laws and made financial commitments to meet the act's goals. The result in many States has been that fewer youth are being inappropriately incarcerated, more are receiving treatment in family or community centered programs, and the public safety is being protected. However, the goals of the act still have not been fully achieved, and continued progress by the States is dependent upon the Federal leadership and resources provided under the JJDPA.

The Runaway and Homeless Youth Act [RHYA], title III of the JJDPA, authorizes grants to support runaway shelters, coordinated networks of shelters, and a national hotline in order to assist troubled youth and their families. Frequently, the receipt of Federal funding serves as a kind of validation and facilitates support from other sources. As a result, the typical agency has approximately five funding sources in addition to its RHYA dollars. With this funding, agencies are able to provide, on the average, 13 different types of services, including shelter care, counseling, streetwork, remedial education, family reunification, and aftercare. Because the youth who come to these shelters are frequently running from troubled families, the shelters attempt to help them by working with their families. In 1983, the General Accounting Office reported that these shelters effectively provide needed services.

The Missing Children's Assistance Act [MCAA], title VI of the JJDPA, authorizes assistance to support a range of activities, including a national resource center and clearinghouse, a Federal Advisory Board on Missing Children, and assistance to public and private agencies involved in locating and returning missing children. In addition, the MCAA authorizes grants to support research on the numbers and types of missing children, as well as on the psychological consequences of abduction.

Mr. Speaker, the Juvenile Justice and Delinquency Prevention Act in all of its facets, provides critically needed leadership and resources to assist at-risk youth. Further, the act's recognition of the importance of the family unit enhances its value. I invite my colleagues to join us in supporting this important legislation.

RURAL SMALL BUSINESS ECONOMIC DISASTER ACT

HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. LIGHTFOOT. Mr. Speaker, the plight of the farmer has been widely recognized in the past few years. Unfortunately, there is another segment of rural America which has been neglected—the rural small business which has suffered from the distressed farm economy.

For that reason, I am introducing legislation today to expand the criteria for Small Business Administration [SBA] nonphysical disaster loans. Ever since the Payment-in-Kind [PIK] Program of 1983, many rural small businesses have had a tough time recovering. When the PIK Program was instituted, many small businesses lost upward of one-third of their business volume. In addition, the general downturn in economic activity in rural areas has made it virtually impossible for these small businesses to regain their footing.

We've put billions into farm programs, but the rural small businesses have been left to fend for themselves. In many cases, the effects of dropping land values, 6 years of high interest rates, and dramatically reduced sales have put many rural small merchants out of business.

Rural banks often are in no position to loan money to struggling businesses—the banks themselves are struggling. The SBA is in a position to help these types of businesses and it should.

The measure I am introducing will make it easier for small businesses to qualify for economic disaster loans. We've had a program in place for several years to provide loans to businesses which have been hurt by such actions as the PIK Program or the farm crisis, but the SBA, in most cases, has found excuses to refuse the applications which businesses file.

This bill will make it difficult for SBA to reject such applications. It will define criteria that SBA must consider in determining eligibility for these disaster loans, such as:

A decrease in operating capital of over 25 percent over 1 year's time, or

A decrease in sales volume over a 6-month period following some Federal action such as PIK, or the laying off of employees.

The bill will prevent SBA from denying the loans, as they have been, on the basis of preexisting debt. This criteria alone has prevented many small businesses in rural America from qualifying over the past few years. The bill will be retroactive, as well, to 1982, so that that businesses who were denied PIK-related disaster assistance will be able to reapply.

I ask your help in making these programs work. I urge my colleagues to join me in cosponsoring this legislation.

THELMA PRESS RECEIVES AWARD

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. LEWIS of California. Mr. Speaker, it gives me tremendous pleasure to have this opportunity to stand before my colleagues and you here in the House of Representatives and pay tribute to a truly remarkable woman, Thelma Press. Mrs. Press will receive the coveted Rabbi Norman F. Feldheym Award on April 3 of this year.

This award was established in 1983 to recognize those members of the synagogue who have distinguished themselves by loyalty and service to the synagogue involvement in the community and who reflect humility, loving kindness and caring in their personal lives. As all who know her will readily attest, it is truly fitting that Thelma will be recognized with this award.

The honoree has served her congregation in a variety of ways for many years. From 1956 to 1957 she acted as president of the Sisterhood of Congregation Emanu El. Thelma also participated as a board member of the Western Federation of Temple Sisterhoods and the board of directors of Congregation Emanu El. Her contributions have not been limited to these fine activities. Thelma's human qualities—her generous and caring nature, combined with her humility and sincere interest in helping others—certainly contribute to her accomplishments.

The community of San Bernardino has benefited greatly from Thelma's professional and volunteer contributions. She currently serves as the cultural affairs director for the city of San Bernardino and is the person most responsible for the comprehensive Sister City Program. This outstanding program is dedicated to promoting and improving international understanding and goodwill. It is appropriate for Thelma to devote her energy to such an organization, for Sister Cities reflects her commitment to the unselfish pursuit of higher goals.

Mr. Speaker, I ask that you join me in saluting Thelma Press. Her boundless dedication to her faith and her community is a fine example for us all, and it is with great respect that I have this opportunity to commend her many contributions to both. It is clearly evident that Thelma Press is a most outstanding and deserving recipient of the Rabbi Norman R. Feldheym Award.

TESTING IS ESSENTIAL FOR SAFETY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. DORNAN of California. Mr. Speaker, we may soon be asked to vote to enter into a moratorium on nuclear testing. But any such moratorium, bilateral or not, is not in the fundamental national security interests of the United States.

A nuclear test ban, verifiable or not, would not lead to arms reduction or result in better relations with the Soviet Union. Perhaps the most important reason against any test ban, at this time, is that testing is essential in maintaining safety and reliability of our nuclear arsenal. Without testing, our strategic deterrent would be greatly weakened.

The motivation for the cessation of testing in the 1950's and early 1960's was the very real radioactive danger posed by nuclear testing in the atmosphere. But, with the advent of underground testing, this danger was eliminated and the three nuclear powers—the United States, the Soviet Union, and Great Britain—reached an agreement to prohibit testing in the air, in the oceans, and in outer space. It was further agreed, a few years later to limit the underground tests to devices under 150 kilotons. These agreements have proved adequate enough to have allowed the United States to unilaterally reduce 25 percent of its nuclear warheads and more than one-third of its total megatonnage since 1967.

There is a mistaken impression that nuclear weapons testing is only for development of new, better or bigger weapons. On the contrary, nuclear weapons testing provides the United States, with essential information on safety and reliability of nuclear weapons and nuclear effects, helps provide information on protecting equipment and people from the effects of nuclear radiation and helps our scientists keep abreast of likely Soviet nuclear programs.

We need to test to maintain our confidence in the reliability of weapons that are in our strategic stockpile. There have been a number of reliability problems that only came to light because of testing. Without nuclear testing, we would lose confidence in our deterrence. We would be forced to rely on larger, older weapons designs and we would be forced to maintain even larger arsenals. This is counter to the President's earnest desire for arms reduction and, paradoxically, opposite to the goal sought by the proponents of test ban.

Nuclear testing is essential for the development of safe, secure, and effective warheads for the new weapons systems necessary to counter the ever-changing Soviet threat. Based on available evidence, the United States maintains higher standards for safety than does the Soviet Union. These higher standards require more testing to verify that the safety improvements do not interfere with operation of the warheads. The United States goes to great lengths in warhead design to preclude not only unauthorized detonations, but also any dispersal of radioactive material in case of an accident. All of these goals, which are unique to our Judeo-Christian values, lead to a greater reliance on nuclear testing.

Nuclear testing is essential to keep abreast of possible Soviet nuclear weapons developments and to avoid any technological surprises. We test neither more often nor at levels higher than necessary to meet our security arrangements.

HONORING THE REVEREND EDMUND B. WALSH

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. WELDON. Mr. Speaker, on May 7, I will have the pleasure of joining the Yeadon Borough Council in honoring the Reverend Edmund B. Walsh, the pastor of St. Louis Roman Catholic Church, who is celebrating his golden jubilee as a priest.

Father Walsh has served the Yeadon community for over 37 years. In his early days as a priest, Father was the youngest leader of the parish. In this capacity, Father's leadership gave foundation for one of the most active CYO's in the Archdiocese of Philadelphia. Since then, Father Walsh has selflessly dedicated himself to serving the Lord by ministering to the sick, the poor, and the hungry of our community.

Mr. Speaker, Borough Council President John Capuzzi summed up Father's remarkable success by stating, "Father is truly a man for all seasons, and more importantly, a man for all people." Today, all of Delaware County pays tribute to this dedicated servant.

HOSTILE AREAS EXPLORATION AND INCENTIVE ACT OF 1987

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. YOUNG of Alaska. Mr. Speaker, today I have reintroduced the "Hostile Areas Exploration and Incentive Act of 1987" as one means of helping to increase our Nation's energy security for the remainder of the century and beyond. We must continue to make energy self-sufficiency a top priority despite unforeseen vagaries in market forces and international political considerations. The current temporary slump in the oil market and concomitant restrictions on cash flow generated for reinvestment in exploration must not be allowed to hamper the continuing search for new petroleum resources.

This bill would provide an incentive tax credit for those petroleum interests who maintain their commitment to seeking new oil and gas reserves in domestic frontier areas such as offshore deep-water and the Arctic. The bill defines these terms as: First, areas on the U.S. Outer Continental Shelf [OCS] where water depth is 600 feet or deeper; and second, onshore or offshore areas of the U.S. Arctic above the 49th parallel.

Petroleum industry analysts and the Department of the Interior have estimated that up to 50 percent of future domestic oil and gas production could come from the OCS and the Alaska north slope. However, continued dependence on Middle East oil is a real possibility as reserves in the North Sea, South America, and Africa begin to be depleted. It is more important than ever that the United States act forcefully for its own energy security. If development and exploration in these areas are not encouraged, the United States could find itself dependent upon other nations for half its petroleum needs by the mid-1990's. In addition OPEC could once again become the price-setting force of the world market.

A tax credit for exploration and production in hostile areas would result in a minimal impact on Federal Treasury receipts since exploration and production activity would increase bidding in the Outer Continental Shelf and would ultimately increase collection of income tax, royalties and windfall profits from Federal offshore and onshore leases. These bonus and royalty receipts from Federal OCS and onshore lands represent the largest source of Federal receipts after taxes.

Development of efficient production facilities in these hostile areas can often take up to 10 years. Such a long-term investment could be made less forbidding with the implementation of this tax credit. Its incentive would create a greater degree of security and stability by facilitating long-range planning in a highly speculative field.

This bill would also have a tremendously beneficial effect in preserving the oil and gas support industries which are vital to energy security. There is always the real possibility that the United States may require greatly accelerated exploration and production due to domestic shortages. The support industries must always be maintained and at the ready to work with petroleum interests to maintain adequate domestic reserves.

In short, the Hostile Areas Exploration and Incentive Act would be a tremendous boost to our domestic petroleum industry, its support industries and to the overall energy security of the Nation. I urge my colleagues to consider it carefully and lend their support.

NORTH GEORGIA COLLEGE LADY SAINTS CLAIM SECOND IN NAIA

HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. JENKINS. Mr. Speaker, I would like to take this opportunity to congratulate the North Georgia College Women's Basketball Team, the Lady Saints, for the women's second place finish in the seventh annual National Association of Intercollegiate Athletics Tournament [NAIAT].

North Georgia College, located in Dahlonega, GA, in my district, is perhaps most noted as one of the four publicly supported military colleges in the Nation. However, the performance of these young women, far beyond the expectations of various "experts" in college basketball, proves that institutional dedication to excellence will evidence itself in virtually every aspect of a college's endeavors.

Not only am I proud to represent Dahlonega in my district, but I am also proud that all except one of the team members are "home grown." Named the tournament's most valuable player and an obvious All-American candidate Brenda Hill, who scored a tournament record 115 points, is from Gainesville, GA. Among the other members of the starting five, freshman Kim Davis also is from Gainesville. Annette Rogers of Gainesville and Stacy Bennett of Cumming, began their college careers at another public institution in my District, Gainesville Junior College. Gretchen Smith, named with Miss Hill to the All-Tournament team, is from Cleveland, GA.

The other members of the team from my district are Laurie Burkett of Gainesville, Lisa Crosby of Jefferson, Cindy Swanson of Dacula, Cindy Hoyle of Ellijay, Connie Lumus of Canton, Charlene Jones of Clarkesville, and Sara Gaddis of Ball Ground. Sheron Jones of Jesup, GA rounds out the team.

Coach Lynn Jarrett, named the best coach in Georgia this year by her peers in the NAIA, is both a native of Gillsville, GA, which is in my Ninth Congressional District, and a graduate of North Georgia College.

The crown on this national achievement by these young women is that they accomplished it against a backdrop of firm institutional commitment to high academic standards. Coach Jarrett noted earlier this season that "not one player who has completed her athletic eligibility on my teams has failed to graduate—and, it's not about to start happening now." Although North Georgia College lacks the extravagant athletic budget of larger schools, it does have at heart a critical element—a commitment to the education and productive futures of its student-athletes.

My sincere congratulations go to the entire team and coach, to the president of North Georgia College, Dr. John H. Owen; to the faculty, staff and students of the college, to the parents and families of these fine young women, and to the many North Georgians who have supported the team and the college.

A COMMUNITY TRAGEDY

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. McHUGH. Mr. Speaker, in recent months there has been a noticeable increase in racial tensions in certain parts of the country, precipitated by specific violent incidents. The most highly publicized and dramatic of these is probably the Howard Beach case. Recently, however, a lesser known but equally tragic incident occurred involving a young man who lived in a community I represent.

On December 13, 1986, a 20-year-old black youth named Jimmy Lee Bruce, of Ellenville, NY, was involved in a minor disturbance at a movie theater in nearby Middletown, NY. Two off-duty policemen from Middletown were moonlighting as security guards at the theater and removed from the building the small group of youths involved. Then, in a continuation of the confrontation outside the theater, one of the policemen put a choke hold on Bruce which resulted in the youth's death by asphyxia.

Two months later, a grand jury was convened, and on March 23 that grand jury cleared the police officers involved of any criminal wrongdoing in the case. Other court proceedings may yet determine whether the police officers were culpable, as well as whether they were properly trained, particularly in the use of a hold which is banned in some jurisdictions as too dangerous. Yet, for the family of Jimmy Lee Bruce and for the Ellenville community, the young man's death will remain a deep tragedy, a tragedy which raises for all of us disturbing questions about racial interaction, the equal protection of the laws, and community sensitivity.

The Times-Herald Record of Middletown summarized these issues in a poignant editorial on March 23, and I would like to share it with my colleagues:

GRAND JURY INDICTS NO ONE, EVERYONE

You're a parent. Your 20-year-old son goes to the movies with some friends. They get a little rowdy and get kicked out and then there's a scuffle outside with security guards (who also happen to be off-duty police officers). Your son was drinking and he may have egged the guards on—no excuse for that. One of the guards/police officers applies a "sleeper hold" to your son, who is then tossed in the back of a police car. Two police drive around in that car for 7½ minutes looking for your son's friends, then go back to the movie theater. A state trooper now on the scene shines a flashlight into the back seat and notices your son is showing no response to the light. The cops rush him to the hospital where attempts to revive him fail.

Two months after the death, a grand jury starts hearing evidence to determine if anyone did anything criminally wrong. A month later it issues its report—none of the four police officers directly involved in the case was responsible for any criminal wrongdoing. Your son's death resulted because the police didn't know what they were doing, not because they intended to kill your son. Case closed. The system worked.

Do you buy that, parent? Your son is dead and the system worked? Your son is dead because the police involved receive no training in hand-to-hand combat, because they get no special training in the proper technique of applying a dangerous sleeper hold or knowledge of what might result from the improper use of such a hold? It was all just a tragic accident?

Of course you don't buy that. The grand jury that yesterday cleared four law enforcement officers of any criminal wrongdoing in the death of Jimmy Lee Bruce in effect indicted the so-called system instead.

It indicted a system that fails to prepare its police officers properly, or to have enough of them. It indicted a system that was slow to react and investigate the case, raising suspicions of bigotry because Jimmy Lee Bruce happened to be black. It indicted a system that is insensitive to the fact that blacks have legitimate reasons to feel that such things happen more often to them than to whites. It indicted a system that can ignore the fact that this "accident" could just as easily have happened to a white man. Still could.

This is not the end of the Bruce case. Federal and civil court action are distinct possibilities. A special prosecutor to revive the state charges—which would answer doubts about the district attorney's job—is highly unlikely since there is no indication that evidence was withheld from the grand jury.

For the City of Middletown and the Town of Wallkill, who employ the four police officers involved, the immediate question is how well-prepared are all their officers? Do they receive enough physical training, as well as community sensitivity training? On that, the grand jury report seems clear: No, they don't. That must be remedied swiftly.

For relatives and friends of the police officers, there is understandably great relief. Their consistent argument that nothing criminal was done was validated by the grand jury.

For relatives and friends of Jimmy Lee Bruce there can be only frustration and anger. But then, put yourself in their place and read a grand jury report that says your son is dead because no one knew what they were doing, but no one is responsible. Then tell them the system worked.

GALESBURG ILLINOIS

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. EVANS. Mr. Speaker, last month I was privileged to participate in the sesquicentennial celebration of a remarkable community in my congressional District. Throughout its 150-year history, the city of Galesburg, IL, has exerted a significant influence on the personalities and events which have shaped our Nation.

The citizens and community leaders of Galesburg have always been helpful and cooperative, providing me with advice and counsel. I've been fortunate to work with many members of the community on important issues like establishing the Hawthorne Center and preserving our Amtrak service. We have had some trials and setbacks, but we've also had our share of triumphs. In the months and years ahead, I look forward to continuing my close association with Galesburg and its people.

As a public official and a history buff, I've always been impressed by Galesburg's role in our national politics. I doubt there is another city of Galesburg's size that has played so large a role in the lives of two U.S. Presidents. As you know, in 1915 our current President first attended public school right here in Galesburg, where his father, Jack worked as a clerk in O.T. Johnson's "Big Store." My Galesburg office now occupies a part of the former O.T. Johnson site. The Reagan's rented house at 1219 North Kellogg was reportedly the grandest, most spacious home the family lived in during the President's boyhood.

Earlier, in 1858, Abraham Lincoln delivered what many consider to be his finest speech during the series of debates with Stephen Douglas that ultimately brought him to the White House. The plaque commemorating that event led to the lifetime fascination of Galesburg native, Carl Sandburg, whose multivolume Lincoln biography stands as a crowning achievement in American literature.

I've tried to carry on in the Lincoln tradition by holding debates in Galesburg during each of my campaigns for Congress. And although no one has ever mistaken my debating style with that of Lincoln, I have always been impressed by the numbers of people who have attended the debates and the enthusiasm they have shown.

So as one who has had the distinct pleasure of representing the good people of Galesburg, and who has gotten to know the community and its concerns in great detail, I am very pleased to join them in celebrating 150 years of impressive achievement. My congratulations to the citizens of Galesburg and best wishes for a future even greater than your honored past.

Last, I would like to submit an excellent article which appeared in the Thursday, March 12, 1987, edition of the Chicago Tribune, written by Mr. Bob Wiedrich. This article describes some of the racial and ethnic heritage of Galesburg.

The article follows:

[From the Chicago Tribune, Mar. 12, 1987]

GALESBURG'S HISTORY IS BLACK AND WHITE, AND PROUD ALL OVER

(By Bob Wiedrich)

GALESBURG, IL.—Newly arrived immigrants from Sweden were a common sight at the railroad station here in the 1880s.

The immigrants would stand on the platform, eagerly waiting for an aunt or uncle to appear. But often their anticipation would turn to bewilderment when a tall black man approached to greet them in fluent Swedish.

He'd load their few belongings in a buckboard and then gravely announce, "If you stay here as long as I have, you'll be black, too."

Then with a laugh, he'd drive them off to their relatives' homes to join the melting pot that Galesburg had become since its settlement in 1837.

Such stories of the rich ethnic and racial heritage of this west-central Illinois city are being revived by some of its oldest citizens as Galesburg observes its 150th birthday this year.

"My dad learned Swedish from some of the men he worked for," said Susan Rodgers, who was one of that black man's 20 children. Now 84, she is able to recall such family ancedotes with great clarity.

Mrs. Rodgers' great-grandparents and their seven children arrived in this area in the 1830s.

"They were running away from slavery in Kentucky and were saved by the Underground Railway," she said. "People helped them along the way, sometimes hiding them in a wagon bed under piles of straw or bricks.

"I guess it was terrible. It was a wilderness then, but they finally were free."

According to town historians, those who built Galesburg from a prairie were seeking freedom—of religion and also from poverty.

The first white settlers were Yankees of English and Scottish descent from upstate New York, led by George Washington Gale, the Presbyterian minister after whom this city is named.

Then, in succeeding years, came waves of German and Swedish immigrants, followed by Irishmen and Mexicans who came to build the Chicago, Burlington & Quincy and the Santa Fe railroads.

"Gale and his followers were teetotaling abolitionists," said Harry Bulkeley, an associate circuit judge who is chairman of the Sesquicentennial Commission. "That's why Mrs. Rodgers' ancestors found a safe haven here."

"When I was growing up, we were the only black family in an all-white, Swedish neighborhood," Mrs. Rodgers said. "But there was no prejudice at all.

"My Aunt Belle was the first black graduate of a local grade school. And in 1859, my mother was the first black born in Galesburg.

"It was my dad, John Richard Allen, who learned to speak Swedish so well he became an interpreter for immigrants at the courthouse for 12 years.

History buffs depend on old-timers like Mrs. Rodgers to help weave the rich fabric of their community's past as it prepares for a yearlong celebration that will include an ethnic festival this summer.

As a youngster, Mrs. Rodgers played "at the feet of Carl Sandburg," Illinois poet laureate and Galesburg's most famous son.

"It was a big event when he came to visit some of his family in our neighborhood," she said. He'd be half drunk and playing a mandolin with that hair hanging over one eye.

"Once, I asked him to teach me a song in Swedish and he told me, 'Go home and ask your dad. He can speak Swedish better than me.' "

Myrle Bates, 97, who taught school here for 48 years, also shares warm memories of turn-of-the-century Galesburg when patrician-looking ladies and gentlemen rode around town in horse-drawn phaetons rented from a livery stable.

"I remember what an event it was when the first horseless carriage came down Main Street," she said. "The ladies wore dusters, big hats and veils. And gasoline was only 17 cents a gallon."

Knox College and its music conservatory fostered a cultural tradition that attracted such world famous performers as tenor Enrico Caruso and contralto Mme. Schumann-Heink, she said.

"The churches and Knox College were closely linked and affected the city's lifestyle," she said. "Crowds would gather on summer evenings to hear outdoor band concerts."

"The Marx Brothers are supposed to have gotten their nicknames here at a card game between shows at the Gayety Theater," Judge Bulkeley said. "Charles Dickens lectured once in the late 1890s.

"And Fanny Brice, Harry Houdini and George Burns all played Galesburg at one time or another. Even Billy Sunday led a big temperance rally here at the turn of the century."

By the time, George Washington Gale and his intolerance of booze had left its mark on the town, despite the hard-drinking early railroaders.

Residents voted the town dry in 1910, a status that prevailed until the end of Prohibition. Today, this city of 34,300 people has 68 liquor licenses on the books, Mayor Jerry Miller said.

"FREEDOM OF THE PRESS" BY BINDU PRASAD

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. GILMAN. Mr. Speaker, I wanted to share with my colleagues the speech which won the first prize at The American Legion's 50th Zone Oratorical Contest. The speech was written and delivered by Ms. Bindu Prasad of Yonkers, NY, and is entitled "Freedom of the Press."

I would like to take this opportunity to commend The American Legion for sponsoring this important event allowing all Americans to reflect upon our Nation and our rich heritage. I commend Ms. Prasad's speech to my colleagues' attention:

THE FREEDOM OF THE PRESS

Our Founding Fathers have proved themselves to be the greatest architects of this country by providing a sensible constitution that has laid a strong foundation for the survival and the progress of this country. The first Amendment of our Constitution states that "Congress shall make no law abridging the freedom of speech or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

The Freedom of Press is one of the most cherished privileges bestowed upon us by the Constitution. It has a special place in America's heritage. Our revolution was ignited by the press pamphlets such as Thomas Paine's "Common Sense." According to Warren H. Phillips, in his article: "The Free Press", the Founding Fathers believed that "through diversity, out of the vast welter of conflicting ideas that would be put before the public, the truth would emerge more effectively than through any efforts to impose standards of truth from the outside or through any other means yet devised." In the past two hundred years, time and time again, it is evident that the truth does indeed emerge due to the efforts of the press.

Under the protection of the First Amendment, the freedom of the press means freedom to gather news, write it, publish it, and circulate it. The Press is the bridge between the public and the government; the link between the people and the institutions. The Press tries to provide unbiased, accurate and timely information to the public and it reflects many diverse opinions of a pluralistic society. Journalists are legally protected against having to reveal their sources of information. This freedom enables them to investigate and to reveal crucial, newsworthy facts that aid the public in assessing and analyzing the issues on crime, corruption and inefficiency in public and private sectors. In November 1972, Harry Thorton—host of the Morning Show on WDEF-TV, received a call from a former Judge Bennie Harris who said that he was "whitewashed." Thorton aired the comments live and some time later was asked to name the caller before the county grand jury. Thorton refused, saying that to do so would be "a blow to the Freedom of Press." Thorton was found guilty of contempt and was sent to jail. However, he was released in December. Sometimes reporters even place their lives in jeopardy in pursuit of the truth. In 1983, Reporter Torgenson of the LA Times and Freelance Photographer Cross were killed on a Honduran border while on assignment for U.S. News & World Report.

A free press is the very foundation of our democratic institution. We, Americans, are fortunate to have a free press unlike the Soviet Union, China and other countries where the press has no freedom. It is only through the freedom of the press that the citizens in a free democratic society, can be well informed to participate effectively in passing judgements over the political decisions which affect their lives. Whether the topic is as important as the Presidential elections, as traumatic as the Challenger's explosion or as small as a local issue.

News organizations produce hundreds of substantive stories that hold the government to account and bring important information to educate the public. The press gathers and presents this information to us in a responsible manner. For example in 1982, persistent probing by several news organizations into the improprieties and the wrongdoings of the Environmental Protection Agency, led to top level resignations and capable new administrators were appointed. The press also places a steady spotlight on the Pentagon, scrutinizing its waste and the mismanagement of the funds which led the military to investigate many of its contractors who charged exorbitant prices for the military supplies. Journalists also provide community services that are easily taken for granted. Pam Zekman of Chicago WBBM-TV discovered that the city's policy had underreported crime statistics for political reasons for years.

However, in the recent years the American public seems to have lost faith and confidence in the news media. The public feels that journalists are unfair, irresponsible, and just arrogant. When a news organization becomes careless for just a few moments, the consequences for the individuals it covers can be catastrophic and can cause considerable damage to the press itself. Various libel suits, especially by General William Westmoreland and Los Angeles physician Carl Galloway against CBS, have raised doubts about the objectivity and credibility of prominent journalists such as Mike Wallace and Dan Rather. Many reporters twist facts to suit their own purposes; they toy with people's emotions and are indifferent to the pain and chaos they leave behind. The credibility of all journalists was damaged in 1981 when Washington Post Reporter Janet Cooke was forced to give up the Pulitzer prize after admitting that she had invented the main character of "Jimmy's World"—a story of an eight year old heroin addict. Editors rely on the honesty of their reporters. Reporters are supposed to report opposing view points, guard agaist manipulation by their sources, check stories against available evidence and seek out new sources of information. Unfortunately, they often fail to do these things. The power of the press to change lives and sway opinion is awesome and the public is fearful of this power. The media must realize that the First Amendment rights do not take priority over the individual's right to life, liberty, privacy and the pursuit of happiness.

Like any other profession, the press is not free of errors or free of controversy. The Press is frail and the people supplying information are frail too. Reporters work fast to bring in a new story and sometimes they do make mistakes. There are good, responsible, and honest reporters. According to David Goody, author of the "Public's Watchdog," "The Press is responding to the invisible hand of public pressure and a journalist who has not struggled with questions of ethics is increasingly rare today." That's good news for the press which needs the public's trust to be its watchdog."

Thomas Jefferson most eloquently expressed his view about the Press when he said "were it left to me to decide whether we should have a government without newspapers or newspapers without the government, I should not hesitate a moment to prefer the latter."

Journalistic freedom and independence must be strengthened. The Press is not above criticism. In fact the vigorous criticism of American journalism is healthy for both the press and the nation. We must realize that the freedom of press is not some privilege extended to a particular segment of the population but is purely and simply our right to be told what our government and its servants are doing in our name. It is the guardian of our free society. For the survival of democracy it is necessary to be informed about what our government is doing. Is it spending our money wastefully? Is it infringing upon our rights? The press brings us the information to help answer these questions. It is our civic duty to know the answers. A free society must have a free Press. Without the Freedom of the Press, there can be no freedom, no liberty, and no democracy.

ABM TREATY NEEDS TO BE RESPECTED

HON. WILLIAM O. LIPINSKI

OF ILLINIOS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. LIPINSKI. Mr. Speaker, I rise today to support what the last three administrations have supported—the narrow and legal interpretation of the Anti-Ballistic Missile [ABM] Treaty of 1972. According to the provisions of the treaty, there are clear limitations on development and testing of fixed land-based, space-based and other ABM systems.

Although generally supportive of President Reagan's line of reasoning on the strategic defense initiative [SDI] in the past, I cannot agree with the present administration's proposed reinterpretation of the ABM Treaty as it relates to space-based missile defense systems. President Reagan and his current arms control advisers argue that the ABM Treaty is ambiguous and has no intention of banning futuristic technologies not known when the treaty was signed in 1972. Exotic beam particle weapons and other technologically advanced systems, the administration contends, should be excluded from any restrictions.

First of all, the very negotiators of the treaty have expressed themselves quite strongly on what the accord was designed to achieve—a clear-cut ban on the development and testing of current and futuristic spaced-based ABM's. The Secretaries of State from the three previous administrations have equally expressed themselves on the overriding need to retain the ABM Treaty. The only ABM Treaty negotiator who agrees with reinterpretation logic of the present administration is Paul Nitze, a man who happens to be currently working for President Reagan. Statements from all parties involved when the treaty was forged indicate a clear desire to ban all space-based and futuristic systems.

Second, there is no evidence to suggest that there has been a major breakthrough in exotic and futuristic ABM technologies. Secretary Weinberger stated in recent congressional testimony that a preliminary SDI system would be ready for deployment in 1993-94. But what was not clear from his testimony was what would be the nature of the system deployed. Many well-informed sources and respected scientists believe the technology involved would not be the lasers and particle beams of the future, but kinetic kill vehicles—or "smart" rocks—technology that has been around since the ABM Treaty and therefore does not fall outside the treaty's jurisdiction. But even if major breakthroughs do occur, the treaty is still explicit about banning any space-based weapons. The only area subject to discussion for technology based on other physical principles is fixed land-based ABM's.

I think valuable SDI research can continue without having to scrap the ABM Treaty entirely. Because SDI is still in its research stage, the treaty imposes no immediate constraints on the program. In its report to Congress last year, even the Pentagon stated that the ABM Treaty would not pose a significant constraint for SDI until the early 1990's. Contrary to what Secretary Weinberger and others in the administration argue, early testing would not help the program because the technologies needed are not yet available or are the least promising.

Instead of unilateral abrogation of the agreement, the Reagan administration in my opinion has a number of other options open to it. Guidelines could be established that permit the kinds of tests necessary to keep SDI viable and strong. The United States and U.S.S.R. could renegotiate certain aspects of the ABM Treaty as they relate to space-based defense and testing conditions, perhaps even defining the type and number of tests to be performed. Of course, all of this involves give-and-take renegotiation, not reinterpretation, and in my view represents a more successful and competent approach to arms control.

I firmly believe SDI research must be allowed to proceed, but not at the expense of the only major, ratified arms control agreement in recent memory. Our Nation cannot afford to discontinue SDI in the face of the Soviet's own large Strategic Defense Program. Some analysts have claimed that the Soviet Union has spent nearly 10 times as much as the United States on strategic defense research. Aside from legal and technological factors, with the Soviet's recent decision to decouple limits on SDI research from the intermediate nuclear forces [INF] in Europe, there is now even more incentive for the Reagan administration to reassess its reinterpretation strategy.

FAIR TRADE AND THE U.S. MERCHANT MARINE

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. LENT. Mr. Speaker, I have introduced legislation to address yet another aspect of our international trade situation. This Congress must address our balance of trade problems because our American industries cannot continue to operate in the current climate where so many of our major trading partners have constructed and maintain tariff and nontariff barriers which make it difficult, if not impossible, for U.S. companies to compete in international trade.

The United States over the last several years has experienced an enormous growing trade deficit. The 1986 trade deficit was over $170 billion. We all hope that his deficit will shrink this coming year, but it will take concerted action by our Government to expedite the reduction of this deficit.

Our international trading partners have instituted many types of trade barriers, some are in the form of government regulations, others are the result of business practices that include quotas, high tariffs, commodity taxes, technical standards, and other anti-import marketing practices. The American merchant marine faces many of these same barriers.

I thought it would be useful for my colleagues to know about some of the truly unfair trading practices going on in the international shipping area. For example, our merchant ship operators are not able to hire their own commercial agents to book cargo in many countries. Our vessel operators are precluded from acquiring, either by purchase or lease, port facilities in many countries. We, however, do not place similar limitations on foreign vessel operators doing business in our country.

Another example is particularly frustrating. Several Japanese companies build the large containers that are used on ships for carrying cargo. In recent years thay have designed and built taller containers that are more economical because they can hold more. These containers are taken by truck from the fabricating plants to Japanese ports, obviously using Japanese highways. However, when these same containers are put in use, an American ship operator cannot put the containers on trucks and move them along Japanese highways to and from the Japanese ports. This has become known as the "high cube" problem and it is an example of the worst kind of unfair practice facing our American merchant vessel operators.

Several countries even prohibit U.S. carriers from owning and operating trucking services for the purpose of picking up and dropping off containers as part of their ocean transportation service. The United States has no such limits. In fact, it is possible to see foreign containers on foreign-owned trucks driving down the streets of Washington, DC.

Similarly, a Japanese ship operating company just announced that next month it will start operating a double-stack railroad service hauling their containers across the United States from Seattle to Chicago and New York. Our country welcomes this foreign operation at the same time some of our companies are being denied even the most basic commercial operation of having their own cargo booking agent by other countries.

Artificial limitations such as these I have just described must be eliminated. Our merchant marine deserves a fair shot at becoming competitive in international trade based on important factors such as reliability and quality of service.

The legislation that I have introduced is an effort to strike a compromise between doing nothing, and on the other hand enacting some kind of severe legislative remedy reacting to unfair trade practices. My effort is designed to avoid any action that could compound problems by triggering retaliation from other trading nations that could only make matters worse.

This legislation is a refinement and improvement to existing law. Section 19(1)(b) of the Merchant Marine Act, 1920, gives the Federal Maritime Commission authority to make rules and regulations affecting shipping in the foreign trade to meet conditions that might be unfavorable to shipping and which arise from practices used by foreign operators that unfairly restrict American vessels in international trade. My bill would simply pick up on that existing responsibility and give the Federal Maritime Commission some additional tools that they can use to rectify unfair trade problems. It would broaden their ability to look at trade practices that might involve intermodal movements of cargo and would expand the remedies available to the Commission once they have been through the administrative process to ascertain the extent of any unfair trade practices.

I urge my colleagues to look at this legislation closely because I think it may provide a remedy to address some of the trade problems that exist in the maritime area.

THE CHALLENGE OF AMERICAN CITIZENSHIP

HON. ARTHUR RAVENEL, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. RAVENEL. Mr. Speaker, the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conducts the Voice of Democracy script-writing contest each year for secondary school students. Thousands of students participate each year to compete for the seven national scholarships that are awarded as top prizes. The theme for 1987 is "The Challenge of American Citizenship."

I would like to take this opportunity to submit to the RECORD the winning script from the First Congressional District in South Carolina. The author is Mr. Paul Edward O'Brien of Porter Gaud High School, Charleston, SC. He is the son of Mr. and Mrs. Paul H. O'Brien of 1467 Burning Tree Road, Charleston, SC. I join with the residents of South Carolina's First Congressional District in saluting Paul for his outstanding achievement. His essay reads as follows:

THE CHALLENGE OF AMERICAN CITIZENSHIP

(By Paul O'Brien)

The challenge of American citizenship only increases the more one learns about one's rights and responsibilities as an American citizen. However, the greater one's understanding of these rights and responsibilities, the better one is able to respond to and meet the challenge. We are endowed with the most idealistic Constitution ever created. And while its aim is to provide and protect the civil liberties of its people, it also embodies a recognition of the human drive for power and checks this drive with a system that centers around the needs and wants of the public. Therefore, the enormous weight of the success of our democracy is placed upon the shoulders of the American citizens. To carry this weight, we must strengthen ourselves with critical thinking, a knowledge of our system of government and of our politicians, and the ability to voice our concerns and opinions about our government.

The Constitution upholds the right to freedom of speech in the first amendment. This right is extremely precious but potentially dangerous. We so often accept this right casually. Many people abuse the right to freedom of speech by voicing unfounded criticisms and carefree accusations. The most blatant example of the destuctive capability of an unleashed tongue is Senator Joseph McCarthy's outrageous rampage against a fictitious communist insurgency. We learned from him that we are extremely susceptible to falling prey to the caprice of our emotions and to the abandonment of analytical thinking. He exaggerated our fears and evoked a desperate sense of urgency. Certainly we should treasure our sentiment for it enables us to sympathize and care and love. These emotions, which show concern, are fundamental in allowing us to understand each other and each other's needs. This understanding, then, enables us to hold faith in a document that is founded upon the belief in the sanctity of the human right of expression. However, the challenge we face is realizing the limit that our emotions have in guiding us to truth. To assuage our vulnerability we must equip ourselves with rationale and logical thought patterns so that we can recognize the dangers created by prominent leaders and persuasive speakers who harbor selfish intentions in time to strip them of their power.

It is our responsibility to understand the process of our government. We should learn what pressures and motives are involved in the making of national policies. We must study the issues. We must recognize the motivations and the pressures placed on our politicians and government officials. We should ponder our government's problems as if they were up to each of us to solve individually. For they are all our problems. Once we are more sure of our footwork, we must then, while respectfully observing contrasting opinions, manifest our own opinions most importantly by voting and also through speech or writing.

Our democratic republic has been criticized for lacking enough unity to be able to survive an external attack because we lack a common heritage and a single cultural bond to call us together in times of trouble. We certainly show a tremendous diversity in interests and opinions. But we are firmly united in our veneration of the creed defined in our constitution, and we have united and will unite to preserve it whenever it is threatened. Voltaire said, "I may disagree with what you say, but I will fight to the death for your right to say it".

The challenge is an individual one. Every American citizen must recognize the danger inherent in a free society. Easy access to the public through the media encourages demagoguery. The voice we each wield is powerful. We must continually educate ourselves about the workings of our government and about the problems our leaders face. We must cultivate our opinions and challenge the opinions of others if we do not agree with them. The power of a democracy lies within each citizen. And we must work to maintain it. The broader our understanding of the weaknesses and strengths of our democracy, the better we are able to overcome these weaknesses and fortify these strengths.

LEGISLATION RECOGNIZING THE NATIONAL FALLEN FIREFIGHTER MEMORIAL

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. HEFLEY. Mr. Speaker, I rise today to introduce legislation which would recognize the International Association of Firefighters National Fallen Firefighter Memorial. This memorial represents the outstanding dedication and service of the Colorado Springs Firefighters and their fellow firefighters across the country who have given their lives in order to protect the lives of others.

Congressional recognition of these Americans and the memorial in their honor will bestow the additional importance and much deserved praise to this highly dedicated group of public servants, whose motto is "We Fight For Life."

The modern firefighter is doing much more than just fighting fires. Hazardous material accidents, rescue operations, and a variety of medical emergencies are just a few of the other duties performed by todays firefighters. While many children today dream of being firefighters when they grow up, we all know that the occupation is not one without sacrifice.

The inherent hazards involved have claimed nearly 1,200 lives in the last decade. These heros have been memorialized as a reminder to citizens throughout every community across the Nation that theirs was the biggest sacrifice of all for their fellow man—their own lives.

This legislation comes with only a few strings attached and they are heart strings rather than financial ones. No administration or cost to the Federal Government is entailed. The city of Colorado Springs, which is in my district, has donated the land for the memorial and surrounding plaza and will also assume the maintenance and utility costs for the memorial. The memorial plaza will be paid for by foundation grants, and the architectual and design work of the plaza has been donated by the firm of Mlicki & Daley, Inc.

In addition, firefighters from across the country have been donating and raising money to pay for the statue. Mr. Gary Coulter from Pueblo, CO, won the competition to design the statue and he has already completed the mold. He has entitled the statue "Somewhere Everyday" and is currently casting the statue in bronze. The firefighters are planning to have the statue unveiled in Colorado Springs this October during "National Fire Prevention Week."

Upon completion, the Colorado Springs firefighters intend to illuminate the memorial and fly the American flag at all times. Upon notification of a firefighter's death, an honor guard will lower the American flag to half mast. This flag will be presented to the widow or other close relative of the fallen firefighter.

I commend the initiative of the firefighters to dedicate a memorial to their fallen peers, and I urge my colleagues to endorse the legislation to recognize and honor the firefighters who have sacrificed their lives in the performance of their duties.

Thank you, Mr. Speaker.

H. CON. RES. 87

Concurrent resolution to recognize the International Association of Fire Fighters and the National Fallen Fire Fighter Memorial in Colorado Springs, CO

Whereas fire fighters have dedicated their lives to protecting communities;

Whereas the working environment of fire fighters entails hazards beyond the normal limits of other occupations, including exposure to unknown toxic elements;

Whereas nearly 1,200 fire fighters have died in the line of duty since 1977;

Whereas the Colorado Springs, Colorado, affiliate of the International Association of Fire Fighters, is building a permanent memorial in recognition of fire fighters who have given the ultimate sacrifice while performing their duties;

Whereas the Colorado Springs Fire Fighters Association has commissioned sculptor Gary Coulter to produce a "Heroic Bronze" entitled "Somewhere Everyday" to permanently commemorate fallen fire fighters;

Whereas fire fighters from around the country are raising funds to pay for the statue;

Whereas the city of Colorado Springs has donated the land for the statue and surrounding plaza and will provide perpetual care and maintenance of the memorial grounds;

Whereas the statue has been unanimously approved by the Arts in Public Places Commission;

Whereas the Fallen Fire Fighter Memorial is centrally located to give fire fighters from all over the country an opportunity to visit the memorial; and

Whereas the International Association of Fire Fighters adopted a resolution at its 1986 convention endorsing the Fallen Fire Fighter Memorial in Colorado Springs, Colorado, as the National Fallen Fire Fighter Memorial of the International Association of Fire Fighters; Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress recognizes the Fallen Fire Fighters Memorial in Colorado Springs, Colorado, as the International Association of Fire Fighters National Fallen Fire Fighter Memorial.

CASINO SOCIETY

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. DORGAN of North Dakota. Mr. Speaker, with monotonous frequency we read about another high-stakes takeover bid on Wall Street. Fast-buck artists and corporate-paper pushers have had a run on high-gloss publicity until the courts started catching up with them. Perhaps the Ivan Boesky affair will give Congress a chance to catch up with them, too.

Make no mistake, here. I am not making a case against free enterprise; I am making a plea for it. Quick-profit, hostile takeovers waste capital and talent, while generating no new jobs, innovations, or real wealth. Lee Iacocca drives home this point in a recent "Insights" column in High Technology. I invite my colleagues attention to his persuasive comments—including those on junk bonds and waiting periods for voting stocks.

The article, "Plague of the Paper Pushers," from March 1987 High Technology follows:

PLAGUE OF THE PAPER PUSHERS

(By Lee A. Iacocca)

If nothing else, Ivan Boesky has fired up the debate over the value of corporate raiders and their camp followers, the arbitrageurs. Are these guys really Robin Hood and his Merry Men, as they claim to be? Or are they Genghis Khan and the Mongol hordes?

All I know is what I see, and what I don't. I see billions of dollars tied up in new corporate debt to keep the raiders at bay while research and development goes begging. I see billions going for greenmail that ought to be building new, high tech factories. I see confidence in Wall Street's integrity lower than at any time since the big crash.

I also see a huge share of America's best management talent wasted on takeover games when it should be devoted to strengthening the industrial base of the country.

But I don't see the raiders creating jobs. I don't see them increasing productivity. And worst of all, I don't see them doing a thing to help America compete in the world.

I hear their holier-than-thou pitch about making companies more efficient, liquefying capital, and defending the helpless stockholder. But a funny thing happens to these dedicated missionaries once you cross their palms with a little dough—they go away!

If these people are really interested in saving American businesses from its incompetent management, where were they back in 1980 when Chrysler was flat on its back? One thing I never had to worry about in those days was a raider coming around, because Chrysler wasn't worth looting.

The typical takeover target isn't a company in trouble. It's a company with a solid asset base, low debt, consistent profits, and a few bucks in the bank to diversify or get through the next business downturn.

When I went to school, we called that "good management." Today it makes you fair game. Choosing to modernize your factory instead of increasing your dividend might make good business sense, but it's also like putting fresh blood in the water; it draws the sharks. So when the raiders and the "arbs"—people who buy huge chunks of stock to hold for a couple of days or weeks, looking for a windfall—get involved, you're forced to do things that make no business sense at all just to stay alive.

My interest in all this started getting too close to home this fall when two of Chrysler's biggest suppliers, USX and Goodyear, found themselves "in play."

It's hard to exaggerate the importance of suppliers in my business—especially the ones providing the steel and rubber. They're really "partners." A supplier who doesn't make his commitment can shut all our factories down in just a few days.

So naturally I got worried. I didn't know what the raiders had in mind for my partners. Were they just going to grab the assets and run? Were they going to pocket the R&D budget? Did they give the slightest damn about servicing me? Did they even know one single thing about my business, and how important these suppliers are to me?

Maybe the biggest question of all: would they force me to go overseas for materials I'd rather see produced by American workers?

I still don't know the answers.

Goodyear managed to survive the raid. It only cost them $2.6 billion. They'll just have to sell off a few subsidiaries, close some plants, put some people on the street, and load their balance sheet with new debt. Meanwhile, Sir James Goldsmith, the guy playing Robin Hood, said, "I'm walking out of this with my head held high," after aborting his raid. Maybe the cool $90 million or so he got in greenmail helped him keep his head high.

No doubt about it, the raiders push up stock values and make some people (mostly themselves) a great deal of money. But if quick paper profits replace long-term competitiveness as the prime reason to invest in American industry, then I don't want to think where we're heading as a nation.

The people getting rich in a hurry in America today are not the ones putting more efficiency into our factories or modernizing our steel mills; they are these paper pushers on Wall Street.

American entrepreneurship, which used to be based on building better mousetraps, seems to be giving way to leveraged buyouts and junk bonds. It's becoming a great big Monopoly game with real money.

If this keeps up, Wall Street is going to foul its own nest, and we'll all be the losers. The American securities market lubricates our whole economy. We can't afford to smother it with too many regulations, but we also can't afford to let it be manipulated by people out for a quick and dirty buck.

Mr. Boesky has guaranteed that Congress will take a close look at Wall Street this session. It's time to at least slow down the action. One good idea I've heard involves a waiting period: make somebody wait six months after they buy stock before they can vote it. Most raiders won't tie up their money that long. They're not risk takers at heart. They only bet on sure things.

And a waiting period is fair. We make people register to vote a month or two in advance because we don't even want our dogcatcher to be elected by somebody who happens to be passing through town on a bus. I don't want American business controlled by people who ride through in the middle of the night with a fistful of stock certificates that they intend to sell first thing in the morning.

Corporate raiders talk piously enough about making American business more efficient, but what they have in mind is rape. And that often makes businessmen too nervous to think about the legitimate and sensible acquisitions and mergers that can actually help companies become more productive and competitive.

I know because we've been trying to diversify Chrysler for the past couple of years. We've made four friendly acquisitions and we're looking for more.

But we're not going to kidnap anybody into the family. When I paid off the federally guaranteed loans three years ago, I said, "Chrysler borrows money the old-fashioned way: we pay it back." Well, when it comes to courting, we like to do it the old-fashioned way, too—we like to knock on the front door with candy and flowers.

These days, though, with all these raiders running loose, everybody is scared to answer the door. Even a simple phone call can send a company to battle stations. And if you say you'd like to stop by and talk, they fill the moat and pull the drawbridge.

Companies are paranoid today, and you can't blame them. CEOs are trying to plan ahead while they're looking over their shoulders. Some of them are spending more time fighting off the raiders who are trying to take over their companies than they are fighting off the Japanese and Germans who are taking over their markets.

That's no way to run a business, and that's sure as hell no way for America to compete.

THE CHALLENGE OF AMERICAN CITIZENSHIP

HON. JOHN MILLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. MILLER of Washington. Mr. Speaker, attached is a script written by my constituent Christine Joy LeShana. This script won second place honors in the Voice of Democracy broadcast scriptwriting contest sponsored by the Veterans of Foreign Wars.

I would appreciate it if Ms. LeShana's script could be included in the Extensions of Remarks of the CONGRESSIONAL RECORD.

THE CHALLENGE OF AMERICAN CITIZENSHIP

The roar was deafening. From the sunbaked shores of California to the rocky coast of Maine, the shouts of celebration resounded with triumphant exclamation. An array of exploding firecrackers lit up the night sky over New York harbor, as thousands of immigrants became American citizens during induction ceremonies held on Ellis Island, and across the nation. This day was July 4, 1986; the day Lady Liberty's torch was lit once again.

Come with me now on an imaginary journey to the site of this celebration. The last firecracker has disappeared from the sky. The jubilant shouts have long since faded into nothingness; and yet, Lady Liberty remains, her torch held proudly in the air. As the Staten Island ferry glides across the placid water, we see in front of us the grandmother of exiles, who, for many immigrants coming to this great nation, was their first glimpse of freedom. Surely these new American citizens faced many challenges. As I gaze upon the Statue, in all its solemn splendor and majesty, I am again reminded of the challenges American citizenship gives me and my generation. Four symbols catch my eye.

First of all, I notice at her feet a shackle that has been broken. This represents freedom. Many tourists do not notice the broken shackle; in the same way, many of us as American citizens are oblivious to the fact that we are truly free; we take our freedom for granted. Freedom is not merely the absence of tyranny; it is an action. More and more the youth of today are exercising their rights by voting, helping in campaign elections, and expressing their opinions on issues such as abortion and nuclear armament.

The second symbol I notice on the Statue is the tablet, on which is inscribed our nation's birthdate, July 4, 1776. Just as our forefathers assumed responsibility for their own actions on that day by declaring their independence, I am also reminded that my citizenship means responsibility. I am responsible to my country to be the best citizen I can be. The immortal Charlie Brown of the Peanuts gang addressed this when he said, "There is no heavier burden than a great potential." My generation has the potential of making our nation greater, but we must start now by learning about our nation through mock legislatures, governmental awareness programs, participation in student government, and involvement in community service projects.

The third symbol I see is the torch, symbolizing the burning desire of our forefathers for a free nation. Now that we have achieved freedom, it is up to you and me to keep that burning desire alive.

A few years ago, Lady Liberty's torch was almost extinguished; however, because some Americans took their citizenship seriously, the lamp was repaired. In fact, the entire Statue was refurbished. The marks of carelessness and neglect have been repaired. Not only has the copper coat been replaced, but also on the inside, seen by just a few, new steel reinforces the structure.

This brings us to the fourth symbol, the crown on Lady Liberty's head; a tiara with rays like those of a sun at the dawning of a new day. Even though our nation is battling many problems such as drug abuse, poverty, and racial injustice, the youth of today are America's rays of hope for a bright tomorrow.

The four symbols of the challenges of American citizenship are very evident on the Statue of Liberty—the broken shackle of freedom, the tablet of responsibility, the burning desire of the torch, and the rays of hope on the crown.

As our imaginary journey comes to an end, I am reminded of my own responsibility as a citizen. With the threat of nuclear war, today's youth will have to be the best generation this country has ever known, or we may be the last generation. When it comes to preserving freedom, the ten most important two-letter-words in the English language are "If it is to be, it is up to me."

A new light now burns in the torch. Just as the Statue of Liberty was refurbished, the youth of America must also rise to the challenges of citizenship and help repair the marks of carelessness and neglect. Our renewed commitment to liberty and truth can strengthen the very structures of our free society, and like the Statue of Liberty, freedom's lamp will burn brighter than ever.

TELEPHONE DECENCY ACT

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. BLILEY. Mr. Speaker, I am joined today by over 50 of my colleagues in introducing the Telephone Decency Act. I introduced the same bill last year and it garnered the support of 111 Members of the House. The same language was passed in the Senate as an amendment to the omnibus drug bill. Moreover, legislation to control dial-a-porn was recommended by the Attorney General's Commission on Pornography in its final report. Mr. Speaker, this bill has been everywhere except the President's desk, and I know he would like to see it.

The purpose of the Telephone Decency Act is to amend section 223 of the Communications Act of 1934 to prohibit the transmission of obscene and indecent communications for commercial purposes by means of telephone to any person, regardless of age. This amendment is necessary as the history of the fight to restrict pornographic telephone services will show.

The original section 223, as passed in 1968, prohibited obscene, lewd, lascivious, filthy, or indecent communications by means of telephone. The law did not state that the maker of the comment must also be the maker of the call, so the service dial-a-porn, in which a caller accesses by telephone a recorded message of a sexually explicit nature, was clearly covered by the language of the statute. However, because dial-it services did not exist when the law was passed, the FCC claimed uncertainty concerning its ability to act.

In September of 1983, I proposed an amendment to the Federal Communications Commission reauthorization legislation which would have clarified the law by stating that the pornographic communications were prohibited regardless of who placed the call. This amendment was adopted unanimously by the members of the Committee on Energy and Commerce, which had jurisdiction over the authorizing legislation.

However, on the last day of the legislative session of the House in 1983, an agreement was reached on the House floor to replace the text of this amendment with that which we have in the law today. Members of the Judiciary Committee made it quite clear that they would demand a sequential referral to their committee if their language was not accepted. The substitute permitted obscene and indecent communications to adults but not to children. It also required the FCC to report regulations describing methods by which dial-a-porn providers could screen out underage callers, and specified that compliance with such regulations constituted "* * * a defense to a prosecution." The President signed this legislation into law on December 8, 1983.

The FCC has twice attempted to satisfy the requirement of the 1983 amendment which instructed it to formulate procedures which would prevent children from gaining access to dial-a-porn without great inconvenience to adults. The first set of regulations, which placed time-of-day restrictions on dial-a-porn, were set aside by the Second Circuit Court of Appeals. The court rightly judged that these restrictions did not place much of a barrier between the children and pornographic telephone services. On October 16, 1985, the FCC released new regulations requiring an authorized access or identification code or payment by credit card. Carlin Communications, Inc., challenged these regulations and the second circuit held a hearing on the matter on December 19, 1985. The regulations were scheduled to go into effect on November 25, 1985, but the FCC issued a stay pending court review. The new date on which they were scheduled to take effect was December 26, but on December 20 the court, out of concern for the business interests of the purveyors of the pornographic messages, issued another stay pending its decision.

Finally, on April 11, 1986, the Second Circuit Court set aside the FCC's second set of regulations for those services operating under the New York telephone system for the reason that "there was no evidence that access codes are technically feasible under the NYT system * * *." The court also concluded, in its majority opinion, that "the record contained insufficient evidence that access codes are the least restrictive means of limiting minors' access to dial-a-porn * * *." This opinion was based, not on first amendment grounds, but on what the court interpreted to be Congress' intent in passing the 1983 amendment. Last July, the FCC issued its third notice of proposed rulemaking. No final rules have been issued to date, and estimates from 1 to 6 months have been given for the publication of a new report and order. In the meantime, tens of millions of telephone calls are being made in and to the New York Telephone region alone without the slightest hindrance to minors.

In the more than 3 years during which dial-a-porn has been technically illegal, these services have spread from New York to many other major cities around the United States. Five of the severn major telephone companies carry this dial-it service. This is an increase from four last year. A representative from Pacific Telesis testified at a Telecommunications Subcommittee hearing last year that the company was forced to carry these "adult entertainment" services.

The amendment my colleagues and I are introducing today will stop this abuse of telephone communication once and for all. The changes we are suggesting are simple and take into consideration Supreme Court decisions with regard to obscene and indecent speech. In fact, we are doing nothing beyond restoring the original intent of my 1983 amendment which, you will remember, was a clarification of the law. It was not until 1983 that obscene and indecent communications over the telephone became legal. Our purpose is to restore, not change. Parents around the country are demanding that we rectify the situation.

This amendment is constitutional. We have many court decisions stating clearly and confidently that obscenity is not protected by the Constitution. To quote Roth versus United States, "We hold that obscenity is not within the area of constitutionally protected speech." Though in Stanley versus Georgia the Court ruled that adults may possess obscene material in their homes, the Justices ruled in United States versus Orito that this does not create a correlative right to receive it, transport it, or distribute it.

One of the objections to my original 1983 amendment was that it did not take into account the Supreme Court's decision in Butler versus Michigan which stated that a "harmful to minors" standard cannot be applied to adults and children alike because then it would reduce the adult population to hearing only what is fit for children. This is a misinterpretation of Butler. That case applies where the distributor of indecent material can differentiate between adults and children. This cannot be done when a child calls a tape-recorded message. The ruling that better applies is FCC versus Pacifica Foundation. Telephone is more like radio and broadcast television because it is easily accessible to children and it is almost impossible for parents to monitor its use.

In the Pacifica ruling, the Supreme Court stated:

> We held in *Ginsberg* v. *New York* . . . that the government's interest in the "wellbeing of its youth" and in supporting "parents' claim to authority in their own household" justified the regulation of otherwise protected expression . . . The ease with which children may obtain access to broadcast material, coupled with the concerns recognized in Ginsberg, amply justify special treatment of indecent broadcasting.

The Pacifica ruling was restricted to radio and television, but the reasoning applied to these could easily apply to telephone communication. Telephones are in most every home and the communications are easily accessible to children.

The Supreme Court has upheld restrictions on many types of speech: False advertising, prayer in public schools, slander, sedition, words that threaten social harm because they advocate illegal acts, perjury, copyright violations, words spoken through a loudspeaker in a residential neighborhood in the early hours of the morning, child pornography, nonobscene sexually explicit movies shown in violation of a zoning ordinance, and indecent speech. All of these types of speech are alike insofar as they cause harm, and our Government has always recognized the necessity of regulating or prohibiting them for the good of society. Dial-a-porn clearly fits into this category.

Finally, Mr. Speaker, I would recommend that if my colleague would like a further exposition of Supreme Court precedents, they should consult the CONGRESSIONAL RECORD of September 27, 1986, page S14049. My friend from North Carolina, Senator HELMS, inserted in the RECORD for our benefit an analysis of the bill by Citizens for Decency Through Law which leaves no doubt as to the constitutionality, and necessity, of the Telephone Decency Act. Senator HELMS has introduced in the other body a companion to this bill, S. 212, the Dial-A-Porn Control Act.

Mr. Speaker, my colleagues' and my own conviction about this bill has not changed one iota. Let me emphasize once more what I said last year. We firmly believe this legislation is vitally necessary for our children, and that the present situation is a scandal to our country and a slap in the face of our Founding Fathers.

H.R. 1786

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Telephone Decency Act."

SEC. 2. AMENDMENTS.

Section 223(b) of the Communications Act of 1934 is amended—

(1) in paragraph (1)(A), by striking out "under eighteen years of age or to any other person without that person's consent";

(2) by striking out paragraph (2);

(3) in paragraph (4), by striking out "paragraphs (1) and (3)" and inserting in lieu thereof "paragraphs (1) and (2)"; and

(4) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

THE CRISES OF HOMELESSNESS AND HUNGER

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. BROWN of California. Mr. Speaker, I would like to express my pleasure at the March 5 passage of H.R. 558, the Urgent Relief for the Homeless Act. I returned to my district that evening, and so was unable to remain on the floor until it came to a vote.

In my home State of California, estimates range from 60,000 to 100,000 homeless people statewide. Even here in our National Capital, it is impossible to be unaware of the increasing number of homeless people. One can hardly walk across Capitol Hill without finding a person forced to live on the street. But homelessness affects rural as well as urban areas in all of our 50 States. We have more homeless people today than in any time since the Great Depression, and their numbers continue to grow. Many shelters are already full and must turn away people every night.

Making this crisis even more urgent are the families with children who comprise almost one-third of the homeless population. A study released recently by the Child Welfare League of America and Traveler's Aid International reports that for every 10 homeless adults, 8 children are affected. Few shelters were designed for families, and some cities have no family shelters. Families often must separate to find temporary shelter.

We must maintain a strong commitment to provide at least a necessary minimum of food and shelter for those who have none. We must be particularly mindful to protect those least able to fend for themselves: America's children. Throughout our history, Americans have been blessed by a wealth of natural resources. But we have not yet eliminated homelessness and hunger from our midst. These problems require extensive bipartisan efforts. We must constantly evaluate the funding for existing programs and the need for new programs.

I will continue to call for adequate funding for the Federal Emergency Management Agency Food and Shelter Services and the Temporary Emergency Food Assistance Program. These programs are not exempt from Gramm-Rudman-Hollings Act cuts, even though they can help alleviate the crises of homelessness and hunger. H.R. 558 is another step toward this goal.

But to really solve these problems, we must look carefully at their underlying causes. Unemployment, cuts in low-income housing, and deinstitutionalization of mental patients have all forced people out into the streets. H.R. 558 will help meet the temporary needs of the homeless, but we must also offer long-term solutions. These solutions should include effective job-training and placement assistance, adequate Federal support for affordable housing, and responsible funding for physical and mental health care. H.R. 558, though it will surely ease the pain of many, is a stopgap measure. I urge my colleagues to support long-term solutions.

As we concentrate on the homeless and the hungry in our Nation, we cannot forget poverty and hunger around the world. Through such events as Hands-Across-America and Live-Aid, Americans have shown their concern about domestic and international hunger. But our development assistance and food aid programs have not fared well in recent years. Their funding has decreased while funding for foreign military assistance programs has increased. I feel strongly that U.S. development and food assistance should be a higher priority in our budget.

Our country has a history of which all Americans can be proud. But homelessness and hunger threaten to taint our heritage. As a world leader, the United States must be foremost in its efforts to combat these scourges. We must work ceaselessly for the elimination of homelessness and hunger from our Nation and our world. The Urgent Relief for the Homeless Act is but a start.

THE MONTGOMERY GI BILL

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. FIELDS. Mr. Speaker, official business prevented me from being here to cast my vote in favor of H.R. 1085, legislation to make permanent the peacetime GI bill. I would like to express my strong support for reaffirming Congress' commitment to providing readjustment benefits for our Nation's veterans.

First established as a 3-year test program, the new GI bill is already a proven success. The Army reported a 24 percent increase in high quality recruits in the Army Reserve components during the first year of the new GI bill. The Army also claimed a 9 percent increase in the number of high school graudate recruits and a 28-increase in 6-year enlistments during this period. Cumulative statistics for the first 18 months of the program show a participation rate of more than 250,000 active duty recruits in all branches of the Armed Forces. The latest available statistics show that 84 percent of all new Army recruits are signing up for the new GI bill. These figures clearly represent a dramatic increase in participation rates and quality recruits in the Armed Forces since the inception of the program.

Although the primary purpose of the new GI bill is to provide readjustment education benefits to our young men and women following service, the bill has also established itself as a major recruitment and retention tool. Hundreds of thousands of young people, who otherwise might not have been able to afford post-secondary training, can now go to college or pursue additional education after leaving the service.

Today, the All Volunteer Armed Forces are regarded as a success. But it is generally understood that the military will come under pressure in the next 5 years because of fewer potential recruits. The 17-to 20-year-old age group is shrinking. By 1991 there will be just over 13 million in this age group, a reduction from 17.5 million in 1980. This means that it will be necessary to recruit one out of every two eligible noncollege persons by the early 1990's.

The new GI bill has been and will continue to be a major factor is attracting numbers and quality for Active and Reserve forces. New recruits across the country are citing education benefits as their principal reason for enlisting. It is a low cost and highly patriotic means for this Nation's young people, who could not otherwise afford it, to further their education and then fully achieve their potential both as mature individuals and as informed citizens.

Mr. Speaker, the overwhelming success of the new GI bill in recruiting and retaining the best and brightest of young Americans into our Armed Forces truly justifies making the program permanent by law. A vote in favor of the Montgomery GI bill is a vote for America's future security as well as prudent investment in our Nation's human resources.

MEESE IGNORES BILL OF RIGHTS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. EDWARDS of California. Mr. Speaker, the Constitution's fourth amendment protects each of us, our homes, offices, and bodies, from unreasonable searches by the Government. U.S. Attorney General Edwin Meese clearly doesn't understand this basic American guarantee when he demands random drug testing of schoolteachers.

The Philadelphia Inquirer in the following editorial takes Mr. Meese to task for this deplorable initiative. I commend the editorial to the attention of my colleagues and to everyone who respects the requirements of the U.S. Constitution.

MEESE IGNORES BILL OF RIGHTS

U.S. Attorney General Edwin Meese 3d is a man of simple logic. He's against drugs. He's especially against drug use in the schools. He thinks it's important that schoolteachers set an example for their students, and teachers who use drugs would set a deplorable example.

Who could argue? The trouble with Mr. Meese's simple logic is where it carries him next. He reasons that to ensure that teachers don't use drugs, they should be required to urinate for government inspection as a condition of employment. He's putting the Justice Department's weight behind that position in a brief filed in a New York appellate court.

The trouble with Mr. Meese's thinking here is that it ignores the Bill of Rights. That's often the case with Mr. Meese, which is a nagging worry since he's the nation's chief law-enforcement officer.

Mandatory urine tests invade an individual's privacy. The Fourth Amendment to the Constitution prohibits government authorities from subjecting individuals to unreasonable searches and seizures without probable cause to justify the intrusion. Numerous federal courts have ruled that the Fourth Amendment governs mandatory urine tests. Sometimes such tests are found to be "reasonable," even though they override privacy rights, when they are found to be necessary to ensure public safety—as for train engineers, for example.

But there would be nothing reasonable about trampling the privacy rights of teachers in a blind crusade against drugs. There is no reason to believe that teachers as a class are drug users any more than any other group. Of course their role, like many, is essential to society—but so too are their rights as individuals.

That's the concept Mr. Meese apparently can't see. The Fourth Amendment, like the entire Bill of Rights, was created to restrain government from intruding unjustifiably upon the freedom of individuals. If authorities have reason to believe a teacher is using illegal drugs, the Fourth Amendment empowers them to override that person's privacy rights to deal with the problem.

By contrast, Mr. Meese would jettison the privacy rights of entire classes of workers—not on evidence of illegal behavior, collectively or individually, but because he wants to crusade against drugs. This time he targets schoolteachers. Separately the Reagan administration proposes the same treatment for half the federal bureaucracy and millions of truck drivers. Who's next? The entire rationale of the Fourth Amendment is ignored.

In his zeal to make America drug free, Mr. Meese would leave Americans less free.

HUMAN RIGHTS IN CUBA: WHY DOESN'T THE U.N. CALL A SPADE A SPADE?

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. BROOMFIELD. Mr. Speaker, a lot has been said about the shortcomings of the United Nations. Much of the recent criticism has been valid. Although improvements in that international organization have been made, problems remain. The recent decision by the U.N.'s Human Rights Commission in Geneva is a case in point.

Members of that body recently voted not to express their concerns about Cuba's human rights violations by not putting human rights practices in the country on the agenda. The suppression of human rights, opposition groups, organized religion and the free press are part of the baggage that most Marxist-Leninist governments carry. Nicaragua, a mini-Cuba, is a case in point.

Those recently released from Castro's jails tell of beatings and being tortured. Cuban prison conditions are horrible. Castro has always dealt harshly with dissidents. They pay a heavy price for opposing his totalitarian ways.

Most regrettable is the fact that Cuba has been protected against the legitimate criticism of U.N. bodies while that government continues to routinely violate human rights. By skillfully aligning itself with the Soviet and the nonaligned blocs, the Cubans have bought protection for themselves. This enabled them to cleverly avoid the condemnation that they justly deserve for their abominable human rights record. It is ironic that Uncle Sam still pays a large part of the bill for an organization that plays such tragic games!

With these concerns in mind, I commend the following editorial from the Washington Post to my colleagues in the House.

[From the Washington Post, Mar. 23, 1987]

CUBA'S CRIMES—EVEN THE U.N. COULD NOT IGNORE THEM FOREVER

(By Jeane Kirkpatrick)

Something important happened at the United Nations Human Rights Commission meeting in Geneva a short time ago. By a vote of 19 to 18 with six abstentions, commission delegates voted not to express their concern about Cuba's human rights violations and not to put Cuban human rights practices on the agenda. But the mutilated hands, blinded eyes, deep scars and eloquent, wrenching accounts of former prisoners could not be avoided by the diplomats.

Although the Cuban government called it a "crushing defeat" for the United States, it was in fact a victory. It exposed the structure of politics inside the United Nations, illustrated why U.N. bodies are unable to consider political and moral questions on their merits, and dramatized what might be accomplished if such U.N. institutions as the Human Rights Commission were made to function as they were intended.

"Just the fact that we made them see and hear the human rights violations with their own eyes is a victory," a former Cuban political prisoner said. He is surely right. For 2½ decades, evidence of savage repression and barbaric prison conditions in Cuba has accumulated, but no U.N. body had taken note of Cuba's continuing serious violations of the Universal Declaration of Human Rights.

Until now, Cuba had been wholly protected against the censure of U.N. bodies while driving more than a million of its citizens into exile and imprisoning countless others for purely political offenses. More than any other country in the Americas, Cuba has repressed freedom of speech, religion, assembly, press and denied its citizens the right to emigrate.

Cuba's record has never come to the attention of U.N. human rights bodies because those institutions are "wired." They have long been controlled by blocs of nations that operate like an international protection racket. Cuba is a member of both the Soviet and the nonaligned blocs—whose members protect one another against negative political actions in the U.N. Cuba is, in addition, very active among the Latins and, with Mexico and Nicaragua, has worked hard to forge South American countries into a "progressive" Latin bloc that would support the regressive practices of Marxist states.

Inside the U.N., it is understood that human rights complaints cannot succeed against members of blocs. So no human rights complaints are brought against members of the African, ASEAN, Soviet or Islamic groups, or members of the nonaligned nations. This is why U.N. bodies remained silent while the Ethiopian government murdered 100,000 of its own citizens with a brutal forced-relocation program, while Libya invaded Chad, while Nicaragua destroyed the Miskito, Suma and Rama Indian communities. Like Ethiopia, Libya and Nicaragua, Cuba enjoys the protection of the overlapping Soviet and nonaligned blocs.

The practice of using human rights as a political weapon is so entrenched it has come to be accepted as part of the nature of things in the U.N. It is very rarely challenged, and challenges, when they occur, are unwelcome and disturbing. Twice before, regarding Poland and Afghanistan, Reagan administration human rights representatives successfully challenged the system. But the effort to make Cuban human rights violations the focus of attention this year was a more fundamental and more dramatic challenge. It focused on established patterns of human rights deprivations by a government extremely active and influential in U.N. politics.

"Why now?" journalists and other delegates inquired when the U.S. representatives began their efforts to focus attention on Cuban human rights abuses. After all, they said, information on the institutionalized repression and torture has been available for decades. Recently, however, three new factors were added.

First has been the accumulation of evidence on Cuba's political prisons gathered from long-term prisoners who have recently been released. This evidence has received growing public attention through the efforts of the Cuban American Foundation and has been dramatized through the brilliant memoir of Armando Valladares ("Against All Hope").

A second factor has been the determination, persistence and skill of U.S. permanent representative to the United Nations, Ambassador Vernon Walters, and Assistant Secretary of State Alan L. Keyes in forcing international attention on Cuba's human rights violations. Walters delivered a powerful speech in Geneva, citing case after case of Cuba's criminal abuse of dissidents. In Washington, Keyes mounted a worldwide lobbying effort to secure support for the Geneva effort.

With rare imagination, the new U.S. human rights commissioner, San Francisco trial lawyer E. Robert Wallach, treated the U.N. Human Rights Commission as a court into which he brought compelling witnesses and testimony on the repression of freedom and the incidents of torture and abuse in Cuba's prisons. The final vote demonstrated how persuasive this effort was.

Some of those who stood with Cuba—Bulgaria, Byelorussia, Ethiopia, East Germany, Mozambique, Nicaragua, the Soviet Union—are Cuba's fellow members in the Soviet "world system." They always vote together. There was also no surprise in the votes of Algeria, Congo, India, Mexico, Yugoslavia and China. These independent countries almost always align themselves with the Soviet bloc.

But the saddest votes cast to protect Cuban practices against U.N. scrutiny were those of three Latin democracies—Venezuela, Colombia and Argentina. Each knows a lot about Castro's prisons and political prisoners and also about his support for guerrillas and violence in the hemisphere. It is said that Castro himself telephoned the leaders of these Latin governments with appeals for solidarity. It is also said that Cuban representatives were vaguely intimidating in their appeals to fellow Latins. But unlike Costa Rica, which stood with the other democracies, or Brazil, which abstained, Argentina, Colombia and Venezuela succumbed to Castro's appeals for Latin solidarity.

Otherwise, the democracies stood together. Still, the whole pattern of alignment on this issue tells us things about the world that our government would rather not think about.

NATIONAL COMPUTER LEARNING MONTH

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. MOORHEAD. Mr. Speaker, I am pleased to introduce a significant resolution to recognize the importance of the role of computers in the education of America's students and to designate the month of October 1987 as "National Computer Learning Month."

Computer Learning Month activities are already being planned within the private sector. These activities will provide opportunities for teachers, parents, and students to learn more about the technology that is playing an increasing role in their lives at home, school, and work.

With this official designation, Congress will go on record as encouraging parents and educators throughout the country to participate in Computer Learning Month activities. The primary objectivies of these activities are to provide a forum for the exchange of information about the educational use of computers and software and to promote the effective use of technology already in place.

This resolution involves no cost to the Federal Government. What it does is focus attention on the importance of educating America's youth about computer technology to ensure their eventual participation in a society that heavily utilizes computers.

There are a number of specific beneficiaries of Computer Learning Month activities and publications:

Many educators and administrators are not yet familiar enough with computers to efficiently and effectively integrate them into the curriculum. One purpose of Computer Learning Month is to disseminate ideas that will aid school systems in utilizing computers in ways to promote better learning.

Parents are concerned with the quality of education their children receive. They want to be assured that students are exposed to curriculums that will prepare them for eventual participation in an increasingly complex society. Parents need to understand how computer-assisted instruction can possitively contribute to their child's education, and Computer Learning Month publications will promote that understanding.

Finally, it is essential that all students be given the opportunity to understand and utilize the computers in their schools. Students need instruction and guidance in the use of the machines to take full advantage of computer-aided instruction.

Computer technology, and our proficiency in its development and utilization, is one of the keys to ensuring American technologic growth in a competitive world market. The education of America's youth in that technology is critical to that position.

Computer Learning Month, October 1987, will provide a focal point to promote these goals and I urge my colleagues to support this resolution.

DRUG TESTING

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, March 25, 1987 into the CONGRESSIONAL RECORD:

The growing use of drug tests in the workplace is shaping up as a difficult and divisive issue for the next decade. Thousands of persons across the country are being asked to take a drug test. Some agree; others refuse. Many others are undecided how to react.

The problems raised by drug tests are formidable. Because of constitutional safeguards, different standards of protection apply to government employees and private sector employees. Some companies test workers at random, while others only test employees who exhibit signs of drug abuse. Some companies screen only job applicants, while others also screen current employees. Some employers offer rehabilitation for those who test positive; others dismiss them outright. Experts disagree over the reliability of the urinalysis tests in use today.

Those who favor drug testing insist that an employer has the right to demand that his employees are drug-free. They maintain that drug use costs American companies tens of billions of dollars each year in diminished productivity as well as increased accidents and absenteeism. In addition, they say that drug use poses the threat of lawsuits by injured co-workers and customers. Proponents say that employers are simply concerned with performance and not with enforcing morality.

Opponents of drug testing challenge it on several grounds. One major question is whether the test results can be trusted. An incorrect test could have a devastating effect on someone's career. Officials at the National Institute of Drug Abuse say that screening through urinalysis is accurate, but much depend on the quality control procedures followed by the laboratory. Other experts say screening tests have given false readings 5% to 20% of the time. There are reports that passive inhalation of marijuana smoke, ingestion of poppy seeds, and the use of various over-the-counter drugs, such as nasal sprays, can cause false positive results. New confirmatory techniques are supposed to be very accurate, but they are quite expensive. Opponents of testing also point out that there are several ways to cheat on the drug tests, such as by purchasing a urine sample from someone else. Foolproof testing procedures could involve significant invasions of privacy.

There are many emerging questions raised by drug testing that only now are being addressed by the courts. It is still too early to say how the issues will be finally decided.

From a legal standpoint, there is a difference between government testing and private sector testing. Government employees may claim the protection of the Fourth Amendment prohibition against unreasonable searches and seizures. Private sector employees cannot invoke this constitutional protection against private industry testing because the Bill of Rights restrains only the actions of government officials. Court challenges by private sector employees are instead based upon various state and federal laws, union contracts, or common law.

There is also a difference between testing in special circumstances, such as when drug use is suspected, and setting up programs of mandatory, random testing for all employees. The courts have generally upheld the employer's right to engage in pre-employment testing, to test those who show abnormal behavior in their work, and to test employees engaged in health or security activities who are involved in accidents. Mandatory, random testing is much more controversial. Critics argue that it is unfair to subject the innocent and the guilty alike to intrusive body searches in order to find a few persons who may be using drugs. They argue that such testing is warranted only if there is reason to believe that the person was using drugs. No case on mandatory, randon testing has yet reached the U.S. Supreme Court for final adjudication.

Mandatory drug testing has existed in the military since 1981, where random tests are conducted on more than 20% of the uniformed personnel each year. Last September, President Reagan issued an executive order announcing a plan to test all federal employees within the executive branch holding "sensitive" positions. "Sensitive" categories would cover people working in law enforcement, public health and safety, and air traffic control, and those with access to classified information. Department heads will have broad discretion in determining who will be subject to testing. The order could cover nearly 1.2 million persons. Despite the practical and legal questions, the Department of Transportation recently became the first agency to take steps to implement the President's order. Federal employee groups are challenging it in the courts.

Congress is currently considering legislation to set up a program of random testing of certain private sector workers, including airline employees, railroad workers, and truck and bus drivers. But many Members of Congress are concerned about the legal and practical problems of such a measure; some consider administering tests to three million bus and truck drivers an administrative nightmare.

Although drug testing is probably here to stay, my guess is that the debate on the proper limits of testing will continue for some time. It will be the topic of legislation, collective bargaining, and lawsuits for years to come. The balance between the right to a safe and drug-free workplace and an individual's right to privacy is a difficult one. Some people feel that we should test nobody because of the invasions of privacy; others believe that we should test everybody because the threat is so great. The issue is not that simple. The proper limits of testing will vary from workplace to workplace, depending on the circumstances, particularly the degree to which public safety is a factor.

Government and business have a right to do what they can to contain the use of drugs in the workplace. But this right must be used in a cautious and judicious way. Throughout the debate, we must remain sensitive to individual concerns of privacy, accuracy, and legality.

DR. ARTHUR C. CLARKE: "SHAPING PEACE"

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. LEHMAN of Florida. Mr. Speaker, during these days when the subjects of arms control and SDI are never far from our minds, I would like to share with my colleagues the perspective of Arthur C. Clarke, expressed in a "Viewpoint" column he wrote for Space Policy magazine (May 1986). Dr. Clarke is a prolific author who has written such books as 2010: Odyssey Two, and is the inventor of the communications satellite.

This article projects a radically different rationale from which we might develop a new and more moral "arms control" policy: initiatives for peace that foster a mutual trust and cooperation.

To this end, Arthur Clarke raises the possibility of hosting student exchanges on a mass scale with the Soviet Union that would provide each nation with "hostages of peace." Hopefully, if we were to provide our young people with the opportunity to bridge the gaps of distance and understanding, we might begin to nurse the reciprocal respect that is the underpinning of peaceful relations.

Another ambitious and inspired proposal that Dr. Clarke advances, is a United States-Union of Soviet Socialist Republic Mars expedition. Instead of advocating costly and purportedly "benevolent" defense initiatives, pooling our resources for such an adventure of vision would surely prove a more effective way of promoting a spirit of cooperation, not confrontation.

Mr. Speaker, I am hopeful that my colleagues will give due consideration to the suggestions offered by Dr. Clarke when they are called upon to review the decisions they must make on SDI and arms control.

SHAPING PEACE

(By Arthur C. Clarke)

No thinking person can disagree with the hope expressed in USSR General Secretary Gorbachev's historic statement of 16 January 1986 that the present obscene level of nuclear weaponry will be vastly reduced. As studies by both US and Soviet scientists suggest more and more strongly, even a fraction of the present stockpiles represents a threat not only to the human species, but to all life on Earth, by triggering a 'nuclear winter'.

Although I also share Secretary Gorbachev's hope that the arms race will not be extended into space, it is very important to define what we are talking about here. Paradoxically, the existing military space reconnaissance systems are benevolent and have helped to keep the peace for the past two decades. To endanger them would threaten global security.

Secretary Gorbachev calls for the banning of 'space strike weapons', and it is encouraging to see that President Reagan agrees with him. In his famous 'Star Wars' address of 23 March 1983, Mr. Reagan emphasized that he was calling for a defensive system to 'intercept and destroy strategic ballistic missiles before they reach our own soil'. He went on to say: 'I clearly recognize that defensive systems have limitations and raise certain problems and ambiguities. If paired with offensive systems, they can be viewed as fostering an aggressive policy, *and no one wants that'* (my italics).

So President Reagan is clearly opposed to 'space strike weapons'! Even if (as most scientists believe) his hope of a purely defensive system is technically or economically impossible, it is not an ignoble goal; and the debate it has engendered may yet help to divert humankind from the road to ruin.

But let us not waste time arguing over military hardware, when the real problem is human software. A stable peace will never be possible without mutual trust; that is the first requirement, without which all agreements and treaties are worse than useless, because they obscure the real issues.

One of my purposes in writing 2010: Odyssey Two was to portray—and thus encourage—USSR-US cooperation in space. On 13 September 1984 I concluded my address to the US Senate Committee on Foreign Relations with these words:

Only eight years from now it will be exactly half a millenium, since three tiny ships sailed forth from Spain, to change the history of our species. And three is about right for the smallest practical Mars expedition—one unmanned cargo vessel, and two manned ships, either able to carry both crews in an emergency. The cost would be less than that proposed merely for research into anti-ICBM systems—let alone the bill for their actual deployment, which would be orders of magnitude greater. Even those who think that such expenditure is necessary will surely deplore such a tragic diversion of resources.

So is it absurdly optimistic to hope that, by Columbus Day 1992, the United States and the Soviet Union will have emerged from their long winter of sterile confrontation? That would be none too soon to start talking seriously about Mankind's next, and greatest, adventure.

More and more interest in this idea is developing, and Senator Spark Matsunaga of Hawaii has recently devoted a book, The Mars Project, to the subject.

Finally, there have been some small but encouraging signs of improvement in US-USSR relations, which began even before the historic Gorbachev-Reagan summit. I was delighted recently to receive videotapes of the live satellite TV 'Spacebridge' and 'Peacechild' meetings, when groups of young Soviets and Americans were able to talk, laugh and sing together, almost as if they shared the same conference hall. Let us have many more Spacebridges!

Better still, let there be exchange programmes when thousands—no, tens of thousands!—of teenagers spend at least a year making friends in each others' countries. This could start at the top, with the families of the US President, the General Secretary, the Congress, the Presidium. Such willing 'hostages of peace' could provide far cheaper, and more effective, security than any Strategic Defense Initiative.

Artists, not politicians, shape the emotions of an age, and its visions of the future. The young British composer Sting has just released a beautiful song which may help signpost the road to peace. It is called: 'Russians love their children, too'.

The world would sleep easier if a song echoing the same view was climbing the best-seller lists in the USSR. Will some Soviet composer please accept the challenge?

FRIO COUNTY, TX

HON. E (KIKA) de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. DE LA GARZA. Mr. Speaker, we talk a lot in this House about keeping government and governmental decisions close to the people—and about the responsibilities people should take as individuals for the decisions that affect their communities and their country.

I want to take a few minutes today to tell the House that in my home district in south Texas, people do more than talk about local concern with shaping their future. Our people have been doing something about it.

To be specific, Mr. Speaker, I want to report about one of the counties I represent—Frio County, TX.

Last year, community leaders in Frio County organized, with the help of the extension system, to take an indepth look at their community and the problems it will face in the years to come.

The results of that study were compiled into a long-range Frio County Extension Program for the years from 1987 through 1990. Similar programs have been drawn up for almost all other counties in our State, but I want to tell you briefly today about the plan for Frio County—and I want to tell the House why action likes this gives me so much confidence in the ability of our people to govern themselves wisely.

The process began early last year when the county extension executive committee invited leaders from all walks of life to join study task forces in four areas—agricultural and natural resources; home economics and family concerns; 4-H and youth; and community development. Altogether, a total of 46 citizens agreed to serve on those task forces. They included farmers, ranchers, bankers, housewives, business people, the manager of a pecan shelling plant, educators, secretaries, government workers, a clergyman, a horseshoer, city officials, an insurance agent, and a real estate agent, an appraiser and a dentist.

These Frio County citizens, like those in other Texas counties, sat down to ask themselves some specific questions:

What issues pose the greatest challenges to the people of our county in the next 4 years?

And what suggestions for meeting these needs and challenges of the future can we identify?

The task forces did their job last summer. The results were then reviewed by the citizen leaders who make up the country extension executive committee, and by the hard-working county extension staff. Out of this process, there came a list of issues that the citizens of Frio County want to address over the next few years—a specific list of priorities for action in the future, and specific suggestions about how progress can be made.

Recently, I was given a copy of the report by three visitors from my district, including Andres Garza, Sr., the city manager of Pearsall, his wife, Adeline, and Angelita Trevino.

Looking through the report convinces me that anyone who reads the Frio County blueprint will be impressed with the way the leaders of this Texas county have done their job. I realize that a similar blueprint drawn by citizen leaders in other parts of the country may have different priorities in some fields. But I think that the problems and opportunities identifed in this south Texas county also have much in common with the problems of other parts of the country, and I want to share with the House some of the highlights of the Frio County plan.

In the field of agriculture, for example, the Frio County plan points out that agriculture is the most vital industry in the world, and the most misunderstood industry. The plan calls for programs of public education to help the non-farming public understand what agriculture is all about and why a health and prosperous agriculture is good business for all Americans. Another high-priority issue in the field of agriculture, according to the Frio County plan, is the question of future water supply. The plan calls, among other things, for encouraging farmers to work on reducing water losses that occur during irrigation.

In the area of home and family issues, the Frio County plan identifies priorities that will be familiar to people all over this country—in big cities as well as in rural areas. The plan gives top priority to working on issues including care for the elderly, finding ways to help families cope with stress and searching for new job-creating businesses in the county, working hard to combat alcohol and drug abuse, and finding ways to help homemakers who enter the work force when they reach middle age.

In the field of youth issues, the plan calls for teaching the public that the 4-H program—while it continues to provide traditional training in agriculture and home economics—now also has a broader purpose. The program these days also trains young people in a wide variety of fields ranging from community improvement to electrical work, money management, and many other subjects. Taken as a whole, 4-H is and overall youth development program that teaches leadership and citizenship skills as well as raising livestock and cooking. The plan calls for getting those facts to the public, for involving more adult leaders, parents, and private sponsors, and for reaching out to bring more senior citizens into the program to pass on their experience to the rising generation.

In the field of community development, finally, the Frio County plan recommended that citizens work together to organize an economic development board for the county. The county's economy has been oriented to oil and agriculture, and the challenge for the future is finding ways to restore the economy, To reduce the drain of young people who leave the area, and to improve the quality of life generally in Frio County.

Mr. Speaker, I do not know what the future holds for this south Texas county. But I do know that its people have the intelligence, dedication, and skill needed to look their problems in the face and make plans for moving toward a better future. That is what American citizenship is all about, and I salute the people of Frio County .

FEDERAL CHARTER FOR 82D AIRBORNE DIVISION ASSOCIATION

HON. FRANK McCLOSKEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. McCLOSKEY. Mr. Speaker, today I am introducing legislation to authorize a Federal Charter for the 82d Airborne Division Association. The association was organized on this date in 1942. The association is a philanthropic organization consisting of veterans of the 82d Airborne Division with chapters nationwide and a membership of more than 20,000.

Granting such recognition by the Congress to the 82d Airborne Division Association will enhance the association's ability to continue its charitable, educational, patriotic, and civic improvement activities. The association was organized while the division was in England preparing for the Normandy invasion and increasing its ranks while it served as America's Guard of Honor in the occupation of Berlin.

An early purpose of the association was to create an educational fund to be used to assist the children of troops killed in action. This fund remains at the center to provide suitable assistance to disadvantaged children and distressed families. It is but one significant example of the type of nonprofit voluntary work performed by the 82d Airborne Division Association.

The 82d Airborne Division is designed to move quickly to any part of the world and to be prepared to fight immediately upon arrival. March 25 is an especially important date for the 82d Airborne because on that date in 1942 the division was reactivated under the command of Gen. Omar Bradley and became the Army's 1st Airborne Division under the command of Maj. Gen. Matthew B. Ridgeway. The 82d Airborne Division was originally activated in World War I as an infantry division and participated in the major campaigns of that conflict.

TRIBUTE TO HAROLD F. OGDEN

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. WOLF. Mr. Speaker, on Sunday, March 29, in Fairfax, VA, the 17th District, Department of Virginia, American Legion will hold its spring conference at which Harold F. Ogden will be presented a plaque commemorating his selection as national "Legionnaire of the Month" last July.

For Harold Ogden, this award is another in a long history of commendations for some 30 years of service in the American Legion.

Colonel Ogden, who will be 90 years old on May 30, is a combat veteran of World War I, having departed with the 26th Infantry Division for San Chauman, France, in 1917. He also served on the headquarters staff of General Pershing, 1917-18. He concluded his long years of military service—which started as a member of the First Calvary, Massachusetts Volunteer Militia, in 1916, when his troop participated near Fort Bliss, TX, on the Mexican border in the punitive expedition against Pancho Villa—with the Ordinance Corps, retiring as a colonel in 1957.

He is considered by many of his Legionnaire comrades to be one of the most outstanding Legionnaires the Department of Virginia has known in many years. He is a charter member of Unknown Soldier Post 44 in Arlington, VA, and in 1969 he was honored with a Life Membership Award for his many years of dedicated service which included a term as post commander.

Throughout his long Legion career, Colonel Ogden has served on numerous national, department, district and post committees. In recognition for his many years of service as a chaplain, he was bestowed the title of chaplain emeritus of the 17th District, Department of Virginia. He has also received a citation and medallion for community service from the Freedoms Foundation at Valley Forge for his leadership in post 44 programs.

Harold Ogden is primarily responsible for post 44 having the high honor of placing a wreath at the Tomb of the Unknown Soldier in Arlington National Cemetery on Veterans Day. The wreath-laying ceremony has been an annual event for the past 24 years.

When asked recently about his role in the success of post programs, Colonel Ogden insisted that all post accomplishments were a result of team effort. "What counts is what we've done together," he said.

Mr. Speaker, on behalf of the citizens of the 10th District of Virginia, I congratulate Harold F. Ogden on being selected as national "Legionnaire of the Month" and thank him for his life of service to his fellow man.

BYELORUSSIAN INDEPENDENCE DAY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. BIAGGI. Mr. Speaker, today we mark the 69th anniversary of the declaration of independence of the Byelorussian Democratic Republic. I join with Americans of Byelorussian descent and the people of Byelorussia in celebrating this notable event. Independence and freedom were to last for only 3 short years for these brave people before invasion and illegal incorporation by the Soviet Union took place. Yet, that short period of self-determination has instilled in them a love of freedom that 66 years of Soviet tyranny cannot eradicate.

Byelorussia has suffered enormously in that time. It has been estimated that up to 6 million of their citizens have suffered death in prison and concentration camps at the hands of their Russian rulers, in a systematic attempt to exterminate the Byelorussian identity. Cultural and religous traditions have been severly curtailed and respect for basic human rights completely ignored.

Last year's accident at the Chernobyl nuclear powerplant has also taken its toll on the Byelorussian people, and their border is only 6 miles away, and will affect the population for years to come.

Since the last time we marked this anniversary, there has been a great deal of discussion of General Secretary Gorbachev's policy of "glasnost" or greater openness. There has been, for example, the release of important Soviet-Jewish dissidents. While not wishing to down play such events, the situation in Byelorussia makes me skeptical of Russian intentions to improve human rights and I call on them to prove their openness by allowing greater freedom for the people of Byelorussia and of all captive nations.

It is imperative that we, in America, set an example as leaders of the free world to renew our commitment to the aim of self-determination for the people of Byelorussia. The message must be that they have not been forgotten, and with our support the struggle for freedom and justice will go on.

A TRIBUTE TO ANNE WEISS

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. BOSCO. Mr. Speaker, I want to take this opportunity to bring to my colleagues' attention the work of an individual who, starting from scratch, has built one of the finest community-based programs for senior citizens in the country.

The umbrella organization for these programs is the Humboldt Senior Resources Center. The woman who, more than anyone else, is responsible for what the Senior Resource Center has become today is Anne Weiss. After 13 years as the organization's first and only executive director, she is retiring April 1.

Over the years since the Humboldt Senior Citizens Council first established a small information and referral service in a house in Eureka in 1974, Anne Weiss and her colleagues have transformed the Senior Resource Center into a national model for local services to senior citizens.

The Senior Resource Center's motto is: "Lending Humboldt Seniors a Helping Hand with Self-Sufficiency." It does so through programs ranging from congregate and home-delivered meals to adult day health care, an Alzheimer's Resource Center, and a broad range of activities and services for seniors. The Senior Resource Center established the first home health care service in Humboldt County, now an independent entity, and has directed much of its efforts to helping the frail and infirm elderly to continue living at home.

The remarkable success of these programs is a tribute to the creative energy and vision of Anne Weiss. Through her persistence, hard work and inspiration, she has made a contribution of lasting importance to the local community and, by her example, the Nation as a whole.

NATIONAL CPR AWARENESS WEEK

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. PARRIS. Mr. Speaker, today I am introducing a joint resolution to designate the week of August 23 through August 29, 1987, as "National CPR Awareness Week." By dedicating a week to promote CPR training programs across the United States, many heart attack deaths could be prevented as more people learn to perform this vital first-aid procedure.

On January 6, 1987, two Fairfax County Elementary School teachers saved the life of a school bus aide by administering cardiopulmonary resuscitation after the aide collapsed on a bus in the school parking lot. Two physical education teachers at Old Creek Elementary School, Lee Holt and Robin Vogel, were summoned by a student and they worked together giving mouth-to-mouth resuscitation and compressing the aide's chest to keep her heart and lungs working to keep blood and oxygen circulating. When the Fairfax County Fire Department arrived with rescue equipment, they were able to get a pulse and attributed the aide's survival to the teachers' immediate action which kept her brain supplied with oxygen.

After a Fairfax County man saved the life of his neighbor last December, the Fairfax Fire Department arranged a CPR class for the whole neighborhood, and even the victim who was saved attended the class.

When reports were released about the elementary school incident, the Fairfax County Fire and Rescue Department's CPR Hotline was inundated with calls from people who wanted to sign up for CPR classes, and 7 new courses have been added to 10 previously scheduled classes. I would like to commend the three Fairfax County residents for their life-saving efforts, and to thank Fairfax County Fire Department for offering free CPR training to maximize public participation.

This morning I spoke at an awards ceremony sponsored by the American Heart Association, to recognize 19 Federal employees who have administered CPR in the past year. Heart attacks are the leading cause of death in the United States, but all of these examples show you that many deaths could be prevented if more individuals were trained to perform CPR. National CPR Awareness Week is a way to focus public attention on this life-saving procedure and to encourage more people to sign up for CPR training classes. I urge my colleagues to join me by cosponsoring this resolution which will help American Heart Assocation and Fire and Rescue Departments work with the public to reduce the number of heart attack deaths in our country.

THE CORPORATE AUTO FUEL ECONOMY STANDARD IS A SMART LAW

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. STARK. Mr. Speaker, as we all know the CAFE standard was established in the mid-1970's as a response to the Arab oil embargoes and the resulting energy crisis. It was primarily created for a better national energy conservation policy and to ease our dependence on foreign oil. It is a smart law.

Our trade deficit has climbed to at a staggering $170 billion and one-third of that figure is due to oil imports. With the inception of the CAFE standard the United States became less dependent on foreign oil and started to reduce that portion of the trade deficit. But in the last few years of oil glut we are slipping back into patterns of carelessness. The administration rolled back the CAFE standard from 27.5 miles per gallon to 26 miles per gallon.

I opposed the rollback then and I still see a very serious need for returning the standard to 27.5 miles per gallon and encouraging research to develop technologies for an increased standard. In a recent article by Jessica Tuchman Mathews, vice president and director of research at the World Resources Institute, the importance of movement in this direction was made very clear. I would like to share this article with my colleagues.

GET READY FOR THE NEXT ENERGY CRISIS

(By Jessica Tuchman Mathews)

In a few years—the early 1990s, if corrective action isn't taken in the interim—we will have another energy crisis. The oil market will again tighten, with sudden sharp price increases and a return to OPEC control of the market.

The difference is that this time the United States will likely rely on imports for at least 40 percent and perhaps as much as 70 or 75 percent of its needs, as compared with the 33 percent level of dependence that triggered the first oil crisis in 1973. Even the added protection of the Strategic Petroleum Reserve will not prevent an economically debilitating adjustment—made all the more painful by the knowledge that it could have been so easily avoided.

Asking Washington to address a future crisis when there are plenty of immediate problems crying for answers is a Sisyphean task. This pending crisis is important enough to be worth the effort, nonetheless. It demands analysis and action now, while steps can be carefully thought through and painlessly executed. If nothing is done, the only later choice will be to muddle through, paying a large and unnecessary price for our collective lack of foresight.

Why will high oil prices return? The answer lies in the numbers. The most important fact is that the U.S. oil resource is in the declining years of its life cycle. My colleague Jim MacKenzie has analyzed cumulative U.S. oil production and found that 190 billion barrels is the likely total that will ever be produced in the lower 48 states. Of this, about three-quarters had been pumped by 1985, and 90 percent is likely to have been consumed by 2004. Projections of annual oil production show a steep downward curve continuing the trend that has prevailed since 1970, despite the tripling of oil prices and of oil well completions.

Moreover, today's price drop is likely to mean even lower future production than past trends suggest, because low prices lead producers to curtail exploration and to permanently close marginal stripper wells. Oil companies have already cut their exploration and production budgets by 20 percent to 70 percent. Depending on where they assume oil prices will settle, experts predict a U.S. production loss in the range of 25 percent to 40 percent by 1990!

Meanwhile, energy demand will rise. A year ago experts generally predicted about 3 percent annual growth in demand for oil in response to $15-a-barrel prices, and in fact overall U.S. oil use in the first nine months of 1986 climbed 3.2 percent over the corresponding period of 1985. With declining production, and demand rising in response to lower prices it is inevitable that imports will rise. The trend is already sharply evident. A Chevron official predicted some months ago that imports could exceed 75 percent of demand by 2000. Most of his colleagues are not far behind in their estimates.

What do these numbers mean? If growth rises worldwide at 3 percent per year, today's large excess capacity of about 14 million barrels per day will be exhausted in less than seven years. This excess capacity is the slack that keeps market prices low. And although Mexico, the United Kingdom and Norway have entered the export market since 1973 and now produce almost 10 percent of the world supply, the bottom line remains that the OPEC nations hold two-thirds of the world's proved oil reserves, much of it (unlike U.S. reserves) capable of being produced at very low cost.

The United States need not passively accept this trend. We have the ability to shape our energy destiny through steps to control demand and to develop alternative energy sources. That such steps would have to be taken in the face of market signals strongly pointing in the opposite direction makes the policy choices that much more difficult, but no less in the national interest.

The United States and its oil-importing allies need to buy time to defer or perhaps even avert the date when OPEC will regain market control. This can be done through the introduction of economically competitive efficiency improvements to reduce energy demand. Consider that between 1973 and 1985, U.S. GNP rose by 30 percent in real terms, while energy use actually declined slightly. Yet experts believe that there are comparable or greater savings still to be exploited. If demand rises at only 1 percent a year instead of 3 percent, it will take two decades instead of seven years to exhaust the excess capacity.

In terms of specific steps, the principal vehicle for change ought to be the market, where the market works. For instance, now, while prices are low, is the easiest time to remove energy subsidies and to increase energy taxes, especially for gasoline.

Where the market doesn't work, sensible regulations will produce economic and social benefits. For example, we ought to have minimum energy performance standards for new buildings, just as we have standards for fire protection, electrical wiring and plumbing design. And we need national appliance efficiency standards—legislation that President Reagan shortsightedly vetoed at the close of the last session and which Congress should put back on his desk early in this session.

At the next level of difficulty, energy policy needs to reclaim its place on Congress's agenda for a debate on whether the analysis presented here is correct—namely, that during the next few years energy prices will be sending a market signal that is ultimately contrary to the national interest. If this view gains general support, then more ambitious steps need to be taken to ensure that we do not lose the efficiency improvements achieved during the past decade—as we are in danger of doing in the transportation sector, for example—and that we take advantage of the new opportunities that still abound.

Victor Hugo once wrote that "good government consists of knowing how much future to introduce in the present." In this case, good government requires no crystal ball, just a head for numbers, a good memory and the will to influence the future for the better.

This article makes me very nervous about the dangerous position we are allowing the United States to fall back into again. Thus I am introducing legislation which will return the standard to 27.5 and eliminate the administration's authority to lower it. This legislation does not ask anything of car manufacturers other than what was set by law in the late 1970's. They have known for 10 years that the CAFE standard would be 27.5 miles per gallon in 1987. It is not unfair to ask them to meet the law, but it is terribly unfair and foolish to allow consumers to get caught in a repeat of the 1970's energy crisis.

I hope my colleagues will join my effort by cosponsoring this bill.

RECENT DEVELOPMENTS IN EARLY CHILDHOOD EDUCATION IN THE UNITED STATES

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. RUSSO. Mr. Speaker, one of the most important issues facing our country in the field of education is early childhood education. The experts tell us that if problems are identified early in a child's academic career these problems can be corrected before they get worse and the student will be on the road to a successful academic career. We pay a high price in our Nation from wasted human resources when our problem students drop out of school. These dropouts limit their earning potential for the rest of their lives and may become burdens on society through a high unemployment rate, demand on social services, and remedial training.

An outgrowth of the recent education reform movement has been concentration on early childhood education. Recently an excellent article on this topic came to my attention. The article is entitled "Recent Developments in Early Childhood Education in the United States" and appeared in the Autumn 1986 issue of the International Schools Journal, a publication of the European Council of International Schools which reaches over 50 different countries. The article was coauthored by a constituent of mine, Ms. Diane D. Pikcunas, a resident of Oak Lawn, IL, who serves as principal of Komensky School in Berwyn, IL, and is specialist on education policy and supervision, and a former constituent of mine, Dr. Donald J. Senese, who most recently served as the Assistant Secretary for Educational Research and Improvement in the U.S. Department of Education.

This article focuses on the importance of early childhood education, the leading issues involved, how technology is assisting in preschool education, recent data on attendees for preschool, curriculum developments, and Federal and non-Federal activities looking at the issue of early childhood education. It is a perceptive and useful article for everyone interested in education. I would like to enter this article at this time in the Congressional Record and urge my colleagues to read it.

Recent Developments in Early Childhood Education in the United States

(By Donald J. Senese and Diane D. Pikcunas)

A growing interest in the field of early childhood education, principally focusing on children ages two to five years of age, has become one of the most significant developments in the United States and has attracted great attention in other parts of the world as well.

Although scholars and education theorists have been interested in educating the young and very young for many decades, the growing interest in the United States has been an outgrowth of the education reform movement initiated largely through the report of the National Commission on Excellence in Education, *A Nation at Risk,* issued in 1983.[1]

The Commission report focused on declining outcomes of schooling—poor performances by secondary school students and those entering college. In the United States, this concern was throught to be clearly related to America's economic position in an increasingly competitive world. Certainly, Western European nations and Japan have been very much aware of the importance of having a well educated and literate work force which could make adjustments to an international economy growing more technical, more complex and more competitive.

A Nation at Risk pointed out the poor performance of American students in international competition. Americans in public opinion polls strongly support a college education for their children. In October of 1985 the United States Census Bureau in a review of four decades of educational trends noted that young people with college degrees had widened their earnings lead over those without degrees, reversing a narrowing of the gap during the 1970's. Finally, the US Bureau of Labor Statistics pointed out certain trends: with manufacturing jobs remaining sluggish in growth, it was forecast that nine of every ten jobs created in the next decade would be in service industries (eg, the health and computer-related professions). Books such as *Megatrends* and *In Search of Excellence* have emphasized that the new international economic trends will favour the innovative and the well educated who are willing to adjust and to give quality performance.[2]

If our problems are so acute and the change is coming so fast, so the reasoning goes, perhaps we ought to start the educational process earlier. A look at early childhood education seems a natural next step.

EARLY CHILDHOOD FOCUS

A number of leading educators have focused on the need for beginning the education of the child as early as possible.[3] As far as implementing a programme of early childhood education, there is a great variety even among the European nations. Belgium, France, Germany and Austria, along with the United States, set the upper limit for pre-school at six years of age, while Denmark, Sweden and Norway consider those under the age of seven as pre-schoolers. The curriculum also varies with the country's ideological and theoretical perspectives on young children. Teaching methods, largely influenced by tradition in the rest of the educational system, vary from nation to nation, with Montessori most influential in the U.S., Froebel in the United Kingdom, and Decroly in Belgium. Other philosophers and innovators whose ideas still have great influence in the field include Pestalozzi, Freinet (in Europe) and Dewey (United States). Agreement on approaches to teaching young children is not unanimous; sharp ideological disputes dominate, with divisions forming around such schools of thought in psychology as psychoanalysis, behaviourism and Piaget's genetic epistemology. Sponsorship of early education programmes varies: some are nationally supported, while others rely on local support; some are private and others not.[4]

This interest in early childhood education in the European community has evolved over many years. The Centre for Educational Research and innovation of the Organization for Economic Cooperation and Development (CERI/OECD) initiated a project in the 1970's to examine the status of preschool education, the need for coordination of services to young children and the training of preschool personnel. To this end, an international conference was held in 1973 which examined early childhood projects in Australia, Germany, the Netherlands, Sweden, and the United States.[5] Japan among the industrialized non-European nations, offers another example of a country showing great interest in early childhood education. In Japanese society the role of the mother is very important, the belief is that the child can be successful if he or she is mobilized to achieve and perform at high levels as early as possible.

FOCUS ON ISSUES

Specialists in early childhood education realize that while there is a certain commonality in the education of children of all ages, there should be major differences between the teaching of very young children on the one hand, and older children on the other. Children in the latter group have the powers of observation and verbalization. Very young children do not yet possess the capability of logical thinking or formal reasoning. They are more prone to thinking in concrete terms than abstract; they have a shorter attention span, need more sensory activities than older children, and have a far greater need for nurturing.

Early attendance at school can alleviate problems before they become too severe: early identification leads to early remedy, which can save much time and effort in a student's career. This can also prevent the aura of failure which can come early on in school years and may negatively affect a child's academic career, and possibly his whole life.

PRE-SCHOOL AND TECHNOLOGY

While developments are going ahead in nations throughout the world, certain initiatives in the U.S. might be mentioned that involve the new technology. The United States had experience in the 1960's and 1970's with such federal programmes as Head Start and Follow Through. Others in this period included the "Right to read" and programmes produced for pre-schoolers by the Children's Television Workshop (funded by the U.S. Office of Education and the Carnegie Foundation), e.g. Sesame Street and the Electric Company. In the present decade the computer is making major changes in the educational process at all levels. Nobel prize winner Herbert Simon has identified it as a one-in-several-centuries discovery.[6] Massachusetts Institute of Technology Professor Seymour Papert examined how learning takes place with younger children using the Turtle on the computer to respond to new commands invented by the child. He concluded that those in elementary school and even younger can be taught to programme a computer. His overall conclusion that computers can provide children—even pre-schoolers—with new possibilities for learning, thinking, and growing emotionally as well as cognitively needs more study from the perspective of the learning potential of the very young child.[7]

WHO ATTENDS PRESCHOOL?

The Center for Education statistics reported in 1985 a fundamental demographic shift in this area. There was in the 1970's considerable enrollment growth for preprimary education. A rising proportion of young children were attending school. This agency noted that from 1970 to 1983 public and private preprimary enrollment increased by 33% (4.3 million to 5.7 million) despite a 5% decline in the three- to five-year-old population. In the United States this population decline is expected to turn around leading to further growth in preprimary enrolment. (This growth is expected to develop by 25%, expanding to 7.2 million by 1993.)[8]

AND WHAT SHOULD THEY BE TAUGHT?

Developments in formulating programmes and curricula have been proceeding on a number of levels. The Center for Education Statistics in 1985 established a task force on Early Childhood/Elementary Education focusing on a description of the magnitude and nature of pre-schooling and the learning process in elementary school, including

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Footnotes at end of article.

an examination of what should be taught in this area apart from reading readiness—the natural focus. The major outcome of this group's work is likely to be the development of a longitudinal study collecting school and parent data. Suggestions for future activities from the task force—still subject to approval by the US Department of Education—include a review and compilation of laws, policies, and regulations on a state-by-state basis, and Fast Response Survey from the field on teachers and teacher preparation for preschool education.[9]

As part of the effort to learn more about the early years, the recently appointed Secretary of Education, William J. Bennett, established an Elementary School Study Group to examine elementary school education in the US with a focus on some aspects of early childhood education.

NON-FEDERAL ACTIVITIES

The individual states, charged with the responsibility for the conduct of education in the decentralized American system, have demonstrated a strong interest and taken action in the early childhood area. One survey revealed that twenty-eight out of the fifty states had enacted some early childhood initiatives with many others considering such activities. A conference of educators from thirteen southern states and regional association representatives met in late November of 1985 at the first of four regional seminars designed to encourage the sharing of information, ideas, and resources in the field of early childhood education.[10]

Another activity designed to keep early childhood education at the forefront of interest has been the establishment of task forces on the theme 'The Governors' Report of US Education, 1991' by the National Governors' Association, representing all fifty state governors. The Readiness Task Force, headed by Governor Richard Riley of South Carolina, will examine in public hearings and written testimony how States can improve the readiness of children for school and will focus on programmes which involve both skill development and supervision. The NGA has pointed to studies which show benefits for 'both participants and society from high quality early childhood education programs.'[11]

Two major studies—one by the Carnegie Foundation for the Advancement of Teaching and the Bank Street College of Education with the Wellesley College Center for Research on Women—are being launched to analyse the components of pre-school and elementary-level learning. In addition, such diverse groups as the National Association of Elementary School Principals, the National Conference of State Legislatures, and the Executive Council of the Association for Supervision and Development are undertaking studies of pre-school education.[12]

SUMMARY

Early childhood education will certainly be the center of attention and focus in the United States as the recognition grows of the benefits to be derived by children from early schooling. It is also seen to be an effective device to stem the 'rising tide of mediocrity' in American education.

The movement and activities for early childhood education will continue to advance worldwide and there is an increasing need especially for the United States and the major European and Asian nations to work together and exchange information and research studies in this very significant field.

Will the effort toward making an effective early childhood programme in the US be effective and worthwhile? We can only guess. It will take resources and work and dedication and the need to face up to competing claims for the same scarce resources, but it offers an opportunity to prevent later failures. And if we need any further encouragement, we should ponder the words of the National Commission on Excellence in Education in its report *A Nation at Risk:*

> Excellence costs. But in the long run mediocrity costs far more.[13]

FOOTNOTES

[1] *A Nation at Risk,* Report of the National Commission on Excellence in Education, Washington, DC: US Government Printing Office, 1983; Spencer Rich. 'Earnings are Improving by Degrees; College Education Income Gap Widens Again, Survey Finds'. *The Washington Post,* 17th October 1985; Peter Perl, 'Shift to Service Economy Grows; Industry's Role as an Employer Will Diminish, Study Forecasts,' *The Washington Post,* 11th November 1985.

[2] John Naisbitt, *Megatrends: Ten New Directions Transforming Our Lives,* New York: Warner Books, Inc., 1982 and Thomas J. Peters and Robert H. Waterman, Jr., *In Search of Excellence: Lessons from America's Best-Run Companies,* New York: Harper and Row, 1982. See also the follow-up books for a further discussion of the trends: John Naisbitt and Patricia Aburdene, *Re-Inventing the Corporation; Transforming Your Job and Your Company for the New Information Society,* New York: Warner Books, Inc., 1985, and Tom Peters and Nancy Austin, *A Passion for Excellence: The Leadership Difference,* New York: Randon House, 1985.

[3] See Samuel J. Braun and Esther P. Edwards, *History and Theory of Early Childhood Education,* Worthington, Ohio: Charles A. Jones Publishing Company, 1972 and Fred M. Hechinger (editor), *Preschool Education Today; New Approaches to Teaching Three- Four- and Five-Year Olds,* Garden City, New York: Doubleday and Company, Inc., 1966.

[4] 'Early Childhood Education', *The International Encyclopedia of Education, Research and Studies* (Editors: Torsten Husen and T. Neville Postlethwaite), Oxford, England: Pergamon Press, 1985, Volume 3, pp 1477-1487. See also entries under the different countries in the same source.

[5] *Children and Society: Issues for Preschool Reforms,* Paris, France: Centre for Educational Research and Innovation, Organization for Economic Cooperation and Development, 1981: *Preschool Education Report from Five Research Projects,* Paris, France: CERI/OECD, 1978.

[6] *Computers in Education: Realizing the Potential: Report of a Reserach Conference,* Washington, DC; US Government Printing Office, 1983, p 11. The conference was sponsored by the US Department of Education under the director of the Office of Educational Research and Improvement and was held in Pittsburgh, Pennsylvania in cooperation with the University of Pittsburgh and Carnegie-Mellon University, 20-24 November 1982.

[7] Seymour Papert, *Mindstorms: Children, Computers, and Powerful Ideas,* New York: Basic Books, Inc., 1980, pp 3-13. The National Commission on Excellence in Education recommended that one-half year of computer science be taught in the high schools as part of the Five New Basics (See *A Nation at Risk,* op cit. p 24). For teaching preschoolers about computers, whether or not their individual schools have computers, six card games have been developed to meet the needs of early childhood personnel who have expressed interest in and or concern about computers. See Harlene Lichter Galen and Blyte Farb Hinitz. 'Computer-Related Games: Ready, Set, Go,' *Day Care and Early Education,* (Fall, 1985), pp 30-35.

[8] *The Condition of Education: 1985 Edition: A Statistical Report,* National Center for Education Statistics, US Department of Education, Washington, DC: US Government Printing Office, 1985, p 4. See also *Projections of Education Statistics to 1992-93, NCES,* p. 8 for nursery and kindergarten enrollment rates by age and sex for selected years 1972-1992 and Diane Pikcunas 'Educators—Know Those Trends!' *Illinois Principal* (scheduled for publication in 1986).

[9] See Report of Early Childhood Elementary Education Task Force of the National Center for Education Statistics (1985).

[10] Anne Bridgman, 'Early Childhood Education: States Already on the Move,' *Education Week,* 16th October 1985, pp 1, 14 and 'Information Sharing on Early Education Urged,' 6 November 1985, p 4.

[11] 'Governors' Education Task Forces Set Hearings,' *Education Week,* 6 November 1985; 'Briefing Book for Education,' Center for Policy Research and Analysis, National Governors' Association, 1985, Section 3, p 2. For issues which need to be raised in considering early childhood education programs see 'Testimony Submitted to the Readiness Task Force by Ms Diane Pikcunas,' November 1985.

[12] 'Current Studies of Early Education,' *Education Week,* 16 October 1985, p 14.

[13] *A Nation at Risk,* op cit. p 33.

LEGAL SERVICES CORP. AND MIGRANT WORKER PROTECTION ACT AMENDMENTS

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mrs. BYRON. Mr. Speaker, a few days ago, I introduced legislation to rectify certain injustices that have been done to farmers throughout the United States at the hands of legal services offices. While I know that the Legal Services Corp. has been beneficial to many citizens who cannot afford the exorbitant cost of today's legal fees, I am disturbed by illegitimate and downright frivolous claims that have been made by certain legal services attorneys against farmers in my district.

A case in point is the complaint filed against Rinehart Orchards of Washington County, MD, which claimed that it had not offered employment to a certain U.S. worker. It is no exaggeration to say that this complaint was aggressively promoted by legal aid attorneys. After a lengthy hearing, the hearing examiner produced the following opinion:

> On Tuesday, the complainant (name omitted) requested referral to Rinehart Orchards, Inc., through the Hagerstown, Maryland Job Service Office. The complainant was advised the job order was closed. At the time that the complainant came to apply for work, he was accompanied by a representative of the Maryland Legal Aid Bureau who stated that the complianant preferred to be referred to Rinehart Orchards. The job service representative in the Hagerstown office offered to refer the complainant to other growers that had open job orders in the office. The complainant and his legal representative showed no interest in being referred to these open job orders. The Hagerstown Office Job Service representative called the Rinehart Orchards to see if they were interested in interviewing the complainant. The job service representative was unable to contact the representative of Rinehart Orchards and told the complainant in view of the fact Rinehart Orchards did not have an open job order it would be better if the complainant contacted Rinehart Orchards himself. Therefore the complainant, ignoring the offer of the job service representative to refer him to growers where his employment was more likely, opted to go on his own to Rinehart Orchards, Inc.
>
> Also unfortunate is the participation in the complainant's job seeking effort of his legal representative. It appears to be a reasonable inference and conclusion that the complainant and his representative were more interested in "making a case" than they were finding a job picking fruit. The local job service was quite willing to refer

him to growers who had orders which the job service considered to be open and where he might have had a better opportunity at employment. He was not interested. It is also unfortunate that the complainant has not appeared to present testimony in this case. He had not been in recent contact with his attorney at the time the case was heard . . . this leads one to wonder whether he is still even interested in the case or whether he was truly interested in the beginning—Opinion of Special Examiner Ferris, April 1, 1985.

I regret to say that this is not an isolated incident. I have countless more cases in which the six orchards in my district alone have had complaints that are equally as illegitimate brought against them. Over a 2-year period, 155 complaints, and 15 lawsuits have been filed against them. It is interesting to note that each of these complaints accuses the orchards of discriminating against the U.S. worker. As I studied each complaint, I discovered that none of them cited worker maltreatment, poorhousing conditions, or unfair compensation.

To add injury to insult, even in cases in which the courts have acknowledged that certain plaintiffs had litigated claims without substantial evidence, the defendant was unable to recover attorney's fees. The Legal Services Corporation Act states that a recovery of fees may be obtained only if the case has been pursued "for the sole purpose of harrassment." The first of my two bills changes the wording of this section from "sole" purpose to "principal" purpose, and it authorizes the awarding of attorneys fees if a suit is determined to be "frivolous." A farmer would then be more inclined to prove his innocence in court without being overwhelmed by the prospect of exorbitant legal fees.

My second bill would add a new section to the Migrant Seasonal Workers Protection Act which, again, specifically authorizes attorneys fees. This bill also requires that a plaintiff must exhaust all available administrative remedies and attempt to arbitrate. Only after these alternatives have been unsuccessful may one file suit. Not only would this provision help to avoid unnecessary and expensive court battles, but it would refine the issues that are actually deserving of litigation.

These bills have been narrowly drafted so as to not injure those persons who are being legitimately aided by the Legal Services Corporation. As a Member of Congress, I find it to be very discouraging that certain legal aid offices would be participating in this type of activity. I have always felt that the existence of the Legal Services Corporation serves a just and worthy cause. These bills aim to keep it that way. I urge my colleagues' support.

Thank you, Mr. Speaker.

A TRIBUTE TO ROBERT H. FRAILEY

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. FAUNTROY. Mr. Speaker, I rise today to commend and pay tribute to Mr. Robert H. Frailey, an outstanding physical education instructor, compassionate coach, and dedicated youth director.

During his 40 years of distinguished service in the field of physical education, Mr. Frailey has helped to shape the lives of hundreds of youth in the District of Columbia. His instruction in sports ranging from swimming to basketball, has always been coupled with his concern for instilling the principles of fair play and sportsmanship with the building of confidence, healthy bodies, and sound minds.

Mr. Frailey is a positive role model for our young people and has earned high honors from organizations such as the U.S. Olympic Committee, the Eastern Collegiate Athletic Conference, the District of Columbia Amateur Athletic Union, and the Nation Collegiate Athletic Association.

I am pleased to bring to the attention of my colleagues the many contributions and achievements that Coach Frailey has made to our educational institutions, our city, and our Nation.

For all of these reasons, Mr. Speaker, I would like to take this opportunity to insert in the RECORD, the D.C. Council Resolution which proclaims April 3, 1987, as Robert H. Frailey Day in Washington, DC.

The text of the resolution follows:

A CEREMONIAL RESOLUTION IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To recognize Robert H. Frailey for his contributions to the people of Washington, D.C., and to declare April 3, 1987, as Robert H. Frailey Day in the District of Columbia.

Whereas Robert H. Frailey, a native son of the District of Columbia, and a graduate of Western Senior High School and the American University, has devoted 40 years of service to the youth of Washington, D.C.;

Whereas Robert H. Frailey has served as a Professor of Physical Education, coach of 5 sports, Chairman of the Physical Education Department, and Director of Athletics at the American University, one of the District of Columbia's premier institutions of higher education;

Whereas Robert Frailey has served the District of Columbia as Director of Athletics of the Washington Central Y.M.C.A. and as a member of the Board of Governors of the District of Columbia Amateur Athletic Union ("DCAAU"), and is a receipient of the DCAAU'S Outstanding Recognition Award:

Whereas Robert Frailey has developed and instituted many of the techniques for teaching swimming to the youth of the District of Columbia;

Whereas Robert Frailey has served national athletics as a member of the United States Olympic Committee, President of the Eastern Collegiate Athletic Conference, President of the Capital Collegiate Conference, and executive committee member of the National Collegiate Athletic Association;

Whereas Robert Frailey has remained the primary moving force in promoting intercollege athletics, and specifically basketball, between and among the institutions of higher education in the Washington metropolitan area; and

Whereas these labors have resulted in the betterment of life within the District of Columbia.

Resolved by the Council of the District of Columbia, That this resolution may be cited as the "Robert H. Frailey Day in the District of Columbia Resolution of 1987".

SEC. 2. The Council of the District of Columbia recognizes April 3, 1987, as "Robert H. Frailey Day" and recognizes the 40 years of his commitment to the youth of our community.

SEC. 3. This resolution shall take effect immediately.

PRESIDENTIAL CERTIFICATIONS REGARDING NARCOTICS CO-OPERATIONS

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. SMITH of Florida. Mr. Speaker, today I, together with Mr. FEIGHAN, Mr. GILMAN, and others, am introducing three resolutions to disapprove recent Presidential certifications regarding narcotics cooperation with the Bahamas, Mexico, and Panama. Under the drug bill enacted last year, the President must certify to the Congress that each major drug-producing or trafficking country has cooperated fully with U.S. drug enforcement efforts or taken steps on its own to reduce the flow of drugs into the country.

Despite many indications to the contrary regarding these three countries, the President nonetheless certified their cooperation earlier this month, so it is with some regret that I put forward these resolutions. The simple fact is that these countries have not cooperated adequately with the United States in the fight against illicit narcotics, in some cases even actively frustrating our efforts to stop the production of drugs and their trafficking into the United States.

The President, of course, signed the drug bill last October, and the requirement for certifications gave him needed flexibility to certify noncooperative countries on national interest grounds if other U.S. goals override our interest in stopping narcotics. It is thus distressing that the administration chose to so broadly interpret the word "cooperation" as to make that term almost meaningless.

Take Mexico as an example of such cooperation. Not only do law enforcement officials accede in the torture and murder of DEA Agent "Kiki" Camarena and his pilot, but Jalisco State Police a year and some months later arrest and torture another DEA agent, Victor Cortez. Some say the wheels of justice move slowly in our neighbor to the south, but more than 2 years have gone by with no satisfactory resolution of the guresome Camarena case.

The Cortez incident remains similarly unresolved. On the eradication side, there are recent reports that Mexican officials have refused to allow DEA agents to verify the spraying of illegal narcotics crops, spraying which is paid for in part by generous antinarcotics assistance from the U.S. taxpayer. This is cooperation in no way, shape, or form.

Panama similarly has failed the test. While trafficking is relatively insignificant and narcotics production negligible in that country, it remains a haven for the narcotics riff-raff to cut their deals and launder their money through over 100 banks there. Government involvement has been intimated often, and stories have become all too familiar of major traffickers convening in posh Panamanian hotels to make their arrangements and even attempt to bribe officials of other countries such as Columbia. And it is a sad fact that the administration by its action seems blissfully unaware of these reports. Cooperation, indeed.

Finally, narcotics-related corruption is so rife in the Bahamas that the very threads of that pleasant society 90 miles from my district are coming unraveled. To quote from the State Department's own report: "The illicit and lucrative profits and payments to Bahamian pilots, ship masters, loading crews, guards, et cetera are manifest in the local economy . . . The Embassy estimates that at least 10 percent of the economy is drug-related. . . bank secrecy laws make it difficult to track transfers of [illicit] cash deposits."

There have been some, if few, high points in the relationship with the Bahamas, but as the report states further on: "During 1986 there was no progress on the signature of a draft mutal legal assistance treaty negotiated in August 1985. If signed and implemented, the treaty could provide the United States with access to Bahamian bank-secrecy protected records in drug cases." Mr. Speaker, by anyone's definition but the administration's, this is not full cooperation.

JAPAN IS RACING TO COMMERCIALIZE NEW SUPERCONDUCTORS

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mrs. BENTLEY. Mr. Speaker, the following article from the Wall Street Journal of March 20, 1987, is most significant and warrants widespread distribution.

[From the Wall Street Journal, Mar. 20, 1987]

JAPAN IS RACING TO COMMERCIALIZE NEW SUPERCONDUCTORS

(By Stephen Kreider Yoder)

TOKYO.—In the corner of Prof. Shinichi Uchida's laboratory at the University of Tokyo, across from the bottles of liquid nitrogen, stands a bunk bed.

Until recently it was little used. Then, on Feb. 15, a University of Houston press conference announced the latest breakthrough in the science of superconductivity, a development with potentially enormous commercial applications.

The lab and its bunks here seldom have been empty since.

For three weeks Prof. Uchida's 12-researcher team worked around the clock, seven days a week to duplicate the Houston results. Sleeping in shifts, they cooked their meals in a tiny kitchenette while their latest batch of experimental ceramic pellets baked in the lab's kiln.

In other labs, in company board rooms and in the offices of the powerful Ministry of Trade and Industry, or MITI, the Houston breakthrough has galvanized Japan. Scientists, industrialists and government officials have responded frantically, convinced they can, and must, walk away with the commercial applications. "When it comes time to make something out of it," predicts Prof. Shoji Tanaka, who is Prof. Uchida's boss, "the Japanese will have the upper hand."

In the U.S., by contrast, the reaction has been more measured. Labs are busy, but there isn't any nationally coordinated drive for commercialization. Leaders in superconductivity research caution that much science remains to be done first. "You must keep in mind that the scientific scene is changing so rapidly that to decide (on specific applications) on the basis of what is known today would be a mistake," says John Armstrong, director of the research division at International Business Machines Corp. It would also be wrong, he thinks, "to turn this into a race between East and West."

Here in Tokyo, however, the race is already on, showing once again the competitive drive and speed with which Japan can seize on Western science.

New materials that conduct electricity at warmer temperatures with almost no loss of power, have "opened a fantastic world of future industries," says Masatoshi Urashima, an MITI official. Because previous superconductors operated only at extremely low and expensive-to-maintain temperatures, the new materials make economical the creation of tiny, superfast computers, magnetically floating trains, long-distance power lines that don't waste electricity and even appliances that use almost no power.

The discovery meshes with technologies Japan has refined for years. Japan has a train using superconductivity that is almost ready for commercial use. It travels at more than 250 miles an hour while hovering five inches above a track on a magnetic cushion created by superconducting coils. Japan's shipbuilders, meanwhile, have spent $23 million to build a fast ship propelled by superconducting magnets.

NEC Corp. and others already have produced prototypes of superconducting computer chips; the West gave up trying to do so four years ago. Such giant electronics concerns as Hitachi Ltd. are supplying the West with millions of dollars of superconducting equipment. And Japan's leading role in industrial ceramics will help it develop ceramic superconductors. "A lot of revolutionary things are going to come up and a lot of it is going to come from Japan," says David L. Keller, a technology analyst with James Capel & Co., a British securities firm. "The Japanese will dramatically lead the rest of the world."

The Japanese government already is organizing that. Four days after the Houston bombshell, Japan's Science and Technology Agency announced its intent to form a research consortium of Japanese companies, universities and government labs. A week later, the consortium was in place, including such industrial giants as NEC, Toshiba Corp., Nippon Steel Corp. and Mitsubishi Electric Corp. "We've gathered all the leading-edge researchers in superconductivity in Japan," says Koji Yamaguchi, the agency official overseeing research. "We need to get everybody together to share information and decide how to move."

MITI, the agency that picks and funds national projects like the one that helped Japanese makers dominate the memory chip business, began moving on the day of the announcement. It already is polishing up an existing feasibility study on a superconducting power plant and plans to have a working model built by 1992.

"The objective is to organize industry to get the jump on the West in applications and commercialization for a huge new market," says Nihon Keizai Shimbun, Japan's leading business daily. The earliest application, researchers say, could be superconducting computer chips that would enable creation of a shoe box-sized supercomputer. IBM and most other U.S. companies abandoned research in 1983 on the chips, called Josephson Junction devices, partly because of the complications of cooling with helium. That left NEC, Hitachi and a MITI lab to refine the technology with little foreign competition.

For all the government-inspired organization, Japan's research labs didn't wait for government orders when they heard the news from Houston last month.

ELEMENTS OF SURPRISE

At the University of Tokyo, Mr. Uchida sat his researchers down in front of a large periodic table of the elements. For hours they debated which elements Houston could possibly have used. While they were still guessing, a rumor came over the phone that the material was fluoric. Students ran out and bought fluorinated chemicals. For three days they tried out hundreds of combinations until they found the rumor was false.

Acting on another tip that the Houston material was dark green, the researchers mixed all the plausible chemicals that would become green when fired; again with no success. (The material needs to be fired further until it is black, they found later.) Then a news report said a Chinese lab had achieved superconductivity at 100 degrees Kelvin (minus 173 degrees Celsius) using a ceramic with ytterbium in it and researchers attacked that. The report proved wrong—the element was yttrium. (Ironically, the University of Tokyo lab later found, by coincidence, that ytterbium works. The lab patented the discovery.)

Finally at 2 a.m. March 1, they got superconductivity. "It was an other-worldly experience," says Prof. Uchida. They drank a toast and launched back into another week of experiments, this time to refine the resulting ceramic. On March 8 they announced a purified form. On Wednesday the lab finally took a holiday.

Meanwhile, labs at Tohoko University, Hokkaido University and a government research facility in Tokyo have burst forth with rapid-fire announcements of their advances in superconductivity. They and other labs have been snatching up the ingredients for superconductors so fast that there are shortages. Suppliers have run out of yttrium, for example, and labs must wait three weeks for orders to be filled.

THE REAL THING

Prof. Uchida's lab has been flooded by calls and visits from companies. Sumitomo Electric Industries Ltd. researchers brought in some rudimentary wire made from superconducting ceramic. Engineers from Toshiba, Fujitsu Ltd. and Hitachi have visited the lab to keep watch on developments. "Company people have the conviction that this is finally the real thing. A lot are starting to pick it up. . . . They see that superconductivity is a sure thing and they want to get on to application," says Prof. Uchida.

Of course, there is scientific and commercial excitement in the U.S., too, but it's less frenetic and isn't centrally controlled. Scientists say indications of an incipient breakthrough came as early as April 1986, when researchers at IBM's laboratory in Zurich, Switzerland, reported they had achieved superconductivity in a new class of materials, the metal oxide ceramics. This galvanized researchers throughout the world. By November, the Japanese and Chinese had confirmed the IBM discovery and by December, scientists in Houston and at American Telephone & Telegraph Co.'s Bell Laboratories were reporting important advances with the new materials.

About 5,000 physicists jammed the ballroom of the Hilton Hotel in New York Wednesday night for an unprecedented special session on superconductors at the annual meeting of the American Physical Society. They listened to the presentation of 60 papers on superconductivity research done largely within the last two to three months. Although scientists from U.S. universities dominated the program, there were reports from IBM, Bell Labs, Westinghouse Electric Corp. and Exxon Corp. as well as from Japanese, Chinese and Canadian scientists.

The breakthrough generated tremendous excitement among Bell Labs scientists, says Robert A. Laudise, director of the laboratories' inorganic chemistry branch, "Usually, research managers are coaching people to do this or that," Mr. Laudise notes. "But in this case we had people coming around from all different disciplines wanting to know if there was anything in this for their area," he says.

TOO SOON FOR APPLICATIONS

"We've had a lot of people going without sleep," Mr. Laudise says. But he agrees with IBM's Mr. Armstrong that it's still too soon for anyone to settle on specific applications of the superconductors. "We're not trying to make any specific devices or systems," he says.

Bell Labs researchers are, however, trying to fabricate various superconducting materials into experimental devices. At Wednesday's APS meeting they displayed a superconductor in the form of a flexible ceramic tape that can be formed and then hardened into a shape to fit a superconducting device.

Researchers at General Electric Co.'s big research and development center in Schenectady, N.Y. agree that it's too soon to jump into an industrial competition with anyone including the Japanese.

JURY IS STILL OUT

"In the material field, the events of the last several weeks have been quite spectacular, but in the applications sense, the jury is still very much out," says Michael Jefferies, manager in the center's engineering physics laboratory.

Until recently, the GE lab didn't have a group of scientists working on superconducting materials. "But we're now trying to confirm and duplicate the results that are being reported," Mr. Jefferies says.

Guy Donaruma, vice president for research at the University of Alabama in Huntsville, says governmental agencies and private concerns have shown a keen interest in the university's superconductivity research, which duplicated the Houston breakthrough.

"Wherever I go around town somebody buttonholes me and asks how we're coming along or when can we use this," Mr. Donaruma says. Some inquiries have come from the space and defense related agencies in the area, including the Marshall Space Flight Center and the U.S. Army Missile Command, he says.

In Palo Alto, Calif., where Stanford University recently announced a breakthrough in fabricating a superconducting thin film, useful in electronic devices, a news conference last week was packed with industry people. Several other scientists have called for more information for use in making a superpowerful magnet used by geological researchers. Niels Reimers, director of Stanford's technology licensing office, said, however, that he hasn't been fielding many industry inquiries.

CRASH PROGRAMS

In Japan, however, companies that already sell conventional superconducting wire to the U.S. have begun crash programs to commercialize the new discovery. Fujikura Ltd. and Sumitomo Electric, for example, say they have developed rudimentary wire out of the new ceramic, despite skepticism among some scientists that the material won't lend itself to wire-making.

Like their U.S. counterparts, Japanese makers temper their euphoria with warnings that too little is known about the new ceramic superconductor to tell when and how the material will be commercialized.

Aside from possible problems in forming brittle ceramic into wire, the new superconductor still can't handle enough current to be used in heavy applications such as power plants. Superconductors also don't work well with alternating current, the type of electricity used in most of the world's power equipment.

But Japanese labs are convinced they can solve the problems over the next several years. Now that the West has made the basic breakthrough, they say, the ball is in their court. "It will be difficult and will take time," says Kasumasa Togano, a government scientist. "But that's precisely where Japan's labs and makers have the edge."

Still, he and other researchers admit to a twinge of hurt pride. "To be honest, we're following in the footsteps of the U.S.," Mr. Togano says. "Here, again, the originality is coming from the West. We have a measure of sadness about that."

TELE-PAL—A FRIEND FOR "LATCHKEY"

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. LOWERY of California. Mr. Speaker, it is a privilege for me to call to the attention of my colleagues a community service that began on October 30, 1986 for San Diego's "Latchkey" children.

Due to increased two career families, San Diego school officials estimate that 44 percent of elementary school students return home after school to empty homes. This amounts to an estimated 18,000 of these "latchkey" children in San Diego alone. My district office manager, Shay Elterman, decided to find a solution to the loneliness faced by these children in our community. Through the contacts and support of my district office, Shay became aware of a local hotline project for latchkey children successfully operating in Washington, DC. This project, entitled Phone Friend, became the role model for our efforts in San Diego. The executive director of Phone Friend supplied us with background information and training materials to begin a San Diego project, entitled Tele-Pal.

On January 7, 1986 Shay Elterman addressed the San Diego School Board to present the idea of a phone service for latchkey children. It was her intent at that meeting to share the Tele-Pal concept so that we could work directly with the San Diego City schools distributing flyers, stickers and parent information. With the cooperation and support of the board members we were able to implement Tele-Pal within the school system.

The purpose of Tele-Pal is to provide children with a support-system for the vulnerability that comes with being alone. Shay has found that sometimes the only voice these children hear is a television. She says, "They're lonely, and loneliness has to be the saddest thing at any age."

With the help of predominately elderly volunteers the hot line runs 24-hours a day. Their phones are equipped with three-way conference calling, which enables them to contact an appropriate agency if they suspect a child needs professional help. This is all done with a diverting computer, so volunteers can work out of their homes.

Mr. Speaker, I would like to thank all of the people who gave their time and support in providing a network for our latchkey children and those who work to maintain it. Because the people of San Diego committed themselves to help address a great need and because they believed in the betterment of their communities, our children have a Tele-Pal.

CUBAN PRISONER ANDRES JOSE SOLARES TESEIRO

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. YATRON. Mr. Speaker, I would like to bring to your attention, and to the attention of my fellow colleagues, an article that appeared in the current issue of Amnesty International Newsletter, concerning the plight of Andres Jose Solares Teseiro. Mr. Solares is a prisoner of conscience, presently serving an 8-year prison term. He is one of many innocent Cubans who have been arrested because of their political beliefs. Mr. Solares' detention and the continued detention of his fellow Cubans is a violation of the United Nations Universal Declaration of Human Rights.

I commend the article to the attention of my fellow Members of Congress.

The information follows:

[From Amnesty International Newsletter, March 1987]

CAMPAIGN FOR PRISONERS OF THE MONTH

Each of the people whose story is told below is a prisoner of conscience. Each has been arrested because of his or her religious or political beliefs, colour, sex, ethnic origin or language. None has used or advocated violence. Their continuing detention is a violation of the United Nations Universal Declaration of Human Rights. International appeals can help to secure the release of these prisoners or to improve their detention conditions. In the interest of the prisoners, letters to the authorities should be worded carefully and courteously. You should stress that your concern for human rights is not in any way politically partisan. In *no* circumstances should communications be sent to the prisoner.

CUBA

Andrés José Solares Teseiro: a 40-year-old civil engineer, he is serving an eight-year prison term on charges of "enemy propaganda".

Andrés Solares was arrested on 5 November 1981. He was accused of planning to organize a political party, the Cuban Revolutionary Party, in opposition to the Cuban Communist Party, and of drafting several letters (which were not sent) about his plans to people such as Francois Mitterand and Edward Kennedy, seeking their advice. A letter to his cousin in the USA, in which he apparently criticized the Cuban social system, was also reportedly intercepted by the authorities.

The court considered that his actions constituted incitement against the social order and the socialist state. The letters, which appear to have been the only evidence against him, were burned after the trial.

Andrés Solares is held in Combinado del Este Prison in Havana. In late 1984, he was reportedly accused of trying to provoke a riot with other prisoners and was held in a punishment cell for one year.

Since October 1985 he has been back in the main part of the prison where he is reportedly permitted only one visit every six months and no correspondence.

Andrés Solares studied engineering at the University of Havana and went on to work for the government as a civil engineer. In the early 1970s he studied in the UK on a UNESCO scholarship. However, after returning to Cuba, he reportedly complained about not being allowed to travel to the UK to obtain his doctorate and as a result of this and of having later publicly criticized aspects of Cuban society, he was reportedly questioned several times by the State Security Police.

Please send courteous letters appealing for his release to S.E. Comandante en Jefe Fidel Castro Ruz/Presidente de la República/Ciudad di la Habana/Cuba.

THE ST. LOUIS COUNTY RESERVE POLICE OFFICERS

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. BUECHNER. Mr. Speaker, Government grows and grows. We are constantly spending to provide more and more services. Yet, this is still no substitute for gifts of service given from the heart—gifts of voluntarism. Simply stated, government can never take the place of volunteers. I would like to take this opportunity to thank some people who do a great service for the community in which I live: the St. Louis County Reserve Police Officers. This group—about 55 volunteer citizens—has contributed a total of 19,801 hours of service, saving the county police over $350,000 last year.

The reserve officers go into action whenever they're called upon. They serve during demonstrations, floods, natural disasters, or other emergencies. They provide security, crowd control, and traffic control. They assist during holidays, and serve as extra shopping center patrols during the Christmas season. Providing a special service to area residents, the reserve officers devote a great deal of time to the Vacation Inspection Program—regularly checking the homes of residents who are away on vacation.

This Friday, the reserve officers are holding an awards banquet at which three special Reservists will receive special recognition: John Arns, Terry Ashburn, and Barry Litzsinger. Mr. Arns has devoted 20 years to the Reservists—serving over 6,500 hours. Reserve Officer of the Year, Terry Ashburn has served on the academy staff regularly. Mr. Litzsinger has been chosen Recruit Officer of the Year.

This spirit of voluntarism is deeply ingrained in us as a nation. The Reservists epitomize that spirit—selflessly giving of themselves to make life better for the tens of thousands of St. Louisans everyday. It's always heartening to see everyday examples of that rich tradition that has built this Nation into a people of kindness, goodwill, and neighborliness. I join all St. Louisans today in recognizing the Reservists for their outstanding contribution to our community.

DEVELOPMENT WITH WOMEN

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. LELAND. Mr. Speaker, today I am introducing legislation in the House of Representatives to strengthen efforts to integrate women in development projects and programs undertaken by the Agency for International Development and the World Bank. The Select Committee on Hunger is greatly concerned that efforts to combat hunger and related development problems have been hindered by a failure to adequately integrate women in the development assistance projects and programs funded by the U.S. Government. Many of our development strategies have failed to assure equitable participation by women in development efforts and have marginalized their economic and other roles.

It is widely documented that women in developing countries play essential roles in production of food and other areas of economic activity which are vital to their self-reliance, the survival of their families and the development of their national economies. Yet, frequently they are denied access to meaningful participation in formal development activities. A recent study completed by the Office of Technology Assessment finds that in spite of being bypassed by transfers of credit, agricultural extension services and other resources essential for survival and improvements in the quality of life, low resource women farmers provide the critical labor in food production today and offer the best hope for increasing food supplies in many developing countries in the future.

The consequences of marginalizing women in development projects and programs are documented in recent research which shows that neglect or token participation of women in mainstream development projects is costly in terms of failed projects and wasted resources. The achievement of successful outcomes and long-term development goals depends to a large degree on the extent to which women are integrated in the identification, design, implementation, and management of development projects and program activities. I believe we cannot afford to have failed projects and wasted resources. Development with women is not only equitable, it makes economic sense.

In 1982, the Agency for International Development made a promising move in improved integration of women in development activities by issuing women in development policy guidelines. However, implementation of these guidelines has been accorded a low priority in comparison with other mandates within the Agency.

The bill I am introducing today will help overcome institutional barriers within the Agency for International Development which constrain effective implementation of the existing women in development guidelines and recommends that the World Bank develop and implement an action plan to integrate women in the planning, design, management, and evaluation of bank activities. Additionally, this legislation provides for activities which are essential for women in developing countries to achieve the potential of their current and future roles in economic development. Finally, the bill establishes a floor of $5 million to promote the participation and integration of women in developing countries as equal partners in the development process and authorizes a $1 million appropriation for the UN Development Fund for Women.

I hope you will join me in support of this important measure to increase the effectiveness of our foreign assistance programs, by better integrating women in all phases of the development process.

MR. RICHARD W. CORDTZ RECEIVES THE MENORAH AWARD

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. WOLPE. Mr. Speaker, on Thursday, March 26, 1987, the Michigan Trade Council for Histadrut, National Committee for Labor Isreal, will present its prestigious "Menorah Award" to a man of great accomplishment: Mr. Richard W. Cordtz, secretary-treasurer of the Service Employees International Union, AFL-CIO, CLC.

Mr. Cordtz' significant contributions to the labor movement began in 1939 when he joined the Brass and Copper Workers Union. And with the exception of a 3-year leave of absence, when he joined the Army and helped defend his Nation in the Pacific campaigns of World War II, Dick Cordtz has spent his life working on behalf of working people everywhere.

In 1952 Dick Cordtz was chosen to serve as the youngest vice president ever elected by the Colorado State Federation of Labor. Only a year later, he came to Detroit, MI, where he has served ever since.

Over the years Dick Cordtz has been a true leader within the AFL-CIO. Moreover, as a member of numerous State and local civic boards, he has made many lasting contributions to the people of Michigan.

Mr. Speaker, I am sure that my colleagues will want to join me in saluting Dick Cordtz for his outstanding contributions to the city of Detroit, the State of Michigan, and to working people throughout the Nation and to congratulate him for being chosen to receive the prestigious "Menorah Award."

THE STUDENT LOAN BANKRUPTCY PREVENTION ACT

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. COLEMAN of Missouri. Mr. Speaker, today I am introducing "The Student Loan Bankruptcy Prevention Act". I am proud to point out that this bill will serve as the companion to an identical measure to be introduced in the Senate by the Honorable Robert Stafford of Vermont.

The effect of this bill will be to amend title 11 of the United States Code to strictly limit the situations under which guaranteed student loan and national direct student loan borrowers are able to discharge their debts in Federal bankruptcy court. This change conforms to procedures set in chapter 7 bankruptcy, where borrowers who file under chapter 7 must repay their guaranteed student loan [GLS] debts in full.

The cost of student loan default under these programs to the Federal Government and institutions of higher education is too high to tolerate. In the past year, $1.3 billion in default claims were paid out under the GSL program and an estimated 14 percent of the loans in the National Direct Student Loan Program will be classified in default. In the cases of GSL and NDSL's, the Government and institutions involved in these programs make a double payment where defaults are concerned: First we take a loss on the defaulted claim, then we experience a reduction in amounts available for future loans to eligible, needy students.

The problems associated with discharging student debt under chapter 13 will only continue to expand unless we take action in Congress to close this loophole in the near future. In California alone, the percentage of chapter 13 bankruptcy cases has increased from 10 to 20 percent of all bankruptcy cases received in 1984 to 40 to 55 percent during the first 6 months of 1986. in a 2½-year period, the State of California saw 1,200 chapter 13 claims filed, which resulted in a nearly $5 million loss to the taxpayers.

Those who borrow under the GSL and NDSL programs owe the American taxpayers a debt not measured by dollars alone, but by a display of good faith. The implicit promise behind these guaranteed loan programs is that those who receive the benefits of low-interest loans for educational purposes will pay back the monetary investment made in them by the taxpayers so that the next generation of students may also benefit. A student who has taken advantage of the benefits provided under these student loan programs does not have the right to choke off the future of other promising and deserving students by choosing not to live up to the agreement of their promissory notes.

I urge my colleagues to join with me in moving this reform forward so that our GSL and NDSL Programs will receive the protection they need from abuses under chapter 13 bankruptcy claims.

TRIBUTE TO JIM SLATER

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. FISH. Mr. Speaker, I rise today to pay tribute to an outstanding member of my community, James A. Slater. The work and life of Jim Slater is an inspiration to all who know him, and it is appropriate that he is honored by the Dutchess County chapter of the New York State Association for Retarded Children.

Mr. Slater served his country in the U.S. Navy from 1964 to 1968. He has worked to help educate young people at Ithaca College, and established himself as an award winning commercial photographer. After all this, he went on to earn a degree in English, at Marist College, and he is now the operator of an independent communications enterprise. Jim Slater also writes a weekly column in a major newspaper in my district, the Poughkeepsie Journal.

The column that Mr. Slater writes for the Journal advocates help for disabled people. His column also helps nondisabled people understand what it is like to be disabled. Mr. Slater himself is disabled. He has known both sides of the story, for he was not always been disabled. The work that he does for the disabled is appreciated by everyone in my community. His tireless and energetic efforts to assist people in finding the help they need set an example for all Americans to follow.

It is the character of people like Jim Slater that makes true heroes. When people overcome great obstacles to go on and lead happy and productive lives, they give us all something to look up to, aspire to, and admire. Jim Slater has overcome his obstacle and helps many others overcome theirs.

It is my honor and pleasure to pay tribute to Jim Slater, who through his efforts has gotten help for and inspired many people.

CONVEYANCE OF CERTAIN LAND TO FLAGSTAFF, AZ

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. STUMP. Mr. Speaker, today, I am introducing a bill which will authorize the Secretary of Agriculture to convey 134.57 acres of Forest Service land to the city of Flagstaff, AZ, for the city's use as a public park. The bill specifies that the land must be used for open space and public recreation, otherwise, the land will revert to the Federal Government.

The 134.57-acre tract is a part of the Coconino National Forest, but lies wholly within the city limits of Flagstaff. Since 1917, the city of Flagstaff has made continuous use of the land as a park, known as Thorpe Park, under a free-use permit issued by the Forest Service. That permit was last renewed in 1969, at which time 2.6 acres were deleted from the permit and placed under a 25-year fee permit for use as a baseball/multiple purpose field.

The city of Flagstaff has made numerous improvements to the park for a number of years. In order to meet the needs of a growing and diverse community, major improvements should still be made. However, with limited funding, should the city pay the cost to acquire the lands, recreational improvements will have to be foregone. The Forest Service does not, to my knowledge, have any plans to use the lands in the bill for any other purposes. As the bill provides for the city to pay the administrative costs for transferring the title of the land from the Forest Service to the city, any moneys that would otherwise be used for acquisition could be used to further the recreational uses of the park by making the necessary capital improvements. The city would also then be free to make its own decisions on any additional improvements and management of the park within the constraints of best public use.

Identical legislation has been introduced in the Senate by my colleagues Senators Dennis DeConcini and John McCain. As well, this matter was introduced in the 99th Congress by Senator DeConcini and passed by the Senate Energy and Natural Resources Committee.

I urge my colleagues favorable support of this legislation, and request its early consideration.

SALT II—DICKS' AMENDMENT

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. MAVROULES. Mr. Speaker, I rise today in support of Congressman Dicks' measure to cut off funds for weapons deployed in excess of the SALT II Treaty's numerical limits. All of us must work toward making the world a safer place, and this amendment would certainly help to reach that end.

In December 1986, when this administration took action to exceed the numerical limits of SALT II, the world became a much more dangerous place. SALT II's importance to the process of curbing the arms race can hardly be overstated. As the State Department wrote in August 1979:

> In addition to its role in maintaining the stability of the U.S.-Soviet strategic balance, SALT II is the foundation for a more enduring political relationship between two nations with awesome power. It is an important element of political stability in a turbulent world—stability which can provide the basis for containing the kinds of crises that we face today and preventing them from growing into nuclear confrontation.

Congressman DICKS' measure is vitally important to those of us who wish to curb the spiralling arms race. It will keep United States forces in compliance with SALT II's numerical limits, unless the President certifies that the Soviets have exceeded them. The Soviets have to date remained under SALT II's numerical sublimits. Considering this administration's actions, we can no longer expect the Soviets to comply.

As Strobe Talbott writes in his Deadly Gambits, "Arms control is not a substitute for defense. It is defense conducted by other means." We must set guidelines in our competition with the Soviet Union, and the numercal limits of the SALT II treaty have been a major yardstick by which to judge Soviet actions. All of us must work to preserve these limits, and I commend and fully support Congressman DICKS' efforts toward this end.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, March 26, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

MARCH 27

9:30 a.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Forest Service, Department of Agriculture.

SD-192

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Environmental Protection Agency, and the Council on Environmental Quality.

SD-124

Finance

Health Subcommittee

To hold hearings to examine the role and performance of utilization and quality control peer review organizations under the Medicare program.

SD-215

Select on Indian Affairs

To hold hearings on S. 727, to clarify Indian treaties and executive orders with respect to fishing rights.

SR-485

11:00 a.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 349 and H.R. 240, bills to designate the Santa Fe Trail as an Historic Trail under the National Trails System Act, and S. 251 and H.R. 14, bills to designate certain segments of the Maurice, the Manantico, and the Manumuskin Rivers in New Jersey as study rivers for inclusion in the National Wild and Scenic Rivers System.

SD-366

MARCH 30

9:30 a.m.

Governmental Affairs

To hold hearings on S. 813, to provide urgently needed assistance to protect and improve the lives and safety of the homeless.

SD-342

10:00 a.m.

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

2:00 p.m.

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

Armed Services

To hold hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense, focusing on military strategy.

SR-222

Labor and Human Resources

Employment and Productivity Subcommittee

To hold hearings on Market Oriented Sector Specific (MOSS) Talks between the United States and Japan and their effect on U.S. employment in the auto parts industry.

SD-430

MARCH 31

9:00 a.m.

Armed Services

Strategic Forces and Nuclear Deterrence Subcommittee

To hold closed hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Energy, focusing on military applications provisions.

SR-222

9:30 a.m.

Commerce, Science, and Transportation

Merchant Marine Subcommittee

To hold hearings on S. 800, authorizing funds for fiscal year 1988 for maritime programs of the Department of Transportation and the Federal Maritime Commission.

SR-253

Environment and Public Works

Environmental Protection Subcommittee

To hold hearings on health effects of ozone and carbon monoxide in non-attainment areas.

SD-406

Governmental Affairs

To resume hearings on the government's role in economic competitiveness.

SD-342

Judiciary

Constitution Subcommittee

To hold hearings on S. 558, to revise the procedures for the enforcement of fair housing.

SD-226

10:00 a.m.

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, in behalf of funds for the Foreign Agricultural Service, Food for Peace Program (P.L. 480), and the Office of International Cooperation and Development.

SD-138

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for migration and refugee assistance, U.S. emergency refugee assistance fund, international narcotics control, and anti-terrorism assistance.

S-126 Capitol

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

Foreign Relations

To resume hearings on proposed legislation authorizing funds for fiscal year 1988 for foreign assistance programs.

SD-419

2:00 p.m.

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

Energy and Natural Resources

Water and Power Subcommittee

To hold joint hearings with the Select Committee on Indian Affairs and the House Committee on Interior and Insular Affairs to review recommendations of the Garrison Unit Joint Tribal Advisory Committee.

SR-485

Labor and Human Resources

Aging Subcommittee

To hold hearings on proposed legislation authorizing funds for programs of the Older Americans Act.

SD-430

Select on Indian Affairs

To hold joint hearings with the Committee on Energy and Natural Resources' Subcommittee on Water and Power and the House Committee on Interior and Insular Affairs to review recommendations of the Garrison Unit Joint Tribal Advisory Committee.

SR-485

2:30 p.m.

Armed Services

Defense Industry and Technology Subcommittee

To hold hearings to review Department of Defense implementation of recent changes in acquisition policy.

SR-253

APRIL 1

9:00 a.m.

Armed Services

Strategic Forces and Nuclear Deterrence Subcommittee

To resume hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Department of Defense, focusing on the strategic defense initiative research program and its compliance with existing Treaty obligations.

SD-106

Rules and Administration

Business meeting, to consider pending legislative and administrative business.

SR-301

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative priorities of AMVETS, Vietnam Veterans of America, and the Jewish War Veterans.

334 Cannon Building

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

10:00 a.m.

Appropriations

Agriculture, Rural Development and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Commodity Futures Trading Commission, and the Food and Drug Administration of the Department of Health and Human Services.

SD-138

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development.

SD-124

Appropriations

Military Construction Subcommittee

To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on Air Force and Air Force Reserve Components.

SD-192

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

Appropriations

Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for international organizations of the Department of State.

S-146, Capitol

Governmental Affairs

Business meeting, to mark up S. 813, to provide urgently needed assistance to protect and improve the lives and safety of the homeless.

SD-342

Judiciary

Courts and Administrative Practice Subcommittee

To hold hearings on S. 548, Retiree Benefits Security Act of 1987.

SD-226

1:30 p.m.

Appropriations

Treasury, Postal Service, and General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Office of Personnel Management, the Federal Election Commission, and the Advisory Commission on Intergovernmental Relations.

SD-124

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Strategic Petroleum Reserve, Naval Petroleum Reserve, and the Office of Emergency Preparedness.

SD-116

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

2:30 p.m.

Select on Intelligence

To resume closed hearings on proposed legislation authorizing funds for fiscal year 1988 for the intelligence community.

SH-219

APRIL 2

9:30 a.m.

Commerce, Science, and Transportation

Foreign Commerce and Tourism Subcommittee

To hold hearings on proposed legislation authorizing funds for fiscal year 1988 for the U.S. Travel and Tourism Administration, Department of Commerce.

SR-253

Energy and Natural Resources

Research and Development Subcommittee

To hold oversight hearings on the clean coal technology program.

SD-366

Environment and Public Works

Environmental Protection Subcommittee

Superfund and Environmental Oversight Subcommittee

To hold joint hearings on health threats posed by radon gas.

SD-406

Governmental Affairs

To resume hearings on the government's role in economic competitiveness.

SD-342

10:00 a.m.

Appropriations

HUD-Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development.

SD-124

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

Appropriations

Transportation and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the St. Lawrence Seaway Development Corporation, and the Architectural Transportation Barriers Compliance Board.

SD-138

Foreign Relations

Business meeting, to mark up proposed legislation authorizing funds for fiscal year 1988 for the Department of State, U.S. Information Agency, Board for International Broadcasting, and the U.S. Arms Control and Disarmament Agency.

SD-419

Judiciary

Patents, Copyrights and Trademarks Subcommittee

To hold joint hearings with the House Committee on the Judiciary's Subcommittee on Courts, Civil Liberties, and the Administration of Justice on certain provisions relating to patent and trade issues of S. 635, Omnibus Intellectual Property Rights Improvement Act.

SD-628

2:00 p.m.

Appropriations

Interior and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the Indian Health Service of the Department of Health and Human Services, and the Navajo and Hopi Indian Relocation Commission.

SD-138

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.

SD-192

2:30 p.m.

Select on Intelligence

To continue closed hearings on proposed legislation authorizing funds for fiscal year 1988 for the intelligence community.

SH-219

APRIL 3

9:30 a.m.

Appropriations

Treasury, Postal Service, and General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for the United States Postal Service.

SD-116

Finance

Taxation and Debt Management Subcommittee

To hold hearings on S. 58, to make permanent and increase the income tax credit for increasing research activities, and proposals regarding the allocation of domestic research expenses.

SD-215

APRIL 6

9:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

10:00 a.m.
Appropriations
Military Construction Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on Caribbean Basin Construction Program.
SD-192

APRIL 7

9:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review the implementation of the airport improvement program.
SR-253

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on S. 675, authorizing funds for fiscal years 1988-1992 for programs of the Endangered Species Act.
SD-406

Small Business
Urban and Minority-Owned Business Development Subcommittee
To hold hearings to review the procedures used in an agency award of a project to a federally funded research and development center, and the adverse impact felt by a small business technical service firm which had been competing for a contract for the same project.
SR-428A

2:00 p.m.
Energy and Natural Resources
Research and Development Subcommittee
To hold hearings on the President's budget request for fiscal year 1988 for the Department of Energy's Office of Energy Research for the Superconducting Super Collider (SSC).
SD-366

APRIL 8

9:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

9:30 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review the national airspace system plan.
SR-253

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs, focusing on nuclear fission, uranium enrichment, and the nuclear waste management.
SD-192

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Securities and Exchange Commission and the Civil Rights Commission.
S-146, Capitol

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 568 and S. 573, bills to protect patent owners from importation into the United States of goods made overseas by use of a United States patented process.
SD-226

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

Select on Indian Affairs
To hold oversight hearings on the implementation of the Indian Self-Determination and Education Assistance Act (P.L. 93-638).
SR-485

APRIL 9

9:00 a.m.
Governmental Affairs
To hold hearings to review the need for an Inspector General at the Nuclear Regulatory Commission.
SD-342

9:30 a.m.
Energy and Natural Resources
Research and Development Subcommittee
To resume oversight hearings on clean coal technology program.
SD-366

Select on Indian Affairs
To hold oversight hearings on Indian economic development issues.
SD-628

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Interstate Commerce Commission, and the Research and Special Programs Administration of the Department of Transportation.
SD-138

1:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the National Capital Planning Commission, Energy Conservation, Energy Information Administration, and the Economic Regulatory Administration.
SD-192

Joint Printing
To hold an organizational business meeting.
H-328, Capitol

APRIL 10

9:30 a.m.
Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Treasury, U.S. Postal Service, and general government.
SD-192

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the National Aeronautics and Space Administration.
SD-124

Finance
Private Retirement Plans and Oversight of the Internal Revenue Service Subcommittee
To hold hearings on proposed legislation providing a taxpayer's bill of rights.
SD-215

APRIL 21

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

APRIL 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Education, focusing on the Office of the Secretary, and salaries and expenses.
SD-192

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To resume hearings on certain provisions relating to patent and trade issues of S. 635, Omnibus Intellectual Property Rights Improvement Act.
SD-226

10:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimate for fiscal year 1988 for the Small Business Administration, and the Federal Trade Commission.
S-146, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Geological Survey, Department of the Interior.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs, focusing on the Department of Energy national laboratories.
SD-116

Select on Indian Affairs
To hold hearings on S. 721, to provide for and promote the economic development of Indian tribes.
SR-485

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Education, focusing on compensatory education for the disadvantaged, special programs, impact aid, bilingual education, immigrant and refugee education, education for the handicapped, rehabilitation services and handicapped research, special institutions (includes American Printing House for the Blind, National Technical Institute for the Deaf, and Gallaudet College), and vocational and adult education.
SD-192

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Earthquake Hazards Reduction Act (P.L. 95-124).
SR-253

10:00 a.m.
Appropriations
Military Construction Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on Army and Army Reserve Components.
SD-124

Appropriations
Energy and Water Development Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs, focusing on Atomic Energy Defense activities.
SD-116

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the U.S. Coast Guard, Department of Transportation.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on the Office of the Secretary and the Office of the Solicitor.
SD-192

Select on Indian Affairs
To hold hearings on proposed legislation to revise certain provisions of the Indian Self-Determination and Education Assistance Act (P.L. 93-638).
SR-485

2:30 p.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Education, focusing on student financial assistance, guaranteed student loans, higher education, higher education facilities loans and insurance, college housing loans, Howard University, education research and statistics, and libraries.
SD-138

APRIL 24

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Federal Home Loan Bank Board, Neighborhood Reinvestment Corporation, and the National Institute of Building Sciences.
SD-124

APRIL 27

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development, focusing on certain activities of the Department of Energy.
SD-192

APRIL 28

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for security assistance programs.
S-126, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on the Bureau of Mines, and the Office of Surface Mining, Reclamation and Enforcement.
SD-192

APRIL 29

10:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Justice, focusing on the Office of Attorney General, Immigration and Naturalization Service, and the Federal Prison System.
S-146, Capitol

2:00 p.m.
Select on Indian Affairs
To hold oversight hearings on the Indian Financing Act and the Buy Indian Act.
SR-485

APRIL 30

9:30 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on territorial governments.
SD-124

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for defense security assistance programs.
S-126, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Urban Mass Transit Administration of the Department of Transportation, and the Washington Metropolitan Transit Authority.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on territorial affairs.
SD-192

MAY 4

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

MAY 5

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Smithsonian Institution, Woodrow Wilson International Center for Scholars, and the Holocaust Memorial Council.
SD-138

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

10:00 a.m.
Appropriations
Military Construction Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on defense agencies.
SD-192

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the U.S. Supreme Court, and for the Department of Justice, focusing on the Federal Bureau of Investigation, Drug Enforcement Administration, and the U.S. Marshals Service.
S-146, Capitol

2:30 p.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

MAY 7

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for fossil energy, and clean coal technology programs.
SD-192

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Federal Aviation Administration, and the General Accounting Office (FAA operations).
SD-138

2:30 p.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development, and independent agencies.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Federal Aviation Administration of the Department of Transportation, and the General Accounting Office (R, E & D, F & E, Airport Grants).
SD-138

2:30 p.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

MAY 12

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for certain export financing programs.
S-126, Capitol

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Legal Services Corporation, and the Equal Employment Opportunity Commission.
S-146, Capitol

MAY 13

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for foreign assistance programs.
S-126, Capitol

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988, to receive public testimony on certain programs of the Departments of Commerce, Justice, State, the Judiciary, and related agencies.
S-146, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Transportation and related agencies.
SD-138

MAY 14

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Transportation and related agencies.
SD-138

MAY 15

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development, and independent agencies.
SD-124

MAY 20

10:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Judicial Conference, Commission on the Bicentennial of the Constitution, U.S. Sentencing Commission, and the State Justice Institute.
S-146, Capitol

JUNE 23

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings to review proposed budget estimates for fiscal year 1988 for the Department of State.
SD-192

HOUSE OF REPRESENTATIVES—*Thursday, March 26, 1987*

The House met at 11 a.m.

The Reverend Richard W. Smith, Jr., Grace Episcopal Church, Mount Clemens, MI, offered the following prayer:

May God, the source of all life, give to those who assemble here commitment to equality for all persons, courage to always seek truth, wisdom to act with compassion and zeal for justice—which is nothing less than love distributed—so that we as a people might be truly free and our Nation a beacon of hope to oppressed persons throughout the world. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

REV. RICHARD W. SMITH, JR.

(Mr. **BONIOR** of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **BONIOR** of Michigan. Mr. Speaker, I am happy to welcome our guest chaplain today, Rev. Richard W. Smith, Jr. Reverend Smith has been the rector of Grace Episcopal Church in Mount Clemens, MI, for the past 10 years.

Through his guidance, Grace Church has continued its deep commitment to community service by maintaining, among other programs, a food bank and soup kitchen for the needy.

Richard Smith's work with the poor and underprivileged has earned him much praise in the Detroit area including being named the recipient of the Brotherhood/Sisterhood Award from the Northeast Interfaith Center.

Over the years, Reverend Smith has also been an outspoken leader in issues related to civil rights and social justice.

Mr. Speaker, it is an honor to welcome my good friend Rev. Richard Smith to the House of Representatives today.

THE DRIVER'S DILEMMA

(Mr. **DANNEMEYER** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **DANNEMEYER**. Mr. Speaker, according to persistent rumors, Secretary of the Treasury Baker is still in favor of a further fall in the value of the dollar as it will presumably promote American exports, while Federal Reserve Board Chairman Volcker is afraid that such a fall will trigger a run on the dollar as foreign holders lose confidence in the stability of our national currency.

The disagreement between the two top officials in charge of our dollar brings to mind the story about the bus driver who has been asked by a female passenger to open the window. Anticipating the cold, another female passenger snapped at him: "Driver, if that window is opened, I shall freeze to death." "And if that window is kept shut," said the first passenger, not about to be outbid, "I shall suffocate." The poor driver stood between the two, puzzled and uncertain. A man sitting nearby offered a solution to the dilemma: "Why don't you open the window and freeze one lady, then close it and suffocate the other?"

Mr. Speaker, it does not seem to have occurred to either Messrs. Baker and Volcker that the solution to their dilemma lies in stabilizing the gold content of the dollar. Unless they soon do that, we may lose the driver, the passengers, the bus, and everything else.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. **BONIOR** of Michigan. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The **SPEAKER**. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ADJOURNMENT TO MONDAY, MARCH 30, 1987

Mr. **BONIOR** of Michigan. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The **SPEAKER**. Is there objection to the request of the gentleman from Michigan?

There was no objection.

THE REAGAN ADMINISTRATION'S PROPOLLUTER POLITICS

(Mr. **SIKORSKI** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **SIKORSKI**. Mr. Speaker, this past weekend I spoke in Canada on acid rain and I was asked the same question everywhere I went: Why is the Reagan administration so two-faced on acid rain?

They knew we reached an agreement with Mexico to reduce emissions from a Mexican smelter in a few months. But after 7 years, we still have no acid rain agreement with Canada. Canadians find that hard to understand but fear the answer is quite simple. The United States is downwind from Mexico. Canada is downwind from us. Mexican emissions dump acid rain on the United States, so the administration moves rapidly. Our emissions dump acid rain and ozone on Canada, so the administration is in no hurry to clean them up. When Canadians hear Reagan officials excuse delay by talking of the need for more study, no action, they get this image of the Wicked Witch in the "Wizard of Oz," wringing her hands and saying: "These things must be done carefully—very carefully."

They wonder how many more buckets of acidified water will have to be thrown on the Reagan administration before its propolluter politics are melted away.

☐ 1110

MARKUP OF THE EXPORT ENHANCEMENT ACT OF 1987

(Mr. **SMITH** of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. **SMITH** of New Jersey. Mr. Speaker, on Tuesday during Foreign Affairs Committee markup of the trade bill, I offered an amendment that passed which will send a simple and straightforward message to our trading partners that unfair trade and violations of trade agreements will not be tolerated by the American Government, the American people, and Congress.

As you may already know, Mr. Speaker, the European Community announced on February 16 of this year a proposed consumption tax on fats

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

and oils. While on the surface, this action does not appear to be an import tax, it in fact is.

Implementation of the tax would effectively double the price of seed oils such as soybean oil in the European Community and the revenues generated, estimated to be some $2.3 billion, would go to heavily subsidize the European oilseed producers.

Mr. Speaker, the United States exports roughly $2.4 billion in soybeans to Europe annually, our largest single export market for soybeans. In fact, the European market comprises nearly half of all soybean exports. Furthermore, many people may be unaware that along with 27 other States, New Jersey is also involved in soybean production. During 1985, for instance, New Jersey's production was valued at $21.5 million with as much as half of that, or 11.6 million dollars' worth, going into export.

But more than hurting U.S. exports in soybeans, the tax is a breach of European commitments to a zero-duty treatment of oilseeds and meals. We can't simply stand by and allow our trading partners to use back doors to establish import duties on U.S. products. By adopting this legislation, backed by the American Soybean Association, the Foreign Affairs Committee is sending a strong, clear signal to the European Community and all our trading partners that the U.S. Congress can and will take the necessary action to protect U.S. interests from unfair trading practices where necessary. I look to my colleagues in the House to ensure final passage of this important amendment.

Mr. Speaker, I would also like to call attention to Sec. 341(a)5 of the trade bill, H.R. 3, as introduced. Members should note that subparagraph 5 requires the President and the Secretary of the Treasury to advise our trading partners, through multilateral negotiations, that the United States is prepared to retaliate against countries in cases involving unfair trade practices.

Mr. Speaker, in 1986, the total U.S. trade deficit reached a staggering $169.8 billion. Among all our trading partners, our friends tend to rank among those countries with whom our trade status is critically out of balance. Our trade deficit with West Germany has been pushed to $15.8 billion; our deficit with the United Kingdom is $4.8; with France it has reached $3.4 billion; with South Korea it is $5 billion; and with Japan it is a crippling $58.8 billion.

Mr. Speaker, enough is enough. We need to let our trading partners know that we can no longer tolerate unfair practices which contribute to our overall debt. During the Foreign Affairs Committee's markup of the trade bill last year, I authored the language which appears in subparagraph 5. The committee adopted the language, and I am pleased to see that it has been incorporated into H.R. 3.

Mr. Speaker, subparagraph 5 raises the issue of retaliation as an answer to escalating trade deficits. It is, I believe, an appropriate means of letting our trading partners know that we are serious in our commitment to protecting American interests from unfair trading practices wherever they exist.

I support the inclusion of this language in the bill and look forward to its final passage.

Following are two letters of support for the soybean amendment:

STATE OF NEW JERSEY,
Trenton, March 23, 1987.

Hon CHRISTOPHER H. SMITH,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR CHRIS: I am writing to express my support for your amendment to the Omnibus Trade Bill. New Jersey has an annual soybean crop of $21.5 million. Much of this crop can be converted into seed oil products and exported to Western Europe. In fact, the U.S. Department of Agriculture estimates that as much as 50 percent of the State's soybean crop is exported to Europe. However, the European Community has threatened to place an import tax on seed oil products, a major U.S. export.

Your resolution would address the growing problem of European barriers to imports without resorting to protectionist measures. The Smith Amendment would send a clear message to the European Community without restricting the President's flexibility to respond. I endorse this amendment and urge its support in the Foreign Affairs Committee.

Best wishes.

Sincerely,

THOMAS H. KEAN,
Governor.

SOYBEANS,
ASA WASHINGTON OFFICE,
Washington, DC, March 23, 1987.

Hon. CHRIS SMITH,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN SMITH: It is our understanding that during markup of the Omnibus Trade Bill by the House Committee on Foreign Affairs tomorrow you intend to offer an amendment expressing the sense of Congress in opposition to a proposal by the European Economic Community (EEC) to impose a consumption tax on fats and oils and urging the President to take strong and immediate countermeasures should such a tax be implemented.

On behalf of the nation's 500,000 soybean farmers, I want to indicate our strong support for this amendment. We endorse this amendment as a means to condemn this tax and to urge the Administration to take very aggressive action to prevent the EEC's adoption of this protectionist measure.

Last year, American soybean farmers produced a 2 billion bushel crop on 61 million acres, worth $9.2 billion. The state of New Jersey alone produced about 3.5 million bushels of soybeans in 1986, worth some $16.8 million. About 45% of total U.S. total production is exported annually. Production from even 1 row in 4, some $2.4 billion or half of total U.S. soybean exports, is sold to the EEC.

Proceeds from the proposed EEC fats and oils consumption tax would generate about $2.3 billion annually to allow the EEC to continue its enormous oilseed production subsidies . . . with American soybean farmers helping to pay the bill. Currently U.S. soybean farmers receive about $4.80 per bushel for the soybeans they produce, whereas EEC farmers enjoy a support price over $15.50 per bushel for their soybeans as a result of the extensive EEC oilseed subsidy program.

On February 15, the Commission of the European Communities approved and proposed to the EEC Council of Ministers a tax on vegetable and marine oils consumed within the EEC. (Butter, tallow and lard would be excluded.) The proposed tax of 330 European Currency Units (ECU) per metric ton of vegetable oil consumed within the EEC would almost double the price of soybean oil within the EEC. Soybean oil and soybean oil-based products (margarine, shortening, etc.) would become less competitive with competing products and U.S. soybean exports would decline.

Since 1962, U.S. soybeans and soybean meal have entered the EEC duty-free. This duty-free binding was granted the U.S. by the EEC during the Dillon Round of multilateral trade negotiations. The EEC has long since sought to somehow abrogate the bindings and prevent U.S. soybeans from being such a competitive source of feed protein and vegetable oil within the EEC market. The fats and oils tax approved by the EEC Commission is the most recent and by far the most serious attempt to impair the duty-free bindings and destroy the competitiveness of U.S. soybeans and products in Europe. And it will be financial disaster for the estimated 500,000 U.S. farmers growing soybeans and cause the loss of $2.4 billion in U.S. foreign exchange earned from annual soybean sales to the EEC.

For these reasons, the American Soybean Association is pleased to endorse this amendment.

Sincerely,

DAVID HAGGARD,
President.

JAPAN: AN INTERNATIONAL OUTLAW

(Mr. BUSTAMANTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUSTAMANTE. Mr. Speaker, the remarks attributed to Makoto Kuroda, Vice Chief of Japan's Ministry of International Trade and Industry, that it was a "waste of time for the United States to try to sell supercomputers to Japanese Government agencies or universities" is confirmation of something we in Congress have long known: When it comes to products in which America excels like supercomputers computer software and telecommunications equipment Japan has effectively passed the word down: "America is our economic enemy, don't buy American-made products."

If measured against the code of behavior established under the GATT, Japan, by its words and deeds, is willfully flouting its status as an international outlaw.

Some may interpret my accusations as an exercise in "Japan bashing," and we have allowed such assertions to weaken our negotiating positions with that country and to deter this country from implementing tough trade tactics to open up Japan's market to United States goods.

It is time for us to recognize that Japan, Inc., is designing a high-technology cartel much in the same way OPEC formed an oil cartel that brought this country down to its knees during the energy crises of the 1970's. We need a different set of trade rules for Japan. A bilateral United States-Japan trade relationship should be framed on a product-by-product, quid pro quo basis. Some may call that policy protectionist, but I call it reciprocity.

IS THE NEW REVITALIZED WHITE HOUSE REALLY PRESIDENTIAL?

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, yesterday the House Republicans got a chance to see the "new Reagan." In an hour-long question and answer session, the President offered them a glimpse of what his revitalized leadership would be like.

On the budget crisis, which he masterminded with the absurd 1981 tax cuts, his profound advice for the GOP faithful—"Stick it to the Democrats on Gramm-Rudman." Now that's Presidential.

On the highway bill, which has broad bipartisan support, creates tens of thousands of jobs, and which he'll veto tomorrow in another display of Presidential machismo, he said he was calling in his "Republican chits." Now that's Presidential.

On Contra funding, the President wants to keep the aid flowing and the Nicaraguans dying. His defense of the Contras? "They've got themselves together with a plan, organization, and objectives."

Well, I'm glad someone does—because it's certainly not true in the new revitalized White House.

MAKING OUR LAKES GREAT

(Mr. ECKART asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ECKART. Mr. Speaker, as many of my colleagues are aware, the Great Lakes States have been waging a battle with erosion for several years now—and it is clear that the war has just begun. But now it seems that the lakes have an ally—the Federal Government. Yesterday in the Cleveland Plain Dealer, it was reported that the U.S. Department of the Interior, using 30-year-old maps and charts, examined the Great Lakes shoreline and found that it did not need protection from erosion. I'd like to be able to tell the hundreds of the Lake Erie shoreline residents in my district that the property and homes they are fighting to save aren't really being swallowed up by the lake, just ask the Department of Interior. The study was so grossly mishandled that it found a 20,000-foot-long sand beach in need of protection. It turned out to be a stone wall. Another map identified yet another beach which had in fact been claimed by the rising waters more than a decade ago.

Now, based on this study, the Department is proposing a major expansion of coastal protection and none of it will be along the shoreline of the Great Lakes. The Great Lakes region is a significant natural resource and a treasure that we ought to be protecting, not ignoring through the obvious bungling of an important study.

Mr. Speaker, I am not going to sit around and watch the lakes whimsically take homes and communities, destroying the work and investment of thousands of people. We must act to protect the more than 75 million people who inhabit the Great Lakes States. I, with the strong support of many of my colleagues, am trying to provide this assistance through the Great Lakes Emergency Shoreline Protection Act which I reintroduced this year. Only by helping the States, communities and individual homeowners to help themselves can we save our shoreline.

[From the Cleveland Plain Dealer, Mar. 25, 1987]

BOTCHED STUDY CAUSES SNUB OF GREAT LAKES' COASTS

(By Keith C. Epstein)

WASHINGTON.—Bungling an important study of Great Lakes shorelines, the Interior Department mistook concrete walls, dikes, breakwater barriers and mounds of rubble for pristine beaches.

The government used old maps, some going back three decades, showing beaches long-since swallowed by rising lake levels. Surveyors, relying on aerial photographs, also failed to check their homework by visiting coastal areas on the ground.

At the Ottawa National Wildlife Refuge west of Port Clinton, O., the Interior Department thought it found a 20,000-foot-long sand beach in need of protection. The "beach" turned out to be a 20,000-foot dike and stone wall.

Nearby, at Metzger Marsh, an old topographical map identified another beach, which in fact had sunk into the lake during the 1970s.

"For all they knew," said Richard S. Bartz, Lake Erie specialist for Ohio Gov. Richard F. Celeste, "the wetlands they were identifying for protection could have been parking lots."

"It was a nickel and dime operation," said Frank McGilvery, U.S. Fish and Wildlife Service coastal barriers coordinator and one of those involved in the study. With only $100,000 and three people to survey thousands of miles along the nation's coasts, he said, "we did the best we could."

This week, based on the same study, the Interior Department is proposing a major expansion of coastal protection—none of it along the erosion-prone Great Lakes.

The reason: All but two Great Lakes states, after reviewing the study in 1985, wanted nothing to do with it. Besides misidentifying man-made objects as endangered works of nature, the study suggested cutting off federal funds for state parks, wildlife areas and other recreation sites, as well as federal flood insurance for certain private landowners.

Congress established the Coastal Barrier Resources System in 1982 to protect some of the nation's most fragile coastal areas—especially those with a high risk of erosion and other natural hazards. The system accomplishes this by discouraging development and preventing federal money from being spent on roads, bridges, sewers and flood insurance.

Now the government intends to triple the acreage, to 1.4 million acres along 1,156 miles of shoreline.

At a news conference, an Interior Department spokesman said the Great Lakes had been excluded because of "geological structures" much different from those along the Gulf and Atlantic coasts.

But others in state and federal government said yesterday that the real reason had been more political than geological: When the states kicked up a fuss, the Interior Department backed off.

"It was a failure of will," said National Wildlife Federation spokeswoman Sharon Newsome, who was critical of the Interior Department's failure to iron out the differences with the states. "They had a great opportunity. They started out courageously, but then when the states turned on the heat, they got cold feet."

Talks with Michigan came to a quick end when officials there sent a terse half-page letter to the Interior Department, noting that shoreline protection laws passed by Congress were being "inappropriately applied to the Great Lakes."

Ohio sent a longer letter, but the message was the same.

"How could we support it?" said Ohio's Bartz. "They weren't pointing out empty stretches of beaches that went on for miles and miles. They were targeting man-made objects, instead of the natural environment."

At East Harbor State Park north of Sandusky, the Interior Department thought it had spotted 10,000 feet of beach, but it, too, had been long-submerged and replaced with a sloping seawall.

At Perry's monument, an international memorial to the naval officer who defeated the British fleet on Lake Erie in 1813, the government thought it saw an endangered shoreline at the tip of South Bass Island. But it was only a set of concrete seawalls defending the naval hero from the lake.

Among other stretches of coastline originally targeted for protection were the Mentor Headlands east of Cleveland, which Bartz said is a raised area left behind by glaciers, and thus inappropriate for the coastal barrier designation.

RURAL HEALTH CARE STABILITY ACT OF 1987

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, today I am introducing the Rural Health Care Stability Act of 1987 to address some of the unique problems facing small rural hospitals. More than 46 percent of all hospitals in America are located in rural areas; 71 percent of these have fewer than 100 beds and many are under severe financial distress.

In 1983, when Congress enacted the prospective payment system, it was with the understanding that some hospitals would fare better than others. Three years later, we have conclusive evidence that many of those on the losing end of PPS are in rural areas. A number of factors contribute to this fact, not the least of which is that small rural hospitals do not have the patient volume to offset the losses incurred by resource intensive treatments. They cannot benefit from a system based on averages. Moreover, low occupancy rates limit their ability to spread out fixed costs and are exacerbated by the fact that small rural hospitals have a higher percentage of Medicare discharges than other hospitals.

Because of the high rate of Medicare discharges, the hospital's financial stability has a significant impact on beneficiary access to care. In isolated areas, the hospital may be the sole health care provider, if it were to close, beneficiaries would have to travel long—and perhaps prohibitive—distances to receive care.

While the financial difficulties and unique characteristics of rural hospitals were not caused solely by PPS, it is important that they are not intensified. The legislation I am introducing is designed to ensure that Federal Medicare reimbursement policy recognizes the importance of small rural hospitals in terms of access to care for beneficiaries. The rural health care stability amendments provide for fair payments to small rural hospitals and call upon the Health Care Financing Administration to increase and improve its attention to the needs and concerns of small rural hospitals.

To achieve these goals, the amendments contain five major provisions:

Expand the swing bed program.

Require HCFA to analyze regulations in terms of their impact on rural health care and to establish an Office of Rural Health.

Clarify and expand eligibility for the 5 percent volume adjustment for sole community providers.

Require an indepth study of the criteria and reimbursement for rural referral centers, and

Establish a research and demonstration grant program to assist isolated and financially distressed rural hospitals maintain their services.

The small rural hospital is not simply another health care provider; it is a vital component of the community. Rural hospitals serve to attract and retain other health care providers, are often among the three largest employers in the area and are an invaluable part of the community's economic base.

The Rural Health Care Stability Act of 1987 will go a long way to ensure the availability of quality, convenient and cost effective health care for all Medicare beneficiaries.

NEW PLASTIC GUN SOLUTION

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, for more than a year now, I have been working with the law enforcement community to prevent the proliferation of plastic firearms, which pose serious security risks at our Nation's airports, the U.S. Capitol, and other terrorist targets.

Last year, I authored a bill to require Federal testing of nonmetal firearms to ensure their detectability, and I reintroduced that measure the first day of this session. If the weapon failed such a test, they would be banned from the public marketplace until improved weapon detection systems could spot them. Unfortunately, at congressional hearings last May, administration officials stated that this legislation was too broad and needed to be refined.

Mr. Speaker, I am pleased to report that those refinements have been made after long and careful scrutiny by myself, members of the law enforcement community, legislative counsel, key administration officials, and others. Yesterday, I introduced this newest legislative product, H.R. 1785.

I view this as a major breakthrough in our efforts to deal effectively with the plastic gun dilemma and am hopeful this legislation will now receive the prompt and favorable consideration it deserves.

Simply put, firearms technology has far surpassed the limits of our weapon detection systems and unless that gap is closed, law enforcement will be waging a losing battle against terrorism.

MR. SPEAKER, YOU ARE RIGHT; THOSE PHONES AT NATIONAL INSTITUTES OF HEALTH SHOULD BE REPLACED IMMEDIATELY

(Mr. WALGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALGREN. Mr. Speaker, I want to call the attention of our colleagues to a letter which you recently sent to Dr. Wyngaarden at the National Institutes of Health calling on them to restore long-distance phones in the pediatric cancer clinic which the administration has cut off. This fiasco reveals the essence of where we have ended up after these several years of budget cuts.

For 20 years in the children's cancer clinic at the National Institutes of Health there has been a telephone at the end of the hall that was available for children to use in calling their homes across the country during very limited evening hours. These children come to NIH in Washington for our benefit because the treatments that are administered to them are experimental. Their prospects are not good. And we hope they will find something, in their experiments on these children, that will be there for our children, heaven forbid, if they are in the same circumstances.

That long-distance phone was the only contact that these children have with their brothers and sisters and family and friends. How important that is if you were a child facing a lethal cancer.

Under the Reagan budget cuts that telephone has been replaced with a pay phone. If you have a quarter, and somebody who will accept a charge on the other end, now you to can, like ET, phone home.

Mr. Speaker, those phones, as you say in that letter, should be replaced and replaced immediately.

□ 1120

TO REESTABLISH THE GENERAL REVENUE SHARING PROGRAM

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WEISS. Mr. Speaker, today, I am introducing legislation to revise the General Revenue Sharing Program which expired September 30, 1986. My bill will reestablish the program as it existed in 1986 for 3 years beginning October 1, 1987. Funding would be authorized at $4.185 billion for each year, the same as the appropriation level for fiscal year 1986.

Revenue sharing was begun in 1972 to return funds from the Federal Government to local and State governments as a supplement to categorical grants many of them were then receiving. It was designed to be an entitlement program that would automatically allocate funds to eligible governments. In 1983, the legislation was amended to eliminate States from the program.

Revenue sharing is effectively targeted through a formula based mainly on tax effort and per capita income.

This means that needier jurisdictions get larger allocations.

America's hard-pressed counties, cities, towns, and townships have faced the loss of billions of dollars in Federal revenue sharing since the program ended last year. This loss was added to major decreases in other Federal funds over the last several years.

Between 1980 and 1986, Federal funds for State and local programs have decreased by 25.9 percent in constant dollars at the same time that overall Federal spending has shot up 24.5 percent. The rise in the total Federal budget was primarily as a result of tax reduction and a greater commitment to national defense, which increased by 45.6 percent during this period.

But local governments have suffered far greater financial hardships than States. According to the U.S. Conference of Mayors, funding for major Federal programs to localities took a nosedive from $60 billion in fiscal year 1981 to $34 billion in fiscal year 1986. Local governments received $5.6 billion in revenue sharing dollars in fiscal year 1980, but that dropped to zero this year following the program's demise last September. With the loss of revenue sharing, many communities are undergoing another setback in addition to lagging economies, population shifts, and drastic changes in Washington's fiscal policies and programs. These cuts are coming at a time when many localities are also experiencing a rising incidence of poverty, crime, hunger, and homelessness.

Small cities and rural towns and counties are most severely impacted by the loss of revenue sharing. While it is true that many large cities benefited in large dollar amounts, in all of them, revenue sharing represented a relatively small percentage of adjusted taxes. This is not the case, however, for thousands of smaller towns and counties where revenue sharing often represented a much larger portion of their total budget. States where revenue sharing represented, on a statewide basis, 20 percent or more of adjusted taxes include Mississippi, West Virginia, South Carolina, New Mexico, and Delaware. In these areas, and many others, local property taxes would have to rise as much as 50 percent to make up for the loss of the General Revenue Sharing Program.

A study by the National Association of Counties [NACo] last year showed that revenue sharing accounted for nearly half of farm communities' Federal aid as compared with 22 percent for all the 39,000 local governments that received the funds. Distressed rural communities say that falling property values and rising tax delinquencies make it difficult to replace revenue-sharing funds by boosting local taxes or cutting services. They can increase taxes, but can't always collect.

Nearly 80 percent of all localities got nothing but revenue-sharing funds from the Federal Government; no community development block grant funds, no urban development action grants, nothing for wastewater treatment or construction of roads and bridges. Most of these communities can raise taxes only slightly, if at all, for they are at the maximum allowed by State law.

General revenue-sharing funds have been used by cities, counties, towns, and townships to pay for essential services to their residents. Public roads, health care, firefighting personnel and equipment, programs to feed and house the poor, federally mandated responsibilities such as improved air quality, upgrading correctional facilities, and providing access to the disabled—these are only a few of the uses revenue sharing has been put to.

When the program ended last year, jurisdictions had to forgo high-priority budget items. Boston lost $18 million in funds for police protection; Denver boosted its sales tax for the first time in 16 years; Philadelphia imposed a hiring freeze on police and firefighters at levels much lower than the budget had allowed for this fiscal year. Limestone, IL, has cut free bus service for the elderly from twice a week to once a week. Pacific County, WA, has laid off 6 of the 10 deputies in the sheriff's office. Other communities have cut back delivery of meals to homebound elderly persons, reduced the number of staff in their public schools, cut funding for drug abuse programs, and decreased funds for sheltering homeless persons.

NACo recently conducted a survey of a sample of 262 counties with populations in 28 States from 15,000 to 70,000. They found that of those surveyed, 94 percent were cuttting back on services or other essential budget items, or raising taxes: 97, or 37 percent were making cuts or eliminating services including layoffs; 35, or 13 percent were raising taxes; and 35, or 13 percent had eliminated planned services from their fiscal year 1987 budgets.

General revenue sharing is an effective way to target Federal assistance, with a minimum of bureaucratic interference, to our local governments most in need of financial help. It has worked because it allows local governments to decide their own priorities with minimal redtape. The needs of local governments in meeting their obligation to provide essential services have increased, not diminished, as the increasing numbers of the homeless and those in poverty should make obvious.

Mr. Speaker, I urge you and all of our colleagues to listen to the local officials in your districts to gain a new understanding of just how important general revenue sharing has been to your constituents and to become a cosponsor of this bill to reestablish the program.

H.R. 1844

A bill to revive and extend the authorization of appropriations for the general revenue sharing program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RESTORATION OF REVENUE SHARING LAW.

(a) REPEAL OF REPEAL.—Title XIV of the Consolidated Omnibus Budget Reconciliation Act of 1985 is repealed.

(b) EFFECTIVENESS OF REPEALED AND AMENDED PROVISIONS REVIVED.—The provisions of chapter 67 of title 31, United States Code, and other provisions amended by title XIV of the Consolidated Omnibus Budget Reconciliation Act of 1985, shall be effective as if such title had not been enacted.

SEC. 2. EXTENSION OF AUTHORIZATION OF APPROPRIATIONS.

Section 6701(a)(1) of title 31, United States Code, is amended to read as follows:

"(1) 'entitlement period' means each one year period beginning on October 1 of 1987 and each of the two succeeding years.".

SEC. 3. AUTHORIZATION AMOUNT.

Section 6703(b)(2) of title 31, United States Code, is amended by striking out "$4,566,700,000" and inserting in lieu thereof "$4,185,000,000".

SEC. 4. EFFECTIVE DATE.

The provisions of this Act shall take effect on October 1, 1987.

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO HAVE UNTIL 5 P.M., FRIDAY, MARCH 27, 1987, TO FILE SUNDRY REPORTS

Mr. BONIOR of Michigan. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be permitted to file sundry reports by 5 p.m. Friday, March 27.

The reports are on:

H.R. 317, Merced River Wild and Scenic River;

H.R. 184, Big Cypress National Preserve Addition;

H.R. 278, Alaska Native Claims Settlement Act Amendments;

H.R. 148, Michigan Wilderness; and

H.R. 1320, amendments to the Land and Water Conservation Fund Act.

It is my understanding that this has been cleared with the minority.

The SPEAKER pro tempore (Mr. DORGAN of North Dakota). Is there objection to the request of the gentleman from Michigan?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. BONIOR of Michigan asked and was given permission to address the House for 1 minute.)

Mr. BONIOR of Michigan. Mr. Speaker, on Monday, March 30, the

House meets at noon, pro forma session.

On Tuesday, March 31, the House again will meet at noon and there will be a vote on the veto override of H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act, assuming that bill is indeed vetoed by the President tomorrow.

There are also five suspensions on the calendar on Tuesday: House Concurrent Resolution 34, concerning the violations by the Soviet Union of its international human rights obligations; H.R. 121, to commend the European Community on the 30th anniversary of the signing of the Treaty of Rome; H.R. 184, the Big Cypress National Preserve addition; H.R. 317, to designate a segment of the Merced River, CA, as a component of the National Wild and Scenic River System; and the fifth suspension is H.R. 278, the Alaskan Native Claims Settlement Act amendments.

On Wednesday and the balance of the week, the House will meet at 2 p.m. on Wednesday, and on Thursday and Friday at 11 a.m.

Subject to a rule, these bills will be possibly called up: The Department of State authorization fiscal year 1988-89, H.R. 1777; H.R. 1320, the Land, Water, and Conservation Fund Act amendments; and a resolution on the budget for fiscal year 1988, subject to a rule being granted.

PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO HAVE UNTIL MIDNIGHT, FRIDAY, MARCH 27, 1987, TO FILE REPORT ON H.R. 1777, DEPARTMENT OF STATE, USIA, AND BIB AUTHORIZATIONS, 1988 AND 1989

Mr. MICA. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs have until midnight Friday, March 27, 1987, to file its report on H.R. 1777, to authorize appropriations for the Department of State, USIA, and BIB for fiscal years 1988 and 1989, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. PETRI. Mr. Speaker, reserving the right to object, I would like to inquire of the gentleman from Florida if this request has been cleared with the ranking minority member on the committee.

Mr. MICA. Mr. Speaker, will the gentleman yield?

Mr. PETRI. I yield to the gentleman from Florida.

Mr. MICA. Mr. Speaker, the request has been fully cleared with the ranking minority members of the full committee and the subcommittee.

Mr. PETRI. Mr. Speaker, will the minority have also an extension of time under the unanimous-consent request to file its views?

Mr. MICA. Mr. Speaker, absolutely.

Mr. PETRI. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

IN REMEMBRANCE OF CANADIAN SOLDIERS WHO DIED IN VIETNAM WAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 5 minutes.

Mr. BONIOR of Michigan. Mr. Speaker, I rise today to acknowledge a group of Canadian Vietnam veterans who have come to our Nation's Capital this week.

These veterans have come to express their concerns on behalf of all Canadians who volunteered and fought in the Vietnam war and to honor those Canadians who lost their lives in Vietnam.

At 9 a.m. this morning, a special ceremony was held at the Vietnam Veterans Memorial in remembrance of the Canadian soldiers who died in the war.

Mr. Speaker, our Nation has come a long way in finally recognizing our countrymen who served in Vietnam. It has been a long and painful process, one which has demanded much conviction and dedication from Vietnam veterans and their advocates.

The Canadians here today are courageously beginning this struggle.

I believe through the dedication of this delegation and the people whom they represent, Canadian Vietnam veterans will at last be able to shed their anonymity and step forward to be duly recognized for their service in Vietnam.

Mr. Speaker, I yield to the gentleman from Illinois [Mr. EVANS], the chairperson of the Committee on Veterans' Affairs, who was, I believe, at the ceremony at the Vietnam Veterans Memorial this morning.

Mr. EVANS. Mr. Speaker, I salute the gentleman from Michigan for joining with us here today to pay tribute to a group of Vietnam veterans whose service to this country is not widely known or recognized.

Few Americans realize that an estimated 30,000 Canadian citizens fought alongside our troops in Vietnam. Sixty-six of those servicemen never came home. The names of 58 are etched in black granite on the Vietnam Veterans Memorial wall.

Slowly but surely, the Vietnam veterans of Canada are gaining recognition. A group of 100 visited the wall last September, and were honored there by the Vietnam Veterans of America. And on January 16 in Detroit, 19,000 people stood and applauded as the Vietnam veterans of Canada were honored at a Detroit Red Wings versus Toronto Maple Leafs hockey game there in Detroit.

□ 1130

As an American, as a Vietnam-era veteran, and as chairman of the Vietnam Era Veterans in Congress, in this 100th Congress, I add my voice to the growing chorus of gratitude and admiration for the Vietnam veterans of our neighbor, Canada. They fought in a war under our American flag. We have great respect for their courage and dedication, and as they fight for greater recognition, they will not be alone.

Mr. Speaker, I thank the gentleman again for yielding to me, and I appreciate his leading this tribute to the Vietnam veterans of Canada.

Mr. BONIOR of Michigan. Mr. Speaker, I thank my friend, the gentleman from Illinois [Mr. EVANS] for his comments today.

Sometimes we forget in this country of ours that we did have many of our friends and allies around the world fighting beside our young men and women in Vietnam. I might add that not only were there Canadians but there were, I believe, 44,000 Australians who fought with Americans, as well as literally thousands of New Zealanders who fought and shed their blood and gave their lives over there.

So we owe a great debt of gratitude to these men and women, and it is fitting and long overdue that they come and begin the process that many of our own compatriots have had to struggle with in this country. I welcome them, and I say to them that we thank you for your sacrifices, and we recognize those sacrifices. We look forward to working with you in dealing with this very serious situation that has resulted as a result of that war.

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

OLDER AMERICANS ALTERNATIVE CARE ACT OF 1987

The SPEAKER pro tempore (Mr. DORGAN of North Dakota). Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I am today reintroducing legislation to expand and encourage the use of home health care as a humane, cost-effective alternative form of care for the elderly. This legislation recognizes our growing elderly population and the fact that the current system fails to adequately care for the elderly who suffer from chronic illnesses. As you know, I have also introduced companion legislation, H.R. 550, to make adult day care an eligibility activity under Medicare.

Institutional care, while expensive, is clearly appropriate and necessary for many of our older citizens. However, it makes no sense at all to emphasize or encourage institutional care for all elderly Americans. It has been clearly demonstrated that we have resources available to provide cost-effective compassionate alternatives through a range of services, including the utilization of healthy seniors in helping their peers remain as independent as possible, as long as possible.

At present, it is estimated that the number of Americans age 65 and over is growing at twice the rate of the general population and currently makes up almost 12 percent of our populace; in the year 2000, there will be almost 35 million persons over 65 and nearly 5 million over 85. As the number of elderly continues to grow, meeting their long-term health needs will be a challenge for our present system. Just as this group must not be left without adequate health care, they also should not be forced into one setting. Rather, they should have a number of options as to the type of treatment they wish to receive and the type of environment in which they can live.

The legislation I am introducing today, along with the Medicare Adult Day Care Amendments, seeks to address this current dilemma and encourage the use of cost-effective and humane forms of health care. My bill would expand and liberalize the home health care benefit under Medicare, strengthen and expand the Senior Companion Program, and offer a $250-refundable tax credit to individuals who care for their parent in their home.

Studies have shown that if adequate home health services were available through Medicare, approximately 2.5 million persons could be kept out of institutions. With the cost pressures currently facing the Medicare Program, the cost-effectiveness of home care should certainly be utilized more extensively. It has also been reported that whereas the cost of care in a nursing home averages $24,000 annually, home care may cost one-third that of nursing homes. This being the reality, we must take full advantage of such opportunities.

Our country faces a major challenge in seeking to care for our Nation's elderly, and to do so in ways that preserve their dignity and, where possible, enable them to remain in their own homes and communities. We must move forward with necessary reforms to ensure that quality health care will be available and affordable for the growing elderly population. As we consider proposals in this area, the utilization of cost-effective and humane alternatives such as home health care must be a significant part of health care reform efforts. We must take action to try to ensure that old age is something which is looked forward to, rather than dreaded. I urge the support of my colleagues for this proposal.

For your convenience, the text of the legislation follows:

H.R. 1837

A bill to amend title XVIII of the Social Security Act to remove the homebound requirement for home health services and to include additional types of services as home health services, to amend the Domestic Volunteer Service Act of 1973 to clarify the purposes, goals, and administration of the senior companion program, and to amend the Internal Revenue Code of 1986 to establish an income tax credit for maintaining a household for dependents who are 65 years of age or older

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Older Americans Alternative Care Act of 1987".

TITLE I—MEDICARE AMENDMENTS

SEC. 101. REMOVAL OF HOMEBOUND REQUIREMENT FOR HOME HEALTH SERVICES.

(A) PART A.—Section 1814(a)(2)(D) of the Social Security Act (42 U.S.C. 1395f(a)(2)(C)) is amended by striking "is or was confined to his home except when receiving items and services referred to in section 1861(m)(7)) and".

(b) PART B.—Section 1835(a)(2)(A)(i) of such Act (42 U.S.C. 1395n(a)(1)(A)(i)) is amended by striking "is or was confined to his home (except when receiving items and services referred to in section 1861(m)(7)) and".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to items and services furnished on or after the first day of the month following the month in which this Act is enacted.

SEC. 102. INCLUSION OF ADDITIONAL ITEMS AND SERVICES AS HOME HEALTH CARE.

(a) IN GENERAL.—Section 1861(m) of the Social Security Act (42 U.S.C. 1395x(m)) is amended by adding at the end thereof the following: "Notwithstanding any other provision of this title, such term also includes periodic chore services (as defined in subsection (ff)) in the case of any individual with respect to whom there is in effect a plan for furnishing such services (to that individual) which has been established and is periodically reviewed by the appropriate health professional under regulations, and respite care services (as defined in subsection (gg)) for not more than 52 days in any calendar year as determined by the Secretary taking into consideration the need for such services with respect to the individual for whom they are provided and the person who normally cares for the individual.".

(b) DEFINITIONS.—Section 1861 of such Act (42 U.S.C. 1395x) is further amended by adding at the end thereof the following new subsections:

"Periodic Chore Services

"(ff) For purposes of the last sentence of subsection (m), the term 'periodic chore services' means services which are performed in the home of an aged, blind, or disabled adult individual to help such individual remain in or return to such home, maintain or strengthen his capacity for self-care, and maintain or raise his level of functioning in the areas of personal care and household management, when such individual is unable to perform such services by or for himself, whether or not such individual also requires the services of a home health aide or other specialist. Such term includes the performance for an individual of household tasks, transportation for medical visits, and essential shopping and transportation to and from multipurpose senior centers (as defined in title III of the Older Americans Act of 1965) and nutrition projects (such as those funded under part C of title III of such Act), essential shopping and simple household repairs, assistance in outdoor walking, and other services furnished to an individual which are reasonably necessary (as determined under regulations) to maintain him outside of a hospital, skilled nursing facility, or intermediate care facility.

"Respite Care Services

"(gg) For purposes of the last sentence of subsection (m), the term 'respite care services' means services for an individual who is unable to care for himself or herself on a full-time basis, which are provided on a temporary basis to such individual because of the absence of the person who normally cares for such individual, but only if such individual is a dependent of such other person for purposes of the Internal Revenue Code of 1986. Such services must be provided by persons who have been trained to provide homemaker-home health aide services, and such services must be provided in the home of the dependent individual under the supervision of a registered nurse who is employed by a certified home health agency, homemaker-home health aide agency, or local public health department. Such services shall, when necessary and appropriate, be provided in addition to other services under this title to ensure that such individual receives a coordinated system of services designed to help the individual reach his or her maximum level of independence.".

(c) COVERAGE OF SERVICES IN ADULT DAY CARE CENTERS.—Section 1861(m) of such Act (42 U.S.C. 1395x(m)) is amended by inserting after "individual's home", in the matter preceding paragraph (1), the following: "or in an adult day care center which is a nonprofit center eligible for funds under title XX of this Act and which meets standards prescribed by the Secretary and applicable State and local health and safety requirements".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to items and services furnished on or after the first day of the month following the month in which this Act is enacted.

TITLE II—SENIOR COMPANION PROGRAM

SE. 201. REVISION OF PROGRAM.

Section 213 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5013) is amended to read as follows:

"SENIOR COMPANION PROGRAM

"SEC. 213. (a) The Director is authorized to make grants or contracts to carry out the purpose described in section 211(a) through the establishment of senior companion programs. Each senior companion program—

"(1) shall be designed to encourage older persons receiving assistance under such program to participate actively in the affairs of their communities, to help themselves to the extent possible in order to lead independent lives outside of institutional settings, to take advantage of services and activities available to older persons under the senior companion program, and to reach out to their peers for companionship and assistance to the extent possible; and

"(2) shall be administered by a public or private nonprofit community-based organization of proven ability in providing services and assistance to older persons, except that such program may be administered under the auspices of a hospital in the community involved in any case in which administration by a public or private nonprofit community-based organization is not feasible or appropriate in such community.

"(b) Each organization responsible for the administration of a senior companion program—

"(1) shall take such action as may be necessary to minimize costs associated with the administration of such program;

"(2) shall train senior companions through the use of available community resources, to the extent practicable, in order to minimize administrative costs and in order to coordinate the operation of such program with the activities of other community agencies and organizations; and

"(3) shall organize personnel participating in such program in the manner specified in subsection (c).

"(c)(1) The personnel administering each senior companion program shall consist of individuals serving as directors, supervising senior companions, and senior companions. Each director shall be responsible for overall administration of such program and for the supervision of approximately 10 supervising senior companions participating in such program.

"(2) Each supervising senior companion—

"(A) shall be responsible for the supervision of approximately 15 senior companions;

"(B) may participate in such program for not more than 40 hours during any workweek; and

"(C) shall devote 50 percent of such work period to the provision of services and assistance to older persons as a senior companion, and shall devote the balance of such work period to coordinating the activities of individuals serving as senior companions in such program.

"(3) Each individual serving as a senior companion—

"(A) shall participate in the senior companion program as a part-time volunteer for not more than 20 hours during any workweek; and

"(B) shall be responsible for the provision of sevices and assistance to approximately 20 older persons.

The number of older persons which may be served by a senior companion shall be based upon the needs of such older persons, distances which the senior companion is required to travel in order to serve such older persons, and other factors present in the community involved (such as the provision of services and assistance in congregate housing programs and in ethnic communities). The director of any such program, in determining the number of older persons which may be served by each senior companion participating in such program, shall ensure that the nature and quality of service provided by each senior companion is not adversely affected by the number of older persons for whom such senior companion is responsible.

"(d) Each individual serving as a senior companion—

"(1) shall work primarily with homebound older persons, except that such senior companion may enter into cooperative agreements with nursing home officials for the purpose of identifying older persons who are able to return to their homes if support services are made available to them in their homes;

"(2) shall make an initial assessment of the needs of each older person to whom such senior companion is assigned, including an evaluation of—

"(A) the availability and quality of food at the home of such older person;

"(B) whether such home is safe, clean, and sufficiently heated or cooled;

"(C) the ability of such older person to care for personal hygiene needs with appropriate assistance and encouragement from such senior companion;

"(D) the availability of needed medical and rehabilitative supplies;

"(E) the ability of such older person to manage financial resources and affairs; and

"(F) whether such older person requires any immediate professional assistance, as the result of despondency, drug dependence, or other similar factors; and

"(3) shall provide such older person with a variety of personal care services, nutritional services, social and recreational services, home management services, and information and advocacy services, which may include (A) shopping assistance; (B) transportation for medical or other appointments; (C) letter writing; (D) maintaining contracts with family members and friends; (E) bill payments and other financial matters; (F) meal preparation assistance; (G) minor housekeeping chores, sewing, minor home repairs, and personal hygiene services and other personal care services; (H) companionship and socialization; and (I) initiating contacts with social service providers, including providers of (i) mobile meal services; (ii) chore or homemaker services; (iii) nursing services; (iv) income assistance services; (v) transportation; (vi) social and recreational programs; (vii) medical services; and (viii) income tax assistance.

"(e) Not more than 10 percent of any funds received by any public or private nonprofit organization under this section may be expended for administrative services which are not directly related to the provision of services or assistance to older persons.".

SEC. 202. INCREASING AUTHORIZATION OF APPROPRIATIONS.

Section 502(c) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5082(c)) is amended by striking "$30,930,000" and "$32,170,000" and inserting "$100,000,000" in each instance.

TITLE III—INCOME TAX CREDIT FOR MAINTAINING HOUSEHOLDS WHICH INCLUDE DEPENDENTS WHO HAVE ATTAINED AGE 65

SEC. 301. REFUNDABLE CREDIT FOR MAINTAINING HOUSEHOLDS WHICH INCLUDE DEPENDENTS WHO HAVE ATTAINED AGE 65.

(a) In General.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by inserting after section 35 the following new section:

"SEC. 36. MAINTAINING HOUSEHOLDS WHICH INCLUDE DEPENDENTS WHO HAVE ATTAINED AGE 65.

"(a) $250 Credit Allowed.—A $250 credit against the tax imposed by this subtitle for the taxable year shall be allowed to a taxpayer who has 1 or more qualified dependents for the taxable year.

"(b) Definition and Special Rules.—For purposes of this section—

"(1) Qualified dependent defined.—The term 'qualified dependent' means any individual who—

"(A) has as his principal place of abode the principal residence of the taxpayer, and is a member of the taxpayer's household, for more than 270 days of the calendar year during which the taxable year of the taxpayer begins,

"(B) is a dependent of the taxpayer (within the meaning of section 152) for such calendar year, and

"(C) has attained the age of 65 before the close of such calendar year.

"(2) Special rules.—

"(A) Maintaining a household.—An individual shall be treated as maintaining a household for any period only if half the cost maintaining the household for such period is furnished by such individual (or, if the individual is married, by the individual and his spouse).

"(B) Married couples must file joint returns.—The credit shall be allowed under subsection (a) to a taxpayer who is married (within the meaning of section 7703) only if the taxpayer and his spouse file a joint return under section 6013 for the taxable year.

"(C) Certain married individuals living apart.—If—

"(i) an individual who is married and who files a separate return maintains a household which includes a qualified dependent,

"(ii) over half the cost of maintaining such household is furnished by such individual, and

"(iii) during the last 6 months of the taxable year, the spouse of such individual is not a member of such household,

such individual shall, for purposes of this section, not be treated as married.

"(C) Multiple support agreements.—In making any determination of the amount furnished by the taxpayer for maintaining a household, such amount shall include any amount contributed under a multiple support agreement for the support of any qualified dependent to the extent the amount contributed is treated as received from the taxpayer under section 152(c)."

(b) Clerical Amendment.—The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the time relating to section 35 the following new item:

"Sec. 36. Maintaining households which include dependents who have attained age 65."

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1987.

WHAT DID WE KNOW, AND WHEN DID WE KNOW IT?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. Conyers] is recognized for 30 minutes.

Mr. CONYERS. Mr. Speaker, one of the great questions of our era is the search for the real President Ronald Reagan, and it is time for us to begin to figure out who we think he is.

"On the day the Tower Commission Report was released, we noticed increased activity outside the White House gates." So writes Mr. Grant Oliphant and Jeff Stanton in the April 1987 American Politics.

"More people than usual were milling around in front of the iron fences, as though trying to see if the report had an effect on the daily movements of White House personnel. There was something distressing in their faces: The grim solemnity that people display when they have been let down by a well-intentioned friend, looks that say, We can no longer make excuses for our friend's actions. Does it end here, they asked in conversation. Is this it?" wrote Oliphant and Stanton, and then continue their insightful speculation and analysis:

Let's say that you like Ronald Reagan. You like the way he talks; you agree with what he represents. Most of all you just like him. It's a gut feeling, but it's real. And what makes it real is the persistent sense that Reagan is able to change the shape of America by sheer force of will.

In that case, Gov. Tom Kean of New Jersey probably sums up your feelings well. "This country was devastated by Watergate and Vietnam," Kean said. "If anything like that happens again, I worry seriously about our future. In order to deal with our foreign adversaries and serious problems at home, we have to have that resiliency, that optimism. In that regard, we've been blessed with Ronald Reagan; he has done a remarkable thing for the country. We have to have that optimism that problems can be solved and that this country's greatest days are ahead. If you don't believe that, then in a democracy all expectations are lowered. If you have lower expectations, then you have lower standards that you judge leaders by. One of the great legacies of Ronald Reagan, that optimism, has to be kept going, regardless of liberals or conservatives."

It's a portrait of the President as faith healer. Reagan inspires a new reality by refusing to accept the constraints of the old. An indefatigably optimistic man mysteriously breathes fresh life into a society robbed of its vigor. And now, with the Reagan Presidency facing paralysis, the optimism that you viewed as the soul of the new America has been extinguished.

Or let's say you don't like Ronald Reagan, in which case you will agree with Daniel Schorr, a correspondent for National Public Radio. "Reagan is so successful at creating his own reality on television," Schorr told us recently, "that it may not matter anymore what reality is. There comes a point where he has been so successful that that's how it's going to be from now on. The reality that the President creates for you is the reality. It doesn't matter if the President is wrong or not. Any President that succeeds will have to cynically create a reality of his own."

In other words, as Tom Berenger's character in "Platoon" told his war-torn young soldiers, "I am reality." It is a truth both brutally realistic and at times entirely unreal. It is a self-fulfilling prophecy, but only to the extent that we can be convinced it is true. If you share that view of Reagan, the Iran-Contra scandal was proof that the Emperor had no clothes. Reagan made us believe that his reality was our reality, while a separate reality continued to exist, oblivious to the Emperor's decrees. And now that reality is catching up to Reagan and America.

This clash of perceptions represents a widening schism in the American electorate over how to answer what has never been a very simple question: What do we want out of our Presidents? One answer is a President who is responsible for leadership and not afraid to make unpopular decisions; feeling good is not sufficient unless the good feelings derive from concentric achievements that can be shared with future generations. A second answer, which has grown more widespread since the advent of television, is a President whose primary role is to set the tone for the nation, his subordinates or others can then implement his policies, as long as the people are made to feel sufficiently confident in themselves.

Admittedly, we have not come across anybody who falls neatly into either of these camps.

Our colleague from Maine, Senator MITCHELL, according to Grant and Oliphant, "championed Reagan's success in restoring America's optimism as vocally as any Republicans" the authors interviewed, and when the minority leader of the House, the gentleman from Illinois [Mr. MICHEL], commented to the authors that any one of the likely successors to the President "would probably be more attentive to detail than this President," he hinted at a criticism of the Reagan Presidency shared by virtually everyone we spoke to.

In fact, there is a clear consensus among America's top political players and observers that goes something like this: Jimmy Carter was too absorbed in details and unable to see the larger picture; Ronald Reagan is too absorbed in the big picture and not interested enough in details. (This observation is now part of public record in the Tower Commission Report.) Therefore, the next President must be somebody who falls between Jimmy Carter and a Ronald Reagan, not philosophically, but managerially. Governor Kean put it best: "some [leaders] are very detail-oriented, others like to leave all the details to others and only make decisions on the broad picture * * *."

So we have here a very interesting question of maybe not what did the President know and when did he know it "but what did we know and when did we know it?"

□ 1140

After all, the controversies behind the Iran-Contra scandal have been going on for some years as every Member of this body knows. Although there were new details of the actual patterns of conduct, we have known about these clandestine foreign policy maneuvers for several years now. They began with the Pike Intelligence Committee report back in the seventies.

One of the most interesting questions that has arisen from the revelations made this week, raised by Anthony Lewis in the New York Times March 23, 1987, is "What criminal charges might result from the special prosecutor's investigation of the Iran-Contra affair." Among the many possibilities, Lewis suggests that "a broad charge of conspiracy in the supply of arms to the Nicaraguan Contras at a time when Congress had barred official military support," clandestine or overt, might be a starting point.

The independent counsel, Mr. Walsh, is perhaps at too early a stage of his investigation for us to know whether he will find enough evidence that such a conspiracy will stick before a grand jury. But there has been a great amount of information coming forth about the up-to-now secret activities that seem to fit the relevant criminal statute on conspiracy. Says Lewis:

Lt. Col. Oliver North ran a network complete with Swiss bank accounts that funneled arms and money to the Contras. The crews of supposedly private planes that drop weapons to them made telephone calls to the White House numbers, including Colonel North's. A Contra leader, Alfonso Robelo, says he got $10,000 a month through Colonel North for a year * * *.

Then there was the money that was siphoned from the arms sales to Iran. Some appears to have gone as ransom to the Lebanese kidnapers and some seems to have gone as kickbacks to the Iranian officials. But whatever went to the Contras would fit into such a conspiracy charge if the independent counsel chose to bring it.

That relevant statute is found in the United States Code at section 371 in Title 18. It punishes conspiracies to commit other specific offenses listed in the Code, but goes on beyond listed offenses to punish more generally, conspiracy "to defraud the United States."

A conspiracy to defraud under that statute does not require proof that the Government suffered any financial loss. It needs merely to involve the misuse of Government resources—people, U.S. military, CIA, people under contract with the Federal Government for the ends that are corrupt or that interfere with proper Government functions.

The Supreme Court has ruled on this question a long time ago when it said that:

The conspiracy statute is broad enough in its terms to include any conspiracy for the purpose of impairing, obstructing or defeating the lawful function of any Department of government.

Lewis notes that:

The Watergate coverup prosecution relied in part on that conspiracy statute. H.R. Haldeman, John Erlichman, and John Mitchell, were convicted of conspiracy to defraud the United States "of the Government's right" to have officials of the Justice Department and the Central Intelligence Agency "transact their official business honestly, impartially and free from corruption * * *."

In the case of the Contras, it might be argued that the officials conspired to defraud the United States if they use their position and resources and time to defeat what was then the law: The Boland amendment forbidding official arms supplies. There would be no doubt of evidence of concealment, as in Watergate; that indictment spoke of "deceit, craft and trickery * * *."

We already have a great deal of public reporting about the shredding attempts of documents after this conspiracy was discovered, and we also have evidence and statements in other documents that were not shredded but were altered.

The Boland amendment was not a criminal law, and some people think that there can be no penalty for violating that policy because it does not carry criminal penalties. But a conspiracy designed to defeat lawful policy is still punishable under the conspiracy law. The maximum penalty is only 5 years in prison and a $10,000 fine, which might seem very mild in this case. Of course, everything will depend on the evidence dug up by the Special Prosecutor and the lawyers and the investigators that are working very diligently to uncover the facts. But there is reason to believe that he is focusing first and properly on the question of illegal aid to the Contras.

Lewis writes:

> One clue is that the House and Senate committees on the Iran-Contra affair, when they reached their extraordinary agreement to work together, announced that they would investigate the Contra supply operation before turning to the Iran arms sales.

The committee made that decision in conjunction with the Special Prosecutor.

There are other relevant statutes that might apply to the Iran-Contra affair. The charges of perjury, obstruction of justice, and I remind my colleagues that section 2778 of title 22 makes it a crime punishable with imprisonment and fine to export arms in violation of the rules. The statute exempts officials only if they were carrying out a "sales program authorized by law."

Lewis further suggests:

> Looming behind all possible criminal prosecutions of the question of President Reagan's role. Suppose Colonel North and Rear Adm. John Poindexter are given partial immunity and compelled to testify. Suppose they say that they were following the President's orders?

At his press conference last week, Mr. Reagan said with emphasis, "I set the policy in this administration."

At this stage all is speculation. There is misunderstanding; there are clouds; there are doubts; there is controversy; there is contradiction. But one thing is clear: I completely agree with Anthony Lewis that "We have been paying too much attention to such passing phenomena as press conferences. The greater engine for discovering the truth is in the criminal law."

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MICA) to revise and extend their remarks and include extraneous material:)

Mr. BONIOR of Michigan, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. CONYERS, for 30 minutes, today.

Mr. GONZALEZ, for 60 minutes, on March 30.

Mr. BROWN of California, for 60 minutes, on March 31.

Mr. HAYES of Illinois, for 60 minutes, April 9.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. PETRI) and to include extraneous matter:)

Mr. GUNDERSON.

Mr. LAGOMARSINO in four instances.

Mrs. MORELLA.

Mr. ROTH.

Mrs. VUCANOVICH.

Mr. DORNAN of California in two instances

(The following Members (at the request of Mr. MICA) and to include extraneous matter:)

Mr. EDWARDS of California.

Mr. RICHARDSON in two instances.

Mr. ROSTENKOWSKI.

Mr. HOCHBRUECKNER.

Mr. LEVIN of Michigan.

Mr. HOYER in two instances.

Mr. GEPHARDT.

Mr. LANTOS.

Mr. FLORIO.

Mr. STUDDS.

Mr. MAVROULES.

Mr. TRAFICANT.

Mr. LOWRY of Washington.

Mr. DOWNEY of New York.

Mr. WEISS.

ADJOURNMENT

Mr. BIAGGI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 50 minutes a.m.), under its previous order, the House adjourned until Monday, March 30, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

991. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to authorize the Secretary of the Treasury to engrave and print the currency, bonds, and other security documents of a foreign country or engage in research and development for printing the currency, bonds, and other security documents on behalf of a foreign country on a reimbursable basis; to the Committee on Banking, Finance and Urban Affairs.

992. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to repeal the requirement that U.S. currency notes must be reissued after redemption; to the Committee on Banking, Finance and Urban Affairs.

993. A letter from the Assistant Secretary of State for legislative and Intergovernmental Affairs, transmitting notification of a proposed license for the export of defense articles or defense services sold commercially under a contract which involves the sale to India of 11 F404 engines and associated services (Transmittal No. MC-19-87), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

994. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting the Board's 1986 annual report of its activities under the Freedom of Information Act, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

995. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to amend section 516 of title 44, United States Code, with respect to the prosecution of defaulting contractors by the General Counsel for the Department of the Treasury; to the Committee on House Administration.

996. A letter from the General Counsel, Department of the Treasury, transmitting to authorize the Secretary of the Treasury to adopt distinctive counterfeit deterrents for exclusive use in the manufacture of U.S. securities and obligations and to clarify existing authority to combat counterfeiting; to the Committee on the Judiciary.

997. A letter from the Office of the Secretary of Defense (Executive Secretary), transmitting a report on Department of Defense procurement from small and other business firms for October 1986 through December 1986, pursuant to 15 U.S.C. 639(d); to the Committee on Small Business.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONYERS:

H.R. 1828. A bill to prohibit plant closings and mass layoffs by employers of 500 or more employees; to the Committee on Education and Labor.

By Mr. DORGAN OF North Dakota (for himself and Mr. ANTHONY):

H.R. 1829. A bill to amend part A of title XVIII of the Social Security Act to stabilize and improve the provision of health care in rural areas under part A of the Medicare Program; to the Committee on Ways and Means.

H.R. 1830. A bill to amend part A of title XVIII of the Social Security Act to stabilize the provision of health care in rural areas under the Medicare Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DOWNEY of New York (for himself, Mr. CHANDLER, Mr. MILLER of Washington, Mr. CARDIN, and Mr. MORRISON of Washington):

H.R. 1831. A bill to establish more uniform eligibility and benefit levels under the aid to families with Dependent Children Program and the Medicaid Program, to provide for greater Federal financial responsibility for such programs, to enhance the employment prospects of recipients of aid to families with dependent children, to provide for a reduced Federal role with respect to certain activities, to provide fiscal capacity grants to States and localities, and for other purposes; jointly, to the Committees on Ways and Means; Energy and Commerce; Education and Labor; Government Operations; Agriculture; Banking, Finance and Urban Affairs; and Public Works and Transportation.

By Mr. FAWELL:

H.R. 1832. A bill to amend title II of the Social Security Act to permit a State to exclude from coverage (by a modification or additional modification of the applicable State agreement under section 218 of that act) any service performed by election officials or election workers in cases where the renumeration paid for such service is less than $100 in a calendar quarter or $300 in a calendar year (rather than only where such renumeration is less than $100 in a calendar year as presently permitted); to the Committee on Ways and Means.

H.R. 1833. A bill to amend part B of title XVIII of the Social Security Act to provide for payment for facility services provided in conjunction with extracorporeal shock wave lithotripsy; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. HAWKINS (for himself, Mr. Williams, Mr. Biaggi, Mr. Owens of New York, Mr. Solarz, Mr. Martinez, Mr. Lowry of Washington, Mr. Ford of Michigan, Mr. Kildee, Mr. Hayes of Illinois, Mr. Perkins, and Mr. Visclosky):

H.R. 1834. A bill to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate and for other purposes; to the Committee on Education and Labor.

By Mr. HOPKINS:

H.R. 1835. A bill to amend title 10, United States Code, to remove military department ceilings on the number of Reserve Officers' Training Corps scholarships; to the Committee on Armed Services.

By Mr. LOWRY of Washington:

H.R. 1836. A bill to establish crew licensing, inspection and additional safety requirements for certain fishing industry vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. PANETTA:

H.R. 1837. A bill to amend title XVIII of the Social Security Act to remove the homebound requirement for home health services and to include additional types of services as home health services, to amend the Domestic Volunteer Service Act of 1973 to clarify the purposes, goals, and administration of the Senior Companion Program, and to amend the Internal Revenue Code of 1986 to establish an income tax credit for maintaining a household for dependents who are 65 years of age or older; jointly, to the Committees on Ways and Means, Energy and Commerce, and Education and Labor.

By Mr. PEPPER:

H.R. 1838. A bill to require executive agencies to make advance payments under contracts with minority and small business concerns under certain circumstances; to the Committee on Government Operations.

By Mr. RICHARDSON (for himself and Mr. Lujan):

H.R. 1839. A bill to amend the Wild and Scenic Rivers Act to designate a segment of the Rio Chama River in New Mexico as a component of the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mrs. ROUKEMA (for herself and Mr. Jeffords):

H.R. 1840. A bill to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry with respect to section 8(f) agreements, and for other purposes; to the Committee on Education and Labor.

By Mr. STUDDS (for himself, Mr. Jones of North Carolina, Mr. Davis of Michigan, Mr. Young of Alaska, Mr. Lowry of Washington, Miss Schneider, Mr. Hughes, Mr. Miller of Washington, Mr. Bennett, Mr. Lipinski, and Mr. Bateman):

H.R. 1841. A bill to establish guidelines for timely compensation for temporary injury incurred by seamen on fishing industry vessels and to require additional safety regulations for fishing industry vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. WALGREN (for himself and Mr. Tauke):

H.R 1842. A bill to amend the Petroleum Marketing Practices Act; to the Committee on Energy and Commerce.

By Mr. WEISS:

H.R. 1843. A bill to amend the Food Stamp Act of 1977 to increase the maximum dependent care deduction allowable under such act; to the Committee on Agriculture.

H.R. 1844. A bill to revive and extend the authorization of appropriations for the General Revenue Sharing Program; to the Committee on Government Operations.

By Mrs. VUCANOVICH (for herself, Mr. Fascell, and Mr. Bilbray):

H.R. 1845. A bill entitled, the "Nevada-Florida Land Exchange Authorization Act of 1987"; to the Committee on Interior and Insular Affairs.

By Mr. ROE (for himself, Mr. Lujan, Mr. Nelson of Florida, and Mr. Walker):

H.J. Res. 213. Joint resolution to designate July 20, 1987, as "Space Exploration Day"; to the Committee on Post Office and Civil Service.

By Mr. LAGOMARSINO:

H. Con. Res. 89. Concurrent resolution commending the Government of the Republic of Colombia for the extradition of Carlos Enrique Lehder; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 543: Mr. Owens of Utah and Mr. Wise.

H.R. 570: Mr. Davis of Michigan.

H.R. 799: Mr. Scheuer, Mr. Dwyer of New Jersey, Mr. Derrick, Mr. Florio, Mr. Vento, Mr. Gray of Illinois, and Mr. Mfume.

H.R. 812: Mr. Lewis of Florida, Mr. Martinez, Mr. Mineta, Mr. Ireland, Mr. Mica, Mr. Skaggs, Mr. Fish, Mrs. Saiki, and Mr. Hyde.

H.R. 813: Mr. Beilenson and Mr. Sunia.

H.R. 916: Mr. Dannemeyer and Mr. Sensenbrenner.

H.R. 1049: Mr. Bates, Mr. Atkins, Mr. Moody, Mr. Hyde, Mrs. Collins, Mr. McDade, Mr. Kleczka, Mr. Bruce, Mr. St Germain, and Mr. Glickman.

H.R. 1108: Mr. Coughlin.

H.R. 1119: Ms. Slaughter of New York and Mr. Conyers.

H.R. 1140: Mr. Hastert, Mr. McCurdy, Mr. Porter, Mr. Barnard, Mr. Johnson of South Dakota, Mr. Stokes, Mr. Grant, Mr. Perkins, Mr. Lancaster, Mr. Wilson, Mr. Ritter, Mr. Gekas, Mr. Hefley, Mrs. Smith of Nebraska, Mr. Denny Smith, Mr. Thomas of Georgia, Mr. Fish, Mr. Nagle, Mr. Martin of New York, Mr. Sensenbrenner, Mr. Barton of Texas, Mr. Boehlert, Mr. McHugh, Mr. Vander Jagt, Mr. Moody, Mr. Rinaldo, Mr. Yatron, Mr. Montgomery, Mrs. Lloyd, Mr. Borski, Mr. Shuster, Mr. Bunning, Mr. Combest, Mrs. Meyers of Kansas, Mr. Brown of Colorado, Mr. Jacobs, Mr. Sikorski, and Mr. Gaydos.

H.R. 1199: Mr. Walgren, Mr. Studds, Mr. Gejdenson, Mr. Martinez, Mr. Bonior of Michigan, Mr. McMillen of Maryland, Mr. Fuster, Mr. Hoyer, Mr. Levine of California, Mr. Panetta, Mr. Fish, Mr. Yatron, and Mr. Dymally.

H.R. 1228: Mr. DeWine, Mr. Quillen, Mr. Livingston, Mr. Kasich, Mr. Coble, Mr. Kolbe, Mr. Horton, Mr. Staggers, Mr. Neal, Mr. Wyden, Mr. Bateman, Mr. Hyde, Mr. Annunzio, Mr. Ritter, Mr. Daub, Mr. Hughes, Mr. Daniel, and Mr. Hubbard.

H.R. 1246: Mr. Stallings.

H.R. 1266: Mr. Hochbrueckner and Mr. Wolpe.

H.R. 1326: Mr. Durbin and Mr. Gordon.

H.R. 1327: Mr. Gordon.

H.R. 1382: Mr. Ackerman, Mr. Oberstar, Mr. Vento, Mr. Daniel, Mr. Walgren, Mr. Hayes of Illinois, Mr. Owens of New York, Mrs. Boxer, Mr. Wilson, and Mr. Mrazek.

H.R. 1395: Mr. Neal, Mr. Mrazek, Mr. Bonior of Michigan, Mr. Coelho, Mr. Smith of Florida, Mr. Dornan of California, Mr. Towns, Mr. Howard, and Mr. Lagomarsino.

H.R. 1516: Mr. Jeffords, Mr. Mineta, Mr. Fish, Mr. Wolpe, Mr. Lehman of Florida, Mr. Owens of Utah, Mr. Clarke, Mr. Feighan, Mr. Levin of Michigan, Mr. Bonior of Michigan, Mr. Garcia, Mr. Flake, and Mrs. Boxer.

H.R. 1536: Mr. Badham, Mr. Porter, Mr. Daub, Mr. Shaw, Mr. Fawell, and Mr. Ray.

H.R. 1546: Mr. Leland and Mr. Hochbrueckner.

H.R. 1620: Mr. Bates.

H.J. Res. 25: Mr. Pease, Mr. Hyde, Mr. Badham, Mr. Rinaldo, Mr. Fish, Mr. Sensenbrenner, and Mr. Hughes.

H.J. Res. 27: Mr. Darden.

H.J. Res. 43: Mr. Martinez, Mr. Weiss, Mr. Garcia, Mr. Schaefer, Mr. Daub, Mr. Waxman, Mr. Solomon, Mr. Smith of New Hampshire, Mr. Volkmer, Mrs. Kennelly, Mr. Fish, Mr. Smith of Florida, Mr. Hochbrueckner, Mr. Lehman of California, and Mr. Howard.

H.J. Res. 90: Mr. Weiss, Mr. Mollohan, Mr. Kemp, Mr. Owens of Utah, and Mr. Grant

H.J. Res. 132: Mr. Gregg, Mr. Bliley, Mr. Nielson of Utah, Mr. Dixon, and Mr. Bilirakis.

H.J. Res. 144: Mr. Wylie, Mr. Stump, Mr. Gradison, Mr. Tauzin, Mr. Perkins, Mr. Synar, Mrs. Boggs, Mr. DioGuardi, Mr. Slattery, Mr. Rogers, Mr. Jeffords, Mr. Emerson, Mr. Fascell, Mr. Ravenel, Mr. Gibbons, Mr. Panetta, Mr. Spratt, Mr. Johnson of South Dakota, Mr. McHugh, Mr. Schaefer, Mr. Derrick, Mr. Biaggi, Mr. Coats, Mr. Hunter, Mr. Donnelly, Mr. Weiss, Mr. Carper, and Mr. Montgomery.

H.J. Res. 183: Mrs. Collins, Mr. Solarz, Mr. Dornan of California, Mr. Mrazek, Mr. Lipinski, Mr. Akaka, Mr. Lagomarsino, Mr. Smith of Florida, Mr. Horton, Mr. Green, Mr. Bryant, Mr. Lewis of Georgia, Mr. Lantos, Mr. Fauntroy, Mr. Bevill, and Mr. Fish.

H.J. Res. 189: Mr. Badham, Mr. Biaggi, Mr. Fields, Mr. Frost, Mr. Guarini, Mr. Henry, Mr. Huckaby, Mr. Hutto, Mr. Hyde, Mr. Jenkins, Ms. Kaptur, Mr. Kemp, Mrs. Kennelly, Mr. Kolter, Mr. Leath of Texas, Mr. Levine of California, Mr. Lewis of Florida, Mr. Lipinski, Mr. MacKay, Mr. Mavroules, Mr. Molinari, Mr. Pepper, Mr. Rahall, Mr. Regula, Mr. Roberts, Mr. Rostenkowski, Mr. Shaw, Mr. Shumway, Mr. Smith of New Hampshire, Mr. Solarz, Mr. Spence, Mr. Staggers, Mr. Sunia, Mr. Swin-

DALL, Mr. WEISS, Mr. WHITTEN, Mr. WILSON, Mr. WYLIE, Mr. YOUNG of Florida, and Mr. YOUNG of Alaska.

H. Con. Res. 47: Mr. WEBER, Mr. BEREUTER, and Mr. OWENS of Utah.

H. Res. 73: Mr. SWINDALL, Mr. LAGOMARSINO, Mrs. VUCANOVICH, Mr. DORNAN of California, Mr. CRANE, and Mr. ARMEY.

SENATE—*Thursday, March 26, 1987*

(Legislative day of Tuesday, March 24, 1987)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable KENT CONRAD, a Senator from the State of North Dakota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

*Hear, O Israel: the Lord thy God is one Lord: and thou shall love the Lord thy God with all thine heart and with all thy soul and with all thy might. And these words, which I command thee this day shall be in thine heart and thou shalt teach them diligently to thy children * * *.—Deuteronomy 6:4-7.*

Our Father in heaven, You have "set the solitary in families" and You have ordained the family as the glue of society. If the family fails, the social order disintegrates and moral anarchy prevails. You have admonished "husbands, love your wives, even as Christ also loved the church and gave Himself for it * * *." (Ephesians 5:25). You have instructed "fathers provoke not your children to wrath, but bring them up in the nurture and admonition of the Lord." (Ephesians 6:4). God of order, enable the Senators to give priority to their families and as leaders, model the rule of God and bring healing to society. We pray in His name Whose love is unconditional and sacrificial. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STENNIS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 26, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KENT CONRAD, a Senator from the State of North Dakota, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. CONRAD thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EDUCATION

Mr. BYRD. Mr. President, our Nation's trade policy and our ability to compete in the world marketplace are issues of serious concern to us in Congress and to the administration. We all want to find the appropriate policies—both short-term and long-term—that will put our Nation back on track as the strongest, most competitive, Nation in the world.

Attaining this goal will require a high degree of bipartisan cooperation and commitment. I am encouraged that the President has finally recognized the dire situation we face and is making the issue of competitiveness a focus for the remainder of his administration. It is better late than never. He has sent to Congress a message outlining the steps he believes are appropriate—and this message has as its theme the "Quest for Excellence." There are several components in the President's message and the subsequent legislation which he has sent to Congress; one of these is education.

I believe that the President is absolutely on the mark in including education in his proposal. No one would disagree that the quality of our Nation's system of education is a central factor in improving our competitiveness. We in Congress certainly recognize this, as do the generals of our Armed Forces, the captains of American industry, American educators at all levels, and the grandparents, parents, and future parents of American children. Our children are our future, and education is their key to unlocking all that the future holds—for them and for our country. Aristotle said, "Educated men are as much superior to uneducated men as the living are to the dead."

I commend the President for including education in his "quest for excellence." But I must say that I find the specific education proposals outlined in his message to be less than adequate to meet the standard of excellence, and it is an enormous task before us. And, I find the President's budget for education programs to be at odds both with the need and with the rhetoric of his education for excellence program, competitiveness message.

Where in the President's budget for fiscal year 1988 do we find proposals to begin this "quest for excellence" in education?

Is it in the recommendation that we cut overall education funding by 28 percent from this year's spending levels—a 14-percent cut in elementary and secondary programs and a 46-percent cut in student aid programs? That is what the President's budget proposes.

Is it in the recommendation that we eliminate vocational education programs? That is what the President's budget proposes.

Is it in the proposal to cut off 1 million students from Pell grants? That is in the President's budget.

Is it in the proposal to eliminate the College Work-Study Program—a program hundreds of thousands of students utilize to help make it possible for them to attend colleges and universities? That is proposed in the President's budget.

Is it in the proposal to cut funding for teacher training and improvement programs? That is in the President's budget.

Perhaps it is in the proposal to eliminate all funding for library programs.

Mr. President, it is difficult to understand how these severe funding cutbacks in our Federal commitment to education will help achieve educational excellence.

It is equally difficult to reconcile this administration's desire to help make our Nation's schools drug-free with its proposals in this area. The President proposes to cut in half Federal support for drug education programs in schools.

He would eliminate Federal assistance to State and local enforcement authorities. And he would cut rehabilitation and treatment funds. All of these are programs which were warmly acclaimed by the President only a few months ago when he signed the landmark drug legislation passed by the 99th Congress.

The few education initiatives for the Department of Education proposed in the administration's competitiveness

● **This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.**

legislation appear to reflect a view that the Federal Government need do little. The administration exhorts State and local governments, colleges and universities, and students and teachers to continue to strive for excellence. Yet, for its part, it has a very short list of actions it is willing to allow and equip the Federal Government to take.

Surely, Mr. President, there are many more steps the Federal Government needs to take to promote excellence via the route of education.

I know that the Senate will take a close look at the administration's proposals. Those that are meritorious will be accepted. But it is clear to me, from the budget request and the "quest for excellence" package, that there is much more to be done to turn the administration's proposals into a true Federal commitment to excellence in education. I am confident that both Houses of the Congress will agree to go considerably beyond the administration's extremely limited agenda for educational enhancement in order to assure our Nation can and will be competitive and our people and our society can realize their potential. High-flying rhetoric on education and competitiveness will not do that. A budget that gives education a solid boost will do the job. A good look at the President's budget reveals no substance behind the rhetoric. And I fear that the "Quest for Excellence" in education may be only a quest for a way to disguise what is really in the President's budget.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the Republican leader is recognized.

BICENTENNIAL MINUTE

MARCH 26, 1848: THE SENATE ARRESTS A REPORTER

Mr. DOLE. Mr. President, earlier this month—in another of my bicentennial minutes—I marked the 139th anniversary of the Senate's ratification of the Treaty of Guadalupe-Hidalgo, ending the war with Mexico. Just 2 weeks after that vote, the Senate appointed a select committee to investigate how the New York Herald had obtained, and published, a copy of the treaty—before the Senate lifted its injunction of secrecy.

The committee called the Herald's Washington correspondent, John Nugent, to testify. Nugent swore that no Senator, member of a Senator's family, or officer of the Senate had given him the treaty. In fact, historians suspect that the leaker was Secretary of State James Buchanan, who was anxious for the treaty to be published. As for Nugent, he regarded publication of the treaty as proper, and felt himself under no obligation to name his source. The committee felt otherwise, and placed Nugent under arrest until he would answer their questions. During the month, from March 27 to April 28, 1848, Nugent was held in a Capitol committee room and occasionally brought before the Senate as a whole to answer questions. "I do not object to that question on the grounds that it will incriminate me," he replied at one point. "I consider myself honor bound not to answer it."

While a Capitol Hill prisoner, Nugent continued to send dispatches to the New York Herald. At the same time, the Herald ran regular editorials denouncing the senatorial imprisonment of its reporter. Nugent apparently did not suffer terribly. During the day, his committee room was a comfortable cell, and at night, the sergeant-at-arms took him home for a good night's sleep. At last, as the session drew to a close, the Senate released an unrepentant John Nugent from captivity. No amount of intimidation, they discovered, would force a reporter to divulge his sources.

DOMENICI BUDGET REFORM PACKAGE

Mr. DOLE. Mr. President, today I join Senator DOMENICI in sponsoring his thoughtful, much-needed, budget reform package.

It's spring again, and that means it is also the time of year when Congress begins its annual budget rain dance. The rhetoric will flow, on both sides of the aisle. And hopefully, by early summer we will have adopted a budget resolution for the coming fiscal year. What that resolution translates into in terms of setting a fiscal game plan, in terms of real deficit reduction is anybody's guess.

Something has to be done to make the budget process work, to give the process some teeth, to translate the countless hours the budget committees and we on the floor spend talking about the budget, into meaningful action.

We took a step in the right direction when Congress adopted the Gramm-Rudman-Hollings law. But we need to go further, to reestablish the credibility and accountability of the process, as well as beef-up budget discipline.

The Domenici proposal goes a long way toward achieving that goal. Perhaps the most radical change from current practice would be to use a 2-year, instead of annual budget cycle. By handling the budget resolution, appropriations bills, and reconciliation in 2-year bites, Congress would have the opportunity to spend time it should on policymaking and oversight.

The measure would also express that it is the sense of the Senate that a constitutional amendment requiring a balanced budget be passed and ratified as soon as possible. I have long been a supporter of the balanced budget amendment—there is no tougher mechanism we could put in place to force us to live within our budgetary means. It works at the State level, and there is no reason to believe that it would not work at the Federal level.

Mr. President, I want to take a moment to commend Senator DOMENICI, who probably more than any other Senator has lived with and worked with the budget process. And no one knows its strengths and weaknesses any better than he. And this bill reflects all his knowledge and experience.

It is no panacea. Congress, whatever the process, will ultimately have to make the tough choices necessary to regain control over the deficit. But we can help ourselves, and thereby the American people, by making the budget process more reasonable and responsible. That is what this bill would do.

Mr. President, I reserve the remainder of my time.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I want to apologize to the distinguished minority leader for yielding my time to another Member on this side before the minority leader has an opportunity to address the Senate. I believe we have a standing order, do we not, that the minority leader's time will appear in the RECORD at the appropriate place immediately following the majority leader's time, regardless if there is an interruption?

The ACTING PRESIDENT pro tempore. The majority leader is correct.

Mr. BYRD. I am sorry. I will try to avoid that oversight in the future.

Mr. DOLE. Mr. President, I indicated to the distinguished Senator from Wisconsin, who had another pressing matter, that I wanted him to proceed.

Mr. BYRD. I thank the distinguished minority leader.

(The following proceedings occurred earlier:)

Mr. BYRD. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. Four minutes and 20 seconds.

Mr. BYRD. Mr. President, I yield that time to the distinguished Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I thank my good friend, the majority leader, and I want to thank also the distinguished Republican leader.

AN ADMINISTRATION COMPLETELY OUT OF STEP WITH PUBLIC OPINION

Mr. PROXMIRE. Mr. President, the current March 30, 1987, issue of Time magazine reports what to this Senator is frankly the surprising news that a decisive majority of the American people—77 percent, favor—a more active role for the Federal Government in such areas as health, housing, education, and help for the poor. Even more surprising to this Scrooge is the fact that 60 percent say they would support more Federal spending for social programs even if it meant paying more in taxes. There was another big surprise in the Time magazine poll. Which Federal spending project tabulated in the Time report found more Americans favoring decreased spending than favored increased spending? There was only one. What was it? It was the Star Wars Program. Why is this result so surprising? First, the President has made star wars his No. 1 military priority. Second, he has called for a far larger percentage increase in the SDI or Star Wars Program than in any other project in any field. Third, supporters of star wars have repeatedly pointed to its public support as the reason why Congress should more generously fund it. They have even called on the President to go to the country with his star wars proposal and make it the great issue of the last 2 years of the Reagan Presidency. Now, Mr. President, the issue between the President and those of us who have been critical of star wars has not been whether the program should continue. The issue has been the pace at which the Congress should fund star wars. The big votes on star wars last year were on amendments that would have provided an increase in SDI funding, but an increase far less than the President's far bigger request. This year the President is asking for an increase in star wars funding of 59 percent. Time found that only 23 percent of our countrymen favor any increase for SDI at all. Sixty-one percent would either reduce—35 percent—SDI spending or keep it at the same level—26 percent.

Other areas where there is the least enthusiasm for increased spending is in the rest of the military program and in the space program. The Reagan administration is calling for increases in both these programs. What proportion of the public favors increasing military spending? Thirty-one percent. What percentage supports more money for the space program? Thirty-three percent. On the other hand, more than 70 percent of the people support more funding for four responsibilities of our Federal Government: Health programs for the elderly, the environment, aid to the homeless, and health services for the poor. Where does the administration stand on funding these programs? They have called on the Congress to cut every one.

Mr. President, these are really astonishing results in this Time magazine poll. They show that the public preference is almost a mirror contrast—an across-the-board disagreement on issue after issue by the American public with the Reagan administration. Only 15 percent of the American people, for example, would reduce loans and grants to college students, while 52 percent would increase them. The Administration is in bed with the 15 percent who would cut. For low and moderate income housing only 11 percent would reduce Federal spending. On the other hand, 54 percent would increase it. Where does the Reagan administration stand? They would cut housing. They side with the 11 percent.

Now, Mr. President, it is true that the President should not simply follow the polls. Indeed, this Senator emphatically disagrees with present public opinion as reflected in this poll on Federal spending. I would hold down or cut spending on every Federal program: Social programs, military programs, space programs. I believe the Federal deficit outweighs all of our other problems today—foreign and domestic. If we cannot reduce spending enough to cut the deficit and keep on track with Gramm-Rudman, I favor increasing taxes. So I do not favor a policy of giving the public whatever it wants whether as a Senator or for the President. That is not leadership and it is not right.

But why is it, Mr. President, that this popular President, this supercommunicator, this master of television, is so conspicuously unable to bring the American people with him on the most critical policy of our Government—the priorities in our trillion dollar Federal budget. That spending—not any Presidential or Senatorial rhetoric determines the direction this country is going. And the American public flatly, indeed, spectacularly, disagrees with the President on every aspect of his budget. Why? The answer lies in—the gross inconsistency of this administration. How can the American people believe an administration that calls for holding down spending and reducing the deficit and then calls for multibillion dollar increases in military spending, including a 59-percent skyrocketing of spending for star wars?

Mr. President, for many years to come if this Congress is to serve the basic interest of our country we will have to follow highly unpopular policies. We will have to cut spending that the people of our country want. If we fail in making drastic reductions in our spending programs across the board, we will have to increase taxes until it really hurts. Or we will have to do both. And the public will not cheer us on in this painful responsibility. For the next 10 or 15 years, good government will be unpopular government. In this democracy where the people ultimately rule, it means the country will require extraordinary Presidential and congressional consistency and leadership.

Mr. President, I ask unanimous consent that the brief article I referred to from the March 30th issue of Time magazine be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Time magazine, Mar. 30, 1987]

THE PUBLIC'S AGENDA

Despite six years of effort by the Reagan Administration to reduce the Federal Government's role in American life, a large majority of people still insist that Washington should be deeply involved in keeping the U.S. healthy, well housed and well educated. According to a poll taken for TIME by Yankelovich Clancy Shulman,[1] 77% of the public feel that in the future the Federal Government should play a more active role in such areas as health, housing, education and help for the poor. And 60% of those questioned—including 49% of Republicans—say they would support increased spending for social programs even if it meant paying more in taxes. Most critical, 56% of Americans now say they would prefer having a President in 1988 who would spend more on social needs, while only 33% would like a President who would keep such spending at current reduced levels.

Fewer than one-third of those surveyed (31%) still support increased Government spending for the military, and 69%—including 55% of Republicans—say they would spend more on social programs than on the military if they had to choose between the two. Public opinion has changed on this issue as the Reagan Administration has fulfilled its mandate: in the last year of the Carter Administration: 78% favored spending more for national defense.

The public is not entirely pleased with the Administration's tighter spending policies. The poll found that 62% of Americans are aware that there have been cutbacks in some social programs during the Reagan years; 61% of the public disapprove of them.

Republicans are more ambivalent, with 44% approving of the cuts and 44% disapproving. Large majorities now favor increased Government spending on health care for the elderly, nutrition programs for mothers and infants, housing for people with low or moderate incomes, more loans and grants to college students, cleaning up the environment and reducing acid-rain pollution. At the same time, those surveyed are cool toward additional spending on food stamps and the space program, with only about a third favoring increases in these areas and about the same number wanting to hold spending about where it is now.

More than a third of those surveyed want to cut spending on the President's Strategic Defense Initiative, although 49% want spending increased or kept the same. In October 1986, at the time of the Reykjavik summit, public approval for Star Wars stood at 64%.

Americans are still generally satisfied with the overall state of affairs in the country: 60% say things are going well, a drop of only two points since last September. The percentage of those citing the economy as a major problem dropped dramatically, from 50% of those polled in September 1985 to 33% today, as inflation and interest rates have withered and stock prices have leaped to record highs. Nor is there widespread concern about the federal deficit: only 12% of the people polled now consider Government spending a major problem, in contrast to 22% as recently as September 1985. For all the public attention drug abuse has received, only 9% cite it as a particular worry.

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[1] The survey of 1,014 adults was taken by telephone Feb. 17-18. The potential sampling error is plus or minus 3%.

A great concern for Americans is the nation's schools: 56% agree that U.S. education is poor, and 49% say educational standards have become worse. Fully 65%, meanwhile, favor giving "substantially higher pay" to teachers to improve the schools.

SHOULD GOVERNMENT SPENDING BE INCREASED, DECREASED, OR KEPT THE SAME?

[In percent]

	Increased	Decreased	Kept same
Health programs for the elderly	78	2	18
The environment	73	5	19
Aid to the homeless	71	5	21
Health services for the poor	71	5	22
Nutrition programs for mothers and infants	55	6	34
Reducing acid-rain pollution	54	11	25
Low- and moderate-income housing	54	11	32
Loans and grants to college students	52	15	29
The food-stamp program	33	24	36
The space program	33	27	34
The military	31	25	38
Star Wars	23	35	26

INVESTIGATIONS OF CANADIAN AGRICULTURAL SUBSIDIES

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to consideration of Senate Concurrent Resolution 27, which the clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 27) stating the sense of the Senate that the United States Department of Commerce and Special Trade Representative should initiate investigations of Canadian agricultural subsidies.

The Senate proceeded to consider the concurrent resolution which had been reported from the Committee on Finance, with an amendment to strike all after the resolving clause, and insert the following:

That is is the sense of the Congress that the United States Trade Representative should—

(1) immediately initiate an investigation to determine whether the ruling of the Canadian Import Tribunal describe in the preamble to this resolution is inconsistent with the obligations of Canada under the General Agreement on Tariffs and Trade;

(2) publish in the Federal Register the determination made as a result of such investigation before the date that is 30 days after the date on which this resolution is agreed to by the Congress, and

(3) if the United States Trade Representative determines that such ruling by the Canadian Import Tribunal is unjustifiable or inconsistent with the obligations of Canada under the General Agreement on Tariffs and Trade (within the meaning of section 301 of the Trade Act of 1974—

(A) initiate an investigation under section 302(c) of such Act that should be conducted on an expedited basis, and

(B) make recommendations to the President regarding the investigation initiated under section 302(c) of such Act before the date that is 60 days after the date on which the investigation is initiated.

SEC. 2. The Secretary of the Senate will transmit copies of this resolution to the President, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of the Treasury, the United States Trade Representative, and the Canadian Ambassador to the United States.

The ACTING PRESIDENT pro tempore. Time for debate on this concurrent resolution is limited to 20 minutes, to be equally divided and controlled, with no amendments thereto in order except committee-reported amendments.

The Senator from Texas.

Mr. BENTSEN. Mr. President, on March 6, 1987, the Canadian Import Tribunal determined that the subsidizing of United States exports to Canada of grain corn was causing injury to Canadian corn producers. The concurrent resolution before the Senate today calls for an expedited inquiry by the United States Trade Representative whether the Canadian action violates that country's basic obligations under international trade agreements, and, if so, a recommendation to the President for action to remedy that violation.

This matter is timely. The Canadian decision has the effect of imposing an additional 85 cents per bushel import duty on United States corn exported to Canada, effective immediately. That heavy a tariff will stifle all exports to Canada. The Senate should act now to urge the administration to make sure that the Government of Canada has played by the rules in imposing this duty.

The concurrent resolution notes that the International Subsidies Code, of which both the United States and Canada are signatories, provides that no country may impose a countervailing duty on imports unless there is injury to a domestic industry and a causal link is established between the imported subsidized goods and that injury.

In fact, recent events raise serious questions whether such a causal link exists.

In recent years global overproduction of corn and stagnant demand have led to an oversupply and depressed prices. United States exports to Canada peaked in 1980-81, and then declined from more than 1.3 million tons to 300,000 tons in 1985-86. The share of the Canadian market held by United States exports declined over the same period from 22.5 percent to less than 4.5 percent. Meanwhile, Canadian domestic production has increased substantially. In fact, the United States has imposed acreage reductions to control production.

The concurrent resolution was modified in the Finance Committee. In its current form, it urges the United States Trade Representative to determine within 30 days whether the Canadian Import Tribunal's decision is inconsistent with Canada's obligations under the Subsidies Code and, if so, to initiate an investigation and make recommendations to the President regarding action against Canada under section 301 of the Trade Act of 1974 within 60 days.

I believe this concurrent resolution is a reasonable and appropriate measure. No immediate retaliation is called for. Instead, it urges the administration to investigate the matter and seek a remedy if appropriate.

Our serious concern over the propriety of the Canadian decision should not be taken as demonstrating a desire to touch off a trade war with Canada. Our bilateral trading relationship with our neighbor to the North is our largest and most important. Moreover, the administration is now in the process of negotiating a trade agreement with Canada that, if successful, promises to resolve issues like the present one in the future. I support those negotiations.

Nevertheless, we cannot allow such apparently groundless actions as the one taken by the Canadian Import Tribunal to go unexamined and without a response. I urge the Senate to approve this concurrent resolution.

Mr. President, I reserve the remainder of my time.

Mr. BAUCUS addressed the Chair.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. BENTSEN. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 5½ minutes.

Mr. BENTSEN. I yield 3 minutes to the Senator from Montana.

Mr. BAUCUS. Mr. President, I thank the Senator from Texas.

Mr. President, I rise today in support of Senate Concurrent Resolution 27, sponsored by my distinguished colleague, Mr. DURENBERGER.

This concurrent resolution calls for the Commerce Department and the U.S. Trade Representative to investigate Canadian agricultural subsidies. The concurrent resolution is in response to the recent Canadian decision to impose an 85-cent per bushel countervailing duty on corn imported from the United States. That duty will completely shut off Canada"s corn imports from the United States.

Canadians have erroneously found that our price support system is a subsidy that is subject to countervailing duties under Canadian law. I would like to make two brief points in support of this concurrent resolution.

First, the Canadian decision was clearly ill founded. The U.S. share of the Canadian corn market was only about 4 percent—down from over 20 percent in 1980. U.S. corn imports surely were not materially injuring the Canadian corn farmer. Not only did our farm support program not hurt Canadian farmers, it actually helped them. It controlled the world price and decreased the global oversupply problem.

Second, the Canadians are playing with fire by attacking domestic agricultural programs.

Up to the Canadian decision, all nations had observed a gentleman's agreement not to attack other nations' domestic agricultural programs through trade law. This agreement was observed because every nation—and I mean every nation—subsidizes agricultural production. The precedent set by the Canadian decision will burn all agricultural exporters, including Canada.

The Canadians claim to be simonpure with regard to agricultural subsidies, but this is just not the case. For example, take the Canadian wheat support system.

The Canadians use an import licensing scheme to prevent the U.S. farmer from selling any wheat on the Canadian market. At the same time, Canadians are dumping 15 million bushels of wheat a year into the U.S. wheat market.

Further, the Canadians subsidize their wheat exports through a state-controlled trading monopoly. This monopoly supports low export prices by forcing the Canadian consumer to pick up the tab. The Canadian Government also directly subsidizes the transportation of its agricultural exports.

The Canadian decision to impose a countervailing duty is proof of the adage that those who live in glass houses should not throw stones. If the Canadians are going to break from the past by attacking the U.S. farm program, we should take a hard look at their support practices.

I hope this concurrent resolution will demonstrate to the Canadians that all agricultural producers will suffer if we begin slapping duties on each other's agricultural exports.

Mr. President, I commend Senator DURENBERGER for offering this concurrent resolution and urge all of my colleagues to support it.

I yield the floor.

Mr. PACKWOOD. Mr. President, I yield myself 1 minute.

I support the concurrent resolution of the Senator from Minnesota. In its original form, I thought it perhaps violate the GATT agreements. As it has now been drafted, it is clearly within the GATT agreements. He is asking that we go through the established process and not violate the GATT agreements. With that, I am in total harmony.

Second, I support the remarks of the chairman of the Finance Committee, Mr. BENTSEN, with regard to his hope that we will reach an amicable agreement with Canada in lowering our trade barriers. I would be perfectly happy to have a North American free trade union. Clearly, we are not talking with Mexico right now about that; we are talking only with Canada.

I think what the Senator from Minnesota has said is: Fine, to go ahead with negotiations, we may reach an agreement. But even if we reach an agreement, as we did with the Japanese on semiconductors, that does not always mean the agreement will be carried out the way it is intended to be carried out. There have been complaints in other cases, and they are legitimate complaints. Occasionally, there are mistakes made.

I support this concurrent resolution. It is not meant in any way to be unfriendly to the Government of Canada. It is not meant in any way to demean continuing negotiations, which I hope will lead to a free trade agreement between the United States and Canada. This is simply one good neighbor saying to another good neighbor, we question whether or not the processes have been legitimate, within the GATT agreement, in connection with the procedures followed in imposing a countervailing duty. We would like to raise the issue with you and, within the GATT agreement, see if we can resolve whether the Canadian action in its corn ruling was proper. With that, I am in total agreement.

Mr. President, I yield 7 minutes to the Senator from Minnesota.

Mr. DURENBERGER. I thank the distinguished Senator from Oregon.

Mr. President, I want to thank the distinguished majority leader, Mr. BYRD, and our distinguished Republican leader, Mr. DOLE, for bringing Senate Concurrent Resolution 27 to the Senate floor today.

I particularly thank the chairman of the Finance Committee, my colleague from Texas [Mr. BENTSEN] and the ranking member, my colleague from Oregon [Mr. PACKWOOD] for their support of this resolution.

This concurrent resolution is cosponsored by Senators LUGAR, COCHRAN, DIXON, CONRAD, GRASSLEY, BOSCHWITZ, LEVIN, LEAHY, and DANFORTH. I thank the cosponsors for their support of this measure. I particularly thank my colleague from Missouri (Mr. DANFORTH) for his support.

The chairman of the Finance Committee has explained already the background on the decision. I rise principally to explain to my colleagues why I, as a particular friend of Canada, a major beneficiary of a harmonious trade relationship with Canada, am the author of this concurrent resolution.

The concurrent resolution, as amended in the Finance Committee, expresses the sense of the Congress that the recent decision by the Canadian Import Tribunal finding that American farm programs have injured Canadian corn growers is totally flawed and inconsistent with Canada's obligations under the General Agreement on Tariffs and Trade [GATT]. As a result of this decision, the Canadians will impose a tariff of 84.9 cents per bushel on American exports of corn to Canada. This decision in effect shuts the door on American corn export opportunities in Canada.

Mr. President, there is absolutely no link between imports of corn from the United States and injury to the Canadian corn industry. As Ambassador Clayton Yeutter recently stated.

> U.S. corn exports to Canada are so small that it is inconceivable that they injure Canadian corn farmers by any reasonable measure.

I have read the decision of the Canadian Import Tribunal. The decision in this case was reached by a 2-to-1 vote. Let me quote from the dissenting opinion of Mr. Bissonette:

> Imports of U.S. subsidized corn have not caused material injury to Canadian production. Nor can I make a finding of likelihood of material injury. The admonition of the GATT Code is that such findings should not be based on speculation or conjecture, but that the circumstances required to justify such a conclusion must be real and imminent.

As Mr. Bissonette correctly notes:

> The U.S. (farm) program held to be subsidized and countervailable by Revenue Canada is not an export subsidy, that is to say, it is not designed for the export markets. It is a price support program for U.S. producers.

And that is the heart of this dispute for under the GATT as Mr. Bissonette notes:

> The Tribunal is to be concerned with the harmful effects of subsidized imports, not simply the harmful effects of a subsidization program in a foreign land.

Mr. President, the fact of the matter is that unfair foreign government subsidies have in recent years led to global overproduction and a depressing of worldwide prices for corn. It is absurd to suggest that American farm programs have contributed to this worldwide oversupply and have damaged Canadian corn growers.

Look at the facts. Since 1982, the United States has imposed major acreage reductions in an effort to control production. In the last 4 years, we have idled 44 million acres of corn acreage which would have produced 110 million tons of corn; and we have worked to find ways to increase alternative uses for corn such as for sweeteners and fuel additives.

Between 1982 and 1985, the United States, while acting to limit its prodution, has witnessed a huge decline in corn exports of 30 million tons or nearly 50 percent;

United States exports of corn to Canada peaked in 1980-81, when United States corn exports to Canada totaled 1,363,500 tons. United States exports of corn to Canada have been declining sharply since 1981, falling to 822,200 tons in 1982-83, then declining to 300,000 tons in 1985-86.

The share of the Canadian corn market held by the United States has been steadily declining from 22.5 percent in 1980-81 to 11.22 percent in

1982-83, 3.94 percent in 1983-84, and 4.42 percent in 1985-86.

During this same period of time, Canadian corn production has steadily expanded from 5,753,200 tons in 1980-81 to 7,393,400 tons in 1985-86.

Mr. President, the problem facing Canadian corn farmers is the same problem facing American corn farmers: worldwide overproduction, weak global demand, and worldwide price declines. Imports from the United States are not the problem.

This resolution directs the United States Trade Representative to conduct an investigation under section 305 of the Trade Act to determine if the Canadian decision in this case is inconsistent with Canada's obligations under the GATT and therefore constitutes and unjustifiable trade practice under section 301 of the Trade Act of 1974.

If an affirmative finding is made, the USTR is directed to self-initiate a section 301 investigation of the Canadain decision and issue findings and a recommendation to the President.

Mr. President, the decision of the Canadian Department of National Revenue can only be classified as arbitrary. If there is one sector of our economy that has been devastated by unfair foreign government subsidies, it is the American farmer. We cannot, in good conscience, let this arbitrary decision go unanswered. That is why it is imperative that USTR immediately commence his investigation.

A year ago, Ambassador Yeutter observed that "trade between the United States and Canada is all too often taken for granted." I submit to you and my colleagues that it is not only trade relations with our neighbor to the north that we take for granted, but many other aspects of this very special Canadian-American relationship that we take for granted.

In a world where a mere change in Government can truly devastate American security interests, we in America seem to give little thought to our miraculous luck in having such a staunch ally and stable political neighbor along the entire stretch of our Northern border. From the Atlantic to the Pacific, our two nations share the longest continuous unguarded border on the face of the Earth. Our mutual trust is sufficient to provide a degree of security unknown in any other part of the world.

Mr. President, in the last 10 months, the United States and Canada have engaged in dangerous skirmishes over trade. From shakes and shingles to timber, and now corn, we have been firing dangerous shots across our borders.

It is my hope that this trade war will stop and that the Canadians and Americans will successfully complete their free trade negotiations. It would be in the best interests of both our countries if the Canadian Government withdrew their attack on American corn farmers and recognized that it is truly in the national interest of Canada to eliminate this unfair corn tariff.

Mr. DURENBERGER. Mr. President, I am prepared to yield back my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. BENTSEN. Mr. President, I am prepared to yield back and I do yield back the remainder of my time.

Mr. PACKWOOD. Mr. President, I yield back the remainder of my time.

Mr. LEAHY. Mr. President, I rise in support of Senate Concurrent Resolution 27, expressing the sense of Congress that the United States Special Trade Representative should investigate the ruling of the Canadian Import Tribunal involving United States exports of corn to Canada.

Earlier this month, the Canadian Import Tribunal upheld a ruling that United States corn exports are harming the Canadian corn industry, thus making permanent a tariff of 85 cents per bushel on United States grain corn in all forms. The tribunal's decision followed an earlier ruling by the Department of National Revenue on a case brought by Ontario farmers charging that the price of Canadian corn declined because of United States subsidies.

The imposition of the import duty marks the first time any country has placed a countervailing duty on a U.S. product for alleged unfair trade practices. Countervailing duties are usually imposed to offset export subsidies or dumping.

The tribunal itself, in their statement of reasons, reported that the 1985 farm bill was intended to make the United States competitive in world markets. Yet, the American farmer has not lost sight of the responsible position borne by the United States in the world agricultural arena. The United States for the 1986 crop alone, idled 4½ times more cornland than Canada planted for the same year. In 1987, Mr. President, it is expected that the American corn producer will take even more land out of production.

This set-aside is not without cost to these same American farmers. Yet, producers here are willing to work to bring supplies in line with world demand. The Canadian corn producer did not complain when United States loan rates, acreage control programs, and stock holdings supported world prices.

In fact, Canadian farmers took unfair advantage of American farmers' willingness to manage the world oversupply problem. During the last 3 years the Canadian wheat area has risen 7.5 percent. Substantial amounts of wheat are used for feed purposes in world markets, one of the causes of the decline in U.S. corn exports. Canada increased its barley plantings by 8.4 percent during the same period.

Mr. President, a tariff of 85 cents on a $1.45 bushel of corn is simply unjustified. United States exports represent a small part of the Canadian market and could not be significantly injuring their farmers. American exports of corn to Canada have declined steadily, from 890,000 metric tons in 1981-82 to 420,000 tons in 1985-86. Only 6 percent of the corn that Canadians consume is imported from the United States. It is interesting Mr. President that 10 organizations within Canada opposed or asked exception to the injury ruling. Some indicating that suitable products were simply not available in Canada and others stating that such action would severely injure the livestock producers of Canada.

I must agree with Ambassador Yeutter that expanding the countervailing duty concept to set duties on small levels of imports sets a poor precedent. I am concerned that the tribunal's decision could undermine the progress of negotiations to reduce trade barriers between our countries, and the ongoing negotiations under the General Agreement on Tariffs and Trade.

I thank my colleague from Minnesota and the chairman of the Committee on Finance for again bringing this matter to the attention of the Senate.

OPPOSING THE PROPOSAL OF A TAX BY THE EUROPEAN COMMUNITY ON VEGETABLE AND MARINE FATS AND OILS

The ACTING PRESIDENT pro tempore. All time is yielded back. Under the previous order, Senate Concurrent Resolution 27 will be temporarily laid aside and the Senate will now proceed to the consideration of Senate Concurrent Resolution 21, which the clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 21) expressing the sense of the Congress in opposition to the proposal by the European Community for the establishment of a tax on vegetable and marine fats and oils, and so forth.

The ACTING PRESIDENT pro tempore. The time for debate on this concurrent resolution is limited to 20 minutes, to be equally divided and controlled with no amendments thereto in order.

The Senate proceeded to consider the concurrent resolution.

Mr. BENTSEN. Mr. President, I support the concurrent resolution, reported by the Committee on Finance, urging the administration to oppose the establishment by the European Community [EC] of a tax on marine and vegetable fats and oils. This matter comes before us today with a sense of urgency, because the proposal to impose the tax is now pending before the EC's Council of Ministers for a decision.

If implemented, this tax would have a clear and devastating impact on the ability of American producers of oilseeds, particularly soybeans, to compete in the European market. Europe presently is the largest single market abroad for American soybeans.

The rate of the tax would represent almost 90 percent of the current price of soybean oil.

The tax is designed to fall disproportionately on products produced outside the EC. It would apply to vegetable and marine oils consumed in the EC, including soybean oil, but not to animal and dairy fats, which the EC produces. While fashioned to look evenhanded, in application the tax would price U.S.-produced soybean oil out of European markets.

The discriminatory aspect of this proposal is highlighted by the plan to use the revenues derived from the tax to encourage EC production of oilseeds. Thus, not only would the tax make U.S. farm products uncompetitive in Europe, but it would require American farmers to subsidize their European counterparts in gaining the capacity to produce similar products.

The Senate should keep in mind that virtually the only agricultural rates of duty the EC has promised not to increase are the duties on oilseeds. Therefore, this proposed action undermines a specific promise the EC has made.

The concurrent resolution urges the administration to: First, vigorously oppose the establishment of the tax; second, continue in its efforts to ensure that it is not established; and third, to communicate to the EC that the United States will view the establishment of the tax as inconsistent with the EC's international obligations under the General Agreement on Tariffs and Trade that will result in the adoption of strong and immediate countermeasures.

I am pleased to report that, during Finance Committee deliberations on this concurrent resolution, the administration made known its support for this concurrent resolution. We have an opportunity today, by approving this measure, to show the unanimity of our Government in opposition to a blatantly discriminatory and protectionist proposal. I strongly urge its adoption.

Mr. President, I withhold the remainder of my time.

Mr. PACKWOOD. Mr. President, I yield myself 3 minutes.

Mr. President, I also support this concurrent resolution. For all of the complaints we have had with many of our trading partners around the world, and I think many of the complaints are justified, there is perhaps none more generic or more consistent than the problems we have had with the European Community on agriculture. We have debates with them over machinery and they have debates with us over chemicals, but by and large in manufactured goods and many other areas it is a tit-for-tat situation. But in agriculture the European Community is becoming more and more protective. Their subsidies are about to bankrupt the European Community itself.

I think this concurrent resolution—and the administration supports it—make very clear our position that while we are willing to trade freely and openly with the European Community in agriculture and nonagriculture communities, we do expect reciprocity. These are not lesser-developed countries. Not a one of them is a lesser-developed country. These are civilizations older than ours. These are farmers that have been farming for longer than ours. They have fertile land. We have fertile land.

For the benefit of the world and the United States and the European Community we are best served by going toe to toe, our farmers against their farmers, in a free and open competitive situation. This concurrent resolution tries to encourage the market to move in that direction.

I now yield 7 minutes to the Senator from Missouri.

The PRESIDING OFFICER (Mr. DIXON). The Senator from Missouri.

Mr. DANFORTH. Mr. President, let me express my appreciation to the chairman of our committee, Senator BENTSEN, and to our ranking member and former chairman, Senator PACKWOOD, for their very clear statements and for their strong support for this concurrent resolution. This concurrent resolution was reported out of the Finance Committee unanimously, and, as Senator BENTSEN has pointed out, it is supported by the administration.

Ambassador Yeutter appeared before our committee and expressed the administration's support of this measure. The concurrent resolution urges the administration to oppose a proposed tax by the European Community on vegetable and marine fats and oils, and it further urges the administration to notify the European Community that the implementation of such a tax would be met by immediate retaliation by the United States.

Mr. President, just to provide the background or what is involved in this concurrent resolution, in January of this year a major trade war was narrowly averted between Europe and the United States on the question of agriculture. That near trade war was averted as a result of hard negotiations between the United States and Europe.

The Europeans, in connection with the accession of Spain and Portugal to the European Community, had put in place a system of tariffs and quotas against agricultural exports from other countries.

We threatened to retaliate against the Europeans. They threatened to counterretaliate against the United States. We have often used the term "trade war," but this was a real one, and we were heading toward it, and we only narrowly averted it in January of this year.

Mr. President, less than 3 weeks after working out our agreement with the Europeans, the Commission of the European Community proposed to put in place a new tax on vegetable and marine fats and oils. That new tax would amount to almost 90 percent of the current price of soybean oil. It would amount to a 90-percent tariff.

The Europeans claim that this is a nondiscriminatory tax, imposed across the board against all vegetable and marine fats and oils. In point of fact, it would apply most strictly against the relatively low-cost oils and particularly against soybeans. The tax would specifically violate tariff bindings between the Europeans and the United States that have existed since 1962.

Those tariff bindings were specifically reaffirmed in the agreement that was entered into between Europe and the United States in January 1987.

Mr. President, everybody knows the problems that American farmers have, and everybody knows that we are producing about half again more in agricultural commodities than we can consume in the United States. We depend on export markets.

What is the significance of this issue? The significance is that Europe is by far the largest market for American soybean exports. Nearly half of our exports of soybeans and related products go to Europe. Therefore, a 90 percent tax would be extremely onerous. It would be a major event in agricultural trade.

To compound the problem, the proceeds from the 90 percent tax would be about $2.3 billion a year. That $2.3 billion would be used by the European Community to finance expanded oil seed production within the Community. So this is a double whammy. It is both a tax on what we are producing and a way of raising revenue to support the European agricultural policy of subsidizing agricultural production.

Mr. President, it is very timely that we agree to this concurrent resolution today and that we do so by a very large vote. The reason for that was pointed out by Senator BENTSEN. The European ministers are meeting this weekend, and it is likely that they will be discussing the proposed tax. There is a division of opinion within the European Community as to whether the tax should be imposed. It is very important that immediately before that meeting, the Congress of the United States speak out very strongly and indicate to the Europeans that if they put this tax in place, it is not going to be pure gravy. There is going to be a price to pay, and the price will be retaliation by the United States.

So, again I thank the chairman and Senator PACKWOOD for their support, for their clear statements explaining this concurrent resolution, and I urge all Members of the Senate to vote for its adoption.

EEC SOYBEANS TAX

Mr. BAUCUS. Mr. President, I am very pleased to join my distinguished colleague [Mr. DANFORTH] in support of Senate Concurrent Resolution 21.

The tax that the EEC has proposed on soybean oil imports is just the latest in a series of trade barriers erected as part of the Common Agricultural Policy, better known as CAP. Without a doubt, the CAP is one of the largest barriers to free trade in the world. Consider the following facts:

More than 60 percent disputes brought to GATT for dispute resolution involve a complaint against the CAP.

The EEC spends more than $100 billion, through direct and indirect supports, to subsidize agriculture under the CAP.

EEC export subsidies on wheat are over $100 per ton.

Because of the CAP, the EEC will pass the United States this year to become the world's largest exporter of agricultural products.

By one estimate, the CAP costs the United States $10 billion per year in lost agricultural export sales.

The CAP is an outrage to anyone who believes in the principle of open and fair international trade. Now the EEC is moving to cut off the last major U.S. agricultural export to the EEC by imposing a highly restrictive tax on soybean oil imports.

With U.S. soybean farmers dependent on exports to the EEC for one-fourth of their income, we cannot stand idly by while the EEC erects another trade barrier. We must send a strong message to the EEC that the United States will no longer allow the CAP to take dollars out of U.S. farmers' pocket. The only way to convince the EEC that we are serious about forcing reforms in the CAP is by taking strong action. We must "fight fire with fire."

Wheat farmers have lost because of the CAP. Corn farmers have lost because of the CAP. Now, soybean farmers may lose because of the CAP. We must put a stop to this trend.

Mr. President, I applaud Senator DANFORTH for offering this resolution and I urge all my colleagues to support this measure and send a message to Brussels.

Mr. HEFLIN. Mr. President, on February 15, 1987, The commission of the European Communities formally proposed to the EC Council of Ministers a tax on all vegetables and marine oils consumed within the countries of the European Economic Community. Adoption of this tax would have an extremely negative effect on U.S. export of soybeans and soybean products to the EEC, which buys half of the U.S. soy exports annually. This tax would seriously hurt our soybean farmers' income and would further add to the U.S. trade deficit.

The EC proposed tax rate would be approximately $375 dollars per metric ton and would apply to all vegetable and marine oils, including soybean oil. The European Commission predicts the tax will raise about $2.3 billion annually to support the EC's common agricultural policy [CAP] oilseed subsidy regime.

Under the CAP, soybean and oilseed production in Europe is subsidized by guaranteeing its farmers high prices for their production, which is currently over $15 per bushel for soybeans and then paying processors a subsidy equal to the difference in the EC price and the lower world price. The processor subsidy makes it more profitable for the EC processors to crush the expensive European oilseeds than U.S. imported soybeans.

The resolution that we are considering today expresses the sense of Congress that the administration should vigorously oppose the establishment of this tax and should take steps to ensure that the European Community fulfills its obligations under the General Agreement on Tariffs and Trade. If such steps are not taken then the administration should take strong and immediate countermeasures to ensure that our soybean farmers are not negatively impacted.

Mr. President, I urge my colleagues to join me in supporting this resolution. We need to send a strong message to the European Community that the United States will not sit idly by and watch American farm markets lose to unfair trade barriers.

Thank you, Mr. President.

Mr. LEAHY. Mr. President, as the chairman of the Senate Agriculture Committee, I rise in strong support of this resolution opposing the proposed European Community tax on vegetable oils. I rise also as a cosponsor of this measure.

Mr. President, on February 16, 1987, the Commission of the European Community recommended to the EC member nations that they impose a consumption tax on vegetable oils. That tax would raise more than $1 billion to help pay for the Community's vastly expensive and highly protectionist Common Agricultural Policy.

There is little doubt, Mr. President, that this onerous tax proposal is aimed at the United States, and specifically at our soybean producers and exporters. American soybean farmers sell about one-quarter of their entire crop in Europe for production into vegetable oils. Simply stated, the proposed tax would double the price of U.S. soybeans sent to the EC for refinement into oils and margarine.

The proposed oil fats tax is just the latest in a series of protectionist steps taken by the European Community. The announcement of the soybean oil tax came just weeks after the United States and the European Community barely averted a trade war over the injury done to American farmers by the accession of Spain and Portugal to the EC.

Mr. President, for a while, we thought there was hope for improving our agricultural trade relations with the EC. This most recent announcement casts serious doubt on whether the Europeans are prepared to make a good-faith effort to patch up our relations.

The proposed oilseed tax is clearly an effort to finance the European Community's protectionist agricultural policies by taxing American agricultural exports. This violates the EC's obligations under the General Agreement on Tariffs and Trade, and I urge the member nations of the EC to reject this GATT-illegal, and ill-timed tax.

Finally, Mr. President, should the European Community give final approval to this new tax, I urge the administration, as this resolution suggests, to respond aggressively and quickly.

I urge the adoption of the resolution.

Mr. WARNER. Mr. President, I rise today in support of Senate Concurrent Resolution 21, urging the administration to vigorously oppose the imposition of a new tax by the European Community on vegetable and marine fats and oils.

Although this view is incorrect, many have confused this tax with an outright tariff. Since the tax will apply equally to producers within the EC as to foreign exporters, its effect on U.S. exports to the European Community will be no less onerous. American producers will lose a substantial portion of their sales to Europe in an effort to make up for excessive and unrealistic European agricultural policies.

Over the years the European Community, through its common agricultural policy, has created vast surpluses of beef, wine, butter, and other commodities. It is in an effort to reduce the "butter mountain" that the Europeans have tried a variety of unsuccessful programs. Two years ago, they sold millions of dollars worth of subsidized, low-grade butter to citizens of the Soviet Union that was deemed unsafe for Western consumption.

Last year, they had another butter fire sale to their own citizens. Instead of subsidized money-losing sales, the Community, this year, is taking the more novel approach of taxing any possible substitute to butter, in order to bring their prices up to the artificially high European price of butter. It must make great sense to the European Commission, but it certainly does nothing for the European consumer, and by extension the American producer.

Mr. President, I cite this as an example to illuminate my point, which is, more than 95 percent of the fish oil produced in the United States is menhaden oil, the primary product to be taxed. A petition is presently being considered by the U.S. Food and Drug Administration to allow the sale of menhaden oil for human consumption; that approval, though expected, has not yet been given. By doubling the cost of fish oil in Europe, the proposed tax would deprive U.S. menhaden oil producers of that market when no alternative market would exist. This could ruin American menhaden oil companies.

Zapata Corp.'s fishing division, Zapata Haynie Corp., has facilities in three States, including a major fish meal and oil factory and supporting fleets of fishing boats and spotter aircraft at Reedville, VA. Several hundred people are employed at the Reedville facility. Other fish oil companies also operate in the same area, making this industry of vital importance to Virginia.

Mr. President, it is at this point that the EC's trade policies, often the subject of intense yet lofty debate, hit home. This particular policy will have a substantial deleterious effect on the Commonwealth of Virginia. I hope the Europeans will think again about imposing this tax and consider its impact on U.S.-E.C. trade relations.

Mr. KARNES. Mr. President, I am pleased to submit my views this morning on the two concurrent resolutions before the Senate, Senate Concurrent Resolution 21 and Senate Concurrent Resolution 27, both of which attempt to improve the ability of the United States to export its farm commodities. I understand that we are considering these measures under time agreements, so I will keep my remarks brief.

Senate Concurrent Resolution 21 expresses the sense of Congress' opposition to the proposal by the European Community for the establishment of a tax on vegetable and marine fats and oils, and urges the President to take strong and immediate countermeasures should such a tax be implemented to the detriment of United States exports of oilseeds and products in a manner inconsistent with the European Community's obligations under the GATT.

Senate Concurrent Resolution 27 expresses the sense of the Senate that the Department of Commerce and the U.S. Special Trade Representatives should investigate Canadian agricultural subsidies to determine whether findings by the Canadians allowing them to opt out of GATT requirements on corn, to the detriment of American corn producers, are appropriate and valid.

I am pleased to cosponsor both concurrent resolutions.

Mr. President, the problems facing American agriculture today are far too numerous to recount in my statement, but it is clear that one of the primary difficulties our farmers face is an unreliable access to foreign markets. The fact of the matter is that the worst times of the American agricultural crisis, from 1982 to 1985, coincided with a 50-percent drop in corn exports—at the same time the United States was acting to limit its production of corn. The Canadians are now claiming that, under the terms and conditions of subsidies code section of GATT, the domestic corn market in Canada has been injured and that there is a casual link between imports of American corn and the alleged injury. Such a finding would allow the Canadians to increase tariffs on American corn and further restrict access of American corn growers to Canadian markets.

The record will show that any alleged injury to the Canadian market will be due to steadily increasing domestic production, not American exports. Canadian domestic production has increased by 28 percent between 1981 and 1985—at the same time American exports to Canada suffered their precipitious drop.

In my opinion, American farmers are not to blame for a decline in the Canadian corn market. It is my hope that the investigations we are requesting today will reach what I feel is an inescapable conclusion: That American farmers have made far more than their share of sacrifices to stabilize the corn markets of other nations, and we should take steps to ensure that farmers like those in Nebraska do not have the export doors closed even further.

A similar situation exists with regard to our exports of oilseeds to the European Community. Contrary to the GATT provisions requiring the Community to restore duty-free bindings for oilseeds and meals and extend them to Spain and Portugal, the Community is now considering the establishment of a consumptive tax on vegetable and marine fats and oils. The tax is no small matter. It would amount to nearly 90 percent of the current price of soybean oil.

Such a move would have an adverse effect on every soybean producer in Nebraska and across this country. I see it as a blatant and utterly unfair attempt to shut out producers of oilseed growers that can only convince our farmers that they are not playing on a level field with regard to farm exports.

Mr. President, this Nation has done all it can reasonably be expected to do to act as a reasonable, responsible trading partner in the world commodities market. The depressed state of the farm economy in Nebraska provides incontrovertible evidence that American producers are not flooding world markets with its commodities. We need to continue to be responsible trading partners, but at the same time, we should not allow the people on the other side of the bargaining table to renege, alter, or unfairly manipulate the terms of the agreements we make with them. The farmers of America are looking to us to make sure that they have a fair chance to compete in world markets; given that chance, I am confident that farming can become a profitable venture once again.

Mr. President, I applaud the action of the Senate this morning to protect the interests of our Nation's farmers, and I hope our trading partners will get the message that America will insist on a fair implementation of all our commodities trading agreements.

Mr. BENTSEN. Mr. President, I have no further requests for time on this side, and I yield back the remainder of my time.

Mr. PACKWOOD. Mr. President, I am prepared to yield back the remainder of my time.

I might suggest to the distinguished chairman that if, in the next 13 or 14 minutes, Senators who wish to speak on this matter should come to the Chamber, we can obtain unanimous consent for them to speak. Short of that, I will yield back the remainder of my time.

Mr. DANFORTH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANFORTH. Have the yeas and the nays been ordered on both of these concurrent resolutions?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I think this may be a good opportunity to remind all Senators that the second vote which will occur immediately back to back from the first vote will be a 10-minute rollcall vote. The first rollcall vote is a 15-minute rollcall vote. And I hope Senators will stay on the floor and not leave the floor because immediately thereafter the second vote will occur and that will be a 10-minute rollcall vote.

I take the floor to remind Senators of that hoping it will be helpful, and I thank the Chair.

I believe under the order the rollcall vote is to begin at 10:30.

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. I thank the Chair.

VOTE ON SENATE CONCURRENT RESOLUTION 21

The PRESIDING OFFICER. Under the previous order, the hour of 10:30 having arrived, the Senate will now proceed to a vote on Senate Concurrent Resolution 21, with a vote on Senate Concurrent Resolution 27 to follow immediately thereafter. The Senate is advised that the rollcall on Senate Concurrent Resolution 21 will be a 15-minute rollcall, to be immediately followed by a 10-minute rollcall on Senate Concurrent Resolution 27.

The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. HATFIELD] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

Rollcall vote No. 39 Leg.

YEAS—99

Adams
Armstrong
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—0

NOT VOTING—1

Hatfield

So the concurrent resolution (S. Con. Res. 21) was agreed to.

The preamble was agreed to.

The concurrent resolution, and the preamble are as follows:

S. CON. RES 21

Whereas, in 1962 the United States negotiated duty-free bindings for oilseeds and oilmeals in the European Community;

Whereas, the European Community is our most important market for soybeans, representing about 45 per centum of total United States soybean exports;

Whereas, in the recently concluded negotiations under article XXIV:6 of the General Agreement on Tariffs and Trade the European Community agreed to restore the duty-free bindings for oilseeds and meals and extend them to Spain and Portugal;

Whereas, the Commission of the European Community has now proposed the establishment of a consumption tax on vegetable and marine fats and oils in conjunction with the setting of farm prices for the 1987/88 marketing year in the Community;

Whereas, this tax would amount to almost 90 per centum of the current price of soybean oil;

Whereas, this tax would have a significant restrictive effect on United States exports of oilseeds and products, in particular on soybeans, to the European Community;

Whereas, the implementation of this tax would be blatantly inconsistent with the obligations of the European Community under the General Agreement on Tariffs and Trade;

Whereas, the Commission's proposal would constitute another egregious attempt to impose the cost of the Common Agricultural Policy on the European Community's trading partners;

Whereas, the United States has strenuously opposed similar proposals by the European Community in the past;

Whereas, this measure would affect the livelihood of over five hundred thousand farmers in the United States, as well as many more in developing countries;

Whereas, the United States has consistently maintained the position that any attempt by the European Community to impose a tax on fats and oils would invite strong and immediate countermeasures: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the Administration should vigorously oppose the establishment of a tax on vegetable and marine fats and oils in the European Community;

(2) the Administration should continue in its efforts to ensure that such a tax is not established; and

(3) the Administration should communicate to the European Community the message that the United States will view the establishment of such a tax as inconsistent with the European Community's obligations under the General Agreement on Tariffs and Trade that will result in the adoption of strong and immediate countermeasures.

SEC. 2. The Secretary of the Senate will transmit copies of this resolution to the President, the Secretary of State, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of the Treasury, the United States Trade Representative, the Head of the Delegation of the European Community to the United States, and the Ambassadors to the United States of each of the Member States of the Community.

INVESTIGATIONS OF CANADIAN AGRICULTURAL SUBSIDIES

The Senate continued with the consideration of the concurrent resolution.

The PRESIDING OFFICER. The question now recurs on Senate Concurrent Resolution 27.

Without objection, the committee amendment in the nature of a substitute is agreed to.

Senators are cautioned this is a 10-minute rollcall vote. The question is on agreeing to the concurrent resolution, as amended. The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. HATFIELD] is necessarily absent.

The PRESIDING OFFICER (Mr. GORE). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 40 Leg.]

YEAS—99

Adams
Armstrong
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—0

NOT VOTING—1

Hatfield

The concurrent resolution (S. Con. Res. 27), as amended, was agreed to.

The amendment to the preamble was agreed to.

The preamble, as amended, was agreed to.

The concurrent resolution, as amended, and the preamble, as amended, are as follows:

S. CON. RES. 27

Whereas the United States and Canada are signatories to the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade (hereafter in this preamble referred to as the "Subsidies Code");

Whereas the Subsidies Code provides that a countervailing duty cannot be imposed unless—

(1) there is injury within the meaning of article VI of the General Agreement on Tariffs and Trade, as interpreted by the Subsidies Code, and

(2) a causal link is established between the allegedly subsidized imports and the alleged injury;

Whereas global production and stagnant demand has led to a major oversupply of corn and a depressing of worldwide prices for corn;

Whereas the oversupply of corn cannot be attributed to the actions of the United States which has, since 1982, imposed major acreage reductions in an effort to control production;

Whereas between 1982 and 1985, the United States idled 44,000,000 acres of corn acreage which would have produced 110,000,000 tons of corn;

Whereas between 1982 and 1985, the United States, while acting to limit its production, has witnessed a decline in corn exports of 30,000,000 tons or nearly 50 percent;

Whereas United States exports of corn to Canada peaked in 1980-1981, when United States corn exports to Canada totalled 1,363,500 tons and accounted for 22.5 percent of the Canadian market;

Whereas United States exports of corn to Canada have been declining sharply since 1981, falling to 822,200 tons in 1982-1983, then declining to 225,900 tons in 1983-1984, and 300,000 tons in 1985-1986;

Whereas the share of Canadian corn market held by the United States has been steadily declining from 22.5 percent in 1980-1981 to 11.22 per centum in 1982-1983, 3.94 percent in 1983-1984, and 4.42 percent in 1985-1986;

Whereas Canadian corn industry production has steadily expanded from 4,753,200 tons in 1980-1981 to 7,393,400 tons in 1985-1986;

Whereas Canadian corn exports rose from 180,300 tons in 1976-1977 to a peak of 1,134,000 tons in 1981-1982, then dipped slightly before reaching 650,000 tons in 1985-1986;

Whereas there appears to be no causal link between imports of corn from the United States and injury to the Canadian corn industry;

Whereas the Canadian Import Tribunal has ruled that the Canadian corn industry has been injured by American agricultural programs and has approved a tariff of 84.9 cents per bushel on American exports of corn to Canada;

Whereas the decision of the Canadian Import Tribunal appears to be arbitrary, capricious, and an abuse of discretion and to be inconsistent with the obligations of Canada under the General Agreement on Tariffs and Trade; and

Whereas the President has broad authority under section 301 of the Trade Act of 1974 to retaliate against foreign acts, policies, or practices that are inconsistent with the provisions of any trade agreement to which the United States is a party or which are unjustifiable, discriminatory, or unreasonable and burden or restrict United States commerce, including authority to impose duties or other import restrictions on the products of such country, or to direct the Secretary of Commerce to initiate a countervailing duty investigation under section 701 of the Tariff Act of 1930: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring, That it is the sense of the Congress that the United States Trade Representative should—

(1) immediately initiate an investigation to determine whether the ruling of the Canadian Import Tribunal described in the preamble to this resolution is inconsistent with the obligations of Canada under the General Agreement on Tariffs and Trade;

(2) publish in the Federal Register the determination made as a result of such investigation before the date that is 30 days after the date on which this resolution is agreed to be by the Congress, and

(3) if the United States Trade Representative determines that such ruling by the Canadian Import Tribunal is unjustifiable or inconsistent with the obligations of Canada under the General Agreement on Tariffs and Trade (within the meaning of section 301 of the Trade Act of 1974—

(A) initiate an investigation under section 302(c) of such Act that should be conducted on an expedited basis, and

(B) make recommendations to the President regarding the investigation initiated under section 302(c) such Act before the date that is 60 days after the date on which the investigation is initiated.

Sec. 2. The Secretary of the Senate will transmit copies of this resolution to the President, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of the Treasury, the United States Trade Representative, and the Canadian Ambassador to the United States.

The title was amended so as to read: "Concurrent resolution expressing the sense of the Congress that the U.S. Trade Representatives should investigate the ruling of the Canadian Import Tribunal involving U.S. exports of corn to Canada."

COMPETITIVE EQUALITY BANKING ACT

The PRESIDING OFFICER. The Senate will resume consideration of the pending business, S. 790, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 790) to regulate nonbank banks, impose a moratorium on certain securities and insurance activities by banks, recapitalize the Federal Savings and Loan Insurance Corporation, allow emergency interstate bank acquisitions, streamline credit union operations, regulate consumer checkholds, and for other purposes.

The Senate resumed consideration of the bill.

GOOD LUCK TO THE PROVIDENCE COLLEGE FRIARS

Mr. CHAFEE. Mr. President, too often in today's world, the underdog is either overlooked or underestimated. But every once in a while the underdog is given an opportunity to show his strength and rises to the occasion.

So it is with great pride today that I stand here to extend my best wishes for success to the Providence College Friars as they head off to New Orleans to the Final Four NCAA basketball championship.

Coach Rick Pitino came to the college just 2 years ago. The team had had a dismal record before, with the same players, and Coach Pitino molded this group into a team of really overachievers. I hesitate to say "overachievers," because they have the ability and they have proved it. Coach Pitino's enthusiasm and struggle for excellence have kept the Friars going.

So I join all Rhode Islanders in congratulating the team for last Saturday's triumphant victory over the Georgetown Hoyas.

Mr. President, no one expected Providence College to get where they are today. Listen to the oracle of the sports world. Sports Illustrated magazine published a story proclaiming that Alabama was favored to win the entire championship. Alabama was called "the strongest team in the Nation's strongest league." The Friars were given the opportunity to show their strength and certainly rose to the occasion by defeating the strongest team in the strongest league by 21 points. Then Providence College went on, this past weekend, to defeat the team that was favored over them, Georgetown. Now they have advanced to the final four this weekend, when they will face another Big East Conference rival, Syracuse University.

Mr. President, an editorial in last Tuesday's Providence Journal-Bulletin commends the Friars' efforts and success. I ask unanimous consent that the editorial be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CHAFEE. Mr. President, my hopes go with the Friars to New Orleans, and let my message be clear for all to hear: Never underestimate the power of the underdog.

THE PC FRIARS, A GLITTERING TEAM, ALL THE WAY

Shades of N.C. State and Villanova earlier this decade—a lightly regarded college team peaking at the right time is in position once again to take the national basketball title. And, lo and behold, this latest potential odds-beater is none other than our own Providence College. Wow!

For too long the Friars languished among the doormats of the Big East conference that they really founded through then-coach Dave Gavitt, now conference commissioner. And last fall, despite a mild turnaround the previous season under first-year coach Rick Pitino that produced a National Invitation Tourney bid, P.C. seemed hardly ready for the biggie—the National Collegiate Athletic Assn. tournament.

Yet the hustling Friars, with their first 20-victory campaign in almost a decade, not only got into the NCAA matching the country's 64 top teams; they've outlasted all but three others to get to the fabled Final Four in next weekend's title round.

To call this fantastic is an understatement. The one and only time PC ever made it this far was with that glittering 1973 aggregation that featured three future pros: Ernie DeGregorio, Marvin Barnes and Kevin Stacom. By contrast, the 1987 Friars are a blue-collar group. The frequent high-scoring heroics of Billy Donovan, Delray Brooks and Ernie Lewis don't outshine the fact that a gritty, all-out team effort, directed by an inspirational coach, has them where they are. Their strength is that a Steve or Darryl Wright, or a Dave Kipfer, or someone else can also emerge as MVP in any given game.

Whether this well-rounded squad, with its tenacious defense and long range shooters, will win the coming battle of New Orleans, we'll have to wait and see. Whatever the outcome, it's sure to be a delight to watch. All Rhode Island is rooting for the Friars.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. CHAFEE. I yield.

Mr. PROXMIRE. I was very moved by that statement about the Providence Friars. They are a marvelous basketball team.

I was especially moved by the concluding sentence of the distinguished Senator from Rhode Island: "Never underestimate the power of the underdog." They were the underdogs, and they won by a smashing margin. I think it is the toughest competition in the world. There is no other collegiate group that has that kind of playoff. They do not have it in football. It has four teams competing, and Providence is one of the final four. They are playing as if they came from Wisconsin. [Laughter.]

Mr. CHAFEE. Well, I accept congratulations in any form.

Mr. President, I want to say something other than just about this team. I think it gives everybody a lift. It shows what determination and training and concentration on excellence can do.

That team, as I have said, has the same personnel that was there 3 years ago. The coach went into double sessions—that is, two practices a day. He drilled and drilled them and said to each member, "You can do it." He praised each member as an individual—not criticism, but praise—and drew the very best out of them.

It is an exciting illustration of what good leadership can do and what good players can do when motivated to their fullest extent.

SENATOR STAFFORD'S STATEMENT BEFORE THE SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

Mr. CHAFEE. Mr. President, earlier today, the Subcommittee on Environmental Protection conducted a hearing on Clean Air Act issues. It was one in a series of important hearings.

One of the most notable aspects of that particular hearing was the eloquent, sobering opening statement that was delivered by the distinguished senior Senator from Vermont, Senator STAFFORD.

His message is so significant and accurate that it must be heard by all of us, not just those who were fortunate enough to be in the hearing room this morning. For that reason, Mr. President, I ask unanimous consent that Senator STAFFORD'S statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

U.S. SENATOR ROBERT T. STAFFORD—OPENING STATEMENT ON CLEAN AIR HEARING

Mr. Chairman, for six years I was privileged to preside over hearings such as these. It was usually enjoyable and always gratifying.

But, with time comes change. Therefore, while I had something to say at virtually every hearing over which I presided, it seemed to this Senator that the time had come to listen to the voices and advice of others. The wisdom of your comments in your role as chairman has convinced me that I made a good decision to listen more.

But, there also arrives a time when it becomes necessary to speak out. If for no other reason, it provides an opportunity to set the record straight when that is required.

I think this is such a time.

I assume many persons here read the editorial which appeared in last Sunday's edition of *The Washington Post* titled "How Much for Acid Rain?" It was a provocative collection of statements, many of which—in the judgment of this Senator—were misleading.

But, I will ignore everything except what the editorial had to say about the role of air pollution and its impacts upon public health. Frankly, those statements are too dangerous to be ignored.

The editorial said, and I quote, "Pollution has already been cut to the point at which it no longer appears to threaten human health."

That statement is dead wrong, and I expect every person who has spent some time in this room knows it.

That the statement appeared in one of our Nation's leading newspapers is a shock and a deep disappointment to this Senator. It also suggests that all of us involved in the effort to educate the nation about the dangers of air pollution have not been getting our message across.

This morning we will spend several hours discussing ways in which the Congress might respond to the failure of up to 75 major metropolitan areas of our Nation to attain the levels of air quality which have been legally defined as safe to health.

Presumably when we hear from the scientists who originally had been scheduled to testify last week, we will learn that even current clean air standards may not be stringent enough to protect health.

The main reason we are here today is because the air quality in 75 major cities is so poor that—by definitions of law and science—it damages human health.

Thus, it was with wonderment that this senator learned that *The Washington Post* was seemingly unaware of many things—

Unaware of the fact that air pollution indeed damages human health.

Unaware of the fact that tens of millions of Americans live in and breathe air at levels that, in fact, damage human health.

Unaware of the fact that, just last month, a group of distinguished scientists told this subcommittee that air pollution is the third leading cause of lung damage in the United States, behind only active smoking and passive smoking. That testimony was presented to us on February 3, 1987, by the presidents of the American Lung Association and of the American Academy of Pediatrics, and by a past president of the American Public Health Association.

And, unaware of the fact that a major dilemma facing Congress today is how to reconcile the need to protect human health with the admitted inability of some areas of the United States to reduce their air pollution to safe levels any time in the foreseeable future.

But, Mr. Chairman, the apparent ignorance of *The Post* editorial on this subject is not why I asked for the opportunity to speak these words.

The Washington Post is, when all is said and done, only one newspaper, no matter how influential it is in this city. And, frankly, it has been no friend of this committee's efforts or of the efforts of a majority of our members in the last few years.

It opposed our efforts in Superfund repeatedly and was critical of many of our other legislative efforts in the environmental field. As disappointing as this Senator may find the retreat of what was formerly a progressive newspaper on environmental matters, it is surely the right of its owners to say whatever they may wish on their editorial page.

Also, I have been in this business of politics and government too long to expect much change to come from criticism of a newspaper or of its editorial comments.

The most troubling aspect of all this is that the editorial is merely the latest in a series of troubling events. Events that suggest that those organizations upon whom the Congress, the press and the public have historically relied to provide a balance to the views expressed by industries are no longer doing so. Or, at the very least, their vigor is diminished.

I recall when I first joined this committee, Senator Caleb Boggs of Delaware was the ranking minority member of both this subcommittee and of the full committee.

He was fond of saying, after hearing from the steel, auto and other industries, that he wanted also to hear from the League of Women Voters and from the Delaware Garden Club.

He trusted them, as others do today, to sort through the complexities of these issues and to shed light—not heat—on the debate.

The Post editorial suggests that this may have become a thing of the past.

This Senator recognizes that some would prefer environmental debates to take place in the absence of attention to the health of infants, children, pregnant women and the elderly. To some, this attention is demagoguery—and I guess those who feel that way are entitled to that view.

But, the plain truth of the matter is that the Clean Air Act is a public health law. It originated in 1955 because of the Congressional concern over public health, and it matured over the years for the same reason.

In fact, while this committee would have jurisdiction over the law even if it were solely to protect the environment, that would not be the case in the other body. Jurisdiction there is founded squarely on its role in protecting the public health.

But, clearly there is abundant misunderstanding on this point, and many others as well. Clearly the spokesmen for industry are doing their jobs, and doing them well. The

Post editorial observed, for example, that considerable acid rain control could be achieved through merely switching to low sulphur coal. A good point. And, in all probability, a point that brought cheer to the representatives of the low-sulphur coal industry.

But, who was there to make an equally good point—but one left out of the editorial—that there is little reason to believe that Midwestern power plants will switch to cleaner coal on their own, without Congress pushing them in that direction. Those who believe in volunteerism on this point will have to explain why it hasn't already happened.

The utilities are being heard. The coal companies are being heard. The auto manufacturers are being heard. And, they should be heard. They have a right to be heard.

But, who is speaking for the children?

Where are the lobbyists for the elderly and the infirm?

Where are the lobbyists for the millions of Americans who are exposed every day to unhealthy air?

The Congress is a difficult place in which to be heard in the best of times and on the simplest of issues.

Neither of those circumstances pertain here. And that should concern us all.

COMPUTER EDUCATION ASSISTANCE ACT OF 1987

Mr. WIRTH. Mr. President, I am pleased to join Senator LAUTENBERG in sponsoring the Computer Education Assistance Act of 1987. This bill is designed with three essential goals in mind: Improving America's competitiveness at home and abroad; ensuring that the next generation of graduates is adequately prepared to meet the challenges of tomorrow's technologically-advanced workplace; and ensuring equal educational opportunity by targeting funds to low-income and rural school districts which have traditionally been unable to afford the hardware and software their students need.

Since I first introduced similar legislation in the House in 1983, several dramatic changes have occurred. First, our national trade deficit—already a problem in 1983—has continued to grow at an alarming rate, leaving us with a trade debt that threatens the economic vitality of our Nation. Second, technological change in the workplace has continued its rapid escalation, requiring computer competence and flexibility for nearly every entrant to the job market. Finally, worsening economic conditions in certain industries and areas have weakened the financial security of school districts across the country. These phenomena have only heightened the tremendous need for computer education legislation like that we are introducing today.

In 1985, a Commission on Industrial Competitiveness appointed by President Reagan recognized that we, as a Nation, have neglected those aspects of our economy which determine how well we compete in world markets. Their report, entitled "Global Competition: The New Reality", found in particular that:

> This Nation has not effectively used technology to enhance its educational offerings. Interactive computers can be powerful learning tools, yet little educational software has been developed that makes full use of their capabilities. "Computer literacy" has become the focus of computer use in schools, yet it is the use of computers as a new and more productive way of learning that offers the greatest potential of educational technology.

The 1985 report indicated that any hope of regaining our competitive edge rests heavily on our willingness to make a substantial investment in our most precious resource—the next generation. Unfortunately, since that time, while the trade deficit has continued to mount, too little action has been taken to incorporate the use of computers in the American classroom.

There is no question that the sheer number of computers currently in use in school districts has increased tremendously since this legislation was first introduced. However, several fundamental problems remain.

First, the success with which these computers have been integrated into our education system remains doubtful. As the President's Commission report emphasized, because of insufficient information, resources, and software, teachers are still not adequately equipped to tap the vast educational potential of computer technology. In fact, in my own State of Colorado, a recent study shows that well over one-third of responding school districts do not believe that staff hired in the past 2 years possess the technical competency necessary to effectively use computers in the classroom. This is particularly disheartening, as it is clear that the demands on teachers will continue to escalate. "Computer literacy" alone is no longer adequate to ensure that America has a technologically prepared work force to carry us into the 21st century—we must also strive for the complete and interactive integration of advanced technology into education curricula.

Second, the distribution of the benefits of computer technologies has been far from equitable in the past 5 years. Equal educational opportunity is the key to equal economic opportunity. And yet, throughout Colorado and the Nation, school districts in low-income, economically depressed areas must struggle to maintain even a minimal computer program, while more affluent communities are able to afford extensive computer resources offering state-of-the-art instruction.

In financially troubled Colorado cities like Grand Junction, computer education needs and leaky roofs vie for the same scarce capital funds.

Poor economic conditions and high unemployment are forcing young families to leave Pueblo, CO, in search of better opportunities. As that out-migration continues, the school district will lose revenues which could have been used to reduce the current 24 to 1 student-to-computer ratio that prohibits any extensive hands-on computer experience for the majority of Pueblo's students.

And, in economically depressed Aguilar, where 90 percent of the students are eligible for reduced-price school lunches, the district has been able to afford only six computers—certainly too few to prepare students for the challenge of rejuvenating their city, and improving their own economic opportunities.

All evidence points to the need for immediate corrective action. Without such a commitment, today's students—particularly those in economically stressed areas—may not be prepared to enter a workplace where technological change has become the rule, rather than the exception. Without such a commitment, we cement in place educational deficiencies which have helped create the trade crisis we are now experiencing, and create a permanent underclass of "computer-have-nots" who will be unable to compete for jobs with their better-prepared "computer-have" peers.

For these reasons, I am pleased to be an original cosponsor of the Computer Education Assistance Act. This bill will provide grants to schools who need assistance in acquiring essential computer hardware and software, and establish teacher training institutes to improve the integration of education technology into the classroom. It will also encourage the development of model education software and promote the evaluation of existing software, making that information readily available to our Nation's school districts.

If America is to regain her competitive edge, both at home and abroad, it is essential that we make strategic investments in future economic opportunities for all of our children. This legislation is a first and important step toward both these goals—its passage is imperative.

PRIVATE ACTION UNDER FAIR CAMPAIGN ENFORCEMENT ACT

Mr. REID. Mr. President, the American system is based on the concept that laws enacted by elected Representatives of the people will provide a dynamic yet predictable basis for society. The unique genius of the Founding Fathers was their ability to incorporate that ideal into a realistic and workable system of government.

In very large measure, that system envisioned private redress through the courts as a substitute for government regulation or individual force. Thus, De Toqueville's observation that America was a litigious society was, rather than a pejorative team, an observation that the American system was succeeding.

I am, and I suspect always will be, convinced that the Founding Fathers were correct and that private dispute resolution will always be a more effective means than bureaucratic regulation of efficiently redressing private wrongs.

In some instances, however, conduct harms both the individual and the State. In the normal course, for example, when that conduct is criminal, we provide the State the opportunity to punish the perpetrator and the individual victim the opportunity to make himself whole through civil litigation. In certain situations, though, that State/citizen dichotomy is unworkable; often it fails because it is limited by legislation which restricts either private or public redress to the extent that the normal balance is eliminated.

One example of ineffective regulation through pure State action is the past enforcement of the Federal campaign laws through the Federal Election Commission. As the law now stands, private action to punish or prevent campaign violations is severely circumscribed. The act permits the FEC to review a complaint for any length of time it desires, subject only to the requirement that it be able to show a court that it has taken some action to pursue that complaint.

The result of that low pressure environment is obvious. The FEC, which has other duties and has been consistently understaffed, pushes the enforcement function to the bottom of its priority list. The perception of the public, and the candidates, is that the FEC expects voluntary compliance and that violations are either ignored or punished so lightly that deterrence through penalties is nonexistent.

I have recently introduced the Fair Campaign Enforcement Act. Senator BOREN, the acknowledged conscience of the Senate on election reform, is a cosponsor. I sincerely hope that every Member of this body who believes in the rule of law and the need for election regulation of any type will join us in cosponsoring this legislation.

As long as you believe that elections should be regulated in some manner, the regulation should be enforced or the law is worse than useless. Its very existence becomes the object of derision and an example of legislative impotence. No one who believes in our system can permit that situation to continue.

A major object of the revisions we have offered is to encourage private enforcement as a complement to FEC action. Under that legislation, where the Commission fails to swiftly and effectively enforce the law, there you will immediately find a private person with a public interest to protect. We will restore to the law the respect and deterrence it must have to fulfill its role as the regulator of society.

In the future, I will discuss in detail the manner in which the bill effects those changes. For now, let me simply say that, if there is any election law worth having, then that law is worth enforcing, and I urge this body to support that enforcement as much as it supports a fair, honest, open, and democratic electoral process.

ILLITERACY

Mr. WIRTH. Mr. President, I rise to express my deep concern over the growing problem of illiteracy in our Nation.

Present evidence indicates that millions of Americans do not have the minimal skills necessary to function in our society. These people cannot read a newspaper, fill out a job application, read a ballot, or understand a warning label on a bottle of medicine.

Although definitions of illiteracy vary, there can be no denying the scope of this problem in the United States. The latest administration figures estimate that 17 to 21 million American adults, 13 percent of the population, are illiterate by the simplest tests of everyday reading, writing, and comprehension. Additionally, 38 million adults have not completed high school and are estimated to have only marginal abilities to perform these tasks.

If these numbers are correct, almost one-third of the adult American population lacks the basic abilities to participate effectively in everyday life. The effect of these numbers on our economic productivity and national security are staggering. An additional effect of widespread illiteracy is the lack of an informed citizenry capable of actively functioning in a democracy.

I would now like to highlight three particular areas of concern that may be attributed to illiteracy. First, illiteracy is most harmful to those with the greatest needs, namely the poor and minorities. With the highest rates of illiteracy located in the lowest income levels, little opportunity exists for economic self-improvement among the poor and minorities, crime increases, and dependence on federally funded welfare programs grows.

Second, as the complexities of our technological and information-oriented society demand ever greater skills, there is concern that the number of functional illiterates will grow. Employers often find it necessary to provide extra or remedial training programs for employees with marginal reading and comprehension skills. Similarly, the military attracts a large percentage of recruits with a reading ability below the level required for job-related reading materials. The only possible end result of this phenomenon is a decline in our Nation's economic productivity and national security.

Third, while there is no universally accepted international comparison of literacy, there is little doubt that the United States is falling behind other leading Western nations in literacy levels. The future implications of this trend are a lessening of our comparative technological advantage, a decline in American worldwide prestige, and, most likely, an increasing trade deficit. If we, as a nation, cannot teach our citizens simple skills like reading and writing, then how is our Nation supposed to compete effectively in an increasingly complex and interdependent world?

Certainly, not all of our Nation's problems are singularly attributable to illiteracy. Nevertheless, illiteracy is a huge drain on our Nation's resources. I cite a report by the American Library Association that claims functionally illiterate adults cost our society $224 billion annually in welfare payments, crime, and prison costs, job incompetence, lost taxes, and remedial education. In a time of huge Federal budget and trade deficits, this figure is patently unacceptable. I urge my colleagues in the Senate to strive in this session toward the elimination of this burdensome problem, both in educating currently illiterate adults and making sure our children do not grow up lacking the basic skills to function in our society. Through the alleviation of illiteracy, the United States may improve economic productivity, national security, and technological advancement, and gain an informed citizenry that can view the future with courage and confidence.

PHILIPPINES NATIONAL DRUG POLICY

Mr. GRASSLEY. Mr. President, not long ago, I voted for Senate Resolution 103, reaffirming the support of the United States Government for the Government of the Philippines under the leadership of President Corazon Aquino. I believe that we are witnessing an era of strength, hope, and optimism in the Philippines. We want our friend to be strong and healthy again—both politically and economically.

Those of us who have been watching for a sign of how the Philippines intends to conduct its trade policy are concerned over reports of a new national drug policy. On November 18, Health Minister Bengzon announced the development of a national drug policy in the Philippines. Certainly, we support and applaud efforts by the Philippines health ministry to devise ways to get basic medicines—through public sector health programs—to the large percentage of people in that country—estimated at 70 percent—who could not otherwise afford them.

I am concerned, however, that the Philippine Government is planning to institute a policy which goes significantly further. I have been informed that the Government intends to mandate limitations on the kinds of drugs which can be prescribed by doctors who serve the smaller elite portion of the population there who currently enjoy access to today's most advanced medicines.

The impact of restricting the range of drugs that would be available to this segment of the population is two fold:

First, it would deny doctors the freedom of choice to determine the most appropriate therapy for a given illness.

Second, restricting the market to select products would discourage investment and create market distortions including inevitably a black market for drugs.

Given that a restricted drug list is likely to favor those drugs manufactured locally, the net effect will be a disguised market reserve policy for pharmaceuticals. The impact of this on the foreign investor's interest in the Philippines is obvious.

The U.S. industry is concerned that Minister Bengzon might seek to have President Aquino issue an Executive order to institute this proposed national drug policy before the elections in May. The fear is that such a policy will set the stage for a closed market in the Philippines.

I believe that this would be a blow to the development of our respective trading positions and I hope that President Aquino staves off any inroads into a free and open Philippine market.

CHARTER 77 ANNIVERSARY RESOLUTION

Mr. PRESSLER. Mr. President, Czechoslovakia's human rights record is one of the worst in Eastern Europe. I have spoken to the Senate twice before on this matter and will be commenting further on it throughout this year.

Today I would like to call attention to a concurrent resolution commemorating the 10th anniversary of the founding of Charter 77, the leading Czechoslovakian human rights group. I submitted the concurrent resolution last week in the Senate following its submittal in the House of Representatives by Congressman HOYER of Maryland. This Senator is indebted to the fine work of the Commission on Security and Cooperation in Europe—also known as the Helsinki Commission—in drafting the key provisions of this resolution.

The Commission has offices here in Congress and consists of 18 Members of Congress—three appointees of the President and a small but very capable staff. It was established by law in 1976 to maintain compliance with the 1975 Helsinki final act's human rights provisions. The Commission carries out this responsibility in a thorough and professional manner. It is led by our distinguished colleagues, Senators DECONCINI and D'AMATO.

The Charter 77 anniversary resolution, Senate Concurrent Resolution 31—and its companion measure, House Concurrent Resolution 14—commends the Czechoslovakian human rights group on its 10th anniversary, calls upon the Government of Czechoslovakia to cease its persecution of those involved in Charter 77 and other human rights activities, and commends the United States representatives to the Vienna review meeting of the Conference on Security and Cooperation in Europe for raising with Czechoslovakian authorities the issue of human rights persecution.

Charter 77 began as a group of about 250 people who signed a charter dedicating themselves to protect principle VII of the Helsinki Final Act. That principle contains a commitment to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language, or religion." The group now includes over 1,000 Czechoslovakians who provide information to the rest of the world on developments in Czechoslovakia. They also maintain a dialog with human rights activists in other Eastern European nations. They have been outspoken in publicly defending their fellow citizens who have been unjustly accused. Charter 77 signers have experienced imprisonment, exile, police harassment and other persecutions because they have dared to support human rights. This persecution has extended to their families—even to children. Several are now in prison.

Mr. President, earlier this year the board of directors of the Czechoslovak National Council of America issued a statement on the 10th anniversary of the founding of Charter 77. That statement identifies the following commitment assumed by Charter supporters:

> By signing, the signatories do not become members of any organization; they only assume the obligation that they will, within self-defined limits of the possible, call attention to illegal violations of human rights by the regime and that they will assist its victims. . . . It is a movement of civic initiative; anyone who signs becomes a "Chartist": workers and intellectuals, technicians and journalists, priests and atheists, people who have been oppressed as well as their former oppressors.

The statement of the Czechoslovak National Council of America gives this description of the persecution experienced by Charter 77 activists:

> They are isolated—many people avoid them out of fear of persecution. They are openly accompanied by secret policemen everywhere they go.

In fact, I personally witnessed police harassment of Chartists in Prague last summer. The statement continues:

> They must report at police stations sometimes as often as three times a day. Their telephones are bugged or disconnected. Their mail is controlled or not delivered. They are barred from any but the lowest manual jobs: Stokers, window cleaners, night watchmen, street sweepers. They are continually transferred from one job to another. Their apartments are subject to frequent searches and their property is arbitrarily confiscated. They are often arrested, interrogated, repeatedly accused, prosecuted, sentenced and imprisoned. Occasionally, they are attacked and beaten by unknown assailants; from time to time, some of them are locked up in insane asylums to undergo psychiatric treatment. Their children are not allowed a higher education and are objects of ridicule of teachers and other pupils. Sometimes they are encouraged by threats and promises to stop their activity or to emigrate. This has been their way of life for years, for ten years for some—without any real hope of relief, fortified only with the feeling of responsibility, personal integrity, civic duty and the honor of their country.

Mr. President, this is eloquent testimony to the determination of those who wish to be free of arbitrary government interference in the enjoyment to basic human rights. Based on the effectiveness of Charter 77 activists' efforts, the Helsinki Commission has nominated them for the Nobel Peace Prize. Aside from the Czechoslovakian Government adopting policies more respectful of human rights, I can think of no more fitting tribute to the enduring work of this group.

In conclusion, let me say, Mr. President, that Charter 77 and the Czechoslovakian dissidents do not have a strong constituent group in the United States as many other dissident groups in Eastern Europe have, but they are suffering, they are struggling, and they are the light of freedom in that part of the world.

It is good for us to give them encouragement, to let them know that somebody cares. That is the purpose of my concurrent resolution and Congressman HOYER's resolution in the House.

Mr. President, I yield the floor.

CENTENNIAL OF BESSEMER, AL

Mr. HEFLIN. Mr. President, I am delighted to rise, today, to congratulate each of the citizens of Bessemer, AL, on their centennial anniversary. Events and banquets have been held in February and March, and with festivals, balls, and parades the people of Bessemer will mark their 100th birthday on April 12, 1987. I am certain that it will be a festive and memorable time for all.

Although Bessemer was founded at the height of the American Industrial Revolution in 1887, it was settled many years before this and had already enjoyed a long history by the time of its formal organization. Explorers in the 18th century had recognized the enormous resources that the site of Bessemer had to offer and reported "a mountain of iron" and "coal lying above the surface" near the Warrior River.

However, farmers were the first to settle the scenic, rolling green hills, and Daniel Boone was reportedly a visitor at the Sadler Home, a stopover for 19th century travelers which is now on the National Register of Historic Places. It was, surprisingly, farmers who first took advantage of the resources of the area. In the 1830's, a group of farmers decided to build a small forge to make iron for their plows, kettles, wagon wheels, and other farm equipment. With the aid of Daniel Hillman, a forge builder, the Roupes Valley Iron Works Forge was built where the corners of Jefferson, Shelby, Bibb, and Tuscaloosa Counties meet. These furnaces produced iron until Union soldiers captured the giant sandstone structures in March 1865. The furnaces are now part of the Tannehill Historical State Park and in 1976, as part of the celebration of the bicentennial of the Declaration of Independence, one of the furnaces was restored and produced iron for the first time in 111 years.

As the South struggled to rebuild after the War Between the States, the American Industrial Revolution reached its height. An industrialist named Henry F. DeBardeleben recognized the enormous potential of those beautiful hills which had formerly been settled by farmers. He formulated plans for a new industrial city which would ensure the industrial emergence of Alabama and the South. In 1886 he purchased 4,000 acres of land and marked off blocks for the downtown area of the city he envisioned near the Alabama Great Southern Railway. With a capital of $2 million he built new furnaces, coke ovens, and started coal mines. Finally, on April 12, 1887, DeBardeleben began selling lots for business in the city he named Bessemer, after the great British scientist who invented the open hearth method of producing steel.

Bessemer was an immediate success. In only a few months, the city had a population of 1,000 and was called "The Marvel City." Ever concerned with the appearance of Bessemer, DeBardeleben purchased buildings from the 1884 World's Exposition in New Orleans, had them dismantled, moved, and reassembled in Bessemer. He was also determined to attract other business to "the marvel city," and invited George M. Pullman, president of the Pullman Palace Car Co., to tour the city. The manufacturer of the Pullman-standard railroad cars later became one of Bessemer's largest employers. Since its establishment, Bessemer has lived up to its founder's hopes of being an industrial center for Alabama and for the South. It has contributed much to the economic might of our State.

The city of Bessemer is, indeed, a great place to live and has much to offer. For 100 years Bessemer has been devoted to the enrichment and the happiness of the lives of its citizens and has been dedicated to the development of our State. The events that have been scheduled to celebrate the anniversary of Bessemer are truly magnificent, and I know that all citizens, whether they are able to participate or not, will be filled with a great sense of pride as their heritage and as their past achievements and accomplishments are remembered and recognized.

Yet, this centennial anniversary is not merely a birthday celebration. Rather, it offers the citizens of Bessemer an opportunity to look into their past and to view their progress. Those successes which have been realized in the past and which are reaching fruition today were actually initiated by the many great citizens who labored to make Bessemer a better place. Now is the time to remember those whose efforts have culminated in all that Bessemer now has to offer.

However, keeping one foot firmly entrenched in the present and past, the people of Bessemer can step forward to a prosperous and revitalized future. The children of today will be planning for the sesquicentennial celebration of Bessemer in just 50 short years. The dreams of today will grow, take shape, and mature between now and then. During this centennial anniversary, as the citizens of Bessemer celebrate their heritage together, I urge them to also dream together of their future and then put those dreams to work.

In the years to come, I know that Bessemer will make its dreams a reality, offering even more to its people, our State and our Nation. It is truly "a marvel city," because of the spirit, the drive, and the determination of its citizens. I am very proud to have the opportunity to represent the people of Bessemer, and I look forward to working with them to implement their dreams. In this effort, we will see greater progress than ever before. I believe that Bessemer will be at the forefront in Alabama, helping to lead us into the 21st century just as it led the way into the 20th century.

A TRIBUTE TO SENATOR EDWARD ZORINSKY

Mr. HEFLIN. Mr. President, I was deeply saddended to learn of the death of my good friend and colleague, Senator Edward Zorinsky. It was a great shock to me and has filled the entire Senate with an enormous sense of loss. I am reminded of the words of the English poet, John Donne; "ask not for whom the bell tolls, it tolls for thee." Indeed, whether conscious of it or not, every citizen of our Nation has been affected by the death of Ed Zorinsky. In all he did, he held the best interests of not only the Nebraskans he represented, but of all Americans, as tantamount. His actions demonstrated the great responsibility he held for all citizens, and he will be missed.

One primary area in which the efforts of Ed Zorinsky will be missed is in agriculture. The American farmer never had a better friend than Ed Zorinsky. Ed realized that the family farm is the backbone of America. We worked long and hard together on the Agriculture Committee to give farmers a fighting change through the adverse economic and weather conditions that have threatened their ability to make a living. As a member of the Subcommittee on Agricultural Credit and Rural Electrification, Ed was alarmed at the number of farm bankruptcies which have recently been declared, and had vowed to take immediate corrective action.

Furthermore, Ed shared my attitudes of generally being a fiscal conservative. He joined in the effort to pass the constitutional amendment to balance the Federal budget, and he recognized the great dangers posed by deficit spending and the national debt.

Throughout his tenure in the U.S. Senate, I believe that Ed used the experience he had gained while he served as the mayor of Omaha. He knew where his responsibility lay—with the people of Nebraska, and of the United States. He demonstrated his availability by removing the door of his office from its hinges and announcing that any constituent or reporter who so wished could enter his office whenever he was present.

Above all else, Ed was a person who was down to Earth. He knew where his roots were and what he was elected for—to serve the people of Nebraska—not himself. In the District of Columbia you sometimes meet people and elected officials who have lost sight of this fact. They may work to increase their standing in the public eye without actually working to substantively serve those who elected them. That was never the case with Ed Zorinsky—and never would have been. He knew what his purpose was, and he pursued that goal with undeviating, tireless efforts.

Ed Zorinsky will be greatly missed, yet I know that his example will long be remembered. He followed a path that was largely nonpartisan, opting instead to view legislation and issues on their own merits. He was an outstanding American, and an outstanding Nebraskan. He was filled with the greatest integrity, and industry. His absence will, indeed, be felt by all.

I would like to extend my most heartfelt condolences to Cece Zorinsky and to the entire family. Though I am sure that they are overwhelmed with grief, I hope they will find comfort in the immense record of public service and in the memory of Ed Zorinsky.

TRIBUTE TO ED LOWDER

Mr. HEFLIN. Mr. President, I was deeply saddened by the death of Edward Lewis Lowder, of Montgomery, AL. He was a great citizen of my State and of our Nation. Ed Lowder was a man who had a great love for life and for his fellow man. He was genuinely interested in the lives and happiness of all. He inspired great loyalty and friendship in all he met.

Ed was enormously industrious, and worked hard throughout his life. He was never a quitter. He set high goals for himself and attained his dreams. He was also highly respected, admired, and had the greatest integrity. For any young man going into business and for any seasoned business executive, Ed Lowder set an example that all could learn from. Not surprisingly, this example does not include any kind of get rich quick system, but, rather, upholds the precepts of hard work, devotion, fairness, and integrity. Ed Lowder was as successful as he was because of his great heart and his personal drive.

Joe Azbell has written an article on Ed Lowder that is a masterpriece, I could not add to the beauty of his language. This article appeared in the February 26, 1987 edition of the Montgomery Independent. I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Montgomery Independent, Feb. 26, 1987]

FROM COUNTY AGENT TO A BUSINESS TYCOON—THE DEATH OF A GREAT SALESMAN: ED LOWDER

(By Joe Azbell)

Edward Lewis Lowder kept a small clipping under the glass top of his desk for many years. It was a saying his friend and business partner, Aaron Aronov, repeated again and again. "Make no small dreams. There is no magic in them."

Ed Lowder never had a small dream. He told young business novices, "Shoot for the moon. If you miss, you might still hit a star."

Lowder, one of the last of the great empire builders here, lived by rules: 1. Never leave an old friend to make a new one; 2. Always sit on the front row at a meeting; 3. Walk fast; 4. Keep your love life straight.

"And always keep the 10 commandments. Those are all the laws you will ever need," He added.

If you study Ed Lowder's 73 years on this earth for a secret to his phenomenal success, two keys surface; hard work and goal setting. He made goals for every single day, including Sundays. Some were impossible. Somehow he made them happen.

In a masterful eulogy to Lowder's life at his services Dr. John Ed Mathison said, "Ed would tell you to set a goal. If you missed the goal, he would tell you that you didn't work hard enough. If you exceeded the goal, he would say, 'You didn't set the goal high enough.'"

Lowder soared with eagles in all of his thinking. That's why he liked eagles for insignias. "Aim high as an Eagle flies," he told his sons, Bobby, Jimmy and Tommy. They followed his advice to their own successes.

Ed Lowder died a multi-millionaire, probably many times over. He lived simply, an unassuming, modest man, often eating lunch at a working folks' cafe with mechanics, sanitation workers, state employees. "the salt of the earth" he called them.

Donna Wilson, his secretary for the last 15 years, said, "Even riding an elevator was an adventure with Mr. Lowder. If he caught the elevator on the fifth floor of a building, he would know the names and business of everybody on the elevator by the time it reached the ground floor. He was intrigued by the whole human race."

Those at his funeral came from throughout Alabama and the South, millionaire bankers, real estate moguls, insurance tycoons, waitresses, service station attendants, janitors, powerful political leaders, but mostly old friends who had met Ed Lowder and loved him along the way. Some of them he made millionaires.

At 1 p.m., an hour before the funeral, every seat at Memory Chapel was taken. Even halls were crowded. By 2 p.m., cars were snaked up into Greenwood Cemetery for one of the biggest funerals in the history of Montgomery. There wasn't a place for one more person to sit or stand at funeral time.

The hearse with Ed Lowder's body aboard swung off the asphalt strip with the long line of cars behind. A tent was placed over a freshly-dug, flower-surrounded grave. Final words were spoken by Dr. Mathison and Rev. Hal McNeely before the closed mahogany casket was lowered into the red earth.

Ed Lowder was home, so to speak. The grave site was under tall hardwoods and pines, on a little knoll overlooking a sun-kissed pond where clouds were reflected in the water. It was cold and a little windy and starlings lined up on a tree branch to watch the funeral. It was a lot like Washington County where Ed Lowder had grown up as a farmboy in an old farm house of cobalt toned wood and out back an outhouse and fenced garden with a scarecrow.

Folks around Cortelyou, Leroy and Wagerville, said Ed Lowder was born with a natural ability to trade. He would trade marbles, tops, old magazines, anything of value and usually came out best of the deal. He slaughtered cattle, sold beef to neighbors and learned early quality meant more than quantity. He made ice cream in a home-made bucket to sell weekends. He drove a logging truck until past nightfall. He was always muscular with a coach's build. In the summer, he picked peaches by the bushel in North Carolina. He wore old clothes and half-soled shoes.

With little money, but all of it saved from his trading and hard work enterprises, Ed achieved a dream in 1930 when he enrolled at Auburn, then Alabama Polytechnic Institute. He crammed and worked at odd jobs. At 20, he got his bachelor of science degree. He stayed on at Auburn on a fellowship to get a master's degree in soil chemisty. Finally in 1936 he headed for Lawrence County to be as assistant county agent for depression period farmers. At 24, he became Pickens County extension agent and constantly was apologizing to older farmers for offering crop advice.

Along the way, he met and fell in love with Catherine Kennedy of Greenville. He had first seen her in Auburn where she had been a secretary for one of the schools. He often said, "That's the one smart thing I have done in my life."

In 1942, he went into the service as a lieutenant, ended up in France just after D-Day, and was decorated with five battle stars and the Bronze Star. In 1946, Lowder, discharged a major, was back in Pickens County as county agent when he was tapped for an impossible mission, formation of a mutual insurance company for Alabama Farm Bureau members who were either charged excessive rates by regular companies for fire and auto coverage or were turned down as too risky.

Lowder came rolling into Montgomery with a headful of dreams. He had already started setting goals. One of his goals was to be a millionaire.

Walter Randolph, nationally known vice president of the American Farm Bureau (he turned down the presidency) and president of the Alabama Farm Bureau, and E.E. Hale, widely respected farm and timber leader, discovered Lowder and hired him as the man to get the insurance company off the ground. Auburn University folks said to Lowder, "He doesn't know when to quit." Randolph once told this writer, "Ed Lowder's the kind of fellow that you give a job to do when you know it can't be done and he'll do it."

With $10,000 in borrowed money and Jane Costin for a secretary Ed Lowder moved into the "home office" of the Alabama Farm Bureau Mutual Casualty Insurance Company. The "home office" was a little school-type desk in a dark hallway outside E.E. Hale's office in the old Shepherd Building at Molton and Montgomery.

"If I got a telephone call, I had to go into Mr. Hale's office to take it. I made my calls the same way. I didn't have a telephone," Lowder later recalled.

From that hallway desk, the Alabama Farm Bureau company became a model for the nation, one of the greatest successes ever among Farm Bureau companies. Soon the company moved to a bottom floor in a white stucco apartment building on Church Street. Tom Weston, now head of the State Insurance Fund, remembered he was a tenant in an apartment on the third floor.

The company grew by leaps and bounds. Tommy Thompson joined the company. Tommy Maynor, editor of the Alabama Farm Bureau News, was promoting the company in the Farm Bureau newspaper. Mary Durden became Ed Lowder's secretary.

Lowder came to work at 4 a.m. and left at 10 p.m. many days. He ran everywhere he went. His office was behind French doors in a cramped area. Soon he had built the company to a point that upstairs apartments were vacated and offices moved in. Then the fledging company did what some real estate oldtimers here called a "crazy thing." Lowder and Randolph convinced directors to buy a big strip of land on the Southern Bypass to build a home office.

It turned out to be one of the smartest golden moves ever. Farm Bureau even decided to sell Baptists part of the land across the street where the Baptist complex is now located. People like Phil Richardson, Jim Richardson and Jerry Wynne came on board along with Thad Salmon, Donald Pierce and many others.

Lowder was executive vice president and chief executive officer of the Farm Bureau companies now offering multiple lines of fire, auto and life protection to Farm Bureau members. Randolph was president.

One reason for the success was Ed Lowder's originality. He came up with an idea for a TV spot, "Mama, it's the Farm Bureau man!" played by Dixie Turner Elam, daughter of Country Music Entertainer and Artist Jack Turner who had a country show on WSFA-TV.

Verd V. Mitchell, Jr. handled the advertising for Farm Bureau Insurance for almost 30 years and produced the spot with Turner's help. It was so popular Mitchell was called by agents to run it again and again for years. It is still remembered today.

"Ed had a magic about him when it came to selling. He knew what the people wanted." Mitchell recalls. By the way, Dixie is now 41, mother of three children and was recently honored by the Farm Bureau.

(One time, Lowder tried to buy WSFA-TV, then WCOV-TV, and a couple of radio stations. All turned him down in the 1950's.

At the time of his death from cancer Ed Lowder had sold his business interests to his three sons. He had retired from Farm Bureau Insurance in 1980 and operated from The Colonial Companies' office on lower Commerce.

The Lowder dynasty is broken up into three divisions managed by the three sons, each personally trained by the father.

Bobby Lowder directs banking, broadcasting and mortgage divisions. They include the statewide Colonial Banks, Colonial Broadcasting Co., and Colonial Mortgage Company. These companies have assets in the billions. (Ed Welch is president of Colonial Banks.)

Tommy Lowder is in charge of the important Colonial Properties Inc., which include many shopping centers, commercial properties, residential and apartment properties, motels, and office parks. They are widespread and run into multiple millions.

Jimmy Lowder oversees Lowder Construction Co., Colonial Insurance Agency, Lowder Agency and is president of The Colonial Companies Inc. [Jimmy Lowder also is president of American Colonial Life Insurance Company, an old line legal reserve company with huge assets. Paul Miles is vice president.]

Sometime before his death, Ed Lowder resigned as chairman of the board of the First Commerce Corporation of New Orleans which owns the First National Bank of Commerce, second largest bank in Louisiana. Ian Arnof, a close friend of Lowder's, is president of the bank and served as one of his pallbearers.

Lowder had become personally interested in the bank when it was at a low ebb and helped to guide it to its present great success. He was a major stockholder.

At various times, Lowder owned interests in many other business enterprises. He was a director and stockholder of Kinder-Care since its early development. He once had interests in a Georgia natural gas company. At one time he was a partner with Tommy Dyas, an old friend from Washington County whom he met through his sister. Elizabeth Lowder Moss, in Dyas Chevrolet Co. in Auburn-Opelika. He later sold out to Dyas, Tommy Dyas said, "He was the best partner a man could ever have."

Even R.C. (Red) Bamberg, former agriculture commissioner, almost ended up as Ed Lowder's first business partner. While at Auburn, the two men both later to be county agents, heard about a drug store for sale. They asked Monk Wright, then president of a bank and Auburn mayor, to lend them the money to buy it. They were going to call it "Ed and Red's" but Wright turned them down. Instead he lent the money to buy the store to Louie James who defeated Wright for mayor two years later. Lowder kidded Wright about the incident for years.

Aaron Aronov said Ed Lowder was a great friend and wonderful business associate. They owned many properties together. "We only had one disagreement. He wanted to meet at 7 a.m. to discuss business. I told him I was a 9 a.m. man. We finally met at 9 a.m. but it was tough to convince him."

Aronov tells the story of one partnership with Lowder with a chuckle. "He was showing me a map of some property that interested him. I told him not to show me the map as I was probably interested in the same property. Then we discussed it. I said 'Let's buy it together.' We were talking about the 1,200 acres of what was called the Oliver property. We learned Bill Moore had an option on it. So we made a deal with Moore. He received 20 percent for his option, the Lowders got 40 percent and the Aronovs got 40 percent. It's the Eastdale property which includes the shopping mall, a strip center, 500,000 square feet of warehouse space, apartments and other property. In all these years we have the very best relationship. My sons, Jake and Owen, have the same relationships with his sons, Jimmy, Bobby and Tommy. It's just been great." Although partners in some projects, the Aronovs and Lowders are competitive in others.

Auburn, Lowder's alma mater, was always close to his heart. The university awarded him a doctorate. He endowed two professorships. His son, Bobby, became chairman of the board of trustees. He was a deacon emeritus of Trinity Presbyterian Church. Members of his Bible class were honorary pallbearers at his funeral.

Ed Lowder said that he learned more from service on the board of the old Peoples Bank and Trust Co. than anywhere else. He called the directors, Aronov, Oscar Covington, Les Weinstein, Hunter Flack, David Mussafer, Spencer H. Longshore, Milton Campbell, John Godbold, Charles Denio, and Jim Kitchens, the smartest group of bankers that he had ever sat down with at the time.

A heart attack and cancer finally dealt Ed Lowder the blow from which he couldn't recover. He tried hard. An auto accident in his Cadillac (he generally always drove an Olds) sent warning signals that he had brain cancer. He kept active until two months ago. As Dr. Mathison said, "When they finally gave him an hour to live, he went on and lived 14 more hours."

Because he was a mover and shaker Ed Lowder often was controversial but everyone, friends and critics alike, admit he was a charming dynamo of energy and creativity. He told people he came to work at dawn and worked until dusk because "I'm not smart as other folks so I have to work harder." When people brought him business deals he would say. "I'm not smart enough to understand that business. I had better not get out of my field." And he didn't.

A few months ago, we were relaxing together and he told me, "You know the greatest richness that Catherine and I have are our three sons. (He pointed to their picture on the wall.) They have made me proud. A father couldn't ask for three finer sons. They and our grandchildren have made our lives complete."

Charlotte Cotney, executive assistant to Bobby Lowder, said it best: "There will never be but one Mr. Ed Lowder. He was the smartest man I ever met and the most down to earth." She spoke for scores of Lowder friends like Ham Wilson, Taylor Hardin, Wilson Still, Young Boozer, Dick McGowan, Dr. Fred Campbell, and many others.

This is one time when the man is bigger than the legend. It will take some doings for the legend to catch up with the man for all of his dreams were big ones.

Goodbye, old friend.

ABSENCE FROM THE SENATE

Mr. STEVENS. Mr. President, I shall leave Washington at 4 p.m. today to attend the Alaskan of the Year award and dinner tomorrow evening in Anchorage.

My very good friends are nominees to become Alaskans of the Year. As a former recipient of that award, I have been asked to be present to honor the winner this year.

Following that time, I will go to once again visit with a very sick relative whose extended stay in a convalescent hospital has now become indefinite, and she must have help in settling her personal affairs.

For those reasons, I ask unanimous consent that I may be excused from attendance of the Senate from 4 p.m. today until the close of business March 31.

The PRESIDING OFFICER. Without objection, it is so ordered.

GOV. SAMUEL H. SHAPIRO

Mr. SIMON. Mr. President, I rise to pay very brief tribute to a great public servant in Illinois.

Sam Shapiro became the Governor of Illinois. I served with him in the legislature. My colleague, Senator Dixon, also served with him in the State legislature.

He was by any standard a really fine public servant. He lived up to the phrase "public servant."

He became Lieutenant Governor of Illinois and then became Governor of Illinois.

He and his wife, Gertrude, who unfortunately died a couple of years ago, had no children and in a very real sense they adopted the people of the State of Illinois.

He was a person who led in many fields; for example, the field of mental health. He was clearly a pioneer. One of the State mental institutions now is named for Samuel Shapiro.

He has been praised by people of both political parties since his death.

I ask unanimous consent to print in the Record a statement by Governor Thompson about Samuel Shapiro.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement of Gov. Samuel H. Shapiro

Illinois has lost a distinguished public servant, a man with a strong interest in government and a dedication to delivering the best possible services to people throughout this State.

Sam Shapiro was a man much loved in Illinois politics. He always maintained his interest in State government and making it better.

In his many years as a State legislator, Lieutenant Governor and Governor, Sam Shapiro never lost touch with the citizens who placed their trust in him, and he especially will be remembered for his successful efforts to expand and improve services to the mentally ill.

We came to office from opposing political parties, but Sam Shapiro put aside party differences to work with this Republican Governor for the betterment of the State. In addition to offering advice on an informal basis, he also served as co-chairman of the Election Reform Commission in 1983.

Although he left office 18 years ago, Sam Shapiro did not leave public life. He returned to his home in Kankakee, where his political career had begun as City Attorney and State's Attorney, and resumed his law practice. He proved that he still had much to offer the people of Illinois and he will be missed.

Mr. SIMON. I do not know there is anything further I can add, Mr. President. He was a friend, but not just a personal friend of Paul Simon, not just a personal friend of Senator Alan Dixon. He was a friend of the people of the State of Illinois. He was a friend of good government. He was the friend of the finest traditions in our country.

We have all suffered a loss with the death of Samuel Shapiro.

I yield back the floor.

GOVERNOR SAM SHAPIRO

Mr. DIXON. Mr. President, Senator Simon and I would like to take a few moments today to remember a great man—the former Governor of Illinois and our dear friend, Samuel H. Shapiro. Sam Shapiro passed away on March 16 at the age of 79.

He was known as Mr. Sam to many of us in Illinois. He became Governor in 1968 when Otto Kerner left office to accept an appointment to the U.S. court of appeals.

Before becoming Governor, Sam Shapiro long served the people of Illinois. For 35 years, he devoted himself to a career in public service.

He began that career in 1933 as city attorney in his hometown of Kankakee, and 3 years later, he took on the post of Kankakee County State's attorney in which he served until 1940. The Illinois House was fortunate in having Sam as a 14-year member. In 1960, he was elected Lieutenant Governor. As our current Governor Jim Thompson said last week, "Sam Shapiro was a man much loved in Illinois politics."

He did, in fact, win the praise of all. Richard B. Ogilvie, the man who defeated Sam in the gubernatorial election, said: "We became close personal friends over the years. I will miss him. He was a great Illinoisan."

Mr. President, Sam Shapiro was, above all, a humanitarian. The son of an Estonian immigrant, he made himself available for public service even after his retirement from public office. Much of his work revolved around the issue of mental health. During his house tenure, Sam Shapiro cosponsored the Illinois mental health code, the mental deficiency code, and other progressive mental health legislation, and he was chairman of the mental health commission established in 1955.

His work encompassed far more than his political and legal careers. He was a member of the American, Illinois, and Kankakee County Bar Associations, the Kankakee Chamber of Commerce, the Country Covenant Club of Illinois, as well as the American Legion. He also held the positions as president of B'nai B'rith and the national president of the fraternity Alpha Epsilon Pi.

Senator Simon and I both served with Sam Shapiro in the Illinois House and witnessed firsthand his dedication and commitment to effective and compassionate public service.

Today, Mr. President, we pay tribute to the memory of a great man and a great Illinoisan. Sam Shapiro's contributions to our State were exceptional and lasting. We mourn his passing but we rejoice in the privilege of having known him.

QUORUM CALL

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, important negotiations are going on right now with respect to amendments to the pending measure. I understand that it may take a while to work out the language of the amendments and to do the other paperwork.

Rather than put the Senate through a long, long quorum call, and keep Senators on the floor for that purpose, I have asked the managers, Mr. Proxmire and Mr. Garn, and the Republican leader, Mr. Dole, if it would be possibly profitable for the Senate to proceed to make haste just a little more slowly than just now and have a recess.

So I think that is the best way to approach the matter. In the long run we may make more progress.

RECESS UNTIL 1 P.M.

Mr. BYRD. Mr. President, I, therefore, ask unanimous consent that the Senate stand in recess until 1 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 11:50 a.m., the Senate recessed until 1:01 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Shelby).

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, Senators are still negotiating with respect to amendments to the pending measure. I understand it will take a little while yet. Rather than go into a long quorum call, I suggest that we have a brief period for morning business, that Senators be permitted to speak therein up to 10 minutes each, and that the period not extend beyond 30 minutes. I have not made the request yet, but I think that would be a good utilization of the Senate's time. There are Senators who wish to make some speeches on subjects that are not germane to the pending measure.

When I refer to permitting Senators to speak in morning business or a consent order permitting Senators to speak, that is exactly what morning business and my reference to it means—morning business.

POSTSCRIPT TO THE SENATE'S HISTORY—MORNING BUSINESS

Mr. BYRD. While we are waiting on somebody to speak, may I say that I, from time to time, have spoken on the U.S. Senate and its rules and its procedures. As a matter of fact, I have made 89 speeches on the history of the U.S. Senate over a period of 7 years, going back to March 21, 1980. Perhaps a little postscript to one of those speeches might be what I am about to say at this moment.

"Morning business" and the "morning hour" do not mean the same. The morning hour is the first 2 hours after the Senate convenes following an adjournment. Morning business is that period within the morning hour during which Senators may introduce resolutions, bills, petitions, or memorials; committees may report matters, and certain matters come over from the previous day, but no Senator may speak without consent other than simply to stand and say, "Mr. President, I send to the desk a bill on so-and-so." That is it. So if Senators are under the illusion that the period for morning business is a period during which Senators have a right to speak, that is not the case.

That is the reason for my consent request that Senators be "permitted" to speak during morning business, not that there be a "limitation" on speeches during morning business. To ask that there be a limitation on speeches during morning business is to imply that Senators have a right to speak during morning business, and that we want to put a limit on the length of the speeches. That is not the case.

Senators do not have a right to make speeches during morning business. So when the consent of the Senate is asked that Senators be permitted to speak during morning business, then if the Senate agrees to that, that is an order of the Senate, and Senators may then speak during morning business for whatever time the order provides.

Having said that, I see that the distinguished Senator from Florida, Mr.

GRAHAM, is on the floor and wishes to speak.

Inasmuch as the managers of the bill and Members who have amendments to the pending banking bill are working on language of amendments, and hopefully about to reach a compromise on amendments so that the Senate can get on with action on the measure and amendments thereto, and while they are doing that, and rather than just put the Senate into a long quorum call, I shall ask unanimous consent that there be a period for morning business at this time. Sometimes we call it routine morning business. The word "routine" means nothing. Morning business is explained in rule VII, call it routine or otherwise.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business not to extend beyond 30 minutes, and that Senators may be permitted to speak therein for not to exceed 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I believe the Senator from Florida wishes to take advantage of this opportunity to speak during morning business.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Thank you, Mr. President.

(The remarks of Mr. GRAHAM appear later in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

The PRESIDING OFFICER. The majority leader.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I am informed that there are no other speakers anticipated. I ask that morning business be closed.

The PRESIDING OFFICER. If there is no further morning business, morning business is closed.

Mr. BYRD. I thank the Chair.

RECESS UNTIL 2 P.M. TODAY

Mr. BYRD. Mr. President, Senators are still negotiating on amendments. I therefore ask unanimous consent that the Senate stand in recess until the hour of 2 p.m. today.

There being no objection, the Senate, at 1:19 p.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. REID).

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business not to exceed 15 minutes and that Senators may speak therein up to 5 minutes each.

The PRESIDING OFFICER. Hearing no objection, that is the order.

EXPANDING WORLD TRADE

Mr. ADAMS. Mr. President, in a few weeks, the Senate will debate legislation to help reduce our unprecedented and unsustainable $170 billion trade deficit. I intend to support constructive legislative efforts to achieve this goal. This means fashioning a bill which when implemented will expand world trade, not reduce it.

Clearly, there is no easy answer for our trade woes. Improving our performance in international trade will require continuing action by Congress which goes far beyond the legislation we will be debating in a few weeks. In addition to amending our trade laws to open foreign markets to U.S. goods, we have to reduce our Federal budget deficit, find a way to produce growth in the Third World so they can pay their debt and buy from us, and reform the international monetary system by stabilizing currency levels so that currencies cannot be used to distort buying and selling in the international market.

Above all, we must not try to save one industry by creating trade barriers which hurt others in our U.S. economy. We must find our niche in world trade. We will find our niche in world trade, and the Congress of the United States must join with the private sector, both management and labor, to do this. This means we must reject approaches like those advocated in S. 549, the Textile and Apparel Trade Act of 1987.

I have great respect for the author of this bill, Senator FRITZ HOLLINGS, but I am at the same time convinced that enactment of this bill will do tremendous harm to our international trading system.

I have reached this conclusion because, as a Senator from the great State of Washington, I have to look at trade from the export and import side. The State of Washington is a trading state dependent on exports and imports for its livelihood. We must not only be concerned about the impact that imports are having on our industries in the State, but also about our ability to export and to be competitive in the world economy.

In the weeks ahead, I will oppose Senate passage and enactment into law of S. 549. Officials in the Reagan administration have indicated that the President will veto this bill or any bill which contains such provisions. Should it come to this, I cannot support S. 549.

On the export side—and this is our deep problem—if this bill is enacted into law, it will immediately result in retaliation from our trading partners, especially in the Pacific Rim. In the Northwest, this retaliation would seriously damage our aircraft, agricultural, timber and other exports. In other areas of the country, other products would fall victim to the effects of this bill. The European Community already has indicated to the United States Trade Representative their intention to retaliate if this bill is passed. The Chinese have indicated that if they cannot continue to send their textiles in the United States, they will not be able to buy United States goods. Debt-ridden developing countries, such as Brazil, Philippines, and Mexico depend on the dollar earnings from their textile exports to pay their debts. To remove this source of earnings from these countries is to move toward a collapse of the international financial system and do damage to their future growth prospects. Such a result, of course, would harm our efforts to sustain democracies in these key countries and others similar to them.

On the import side, we will not have available many basic fabric which our domestic apparel industry uses to create clothing. We will lose jobs not only on the docks and in transportation, but in the assembling of clothes.

It is not just retaliation which concerns me. I believe that the potential for progress in solving some of our most difficult trade issues may be destroyed if we enact this proposed legislation. Secretary of Commerce Baldrige and U.S. Trade Representative Clayton Yeutter have stated that this bill violates the General Agreements on Tariffs and Trade and the Multifiber Arrangement [MFA]. If we enact this legislation, how can we hope to go forward and achieve our negotiating objectives in the next round of GATT negotiations pertaining to services, intellectual property rights, agriculture and other items?

Knowing this, I do not advocate we abandon our textile and apparel industry. They have legitimate concerns and we must try to address them in a reasonable way. Last year, out of these concerns, the United States successfully negotiated an extension of the Multifiber Arrangement for an additional 5 years. This new agreement extends coverage to previously non-MFA fibers like linens and ramie and provides for greater control over import surges. In addition to this, the United States successfully negotiated bilateral textile trade agreements with Korea, Taiwan, Japan, and Hong Kong to prevent unreasonable import growth.

These actions demonstrate that we have not abandoned our textile and apparel industry. This fact is reflected in the economic indicators of the industry, which have been very positive. Aggregate earnings for the textile industry more than doubled in the third quarter of 1986 over the same period in 1985, aggregate textile industry output reached its all-time high in the fourth quarter of 1986, and the textile industry's overall rate of capacity utilization reached 95 percent in the final quarter of 1986. These are not indicators reflective of a depressed, dying industry.

Unemployment in the State of Washington is over 8 percent, higher than the national average. The economy of Washington State is tied directly to an expanding and prosperous international trading system. As we move forward to consider trade legislation in the weeks ahead, we have to think about all of the jobs at stake in this trade debate, not just those which can be conveniently measured by a particular product. Over the long run, enactment of S. 549 will lose more jobs for America than it will save.

The only way we can save our economy in the world economy is to expand world trade and claim our part of it. If we shrink the international world pie and refuse to compete, we will surely lose it all.

I urge you not to support S. 549 and to support legislation to expand world trade so that we may all share in this type of activity.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2:30 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 2:17 p.m., the Senate recessed until 2:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Reid).

The PRESIDING OFFICER. The majority leader is recognized.

EXTENSION OF TIME FOR ROUTINE MORNING BUSINESS

Mr. BYRD. Mr. President, so the Members who are managing the bill may have a little additional time—I understand they are making good progress—I ask unanimous consent that there be a brief period for the transaction of morning business for a period not to exceed 20 minutes. Senators may speak therein for not to exceed 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE EFFECTS OF A VETO OF H.R. 2

Mr. BURDICK. Mr. President, I am very concerned to learn that President Reagan is considering a veto of the conference report on H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act.

Seven congressional committees have participated in an extremely difficult conference this year after failing last fall to come to any agreement. The result is a compromise and like all compromises it is not perfect, but it is a solid agreement.

It does mean that title 1, the Federal-Aid Highway Act of 1987, can be enacted in time for the 1987 construction season. This has been a top priority for the Committee on Environment and Public Works. And it matters to everyone who relies on a safe, reliable highway system.

Rejection of this important bill will mean the immediate loss of $13.5 billion in new authorizations for the current fiscal year and between 500,000 and 800,000 jobs.

There will be no highway apportionments for any of the 50 States, the District of Columbia, Puerto Rico, or the Territories. Motorists will continue to pay user taxes into the highway trust fund, and they will continue to receive nothing in return.

Everyone who depends on highways will lose if there is a Presidential veto and if it is sustained. News stories over the last few days have referred to the President's opposition to the "budget-busting, pork-barrel" transportation bill.

I think the President may be basing these statements on faulty information. This bill has been scored by the House and Senate Budget Committees as meeting the Gramm-Rudman-Hollings spending requirements and the spending limits of the fiscal 1987 budget resolution.

The President's view may be that any legislation not in accordance with his own budget is a "budget-buster." However, budget concerns are shared by the legislative and executive branches, and the highway bill conforms to existing budget requirements.

The "pork-barrel" charge is also inaccurate. In the past I have not supported demonstration projects. However, after participating in two conferences in the past 6 months, I can say that there would not have been a conference agreement without a compromise on this issue.

The compromise includes cost-sharing, a one-half percent minimum for all States, and funding significantly below the levels sought by the House.

This may not have been a perfect solution, but for those serious about a highway program, it has meant a conference agreement and the possibility of a 1987 construction season. The alternative would have been another failed conference and paralysis for the highway program nationwide.

I also remind the critics that funding for demonstration projects amounts to a little over 1 percent of the total authorization for highways; it seems to me highly unreasonable to veto nearly 99 percent of the regular highway funding in the process.

If this bill is defeated, there will not be action on highway legislation any time soon. The American Association of State Highway and Transportation Officials has estimated that if legislation is not enacted by September 1, 1987, 5,094 projects valued at $8.2 billion will be delayed.

That may very well happen, even though reauthorization of the Federal-Aid Highway Program is, in my view, absolutely essential. Finally, I would like to mention the speed limit issue.

Motorists throughout the country have voiced strong support for the provision in the bill to allow States to raise the speed limit on their rural interstates to 65 miles per hour.

Highway formulas, apportionments, cost estimates, and other elements of the program are not widely understood, but the general public understands that this bill gives States the option to increase the speed limit.

Change is not mandated; the responsibility for making the decision is simply returned to the States. If Congress is unable to take this step now, it appears that speed limit reform will also be on hold indefinitely.

There will be major transportation and economic repercussions if highway legislation is not enacted now. I hope the President reconsiders his position on the conference report on H.R. 2.

This legislation provides funding for transportation improvements that are vital to every State, every highway user, and every businesss and industry relying on the highway network to provide goods and services.

The Highway Program has been delayed for nearly 6 months now; I urge the administration to act quickly. It is my hope that the President will focus on the substance of the bill and join with the Congress in reauthorizing the Federal-Aid Highway Program.

Mr. President, this morning, the American Association of State Highway and Transportation Officials, which is composed of the top officials of all the State departments of transportation, sent a copy of a policy resolution passed by their organization urging that H.R. 2 not be vetoed and that if a veto does occur, it be overridden.

I ask unanimous consent that a copy of the AASHTO policy resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

AMERICAN ASSOCIATION OF STATE
HIGHWAY AND TRANSPORTATION
OFFICIALS,
Washington, DC, March 25, 1987.

Hon. ROBERT BYRD,
Majority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR BYRD: Congressional staff have inquired of the Association as to what the position of the state departments of highways and transportation is with regard to a veto of HR 2, the bill reauthorizing the highway and transit programs. We accordingly undertook a ballot to find out, and are now in a position to convey the results to you.

Enclosed is a copy of a policy resolution that urges HR 2 not be vetoed, and that if a veto does occur that it be overridden, for the reasons stated. As is required by the procedures of AASHTO, this resolution has the support of more than two-thirds, or 35, of the 52 member departments. The Association, as you are aware, is comprised of the departments of highways and transportation in the 50 states, the District of Columbia and Puerto Rico.

We trust that this official position of the Association will be taken into account, at such time as Congress may be called upon to address a Presidential veto of HR 2.

Very truly yours,
FRANCIS B. FRANCOIS,
Executive Director

OFFICIAL BALLOT ON PROPOSED POLICY RESOLUTION RELATING TO POSITION ON VETO OF HIGHWAY AND TRANSIT REAUTHORIZATION BILL

Be it Resolved, That the Board of Directors/Policy Committee of the American Association of State Highway and Transportation Officials hereby adopts the following position with regard to veto of the highway and transit reauthorization bill passed by Congress in March, 1987:

The member departments of the American Association of State Highway and Transportation Officials have reviewed the highway and transit reauthorization bill enacted by the Congress. We find that it includes a number of provisions that will advance the nation's highway and transit programs, including funds to complete the Interstate highway system. We also find that it includes provisions in conflict with Association policy, and that it does not fully utilize the revenues into the Highway Trust Fund. The compromise represented by the bill thus troubles many member departments. But given the great need for a highway and transit bill as soon as possible, to avoid further disruptions to the nation's transportation system and possible loss of the 1987 construction season, the Association believes that it is in the best interests of the nation that the highway and transit reauthorization bill passed by the Congress, become law as soon as possible. Accordingly, the Association does not support a veto of the legislation, and believes that if a veto occurs the Congress should vote to override it.

Mr. QUAYLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

THE ABM TREATY

Mr. QUAYLE. Mr. President, 2 days ago, I said I had some new evidence indicating that the Soviets have always known the ABM Treaty was broad enough to let us research, test, and develop space-based strategic defenses.

Before presenting that evidence, however, I would like to make a point which, unfortunately, has not been a part of our debate over this treaty—a treaty, by the way, which has reduced our strategic defenses to a shambles in the past decade.

While we are considering limits we believe the treaty imposes on research, testing, and development of antiballistic missile systems, we must also look very carefully at the ABM Treaty constraints the Soviets have acted under.

Because the Soviet Union is our partner in this nuclear deterrence pact, their actions in the nuclear arena have a profound effect on our national security efforts.

To consider limiting our own strategic defenses under the ABM Treaty without considering how the Soviets have interpreted that very same treaty is not only foolish, it is dangerous to the welfare of this Nation.

When the United States signed the ABM and SALT I Treaties in 1972, we did so with the understanding and the hope that the Soviets would adhere to the concept of mutual assured destruction.

Well, even a brief review of history shows that not only have the Soviets rejected mad, a strong case can be made that they used both treaties to accelerate their strategic defense technologies and to overtake our first strike strategic offensive forces.

The Soviets have liberally interpreted the ABM Treaty for years because, as even their public statements indicate, they place a high premium on strategic defenses.

It is for this reason that the Soviets have developed and deployed extensive strategic air defenses, two generations of ABM systems around Moscow and antitactical missile systems, even as we were abandoning our own strategic defense efforts.

Now, some 15 years later, the Soviets have decided that the ABM Treaty, in fact, places very strict limits on certain types of strategic defenses. Why? And why now?

The answer to that question is contained in a letter to me that I believe contains evidence demonstrating just how blind our current debate is about the ABM Treaty.

Late last year, I met with our deputy defense and space group negotiator, Ambassador Henry Cooper, to talk about the Soviets' posture on the President's strategic defense initiative.

What Ambassador Cooper had to say about the Geneva talks and the Soviets' interpretation of the ABM Treaty were astounding, so I asked him to put his observations in writing.

Three of the most significant points Ambassador Cooper made during our discussion were:

First, that the Soviets were so convinced that the ABM Treaty did not—and I repeat, did not—limit the testing and development of futuristic, space-based defensive systems that they sought a separate accord to ban such activities.

Second, that when the Soviets approached us 2 years ago with their proposal for a separate ban on space-based ABM systems, our negotiators in Geneva were genuinely perplexed because they assumed that such systems were already covered under the ABM Treaty.

Third, that it was this Soviet proposal—and our own confusion about it—that sparked an intensive internal review of the ABM Treaty negotiating record by the Reagan administration.

As Ambassador Cooper noted:

> Their proposed ban of space-based ABM systems * * * puzzled us because it seemed redundant with existing U.S.-Soviet obligations under article V of the ABM Treaty.

As a result, Ambassador Cooper said, our internal review of the negotiating treaty was not—and I underscore "not"—"undertaken out of the blue to 'torpedo the treaty,' as some have suggested."

It was only after a comprehensive review of the negotiating record that some light was shed on the puzzle.

"That review led to the conclusion that the Soviets never agreed to include ABM systems based on 'other physical principles' in the article V prohibition," Mr. Cooper wrote to me.

In fact, the Soviets apparently agreed in 1972 to only one limit on such futuristic ABM systems: That neither side would deploy such a system without first negotiating an amendment to the ABM Treaty.

When the United States suggested in late 1985 that perhaps we would interpret the treaty broadly, the Soviets did an about-face and demanded a quite restrictive interpretation of the treaty.

This Soviet move was understandable, Mr. Cooper noted, because:

> Our decision to constrain the SDI Program to be consistent with our previously held view of the terms of the treaty puts them in the best of all worlds.
>
> The U.S. has legitimized the "broader interpretation" for them * * * while continuing the narrow restraints on activities under the SDI Program.

Finally, Mr. Cooper made one other point: That private conversations with Soviet negotiators have confirmed his belief that the Soviets have broadly interpreted the ABM Treaty for years.

This last point is one I think we need to keep firmly in mind as we continue our debate over the ABM Treaty and the limits it places on our SDI Program.

Mr. President, I ask you: If the Soviets have aggressively developed ABM systems as a result of their own broad interpretation of the ABM Treaty, how can it possibly be in our own best interests to continue to interpret that same treaty narrowly?

I ask unanimous consent that the text of Ambassador Cooper's August 29, 1986, letter to me be printed in the RECORD.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF STATE,
Washington, DC, August 29, 1986.

Hon. DAN QUAYLE,
U.S. Senate,
Washington, DC.

DEAR SENATOR QUAYLE: As you requested, I am writing to provide the substance of our conversation last week regarding my perception, based on our negotiations since March 1985, of the Soviet views on the restraints on development and testing of "future technologies" under the ABM Treaty. I trust these thoughts will be useful to you in your discussion with your colleagues in the Senate.

The March 1985 Soviet proposal (which is still on the table) included a ban on the development, testing and deployment of so-called "space-strike arms." The Soviets have defined "space-strike arms" to include all space-based ABM systems and components, all space-based weapons capable of attacking targets in the atmosphere and on Earth's surface, and anti-satellite (ASAT) systems of all basing modes. (Notably they left out ground-based ABM systems, which have been the focus of most of their ABM research, development and deployment activities.)

Their proposed ban on the latter two categories (i.e., space-to-earth weapons and ASATs) clearly went beyond existing international commitments. But their proposed ban of spacebased ABM systems at first puzzled us because it seemed redundant with existing U.S.-Soviet obligations under Article V of the ABM Treaty. (They did propose to ban all "scientific research" as a part of development, which went beyond the ABM Treaty, but we never took that as a serious proposal.)

Light was shed on this puzzle last year by an intensive internal review of the ABM Treaty negotiating record. During our second round, we began to draw upon that record to refute Soviet charges regarding the legitimacy of the SDI program under the ABM Treaty. Following these initial discussions with the Soviets in the second round, a very comprehensive review was undertaken in Washington between the second and third rounds, and during the third round. That review led to the conclusion that the Soviets never agreed to include ABM systems based upon "other physical principles" in the Article V prohibition. The only limitation on such ABM systems and components agreed to by the Soviets was included under Agreed Statement D which prohibits deployment without negotiation and amendment to the Treaty, but not development and testing of such systems and components.

As Ambassador Gerard Smith makes clear in his book, "Double Talk," the Soviets opposed all limitations on future ABM systems. Indeed, the earliest versions of the draft Treaty tabled by both sides were understood by both sides to apply to only then-current technologies. After the U.S. Government decided (following substantial internal debate as described by Ambassador Smith) to seek limitations of "future" ABM systems as well, the U.S. Delegation pursued that objective with diligence. Just as diligently, the Soviets opposed the U.S. objective. Careful study of the record shows that neither side was totally successful, and both sides were partially successful, in achieving their objectives. The U.S. objective of a limitation on ABM systems based on "other physical principles" was achieved, and that limitation was embodied in Agreed Statement D. Ambassador Smith points to this achievement with legitimate pride in his book. (See p. 344 in the attached excerpts.) But he did not get everything he wanted; the record shows that the Soviets did not accept Article V to apply for substitute "devices" for ABM components (i.e., ABM interceptors, ABM launchers, and ABM radars) in spite of the U.S. negotiators' best efforts to get them to do so.

In this light, we now understand that the inclusion of all space-based ABM systems and components in the March 1985 Soviet proposal to ban "space-strike arms" was not redundant with prohibitions under the ABM Treaty—as we first thought in March 1985. Furthermore, I believe the Soviets probably had believed, since 1972, that the ABM Treaty permitted development and testing of other than fixed land-based ABM systems composed of ABM interceptors, ABM launchers and ABM radars. This was their "half-a-loaf" in 1972. Some of my conversations with my Soviet counterparts, prior to the U.S. public announcement of the results of our comprehensive review tends to confirm this view. Since then, the Soviets have adopted a uniformly contrary view. This is understandable, because our decision to constrain the SDI program to be consistent with our previously held view of the terms of the Treaty puts them in the best of all worlds. The U.S. has legitimized the "broader interpretation" for them, if there was any doubt, while continuing the narrow restraints on activities under the U.S. SDI program. Their public position is no doubt intended to provide pressure to help perpetuate this situation.

I want to emphasize again that I believe our Negotiating Group, because of our dialogue with the Soviets in Geneva, stimulated the study by Defense, State and ACDA last summer and fall. The study was not undertaken out of the blue to "torpedo the Treaty" as some have suggested. It was a logical consequence of our negotiations. Indeed, the absence of negotiations on strategic defenses since 1972 was probably the reason why this was the first time such a comprehensive study of the negotiating record was undertaken. This is itself a rather startling fact.

From my personal study of the 1972 negotiating record and the 1972 ratification hearings, I believe what happened was simply that many on the U.S. side believed they achieved their negotiating objective of including ABM systems based on "other physical principles" under the Article V prohibitions. I believe the Soviet negotiators probably returned to Moscow believing they had agreed to limit deployment of such systems, but that they had a partial victory in not prohibiting their development and testing. I have no doubt but that if we had observed the Soviets conducting such development and testing of Article V systems based on "other physical principles," they could have explained the legitimacy of their activities with a clear rationale, based upon the Treaty and negotiating record. And our lawyers would have argued they had a case difficult to refute. I trust the current study of the record by the Senators will arrive at the same conclusion.

Best regards,

HENRY F. COOPER,
Deputy Negotiator,
Defense and Space Group.

THE STORY OF SALT I

(By the Chief American Negotiator, Gerard Smith)

The President at this time also decided another ABM matter somewhat picturesquely called "futuristics." This label referred to as yet undeveloped laser, high-energy-radiation, or other techniques for anti-ballistic missile systems. These kinds of ABM systems might be deployed in the late 1980s. Should the ABM agreement limit only present applications of ABM technology—interceptor missiles, and their launchers and radars—or should it ban possible future methods? It is generally thought that SALT I resulted only in limitations on numbers of ABM systems, not on their characteristics. Not so. The negotiation about future ABM systems was as significant as any part of SALT.

Futuristics was a controversial issue. Harold Brown and I were convinced that the ABM agreement should not permit deployment of future type systems. Paul Nitze also favored banning them, but with an exception for what are called sensors, which could perform the tracking and guidance functions now handled by radars. We felt that not to shut off future type ABM systems would be a clear invitation to weaponeers to try to fill this treaty loophole. Ambassador Parsons and General Allison wanted any such systems to be unconstrained until such time as the technical and strategic possibilities became clearer and one could better judge the effects of a constraint.

A number of us saw in this issue a clear opportunity to stop the inevitable further march of ABM technology. Qualitative limitations are much more difficult to negotiate than quantitative, since it seems to be an article of faith in military thinking that the advance of technology cannot and should not be stopped. Here was a chance not just to limit numbers of ABM sites but also to control characteristics of ABMs. We argued that there was no sense in an agreement which would have the effect of permitting deployment of even a nationwide ABM defense simply because it did not use present types of systems involving interceptors launchers and radars.

Just before the delegation tabled the U.S. draft ABM agreement on July 27 we were instructed to have a blank paragraph for futuristics pending the outcome of a Verification Panel study. Feeling strongly about the issue, I sent messages to the White House emphasizing the political and arms control reasons for banning futuristics. The general public expectation was that we were trying to limit all kinds of ABM systems, future as well as present. There would be congressional criticism of an approach limited just to existing types of ABM systems. More importantly, if we did not get a ban on futuristics, in a short time there would be a competition in them just like the one we were presently trying to stop. What was the logic of trying to ban the upgrade of anti-aircraft systems while allowing testing and deployment of future types of ABM systems? If we were trying to reach a more stable situation, I argued, it would be foolish to leave the door open for competition in advanced destabilizing systems. It is easier to control weapons before they come into being than after.

If, as had been decided, U.S. security would be improved if both sides could not deploy area-wide ABM systems of present technology, it was hard to understand why the situation should be different regarding next-generation technology. Finally, since research on future systems would not be limited, the United States would have insurance against their possible deployment by the Soviets in violation of a ban.

In August, before the final futuristics decision was made, I wrote the President asking that he consider my personal views. This was a more important issue than ABM levels and radar restrictions. It posed a basic question—did we seek an ABM constraint to provide greater stability by assuring maintenance of retaliatory capability, halting a build-up of defensive systems that could threaten that capability, lessening pressures for unnecessary build-up of offensive systems—or were we looking for just a temporary truce on ABMs until such time as more effective futuristic systems were developed and deployed? The latter approach ran counter to U.S. strategic policy and public statements on the destabilizing effects of nationwide ABM defenses. It could well lead to a race for futuristic systems and merely put off the danger we were trying to preclude in SALT. If future ABM systems were not to be limited, the onus should rest on the U.S.S.R.

I was glad when the President made an affirmative decision and I took special satisfaction in tabling the U.S. proposal: "Each Party undertakes not to deploy ABM systems using devices other than ABM interceptor missiles, ABM launchers, or ABM radars to perform the functions of these components."

Semenov quickly expressed doubts as to the appropriateness of the proposal. But he said his government would study it. I pointed out that there were precedents for banning deployment of future types of weapons in the treaties banning weapons of mass destruction in outer space and on the seabeds. Why should there be an exception in the ABM case? Uncertainty would increase if future ABM systems were not banned.

Soviet military officers thought it was not reasonable or necessary to include a provision covering undefined systems, essentially the same arguments made by their American counterparts. Some Soviets seemed to consider our proposal more a fishing expedition for intelligence than a negotiating initiative. They said a provision permitting review and amendment of the ABM Treaty would be sufficient. We were proposing to limit systems not known to anyone. They said this was not a correct approach. It could refer only to something that was amorphous and not subject to clear determination. I said I had too high an opinion of Soviet weapons designers to agree that they did not have any ideas about possible future ABM systems. Anyone could learn from unclassified literature that there were ABM concepts other than those already developed. Informally a U.S. official referred a Soviet to one unclassified article about future types of ABM systems. We said it would be a cruel illusion for people to think that we had limited ABMs without checking the possibilities of future technology.

The Soviets continued to oppose a futuristics limitation at Helsinki, but the groundwork had been laid for a solution suitable to both sides which was reached the following year.

The ABM futuristics question was now resolved to our satisfaction. The Soviets urged that including unknown matters (like future ABM technology) in a treaty would create endless arguments and suspicions. Such an important document must be precise. As for my citing the Outer Space and Seabeds Treaties as precedents, their obligations were much more general than ABM limitations and dealt with weapons of mass destruction. The sides could not discuss questions not known to anyone. Our task was to limit deployment of known ABM components. The ABM Treaty would be of unlimited duration and the sides were agreed on provisions for amendments and periodic reviews. Systems that might be developed using other than current types of ABM components could be discussed in the Standing Consultative Commission. Accordingly, they considered the proposed futuristics provision not suitable for inclusion in the treaty.

I argued that in that event there would be a tendency on both sides to design systems that were not limited. I was sure Semenov would recall the experience with the naval limitation treaties of the 1920s and 1930s. Naval architects had gone to work to design around them. Semenov asked if I had in mind circumvention of the treaty. I said that technically this would not be circumvention, but more like a license to find ways of doing things that were not prohibited. I had once heard President Eisenhower say that wars have a dynamic of their own. I believed that weapons design also had a dynamic of its own. It was in the interests of both countries to outlaw future ABM systems before they were deployed.

An agreed interpretation was finally worked out.

In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the treaty, the parties agreed that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such systems and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

Under Article III of the treaty the sides agreed not to deploy ABM systems or their components with two exceptions, both of which only permit ABM systems which use launchers, interceptors and radars. Thus, taking the agreed understanding together with Article III, systems employing possible future types of components to perform the functions of launchers, interceptors and radars are banned unless the treaty is amended. This statement was initialed by Semenov and me on the day the SALT agreements were signed. As an initialed common understanding, it is as binding as the text of the ABM Treaty.

COMPETITIVE EQUALITY BANKING ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, I wish this afternoon to lend my voice to those supporting Senate Bill 790, the Competitive Equality Banking Act of 1987. I take this opportunity, Mr. President, to commend the chairman of the Banking Committee, Senator PROXMIRE, for the extraordinary leadership he has displayed in putting together what I consider to be a well-crafted bill. Our chairman has succeeded in bringing together a consensus on some of the most contentious issues that we will have to face this year and certainly some of the most contentious issues in the whole field of the financial services industry. I commend him for it. I think he has done yeoman work in getting a solid majority of the committee in a bipartisan vote to support this legislation.

Now, we no doubt will hear and have heard from those who argue that this bill has its shortcomings, but I think we need to focus our attention on the many positive features of S. 790.

First and foremost is the recapitalization of the Federal Savings and Loan Insurance Corporation. As my colleagues know, some sectors of the thrift industry continue to be plagued with financial difficulties. Losses in the thrift industry stood at some $3.6 billion in 1985. This figure increased to over $5 billion just this last year.

Needless to say, Mr. President, these problem thrifts are taking a grave toll on the FSLIC. The operating losses at these troubled thrifts exceed annual income of the FSLIC. As is pointed out in the committee report accompanying S. 790, the estimated resolution costs for the most serious cases substantially exceeds immediately available assets of the FSLIC.

In addition to these costs, there is another danger inherent in such problem thrifts. If we continue to let this situation go unchecked, we run a great risk of undermining public confidence in thrift industry. This is a tragedy which can and must be avoided. The overwhelming consensus of thrifts in this country continue to operate on a sound basis. Yet, the problems of those thrifts which are experiencing trouble might well cloud the public's view of all thrifts.

That is why we must place such importance on title III of S. 790 which recapitalizes the FSLIC. Title III moves to quickly assist the FSLIC in dealing with problem thrifts. In so doing, we are not only shoring up a financial institution; we are bolstering as well public confidence in the thrift industry.

My colleagues will recall that we attempted to address this matter late in the 99th Congress. Many of us in the closing days of that Congress spoke out on the need for remedial action at that time. Unfortunately, we were unable to move forward with a legislative cure before the close of the 99th Congress. I am particularly pleased that the Banking Committee returned to this issue expeditiously; addressed the problem head on and came up with a workable solution to FSLIC recapitalization.

I am also pleased with how we go about recapitalizing the FSLIC in this bill. The most serious proposals for recapitalizing the FSLIC were those advanced by the Treasury Department and the U.S. league of savings institutions. The Competitive Equality Banking Act strikes a compromise between these two. Our bill follows the funding framework set forth in the Treasury Department proposal, but goes forward with a borrowing limitation of $3.75 billion, which will result in about $5.4 billion in available funds for 1987. The borrowing limit is closer to that suggested by the league than the figure proposed by the Treasury.

Perhaps most important when considering the FSLIC recapitalization title of S. 790 is how we go about the refinancing. Our proposal does not call for direct Government funding. Those institutions which are insured by the FSLIC provide the financing for the necessary recapitalization. In short, we address a very real problem in a timely, responsible manner.

This legislation goes on to address several other pressing issues which have been the topic of heated debate for several years. Title I closes the nonbank bank loophole and title II imposes a 1-year moratorium on certain expanded banking powers. These titles achieve some very important goals.

First, we close the nonbank bank loophole as of March 5 of this year. Over the past few years we have witnessed dramatic erosion of our historic distinction between banking and commerce. As a result of a loophole in the Bank Holding Company Act, we now have a situation where virtually any company can go into business as a bank.

As a result, we have seen a virtual explosion in the financial services industry. Advocates of nonbank banks point to the many innovations which flowed from this virtual financial revolution and argue that the consumer has greatly benefited. While there may be merit in such arguments, it is equally true that this financial revolution has severely strained competitive equity within the financial services industry and poses risks to the financial system.

It is the judgment of the majority of the Banking Committee that we need to examine this financial revolution in some detail. What are the benefits and what are the risks which are attendant to the rapid growth of nonbank banks? What has this financial revolution done to the competitive position of commercial banks? These are questions that we do not have a good answer for at the present time.

Some contend that an easier solution to this problem would have been to immediately level the playing field in financial services markets. Advocates of this approach argue that we should deregulate the financial services system and see where that takes us. Perhaps they are right, Mr. President, but I think the greater part of discretion would be to examine this situation very carefully before we run pell-mell down the road of dismantling a financial system which has served this great economy of ours so well for well over a half-century.

The bill before us follows the approach of caution, of using discretion, of time for a scholarly review before taking action that we may look back at in months or years and say was precipitate. As some of my colleagues have pointed out, new powers for banks must be evaluated carefully. Some agree that banks need new powers to compete on a level playing field, and I am not prepared to disagree with that assessment today. But new powers for banks must not be approached casually. We must insure that any new powers for banks must be considered as part of our efforts to continue to foster and permit innovation in the financial services industry and still maintain safety and soundness in the banking system.

That is what this legislation attempts to do. It aims to compel all the parties with an interest in financial services to sit down and take a hard look at it, to work together to try to fashion a workable solution. We need all the players to engage in the debate on the future shape of the financial services marketplace. But even more than that, I think we need to hear from those who do not have an immediate, vested interest in what occurs. I would like to hear from the scholars in this field, those from the great universities, who study these questions, those who can give us some historical perspective, and those who might be able to help us charter a course for the future that would be beneficial to the whole economy of this country.

We need all players to engage in the debate on the future shape of the financial services marketplace. I believe that sections I and II of S. 790 provide the necessary incentives to ensure that both nonbank banks and banking groups will have a strong interest in resolving their many disputes in restructuring the financial services industry.

In addition, we provide the time necessary for appropriate congressional review and evaluation of the proper role of not only the various financial institutions involved, but also of the proper role of the Government in overseeing these institutions as well.

Mr. President, two titles of S. 790 which have drawn little attention in this debate are equally deserving of action at this time. Title IV of the bill provides expanded powers for Federal regulators in arranging the sale of failing banks to interstate buyers. This is a question which the committee has focused on for some time. By facilitating such acquisitions, the steps outlined in S. 790 should help address a very real problem and help prevent the loss of depositor confidence and economic dislocation which follows the closure of local banks.

Finally, title VI sets forth new procedures banks must follow on consumer checking accounts. The Banking Committee has heard from numerous witnesses of the problems facing consumers who have had checks bounce on them because their bank has put a hold of 1 to 2 weeks on checks that were deposited into accounts of consumers. Indeed, our hearing record discloses that lengthy delays in credit accounts is a common practice among banks. This is the case even for checks issued within the same town or by government bodies.

As the committee report correctly points out, this policy of lengthy check holds not only wreaks havoc on one's personal finances, but can be the source of great embarrassment as well. Having to go through the process of calling merchants to explain why a check has bounced simply because your bank put a check hold of 2 weeks on a check deposit is an experience none of us would relish.

The bill before us takes several steps to curb this problem. First, we require greater disclosure of a bank's check-holding policies. Second, we require the Federal Reserve to move to a check clearing system which requires fund availability within no more than 6 days to begin 12 months after enactment of this legislation. Third, we require greater improvement over a 3-year period to get down to either a 3 or 4 day funds availability period.

In short, Mr. President, this legislation addresses many lingering problems facing both consumers and the financial services industry. The legislation which has come to the floor under the stewardship of Senator PROXMIRE I think is a good beginning. It takes care of one of the most urgent pieces of business, that is recapitalizing the Federal Savings and Loan Insurance Corporation.

It says to shareholders in savings and loans all across the country not to worry, the Federal Savings and Loan Insurance Corporation stands behind your deposits. It sets the stage for a long-term solution to the question of where our financial markets are headed in the 21st century and how the Government should respond to the revolutionary changes occurring in this sector. It addresses one of the most vexing problems facing consumers, and that is unreasonable time periods for holding checks before honoring them and paying the proceeds.

So, in summation, S. 790 is a major step forward. I urge my colleagues to lend their support to this important measure.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise briefly to comment on the discussions that have been taking place concerning the Competitive Equality Banking Act which is before the body now under the direction of our distinguished—and would it greatly trouble the Senator from Wisconsin if I referred to him as our beloved senior colleague? There comes a time in life, when you are the third ranking Member of the U.S. Senate, one of the great public men of this age, that you have no alternative but to recognize the way you are regarded, not by every banker in the country, perhaps, but by everyone else.

Mr. PROXMIRE. May I assure my friend from New York there is no other adjective I would rather have applied.

Mr. MOYNIHAN. Mr. President, I would like to comment on the very extensive negotiations which have been made so far with our distinguished chairman and our new colleague and already remarkably learned Senator from Louisiana [Mr. BREAUX].

It is surely clear to the Chamber, and to none more than the chairman of the Banking Committee, that our banks find themselves in an extraordinary situation with respect to the work they are expected to do, with generations-old restrictions on bank activities, on conditions of banks' conduct, required reserves, audits, all very useful in themselves, and the fundamental principle that there would be a division between the provision of credit and the commercial activities which might seek credit, which is a worthy policy, a policy which originated with the public good in mind.

Well, a series of events, a series of lawyer-like discoveries of loopholes have brought opportunities to corporations not so encumbered with protections and restraints to enter fields that had been preserved to the banks because they have accepted the encumbrances and restraints. That was the quo for the quid. I mean, in return for the restrictions that are applied, there was a preserve for their activities, so the banks competed with one another but not with nonbanks. That has all changed.

In addition, we have seen the appearance offshore of two enormous financial centers, both venerable, one the oldest, and that is the London and the Tokyo financial markets. The U.S. Congress, with its Interest Equalization Tax Act, drove the Eurobond market to London. And we look up to find there is more U.S. corporate debt traded in London than in the United States itself. We look at a situation where, in 1970, of the 10 largest banks in the world, 6 were from the United States. Now only one is.

This is a situation which has prompted serious executives in firms that we have associated with banking for a century or more to ask: "Should we give up our bank charter? Are the restrictions which apply only to us so great whereas the protected preserves that we once had so invaded that there is no possibility to survive?"

I know the chairman has wanted to change this. I know that he is intent on doing that to the degree that he can find a majority to support him. He should know, and he does, that the idea of a moratorium of even a moderate period of time alarms responsible persons—and I think I can tell one from the other—in these matters. They have seen change come so fast that, even in other eras what would be an entirely moderate delay, is almost threatening in this context, and even more so if there is any possibility that the moratorium we consider today might be extended.

Therefore, I would like to record my great satisfaction that we are going to write into title II of this bill a date certain by which the moratorium will be at an end. I would have wished that it expire at an earlier date, such as the end of this calendar year. But if it is March 1 of the next year, it is, even so, a date certain.

In addition, the chairman has been willing to make an important concession—hardly a concession, because the chairman is not trying to make this difficult—which is to say that the Federal Reserve Board may continue to entertain applications for additional powers, permissions to do certain things which we are contemplating—not finally agreeing to, but clearly contemplating—such that Federal Reserve Board approval may be granted pending the decision of the Congress in the matter. Thus, the time consuming, lawyer-invoking and involving procedures can take place and, if approved by the Federal Reserve and if then authorized by the Congress—which legislates, does not regulate—can take effect March 2 and be right there on the shelf waiting to go, as, for example, would be the application of the Chase Manhattan Bank which received permission from the Federal Reserve but, as I understand it, conditional upon this legislation. Nonetheless, it will be out there at a time certain, we hope, to be invoked.

I think these are important improvements. I think these respond to a quiet crisis in the banking community that threatens the credit structure that has financed American industry for two centuries. We are so used to it that we cannot imagine, were it gone, that it could be gone.

I express my appreciation to the chairman for his efforts in this regard, which made me feel very much better about the legislation.

Mr. PROXMIRE. Mr. President, I thank my good friend from New York. I never hesitate to be awed by his remarkable knowledge in fields that he is not a member of, like the Banking Committee. But he knows as much about this field as those of us who are on the committee. He has served for a long time and, of course, he is an expert in many, many other areas, too.

The remarks about the moratorium are exactly right. The purpose of the moratorium is to do everything we can to provide an environment in which the committee and the Congress will act. We want to act. We want to set policy ourselves. We do not want policy to be set by the court or by loophole lawyers or by interpretations that really will create a chaotic situation.

I realize that a Senator from New York, representing the greatest banks in our country, in size certainly—the big money center banks are concentrated overwhelmingly in New York—has to be very concerned about a moratorium which sets a limit on the Federal Reserve Board providing an opportunity for the banks in his constituency to expand.

We have modified what was in the bill, as the Senator has indicated, to make sure it is not a year after enactment, which could be sometime in late 1988, to make it, as the Senator has said, I think it is March 2, 1988. And, as the Senator knows, the way the Congress operates, that means that the Senate is probably going to have to act, since we are the driving force here—seem to be—we are going to have to act this year, probably this summer. We are going to have to act in a hurry on what I think will be the kind of legislation which will really determine the financial structure this country is going to have for a long, long time.

So we are going to have to work very intently in hearings, we are going to have to mark up our bill, and we are going to have to act this summer, at the very latest, this fall, because we can anticipate that the House will then act and we will have to go to conference and so forth.

And the Senator is exactly right in stating the situation. Meanwhile, the Federal Reserve Board will be able to provide help, as Chairman Volcker has indicated. For instance, Chase Manhattan can sell off commercial paper. But their power for them to do so is hedged by a limitation on what the Congress decides to do. In other words, if we decide before the end of March to change the law and to provide that the banks can have some powers—for instance to underwrite mortgage-backed securities and so forth but not commercial paper—that particular power might go. I think it is very hopeful, and I very strongly believe that they should be able to underwrite commercial paper. If there is any area where the banks are expert, it is in that area.

There is no question of safety and soundness. There is no question of conflict of interest. There is every reason why banks should be in that field. They can provide highly professional competent competition. So I am all for it. But whether we can bring the Congress along on that, we will just have to see. We are setting a very, very limited period of time, really considering how the Congress acts, for us to do this.

But I want to thank my good friend from New York for stating the case so fairly. I recognize the great difficulty for him because he does represent, as I say, the outstanding money center banks in the country.

Mr. MOYNIHAN. I would like to thank the chairman, if I may, and observe that there have been long intervals taking place between the time that the Congress has acted; but when it finally faced the situation, it has shown the capacity in this century, as against the last, to act with some expeditiousness and effectiveness.

In the first years of the second century, the Federal Reserve System was put together with great expedition. In the two decades later, Glass-Steagall again passed within a year's deliberation, and now a half-century has passed and it is the task of the Senator from Wisconsin to put a new configuration into the credit markets of America so that they can compete in the world. And he knows that. I for one stand here to say I am confident that he will achieve it. He can be sure he will have me with him in this regard throughout. He knows how much is at issue. We can hardly name a matter involving international trade and competitiveness that is as important as our competitiveness in the field of credit banking and the general flow of funds around the world.

Just to give an idea of the magnitude. Today, near the Morgan House where the chairman as a young man worked—where had he remained, he would no doubt have long since retired in vast affluence, but instead lives the modest life of a public servant—there stands the Federal Reserve Bank of New York.

In that Florentine palace in downtown Manhattan not far from where the chairman worked, a trillion dollars a day passes through that bank. And that is the level of velocity and volume which is going to overwhelm this system if we do not modernize it. That is the Senator's purpose. I salute him for it, and stand behind him in it.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BREAUX. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 50

(Purpose: To create a National Commission on Competitiveness in the Financial Services Industry and to revise title II)

Mr. BREAUX. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. BREAUX], proposes an amendment numbered 50.

Mr. BREAUX. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning with page 38, line 1, strike out all down through page 41, line 4, and insert in lieu thereof the following:

NATIONAL COMMISSION ON COMPETITIVENESS IN THE FINANCIAL SERVICES INDUSTRY

SEC. 109. (a) Not later than 15 days after the date of enactment of the Competitive Equality Banking Act of 1987, the President shall appoint a National Commission on Competitiveness in the Financial Services Industry. It shall include representatives of—

(1) the Congress;

(2) the Department of the Treasury and the Department of Justice;

(3) the Federal agencies that regulate the banking, thrift, and securities industries;

(4) organizations whose membership is comprised of State regulatory bodies charged with overseeing State-chartered depository institutions as well as insurance underwriters, brokers, and agents;

(5) organizations representing the interests of consumers and the general public; and

(6) representatives of the firms in the financial services industry.

(b) Not later than 4 months after the date of enactment of the Competitive Equality Banking Act of 1987, the Commission shall submit a report to the President and to the Congress, regarding recommendations as to whether and what type of alterations are necessary in regard to the product and service authorities and regulation of financial companies. In preparing this report, the Commission shall address at least—

(1) the impact on the relative competitive positions of commercial banks, thrifts, securities firms, insurance companies, and other financial service providers of such developments as advances in technology, ongoing changes in financial markets, and the emergence of diversified providers of financial services;

(2) the impact on the safety and soundness of depository institutions and other providers of financial services of broadening the range of products and services which they can offer to their customers;

(3) the consequences for the competitiveness of United States financial institutions vis-a-vis foreign institutions and the competitiveness of United States financial markets vis-a-vis foreign financial markets of current United States laws and regulations relating to financial strucuture;

(4) the benefits which could accrue to consumers, nonfinancial companies, State and local governments, and the economy as a whole as a result of any recommendations regarding changes in the authorities or regulation of companies in the financial services industry, particularly as a result of increased competition and efficiencies; and

(5) changes in the regulation, supervision, and organization of firms in the financial services industry which should accompany a broadening of the range of products and services which they can offer to their customers.

(c) The President shall provide whatever staff or other resources are necessary to facilitate the deliberations and carry out the charge of such Commission.

TITLE II—MORATORIUM ON CERTAIN NONBANKING ACTIVITIES

SEC. 201. (a) Beginning on March 6, 1987, and until March 1, 1988—

(1) a foreign bank or other company covered by section 8(c) of the International Banking Act of 1978 shall not expand any activity in which it is engaged pursuant to that subsection, and no such bank or company shall commence any new activity pursuant to that subsection;

(2) no company organized under the laws of a foreign country shall acquire any additional shares pursuant to section 2(h)(2) of the Bank Holding Company Act of 1956;

(3) a Federal banking agency may not approve the acquisition by any bank holding company or by any insured bank of any entity that would be engaged to any extent whatever in the flotation, underwriting, public sale, or distribution of securities, if that approval would require the agency to determine that the entity to be acquired would not be engaged principally in such activities;

(4) a Federal banking agency may not issue any rule, regulation, or order that would have the effect of increasing the insurance powers of banks or bank holding companies or banking or nonbanking subsidiaries thereof either with respect to specific banks or bank holding companies or subsidiaries thereof or generally beyond those expressly authorized for bank holding companies under subparagraphs (A) through (G) of section 4(c)(8) of the Bank Holding Company Act of 1956;

(5) except as provided in section 3(f) of the Bank Holding Company Act of 1956, the Board of Governors of the Federal Reserve System may not approve the acquisition by a bank holding company of any company, including a State-chartered bank other than a savings bank as defined in section 3(g) of the Federal Deposit Insurance Act, unless the bank holding company has agreed to limit the insurance activities of that company to those permissible under section 4(c)(8). This paragraph shall not apply to the acquisition of a State-chartered bank that upon acquisition would be subject to the Bank Holding Company Act of 1956, pursuant to a reorganization plan under which the stockholders of the bank exchange their shares for shares in a newly created bank holding company which is not a subsidiary of any other company or to the acquisiton of a State-chartered bank by a

bank holding company that on March 6, 1987, controlled one or more State-chartered banks that have engaged in insurance activities identical to those of the newly acquired institution so long as the bank holding company agrees that it will (A) within 2 years of the consummation of its acquisition of the State-chartered bank, divest or terminate that bank's impermissible insurance activities, and (B) limit the bank's insurance activities during that 2-year period to the renewal of existing policies;

(6) a national bank may not expand its insurance agency activities pursuant to the Act of September 7, 1916 (12 U.S.C. 92), into places where it was not conducting such activities as of March 5, 1987; and

(7) a Federal banking agency may not issue any rule, regulation, or order that would have the effect of increasing real estate powers of banks or bank holding companies or banking or nonbanking subsidiaries thereof. (b) as used in this section—

(1) the term "affiliate" has the same meaning as in section 2(j)(2) of the Bank Holding Company Act;

(2) the term "bank holding company" has the same meaning as in section 2(a) of the Bank Holding Company Act of 1956;

(3) the term "Federal banking agency" has the same meaning as the term "appropriate Federal banking agency" has in section 3(q) of the Federal Deposit Insurance Act; and

(4) the term "insured bank" has the same meaning as in section 3(h) of the Federal Deposit Insurance Act.

(c) Nothing in this section may be construed to increase or reduce the insurance authority of bank holding companies or banking or nonbanking subsidiaries thereof or of national banks under current law.

(d)(1) Nothing in this Act shall be construed to deny any State the authority to permit its State-chartered banks to engage in any insurance activity.

(2) In addition, neither the existence of the mortorium nor its expiration shall be construed to increase, decrease, or affect in any way the existing authority of State-chartered bank subsidiaries of bank holding companies with respect to insurance activities.

(e)(1) Nothing in this section may be construed to prevent a Federal banking agency from issuing any rule, regulation, or order pursuant to its legal authority in existence on the day preceding the date of enactment of this section to expand the securities, insurance, or real estate powers of banks or bank holding companies that are subject to the moratorium established under this section if the effective date of such rule, regulation, or order is delayed until the expiration of such moratorium.

(2) It is the intent of the Senate, through the Committee on Banking, Housing, and Urban Affairs, to conduct a comprehensive review of our banking and financial laws and to make decisions on the need for financial restructuring legislation in the light of today's changing financial environment both domestic and international.

(3) It is the intent of the Senate not to renew or extend the moratorium established under this section whether or not subsequent banking legislation is passed by the Congress.

Mr. BREAUX. Mr. President, and my colleagues in the Senate, yesterday I took this floor to discuss the bill coming from the full committee. At that time I commended the chairman and the members of the committee for bringing to the floor of the Senate a piece of legislation which was absolutely essential in that it addressed one of the most serious and most pressing concerns that many Americans had. And that concern, Mr. President, is the concern of having billions of dollars in deposits in savings in this country that were not being adequately insured by the Federal Savings and Loan Insurance Corporation. The numbers are absolutely frightening, Mr. Chairman, in that over $900 billion of deposits are insured by something like $1.4 billion in assets of the FSLIC. That is an intolerable and unacceptable situation.

The bill that this committee has brought to the Senate addresses that problem as it should. We can argue about whether FSLIC needs $7 billion or it needs $15 billion. But there can be no argument about the principle. And that principle is that the deposits of the people of this country that are contained in the savings and loans located in small towns and large towns needs to be adequately and properly protected by the insurance that the Federal Government can provide.

That portion of the bill that addresses this, I think, handles it in an expeditious manner. After this legislation is adopted and signed, the people of America will be secure knowing that their deposits in the savings and loan institutions around America are being adequately protected in the event of any failure of that particular savings and loan in their community.

So in that sense the bill is absolutely essential. There can be very little, I think, debate over the way the problem is attacked.

I spoke yesterday, Mr. President, on title II of the bill, which I thought was defective in a number of ways. I said yesterday that it was defective because it put a moratorium on American banks and yet, it did not put a moratorium on the activities of some major foreign banks that would be allowed to continue to sell securities and do real estate transactions, and also do insurance activities in our country while we put a 1-year moratorium on American banks' abilities to handle that same type of operation and business transactions in this country.

Surely, no one would want to say that this Congress is treating foreign banks, who were grandfathered in by previous legislation, in a better manner than we are treating our own banks. I said that was very defective and needed to be changed.

In addition to that, I expressed concern about the fear that somehow we were superseding the rights of States to regulate their own State-chartered banks and that we were preventing State-chartered banks from engaging in activities that they could engage in under normal State rules and regulations.

I think this is a States' rights issue and, therefore, State-chartered banks should be allowed to handle those transactions that were permitted by State law and State rules and regulations.

Mr. President, I also spoke to my concern about the so-called nonbank banks, the concern that in some ways title I actually grandfathered 160-some odd nonbank banks, allowing them to continue their activities, allowing them unlimited expansion the first year, and only a small limitation after that. I expressed concern that we could handle that in a more expeditious manner which would be fairer to everyone.

Mr. President, what I argued for yesterday was fairness. What I was arguing for yesterday was to treat all financial institutions equally so that they would all have the opportunity to coexist and be financially secure.

Mr. President, yesterday I said that I was prepared to offer an amendment to strike entirely title II from the bill. I felt that in doing so I would have addressed the bulk of the concerns that I had. I would present another bill that would not run the threat of veto or do damage to the financial institutions that we were concerned with protecting.

Mr. President, since yesterday we have made progress. The amendment that I now have at the desk I think is a step forward, it is progress. It is not what all would like. It does not solve all the problems, but I think, Mr. President, it is doable. In a sense of compromise, in a sense of moving forward with this legislation, with the urgency that we have to address the FSLIC problem, I am offering this amendment this afternoon.

Let me explain to my colleagues what the amendment does.

First, it sets up a Presidential Commission not later than 15 days after enactment of this legislation. The President would appoint the National Commission on Competitiveness in the Financial Services Industry. It shall include representatives of Congress. It shall include the Department of the Treasury and the Department of Justice. It shall include Federal agencies that regulate the banking, thrift, and securities industries. It shall include organizations whose membership is comprised of State regulatory bodies. It shall include organizations representing the interests of consumers and the general public. It should also include representatives of the financial services industry.

Mr. President, there is so much disagreement, so much conflict, so much difference of opinion. We have had at least five letters from various representatives, including the chairman of the Federal Reserve System, Paul Volcker, the FDIC, the Comptroller

General of the United States, the Secretary of the Treasury, all making representations about this legislation, some good and some bad. We should have them sit as a commission along with consumer groups and representatives of financial institutions to report recommendations to the President not later than 4 months after the enactment of this act, and we ask them to address certain issues that I think are absolutely essential to address.

We can benefit from the Commission. The Commission will have to report prior to the time that the moratorium will expire. We cannot let it delay.

I spoke yesterday, Mr. President, also about foreign banks, my concern that somehow in this legislation, and I doubt whether that was the intent of the committee, we were treating foreign banks better than we were treating our own U.S. banks at a time when our own banks need help and need assistance.

My amendment, Mr. President, does address this problem. It says in title II, section 2011, that a foreign bank or other company governed by section 8(c) of the International Banking Act of 1978 shall not expand any activity in which it is engaged pursuant to that subsection.

It also goes on to say, Mr. President, that no company organized under the laws of a foreign country shall acquire any additional shares pursuant to section 2(h)(2) of the Bank Holding Company Act of 1956.

Mr. President, the intent of this section I am referring to is to say that they are not going to treat foreign banks better than we are treating our own domestic banks. I think the intent of this section is to clearly put them on equal footing and not to allow them to perform, engage, or expand in activities that we cannot engage in with our own domestic banks.

Mr. President, yesterday I also spoke about States' rights. I think this is a very important issue, Mr. President, which needs to be considered. I think the majority of this body does not want legislation coming from the Congress to roll over or trample on the rights of the States to charter State banks, to allow those State-chartered banks to engage in activities in that particular State that are allowed under the State rules and the State laws.

I was very concerned that the legislation would make changes in that area.

In this amendment, Mr. President, subsection (d)(1) says very clearly nothing in this Act shall be construed to deny any State authority to permit its State-chartered banks to engage in any insurance activity.

Mr. President, we are not saying to a State that it has to allow their State-chartered banks to engage in this activity. But we are saying very clearly that if the State has made that decision, that is a State right that should not be taken away from the respective States. The States should be in a position to make that decision free of any impediment coming from Washington that we are somehow trampling on the rights of States to regulate their own State-chartered banks. The section says that very clearly.

I would like to ask the Senator from Wisconsin to consider what I am saying with regard to (d)(2). It says in my amendment, in addition, neither the existence of the moratorium nor the expiration shall be construed to affect the increase, decrease, or to affect in any way the existing authority of State-chartered bank subsidiaries and bank holding companies with respect to insurance activities.

Mr. President, my intent with that legislation is just as clear as I think that section I read which has just been presented by my colleagues.

I would ask the distinguished chairman of the committee whether it is his interpretation that that language would clearly spell out that a State-chartered bank that is acquired by a bank holding company would be able to continue to engage in activities permitted under the State law.

Mr. PROXMIRE. That is one of the real strengths of the Senator's amendment. I feel very strongly and I am sure members of the committee feel strongly, too, that we should respect States' rights wherever possible. It is one area where we did not have as strong a provision as we should. I think the Senator's amendment here as in other areas does strengthen the bill.

Mr. BREAUX. I thank the chairman for his response. I think, Mr. President, that the amendment in this area is clear in that we are talking about State-chartered facilities that have certain rights and privileges that are granted by that State, through whatever law that State has which governs the operations of State-chartered banks with regard to activities, whether it be real estate, insurance, or securities. We are not trying to increase or decrease those activities; we are not trying by anything in this act to change what the current law is with respect to those State-chartered facilities.

Mr. PROXMIRE. May I say to my friend from Louisiana that I would suspect he has been out traveling in Wisconsin because I have heard from bankers in Wisconsin and they were very concerned about this specific part of our bill. I think they would be very happy about the amendment that the Senator is offering in that respect.

Mr. BREAUX. I thank the chairman. I know that some State-chartered banks engage in these activities. Some States have laws that are silent on these issues. Some States have laws that allow these certain types of activities. It is the intent of this section to clearly spell out that we are not trying to increase, decrease, or affect in any way by this act, or by the existence or the expiration of the moratorium, to change that. I think the chairman has indicated he is in agreement with that position.

Mr. PROXMIRE. Yes, I am.

Mr. RIEGLE. Mr. President, will the Senator yield?

Mr. BREAUX. I am happy to yield.

Mr. RIEGLE. I commend the Senator from Louisiana for his efforts and initiative. He has worked very hard on this, I think in a constructive way.

As I read the amendment, the establishment of the national commission, I think, can serve a useful purpose. I am wondering about two questions. Where it says representatives of the Congress, I am wondering if the Senator has in mind who might be the representatives from the Congress. I do not necessarily mean the individuals, but does he have a thought as to who would be asked, either by functional responsibility or whatever, to serve on this committee so we might have a little legislative history here?

Mr. BREAUX. Let me first state to my friend from Michigan, first, that I sincerely hope that in no way would I be considered.

Having said that, second, I hope that legislative history could be clear that this is the intent, certainly, of the author of the amendment. The President would pick from those Members of Congress with an expertise in this particular area, certainly looking to the Banking Committee for members with knowledge and experience and who have made an effort to address these problems. I think it should come from the Members of Congress, from the respective committees that deal with this kind of work as a committee. That is the first hope.

Mr. RIEGLE. I hope that would be where the members would come from. I think the Senator from Louisiana would make a very fine member, although he has withdrawn from consideration. I think several of us would be willing to serve if asked.

Let me move down. As we go down through the list, it says here, under point 6, "representatives of firms in the financial services industry."

I think here again, it is important that we have some legislative history, because I want to make sure that everybody is, in a sense, at the table and not left out. I am sure that is the intent of the Senator from Louisiana. So we have in mind—let me go down the list and be sure we are thinking of the same groups so that no one is left out inadvertently.

We are obviously talking about banks and financial conglomerates.

We would be including them, would we not?

Mr. BREAUX. I respond to the Senator by saying it is the intent of the amendment to include a broad range of representatives from the financial industry. The intent would be to have them drawn from people in the savings and loan institutions; people representing nonbank banks that are engaging in those types of activities; people in the securities operations; people in the traditional commercial investment banking activities. The intent is to be as broad as we possibly can with regard to the selection.

Mr. RIEGLE. How about real estate firms? They are included as well, I assume?

Mr. BREAUX. I say to the Senator we are talking about—if those organizations are engaged in financial services, they would not be precluded by also being engaged in real estate activities.

Mr. RIEGLE. I think one of the additional areas in financial services—would include real estate services. It has been much talked about. I think of credit unions, maybe financial planners. But the Senator has mentioned investment banking, commercial banking, nonbank banks, the insurance industry. So the Senator would be willing, I guess, to add credit unions?

Mr. BREAUX. The Senator is correct.

Mr. RIEGLE. And real estate.

Mr. BREAUX. That is correct.

Mr. RIEGLE. Very good. Mr. President, I think that helps because I think it is very important that this national commission be balanced in terms of making sure that all the parties at interest are there and that all sectors of the financial services industry are represented. I think if we end up with a stacked commission, we are in trouble. I know the Senator does not want that and certainly, I do not want it. I think those clarifications will help.

I thank the Senator for yielding.

Mr. BREAUX. Mr. President, the Senator from Michigan makes a very good point. If we want to get only one viewpoint, it would be very easy to stack the commission. We could get one viewpoint every day by just having one group. The commission would be valueless if it did not include a wide range of commercial interests. That is the intent of the author and I hope that will be carried out.

Let me finish with an explanation of the amendment and I shall be happy to respond to any of my colleagues who may have questions.

Another section of my amendment that I think is important—and I hope I could get the attention of the chairman of the committee for just 1 minute. The last section I would like to cover, and perhaps ask the chairman if that is his understanding of it also, deals with those applications to various Federal banking agencies.

On page 7 of the amendment that we have pending, subsection (e)(1) basically says:

> (e)(1) Nothing in this section may be construed to prevent a Federal banking agency from issuing any rule, regulation, or order pursuant to its legal authority in existence on the day preceding the date of enactment of this section to expand the securities, insurance, or real estate powers of banks or bank holding companies that are subject to the moratorium established under this section if the effective date of such rule, regulation, or order is delayed until the expiration of such moratorium.

The intent of that language in English, as I may try to explain——

Mr. PROXMIRE. What line does the Senator refer to, Mr. President?

Mr. BREAUX. Page 7, line 16, down through line 24.

The intent of the author of that language is to say that Federal agencies can continue to receive applications from banks, applications that perhaps would tend to expand their authority into real estate areas or expand their authority into insurance or expand their authority into securities activities. They could process those applications. They could issue a rule on those applications. But the effective date of those applications could not come into being until after the moratorium has been reached. That is the intent of the author.

Mr. PROXMIRE. That is fine, Mr. President. As long as it is also clear—I have not had a chance to examine it carefully; it has just been handed to me. It should also be very clear that if Congress should act to prohibit or to provide more powers for a bank, for example, that act of Congress would be effective and that anything done during the moratorium would be conditional on the later act of Congress.

I just had a colloquy with the Senator from New York with respect to the powers that have been tentatively provided by the Federal Reserve for underwriting commercial paper. Mr. Volcker made it clear that that would be strictly conditional on what Congress will do in the coming months. I take it that that would apply in this case. Is that right?

Mr. BREAUX. Mr. President, the chairman makes a good point. That is that the moratorium, as I understand it, is to continue to allow the Congress to take overall action. That is why this amendment presents any final action from going into effect until the expiration of the moratorium. If Congress were to act prior to that expiration date and set new rules and regulations, those applications, of course, would be subject to new rules and regulations.

Mr. PROXMIRE. I agree.

Mr. RIEGLE. Will the Senator yield on one additional point?

Mr. BREAUX. Certainly, Mr. President.

Mr. RIEGLE. Going down the list of participant groups, I should have mentioned the mutual fund industry and I did not. It is a very important segment of the industry. Is it the Senator's view that they would also be included as a participant group?

Mr. BREAUX. The Senator from Michigan is correct. Under my drafted definition of what we are talking about, we are basically trying to make it as broad as we possibly can. No. 6 says representatives of firms in the financial services industry. I think clearly, a mutual fund would be engaged in a financial services industry.

Mr. RIEGLE. Very good, Mr. President. I thank the Senator.

Mr. BREAUX. Finally, Mr. President, and I think it is a very important thing that the amendment I have at the desk does cover. That is the moratorium. There is a great deal of concern, a very legitimate concern, about the moratorium being extended by Congress because we do not want to face the day of reckoning. We have done these moratoria in the past. We have said we are going to have a 1-year moratorium. When that date gets here, the first thing Congress does is extend it for another year and another year.

We have the classic example in the financial industry of regulation Q. It was going to be a 1-year provisions it ended up being not 1 but 14 years. I think there is a very legitimate concern in the industry at all levels, in all industries engaged in the financial services, that this moratorium is just a smoke screen and we are going to be fighting this 5 years from now or 15 years from now or some time in the future.

There is fear, and I think it is legitimate, that next year is an election year and Congress will not want to face up to the problem in an election year and therefore next year sometime Congress is going to say, "Let's extend the moratorium, let's keep it as it is, let's not face the problem."

My amendment, Mr. President, has in it language that says, "It is the intent of the Senate not to renew or to extend the moratorium established under this section whether or not subsequent banking legislation is passed by the Congress."

The moratorium date that we established is March 1, 1988. I think that is probably longer than is needed, but that in the interest of getting an agreement is the date arrived at. Those who really would like the longer moratorium have agreed—and I think at the appropriate time the report language, the RECORD, and perhaps their statements on the floor, will clearly indicate—that they do not intend to support efforts to extend the moratorium beyond the date we have set out in this amendment. I know the distinguished chairman of the committee has spoken to this moratorium question and, if he at this time will speak to it, it may even further clarify my remarks.

Mr. PROXMIRE. Mr. President, let me speak to the entire amendment. I think it is an excellent amendment. I am delighted to support it and support it enthusiastically. It provides a valuable addition to the bill. I think it strengthens the bill. I feel a little humiliated we did not think of it ourselves in the mark up.

The first thing this amendment does, as we all know, is provide for a Presidential commission. That has been discussed with the Senator from Michigan. I think that is a very good provision. I earnestly hope it will not delay the enactment of the comprehensive bill we hope to pass later this year. We hope the commission will make its report by early fall so that we have enough time to consider its recommendations. We want to pass our comprehensive bill before we go out this year. Meanwhile, I take it the Senator would not object to the Banking Committee moving ahead and doing as much of its work as it can so that we can toward the end of the year work in the recommendations of the commission.

Mr. BREAUX. I say to the distinguished chairman that it is not only something I would not want to stop, it is a plea I make to the chairman to move rapidly.

Mr. PROXMIRE. The Senator makes a very, very useful contribution. Mr. President, our caucuses are not covered by the press; they are closed, but I think it probably has been brooded about that we had a considerable discussion of the effect that the bill has on foreign bank competition in this country. This amendment makes it clear that foreign banks operating in the States should not and will not enjoy a competitive advantage over American banks. They will be treated exactly the same, and thus this amendment makes a very useful contribution.

It protects the rights of States to establish the proper boundaries of business for their State-chartered banks, and I strongly support the strengthening of States' rights that the Senator from Louisiana provides.

I think all together, Mr. President, this is a very strong bill, and I am delighted to support it and do so enthusiastically.

Mr. DIXON and Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, although the amendment of the distinguished Senator from Louisiana improves title II, it certainly does not change the debate as far as I am concerned. I do not want to take a great deal of time because for several hours, nearly 6 yesterday, we did debate the substance of the various provisions, and I had ample time to discuss why I felt we should have a clean FSLIC recap, unencumbered by any amendments, due to the seriousness of the emergency problem within the savings and loan industry itself.

I remind my colleagues that it was only last August that the Senate Banking Committee felt strongly enough about that issue to be very pleased when I pulled out all titles to my bill except title I and title II and that we passed a FSLIC recap bill by unanimous consent out of the Senate Banking Committee—I repeat, by unanimous consent—although the ranking minority member at that time had some reservations about the amount and the length of time it would extend. Nevertheless, it was reported with unanimous consent of the entire committee, certainly on a bipartisan basis. It ultimately did pass this body in a modified form and was turned down by the House because they wished to use it as a blackmail tool and apply to it a very large housing authorization bill.

I distinctly remember how pleased the Senate Banking Committee was that I had made that decision; that the problem was so serious I would not encumber or delay the process with nonbank bank loophole closers, South Dakota loophole closers, with powers, and so forth.

The only thing that has changed in the last 6 months, since that took place, is the problem has become worse. So I must admit, as I listened yesterday and I have sat through the delays today while there have been attempts on the part of the majority to find some way to compromise so that amendments would not be offered to delete entire sections—and apparently those have been successful—that I am disappointed that at no time since the first recess has this side of the aisle been consulted. It was not invited to be in any of the negotiations whatsoever. It was not furnished a copy of the modified amendment, the Breaux amendment, after requesting one as the Senator from Louisiana was speaking.

That is disappointing to me, particularly on banking issues, which in the 12 years I have been in this body have not been partisan. There simply is nothing partisan about Glass-Steagall or McFadden or the Douglas amendment or nonbank banks or South Dakota loopholes. I certainly understand partisan differences on Contra aid and the budget, ABM treaties and all of that. That is to be expected. I have been around here a long time, but I do not see anything partisan about these issues, and they never have been. I never heard it discussed in committee or on the floor; it has not been yet, but today there was such an effort by the majority without any involvement whatsoever, any asking if we would accept or consider modifications to the amendment. I wish we would consider the traditions of the Senate Banking Committee and work on a bipartisan basis.

I do not have any objections to this amendment. It does improve the bill. I am also aware—at least I am guessing—the Senator from Illinois [Mr. Dixon] is standing up to offer a second-degree amendment so that other amendments cannot be offered. I may be wrong. But that is fine. I am not going to make any attempt at amending this amendment even though I have the privileges of the floor, because I never felt we should play games on these sorts of issues. The normal parliamentary procedures are open to everyone on this floor and it is certainly within the rights of any Senator to use the rules of the Senate. I could, while I have the floor do the same thing; I have an amendment right here, but I am not going to offer it. I have always felt very strongly on these issues that we ought, either in committee or on the floor, to be willing to put our amendments up, have them debated, take a vote and let the will of the committee or the Senate as a whole speak, without trying to preclude anyone, even though Senators who do that—let me not be misunderstood—are totally within the rules of the Senate. It is a common practice to use all of the parliamentary procedures available.

So I am the one, I suppose, who is out of line, maybe have been for the last 6 years. I do not like parliamentary procedures. I do not like filibusters. I think we ought to be men and women enough to stand up here and present our amendments and have them voted on and accept the will of the Senate. But maybe that is a vast minority opinion in this body.

I will not object or put the Senate through a rollcall vote, because the amendment of the Senator from Louisiana is an improvement. There is no doubt about it. On substance—I wish we could make all decisions on substance—it is an improvement.

I am disappointed that he does not offer his amendment to strike title II, because I do not agree with that title, even if it were not adding to it.

So I also will not use the privilege of the manager of this bill to offer an amendment at this time.

I yield the floor.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER (Mr. Lautenberg). The Senator from Illinois.

Mr. DIXON. Mr. President, I say to my friend, the Senator from Utah, for whom I have the greatest personal regard, that I am not going to offer an amendment in the second degree. I share his views about the right of Members of this body to express their opinions on various amendments that might be presented to this legislation.

I simply want to express my views, as a member of the committee, about the amendment that is being offered by my good friend from Louisiana, to express to him my personal appreciation—and I am sure the appreciation of every member of the committee—for the contribution he has made to improving this legislation. I believe that the amendment he has offered substantially improves what we are attempting to do in this banking bill.

Quite frankly, there have been some objections to this bill revealed during the course of the debate, and revealed by the views expressed to us by our constituents. I think my friend from Louisiana improved this bill in at least five particulars.

First of all, I think the study regarding expansion of bank powers will give everybody an opportunity to fully express their point of view and is in connection with something all those supporting this legislation have wanted to see happen from the beginning.

Second, I think my friend from Louisiana has clarified the fact that the Federal Reserve can go ahead and study these questions and make determinations that do not go into effect until the end of the moratorium on March 1, 1988; but it will give confidence to the Banking Committee ensuring matters are going forward.

Third, I think it is tremendously important that the Senator from Louisiana has clarified the question of States' rights. I have heard from those in my State of Illinois who are concerned about this, and it is important that we make it clear that we are not trying to federally preempt States' jurisdiction with regard to the rights of individual banks in their States.

Fourth, I think it is very important that my friend from Louisiana has addressed the question of the foreign banks, particularly the grandfathered banks, and activities that they may enter into which might be disadvantageous to American banks. I congratulate him on that feature of his amendment.

Finally, I think he has clarified the fact that this matter is sunsetted, that the moratorium will end at the end of the specified period indicated in the bill.

So, on behalf of the members of the committee, I thank my friend from Louisiana for this amendment which I think immeasurably strengthens the bill.

I express my personal appreciation to the ranking member, who obviously has some differences with this bill, but in his usual gracious way has been very cooperative every step of the way.

I congratulate the chairman on his assiduous attempts over a long period of time to formulate the kind of legislative policy that will bring us to a decent result.

I hope the adoption of this amendment will bode well for quick approval of this legislation, perhaps today.

I thank the Senator from Louisiana, and I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 50) was agreed to.

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GARN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Mr. President, I wonder if I may pose a question to the chairman of the committee, to make sure that the legislative history is clear.

It is my understanding that when the moratorium ends, the Federal Reserve at that time will have the same powers of decision that it has today, that there is not in this bill any change or addition to Fed powers that will be present at the end of it that are not present today.

Mr. PROXMIRE. The Senator is absolutely right so far as the bill is concerned. It is my expectation and hope that we act in the meanwhile and that we decide on these powers up or down, one way or the other. But it will take subsequent legislation to make that difference.

This bill, in my view, does not affect the powers of the Federal Reserve Board after March 1, 1988.

Mr. RIEGLE. I thank the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I hope that Senators who have amendments will prepare to call them up.

Mr. President, significant progress has been made on the bill. I understand there are other amendments that are going to be called up. I do not intend to stay in session late this evening, but I do intend to be in tomorrow if the bill is not finished at a reasonable hour today.

I would hope that Senators who have amendments would come to the floor and call them up while there is good time and the sun is still high.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, there is progress being made on amendments. There are various discussions going on with respect to amendments.

So the fact that no amendment is before the Senate at this moment does not indicate that the Senate is not working and progress it not going forward.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. BYRD. Mr. President, I ask unanimous consent, so that Members may continue those discussions, that the Senate stand in recess subject to the call of the Chair.

There being no objection, at 4:17 p.m., the Senate recessed, subject to the call of the Chair.

The Senate reassembled at 4:20 p.m., when called to order by the Presiding Officer (Mr. Lautenberg).

Mr. DIXON. Mr. President, what is the order of business at this time?

The PRESIDING OFFICER. S. 790 is before the Senate as the pending business.

AMENDMENT NO. 51

(Purpose: To allow banks whose primary business is providing credit for agricultural activities to absorb loan losses over an extended period of time)

Mr. DIXON. Mr. President, on behalf of myself, Mrs. Kassebaum, Mr. Grassley, Mr. McClure, Mr. McConnell, Mr. Boschwitz, Mr. Pryor, Mr. Symms, Mr. Durenberger, Mr. Harkin, Mr. Pressler, and Mr. Matsunaga for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. Dixon], for himself, Mrs. Kassebaum, Mr. Grassley, Mr. McClure, Mr. McConnell, Mr. Boschwitz, Mr. Pryor, Mr. Symms, Mr. Durenberger, Mr. Cochran, Mr. Harkin, Mr. Pressler, and Mr. Matsunaga proposes an amendment numbered 51.

Mr. DIXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the appropriate place, insert the following new section:

LOAN LOSS AMORTIZATION FOR AGRICULTURAL BANKS

SEC. . Section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823) is amended by adding at the end thereof the following:

"(j)(1) The appropriate Federal banking agency shall permit an agricultural bank to take the actions referred to in paragraph (2) if it finds that there is no evidence that fraud or criminal abuse on the part of the bank led to the losses referred to in paragraph (2).

"(2)(A) Any loss on any qualified agricultural loan that an agricultural bank would otherwise be required to show on its annual financial statement for any year between December 31, 1983, and January 1, 1992, may be amortized on its financial statements over a period of not to exceed 10 years, as specified in regulations issued by the appropriate Federal banking agency.

"(B) an agricultural bank may reappraise the value of any real estate or other property, real or personal, that it acquired coincident to the making of a qualified agricultural loan and that it owned on January 1, 1983, and any such additional property that it acquires prior to January 1, 1992. Any loss that such bank would otherwise be required to show on its annual financial statements as the result of such reappraisal may be amortized on its financial statements over a period of not to exceed 10 years, as specified in regulations issued by the appropriate Federal banking agency.

"(3) The appropriate Federal banking agency may issue regulations implementing this subsection with respect to banks that it supervises.

"(4) As used in this subsection—

"(A) the term "agricultural bank" means a bank—

"(i) the deposits of which are insured by the Federal Deposit Insurance Corporation:

"(ii) which is located in an agricultural area the economy of which is dependent on agriculture;

"(iii) which has assets of $100,000,000 or less; and

"(iv)(I) which has at least 25 percent of its total loans in qualified agricultural loans; or

"(II) which has fewer than 25 percent of its total loans in qualified agricultural loans but which the appropriate Federal banking agency or State bank commissioner recommends to the Corporation for eligibility under this section, or which the Corporation, on its motion, deems eligible; and

"(B) the term "qualified agricultural loan" means a loan made to finance the production of agricultural products or livestock in the United States, a loan secured by farmland or farm machinery, or such other category of loans as the appropriate Federal banking agency may deem eligible.

"(5) As a condition of eligibility under this subsection, the agricultural bank must agree to maintain in its loan portfolio a percentage of agricultural loans which is not lower than the percentage of such loans in its loan portfolio on January 1, 1986.".

Mr. DIXON. Mr. President, today, on behalf of my cosponsors and myself, I am offering an amendment which is based on the Farm Credit Relief Act—S. 244—and other agricultural bank legislation that I introduced in the last Congress and again in this Congress. It is modified as suggested by Senator KASSEBAUM in legislation that she introduced this year.

This is a limited amendment. It is a simple attempt to ensure that hard-pressed agricultural banks and their farmer-customers get the kind of assistance they need. It is a long overdue acknowledgement that the remedies, both administrative and legislative, that have been tried so far do not adequately respond to the financial crisis in our agricultural communities.

That crisis is devastating American agriculture and our rural economy. The terrible, unsupportable weight of farm debt is sufficating the American family farm. Farmers now owe, believe it or not, more than $186 billion, and the simple truth is that continued too-low prices for agricultural products mean that more and more farmers are unable to service that debt.

Farm prices are still down, and the value of farm land has dropped by as much as 40 percent or even more. Bankruptcies, however, are way up, and unless we are able to provide some badly needed assistance, the current appalling bankruptcy rate is likely to go much, much higher.

Unless we act, many of our Nation's full-time farmers will be wiped out. We needed to act 2 years ago. We cannot afford any further delay if we are to save the many family farmers that deserve our help. The shakiest of these mid-sized farmers owe nearly a third of total farm debt, an amount that compares with the Latin American debt held by the Nation's largest banks.

Farm debt, however, unlike foreign debt, is not held largely by money center banks. It is held by the Nation's more than 4,200 agricultural banks. These banks are small in size, but they are of vital importance to their communities.

While they do not hold the bulk of long-term debt, agricultural banks are a major source of operating and other short-term loans. According to the Comptroller of the Currency, banks hold about 40 percent of the short-term debt. This is a serious problem because while many farmers have the resources to service their mortgage debt, many can no longer also meet their short-term debt obligations.

Agricultural banks are therefore also under serious strains, and the evidence is that their problems are becoming more severe. We had 138 bank failures last year—the highest number since the Great Depression—and a disproportionate number of those failing were agricultural banks. This trend appears to be continuing. Over 1,500 banks—an alltime record—are on the Federal regulators problem list. Now, imagine that, 1,500 banks in America are on the Federal regulators problem list. There were 120 bank failures in 1985, the majority of which were agricultural banks, and there will probably be well over 150 bank failures this year.

This trend is especially troubling because historically agricultural banks are among the strongest in our financial system. Agricultural banks traditionally have a very strong capital base, and they have followed the kind of prudent banking practices that have protected their depositors.

As strong as they are, however, agricultural banks are not immune from a crisis in the overall agricultural economy. There is no way they could be immune. More than 1,700 banks have more than 50 percent of their portfolios in agricultural loans, and that figure greatly understates the true dimensions of the problem since it does not include loans to agribusiness and other rural businesses dependent on a strong and profitable agricultural sector.

What we need, therefore, are solutions directed toward helping both farmers and the agricultural banks that serve them. It makes no sense to help the banks alone if that help does not permit them to continue to play an active role in their local communities. And farmers clearly need help to restructure their debts so that they are not forced off the land or put in the position of being tenant farmers on what was their land.

This amendment, Mr. President, is an attempt to provide assistance and needed flexibility for both farmers and their lenders. It does not pretend to be a complete solution to the problems of either, but it will provide needed transitional assistance as more fundamental, long-term solutions are put into place. We need to make it possible for farm exports to begin expanding again. We need to restore the opportunity to make a profit to American farmers. We need to bring interest rates down to more reasonable levels. But all these things will take time; time that many of our farmers and rural financial institutions do not have unless we are able to act soon on appropriate safety net protections.

The provisions of this amendment ought to be a component of this safety net. It will permit banks to negotiate with farmers on appropriate debt restructuring, restructuring that will leave farmers with payments they can meet while bringing the banks greater financial returns than foreclosure would. It helps ensure that farmers aren't forced off their land, and helps the banks retain customers that they want to retain, customers that they have had a good relationship with over the years and who, with this help, will be good customers again. It does not require any bank to act to restructure loans. It simply permits banks to take actions, with the approval of Federal regulators, that banks believe are in their interests and which will benefit hard-pressed but fundamentally sound farmers.

The heart of the legislation is a provision that permits agricultural banks to write down agricultural loan losses over 10 years. Banks can write down losses now, but under current law, they must deduct the amount written off from their capital all at once. Even though agricultural banks are well-capitalized, they cannot withstand losses of the magnitude, so banks are forced to foreclose rather than write down loans. This benefits neither the banks nor the farmers.

Current law forces banks to try not to acknowledge the extent of their problems, because any losses in a loan portfolio must be written off against capital at the time they are recognized. Now in normal business conditions that is sound practice. In the current crisis situation in our agricultural economy, however, the pressure on agriculture bank capital it creates is so great that it actually adds to the problems facing both farmers and banks. Losses on agricultural loans can cause reductions in bank capital. That reduction can force a bank to call in more loans, generating more losses, forcing still further reductions in bank capital, and so on, in a destructive cycle that could destroy both the bank and many basically sound American farmers. At the very least, banks may have to withdraw as lenders to their communities with all the problems that the loss of such a major source of credit always causes.

Amortizing the losses, however, creates an incentive for banks to deal with their problems in a way that can help to minimize those losses. I do not suggest this step lightly. I recognize the seriousness of this proposal, but administrative remedies attempted by banking industry regulators have failed to solve the problem. The only alternative to this kind of package is direct assistance—and with our budget problems, it is difficult to see how that kind of help could be provided.

The bill also permits eligible banks to amortize their losses on the reduced value of farmland they acquired in the process of handling an agricultural loan where the bank is still holding the property but must write down the asset value of the land on its books. This provision will help reduce the continued downward pressure on agricultural land prices, and assist banks in managing the swollen land portfolios many of them now hold.

The amendment contains two suggestions made by my good friend, the distinguished Senator from Kansas, Senator KASSEBAUM in her bill, S. 397. First, it requires the lending bank to maintain the same proportion of its loan portfolio in agricultural loans, in order to ensure that rural banks continue to assist the hard-pressed rural economy. Second, it applies the amendment's provisions retroactively to January 1, 1984.

Let me say in conclusion that this proposal, if enacted, will work to provide needed assistance for American farmers who deserve our help. It will also provide assistance for agricultural banks, who through no fault of their own, are being squeezed by the ongoing agricultural crisis, permitting these fundamentally sound banks to weather this storm.

This amendment will not solve all the problems facing farmers and their community banks. It is scaled back from the original legislation I offered in 1985. However, it will still work effectively for farmers and bankers.

We have provided special assistance for financial institutions in the past, most recently for foreign loans and for the housing industry. We have assisted the Farm Credit System and are considering further assistance. We are providing for a similar concept, called forbearance, for the thrift industry in this bill. I think agricultural banks and their farmer-customers are just as deserving of the assistance of the U.S. Senate.

Agricultural banks and their farmer-borrowers must not be forgotten as we work on shoring up the Farm Credit System. Agricultural banks play a crucial role in rural America. These banks and their farmer-customers desperately need our help. I urge my colleagues to support this greatly needed amendment.

Mr. President, I want to thank my distinguished colleague from Kansas, Senator KASSEBAUM, for her support, her assistance, and her help. I see my good friend, the distinguished Senator from Iowa, Senator GRASSLEY, on the floor, and others who support this amendment.

I want to thank Senator KASSEBAUM for her kind assistance in crafting this amendment, and her support in connection with this legislation.

I yield the floor, Mr. President, if I may, to my distinguished friend from Kansas, Senator KASSEBAUM.

Mrs. KASSEBAUM. I thank the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mrs. KASSEBAUM. Mr. President, it is a great pleasure to work with the senior Senator from Illinois, Mr. DIXON, who has spent a long period of time trying to call the necessity of this legislation to the attention of the Senate.

As I mentioned, since 1985, the Senator from Iowa, Mr. GRASSLEY, has also been a leader in this matter. We feel that this now is the time to address this issue.

We have been joined by a number of our colleagues. But we are also supported in this effort by the American Farm Bureau Federation, the National Wheat Growers Association, the National Association of Corn Growers, the National Cotton Council, and the National Cattlemen's Association.

Last year almost 140 banks failed. Over 200 banks are expected to fail this year. Most of these banks are located in the farm belt. The major cause of failure was not mismanagement. Rather, it was the almost 50-percent decrease in the farmland values.

The Senator from Illinois has addressed many of the provisions of this bill but I think they are worth reiterating once again.

The loss of a bank can devastate a rural community. From a practical standpoint, rural banks are tightly linked to the fortunes of the surrounding farm economy. Such banks are a rural community's primary capital source. Without the bank, there is no capital for the hardware store, the implement dealer, the fertilizer shop, the filling station or the beauty salon operator.

This amendment enables banks whose primary activity is agricultural lending to work out their portfolio problems over a specific period of time. To qualify, the bank must be in an area dependent on agriculture, have total assets of less than $100 million, have at least 25 percent of its portfolio in agricultural loans, and have no evidence of fraud or mismanagement. In addition, participating banks would have to maintain their current portfolio percentage of farm loans. In short, the amendment provides relief to those banks which serve as rural community cornerstones.

And I think this is very important, Mr. President.

If a bank qualified, it can write off agricultural loan losses recognized between January 1, 1984, and January 1, 1992, over a 10-year period. This 10-year writeoff encourages rural banks to voluntarily assess and mark down their agricultural loans to realistic values. This in turn enables banks to renegotiate agricultural loans so reasonable workouts can be arranged. Currently, banks are reluctant to engage in comprehensive write downs voluntarily. They are concerned that this might reduce their capitalization below the 6 percent regulatory requirements or result in such a capital reduction that it draws regulator attention that leads to mandated write downs below capital requirements.

Once a bank's capital falls below the 6 percent regulatory requirement, the bank must either raise new capital or face the prospect of being closed. Anyone familiar with today's agricultural economy knows the difficulties of raising capital in rural America.

Capital forbearance provisions granted last year to address this problem have been interpreted so restrictively by the regulators that only a miniscule number of banks have qualified. Banks have avoided the forebearance program out of fear that, if they apply and are rejected, they will immediately be closed. Applications for relief are generally sought either immediately before or immediately after a regulator examination. The failure of the current capital forbearance provision is demonstrated by the fact that only 35 banks nationwide have been granted relief as of January 1.

Mr. President, we must provide a reasonable framework for agricultural banks to write down their agricultural loans to realistic values voluntarily without fear of being immediately closed. It serves no accounting purpose for banks to maintain unrealistic loan values in the hope of avoiding regulator scrutiny.

Again, the amortization relief is targeted for a very specific period of time for a specific type of bank. Such banks are essential to the welfare of our rural communities. Rural banks have no choice but to make agricultural loans and there are no alternative sources of capital.

Mr. President, we cannot stand by and watch the evaporation of private credit in rural communities. Ultimately we must decide if we want to continue to have rural banks. A carefully designed and limited loan loss amortization program can help us achieve this goal.

I hope all my colleagues will join us in support of this effort.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I am sorely tempted to support the Dixon-Kassebaum amendment but I just feel that I cannot do that in my position as chairman of the committee. Last year the Banking Committee considered this kind of loan-loss amortization legislation, and decided instead to recommend capital forebearance, which the regulators have adopted. The idea is that we do not keep the books honest if we proceed this way. Forebearance is a similar approach.

Let me just give a whole series of reasons why we think this is not the way to go.

First, loan-loss deferral would distort the true condition of institutions which use them without providing any benefits to the agricultural community. It would result in inaccurate financial statements, mask an institution's potential problems, and be contrary to safe and sound banking practices.

Second, loan-loss deferral accounting is misleading to stockholders and other investors. The ability to raise capital or subordinated debt could be restricted with the result that fewer funds would be available for lending.

Third, while such deferrals could be used for regulatory purposes, they could not be used for reporting purposes for institutions required to use "Generally Accepted Accounting Principles".

Fourth, deferring the recognition of losses does not alter the fact that they exist. It does not improve the farm economy or bank management. But if such banks ultimately fail it could substantially increase losses to the deposit insurance system.

Fifth, if more forebearance is needed the FDIC is willing to work on greater capital forebearance that does not misrepresent the true financial picture for banks. The FDIC is presently studying the feasibility of using net worth certificates in select situations.

Sixth, since losses do not have to be recognized when incurred, banks managers can take big risks today because, if the gamble does not work, the effect will not have to be shown in reported income and capital for years.

Seventh, it is impossible to separate loan-loss deferral for good managers who deserve it from deferral for managers engaging in fraud or mismanagement. It is unfair to help those who are not being responsible.

I think all of us recognize the very serious distress of our farm economy. Certainly, Illinois and Kansas, as well as Wisconsin, Utah, and many other States, are suffering greatly because of the fallout from that situation. But, as I say, I do not think this amendment would either help the farm economy or help the States concerned.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I appreciate very much an opportunity to speak to this issue and to support my colleagues from Kansas and Illinois on this amendment.

I would like to say to the chairman of the committee, the distinguished Senator from Wisconsin, that we have waited too long to really find a workable and sensible solution to this problem. All we are really basically asking the Senate to do this afternoon is to give, through regulators of our domestic banks, particularly our agricultural banks, just a little bit of the same consideration that has been given to a lot of the big city banks in this country. Some of those banks have made some bad investments around the world and we have allowed them to roll over debt, rather than write it off, because we did not want to hurt the capital structure of those banks.

We are asking for the same consideration for domestic banks that we give to our international bankers on their international loans.

Mr. PROXMIRE. Will the Senator yield on that point?

Mr. GRASSLEY. Yes.

Mr. PROXMIRE. Is it the Senator's understanding that we now permit the amortization of foreign loan losses?

Mr. GRASSLEY. The answer to that is "No," that is not the Senator's understanding. But it is my intent to say that whether it is through written policy or not, the de facto policy of this Federal Government has been to forebear in those instances and not force changes that are necessary to force writing off bad international loans. We have forbeared through a policy of rollover. Whether that is a written or unwritten policy, it does not matter, the bottom line is the same. We have been very tolerant toward our American banks which make bad loans to foreign countries. We are not giving that same consideration to our domestic banks in regard to agricultural loans.

Mr. PROXMIRE. May I say to my good friend that is not my understanding at all. The Senator may have better information than I have, but it is my understanding that we do now forebear in precisely the same way on both foreign loans and agriculture loans.

Mr. GRASSLEY. To illustrate what I just said, bank examiners from the Federal level examined a bank in my State and the banker pleaded with the regulator to be a little more tolerant. The regulator then stated that somehow on international loans, American bank regulators have a different standard than they do for domestic banks, particularly agricultural banks.

The regulator added that the reason for forebearance to banks with international loans is that a long time after the farmers who were in trouble at that particular time are out of business, those foreign countries will still be in existence.

Those statements illustrate the lack of understanding of the problem in rural America. It's this double standard we have that this amendment addresses.

I will also say to the distinguished chairman of the committee that whether it is hearings before the Banking Committee in the last Congress, or even some hearings on this subject that I had in the Judiciary Subcommittee that I chaired at that time in a general oversight capacity, that Members of this body were promised time after time after time that there would be greater consideration and understanding of the problems of rural agricultural banks and more forbearance.

Those same promises came at the time that I had occasion to invite Presidential appointees to my office for questioning prior to senatorial confirmation to see if there were an understanding of the problem. They assured us that there was an understanding of the problem and that there would be changes made in the way that agricultural loans would be considered by regulatory bodies. We see those promises at the Federal level in Washington, and they may be sincerely stated to us. But even if they are sincerely stated, and even if they are communicated by filtering down to the lower levels, we see nothing coming out at the lower end in the way of regulatory behavior fitting what we have been promised at the level here, in Washington. There has not been greater forebearance and greater consideration of the plight of agriculture.

It is for this very reason that I think we have to legislate as this amendment legislates, because we have been promised a change of attitude. Even though the distinguished chairman refers to several things that have been done, they are just not accomplishing the goal that should be accomplished out there, considering how serious the problem is for our rural banks and the problems of debt, particularly in the Middle West. These problems are not just limited to the Middle West, because we are now also seeing banks with energy loans having problems. In fact, there are very few States in the country that are not affected by banking problems.

So we have a situation that is very real. We have been told today, and in forums other than this, that there would be changes made. But there have not been adequate results from those promises. So I think it takes this legislation to clarify just what the public policy is. That public policy is that, with the massive agricultural debt that is out there, it is going to take time to absorb that debt and it is going to take time to work our way out of that debt. This legislation is just one of the many ways to do it.

It is not going to be a substitute for the lower interest rates that we need; it is not going to be a substitute lowering the value of the dollar that we need; and it is not going to be a substitute for the improved farm markets that we need. It is not going to guarantee any farmer the right to farm and it is not going to guarantee any farmer a profit. Nothing that we do in Congress should guarantee those things. But we have a problem that has developed; that there is not enough income in agriculture to either service or reduce the debt that is out there. This is one way, a very responsible way, of working our way out of this problem that we are now in.

For those reasons, Mr. President, I support this amendment. I ask my colleagues to support this amendment so that we can provide our country banks the same consideration on their farm loans that we provide to our large city bankers on their international loans.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, while I certainly do not disagree with the problem outlined by my distinguished colleagues, that this certainly is a serious farm credit problem and serious problems for many farmers in this area, as the distinguished chairman has discussed, we considered these types of issues in the committee last year. We decided that capital forbearance was a better way to go, and I think it has been helping. Rather than continue to talk about that issue, I must oppose the amendment on the basis that, for 2 days, I have been trying to achieve a clean FSLIC recap.

It is too encumbered now, as I have spoken about at great length. We should have a simple bill that gives the regulators authority to help failing institutions across State lines rather than having to wait until they have failed; and we should provide FSLIC bonding authority to shore up their difficult straits with so many institutions—more than 400 of them—in trouble and technically bankrupt. So, even if I happen to agree with the amendments being proposed, I would have to oppose—on a basis that my attempt in this legislation is to achieve a clean FSLIC recap for an emergency situation that exists—whatever amendments we add. No matter how meritorious they may or may not be, they further encumber and make more difficult the process of getting a recapitalization bill signed by the President as soon as possible.

So, although I understand the problem, Mr. President, I must reluctantly oppose the amendment offered by my distinguished colleagues from Illinois and from Kansas.

Mr. DIXON. Mr. President, as my friend, the Senator from Kansas [Mrs. KASSEBAUM] has suggested, this amendment is supported by the American Farm Bureau Federation, the National Association of Wheat Growers, the National Association of Corn Growers, the National Cotton Council, the National Cattlemen's Association, and other groups.

Mr. President, we would be satisfied to have a voice vote on the amendment at this time.

The PRESIDING OFFICER. Is there further debate on the amendment?

The Senator from North Dakota.

Mr. CONRAD. Mr. President, I join my distinguished colleagues, the Senator from Illinois and Kansas in support of this amendment.

Having just returned from North Dakota, I can assure the Senate that the economic conditions in the Farm Belt are extremely difficult. Of all the inputs necessary to agricultural production, credit is a vital component. Without a health financial community, not merely farms, but our towns and cities will continue to suffer from extreme stress.

This measure would be of substantial assistance by allowing agricultural banks to stretch out over 10 years the losses made necessary by the collapsing farm economy.

It does not seek to bail out any bank, nor does it assist large money center banks. Rather, it affords banks the right to subsidize losses over a longer time, and to reappraise the value of farm property.

This amendment will directly relieve the suffering in rural America, by allowing banks the flexibility to refrain from the drastic measures of foreclosure, liquidation, and forced bankruptcy.

We need to restructure farm debt and we need all elements of the farm credit community cooperating and working together. This will assist banks to participate in farm debt restructure.

I urge my colleagues to support this important amendment.

Mr. DOLE. Mr. President, I support the efforts of Senators DIXON, KASSEBAUM, GRASSLEY, and others to provide agricultural banks the opportunity to amortize loan losses over 10 years.

A year ago I cosponsored legislation to allow a 5-year amortization period—not because 5 years was enough, but because we knew the bidding would begin at 5 years and end up somewhere near 10. Now we are at 10 years, and I would hope that Senators don't view this as the start of another bidding war. We must maintain the integrity of the capital requirements we have for banks. At the same time we must remember that the purpose of the capital requirements is to provide a cushion.

During times such as these in the agricultural sector, it is appropriate to dip into the cushion. And that is really what loan loss amortization is about.

The problem has been well-defined: when a bank incurs a loss, it must raise a corresponding amount of additional capital. We don't need to delve into great detail today regarding the economic situation throughout much of the productive heartland of America. Suffice it to say that raising additional capital to cover each loss incurred by a bank is a difficult proposition. If we allow the bank to amortize the loss over 10 years, we reduce the additional capital requirements significantly—enough to provide some real breathing room for the local bank.

This amendment is narrowly drawn in that it focuses on problems with agricultural banks, and that it also requires that the bank maintain its level of commitment to agricultural lending. It is sound banking policy, it is sound agricultural policy, and it provides some hope for certain troubled small town banks whose future is bleak.

Mr. President, I urge the adoption of this amendment.

Mr. McCONNELL. Mr. President, I commend my distinguished colleagues, Senator KASSEBAUM of Kansas and Senator DIXON of Illinois, for offering this timely and important amendment to the banking bill. I had joined Senator KASSEBAUM in sponsoring this legislation in the 99th Congress and I'm delighted to support the effort on the floor today.

Mr. President, the Senate Agricultrual Credit Subcommittee on which I serve, is holding hearings today to consider farm credit system reform legislation which will solve the system's significant problems. However, virtually every witness who testified before the committee this morning, including Senator MCCLURE and American Farm Bureau President Dean Kleckner, urged the committee not to forget the plight of rural banks when drafting farm credit system legislation.

It is safe to say, Mr. President, that any farm credit system reform package will address rural credit problems at the expense of some rural, mostly farm, banks. This is an unfortunate side effect of farm credit legislation which this important amendment addresses. This amendment would give rural farm banks the same kind of accounting flexibility that farm credit system institutions currently enjoy. These banks would be permitted to write off nonaccrual debt over an extended period as opposed to showing a loss in a single year. Given the fact that much of the collateralized debt currently in a nonperforming status will probably never be collected anyway, it makes sense for banks to write the debt off. However, many rural banks have been reluctant to write off nonaccrual debt because, under existing law, such action may put the bank in some capital jeopardy.

Passage of this amendment will permit rural banks to recognize economic reality in rural America. It will strengthen the farm loan portfolio of many farm banks, which will ultimately benefit farmer-borrowers. Furthermore, if this legislation saves just one bank the effort will have been worth it. As Senator KASSEBAUM has said, banks in small rural communities are often the hub of activity for the community. When a bank fails, a large part of a community fails right along with it.

Mr. President, again I thank Senators DIXON and KASSEBAUM for offering this important amendment and I urge my colleagues to support their efforts.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 51) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GRASSLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GARN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 52

(Purpose: To provide access to check cashing services)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 52.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

TITLE VII—CHECK CASHING

SHORT TITLE

SEC. 701. This title may be cited as the "Fair Access to Check Cashing Act".

CHECK CASHING

SEC. 702. (a) A depository institution which, in the ordinary course of business, cashes checks for customers, shall cash any check issued by the United States Government, any State, any unit of local government, or any agency thereof, if the consumer presenting the check—

(1) is the individual to whom the check has been issued; and

(2) registered with the depository institution pursuant to subsection (b).

(b) The Board shall promulgate regulations governing registration under this section. The regulations shall require, but need not be limited to, the following:

(1) Every such depository institution shall provide for registration in all of its offices.

(2) Registration shall be by means of an application containing the application date, and the name, address, date of birth, social security number, and handwritten signature of the applicant as well as any other information the Board may deem necessary, or by any other method the Board may approve.

(3) Every depository institution shall have the authority to verify the information required to be submitted by the applicant.

(4) Verification shall be completed within thirty days of receipt of the application.

(5) Upon verification, the applicant shall be considered registered, and shall be provided by the depository institution with an identification card in such form as the Board may approve.

(6) The depository institution may restrict the cashing of any check presented in accordance with subsection (a) only to the office that the application was submitted to, except that all offices of the depository institution must cash any check presented in accordance with subsection (a) if the person presenting the check also presents a reliable piece of identification which includes a photograph.

(7)(A) A depository institution may assess a charge for issuing an identification card, in an amount not in excess of the actual cost incurred in processing the application and issuing the card, as determined to be fair and reasonable by the Board.

(B) No charge may be assessed for cashing checks pursuant to subsection (a).

POSTING OF NOTICES

SEC. 703. Every depository institution shall post a conspicuous notice in the appropriate area of each location where deposits are accepted that informs consumers that check cashing services pursuant to section 702 of this title are available. The notice shall clearly explain the material features and limitations of check cashing services so that consumers can reasonably be expected to understand the terms offered.

REGULATIONS

SEC. 704. The Board shall prescribe regulations necessary to carry out the provisions of this title. In promulgating such rules and regulations, the Board may obtain upon request the views of any other Federal agency that exercises regulatory or supervisory functions with respect to depository institutions subject to this title.

ADMINISTRATIVE ENFORCEMENT

SEC. 705. (a) Compliance with the requirements imposed under this title shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, by the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks, by the Board; and

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 5(d) of the Home Owners' Loan Act of 1933, section 407 of the National Housing Act, and sections 6(i) and 17 of the Federal Home Loan Bank Act, by the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation), in the case of any institution subject to any of those provisions; and

(3) the Federal Credit Union Act, by the Administration of the National Credit Union Administration with respect to any Federal credit union or insured credit union.

(b)(1) For purposes of the exercise by any agency referred to in subsection (a) of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this title shall be deemed to be in violation of a requirement imposed under that Act.

(2) In addition to its powers under any provision of law specifically referred to in subsection (a), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under this title, any other authority conferred on it by law.

(c) The authority of the Board to issue regulations under this title does not impair the authority of any other agency designated in this section to make rules respecting its own procedures in enforcing compliance with requirements imposed under this title.

CIVIL LIABILITY

SEC. 706. (a) Any depository institution that fails to comply with any requirement imposed under this title or any regulation adopted pursuant to this title with respect to any person shall be liable to such person in an amount equal to the sum of—

(1) any actual damage sustained by such person as a result of the failure; and

(2)(A) in the case of an individual action, such additional amount as the court may allow, except that liability under this subparagraph shall not be less than $100 nor greater than $1,000; or

(B) in the case of a class action, such additional amount as the court may allow, except that—

(i) as to each member of the class, no minimum recovery shall be applicable; and

(ii) the total recovery under this subparagraph in any class action or series of class actions arising out of the same failure to comply by the same depository institution shall not be more than the lesser of $500,000 or 1 percent of the net worth of the depository institution.

(b) In determining the amount of award in any class action, the court shall consider, among other relevant factors—

(1) the amount of any actual damages awarded;

(2) the frequency and persistence of failures of compliance;

(3) the resources of the depository institution;

(4) the number of persons adversely affected; and

(5) the extent to which the failure to comply was intentional.

(c) Upon application by an aggrieved party, the appropriate United States district court or any other court of competent jurisdiction may grant such equitable and declaratory relief as is necessary to enforce the requirements imposed under this title.

(d) In the case of any successful action under subsection (a) or (c), the costs of the action, together with a reasonable attorney's fee as determined by the court, shall be added to any damages awarded by the court under such section.

(e) No provision of this title imposing liability shall apply to any act done or omitted in good faith in conformity with any official rule, regulation, or interpretation thereof by the Board or in conformity with any interpretation or approval by an official or employee of the Federal Reserve System duly authorized by the Board to issue such interpretations or approvals under such procedures as the Board may prescribe therefor, notwithstanding that after such act or omission has occurred, such rule, regulation, interpretation, or approval is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

(f) Any action under this section may be brought in the appropriate United States district court without regard to the amount in controversy, or in any other court of competent jurisdiction. No such action shall be brought later than one year after the date of occurrence of the violation.

DEFINITIONS

Sec. . For the purpose of this title—

(1) the term "consumer" means a natural person;

(2) the term "check" means any check, share draft, negotiable order of withdrawal, or other similar means of making payment or transfers to third parties or other;

(3) the term "depository institution" has the meaning given such term in clauses (i), (ii), (iii), (iv), (v), and (vi) of section 19(b)(1)(A) of the Federal Reserve Act;

(4) the term "Board" means the Board of Governors of the Federal Reserve System; and

(5) the term "office" includes the home office of a depository institution and any office approved as a branch of the depository institution by its Federal or State supervisory agency, but excludes freestanding automated teller machines and other electronic terminals.

Mr. METZENBAUM. Mr. President, this is a very simple amendment, very direct.

Today there is a situtation that exists in the country in which people who cannot afford bank service charges and rely on Government-benefit checks have an extremely difficult time cashing their checks at banks and savings and loan institutions.

Over 72 percent of the banking institutions surveyed by the Consumer Federation would not cash a Government check at any price, and only 11.6 percent—a little over 10 percent—would cash a check for free. The rest charge an average of $3.28 for a $300 check. In the city of Cleveland, there is only one bank, one institution, which cashes Government checks for free.

This amendment would require banks to cash checks, but in order that they be protected, we would provide that the check would not be cashed until the person has first obtained an identification card from a bank or savings and loan; and the bill provides that the bank may assess a one-time charge for the card, and the minimal fee would be determined by the Board of Governors of the Federal Reserve Bank.

Mr. President, all we are saying here is, do not take $3 or something of that kind out of the pockets of poor people who are trying to exist on a Government check; do not charge them for cashing the check. Do not send them all over the community, trying to cash their checks. Do not send them into one of these outfits that calls themselves a check cashing operation and charges even more than $3.28.

A Federal Government check ought to be able to be cashed at a bank. But, recognizing as I do that banks have a right to be concerned as to who the individual is who is bringing the check in for cashing, we provide that the bank will issue an identification card. We further provide that the bank may make a charge for issuing that identification card.

Frankly, this is an amendment that has so much merit that I hope there will be no opposition to it. I think it is fair and would help the very people in this country who are entitled to help. I hope the managers of the bill will see fit to accept the amendment. It is my understanding that it may be accepted, but I am not certain about that.

Mr. PROXMIRE. Mr. President, will the Senator from Ohio yield?

Mr. METZENBAUM. I yield.

Mr. PROXMIRE. Mr. President, this is an excellent amendment. It is typical of my good friend from Ohio that he has such a concern for the consumer.

It is ridiculous that people who have Government checks are not allowed to cash them. Everybody knows that the Government check is good, even though we have a $2 trillion national debt and a colossal debt every year. Despite that irresponsibility, Government checks are good.

In all seriousness, it is a fine amendment, and I am sure it will serve hundreds of thousands of people who have had difficulty in the past for no reason.

Mr. METZENBAUM. I appreciate the attitude of the manager of the bill.

Mr. GARN. Mr. President, I certainly am not going to stand here and argue with the Senator from Ohio over this amendment. I have no objection to the substance of the amendment.

I know that I am beginning to sound very much like a broken record, but I started out last August or July to create a clean FSLIC recap. As I said, with respect to the previous amendment offered by the Senator from Illinois and the Senator from Kansas, although I may or may not agree with the amendment, I set out to bring in a clean FSLIC bill. Every amendment we add encumbers it more and makes it less likely that we are going to solve the emergency problem for the savings and loans and particularly the FSLIC insurance fund in this country. So I register my opposition on that basis.

I certainly am not going to call for a rollcall vote. I wish the Senators would quit offering amendments and further encumber the bill. I certainly will not call for a rollcall vote.

Mr. METZENBAUM. I thank the Senator from Utah.

The PRESIDING OFFICER [Mr. CONRAD]. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 52) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 53

Purpose: To require creditors to impose outside limits on adjustable rate mortgage loans.

Mr. METZENBAUM and Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. HEINZ. Mr. President, I was seeking recognition.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 53.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following:

ADJUSTABLE MORTGAGE CAPS

SEC.—(a) An adjustable rate mortgage loan that is originated by a creditor shall include a limitation on the maximum interest rate that may apply during the term of the mortgage loan.

(b) The Board of Governors of the Federal Reserve Sysem shall prescribe regulations to carry out the purposes of this section.

(c) Any violation of this section shall be treated as a violation of the Truth in Lending Act and shall be subject to administrative enforcement under section 108 or civil liability under section 130 of such Act, or both.

(d) For the purpose of this section—

(1) the term "creditor" means a person who regularly extends credit for personal, family, or household purposes; and

(2) the term "adjustable rate mortgage loan" means any loan secured by a lien on a one to four family dwelling unit, including a condominium unit, cooperative housing unit, or mobile home, where the loan is made pursuant to an agreement under which the creditor may, from time to time, adjust the rate of interest.

Mr. METZENBAUM. Mr. President, this is an amendment that has to do with adjustable rate mortgages.

In 1984, the Senator from Ohio came to the floor in connection with another banking bill and offered an amendment providing a 5-percent maximum cap to which adjustable rate mortgages could rise. They could in no event go beyond 5 percent over the amount stated in the mortgage. This amendment does not go that far. This amendment does much less than that. My amendment in 1984 was unanimously adopted as part of the bill.

Now we have a situation where more and more consumers are going with fixed rate mortgages these days. However, there is still a problem with adjustable rate mortgages that do not contain interest rate caps; and the problem, frankly, could get much worse.

The Federal Reserve Board is about to adopt a rule to require that adjustable rate mortgages disclose a worst case rate for the purchaser. In other words, if the Federal Reserve Board adopts their rule, the borrower would know what the maximum payment he or she would have to pay. This amendment does not relate to that action of the Federal Reserve Board, although in a sense it ties in with it.

But that rule, if adopted, will not apply to adjustable rate mortgage lenders who do not include caps. In other words, the Federal Reserve Board rule would apply where caps were stated but, if there were no caps that were stated, then the Federal Reserve Board rule would not apply.

About 40 percent of the adjustable rate mortgages today that are being offered do not include any cap at all. There is no maximum. The new regulation could put noncapped loans at a competitive advantage over capped adjustable rate mortgages.

If only capped adjustable rate mortgages or loans have to disclose their worst case scenario, then the institution would have an incentive not to state any cap. By requiring that all loans have caps, which this amendment would do, we avoid that dilemma.

My amendment does exactly what has been indicated. Every institution would be required to state what the cap is. Nothing in my amendment would indicate the amount of the cap.

As I stated before in 1984 there was a maximum of 5 percent and the Senate unanimously accepted that amendment. Nothing in my amendment would do that in this instance. It simply requires all adjustable rate mortgages to include an interest rate cap that sets an outside limit on the extent to which interest rates may rise during the term of the loan.

The institution would have the right to set that cap. We are not saying it should be 1 percent or 2 percent or 5 percent or 10 percent. It does not fix a specific amount for such caps, but it says that each institution will indicate what that cap should be.

If the Federal Reserve Board should adopt their rule, then the borrower would be advised as to what the worst case scenario would be.

The amendment will also ensure that home equity loans have caps. A survey by Consumers Union of 10 lenders found that all of the lenders' home equity programs involved no caps. If interest rates go up, this could mean big trouble for consumers.

The amendment will help us avoid such trouble, and I hope that the managers of the bill will see fit to adopt it.

Mr. PROXMIRE. Mr. President, will the Senator from Ohio yield?

Mr. METZENBAUM. I yield.

Mr. PROXMIRE. Again, Mr. President, I commend the distinguished Senator from Ohio. This also is a very good amendment. It provides protection for the borrower and it is a good addition to the Truth in Lending Act, which I understand is the basis on which this would be enforced.

Mr. METZENBAUM. The Senator is correct.

Mr. PROXMIRE. So that the borrower knows what he is getting into.

Under present circumstances, as the Senator points out, with no cap, the adjustable rate mortgage can go through the roof. The Senator is not saying what the cap should be, but he is saying there must be a cap and the borrower must be informed exactly what it is so he knows what he is getting into at the time.

That is completely in sync and in spirit with the Truth in Lending Act. I think it is a real improvement.

I thank the Senator.

Mr. METZENBAUM. The Senator from Wisconsin is quite on target, and I appreciate his support.

Mr. HEINZ. Mr. President, I am not sure about the procedure that we are following here at this moment.

A few moments ago I was trying to get recognition to offer an amendment. The Senator from Ohio has offered an amendment.

As I am sure the Chair is aware a Senator when he offers an amendment loses his right to the floor. When the Senate has conducted business he loses his right to the floor.

Perhaps it was an oversight on the part of the Chair. If so, I would not criticize the Chair. We are all guilty of oversight.

But it is also the right of a Senator to speak for as long as he wants on any amendment and on any subject whether it is pertinent to that amendment or not. I do not choose to do that in this instance, but I do want to bring to the attention of my colleagues that if recognition is not accorded properly, amendments which are offered by other colleagues without a deference to the rule of the Senate may go very slowly. I am not being critical of any Member of this body.

I am not certain, because of the way the things seem to be arranged or disarranged here, when I will have an opportunity to offer my amendment.

I do just want to bring to the attention of the Senate what that amendment is. And I think it is an amendment of some urgency and moment.

I would just take a moment to refer my colleagues to an article that appeared this weekend in Parade magazine, and in that magazine there was an article on page 15, dated March 22, 1987, about the state of the Federal Savings and Loan Insurance Corporation, and it went on to say, "At this writing, the FSLIC has less than $2.5 billion to insure assets that are rapidly approaching $1 trillion."

One solution was for Congress to act, and that we are trying to do.

It quotes me as saying that the FSLIC situation is "a time bomb waiting to go off," and I did say that, and I do say that. It goes on to quote me saying, "If it does, a great many people could be blown up with it," which unhappily is true.

As a result of this article, I must tell you my office has been deluged by phone calls from all over the United States of people wondering what is happening and whether we are going to act on the FSLIC.

I must say that there was one thing that did disappoint me about this article and if the people who had written it had been, I suppose, accorded a little more space they might also have noted that on March 10, 12 days before the article, I submitted together with Senator PROXMIRE, and the Senator is here, and Senator GARN, plus many other cosponsors, Senate Concurrent Resolution 28, to directly address that concern.

I will speak more about my amendment in a moment, assuming I do get recognition, but the point is I intend to offer my Concurrent Resolution 28 in the form of an amendment to this bill. I think it is important that the Senate go on record with respect to this amendment because we do not want people to feel that the Senate or the Congress is fiddling while either Rome or the FSLIC burns. We do not want to add fuel to the fire. What we want to do is cool it.

I think it is important that the Senate have the opportunity to express itself. I think my colleagues will express themselves favorably on this amendment.

So, Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair is going to take this opportunity to respond. I just want to indicate that it appeared to me that the Senator from Ohio first sought recognition. I inquired of the Parliamentarian if I inadvertently missed the Senator from Pennsylvania. He advised me that he had heard what I had heard, that the Senator from Ohio first sought recognition, believing there was no intention to deny the privileges of the floor to the Senator from Pennsylvania.

Mr. HEINZ. I thank the Chair. He did not have to make that explanation. I would not be critical of the Chair as the Chair knows.

The PRESIDING OFFICER. No. I understand.

The Senator from Utah.

Mr. GARN. Mr. President, I see the Senator from Alaska seeking recognition, but I am sure the Senator from Ohio would like to dispose of his amendment first.

So I would simply, very briefly say that although I think this is a big improvement over his amendment in 1984 because it does not set caps I still am opposed to amendments being added to this bill. I do not think I need to repeat the last two speeches over again.

I do object to it being added but will not ask for a rollcall vote.

The PRESIDING OFFICER (Mr. GRAHAM). If there be no further debate on the amendment, the question is on agreeing to the amendment.

The amendment (No. 53) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I think I can be very brief. In 1 minute I will send an amendment to the desk.

Mr. President, I am going to yield the floor at this point if there are other Senators seeking recognition.

The PRESIDING OFFICER. The Senator from Pennsylvania has yielded the floor.

The Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair and I thank my colleague from Pennsylvania.

Mr. President, I do not think there is any question with regard to the necessity of passing banking legislation at this time. I would like to take this opportunity to share with my colleagues an emergency that does exist, and it is appropriate that we address this in some length because the bill we have before us is a bill that has considerable differences of opinion as to its merits.

As a consequence, a portion of the legislation that provides for the bridge banking authority for the Federal Deposit Corporation, which is a part of the bill, is caught in the catch 22. We have before us a controversial piece of legislation. There is the threat of Presidential veto. It is tied up in the allegations of the various parties based on, of course, their own individual interests.

But I would remind the President that a record number of banks in this country today are in financial trouble. We have 1,400 banks on FDIC's problem list. And that is up 33 percent in just 1 year; more than five times what we had in 1981.

Further, Mr. President, 50 banks nationwide have failed this year, twice the number during the same period as last year. If an FDIC-insured failed bank is not acquired by another bank, FDIC's authority currently is very limited. They must liquidate assets in an expeditious manner.

Under current law, FDIC does not manage the failed banks' assets, but simply sells them, when it can, at fire-sale prices. That can truly undermine the economic viability of a community and a State. And bank failures in a depressed economy can lead to further depression simply by the multiplier of putting the assets or the loans on the market and receiving whatever price the market will bear.

As a consequence, this simply compounds the problem of a borrower that is able to meet his obligations but because of his loan devalue ratio collateralizing his loan, he is forced to come up with more collateral. And this simply adds to the difficulty and adds to the problem and to the severity. In a depressed economy, failed bank assets are often dumped on the market by FDIC at truly fire-sale prices.

Now we have several examples of where this is occurring. We have already seen in the State of Oklahoma the tremendous impact where real estate values in communities of failed banks are worth 30 to 40 cents on the dollar and where FDIC holds nearly a third of all the assets in that State. And Oklahoma is not alone. Mr. President, if we look at a comparison across the United States of nonperforming loans in various banks, we find a number of States that are in serious trouble. They need emergency legislation and they need that legislation now. And this is what the bridge bank authority provides.

And while I commend the Banking Committee and the chairman, my friend from Wisconsin, the reality is the emergency exists now. These banks and the economies of these communities might not be around when we get through debating the merits of all aspects of the bill. Whether the White House recommends that the President veto the bill, the need is now. We need to have some assurance that there will be an expedited process to address this emergency.

Mr. President, we have Oklahoma, Wyoming, Alaska, Montana, Louisiana, North Dakota, Texas, Colorado, Iowa, and Nebraska with the highest percentages of nonperforming loans in the Nation and the largest increase of nonperforming loans, Mr. President, in the period of 1985 to 1986. Those nonperforming loans have jumped as high as 5 to 6 percent.

The question that is being asked of the Congress is: What kind of relief is Congress going to provide to this emergency? It has been my hope that Congress would take up emergency legislation to address this need but, as we have seen, the Banking Committee has put it in the overall bill.

Now, FDIC is not to blame for the authority that it is given by the Congress to act. FDIC is in the liquidation business. They do not have the authority to operate an organization until capital can be found or a merger can be promoted.

Bridge bank legislation is urgently needed, Mr. President. This is the reason I joined the Senate Banking Task Force which is made up of Senators from the depressed States which I have mentioned and areas where they have had decline in agricultural markets. Of course, each State has its own problems. In my State, for example, nearly 25 percent of all our banks' assets could be in jeopardy by the fourth quarter of this year.

So it is simply a matter, Mr. President, where we cannot wait. We have seen, as in agriculture States, a drop in the economy. Our drop happened to be in oil. Our unemployment is up to 17 percent. We have a projected 27-percent spending decrease for the year, the largest 1-year reduction of any State since the Great Depression.

(Mr. Dodd assumed the Chair.)

Mr. MURKOWSKI. Mr. President, I have had an opportunity to try to do something about it. I happened to have been a banker in Alaska for some 23 years. I took the initiative to meet with the FDIC Chairman, Mr. Seidman. I set up a meeting in Seattle, WA, with our Alaska Governor, all of our major banking chief executive officers, and our State officials to explore ways to avoid a future disaster in our economy. I think it is interesting to note, Chairman Seidman's comment was he wished he had an opportunity to have such a meeting prior to the difficulties occurring in the State of Oklahoma.

What we were doing was exploring whether there was any methodology that we could find to ease the inevitable. You cannot turn the circumstances around if, indeed, a bank is going to fail.

But it is fair to say that after those meetings, plus the meetings that we had with Senator Boren here in the banking caucus, that FDIC wants to help this process, but FDIC needs the authority to do so. The FDIC bridge bank authority can help minimize the negative effect of failed banks on a community.

Now, what is a bridge bank? Well, the concept is that FDIC would have the authority, upon foreclousure, to set up, in effect, a national bank to be run by FDIC for a period up to 2 or 3 years. We do not want to put FDIC in the business of operating banks, but what we are trying to do is to basically save the values associated with their normal course of dictate, which is to dispose of the assets, liquidate the assets, by giving a mechanism so that investors can be found, equity capital can be sought out, and the effect of disposition of the assets will not be a total fire sale on the market, which will simply compound the problem.

Now, this can only be established if, indeed, FDIC detemines that it is less expensive than liquidating a failed bank; that it is essential to the community which the bank serves; or it is in the best interest to the failed bank's customers and the public. So we are not talking about giving FDIC carte blanche.

It gives FDIC more time to find a buyer of a failed bank to avoid liquidation. It keeps the failed bank's assets off depressed markets to avoid the depression that I mentioned.

Now, I think it is noncontroversial. I have not talked to anybody that did not feel that this was a worthwhile piece of legislation on its own. It is endorsed by the FDIC and generally by the banking industry.

It should save ultimately the FDIC money, and it can be used immediately by the FDIC if indeed the emergency is recognized by the Congress.

So I urge that we consider the merits of this overall legislation we have before us and recognize that we have an emergency. We need immediate relief on bridge bank authority to the FDIC so that the FDIC can preserve the integrity of the whole insurance program, the economies of our community, and the viable credit resources of our States.

I would remind you, Mr. President, that we cannot wait much longer. We cannot wait for the conventional manner in which this body moves. I do not think we want to get caught up in the controversy of the necessity of bridge banking in the sense that it is needed now and the reality of where this banking bill will go in its current controversial structure. Therefore, Mr. President, I urge that this body consider the merits as it looks at the overall banking bill, consider expediting the FDIC powers portion, and if it involves a clean FSLIC and FDIC powers bill, then so be it. But I just think we have an overall responsibility to the States where the problems are occurring to address those problems expeditiously.

I again urge my colleagues to recognize the emergency because it is here. And it is now.

Mr. PROXMIRE. Mr. President, will the Senator yield to me briefly?

Mr. MURKOWSKI. I will.

Mr. PROXMIRE. I want to congratulate the Senator who has been very persistent in urging us to proceed rapidly with the bridge bank provisions. I want to do everything I can possibly do to accelerate that. I want to work with him closely. He is dead right. I know Alaska is in trouble. I did not realize it until I had a chance to talk to the distinguished Senator from Alaska. I will do everything I possibly can to assist in that regard.

Mr. MURKOWSKI. I appreciate the assurances of the chairman of the Banking Committee, my friend from Wisconsin. I very much appreciate his comments. I yield the floor.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, a moment ago I mentioned the Parade magazine article regarding our concurrent resolution about the need to pledge the full faith and credit of the FSLIC and the other insurance organizations that underpin the Federal Deposit Insurance System.

I ask unanimous consent that a copy of the text be inserted in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so oredered.

(See exhibit 1.)

Mr. HEINZ. Mr. President, suffice it to say, we all know there is a problem with the FSLIC. We all know there is some concern among depositors and the sum and substance of the amendment which I will send to the desk in 1 second is that this concurrent resolution will confirm that depositors whose accounts are federally insured, whether it is by the FSLIC or the FDIC which insures banks as opposed to savings and loans up to the statutory $100,000 of Federal insurance are completely protected by the full faith and credit of the United States.

A number of our colleagues are indeed cosponsors of this measure. I have here a partial list. It is partial. But in addition to Senators Garn and Proxmire, there is Senator Sarbanes; Senator Sanford; Senator Dodd, who happens to be, Mr. President, in the chair at this moment; Senator Armstrong; Senator D'Amato; Senator Dixon; Senator Adams; Senator Stennis; Senator Riegle; Senator Graham; Senator Kasten; Senator DeConcini; Senator Cochran; Senator Evans; and Senator Bond; and there may be more.

Mr. President, the safety of the American financial system is currently being challenged by the problems threatening the thrift industry. As news of the Federal Savings and Loan Insurance Corporation's desperate financial straits increasingly appear on the front pages of the Nation's newspapers, fear is rising among depositors that their funds might be jeopardized if there were large-scale failures of depository institutions. With this in mind, I am offering Senate Concurrent Resolution 28 as an amendment to the Competitive Equality Banking Act.

This measure is essential to stem depositors' fears, given the decline of the FSLIC's financial condition in recent years. The latest GAO audit has determined that the fund is technically $3.8 billion in the red. With losses at insured institutions mounting, the ratio of FSLIC reserves to deposits has steadily dropped since 1983. The FSLIC no longer has the resources to deal with the rising number of problem institutions. The fear among depositors, as they become aware of these conditions, has already manifested itself. In response to a recent Parade magazine article quoting my concerns on this matter, my office has been inundated with phone calls from constituents worried about the safety of their deposits. But the article only reported half of the story. It failed to mention that on March 10, I submitted Senate Concurrent Resolution 28 to address these concerns.

The concurrent resolution confirms that depositors whose accounts are federally insured—either by the FSLIC, FDIC, or the NCUSIF—up to the statutory $100,000 limit of Federal insurance, are completely protected by the full faith and credit of the United States.

We must ensure that funds will be available to every depositor who seeks to withdraw them. It is crucial that we make Senate Concurrent Resolution 28 an amendment to the bill before us today. We are all aware that Congress is committed to addressing the FSLIC's troubles. By adding this amendment, we will signal to the American public the Congress' intention to resolve the problem with the Federal insurance system.

Let me just say that this measure is important. I do not think its importance can be understated because the security of depositors funds in federally insured institutions has been an essential element of the American financial system for in excess of nearly 60 years, since the 1930's. So in order to ensure that there is public confidence in all types of federally insured depositor institutions, I hope the Senate will adopt this amendment.

(EXHIBIT NO. 1)

RED LIGHT FLASHING

Before this year is out, the Federal Savings and Loan Insurance Corp., which insures nearly $900 billion in deposits at savings and loan associations and savings banks, will go broke—unless Congress comes to its rescue. At this writing, the FSLIC has less than $2.5 billion to insure assets that are rapidly approaching $1 trillion. One solution, advocated by both governmental and industry officials, calls for Congress to enact by early spring a bill providing the agency with a restorative $25 billion to $30 billion for its insurance fund.

Senator JOHN HEINZ, describes the FSLIC situation as "a time bomb waiting to go off." He warns: "If it does, a great many people could be blown up with it."

AMENDMENT NO. 54

(Purpose: To reaffirm that deposits to federally insured institutions are backed by the full faith and credit of the United States)

Mr. HEINZ. Mr. President, I send my amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ] for himself and others proposes an amendment numbered 54.

Mr. HEINZ. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new title:

TITLE VII: FULL FAITH AND CREDIT OF FEDERALLY INSURED FINANCIAL DEPOSITORY INSTITUTIONS

SEC. 701. The Congress finds and declares that—

(a) Since the 1930s, the American people have relied upon federal deposit insurance to ensure the safety and security of their funds in federally insured depository institutions; and

(b) The security of such funds is an essential element of the American financial system.

SEC. 702. In view of the findings and declarations of subsections (a) and (b) of section 701, therefore, it is the sense of the Congress that it reaffirm that deposits up to the statutorily prescribed amount, in federally insured depository institutions are backed by the full faith and credit of the United States.

Mr. PROXMIRE. Mr. President, may I say to my good friend from Pennsylvania that I have had a chance to study this amendment. It is an excellent amendment and exactly what we need, especially under the present circumstances.

Let me read one short sentence from the amendment. It provides in section 702:

In view of the findings and declarations of subsections (a) and (b) of section 701, therefore, it is the sense of the Congress that it reaffirm that deposits up to the statutorily prescribed amount, in federally insured depository institutions are backed by the full faith and credit of the United States.

In view of all the questions raised about FSLIC I think this is exactly what we should do.

I want to thank my good friend for the amendment. It is a good one. I am happy to support it.

Mr. HEINZ. Mr. President, I thank my good friend, the chairman of the committee, the Senator from Wisconsin, Senator PROXMIRE. I appreciate his support of the amendment.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, I apologize to my colleagues for having to leave the floor for a few minutes. I assume this is the full faith and credit amendment.

Mr. HEINZ. The Senator is correct.

Mr. GARN. I support that. I certainly hope that it will come into play. We have enough difficulty with the budget deficit now. However, we did this several years ago, as I am sure the Senator has brought up, at a time when there was a crisis in the country several years ago to reassure people that their funds were safe. That is the intent of the Senator. That is why I am supportive of saying that we will not allow people who are in federally insured situations, either the FSLIC or the FDIC, to worry about their money because we talked so much in the last couple of days about the problems of thrifts. And having more than 450 of them technically bankrupt, we have sent a number of negative signals out of this body in the last couple of days.

Just 2 or 3 weeks ago when the General Accounting Office report came out, I had a large number of calls and inquiries from people asking whether or not to take their money out of these institutions. I assured them no, that they did not have to worry.

So the purpose of doing this today, as we did in 1982 as part of the Garn-St Germain Act, is to reassure people that these institutions are safe. There are problems. That is why we need a FSLIC recap. But in the meantime, I will go on record as saying, "don't start running to take your money out, that we are going to solve these problems."

So I commend the Senator from Pennsylvania for offering this particular amendment. And I am willing to accept it.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from Pennsylvania [Mr. HEINZ].

The amendment (No. 54) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I want to particularly thank not only the managers of the bill, Senators GARN and PROXMIRE, but I want to pay a particular debt of gratitude to the junior Senator from Alabama, Senator SHELBY, who had every right to seek recognition before me. I very much appreciate his courtesy in allowing us to proceed with this amendment. I hope my colleagues will note that courtesy, and I assure him it will be returned many times over.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I wonder if the distinguished chairman of the Banking Committee, the Senator from Wisconsin, would engage in a colloquy with me at this time regarding the Breaux amendment.

Mr. PROXMIRE. Yes. Indeed, I am delighted to do so.

Mr. SHELBY. Mr. President, would the Breaux amendment that was agreed to and passed earlier today affect the original amendment that I offered to the bill in the committee regarding a moratorium on real estate activities that any Federal agency might approve in the meantime?

Mr. PROXMIRE. No, indeed. It is my understanding that nothing in the

Breaux amendment permits Federal banking agencies to grant new real estate powers to banks during the moratorium period. The amendment does change the date the moratorium ends but that does not change the prohibition on new real estate powers during the moratorium.

Mr. SHELBY. It does not change it in any other way, it will not affect the amendment that I offered and we agreed to in committee, and is now a part and parcel of this bill?

Mr. PROXMIRE. The Senator from Alabama is absolutely correct. Banks will not set new real estate powers during the moratorium period.

Mr. SHELBY. I thank the distinguished chairman.

I yield my time.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, as I listen to the debate on this bill, I am struck by the inward, almost parochial nature of the discussion. It is clear that our financial institutions are in turmoil. It is true that because of advances in financial instruments, advances in technologies, advances in communications technologies, and from the best evidence in the stock market what we need is a standstill agreement, we need a cease-fire.

We need a 1-year period to figure out what is going on in this country so that we can make some sense in this Congress of what the various financial institutions should do.

The disturbing part of this debate, frankly, is that it assumes, basically, that the world revolves around the United States. It assumes that we have to get control of the problems facing various fiancial institutions just in the United States.

It tends to disregard the simple fact that the world has dramatically changed in the last 10 or 15 years. It does not pay any attention to the fact that the United States has become less and less competitive in the world.

It does not really address the need beyond restructuring and reordering our financial institutions in our own country—the bigger problem—that is what are other financial institutions in other countries doing that make them more competitive and, therefore, make us less competitive?

Mr. President, there are a few alarming facts here which I think are important for us to keep in mind.

In 1970, 8 of the 11 biggest banks in the world were American banks. That was 1970.

What has happened in the last 16 years?

Well, today only 3 of the top 20 banks in the world today, are American. We have fallen from 8 of 11 to 3 of 20.

In the meantime 9 out of the top 20 are Japanese.

Second, the United States market share of business loans in the United States is declining dramatically relative to that of foreign banks, especially the Japanese.

In 1985, the U.S. market share of business loans by U.S. banks in the United States grew only 4 percent. Japanese bank loans in the United States grew by 50 percent. That was 1985.

Last year, of the letters of credit backing municipal loans in the United States, 70 percent were by foreign banks—70 percent. And of those, 90 percent were Japanese banks.

That is what has happened.

Why should we pay any attention to all of this? Why should we be concerned?

I think we should be concerned because if we lose the financial leadership of the world, if it does shift to Tokyo, our country is going to be even less competitive than it is today.

In the 19th century, Mr. President, Great Britain thought that it could withstand the passage of the industrial revolution. That it could afford the shift of technology and growth in the manufacturing base from the United Kingdom to the United States so long as London remained the financial center of the world. They thought they could keep London as the financial center of the world.

What happened? London is no longer the financial center of the world. It is New York and it has been New York for at least the last 40 years. That is because financial institutions know no national boundaries. Capital does not recognize national boundaries. Capital goes to where the growth is, where the business is. London is no longer the financial capital of the world and New York is for the present.

We all know that is changing. It is going to Tokyo. Why is it going to Tokyo? It is going to Tokyo for several reasons.

No. 1, there are fewer restrictions on Japanese banks than American banks. There are fewer restrictions on Japanese banks operating in Japan and around the world than there are American banks.

In addition, the Japanese banks have lower capital requirements which gives them an advantage compared to the United States banks. Japanese banks have different accounting procedures. Frankly, I think the main reason is that the Japanese do not have to face Glass-Steagall in Japan. Neither do American banks, but the fact is that the Japanese banks can be much more aggressive, which explains the much larger growth in Japanese banks.

That is important because it gives them market power. That is why Japanese institutions are underbidding American institutions.

Mr. President, I support this bill. I think we need the standstill. I think we need the moratorium. I am concerned, however, that there has not been enough examination and emphasis in this debate on the international competitive effects of American financial institutions compared to foreign financial institutions, namely the Japanese and the British.

In London there is one-stop shopping. We do not have that in American banks. In addition, the securities exchange industry has been deregulated. They are getting on with the times.

Mr. President, I understand the very strong intention of this committee under the very able leadership of the Senator from Wisconsin to, address in this year, the international aspects of competitiveness.

I want to yield to the chairman, but in yielding to the chairman I would like to ask the chairman to tell this country the degree to which the Banking Committee intends to address—this year—the international adverse competitive effects that American financial laws have on American banks compared to banks in other countries.

Mr. PROXMIRE. Will the Senator yield?

Mr. BAUCUS. I yield.

Mr. PROXMIRE. Mr. President, I think this has been an excellent statement by the Senator from Montana. He is 100 percent correct. This is exactly what I would argue the committee intends to do. The few statistics he has had a chance to give in his brief speech have been right on target. He is so right.

This country is slipping in our competitive situation vis-a-vis other countries. That is what we intend to examine during this moratorium.

Nobody has made that speech today to my knowledge. Maybe when I was off the floor some other Senator has spoken along the same line. I think the Senator from Montana deserves congratulations for hitting it right on the head.

Furthermore, we would be delighted to have the Senator from Montana testify before our committee. I am sure he will be very helpful to us, and any suggestions he would like to make we can consider in strengthening American institutions.

Mr. BAUCUS. The committee will be under intense pressure from thrifts and other institutions to extend the moratorium another year, to delay the 1-year deadline. I would like to ask the chairman if he really can give us a solid commitment, as solid as he can give it, that that 1-year moratorium will not be extended.

Mr. PROXMIRE. The Senator knows all of us have one vote. I am chairman of the committee, and I will do everything I possibly can. We put it right in the bill. We mandate the committee to act, and I intend to do everything I possibly can in every way.

I hope the Senator will make any suggestions or criticisms that he has along the line as we proceed. There is no way I would vote for an advance in any way of that moratorium. That is it. If we cannot act within the limited time, then we have to recognize that we have failed.

Mr. BAUCUS. Mr. President, I thank the chairman. With that statement, I am much more confident.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. I rise to compliment the Senator from Montana. Over the years we have had these intramural battles over our financial industry. What has been taking place is exactly what the Senator has described, the flow of capital from overseas and the incredible borrowing of U.S. firms from these other financial centers. We held hearings on it in the Banking Committee last year.

It was a revelation to me to find out how rapidly this was taking place. We have essentially ignored it. We have spent so long in our intramural battles, not willing to make decisions on controversial issues concerning bank powers, functional regulation, and all sorts of things; that we have pushed this issue into the closet and not really addressed it. I hope that we do not wait too long before we do that.

I am sure my colleagues have seen statistics of just 20 years ago, that 6 out of the big 10 banks in the world were U.S. banks. Today only one is; Citicorp is No. 8. And now six out of the biggest banks are Japanese.

I compliment the Senator for bringing it to the attention of the Senate again. It is not a well-known fact, but I also brought it to the attention of the Senate yesterday.

AMENDMENT NO. 55

(Purpose: To eliminate the grandfather provisions for nonbank banks in Title I of the bill)

Mr. DANFORTH. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER (Mr. WIRTH). The amendment will be stated.

The bill clerk read as follows:

The Senator from Missouri [Mr. DANFORTH] proposes an amendment numbered 55.

Mr. DANFORTH. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(2) On page 7, line 17, delete the closing quotation mark and final period, and insert in lieu thereof the following:

"An institution which became a bank as a result of enactment of the Competitive Equality Banking Act of 1987 and which was acquired by a company prior to March 6, 1987 may be retained by such company for up to four years from such effective date."

Mr. DANFORTH. Mr. President, this amendment is straight foward. It would strike from the bill the grandfathering feature with respect to nonbank banks. The bill, in its present form, eliminates nonbank banks except for approximately 160 of them. Those 160 so-called nonbank banks are ones that have existed for some period of time. Most of them, the lion's share of them, have been established during the eighties.

The point of this amendment is very simple. Either nonbank banks are a good thing or they are a bad thing. Either Congress wants to permit nonbank banks or it wants to abolish nonbank banks.

My own position has been that they should be abolished; that nonbank banks are and always have been since they were first established an effort to circumvent Glass-Steagall and the banking laws generally; that if it is wrong under the law for a bank to engage in commercial activities, so it is wrong and should be wrong and always has been wrong for a commercial business to engage in banking activities.

Maybe I am correct in my theory and maybe I am not. Some people might say, well, nonbank banks are a good thing, we should have them, we should have more of them, it provides for some kind of competition. That is an argument that can be made and should be made and probably will be made on the floor of the Senate. I would argue that nonbank banks are a bad thing.

But, whether they are good or whether they are bad, surely, the Congress of the United States should not create a grandfather exception for some nonbank banks. Surely, there is no excuse for carving out a special class and allowing that special class a permanent status unto itself.

What possible reason is there, as a matter of public policy, for the Congress of the United States to say, for example, that J.C. Penney can have a nonbank bank and the Macy Co. cannot? What possible reason is there for that kind of rule of law which we would be creating?

So, Mr. President, that is my argument. That is my whole argument. The grandfathering provision is nonsensical; it is wrong; it is inequitable. It sets up a special class, carves out a special exception from the general law, and it should be stricken from the bill.

Mr. PROXMIRE. Mr. President, this is a very hard amendment for this Senator to oppose, but I am going to have to oppose it.

I agree wholeheartedly that nonbank banks are a violation of the principle of the separation of Congress; they are wrong, they are unfair. I have said this many, many times. I feel this very deeply, and I would greatly prefer no grandfathering at all. I would greatly prefer that we force the nonbank banks to divest.

In July of 1983, when we passed a bill out of the committee and it came to the floor, we provided then for a grandfather date of July 1983. When I first introduced this bill, I provided for the same grandfather date. I thought it was the best I could possibly get, and I did not get that. I did not come within a mile of getting support for that in committee. There was no way that we could do better than grandfathering them before March 1987.

I think we have to recognize the facts of life on this. There is a tremendous problem of divestment when you require any big institution to get out of a business entirely. And I think we have to require a number of years that we are going to have divestment. I did not note in the Senator's amendment—how many years did he provide? Four years?

Mr. DANFORTH. I think the Senator has made a good point and I do provide in this amendment for four years for the nonbank banks to phase out. I do understand that the overwhelming majority of the nonbank banks that have been created have been created in the eighties. Some are old-timers, but most of them are very, very new.

Mr. PROXMIRE. I am sure the Senator is correct.

Mr. DANFORTH. There has been some controversy about that, but most of them have been created while this has been going on. I do not think the Senate is pulling a fast one on the banks. The Senate passed a bill in 1984 abolishing the nonbank bank loophole, so this is a very live issue and I would think four years would be long enough for them to divest themselves of the inappropriate holdings they might have.

Mr. PROXMIRE. In 1970, we had a similar problem when we required that one-bank holding companies that did not comply with the holding company act would have to divest. We gave them 10 years.

I do not want to quibble over the number of years. As I say, I agree wholeheartedly with the Senator from Missouri. He is right on this as he is on so many other things. But, Mr. President, this is a delicate compromise, the best we could work out. I hope the Senate will not vote for the amendment. I think if the amendment should pass, there would be great distress and difficulty on the part of many people who have gone into this business.

The limitations that we place on the nonbank banks will prevent it from becoming, in my judgment, a real problem. I say that because, at the present time, the best statistics that the Federal Reserve Board can give us indicate that nonbank banks have six-tenths of 1 percent of the deposits in this country. They are growing very rapidly, but they would have to grow for several years before they become a big threat. We can contain it and we do contain it in the bill by requiring that they not grow at a greater rate than 7 percent a year after next year.

It seems to me that is the most practical and reasonable way we can handle this situation without an extraordinary loss on the part of people who would have to divest.

Mr. GARN. Mr. President, I find myself in an interesting position as we now talk about not just a moratorium on nonbank banks and the limitation of their powers, but an amendment to have them fully divest. We have debated that issue over the years. There have been some who felt that was the only fair way to go, that there were two ways you could go in this whole problem of additional powers, cross-marketing and homogenization of the financial services industry: You could either allow banks to participate more fully and be more competitive and allow more competition for the consumer by giving banks additional powers or you could simply pass an amendment like this that says stop; we are not only going to stop nonbank banks, we are going to prohibit those who are already in from continuing, and they are given a certain number of years to divest of all their assets. We talked about going further; that it was certainly unfair then for the securities industry to be involved in banking, even though they were unwilling to admit it. Certainly cash management accounts, third-party checking, paying your house payment and your car payment are banking activities in the traditional sense. I simply made a determination along with a lot of other people that it was impossible, politically to go back and require everyone to do that. So to even up the playing field it was necessary to allow banks to be more competitive. And other than making one small step in 1982 we have not succeeded.

I have great sympathy for the amendment of my colleague from Missouri. It certainly would make things more fair as far as evening up the playing field in the event we are not going to be able to allow more powers for traditional depository institutions, which is not even considered in this particular bill. On the other hand, although some of them have been in this business for 40 or 50 years, it is correct that a majority of them have been founded in the last few years. However, there are some that have been around for a long, long time.

So I am a little bit puzzled as to how to vote because we have allowed, because of our unwillingness to make decisions over a long number of years, this situation to develop. The House had not been willing to take steps back in 1975 or 1976, as Senator McIntyre wished, or in 1980 when Chairman Proxmire tried, or beyond Garn-St Germain in 1982, if we had taken the 1984 bill that passed the Senate 89 to 5. We closed the nonbank loophole with a retroactive date of July 1, 1983, but that failed. It happened again in 1986.

I guess this gets me back to my major objection to what we have been doing for 2 days—first of all, ignoring an immediate emergency situation by being unwilling to pass a clean FSLIC bill and picking up a few moratoriums because we are unwilling to make decisions.

With all due respect to my colleagues' sincerity—and I do not doubt their word at all; they have been friends of mine for years on the Senate Banking Committee—we are going to have to make decisions before the moratoriums end, and if we do not, the moratoriums will not be extended.

I am not going to take the time of this body again to expand on the number of times I could show you in the public record in committee, in this body, and in all sorts of other committees where those commitments were made in all sincerity, but the rush of time came in an election year or at the end of a moratorium, and all we saw was an extension. We saw it last year in FHA. We denied people six different times the opportunity to get FHA mortgage insurance because we were holding the extension of the authorization of FHA loans hostage for a variety of reasons. So we had gaps of days and weeks when FHA could not issue their commitments, but every time it was the last extension; we were not going to let that happen again. Well, it happened six times last year. I hope my colleagues are right; that this time we are going to make precedent and we are not going to allow moratoriums to continue.

We simply have been unwilling for years to make these decisions. I do not understand why. We make decisions on budgets that are unpopular. We vote on one side or the other of contra aid. We get very controversial, high profile issues in this body and we line up and are willing to make tough decisions and take the flak. Yet, we are unable somehow on banking issues. My press secretary, in 12 years on the Banking Committee, has been very hard-pressed to put out a press release on what we were doing because the issues are so complex and they are not on the lips of everybody out there on the street.

As a matter of fact, after 6 years as chairman of the committee, if I walked down Main Street in Salt Lake City and stopped an average citizen and said, "What do you think about Glass-Steagle?" I will bet they would say, "Doesn't he play second base for the Cubs?"

There really is not an understanding of the Glass-Steagle, McFadden and the Douglas amendment, or the Bank Holding Company Act. In 20 years in public office and after several elections, I have never been asked a question during an election year by a voter, "What do you think about Glass-Steagle? How will you vote on it?"

I do not understand why we are so lacking in courage, why we are so gutless to make some decisions on these issues, however they go. Let us make a decision on whether banks ought to have municipal revenue bond authority and mortgage-backed securities and commercial paper or discount brokerage houses. Let us decide whether we ought to have regulation by function so that the marketplace is really fair and equitable. If we dispense some powers, we can regulate on the same basis. Thus, if you are in the securities business, you ought to be regulated by the SEC. If you are in the banking business, you ought to be regulated by the banking regulators.

I used to be naive enough to think we would make decisions on these issues, but we do not. I do not understand why. I really do not. They are not high-level, high-profile issues that are going to cost any one of us a vote in an election, because the people are not informed on these types of sophisticated issues.

So I wish we could come to some decisions rather than continuing to delay.

I commend the Senator from Missouri for offering an amendment that I do not think will pass. Maybe this is one that I should vote for. Maybe if we continue to add amendments, my strategy to have a clean bill will work. Maybe I am working at it the wrong way by opposing amendments. Maybe I should accept every amendment that comes along and make it such a piece of garbage nobody would want to vote for it. I do not know. I will have to wait and see, when they call "Mr. Garn," how I vote on this one.

It certainly is not my choice. I would like to see deregulation continue, a leveling of the playing field and not be retrogressive, going back and requiring people to divest of businesses that maybe they should not have been in but nevertheless they have been in legally. So we are going to have a choice now on whether we really want a nonbank bank loophole closer or not.

Mr. HEINZ. Will the Senator yield?

Mr. GARN. I yield the floor.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, in many respects I agree with what Senator GARN has said, although I think he was speaking against the amendment and I have a great deal of sympathy for the amendment. But where I agree with Senator GARN is that the Congress overall has ducked its responsibility to draw the lines that we know we ought to have drawn in order to properly separate banking and commerce. The Senator from Utah tried time and again to do that when he was chairman of the Senate Banking Committee. He has no reason, I must say, to apologize. He brought to the floor of this Senate a bill; we did not agree with everything in it, but it did not duck the responsibility that so far Congress has avoided. It had a very strict closer of the nonbank bank loophole. It not only closed the loophole but it had a grandfather date of July 1, 1983; it was very strict and it was very correct, and it was very courageous. Here we are today, because we have been unable to get legislation from the other body in any way, shape or form on this issue. In the meantime what has happened is many other financial institutions have via the nonbank bank gotten onto the turf of the banks and the S&L's and have created a homogenization of our financial system that in my view is perilous and is like taking Humpty-Dumpty and throwing him, in addition to having him fall off the wall, into a Waring blender and then trying to put him back together.

The Senator from Missouri is doing the Senate a service in offering this amendment. His amendment is a matter of principle. The principle is that we ought to take a stand before it is too late. It may already be too late. But still we owe it to the basic integrity of this body, to our own sense of individual and collective self-respect, to take a stand on the issue.

I think we can all quarrel over whether there ought to be a grandfather date, whether it ought to be July 1, 1983; July 1, 1986; today; 10 years ago; or back to the day on which the Glass-Steagall bill was written in the 1930's. But the point is that the Senator from Missouri [Mr. DANFORTH] raises the critical issue. I salute him for that; I commend him. I support him in his efforts.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I, too, commend the Senator from Missouri [Mr. DANFORTH] for his amendment.

I must be very honest: I do not think that the Senator from Missouri has the votes for this amendment to be adopted, nor do I know whether he is going to force his amendment to a vote. Frankly, that is immaterial and irrelevant at this particular time.

I also commend the Senator from Wisconsin [Mr. PROXMIRE], the chairman of the committee, and Senator GARN for working this very complex banking bill from the committee to the floor of the Senate in a comparatively short time. They have been able to put together a package that their committee—and it appears now most of the Senate—is going to support.

Mr. President, if there is one shortcoming to this legislation that I sense, it is the issue that Senator DANFORTH has pointed up to us this evening, and that is the issue of granfathering-in 160 institutions across America, in our hometowns, next door to banking institutions that have served our community well for generations in many cases.

I do not know—and I am not on the committee—how nonbank banks ever get started in the first place. I do not know what is going to be the ultimate outcome of the nonbank bank issue. But I do think we have to admit that we have allowed a monster to be created. Now the issue is, is it too late to do something about it? Is it even impractical to do something about it?

I stand here this evening perplexed, not knowing the answer to that question. I think that nonbank banks are unfairly competing. I do not feel that they have been fairly regulated. I feel that most of the banks across America that are true banks and have served our communities and our society and our economy so well for many generations are having to compete very unfairly with these nonbank banks.

There has to be a moratorium, yes; but then the issue is, what do we do with 160 of them that have already been spawned and are already operating and are already sucking up a great portion of the capital of this country and putting very little back into the communities that they are there to represent?

There are some things around this body that I think you cannot read in a committee report, or maybe you cannot read in a bill or a piece of legislation. I have a visceral reaction this evening, a reaction down deep in my soul, that we are going to look back at this moment, we are going to look back at this debate, and we may well look back and say, "We had a chance back there in March 1987 to do something about this, and somehow or other it slipped through the cracks."

All I can suggest—once again, I do not think the Senator from Missouri has an adequate number of votes to do what he intends, and I again praise him for bringing this issue to the floor—all I can suggest is that the chairman of the Banking Committee and the ranking member and the members of the committee, or even the Federal Reserve, might, on a monthly basis, give us a report, serve as our monitor, to see if there is strict compliance with the intent of this legislation and with the intent of the U.S. Senate.

Mr. DODD. Mr. President, will the Senator yield?

Mr. PRYOR. I am glad to yield to the Senator from Connecticut.

Mr. DODD. First, let me commend my colleague for his interest in the issue of the amendment offered by the Senator from Missouri.

It is a difficult situation; because, frankly, as the Senator from Arkansas has pointed out, there are not the votes, I suspect, on an amendment such as this.

However, I must also say that before we decide that all nonbank banks are even in our society, I do not think we know the answer to that. I think that is the question we would like to address during this moratorium.

I suggest to the Senator from Arkansas, as a member of the Banking Committee, that I think we will certainly want to monitor very carefully what happens during this moratorium period. Obviously, those of us who supported this concept feel strongly that we should have the opportunity to try to craft legislation that will deal with the financial institutions in a manner that reflects the age in which we live.

Obviously, if during that period we find that those institutions which have been subjected to the moratorium engage in activities or are permitted to engage in activities which violate the spirit or letter of this legislation, we will be reacting very loudly and clearly and will take appropriate steps, whatever they might be, to stop that activity that is in violation of the letter and spirit of this law.

Mr. PRYOR. I would like to add one word to the Senator's eloquent statement.

He says that we should react loudly and clearly. I think we should also say that we must act quickly; because in this year, as I understand this legislation, the nonbank banks that are grandfathered in will have an enormous advantage over the other banking institutions of America.

I know there is a 7-percent cap in growth rate and all this that is embodied in this legislation, but there are a lot of ways that I fear this may be circumvented.

I know that the Senator from Connecticut is concerned. I have talked to him about this matter on several occasions. All I know at this late hour is that we should try to get some monitoring which we can see on a month-by-month basis, so that we can act quickly.

Mr. DODD. I would add the word "quickly" to the words "loudly and clearly." Then, if we in the committee, in an informal way, rather than trying to do something formally, will report to our colleagues periodically as to how we are progressing, I am sure we can take care of the concerns of the Senator from Arkansas.

Also, in the absence of a moratorium, while we may not have closed the door as tightly as we would like in this future period, with cross-marketing and additional branches and product lines—in the absence of the moratorium, there is no restraint whatsoever. The erosion would continue, I suspect, at a more rapid pace.

So, while what we have suggested may not be perfect, it is a far cry from what it would have been in the absence of moratorium legislation with regard to the nonbank banks.

I am sure that the chairman also would see that the concerns of the Senator from Arkansas are taken care of.

Mr. PRYOR. I thank the Senator very much.

I yield the floor.

The **PRESIDING OFFICER.** The Senator from Nevada.

Mr. HECHT. Mr. President, I rise in opposition to the amendment of the Senator from Missouri.

We are talking about a segment of our financial community that has assests of approximately $11 billion. We should be working on a comprehensive banking bill to make all segments more competitive, and not forcing one segment of our financial community to divest of their assets. Any action taken on our American banking system will have worldwide ramifications. To make an arbitrary decision could cause an economic downturn throughout the world.

What type of signal would this send out to the different European financial communities?

If the Senator from Missouri wishes to pursue this action, then by all means bring it back to the committee and let us hear both sides of the argument. Let the Senate Banking Committee hear the pros and cons and make the determination: Should the Senator's amendment be adopted, $11 billion in assets would have to be disposed of in 4 years. May I ask the Senator from Missouri, is that the correct figure, 4 years?

Mr. DANFORTH. Yes, that is correct, 4 years to divest.

Mr. HECHT. It is an interesting situation because you have 4 years to divest, yet there would be no buyers because you have nothing to sell. So you have no buyers of nonbank banks, yet, you have $11 billion in assets to dispose of.

Mr. DANFORTH. I do not understand why there would not be buyers for however many billion dollars of assets there are.

Mr. HECHT. What you are selling is an asset which would not be legal, and nonbank banks would be out of existence.

Mr. DANFORTH. Could the business be sold?

Mr. HECHT. I am quite sure it can be sold, but certainly not as a going business. It would be a fire sale.

Mr. DANFORTH. What would happen is that the nonbank bank would be converted into a regular bank and would be sold as such.

Mr. HECHT. The Senator has not said that in the bill.

Mr. DANFORTH. Why have I not said that in the bill?

Mr. HECHT. First of all, the nonbank banks would have to be converted to regular banks, and I am not sure that would be possible.

Mr. DANFORTH. The banking aspect of Sears, Roebuck or whatever, would be converted into a bank and sold.

Mr. HECHT. I thank the Senator for the clarification, but I am not quite sure this is the case

This is just another reason why I would suggest that this type of an amendment be brought to the Banking Committee and let us go over it with a fine-tooth comb.

I only rise to bring up these objections not in favor or against the nonbank bank, but believe that when you are dealing with one segment of a financial community worth $11 billion, we should not make this an amendment, let us go into it in depth in the Banking Committee.

I yield the floor.

Mr. DANFORTH. Mr. President, I suppose the answer to any issue that is raised on the floor of the Senate at any time could always be, well, let us study this matter. We really do not want to make a decision. It is premature to make policy decisions about nonbank banks and let us have a moratorium, have hearings, study it.

But the fact of the matter is that this is an issue which has not only been reviewed by the Banking Committee in the past, it has been reviewed on the floor of the Senate in the past.

As I recall in 1984, the U.S. Senate addressed the question of nonbank banks. In 1984 on the floor of the Senate by an overwhelming vote, I think with only something like seven dissenting votes, we voted at that time as a matter of policy that we were not going to permit nonbank banks.

Mr. PROXMIRE. Mr. President, will the Senator yield on that?

Mr. DANFORTH. Yes.

Mr. PROXMIRE. In September 1984 we voted to ban nonbank banks but to grandfather nonbank banks in existence prior to July 1, 1983.

Mr. DANFORTH. Am I not correct that because that bill did not pass the House the result of it is that subsequent to 1983 there has been a proliferation of nonbank banks?

Mr. PROXMIRE. There are more nonbank banks now. That is absolutely correct. They are growing and we are concerned about it.

What we are doing is a practical thing, it seems to me. We ban new nonbank banks but grandfather those in existence on March 5, 1987. We do limit the activities of the grandfathered nonbank banks. It seems to be the best thing we can do from a practical standpoint.

Mr. DANFORTH. When does the limit on their growth commence?

Mr. PROXMIRE. The 7 percent limit on their growth commences 1 year from now.

Mr. DANFORTH. In other words, the banks have 1 year to gun it?

Mr. PROXMIRE. They can gun it.

Mr. DANFORTH. The race is to the swift.

Mr. PROXMIRE. If they increase by 100 percent, they will have 1.2 percent of the deposits in the country. That is more than I would like to see them have. I would like to see them have none.

It seems to me to be a practical accommodation to a fact of life and I think there is every reason to expect under those circumstances we will not get that proliferation. The 7-percent limitation is a very serious one.

Mr. DANFORTH. I think what is going to happen is that in the next year there is going to be a tremendous rush to expand the size of these 160 special institutions that are being grandfathered by Congress. They are not only being treated specially as a special class of institution, but they are being told we are not going to do anything to limit you for a year.

Mr. PROXMIRE. Wait a minute.

Mr. DANFORTH. Go out into the highway and byways of the country and do as much banking business as you can possibly do, and that will create the base for your future growth. The bigger you are and the bigger you become, the greater the base for your further growth in the future and a 7 percent compounded growth in the future in perpetuity is not too bad.

Mr. PROXMIRE. The average bank is growing at a rate of 8 percent. The average bank is growing more rapidly than the 7 percent to which we limit nonbank banks.

So there is just no question under these circumstances they could not grow in any significant way. As I say, they now hold six-tenths of 1 percent of the Nation's deposits. If they grew 100 percent this year they would still command only a little over 1 percent of national deposits.

Mr. DANFORTH. The Senator from Nevada has been arguing we should not adopt this amendment because there is $11 billion involved.

Mr. PROXMIRE. That is right.

Mr. DANFORTH. These are such huge and important institutions that it would cause shock waves throughout the country if we were to close out the nonbank banks. The Senator from Wisconsin is arguing that this is an insignificant and miniscule fraction of the banking industry. So I am getting it on both ways. I do not know whether to respond to the Senator from Nevada or the Senator from Wisconsin.

Mr. PROXMIRE. I tell my good friend from Missouri $11 billion is six-tenths of 1 percent of the deposits in this country. It is hard to adjust to the $1 trillion era we are in but that is a fact of life.

Mr. DANFORTH. There is no problem just having 160 special cases?

Mr. PROXMIRE. There is a problem. Sure there is. I think the Senator is right. He is being puritanical in a sense, but I think that is good. I respect him for that. A puritan is the kind of person, according to H.L. Mencken, who has a fear that somewhere someone is happy, but I am sure that is not true in the case of my good friend from Missouri.

I would hope that the Senator would consider withdrawing his amendment. If not, we can have a vote on it. Whatever way the Senator wants it.

We had a good debate. I think it is time for a vote one way or the other.

Mr. PRYOR. Mr. President, will the Senator from Wisconsin yield for a question?

Mr. PROXMIRE. I yield.

Mr. PRYOR. I need a little education on this subject. I vaguely remembered that vote in 1984—on grandfathering *x* number of banks or nonbank banks.

Mr. PROXMIRE. Yes.

Mr. PRYOR. How many nonbank banks did we grandfather in 1984?

Mr. PROXMIRE. About 35, and there are now 170.

Mr. PRYOR. We grandfathered 35 and now there are 170 that we are going to—I just want to make the record clear we are not grandfathering.

Mr. PROXMIRE. We did not grandfather them at that time. The bill did not pass. It did not become law. If it had become law, there would still be 35.

Mr. PRYOR. I want the record to show this is not a grandfather clause. This is a great-grandfather clause.

I am concerned about this. I hope that the chairman will make certain that the Federal Reserve and that the committee that he chairs in such a distinguished fashion will give us a month-by-month monitoring of what is exactly happening so if they go astray and if they get too ambitious we can do something about it.

I think we should send a message to them tonight that we are going to watch them. We are going to monitor them.

Mr. PROXMIRE. We have that message and the bill does provide for a considerable degree of monitoring.

Mr. PRYOR. I thank the distinguished Senator.

Mr. SARBANES. Mr. President, I simply want to say that there is a great deal to what both the Senator from Missouri and the Senator from Arkansas said. I think the chairman's response is really on point.

Actually, without this legislation, this process can continue totally unimpeded as it has done since the time the previous bill was brought to the floor. This bill is an effort to place all of this in a framework of sort of being put on hold, to the extent it is possible to do that in this circumstance. It has not done it absolutely 100 percent in a number of areas, but I think it has done a pretty good job of it. That would, therefore, give us an opportunity to examine the structure in the financial industry and to reach some conscious decisions on the part of the Congress itself of what we think is a sensible structure.

Otherwise, it is going to continue to be done by others, so to speak, each proceeding from the purpose of their own particular perspective, and that has a certain dynamic which drives them which is understandable.

I do not necessarily fault those that are searching for ways to press through the existing statutory regulatory framework. I mean, that is within the rules and if they can find a way to work within them in order to expand their activities, they are going to seize the opportunity to do so. And this is an effort to try for a limited time to arrest that.

Now, it is not altogether perfect. We do not contend that it is. But we do think it is significantly better than what is happening currently. We think there is enough to it that it will, in effect, prompt a dynamic to have a proper examination and hopefully to be able to develop legislation which will address this matter in a thorough, comprehensive way. That is the objective. And I think the committee has come as close as is practically possible to realizing it.

Mr. RIEGLE. Mr. President, I rise in opposition to the Danforth amendment. I certainly want to say that the Senator from Missouri has put forth an interesting proposition, but I think a proposition of this kind, or any one of several others that might be offered, in effect, would try in a piecemeal way to deal with the question of what the future of the financial services industry is going to look like. What we need is not more piecemeal decisions, but some kind of fundamental, structural reassessment of what this business should look like for the next several years, perhaps over the next two or three decades. That is what we are attempting to do through this process.

I think it also needs to be said with respect to Senator DANFORTH's amendment that nonbank banks are not illegal creatures. I am not here to make a case for them, but the fact of the matter is they exist because market forces and dynamics have brought them into being, and people who were innovative or creative in terms of taking and finding ways to move into the market within the existing legal structure have found a way to create this kind of entity. I would guess, I do not know, that thousands of people in the country today derive their livelihood from the activities of what we call nonbank banks.

That does not mean that we should not think about changing that situation in an orderly way. But this amendment would not provide for that orderly process.

I think whatever decision is made with respect to nonbank banks has to be done in conjunction with deciding a host of other issues. And that is why we have created a process over the next 12 months in which that can be done in an orderly way.

I do not know if the Senator plans to carry his amendment ahead to a vote. I guess that is his intention. I would hope that perhaps he would decide not to do that. If he does want to go ahead with a vote, I hope we would turn it down and that, in fact, a suggestion like this would be submitted to the Presidential group that is to be named. That Commission should consider this as well as the many other issues related to financial services reform.

Mr. DURENBERGER. Mr. President, I wish to express my support for the Danforth amendment to delete the grandfather provision for nonbank banks. Senator DANFORTH is absolutely correct in saying that nonbank banks are either a good or a bad idea.

I decided a number of years ago that nonbank banks are not a good idea and I have been consistent in that position. They are a drain on the rural economy and seriously disrupt the healthy relationship between small banks and the communities they serve.

Today we have an opportunity to end what is an intolerable situation and we should take this opportunity to close down nonbank banks once and for all. Mr. President, I would ask that my colleagues support closing the nonbank bank loophole.

Mr. DANFORTH. Mr. President, I have listened with great interest to the debate as it has progressed. I have noted the strong arguments against grandfathering nonbank banks that have been made by people on both sides who have stated that they are both for and against the amendment. Senator PROXMIRE, the chairman of the committee, although he said that he would be constrained to vote against the amendment because of the position he is in as chairman and the compromise that is involved in writing any legislation, did say that he agreed on the merits with the amendment. Senator HEINZ and Senator PRYOR have made very strong arguments on behalf of the concept of the amendment, stating their view that the grandfathering of nonbank banks is absolutely wrong and that it is indefensible. I believe that.

I appreciate the strong statement of support. I appreciate the comments of Senator GARN. I know that there are some Senators who agree with me in principle but, because of the particular status of the legislation right now, do not want to amend it in this way.

So I am going to leave the field with whatever victory I have: The moral support of a number of Senators who have expressed that support. I hope that someday this battle will be fought again, perhaps in conference, perhaps on the floor of the Senate. Mr. President, therefore, I withdraw my amendment.

The **PRESIDING OFFICER**. The Senator has a right to withdraw the amendment. The amendment is withdrawn.

AMENDMENT NO. 56

(Purpose: To require the Federal Deposit Insurance Corporation to consider the economic impact of actions taken during liquidation proceedings)

Mr. **HARKIN**. Mr. President, I have an amendment that I send to the desk and ask for its immediate consideration. I believe it has been cleared on both sides.

The **PRESIDING OFFICER**. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 56.

Mr. **HARKIN**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Withoug objection, it is so ordered.

The amendment reads as follows:

On page 108, between lines 19 and 20, insert the following:

LIQUIDATION PROCEEDINGS

SEC. 408. Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended by adding at the end thereof the following:

"(m) The Corporation shall fully consider the adverse ecomonic impact on local communities, including businesses, and farms of actions to be taken by it during the administration and the liquidation of loans of a closed bank. The actions include the release of proceeds from the sale of products and services for family living and business expenses and shortening the undue length of decision-making process for the acceptance of offers of settlement contingent upon third party financing. The Corporation shall adopt and publish procedures, and guidelines to minimize adverse economic effects caused by its actions on individual debtors in the community.".

Mr. **HARKIN**. Mr. President, this is the amendment dealing with the FDIC that I believe has been cleared on both sides.

Mr. **GARN**. Mr. President, if the Senator will yield, I have not seen the amendment. I would be happy to review it if I could have a copy of it.

Mr. **HARKIN**. Well, I apologize to the distinguished Senator from Utah. I thought it had been cleared over there. I am sorry. I apologize.

Mr. **GARN**. If the Senator would proceed to talk about it, we will be glad to look at it.

Mr. **HARKIN**. I thank the Senator.

Mr. President, my amendment provides for some consideration for the businesses and farmers who through no fault of their own, find that their banker is out of business and that the FDIC is the holder of their bank loans.

Until recently, little public attention has been focused on failing banks. From 1935 to 1981, the Federal Deposit Insurance Corporation liquidated an average of only 13 banks a year. FDIC had approximately 500 employees nationwide in 1982.

From 1982 to the present, over 450 banks have failed. In 1985 alone, 120 failed. In 1986, 138 failed. At the rate we're going this year, 180 banks will fail and probably more than half will be agriculture banks. In just the State of Iowa, 29 banks have failed. FDIC now has over 6,000 employees and is probably one of the fastest growing businesses in Iowa.

My staff and I have worked on cases from all the 29 failed banks in Iowa. We have been involved in literally hundreds of individuals' loan cases. Earlier this month, I sponsored a conference of community leaders who have been very active in problems arising from failed banks in small communities.

I recognize that this has been an administrative nightmare for FDIC, not only because of the volume, but because it wasn't prepared for the economic realities of agricultural areas it now must handle. I am sure it is facing equal difficulty in the hard-hit oil-producing areas as well.

But while the failures have been a bad dream for the FDIC, they have become a nightmare for borrowers.

When a bank fails, the bank's farm and business customers are often left in the cold. The FDIC takes care of the depositors with proper speed. But, the borrowers must find alternative arrangements. Unfortunately, in a small town in an economically depressed area, and that is where most of the failures occur, there are few alternatives.

Most small businesses and farmers need a continual series of loans to operate. Farmers need money to plant their crops. Small businesses need money to purchase their merchandise. If they cannot get it, they will not survive.

If too many of those businesses and farmer operations do not survive, then the whole community is faced with long-term depression.

The borrowers look for other places for credit. First, there is the new purchaser of the bank. But, sometimes that new purchaser is conservative about making new loans. We have one case, where the purchaser of a failed bank made no commercial loans in the community at all. Apparently, the purchaser was interested in the charter for reasons other than being a community banker. They can look to other banks. But sometimes all or all but one or two banks are outside of the market area. And the FDIC often chastises banks for making loans outside of their market area. In short, it can be very difficult to acquire new sources of funds.

On the other side, the bank usually has liens against the sale of the farmer's production. When the crop is sold, the farmer is required to turn the check over to the bank. And with a failed bank, to the receiver: the FDIC. The same goes for an implement dealer. When equipment is sold, the bank often has a right to receive the payment. Under normal circumstances a bank will allow the borrower to use some of those proceeds even if the borrower is behind. Denial of these proceeds often means bankruptcy.

FDIC's basic policy is that any action that it takes in liquidating a bank's loans must maximize the return to the fund. That is its job: to get paid back. But, it has become evident that cash-starving is not necessarily the answer, as it ends up damaging the whole community.

I am not advocating that the FDIC become a welfare agency or an economic development agency. I do believe that it should recognize the economic realities of the business borrowers who need a flow of cash to survive. And, with actions that recognize that reality, it may actually recover more, rather than fewer, funds in the long run.

I believe that the FDIC must have proper controls. It must be able to recover the funds that were owed to the failed bank. But it must do so in a balanced manner. Often, with a little extra leeway and a willingness to establish procedures where actions occur quickly, businesses can survive and in many cases make a complete payment of their debts.

Allow me to offer an example:

A farm family in western Iowa offers the FDIC a proposal for a partial payment on the bank loan 2 months after the bank failed. The FDIC agreed that it was the best deal and took it. But, it took 18 months for that decision to be made. During that time, the family became so desperate, they had to resort to food stamps and their local church to eat and they found it impossible to pay their bills. Of course, this meant that their creditors who owed the FDIC money found themselves in deep trouble as well.

My amendment is simple and straightforward. It does not set specific guidelines for a host of unforeseen situations. It simply provides that the FDIC, whether it is acting as the receiver or as the corporation, must fully consider the impacts of their actions on liquidated banks' borrowers. The amendment mentions two specific types of actions that have caused particular problems. But the amendment is not limited to those. In addition, it requires that the FDIC adopt regulations, procedures, and guidelines that will minimize these difficulties within the bounds of sound banking practices.

Clearly, there are borrowers who simply cannot survive. This amendment is not designed to help them except, perhaps, to provide a faster recognition of that reality. There are borrowers who have solid credit and who can find alternatives quickly. They do not need any help. This amendment helps those borrowers who fall in the middle. It would help them survive and eventually thrive. They could pay back their loans or a good portion of them if decisions were made soon.

The people that this amendment helps have no lobbyist in Washington or anywhere else. But they need our help and I hope that my colleagues agree with me that we should offer them a chance.

Again, Mr. President, I thought it had been cleared on both sides. That is just a brief explanation. It is a very simple amendment. It is only about a paragraph long.

Mr. PROXMIRE. Will the Senator from Iowa yield?

Mr. HARKIN. Yes. I am delighted to yield.

Mr. PROXMIRE. I want to commend my good friend from Iowa for what I think is a good amendment. He is looking beyond the banks to the small businesses and communities. This amendment provides:

> The Corporation shall adopt and publish procedures, and guidelines to minimize adverse economic effects caused by its actions on individual debtors in the community.

I think that is certainly what we need. It is a good amendment. I am happy to accept it.

Mr. HARKIN. I thank the distinguished chairman.

Mr. GARN. Mr. President, we have checked with the FDIC, and they have no objection to this amendment. We accept it.

The **PRESIDING OFFICER.** Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Iowa [Mr. HARKIN].

The amendment (No. 56) was agreed to.

Mr. PRYOR and **Mr. HARKIN** addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I rise to ask the distinguished chairman of the Banking Committee, Senator PROXMIRE, if he could clarify the committee's plans for further consideration of the bank diversification issues handled on a temporary basis by the partial closing of the nonbank bank loophole in title I and the moratorium provisions of title II.

Mr. President, I am anxious to see that the Banking Committee moves promptly to schedule hearings and to conduct its markup of comprehensive legislation addressing the proper role of nonbank banks and the role of commercial banks in the securities, insurance, and real estate industries.

I believe that we should have a level playing field. As others become involved in traditional banking activities, it becomes necessary for banks to become involved in other activities as well. Some say that we have reached the point where there is no turning back.

I believe that we could be close to that point because of the actions of regulators in recent years. But, before we pass legislation that will move toward a permanent blending of the financial industries or fail to take any effective action which would have the same result, I believe that we should make one last effort to develop solid well thought out legislation in this area.

In addition, I believe that such legislation must consider the competitive position of our banks and other financial institutions in the world marketplace.

It is particularly important for Congress to act within title II's moratorium period to consider and address these issues on a permanent basis.

The supplemental views of Senator PROXMIRE and seven other committee members, attached to the committee report, appears to contain a commitment that the committee will act on permanent legislation promptly and that these Senators will "oppose any effort to simply extend the moratorium and restrictions provided in these titles (I and II)."

Do I understand from these views that the committee will indeed proceed quickly to conduct hearings and markup? And also to bring legislation to the floor in time for the Senate to act, hopefully reaching an agreement with the House well within the moratorium period?

Mr. PROXMIRE. Yes, the Senator from Iowa has my assurance that the committee will move quickly aiming for a vote well within a year.

CROSS MARKETING RESTRICTIONS OF S. 790

Mr. DODD. Is it correct that under the provisions of this bill, a grandfathered nonbank bank that was separately cross marketing different packages of products could at any time in the future cross market these products in any combination?

Mr. PROXMIRE. Yes; that is the meaning and intent of the legislation.

Mr. DODD. Is it also correct that under the provisions of this bill, a grandfathered nonbank bank that was cross marketing a specific product or service could at any time in the future cross market a product or service which had been developed to reflect general changes in the grandfathered service's or product's character and design generated by competition, market innovation or technology?

Mr. PROXMIRE. Yes; that is correct.

Mr. DODD. Under the provisions of this bill it is my understanding that a product or service that was cross marketed within a reasonably short time period—say 13 months—prior to the grandfathered date, but was not actually being sold on the grandfather date would still be considered a grandfathered cross marketing activity. Is that correct.

Mr. PROXMIRE. Yes; that is correct.

CLARIFICATION OF GRANDFATHER RULE FOR INDUSTRIAL LOAN COMPANIES

Mr. INOUYE. Would the distinguished managers of the bill, the senior Senator from Wisconsin [Mr. PROXMIRE] clarify the bill's exemption for industrial loan companies? Is this Senator's understanding correct that a company is exempted if it meets the requirement of either clause (i) or clause (ii) of subsection (c)(2)(H) of the Bank Holding Company Act as modified by the bill?

Mr. PROXMIRE. The senior Senator from Hawaii is correct in this understanding.

Mr. INOUYE. Is this Senator's understanding also correct in that a company would qualify for the exemption in clause (i) if it is chartered in a State that imposes or is considering imposing certain requirements and if the company either does not offer demand deposits, or has assets under $100 million, or is not sold after passage of the bill? In other words, a company may be exempted under clause (i) if it has assets over $100 million provided it does not offer demand deposit withdrawable by check of similar means.

Mr. PROXMIRE. The Senator again is correct.

Mr. INOUYE. This Senator thanks the distinguished floor managers for their clarification.

Mr. DODD. While I was out chairing a subcommittee hearing, I understand that the Breaux amendment was adopted.

I just want to clarify one point. As I understand the insurance provisions of title II, they do not resolve the debate as to whether States can give State chartered banks that are part of bank holding companies greater authority than permitted by section 4(c)(8) of the Bank Holding Company Act. The moratorium simply prohibits the Federal Reserve from increasing by regulation or order the insurance authorities for these entities beyond those contained in section 4(c)(8) during the moratorium. It also addresses the scope of their activities in an acquisition situation by restricting them to present Federal Reserve practice on the subject.

The moratorium and its expiration in no way affect the debate. Either the courts or the Congress will determine whether States can give State chartered banks that are part of bank holding companies broader insurance powers than those permitted by section 4(c)(8). If the Congress does not resolve the issue, then the courts will do so on the basis of interpreting the Bank Holding Company Act as it exists today. The moratorium will have no effect, either way, on the outcome. Am I correct?

Mr. PROXMIRE. That is completely accurate.

Mr. CRANSTON. Mr. President, on March 10, 1987, the Banking Committee took an historic step when it reported out a bipartisan comprehensive banking bill by a 12-to-6 vote. I have been deeply involved with the chairman, with the ranking Republican, and with all other members of the committee in working on this legislation. I congratulate the chairman and the other members of the committee on this compromise package which, most importantly, authorizes the Federal savings and loan recapitalization plan, credit union amendments, and check hold policies. It also closes the nonbank bank and nonthrift thrift loopholes permanently, and temporarily closes the insurance and security loopholes, the latter under section 20 of the Federal Reserve Act.

The Banking Committee, in closing loopholes and freezing certain market activities in place for 1 year, has committed itself to reassessing the underlying premises of the Glass-Steagall Act in the light of today's rapidly changing financial environment. Most recently, Gerald Corrigan, the president of the Federal Reserve Bank of New York along with the Mayflower Group both outlined the need for a comprehensive restructuring of the legal framework underlying our financial system. Additionally, Members of the House and Senate have proposed a major overhaul of the Bank Holding Company Act. These are all issues the committee will examine once we get the nonbank loophole closed.

The Banking Committee has been trying to close these loopholes since 1981. Each interest group having a particular stake in its own loophole has prevented that process from going forward. The idea behind this bill is that in closing all loopholes equally, the major interest groups will be encouraged to work with the Congress on a reasonable piece of restructuring legislation to get the restrictions removed within a year's time. I think this bill greatly enhances the prospects for constructive hearings and new legislation on comprehensive banking reform.

For too long, major public policy issues such as the separation of banking and commerce have been decided not by the Congress but by clever lawyers exploiting loopholes for the benefit of their clients. We have witnessed a frontal assault on the banking regulatory system by the comptroller of the Currency who promoted the use of the nonbank bank loophole as a means to destroy the separation of banking and commerce and to promote nationwide banking without the agreement of Congress. If these loopholes are not closed, Congress will be in no position to go back and reshape our financial system to best serve that public interest. Those decisions will continue to be made by lawyers, regulators and the courts and will eventually become irreversible. The temporary moratoria in the bill will give the Congress the time it needs to restructure the system. The more quickly we move to pass this bill into law, the more quickly we will be able to remove these restrictions.

It is apparent that there exists here today at least one consensus. Virtually all of us agree that it is urgent that we must act effectively and decisively to shore up the Federal Saving and Loan Insurance Corporation. Although the vast majority of thrift institutions are profitable, several hundred thrift institutions generate losses so large that they cannot be accommodated with the resources available to FSLIC within its existing debt structure. This legislation provides $7.5 billion in borrowing authority for 2 years and requires congressional review before additional funds could be borrowed. Although this time limit on the borrowing is less than that sought by the Treasury Department, the amount of permissible annual borrowing is in the range indicated by the Treasury and GAO.

It is clear from testimony before the committee that no one can be sure with certainty in advance what the actual cost of resolution to the FSLIC will be over time. However, Wall Street has said that not more than $2.5 billion could be prudently raised in the capital markets per year for funding FSLIC. Treasury Secretary Gould's own testimony advised us that the Bank Board cannot use more than $5 billion a year efficiently. Half that amount will be realized from annual premiums and FSLIC's present investment income of $2.5 billion. The bill will provide an additional $3.75 billion per year which makes a total of a little more than $5 billion per year for 2 years. Some want the FSLIC plan to be higher or lower—some want it. However, I think that the bill before us brings about a reasonable compromise. Congressional review at the end of the second year will provide ample time for Congress to get more specific information on the funding needs of this industry. For these reasons I would hope that the FSLIC plan can pass as is. We must maintain the public's confidence in the thrift industry by passing a creditable plan that provides a reasonable amount of resources to resolve the FSLIC crisis.

Mr. DASCHLE. Mr. President, I have a few comments about the banking legislation. I appreciate all the effort that Chairman PROXMIRE and his committee have put into the legislation that is before the Senate today. S. 790, the Competitive Equality Banking Act of 1987, provides the initial framework to enact comprehensive legislation for the financial services industry. It is a sound start on an important and complex journey.

To create time for Chairman PROXMIRE's committee and the Senate to provide progressive and responsible financial regulatory policy, the boundaries between the various sectors of the financial services industry need definition in the short term. In legislation of this type where the vitality of the savings and loans is at stake, it is difficult to satisfy all the financial service sectors. I have read and heard all of the concerns of the insurance firms, the insurance agents, retail firms, realtors, savings and loans, credit unions, securities firms, banks, consumer groups, and nonbank banks. No one group is totally happy with this bill—and I am not either. However, I am pleased that the committee is moving forward.

I have always been a proponent of competition and consumer choice. Therefore, I will urge the chairman and his committee to act expeditiously in holding additional hearings leading to that comprehensive legislation. Eight members of the committee have pledged to do this in the next 12 months. No one sector in this industry should be shackled in a product or service area where others are plowing new ground.

I also have concerns about the foreign owned banks and the potential impact that they may have on our financial system. I have shared these concerns with Senator PROXMIRE and urge his committee to thoughtfully review this problem as they continue their deliberations.

I hope that the Senate will vote now to provide adequate recapitalization of FSLIC, increased access to deposited funds, emergency provisions for failing and failed financial institutions, and appropriate restrictions on respective segments of this industry. These provisions are necessary to buy time so that the Senate Banking Committee can create broader legislation to provide order in the evolving marketplace for financial services.

LANGUAGE ON § 108 OF S. 790

Mr. PROXMIRE. I appreciate that there is some debate as to the appropriate leasing authority for banks under this section. Therefore, I intend to scrutinize it carefully to make sure that we haven't gone too far.

Mr. GRAHAM. Mr. Chairman, a number of States, including Florida, have passed legislation that restricts the operation of nonbank banks pursuant to the authority granted under section 7 of the Bank Holding Company Act. Florida has enacted a law that would prohibit control of nonbank banks by any company, including a bank holding company.

Under this bill we will grandfather the ownership of certain nonbank banks as of March 5, 1987. The bill would allow continued operations and control pursuant to Federal law notwithstanding the fact that under such law such control would be prohibited in the future. It is my understanding, however, this act will not affect the general authority of States under section 7 to regulate banking. Am I correct that this bill does not intend to preempt the right of States to restrict the ownership of existing or future nonbank banks.

Mr. PROXMIRE. It is not the purpose of this bill to preempt State legislation applying more restrictive provisions on nonbank banks then those that are applied in this bill. The rights of States to set their own policy with respect to the structure of finanical institutions has long been recognized by Congress and the courts.

Section 7 of the Bank Holding Company Act preserves to the States the right to regulate banking and is one of its cornerstones of the dual banking system. This act in no way diminishes the authority of the States under section 7. A state statute which prohibits ownership of a nonbank bank by bank holding companies or other business entities would not be acting contrary to the purpose of this law.

THE ROLE OF FDIC IN CONVERSION OF STATE SAVINGS BANK TO FSLIC INSURANCE

Mr. HEINZ. May I ask the Senator a question concerning the amendments made by section 405 of S. 790 to section 408 of the National Housing Act and section 18(c)(12) of the Federal Deposit Insurance Act concerning the role of the Federal Deposit Insurance Corporation in the conversion of an FDIC-insured bank to insurance by the Federal Savings and Loan Insurance Corporation? My understanding is that these amendments clarify present law to make plain that the FDIC does not have a role in passing on the conversion of an FDIC-insured bank to an FSLIC-insured institution or any authority to condition such a conversion. My question is prompted by certain language in the committee report accompanying S. 790 which incorrectly suggests that the FDIC may have such authority at present.

Mr. PROXMIRE. Your understanding is correct, and I would add the following. The section of S. 790 to which you refer is intended to clarify the provisions of the Depository Institutions Act of 1982, the Garn-St Germain bill, and does not change the substance of present law. In authorizing conversions of State-chartered savings banks to Federal savings banks, Congress has always intended to facilitate such conversions. It was never intended that this process be burdened with the unnecessary step of obtaining FDIC approval for a change from FDIC to FSLIC insurance. While at one time FDIC agreement regarding indemnification for losses was required, the 1982 act had the purpose of removing that impediment.

Congress also had never considered institutions insured by the FSLIC to be noninsured banks or institutions for purposes of the separate and essentially unrelated requirement that the FDIC approve conversions of insured banks to noninsured institutions. These amendments clarify the ability of FDIC-insured banks to lawfully convert to institutions eligible for FSLIC insurance, and when approved for FSLIC insurance, to change deposit insurers without condition or hindrance.

It is to make plain the intent of the 1982 legislation that the FDIC not impose any conditions on applicants or take any other action that would in effect deny permission to an institution to relinquish FDIC insurance in order to become FSLIC-insured. These amendments would further stipulate that in the case of a merger, purchase of liabilities, or other transaction resulting in increased exposure to the FSLIC—but no additional liability to the FDIC—where the FSLIC judges the risk to be acceptable, the FSLIC, rather than the FDIC or any other Federal commercial banking regulator, would have the power of approval or disapproval.

Mr. HEINZ. I address a question to the senior Senator from Illinois. I note that a provision of section 104(c) of S. 790 exempts the U.S. Automobile Association from interaffiliate and joint marketing restrictions that would otherwise apply. In my State, USAA has brought a lawsuit against the Pennsylvania Insurance Commissioner in which it argues that a Pennsylvania statute is unconstitutional and is preempted by Federal law. (*USAA* v. *Foster,* C.A. No. 84-1596) (M.D. Pa.). At the same time, an administrative proceeding is pending before the Pennsylvania Department of Insurance that concerns the same questions. (In re United Services Automobile Association, et al., C84-12-5). It is my understanding as a member of the Committee on Banking, Housing, and Urban Affairs that nothing in the Competitive Equality Banking Act of 1987 generally, or in section 104(c) specifically, is intended to influence or affect the outcome of this Pennsylvania litigation. Because you are the author of the language affecting USAA, I would like to ask you whether my understanding is correct.

Mr. DIXON. The understanding of the senior Senator from Pennsylvania is correct. The provision for USAA in section 104(c) is designed merely to exempt it from other provisions of Federal law. It has no effect on State law nor, of course, on the legal questions at issue either in the Federal-court proceeding in Pennsylvania or in that State's administrative proceeding.

Mr. HECHT. Is my understanding correct that section 403(a) of the bill is intended to permit bank holding companies which acquired banks or bank holding companies at any time under subsection 13(f) of the Federal Deposit Insurance Act to acquire additional banks in the State?

Mr. PROXMIRE. The Senator is correct. They may do so after a 2-year waiting period from the time they had made the acquisition. In addition, if State law permits out-of-State bank holding companies to acquire banks in that State, the holding company which had entered the State under subsection 13(f) would have parity with bank holding companies entering the State under State law.

Mr. HECHT. Does that mean that a bank holding company which had acquired a bank by means of subsection 13(f) might not have to wait 2 years to expand?

Mr. PROXMIRE. Yes. For example, if the State in question is a member of a regional compact and State law does not impose a waiting period on bank holding companies located in the region, then the bank holding company which had used subsection 13(f) would not have to wait to expand.

SECTION 105

Mr. GARN. I would now like to engage in a colloquy to flesh out the meaning of section 105. Section 105 would create a new section 10(e) of the Federal Home Loan Bank Act specifying that Federal Home Loan Bank members that fail to meet the qualified thrift lender test shall no longer be eligible for advances, except as the Federal Home Loan Bank Board may prescribe. Senator, would you agree that this new provision is not designed to compromise the Federal Home Loan Bank's fundamental role as a lender of last resort to member institutions in order to prevent a run on an otherwise sound institution, and that the agency should utilize its exception authority to accommodate this role?

Mr. PROXMIRE. I agree completely. The objective of the amendment is to make sure that the FHL Banks, which are designed as a support mechanism for home finance, do not end up as a source of long-term financing for institutions primarily focused on other areas, as measured by the Qualified Thrift Lender Test. There is no intent to interfere with the Banks' ability to meet its lender of last resort responsibilities. I would also like to inquire of my colleague if he agrees with me that failure to meet QTL standards should affect only new advances, rather than those already outstanding.

Mr. GARN. That's absolutely correct. As long as an institution that has lost QTL status continues as a Federal Home Loan Bank member, it should be under no requirement to pay off prematurely its outstanding advances.

The managers' amendment provides the FDIC and FHLBB with explicit authority to define the terms "unsafe and unsound practices". As a general matter do you agree with me that "unsafe and unsound practices" means activities that are contrary to generally accepted standards of prudent operation the possible consequences of which represent abnormal risks?

Mr. PROXMIRE. Yes.

AFFILIATE TRANSACTION PROVISIONS FOR THRIFTS

Mr. RIEGLE. Would the Senator please confirm my understanding of the manner in which section 104(c) applies to affiliate transactions between a FSLIC-insured institution and an affiliate engaged in activities permitted under section 4(c)(8) of the Bank Holding Company Act. As I understand it, Senator, if a transaction between a FSLIC-insured institution and an affiliate is permissible under the current savings and loan affiliate transaction provisions of section 408(d), then the insured institution will still be able to proceed under those provisions without also having to comply with new subparagraph 2(A) of section 408(d). If, however, the transaction would be restricted or prohibited by the current provisions of section 408(d), the insured institution may nevertheless engage in the transaction, provided it complies with sections 23A and 23B of the Federal Reserve Act.

Mr. PROXMIRE. Yes; the Senator's understanding of section 104(c) is correct. It is our intent that a FSLIC-insured institution would only be subject to sections 23A and 23B if the transaction with the affiliate engaged in section 4(c)(8) activities would otherwise be prohibited or restricted by the current provisions of section 408(d). If the transaction would be permissible under current section 408(d), it is not our intent to preclude the insured institution from proceeding with the transaction as it always could have.

INDUSTRIAL BANKS

Mr. CRANSTON. Certain States such as California have enacted State laws requiring its State chartered industrial loan companies to be insured by the Federal Deposit Insurance Corporation [FDIC], or other similar instrumentality of the Federal Government. The State statutes in effect give the industrial loan companies a choice between FDIC insurance or other Federal insurance or private or State insurance. In these cases even though the State statute may give the industrial loan companies other insurance alternatives at the Federal, State or private level, in practicality the only insurance available is FDIC insurance.

I want to make sure that where a State statute requires FDIC insurance along with other alternatives even though the alternatives are otherwise unavailable that those industrial loan companies that obtain FDIC insurance under such statutes are covered by the exemption from restrictions under title I. Is this your understanding Senator PROXMIRE?

Mr. PROXMIRE. The distinguished Senator has accurately stated the situation as it applies to California industrial loan companies, and similar institutions, so the exclusion would apply to these institutions.

Mr. CRANSTON. That is the purpose and intent of the amendment I offered in committee, and I thank the Senator.

CLARIFYING NONBANK BANK JOINT MARKETING RESTRICTIONS

Mr. CRANSTON. This bill grandfathers joint marketing activities of the type and in the manner engaged in by a nonbank bank and its affiliates on March 5, 1987. However, these grandfather provisions do not lock into place the specific terms or conditions of the particular grandfathered product or service. Is that your understanding?

Mr. PROXMIRE. That is correct. For example, if a nonbank bank was jointly marketing on March 5, 1987, a 3 year, $5,000 certificate of deposit, this bill would not prohibit offering in the same manner a 1 year, $2,000 certificate of deposit with a different interest rate.

SECTION 310

Mr. SASSER. My understanding is that your intent in proposing this provision was to affect only FSLIC's requirement of specific, as opposed to general, loss reserves.

Mr. PROXMIRE. Your understanding is correct.

Mr. SASSER. I also understand that this provision would not apply where the institution suffered the loss as a result of fraud, violations of law or regulation, or unsafe and unsound practices that could constitute grounds for a cease and desist order.

Mr. PROXMIRE. That's true. My intention is to aid well-managed thrifts in economically distressed areas that are suffering losses due to a regional economic decline in property values. I have no intention of providing such aid to thrifts that engaged in illegal, fraudulent, or imprudent actions.

Mr. PRYOR. Mr. President, as normal, after the Sun has set on this great Capitol dome in our Capital City, it seems like darkness spawns more and more discussion and more and more debate, and therefore more and more amendments. It seems like we are into that frame of mind right now.

I am wondering if we might just as a courtesy to the other Members here get a reading from the chairman, the distinguished chairman of the Banking Committee, if we could finish this bill tonight or if there are other votes and if there are not going to be other votes, I wonder if he might release us.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The distinguished majority leader.

ORDER OF PROCEDURE

Mr. BYRD. I was just going to make an announcement, having discussed it with the distinguished manager, Mr. PROXMIRE, and with the distinguished ranking manager, Mr. GARN. I was going to state what the prospects are for the rest of the evening and tomorrow. There will be no more rollcall votes today. On tomorrow, the Senate will come in at 9 o'clock. It will resume consideration of this measure at 9:30 a.m. There will be amendments offered on tomorrow. Those amendments will not be offered tonight. There will be rollcall votes tomorrow. I hope we will finish the action on the bill tomorrow.

Mr. HARKIN. Will the distinguished leader yield for a question?

Mr. BYRD. Yes.

Mr. HARKIN. I would like to ask the distinguished leader why. We are all here, it is 5 minutes to 7, the distinguished Senator from Missouri withdrew his amendment as I understand, and there may only be one other amendment pending.

Why can we not go ahead? Everyone knows what the amendment is all about. Why do we not vote on the amendment and the bill, and we are done with it? We are all here. Why can we not proceed to the bill right now and finish it?

Mr. BYRD. I would love to do that.

Mr. HARKIN. Why can we not do it?

Mr. BYRD. We cannot because the amendments are not going to be offered until tomorrow, and I do not see any point in keeping the Senate in for another 2 or 3 hours. We are not going to have further rollcall votes tonight.

Mr. HARKIN. Excuse me. Is the leader saying there is an amendment to be offered?

Mr. BYRD. That is my understanding. There will be an amendment or amendments offered tomorrow. They will not be offered tonight.

Mr. GARN. Mr. President, will the distinguished majority leader yield?

Mr. BYRD. Yes.

Mr. GARN. I would be happy to respond to the situation. No one would like to quit more tonight than I. I could be skiing in Park City with my wife tomorrow rather than be here.

Mr. HARKIN. Let us do it.

Mr. GARN. I am sorry that we have not been able to finish. But I think the RECORD should show we came in and started on the bill at around 10:30 this morning. There were numerous recesses with my permission, but not at my request. And I understand all the negotiations and trying to go on, with the cooperation of the Senator from Louisiana. So we lost a good part of the day. We have had good faith negotiations going on on that side of the aisle.

So I had nothing whatsoever to do with that delay through most of the day, and into the afternoon. But I am not prepared to offer some key amendments this evening. I regret that.

If we could have moved more rapidly today, I would have been in a position to do so. I am not trying to delay the bill. I cannot finish it tonight. I wish I could. Those amendments will be offered tomorrow.

Mr. HARKIN. Will the distinguished Senator yield?

Mr. GARN. The majority leader has the floor.

Mr. BYRD. I yield.

Mr. HARKIN. Mr. President, if the distinguished majority leader will yield, I would like to inquire of the minority leader on this bill. How many amendments might he anticipate bringing up tomorrow? I understood there was only one major one that we had discussed earlier. I thought there was only one major amendment that was going to be brought up.

Mr. GARN. There is a possibility of four amendments. At least two of them I would expect rollcall votes on. Whether there will be on the other two I do not know. But I would expect rollcall votes on at least two others.

Mr. PROXMIRE. I do not know of any other amendments. So we have the four amendments.

Mr. CRANSTON. Mr. President, will the majority leader yield?

Mr. BYRD. Yes; I am happy to yield.

Mr. CRANSTON. I wonder if we could reach some understanding to start early tomorrow, and dispose of amendments reasonably rapidly so we can get away at a reasonable hour tomorrow.

Mr. BYRD. Mr. President, as I indicated, I am taking my cues from the two managers. I think that is the best place to get them. They indicated they would be ready to begin at 9:30 tomorrow morning. I take it that an amendment could possibly be laid down tonight so we could have something immediately in the morning to start on.

Mr. GARN. No; it is not possible. We are still working on one of them. It is not possible to lay them down. That will not delay the process tomorrow.

Mr. BYRD. Very well, Mr. President. I have always found that the Senator keeps his word. There will be an amendment up before the Senate early tomorrow.

If I felt that the Senate could complete its work on this by 9 o'clock tonight I would be in favor of going on. But there would still be business tomorrow. As I have indicated, we have had 3 months in which committees can report out legislation, and we are beginning to build up a calendar. We have not reached the crunch yet, but the crunch is going to come when there will be a lot of measures around here competing for attention. And we will not be able to get to them.

So I am sorry we will not be able to complete the action on the bill today. I think it is better to go home at a reasonable hour. We will have to come back tomorrow anyway. That is obvious. It is better to go home at a reasonable hour today than to stay in very late, and still have to come back tomorrow.

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. BYRD. Yes; I am happy to yield.

Mr. DOLE. Does the majority leader anticipate, if we should complete action on this bill tomorrow, any other measures being called up?

Mr. BYRD. Yes; frankly, I have my doubts that we will finish this bill early enough tomorrow to call up another measure. I would not want to keep the Senate in tomorrow late, but if we can finish this bill tomorrow at a reasonable hour, it would be my intent to go over until Monday. But, as I hear it being stated, there will be at least four amendments, two of which will require rollcall votes. I would think, if we are able to dispose of those amendments and complete action on the bill tomorrow, that would be sufficient for the week.

Mr. DOLE. I will be working with the majority leader in trying to get agreements on a couple of bills. Maybe at least we can get an agreement tomorrow to call them up, with the concurrence of the majority leader, early next week.

Mr. BYRD. I appreciate that very much. I thank the distinguished Republican leader. I thank all Senators.

Mr. PROXMIRE addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

AMENDMENT NO. 57

(Purpose: To make additional technical and other amendments)

Mr. PROXMIRE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. PROXMIRE] proposes an amendment numbered 57.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 6, strike out lines 1 through 7, as amended by the Proxmire-Garn amendment, and insert in lieu thereof the following:

"(H) an industrial loan company, industrial bank, or other similar institution which—

"(i) is chartered under the laws of a State which on March 5, 1987, had in effect or under consideration on its legislature a statute which required or would require such institution to obtain insurance under the Federal Deposit Insurance Act; and

"(I) does not accept demand deposits that the depositor may withdraw by check or similar means for payment to third parties;

"(II) has total assets of less than $100,000,000; or

"(III) is not acquired by a company; or

"(ii) does not, directly or indirectly or through an affiliate, engage in any activity in which it was not lawfully engaged as of March 5, 1987.

No institution shall retain the exemption provided by this subparagraph if it permits any overdraft, including any intra-day overdraft, or incurs any such overdraft in its account at a Federal reserve bank, on behalf of an affiliate, unless such overdraft results from an inadvertent computer or accounting error that is beyong the control of the institution and affiliate.

On page 19, lines 4, 5, and 6, strike out "until one year after the date of enactment of the Competitive Equality Banking Act of 1987" and insert in lieu thereof "until March 1, 1988".

On page 33, in the new subsection (b) of section 106, as added by the Proxmire-Garn amendment, strike out "one year after the date of enactment of the Competitive Equality Banking Act of 1987" and insert in lieu thereof "on March 1, 1988".

On page 86, strike out section 313, relating to the powers of the Federal Savings and

Loan Insurance Corporation, as added by the Proxmire-Garn amendment.

On page 108, strike out section 408, relating to the authority of the Federal Deposit Insurance Corporation, as added by the Proxmire-Garn amendment.

On page 86, line 24, delete the word "and".

On page 87, line 2, strike the period and insert, in lieu thereof, the following: "and liberal extension of forbearance with respect to net worth requirements for institutions that have made supervisory acquisitions."

Mr. PROXMIRE. Mr. President, this amendment makes technical changes in S. 790 and has been cleared with the minority. These are strictly technical changes and they are noncontroversial. I note that the bill currently contains a provision authorizing the FSLIC to issue regulations and orders defining terms used in the statutes it administers. The amendment deletes that provision because the FSLIC already has such authority under existing law. Thus the provision is redundant.

The **PRESIDING OFFICER** (Mr. SIMON). Is there further debate on the amendment offered by the Senator from Wisconsin?

The Chair hears none. The question is on agreeing to the amendment.

The amendment (No. 57) was agreed to.

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, might I ask the two managers, as I am getting inquiries from our colleagues, what is their estimate, if they care to make an estimate at this time, as to the hour by which the Senate may complete action on the bill tomorrow?

Mr. PROXMIRE. I do not know how we can possibly tell. It depends on how much time it will take. The Senator from West Virginia knows that better than anybody in the body. I would hope we could finish at an early hour tomorrow afternoon, but I may be mistaken.

I know of noboby who intends to delay the bill. Both the ranking minority member and myself, I think, are both anxious to move this along expeditiously.

Mr. GARN. Mr. President, I cannot predict the length of debate. I was surprised this afternoon at the number of Senators who showed up to speak who I had no idea were coming. I have an airplane I would like to leave for at 4 o'clock, so I hope we are finished by then.

Mr. BYRD. It sounds pretty good to me, if the Senator wants to be on an airplane at 4 o'clock.

That is about the best we can say to our colleagues.

MORNING BUSINESS

Mr. BYRD. Mr. President, if there is no further action on this measure, I ask unanimous consent that there now be a period for morning business, not to extend beyond 15 minutes, and that Senators may speak therein for up to 2 minutes each.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

REUBEN COHEN, FATHER OF SENATOR COHEN

Mr. MITCHELL. Mr. President, the April 1987 edition of a publication printed in Maine but read all across the country, Down East magazine, contains an article about a Bangor, ME, institution, the owner of the Bangor Rye Bread Bakery, Bangor's most famous and beloved Cohen, Reuben Cohen.

For nearly 50 years now Rubie Cohen, following in the footsteps of his father, has worked in or operated a bakery in Bangor. His son, who has chosen another path to fame, is, of couse my distinguished senior colleague from the State of Maine, BILL COHEN.

The Down East article conveys well Reuben Cohen's inimitable style, a real Maine original. I commend the article to all of my colleagues and ask unanimous consent that it be printed in the CONGRESSIONAL RECORD following this statement.

Reuben Cohen says, "I am not a baker, I bake bread, but I do it by the seat of my pants." Mr. President, Rubie Cohen saying he's not a baker is like Larry Bird saying he's not a basketball player, or Roger Clemens saying he's not a baseball player, or, even, BILL COHEN saying he's not a Senator. They all are, and are very good at what they do. Mr. President, take it from one who's eaten many a roll in Bangor, Reuben Cohen is a baker.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Down East Magazine, April 1987]

COHEN'S THE NAME, BAKING'S THE GAME

At two o'clock or so in the morning, a certain period of nothingness comes to the small city of Bangor—a motionlessness, a deep northern sleep that allows sounds, normally obscured by the bustle of earlier and later hours, to be heard. You can step out into the road and hear the streetlights humming and the ice creaking in the Kenduskeag Stream and the diesel locomotives ticking over in the freight yard down by the Penobscot River.

This is the time when Reuben Cohen begins his nightly two hours of sleep, three if he's lucky. He sits slumped in an old wicker chair, a sweater loosely covering his chest, his head rolled back against the fake-brick wall of the Bangor Rye Bread Bakery salesroom, his mouth wide open. He snores quietly.

"Hey, Rubie," one of the night men says, nudging the sleeper and pointing at me. One eye opens; the other flutters weakly. "You're early," he says. "We don't open until four."

Open is a meaningless word at the Bangor Rye Bread Bakery. It is true that the shop is open from 4 a.m. to noon, six days a week. It is also true that the shop is closed the rest of the time. Yet you can telephone the bakery at, say, 11 p.m. and someone will answer; so, too, at 3 a.m. In fact there are precious few hours in the course of a day when the bakery is not open.

Nine in the evening, that's when Reuben Cohen, seventy-eight years old and a tough old buzzard if there ever was one, arrives at the bakery and locks himself in with the 100-pound sacks of pumpernickel flour and pure white rye, Dixie Crystals Cane Sugar, and Buckeye Pure Gold Yellow Corn Meal. He shuffles around alone for two and a half, three hours, making the dough for the next day's bread. White dough for the bulkie rolls, the French bread, the Italian sandwich rolls, the tea rolls, the twisted challah (Thursdays only), the onion rolls (Saturdays only). Dark dough for the rye bread; some of the loaves rectangular, some rounded like a soccer ball sawed in half.

Cohen throws ingredients into a big mechanical vat that looks vaguely like a cement mixer. "Anybody can bake bread," he says almost scornfully. "Put it in the oven, wait awhile, take it out. Making the dough is difficult." A bucketful of eggs, pails of water, bag after bag of flour, a scoop of yeast, a dose of straight gluten to improve the dough's elasticity. He works from a recipe in his head, varying the quantities as he goes. He depends on his estimation of the qualities of the ingredients and the current temperature, humidity, and—for all I can tell—the state of his psyche.

"I'm not a baker," Cohen says. "I bake bread, but I do it by the seat of my pants. Over at Nissen's, they're the real bakers. You want to get a real story, go over to Nissen's. They have formulas and big machines and controls. When something goes wrong with the dough, they know why and how to fix it. When something goes wrong with my dough, I have to guess at the problem and fix it by trial and error." What he doesn't say is what all aficionados of Jewish rye know: a mechanized bakery produces a mechanized loaf. A loaf of rye from the Bangor Rye Bread Bakery has guts.

Short, stocky, stoop-shouldered, with forearms like Popeye and hands like a peasant, Reuben Cohen drags himself around the bakery like an automaton, his face expressionless. "How long have I been doing this?" he asks. "Since 1929. I started out with my father and uncle. We had a different bakery up the street, the New York Model Bakery. We bought this business in 1936."

Cohen's father was a Russian Jew who emigrated to New York, then Boston, finally Bangor. Reuben was born in New York, visited Russia with his family as a tiny boy, but basically grew up in Bangor. "I don't know why we came here," he says. "Maybe they needed bakers." The entire family worked in the bakery: father, uncle, brother, sister. "We used to make a lot of rye bread in those days," he says, "much, much more than now. There were a lot of Polish and Russian Jews here. They were real Jews, my countrymen. They all died off. The young ones today, they don't come in. I don't know where they buy their bread. Maybe they don't eat bread." He smiles mischievously. "Watch out for the flour. You'll get it on your trousers."

A little after 11:30 p.m., Reuben's son Bobby comes in the door, bringing a blast of cold air with him. He doesn't say a word, just pulls off his jacket and starts cutting into loaf-size portions, weighing each on a scale. He's wearing a black T-shirt with a white skull on the front and an inscription on the back that says: "Welcome to the Rock and Roll Zone." Reuben says, "I can't even listen to the radio anymore. All they have is rock and roll." Bobby keeps hacking at the dough.

The Bangor Rye Bread Bakery is still a family affair. Cohen's wife comes in once in a while, and his daughter-in-law and granddaughter work at the counter. His daughter Marlene is married to another baker across town. Another son, Billy. . . . Well, out on the wall in the salesroom there's a clipping from the *Ellsworth American*, a review of a new book of poems by Rubie's son, Billy. *A Baker's Nickel*, it's called. Above it is pasted a blue and white bumper sticker. "Senator Bill Cohen," it says. That's United States Senator William S. Cohen, Republican, Maine.

"Yes," says Reuben. "Billy works here once in a while . . . when he's campaigning." For the second time tonight he flashes that mischievous smile.

How did a family of working-stiff bakers get a politically ambitious son who writes poems? "Damned if I know," Cohen says. "There must be something I don't know about back there in my forebears. He didn't get it from me. I took the commercial course in high school. I was too busy to study. Poolrooms and dance halls, that was what I was interested in." He seems genuinely surprised by his son, unable to see that the example of hard work in a bakery can be applied to hard work in the political arena. Billy must see it, though, hence the title of his book of poems.

The arrival of a baker and a couple of helpers jacks up the pace. Machines start rolling, stamping, and twisting dough. The oven is lit, raising the temperature in the room and altering the aroma from sourishly yeasty to sharply pungent. This is an all-bread bakery—no pastry—so that head-spinning sensuousness is absent. Nevertheless, it's a pleasant down-homey, Mother's-kitchen smell.

His dough made, Reuben retires to the wicker chair. "I live here," he says, and drops off to sleep. A couple of hours later Bobby sticks a sign on the door: "Yes, We're Open." Reuben wakes up, dozes off, wakes up, dozes. . . . "Hey, Rubie!" someone yells. A wholesale customer comes in to pick up several dozen rolls. Night is over. Cohen rings up the sale, then goes out back to wash up and admire the French bread and the Jewish rye while Bobby and a helper deliver a stationwagon-load to the Brewer IGA.

The night crew starts hassling Cohen at about 6:30 a.m. "Hey, Rubie, you better get going with the deliveries," someone says. "It's getting late." Reuben doesn't seem to be in much of a hurry, but he finally stirs himself. We fill the car with paper bags of bulkie rolls and rye bread and Italian sandwich rolls and big, fat loaves of French bread.

Our first stop is a warehouse for a trucking company that delivers upcountry. Signs on the trucks says: "Ben's Frankfurts, Dean of Franks." The Dean of Rolls piles his bags just inside the door and scratches a reminder of the quantity in an order book. Then we're off to a small market on Broadway. "Hey, Rubie," the fellow behind the counter says. "Do you think it's going to storm?"

We hit them all. Dunkin' Donuts ("They serve my rolls with the soup"). Braley's River City Restaurant, where we accept the cook's hospitality and drink from cups of steaming coffee and Reuben tells the cook he's charging too much for his breakfast special ("Same thing is cheaper down the street"). Braley's Lunch on the corner, where people are hunched over breakfast ("Reuben," the cook says, "Have a cup of coffee"). McDonald's AG Market, the Neighborhood Market, Paul's Restaurant, Yogurtime and Salad Too—an altogether "now" takeout counter in the Bangor Mall. At each place the talk is the same: business and the weather. Reuben has opinions about both.

At the M&M Restaurant in the Broadway Shopping Center we have more coffee and a couple of doughnut holes. There's much joshing with the cook, a Japanese-American. A sign in the kitchen says: "This is not Burger King. You get it our way or you don't get the son of a bitch." At the Shop & Save Reuben examines the bread baked in the supermarket's own kitchen. "Feel how light their challah is. For this they get $1.49. Ours is heavier and we get eighty-nine cents."

The New Waverly Restaurant, the Greenhouse ("Some place. Come on out here and look at the front"), Miller's Restaurant, where Cohen shows off the buffet table as if it were his and pauses to sample the half-sour pickles ("Not bad"), La Cucina, Sing's ("What's a Chinese restaurant doing with Jewish rolls?"), it goes on and on.

About 10 a.m., Reuben Cohen, seventy-eight years old and tougher than a boiled boot, glances over at me and says, "You look tired." I look tired? What about him? He doesn't look any different than he did at nine the previous night, at four this morning. In fact, he seems to be perking up, hitting his stride. At noon he'll pick up his wife and take her to lunch. At 1 p.m. he'll go home and watch the soaps. He'll sleep for a couple of hours, eat supper, watch the television news to keep up on things and see if his son Billy has anything to say, and return to the bakery at nine to make dough.

When are you going to quit, Rubie? When are you going to pack it in? "Never," he says. "I wouldn't know what to do with myself. On Sundays, my day off, I'd go crazy if there weren't any ball games on the television."

"Work and sleep. Work and sleep. That's all I do and that's all I ever want to do."

THE ABM TREATY DEBATE SHOULD BE ABOUT ABROGATION

Mr. HELMS. Mr. President, the Senate is in the midst of a dispute focusing on, mainly, the strictly legal points of an 18-year-old negotiating record and a 15-year-old ratification hearing record on the SALT I Anti-Ballistic Missile Treaty. This is a very esoteric and highly complex debate which, in my judgment, misses—or at least obscures—the vital point: America's security.

I believe that we should return to the basics of the ABM Treaty, and debate what is really important. What is important is that the Soviets have cut the heart out of the ABM Treaty by their violations, especially Krasnoyarsk. Why should we fine tune an interpretation, whether narrow or broad, for a U.S. ABM Treaty compliance policy, when the Soviets are violating the most important provisions of the treaty?

The Soviet violations, especially their Krasnoyarsk radar, are clear cut, and have been confirmed six times by President Reagan.

The Krasnoyarsk radar is supposed to be on the periphery of the U.S.S.R. and oriented outward, yet it is 750 kilometers in the interior and oriented inward toward a border 4,000 kilometers away. It is an early warning radar with ABM battle management capabilities.

Mr. President, the Soviets are building 9 illegal ABM radars and mass producing four types of illegal mobile ABM interceptor missiles and small radar systems. There are thousands of these ABM's. The Soviets are therefore "breaking out" of the ABM Treaty, as I have been pointing out to the Senate since 1983. Here we are in the United States arguing over how to interpret our obligations to comply with the ABM Treaty, regarding our vitally important strategic defense initiative, when the Soviets are breaking out of the treaty.

President Reagan has confirmed that the Krasnoyarsk radar is an ABM Treaty violation in six reports to the Congress. But what is significant is that publicly and in private diplomatic channels, the Soviets have rebutted our charge, and have repeatedly claimed that the Krasnoyarsk radar does not violate the ABM Treaty. The Russians claim it is for space tracking, is therefore not constrained by the treaty, and therefore can be located anywhere.

Mr. President, I have recently learned something very disturbing which the American people need to know. I have worked carefully and closely with CIA to declassify this piece of information. I have today a piece of important declassified intelligence which effectively rebuts the Soviet claims of innocence regarding the Krasnoyarsk radar. The Central Intelligence Agency has today stated the following:

> The United States is aware that, over the last several years, Soviet officials have indicated that the Krasnoyarsk radar is a violation of the ABM Treaty. Moreover, the Soviets have also admitted that the Pechora radar is an early warning radar. The Pechora radar is identical to the Krasnoyarsk radar. It is therefore not a space tracking radar. It is an early warning radar. Therefore, the Soviets have actually admitted that they have violated the ABM Treaty. This Soviet admission contradicts their disinformation, lies, propaganda and duplicity.

This Soviet admission shows just how irrelevant our debate over U.S. compliance interpretations really is.

Mr. President, there is a second point. A recently declassified judgment of the President's March 1987 report to Congress on Soviet arms control noncompliance which discloses:

> In totality, these activities provide a strong basis for concern that the U.S.S.R. might have an integrated plan for an ABM defense of its national territory, and might be working toward it.

Thus the President has indicated that the Soviets are no doubt working on a nationwide ABM defense—a defense prohibited by the ABM Treaty.

The ABM Treaty's article I prohibits the nationwide ABM defense, or even the base for a nationwide ABM defense.

Finally Mr. President, the Pentagon's annual report, "Soviet Military Power 1987" released on Tuesday states:

> The growing network of large phased-array radars, of which the Krasnoyarsk radar is a part, is of particular concern when linked with other Soviet ABM efforts. These radars take years to construct, and their existence could allow the Soviet Union to move quickly to deploy a nationwide ABM defense. Taken together . . . all of their ABM and ABM related activities suggest that the Soviets may be preparing an ABM defense of their nation.

Mr. President, let us now get on with our debate over U.S. compliance with the ABM Treaty, but let us keep in mind that our compliance is being conducted while the Soviets are admitting that they are breaking out of the ABM Treaty.

MESSAGE FROM THE HOUSE

ENROLLED BILL SIGNED

At 2:16 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 1505. An act making technical corrections relating to the Federal Employees' Retirement System.

The enrolled bill was subsequently signed by the President pro tempore (Mr. STENNIS).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. NICKLES:

S. 846. A bill to promote the energy security of the United States by amending the Internal Revenue Code of 1986 to encourage the continued exploration for and production of domestic oil and natural gas resources; to the Committee on Finance.

By Mr. BIDEN (for himself, Mr. BOREN, and Mr. HEFLIN):

S. 847. A bill to amend the Consolidated Farm and Rural Development Act to provide the opportunity for farmers in areas affected by natural disasters to defer the payment of principal and interest due to FmHA loans; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. EXON (for himself and Mr. GRASSLEY):

S. 848. A bill to amend the Farm Credit Act of 1971 to provide a secondary market for agricultural mortgages, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CHAFEE (for himself and Mr. KERRY):

S. 849. A bill to establish guidelines for timely compensation for temporary injury incurred by seaman on fishing industry vessels and to require additional safety regulations for fishing industry vessels; to the Committee on Commerce, Science, and Transportation.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 850. A bill to amend the Wild and Scenic Rivers Act to designate a segment of the Rio Chama River in New Mexico as a component of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

By Mr. GRAHAM (for himself, Mr. BRADLEY, Mr. CHILES, Mr. DODD, Mr. DOLE, and Mr. KERRY):

S. 851. A bill to provide Federal financial assistance to States offering scholarships to financially needy students from certain Latin American and Caribbean countries, and for other purposes; to the Committee on Foreign Regulations.

By Mr. PROXMIRE:

S. 852. A bill to improve Federal Government accountability over Federal contracts by requiring the Administrator of the Office of Federal Procurement Policy to assume the duties and responsibilities previously assigned to the Cost-Accounting Standards Board, and to conduct periodic profitability studies, among other things; to the Committee on Governmental Affairs.

By Mr. GORE (for himself, Mr. HOLLINGS, Mr. DANFORTH, Mr. INOUYE, Mr. FORD, Mr. RIEGLE, Mr. EXON, Mr. ROCKEFELLER, Mr. BENTSEN, Mr. KERRY, Mr. BREAUX, Mr. ADAMS, Mr. PACKWOOD, Mrs. KASSEBAUM, Mr. PRESSLER, Mr. STEVENS, Mr. KASTEN, Mr. TRIBLE, Mr. WILSON, and Mr. MCCAIN):

S. 853. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 and the Motor Vehicle Information and Cost Savings Act to authorize appropriations for fiscal years 1988 and 1989, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HECHT (for himself and Mr. REID):

S. 854. A bill entitled the "Nevada-Florida Land Exchange Authorization Act of 1987"; to the Committee on Energy and Natural Resources.

By Mr. DASCHLE:

S. 855. A bill to amend section 1307 of title 18, United States Code, to allow nonprofit organizations to advertise bingo; to the Committee on the Judiciary.

By Mr. NICKLES:

S. 856. A bill to amend the Food Security Act of 1985 to clarify that certain persons should not be denied status as separate persons under such Act, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. QUAYLE (for himself, Mr. PELL, Mr. HATCH, Mr. STAFFORD, Mr. THURMOND, and Mr. COCHRAN):

S. 857. A bill to amend the Bilingual Education Act to make Federal financial assistance available for children of limited English proficiency without mandating a specific method of instruction, to encourage innovation at the State and local level through greater administrative flexibility, to improve program operations at the Federal level, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BRADLEY (for himself, Mr. PELL, Mr. HECHT, Mr. GRAHAM, Mr. BENTSEN, Mr. STAFFORD, Mr. INOUYE, Ms. MIKULSKI, Mr. CHILES, Mr. LAUTENBERG, Mr. CHAFEE, and Mr. GRAMM):

S. 858. A bill to establish the title of States in certain abandoned shipwrecks, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. PELL (by request):

S. 859. A bill to amend the Arms Control and Disarmament Act in order to extend the authorization for appropriations; to the Committee on Foreign Relations.

By Mr. BOREN (for himself, Mr. COCHRAN, Mr. INOUYE, Mr. HEINZ, Mr. NICKLES, Mr. GORE, and Mr. CHILES):

S. 860. A bill to designate "The Stars and Stripes Forever" as the national march of the United States of America; to the Committee on the Judiciary.

By Mr. DANFORTH (for himself and Mr. ADAMS):

S. 861. A bill to require certain actions by the Secretary of Transportation regarding certain drivers of motor vehicles and motor carriers; to the Committee on Commerce, Science, and Transportation.

By Mr. EVANS (for himself and Mr. SANFORD):

S. 862. A bill to establish more uniform eligibility and benefit levels under the aid to families with dependent children program and the medicaid program, to provide for greater Federal financial responsibility for such programs, to enhance the employment prospects of recipients of aid to families with dependent children, to provide for a reduced Federal role with respect to certain activities to provide capacity grants to States and localities, and for other purposes; to the Committee on Finance.

By Mr. KENNEDY:

S. 863. A bill to provide for the admission of the State of New Columbia into the Union; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NICKLES:

S. 846. A bill to promote the energy security of the United States by amending the Internal Revenue Code of 1986 to encourage the continued exploration for and production of domestic oil and natural gas resources; to the Committee on Finance.

ENERGY SECURITY ACT

Mr. NICKLES. Mr. President, last week, the Department of Energy released its "Energy Security Report" which concluded that our growing import dependency raises "serious concerns." I applaud the Department for finally acknowledging that the Nation does face an uncertain and expensive future as it grows steadily more dependent on foreign, government-controlled oil supplies. However, the report is flawed in that it fails to indicate the severity of growing import dependency.

The Department underestimated the speed at which we as a nation are becoming dangerously dependent on foreign oil primarily because the report underestimates the serious drop in domestic oil production that will occur over the next several years. The report states that last year's drop in oil prices has caused America, the world's marginal cost oil producer, to lose almost 800,000 barrels of oil a day—11 percent of our 1985 lower 48 production. Unless there is a rebound in our oil and gas industry, we will permanently lose not only thousands of marginal stripper wells that will not be redrilled, but we will also lose irreplaceable drillers, geologists, well service companies, steel manufacturers and other people that make up the infrastructure of this industry. And we are almost certain to lose another 800,000 to 1 million barrels a day of production during the next 2 years.

The Department of Energy's Energy Security Report reviewed a number of options for Federal action that would improve domestic production. Among the tax options that the Department studied which were generally treated favorably in the report are those which many of us have been actively supporting. Among the report's positive conclusions are these: Repeal the windfall profit tax; repeal the transfer rule with respect to the percentage depletion deduction; reduce the net-income limitation on percentage depletion use by independents; provide percentage depletion of 27.5 percent for all new production; and provide for expensing of geological and geophysical costs. I support these conclusions as well as several other needed tax changes that the Department of Energy did not address in its reports.

Today I am introducing the Energy Security Tax Act of 1987. This bill will implement the positive conclusions of the Energy Security Report just mentioned. In addition, the Energy Security Tax Act will also eliminate the alternative minimum tax preference for intangible drilling costs; provide a 27.5-percent depletion rate for stripper production; reduce the taxpayer income limitation on percentage depletion used by independents; provide a clarification of the statute of limitations with respect to underpayments of the windfall profit tax; and repeal the transfer rule as it applies to stripper properties under the windfall profit tax.

The windfall profit tax was imposed in 1980 under a set of assumptions that are totally inapplicable today. In 1980, the DOE estimated that crude oil in 1990 would be $58.64 (in 1985 dollars). The Energy Security Report now forecasts that the price of crude oil in 1990 will be between $15.49 and $22.51 (in 1985 dollars). Moreover, the windfall profit tax has not collected any revenue for over a year, and it is not expected to collect any revenues for the remainder of 1987. Yet, bookkeeping and compliance costs remain a significant burden on the industry, particularly the low/overhead, small businessmen in the independent oil industry.

In its Energy Security Report, the DOE indicates that even if world oil prices increase faster than the midrange case used in the report, the windfall profit tax would raise only $50 million between 1987 and 1991. If prices remain at the lower price projections, then no revenue would be collected. In addition, the report correctly points out a special tax on a single industry is contrary to the objectives of the Tax Reform Act of 1986.

Last summer, the Senate redressed this inequity and voted for my amendment to repeal the windfall profit tax. Regrettably, this measure did not become law. I hope my colleagues will again support repeal of this inequitable law.

The DOE's Energy Security Report also supports an increase in the net income limitation on percentage depletion for independent oil and gas producers. I am including in the Energy Security Act the DOE's recommended modification of the 50-percent net income limitation by allowing 100 percent of the net income from the property in question to be offset by the percentage depletion allowance applicable to its production. The DOE estimates that adoption of this measure would increase domestic production by 58,000 barrels per day by 1990, mainly by postponing abandonment of marginal wells, as well as some new production.

The DOE report estimates that permitting the expensing rather than capitalizing of geological and geophysical costs would increase domestic production by an estimated 200,000 barrels per day by 1992, and add 700 million barrels to U.S. oil and gas reserves. A major feature of this tax change is that it directly encourages exploration activity leading to the development of new reserves to help us meet our future petroleum needs.

The Energy Security Tax Act which I am introducing today includes the Energy Security Report's recommendation to repeal the "transfer rule" with respect to the use of the percentage depletion deduction by independent producers on property acquired after it has already been in commercial production. In addition, today's measure includes a repeal of the transfer rule's restriction on the application of stripper well exemption under the windfall profit tax to an independent who purchases a proven property from a major oil company. As stated in the Energy Security Report:

> Often, majors discontinue marginally profitable operations because of overhead costs. This proposal [regarding the percentage depletion transfer rule] would encourage small independents with lower overhead to buy such properties and continue to operate them. By keeping marginal wells in production, U.S. oil production is maintained without additional drilling costs. Economic efficiency would be increased.

The Department's report indicates that, over the next 4 year period, repealing the transfer rule for percentage depletion would increase oil and gas production from marginal properties by about 55,000 barrels per day of crude oil equivalents.

The Energy Security Report also supported changing the tax law to return to the historic percentage depletion rate of 27.5 percent with respect to new oil and gas production. The Energy Security Report estimates that adoption of this provision will increase domestic oil and gas production by 370,000 barrels of oil equivalent per day by 1992. The DOE report contemplates encouraging new production from both new wells and by increasing production from existing wells. The Energy Security Tax Act will provide the percentage depletion deduction of 27.5 percent to new production, which is oil or gas first produced from wells after March 31, 1987; and enhanced production. This act defines enhanced oil as both incremental tertiary oil and incremental oil or gas produced from an existing property that is over and above the average daily production that that property experienced during the period January 1, 1986 through March 31, 1987.

The Energy Security Tax Act also provides the 27.5 percent depletion deduction for all domestic stripper well properties. The DOE's report clearly indicates that America's stripper wells, which produced 15 percent of all U.S. production during 1985, are among the hardest hit of all sectors of the oil producing industry. Average daily production of the 450,000 U.S. stripper wells averages less than 3 barrels per day per well. The DOE report finds that these low-volume wells tend to have high production costs—with lifting costs ranging from $8 to $24 per barrel. DOE estimates that at current $15 prices, 277,000 barrels per day in stripper production will be lost. Moreover, once closed in, these wells yield too little oil to justify expensive redrilling costs. The extension of the 27.5-percent depletion rate will provide the incentive for producers to postpone abandonment of these vital stripper wells because of today's unstable price climate.

The DOE report failed to discuss the need for repealing the transfer rule with respect to the stripper exemption to the windfall profit tax. Under this rule, independents may not take advantage of the independent stripper oil exemption to the windfall profit tax if the property was considered a proven producing property, was transferred after July 22, 1981, and the previous holder was not a qualifying independent producer. This situation mirrors the need for repeal of the transfer rule with respect to the percentage depletion deduction. The important thing is for us to keep stripper wells out of the windfall profit tax, and if majors want to abandon stripper wells as uneconomic, the windfall profit tax should not deter the lower overhead independent producers from trying to keep those wells in production.

Another provision contained in the Energy Security Tax Act that is not discussed in the energy security report is a change in the alternative minimum tax rules which would remove intangible drilling cost deductions as a preference. The intangible drilling cost deduction is the most fundamental deduction available to the independent oil and gas producer. As described by the Joint Tax Committee, intangible drilling and development costs [IDC's] include all expenditures by the property's working interest owners incident to and necessary for the drilling of wells and the preparation of wells for the production of oil or gas which are neither for the purchase of tangible property nor part of the acquisition price of an interest in the property. IDC's include amounts paid for labor, fuel, repairs, hauling, supplies, and so forth, necessary to drill the wells and prepare them for production. Finally, IDC's may be paid or accrued to drill, shoot, and clean the wells.

As my distinguished colleagues can readily see, the alternative minimum tax treats as a preference what are essentially out-of-pocket expenses to explore for and produce new reserves. During these times of low oil prices, many independents are quickly finding that their profits are so low that they will fall under the minimum tax. These independents are also discovering that they cannot spend another dollar on intangible drilling costs—to add to our oil reserves or to our daily production of oil—without also adding to his or her minimum tax liability. I support the principle of an alternative minimum tax, but I view the inclusion of IDC's in the alternative minimum tax as totally inappropriate.

The Energy Security Report estimates that domestic petroleum production could increase by as much as 683,000 barrels per day if Congress were to adopt the tax changes that were reviewed and supported in the report. Adoption of all of the provisions of the Energy Security Tax Act of 1987 will provide an even greater increase in domestic production within the next several years. Moreover, several of the provisions, especially removing IDC's from the alternative minimum tax, will result in an immediate increase in drilling activity.

Although I will still pursue an oil import floor price bill, which I believe the administration should support, the tax changes in the Energy Security Tax Act will greatly enhance the interest of the private sector both to explore and develop new oil reserves and to maintain oil production from older wells, many of which are being closed in because of today's low and unstable prices.

Mr. President, I ask unanimous consent that the text of this bill be included in the RECORD at the conclusion of my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 846

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Energy Security Act of 1987".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title, table of contents.
Sec. 2. Exclude intangible drilling costs from the alternative minimum tax.
Sec. 3. Intangible drilling costs include geological and geophysical costs.
Sec. 4. Percentage depletion for new, enhanced and stripper oil and gas production.
Sec. 5. Net income limitation on percentage depletion increased for oil and gas wells.
Sec. 6. Taxable income limitation on percentage depletion increased for oil and gas wells.
Sec. 7. Repeal of certain restrictions on tax benefits after transfer of property.
Sec. 8. Clarification of statute of limitations with respect to underpayments of windfall profit tax.
Sec. 9. Repeal of windfall profit tax.

SEC. 2. EXCLUDE INTANGIBLE DRILLING COSTS FROM THE ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Section 57 of the Internal Revenue Code of 1986 (relating to items of tax preference) is amended by repealing paragraph 57(a)(2) and subsection 57(b).

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to all intangible drilling costs paid or incurred after the date of the enactment of this Act.

SEC. 3. INTANGIBLE DRILLING COSTS INCLUDE GEOLOGICAL AND GEOPHYSICAL COSTS.

(a) IN GENERAL.—Subsection (c) of section 263 of the Internal Revenue Code of 1986 (relating to intangible drilling and development costs in the case of oil and gas wells and geothermal wells) is amended by inserting before the last sentence the following new sentence: "In the case of oil and gas wells, the tax treatment which applies to the taxpayer's intangible drilling and development costs shall also apply to geological and geophysical costs for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas within the United States (within the meaning of section 638(1)) or a possession of the United States (within the meaning of section 638(2)).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to costs paid or incurred after the date of the enactment of this Act in taxable years ending after such date.

SEC. 4. PERCENTAGE DEPLETION FOR NEW, ENHANCED AND STRIPPER OIL AND GAS PRODUCTION

(a) IN GENERAL.—The following new subsection is added at the end of section 613A:

"(e) EXEMPTION FOR NEW, ENHANCED AND STRIPPER PRODUCTION.—

"(1) IN GENERAL.—Except as provided in subsection (f), the allowance for depletion under section 611 shall be computed in accordance with section 613 with respect to all of the taxpayer's new, enhanced or stripper production and 27.5 percent shall be deemed to be specified in subsection (b) of section 613 for purposes of subsection (a) of that section.

"(2) NEW, ENHANCED OR STRIPPER PRODUCTION DEFINED.—For purposes of paragraph (1), the taxpayer's new, enhanced or stripper production shall be domestic oil and natural gas that is—

"(A) 'NEW'.—The taxpayer's production from any 'property' (as that term is used in section 614) that commences production after March 31, 1987,

"(B) 'ENHANCED'.—

"(i) IN GENERAL.—For purposes of this paragraph, 'enhanced' production is—

"(I) the taxpayer's average daily production as that term is used in subparagraph (c)(2)(A) for a property (as defined in section 614) which is in excess of

"(II) the taxpayer's average daily production from that property during the applicable base period,

"(III) for purposes of this subparagraph, the applicable base period shall be the period January 1, 1987 through March 31, 1987, or

"(ii) INCREMENTAL TERTIARY OIL.—As that term is used in subsection 4993(a); or

"(C) 'STRIPPER'.—The taxpayer's production from any 'stripper well property' within the meaning of the June 1979 energy regulations.

"(3) NOT LIMITED BY EXEMPTIONS FOR INDEPENDENT PRODUCERS AND ROYALTY OWNERS.—The deduction for the taxable year attributable to the application of this subsection may be taken without regard to the limitation imposed by subsection (c).

"(f) LIMITATIONS ON APPLICATION OF SUBSECTION (e).—

"(1) LIMITATION BASED ON TAXABLE INCOME.—The deduction for the taxable year attributable to the application of subsection (e) shall be determined according to the provisions of subsection (d)(1) except that for purposes of this paragraph subsection (d)(1) shall be deemed to be referring to subsection (e) wherever it refers to subsection (c).

"(2) PERCENTAGE DEPLETION NOT ALLOWED FOR LEASE BONUSES, ETC.—In the case of any oil or gas property to which subsection (e) applies, for purposes of section 613, the term 'gross income from the property' shall not include any lease bonus, advance royalty, or other amount payable without regard to production from property.'

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to production from the property during the taxpayer's first full taxable quarter following the date of the enactment of this Act.

SEC. 5. NET INCOME LIMITATION ON PERCENTAGE DEPLETION INCREASED FOR OIL AND GAS WELLS.

(a) In General.—The second sentence of subsection (a) of section 613 of the Internal Revenue Code of 1986 (relating to percentage depletion) is amended by adding ", except that in the case of an oil or gas well the allowance shall not exceed 100 percent," after the words "50 percent".

(b) Conforming Amendment.—Subparagraph (c)(7)(C) of section 613A of the Internal Revenue Code of 1986 (relating to limitations on percentage depletion) is amended by adding "or 100 percent in the case of an oil or gas well" after the words "50 percent".

(c) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 6. TAXABLE INCOME LIMITATION ON PERCENTAGE DEPLETION INCREASED FOR OIL AND GAS.

(a) In General.—Paragraph 613A(d)(1) is amended by deleting "65 percent" and inserting in lieu thereof "100 percent".

(b) Effective Date.—The amendments made by this section shall apply to the taxable years beginning after the date of the enactment of this Act.

SEC. 7. REPEAL OF CERTAIN RESTRICTIONS ON TAX BENEFITS AFTER TRANSFER OF PROPERTY.

(a) Percentage Depletion Permitted After Transfer of Proven Properties.—

(1) In general.—Subsection (c) of section 613A of the Internal Revenue Code of 1986 (relating to limitations on percentage depletion in case of oil and gas wells) is amended by striking out paragraphs (9) and (10) and by redesignating paragraphs (11), (12), and (13) as paragraphs (9), (10), and (11), respectively.

(2) Technical amendment.—Paragraph (11) of section 613A(c) of such Code, as redesignated by subsection (a), is amended by striking out subparagraphs (C) and (D).

(3) Effective date.—The amendments made by this subsection shall apply to transfers after the date of the enactment of this Act in taxable years ending after such date.

(b) Exemption of Stripper Well Oil From Windfall Profit Tax To Apply After Transfer.—

(1) In general.—Subsection (g) of section 4994 of such Code (defining exempt stripper well oil) is amended to read as follows:

"(g) Exempt Stripper Well Oil.—For purposes of this chapter, the term 'exempt stripper well oil' means any oil—

"(1) the producer of which is an independent producer (within the meaning of section 4992(b)(1)),

"(2) which is from a stripper well property within the meaning of the June 1979 energy regulations, and

"(3) which is attributable to the independent producer's working interest in the stripper well property."

(2) Effective date.—The amendment made by paragraph (1) shall apply to production after the date of the enactment of this Act.

SEC. 8. CLARIFICATION OF STATUTE OF LIMITATIONS WITH RESPECT TO UNDERPAYMENTS OF WINDFALL PROFIT TAX.

(a) In General.—Subparagraph (A) of section 6501(p)(1) of the Internal Revenue Code of 1986 (relating to special rules for windfall profit tax) is amended by adding at the end thereof the following: "For purposes of the preceding sentence, a return shall not be treated as required with respect to such oil if the amount withheld under section 4995(a) is not less than the amount required to be withheld as shown on the return by the first purchaser of such oil."

(b) Effective Date.—The amendment made by subsection (a) shall apply as if included in the amendments made by section 101 of the Crude Oil Windfall Profit Tax Act of 1980.

SEC. 9. REPEAL OF WINDFALL PROFIT TAX

(a) In General.—Chapter 45 of the Internal Revenue Code of 1954 (relating to windfall profit tax on domestic crude oil) is hereby repealed.

(b) Effective Date.—The repeal made by subsection (a) shall apply to oil removed from the premises after the date of the enactment of this Act.

By Mr. BIDEN (for himself, Mr. Boren, and Mr. Heflin):

S. 847. A bill to amend the Consolidated Farm and Rural Development Act to provide the opportunity for farmers in areas affected by natural disasters to defer the payment of principal and interest due on FmHA loans; to the Committee on Agriculture, Nutrition, and Forestry.

FARMER-INITIATED LOAN RESTRUCTURING ACT

● Mr. BIDEN. Mr. President, today I am pleased to be joined by my distinguished colleagues, Senator Boren and Senator Heflin, in reintroducing a bill to grant some relief to hard-pressed Farmers Home Administration borrowers. The purpose of this bill is to provide an option for farmers facing foreclosure allowing many to stay in business.

The traditional response of the Department of Agriculture to farmers unable to make a loan payment has been to offer additional loans. However, continued low commodity prices, fallen asset values, and increasing debt in the farm sector no longer make this a viable option for many. Offering more loans as a form of help is no help at all. But there are other methods available that can help farmers, to allow those who are basically good managers to continue to own and farm their land. We should make greater use of those alternatives.

The measure I am introducing today allows a Farmers Home Administration borrower to defer up to 1 year's worth of principal and interest, and to stretch out the terms of the loan. To qualify, the farmer has to demonstrate that the inability to repay the original loan is due to circumstances outside his control, and that projected farm revenues will allow the restructured loan to be repaid.

The Farmers Home Administration has the authority to take some of these steps now, but the legislation I am introducing makes an important change by shifting the initiative to restructure the loans from the Secretary of Agriculture to the farmer. If a farmer can show that a 1-year deferral of interest and principal, combined with a restructuring of the debt, will allow him or her to stay in business, the Secretary will be required to restructure the loan.

This proposal is one part of what will have to be a multifaceted effort to better target assistance to the farm sector, to allow family farms to see some relief from the current economic problems. It should be emphasized that one benefit of this approach—providing help through the credit side of a farmer's operation—is that relief is provided this year, not next year or later. Congress has to look for ways to target assistance to those farmers who are in the most urgent need, and get it to them quickly. The Administration's fast-talk, slow-action approach to the farm crisis only ensures that the present decline will continue, with American farmers continuing to bear the brunt of the worldwide shakeout.

Let me address the observation that this proposal only helps those farmers who have made bad management decisions. This may have been a valid comment if this option was made available during the early stages of what has grown to be a near collapse of the agricultural sector. But the bad managers, the farmers who did not pay close attention to their operations, who overexpanded, are long gone from the land. The farmers who are striving to stay on their land now are not the speculators. They are the solid farmers, sometimes winners of model farmer awards, who have seen their financial strength eroded by year after year of low commodity prices, a decline matched in severity only by the drop in land and asset values.

I do not make any claims that this proposal is a complete answer to the problems facing the farm economy. However, on just the credit side of farm operations, there is widespread agreement that more use of loan restructuring programs would help thousands of farmers. It is one approach that Congress needs to look at to retain a viable rural economy.

Mr. President, a review of the financial data shows that the farm sector simply cannot service its present debt load. Adjustments to more manageable levels will require sacrifices by everyone involved. I note that the Senate Agriculture Committee is holding a series of hearings on credit issues. The focus is on the plight of the Farm Credit System, but I understand the committee plans to review other sources of credit in the agricultural sector, including Farmers Home and commercial bank loans, with the goal of developing an evenhanded program to help farmers with heavy debt burdens, and to keep family farmers on their land.

I intend to work with the cosponsors of this bill to see that not only the option outlined in this bill is made available to farmers, but also other proposals that will avert foreclosure for thousands of family farmers whose only weakness is that they were not prepared to weather the worst economic conditions in the farm economy since the Great Depression. There are too many alternatives at hand that will keep these good farmers on their land, and can be done at an affordable cost. It is time to put them to greater use.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 847

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Farmer-Initiated Loan Restructuring Act".

SEC. 2. DEFERMENTS.

Section 307 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1927) is amended by adding at the end thereof the following new subsection:

"(e)(1) The Secretary, if requested by a borrower eligible for assistance under paragraph (2), shall permit all or any part of the principal and interest due by the borrower on an emergency farm loan made, insured or held under this subtitle or under the Emergency Agricultural Credit Adjustment Act of 1978 (7 U.S.C. prec. 1961) to be deferred through a restructuring of payments called for under the original terms of the loan. The Secretary shall restructure the loan so that payments are less than or equal to those required under the original terms of the loan. The Secretary may extend the term of the loan if necessary to comply with the preceding sentence.

"(2) To be eligible for assistance under paragraph (1), the borrower must establish, at the time the request is submitted, that the borrower is unable to make payment as a result of—

"(A) losses resulting from—

"(i) a natural disaster in the United States; or

"(ii) a major disaster or emergency designated as such by the President under the Disaster Relief Act of 1974 (42 U.S.C. 5121 et. seq.); or

"(B) other circumstances beyond the control of the borrower (including depressed land values, high interest rates, or low prices for agricultural commodities).

"(3) The deferral of any payment under this subsection shall not be used as a basis for any adverse action on the applicable loan by the Secretary.

"(4) The authority granted under this subsection shall terminate two years after the date of the enactment of this subsection.".●

By Mr. EXON (for himself and Mr. GRASSLEY):

S. 848. A bill to amend the Farm Credit Act of 1971 to provide a secondary market for agricultural mortgages, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURAL MORTGAGE MARKETING ACT

Mr. EXON. Mr. President, today I am introducing, with Senator GRASSLEY as a cosponsor, a bill to establish a secondary mortgage market for long-term agriculture real estate loans.

This legislation will provide farmers with access to long-term mortgages at stable interest rates. Today, a home buyer can lock in a 25-year home mortgage at a fixed rate of interest for the life of the mortgage. The home buyer has access to the secondary mortgage market provided by Fannie Mae, Freddie Mac, and Ginnie Mae. A farmer should have the same ability to obtain a fixed rate of interest on a long-term loan as well as the ability to obtain a variable rate. The creation of a secondary mortgage market for agricultural loans would provide that flexibility.

For agricultural banks and other lenders, the secondary mortgage market created by this bill would expand their capacity to extend long-term credit to farmers. Lenders will be able to sell loans enabling that lender to extend additional credit to the farmer without exceeding the lender's lending limit to that farmer. That would be particularly useful to a smaller bank, as many of Nebraska's banks are, whose amount of capitalization does not enable that bank to fully assist that farmer if the bank remains at risk on the entire debt to that farmer. This legislation would provide another tool for both farmers and bankers and would help strengthen our agricultural economy.

This bill provides for a federally chartered Agriculture Mortgage Enhancement Corporation which would determine underwriting standards for the loans to be sold into the system. It would also certify entities to pool mortgage loans and market securities backed by the loans and would sufficiently enhance the quality of those loan pools to render them acceptable to investors.

A key concept behind this legislation is that agricultural loans would be pooled by a certified pooler before being sold as investments. Each pool would, however, be backed by a reserve, supplied by the lenders and pooling entities participating in the pool, equal to 10 percent of the total principal value of the mortgages in the pool. In the event of a default of any loan in the pool, the entire 10-percent reserve of all the loans in the pool would need to be utilized before the Corporation would incur any liability. Combined with the strict loan underwriting, collateral appraisal standards, and other regulatory standards provided in the bill, the 10-percent reserve significantly decreases the likelihood that the Corporation's banking will be used.

The Corporation would be governed by a nine-member board of directors appointed by the Farm Credit Administration. It will be funded by the ability to collect a fee on the loans being pooled and other fees. That income will meet administration expenses and will provide for a fund sufficient to ensure that the pooled loans will be adequately backed.

The bill is further structured to bring together the Farm Credit System, commercial banks, and insurance companies to participate in the origination and marketing of farm mortgages. There will not be a separate secondary market arrangement which would duplicate, in effect, the status of the Farm Credit System. All lenders could rather work together through the same secondary market arrangement to pool farm mortgages for sale to general investors.

The farmer, however, will continue to work with a local bank or other lender. Servicing of the loan will generally be retained by the lender that originated the loan. That, I believe, is an important provision for the farmer who will not be forced to work with a distant unfamiliar office.

The time has come for Congress to provide for a secondary mortgage market for agricultural loans. I hope that my colleagues will support this legislation as it contains several excellent concepts and minimal Government liabilities. Our Nation's farmers will surely benefit from increased availability of agricultural loans.

Mr. President, I send the bill to the desk and ask unanimous consent that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 848

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Agricultural Mortgage Marketing Act of 1987".

SEC. 2. PURPOSE.

It is the purpose of this Act to—

(1) establish a corporation chartered by the Federal Government;

(2) authorize the certification of agricultural mortgage marketing entities by the corporation referred to in paragraph (1); and

(3) provide for a secondary marketing arrangement for farm real estate mortgages to—

(A) increase the availability of long-term credit for a producer at a stable interest rate;

(B) provide greater liquidity and lending capacity for agricultural lenders in extending credit to a producer; and

(C) provide an arrangement to facilitate capital market investments in providing long-term agricultural funding, including funds at fixed rates of interest.

SEC. 3. AGRICULTURAL MORTGAGE ENHANCEMENT CORPORATION.

Title V of the Farm Credit Act of 1971 (7 U.S.C. 2221 et seq.) is amended by adding at the end thereof the following new part:

"PART E—AGRICULTURAL MORTGAGE ENHANCEMENT CORPORATION.

"SEC. 5.50 DEFINITIONS.

"As used in this part:

"(a) Agricultural Mortgage Loan Originator.—The term 'agricultural mortgage loan originator' means any bank, business and industrial development company, savings and loan association, commercial finance company, trust company, credit union, insurance company, or other entity that originates and services agricultural mortgage loans.

"(b) Agricultural Real Estate.—The term 'agricultural real estate' means a parcel or parcels of land—

"(1) used for the production of one or more agricultural commodities or products; and

"(2) consisting of a minimum acreage or producing minimum annual receipts as determined by the Mortgage Corporation.

"(c) Certified Agricultural Mortgage Marketing Entity.—The term 'certified agricultural mortgage marketing entity' means a secondary marketing agricultural loan entity that is certified under section 5.52.

"(d) Credit Enhancement.—The term 'credit enhancement' means the assurance of timely payment of the principal and interest on securities representing interests in, or obligations backed by, pools of qualified agricultural mortgage loans.

"(e) Mortgage Corporation.—The term 'Mortgage Corporation' means the Agricultural Mortgage Enhancement Corporation established under section 5.51.

"(f) Qualified Agricultural Mortgage Loan.—The term 'qualified agricultural mortgage loan' means an obligation that—

"(1) is originated after the date of enactment of this part;

"(2) is secured by a fee-simple or leasehold mortgage with status as a first lien on agricultural real estate located in the United States;

"(3) does not exceed $2,000,000 in total principal;

"(4) has a loan-to-value ratio not exceeding 65 percent;

"(5) is approved by a certified agricultural mortgage marketing entity as meeting the standards established by the Mortgage Corporation pursuant to section 5.55;

"(6) is an obligation of—

"(A) a person who is a citizen of the United States; or

"(B) a private corporation or partnership whose members, stockholders, or partners hold a majority interest in the corporation or partnership and who are citizens of the United States; and

"(7) in an obligation of a person, corporation, or partnership that has training or farming experience that, under criteria established by the Mortgage Corporation, is sufficient to assure a reasonable likelihood that such loan will be repaid according to its terms.

"SEC. 5.51 AGRICULTURAL MORTGAGE ENHANCEMENT CORPORATION.

"(a) Establishment.—

"(1) Charter.—Not later than 60 days after the date of enactment of this part, the Farm Credit Administration shall organize and grant a charter to the Agricultural Mortgage Enhancement Corporation.

"(2) Institution of Farm Credit System.—Subject to the provisions of this part and the regulation of the Farm Credit Administration, the Mortgage Corporation shall be a federally chartered instrumentality of the United States and shall be deemed to be an institution of the Farm Credit System.

"(3) Liability.—The Mortgage Corporation shall not be liable for any of the debts or obligations of any other institution of the Farm Credit System.

"(b) Duties.—For the purpose of enhancing the quality of agricultural mortgage pools to make the pools salable in the secondary market, in accordance with this part, the Mortgage Corporation shall—

"(1) in consultation with agricultural mortgage loan originators, develop uniform underwriting, security appraisal, and repayment standards for qualified agricultural mortgage loans;

"(2) determine the eligibility of agricultural mortgage marketing entities to contract with the Mortgage Corporation for a credit enhancement of specific mortgage pools; and

"(3) provide credit enhancement to assure the repayment of principal and interest on pools of qualified agricultural mortgage loans.

"(c) Board of Directors.—

"(1) Appointment of members.—The Board of Directors of the Mortgage Corporation shall consist of 9 members, who shall be appointed by the Chairman of the Farm Credit Administration Board.

"(2) Qualifications of members.—Of the 9 members of the Board of Directors referred to in paragraph (1)—

"(A) 3 members shall be selected from among representatives of agricultural lending institutions that are outside of the Farm Credit System and that have substantial experience in agricultural lending;

"(B) 3 members shall be selected from among representatives of agricultural lending institutions that are within the Farm Credit System and that have substantial experience in agricultural mortgage lending; and

"(C) 3 members shall be selected from the general public from among individuals recognized as experts in agricultural lending and mortgage investment, one of whom shall be designated by the Chairman of the Farm Credit Administration Board as Chairman of the Board of Directors.

"(3) Term of members.—

"(A) Initial appointees.—Of the members first appointed to the Board of Directors under each of subparagraphs (A), (B), and (C) of paragraph (1)—

"(i) 1 appointee shall serve an initial term of 1 year;

"(ii) 1 appointee shall serve an initial term of 2 years; and

"(iii) 1 appointee shall serve an initial term of 3 years.

"(B) Other appointees.—Appointees to the Board of Directors not referred to in subparagraph (A) shall serve 3 year terms.

"(C) Chairman.—The Chairman referred to in paragraph (2)(C) shall be appointed for a 2 year term.

"(D) Succession.—Members of the Board may succeed themselves and may serve until their successors are duly seated.

"(4) Vacancies.—Vacancies on the Board shall be filled in the same manner as the position that is vacant was originally filled.

"(5) Compensation of members.—Members of the Board of Directors shall receive compensation, not in excess of the level set by the Farm Credit Administration, for attending meetings of the Board, including reasonable allowances for necessary expenses.

"(6) Rules and records.—The Board of Directors shall adopt such rules as the Board considers appropriate for the transaction of its business and shall keep permanent and accurate records and minutes of its acts and proceedings.

"(d) Chief Executive Officer.—The Chief Executive Officer of the Mortgage Corporation shall be selected by the Board of Directors and shall serve at the pleasure of the Board.

"(e) General Corporate Powers.—The Mortgage Corporation shall have the power to—

"(1) operate under the direction of its Board of Directors;

"(2) adopt, alter, and use a corporate seal;

"(3) provide for one or more vice presidents, a secretary, a treasurer, and such other officers, employees, and agents, as may be necessary, define their duties, and require surety bonds or make other provisions against losses occasioned by acts of such persons;

"(4) prescribe such standards as may be necessary to carry out this part;

"(5) make and perform contracts, agreements, and commitments with persons and entities both inside and outside of the Farm Credit System;

"(6) borrow from any source on its own individual responsibility on such terms and conditions as it may determine with the approval of the Farm Credit Administration;

"(7) provide credit enhancement for pools of qualified agricultural mortgage loans;

"(8) sue and be sued in its corporate capacity and prosecute or defend any action brought by or against it in any State or Federal court of competent jurisdiction;

"(9) determine its expenditures and the manner in which such expenditures shall be incurred and paid;

"(10) obtain insurance against loss;

"(11) adopt a salary scale for its officers and employees, in accordance with the directives of the Board of Directors; and

"(12) exercise such incidental powers that are not inconsistent with this part and are necessary to carry out this part.

"(f) Financial Obligations.—

"(1) In general.—The Farm Credit Administration shall provide the Mortgage Corporation with a means of honoring any financial obligation that may be incurred due to the Mortgage Corporation's credit enhancement of pools of qualified agricultural mortgage loans under this part, including funding referred to in paragraph (2).

"(2) Funding.—The Farm Credit Administration shall—

"(A) provide initial capitalization for the Mortgage Corporation out of the revolving fund established pursuant to section 4.0;

"(B) commit such other funds to the Mortgage Corporation that are necessary to meet its responsibilities under this part and that are available, or may become available, including funds that originate outside of the Farm Credit System; and

"(C) enable the Mortgage Corporation to borrow from other sources, including borrowing on a line of credit basis.

"(3) Fees.—

"(A) Authorization.—The Mortgage Corporation is authorized to collect a reasonable fee to recover the costs incurred for the processing of an application for approval as a certified agricultural mortgage marketing entity.

"(B) Amount of fee.—At the time that a credit enhancement is issued on a pool of loans, as provided in section 5.53 of this part, the Mortgage Corporation shall assess the certified agricultural mortgage marketing entity a fee of not greater than one-half of 1 percent of the amount enhanced by the Mortgage Corporation with respect to the initial principal amount of each enhanced pool of qualified agricultural mortgage loans.

"SEC. 5.52 CERTIFICATION OF AGRICULTURAL MORTGAGE MARKETING ENTITIES.

"(a) STANDARDS.—

"(1) ISSUANCE.—Not later than 120 days after the date of enactment of this part, the Mortgage Corporation shall issue standards for the certification of agricultural mortgage marketing entities, including eligibility standards in accordance with paragraph (2).

"(2) ELIGIBILITY.—To be eligible to be certified under the standards referred to in paragraph (1), an agricultural mortgage marketing entity shall—

"(A) have adequate capitalization;

"(B) have as its primary business purpose the sale or resale of securities representing interests in, or obligations backed by, pools of qualified agricultural mortgage loans enhanced by the Mortgage Corporation;

"(C) is a corporation, association, or trust organized under the laws of any State or the District of Columbia;

"(D) demonstrate acceptable managerial ability with respect to agricultural mortgage loan underwriting, servicing, and marketing and the issuance of securities representing interests in mortgage loans;

"(E) adopt appropriate agricultural mortgage loan underwriting, appraisal, and servicing standards and procedures, in conformity with the uniform standards established by the Mortgage Corporation; and

"(F) permit the Mortgage Corporation to examine the entity's books, records, and loan files with respect to its operations and its enhancement of loan pools.

"(3) NON-DISCRIMINATION.—The standards referred to in paragraph (1) shall not discriminate between or against Farm Credit System and non-Farm Credit System applicants.

"(b) CERTIFICATION.—Within 60 days after receiving an application for certification under this section, the Mortgage Corporation shall certify the entity if its application meets the standards referred to in subsection (a)(1).

"(c) TERM.—Any certification by the Mortgage Corporation of an agricultural mortgage marketing entity shall be effective for a period determined by the corporation of not to exceed 5 years.

"(d) REVOCATION.—

"(1) IN GENERAL.—After notice and an opportunity for a hearing pursuant to the provisions of section 553 of title 5, United States Code, the Mortgage Corporation may revoke the certification of an agricultural mortgage marketing entity if the Corporation determined that the entity no longer meets the standards referred to in subsection (a)(1).

"(2) EFFECT OF REVOCATION.—Revocation of certification shall not affect any pool guarantee that has been issued by the Mortgage Corporation.

"SEC. 5.53 CREDIT ENHANCEMENT OF QUALIFIED AGRICULTURAL MORTGAGE LOANS.

"(a) IN GENERAL.—Subject to regulations issued by the Farm Credit Administration and the limitations contained in subsection (b), the Mortgage Corporation may provide credit enhancement to assure the timely payment of the principal and interest on securities representing interests in, or obligations backed by, pools of qualified agricultural mortgage loans.

"(b) LIMITATIONS.—With respect to any pools referred to in subsection (a), the Mortgage Corporation shall—

"(1) provide credit enhancement only with respect to an individual pool of qualified agricultural mortgage loans pursuant to the application of a certified agricultural mortgage marketing entity;

"(2) require the certified agricultural mortgage marketing entity to establish a reserve in United States Treasury securities or other securities issued, guaranteed, or insured by an agency of the United States Government in an amount equal to 10 percent of the principal amount of the loans constituting the pool;

"(3) require that the certified agricultural mortgage marketing entity cause such reserve, exclusive of the earnings thereon, to be held for the benefit of the holders of securities evidencing an interest in such pool to assure the timely receipt of principal and interest due to such security holders;

"(4) require that the reserve referred to in paragraph (2) must be first exhausted before any demand be made by the certified agricultural mortgage marketing entity with respect to the Mortgage Corporation's credit enhancement;

"(5) assure the timely payment of principal and interest due to security holders only after exhaustion of the reserve required by section 5.53(b)(2);

"(6) require that a certified agricultural mortgage marketing entity act in accordance with the standards of a prudent institutional lender to resolve loan defaults;

"(7) provide that, to the extent that the certified agricultural mortgage marketing entity receives proceeds of collateral, judgments, settlements, or guarantees with respect to a loan in the pool, such proceeds shall be first applied, after payment of costs of collection, to reimburse the Mortgage Corporation the amount of credit enhancement payments made with respect to such pool by the Mortgage Corporation;

"(8) permit the reserve to be reduced at certain times to provide for the distribution of earnings to agricultural mortgage loan originators required by section 5.54, subject to the limitation provided in such section;

"(9) not provide credit enhancement with respect to any pool if such pool contains any single loan, the principal amount of which exceeds 5 percent of the total principal amount of the pool at the time the application for credit enhancement is submitted;

"(10) in the case of each loan originated for a pool, provide credit enhancement only if the agricultural mortgage loan originator may retain the servicing of the mortgage in connection with the farm borrower; and

"(11) provide credit enhancement only if each qualified agricultural mortgage loan has been transferred to the certified agricultural mortgage marketing entity without recourse to the agricultural mortgage loan originator.

"SEC. 5.54 RESERVE OF AGRICULTURE MORTGAGE MARKETING ENTITIES.

"(a) CONTRIBUTIONS.—For each pool of loans, the certified agricultural mortgage marketing entity and the participating agricultural mortgage loan originators shall each contribute a share of the 10 percent reserve required under section 5.53(b)(2).

"(b) DISTRIBUTIONS.—In the case of each applicable loan pool, a certified agricultural mortgage marketing entity shall—

"(1) distribute to agricultural mortgage loan originators, at least semiannually, any earnings on their contributions to the reserve required, except that such distributions shall not cause the reserve to fall below 10 percent of the outstanding aggregate principal and accrued interest of the loans remaining in the pool; and

"(2) maintain separate loan loss accounting for each loan in the pool.

"(c) LOSSES.—Except for that portion of losses absorbed by a certified agricultural mortgage marketing entity's contribution to the reserve required under subsection (a), each agricultural mortgage loan originator participating in the pool shall absorb any losses on loans it has originated up to the total amount it has contributed to the reserve before such losses are absorbed by the contributions of other originators who are participating in the pool.

"SEC. 5.55 STANDARDS FOR QUALIFIED AGRICULTURAL MORTGAGE LOANS.

"(a) STANDARDS.—Not later than 120 days after the enactment of this part, the Mortgage Corporation shall establish uniform underwriting, security appraisal, and repayment standards for qualified agricultural mortgage loans.

"(b) SMALL LOANS OR ORGANIZERS.—The standards referred to in subsection (a) shall not discriminate against small agricultural mortgage loan originators or small agricultural mortgage loans that are at least $50,000.

"SEC. 5.56 ISSUANCE OF CREDIT ENHANCEMENT.

"(a) PERIOD FOR ISSUANCE.—Within the 15-day period beginning on submission of an application by a certified agricultural mortgage marketing entity (together with a certification by such entity that each loan in the pool meets the standards for a qualified agricultural mortgage loan), the Mortgage Corporation shall provide credit enhancement for such pool if the Mortgage Corporation concurs in the entity's certification of such loans.

"(b) NONISSUANCE.—If the Mortgage Corporation does not concur under subsection (a), the Corporation shall issue its determination and the reasons therefor within the period referred to in subsection (a).

"SEC. 5.57 SECURITIES IN CREDIT ENHANCED POOLS.

"(a) FEDERAL LAW.—

"(1) EXEMPTION FROM FEDERAL SECURITIES LAWS.—Notwithstanding any other provision of law, securities representing an interest in a pool of qualified agricultural mortgage loans enhanced by the Mortgage Corporation shall be exempt from the laws administered by the Securities and Exchange Commission to the same extent as securities that are direct obligations of or obligations guaranteed as to principal or interest by the United States.

"(2) NONFEDERAL OBLIGATIONS.—The securities shall clearly indicate that the securities, together with the interest thereon, are not guaranteed by the United States or constitute a debt or obligation of the United States or of any agency or instrumentality thereof.

"(b) STATE SECURITIES LAW.—

"(1) EXEMPTION FROM STATE LAW.—Any security that is offered evidencing an interest in a pool of qualified agricultural mortgage loans that has been enhanced by the Mortgage Corporation, and that is rated in one of the 4 highest rating categories by at least 1 nationally recognized statistical rating organization, shall be exempt from any law of any State with respect to or requiring registration or qualification of securities or real estate to the same extent as any obligation issued by or guaranteed as to principal and interest by the United States or any agency or instrumentality thereof.

"(2) SUBSEQUENT STATE LAW.—Prior to the expiration of 3 years after the date of enactment of this part, any State may enact a law that specifically refers to this section and requires registration or qualification of any such security on terms that differ from those applicable to any obligation issued by the United States, and upon the effective date of such a law, paragraph (1) shall cease to apply to securities offered in that State.

"(c) AUTHORIZED INVESTMENTS.—

"(1) SECURITIES REQUIREMENTS.—Any security representing an interest in an enhanced pool of qualified agricultural mortgage loans shall be through the authorized investment of any person, trust, corporation, partnership, association, business trust, or business entity created pursuant to or existing under the laws of the United States or any State, if such security is rated in one of 4 highest rating categories by at least 1 nationally recognized statistical rating organization, to the same extent that such person, trust, corporation, partnership, association, business trust, or business entity is authorized under any applicable law to purchase, hold or invest in obligations issued by or guaranteed as to principal and interest by the United States or any agency or instrumentality thereof.

"(2) EFFECT OF STATE LAW LIMITS.—If a State law limits the purchase, holding, or investment in obligations issued by the United States by such a person, trust, corporation, partnership, association, business trust, or business entity, securities of a certified agricultural mortgage marketing entity issued on a pool of loans enhanced by the Mortgage Corporation, the securities shall be considered to be obligations issued by the United States for purposes of the limitation if the securities are rated in one of the 4 highest rating categories by at least 1 nationally recognized statistical rating organization.

"(3) NONAPPLICABILITY OF PROVISIONS.—

"(A) SUBSEQUENT STATE LAW.—Paragraphs (1) and (2) shall not apply with respect to a particular person, trust, corporation, partnership, association, business trust, or business entity or class thereof in any State that, prior to the expiration of 3 years after the date of enactment of the part, enacts a law that specifically refers to this section and either prohibits or provides for a more limited authority to purchase, hold, or invest in such securities by any person, trust, corporation, partnership, association, business trust, or business entity or class thereof than is provided in paragraph (1).

"(B) EFFECT OF SUBSEQUENT STATE LAW.—The enactment by any State of any law of the type described in the preceding subparagraph (A) shall not effect the validity of any contractual commitment to purchase, hold, or invest that was made prior thereto and shall not require the sale or other disposition of any securities acquired prior thereto.

"SEC. 5.58 TERMINATION OF CREDIT ENHANCEMENT AUTHORITY.

"The authority of the Mortgage Corporation to provide credit enhancement for new pools of qualified agricultural mortgage loans shall terminate 5 years after the date of enactment of this part.".

Mr. GRASSLEY. Mr. President, I am pleased to join my colleague from Nebraska, Senator EXON, in introducing the Agricultural Mortgage Marketing Act of 1987.

This bill is similar in concept to S. 427, the Farm Mortgage Guarantee Act, which I introduced earlier this year.

This legislation establishes a secondary market for longer term farm real estate loans, which will be beneficial to both farmers and agricultural lenders.

A recent study conducted by farm sector economics associates for the American Council of Life Insurance found that very promising results can be expected by establishing a secondary market for farm mortgages.

Let me share with my colleagues some of these key findings:

Farmland values and other farm assets would be shored up by $27.5 billion. This is extremely beneficial in view of the recent collapse of farm land values.

Interest rates would be reduced by 50 to 100 basis points or one-half to 1 percent for farm mortgages which meet security requirements, and by 17 basis points on new farm mortgages.

It would make available, on a more competitive basis, long-term, fixed-interest-rate loans to farmers.

Farmer borrowing power would be improved without increasing production volume.

It would have little or no impact on Federal budget outlays. This is particularly important in view of our budget problems.

This legislation would also restore the balance between the Federal land banks and commercial lenders while at the same time providing additional benefits to the Federal land banks. It would generate a new source of revenue through fee income; and loan quality of existing mortgages would be strengthened because of a stronger land market.

Mr. President, as the troubles of the Farm Credit System and with farm loans in general deepen, the need for a secondary market for farm loans becomes even greater. If lenders could sell farm real estate loans on a secondary market—like that which is done with the sale of home mortgages to Fannie Mae, Freddie Mac, and Ginnie Mae—commercial banks and insurance companies would get back into providing farm mortgages; and farmers would be able to lock in a lower fixed rate of interest over 20 to 25 years.

It is very likely that Congress will soon need to take up legislation addressing the needs of the Farm Credit System. It is my hope that secondary market legislation can become a part of this package.

It is important that we explore various secondary market options. This is the second proposal I have put on the table for discussion. Modification may be in order, and I know officials from various lending institutions including the insurance industry, the Farm Credit System, the American Bankers Association, and the Independent Bankers Association have all been working on proposals.

The creation of a secondary market for farm mortgages is also very popular among farmers I have talked to and several farm organizations are participating in this discussion as well.

The time is right to move quickly ahead. The support is there among the private sector. Congress must take this opportunity now to pass legislation that will do more to help the long-term needs for farm credit and the farm economy as a whole than just about any other action Congress can take.

I urge my colleagues to join Senator EXON and me in this effort.

By Mr. CHAFEE (for himself and Mr. KERRY):

S. 849. A bill to establish guidelines for timely compensation for temporary injury incurred by seamen on fishing industry vessels and to require additional safety regulations for fishing industry vessels; to the Committee on Commerce, Science, and Transportation.

COMMERCIAL FISHING INDUSTRY VESSEL SAFETY AND COMPENSATION ACT

Mr. CHAFEE. Mr. President, the twin problems of sharply rising insurance rates in the commercial fishing industry and safety aboard those vessels are of great concern to thousands of Americans who earn their living in the fishing industry. Today I am introducing legislation to address these problems.

Commercial fishing is one of the most dangerous occupations in the United States. According to the U.S. Coast Guard figures, an average of 250 fishing boats sink each year. The death rate for fishermen is seven times the national average for all industry groups and twice that of mining, which is the next most hazardous occupation. Thus, it should come as no surprise that our commercial fishing industry has been caught up in the insurance liability crisis. The cost of protection and indemnity insurance for the fishing industry has soared in recent years, and often it is not available at any price. As insurance becomes more unaffordable, fishing vessel owners are either going without insurance or are going out of business.

The Jones Act permits fishing vessel crewmen and seamen to sue vessel owners for negligence and unseaworthiness when an accident occurs aboard ship. The number and size of jury awards has escalated in recent years. Court settlements have been as high as several hundred thousand dollars or more for correctable occupational injuries. Damage awards for the same injury often vary by a factor of 10. Insurance companies are no longer able to predict adequately the risks or the dollar awards in the fishing industry. Some insurance companies have claimed that they pay out more than $1.50 to the fishing industry for every $1 they receive in premiums. As a result, insurance companies have either refused to continue to cover fishing vessels or dramatically increased their premiums.

The causes of the marine insurance crisis are complex and cannot be solely attributed to exorbitant jury awards. Lax safety standards, inadequate care of injured or disabled seamen, poor vessel design, and fishery management regulations have all aggravated the problem. The bill I am introducing today together with my distinguished colleague from Massachusetts, Senator KERRY, is a first step toward a comprehensive solution to these problems. It seeks to contain or even roll back soaring insurance premiums by replacing the current inefficient system of litigation for temporary injuries with a system similar to workmen's compensation, and by requiring enhanced safety on fishing boats. Mr. STUDDS of Massachusetts is today introducing identical legislation in the House of Representatives.

Under the bill, a seaman who suffered a "temporary illness, disability, or injury" could not sue his employer for damages under the Jones Act or under general maritime law, if the employer provided "cure and maintenance" during the period of the illness at a daily rate equal to the greater of 80 percent of the individual's wage or share, or $30. A temporary illness, disability or injury would be defined as one which, after cure, the seaman can return to his previous or equivalent employment; does not require further medical care; and has not lost a limb, appendage, sight, hearing, or incurred permanent disfigurement. In the case of gross negligence or willful misconduct there would be no limit on liability.

These changes will introduce greater predictability into award settlements and bring down insurance rates. At the same time, they protect the interests of the injured seamen by assuring them of fair compensation and treatment.

The bill also provides for enhanced safety. It requires the Secretary of Transportation to develop regulations for the installation, maintenance, and proper use of emergency "position-indicating" beacons, lifeboats, exposure suits, and signaling devices. This safety equipment will save lives and could lead to lower insurance premiums.

The bill establishes a fishing vessel safety advisory committee, composed primarily of representatives of the fishing industry, to advise the Secretary of Transportation. The Secretary would consult the committee before proposing new legislation or regulations regarding safety.

Mr. President, a bill similar to this legislation was hotly debated in the House of Representatives last year, and was defeated by a wide margin largely because it set a cap of $500,000 on the amount that could be awarded to an injured fisherman. The trial lawyers of America objected strenuously to the cap, and worked successfully to insure defeat of the bill. Since then, the president of the Trial Lawyers Association, has been quoted as saying that he is prepared to support new fishing legislation with changes, such as the removal of caps on compensation. In this revised bill the cap on compensation has been removed, and other changes have been made to address the concerns of groups who formerly opposed the legislation.

The commercial fishing industry faces a number of challenges today, such as declining stocks and increased foreign competition. The additional problem of escalating insurance rates poses a serious threat to the industry's future. This legislation represents a positive step toward making fishing both a safe and more prosperous occupation. I urge my colleagues to join with me in supporting this worthwhile legislation.

Mr. President, I ask unanimous consent that a copy of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 849

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Commercial Fishing Industry Vessel Safety and Compensation Act of 1987".

TITLE I—COMPENSATION FOR TEMPORARY INJURY ON FISHING INDUSTRY VESSELS

SEC. 101. COMPENSATION FOR TEMPORARY PERSONAL INJURY.

The Act of March 4, 1915 (chapter 153; 38 Stat. 1164) is amended by adding at the end the following:

"SEC. 21. (a) In this section—

"(1) 'fishing vessel', 'fish processing vessel', and 'fish tender vessel' have the same meanings given those terms in section 2101 of title 46, United States Code.

"(2) an illness, disability, or injury shall be considered temporary if, after cure, the seaman—

"(A) can return to the seaman's previous (or equivalent) employment;

"(B) does not require further medical care with respect to the illness, disability, or injury;

"(C) does not have a substantial loss of sight, voice, or hearing; and

"(D) has not lost an appendage or suffered permanent disfigurement.

"(b) A civil action (including an action for contribution or indemnification) may not be brought under any law of the United States against the employer of a seaman, a vessel owner, or a vessel for loss suffered as the result of a temporary illness, disability, or injury suffered by a seaman during the course of the seaman's employment to a fishing, fish processing, or fish tender vessel if the employer or vessel owner makes payment for, or otherwise provides—

"(1) cure for the ill, disabled, or injured seaman; and

"(2) maintenance during the period of illness, disability or injury in an amount equal to—

"(A) for each day that vessel is on a voyage, the greater of—

"(i) 80 percent of the wage or share the seaman would have received for that day if the seaman had been employed on the vessel for that voyage; or

"(ii) $30; and

"(B) for each day that vessel is not on a voyage, $30.

"(c) The Secretary of Transportation shall annually review the dollar figure in subparagraphs (A)(ii) and (B) of subsection (b)(2). The Secretary may periodically increase or decrease that figure, but not by more than the percentage increase or decrease in the Consumer Price Index for the period considered.

"(d) Subsection (b) shall not apply if—

"(1) the temporary illness, disability, or injury was caused by the gross negligence or willful misconduct of the owner or employer, as the case may be;

"(2) the temporary illness, disability, or injury was primarily caused by a violation of chapter 45 of title 46, United States Code, that was within the knowledge of the owner or employer, as the case may be; or

"(3) payment or provision of maintenance and cure is not made in the manner described in subsection (b).".

SEC. 102. STATUTE OF LIMITATIONS.

The first section of the act entitled "An Act to provide a uniform three-year statute of limitations in actions to recover damages for personal injury or death, arising out of a maritime tort, and for other purposes" (46 App. U.S.C. 763a) is amended by striking "That," and inserting "That (a)" and by adding at the end the following:

"(b) A civil action against the employer of a seaman or the owner of a fishing, fish processing, or fish tender vessel for recovery of damages for illness, injury, disability, or death suffered during the course of the seaman's employment to a fishing, fish processing, or fish tender vessel may not be maintained unless started within 2 years from the date the cause of action accrued.".

TITLE II—COMMERCIAL FISHING INDUSTRY VESSEL SAFETY

SEC. 201. FISHING INDUSTRY VESSEL SAFETY REQUIREMENTS.

(a) Chapter 45 of title 46, United States Code, is amended to read as follows:

"CHAPTER 45—COMMERCIAL FISHING INDUSTRY VESSELS

"Sec.
"4501. Application.
"4502. Safety standards.
"4503. Equivalency.
"4504. Prohibited acts.
"4505. Termination of unsafe operations.
"4506. Exemptions.
"4507. Penalties.
"4508. Commercial Fishing Industry Vessel Advisory Committee.

"§ 4501. Application

"(a) This chapter applies to a fishing, fish processing, and fish tender vessel.

"(b) This chapter does not apply to the carriage of bulk dangerous cargoes regulated under chapter 37 of this title.

"§ 4502. Safety standards

"(a) A fishing, fish processing, and fish tender vessel must—

"(1) if propelled by machinery, be provided with fire extinguishers, capable of promptly and effectively extinguishing a combustible or flammable liquid fuel, that shall be kept in a condition for immediate and effective use and so placed as to be readily accessible;

"(2) carry at least one rapidly accessible life preserver or other lifesaving device for each individual on board;

"(3) have the carburetors of each engine on board the vessel (except an outboard engine) using gasoline as a fuel, equipped with an efficient flame arrestor, backfire trap, or other similar device;

"(4) if using a volatile liquid as fuel, be provided with the means for properly and efficiently ventilating enclosed spaces, including engine and fuel tank compartments, so as to remove any explosive or flammable gases; and

"(5) be provided with visual distress signals.

"(b) In addition to the requirements of subsection (a) of this section, the Secretary shall prescribe regulations for a documented fishing, fish processing, or fish tender vessel operating beyond the Boundary Line, for the installation, maintenance, and use of—

"(1) at least one readily accessible emergency position indicating beacon, or similar electronic position indicating device;

"(2) lifeboats or liferafts sufficient to accommodate all individuals on board;

"(3) at least one readily accessible exposure suit for each individual on board a vessel operating on the waters described in section 3102 of this title;

"(4) radio communications equipment sufficient to effectively communicate with land-based search and rescue facilities; and

"(5) other equipment required to minimize the risk of injury to crew during vessel operations, if the Secretary determines that a risk of serious injury exists that can be eliminated or mitigated by that equipment.

"(c) For an uninspected fish processing vessel entered into service after December 31, 1987, and having more than sixteen individuals on board primarily employed in the preparation of fish or fish products, the Secretary shall prescribe additional regulations for—

"(1) navigation equipment, including radars, fathometers, compasses, radar reflectors, lights, sound-producing devices, nautical charts, and anchors;

"(2) life saving equipment, including life preservers, exposure suits, lifeboats or liferafts, emergency position indicating radio beacons, signaling devices, bilge pumps, bilge alarms, life rails and grab rails, and medicine chests;

"(3) fire protection and firefighting equipment, including fire alarms, portable and semiportable fire extinguishing equipment, and flame arrestors;

"(4) the use and installation of insulation material;

"(5) storage methods for flammable or combustible material; and

"(6) fuel, ventilation, and electrical systems.

"(d)(1) In addition to the other requirements of this section, the Secretary shall prescribe regulations for the operating stability of a documented fishing, fish processing, or fish tender vessel—

"(A) the keel for which was laid after December 31, 1988; or

"(B) whose physical characteristics are substantially altered after December 31, 1988, in a manner affecting the vessel's operating stability.

"(2) The Secretary may accept, as evidence of compliance by a vessel with this subsection, a certification of compliance issued by the person providing insurance for the vessel.

"(e) In prescribing requlation under this section, the Secretary—

"(1) shall consider the specialized nature and economics of the type of vessel operations and the character, design, and construction of the type of vessel;

"(2) shall consult with representatives of the private sector having experience in the operation of vessels to which this chapter applies to ensure the practicability of these regulations; and

"(3) may not require the alteration of a vessel or associated equipment or of the construction of a vessel or manufacture of a particular item of equipment that was begun before the effective date of the regulation.

"§ 4503. Equivalency

"An uninspected fish processing vessel entered into service after December 31, 1987, and having more than sixteen individuals on board primarily employed in the preparation of fish and fish products—

"(1) is deemed to comply with the requirements of this chapter if it has an unexpired certificate of inspection issued by a foreign country that is a party to an International Convention for Safety of Life at Sea to which the United States Government is a party; and

"(2) may not be required by the Secretary to alter or replace the equipment or structural requirements required under this chapter.

§ 4504. Prohibited acts

"A person may not operate a vessel in violation of this chapter or a regulation prescribed under this chapter.

"4505. Termination of unsafe operations

"If an official charged with the enforcement of this chapter observes a fishing, fish processing, or fish tender vessel being operated in an unsafe condition and, in the judgment of that official, the operation creates an especially hazardous condition, the official may direct the operator of the vessel to take immediate and reasonable steps necessary for the safety of individuals on board the vessel, including directing the operator to return to a mooring and to remain there until the situation creating the hazard is corrected or ended.

§ 4506. Exemptions

"(a) The Secretary may exempt a vessel from any part of this chapter when, under regulations (including regulations on special operating conditions) prescribed by the Secretary, the Secretary finds that—

"(1) good cause exists for granting an exemption; and

"(2) the safety of the vessel and those on board will not be adversely affected.

"(b) A fishing, fish processing, or fish tender vessel is exempt from the provisions of section 4502(b)(2) if it—

"(1) is less than 36 feet in length; and

"(2) is not operating on the high seas.

"§ 4507. Penalties

"(a) If a vessel to which this chapter applies is operated in violation of this chapter or a regulation prescribed under this chapter, the owner, chartered, managing operator, agent, master, and individual in charge are each liable to the United States Government for a civil penalty of not more than $5,000. The vessel also is liable in rem for the penalty.

"(b) A person willfully violating this chapter or a regulation prescribed under this chapter shall be fined not more than $5,000, imprisoned for not more than one year, or both.

§ 4508. Commercial Fishing Industry Vessel Advisory Committee

"(a) The Secretary shall establish a Commercial Fishing Industry Vessel Advisory Committee. The Committee—

"(1) may advise, consult with, report to, and make recommendations to the Secretary on matters relating to the safe operation of fishing, fish processing, and fish tender vessels, including navigation safety, safety equipment and procedures, marine insurance, vessel design, construction, maintenance and operation, and personnel qualifications and training;

"(2) may review proposed regulations under this chapter;

"(3) may make available to Congress any information, advice, and recommendations that the Committee is authorized to give to the Secretary;

"(4) shall meet at the call of the Secretary, but not less than once during each calendar year.

"(b)(1) The Committee shall consist of seventeen members with particular expertise, knowledge, and experience regarding the commerical fishing industry as follows:

"(A) ten members from the commercial fishing industry who—

"(i) reflect a regional and representational balance; and

"(ii) have experience in the operation of vessels to which this chapter applies or as a crew member or processing line worker on a fish processing vessel;

"(B) three members from the general public, including, whenever possible, an independent expert or consultant in maritime safety and a member of a national organization composed of fishing, fish processing, or fish tender vessel and marine insurance interests;

"(C) one member from each of the following—

"(i) naval architects or marine surveyors;

"(ii) manufacturers of fishing, fish processing, or fish tender vessel equipment;

"(iii) education or training professionals related to fishing, fish processing, or fish tender vessel safety or personnel qualifications; and

"(iv) underwriters engaged in insuring fishing, fish processing, or fish tender vessels.

"(2) At least once a year, the Secretary shall publish a notice in the Federal Register and in newspapers of general circulation in coastal areas soliciting nominations for membership on the Committee, and, after timely notice is published, appoint the members of the Committee. A member may be appointed to any number of terms.

"(3)(A) The term of a member is three years.

"(B) If a vacancy occurs in the membership of the Committee, the Secretary shall appoint a member to fill the remainder of the vacated term.

"(4) The Committee shall elect one of its members as the Chairman and one of its members as the Vice Chairman. The Vice Chairman shall act as Chairman in the absence or incapacity of, or in the event of a vacancy in the office of, the Chairman.

"(5) The Secretary shall, and any other interested agency may, designate a representative to participate as an observer with the Committee. These representatives shall, as appropriate, report to and advise the Committee on matters relating to fishing, fish processing, or fish tender vessels under the jurisdiction of their respective agencies. The Secretary's designated representative shall act as executive secretary for the Committee and perform the duties set forth in section 10(c) of the Federal Advisory Committee Act (5 App. U.S.C.).

"(c)(1) The Secretary shall, whenever practicable, consult with the Committee before taking any significant action relating to the safe operation of fishing, fish processing, or fish tender vessels.

"(2) The Secretary shall consider the information, advice, and recommendations of the Committee in consulting with other agencies and the public or in formulating policy regarding the safe operation of fishing, fish processing, or fish tender vessels.

"(d)(1) Except an officer or employee of the United States or a member of the Armed Forces, a member of the Committee, when attending meetings of the Committee or when otherwise engaged in the business of the Committee, is entitled to receive—

"(A) compensation at a rate fixed by the Secretary, not exceeding the daily equivalent of the current rate of basic pay in effect for GS-18 of the General Schedule under section 5332 of title 5 including travel time; and

"(B) travel or transportation expenses under section 5703 of title 5.

"(2) Payments under this section do not render a member of the Committee an officer or employee of the United States or a member of the Armed Forces for any purpose.

"(3) A member of the Committee who is an officer or employee of the United States or a member of the Armed Forces may not receive additional pay on account of the member's service on the Committee.

"(4) The provisions of this section relating to an officer or employee of the United States or a member of the Armed Forces do not apply to a member of a reserve component of the Armed Forces unless that member is in an active status.

"(e)(1) The Federal Advisory Committee Act (5 U.S.C. App.) applies to the Committee, except that the Committee terminates on September 30, 1992.

"(2) Two years prior to the termination date in this section, the Committee shall submit to Congress its recommendation whether the Committee should be renewed and continued beyond the termination date.".

(b) Of the members first appointed to the Commercial Fishing Industry Advisory Committee under section 4508 of title 46, United States Code—

(1) one-third of the members shall serve a term of one year and one-third of the members shall serve a term of two years, to be determined by lot at the first meeting of the Committee; and

(2) terms may be adjusted to coincide with the Government's fiscal year.

(c) Subsection (e) of section 4102 of title 46, United States Code, is repealed.

SEC. 202. ACCIDENT DATA STATISTICS.

(a) Chapter 61 of title 46, United States Code, is amended by adding at the end the following new section:

"§ 6104. Commercial fishing industry vessel casualty statistics

"(a) The Secretary shall compile statistics concerning marine casualties from data compiled from insurers of fishing, fish processing, fish tender vessels.

"(b) A person underwriting primary insurance for fishing, fish processing or fish tender vessels shall submit periodically to the Secretary data concerning marine casualties that is required by regulations prescribed by the Secretary.

"(c) After consulting with the insurance industry, the Secretary shall prescribe regulations under this section to gather a statistical base for analyzing vessel risks.".

(b) The analysis for chapter 61 of title 46, United States Code, is amended by adding at the end the following:

"6104. Commercial fishing industry vessel casualty statistics.".

(c) Section 6103 of title 46, United States Code, is amended as follows:

(1) before "An" insert "(a)"; and

(2) add the following new subsection:

"(b) A person violating section 6104 of this title or a regulation prescribed under that section is liable to the Government for a civil penalty of not more than $5,000.".

Mr. KERRY. Mr. President, today my distinguished colleague from Rhode Island, Senator CHAFEE and I are introducing legislation that is critical to the livelihood of America's fishing industry. Congressman GERRY STUDDS is introducing identical legislation today in the House of Representatives. The Commercial Fishing Industry Vessel Safety and Compensation Act of 1987 is strongly supported by our Nation's fishing industry: The vessel owners, the fishermen, the fish producers, as well as insurance representatives, consumer groups, and individuals who have lost family members in tragic accidents all have expressed support for this legislation. The act is designed to establish safer working conditions for our Nation's fisherman; make it easier for fishing vessel owners to obtain product liability insurance for their ships and crews, as well as offer fisherman a workmens' compensation-like system when they receive a temporary injury.

Fishing is a difficult and dangerous job. By establishing safety standards that protect the lives of fishermen, Congress will be offering fishermen the same safe working conditions that they mandate for other citizens who work in dangerous labor intensive jobs. Nationally, fishing accidents occur seven times more often than they do in other crew occupations; and the number of fishermen who perish at sea because their vessels are not seaworthy is shocking. This is not the 16th or 17th century that we are talking about, this is the 20th century, a time when sophisticated, modern equipment is available to save the lives of our seamen. It is for this reason, Mr. President, that the legislation that we are introducing today establishes safety guidelines that fishing vessels must follow. They include such requirements as emergency position indicating radio beacons, lifeboats, exposure suits, emergency radio equipment, and other equipment that the Secretary of Transportation may deem necessary to ensure the safety of fishermen working on a variety of America's fishing vessels.

Fishing is an American tradition and we should do all that we can to preserve the industry by helping our fishermen get adequate compensation if they are injured. It is hard to believe that fishermen do not have a workmens compensation system which most industries benefit from. Under the Jones Act, seamen can sue vessel owners for damages if they are injured on the job. But for a crewmember who is temporarily injured settlements can take months, and moreover the size of the settlement is as unpredictable and uncontrollable as the elements of the sea itself. Therefore, the Commercial Fishing Industry Vessel Safety and Compenstion Act of 1987 sets up a system of compensation for fishermen with temporary injuries. Under our legislation, seamen with temporary injuries are defined as individuals who after they are cured, are capable of returning to their previous or equivalent employment. They are prohibited from bringing civil action against a fishing vessel owner or employer, as long as the employer or the owner provides complete medical coverage to the fisherman as well as either $30 a day or 80 percent of the fisherman's daily wage.

Last year similar legislation was hotly debated on the floor of the House of Representatives and then it was defeated. A liability cap which was strongly opposed by the Trial Lawyers of America was responsible for its defeat. I want to take this opportunity to point out that this legislation is not the appropriate place for the product liability debate. Consequently, the cap has been removed from this legislation and moreover if an individual is seriously injured they still have the right of action as defined under the Jones Act or the maritime law.

Insurance costs have become prohibitive to our nation's fishermen and vessel owners. I cannot tell you the number of times that I have heard from seamen in Gloucester or New Bedford, that the cost to insure their vessel and crew is so high, that they are either going without any insurance, or are forced to cut back on their crew, or even worse are not able to afford to fish at all. This situation must be addressed. Our legislation sets up a new accident data compliance system for insurance companies. This will offer insurance companies better information so that they can calculate their premiums more effectively. The legislation also offers insurance companies more stability, in that every time a seamen is injured temporarily, they cannot turn around and sue the vessel owner. This will create an atmosphere in which insurance costs should come down to affordable levels.

Mr. President, this act will be referred to the Commerce Committee of which I am a member. I look forward to participating in hearings on this issue before the committee in the upcoming months. And urge my colleagues to join with Senator CHAFEE and myself in cosponsoring legislation that is designed to promote the safety of America's fishermen.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 850. A bill to amend the Wild and Scenic Rivers Act to designate a segment of the Rio Chama River in New Mexico as a component of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

RIO CHAMA WILD AND SCENIC RIVER

● Mr. BINGAMAN. Mr. President, today I rise on behalf of myself and Senator DOMENICI to introduce a bill of tremendous importance to the State of New Mexico and to the enhancement of river resources in this Nation. My legislation would add an important new component to this country's Wild and Scenic River System—the Rio Chama in northern New Mexico. The Rio Chama possesses outstanding natural, ecological, and recreational characteristics that deserve to be protected under the Wild and Scenic Rivers Act.

The New Mexico legislature designated this portion of the Rio Chama as the State's only "scenic and pastoral river" in 1977. The State act encouraged eventual wild and scenic designation. I am pleased to follow their recommendation today.

Specifically, this legislation would add to the National Wild and Scenic River System a 31-mile section of the Rio Chama from the base of the dam at El Vado Lake to an elevation of 6,283.5 feet, well above the upper limit of the authorized permanent storage pool of 200,000 acre feet at Abiquiu Reservoir.

I cannot stress enough the unique nature of the Rio Chama ecosystem that warrants scenic and wild designation. The recreational importance of this river is immense. In the national river inventory released by the National Park Service in 1982, the Rio Chama was said to be the most important river in New Mexico in terms of recreational usability, being less than 3 hours driving time from three-fourths of the State's population. However, it has maintained its remote and wild character. To rafters, kayakers, and canoeists, it provides unparalleled beauty and tranquility. Rapids, while not excessively challenging, are present and lend plenty of excitement amid the splendor and peace of the river canyon. The New Mexico Department of Natural Resources has implemented a program of late summer weekend water releases from El Vado Dam, to help encourage recreational use of the river. This action has been taken with the assistance of the city of Albuquerque and with the help of the Middle Rio Grande Conservancy District and the U.S. Corps of Engineers.

Among the many values of the Rio Chama is the abundance of riparian habitat available to a wide variety of wildlife. The river's banks are important winter habitats for bald eagles and other bird species. Elk, cougar, bear, mule deer, coyotes, and other mammals take advantage of this wild area. The river itself is home to one of the most prolific rainbow and brown trout fisheries in New Mexico.

This section of river between El Vado and Abiquiu is also an important archeological area, including one site considered by many archeologists to be the earliest Navajo site in the State. There have also been several paleontological finds of significance in the area. Near the stretch of river by Ghost Ranch, for example, there have been yields of dinosaur bones that are among the oldest in the world.

This proposal has overwhelming support of environmental groups and recreation enthusiasts across New Mexico. Many New Mexicans believe that Federal preservation of the Rio Chama is long overdue. On the basis of this river's extraordinary geological, ecological, archeological, and recreational features, I support wild and scenic river designation for Rio Chama. I will seek hearings on this legislation before the Senate Energy and Natural Resources Committee in order to receive testimony from all interested parties. An identical bill is being introduced in the House today by Representatives BILL RICHARDSON and MANUEL LUJAN. I urge my colleagues to carefully consider this legislation.●

● Mr. DOMENICI. Mr. President, I am pleased and honored to cosponsor this bill, which is introduced by my good friend and colleague [Mr. BINGAMAN].

I commend Senator BINGAMAN for his leadership on this issue, and for his commitment—a commitment we share—to preserve and enhance the environment of New Mexico.

Senator BINGAMAN's bill represents an excellent starting point to resolve a very important issue for northern New Mexico: How to resolve the resources management conflicts in the valley of the Rio Chama. This bill provides the focus that will force us to consider alternatives for the best balance of these resources.

I applaud the Senator.

But my colleagues should know that I have reservations about some aspects of this approach, reservations that are shared by New Mexico's Gov. Garrey Carruthers. I will clarify these concerns for the benefit of the Senate.

The Chama Canyon is one of the jewels of New Mexico. I favor designating a significant segment of the Rio Chama as wild and scenic, to protect these waters for future generations.

In my mind, little controversy exists over the desirability to designate as wild and scenic that portion of the river that lies above the elevation of 6,353 feet. That is the elevation at the very top of any potential reservoir that could be impounded behind Abiquiu Dam. Such a wild and scenic designation would assure that 27¾ miles of river downstream from El Vado Dam would be declared and protected forever as wild and scenic.

Where my concerns rest are the next 4 miles downriver, involving a drop of 69½ feet. The potential designation in the bill of wild and scenic status for the stretch between 6,353 feet and 6,283.5 feet. I am also concerned over the next 1.7 miles, and 48.5 feet of drop, down to 6,235 feet. Under the bill being introduced today, the latter segment would be set aside to be managed by the Departments of the Interior and Agriculture for purposes similar to a wild and scenic river.

The problem is overlap.

The Rio Chama is a wonderful area for white-water rafting. But a Federal dam, Abiquiu Dam, exists that could—and I stress, could—impound water up to an elevation of 6,353 feet. Thus, all that portion of the Chama down to 6,235 feet—a drop of 118 feet over 5.7 miles—lies wholly within the potential reservoir of this Corps of Engineers facility.

In arid New Mexico, is it wise policy to prevent forever the use of an existing reservoir up to its potential, to limit the use to, at best, less than half its potential?

Some will argue that alternatives exist. Sure they do. But if—and I stress the word if—the potential is needed someday in the future, wouldn't it be wiser to use Abiquiu to its fullest, rather than building another dam and reservoir on another river in the Rio Grande basin?

I am not certain of the answer, but we ought to have the option of considering more storage at Abiquiu, not locking it away behind an impregnable wall called wild and scenic.

We cannot know today, in 1987, what is the best answer. But this bill would limit our choices in the future.

Before closing, I need to provide some further explanation on the four basic components of the corps reservoir:

First, there is an existing sediment pool of 52,580 acre-feet. This backs the reservoir to a point well below any potential wild and scenic designation or management.

Second, the corps has authority, provided specifically by Congress in 1981, to store 200,000 acre-feet of water from the San Juan/Chama project, water that Albuquerque and other communities have bought and paid for. Added to the sediment pool, this use, which in the laws must not interfere with other purposes of Abiquiu, backs the permanent pool to an elevation of 6,233.7 feet. Again, no problem.

At this elevation, we have a reservoir containing 252,580 acre-feet—200,000 acre-feet of San Juan-Chama water for Albuquerque, plus 52,580 acre-feet for the sediment pool.

But at this elevation, not a cup of water has been held back to protect Española and other communities downriver from flooding, as required by law. The corps is authorized to store, for flood control, another 502,000 acre-feet of water. When added to the other two purposes, this backs the reservoir to elevation 6,307 feet, creating a reservoir containing 754,580 acre-feet.

But these three uses, added together, push the reservoir 1 mile onto the statutory wild and scenic river in this bill.

Which use prevails, storage or rafting? I assume the wild and scenic purpose would. And that, even under existing law, could prove troublesome in a year of unusually heavy flooding.

That is what we have now: Total authorized storage of 754,580 acre-feet. Yet, Abiquiu has an actual capacity of 1,238,000 acre-feet.

Thus, the reservoir, as it exists today, has a remaining, unauthorized potential for storing another 483,420 acre-feet of water.

Let us be clear, there is no legal authority whatsoever—and probably no demand, currently—for that unused capacity.

But it remains there for the taking. And in a water-short area, such as New Mexico, I am concerned that this legislation would prevent that use forever.

For instance, there has been discussion of the benefits of shifting 50,000 acre-feet of water into Abiquiu from Elephant Butte Reservoir downstream. This would provide flood-control capacity, not now authorized, in Elephant Butte in order to protect Truth or Consequences, NM.

Such storage would push the pool back to 6,313 feet, 1½ miles into the wild and scenic river. Do we want to preclude that forever?

Albuquerque, or some other city, a decade hence, may wish to store, say, 100,000 additional acre-feet at Abiquiu, creating a reservoir containing a total of 904,580 acre-feet. That would raise the potential maximum level of the reservoir to 6,323.5 feet. Do we want to preclude that forever?

None of these potential uses need conflict with river rafting. The flood control storage is temporary, and only a small percentage is used yearly. With little likely additional demand for storage any time soon, river rafting will obtain a run of the river, maybe forever. But do we want to preclude alternatives forever?

Another question exists that complicates the issue. This involves the safety of Abiquiu Dam, in the event of a major earthquake at the damsite. The corps declares that the dam is absolutely safe. Others question this, particularly if there is additional storage.

Prudence dictates that $1.3 million be spent on trenching tests to assure the safety of the dam, in the event of a decision to add any storage at some point in the future.

So river rafters have another protection against new storage backing onto their rapids.

The real issue, Mr. President, is what happens if we declare this portion of the river as wild and scenic? How hard will that be to undo, if we need to use it for storage later? I am convinced that attempting to undo a wild and scenic designation will prove an impossible task.

So we ought to face the question now: Will it be better in the future to store water at Abiquiu, or would it be smarter to develop a new site elsewhere in the State? A new dam holding 483,000 acre-feet of water would be a mighty big dam and reservoir, with mighty big environmental impacts.

To assure that we have a full discussion on this issue, I expect to discuss with my colleagues some alternatives, ones that would assure full wild and scenic above the maximum Abiquiu pool, with practical wild and scenic operations below.

That may prove the best solution to a difficult and important issue.●

By Mr. GRAHAM (for himself, Mr. BRADLEY, Mr. CHILES, Mr. DODD, Mr. DOLE, and Mr. KERRY):

S. 851. A bill to provide Federal financial assistance to States offering scholarships to financially needy students from certain Latin American and Caribbean countries, and for other purposes; to the Committee on Foreign Relations.

INTER-AMERICAN SCHOLARSHIP PARTNERSHIP ACT

Mr. GRAHAM. Mr. President, the Senate has just spent over a week debating the question of Contra aid, whether or not each of us is supportive of the Contra effort, we are all in agreement on two key points: It's clear the United States now has an opportunity for a newly defined and sustained relationship with the countries of Central America and the Caribbean Basin; we cannot base that relationship on a single tactic—a comprehensive and broad-based foreign policy must acknowledge our historical, cultural, political, and economic ties as well as diplomatic and military options.

The legislation I am introducing today is another important component of a comprehensive U.S. policy in Central America.

I am pleased that Senators BRADLEY, CHILES, DODD, DOLE, and KERRY are cosponsoring this bill.

The Inter-American Scholarship Partnership Act provides scholarships for bright, young students from poor families in the Caribbean Basin Initiative nations to universities and colleges in the United States.

It increases the total money available for Caribbean scholarships by matching Federal funds with State and private sector donations. The students and target areas for study are identified by the government of the developing nation.

The Inter-American Scholarship Partnership Act will expand current American scholarships in the Caribbean/Central American region by 42 percent in the next 5 years—ultimately pushing us past the scholarship goal of 10,000 students recommended by the 1984 Kissinger report on Central America.

Mr. President, I would ask unanimous consent to insert in the RECORD that section of the Kissinger Commission report which recommends regional scholarships.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM THE NATIONAL BIPARTISIAN COMMISSION ON CENTRAL AMERICA

A major shortcoming of past U.S. educational assistance has been insufficient support for Central American universities and university students. By contrast, higher education is increasingly a major focus of the efforts of the Soviet Union and Cuba in the region. According to USIA, total Soviet, Eastern Europe, and Cuban university scholarships to Central Americans reached 7,500 in 1982, representing a seven-fold increase over the last five years. By comparison, in 1982 only 391 Central American students were supported in this country by U.S. government sponsored scholarships. Overall Central American enrollment in U.S. universities was around 7,200. Nevertheless, such educational opportunities in the United States are generally limited to students from families with relatively high incomes. The targeting of students from lower income families and the large number of government scholarships distinguish Cuban and Soviet educational strategy from that of the United States.

In all Central American countries, political and academic leaders emphasized the long-run cost of having so many of Central America's potential future leaders—especially those from disadvantaged backgrounds—educated in Soviet Bloc countries. We agree that a major initiative is needed and should be an essential part of a comprehensive development effort.

Thus, we recommend a program of 10,000 government-sponsored scholarships to being Central American students to the United States.

The United States should provide 5,000 four to six year university scholarships and 5,000 two to four year vocational-technical scholarships. Admittedly, this is an ambitious program compared both to current efforts and to the 500 scholarships anticipated under the CBI. Nevertheless, it is imperative to offer young Central Americans the opportunity to study in the United States, both to improve the range and quality of educational alternatives and to build lasting links between Central America and the United States.

We suggest that such a program involve the following elements:

Careful targeting to encourage participation by young people from all social and economic classes.

Maintenance of existing admission standards—which has sometimes been a barrier in the past—by providing intensive English and other training as part of the program.

Mechanisms to encourage graduates to return to their home countries after completing their education, perhaps by providing part of the educational support in the form of loans and linking forgiveness of loans to their return.

Arrangements by which the Central American countries bear some of the cost of the program.

The availability of at least 100 to 200 of these scholarships to mid-career public service officials and a further 100 for University faculty exchanges.

We are aware that such a program may be viewed as too expensive and too dramatic. Experts have testified to the Commission that once in place, such a large-scale program would cost about $100 million. Because of the important implications which the training of a country's future leaders has on its political development, we believe this would represent a sound investment of U.S. assistance funds. We hope that such a program would be supplemented by significant private sector efforts. U.S. universities, faced with declining enrollments, will have hundreds of thousands of places by 1990 and could readily accommodate these students in existing programs. The universities would themselves benefit from attracting additional Central American students to their campuses.

Mr. GRAHAM. Mr. President, by 1992, using a combination of 50 percent of the agency for international development's designated scholarship money and 50 percent funding from States, private business and individuals, we will have approximately 8,000 students in the program.

That is in addition to the thousands of Caribbean/Central American students AID will continue to sponsor separately under its own programs with the remaining 50 percent of its scholarship money.

The students funded by the Interamerican Scholarship Partnership Act will be immersed in a full American experience—living and studying here until they complete a professional academic program.

The act will create a shared public/private investment by matching Federal foreign aid money with State allocations and in kind and cash donations from American and Caribbean business and private citizens.

It will emphasize 2- and 4-year programs which will graduate qualified professionals and expose foreign students to everyday Americans—and to everyday American values.

It will meet the developmental needs of regional trading partners as identified by those governments which choose to participate in the program.

It recognizes our regional interdependence and common interests—and it counters the strong influence of an aggressive Soviet-Cuban scholarship program in the Caribbean Basin.

It demonstrates our dedication to peace and prosperity in our own hemisphere and expands our foreign policy agenda to include positive goals.

What is unique about this program—what makes it different from other student aid and scholarships currently offered by the United States—is that State and private money is used to expand the impact of existing Federal dollars. The number of students served is greater.

And most important—the emphasis in this program is on a balance of academics and acculturation—on the encouragement of a close relationship of the American experience to the classroom experience—on a high level of direct involvement in the program and the student's well-being by the State, by the community, by the Americans these students live and study with.

The young people studying here for 2 to 4 years are free to observe and participate in American life—to see us as we really are—to make friends and meet future business partners and form lasting ties.

We are not offering propaganda or ideology. We are offering a free and open society, democratic institutions, individual rights and American hospitality and enterprise. Those things can be as important for a future business or political leader to take home as a degree.

The Soviet Union has understood the powerful, dual nature of scholarships for higher education. The best information available to us is from 1985. In that year Soviet Union, its eastern bloc satellites, and Cuba offered between 10,000 and 14,000 scholarships to Central American and Caribbean students.

Unfortunately, we do not have fully compatible data about educational efforts in our region by the Soviet Union—or by the United States. But the numbers we do have are sufficient to underscore the severity of the problem.

In one country alone, Costa Rica, the Soviets bloc supplied 1,635 scholarships in 1985. In that same year the United States awarded 43.

In Panama, where the canal is vital to our national security and to free shipping lanes, the Soviets gave at least 1,000 student scholarships in 1985. Some of those students studied inland waterways management in Russia.

With all of our concern for and historic relationship with Panama—we gave only 67 scholarships to Panamian students in 1985.

We cannot afford to give up a competitive advantage in a region of such proximity and potentially valuable trading partners. If we want strong and stable democracies in our hemisphere we have to nurture the democratic spirit and ideals of our neighbors.

There are built-in incentives in the program for the students to return home at the completion of their studies. The scholarships are contingent on the student's return. In any other case they are counted as loans to be repaid. The students are selected for their potential contribution to their society. They are middle class and poor students who would have no other chance to go on to college after high school.

The private sector of the home country is enlisted to offer internships, apprenticeships, and jobs to returning students.

The program gives them a future in their own country—and it begins to build relationships for us with an educated middle class.

The United States must view Central America and the Caribbean as a key region in which we need to have a long term, sustained impact. There is no better way to do that than through influencing those who will be the leaders.

These countries need people who have the skills we can give them as a critical factor in their economic development.

Mr. President, the program I have outlined has existed in Florida since 1984 and provides us with a laboratory of experience and a basis of optimism that the same program can work well on a national level.

Florida's Inter-American Scholarship Program began in 1984 with an allocation from the State legislature for $150,000. By 1985 we had increased that allocation to $300,000 and created a foundation to attract matching funds from private business and concerned Floridians who were interested in the high-quality, long-term development of the region.

There are currently 25 student participants in Florida's Interamerican Scholarship Program. They represent island nations and Central American nations. They are studying at nine Florida schools—everything from agribusiness to computer sciences—to industrial engineering to ecology. They are elementary education majors and business administration majors and animal science majors.

The spirit and success of the program is typified by the first student selected for a scholarship, a young man named Matthew Carrette.

Under Florida's program, Matthew Carrette is in his third year of construction management at the University of Florida in Gainesville.

Matthew is from Dominica, an eastern Caribbean island-nation with a strong democratic parliamentary government and an urgent need for infrastructure. In 1979 and again in 1980, hurricanes slammed into Dominica and destroyed housing and public buildings. The roof of the hospital in the capital was blown off. The damage was devastating.

When Matthew returns to Dominica next year he will bring with him valuable skills in rebuilding Dominica and valuable friendships for building and keeping ties with the people of Florida. The Floridians who have known Mathew while he studied here have been enriched by contact with another culture and a bright, dedicated young man who will make a difference in his world.

Our own interest in this region is not to be discounted. We need to have the future political and business leaders who are both strong representatives of their own countries—and strong allies of the United States.

We cannot abdicate to go along allowing the Soviets and their Cuban satellite the dominant position for long range strategy for friendship and progress in our hemisphere.

Recent events have underscored the urgency for a comprehensive regional foreign policy, to promote development, friendship, and democracy in our hemisphere—we can begin with education.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 851

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Inter-American Scholarship Partnership Act".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to encourage the establishment of partnerships between State governments, universities, community colleges, and businesses to support scholarships for talented, economically deserving students from Latin America and the Caribbean to study in the United States in order to—

(1) improve the diversity and quality of educational opportunities for students of limited financial means for students from this region;

(2) assist these countries in their development efforts by providing training and educational assistance to persons who can help address their social and economic needs;

(3) expand opportunities for cross-cultural studies and exchanges and improve the exchange of understanding and principles of democracy;

(4) promote positive and productive relationships between the United States and its neighbor countries in the Latin American and Caribbean regions;

(5) give added visibility and focus to the "scholarship diplomacy" efforts of the Federal Government, leveraging monies available for this purpose by developing partnerships between Federal, State, and local government and business communities; and

(6) promote community involvement with the scholarship program as a tool for broadening and strengthening the "American experience" for foreign students.

DEFINITIONS

SEC. 3. As used in this Act—

(1) the term "Governor" means the chief executive of any State;

(2) the term "eligible country" means any country of the Caribbean basin region which is designated by the President as a beneficiary country pursuant to the Caribbean Basin Economic Recovery Act;

(3) the term "institution of higher education" has the same meaning given that term by section 1201(a) of the Higher Education Act of 1965;

(4) the term "Administrator" means the Administrator of the Agency for International Development; and

(5) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

PROGRAM AUTHORIZED

SEC. 4. (a) The Administrator is authorized to make grants to States to pay the Federal share of the cost of activities described in section 5(a).

(b)(1) Subject to paragraph (2), of the funds authorized to be appropriated to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 (relating to development assistance) and chapter 4 of part II of such Act (relating to the economic support fund), the following amounts shall be available only to carry out the activities described in section 5(a) for the respective fiscal years:

(A) For the fiscal year 1988, $3,000,000.

(B) For the fiscal year 1989, $10,000,000.

(C) For the fiscal year 1990, $14,000,000.

(D) For the fiscal year 1991, $19,000,000.

(E) For the fiscal year 1992, $24,000,000.

(2) Notwithstanding any other provision of law, funds allocated under paragraph (1) shall remain available until expended.

(c)(1) Beginning on October 1, 1987, there are authorized to be appropriated $7,500,000 for necessary expenses to administer the activities authorized by this Act, of which amount—

(A) $5,000,000 shall be available only for payments to the States during their first 24 months of participation in an approved program under this Act in order to facilitate the development of the program in such States; and

(B) $2,500,000 shall be available only to carry out section 5(d) and for operating expenses incurred by the Administrator in carrying out this Act.

(2) No State may receive more than $50,000 during any 12-month period under paragraph (1)(A).

(3) Funds appropriated pursuant to this subsection are authorized to remain available until expended.

AUTHORIZED ACTIVITIES

SEC. 5. (a)(1) Each State receiving a grant under this Act shall use such grant in any fiscal year only for higher education programs and activities described in this subsection.

(2)(A)(i) Subject to subparagraph (B), grants under this subsection shall be used for payment in full of scholarships for four-year baccalaureate degree programs, for five-year undergraduate degree programs, or for one- or two-year training programs in study areas related to the critical development needs of the students' respective countries, including agriculture (particularly tropical agriculture), education, public and small business administration, health and related services, civil and architectural engineering, communications technologies, social and political sciences, and vocational and technical skills.

(ii) For purposes of this subparagraph, a four-year baccalaureate degree program or a five-year undergraduate degree program shall be deemed to include, if necessary, an additional 3 semesters for intensive training in the English language.

(iii) No scholarship funds made available under this Act may be used before August 1, 1988.

(B) Areas for study by students from an eligible country may be limited by the Administrator after consultation with appropriate representatives of the government of such country and with the United States chief of diplomatic mission to such country.

(b) Wherever appropriate, each State receiving a grant under this Act shall encourage the private sector to offer internships or other opportunities consistent with the purposes of this Act to students receiving scholarships under this Act.

(c) To encourage students to use their education or training in their countries of origin, each scholarship pursuant to this section shall be in the form of a loan with all repayment to be forgiven upon the student's prompt return to his or her country of origin for a period which is at least one year longer than the period spent studying in the United States. If the student is granted asylum in the United States pursuant to section 208 of the Immigration and Nationality Act or is admitted to the United States as a refugee pursuant to section 207 of that Act, half of the repayment shall be forgiven.

(d) The Administrator shall make available, upon request, technical assistance to the States to facilitate the implementation of the program described in this Act.

(e) The Congress hereby encourages private and voluntary organizations concerned with the program established by this Act to coordinate their efforts on a national level to promote and develop the program.

ELIGIBILITY AND SELECTION OF SCHOLARS

SEC. 6. (a) An individual may only be eligible for a scholarship under this Act if such individual—

(1) is a national of an eligible country and is admissible into the United States;

(2) is financially needy or socially or economically disadvantaged, as determined jointly by the Administrator and appropriate representatives of the government of the eligible country;

(3) is not currently studying in the United States or has not studied in the United States during the preceding 12 months;

(4) demonstrates academic potential in acquisition of a baccalaureate degree or other postsecondary certificate and is eligible for

acceptance at the respective State's institutions (including satisfying appropriate standard test requirements, depending upon native language);

(5) is eligible for enrollment in an institution where the program study is being offered;

(6) displays leadership potential; and

(7) has demonstrated a willingness to return to his home country upon completion of the program of study by agreeing to the repayment penalty described in section 5(c).

(b) Recipients of scholarship assistance under this Act shall continue to receive such scholarship payments only during such periods as the State coordinating agency finds that the recipient is—

(1) enrolled as a full-time student in an accredited postsecondary institution;

(2) maintaining a cumulative grade point average of 2.0 on a 4.0 scale or its equivalent; and

(3) meeting such other conditions as have been specified in a contract between the recipient and the State.

(c)(1) The Administrator shall establish uniform criteria for selection of eligible individuals under this section.

(2) In establishing the criteria under paragraph (1), the Administrator shall consult with appropriate representatives of the governments of the eligible countries.

(d) Any student applying for a scholarship funded under this Act shall submit, under such procedures as the Administrator shall determine, documents which include—

(1) secondary school transcripts and proof of a secondary school degree;

(2) a cover letter expressing interest in studying in the United States in the specified area of study;

(3) proof of relevant examination scores;

(4) proof of student's economic and social eligibility; and

(5) proof of the health status of the individual.

STATE APPLICATIONS

SEC. 7. (a)(1) Any State which desires to receive a grant under this Act, shall, through the Governor of the State, submit an application to the Administrator, at such time and in such manner, and accompanied by such additional information, as the Administrator may reasonably require.

(2) Such application shall be prepared in cooperation with institutions of higher education within the State and with the private sector and voluntary organizations.

(b) The Administrator may approve an application under this Act only if the application—

(1) designates the State coordinating agency or unit selected by the Governor to supervise the activities for which assistance under this Act is sought;

(2) describes in full the program for which a grant under this Act is sought and provides assurances that such program furthers the purposes of this Act;

(3) describes the procedures which the State proposes to use in selection of students for scholarships under this Act and provides assurances that the eligibility requirements and selection criteria under section 6 will be met;

(4) describes the manner in which scholarships by the States will be allocated among institutions of higher education within the State and provides assurances that equitable consideration will be given to eligible students and institutions of higher education applying for participation in the program;

(5) provides assurances that a private organization within the State, in partnership with the State coordinating agency, will—

(A) organize fundraising efforts, and will raise funds, including in-kind contributions, for the non-Federal share of the program for which a grant is sought from Federal sources;

(B) encourage community support and involvement in the program authorized by this Act; and

(C) provide, wherever practicable, actual work activities for students receiving scholarships under this Act;

(6) provides assurances that the State will pay the non-Federal share of the program for which a grant is sought from Federal sources;

(7) provides assurances that, for any fiscal year after the fiscal year in which the grant was made, not more than 10 percent of the grant shall be available to defray administrative expenses; and

(8) provides such additional assurances as the Administrator determines to be essential to ensure compliance with the provisions of this Act.

PAYMENT; FEDERAL SHARE LIMITATION

SEC. 8. (a)(1) The Administrator shall pay to each State having an application approved under section 7 the Federal share of the cost of activities described in the application.

(2) The Federal share—

(A) for the first year for which a State receives payments under section 5(a) shall be 70 percent;

(B) for the second such year shall be 70 percent;

(C) for the third such year shall be 60 percent;

(D) for the fourth such year shall be 60 percent; and

(E) for the fifth such year shall be 50 percent.

(3) The non-Federal share of payments under this Act may be in cash, including the waiver of tuition or the offering of in-State tuition or housing waivers or subsidies, or in-kind fairly evaluated, including the provision of books or supplies.

(4) To the maximum extent practicable, each participating State shall enlist the assistance of the private sector to enable the State to meet the non-Federal share of payments under this Act.

(b) The Administrator shall establish criteria designed to achieve, to the maximum extent practicable, an equitable distribution of grants among the States under this Act.

EVALUATION

SEC. 9. The Administrator shall conduct an annual evaluation of grants made under this Act to determine the success of carrying out the purposes of this Act.

Mr. DOLE. Mr. President, I am pleased to join as an original cosponsor of the legislation just introduced by the distinguished Senator from Florida, Senator GRAHAM.

Before very briefly indicating why I support this bill and hope it will be enacted, let me commend Senator GRAHAM for his leadership on this matter. It indicates, as his recent vote in support of aid to the Nicaraguan freedom fighters did, his clear understanding of the importance to the United States of Central America and the Caribbean.

This bill indicates, as well, Senator GRAHAM'S determination—which I fully share—that our policy toward that region be forward looking, comprehensive and positive in tone. We are, indeed, against Sandinista repression and aggression. But we are also for a great many things in Central America. And chief among the goals we seek is improved educational opportunities for the youth of the region—a factor essential to the long-term stability and development of all the countries there.

BILL TOUCHES ALL THE RIGHT BASES

This bill touches all the right bases. It gets to the heart of a serious problem—the lack of university education opportunities for the less well-to-do young people in the region. As I just indicated, it will help insure the long-term stability and prosperity of Central America and the Caribbean. And it will establish personal bridges between the citizens of our country and the nations of that area—bridges which will carry vital traffic of both expanded economic relations and better mutual understanding and respect.

And the bill makes particular sense now, in a time of great budget stringency. While it does provide a small amount of new, startup money for the scholarship program, it mostly utilizes scholarship money already in the AID budget. And it is based on a creative money matching principle: For every dollar AID puts into scholarships under the program, States would have to provide a matching dollar—either from their own budgets or from private sources in the State. Thus, in the longer run, it will lead to a multiplied impact for scholarship funds already in AID's budget—more educational bang for the buck.

Mr. President, it is a good idea, whose time has come; a well-crafted piece of legislation, that deserves our support; and one more small piece in what must be a broad-based policy toward Latin America, that can sustain our important interests there.

I am proud to cosponsor this bill, and I hope all of my colleagues will join in supporting it.

By Mr. PROXMIRE:

S. 852. A bill to improve Federal Government accountability over Federal contracts by requiring the Administrator of the Office of Federal Procurement Policy to assume the duties and responsibilities previously assigned to the Cost-Accounting Standards Board, and to conduct periodic profitability studies, among other things; to the Committee on Governmental Affairs.

COST-ACCOUNTING STANDARDS AMENDMENTS

● Mr. PROXMIRE. Mr. President, I am today introducing legislation to improve Government accountability over

Federal contracts with respect to costs and profits. The bill requires the Administrator of the Office of Federal Procurement Policy to assume responsibility for cost accounting standards. It also directs the Administrator to set up a profits reporting system and conduct periodic profitability studies.

COST ACCOUNTING STANDARDS

Title I of the bill concerns cost accounting standards. Congress established the Cost Accounting Standards Board in 1970 following a lengthy study by the General Accounting Office. Among the problems identified by the GAO study were the prevalence of double counting and sometimes triple counting by defense contractors, and the inability of the Defense Department to adequately maintain and enforce its own contracts because of the numerous and sometimes inconsistent accounting systems and practices employed by the contractors. GAO's study recommended the development of cost accounting standards for Government contractors in order to create uniformity and consistency in Government contract cost accounting.

The Cost Accounting Standards Board issued 19 standards during the course of its existence. The Board went out of business in 1980, and its files and records were transferred to the General Accounting Office. The 19 cost accounting standards that were promulgated are still in effect.

It was anticipated in 1980 that the Board's function would be transferred to the executive branch. The logical location was thought to be the Office of Federal Procurement Policy, which is equipped to carry out the compliance, monitoring, and regulatory clarifications necessary to keep the cost accounting standards current. My bill would complete the process by transferring the functions of the Cost Accounting Standards Board to the Office of Federal Procurement Policy.

There was general opposition within the defense industry to the establishment of a Cost Accounting Standards Board in 1970. This opposition turned to support as defense firms shifted their accounting systems to comply with the uniform cost accounting standards. My understanding is that today there is a consensus in the defense industry that supports continuance and compliance with the standards. In addition, there is widespread support for the principle that the function of monitoring and clarifying the use of the standards should be independent from any procurement agency.

It should be clear that there is need for continuing the function formerly performed by the Cost Accounting Standards Board. Some Government authority needs to resolve disputes between contractors and Government agencies over interpretations of the standards, and to grant waivers or exemptions when they are justified.

GOVERNMENT CONTRACT PROFITS REPORTS

Title II of the bill establishes procedures for a Government profits information system. The purpose of this title is to provide Congress and executive agencies with information about the level of profits under negotiated contracts.

At present, there is no mechanism or requirement for Government agencies to be informed about the level of profits in contracts they award. For example, the Defense Department does not require its contractors to provide information about profits made on defense contracts. The Defense Department therefore has no direct information about the level of profitability and its unable to provide Congress with this information.

Congress and the executive agencies have a responsibility for understanding how taxpayers' money is spent on Government contracts. This means that information must be available about both contract costs and profits.

In addition, the General Accounting Office concludes that information about profitability is essential for proper management of Government procurement. For example, there is currently a debate about whether the Government's profit policy objectives are being achieved, and whether defense contractors are earning higher profits than firms producing similar goods commercially. Recent studies, performed on a selected basis at the request of the Defense Department, indicate that profitability on defense contracts has been frequently higher than for comparable commerical work.

It is conceivable that higher rates of return on defense contracts are justifiable in some instances. It is also possible that profits on certain categories of government contracts are lower than for comparable commercial work. The procuring agencies and Congress may wish to reconsider profits policies for these or other reasons. But without current, accurate, and complete information about profitability, it is not possible to determine if the profits on Government business are consistent with the goals of Government profit policy, much less whether defense profits are higher or lower than comparable commercial work.

My bill is intended to fill a glaring gap in the law and in procurement procedures by establishing a reporting system that provides reliable data about contractor profits and a basis for profitability studies that would be available to Congress. The function implementing this system would also be performed by the Office of Federal Procurement Policy.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 852

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—COST-ACCOUNTING STANDARDS

SHORT TITLE

SEC. 101. This title may be cited as the "Cost-Accounting Standards Amendments Act of 1987".

COST-ACCOUNTING AND PROFITS REPORTS ADVISORY COUNCIL

SEC. 102. Title VII of the Defense Production Act of 1950 is amended by adding after section 718, the following new section:

"SEC. 718A. (a) There is established a Cost-Accounting and Profits Reports Advisory Council for the purpose of advising and making recommendations to the Administrator of the Office of Federal Procurement Policy with respect to the activities of the Administrator required by section 719 of this Act and section 102 of the Renegotiation Act of 1951, as amended by the Government Contractor Profit Reports Act of 1987.

"(b) The Administrator shall provide a draft of the annual report required by section 719(k) of this Act to the Council for its review. The Council may provide formal comments for inclusion in the annual report submitted to the Congress.

"(c) The Council shall consist of the Comptroller General who shall serve as chairman and four members appointed by the Comptroller General. Members shall be chosen on the basis of their knowledge and experience in cost accounting, Government contracts, and other related fields.

"(d) The Council shall meet at such times as the chairman deems necessary.

"(e) The Council shall appoint and fix the compensation of such employees as it determines necessary to discharge its duties, including experts and consultants in accordance with the provision of section 3109 of title 5, United States Code. The Administrator shall furnish to the Council such professional, secretarial, and other services as the Council may request.

"(f) Each member of the Council appointed from private life shall, for each day (including traveltime) during which such member is attending meetings or conferences or otherwise engaged in the business of the Council, receive compensation at a rate fixed by the Council which is not in excess of the daily equivalent of one two-hundred-sixtieth of the rate prescribed for level IV of the Federal Executive Salary Schedule (5 U.S.C. 5315), and while away from home or regular place of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

"(g) The Federal Advisory Committee Act shall not apply to the Council established by this section.".

COST-ACCOUNTING STANDARDS AMENDMENTS

SEC. 103. (a) Section 719 of the Defense Production Act of 1950 (50 U.S.C. App. 2168) is amended—

(1) by striking out subsections (a) through (f),

(2) by striking out "Board" and inserting in lieu thereof "Administrator of the Office of Federal Procurement Policy" each place it appears in subsections (g) through (j), and

(3) by striking out "defense" and "national defense" and inserting in lieu thereof

"Government" each place they appear in subsections (g), (h), and (i).

(b) Subsection (g) of section 719 is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following: "The Administrator may promulgate, from time to time, cost-accounting standards designed to achieve uniformity and consistency in the cost-accounting principles followed by contractors and subcontractors under Federal contracts.", and

(2) by striking out "$100,000" and inserting in lieu thereof "$500,000" in the second sentence.

(c) Subsection (h)(1) of section 719 is amended—

(1) by inserting "interpret," in the first sentence after "amend,", and

(2) by striking out the third sentence and inserting in lieu thereof the following: "The rate applicable to the price adjustments shall be the annual rate of interest established under section 6621(a)(2) of the Internal Revenue Code of 1986 (26 U.S.C. 6621(a)(2)) for such period. Such interest shall accrue from the time payments of the increased costs were made to the contractor or subcontractor to the time the United States receives full compensation for the price adjustment."

(d) Subsection (h)(3) of section 719 is amended to read as follows:

"(3)(A) Cost-accounting standards promulgated under subsection (g) and rules and regulations prescribed under this subsection shall take effect no earlier than the expiration of the first period of 90 calendar days of continuous session of the Congress following the date on which a copy of the proposed standards, rules, and regulations is transmitted to the Congress.

"(B) For purposes of this paragraph, in the computation of the 90-day period there shall be excluded the days on which either House is not in session because of adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die.".

(e) Subsection (k) of section 719 is amended to read as follows:

"(k) The Administrator shall report to the Congress not later than 1 year after the date of enactment of the Cost-Accounting Standards Amendments Act of 1987, and annually thereafter, with respect to the activities and operations required under this section, together with such recommendations as he deems appropriate.".

(f) Section 719 is further amended by redesignating subsection (l) as subsection (n) and by inserting after subsection (k) the following new subsections:

"(l) All cost-accounting standards, interpretations, modifications, rules, and regulations promulgated or issued by the Administrator under this section shall remain in effect unless and until amended, superseded, or eliminated by the Administrator pursuant to the authority of this section.

"(m) Any case before a Board of Contract Appeals requiring an interpretation of a cost accounting standard shall be referred to the Administrator for purposes of obtaining the Administrator's interpretation of the standard in question. The Administrator's interpretation shall be made a part of the formal record of the case and considered by such Board of Contract Appeals in any decision rendered.".

TITLE II—PERIODIC PROFIT STUDIES

SHORT TITLE

SEC. 201. This title may be cited as the "Government Contractor Profit Reports Act of 1987".

DECLARATION OF PURPOSE

SEC. 202. It is the policy of the Congress that the procurement of goods and services by the Executive Branch of the Federal Government be conducted in an economical, efficient, and effective manner. This policy can be fulfilled only if the Congress and the executive agencies are informed of the level of profits and relative efficiency of Government contractors under negotiated contracts. The purpose of this Act is to provide the Federal Government with the information needed to develop profit policies, and to assist procuring agencies in negotiating contracts (1) which provide profits that encourage related capital investment, and (2) are reasonable in light of, among other things, the profits contractors earn on other Government and similar private sector business.

RENEGOTIATION ACT AMENDMENTS

SEC. 203. The Renegotiation Act of 1951 (50 U.S.C. App. 1211 et seq.) is amended to read as follows:

"SEC. 101. DEFINITIONS.

"For purposes of this Act—

"(1) The term 'Office of Profit Studies and Analysis' means an office in the Office of Federal Procurement Policy responsible for coordinating the implementation of this Act.

"(2) The term 'Administrator' means the head of the Office of Federal Procurement Policy.

"(3) The term 'covered company' means a company which received negotiated Government contract awards and modifications or receives payments from the Federal Government, the total of which amounted to at least $50,000,000 in any applicable year.

"(4) The term 'segment' means a division, product department, plant, or other subdivision of a covered company usually identified with responsibility for profit or producing a product or service and reports directly to an office of such covered company which (A) is responsible for directing or managing two or more divisions, product departments, plants, or subdivisions, and (B) typically provides policy and guidance to segments in their operations. A covered company is, for the purpose of this Act, considered a segment if it is not segmented.

"SEC. 102. RESPONSIBILITIES OF THE ADMINISTRATOR OF THE OFFICE OF FEDERAL PROCUREMENT POLICY.

"(a) The Administrator shall establish an Office of Procurement Studies and Analysis in the Office of Federal Procurement Policy to coordinate the implementation of this Act.

"(b) The Administrator shall—

"(1) develop a uniform reporting system to govern the submission of information by Government contractors under section 103;

"(2) establish criteria and procedures for the profit studies to be conducted under section 104; and

"(3) provide recommendations to revise and develop profit policies relating to the negotiation of Government contracts.

"(c) Notwithstanding section 101(3), the Administrator, by regulation—

"(1) may exclude any class of Government contractors from coverage as a covered company based on the nature of, or the types of, products and services provided by such class; and

"(2) may revise the dollar threshold contained in section 101(3) as the Administrator deems necessary to carry out the purposes of this Act and to ensure that the total value of all contracts awarded by the Federal Government to companies covered under the revised threshold is at least 60 percent of the total value of all contracts awarded by the Federal Government.

"(d) The Administrator is authorized to contract with a firm or organization, and to enter into an agreement on a reimbursable basis with an agency, for services to assist the Administrator in carrying out the requirements of this Act.

"SEC. 103. ANNUAL REPORTING BY COVERED COMPANIES.

"(a) A covered company shall annually transmit to the Administrator—

"(1) a balance sheet and income statement information reflecting the financial position and operations of each of its segments doing government business, and such accompanying information as may be required, including investment data and labor expenses;

"(2) a reconciliation with the financial statement which the covered company filed with the Securities and Exchange Commission; and

"(3) such other information as may be necessary to explain the reconciliation.

The financial information required by the preceding sentence shall be reported in a manner which distinguishes between the information related to its negotiated Government contracts awarded on the basis of cost and pricing data and the information related to all of its other business.

"(b)(1) The Administrator shall prescribe regulations regarding the manner in which the information required by subsection (a) is to be submitted. A covered company shall provide the information in such form and at such time as the Administrator requires.

"(2) A covered company may request that the requirement in subsection (a) be waived for any segment which contributed less than 10 percent of the revenues such covered company received in the preceding year from contracts with the Federal Government. The Administrator shall grant a request under this paragraph if the Administrator determines that the information concerning the segment for which a waiver is requested would not substantially contribute to the analysis required by section 104. The Administrator shall not require a covered company to report information for a segment to the extent the President determines that disclosure of such information would be detrimental to the success of a classified project and injurious to the national security. The Administrator shall identify all waivers granted under this subsection in the annual report required by section 105.

"(c) A covered company shall have the independent certified public accountant who furnished an opinion on the fair presentation of the company's annual financial statements attest to the information furnished under subsection (a), and shall include the attestation of the independent certified public accountant in any transmittal to the Administrator required by subsection (a).

"(d) The Administrator shall prescribe standards and procedures for the attestation required by subsection (c).

"(e) The Administrator shall take the necessary steps to ensure that compliance with the requirements of this section is a condition of every contract entered into with the United States.

"SEC. 104. PROFIT STUDY REQUIREMENTS.

"(a) The Administrator shall conduct at least once every 3 years a study of profits made by covered companies under negotiated contracts with the United States.

"(b) Based on an aggregation of the information provided under section 103, such study shall contain a determination of the profitability of segments of covered companies providing the Federal Government with goods or services under negotiated Government contracts based on cost or pricing data. Profitability shall be determined by calculating the return on assets of the segments and by such other measures of profitability as the Administrator determines to be appropriate to achieve the purposes of this Act.

"(c) The study shall provide a comparison of the profitability of the segments, as determined under subsection (b), with—

"(1) the profitability of the segments under all of the other business of the covered company, and

"(2) the general profitability of other companies in the private sector for similar goods and services.

"(d) To the extent applicable, the study shall include an analysis of—

"(1) whether variations between the levels of profitability are reasonable under the circumstances;

"(2) capital investment and the relative investment between the covered companies' Government and commercial business;

"(3) the use of pricing to motivate cost efficiency and the relative efficiency between the Government and commercial business of the covered companies;

"(4) the relationship of payment policy and contract pricing; and

"(5) any other information useful to understanding the comparisons required by subsection (c).

"(e) In addition to the information provided under section 103, a covered company shall provide to the Administrator any additional information the Administrator determines is necessary to make the determinations and perform the analysis required by this section.

"SEC. 105. PROFIT STUDY REPORTING.

"No later than December 31 of each year beginning in 1988, the Administrator shall transmit a report to the President, the Congress, and the Comptroller General of the United States. The report shall identify any studies conducted in the preceding fiscal year, the relationship of the findings resulting from such studies to existing profit policies, and any actions taken or to be taken relating to the responsibilities of the Administrator under this Act.

"SEC. 106. ACCESS TO INFORMATION.

"The Administrator shall have access to all papers, documents, and records of a covered company and its independent certified public accountant relating to the information furnished under sections 103 and 104(e). The covered company and its independent certified public accountant shall permit the Administrator to make and retain copies of such papers, documents, and records, and shall make available such officers and employees as the Administrator requests.

"SEC. 107. COMPTROLLER GENERAL REVIEW.

"The Comptroller General is authorized to review any profit study conducted under section 104 and shall have access to all papers, documents, and records of the Administrator used in conducting such study, and any papers, documents, and records of the covered company and its independent certified public accountant used in providing the information required under sections 103 and 104(e). The Administrator, the covered company, and its independent certified public accountant shall permit the Comptroller General to make and retain copies of such papers, documents, and records, and shall make available such officers and employees as the Comptroller General requests.

"SEC. 108. CONFIDENTIALITY.

"Notwithstanding any other provision of law—

"(1) any officer, employee, or contractor of the Office of Federal Procurement Policy or the General Accounting Office, who publishes or otherwise discloses any information provided by a covered company under sections 103 or 104(e) in a manner which allows the covered company to be identified to any individual or establishment not specifically authorized by this Act to receive such information, shall be fined not more that $10,000, or imprisoned not more than 3 years, or both, unless such information is made publicly available by such covered company; and

"(2) no person receiving information provided by a covered company under sections 103 or 104(e) shall be subject to subpoena or other legal process to compel disclosure of information which is prohibited by paragraph (1).".

SEC. 204. AUTHORIZATION OF APPROPRIATION.

There are authorized to be appropriated such sums as may be necessary to carry out the purposes of titles I and II of this Act.●

By Mr. GORE (for himself, Mr. HOLLINGS, Mr. DANFORTH, Mr. INOUYE, Mr. FORD, Mr. RIEGLE, Mr. EXON, Mr. ROCKEFELLER, Mr. BENTSEN, Mr. KERRY, Mr. BREAUX, Mr. ADAMS, Mr. PACKWOOD, Mrs. KASSEBAUM, Mr. PRESSLER, Mr. STEVENS, Mr. KASTEN, Mr. TRIBLE, Mr. WILSON, and Mr. MCCAIN):

S. 853. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 and the Motor Vehicle Information and Cost Savings Act to authorize appropriations for fiscal years 1988 and 1989, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION AUTHORIZATION ACT

● Mr. GORE. Mr. President, I am today introducing National Highway Traffic Safety Administration reauthorization legislation which was unanimously ordered reported on March 24 by the Senate Committee on Commerce, Science, and Transportation. I am particularly pleased that all of my colleagues on the committee are original cosponsors of this measure.

This legislation was developed after lengthy discussions with the auto safety groups, the auto manufacturers, NHTSA, and members of the committee. I want to thank Chairman HOLLINGS, Senator DANFORTH, the ranking member, and Senator RIEGLE for their efforts to develop this legislation and to resolve any controversy. Much of Senator DANFORTH's work in the past on these important auto safety issues served as a basis for this bill.

It is commendable that the committee ordered the legislation reported well before the April 1 deadline imposed on the committee by a sense-of-the-Senate resolution. Chairman HOLLINGS and I offered this resolution to the highway funding legislation when it was considered by the Senate on February 3, 1987.

The National Highway Traffic Safety Administration, or NHTSA, was created in 1966 to reduce the number of deaths and serious injuries on our highways. Its activities constitute one of the most important public safety programs in America—in terms of lives saved and injuries avoided.

Mr. President, the highway fatality rate increased 5 percent last year. Almost 900 Americans die in auto crashes every week—the equivalent of one major airline crash each day of the year. NHTSA has the responsibility to develop safety standards, order recalls for defective vehicles, and provide consumer information aimed at decreasing these automobile fatalities and injuries.

NHTSA have been very successful. Agency studies have shown that over a 10 year period NHTSA safety standards saved over 90,000 lives and prevented many more injuries. Yet much remains to be done.

The bill which I am introducing today reauthorizes these important programs for 2 years and will provide guidance to the agency in setting its agenda. The fiscal year 1988 figure is the same as the amount of the administration's request. A modest increase is included for 1989.

Last year, NHTSA authorization legislation failed in conference with the House. The bill I am introducing today contains one of the principal provisions of that legislation, a requirement that NHTSA upgrade its current side impact standard within 1 year. In addition, it would require NHTSA to issue an advance notice of proposed rulemaking to extend passenger vehicle standards to light trucks and multipurpose vehicles. According to NHTSA, side impact crashes result in one-third of all occupant fatalities each year. Side impacts account for 9,000 deaths—one-third of the annual fatality total—and 20,000 serious injuries annually.

Another extremely important provision requires NHTSA to initiate a rule to extend certain passenger auto safety standards to light trucks or multipurpose vehicles and to finish this procedure within 1 year. These standards include: roof crush capability, head restraints, high-center-mounted stoplamps, and passive restraints. NHTSA must also evaluate its vehicle classifications.

These multipurpose vehicles are being purchased at an increasing rate, and there are now approximately 7,000 annual light truck deaths according to a report from the Insurance Institute for Highway Safety. The institute noted that the most alarming death rate in the small vehicle category occurs in small utility vehicles, such as light trucks and vans—a death rate nearly five times the rate of large cars. Unlike the 1960's, when the first passenger car standards were written, light trucks, minivans, and utility vehicles now are expected to capture nearly one-third of the new car market in 1987. Yet there is still no requirement that these vehicles meet a number of Federal safety standards that apply to passenger cars.

Another provision would require NHTSA to initiate and complete a rulemaking within 1 year to require a phase-in of lap-shoulder belts in rear seats. One-half of each manufacturer's vehicles manufactured after September 1, 1989, must meet the requirement and all vehicles maufactured after September 1, 1990.

Mr. President, whether one agrees or disagrees with the 1986 National Transportation Safety Board findings that rear lap belts alone are not safe, everyone agrees that three-point belts are safer than the lap belts alone. With young children often traveling in the rear seat of automobiles, the issue of rear seat safety has added importance.

I understand that General Motors has indicated plans to complete the installation of these so-called three point belts in all of its cars by 1989. Chrysler will begin its phase-in of the three point belt system in the 1989 model year and will complete the phase-in in model year 1990.

The legislation contains a provision which was initiated by Senator KERRY to provide for a uniform system for handicapped parking designed to enhance the safety of handicapped individuals. Currently, there are 6.5 million disabled Americans who are in need of special parking permits to enable them personal mobility for everyday travel. However, because a national uniform parking symbol does not exist, many States are unable to recognize other States' handicapped parking plates.

The bill requires NHTSA to implement a bumper ratings program, which will be of great use to consumers. It requires manufacturers to disclose the impact speed at which each bumper meets applicable damage criteria and print the rating on the window stricker of each new car offered for sale.

Important new amendments to our defects and recall laws are made by the legislation to ensure that people who lease cars on a long-term basis are notified in the event of a safety recall, and that automobile dealers correct any defects subject to a recall before they deliver the car to the ultimate purchaser. The Department of Transporation is given authority to require manufacturers to send followup notifications to vehicle and equipment owners to enhance safety defect and noncompliance recall response rates. The Transportation Department's review of techniques such as post-card reminders to increase recall response rates shows that a followup notice can achieve response rates significantly higher than those achieved by the initial notification.

Based on recommendations by the General Accounting Office, the legislation includes new provisions enhancing NHTSA's ability to ensure compliance with its safety standards and to determine when the results of an investigation should warrant imposition of a civil penalty. The bill also provides for a review of State motor vehicle inspection programs.

The bill includes a provision authored by Senator FORD to address a growing safety and law enforcement problem. NHTSA is required to conduct a study of the use of darkened windshields and window glass in passenger automobiles. The study must consider the effects of darkened glass on the safe operation of autos, as well as the hazards that darkened glass poses for the safety of law enforcement personnel. NHTSA must submit the results of the study to the Commerce Committees in the House and Senate within 6 months.

A provision added by Senator EXON requires State motor vehicle officials to record odometer readings annually. The Senate approved this "anticlocking" provision in 1985, but it was not included in the odometer-tampering bill that was signed into law last October. This provision will benefit consumers who pay $3 billion yearly in repair fees due to clocking. This provision is supported by the National Automobile Dealer's Association and the Anglo American Auto Auctions Co., which is based in my home State of Tennessee.

Also included is a provision added by Senator DANFORTH addressing the issue of crashworthiness ratings of autos. A similar provision passed the Senate in the previous authorization legislation.

This provision requires the National Academy of Sciences to conduct a study regarding the establishment of a method to calculate uniform numerical ratings to enable consumers to compare the crashworthiness of different automobiles. NHTSA is required to evaluate the results of this study, to report to the House and Senate Commerce Committees, and to determine whether a rulemaking is merited.

This legislation would provide safety and will save consumers money. It passed the committee with a unanimous vote and I urge my colleagues to cosponsor the measure.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 853

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "National Highway Traffic Safety Administration Authorization Act of 1987".

DEFINITIONS

SEC. 2. As used in this Act, the term—

(1) "multipurpose passenger vehicle" means a motor vehicle with motive power, other than a trailer, with a gross vehicle weight under 10,000 pounds and which is designed to carry 10 persons or less and which is constructed either on a truck chassis or with special features for occasional off-road operation;

(2) "passenger automobile" means a motor vehicle with motive power, except that the term does not include a multipurpose passenger vehicle, a motorcycle, a bus, a truck, or a trailer designed for carrying 10 persons or less; and

(3) "Secretary" means the Secretary of Transportation.

TITLE I—AUTHORIZATIONS OF APPROPRIATIONS

GENERAL AUTHORIZATIONS

SEC. 101. (a) Section 121 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1409) is amended—

(1) by striking "and"; and

(2) by striking the period and inserting in lieu thereof ", $53,733,000 for fiscal year 1988, and $55,233,000 for fiscal year 1989.".

(b) Section 111 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1921) is amended—

(1) by striking "and"; and

(2) by striking the period and inserting in lieu thereof ", $363,000 for fiscal year 1988, and $363,000 for fiscal year 1989.".

(c) Section 209 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1921) is amended—

(1) by striking "and"; and

(2) by striking the period and inserting in lieu thereof ", $2,301,000 for fiscal year 1988, and $2,301,000 for fiscal year 1989.".

(d) Section 417 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1990g) is amended—

(1) by striking "and"; and

(2) by striking the period and inserting in lieu thereof ", $560,000 for fiscal year 1988, and $560,000 for fiscal year 1989.".

OCCUPANT CRASH PROTECTION PROGRAM

SEC. 102. In order to carry out a national program to encourage the use of safety belts and passive restraints in passenger automobiles, as authorized by section 403 of title 23, United States Code, the Secretary may derive an additional amount not to exceed $10,000,000 from unobligated balances of funds made available for highway safety programs under title 23, United States Code. Not less than three-fourths of the total of such amounts shall be used for educational efforts related to the use of air bags. Of the funds allocated to such efforts, not less than $5,000,000 shall be used to carry out a program to demonstrate the effectiveness of air bag technology, with emphasis on lowest-cost technologies. Such amounts shall remain available until expended.

TITLE II—SIDE IMPACT PROTECTION AND CRASHWORTHINESS DATA

SIDE IMPACT PROTECTION

Sec. 201. Not later than 60 days after the date of enactment of this Act, the Secretary shall reopen the rulemaking proceeding terminated on July 12, 1982, to implement Federal Motor Vehicle Safety Standard 214 (49 CFR 571.214). The Secretary shall, not later than one year after the date of enactment of this Act—

(1) establish performance criteria for improved occupant protection in side impact; and

(2) issue an Advance Notice of Proposed Rulemaking to extend the applicability of such Standard to light trucks, vans, and multipurpose passenger vehicles.

AUTOMOBILE CRASHWORTHINESS DATA

Sec. 202 Section 201 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1941) is amended by adding at the end thereof the following:

"(f)(1) The Secretary shall, within 30 days after the date of enactment of this subsection, enter into appropriate arrangements with the National Academy of Sciences to conduct a comprehensive study and investigation regarding means of establishing a method for calculating a uniform numerical rating which will enable consumers to compare meaningfully the crashworthiness of different passenger automobile models.

"(2) Such study shall include examination of current and proposed crashworthiness tests and testing procedures and shall be directed to determining whether additional objective, accurate and relevant information regarding the comparative crashworthiness of different passenger automobile models reasonably can be provided to consumers by means of a crashworthiness rating rule. Such study shall include examination of at least the following proposed elements of a crashworthiness rating rule:

"(A) information on the degree to which different passenger automobile models will protect occupants across the range of motor vehicle crash types when in use on public roads;

"(B) a repeatable and objective test which is capable of identifying meaningful differences in the degree of crash protection provided occupants by the vehicles tested, with respect to such aspects of crashworthiness as occupant crash protection with and without use of manual seat belts, fuel system integrity, and other relevant aspects;

"(C) ratings which are accurate, simple in form, readily understandable and of benefit to consumers in making informed decisions in the purchase of passenger automobiles;

"(D) dissemination of comparative crashworthiness ratings to consumers either at the time of introduction of a new passenger automobile model or very soon after such time of introduction; and

"(E) the development and dissemination of crashworthiness data at a cost which is reasonably balanced with the benefits of such data to consumers in making informed purchase decisions.

"(3) Any such arrangement shall require the National Academy of Sciences to report to the Secretary and the Congress not later than 19 months after the date of enactment of this subsection on the results of such study and investigation, together with its recommendations. The Secretary shall, to the extent permitted by law, furnish to the Academy upon its request any information which the Academy considers necessary to conduct the investigation and study required by this subsection.

"(4) Within 60 days after transmittal of the report of the National Academy of Sciences to the Secretary and the Congress under paragraph (3) of this subsection, the Secretary shall initiate a period (not longer than 90 days) for public comment on implementation of the recommendations of the National Academy of Sciences with respect to a rule promulgated under this title establishing an objectively based system for determining and publishing accurate comparative crashworthiness ratings for different passenger automobiles.

"(5) Not later than 180 days after the close of the public comment period provided for in paragraph (4) of this subsection, the Secretary shall determine, on the basis of the report of the National Academy of Sciences and the public comments on such report, whether an objectively based system can be established by means of which accurate and relevant information can be derived that reasonably predicts the degree to which different makes and models of passenger automobiles provide protection to occupants against the risk of personal injury or death as a result of motor vehicle accidents. The Secretary shall promptly publish the basis of such determination, and shall transmit such determination to the Congress.

"(g)(1) If the Secretary determines that the system described in subsection (f)(5) of this section can be established, the Secretary shall, subject to the exception provided in paragraph (2) of this subsection, not later than three years after the date of enactment of this subsection, promulgate a rule under this section establishing an objectively based system for determining and publishing accurate comparative crashworthiness ratings for different passenger automobiles. The rule promulgated under this subsection shall be practicable and shall provide to the public relevant objective information in a simple and readily understandable form in order to facilitate comparison among the various makes and models of passenger automobiles so as to contribute meaningfully to informed purchase decisions.

"(2) The Secretary shall not promulgate such rule unless (A) a period of 60 calendar days has passed after the Secretary has transmitted to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Energy and Commerce of the House of Representatives a summary of the comments received during the period for public comment specified in subsection (f)(4) of this section, or (B) each such committee before the expiration of such 60-day period has transmitted to the Secretary written notice to the effect that such committee has no objection to the promulgation of such rule.

"(h) If the Secretary promulgates a rule under subsection (g) of this section, not later than three years after the date of enactment of this subsection, the Secretary shall by rule establish procedures requiring passenger automobile dealers to make available to prospective automobile purchasers information developed by the Secretary and provided to the dealer which contains data comparing the crashworthiness of passenger automobiles.".

(b) Section 2 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901) is amended by adding at the end thereof the following new paragraph:

"(19)(A) The term 'passenger automobile' means a motor vehicle with motive power, except that the term does not include a multipurpose passenger vehicle, a motorcycle, a bus, a truck, or a trailer designed for carrying 10 persons or less.

"(B) As used in subparagrpah (A) of this paragraph, the term 'multipurpose passenger vehicle' means a motor vehicle with motive power, other than a trailer, with a gross vehicle weight under 10,000 pounds and which is designed to carry 10 persons or less and which is constructed either on a truck chassis or with special features for occasional off-road operation.".

TITLE III—MISCELLANEOUS PROVISIONS

STANDARDS COMPLIANCE

Sec. 301. Section 103 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1392) is amended by adding at the end thereof the following:

"(j)(1) The Secretary shall establish a schedule for use in ensuring compliance with each Federal motor vehicle safety standard established under this Act which the Secretary determines is capable of being tested. Such schedule shall ensure that each such standard is the subject of testing and evaluation on a regular, rotating basis.

"(2) The Secretary shall, not later than six months after the date of enactment of this subsection, conduct a review of the method for the collection of data regarding accidents related to Federal motor vehicle safety standards established under this Act. The Secretary shall consider the desirability of collecting data in addition to that information collected as of the date of enactment of this subsection, and shall estimate the costs involved in the collection of such additional data, as well as the benefits to safety likely to be derived from such collection. If the Secretary determines that such benefits outweigh the costs of such collection, the Secretary shall collect such additional data and utilize it in determining which motor vehicles should be the subject of testing for compliance with Federal motor vehicle safety standards established under this Act."

INVESTIGATION AND PENALTY PROCEDURES

Sec. 302. (a) Section 112(a)(1) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1401(a)(1)) is amended by inserting after subparagraph (B) the following:

"The Secretary shall establish written guidelines and procedures for conducting any inspection or investigation regarding noncompliance with this title or any rules, regulations, or orders issued under this title. Such guidelines and procedures shall indicate timetables for processing of such inspections and investigations to ensure that such processing occurs in an expeditious and thorough manner. In addition, the Secretary shall develop criteria and procedures for use in determining when the results of such an investigation should be considered by the Secretary to be the subject of a civil penalty under section 109 of this title. Nothing in this paragraph shall be construed to limit the ability of the Secretary to exceed any time limitation specified in such timetables where the Secretary determines that additional time is necessary for the processing of any such inspection or investigation.".

(b) Section 109(a) of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1398(a)) is amended by adding at the end thereof the following: "The Secretary shall establish procedures for determining the manner in which, and the time within which, a determination should be made regarding whether a civil penalty should be imposed under this section. Nothing in this subsection shall be construed to limit the ability of the Secretary to exceed any time limitation specified for making any such determination where the Secretary determines that additional time is necessary for making a determination regarding whether a civil penalty should be imposed under this section.".

TRAFFIC SAFETY FOR HANDICAPPED INDIVIDUALS

SEC. 303. (a) The Congress finds that—

(1) a number of States fail to recognize the symbols of other States for the identification of motor vehicles transporting individuals with handicaps that limit or impair the ability to walk; and

(2) the failure to recognize such symbols increases the likelihood that such individuals will be involved in traffic accident incidents resulting in injury or death, posing a threat to the safety of such individuals as well as the safety of the operators of motor vehicles and others.

(b)(1) Section 402(a) of title 23, United States Code, is amended—

(A) by striking "and" before "emergency"; and

(B) by inserting immediately after "services" the following: ", and a uniform system for handicapped parking designed to enhance the safety of handicapped and nonhandicapped individuals".

(2) Section 402 of title 23, United States Code, is amended by adding at the end the following:

"(l) For purposes of this section, a uniform system for handicapped parking designed to enhance the safety of handicapped and nonhandicapped individuals is a system which—

"(1) adopts the International Symbol of Access (as adopted by Rehabilitation International in 1969 at its 11th World Congress on Rehabilitation of the Disabled) as the only recognized symbol for the identification of vehicles used for transporting individuals with handicaps which limit or impair the ability to walk;

"(2) provides for the issuance of license plates displaying the International Symbol of Access for vehicles which will be used to transport individuals with handicaps which limit or impair the ability to walk, under criteria determined by the State;

"(3) provides for the issuance of removable windshield placards (displaying the International Symbol of Access) to individuals with handicaps which limit or impair the ability to walk, under criteria determined by the State;

"(4) provides that fees charged for the licensing or registration of a vehicle used to transport such individuals with handicaps do not exceed fees charged for the licensing or registration of other similar vehicles operated in the State; and

"(5) for purposes of easy access parking, recognizes licenses and placards displaying the International Symbol of Access which have been issued by other States and countries.".

(c) Beginning not later than twenty-four months after the date of enactment of this Act, the Secretary shall annually evaluate compliance by the States with the amendments made by this section. The Secretary shall submit to Congress an annual report regarding such evaluation.

MULTIPURPOSE PASSENGER VEHICLE SAFETY

SEC. 304. (a) The Congress finds that—

(1) the popularity of multipurpose passenger vehicles has increased during this decade; and

(2) the safety of passengers in multipurpose passenger vehicles has been compromised by the failure to apply to them the Federal motor vehicle safety standards applicable to passenger automobiles.

(b) The Secretary shall initiate (not later than sixty days after the date of enactment of this Act) and complete (not later than twelve months after the date of enactment of this Act) a rulemaking to revise, where appropriate, in accordance with the applicable provisions of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1381 et seq.), including the provisions of section 103(a) of such Act (15 U.S.C. 1392(a)) requiring that Federal motor vehicle safety standards be practicable, meet the need for motor vehicle safety, and be stated in objective terms—

(1) Federal Motor Vehicle Safety Standard 216 to provide minimum roof crush resistance standards for multipurpose passenger vehicles;

(2) Federal Motor Vehicle Safety Standard 202 to provide for head restraints for multipurpose passenger vehicles;

(3) Federal Motor Vehicle Safety Standard 108 to provide for a single, high-mounted stoplamp on multipurpose passenger vehicles; and

(4) Federal Motor Vehicle Safety Standard 208 to extend the requirements of outboard front seat passive restraint occupant protection systems to multipurpose passenger vehicles.

(c) The Secretary shall, in accordance with the applicable provisions of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C 1381 et seq.), initiate (not later than sixty days after the date of enactment of this Act) and complete (not later than twelve months after the date of enactment of this Act) a rulemaking to review the system of classification of vehicles with a gross vehicle weight under 10,000 pounds with respect to whether such vehicles should be classified as motor vehicles to which Federal motor vehicle safety standards would apply.

REAR SEATBELTS

SEC. 305. (a) The Secretary shall, in accordance with applicable provisions of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1381 et seq.), initiate (not later than sixty days after the date of enactment of this Act) and complete (within twelve months after the date of enactment of this Act) a rulemaking to amend Federal Motor Vehicle Safety Standard 208 to provide that the outboard rear seat passengers of one-half of all passenger automobiles manufactured by each manufacturer after September 1, 1989 shall have lap and shoulder seatbelt protection, and that the outboard rear seat passengers of all such automobiles manufactured after September 1, 1990 shall have lap and shoulder seatbelt protection.

(b) Notwithstanding any other provision of law, not less than 10 percent of the funds authorized to be appropriated under section 209 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1949) in fiscal years 1988 and 1989 shall be utilized to disseminate information to consumers regarding the manner in which passenger automobiles may be retrofitted with lap and shoulder rear seatbelts.

CERTIFICATION OF BUMPERS

SEC. 306. The Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1901 et seq.) is amended by inserting after section 102 the following:

"DISCLOSURE OF BUMPER IMPACT CAPABILITY

"SEC. 102A. (a) The Secretary shall promulgate, in accordance with the provisions of this section, a regulation establishing passenger motor vehicle bumper system labeling requirements. Such regulation shall apply to passenger motor vehicles manufactured for model years beginning more than 180 days after the date such regulation is promulgated, as provided in subsection (c)(2) of this section.

"(b)(1) The regulation required to be promulgated in subsection (a) of this section shall provide that, before any passenger motor vehicle is offered for sale, the manufacturer shall affix a label to such vehicle, in a format prescribed in such regulation, disclosing an impact speed at which the manufacturer represents that the vehicle meets the applicable damage criteria.

"(2) For purposes of this subsection, the term 'applicable damage criteria' means the damage criteria applicable under section 581.5(c) of title 49, Code of Federal Regulations (as in effect on October 1, 1984).

"(c)(1) Not later than 90 days after the date of enactment of this section, the Secretary shall publish in the Federal Register a proposed initial regulation under this section.

"(2) Not later than 150 days after such date of enactment, the Secretary shall promulgate a final initial regulation under this section.

"(d) The Secretary may allow a manufacturer to comply with the labeling requirements of subsection (b) of this section by permitting such manufacturer to make the bumper system impact speed disclosure required in subsection (b) of this section on the label required by section 506 of this Act or section 3 of the Automobile Information disclosure Act (15 U.S.C. 1232).

"(e) The regulation promulgated under subsection (a) of this section shall provide that the information disclosed under this section be provided to the Secretary at the beginning of the model year for the model involved. As soon as practicable after receiving such information, the Secretary shall furnish and distribute to the public such information in a simple and readily understandable form in order to facilitate comparison among the various types of passenger motor vehicles. The Secretary may by rule require automobile dealers to distribute to prospective purchasers any information compiled pursuant to this subsection.

"(f) For purposes of this section, the term 'passenger motor vehicle' means any motor vehicle to which the standard under part 581 of title 49, Code of Federal Regulations, is applicable.".

STATE MOTOR VEHICLE SAFETY INSPECTION PROGRAMS

SEC. 307. Part A of title III of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1961 et seq.) is amended by adding at the end the following:

"STATE MOTOR VEHICLE SAFETY INSPECTION PROGRAMS

"SEC. 304. (a) The Secretary shall, within 30 days after the date of enactment of this section, enter into appropriate arrangements with the National Academy of Sciences to conduct a study of the effectiveness of State motor vehicle safety inspection programs in—

"(1) reducing highway accidents that result in injuries and deaths; and

"(2) limiting the number of defective or unsafe motor vehicles on the highways.

"(b)(1) The study shall include an evaluation of the implementation, inspection criteria, personnel, budgeting, and enforcement of all types of State motor vehicle safety inspection programs or periodic motor vehicle inspection programs, including inspections of motor vehicle brakes, glass, steering, suspension, and tires.

"(2) If warranted by the study, the National Academy of Sciences shall develop and submit to the Congress recommendations for an effective and efficient State motor vehicle safety inspection program.

"(c) The study shall also consider the feasibility of use by States of private organizations to conduct motor vehicle safety inspection programs and of combining safety and emission inspection programs.

"(d) Appropriate public and private agencies and organizations, including the Secretary, the Administrator of the Environmental Protection Agency, affected industries and consumer organizations, State and local officials, and the motor vehicle insurance industry should be consulted in conducting the study required under this section.

"(e) Subject to the availability of funds and when the arrangements with the National Academy of Sciences are completed, the study required by subsection (a) shall be completed and transmitted to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives within 19 months after the date of enactment of this section.".

RECALL OF CERTAIN MOTOR VEHICLES

Sec. 308. (a) Section 153 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1413) is amended by adding at the end the following:

"(d) If the Secretary determines that a notification sent by a manufacturer pursuant to subsection (c) of this section has not resulted in an adequate number of vehicles or items of equipment being returned for remedy, the Secretary may direct the manufacturer to send a second notification in such manner as the Secretary may by regulation prescribe.

"(e)(1) Any lessor who receives a notification required by section 151 or 152 pertaining to any leased motor vehicle shall send a copy of such notice to the lessee in such manner as the Secretary may by regulation prescribe.

"(2) For purposes of this subsection, the term 'leased motor vehicle' means any motor vehicle which is leased to a person for a term of at least 4 months by a lessor who has leased 5 or more vehicles in the 12 months preceding the date of the notification.".

(b) Section 154 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1414) is amended by adding at the end the following:

"(d) If notification is required under section 151 or by an order under section 152(b) and has been furnished by the manufacturer to a dealer of motor vehicles with respect to any new motor vehicle or new item of replacement equipment in the dealer's possession at the time of notification which fails to comply with an applicable Federal motor vehicle safety standard or contains a defect which relates to motor vehicle safety, such dealer may sell or lease such motor vehicle or item of replacement equipment only if—

"(1) the defect or failure to comply has been remedied in accordance with this section before delivery under such sale or lease; or

"(2) in the case of notification required by an order under section 152(b), enforcement of the order has been restrained in an action to which section 155(a) applies or such order has been set aside in such an action.

Nothing in this subsection shall be construed to prohibit any dealer from offering for sale or lease such vehicle or item of equipment.".

STUDY OF DARKENED WINDOWS

Sec. 309. The Administrator of the National Highway Traffic Safety Administration shall conduct a study of the use of darkened windshields and window glass in passenger automobiles. In particular, the study shall consider the effects of such use on the safe operation of passenger automobiles, as well as on the hazards from such use to the safety of law enforcement personnel. In conducting such study, the Administrator shall consult with appropriate industry representatives and with officials of law enforcement departments and agencies. The Administrator shall submit the results of such study to the Committees on Commerce, Science, and Transportation of the Senate and Energy and Commerce of the House of Representatives not later than six months after the date of enactment of this Act.

ODOMETER MODIFICATION

Sec. 310. (a) Section 408(d) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1988(d)) is amended by adding at the end the following:

"(3) No registration card may be issued in any State for any motor vehicle unless the application for such registration card contains the information specified in subsection (a) (1) and (2), determined as of the date on which such application is submitted. Each State shall maintain such information, together with the vehicle identification number for the motor vehicle to which such information pertains for a period of 5 years after the information is received by the State.

"(4) The Secretary shall promulgate such rules as may be necessary to avoid the printing of mileage information that is false, misleading or inaccurate. To prevent falsification or alteration of the mileage information required to be disclosed by a transferee in accordance with paragraph (2), the Secretary shall promulgate such rules as may be necessary regarding the specific form to be used on any title for compliance with the provisions of paragraph (2)(A)(iii). In addition, the Secretary shall promulgate rules regarding the actions to be taken by States with respect to the unauthorized alteration of titles for motor vehicles and other documents on which odometer information is required to be recorded or maintained.".

(b) Section 408(f)(2) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1988(f)(2)) is amended to read as follows:

"(2) The Secretary shall not approve such alternate motor vehicle mileage disclosure requirements unless the Secretary determines that the alternate method for making such disclosure is consistent with the purposes of subsections (d) and (e).".●

● Mr. HOLLINGS. Mr. President, I am pleased to cosponsor S. 853, the National Highway Traffic Safety Administration [NHTSA] Authorization Act of 1987. This legislation authorizes appropriations for NHTSA and makes certain important changes in its authority.

You will recall that the senior Senator from Missouri, Senator Danforth, sought to add a NHTSA amendment to HR. 2, highway funding legislation considered by the Senate early last month. As a substitute for Senator Danforth's amendment, the Senate adopted a sense of the Senate resolution which I offered with the Senator from Tennessee, Senator Gore. Our resolution imposed an April 1, 1987, deadline on the completion of the Senate Commerce Committee's consideration of NHTSA authorization legislation. The committee promptly held hearings on March 6, 1987, and unanimously approved this legislation on March 24, 1987.

NHTSA's mission requires it to develop and enforce motor vehicle safety standards, support safety development, remedy automotive defects, administer highway safety programs, and provide consumers with information vital to their decisions relating to the purchase and maintenance of a motor vehicle.

Mr. President, NHTSA has discharged its mission successfully for 20 years, with the result that cars are 25-percent safer today because of required auto safety features. The benefits derived from these efforts can be measured in stark, tangible numbers—100,000 lives have been saved and millions of serious injuries have been prevented. Despite these accomplishments, over 45,000 people died in highway crashes in 1986. More can and should be done.

This legislation incorporates some of the provisions of NHTSA authorization legislation approved by the Commerce Committee and the full Senate in the last Congress. That bill, S. 863, failed in conference. This legislation also includes provisions similar to some of those contained in S. 516, a NHTSA bill recently introduced by the Senator from Missouri, Senator Danforth, whose commitment to automotive safety has spanned several Congresses. Other provisions of this legislation have been developed in this Congress.

This legislation authorizes appropriations for fiscal year 1988 in the amount of the administration's request, with a modest increase for the following fiscal year. The legislation also includes changes to the Agency's authority, changes which NHTSA believes will increase the number of automobile defects that will be repaired in response to a recall.

Consistent with legislation approved by the Commerce Committee and the full Senate in the last Congress, this bill also directs NHTSA to undertake and complete rulemaking activities within specified time periods. Specifically, the bill requires NHTSA to upgrade the existing, but outdated safety standard requiring side impact protection.

The legislation also includes a provision directing NHTSA to provide for a National Academy of Sciences study of motor vehicle crashworthiness data. The study will examine whether data indicating the relative crashworthiness of a given automobile can or should be developed for use by consumers. The legislation also provides for a National Academy of Sciences study of State motor vehicle safety inspection programs, in an effort to assess their value in reducing the frequency, cost, and severity of accidents.

As part of an effort which dates back at least to a 1978 U.S. General Accounting Office report recommending such action, the bill directs NHTSA to take action in the area of light trucks, minivans, and similar multipurpose vehicles. For years, these vehicles have been used increasingly in the same fashion as passenger cars. We expect NHTSA to determine which of the passenger car safety standards that currently do not apply to such vehicles ought to apply or ought to be modified for application. This provision of the bill further directs NHTSA to examine its classification standard for such vehicles.

Although a number of automobile manufacturers are including rear lap-shoulder belts in their cars, this legislation takes the important step of directing NHTSA to require manufacturers to install these belts in the outboard rear seat positions of half of the vehicles produced after September 1, 1989, and in all of the vehicles produced after September 1, 1990. Another important safety feature of this legislation is its bumper certification and labeling provision. This provision directs NHTSA to establish a rule requiring manufacturers to affix labels to their automobiles indicating the impact speed at which their vehicle bumpers will prevent damage. At least one manufacturer, the Ford Motor Co., currently provides this information for each of its new vehicles.

Mr. President, this legislation includes provisions which would provide for uniform handicapped parking programs, enhanced odometer tampering prevention, and improved NHTSA standards testing and enforcement. Each of these provisions, like the others in the bill, will yield important safety benefits.

This authorization is essential to our Nation's automotive safety programs. I urge my colleagues to support the bill when it comes before the full Senate.●

● Mr. DANFORTH. Mr. President, I am pleased that once again the Senate has the opportunity to consider highway safety legislation. It could not be more timely. The war against highway death and injury is not going well. NHTSA estimates that 45,600 people died in highway crashes during 1986. This was a 4-percent jump over 1985.

The Congress must act quickly on highway safety legislation to stop this trend. There are highway safety improvements that cry out for attention. The legislation that Senator GORE, Senator HOLLINGS, and I have developed addresses many of these improvements. These are commonsense reforms, some of which received favorable action by the Senate during the 99th Congress.

S. 863—REVISITED

Mr. President, on May 15, 1986, the Senate passed by unanimous consent the National Traffic and Motor Vehicle Safety Authorization Act of 1985, S. 863. I authored that legislation. Although our negotiations with the House concerning S. 863 were not successfully completed before the end of the 99th Congress, the effort that went into the bill was in vain. Today's bill includes the three key safety provisions that were contained in S. 863. First, S. 863 and today's legislation both have provisions addressing side impact crash standards. Each year 9,000 Americans are killed and another 20,000 are injured in side impact crashes. In the late 1970's, NHTSA recognized that the current passenger car side inpact standard needed improvement. NHTSA opened a rulemaking to improve side impact, but closed it in 1982. Its time to move forward now.

Second, S. 863 and today's bill both address the need for crashworthiness ratings of autos. Crashworthiness ratings would provide an answer to the American family that is buying a car and wants to know, "How safe is the car you are offering me in comparison with other cars?" If an objectively based rating system can be developed, then a rating would be placed on the cars' window sticker. Third, both S. 863 and today's bill give the Secretary of Transportation authority to use unspent safety moneys for airbag and seat belt education.

S. 516—LIGHT TRUCK SAFETY AND THREE POINT REAR SEAT BELTS

Mr. President, when our negotiations with the House on S. 863 were unsuccessful, the Commerce Committee did not lose its determination to move forward on highway safety legislation. I chaired hearings on December 11, 1986, which pointed out several other safety issues that need quick action. I incorporated provisions directed at these issues in a bill which I introduced in February 5, 1987, the Highway Safety Act of 1987, S. 516.

Mr. President, I am pleased that the legislation we are introducing today addresses two of the critical issues in S. 516—light truck safety and rear seat belts.

"Light trucks," which include pickups, minivans, and four wheel-drive vehicles, are among the hottest items in auto showrooms. Between 1971 and 1986, the light truck market share of light duty vehicles doubled from 15 to 30 percent. Light truck sales reached almost 5 million in 1986. Light truck sales have mushroomed because these relatively inexpensive vehicles are being used as pleasure cars. The pickup is used more in the city and suburbs than on the farm, and the minivan is the station wagon of the 1980's.

Unfortunately, the family that takes a pickup or minivan to get groceries or pick up the kids is using a vehicle that lacks a lot of basic safety features. Under the National Traffic and Motor Vehicle Safety Act of 1966, NHTSA is required to develop safety standards for all types of motor vehicles. Although light trucks compete directly with passenger cars, NHTSA has exempted them for many of the passenger car occupant crash protection standards. These exemptions have contributed to the annual toll of 7,000 light truck fatalities.

As early as 1978, the General Accounting Office recommended that NHTSA reexamine its vehicle classification system and apply a number of passenger car safety standards to light trucks. Today's bill would put the wheels in motion over at NHTSA. It tracks a provision in S. 516 under which NHTSA would be required to initiate and complete rulemakings on the application of a number of standards to light trucks. The first is roof crush resistance. Passenger cars have had this standard since 1971. Light trucks should have this standard because they have a higher center of gravity and thus are more prone to rollover than passenger cars. The second would be head restraints. Passenger cars have been required to have these devices which prevent head and neck injuries since 1968. Light trucks are not required to have head restraints even though the pickup passenger's head is only inches from the rear window. The third standard would be high center mounted rear brake lights. These lights might prevent some of the 270,000 annual light truck rear end collisions. The final standard would be the passive restraint rule. Light truck occupants have an ejection rate twice that of passenger cars. Applying the passive restraint rule's requirement of either automatic seat belts or airbags would help prevent these ejections. In addition, NHTSA would be required to initiate a rulemaking to review its system of classification of vehicles under 10,000 pounds.

Today's legislation also tracks a provision in S. 516 that addressed the need for three point rear seat belts in cars. On August 8, 1986, the National Transportation Safety Board [NTSB], the independent Federal accident investigation agency, issued a report stating that in some instances persons using rear seat lap belts may be inadequately protected against injury and may sustain severe abdominal injuries from the belt itself. NHTSA wrote a concerned parent's group in August saying it would open a rulemaking on this matter. Four months later, Diane Steed, NHTSA's Administrator, testified before the Commerce Committee that she would shortly open a rulemaking. Four more months have passed and parents are still faced with the Hobson's choice of deciding whether to place their children in lap belts.

Today's legislation would end these concerns by requiring NHTSA to initiate a rulemaking to require clearly superior rear seat lap/shoulder belts in all newly manufactured cars. It also would require NHTSA to use some of its consumer information program money to inform owners of older cars about retrofitting their cars with these rear seat lap/shoulder belts.

BUMPER INFORMATION

Mr. President, there is one additional provision of today's legislation on which I want to comment. Section 306 of the bill would require NHTSA to write a rule under which automakers would label the bumpers of their vehicles to indicate the maximum speed at which they could meet "applicable damage criteria"—that is, prevent the vehicle from withstanding structural damage.

This is a good provision which is long overdue. In 1982, NHTSA lowered its standards for bumpers from 5 miles per hour to a 2.5-mile per hour "tissue paper" standard. NHTSA promised to establish a bumper information system for consumers to help compensate for lowering the standard. Five years have passed and NHTSA has still not developed a system. I proposed legislation in the 99th Congress to require development of a rating system. Today's legislation tracks that proposal.

CONCLUSION

Mr. President, I want to commend Senator HOLLINGS and Senator GORE for working with me and the other Commerce Committee members to develop meaningful NHTSA legislation. As my statement indicates, a lot of these proposals are not new—they are long overdue. We took a number of suggestions from the auto safety groups, the automakers, and NHTSA in developing this legislation. I hope that we can continue to work together as this legislation moves through the Senate and on to the House.●

By Mr. HECHT (for himself and Mr. REID):

S. 854. A bill entitled "The Nevada-Florida Land Exchange Authorization Act"; to the Committee on Energy and Natural Resources.

NEVADA-FLORIDA LAND EXCHANGE AUTHORIZATION ACT

Mr. HECHT. Mr. President, today I am pleased to introduce a bill that will help protect our Nation's vital wetland resources while allowing further economic development to take place in Nevada in an environmentally safe manner.

The bill will accomplish a land exchange between the U.S. Fish and Wildlife Service and the Aerojet General Corp. The Government will get about 4,000 acres of excellent wetland habitat in Florida, and Aerojet will receive two tracts of BLM land in Nevada.

The Florida land will in turn be sold to the State of Florida, and the proceeds used to buy additional land for components of the National Wildlife Refuge System in Florida.

Mr. President, this bill allows everyone to win. The National Wildlife Refuge System wins, the State of Florida wins, the State of Nevada wins, Aerojet General wins, and perhaps most importantly, our Nation's ever-shrinking and irreplaceable store of wetland resources comes out a definite winner.

This bill resembles a similar measure that was introduced late in the last Congress. A hearing was held on the bill, but we did not have time to bring the measure to markup in the Energy Committee. Some questions were raised about the environmental effects of the bill, and the concern was raised that these had not yet been adequately addressed. In the last few months, some key environmental documents and implementing agreements relating to this proposal have been completed, and there is a lot more certainty in general regarding the projected development in Nevada. I am confident that all interested parties will now be reassured and excited about this proposal.

I hope this excellent bill will receive rapid consideration from the Senate and the House, so the final work on this project can be accomplished before this year is out.

● Mr. REID. Mr. President, I am pleased to join the senior Senator from Nevada, CHIC HECHT, in introducing the "Nevada-Florida Land Exchange Authorization Act of 1987." This legislation will allow Aerojet General Corp. to acquire 51,710 acres of Bureau of Land Management land in Nevada in exchange for approximately 4,660 acres of Aerojet-owned land in Dade County, FL, near the Everglades. The Interior Department would then sell the Florida land to the south Florida management district to raise funds for acquiring additional wildlife refuge lands in the State of Florida.

Aerojet wants to acquire the Nevada BLM land to construct a rocket manufacturing, assembly and test facility. Since 1955, Aerojet has operated a 13,500 acre manufacturing facility for solid rocket motors 20 miles east of Sacramento, which employs 4,200 people. The Nevada land will supplement the company's rocket testing operations.

In Nevada, the legislation includes approximately 8,900 acres of land in Mineral County, 25 miles southeast of Hawthorne adjacent to the Garfield Flat test site, already owned by Aerojet. The larger 42,800 acre portion is located in Clark and Lincoln Counties, in the Coyote Springs Valley, 45 miles northeast of Las Vegas and about 100 miles southwest of Caliente. It is anticipated the facility will initially employ 200 people with the potential of providing jobs for many more in the future.

A similar proposal was introduced in the Senate and in the House of Representatives during the 99th Congress. Lack of time prevented complete action on the bill.

Several concerns have been raised about the impact of the company's presence on water, native plants and animals, as well as endangered species; including the Moapa Dace and the Desert Tortoise. I believe Aerojet is sincere in its stated purpose as the company has worked diligently for many months to address the many questions raised about the proposed exchange. Aside from the thousands of dollars the company has invested, Aerojet has agreed to set aside approximately 17,885 acres of the Coyote Springs land for a period of 20 years as a conservation area. Any other uses of the area after the 20-year period has elapsed must be approved by a local review board.

Finally, Mr. President, this exchange enjoys widespread support in Nevada; including the support of the Governor, the Nevada Legislature, and the local counties. All in all, the State will benefit because Aerojet will contribute to the diversification of the economy.●

By Mr. DASCHLE:

S. 855. A bill to amend section 1307 of title 18, United States Code, to allow nonprofit organizations to advertise bingo; to the Committee on the Judiciary.

BINGO ADVERTISEMENT

Mr. DASCHLE. Mr. President, I am introducing legislation to amend section 1307 of title 18, United States Code, to allow nonprofit organizations to advertise bingo matches. While this may not appear to be a major issue, in reality it has a significant effect on nonprofit organizations' ability to provide human services which Federal and State agencies can no longer afford to fund.

Mr. President, it is a known fact that Federal and State agencies are having difficulty meeting the human services needs of the American people. Fortunately, many fine service organizations, such as the Disabled American Veterans, American Legion, Knights of Columbus, Elks, Moose and the Veterans of Foreign Wars chapters, provide funding for many service-related programs. Many of these organizations raise their money through a simple game called bingo.

We all have heard the good-natured jokes about the elderly who live to play bingo. Joke or no joke, bingo is one of the most popular games played by Americans. Just recently over 5,000 people participated in a bingo match in Florida. And bingo is more than just recreation. It is a vehicle through which many nonprofit organizations provide important services to individuals in need of assistance.

If it were not for bingo, organizations like the Disabled American Veterans could not provide funding for needed medical expenses. Last year, in Sioux Falls, SD, the disabled American Veterans chapter raised over $300,000 from bingo. The money went toward medical expenses, outreach programs, transportation and other services that the state and Federal Governments do not provide. This organization is using the simple game of bingo to help meet the needs of disabled veterans.

I am sure hundreds of other nonprofit organizations could tell similar stories. As a country, we are fortunate that nonprofit service organizations are providing care for the blind, sick and disadvantaged.

Mr. President, nonprofit service organizations offer important human services to the American people. Yet, it is illegal today to use the word "bingo" for announcement purposes, and many organizations are currently actually breaking the law without even knowing it by promoting bingo matches in their weekly newsletters.

It does not seem reasonable to deny nonprofit organizations the right to advertise on radio, television, in newspapers and newsletters where and when they conduct their bingo matches. The legislation I am introducing today will protect this right by allowing nonprofit organizations to include the word "bingo" in all advertising outlets.

I offer this legislation to allow the nonprofit organizations to continue their charitable activities. At a time when Federal and State dollars do not meet the needs of all, service organizations should be allowed to tell others, through the media, that bingo is a way to help those in need.

By Mr. NICKLES:

S. 856. A bill to amend the Food Security Act of 1985 to clarify that certain persons should not be denied status as separate persons under such act, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

STATUS OF CERTAIN PERSONS UNDER THE FOOD SECURITY ACT

● Mr. NICKLES. Mr. President, clarification of rules governing payment limitations has stirred grave concern and raised serious questions regarding the potential impact on farm family operations.

We should all strongly support efforts designed to eliminate Federal Farm Program fraud and abuse. The recent imposition of the $250,000 overall payment limit is an example of Congress' efforts in this regard.

However, recent action by the U.S. Department of Agriculture, while intended to stop scandalous abuse of farm programs, may be the last straw for the traditional farm family operation.

Today I am introducing legislation endorsed by the National Association of Wheat Growers and the National Cotton Council which clarifies the status of separate persons under the Food Security Act of 1985.

Responding to a need for uniform application of payment limit guidelines, the USDA has been clarifying rules and in the process has created tremendous turmoil in rural America. Unfortunately, the USDA's clarifications strike the hardest at the farm family by penalizing family members for helping one another survive today's difficult agriculture economy.

Last year, Congress included a provision in the continuing appropriations measure (Public Law 99-591) to protest a family system of agriculture designed to pass farms from generation to generation. Section 636 of Public Law 99-591 amended the Food Security Act of 1985 to read:

> Effective for each of the 1987 through 1990 crops, the Secretary may not deny a person status as a separate person solely on the ground that a family member cosigns for, or makes a loan to, such person and leases, loans, or gives such person equipment, land or labor, if such family members were organized as separate units prior to December 31, 1985.

As my colleagues can see, this provision was designed to protect traditional arrangements crucial to the survival of the family farm. But the USDA, in administering the law, is totally disregarding their historical application of payment limit rules and is administering the law in a manner that does not provide the protection envisioned by Congress. The legislation I am introducing today would simply change the word "organized" to "treated" and in the process provide equitable treatment for family farm operations and enhance their ability to survive. This provision won't help everybody. But if there was ever legislation that was pro-family farm, this is it.

This legislation is simple. The USDA could make such a change administratively and I hope this helps them make up their mind. I intend to actively push this legislation to ensure a long-term solution.

I urge my colleagues to join me in support of this measure.

I ask unanimous consent that the text of the bill and a copy of a letter from the National Association of Wheat Growers appear in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 856

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STATUS AS SEPARATE PERSONS UNDER THE FOOD SECURITY ACT OF 1985.

The last sentence of the Food Security Act of 1985 (as added by section 636 of the Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987 (Public Law 99-500 and 99-591)) is amended—

(1) by striking out "organized" and inserting in lieu thereof "treated".

NATIONAL ASSOCIATION
OF WHEAT GROWERS,
Washington, DC, March 26, 1987.

Hon. DON NICKLES,
U.S. Senate, Senate Hart, Washington, DC.

DEAR SENATOR NICKLES: The National Association of Wheat Growers commends you for the introduction of legislation to protect traditional family farming arrangements under payment limitation regulations.

We are aware that the Congress intended to assure that family members sharing resources were to be treated as separate persons for payment limitation purposes in adopting Section 636 of P.L. 99-951 during the 99th Congress. The bill that you have authored clarifies this intent by providing that family members treated as separate units prior to December 31, 1985 will continue to have that status through 1990 crops.

Agriculture is suffering from the most difficult economic circumstances encountered in several generations, and it is vital that farm families are assured that they can share their land, labor, equipment and capital without penalty to endure this period of financial stress.

We are pleased to endorse this legislation, and we look forward to working with you in the interest of the nation's farm families.

Sincerely yours,

JAMES W. MILLER,
President.●

By Mr. QUAYLE (for himself, Mr. PELL, Mr. HATCH, Mr. STAFFORD, Mr. THURMOND, and Mr. COCHRAN):

S. 857. A bill to amend the Bilingual Education Act to make Federal financial assistance for children of limited English proficiency without mandating a specific method of instruction, to encourage innovation at the State and local level through greater administrative flexibility, to improve program operations at the Federal level, and for other purposes; to the Committee on Labor and Human Resources.

BILINGUAL EDUCATION ACT AMENDMENTS

● Mr. QUAYLE. Mr. President, today I am introducing along with Senator Pell and several other colleagues on the Education Subcommittee, a bill that reflects a compromise from my earlier bill to increase the set-aside for funds going for alternative instructional educational programs under the Bilingual Education Act from 4 to 25 percent.

This bill is the result of negotiations among the members of the Labor and Human Resources Committee and will be considered by that committee in early April.

This bill is a good compromise and will permit greater flexibility in funding alternative instructional programs, but still meets the concerns that were raised about removing the set-aside for funding transitional bilingual education programs.

The bill also provides that students must exit a Federal bilingual education program of any type after 3 years; that priority for funding under the alternative programs should be given to small school districts or school districts with many languages; that current recipients will not have their grants changed as a result of the increase to 25 percent; and it includes the language on technical amendments and statement of purpose from my earlier bill, S. 383.

Mr. President, I ask unanimous consent that the text of this compromise bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 857

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Bilingual Education Act Amendments of 1987".

PURPOSE

Sec. 2. Section 702(a) of the Bilingual Education Act (20 U.S.C. 3221 et seq.) (hereafter in this section referred to as the "Act") is amended—

(1) by redesignating clauses (4) through (14) as clauses (5) through (15), respectively; and

(2) by adding after clause (3) the following new clause:

"(4) that, regardless of the method of instruction, programs which serve limited English proficient students have the equally important goals of developing academic achievement and English proficiency;".

FUNDING FLEXIBILITY

Sec. 3. Section 702(b) of the Act is amended—

(1) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) From the sums appropriated under paragraph (1) for any fiscal year, the Secretary shall reserve 25 percent for special alternative instructional programs and related activities authorized under this Act.";

(2) by striking out "75 percent" in paragraph (4) and inserting in lieu thereof "60 percent"; and

(3) by adding at the end thereof the following new paragraph:

"(8) For fiscal year 1988, the reservation required by paragraph (3) shall not result in changing the terms and conditions of any grant to which section 721(d)(1)(C) applies.".

PERIOD OF PARTICIPATION IN BILINGUAL PROGRAMS

Sec. 4. Section 721(d)(1) of the Act is amended by inserting at the end thereof the following new subparagraph:

"(E) No student may be enrolled in a bilingual program for which a grant is made under subsection (a)(1), (a)(2), or (a)(3) of this Act for a period of more than three school years, or its equivalent, as determined by the Secretary, beginning after September 30, 1987.".

PRIORITY

Sec. 5. Section 721(g) of the Act is amended—

(1) by inserting "(1)" after the subsection designation, and

(2) by adding at the end thereof the following new paragraph:

"(2) An application for a grant under subsection (a)(3) of this section may receive priority if the application is made on behalf of small school districts or on behalf of local educational agencies having schools which many languages are represented.".

TECHNICAL AMENDMENTS

Sec. 6. (a) Section 703(a)(13) of the Act is amended by striking out "areas of high concentrations of persons" and inserting in lieu thereof "individuals".

(b) Section 721(b) of the Act is amended—

(1) by striking out the paragraph designation "(1)"; and

(2) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively.

(c) Section 721(f)(7)(C) of the Act is amended by striking out "and with" and inserting in lieu thereof "with".

(d) Section 733 of the Act is amended by striking out the subsection designation "(a)".

EFFECTIVE DATE

Sec. 7. The amendments made by this section shall take effect on July 1, 1987.●

By Mr. BRADLEY (for himself, Mr. Pell, Mr. Hecht, Mr. Graham, Mr. Bentsen, Mr. Stafford, Mr. Inouye, Ms. Mikulski, Mr. Chiles, Mr. Lautenberg, Mr. Chafee, and Mr. Gramm):

S. 858. A bill to establish the title of States in certain abandoned shipwrecks, and for other purposes; to the Committee on Energy and Natural Resources.

ABANDONED SHIPWRECK ACT

● Mr. BRADLEY. Mr. President, today I am introducing the Abandoned Shipwreck Act of 1987. I am pleased to have as cosponsors of this legislation Senators Pell, Hecht, Graham, Bentsen, Stafford, Inouye, Mikulski, Chiles, Lautenberg, Chafee, and Gramm.

This bill provides for State management of historically valuable shipwrecks found in State waters. Because of recent court decisions, these irreplaceable cultural and recreational resources remain prey to commercial treasure salvors, who can operate beyond the bounds of Federal or State oversight. Our bill would allow States to oversee excavation and ensure access to sport divers—at no cost to the Federal Government.

The fundamental problem addressed by this bill is one of public responsibility. Although certain States—for example, Florida and Texas—have stepped in to assert jurisdiction on shipwrecks within the 3-mile coastal region, their legal authority over these wrecks is by no means assured.

In the United States, modern shipwrecks generally fall within the purview of admiralty law, which places the matter of all shipwreck salvage within the Federal, not State, jurisdiction. Under admiralty law, if a ship is judged by the courts to be in a condition of marine peril and a salvor can identify the wreck and prove he has the wherewithal to salvage it, the court may award him the right to do so—despite State laws to the contrary.

Since the passage of the Submerged Lands Act of 1953, States have held title to the lands and natural resources within 3 miles of their coast. Since this act, 25 States have passed laws affecting abandoned historic shipwrecks. However, a series of court cases have thrown into doubt both Federal and State jurisdiction. The issue boils down to whether historic shipwrecks are abandoned ships in marine peril or natural resources.

The United States is the only country in the world with a substantial number of historic shipwrecks that does not have a Federal law recognizing the importance of preserving some of these sites. There is no Federal law requiring orderly and archeologically correct excavation when salvage does take place. Instead, a finders-keepers principle applies to all shipwrecks in our waters. While this rule makes sense in matters of ongoing maritime commerce, it is as obviously inappropriate for underwater archeological sites as it would be for ancient ruins on land. Under the current system, Federal courts—sitting in admiralty—have substantial policymaking power, which has resulted in uneven judgments about the historical value of shipwrecks.

Let me illustrate what is at stake with two examples. My own State of New Jersey has a long and varied coast with a fair share of underwater archeological sites. Recent research has discovered a treasure trove in Crosswicks Creek, near Bordentown: the remnants of a 22-vessel fleet destroyed by the British in 1778. These vessels include river craft, coasters, gunboats, and an 18-gun privateer. It was not a salvor, but J. Lee Cox of the Philadelphia Maritime Museum who identified the wreck sites through documentary research.

In 1984, Cox and an amateur underwater archeologist, Don Stokes, visited the site and discovered two wrecks. In 1986, news that Interstate 295 would bridge Crosswicks Creek near the wreck sites led the Philadelphia Maritime Museum to undertake a survey of the creek. Five more potential wrecks were located, and the best preserved wreck was recorded. It is a colonial coaster designed for speed. Buried in a mud bank, about 60 percent of the hull remains intact. At extreme low tide, many construction details can be observed including a double-planked hull. The inner planking of white oak is protected from worm attack by a layer of pine tar and horse hair and an outer sheathing of pine. With the exacting curiosity of a builder of miniature ships, Stokes has drawn a plan and profile of the vessel. Buried contours have been carefully measured using a hydraulic probe.

So far, so good. The Crosswick Creek wrecks have been identified through the fruitful cooperation of professional and amateur archaeologists, and the sites have been protected from accidental destruction during highway construction. But much could go wrong. In the absence of protective legislation, the Crosswick Creek wrecks could be destroyed by the clumsy curious, or exploited by a commercial salvor.

Just how disastrous a project can become is well illustrated by the fate of the steamer *New Jersey*, a wreck identified and documented by a talented group of amateur underwater archaeologists in 1975. The *New Jersey* was built in Baltimore in 1862 for the Trenton Transportation Co. The vessel is one of the last of the bay steamers to combine sail and steam, and one of the first to employ a screw propeller. After service in the Civil War, the vessel was sold to the Old Bay Line of Baltimore. On an 1870 voyage, laden with 750 tons of freight, the vessel sank in the Chesapeake off the mouth of the Choptank River. Most of the vessel was quickly buried in silt. In 1975, Nautical Archaeological Associates, an organization of amateur archeologists, carefully recorded the wreck, removed a small sample of artifacts, and deposited the artifacts in three public museums. Unfortunately, at this point the parallels with the Crosswicks Creek wrecks end. In 1978, the wreck location was published by the National Oceanic and Atmospheric Administration and, starting in 1982, the destruction of the unprotected wreck began.

The cargo of the *New Jersey* was in large part composed of perishable foodstuffs. But enough of it was of water resistant objects to have furnished several museum galleries. The cargo included crate after crate of glassware and ceramics, and at least one crate of music boxes. Here was an entire time capsule from 1870. Since 1982, the wreck has been repeatedly assaulted by souvenir hunters. Mechanic dredges have been used on the wreck. Since August 1985, one hold has been emptied to the bottom, and the bay floor has been so altered that current and marine organisms are combining with man to destroy the remainder of the wreck. The looting and loss of this wreck is a blow both to the historical archeologist and the sport diver.

The development of technology in this area has expedited the work of both fortune hunters and students of history. Advances in technologies to detect wrecks have greatly aided the salvor. Yet, the recent find of the *Titanic* demonstrated how we can explore and learn from these sites without tearing them apart. Unmanned, nondestructive equipment such as remote controlled robots with video cameras will soon explore previously inaccessible shipwrecks. At the same time, better and less expensive equipment has made sport diving increasingly popular and a growing source of tourist income in coastal areas with shipwreck sites. However if the commercial mining of these wrecks remains unchecked, there will be few wrecks left for current and future generations of scholars, tourists and the general public. The most important wrecks will have been plundered or destroyed.

This legislation clearly conveys the responsibility over historic shipwrecks found in State waters to the States. It has the support of the historic preservation, archeology and State organizations, as well as the sport diving community. Supporting organizations include the National Governors Association, the National Trust for Historic preservation, Society for Historical Archaeology, American Association of Museums, Diving Equipment Manufacturers, Underwater Society of America, and the U.S. Department of the Interior. Historic shipwrecks are time capsules from our forefathers. And like any other part of our heritage, they deserve to be treated properly, and with respect.

It is time to abandon the principle of "finders-keepers, losers-weepers" with respect to these historic shipwrecks. The archeological community and America's sport divers are tired of weeping. I hope my colleagues will support me in the speedy consideration and approval of this important legislation. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 858

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Abandoned Shipwreck Act of 1987".

SEC. 2. FINDINGS.

The Congress finds that—

(1) States have the responsibility for management of a broad range of living and nonliving resources in State waters and submerged lands; and

(2) included in the range of resources are certain abandoned shipwrecks.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) the term "embedded" means firmly affixed in the submerged lands or in coralline formations;

(2) the term "National Register" means the National Register of Historic Places maintained by the Secretary of the Interior under section 101 of the National Historic Preservation Act (16 U.S.C. 470a);

(3) the terms "public lands" and "Indian lands" have the same meaning given the terms in the Archaeological Resource Protection Act of 1979 (16 U.S.C. 470aa-470ll);

(4) the term "shipwreck" means a vessel or wreck, its cargo, and other contents;

(5) the term "State" means a State of the United States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands; and

(6) the term "submerged lands" means the lands—

(A) that are "lands beneath navigable waters," as defined in section 2 of the Submerged Lands Act (43 U.S.C. 1301);

(B) of Puerto Rico, as described in section 8 of the Act of March 2, 1917 (48 U.S.C. 749); and

(C) beneath the navigable waters of Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands, including inland navigable waters and waters that extend seaward to the outer limit of the territorial sea.

SEC. 4. RIGHTS OF ACCESS.

(a) ACCESS RIGHTS.—In order to—

(1) clarify that State waters and shipwrecks offer recreational and educational opportunities to sport divers and other interested groups, as well as irreplaceable State resources for tourism, biological sanctuaries, and historical research; and

(2) provide that reasonable access by the public to such abandoned shipwrecks be permitted by the State holding title to such shipwrecks pursuant to section 6 of this Act,

it is the declared policy of the Congress that States carry out their responsibilities under this Act to develop appropriate and consistent policies so as to—

(A) protect natural resources and habitat areas;

(B) guarantee recreational exploration of shipwreck sites; and

(C) allow for appropriate public and private sector recovery of shipwrecks consistent with the protection of historical values and environmental integrity of the shipwrecks and the sites.

(b) PARKS AND PROTECTED AREAS.—In managing the resources subject to the provisions of this Act, States are encouraged to create underwater parks or areas to provide additional protection for such resources.

SEC. 5. GUIDELINES.

The Advisory Council on Historic Preservation, established under section 201 of the Historic Preservation Act (16 U.S.C. 470l), in consultation with appropriate public and private sector interests (including archeologists, salvors, sport divers, historic preservationists, and State Historic Preservation Officers) shall publish, within six months after the date of enactment of this Act, advisory guidelines for the protection of historic shipwrecks and properties. Such guidelines shall be available to assist States and the United States Government in developing legislation and regulations to carry out their responsibilities under this Act in such manner as will be consistent with the policies stated under section 4.

SEC. 6. RIGHTS OF OWNERSHIP.

(a) UNITED STATES TITLE.—The United States asserts title to any abandoned shipwreck that is—

(1) embedded in submerged lands of a State;

(2) embedded in coralline formations protected by a State on submerged lands of a State; or

(3) on submerged lands of a State and is included in or determined eligible for inclusion in the National Register.

The public shall be given adequate notice of the location of any shipwreck to which title is asserted under this subsection. The Secretary of the Interior shall make a written determination that an abandoned shipwreck meets the criteria for eligibility for inclusion in the National Register of Historic Places under clause (3).

(b) TRANSFER OF TITLE TO STATES.—The title of the Untied States to any abandoned shipwreck asserted under subsection (a) of this section is transferred to the State in or on whose submerged lands the shipwreck is located.

(c) EXCEPTION.—Any abandoned shipwreck in or on the public lands of the United States (except the Outer Continental Shelf), is the property of the United States Government.

(d) RESERVATION OF RIGHTS.—This section does not affect any right reserved by the United States or by any State (including any right reserved with respect to Indian lands) under—

(1) section 3, 5, or 6 of the Submerged Lands Act (43 U.S.C. 1311, 1313, and 1314); or

(2) section 19 or 20 of the Act of March 3, 1899 (33 U.S.C. 414 and 415).

SEC. 7. RELATIONSHIP TO OTHER LAWS.

(a) LAW OF SALVAGE AND THE LAW OF FINDS.—The law of salvage and the law of finds shall not apply to abandoned shipwrecks to which section 6 of this Act applies.

(b) LAWS OF THE UNITED STATES.—This Act shall not change the laws of the United States relating to shipwrecks, or other than those to which this Act applies.

(c) EFFECTIVE DATE.—This Act shall not affect any suit filed before the date of enactment of this Act.●

● Mr. GRAHAM. Mr. President, I am delighted to be cosponsoring with my colleague, Senator BRADLEY of New Jersey, this bill to protect abandoned shipwrecks.

The bill grants title of abandoned shipwrecks to the United States, and transfers that title to the State in or on whose submerged lands the shipwreck is located.

This extension of control of such sites to the States involved provides the opportunity for appropriate recovery of shipwrecks by both the public and the private sectors, while also safeguarding the historical and environmental values of the sites and artifacts.

This legislation will encourage protection and preservation of the evidence of the daring voyages of discovery, of the historic battles for control of an uncharted new land, of the courage—and the folly—of our ancestors and early explorers.

It is an important legacy. We now have the technology for our own discovery and exploration of what time and the oceans have held secret all these centuries. We need Federal and State supervision to ensure that technology enriches—not impoverishes—our knowledge and heritage from the sea.

Underwater archeology—the piecing together of the history of a people—is as important to our understanding of civilization as the sites we cordon off and examine on land. The earliest chronicles of our Nation are chronicles of the sea.

Florida alone has more than 300 recorded shipwrecks from the years between 1521 and 1825. The coast of Florida was the main trade route for colonizers and treasure ships. Hundreds, perhaps thousands of unrecorded shipwrecks from the time of Columbus on are likely.

Almost all of the ships wrecked on reefs or shoals, were driven into shore by violent storms and hurricanes. The most telling and valuable shipwrecks are found along the coastline—in relatively shallow and accessible waters, or overgrown by coral reefs.

Knowledge gleaned from careful charting and uncovering of these shipwrecks is especially significant to the million of Hispanic Americans whose ancestors explored and colonized this country. Ponce de Leon, Narvaez, De Soto, Villafane, Ortiz—these and scores more seafaring pioneers spent their lives, and lost them, in the service of the Spanish empire, trying to conquer America.

The fabulous treasures to be recovered from a few of the wrecks are not as important as the wealth of information about our own history those fragments of wooden hull and metal artifacts hold.

The first leases to salvage historic shipwrecks were granted by the State of Florida in the late 1940's. Treasure, such as that from the Spanish plate fleet which went down in a hurricane off the Florida keys in 1733, was recovered in the fifties and sixties by private salvagers.

The division of archives, history and records management was created in Florida in the 1960's in an effort to better manage and preserve the State's historic shipwrecks. The agency is charged with management of historical and archeological resources on State-owned lands, including sovereignty submerged lands. The State is granted title to any artifacts recovered from these sites.

Unfortunately, the State's interest in preservation has been severely restricted by Federal admiralty law applications to historic shipwreck sites in State waters.

In addition to granting title of abandoned shipwrecks to the United States, and transferring that title to the State on whose submerged lands the shipwreck is located, this bill sets up guidelines for preserving and sharing historic artifacts and sites for future generations.

This bill mandates that the States develop policies to protect natural resources and habitat areas; guarantee recreational exploration of shipwreck sites; and allow for appropriate recovery of historic information and artifacts.

States are also encouraged to create underwater parks on and adjacent to shipwreck sites for the enjoyment of sport divers.

It is important to emphasize that this bill only applies to vessels listed in National Register of Historic Places or those embedded in the ocean floor or located in coral formations in State waters. Since application is limited to State waters, recoveries such as the location of the "Atocha" by Mel Fisher more than 40 miles off Key West, would not be affected by this legislation.

Additionally, this bill requires the U.S. Advisory Committee on Historic Preservation, and consultation with archeologists, sailors, sport divers, and other appropriate public and private sector interests, to publish advisory guidelines for protection of shipwrecks and their environments.

When our technology leaps forward far enough to take us back into our past, we have a responsibility to safeguard that new access. We have the opportunity to revisit history, to learn more about where we have come from and maybe about where we are going.

That is the true treasure to be salvaged from the shipwrecks along our coasts. The knowledge we bring up along with gold coins and silver bars has no price—and belongs equally to all of us.●

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By Mr. PELL (by request):

S. 859. A bill to amend the Arms Control and Disarmament Act in order to extend the authorization for appropriations; to the Committee on Foreign Relations.

ARMS CONTROL AND DISARMAMENT AGENCY AUTHORIZATION ACT

● Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to amend the Arms Control and Disarmament Act to increase the authorization for appropriations for the Arms Control and Disarmament Agency for fiscal years 1988 and 1989.

This proposed legislation has been requested by the Arms Control and Disarmament Agency and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve the right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with letter from the Director of the Arms Control and Disarmament Agency to the President of the Senate dated March 17, 1987.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 859

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 49(a) (22 U.S.C. 2589(a)) is amended to read as follows:

"SEC. 49. (a) To carry out the purpose of this Act, there are authorized to be appropriated—

(1) for the fiscal year 1988, $32,700,000, and such additional amounts as may be necessary, for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs, and to offset adverse fluctuations in foreign currency exchange rates; and

(2) for the fiscal year 1989, such sums as may be necessary.

Amounts appropriated under this subsection are authorized to remain available until expended."

U.S. ARMS CONTROL
AND DISARMAMENT AGENCY,
Washington, March 17, 1987.

Hon. GEORGE BUSH,
President of the Senate.

DEAR MR. PRESIDENT: Enclosed is a draft bill to amend the Arms Control and Disarmament Act to increase the authorization for appropriations for Fiscal Years 1988 and 1989. The United States Arms Control and Disarmament Agency (ACDA) needs an authorization of $32,700,000 for Fiscal Year 1988, and such sums as may be necessary for Fiscal Year 1989. This proposal is made after giving careful consideration to the responsibilities of the Agency including the expanded negotiations mandated by the President. This includes $27,500,000 for ACDA's ongoing programs, and $5,200,000 for the Reduced Enrichment in Research and Test Reactors (RERTR) program.

The above funding request makes provision for arms control negotiations for the full year at a level of activity similar to that experienced during Fiscal Year 1986. This includes provision for primary administrative support by ACDA for the principal bilateral arms control negotiations. The Agency will also continue to supplement State Department support to the Mutual Balanced Force Reduction Talks in Vienna and the Conference for Security and Cooperation in Europe in Vienna, as well as various activities related to nonproliferation.

For the first time ACDA's request includes the provisions for principal administrative support of the Conference on Disarmament in Geneva, in addition to the salary expenses which ACDA has funded in the past. This service was previously provided by the Department of State's International Organization Affairs Bureau.

In support of the RERTR program to advance US nonproliferation objectives, ACDA has requested $5,200,000, which will be used to further research on and development of low-enriched uranium fuels for research and test reactors, and to further implementation of foreign reactor conversions to such fuels. This program was funded through ACDA's appropriation in Fiscal Year 1987 and is not scheduled for completion until Fiscal Year 1990. The Office of Management and Budget has advised that there is no objection to the presentation of this proposal to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

KENNETH L. ADELMAN.●

By Mr. BOREN (for himself, Mr. COCHRAN, Mr. INOUYE, Mr. HEINZ, Mr. NICKLES, Mr. GORE, and Mr. CHILES):

S. 860. A bill to designate "The Stars and Stripes Forever" as the national march of the United States of America; to the Committee on the Judiciary.

DESIGNATING "THE STARS AND STRIPES FOREVER" AS THE NATIONAL MARCH

● Mr. BOREN. Mr. President, today, I am pleased to introduce with my colleagues, Senators COCHRAN, INOUYE, HEINZ, NICKLES, GORE, and CHILES, a bill to designate "The Stars and Stripes Forever" as the national march of the United States of America. This lively, energetic composition by John Philip Sousa has long been recognized around the world as the American march. It captures the energy, exuberance and drive of the American spirit.

While we have a national anthem, we have no official march. "The Stars and Stripes Forever" has been heard on innumerable occasions as we honor our country or express our pride in those who serve it so faithfully. Let's recognize this work which is used so often for our celebrations of America.

What better name of our official march than "The Stars and Stripes Forever?" And who better to author our Nation's official march than John Philip Sousa, America's "March King?" Born in our Nation's Capital in 1854 of Portuguese and German descent, Sousa served 19 years in the U.S. Navy and the U.S. Marine Corps, shaping our military's musical tradition. For 12 years, he led the Marine Band conducting across the country and overseas both in peacetime and war. After leaving the military, Sousa continued to travel with his own band giving concerts that inspired U.S. patriotism and helped strengthen its resolve. In his concerts abroad, Sousa represented our Nation with his spirited compositions, conveying to the world the strength and dynamism of the American people. Sousa always concluded his concerts by playing "The Stars and Stripes Forever." He proudly listed his occupation as "Salesman of Americanism."

It is time now to recognize the place which Sousa's great composition holds in America's heritage. I urge my colleagues to join me as cosponsors of this bill to designate "The Stars and Stripes Forever" as our national march.●

By Mr. DANFORTH (for himself and Mr. ADAMS):

S. 861. A bill to require certain actions by the Secretary of Transportation regarding certain drivers of motor vehicles and motor carriers; to the Committee on Commerce, Science, and Transportation.

TRUCK AND BUS SAFETY ACT

● Mr. DANFORTH. Mr. President, last year the Congress made great strides in improving truck and bus safety by passing the Commercial Motor Vehicle Safety Act of 1986, Public Law 99-570. That legislation prohibits drivers from using a wallet full of licenses to spread bad driving records. In addition, it eliminates the 20 State practice of giving commercial licenses to applicants who may have taken a driving test in nothing more than a subcompact car. It also increases the funding for roadside inspections of trucks and buses.

It was demonstrated at a December 1986 Commerce Committee hearing that even with the new legislation there are a number of truck and bus safety problems that still need to be addressed. Over 5,000 Americans are being killed annually in heavy truck and bus accidents. You can hardly pick up a newspaper or turn on a television without seeing a report of a serious truck or bus accident. The most recent work that has been done in this area is a week-long series in USA Today. I recommend this series and have included excerpts from it in the CONGRESSIONAL RECORD this week. It is well-thought out and researched and brings home the human tragedy that is caused by truck and bus crashes. Other important work that has been done to focus attention on this issue includes a March 15, 1987 "60 Minutes" segment, a NBC Nightly News piece that ran in October 1986, a Readers' Digest article entitled "Killer Trucks," and a Nashville, TN, television piece entitled "Wheels of Misfortune."

These reports focus attention on accidents such as the one that occurred on March 10, 1987, in which a moving van collided with a Maryland State Police car killing two officers. Another example is the March 17, 1987, crash in which a Virginia State trooper was killed by a truckdriver who reportedly fell asleep at the wheel.

Mr. President, we need to do more to prevent such tragedies. For this reason, I am introducing on behalf of myself and Senator ADAMS, the "Truck and Bus Safety Act of 1987." I am pleased that Senator ADAMS has joined me as the primary cosponsor of this legislation. As a former Secretary of Transportation, he is well acquainted with the truck and bus safety problem.

ELIMINATING THE COMMERCIAL ZONE EXEMPTION

Mr. President, our bill would eliminate the commercial zone exemption from the Federal Motor Carrier Safety Regulations [FMCSR]. The FMCSR establish minimum qualification requirements for all commercial drivers and commercial equipment that travel in interstate commerce. These requirements do not apply to drivers in hundreds of metropolitan areas known as commercial zones. Washington, DC's Capital Beltway is an example of one of these commercial zones. According to the American Trucking Associations, approximately 120,000 vehicles pass a given point on the Capital Beltway each day. About 12,000 of these are commercial vehicles and they are involved in more than 11 percent of the accidents on the Capital Beltway. Other examples of exempt commercial zones include Boston, Chicago, Indianapolis, New York, Pittsburgh, Seattle, as well as Kansas City and St. Louis in my home State of Missouri.

Poor safety enforcement within these commercial zones can create major safety problems. The tragic death of two Riverdale, MD, high school students is an example of these problems. The runaway truck that killed those two girls in Maryland was registered in Virginia, but had not been inspected for 3 years by Virginia. The driver-owner was operating under a suspended District of Columbia license and apparently the truck was operated primarily in Maryland. Under the commercial zone exemption, this vehicle could be operated in the District of Columbia, and Montgomery and Prince Georges Counties, without effective safety checks.

NEW SAFETY TECHNOLOGIES—ON BOARD RECORDERS AND ANTILOCK BRAKES

Mr. President, the Commercial Motor Vehicle Safety Act of 1986 was directed primarily at the driver. More needs to be done about motor carrier equipment. Our bill would require Department of Transportation [DOT] rulemakings on two new safety technologies that were discussed at the December 1986 Commerce Committee hearing—devices for monitoring drivers' hours and new braking technologies. While the rulemakings required under this bill would not have to result in the issuance of performance standards, it is presumed that DOT would establish new standards if its investigations show that improvements are warranted.

First, DOT would have to investigate new technologies for monitoring drivers' hours. Many drivers are currently exceeding the Federal driving limits of 60 hours per week and 10 consecutive hours. This contributes to driver fatigue. A 1985 American Automobile Association study of heavy truck accidents found that driver fatigue was the primary factor in 41 percent of the accidents studied and that one-third of the drivers are exceeding the 10-hour limit. As I mentioned at the beginning of my remarks, a Virginia trooper was killed this month by a truck driver who reportedly fell asleep at the wheel.

Currently, drivers are required to record their driving time in logbooks. Some drivers cynically refer to these logbooks as "comic books" because there is widespread falsification of these records. Some cheaters keep two sets of driving records, others simply make up fictitious numbers. According to the Insurance Institute for Highway Safety [IIHS], devices that automatically record drivers' hours have been required in Europe for several years. An October 1986 IIHS petition to DOT to consider requiring these devices in the United States was denied. DOT based its decision on a 1975 study that did not take into account the recent experience with onboard recorders. My bill would require DOT to reopen this issue.

Second, DOT would have to take a good hard look at new developments in motor carrier braking technology. The rulemaking would cover antilock brakes and the compatibility of brakes on trailers and tractors. DOT wrote a rule requiring a primitive type of antilock brake in the mid-1970's. When these primitive antilock brakes failed, the DOT rule was struck down by the courts.

In the intervening years, a new generation of antilock brakes that work very well have been developed and are widely used in Great Britain and on the European Continent. Approximately 80 percent of all new truck trailers over 20,000 pounds sold in the United Kingdom since 1982 have antilock brakes. On the European Continent, 10 percent of the new tractors, trailers, and buses sold in 1986 had antilock brakes and it is anticipated that sales will increase to 20 percent in 1987. The Europeans are putting the finishing touches on an agreement that would require antilock brakes on all new tractors and trailers beginning in 1989 or 1990. Safety deserves as high a priority in this country as it is getting in Europe. Our bill would require DOT to reexamine the issue.

CONCLUSION

Mr. President, I urge all my colleagues to support this important truck and bus safety legislation, and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 861

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Truck and Bus Safety Act of 1987".

SEC. 2. As used in this Act, the term—

(1) "driver" has the meaning given to such term in section 390.11 of title 49, Code of Federal Regulations, as in effect on the date of enactment of this Act; and

(2) "motor carrier" has the meaning given to such term in section 390.15 of title 49, Code of Federal Regulations, as in effect on the date of enactment of this Act.

SEC. 3. (a) Except as provided in subsection (b) of this section, not later than one year after the date of enactment of this Act, the Secretary of Transportation shall, by regulation, amend the regulations contained in parts 390, 391, 392, 393, and 396 of title 49, Code of Federal Regulations, to include within such regulations those motor carriers and drivers operating wholly within a municipality or the commercial zone of a municipality (as defined in part 1048 of title 49, Code of Federal Regulations).

(b) The Secretary shall not apply the provisions of section 391.41 (other than the provisions of section 391.41 (b)(12) and (13)) of title 49, Code of Federal Regulations, to any driver operating wholly within a municipality or the commercial zone of a municipality—

(1) who drove exclusively within such municipality or zone for a period of one year before the date of enactment of this Act,

(2) who was not subject to the provisions of section 391.41(a) and (b)(1) through (11) of title 49, Code of Federal Regulations, during such period,

(3) to whom a license to drive has been issued on or before the date of enactment of this Act, and

(4) who has not been found to have violated a State or local law relating to motor vehicle traffic control (other than a parking violation) in the three-year period ending on the date of enactment of this Act.

until the date on which such person is found to have violated such a State or local law, or such person is disqualified from driving a motor vehicle pursuant to the provisions of title 49, Code of Federal Regulations, for a condition or occurrence arising after the date of enactment of this Act, whichever is earlier.

SEC. 4. (a) Not later than three months after the date of enactment of this Act, the Secretary shall initiate rulemaking proceedings on the need to adopt methods for improving safety, such as vehicle on-board monitoring devices in trucks to record speed, driving time and other information. Any rule which the Secretary determines to promulgate as a result of such proceedings regarding such devices shall insure that such devices are not used for the purpose of harassment of any driver, but such devices may be used for the purposes of monitoring the productivity of any driver.

(b) Not later than three months after the date of enactment of this Act, the Secretary shall initiate rulemaking proceedings on the need to adopt methods for improving braking performance standards for trucks and truck trailers manufactured after July 1, 1987, including faster brake timing, antilock systems and load proportioning valves. Any rule which the Secretary determines to promulgate as a result of such proceedings regarding improved braking performance shall take into account the necessity for effective enforcement of such a rule.

(c) The Secretary shall conclude the proceedings required by this section within nine months after the date of enactment of this Act.●

● Mr. ADAMS. Mr. President, I rise today to express my support for the Truck and Bus Safety Act of 1987, legislation introduced today by Mr. DANFORTH and myself to address a major crisis on our Nation's highways. In 1985 alone, 4,500 people died in accidents involving trucks on U.S. highways. When a truck rig and car collide the driver of the car is 40 times more likely to be killed than the truck driver. More than 1 million heavy trucks travel U.S. highways and one-third of all tractor trailers will be involved in an accident this year, compared with 1 of every 13 cars.

Faulty equipment and driver fatigue account for the great majority of truck accidents. The legislation we introduce today will begin to address these problems. This legislation is only a start, however, and as a U.S. Senator and the former Secretary of Transportation, I will urge thorough and ongoing investigations by Congress and the administration into the causes of the carnage on our highways and further solutions to these problems.

Brakes are the No. 1 equipment problem on trucks today. Although we tried 10 years ago to require America's truckowners to install antilock brakes, then a relatively untried technology, the effort failed. In the meantime, other nations, including Australia and the Common Market countries have pressed ahead, refining and now requiring antilock and other advanced brake technology on heavy trucks. The Truck and Bus Safety Act of 1987 directs the Secretary of Transportation to take up the issue of truck brake standards and consider rulemaking alternatives. The United States has a long way to go to catch up with truck equipment safety standards now commonplace in other western nations.

Economic deregulation of the trucking industry has made it impossible for many truckowners to survive financially without violating or causing their employees to violate hours of service laws. Many drivers are pushing their rigs far beyond federally imposed limits of 10 hours at a stretch following a minimum of 8 hours of rest. Nonstop stints of 24 hours or more at the wheel are not uncommon. Driver fatigue has been found to be a major factor in 40 percent of all truck crashes. This legislation addresses the fatigue problem by requiring the Secretary to investigate the possibility of requiring installation of computerized onboard time of travel recorders on trucks. These would replace the logbook system we now know to be virtually useless as a verification device due to widespread fraud and ineffectual enforcement. Recognizing the understandable concern of labor representatives that these recorders could be used for inappropriate purposes, we have drafted the legislation to require the Secretary of Transportation to asssure that onboard recorders cannot be used for harassment of truckdrivers.

The commercial zone exemption for truck safety compliance is completely without justification. Why should a westbound truck with bald tires or faulty brakes, outlawed on rural Interstate 90, suddenly become legal when the driver arrives within sight of the Seattle Space Needle? The original justification for this exemption is obscure at best. Major industry and labor groups support its abolition. This legislation would close the deadly loophole.

I urge my colleagues to support the Truck and Bus Safety Act of 1987 as a long overdue first step toward reversing the frightening degradation of highway safety. We must confront this problem now and respond decisively.●

By Mr. EVANS (for himself and Mr. SANFORD):

S. 862. A bill to establish more uniform eligibility and benefit levels under the Aid to Families With Dependent Children Program and the Medicaid Program, to provide for greater Federal financial responsibility for such programs, to enhance the employment prospects of recipients of aid to families with dependent children, to provide for a reduced Federal role with respect to certain activities, to provide fiscal capacity grants to States and localities, and for other purposes; to the Committee on Finance.

PARTNERSHIP ACT

Mr. EVANS. Mr. President, I rise to introduce the Partnership Act of 1987 or Pact for short. I am pleased to have my distinguished colleague from North Carolina, Senator SANFORD, join me in offering this proposal. We believe that Pact offers a working draft or blueprint to thoroughly overhaul our Federal, State, and local governmental relationships.

Last year Congressman TOM DOWNEY and I introduced the Federalism Act of 1986. We now offer this substantially revised version of Fact-Pact. Let me make clear that Pact is a second, improved version, but not a final package. Other changes can and will be made.

Most importantly, however, Pact presents a framework for rational consideration of welfare reform proposals. A principal pillar of that framework is the concept of revenue neutrality. Past welfare reform efforts have all foundered on the rocks of excessive cost.

Mr. President, the welfare reform pot—forever simmering—quickly is being brought to a boil. Among the many cooks in the kitchen are Members of Congress, the administration, and interest groups that cover the spectrum of political philosophy. But as often is the case when the kitchen is overstaffed, a key ingredient is overlooked.

Agreement on a final recipe is evolving. Work and training for work are championed by proponents of all stripes as the essence of any reform program. Yet what is abundantly clear is that no program that does not pay for itself will survive the harsh fiscal environment prevailing in Washington. The so-called consensus on reform will be squelched without agreement on paying the tab.

Welfare programs nationwide are failing to help many who desperately need it. A government that cares about equity and fairness cannot allow the present system to remain unchanged. Welfare benefit packages vary up to 500 percent among States. Yet, the pain of hunger is as sharp in those States paying least as in the States providing the most.

Mr. President, we recognize that many of the principles embodied in the emerging reform consensus are not new. That does not mean they are not sound. The poor are not different from the rest of us. They simply have less. If we can come together on a program designed to replace welfare checks with paychecks we will do much to help the least fortunate among us.

Offering help is easy. Providing it is difficult. A consensus on what we do is worthless if we cannot also reach consensus on how we do it.

Mr. President, Pact creates a framework to give welfare reform a chance. Our bill does two things we feel are essential if any Federal effort is to succeed.

First, it sets national minimum welfare benefit levels and increases the Federal share of funding for welfare related programs including AFDC, work training, and Medicaid. Analyses of our proposal show that within 5 years at least 3 million people who currently receive substandard welfare assistance would benefit from increased welfare payments in 24 States.

An extension of the AFDC-UP Program to all States would provide new benefits to 640,000 Americans.

In addition, 2.3 million more poor children would become eligible for medical coverage and an additional 800,000 aged, blind, and disabled Americans becoming Medicaid-eligible. In addition, an estimated 325,000 people by 1992 would be expected to participate in the expanded Medically Needy Program.

Second, Pact provides a way to achieve greater uniformity among States without reaching deeper into the Federal purse. We pay for our proposals by gradually terminating Federal responsibility for a variety of local community development, infrastructure, and personal social services programs which we believe can be operated more efficiently by State or local governments.

For those State and local governments too poor to fund Federal program turnbacks, we sweeten the pot with targeted fiscal capacity grants to both State and local governments. If welfare programs continue to be a joint enterprise of Federal, State, and local governments—as we believe they must be—reform efforts will succeed only if this partnership is recognized and strengthened. Pact would permit States to administer welfare and related programs consistent with their unique circumstances so long as they meet minimum Federal standards.

In total, the 5-year, $50 billion cost of the new benefits conferred equals the cost of the old programs terminated and the new targeted fiscal assistance grants created. Fiscal neutrality—the key to the success of tax reform—would open the door to welfare reform.

In a sense, Mr. President, our turnback proposals simply make more rational a process already in motion. Since 1978, Federal funding for State and local government programs has declined by 41 percent in constant dollars. As long as Federal deficits persist, this trend is likely to continue.

As a nation, we cannot afford to continue tinkering around the edges of our welfare system. Limited aspirations and narrow focus have resulted in miminal improvements. Sometimes we're limited by small dreams. I am convinced that we can only find success by expanding our dreams and proposing bold reform. The mood in Congress, and throughout the Nation, is receptive to change. If we are clever and prudent we can make the necessary changes without spending more money.

Mr. President, I ask that my statement, a description of the bill, a section-by-section analysis, and articles reviewing the proposal be inserted in the RECORD following my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PARTNERSHIP ACT OF 1987 (PACT)[1]

Proposal to Implement the Report, "To Form a More Perfect Union"

BACKGROUND

The Report of the Committee on Federalism and National Purpose set five objectives to reform the intergovernmental system:

More uniform eligibility standards and benefit levels for AFDC, along with greater fiscal responsibility at the federal level.

Work and training for AFDC recipients.

More uniform eligibility standards and benefit levels for Medicaid along with greater fiscal responsibility at the federal level.

Cushioning costs to localities.

Narrowing gaps in the fiscal capacities of states.

The report also sets two conditions:

No increase in the federal budget would result from these measures. Fiscal neutrality would be achieved by turning back existing federal grant programs in the areas of community development, local infrastructure and, selectively, personal social services.

All measures would be phased in gradually.

There are a great many ways in which these objectives can be met. The following proposals present a responsible and realistic plan to start the nation down the road toward meeting all of the Committee's objectives in the coming years. Pact's major components are summarized on List 2 (pg. 12). Financial details of the initial five years of this proposal are outlined in Table 1 (pg. 10).

PROPOSALS

TITLE I. AID TO FAMILIES WITH DEPENDENT CHILDREN

1. More Uniform Eligibility and Benefits for AFDC.—Starting in Year 2 of the program, a federal minimum AFDC benefit would be set for all states. This minimum in Year 2 would be a cash grant which, when combined with the cash value of food stamps, would equal 50 percent of poverty level income. (Note: The proposal does not cash out Food Stamps.) The value of the minimum grant would increase by 2 percent of poverty per year each year thereafter, and would be capped at 90 percent of poverty. The federal financial commitment for the minimum grant would increase from its present average of 55 percent to an 85 percent match in Years 2 through 4 and to a 90 percent match in Year 5, where it would remain. Benefits above that floor would be matched at current rates.

All states would be required to adopt the AFDC-UP program. The costs for the minimum grant would be reimbursed at 85/15 in Years 2 through 4 and 90/10 in Year 5, where it would remain. The federal/state match for benefits above that floor would remain at current rates. States would continue to administer the entire program.

A growing federal minimum grant of this sort gradually would transfer fiscal responsibility for AFDC to the federal government and create uniform eligibility in terms of income criteria. It increasingly would relieve states of substantial fiscal responsibility. By 1992, Pact increases the average monthly AFDC caseload by more than 639,000 people, and raises the benefit levels for more than 3 million people in 24 states.

Pact proposes to begin the process of federalizing in Year 2 of the program because funds available in Year 1 from program terminations are not large enough to accomplish this and other priority purposes.

2. A Strengthened System of Child Support Enforcement.—The Child Support Enforcement Program is a federal, state and local initiative that mandates child support collections from parents who are legally obligated to pay. Its goals include: ensuring parental support for children; fostering familial obligation and responsibility; and helping make families independent of welfare. A strengthened system of child support enforcement, along with a vigorous federal income maintenance program and a strengthened work and training initiative are the three elements crucial to the creation of an effective safety net. Pact would strengthen child support enforcement by establishing:

A child support incentive floor.—The child support incentive floor proposal limits state eligibility for incentive payments to those states that demonstrate a cost effectiveness ratio of 1.4 or above (collections on behalf of AFDC families are at least 1.4 times the cost of achieving these collections). Currently states receive an incentive payment of 6 percent of child support collections, regardless of the cost of collection. By denying payments to less efficient states, this proposal strengthens the incentive for states to increase the effectiveness of their collection efforts.

Mandatory guidelines.—The child support mandatory guidelines proposal requires the use of state guidelines as a rebuttable presumption for setting child support awards. States also are required to periodically review and modify support orders under appropriate circumstances in accordance with the guidelines. Mandatory guidelines would help families stay self-sufficient and independent of welfare. For families already receiving AFDC, the increased income available from large support orders offers a path off welfare or toward a more adequate level of support: families could rely on either a combination of work income and child support in place of welfare benefits or all three in those cases where income from child support and work are insufficient.

3. Work/Training Program for AFDC Recipients.—Along with providing more uniform and adequate welfare benefits, Pact proposes an initiative aimed at enhancing the employment prospects of AFDC recipients. The general characteristics of this program are:

The federal government mandates that states develop and operate a program to encourage and assist AFDC recipients to prepare for, seek and accept work. This mandate is combined with broad state flexibility as to the program's specific design. HHS administers the program at the federal level, with states determining the local administering agency.

States are authorized to require that AFDC recipients participate in offered programs and accept work subject to certain federal minimum standards. Recipients would be exempted from participation because of illness, incapacity, advanced age, full-time student status, or the need to care for an ill or incapacitated household member.

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[1] Pact modifies the Federalism Act of 1986. The major differences between the two bills are detailed on List 3 (page 13). During the 100th Congress, the first year of the implementation plan will be fiscal year 1988.

Other than exempted recipients, participation is mandatory for recipients to whom the work and training program is offered. Recipients who do not participate if the program is offered to them will lose benefits.

States are given the option to determine whether recipients with children age 6 and below must participate, with states defining the cut off age for children 6 and below. However, these recipients will be exempted in the absence of child care and transportation arrangements deemed satisfactory to state administrators.

At state option, recipients no longer eligible for AFDC due to increased income may receive childcare, transportation and other employment-related support services for up to twelve months. States may charge for these services, adopting a sliding scale based on income.

Increased coordination is mandated between the agency administering the work/training program for AFDC recipient and other employment, training and education programs offering services to AFDC recipients.

Funding for state programs is increased in future years, with a portion of the increase tied to the state program's effectiveness in targeting participants with limited education and multiple employment barriers (detailed below).

The above guidelines recognize that it will take states two to three years to phase in this initiative which offers them great latitude to respond to the unique conditions found in each state. The increased costs that this initiative would impose would be financed by an increasing level of federal support. Pact proposes a federal contribution in Year 1 of $500 million, increasing $100 million annually and capped at $1 billion. Year 1 funding would be matched at a 75/25 rate and would be distributed to states on the basis of the eligible caseload. The match would increase in subsequent years to a maximum of 90/10 for states who meet performance standards. These standards would be based on outcomes and take into account the greater difficulties in achieving self-sufficiency that face individuals with limited education or other employment barriers (including a poor work history, disability, the absence of transportation and the inability to read or write), or families with a teenage parent and families with a parent who was under 20 years of age at the birth of the first child.

3. Childcare Services for Low Income and At-Risk Children.—In Year 1, Pact establishes a program of childcare services for abused or neglected children, children in families receiving child protection services and children in low-income families not receiving AFDC. Funding in Year 1 and thereafter is set at $300 million and is distributed to states based on the number of children age 0–14 in poverty and state fiscal capacity.

TITLE II. MEDICAID

1. More Uniform Eligibility and Benefits for Poor Children and Pregnant Women.—In Year 1, all children under 5 years of age living in families with income below the poverty line and all pregnant women living in such families would be eligible for Medicaid. The federal government would pay 80 percent of the Medicaid program cost for these two groups in Year 1, 85 percent in Years 2 through 4 and 90 percent thereafter. The age of eligibility for children would be raised 1 year in each succeeding year: by 1992 all poor children under 9 years of age would be Medicaid eligible. Poor children's eligibility would end at age 16. In 1992, the Act would make about 2.3 million children newly eligible for Medicaid—560,000 children in the first year alone.

Subject to review and approval of Congress, the Secretary of HHS will set minimum uniform nationwide standards of service coverage and reimbursement for these populations. Implementation of this proposal should not await the development of these standards.

This proposal differs from present policy in that it would immediately mandate coverage for all poor children under 5 and would increase the age of eligible children so that all poor children 16 years of age and younger would be covered. It also would mandate Medicaid eligibility through a single income standard, 100% of poverty, rather than through either AFDC eligibility standards or an income requirement based on a level between AFDC standards and 100% of poverty.

2. More Uniform Eligibility for Other Groups.—In Year 3 of the proposal, the following steps would be taken to make eligibility for the medical component of Medicaid more uniform and broader nationwide.

The 14 states (209-b states) that do not provide Medicaid to all SSI recipients would be required to do so.

All persons eligible for but not receiving SSI would be eligible for Medicaid.

All institutionalized persons who are not categorically eligible for Medicaid solely by virtue of the more restrictive income eligibility requirements for this population would be eligible for Medicaid.

All states would be required to institute "Medically Needy" programs.

These would be large steps toward nationwide uniformity which would remedy four significant inequities. By 1992, this provision would make an estimated additional 800,000 aged, blind and disabled Americans Medicaid-eligible. In addition, an estimated 325,000 people by 1992 would be expected to participate in the expanded Medically Needy program.

3. Greater Federalization of Medicaid.—The federal government would increase its reimbursement rate for each state's Medicaid costs (other than the costs for children and pregnant women that are reimbursed at the rate described earlier and the costs for Long Term Care that are reimbursed at current rates) by 2 percentage points per year beginning in Year 3. Federal payments to states would be capped at 90 percent of the Medicaid costs in each state. The Secretary of HHS should set minimum service and reimbursement standards that will be uniform nationwide. However, the increase in the federal share should not await these standards.

TITLE III: TERMINATION OR REDUCTION OF CERTAIN FEDERAL PROGRAMS

1. Overview.—To meet the Federalism Committee's goal of keeping this program fiscally neutral at the federal level, the federal financial role in selected intergovernmental programs would be terminated. Pact proposes a realistic plan which is in line with the Federalism Committee's recommendations. Other combinations of program turnbacks will continue to be explored.

2. Programs to be Terminated or Reduced.—List 1 identifies the intergovernmental programs that are turn back candidates. With the exception of the Rural Electrification Administration, no new funding authority would be granted for any of these programs in Year 1 or in subsequent years. (Obligated funds for prior years are not cancelled.) The Rural Electrification Administration would have reduced funding levels.

3. Current Policy.—What Pact attempts to do rationally and comprehensively is already happening; albeit in haphazard fashion. Since 1978, federal grants-in-aid to state and local governments have declined 41 percent ($75.7 billion in 1978 to $44.5 billion, in 1987 (constant '82 dollars—see Figure A, pg. 15). These trends are likely to continue. Pact directs these random changes into a coherent rational program.

TITLE IV. FISCAL CAPACITY GRANTS TO STATES AND LOCALITIES

1. Overview.—Pact proposes "fiscal capacity grants" to states with very low fiscal capacity—those approximately 15 poorest states which manifestly are incapable of providing public services on a par with the rest of the nation. It also proposes a local assistance program that would target funds to all poor localities even if these localities are in states that do not receive the state grant. The local grant would cushion the impact of program terminations on communities with limited resources in relation to the relative size of the impact. The U.S. General Accounting Office has estimated that such a targeted program is 300 percent more efficient in mitigating fiscal disparities than the old General Revenue Sharing program, at one-half the cost. The framework for these two entitlements is described as follows:

Grants to Localities.—These grants are targeted at those localities most in need. Funds are first allocated to state areas based on total population, tax effort and total taxable resources, and then targeted to local governments based on total population, tax effort and per capita income. Funds are allocated only to those communities with very low per capita incomes as compared to the U.S. average (adjusted for differences in the cost of living). (Eligible localities are: (1). Jurisdictions with per capita incomes below 120 percent of U.S. per capita income and allocations greater than $1 per capita, and (2). Jurisdictions receiving allocations above $25,000. Grants to jurisdictions below $25,000 are then redistributed within county areas.)

The Department of the Treasury will administer the funds on the national level. Commissions consisting of state and local officials in each state will have the option to develop an alternative formula by which to disburse funds within each state. Grants will begin in Year 1 and continue each year thereafter, with the eligibility and amount targeted to each locality to be determined annually. Funding for this entitlement is appropriated at $2 billion annually and will begin in Year 1, continuing each year thereafter.

Fiscal Capacity Grants to States.—These grants will be targeted at those states whose fiscal capacity is below 88 percent of the national average of total taxable resources (TTR). Available funds will be allocated to states falling below 88 percent of the average, in proportion to the extent to which these states' capacity falls below that mark. This measurement will be re-estimated annually. The Treasury Department will administer these funds nationally. Grants to selected states for this entitlement are appropriated at $1.5 billion anually and will begin in Year 3, continuing each year thereafter.

ADDITIONAL PROVISIONS

1. "Hold-Harmless" Provision.—As a result of the mandated state share of costs result-

ing from the changes in Medicaid and AFDC initiated in Years 1 and 2 as detailed above, two states will experience a small increase in state spending that is not offset by additional federal reimbursements. As a result of the increase in the rate of federal reimbursement in Year 2, only one state will face a net increase. The federal government will reimburse those states for the difference between their additional spending and the additional federal reimbursement that occurs in Years 1 and 2.

2. Incentives Rather Than Sanctions.—One of Pact's purposes is to promote the development of quality control systems for both AFDC and Medicaid. These systems would rely on incentives rather than sanctions to encourage efficient state administration of those programs. To this end, Pact proposes a moratorium on quality control sanctions for two years, or at least until the results of the Congressionally mandated National Academy of Sciences study have been implemented.

3. Mandated State Pass-Through to Localities.—For the first five years after the program's enactment, each state will pass through to units of local government a portion of the fiscal relief from the federalization of Medicaid and AFDC. In each state, a ratio is developed that determines the local government's proportion of the total state and local federal aid from the terminated programs identified in this Act. (The pass-through for localities that receive fiscal relief from the federalization of AFDC and Medicaid will be adjusted to reflect this relief.) In the first two years, each state distributes 100 percent of the local government share of the projected federalization savings. In the third year, each state distributes 50 percent, with the pass-through ending in the fourth year.

FISCAL EFFECTS

Pact would be fiscally neutral for the federal government. It represents a reordering of federal priorities, not an increase or decrease in spending. Furthermore, it addresses the concern of local governments that state governments, recipients of the greatest fiscal relief from the federalization of AFDC and Medicaid, would pass through to them a portion of this fiscal relief.

Estimates are currently being developed that detail the size of the program (See Table 1) and the impact on states and localities of the program turnback plan and the fiscal capacity grants.

TABLE 1—PARTNERSHIP ACT OF 1987 ESTIMATED FEDERAL COSTS (in billions)

Year	AFDC	Child support enforcement	Work/training [1]	AFDC savings from C	Kids,[2] pregnant women, Medicaid	General Medicaid	Total A–F	Child care	Local/State fiscal grants	Total Federal increases G–11	Programs turnback reduction	Total Federal costs
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]
1988		(.115)	353	(.019)	1.467		1.686	.300	2.000	3.986	(4.323)	(.337)
1989	2.653	(.162)	.442	(.059)	2.239	.126	5.239	.300	2.000	7.539	(8.244)	(.705)
1990	3.166	(.166)	.533	(.104)	2.604	1.658	7.691	.300	3.500	11.491	(11.796)	(.305)
1991	3.746	(.170)	.625	(.156)	2.965	2.391	9.401	.300	3.500	13.201	(13.525)	(.324)
1992	5.107	(.189)	.717	(.214)	3.869	3.233	12.523	.300	3.500	16.323	(14.571)	(1.752)
FY 1988–1992	14.672	(.802)	2.670	(.552)	13.144	7.408	36.540	1.500	14.500	52.540	(52.459)	.081

[1] Includes WIN offset in CBO baseline for fiscal year 1988–92: $147, $158, $167, $175, and $183 million.

[2] Costs do not include anticipated savings from the Medicaid provision offering states the option to cover poor young children.

LIST 1—PROGRAMS PROPOSED FOR TERMINATION OR REDUCTION

To fund the increased federal commitment, the following programs have been proposed for termination or reduction. This list is tentative. Alternative proposals are being explored.

EPA—Wastewater.
Rural Water Waste Disposal.
UMTA—University Research and Training Grants.
UMTA—Interstate Transfers.
UMTA—Section 9, Formula Grants.
Impact Aid.
Vocational Education.
Chapter 2.
Appalachian Regional Commission.
Economic Development Administration.
Community Services Block Grant.
Urban Development Action Grants.
Community Development Block Grants.
Title XX.
Rural Electrification Administration: Reduce Subsidies.

LIST 2—SUMMARY: THE PARTNERSHIP ACT OF 1987 (PACT)

The Act would redirect in five years over $50 billion in federal spending and would achieve fiscal neutrality by balancing greater federal responsibility in some areas of policy with program terminations in other areas. PACT would:

Create a more rational division of labor among levels of government by reducing the number of shared intergovernmental programs.

Create more uniform eligibility standards and benefit levels for the AFDC and Medicaid programs by: Establishing a national minimum benefit level for AFDC that ultimately would reach 90 percent financing, with the minimum benefit level increasing each year; gradually increasing the percentage of federal funding for Medicaid up to the 90 percent level; and establishing more uniform eligibility standards for both programs, including mandating the AFDC-UP and medically needy programs.

Strengthen the Child Support Enforcement System, making parental obligation a major factor in fulfilling the income needs of AFDC recipients.

Convert welfare programs into job programs—by greatly increasing federal funding to the states for work and training programs and requiring that all AFDC beneficiaries accept assistance, if offered.

Address the special problems of maternal and child health—by making all pregnant women and children under 5 living below the poverty line categorically eligible for Medicaid—and gradually increasing the age of eligibility for all poor children to age 16.

Create a child care program for at-risk children and low income families.

Place greater responsibility for dealing with community development, local infrastructure, and other localized concerns at the state level—by terminating federal support for selected programs.

Address the problem of differences in fiscal capacity among the states—by establishing a system of general revenue supplements to the dozen or more states with the lowest levels of fiscal capacity.

Cushion the effects on local governments of terminating federal programs—by providing general revenue supplements to those localities with the lowest levels of fiscal capacity and a pass through to units of local government of a portion of the fiscal relief states achieve from federalizing AFDC and Medicaid.

LIST 3—DIFFERENCES BETWEEN THE PARTNERSHIP ACT OF 1987 (PACT) AND THE FEDERALISM ACT OF 1986 (FACT)

The Partnership Act of 1987 differs from FACT in the following ways:

PACT initiatives continue beyond 1992, until program goals are met.

PACT does not terminate low income housing; low income housing remains a federally financed function. Title XX is terminated immediately, while subsidies to the Rural Electrification Administration are reduced.

PACT does not include a block grant for long term care. Long term care will continue to be reimbursed at current rates while a more permanent solution to long term care needs is sought.

PACT increases the federal financial contribution to AFDC and Medicaid to 90 percent in FY 1992 and 85 percent in prior years. The federal financial contribution to the Medicaid program for poor children and pregnant women is set at 80 percent in FY 1988, 85 percent in FY 1989–FY1991, and 90 percent in FY 1992.

PACT begins in the third year to make eligibility for Medicaid more uniform and broader nationwide for aged, blind and disabled Americans. Also in that year, the Medically needy program is mandated nationwide and the federal government increases its reimbursement rate for each state's Medicaid costs. (Pg. 6 details the reimbursement rates for other Medicaid components.)

PACT proposes a work and training program for AFDC recipients matched at 75/25 the first year, increased to 90/10 based on performance standards that take into account such factors as the greater difficulties in achieving self-sufficiency that face individuals with multiple employment barriers and families with a teenage parent or with a parent who was under age 20 at the birth of the first child.

PACT proposes to strengthen the child support enforcement system so that parental obligation, along with work and training programs and an invigorated AFDC program, function together to offer recipients adequate income support and to decrease dependence on welfare.

PACT proposes a childcare program for poor families and children at risk. This program is funded at $300 million, with funds distributed to states based on the number of children ages 0-14 in poverty and state fiscal capacity. This program complements the childcare initiative developed in the AFDC work and training initiative.

PACT mandates a state pass-through to local governments of a portion of the fiscal relief achieved from the federalization of the Medicaid and AFDC programs.

PACT makes the fiscal capacity grants to localities a capped entitlement and increases the minimum grant to localities to $25,000. The fiscal capacity grants to states is also a capped entitlement funded at $1.5 billion and targeted at those states falling below 88 percent of the national average of total tax capacity.

PACT offers an incentive rather than sanction approach to quality control.

THE PARTNERSHIP ACT OF 1987 (PACT)—SECTION-BY-SECTION ANALYSIS

A bill to establish more uniform eligibility and benefit levels under the Aid to Families with Dependent Children program and the Medicaid program, to provide for greater federal financial responsibility for such programs, to enhance the employment prospects of recipients of Aid to Families with Dependent Children, to strengthen the child support enforcement system, to provide for a reduced Federal role with respect to certain activities, to provide fiscal capacity grants to states and localities, to provide state federalization savings to localities, and of other purposes.

TITLE 1—AID TO FAMILIES WITH DEPENDENT CHILDREN

To establish more uniform eligibility and benefit levels for the Aid to Families with Dependent Children program and greater federal responsibility for program costs, to enhance the employment prospects of recipients so that they may become self-sufficient through a federal mandate that states develop and operate a program to encourage and assist recipients of Aid to Families with Dependent Children to prepare for, seek and accept work, combined with broad state flexibility as to the specific design of that program, to strengthen child support enforcement and to provide child care services for children in certain families.

Subtitle A—Benefits and Federal participation

Section 101—AFDC Minimum Payment Standards: Effective October 1, 1988, a federal minimum monthly benefit is set for all states. This federal minimum is a cash grant which, when combined with the cash value of Food Stamps, equals 50 percent of the non-farm income official poverty line established by the Office of Management and Budget and revised annually. The value of the minimum grant increases 2 percent of poverty per year each year until it reaches 90 percent. The federal government pays 85 percent of the value of this grant for fiscal years 1989, 1990 and 1991 and 90 percent of the value of this grant for fiscal year 1992 and thereafter. The federal government will reimburse states at current reimbursement rates for amounts above this minimum.

Section 102—Mandatory Provision of Aid with Respect to Dependent Children in Two-Parent Families: As of October 1, 1988, all states are required to adopt the AFDC-UP program. The costs of this program would be reimbursed at the same rate as the regular AFDC program.

Subtitle B—Work-related requirements

Section 111—State Plan Requirements; Registration of AFDC-Applicants and Recipients for Work-Related Counseling, Assessment, and Assignment: AFDC recipients are required to register for work-related counseling and assessment, and assignment to employment related activities designated by a state agency in each state that would consolidate the administration of each state's work-related functions. Current WIN regulations exempting certain populations would be continued, except that states may require the registration of individuals with children under the age of six, but only if childcare and transportation arrangements are available. States also may exempt recipients if participation in the program would not improve their employment prospects. Non-exempted recipients who without good cause do not register or participate in the program if offered to them will lose benefits.

Section 112—Consolidated Administration of Work-Related Programs: The Governor of each state designates the state agency which will administer work-related programs for Title IV-A recipients. This agency registers all recipients and determines the appropriate kind and level of activity and, to the maximum extent possible, provides for increased coordination between the AFDC agency and other employment, training and education programs offering services to AFDC recipients. Such programs include the work incentive program, the work incentive demonstration program, the state's community work experience and supplementation programs, a work demonstration program (under Section 1115), any program under the Job Training Partnership Act, any program of job search and related services, and any other program which could be made available to this population.

The federal government authorizes funds of $500 million for FY88. This grant is increased $100 million annually until FY93 when it is capped at $1 billion. Funds are distributed to states based on eligible caseload. First year funding is matched at a 75/25 rate, and in subsequent years is increased to 90/10 based on the degree of success that states achieve in meeting performance standards that are based on outcomes and that take into account the greater difficulties in achieving self-sufficiency that face individuals with multiple employment barriers, families with a teenage parent and families with a parent who was under age 20 at the birth of the first child. Childcare, transportation and other necessary assistance is matched at the same rate as the rest of the program. The federal government contributes 50 percent to cover administration costs.

Section 113—Optional Coverage of Employment-Related Support Services for Certain Individuals: States have the option to continue payments for childcare, transportation and other employment-related support services for up to 12 months for families whose eligibility for AFDC has ended due to increased levels of income. States may opt to develop a fee schedule for these recipients.

Section 114—Technical, Conforming and Miscellaneous Amendments: The responsibility for administering the WIN program on the national level is transferred from the Department of Labor to the Department of Health and Human Services. Federal assistance is made equal to the applicable percentage of the costs of carrying out the activities determined by the designated state agency.

Section 115—Effective Date: The amendments made by this subtitle take effect October 1, 1987.

Subtitle C—Child support enforcement

Section 121—Incentive Payments to States: State eligibility for incentive payments is limited to those states that demonstrate a cost effectiveness ratio of 1.4 or above for both AFDC and non-AFDC collections. The basic incentive payment will be equal to 6.5 percent of the state's AFDC and non-AFDC collections and in no case exceed 10 percent. This measure takes effect October 1, 1987.

Section 122—Child Support Enforcement Standards: Each state must establish standards for child suport award amounts within the state that meet minimum Federal guidelines and are presumptively applicable in determining amounts in individual cases. This amendment takes effect October 1, 1987.

Subtitle D—Child care services for children in certain families

Section 131—Establishment of the Program: Each state establishes a program of childcare services for abused or neglected children, children in families receiving child protection services and children in low-income families (families with incomes not in excess of 125% of the non-farm income official poverty line established by the Office of Management and Budget) not receiving AFDC. In determining family income, a state must apply the methodology applied under the Food Stamp Act of 1977. At their option, state can apply a maximum resource standard or methodology which cannot be more restrictive than the corresponding resource standard or methodology under the Food Stamp Act of 1977.

Funding for this program begins in FY88 and is set at $300 million. Funds are distributed to states based on the number of children ages 0-14 in poverty and state fiscal capacity. A state may impose a fee for services based on a family's ability to pay, as determined by the state.

Subtitle E—Hold harmless

Section 141—Hold Harmless: The federal government will reimburse states at a 100% rate for amounts expended by them for AFDC in FY89 that are in excess of the amounts expended by them in FY88 for such aid and activities. This provision mandates federal reimbursement to states for the difference between the additional spending attributable in FY89 to the AFDC amendments (other than for the work-related initiative) and the additional federal reimbursements that occur that same year.

TITLE II—MEDICAID

To establish more uniform eligibility and benefit levels for Medicaid, along with greater federal responsibility for program costs.

Section 201—Medicaid Eligibility for Poor Children and Pregnant Women: Starting October 1, 1987, all children under 5 years of age living in families with income below the poverty line and all pregnant women (and during the 60-day period following pregnancy) living in such families would be eligible for Medicaid. The age of eligibility for children will be raised 1 year in each succeeding year. Poor children's eligibility would end at age 16. Resource standards may be applied at state option. However, no such standard or methodology may be more restrictive than the Food Stamp standard or methodology. The Secretary of Health and

Human Services will set minimum nationwide uniform standards of service coverage and reimbursement.

Section 202—Medicaid eligibility for Certain Other Individuals: Starting October 1, 1989, the following groups would be made eligible for the medical component of Medicaid: All persons eligible for but not receiving Medicaid; all institutionalized persons who are not categorically eligible for Medicaid solely by virtue of the more restrictive income eligibility requirements for this population; persons residing in states that do not provide Medicaid to all SSI recipients.

Section 203—Medically Needy Program Required: Starting October 1, 1989, all states are required to institute Medically Needy programs.

Section 204—Federal Medical Assistance Percentage: The federal government will pay 80 percent of the Medicaid costs for poor children and pregnant women in FY88. In FY89-FY91, the federal government will pay 85 percent of the costs. In FY92 and thereafter, the federal government will pay 90 percent of the costs. The federal government will pay current reimbursement rates for costs for long-term care services (skilled nursing facility services, intermediate care facility services, inpatient psychiatric services and home health care services). The state medical assistance percentage to cover Medicaid costs, other than for poor children and pregnant women and for long-term care services will be reduced by 2 percentage points beginning on October 1, 1989. The federal medical assistance percentage shall in no case be less then 50 percent or more than 90 percent.

Section 205—Hold Harmless: The federal government will reimburse states at a 100 percent rate for the costs attributable to the amendments detailed in Title II that a state expends in FY88 and FY89 that are in excess of the amounts expended by a state in FY87. This provision mandates federal reimbursement for the difference between the additional spending attributable to the Medicaid amendments in FY88 and FY89 and the additional federal reimbursements that occur in those years.

Section 206—Quality Control Penalty Moratorium under AFDC and Medicaid: In order to promote the development of quality control systems for AFDC and Medicaid, a two-year moratorium on quality control sanctions shall be instituted.

TITLE III—TERMINATION OR REDUCTION OF CERTAIN FEDERAL PROGRAMS

To provide for a reduced federal role with respect to certain activities.

Section 301—Repeal of Certain Statutes: Effective October 1, 1987, the following provisions of the law are repealed: Appalachian Regional Commission, Economic Development Administration, Urban Mass Transit Interstate Transfer, Urban Mass Transit Formula Grants, Urban Mass Transit Research, Urban Development Action Grant (UDAG), Community Development Block Grant (CDBG), Impact Aid, Chapter 2 of the Education Consolidation and Improvement Act of 1981, Vocational Education, Community Services Block Grants, Wastewater, Rural Water Waste Disposal and Social Services Block Grant.

Section 302—Reduction of Rural Electrification Loans: Beginning October 1, 1987, the total amount of insured loans for a fiscal year may not exceed $596 million, as adjusted on October 1, 1988 and each October 1 thereafter, to reflect the percentage increase or decrease in the Consumer Price Index for the preceding fiscal year over that for the fiscal year that follows. Insured loans shall bear interest at a rate equal to the current average market yield on outstanding marketable obligations of the United States comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 percent.

TITLE IV—FISCAL CAPACITY GRANTS

To establish targeted grant programs to reduce fiscal disparities among state and local governments, and ensure that all communities can provide their citizens with a safety net of basic public services, by providing general purpose fiscal assistance to needy communities.

Section 401—Findings and Purposes: With the same level of tax effort, high fiscal capacity communities can generate twice the tax revenues of low fiscal capacity communities; this unevenness in revenue raising ability is responsible for substantial differences in the level and quality of basic community services; because low-income communities generally have higher concentrations of poor individuals with above average needs for public services, local governments face additional burdens; local governments are further burdened by many unfunded federal mandates; the federal government has the responsibility to help ensure that all citizens enjoy a minimum level of basic human services; it is in the national interest to strengthen the weaker partners in the federal system by lessening the existing fiscal disparities between communities; over all, the current system of federal aid is only mildly targeted to needy state and local governments and does little to lessen fiscal disparities; a well-targeted program of general purpose fiscal assistance, with a moderate funding level, could reduce fiscal disparities between high-income and low-income state and local governments.

Section 402—Definitions and Special Rules of Application: Defines unit of general local government (the county, township, city, Indian tribes and Alaska Native Villages) that are eligible to receive funds, data and other factors to be used in calculating grant allotments (entitlement period, state and local taxes, user charges, fiscal capacity) and other terms required in the civil rights provisions (finding of discrimination, holding of discrimination).

Section 403—Payments to State and Local Governments: Contains technical/administrative provisions relating to the timing of payments and making adjustments to payments as may be required.

Section 404—General Fiscal Assistance Trust Fund: Establishes a General Fiscal Assistance Trust Fund to be administered by the Secretary of the Treasury. $1.5 billion are authorized for payment to state governments and $2.0 billion for payments to units of local government. In addition, $500,000 is authorized to be appropriated to the Department of Commerce for collecting and tabulating data on fees and charges and Total Taxable Resources (TTR), used in calculating grant payments.

Section 405—Qualifications: Imposes certain requirements on grantees, including: (1) they pay prevailing wages to public employees whose salaries are in part paid with grant funds, and (2) imposes Davis-Bacon provisions on construction projects financed with grant funds. Also imposes sanctions for noncompliance.

Section 406—Special Entitlements for Indian Tribes, Alaskan Native Villagers, and the District of Columbia: Provides per capita payments to the District of Columbia, each Indian tribe and Alaskan Native village equal to 150 percent of the per capita amount appropriated for all units of local government.

Section 407—State Area Allocations for Units of General Local Government: Funds for units of local government are allocated among state areas according to a 3-factor formula based on population multiplied by tax effort multiplied by relative fiscal capacity using the total taxable resources (TTR) measure of fiscal capacity. The details of the interstate formula are as follows: (1) no state area receives a payment less than 20 percent of the U.S. average per capita payment, (2) a state's tax effort is revenues (taxes plus fees and charges) divided by its TTR, (3) the total taxable resources of all states is adjusted to reflect the higher cost of living in higher income states, and (4) funds are allocated in proportion to the extent to which a state's TTR is less than 150% of the TTR of all states.

Section 408—Allocations to Units of General Local Government in the Same State: Allocates each state area allotment to units of general local government using a formula based on the population, tax effort and per capita income of each unit of local government. The general tax effort of a unit of local government is defined as revenues collected (taxes plus fees and charges) divided by the income of the unit of local government. However, the revenues of a unit of local government are limited to no more than twice the state average. This provision is intended to prevent extraordinarily large payments to localities that can export a large proportion of local taxes to non-residents because of large shopping centers or industrial parks that yield large revenues relative to population. Local governments whose per capita incomes exceed 120 percent of the U.S. per capita income (adjusted for cost-of-living differences) are ineligible. Per capita payments for the remaining eligible governments increase in proportion to the extent their per capita income is below the 120 percent income eligibility standard.

Section 409—Adjustments of Local Government Allocations Made Under Section 408: Provides adjustments to payments established in Section 408— (1) no local government may receive a per capita payment more than 3 times the national average payment, and (2) if the payment determined in Section 408 is less than $25,000 or less than a $1 per capita, the payment automatically is waived and reallocated to remaining eligible governments.

Section 410—Alternative Distribution of Funds to Local Governments: Establishes a Commission in each state composed of elected local officials to investigate alternative formulas that may better target aid to local governments with high costs of providing for their public service needs and low fiscal capacity. If the Commission finds that a better method of allocating funds can be devised then it may recommend an alternate formula, which if approved by the Governor and the State Legislature, will replace the allocation provisions contained in sections 408 and 409.

Section 411—Allocations to State Governments: Allocates funds to state governments using the same interstate formula as described in Section 407, except that eligibility is limited to only those states whose total taxable resources are below 88 percent of the average taxable resources of all states. In addition, if the formula would allocate less than $1.0 million to any state government, their allotment would be waived and reallocated to remaining eligible state governments.

Section 412—Information Used in Allocation Formulas: Requires that the latest available data be used for calculating grant allotments, that population data be adjusted to reflect under counts from the 1980 census and provides hold harmless provisions for designated major disaster areas.

Section 413—Accountability: Contains the same public hearing provisions that have been required under General Revenue Sharing.

Section 414 through 420—Discrimination: Contains the same antidiscriminatory provisions as have been required under General Revenue Sharing.

Section 421—Audits, Investigations and Reviews: With some exceptions, requires an audit of the state government or unit of local government that receives a payment under this Act.

Section 422—Reports: Requires the same reporting requirements by the Treasury Secretary and grant recipients as was required under General Revenue Sharing.

TITLE V—USE OF STATE FEDERALIZATION SAVINGS

To mandate states passing through to units of local government a portion of the fiscal relief from the federalization of AFDC and Medicaid.

Section 501—Determination of Amounts, Notification of Amounts Saved: The Secretary of Health and Human Services shall determine the amount of funds each state will save due to changes in AFDC and Medicaid made in Titles I and II of this Act and notify each state of such amount by the beginning of each fiscal year.

Section 502—Allotment of Amounts Saved to Units of General Local Government: Each state will pass through to units of local government a portion of the fiscal relief from the federalization of AFDC and Medicaid. In each state, the local government pass through ratio is equal to the ratio of grant funding directly received by local governments from the programs eliminated under Title III of this Act to total funding received by all grants in the state. In the first two years, each state distributes 100 percent of the local government share of the projected savings. In the third year, each state distributes 50 percent, with the pass-through ending in the fourth year.

Section 503—State Use of Amounts Not Alloted to Units of General Local Government: For amounts not allocated to units of general local government, states are required to submit an intended use report describing the goals, objectives and activities for which these funds will be used, the criteria for and administrative methods of distributing the funds, and the geographic area or areas in which these activities will be carried out. Prior to submitting the report, each state shall consult with units of local government about the contents of the report and make the report available for public comment.

Section 504—Definition: A unit of local government is an entity that meets the definition contained in Section 402(a)(1) of this Act.

[From the Christian Science Monitor, Jan. 8, 1987]

A Logical Reform Proposal for Federal Aid

(By Paul E. Peterson, Barry G. Rabe and Kenneth K. Wong)

The federal government should help people rather than places. To help achieve this objective, Washington Sen. Dan Evans and former Virginia Gov. Charles Robb, with the backing of a bipartisan group of legislators, have proposed a sweeping reform.

It would phase out federal funds for local economic development and selected transportation, education, community-service, and block grants to states and localities. The federal funds saved would be used to expand programs serving the poor, the sick, and the disadvantaged.

These proposals constitute the most thoughtful, coherent reform of the federal system since the emergency of the modern system of federal grants.

The national government would divest itself of numerous minor responsibilities and regulations better left to state and local officials. At the same time, the national government would relieve the states of a set of redistributive responsibilities that they are ill equipped to perform.

The reform proposals take into account the fact that states and localities increasingly find themselves in competition with one another for both businesses and prosperous taxpayers. Nearly every city and state seeks economic growth to build its revenue base, employment levels, and property values.

The best way to get it is to provide high-quality community services, such as good schools, roads, parks, and police protection, needed by businesses and citizens alike.

Some states and communities also find it to their advantage to design tax incentives, vocational-training programs, and other policies in ways that entice particular companies and industries.

Since states and localities have such a strong economic and political interest in providing good services and in other ways promoting their own development, there is much to be said for keeping Washington out of the action.

The one kind of general assistance to states and localities desirable in principles is funds directed to the very poorest parts of the United States. This kind of federal aid could help equalize state and local revenues. The Evans-Robb measure contains such "fiscal capacity" grants that target federal funds to needy areas.

It will be difficult, however, to win political acceptance for this part of their proposal. When Congress hands out aid to states and localities, it comes under great political pressure from its membership to make sure that nearly every state and congressional district gets something close to its "fair share."

As a result, the money is dispersed so broadly that areas of genuine need get little more than prosperious communities do. Studies of both revenues sharing and other federal grants consistently show that, up to now, these grants have done very little to shift resources from wealthier to poorer parts of the country.

If such grants cannot be restricted to the neediest areas, it might be better to eliminate these programs altogether. The federal funds saved could then be used to establish national welfare benefit and eligibility standards, national assumption of Medicaid policies, and expanded Medicaid eligibility for children and pregnant women. All are major components of the Evans-Robb proposal.

There are several reason to assign the national government major fiscal responsibility for social-welfare programs.

First and foremost, the amount and quality of welfare help that one receives should depend on need, not location.

Currently, California pays $698 per month to a family of four, while Mississippi pays only $144 per month to a comparable family. In an increasingly integrated economy and society in which differences in per capita personal income among states have steadily declined, this disparity in welfare benefits is a national scandal.

States and localities operate in an increasingly competitive context that makes aid to the poor ever more costly for them.

It is not surprising, therefore, that the beneficiaries of the recent resurgence of state governments have not included poor families; between 1975 and 1986, welfare benefits for a family of four declined in real dollars by 27 percent.

Differences in services to the poor discourage low-income individuals and families from moving to where the jobs are.

A generation ago, welfare benefits were greater in the industrial belt, where unskilled jobs in manufacturing could be found.

Today the welfare benefits are still higher in these states, but most new jobs are now to be found in the Sunbelt. Hence our social-welfare policies discourage those without work from relocating in places where work is most plentiful.

(Paul E. Peterson, Barry G. Rabe and Kenneth K. Wong are authors of "When Federalism Works," published by the Brookings Institution.)

[From the Seattle Times, Jan. 15, 1987]

Cities Attacking the Wrong Target

(By Neal R. Peirce)

Washington.—The city-and-neighborhood lobby rarely resorts to such extreme language. The National League of Cities alerts its members to a "new threat to the federal-local partnership": legislation that would terminate "every remaining city and town program" with potentially "devastating" effects.

The National Neighborhood Coalition sees a "divide and conquer" effort to "pit housing and community-development advocates against health and welfare advocates, as both fight over the shrinking federal pie."

You'd think some cold-hearted Reagan administration federalism formula was the cause of all this. Far from it. What the city and neighborhood people find so dreadful is the swap of functions proposed by the moderate Committee on Federalism and the National Purpose, headed by ex-Gov. and Sen. Dan Evans, R-Wash., and ex-Virginia Gov. Charles Robb (D).

The idea is that states have a spotty, sometimes scandalously poor, record in delivering welfare and medical care to the poor, so the federal government ought to foot 90 percent of welfare and Medicaid costs. In return, the states and local governments would assume total responsibility for a broad range of economic and community-development activities.

A team of Brookings Institution federalism scholars praises the Evans-Robb proposals—now incorporated in legislation sponsored by Evans, Sen. David Durenberger, R-Minn., and Rep. Thomas Downey, D-N.Y.—as "the most thoughtful, coherent reform of the federal system since the emergence of the modern system of federal grants" (Seattle Times, Dec. 31).

The city and neighborhood groups seem to be condemning legislation that would address many federal-system defects. The bill would provide a system of federal-equalization grants to states that lack the taxable wealth to provide service that matches national norms—the Maines, Mississippis and Idahos of America.

And for poor cities or countries, even those within rich states, the bill includes a separate system of fiscal-equalization grants. Its sponsors say it would be 300 percent more efficient in reducing fiscal disparities than the just-abolished general revenue-sharing system, but at half the cost.

The Evans-Robb measure tries to aim at the grinding poverty that darkens the national economic future, imperils millions of children, and hobbles the growth plans of many localities. It would raise the combined welfare and food-stamp benefit level to 50 percent of the poverty level immediately, and 62 percent by 1994.

The "father in the house" welfare-ineligibility rule, which splinters families and injures kids worst of all, would be outlawed. There'd be a firm welfare work rule, and training.

On the medical side, Medicaid coverage would be extended to all poor children under 5, keeping an additional 1.3 million children healthy. Some 286,000 more poor pregnant women would be covered by Medicaid. For local governments, the positive long-term spinoffs of these proposals, in healthier, economically less dependent citizens, could be enormous.

That's why it's perplexing to see San Antonio's Mayor Henry Cisneros, outgoing president of the National League of Cities, suggest that the Evans-Robb proposals might be "a very cynical plot to get the federal government out of the domestic business, other than welfare, completely, and do it at the expense of the cities with the states gladly being part of this bargain."

It is true that some of the cities' most prized programs, including community-development block grants (CDBG), urban-development action grants (UDAG), new housing authorizations, and mass-transit aids, would probably be killed.

But Evans stresses that he and his co-sponsors expect to be "extremely responsive and flexible" in negotiating, with states and localities, which programs would be eliminated to equal the federal government's added welfare and Medicaid costs.

Apparently, Evans' only unalterable condition is that the big swap of functions be "revenue neutral" for the federal budget. Revenue neutrality, he believes, was the secret to passage of tax reform—a bill many thought was impassable, as is federalism reform today.

If they'll make the effort, Evans says, cities can get much stronger support from states, especially governors, than they expect. Cities would have a strong case to lobby their states for a new generation of community-development programs better tailored to local conditions than are federal programs.

In any event, notes co-sponsor Downey, relying on present federal grants is a dangerous course for cities in budget-tight times. He predicts that programs such as UDAG and mass transit "are going to be hacked to ever smaller pieces over the next couple of years anyway."

Evans uses another butchering analogy and warns cities that if they "dig in their heels" and stop a swap, they'll see their programs diminished by salami-like cuts until "they don't have much more than the butt."

There is a kind of irony to the hue and cry raised by the National League of Cities. It tried to bury the Evans-Robb proposal but instead gave it more publicity. Now the real issues can be addressed:

Is it more important that cities, rich and poor alike, get budget backup from Uncle Sam? Or that their most disadvantaged constituents receive minimal welfare and medical care?

And now that Congress has killed general revenue sharing anyway, how important is it to retain—except for cities in the most distress—a direct federal "partnership"? Shouldn't the spotlight shift to the states, to insist that they attend to the needs of their distressed places, both urban and rural?

Turf Threat

(By W. John Moore)

When the Committee on Federalism and National Purpose released its report on welfare and federalism last October, even one of its chairmen conceded that the assembled reporters might have to stifle their yawns.

"You can clear a room almost anyplace by talking about federalism," former Virginia Gov. Charles S. Robb joked at a press conference announcing the study, which proposed a major reshuffling of federal-state welfare functions.

The proposal was introduced during the waning days of the 99th Congress, by Sen. Daniel J. Evans, R-Wash., and Rep. Thomas J. Downey, D-N.Y., and even its supporters expected it to hibernate quietly until other welfare plans were readied in the 100th Congress. But apathy may be welcome after the unexpectedly hostile reception the initiative received.

The legislation called for a revenue-neutral swap of welfare programs, with the federal government paying for almost all medicaid and welfare programs and the states taking responsibility for community and economic development activities.

Some rare reviews were forthcoming. "These proposals constitute the most thoughtful, coherent reform of the federal system since the emergence of the modern system of federal grants," three authors of a recent book on federalism, Paul E. Peterson, Barry G. Rabe and Kenneth K. Wong, wrote in a *Christian Science Monitor* column.

However, the legislation provoked firestorms from two influential groups. Within a few weeks of its introduction, Evans-Downey had been trashed, cursed and castigated by city officials and by the middlemen in the antipoverty pipeline, especially a loose-knit group called the National Neighborhood Coalition (NNC).

"The bill is a 'divide and conquer' strategy which could pit health and welfare advocates against low-income housing and community development advocates," NNC executive director Bud Kanitz warned his troops in a memo.

And during a National League of Cities (NLC) meeting late last year, San Antonio Mayor Henry G. Cisneros, the NLC's president, said the new proposal would continue "the unraveling of the very fabric of federal assistance built up over the years under the Fair Deal and the Great Society." The plan, Cisneros added, "could be viewed as a very cynical plot to, in effect, get the federal government out of the domestic policy business and get it into the welfare business. It would do so at the expense of the cities, with the states gladly being part of the bargain."

At first blush, the proposal would appear unlikely to provoke such harsh responses. The legislation, which is expected to be reintroduced shortly, would redirect more than $20 billion worth of federal spending and require the federal government to run welfare programs. It would impose a national minimum-benefit level for persons covered by medicaid and other poverty-programs, with the federal government paying 90 per cent of the bills. As a result, the amount of assistance that poor families receive would no longer depend solely on where they live.

The kicker is the other part of the bill. To keep it revenue-neutral, which backers believe is crucial in an age of budget austerity, a host of economic development programs would be left to the states.

In the latest version of the Evans-Downey plan, low-income housing programs would remain a federal responsibility. But that belated change may not be enough to halt ongoing attacks on the proposal, especially with other, more grandiose, welfare reforms now on the table.

Moreover, the community groups and cities have done their homework in getting across their opposition to the Evans-Downey proposal. Two co-sponsors of the Downey bill, Reps. Mike Lowry, D-Wash., and Charles B. Rangel, D-N.Y., have now begged off.

Why the blast of arctic air over a plan that its moderate sponsors contemplated as a realistic offer? To understand the rancor, focus not on the substance of the Evans-Downey plan, but the politics. Peterson, director of the governmental studies program at the Brookings Institution, put it this way: "The restructuring of the federal system along the lines suggested by this study would have cut a lot of very specific programs in which interest groups have a very direct stake." Evans-Downey "eliminates the need for the interest groups that were created by these intergovernmental programs," he added.

To some extent, this is a classic turf fight. Interest-group politics continues to thrive in Washington, especially when two powerful constituencies believe their interests are at stake.

City officals have long enjoyed their direct pipelines to Washington, which delivered millions of dollars with no questions asked. Depsite the Reagan Administration's cutbacks and the loss of general revenue sharing, city officials still direct their prayers to Washington, and nothing will induce them to willingly accept state governments as their new benefactors.

Anyone who has seen rural legislators in Illinois or Missouri boo and hiss at the mention of Chicago or St. Louis can understand the mayors' sentiments. But the federal spigot is turned off, and even a Democratic President is unlikely to reopen the pipelines. What the mayors need now is a strong dose of reality.

"The bottom line is clear," Downey said at a recent hearing of the House Ways and Means Subcommittee on Social Security and Family Policy. "Regardless of the Evans-Downey legislation, the federal government in the next 10 to 20 years will be largely out of the direct Washington-to-city grants game. It is an inevitability, and we in Congress are going to have to come to grips with it."

For the clique of interest groups that are experts in urban programs and savvy in the ways of the federal bureaucracy, the Evans-Downey approach threatens not only their clients but their jobs. "Their livelihood depends on these programs," said a congressional aide working on welfare proposals.

As the focus shifts from Washington to the states, the need for a cadre of Washington poverty lobbyists diminishes. But after a career in the nation's capital, few are excited by the prospects of moving to Jefferson City, Mo., or Pierre, S.D.

By Mr. KENNEDY:

S. 863. A bill to provide for the admission of the State of New Columbia into the Union; to the Committee on Governmental Affairs.

NEW COLUMBIA ADMISSION ACT

● Mr. KENNEDY. Mr. President, today I am introducing legislation to grant statehood to the District of Columbia.

The question before us is one of simple justice for the 600,000 citizens of the Nation's capital. Democracy is the issue, and statehood is the answer. Nowhere in America should the principles of democracy be more firmly established than in the District of Columbia. The denial of D.C. representation in Congress condemns citizens of the District to second-class status and makes a mockery of the principles of representative government on which the Nation was founded. The time has come in America's bicentennial year to end the unacceptable status of the District of Columbia as America's last colony.

In the past two decades, Congress has increasingly recognized the injustice perpetrated on the District. We have approved several measures to increase self-determination. The 23d amendment to the Constitution, the Home Rule Act, and the D.C. Voting Rights Amendment were each designed to enfranchise District residents. These measures were important steps in the right direction, but they have failed to achieve the fundamental goal of full citizenship for residents of the District of Columbia.

The D.C. Voting Rights Amendment could have achieved much of what we seek today, but doubts were raised about the approach because the District was not a State, and the amendment was never ratified.

Now, part-way measures and half-hearted initiatives in Congress are no longer enough; the time has come for full rights for the District of Columbia—and that means statehood and nothing less. The residents of the District deserve to be full-fledged Americans, with the same rights and responsibilities as the citizens of every other State.

I believe that the District of Columbia clearly meets the generally accepted requirements for the admission of States to the Union. The three principal conditions are: commitment to the principles of democracy, resources, and population sufficient to support statehood, and the will of the people for statehood.

The active local government and the vigorous participation of D.C. residents in local elections are ample proof of the District's strong commitment to the democratic process.

The District has a thriving private sector and a sound and diverse economic base. It is time to put to rest, once and for all, the shameful myth that the District is nothing more than a collection of Federal monuments, Federal employees, and foreign Embassies. Contrary to popular belief, the District is a thriving private metropolis, 70 percent of whose residents are employed outside the Federal Government.

In addition, the population of the District today is greater than that of Alaska, Delaware, Vermont, or Wyoming. The District supplies more tax revenues to the U.S. Treasury than 12 States. By virtually every measure of comparison, the District meets the test of statehood.

The necessary preliminary steps toward statehood have already been completed. In 1982, the residents of the District convened a constitutional convention and drafted and ratified a State constitution. Althought the proposed constitution generated controversy on some issues, I am confident that, in the deliberations already under way, these issues can be resolved fairly and expeditiously, and present no obstacle to statehood.

Nothing in the D.C. clause or any other provisions of the Constitution forecloses statehood as an option for the District of Columbia. The proposed legislation carves out the Capitol, the White House, and other essential parts of the seat of the Federal Government as a separate and independent area, over which the Congress would continue to exercise its exclusive constitutional jurisdiction.

In addition, article 4, section 3 of the Constitution clearly specifies, in language completely applicable to the District, the authority of Congress to enact legislation admitting new States to the Union.

For generations, the residents of the District of Columbia have borne the burdens and responsibilities of full citizenship, without its rights and privileges. The time has come to end the King George mentality of Congress toward the people of the District, and to remove the unfair cloud of second-class status from the District of Columbia.

I welcome the commitment of the House leadership to bring this statehood legislation to an early vote, and I pledge to do all I can to bring the measure before the Senate as soon as possible after that.

Let me emphasize that the obituaries for this measure in the Senate are premature. I would remind the skeptics that we heard the same forecasts of doom about the D.C. Voting Rights Amendment in 1978—but that measure passed the Senate by the required two-thirds majority of 67 to 32, with the support of half of the Republicans in the Senate, including the then Republican Minority Leader Howard Baker and the current Republican Minority Leader ROBERT DOLE.

In a sense, the task we face in the Senate is easier today than it was in 1978. Statehood requires only a simple majority vote—plus 60 votes for cloture if opponents choose to inflict a filibuster on the Senate.

We must also be sensitive to partisan concerns that the new Senators elected from the District may be in a position to determine which political party controls the Senate. It would be a travesty of justice for the merits of statehood to be perceived as a partisan power play by the National Democratic Party. Similar partisan concerns unnecessarily and arbitrarily delayed statehood for other States in the past, and should not be permitted to do so for the District.

I am confident that leaders of good will in the District and in Congress can find a formula to dispel such partisan concerns and generate the broad bipartisan support that this legislation deserves. May this be the Congress and 1987 the year in which the State of New Columbia becomes the 51st State of the American Union.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 863

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "New Columbia Admission Act".

ADMISSION INTO THE UNION

SEC. 2. Subject to the provisions of this Act, and upon issuance of the proclamation required by section 7(d)(1) of this Act, the State of New Columbia (hereinafter referred to as "the State") is declared to be a State of the United States of America, is declared admitted into the Union on an equal footing with the other States in all respects whatever, and the constitution formed pursuant to the provisions of the initiative measure numbered 3 for District of Columbia Statehood Constitutional Convention, approved May 29, 1982, by duly elected delegates from the District of Columbia, and adopted by a vote of the people of the District of Columbia in the election held on November 2, 1982, is found to be republican in form and in conformity with the Constitution of the United States and the principles of the Declaration of Independence, and is accepted, ratified, and confirmed.

CONSTITUTION

SEC. 3. The constitution of the State of New Columbia shall always be republican in form and shall not be repugnant to the Constitution of the United States and the principles of the Declaration of Independence.

TERRITORY AND BOUNDARIES

SEC. 4. (a) Subject to the provisions of this section, the State of New Columbia shall consist of all of the territory, together with the territorial waters, of the District of Columbia. The State of New Columbia shall not include the National Capital Service Area of the District of Columbia, which is described in subsection (b). As of the date of admission of New Columbia into the Union, the District of Columbia shall consist of the National Capital Service Area.

(b) The National Capital Service Area, subject to the provisions of section 16, is comprised of the principal Federal monuments, the White House, the Capitol Building, the United States Supreme Court Building, and the Federal executive, legislative, and judicial office buildings located adjacent to the Mall and the Capitol Building.

(c) Notwithstanding any other provision of this section or of section 16, the boundaries of the State of New Columbia shall include the District Building.

COMPACT WITH UNITED STATES; CLAIMS TO FEDERAL LANDS AND PROPERTY

SEC. 5. (a) As a compact with the United States, the State and its people disclaim all right and title to any lands or other property not granted or confirmed to the State or its political subdivisions by or under the authority of this Act, the right or title to which is held by the United States or subject to disposition by the United States.

(b)(1) Nothing contained in this Act shall recognize, deny, enlarge, impair, or otherwise affect any claim against the United States, and any such claim shall be governed by applicable laws of the United States.

(2) Nothing in this Act is intended or shall be construed as a finding, interpretation, or construction by the Congress that any applicable law authorizes, establishes, recognizes, or confirms the validity or invalidity of any such claim, and the determination of the applicability or effect of any law to any such claim shall be unaffected by anything in this Act.

(c) No taxes shall be imposed by the State upon any lands or other property now owned or hereafter acquired by the United States.

(d) Notwithstanding any other provision of this Act or any other provision of law, the annual federal payment authorized to be appropriated to the District of Columbia pursuant to section 502 of the District of Columbia Self-Government and Governmental Reorganization Act (D.C. Code, sec. 47-3406) shall be authorized to be appropriated to the State of New Columbia.

STATE TITLE TO LANDS AND PROPERTY

SEC. 6. (a) The State of New Columbia and its political subdivisions shall have and retain title to all property, real and personal, title to which is held by the territory of the District of Columbia.

(b)(1) Subject to paragraph (2), the State of New Columbia is granted, effective upon its admission into the Union, title to all public lands and other public property within the boundaries of the State of New Columbia, title to which is held by the United States immediately prior to admission of the State into the Union.

(2) Any lands and other properties that, as of the date of admission of New Columbia into the Union, are set aside pursuant to law for the use of the United States under any (A) Act of Congress, (B) Executive order, (C) proclamation of the President, or (D) proclamation of the Mayor of the District of Columbia, shall remain the property of the United States.

(c) Not later than five years after the date of admission of New Columbia into the Union, each Federal agency having control over any land or property that is retained by the United States pursuant to subsection (b) of this section shall submit a report to the President and the Congress concerning the need for such land or property. If the President determines that any such land or property is no longer needed by the Federal Government, it shall be conveyed to the State of New Columbia.

(d) All laws of the United States reserving to the United States the free use or enjoyment of property which vests in or is conveyed to the State of New Columbia or its political subdivisions pursuant to this section or reserving the right to alter, amend, or repeal laws relating thereto shall cease to be effective upon the admission of the State of New Columbia into the Union.

ELECTIONS

SEC. 7. (a)(1) Not more than sixty days after the date of enactment of this Act, the President of the United States shall certify such enactment to the Mayor of the District of Columbia. Not more than thirty days after such certification the Mayor of the District of Columbia shall issue a proclamation for the elections, subject to the provisions of this Act, for officers of all State elective offices provided for by the constitution of the proposed State of New Columbia and for two Senators and one Representative in Congress.

(2) In the first election of Senators from the State (pursuant to paragraph (1)) the two senatorial offices shall be separately identified and designated, and no person may be a candidate for both offices. No such identification or designation of either of the two senatorial offices shall refer to or be taken to refer to the terms of such offices, or in any way impair the privilege of the Senate to determine the class to which each of the Senators elected shall be assigned.

(b) The proclamation of the Mayor of the District of Columbia required by subsection (a) shall provide for the holding of a primary election and a general election and at such elections the officers required to be elected as provided in subsection (a) shall be chosen by the people. Such elections shall be held, and the qualifications of voters shall be, as prescribed by the constitution of the proposed State of New Columbia for the election of members of the proposed State legislature. Election returns shall be made and certified in such manner as the constitution of the proposed State of New Columbia may prescribe. The Mayor of the District of Columbia shall certify the results of such elections to the President of the United States.

(c)(1) At an election designated by proclamation of the Mayor of the District of Columbia, which may be the primary or the general election held pursuant to subsection (b), a territorial general election, or a special election, there shall be submitted to the electors qualified to vote in such election, for adoption or rejection, the following propositions:

(A) New Columbia shall immediately be admitted into the Union as a State.

(B) The boundaries of the State of New Columbia shall be as prescribed in the New Columbia Admission Act and all claims of the State to any areas of land or sea outside the boundaries so prescribed are hereby irrevocably relinquished to the United States.

(C) All provisions of the New Columbia Admission Act reserving rights or powers to the United States, including those prescribing the terms or conditions of the grants of lands or other property made to the State of New Columbia, are consented to fully by the State and its people.

(2) In the event the propositions under paragraph (1) are adopted in such election by a majority of the legal votes cast on such submission, the proposed constitution of the proposed State of New Columbia, ratified by the people at the election held on November 2, 1982, shall be deemed amended accordingly.

(3) In the event any one of the propositions under paragraph (1) is not adopted at such election by a majority of the legal votes cast on such submission, the provisions of this Act shall cease to be effective.

(4) The Mayor of the District of Columbia is authorized and directed to take such action as may be necessary or appropriate to ensure the submission of such propositions to the people. The return of the votes cast on such propositions shall be made by the election officers directly to the Board of Elections of the District of Columbia, which shall certify the results of the submission to the Mayor. The Mayor shall certify the results of such submission to the President of the United States.

(d)(1) If the President finds that the propositions set forth in subsection (c)(1) have been duly adopted by the people of New Columbia, the President, upon certification of the returns of the election of the officers required to be elected as provided in subsection (a), shall issue a proclamation announcing the results of such election as so ascertained. Upon the issuance of such proclamation by the President, the State of New Columbia shall be deemed admitted into the Union as provided in section 2 of this Act.

(2) Until the State of New Columbia is admitted into the Union, individuals holding legislative, executive, and judicial offices of the District of Columbia, including the Delegate in Congress from the District of Columbia, shall continue to discharge the duties of their respective offices. Upon the issuance of such proclamation by the President of the United States and the admission of the State of New Columbia into the Union, the officers elected at such election, and qualified under the provisions of the constitution and laws of such State, shall proceed to exercise all the functions pertaining to their offices in, under, or by authority of the government of such State, and offices not required to be elected at such initial election shall be selected or continued in office as provided by the constitution and laws of such State. The Governor of such State shall certify the election of the Senators and Representative in the manner required by law, and the Senators and Representative shall be entitled to be admitted to seats in Congress and to all the rights and privileges of Senators and Representatives of other States in the Congress of the United States.

HOUSE OF REPRESENTATIVES MEMBERSHIP

SEC. 8. The State of New Columbia upon its admission into the Union shall be entitled to one Representative until the taking effect of the next reapportionment, and such Representative shall be in addition to the membership of the House of Representatives as now prescribed by law, except that such temporary increase in the membership shall not operate to either increase or decrease the permanent membership of the

House of Representatives or affect the basis of apportionment for the Congress.

LAWS IN EFFECT

SEC. 9. Upon admission of the State of New Columbia into the Union, all of the territorial laws then in force in the Territory of the District of Columbia shall be and continue in force and effect throughout the State, except as modified or changed by this Act, or by the Constitution of the State, or as thereafter modified or changed by the legislature of the State. All of the laws of the United States shall have the same force and effect within the State as elsewhere in the United States.

CONTINUATION OF SUITS

SEC. 10. (a) No writ, action, indictment, cause, or proceeding pending in any court of the District of Columbia or in the United States District Court for the District of Columbia shall abate by reason of the admission of the State of New Columbia into the Union, but shall be transferred and shall proceed within such appropriate State courts as shall be established under the constitution of the State, or shall continue in the United States District Court for the District of Columbia, as the nature of the case may require. And no writ, action, indictment, cause, or proceeding shall abate by reason of any change in the courts, but shall proceed within the State or United States courts according to the laws thereof, respectively. The appropriate State courts shall be the successors of the courts of the District of Columbia as to all cases arising within the limits embraced within the jurisdiction of such courts, respectively, with full power to proceed with such cases, and award mesne or final process therein, and all files, records, indictments, and proceedings relating to any such writ, action, indictment, cause, or proceeding shall be transferred to such appropriate State courts and shall be proceeded with therein in due course of law.

(b) All civil causes of action and all criminal offenses which shall have arisen or been committed prior to the admission of the State, but as to which no writ, action, indictment, or proceeding shall be pending at the date of such admission, shall be subject to prosecution in the appropriate State courts or in the United States District Court for the District of Columbia in like manner, to the same extent, and with like right of appellate review, as if such State had been created and such State courts had been established prior to the accrual of such causes of action or the commission of such offenses. The admission of the State shall effect no change in the substantive or criminal law governing causes of action and criminal offenses which shall have arisen or been committed, and any such criminal offenses as shall have been committed against the laws of the District of Columbia shall be tried and punished by the appropriate courts of the State, and any such criminal offenses as shall have been committed against the laws of the United States shall be tried and punished in the United States District Court for the District of Columbia.

APPEALS

SEC. 11. Parties shall have the same rights of appeal from and appellate review of final decisions of the United States District Court for the District of Columbia or the District of Columbia Court of Appeals in any case finally decided prior to the admission of the State of New Columbia into the Union, whether or not an appeal therefrom shall have been perfected prior to such admission. The United States Court of Appeals for the District of Columbia Circuit and the Supreme Court of the United States shall have the same jurisdiction in such cases as by law provided prior to the admission of the State into the Union. Any mandate issued subsequent to the admission of the State shall be to the United States District Court for the District of Columbia or a court of the State, as appropriate. Parties shall have the same rights of appeal from and appellate review of all orders, judgments, and decrees of the United States District Court for the District of Columbia and of the Supreme Court of the State of New Columbia, as successor to the District of Columbia Court of Appeals, in any case pending at the time of admission of the State into the Union, and the United States Court of Appeals for the District of Columbia Circuit and the Supreme Court of the United States shall have the same jurisdiction therein, as by law provided in any case arising subsequent to the admission of the State into the Union.

JUDICIAL AND CRIMINAL PROVISIONS

SEC. 12. Effective upon the admission of New Columbia into the Union—

(1) Section 41 of title 28, United States Code is amended in the second column by inserting ", New Columbia" after "District of Columbia".

(2) The first paragraph of section 88 of title 28, United States Code, is amended to read as follows:

"The District of Columbia and the State of New Columbia comprise one judicial district.".

MILITARY LANDS

SEC. 13. (a) Subject to subsection (b) and notwithstanding the admission of the State of New Columbia into the Union, authority is reserved in the United States for the exercise by the Congress of the United States of the power of exclusive legislation, as provided by article I, section 8, clause 17, of the Constitution of the United States, in all cases whatsoever over such tracts or parcels of land as, immediately prior to the admission of the State, are controlled or owned by the United States and held for defense or Coast Guard purposes.

(b)(1) The State of New Columbia shall always have the right to serve civil or criminal process within such tracts or parcels of land in suits or prosecutions for or on account of rights acquired, obligations incurred, or crimes committed within the State but outside of such tracts or parcels of land.

(2) The reservation of authority in the United States for the exercise by the Congress of the United States of the power of exclusive legislation over such lands shall not operate to prevent such lands from being a part of the State of New Columbia, or to prevent the State from exercising over or upon such lands, concurrently with the States, any jurisdiction which it would have in the absence of such reservation of authority and which is consistent with the laws hereafter enacted by the Congress pursuant to such reservation of authority.

(3) The power of exclusive legislation shall vest and remain in the United States only so long as the particular tract or parcel of land involved is controlled or owned by the United States and used for defense or Coast Guard purposes, except that the United States shall continue to have sole and exclusive jurisdiction over such military installations as have been or may be determined to be critical areas as delineated by the President of the United States or the Secretary of Defense.

UNITED STATES NATIONALITY

SEC. 14. No provision of this Act shall operate to confer United States nationality, to terminate nationality lawfully acquired, or to restore nationality terminated or lost under any law of the United States or under any treaty to which the United States is or was a party.

REPEAL OF INCONSISTENT LAWS

SEC. 15. All Acts or parts of Acts in conflict with the provisions of this Act, whether passed by the legislature of the District of Columbia or by Congress, are hereby repealed.

NATIONAL CAPITAL SERVICE AREA

SEC. 16. (a) The National Capital Service Area referred to in section 4 is more particularly described as follows:

Beginning at the point on the present Virginia-District of Columbia boundary due west of the northernmost point of Theodore Roosevelt Island and running due east of the eastern shore of the Potomac River;

thence generally south along the shore at the mean high water mark to the northwest corner of the Kennedy Center;

thence east along the north side of the Kennedy Center to a point where it reaches the E Street Expressway;

thence east on the expressway to E Street Northwest and thence east on E Street Northwest to Eighteenth Street Northwest;

thence south on Eighteenth Street Northwest to Constitution Avenue Northwest;

thence east on Constitution Avenue to Seventeenth Street Northwest;

thence north on Seventeenth Street Northwest to Pennsylvania Avenue Northwest;

thence east on Pennsylvania Avenue to Jackson Place Northwest;

thence north on Jackson Place to H Street Northwest;

thence east on H Street Northwest to Madison Place Northwest;

thence south on Madison Place Northwest to Pennsylvania Avenue Northwest;

thence east on Pennsylvania Avenue Northwest to Fifteenth Street Northwest;

thence south on Fifteenth Street Northwest to Pennsylvania Avenue Northwest;

thence southeast on Pennsylvania Avenue Northwest to John Marshall Place Northwest;

thence north on John Marshall Place Northwest to C Street Northwest;

thence east on C Street Northwest to Third Street Northwest;

thence north on Third Street Northwest to D Street Northwest;

thence east on D Street Northwest to Second Street Northwest;

thence south on Second Street Northwest to the intersection of Constitution Avenue Northwest and Louisiana Avenue Northwest;

thence northeast on Louisiana Avenue Northwest to North Capitol Street;

thence north on North Capitol Street to Massachusetts Avenue Northwest;

thence southeast on Massachusetts Avenue Northwest so as to encompass Union Square;

thence following Union Square to F Street Northeast;

thence east on F Street Northeast to Second Street Northeast;

thence south on Second Street Northeast to D Street Northeast;

thence west on D Street Northeast to First Street Northeast;

thence south on First Street Northeast to Maryland Avenue Northeast;

thence generally north and east on Maryland Avenue to Second Street Northeast;

thence south on Second Street Northeast to C Street Southeast;

thence west on C Street Southeast to New Jersey Avenue Southeast;

thence south on New Jersey Avenue Southeast to D Street Southeast;

thence west on D Street Southeast to Canal Street Parkway;

thence southeast on Canal Street Parkway to E Street Southeast;

thence west on E Street Southeast to the intersection of Canal Street Southwest and South Capital Street;

thence northwest on Canal Street Southwest to Second Street Southwest;

thence south on Second Street Southwest to Virginia Avenue Southwest;

thence generally west on Virginia Avenue to Third Street Southwest;

thence north on Third Street Southwest to C Street Southwest;

thence west on C Street Southwest to Sixth Street Southwest;

thence north on Sixth Street Southwest to Independence Avenue;

thence west on Independence Avenue to Twelfth Street Southwest;

thence south on Twelfth Street Southwest to D Street Southwest;

thence west on D Street Southwest to Fourteenth Street Southwest;

thence south on Fourteenth Street Southwest to the middle of the Washington Channel;

thence generally south and east along the midchannel of the Washington Channel to a point due west of the northern boundary line of Fort Lesley McNair;

thence due east to the side of the Washington Channel;

thence following generally south and east along the side of the Washington Channel at the mean high water mark, to the point of confluence with the Anacostia River, and along the northern shore at the mean high water mark to the northernmost point of the Eleventh Street Bridge;

thence generally south and west along such shore at the mean high water mark to the point of confluence of the Anacostia and Potomac Rivers;

thence generally south and east along the northern side of the Eleventh Street Bridge to the eastern shore of the Anacostia River;

thence generally south along the eastern shore at the mean high water mark of the Potomac River to the point where it meets the present southeastern boundary line of the District of Columbia;

thence south and west along such southeastern boundary line to the point where it meets the present Virginia-District of Columbia boundary;

thence generally north and west up the Potomac River along the Virginia-District of Columbia boundary to the point of beginning.

(b) Where the area in subsection (a) is bounded by any street, such street, and any sidewalk thereof, shall be included within such area.

(c)(1) Any Federal real property affronting or abutting, as of the date of the enactment of this Act, the area described in subsection (a) shall be deemed to be within such area.

(2) For the purposes of paragraph (1) Federal real property affronting or abutting such area described in subsection (a) shall—

(A) be deemed to include, but not limited to, Fort Lesley McNair, the Washington Navy Yard, the Anacostia Naval Annex, the United States Naval Station, Bolling Air Force Base, and the Naval Research Laboratory; and

(B) not be construed to include any area situated outside of the District of Columbia boundary as it existed immediately prior to the date of the enactment of this Act, nor be construed to include any portion of the Anacostia Park situated east of the northern side of the Eleventh Street Bridge, or any portion of the Rock Creek Park.●

ADDITIONAL COSPONSORS

S. 51

At the request of Mr. HATCH, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 51, a bill to prohibit smoking in public conveyances.

S. 261

At the request of Mr. MATSUNAGA, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 261, a bill to authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior.

S. 305

At the request of Mr. LEAHY, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 305, a bill to amend the National School Lunch Act to improve the administration of the commodity distribution program, and for other purposes.

S. 327

At the request of Mr. HATCH, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 327, a bill to provide for civil rights in public schools.

S. 538

At the request of Mr. METZENBAUM, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Michigan [Mr. LEVIN], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 538, a bill to implement the recommendations of the Secretary of Labor's Task Force on Economic Adjustment and Worker Dislocation, and for other purposes.

S. 549

At the request of Mr. HOLLINGS, the names of the Senator from Illinois [Mr. SIMON], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Maryland [Mr. SARBANES], and the Senator from Nevada [Mr. REID] were added as cosponsors of S. 549, a bill to remedy injury to the U.S. textile and apparel industries caused by increased imports.

S. 559

At the request of Mr. CHAFEE, the names of the Senator from Maryland [Ms. MIKULSKI], and the Senator from Oregon [Mr. HATFIELD] were added as cosponsors of S. 559, a bill to require the Administrator of the Environmental Protection Agency to conduct a study of the measures available to reduce the adverse effect discarding or dumping of plastics on land and in the waters have on the environment, including the effects on fish and wildlife; to make recommendations for eliminating or lessening such adverse effects; and to require the Administrator of the Environmental Protection Agency to control the pollution of the environment caused by the discarding of plastics on the land and in water.

S. 560

At the request of Mr. CHAFEE, the names of the Senator from Maryland [Ms. MIKULSKI], and the Senator from Oregon [Mr. HATFIELD] were added as cosponsors of S. 560, a bill to implement the provisions of annex V to the International Convention for the Prevention of Pollution from Ships, as modified by the Protocol of 1978.

S. 596

At the request of Mr. DANFORTH, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 596, a bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes.

S. 668

At the request of Mr. McCLURE, the names of the Senator from Utah [Mr. HATCH], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nevada [Mr. HECHT], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Kentucky [Mr. FORD], the Senator from New York [Mr. MOYNIHAN], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 668, a bill for the relief of Bela Karolyi.

S. 743

At the request of Mr. CHAFEE, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 743, a bill to authorize the Environmental Protection Agency to conduct a study for the purpose of determining the extent to which radon in the Nation's schools poses a threat to children and employees within such schools, and for other purposes.

S. 794

At the request of Mr. METZENBAUM, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 794, a bill to amend chapter 13 of title 18, United States Code, to impose criminal penalties and provide a civil action for damage to religious property and for injury to persons in the free exercise of religious beliefs.

S. 809

At the request of Mr. BYRD, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 809, a bill to provide urgently needed assistance to protect and improve the lives and safety of the homeless.

S. 810

At the request of Mr. BYRD, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 810, a bill to authorize housing assistance for homeless individuals and families.

S. 811

At the request of Mr. BYRD, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 811, a bill to provide health services, mental health services, and job training for homeless individuals and education for homeless children.

S. 812

At the request of Mr. BYRD, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 812, a bill to amend the Food Stamp Act of 1977 to provide urgent relief to improve the nutrition of the homeless, and for other purposes.

S. 813

At the request of Mr. BYRD, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 813, a bill to provide urgently needed assistance to protect and improve the lives and safety of the homeless.

S. 818

At the request of Mr. DOMENICI, the name of the Senator from Oklahoma [Mr. BOREN], was added as a cosponsor of S. 818, a bill to provide permanent authorization for White House Conferences on Small Business.

S. 832

At the request of Mr. DOMENICI, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 832, a bill to provide for improved Federal fiscal procedures.

SENATE JOINT RESOLUTION 15

At the request of Mr. PRESSLER, the names of the Senator from Louisiana [Mr. JOHNSTON], the Senator from Colorado [Mr. WIRTH], the Senator from Georgia [Mr. FOWLER], the Senator from Iowa [Mr. GRASSLEY], the Senator from North Carolina [Mr. HELMS], and the Senator from Utah [Mr. HATCH] were added as cosponsors of Senate Joint Resolution 15, a joint resolution designating the month of November 1987 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 38

At the request of Mr. DOLE, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of Senate Joint Resolution 38, a joint resolution proposing an amendment to the Constitution of the United States to allow the President to veto items of appropriations.

SENATE JOINT RESOLUTION 83

At the request of Mr. BENTSEN, the names of the Senator from Massachusetts [Mr. KENNEDY], the Senator from Hawaii [Mr. INOUYE], the Senator from Illinois [Mr. DIXON], the Senator from Virginia [Mr. WARNER], the Senator from Kansas [Mr. DOLE], the Senator from Illinois [Mr. SIMON], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Nebraska [Mr. EXON], the Senator from California [Mr. WILSON], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 83, a joint resolution designating the week of April 19, 1987, through April 25, 1987, as "National Minority Cancer Awareness Week."

SENATE CONCURRENT RESOLUTION 15

At the request of Mr. HEFLIN, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of Senate Concurrent Resolution 15, a concurrent resolution expressing the sense of the Congress that no major change in the payment methodology for physicians' services, including services furnished to hospital inpatients, under the Medicare program should be made until reports required by the 99th Congress have been received and evaluated.

SENATE CONCURRENT RESOLUTION 20

At the request of Mr. GORE, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of Senate Concurrent Resolution 20, a concurrent resolution to express the sense of Congress that funding for the vocational education program should not be eliminated.

SENATE CONCURRENT RESOLUTION 21

At the request of Mr. LEVIN, his name was added as a cosponsor of Senate Concurrent Resolution 21, a concurrent resolution expressing the sense of Congress in opposition to the proposal by the European Community for the establishment of a tax on vegetable and marine fats and oils and urging the President to take strong and immediate countermeasures should such a tax be implemented to the detriment of U.S. exports of oilseeds and products and inconsistently with the European Community's obligations under the General Agreement on Tariffs and Trade.

At the request of Mr. LEAHY, his name was added as cosponsor of Senate Concurrent Resolution 21, supra.

At the request of Mr. DANFORTH, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Nebraska [Mr. KARNES], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Concurrent Resolution 21, supra.

SENATE CONCURRENT RESOLUTION 27

At the request of Mr. LEVIN, his name was added as a cosponsor of Senate Concurrent Resolution 27, a concurrent resolution stating the sense of the Senate that the U.S. Department of Commerce and Special Trade Representative should initiate investigations of Canadian agricultural subsidies.

At the request of Mr. LEAHY, his name was added as a cosponsor of Senate Concurrent Resolution 27, supra.

At the request of Mr. DANFORTH, the name of the Senator from Nebraska [Mr. KARNES] was added as a cosponsor of Senate Concurrent Resolution 27, supra.

SENATE RESOLUTION 157

At the request of Mr. COHEN, the names of the Senator from Kansas [Mr. DOLE], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Virginia [Mr. TRIBLE], the Senator from Mississippi [Mr. COCHRAN], the Senator from Ohio [Mr. GLENN], the Senator from Hawaii [Mr. INOUYE], the Senator from Massachusetts [Mr. KERRY], the Senator from Alaska [Mr. STEVENS], the Senator from Wisconsin [Mr. KASTEN], the Senator from Utah [Mr. HATCH], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Resolution 157, a resolution expressing the sense of the Senate on continued funding for vocational education.

AMENDMENTS SUBMITTED

COMPETITIVE EQUALITY BANKING ACT

CHAFEE AMENDMENT NO. 49

(Ordered to lie on the table.)

Mr. CHAFEE submitted an amendment intended to be proposed by him to the bill (S. 790) to regulate nonbank banks, impose a moratorium on certain securities and insurance activities by banks, recapitalize the Federal Savings and Loan Insurance Corporation, allow emergency interstate bank acquisitions, streamline credit union operations, regulated consumer checkholds, and for other purposes; as follows:

At the bottom of page 37, add the following:

TITLE II—MORATORIUM ON CERTAIN NONBANKING ACTIVITIES

MORATORIUM ON CERTAIN NONBANKING ACTIVITIES

SEC. 201. (a) Beginning on March 6, 1987, and until one year after the date of enactment of the Competitive Equality Banking Act of 1987—

(1) a Federal banking agency may not issue any rule, regulation, or order that would have the effect of increasing the insurance powers of banks or bank holding companies or banking or nonbanking subsidiaries thereof either with respect to specific banks or bank holding companies or

subsidiaries thereof or generally beyond those expressly authorized for bank holding companies under subparagraphs (A) through (G) of section 4(c)(8) of the Bank Holding Company Act of 1956;

(2) notwithstanding the provisions of section 3(f) of the Bank Holding Company Act of 1956, the Board of Governors of the Federal Reserve System may not approve the acquisition by a bank holding company of any company, including a State-chartered bank, unless the bank holding company has agreed to limit the insurance activities of that company to those permissible under section 4(c)(8). This paragraph shall not apply to the acquisition of a State-chartered bank, including a State-chartered savings bank that upon acquisition would be subject to the Bank Holding Company Act of 1956, pursuant to a reorganization plan under which the stockholders of the bank exchange their shares for shares in a newly created bank holding company which is not a subsidiary of any other company or to the acquisition of a State-chartered bank by a bank holding company that on March 6, 1987, controlled one or more State-chartered banks that have engaged in insurance activities identical to those of the newly acquired institution so long as the bank holding company agrees that it will (A) within 2 years of the consummation of its acquisition of the State-chartered bank, divest or terminate that bank's impermissible insurance activities, and (B) limit the bank's insurance activities during that 2-year period to the renewal of existing policies;

(3) a national bank may not expand its insurance agency activities pursuant to the Act of September 7, 1916 (12 U.S.C. 92), into places where it was not conducting such activities as of March 5, 1987; and

(4) a Federal banking agency may not issue any rule, regulation, or order that would have the effect of increasing real estate powers of banks or bank holding companies or banking or nonbanking subsidiaries thereof.

(b) As used in this section—

(1) the term "bank holding company" has the same meaning as in section 2(a) of the Bank Holding Company Act of 1956; and

(2) the term "Federal banking agency" has the same meaning as the term "appropriate Federal banking agency" has in section 3(q) of the Federal Deposit Insurance Act.

(c) Nothing in this section may be construed to increase or reduce the insurance authority of bank holding companies or banking or nonbanking subsidiaries thereof or of national banks under current law.

BREAUX AMENDMENT NO. 50

Mr. BREAUX proposed an amendment to the bill S. 790, supra: as follows:

Beginning with page 38, line 1, strike out all down through page 41, line 4, and insert in lieu thereof the following:

NATIONAL COMMISSION OF COMPETITIVENESS IN THE FINANCIAL SERVICES INDUSTRY

SEC. 109. (a) Not later than 15 days after the date of enactment of the Competitive Equality Banking Act of 1987, the President shall appoint a National Commission on Competitiveness in the Financial Services Industry. It shall include representatives of—

(1) the Congress;

(2) the Department of the Treasury and the Department of Justice;

(3) the Federal agencies that regulate the banking, thrift, and securities industries;

(4) organizations whose membership is comprised of State regulatory bodies charged with overseeing State-chartered depository institutions as well as insurance underwriters, brokers, and agents;

(5) organizations representing the interests of consumers and the general public; and

(6) representatives of the firms in the financial services industry.

(b) Not later than 4 months after the date of enactment of the Competitive Equality Banking Act of 1987, the Commission shall submit a report to the President and to the Congress, regarding recommendations as to whether and what type of alterations are necessary in regard to the product and service authorities and regulation of financial companies. In preparing this report, the Commission shall address at least—

(1) the impact on the relative competitive positions of commercial banks, thrifts, securities firms, insurance companies, and other financial service providers of such developments as advances in technology, ongoing changes in financial markets, and the emergence of diversified providers of financial services;

(2) the impact on the safety and soundness of depository institutions and other providers of financial services of broadening the range of products and services which they can offer to their customers;

(3) the consequences for the competitiveness of United States financial institutions vis-a-vis foreign institutions and the competitiveness of United States financial markets vis-a-vis foreign financial markets of current United States laws and regulations relating to financial structure;

(4) the benefits which could accrue to consumers, nonfinancial companies, State and local governments, and the economy as a whole as a result of any recommendations regarding changes in the authorities or regulation of companies in the financial services industry, particularly as a result of increased competition and efficiencies; and

(5) changes in the regulation, supervision, and organization of firms in the financial services industry which should accompany a broadening of the range of products and services which they can offer to their customers.

(c) The President shall provide whatever staff or other resources are necessary to facilitate the deliberations and carry out the charge of such Commission.

TITLE II—MORATORIUM ON CERTAIN NONBANKING ACTIVITIES

SEC. 201. (a) Beginning on March 6, 1987, and until March 1, 1988—

(1) a foreign bank or other company covered by section 8(c) of the International Banking Act of 1978 shall not expand any activity in which it is engaged pursuant to that subsection, and no such bank or company shall commence any new activity pursuant to that subsection;

(2) no company organized under the laws of a foreign country shall acquire any additional shares pursuant to section 2(h)(2) of the Bank Holding Company Act of 1956;

(3) a Federal banking agency may not approve the acquisition by any bank holding company or by any insured bank of any entity that would be engaged to any extent whatever in the flotation, underwriting, public sale, or distribution of securities, if that approval would require the agency to determine that the entity to be acquired would not be engaged principally in such activities;

(4) a Federal banking agency may not issue any rule, regulation, or order that would have the effect of increasing the insurance powers of banks or bank holding companies or banking or nonbanking subsidiaries thereof either with respect to specific banks or bank holding companies or subsidiaries thereof or generally beyond those expressly authorized for bank holding companies under subparagraphs (A) through (G) of section 4(c)(8) of the Bank Holding Company Act of 1956;

(5) except as provided in section 3(f) of the Bank Holding Company Act of 1956, the Board of Governors of the Federal Reserve System may not approve the acquisition by a bank holding company of any company, including a State-chartered bank other than a savings bank as defined in section 3(g) of the Federal Deposit Insurance Act, unless the bank holding company has agreed to limit the insurance activities of that company to those permissible under section 4(c)(8). This paragraph shall not apply to the acquisition of a State-chartered bank that upon acquisition would be subject to the Bank Holding Company Act of 1956, pursuant to a reorganization plan under which the stockholders of the bank exchange their shares in a newly created bank holding company which is not a subsidiary of any other company or to the acquisition of a State-chartered bank by a bank holding company that on March 6, 1987, controlled one or more State-chartered banks that have engaged in insurance activities identical to those of the newly acquired insitution so long as the bank holding company agrees that it will (A) within 2 years of the consummation of its acquisition of the State-chartered bank, divest or terminate that bank's impermissible insurance activities, and (B) limit the bank's insurance activities during that 2-year period to the renewal of existing policies;

(6) a national bank may not expand its insurance agency activities pursuant to the Act of September 7, 1916 (12 U.S.C. 92), into places where it was not conducting such activities as of March 5, 1987; and

(7) a Federal banking agency may not issue any rule, regulation, or order that would have the effect of increasing real estate powers of banks or bank holding companies or banking or nonbanking subsidiaries thereof.

(b) As used in this section—

(1) the term "affiliate" has the same meaning as in section 2(j)(2) of the Bank Holding Company Act;

(2) the term "bank holding company" has the same meaning as in section 2(a) of the Bank Holding Company Act of 1956;

(3) the term "Federal banking agency" has the same meaning as the term "appropriate Federal banking agency" has in section 3(q) of the Federal Deposit Insurance Act; and

(4) the term "insured bank" has the same meaning as in section 3(h) of the Federal Deposit Insurance Act.

(c) Nothing in this section may be construed to increase or reduce the insurance authority of bank holding companies or banking or nonbanking subsidiaries thereof or of national banks under current law.

(d)(1) Nothing in this Act shall be construed to deny any State the authority to permit its State-chartered banks to engage in any insurance activity.

(2) In addition, neither the existence of the moratorium nor its expiration shall be

construed to increase, decrease, or affect in any way the existing authority of State-chartered bank subsidiaries of bank holding companies with respect to insurance activities.

(e)(1) Nothing in this section may be construed to prevent a Federal banking agency from issuing any rule, regulation, or order pursuant to its legal authority in existence on the day preceding the date of enactment of this section to expand the securities, insurance, or real estate powers of banks or bank holding companies that are subject to the moratorium established under this section if the effective date of such rule, regulation, or order is delayed until the expiration of such moratorium.

(2) It is the intent of the Senate, through the Committee on Banking, Housing, and Urban Affairs, to conduct a comprehensive review of our banking and financial laws and to make decisions on the need for financial restructuring legislation in the light of today's changing financial environment both domestic and international.

(3) It is the intent of the Senate not to renew or extend the moratorium established under this section whether or not subsequent banking legislation is passed by the Congress.

DIXON (AND OTHERS) AMENDMENT NO. 51

Mr. DIXON (for himself, Mrs. KASSEBAUM, Mr. GRASSLEY, Mr. MCCLURE, Mr. MCCONNELL, Mr. BOSCHWITZ, Mr. PRYOR, Mr. SYMMS, Mr. DURENBERGER, Mr. COCHRAN, Mr. HARKIN, Mr. PRESSLER, and Mr. MATSUNAGA) proposed an amendment to the bill S. 790, supra; as follows:

At the appropriate place, insert the following new section:

LOAN LOSS AMORTIZATION FOR AGRICULTURAL BANKS

SEC. . Section 13 of the Federal Deposit Insurance Act (12 U.S.C. 1823) is amended by adding at the end thereof the following:

"(j)(1) The appropriate Federal banking agency shall permit an agricultural bank to take the actions referred to in paragraph (2) if it finds that there is no evidence that fraud or criminal abuse on the part of the bank led to the losses referred to in paragraph (2).

"(2)(A) Any loss on any qualified agricultural loan that an agricultural bank would otherwise be required to show on its annual financial statement for any year between December 31, 1983, and January 1, 1992, may be amortized on its financial statements over a period of not to exceed 10 years, as specified in regulations issued by the appropriate Federal banking agency.

"(B) An agricultural bank may reappraise the value of any real estate or other property, real or personal, that it acquired coincident to the making of a qualified agricultural loan and that it owned on January 1, 1983, and any such additional property that it acquires prior to January 1, 1992. Any loss that such bank would otherwise be required to show on its annual financial statements as the result of such reappraisal may be amortized on its financial statements over a period of not to exceed 10 years, as specified in regulations issued by the appropriate Federal banking agency.

"(3) The appropriate Federal banking agency may issue regulations implementing this subsection with respect to banks that it supervises.

"(4) As used in this subsection—

"(A) the term "agricultural bank" means a bank—

"(i) the deposits of which are insured by the Federal Deposit Insurance Corporation:

"(ii) which is located in an agricultural area the economy of which is dependent on agriculture;

"(iii) which has assets of $100,000,000 or less; and

"(iv) (I) which has at least 25 percent of its total loans in qualified agricultural loans; or

"(II) which has fewer than 25 percent of its total loans in qualified agricultural loans but which the appropriate Federal banking agency or State bank commissioner recommends to the Corporation for eligibility under this section, or which the Corporation, on its motion, deems eligible; and

"(B) the term "qualified agricultural loan" means a loan made to finance the production of agricultural products or livestock in the United States, a loan secured by farmland or farm machinery, or such other category of loans as the appropriate Federal banking agency may deem eligible.

"(5) As a condition of eligibility under this subsection, the agricultural bank must agree to maintain in its loan portfolio a percentage of agricultural loans which is not lower than the percentage of such loans in its loan portfolio on January 1, 1986.".

METZENBAUM AMENDMENTS NOS. 52 AND 53

Mr. METZENBAUM proposed two amendments to the bill S. 790, supra; as follows:

AMENDMENT NO. 52

At the end of the bill, add the following:

TITLE VII—CHECK CASHING

SHORT TITLE

SEC. 701. This title may be cited as the "Fair Access to Check Cashing Act".

CHECK CASHING

SEC. 702. (a) A depository institution which, in the ordinary course of business, cashes checks for customers, shall cash any check issued by the United States Government, any State, any unit of local government, or any agency thereof, if the consumer presenting the check—

(1) is the individual to whom the check has been issued; and

(2) is registered with the depository institution pursuant to subsection (b).

(b) The Board shall promulgate regulations governing registration under this section. The regulations shall require, but need not be limited to, the following:

(1) Every such depository institution shall provide for registration in all of its offices.

(2) Registration shall be by means of an application containing the application date, and the name, address, date of birth, social security number, and handwritten signature of the applicant as well as any other information the Board may deem necessary, or by any other method the Board may approve.

(3) Every depository institution shall have the authority to verify the information required to be submitted by the applicant.

(4) Verification shall be completed within thirty days of receipt of the application.

(5) Upon verification, the applicant shall be considered registered, and shall be provided by the depository institution with an identification card in such form as the Board may approve.

(6) The depository institution may restrict the cashing of any check presented in accordance with subsection (a) only to the office that the application was submitted to, except that all offices of the depository institution must cash any check presented in accordance with subsection (a) if the person presenting the check also presents a reliable piece of identification which includes a photograph.

(7)(A) A depository institution may assess a charge for issuing an identification card, in an amount not in excess of the actual cost incurred in processing the application and issuing the card, as determined to be fair and reasonable by the Board.

(B) No charge may be assessed for cashing checks pursuant to subsection (a).

POSTING OF NOTICES

SEC. 703. Every depository institution shall post a conspicuous notice in the appropriate area of each location where deposits are accepted that informs consumers that check cashing services pursuant to section 702 of this title are available. The notice shall clearly explain the material features and limitations of check cashing services so that consumers can reasonably be expected to understand the terms offered.

REGULATIONS

SEC. 704. The Board shall prescribe regulations necessary to carry out the provisions of this title. In promulgating such rules and regulations, the Board may obtain upon request the views of any other Federal agency that exercises regulatory or supervisory functions with respect to depository institutions subject to this title.

ADMINISTRATIVE ENFORCEMENT

SEC. 705. (a) Compliance with the requirements imposed under this title shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, by the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks) by the Board; and

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 5(d) of the Home Owners' Loan Act of 1933, section 407 of the National Housing Act, and sections 6(i) and 17 of the Federal Home Loan Bank Act, by the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation), in the case of any institution subject to any of those provisions; and

(3) the Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any Federal credit union or insured credit union.

(b)(1) For purposes of the exercise by any agency referred to in subsection (a) of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this title shall be deemed to be in violation of a requirement imposed under that Act.

(2) In addition to its powers under any provision of law specifically referred to in subsection (a), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under this title, any other authority conferred on it by law.

(c) The authority of the Board to issue regulations under this title does not impair the authority of any other agency designated in this section to make rules respecting its own procedures in enforcing compliance with requirements imposed under this title.

CIVIL LIABILITY

SEC. 706. (a) Any depository institution that fails to comply with any requirement imposed under this title or any regulation adopted pursuant to this title with respect to any person shall be liable to such person in an amount equal to the sum of—

(1) any actual damage sustained by such person as a result of the failure; and

(2)(A) in the case of an individual action, such additional amount as the court may allow, except that liability under this subparagraph shall not be less than $100 nor greater than $1,000; or

(B) in the case of a class action, such additional amount as the court may allow, except that—

(i) as to each member of the class, no minimum recovery shall be applicable; and

(ii) the total recovery under this subparagraph in any class action or series of class actions arising out of the same failure to comply by the same depository institution shall not be more than the lessor of $500,000 or 1 percent of the net worth of the depository institution.

(b) In determining the amount of award in any class action, the court shall consider, among other relevant factors—

(1) the amount of any actual damages awarded;

(2) the frequency and persistence of failures of compliance;

(3) the resources of the depository institution;

(4) the number of persons adversely affected; and

(5) the extent to which the failure to comply was intentional.

(c) Upon application by an aggrieved party, the appropriate United States district court or any other court of competent jurisdiction may grant such equitable and declaratory relief as is necessary to enforce the requirements imposed under this title.

(d) In the case of any successful action under subsection (a) or (c), the costs of the action, together with a reasonable attorney's fee as determined by the court, shall be added to any damages awarded by the court under such section.

(e) No provision of this title imposing liability shall apply to any act done or omitted in good faith in conformity with any official rule, regulation, or interpretation or approval by an official or employee of the Federal Reserve System duly authorized by the Board to issue such interpretations or approvals under such procedures as the Board may prescribe therefor, notwithstanding that after such act or omission has occurred, such rule, regulation, interpretation, or approval is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

(f) Any action under this section may be brought in the appropriate United States district court without regard to the amount in controversy, or in any other court of competent jurisdiction. No such action shall be brought later than one year after the date of the occurrence of the violation.

DEFINITIONS

SEC. . For the purpose of this title—

(1) the term "consumer" means a natural person;

(2) the term "check" means any check, share draft, negotiable order of withdrawal, or other similar means of making payment or transfers to third parties or other;

(3) the term "depository institution" has the meaning given such term in clauses (i), (ii), (iii), (iv), (v), and (vi) of section 19(b)(1)(a) of the Federal Reserve Act;

(4) the term "Board" means the Board of Governors of the Federal Reserve System; and

(5) the term "office" includes the home office of a depository institution and any office approved as a branch of the depository institution by its Federal or State supervisory agency, but excludes freestanding automated teller machines and other electronic terminals.

AMENDMENT NO. 53

At the appropriate place in the bill insert the following:

ADJUSTABLE MORTGAGE CAPS

SEC. . (a) An adjustable rate mortgage loan that is originated by a creditor shall include a limitation on the maximum interest rate that may apply during the term of the mortgage loan.

(b) The Board of Governors of the Federal Reserve System shall prescribe regulations to carry out the purposes of this section.

(c) Any violation of this section shall be treated as a violation of the Truth in Lending Act and shall be subject to administrative enforcement under section 108 or civil liability under section 130 of such Act, or both.

(d) For the purpose of this section—

(1) the term "creditor" means a person who regularly extends credit for personal, family, or household purposes; and

(2) the term "adjustable rate mortgage loan" means any loan secured by a lien on a one to four family dwelling unit, including a condominium unit, cooperative housing unit, or mobile home, where the loan is made pursuant to an agreement under which the creditor may, from time to time, adjust the rate of interest.

HEINZ (AND OTHERS) AMENDMENT NO. 54

Mr. HEINZ (for himself, Mr. SARBANES, Mr. SANFORD, Mr. GARN, Mr. DODD, Mr. ARMSTRONG, Mr. D'AMATO, Mr. DIXON, Mr. ADAMS, Mr. STENNIS, Mr. RIEGLE, Mr. GRAHAM, Mr. KASTEN, Mr. DECONCINI, Mr. COCHRAN, Mr. EVANS, and Mr. BOND) proposed an amendment to the bill S. 790, supra; as follows:

At the end of the bill, add the following new title:

TITLE VII: FULL FAITH AND CREDIT OF FEDERALLY-INSURED FINANCIAL DEPOSITORY INSTITUTIONS

SEC. 701. The Congress finds and declares that—

(a) Since the 1930s, the American people have relied upon federal deposit insurance to ensure the safety and security of their funds in federally insured depository institutions; and

(b) The security of such funds is an essential element of the American financial system.

SEC. 702. In view of the findings and declarations of subsections (a) and (b) of section 701, therefore, it is the sense of the Congress that it reaffirm that deposits up to the statutorily prescribed amount, in federally insured depository institutions are backed by the full faith and credit of the United States.

DANFORTH (AND PRESSLER) AMENDMENT NO. 55

Mr. DANFORTH (for himself and Mr. PRESSLER) proposed an amendment to the bill S. 790, supra; as follows:

On page 7, line 17, delete the closing quotation mark and final period, and insert in lieu thereof the following:

"An institution which became a bank as a result of enactment of the Competitive Equality Banking Act of 1987 and which was acquired by a company prior to March 6, 1987 may be retained by such company for up to four years from such effective date."

HARKIN AMENDMENT NO. 56

Mr. HARKIN proposed an amendment to the bill S. 790, supra; as follows:

On page 108, between lines 19 and 20, insert the following:

LIQUIDATION PROCEEDINGS

SEC. 408. Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended by adding at the end thereof the following:

"(m) The Corporation shall fully consider the adverse economic impact on local communities, including businesses, and farms of actions to be taken by it during the administration and the liquidation of loans of a closed bank. The actions include the release of proceeds from the sale of products and services for family living and business expenses and shortening the undue length of the decision-making process for the acceptance of offers of settlement contingent upon third party financing. The Corporation shall adopt and publish procedures, and guidelines to minimize adverse economic effects caused by its actions on individual debtors in the community.

PROXMIRE AMENDMENT NO. 57

Mr. PROXMIRE proposed an amendment to the bill S. 790, supra; as follows:

On page 6, strike out lines 1 through 7, as amended by the Proxmire-Garn amendment, and insert in lieu thereof the following:

"(H) an industrial loan company, industrial bank, or other similar institution which—

"(i) is chartered under the laws of a State which on March 5, 1987, had in effect or under consideration on its legislature a statute which required or would require such institution to obtain insurance under the Federal Deposit Insurance Act; and

"(I) does not accept demand deposits that the depositor may withdraw by check or similar means for payment to third parties;

"(II) has total assets of less than $100,000,000; or

"(III) is not acquired by a company; or

"(ii) does not, directly or indirectly or through an affiliate, engage in any activity in which it was not lawfully engaged as of March 5, 1987.

No institution shall retain the exemption provided by this subparagraph if it permits any overdraft, including any intra-day overdraft, or incurs any such overdraft in its account at a Federal reserve bank, on behalf of an affiliate, unless such overdraft results from an inadvertent computer or accounting error that is beyond the control of the institution and affiliate.

On page 19, lines 4, 5, and 6, strike out "until one year after the date of enactment of the Competitive Equality Banking Act of 1987" and insert in lieu thereof "until March 1, 1988".

On page 33, in the new subsection (b) of section 106, as added by the Proxmire-Garn amendment, strike out "one year after the date of enactment of the Competitive Equality Banking Act of 1987" and insert in lieu thereof "on March 1, 1988".

On page 86, strike out section 313, relating to the powers of the Federal Savings and Loan Insurance Corporation, as added by the Proxmire-Garn amendment.

On page 108, strike out section 408, relating to the authority of the Federal Deposit Insurance Corporation, as added by the Proxmire-Garn amendment.

On page 86, line 24, delete the word "and".

On page 87, line 2, strike the period and insert, in lieu thereof, the following:

"and liberal extension of forbearance with respect to net worth requirements for institutions that have made supervisory acquisitions."

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding the following hearings:

Oversight hearing on the final report of the Garrison Unit Tribal Advisory Committee, on Tuesday, March 31, 1987, in Senate Russell 485, beginning at 2 p.m.;

Oversight hearing on the Indian Self-Determination and Education Assistance Act, Public Law 93-638, on Wednesday, April 8, 1987, in Senate Russell 485, beginning at 2 p.m.; and

General oversight of Indian Economic Development Conditions, on Thursday, April 9, 1987, in Senate Dirksen 628, beginning at 9:30 a.m.

Those wishing additional information should contact the committee at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a joint hearing with the Foreign Relations Committee. The committees are to meet during the session of the Senate on March 26, 1987, for Senate consideration of the ABM Treaty in 1972 and constitutional implications.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Thursday, March 26, 1987. To continue joint hearings with the Committee on the Judiciary on Senate consideration of the ABM Treaty in 1972 and constitutional implications.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEES ON CONVENTIONAL FORCES AND ALLIANCE DEFENSE, AND PROJECTION FORCES AND REGIONAL DEFENSE

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Subcommittees on Covnentional Forces and Alliance Defense, and Projection Forces and Regional Defense, of the full Committee on Armed Services, be authorized to meet during the session of the Senate on Thursday, March 26, 1987, at 2 p.m., in open joint session to receive testimony on Navy aviation programs in review of the Department of Defense authorization request for fiscal years 1988 and 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES AND NUCLEAR DETERRENCE

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces and Nuclear Deterrence, of the full Committee on Armed Services, be authorized to meet during the session of the Senate on Thursday, March 26, 1987, in closed session to receive testimony on anti-satellite capabilities under development in the Department of Defense, in review of the fiscal years 1988 and 1989 Department of Defense authorization request.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON COMMUNICATIONS

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Subcommittee on Communications, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on March 26, 1987, at 2 p.m. to hold hearings on proposed legislation authorizing funds for the National Telecommunications and Information Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AVIATION

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Subcommittee on Aviation, of the Committee on Commerce, Science and Transportation, be authorized to meet during the session of the Senate on March 26, 1987 to hold oversight hearings on the Federal Aviation Administration and on proposed legislation autorizing funds for the airport and airway trust fund.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Subcommittee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on March 26, 1987, at 2 p.m. to hold a hearing on payment-in-kind certificates.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AGRICULTURAL CREDIT

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Subcommittee on Agricultural Credit of the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Thursday, March 26, 1987, to hold hearings on legislative proposals for dealing with the problems confronting the Farm Credit System.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, March 26, 1987, at 2:30 p.m. to consider testimony concerning the current status of renewable energy technologies in our national energy policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS, AND THE SUBCOMMITTEE ON WESTERN HEMISPHERE AND PEACE CORPS AFFAIRS

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Subcommittee on Foreign Relations and the Subcommittee on Western Hemisphere and Peace Corps Affairs thereof, be authorized to meet during the session of the Senate on Thursday, March 26, 1987, at 2 p.m. to hold a brief business meeting and to consider the fiscal year 1988 authorization request for the Peace Corps.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL FINANCE AND MONETARY POLICY

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Subcommittee on International Finance and Monetary Policy of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 26, 1987, to conduct oversight hearings on exchange rates.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PATENTS, TRADEMARKS, AND COPYRIGHTS

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary be authorized to meet during the session of the Senate on March 26, 1987, at 2 p.m., to consider the Industrial Innovation and Technology Act, S. 791.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. **PROXMIRE**. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on March 26, 1987, to hold hearings on proposed legislation relating to the Government's role in economic competitiveness.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

SUBCOMMITTEE ON LABOR AND SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources, Subcommittee on Labor and Subcommittee on Employment and Productivity, be authorized to meet during the session of the Senate on Thursday, March 26, 1987, to resume joint hearings on S. 538, to implement the recommendations of the Secretary of Labor's Task Force on Economic Adjustment and Worker Dislocation.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, March 26, 1987, to resume hearings to review catastrophic health insurance issues, focusing on the role of private insurance and financing alternatives for catastrophic protection.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Subcommittee on Environmental Protection, Committee on Environment and Public Works be authorized to meet during the session of the Senate on March 26, 1987, to conduct a hearing on State and local government control efforts in nonattainment areas.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BYELORUSSIAN INDEPENDENCE DAY

● Mr. **BRADLEY**. Mr. President, I am honored to join many of my colleagues in the United States Senate to pay tribute to the nearly 1 million American citizens of Byelorussian descent on the occasion of the 69th anniversary of the declaration of independence of the Byelorussian Democratic Republic. I applaud the spirit of the Byelorussian people in their struggle for freedom, human dignity, and national independence.

The Byelorussian Democratic Republic declared independence from Russia on March 25, 1918. On January 1, 1919 the Bolshevik government created its own puppet state, the Byelorussian Soviet Socialist Republic [BSSR], and began to wage war against the independent Byelorussian Democratic Republic. In 1921, independent Byelorussia was conquered and divided between the Soviet Union and Poland. Although Byelorussian sovereignty was short lived, the Byelorussian people have lost neither their love of freedom nor the pride in their separate identity.

After the invasion, the Soviets immediately commenced to eradicate the Byelorussian language, cultural values, artistic traditions and religion. Russian colonizers flooded Byelorussia, usurped ruling positions and degraded the resident Byelorussians to second-class citizens. Agricultural and industry were nationalized by force and thousands of writers, teachers, state officials, scholars, physicians, lawyers, and even students were sent to Siberian prisons and concentration camps. With only a few token exceptions, books, magazines, and newspapers with Byelorussian content were destroyed. The Byelorussian language was replaced by the Russian language in government, schools and publications, and the names of towns and institutions were dedicated to Russians. Historic monuments and churches were also destroyed in a further attempt to extinguish Byelorussian culture.

Soviet persecution of those who desire to emigrate or monitor compliance to international human rights agreements continues today. On this day of celebration, let us speak out for those like Mikhail Kukobaka, a longtime prisoner of conscience who following the "February Decrees" on prison releases, was transferred from the Perm labor camp to a local prison in Vitebsk, where the authorities are trying to get him to sign a statement of recantation that he will "refrain from activities causing harm to the Soviet State." Kukobaka refuses to sign the statement and continues to insist on three points—that his case be reviewed, that he be rehabilitated and be immediately granted permission to emigrate abroad. At this time Mikhail Kukobaka remains in his prison cell. Mikhail Kukobaka and thousands of Soviet refusniks are being persecuted for no crime except the love of freedom and the desire to emigrate from the Soviet Union.

The national spirit of the Byelorussian people strongly thrives today despite the attempts of the Soviet Union to dominate their lives. They are a people who are not willing to submit to their powerful adversary. The United States must continue to recognize the plight of the Byelorussian people and actively demonstrate against Soviet domination. We as a nation, must not forget our struggle for freedom, and on this day of recognition, let us rededicate ourselves to the cause of freedom as we support those who are speaking out against oppression. I join my colleagues in praising the spirit of the Byelorussian people and in deploring human rights violations inflicted on these courageous people in their quest for freedom and dignity.●

S. 598, THE MEDICAID COMMUNITY SPOUSE PROTECTION ACT OF 1987

● Mr. **DURENBERGER**. Mr. President, I rise today to draw attention to the Medicaid Community Spouse Protection Act of 1987 which I have cosponsored with my good friend and colleague Senator MITCHELL. This bill addresses a serious flaw in Medicaid regulations that often results in the impoverishment of the spouse of an institutionalized individual who is a Medicaid beneficiary.

Consider a fairly typical elderly couple. The husband has worked steadily all of his life and receives a modest but adequate pension in addition to his Social Security benefits. The wife has spent her life raising their children and taking care of their home and is therefore dependent on the benefits received by her husband. The husband is taken ill and admitted to a nursing home for an extended stay. Because nursing home costs are so high, it is likely that his income will not cover the full costs of his care and he will become eligible for Medicaid benefits. When he begins the second full month of his stay, Medicaid regulations cease to consider him and his wife to be a couple in terms of sharing his income or pensions. The husband's Social Security and pension benefits can all be claimed by the State, in accordance with Federal requirements, as payment for his care. The wife is only permitted an allowance from his income of $340 per month, well below the poverty line. The wife is faced with the threat of impoverishment because her husband's illness requires institutional care. Additionally, if the spouse were to receive even a very small supplement to this allowance, she would lose her eligibility for Medicaid.

Now, Mr. President, if the wife were to go into a nursing home under these same circumstances, Medicaid would pay for her stay and the husband would be allowed to continue collecting his full Social Security and pension benefits. This is obviously an unfair way of dividing income. The fact that both the husband and wife relied on the husband's pension and Social Security payment to meet their daily living needs is ignored.

The Medicaid Community Spouse Protection Act of 1987 constitutes a preliminary step in addressing this disparity. Currently, Medicaid eligibility for individuals who are 65 years of age or older is tied to that for supplemental security income [SSI] cash benefits. The noninstitutionalized spouse is entitled to a minimum allowance of only $340 per month, which is the minimum allowance for an individual under SSI. As you can see, this flaw in Medicaid regulations often results in the impoverishment of women who have worked throughout their lives as homemakers or have had interupted careers due to childbearing.

The Medicaid Community Spouse Protection Act would raise the minimum payment to $510 per month. It would also give States greater flexibility in determining the noninstitutionalized spouse's imcome. For example, States would be allowed to exercise their own community property laws; establish a reasonable allowance for the maintenance of an individual in a home within their State; and recognize the economic contribution of homemakers.

Mr. President, we are already seeing an increase in the number of Americans in nursing homes and in the size of the elderly population. Most significantly, we are seeing an increase in the percentage of women among the poor. If we act now, we can do something to reverse this trend. I ask my colleagues to join the Senator from Maine and myself in taking this first step toward eliminating a discriminatory regulation from the Medicaid laws that contributes to the impoverishment of our Nation's elderly.●

TELEGRAM FROM NAUM MEIMAN

● Mr. SIMON. Mr. President, I would like to call my colleagues' attention to a telegram from Naum Meiman, Soviet refusenik whose wife Inna was a cancer victim. Inna Meiman passed away here in Washington at the beginning of the year. Naum's words describe his pain and suffering in moving detail.

I implore the Soviet Government give Naum Meiman permission to emigrate immediately.

The telegram follows:

[Telegram]

Naum Meiman has asked me to pass the following message to you:

I am deeply grateful to all of you for your efforts to save Inna's life. I also thank you for cables of condolence.

Inna could not get adequate treatment in the Soviet Union. Her life was sacrificed in the name of imaginary state security. The Soviet Union would supposedly be threatened if she were to take advantage of invitations to go abroad for treatment.

I fought more than three years to get Inna permission to go to the West for treatment. Inna was allowed to go to the U.S.A. only last December following talks between Senator Gary Hart and Soviet Foreign Minister E. Shevardnadze. Even then the Visa Department did not let Anna go and delayed her departure more than a month, though every day was extremely important. Visa Department kept Inna with teeth and claws. Only due to your help did Anna leave for the U.S.A. but it was too late. In fact, refusal to permit a desperately sick person to go for treatment amounts to murder.

For twelve years I have been fighting to emigrate to Israel and rejoin my only daughter. Now I am fighting for my own life too.

Last but not least: I was not allowed to go to Anna's funeral.

Professor Naum Meiman.●

TRIBUTE TO THE ORANGEMEN OF SYRACUSE

● Mr. MOYNIHAN, Mr. President, I rise today to praise the accomplishment of the Syracuse University Men's Basketball Team. After four impressive victories in this year's NCAA tournament, the Orangemen of Syracuse University have advanced to the "Final Four" championship series to be held this weekend in New Orleans. This is a great honor for the team, the university, and the entire upstate community. Indeed, thousands of fans celebrated in the streets of Syracuse and at the airport upon the return of the Orangemen from the latest round of competition.

Mr. President, institutions of higher learning provide for the growth of the intellect, but character, sportsmanship, school spirit, and fair play are not taught in the classroom alone. I had the great pleasure to be a professor at the venerable Maxwell School of Citizenship at Syracuse in the early 1960's when the Syracuse football program showed national prominence. Now, years later I am ever heartened by the academic quality of SU and, most recently by the university's good fortune on the basketball court.

No team attains such a plateau without the guidance and patience of an able coach. In this instance, Mr. President, that man is Coach Jim Boeheim. In this, his 11th year as head coach, Coach Boeheim guided the Orangemen to a 24 to 5 regular season record, and to the final game of the "Big East" league tournament. His characteristic presence of mind on the court, his knowledge of the game, and his enduring good nature are great comforts to all Syracuse fans. And, Mr. President, Coach Boeheim is a winner—his lifetime record of 260 wins against 83 losses is among the best in college basketball.

Mr. President, the team members are, of course, the focal point of this celebration, and no account would be complete without a recitation of their names. The starting five of center Rony Seikaly, forwards Howard Triche and Derrick Coleman, and guards Greg Monroe and Sherman Douglas have consistently proven their individual and collective abilities, as well as their uncommon dedication to fair play. The starting lineup, however, is not alone responsible for the quality of play on the team this year. Coach Boeheim has a wide array of talent in reserves Derek Brower, Steven Thompson, Matt Roe, Herman Harried, Keith Hughes, Erik Rogers, Joel Katz and Joey Kohm.

Mr. President, I should simply wish to send the sincerest best wishes of this Senator to the Orangemen of Syracuse when they play the Friars of Providence College this Saturday afternoon. Providence, another quality team from the "Big East" is, indeed, a formidable foe, and I look forward to a fine game. From the Carrier Dome to the Superdome, all the best to the Orangemen of Syracuse.●

TRUCK SAFETY

● Mr. DANFORTH. Mr. President, I ask that the fourth article in a weeklong series by USA Today on truck safety be printed in the Record.

The article follows:

[From USA Today, Mar. 26, 1987]

Truckers Pay Stiff Toll After Deregulation

(By Tony Brown)

More than 1,540 of the USA's 33,000 interstate trucking firms went bankrupt last year. American Trucking Association President Thomas Donohue calls that "an excellent sign."

He's pleased because the numbers show that, finally, six years after deregulation, the trucking industry's economic plunge is leveling off. Bankruptcies are at a historic high, but not growing. Profit margins—never large—have inched to 3 percent. There's even a little more freight to haul these days.

But thanks largely to deregulation, the USA's truckers are slogging through a maze of mergers, acquisitions, bankruptcies and new companies in a reshaped industry.

"The real shake-out since deregulation has just begun, and the business just has a bloody nose," said Forrest Baker, a trucking consultant with 40 years experience. "Wait 'til the real fighting starts. . . . These truckers are overworked and underappreciated. It's not a fun job anymore."

Predicted Donohue: "We're going to lose 200 companies in the next 30 months, companies everyone has heard of."

Since the $200 billion interstate trucking business was deregulated in July 1980, economic events have hit the industry like a pack of Peterbilts. A chaotic, open market replaced a closed, inefficient one. A recession and soaring fuel prices cut freight and profits. Insurance premiums soared.

"The trucking business has gotten a lot more challenging in the last few years," said Armand Pohan, president of APA Transport Inc. in North Bergen, N.J. ". . . So challenging a lot of people are having trouble staying in business."

Many even have trouble staying safely on the road. Experts said few of the industry's current economic conditions encourage safety, and highway deaths by truck are growing even as vehicle accidents overall decline.

The nation's manufacturing and retailing shippers are the winners, saving billions in trucking costs.

But truckers, their industry and their culture, have paid a price.

A 1978-85 federal survey found interstate trucking firms grew from about 17,000 to more than 33,000, as the market was opened to virtually anyone who could climb behind the wheel.

Thanks mainly to recession and more imports (which on average are trucked fewer miles than domestically produced goods), freight tonnage stagnated, leaving more trucks chasing less work at lower rates.

Insurance rates exploded after 1983, rising to 8 percent of a trucker's costs, from 3 percent the year before.

Trucking firms failed by the thousands. Fewer than 190 long-haul trucking firms filed for bankruptcy in 1979, according to Dun & Bradstreet Corp. The 1,541 bankruptcies in 1985 and 1,548 in 1986 were welcomed only because they represented a painful plateau.

Short on cash, many truckers have skipped or delayed maintenance. Authorities often fail half the trucks stopped in surprise roadside inspections.

Deregulation is jolting an industry that had been comfortably regulated since 1935. Routes and shipping rates were governed by the Interstate Commerce Commission. Truckers charged enough to pay high wages—sometimes $13 an hour plus fringes—and defray maintenance.

But tougher competition took its toll. Harry Thompson of Spokane, Wash., said by the time his 25-truck firm closed in 1985, competitors had increased from four to 15; freight rates were stagnant or falling (80 cents a mile for a trip to Los Angeles, down from $1.20); his $30,000 insurance bill was doubling; and his drivers were logging more miles but making less.

"I knew there were a lot of guys out there driving too many hours," said Thompson, 58, who left the business after 32 years. "You wake up at night thinking about one of them hitting a Greyhound bus or something. It worried me sick. If you're not making any money, why give yourself those kinds of problems?"

Regional and national carriers fare better, say industry analysts, because they're financially nimble and can adapt.

The USA's long-haul truckers fall into two basic classes, with many variations:

The classic independent, a truck-owning driver, who arranges his own loads and pays his own expenses.

The driver who draws a company salary—sometimes under union contract—and often runs regular routes.

The independent and the small firms are having the toughest time. More than 90 percent of the nation's trucking firms have fewer than five trucks.

"It's a cutthroat situation," said Joe Lovett, 40, a driver from Kaufman, Texas. "I might be able to take home $450 a week if I run real hard."

If an interstate trucker follows the rules and drives no more than 10 hours after stopping for eight, drives a little faster than 55 mph, and is paid 20 cents a mile, he'll be paid about $20,000 for the year—minus on-the-road living expenses. The trucker would be away from home most of the time.

Craig Gibson, 34, of Baton Rouge, La., has been driving a long-haul truck since he was 15 and no longer has an apartment. "I used to make $800 to $900 a week," said Gibson. "Now I average $400 to $500. I sleep in my truck."

A Transportation Research and Marketing survey showed 15 percent of drivers claimed a marketable skill besides trucking. More than 70 percent couldn't list their skills or considered themselves unskilled.

"Frankly, there are more guys out there these days that can't put a pencil to paper," said Dick Guerrera, owner of a 58-truck firm in Naugatuck, Conn.

The next five years are expected to bring consolidation. A few national and regional carriers will dominate along side thousands of smaller firms and independents. ATA's Donohue says the successful truckers will need thrifty managers, the latest technology and savvy marketing.

Smaller firms and independents may not be part of a stable market for many years to come.

"As long as people are interested in the freedom of the road, you'll have people go into trucking," said Burton Strauss Jr., an industry analyst at E.F. Hutton Group Inc. "They may not be able to stay in too long. But they'll be attracted to it."●

ARIZONA CENTER FOR LAW IN THE PUBLIC INTEREST

● Mr. DECONCINI. Mr. President, I would like to bring to the attention of the Senate the extraordinary record of achievements of the Arizona Center for Law in the Public Interest, the only nonprofit public interest law firm of its kind in my home State of Arizona.

For 13 years, the center has provided free legal services to individuals who might otherwise be unable to obtain representation. Its programs emphasize the rights of the developmentally disabled and the mentally ill, environmental protection, equal rights regardless of sex or disability, long-term care, consumer rights, and government accountability.

Thousands of Arizonans have benefited from the work of the center over the years. The quality of life for all citizens in my home State has been enhanced by the advocacy efforts of the center on various issues.

Hundreds of developmentally disabled persons have turned to the center for advocacy services since 1977. Since then, staff attorneys and advocates have assisted in the provision of appropriate educational programs for schoolchildren with special education needs. The center's advocacy efforts for the disabled, the mentally ill, and the elderly are based on the recognition that these populations are particularly vulnerable because of their mental and physical impairments or because of their age. These citizens have great difficulty in advocating effectively on their behalf. In light of the designation of March 1987 as "Developmental Disabilities Awareness Month," the center deserves our highest praise for its work in serving these segments of our population.

The center has won numerous legal victories benefiting not only citizens of Arizona, but persons nationwide. In a case decided by the U.S. Supreme Court in 1983, the center established the right of women to receive equal pension benefits upon retirement. That case, Arizona Governing Committee versus Norris, has been heralded as a landmark decision and illustrates the significance of the cases that this organization undertakes.

I am proud of the center's many legal accomplishments and would like to highlight a selection of them now:

Securing $27 million in utility rate refunds to consumers;

Prodding business interests and State and local officials into adopting the State's first ground water quality protection program;

Establishing the legal responsibilities of county and State officials to provide adequate care for the chronically mentally ill;

Establishing the rights of developmentally disabled people to parent and raise their children; and

Requiring a stringent control program on toxic waste dumping in areas surrounding Phoenix and Tucson.

These are just a few examples of the impressive legal victories won by the Arizona Center for Law in the Public Interest.

Mr. President, the dedication and hard work of the center's staff in protecting the legal rights of countless Arizonans unable to obtain representation themselves deserves our commendation.

May the center's good work and dedication to improving our community serve as an example to others.●

OUTDATED EXPORT CONTROLS ON HIGH-TECHNOLOGY GOODS

● Mr. DURENBERGER. Mr. President, many of those who are deeply concerned about our crippling trade deficit are often quick to cite high tariffs, subsidies, dumping, and other trade practices by foreign nations as the key factors responsible for a deficit which may reach $170 billion. But, in some ways, foreign competitor nations have had an inside accomplice: America's own export controls. Although export controls are crucial for products necessary for our national security, when such controls are inappropriately applied to other products, the result is billions of dollars in lost sales—and increased unemployment—every year.

Unfortunately, this is precisely what is happening today in many of our high-technology industries, especially our health and medical device industry. Products made by these companies—ultrasound fetal monitors, blood flow detectors, heart monitors, blood analyzers, and computerized tomography scanners—are subjected to the same range of export hurdles as tanks or missiles. The rationale for such stringent controls is that the computer technology imbedded within such products may be diverted for military uses. This logic does not hold up when we consider that most of the same products are available from other countries anyway, or that the computer components cannot be separated from the medical product, and can't be diverted for military use.

Nevertheless, the export controls continue to be applied, and American producers are forced to seek export licenses; a process which delays the delivery of their products, sometimes by as long as a year. Obviously, such delays put our industry at a severe disadvantage when competitor countries can promise immediate delivery. This make no sense. We must stop hobbling one of our most important industries, one which helps our exports and services to reduce our terrible trade imbalance.

A recent editorial in Science, March 13, 1987, clearly describes the scope of the problem, and emphasizes the need for change in our export control system. I believe my colleagues will find this article of great interest. Accordingly, I ask that it be printed in the Record.

The article follows:

[From Science, Mar. 13, 1987]

Export Controls of High-Technology Goods

The impaired ability of the United States to compete internationally and even at home in high-technology products is a matter for searching examination. Our failure come from many sources. Recently, U.S. procedures for controls of exports of high-technology goods have been added to the list of causes. The National Academy of Science, the National Academy of Engineering, and the Institute of Medicine have rendered a public service by sponsoring a major study that has illuminated the need for changes in our system of controls.

Japan, France, and members of NATO have recognized that advanced technology confers military advantages over the Communist Bloc and have cooperated to limit transfer of technology there. However, the United States has imposed controls that go beyond those of its allies. In earlier times, we enjoyed a monopoly on high technology. But that status is gone. Japan and some members of the Common Market have been joined by Hong Kong, Singapore, South Korea, Taiwan, and others as exporters of microelectronics goods. Today the United States purchases only 30 percent of the high-technology goods sold on the world market. If our manufacturers are to achieve economies of scale, they must distribute their products globally.

In spite of these developments, the United States behaves as if it still had the monopoly it enjoyed 20 years ago. We continue to assert "jurisdiction over goods and technology even outside the territorial United States when (i) the product or technology in question originated in or is to be or has been exported from the United States; (ii) the product or technology incorporates or uses products or technology of U.S. origin; (iii) the exporter is a U.S. national or is owned or controlled by U.S. interests." Thus when a U.S. subsidiary operating in West Germany wishes to export a high-technology item, permission must be sought from Washington.

The machinery for control of exports from the United States is slow and not very discriminating. The interval measured from when the application leaves the company to when the company receives an export license averages 54 days. In Japan, export licenses are processed in 2 to 3 days. Expeditious schedules prevail in other competing countries.

Delays and uncertainties handicap U.S. firms. Competitors can supply many of the high-technology items as lower prices or with better quality than can the U.S. firms and without delays. A survey conducted showed that many erstwhile customers of U.S. suppliers are turning to other sources.

An example from the report illustrates effects of U.S. export controls. In March 1983, a U.S. company sought a license to export a $450,000 nuclear magnetic resource spectrometer to a medical research institute in Eastern Europe. The application was not approved until November 1985. Although U.S. firms pioneered the development of NMR, Germany and Japanese companies now hold two-thirds of the world market for such instruments. During the review period in Washington, a German competitor sold several similar NMR systems to Communist Bloc customers. The NMR instruments do not appear on the U.S. control list, but the equipment was subject to licensing because it contained 32-bit array microprocessors and 30-megabyte Winchester disk drives.

To obtain information for the report, teams were sent to Europe and Asia. They heard many comments about deleterious effects of delays of processing export licenses and were reminded of the problem of the "$2 microchip in the $20,000 machine." When the U.S. chip was used, the entire product had to receive a U.S. re-export license. They also conversed with U.S. customs officers stationed abroad. One officer complained that on instructions from Washington, he spent most of his time "chasing" personal computers.

The United States is trying to control items produced by the millions in many countries. In 1979, legislation was enacted that called for elimination of controls on items that the Soviet Union either can make for itself or freely buy from controlled sources. However, the will of Congress has been thwarted. Substantial progress has not been made in eliminating outdated controls.—Philip H. Abelson●

THE LINE-ITEM VETO

● Mr. HUMPHREY. Mr. President, the need for reform of our budgetary process is becoming more evident each and every day. Our distinguished colleague from New Mexico, the ranking member of the Budget Committee, Senator Domenici, spoke to this matter recently here on the floor of the Senate.

The problem with our process is one of accountability, Mr. President. Without accountability, we just spend and spend and spend—well beyond our means. One important tool which would restore the necessary accountability is the line-item veto. On January 27, President Reagan asked for line-item veto authority in his State of the Union Address. On January 28, I joined with Senator Evans and others in introducing a limited line-item veto.

Our proposal, S. 402, is identical to S. 43, the line-item veto bill which we attempted to consider during the 99th Congress, except for one significant difference: This line-item veto would apply only to continuing resolutions. If Congress does its job in passing 13 appropriation bills, the President would not be able to utilize the line-item veto. However, if we continue the irresponsible practice of passing larger and larger continuing resolutions, the President would be able to hold the Congress accountable for its spending decisions.

The line-item veto has many supporters both here in Congress and outside. In fact, 33 Senators have cosponsored this legislation. I recently received a letter from Mr. William M. Moore, president of the National Association of Realtors, in support of S. 402, and I would ask that Mr. Moore's letter appear in the Record.

The letter follows:

National Association of Realtors,
Washington, DC, March 13, 1987.

Hon. Gordon J. Humphrey,
One Eagle Square, Concord, NH

Dear Senator Humphrey: Thank you for your recent letter addressed to me dated February 17. Please excuse my tardiness in answering, but I hope you will understand that I have been on the road a great deal for my duties as President of the National Association of Realtors. As you no doubt already know, our Association is strongly in support of a balanced budget and is, in fact, in support of a Constitutional Amendment for a balanced budget. Our policy is also in support of the line-item veto. Therefore, we would be in favor and support of the legislation that you and Senator Evans introduced on January 28th.

Please let me know how we can assist you in the passage of this bill.

Sincerely yours,

William M. Moore,
President.●

VETO THE HIGHWAY BILL

● Mr. ARMSTRONG. Mr. President, no more accurate description could be made of the highway and mass transit bill than the one in yesterday's Denver Post. In an editorial on March 25, the Post called for President Reagan to "Veto This Highway Hog Trough" and for Western Senators to uphold the veto.

I applaud the Post's opinion of this budget-busting bill and ask that the entire text of the editorial be inserted in the Record.

The editorial follows:

[From the Denver Post, Mar. 25, 1987]

Veto This Highway Hog Trough

Transportation Secretary Elizabeth Dole reports that President Reagan has promised to veto an $87.9 billion highway and mass transit bill that would propel America further down an eight-lane highway to bankruptcy. We applaud the president's decision—and urge every member of Congress, regardless of party, to uphold that veto.

The decision is a politically tough one for the president, because no one doubts the need for the $70 billion in highway user taxes that are divided among the states by a standard formula. The bill even includes a rider that we definitely support—allowing states to raise their speed limits to 65 miles per hour on rural interstates.

But Democratic majorities in both chambers—who apparently find the nation's $200 billion annual deficits a hilarious joke—didn't stop with these necessary projects.

Instead, they loaded up the highway bill with another $10 billion of useless pork and 152 cynical "demonstration projects" to benefit local special interests.

Unfortunately, about all these projects "demonstrate" is that certain members of Congress are adept at raiding your taxes. As a "demonstraton" of the clout of former House Speaker Tip O'Neill, for example, overburdened Coloradans are being ordered to build a third harbor tunnel through Boston. Coloradans must also help pay for mass transit systems in Miami and Los Angeles—without getting a dime back for our own needs.

In particular, every Western legislator should uphold the president's veto—or explain why he or she treated the interests of the nation as a whole and the West in particular with such contempt. After such a veto is upheld, a more affordable bill can be passed to release the highway funds—and raise the speed limit.

It's bad enough to see a necessary bill turned into a political hog trough. But it becomes unbearable when the West isn't even offered a fair share of the slops.●

AFGHANISTAN: LETTERS FROM THE STATE OF IOWA

● Mr. **HUMPHREY**. Mr. President, last December the brutal Soviet occupation of Afghanistan entered its eighth year. The horrible condition of human rights in Afghanistan was recently described in a United Nations report as: "A situation approaching genocide."

As chairman of the Congressional Task Force on Afghanistan, I have received thousands of letters from Americans across the Nation who are outraged at the senseless atrocities being committed today in Afghanistan. Many of these letters are from Americans who are shocked at this Nation's relative silence about the genocide taking place in Afghanistan.

In the weeks and months ahead, I plan to share some of these letters with my colleagues. I will insert into the RECORD two letters each day from various States in the Nation. Today, I submit two letters from the State of Iowa and ask that they be printed in the RECORD.

SIOUX CENTER, IA.

DEAR SIR: Yesterday I read in the March Reader's Digest the article about the human rights violations occurring in Afghanistan and was horrified that a holocaust is happening right now while our world in supposedly at peace. I don't want to be involved in a war as I have a sister and brother-in-law in the military, but something must be done. Please use whatever power and influence you have to end this infringement of human rights and decency. While we are concerned about Nicaragua and the communist take-over within our continent, we would also do well to police the Soviet actions in Asia where blatant disregard for human freedom goes unchecked.

Sincerely,

COLLEEN VAN BERKUM.

—

DES MOINES, IA.

DEAR SIR: In Reader's Digest there was an article about Afghanistan. I would like to express my horror at such news. What can be done? Military Aid? Monetary Aid? Prayer? The question about what to do has got to be discussed. We as free people cannot tolerate such atrocities to occur.

I want something done. I want this issue resolved. If I can in any way assist please contact me. I had the privilege of hearing an Afghanistan General address a meeting of the Reserve Officers Associations in March of 1981. I do not recall the General's name his message is still clear—"Please, help us to enjoy the freedom you enjoy; freedom to merely live."

Again Senator Humphrey something has to be done. Are letters effective? And if so who else can I write? Do you need more outcries from people at your office? I can assure you people whom I come in contact with will write.

Senator Humphrey you have a difficult task ahead but it looks to be one of the most important in this decade. Good luck sir!

Sincerely,

MARTHA L. HOLDEN.●

EXPLOSION OF FOREIGN INVESTMENT IN AMERICA

● Mr. **RIEGLE**. Mr. President, the current issue of U.S. News & World Report contains an article entitled "America on the Auction Block." It describes, quite graphically, the economic change taking place with the explosion of foreign investment in the United States. These funds are financing our deficits and we are becoming more and more dependent on foreign capital to keep our heads above water.

What is at stake is that interests as diverse as RCA records and percentages of Goldman Sachs and Shearson-Lehman Bros. are now owned by foreign interests.

The world grows smaller every day, but we need to be very much aware of the potential for losing our independence and our competitive edge in investment banking and other service industries in the way that foreign competition has decimated our industrial sector. We have given up 28 percent of the passenger car market to foreign auto makers, 21 percent of which now belongs to Japan. More players are emerging all the time. A similar penetration in other industries may not produce a beneficial result on our economy, our technological base, our political system, our standard of living, indeed, our way of life.

I ask that the article from U.S. News & World Report be printed in the RECORD. I urge my colleagues to read it and contemplate the consequences of this trend.

The article follows:

[From U.S. News & World Report, Mar. 30, 1987]

AMERICA ON THE AUCTION BLOCK

[Graphs and charts mentioned in the article are not reproducible in the RECORD.]

The "For Sale" sign is up across the United States, and foreign investors have been on a shopping spree from coast to coast. Germans, British, Australians, Japanese, Dutch, Swiss and French, to name just a few, have been loading up on everything from American chemical plants to government securities to factories that produce vinegar.

Almost unnoticed, companies that project an all-American image have taken on a decidedly foreign cast. The Carnation Company went Swiss when Nestlé bought it for $3 billion. The chemical giant Celanese is West German now, as are publisher Doubleday & Company and RCA Records. Japan's Sumitomo Bank last fall carved out a $500 million stake in Goldman, Sachs & Company, a top investment-banking house on Wall Street. And now American Express is selling a 13 percent interest in its Shearson Lehman Brothers subsidary to Nippon Life Insurance Company, Japan's largest life insurer. Signature properties such as the Exxon Building in Rockefeller Center and the Tiffany Building on Fifth Avenue have Japanese landlords, as does the Maui Marriott in Hawaii. And in Manhattan, Brooks Brothers clothiers have become Canadian.

TROUBLING ISSUES

As foreign ownership of American assets burgeons, vexing questions are coming to the fore. Is the foreign flood of investments too much of a good thing? Is the United States giving up its technological edge and growing too dependent on foreign technology? What does it mean for our competitiveness in world markets? And, most important, are we jeopardizing our national security?

That last question took on new urgency when opposition from Commerce Secretary Malcolm Baldrige and Defense Department officials caused Japan's Fujitsu, Ltd., to cancel its $200 million bid to buy 80 percent of Fairchild Semiconductor Corporation, a major producer of computer chips in California's Silicon Valley. At issue was whether the sale would encourage Japanese domination of the financially embattled and strategically important domestic semiconductor industry.

Such uneasiness isn't likely to deter most foreign investors. Already, foreigners own some $1.3 trillion of American assets—almost one sixth of those holdings in industry, real estate and banks and the rest in stocks, bonds and savings. Last year, 260 American corporations were taken over by foreign interests, reports W. T. Grimm & Company, a Chicago-based merger consulting firm—the most since it began monitoring such activity in 1972. Experts predict Japan alone will increase its stateside holdings an average of 10 percent a year through at least the end of the century. Says Bruce Babbitt, the former Arizona governor who is now Democratic presidential contender: "We're witnessing the greatest debt-for-equity swap of all time—our trade deficit for American assets."

Not only have foreigners been given tremendous purchasing power by the weak dollar, but they also covet America as the largest stable market in the world. They like its sound fundamentals—a growing economy, a spendthrift American consumer and a rising number of jobholders. The U.S. looks doubly good because many of the foreigners' traditional markets do not present enough opportunity nowadays. "Many zones considered worthy of investment 15 or 20 years ago—for example, Latin America, Africa or even Eastern Europe—are no longer workable today, "notes a Paris banker.

Until now, few of the deals foreigners have closed in America have carried the acrimonious overtones of the Fairchild-Fujitsu case. In many cases, the influx of new foreign investment has had an immediate payoff: Foreign investors have provided an estimated 3 million jobs paying more than $75 billion a year in wages and benefits.

Companies that have been bought by foreigners often have profited from new management and manufacturing techniques brought from overseas. By one rough measure of productivity, sales by foreign-owned factories averaged $131,430 per worker in 1984, in comparison with $118,846 for domestic manufacturers. Argues Douglas Lamont, a professor of management at Northwestern University's Kellogg Graduate School of Management: "You have to think of foreign-owned firms as immigrants coming to the United States. They bring skills to bear upon the American economy, and eventually they become citizens." Adds Martin Taylor of Hanson Trust, a British conglomerate: "Americans see this investment as positive. They see it as a commitment to the future of their country."

Building a new foreign-owned plant in a cornfield also does less damage to America's $170 billion-a-year mechandise-trade deficit than does letting a raft of cheaper-priced imports deal lethal blows to a domestic industy. "I assume the Japanese will build automobiles," says Senator John Danforth "That being the case, I'd rather they made them in America than elsewhere."

The Japanese, in particular, have stepped up plans to set up shop in the United States. Already, 435 U.S. manufactureres are wholly or partly owned by the Japanese, a doubling from 1980. Seven auto-assembly plants will be Japanese run by 1990, while more parts that go into those cars will be produced stateside. Honda, for instance, will produce transmissions and other parts in a $450 million facility in Anna, Ohio, instead of importing them from Japan. If the yen stays strong against the dollar, analysts predict that Honda may increase the number of cars it already has begun to export from the United States to places such as Taiwan.

Where the money goes

[Foreign assets in United States—in billions of dollars]

Portfolio investment	876.9
Bank deposits, other assets	380.5
U.S. Government securities	227.6
Stocks, corporate and other bonds	207.8
Miscellaneous	61.0
Direct investment	183.0
Manufacturing	60.8
Petroleum	28.1
Wholesaling	27.5
Real estate	18.6
Banking	11.5
Insurance	11.1
Miscellaneous industries	9.9
Retailing	6.7
Nonbank finance	4.7
Mining	4.1

Note.—Figures are year's end, 1985.

USN&WR—Basic data, U.S. Department of Commerce.

MANAGEMENT FROM ABROAD

The foreign onslaught has been accelerated by the takeover binge. Overseas direct investors—most notably the British, Canadians and West Germans—pumped $17.6 billion into the American economy in 1985 by acquiring more than 200 U.S. businesses.

American companies often prefer foreign buyouts to a takeover by another domestic company. The Anglo-Dutch Unilever came froward as a friendly suitor last year when Chesebrough-Pond's was being pursued by American Brands, Inc., and the $3.1 billion offer was gladly accepted. More-stable management from abroad is often an attraction, says Charles Brown, an investment analyst at the British brokerage house Hoare Govett. After Electrolux, the Swedish appliance maker, bought White Consolidated Industries, the third-largest appliance maker in the U.S., for $742.7 million, White's American management conceded that the two companies were well suited to each other.

Besides opening new manufacturing facilities and buying American companies, foreign investors have made themselves almost indispensable to America's economic health by providing the necessary capital to finance escalating trade and budget deficits as well as an expanding economy. Rewarded by real interest rates that outstrip returns in their own countries, foreigners have parked an impressive $1.1 trillion in U.S. bank deposits, corporate stocks and bonds, Treasury securities and other financial assets, up from only $232.8 billion in 1976.

The result has been a closer knitting of many of the economies of Western industrialized nations to the economic future of the United States. Suddenly, the fate of the American economy is hitting closer to home—and home is Paris, Tokyo or Bonn. Shigeru Kobayashi, president of Shuwa Corporation, Japan's fourth largest real estate development company, compares the U.S.-Japanese economic relationship to tarako, a popular Japanese food much like shad roe: It comes in pairs and is inseparably linked. Shuwa now owns $1.54 billion worth of choice American real estate, including the ARCO twin towers in Los Angeles, the American Broadcasting Company's Manhattan headquarters and Boston's Paine Webber building.

OPEN-DOOR POLICY

Many Americans are glad to keep the door wide open to foreign investment, expecting that foreign ownership will represent a long-term commitment by governments abroad to help improve the U.S. economy and give the U.S. additional clout in putting together a new economic world order. "As foreigners acquire a bigger and bigger investment in American success, they limit their ability to act," argues former National Security Adviser Zbigniew Brzezinski.

Who's buying

[Total direct investments in United States—in billions of dollars]

Britain:	
1980	14.1
1985	43.8
Netherlands:	
1980	19.1
1985	36.1
Japan:	
1980	4.7
1985	19.1
Canada:	
1980	12.2
1985	16.7
West Germany:	
1980	7.6
1985	14.4
Switzerland:	
1980	5.1
1985	11.0
Netherlands Antilles:	
1980	6.7
1985	10.6
France:	
1980	3.7
1985	6.3
Sweden:	
1980	1.7
1985	2.4
Belgium:	
1980	1.6
1985	2.3

Note.—Figures are year's end.

USN&WR—Basic data; U.S. Department of Commerce.

But others fear the opposite effect: Too strong a voice for outsides in America's economic destiny. Especially worrisome is America's dependence on foreign capital to finance its free-spending lifestyle. The U.S. has, for the first time since 1919, taken on the mantle of the world's largest debtor. Private foreign creditors now hold 16.5 percent of the $1.6 trillion in federal debt outstanding plus about $160 billion in corporate debt. Says Duane Hansen, managing director of Arthur Andersen & Company's worldwide financial-services group: "Most Americans would prefer to be the ones dominating capital markets and the industrial-commercial world."

An attendant fear is that foreign investors have become so essential to the smooth operation of the American economy that any abrupt shifts on their part could bring disaster. One concern is that Washington would not be able to finance its debts without skyrocketing interest rates if major foreign investors began selling off their U.S. government securities. Says Senator Lloyd Bentsen "These folks don't have a Marshall Plan in mind. They expect to be paid back with interest."

Pat Choate, author of The High-Flex Society and an economist at TRW, Inc., argues that the jobs brought by direct foreign investment are not payment enough for the benefits of investment that non-Americans enjoy in this country. He points out that jobs created in Japanese-run manufacturing facilities are of a simple "screwdriver" variety that, on balance, short-changes America of new jobs that are higher paid, skilled or professional in nature. Choate expects that as the Japanese penetrate many industries in the U.S., "they will be in a position to dominate our economy in every area that matters by the mid-1990s. You ain't seen nothing yet."

Others think America should be pickier about the kind of foreign investment it welcomes. "If a foreign group comes here and puts in a new plant, that's fine," says Representative John Bryant. "But if they buy a bank, farm, or manufacturing facility, that's another thing." Bryant criticizes the government as being too nonchalant about tracking the ownership and extent of foreign holdings and is pushing for tighter reporting systems for foreign investors.

Ultimately, the commitment that foreigners make to the U.S. market will be measured in whether profits are plowed back into the U.S. or returned to the home office. But Americans who are sampling sushi in the lunchroom and savoring the economic shot in the arm that foreign investment brings rarely dwell on the long-term implications.

BIGGEST BUYS

[The 11 biggest foreign acquisitions of U.S. companies in 1986]

Acquirer	Acquired, merged firm	Value
Campeau Corp. (Canada)	Allied Stores Corp.	[1]$3.61
News Corp. (Australia)	Metromedia, Inc. (7 TV stations)	[1] 1.99
Electrolux Group (Sweden)	White Consolidated Industries	[2]742.7
Prudential Corp. (Britain)	Jackson National Life Insurance	[2]597
Imperial Chemical Industries (Britain).	SCM Corporation (Glidden Coatings & Resins division).	[2] 580
Boots Company (Britain)	Baxter Travenol Labs (Flint unit)	[5] 555
Dainippon Ink & Chemicals, Inc. (Japan).	Sun Chemical Corp. (graphic-arts-material group).	[2] 550
British Petroleum Company (Britain).	Purina Mills	[2] 545
Hanson Trust (Britain)	SCM Corp.	[2] 503.5
Sumitomo Bank (Japan)	Goldman, Sachs & Company (12.5%).	[2] 500
Sir James Goldsmith (Britain)	Goodyear Tire & Rubber (11.5%)	[2] 500

[1] Billion.

[2] Million.

Note.—USN & WR.—Basic data: Mergers & Acquisitions.

In fact, many states and cities can't get enough new foreign investment and will go to extremes to attract it. Take the city of Texarkana, population 55,000, which straddles the Texas-Arkansas border. It is so eager to woo Japanese manufacturers that a score of civic leaders are studying Japanese in night school. As feed-grain-and-cotton farmer Lynn Lowe, chairman of the Texarkana Chamber of Commerce, puts it: "There are golden plums out there, and we hope to get some of them."●

VIOLENCE AGAINST HOUSES OF RELIGION

● Mr. ROTH. Mr. President, I am pleased to be a cosponsor of S. 794. I commend my colleague, the distinguished Senator from Ohio, Mr. METZENBAUM, for introducing this legislation.

The gaps in current Federal law regarding the perpetration of religious violence need to be filled. In recent years, there have been increasing reports from many regions of the country of violence directed against houses of religion. These reports have included incidents of bombing, arson, vandalism, and defacement of religious buildings by the painting of swastikas and other hate symbols. Although most of such religiously motivated hate crimes have been anti-Semitic and directed against synagogues, the problem is by no means limited to those of the Jewish faith. Protestant and Catholic churches have also been the target of such attacks. Some of these incidents have been the work of organized hate groups whose perverse theories attempt to make scapegoats of certain religious groups. While the States have the primary resonsibility for law enforcement with regard to such matters, the Federal Government also has a responsibility. But unfortunately, where organized hate groups have extended their operations across State lines, Federal authorities have been able to respond only in limited circumstances. This bill will expand those circumstances so there can be a more effective Federal response.

It is important to note that this legislation does not preempt the authority of State and local law enforcement in this area. It is intended merely to supplement that authority when specific jurisdictional requirements are met.

This year marks the 200th anniversary of the U.S. Constitution. There are few more cherished freedoms protected by our Constitution than the first amendment right to worship where one pleases. Unlike totalitarian Communist regimes, this right is not merely stated in theory in our fundamental law; it is honored in practice. Thus, I think it most appropriate that the Federal executive be given effective means to protect the right to religious freedom when groups or individuals attempt to interfere with that right through force or violence. This bill represents a strong statement that Americans are united in their commitment to religious tolerance and in opposition to those who threaten it.●

KEITH BRAUN, A DIVIDED SPOUSE

● Mr. LEVIN. Mr. President, I would like to bring to the attention of my colleagues the case of Keith Braun, a divided spouse. As I have stated before on the Senate floor, Keith Braun has been waiting for more than 2 years for his Soviet bride, Svetlana, to join him in Southfield, MI. Svetlana Braun, of Moscow, has been refused an exit visa five times.

On January 4, 1987, Keith met with the Deputy Director of the Consular Administration of the Soviet Foreign Ministry, who promised Keith that he would receive an answer about his wife's exit visa soon after January 10, 1987. The Deputy Director implied that the answer would be a positive one. It is now March 26, and Keith has heard nothing.

The building of trust between our two countries is essential. In good faith, Keith trusted what was told him by the Soviet official. On Sunday, March 29, Keith is meeting with this same official in Washington. It is my sincere hope that he will keep his word, and have an answer for Keith Braun.●

ORDERS FOR TOMORROW

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER DESIGNATING A PERIOD FOR MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that after the two leaders are recognized on tomorrow under the standing order, there be a period for the transaction of morning business, not to extend beyond the hour of 9:30 a.m., and that Senators be permitted to speak during that period for not to exceed 5 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

SENATE JOINT RESOLUTION 78—INDEFINITELY POSTPONED

Mr. BYRD. Mr. President, I believe this request has been cleared on the other side of the aisle.

Mr. DOLE. It has been cleared.

Mr. BYRD. I thank the Republican leader.

Mr. President, I ask unanimous consent that Calendar Order No. 64, Senate Joint Resolution 78, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9 a.m. tomorrow.

The motion was agreed to, and the Senate, at 7:05 p.m., recessed until Friday, March 27, 1987, at 9 a.m.

EXTENSIONS OF REMARKS

LEGISLATION TO FURTHER ASSIST FOOD STAMP RECIPIENTS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. WEISS. Mr. Speaker, during the 99th Congress important changes were made in the Food Stamp Program to help recipients with high shelter and dependent care costs meet those costs and maintain adequate food stamp benefits. Today I am introducing legislation to further assist food stamp recipients achieve these goals by increasing the allowable deduction for dependent care costs.

In the 98th Congress and again at the beginning of the 99th Congress, I introduced legislation to amend the Food Stamp Act of 1977 to separate the excess shelter and dependent care deduction—then set at $134 a month—and set individual limits for each kind of expense. I was pleased that the substance of this proposal was included in the Food Security Act of 1985.

The Food Security Act separated the two deductions, setting the per household dependent care deduction at $160 per month, equal with my proposal, and the excess shelter deduction at $149 per month—effective October 1, 1986—well below the $175 deduction allowed under my proposal. The Urgent Relief for the Homeless Act, which was recently approved by this body, raises the excess shelter deduction cap to $168 a month, a slightly more realistic level for food stamp recipients facing unusually high housing costs. Our colleagues in the Senate have announced their intention to act on this measure very soon.

The dependent care deduction was set at $160 in order to be consistent with the deduction allowed under the Aid for Families with Dependent Children [AFDC] Program. One key difference, however, remains between the two deductions: under AFDC the deduction may be taken per dependent, while the food stamp deduction is for the entire household. The legislation I am introducing today would eliminate this inequality by allowing food stamp recipients to deduct up to $160 for the care of each dependent.

The need for increased availability of dependable and affordable dependent care benefits is evident in all sectors of society. More than one-half of mothers with children younger than 3 now work. For women with preschool and school-age children the percentage is even higher. Because the work day extends beyond the school day, care is needed not only for very young children, but for school-aged children as well.

For low-income and unemployed adults, dependent care assistance is an imperative. It is essential in order for low-income families to be able to work or participate in employment training programs—required of most adults receiving food stamps. Without access to affordable and adequate dependent care, parents are forced to choose between staying home with their children—which is allowed for adults caring for very young children or the disabled, and when care for older children is unobtainable—or leaving their children in inadequate care or alone. Because adults staying at home miss job and training opportunities and risk even longer term dependency, neither of the options is desirable. It must also be pointed out that the well-being of those in day care clearly depends upon the adequacy of that care. Dependent care provides a critical first step toward self-sufficiency for low-income families.

The cost of this care, however, can represent a substantial portion of a family's budget, particularly for low-income families or families with large numbers of children. Average annual child care costs range from $2,000 to more than $6,500—costs that can be prohibitive for low-income families.

The dependent care deduction was created to allow unemployed and working-poor adults who receive food stamps to work by financing part of their day care costs. Furthermore, this deduction helps to offset major reductions in Title XX funds for subsidized child care services for the poor.

The change that I am proposing today is a small, but important, one. Because the deduction can only be taken by families able to afford out-of-pocket dependent care costs, an unofficial estimate by the CBO predicts that increasing the deduction would initially affect 10,000 food stamp households at a cost of $5 million. As increasing numbers of food stamp recipients move into training programs and jobs, many more households will be able to benefit from the dependent care deduction. Assured that their dependent care needs can be addressed, the transition will undoubtedly be an easier one, and the successes will be much more far reaching.

Unfortunately, this benefit will only help those eligible families still receiving food stamps. Funding for this program was cut $6.8 billion from fiscal year 1982 through fiscal year 1985, pushing several hundred thousand recipients off the program. In fact, food stamps are failing to reach millions of poor Americans. The growth rate in the population of poor children between 1978 and 1982 was almost four times that of the number of child recipients of food stamps in a representative month. And, according to the USDA, in 1985, 41.7 percent of eligible low-income persons were not being served by the Food Stamp Program.

Extensive reform is needed in the areas of dependent care, nutrition and housing assistance. I feel that the legislation I am proposing today is a responsible and necessary action to aid an important segment of those in need.

H.R. 1843

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN DEPENDENT CARE DEDUCTION.

Clause (1) of the 4th sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by inserting "per dependent" after "$160 a month".

SEC. 2. EFFECTIVE DATE; APPLICATION OF AMENDMENT.

(a) EFFECTIVE DATA.—The amendment made by section 1 shall take effect on October 1, 1987.

(b) APPLICATION OF AMENDMENT.—The amendment made by section 1 shall not apply with respect to any allotments issued to households before the effective date of such amendment.

BYELORUSSIAN INDEPENDENCE DAY

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. TRAFICANT. Mr. Speaker, today I would like to join my colleagues in paying tribute to the 69th anniversary of the declaration of independence of the Byelorussian Democratic Republic and the Byelorussian people, who continue to struggle against Soviet-imposed Communist tyranny.

The history of this Slavic nation is one highlighted by unquestionable struggle and hardship resulting from Byelorussia's effort to establish an individual and identifiable culture. Following a brief period of democracy beginning in 1918, Byelorussia was forced to submit to the imposition of Stalin's Communist dictatorship. This tyrannical regime created strife within the Byelorussian nation, but it also gave birth to a resistance movement eager to repel the regime. As a result, Byelorussians to this day continue their struggle to establish an educational and cultural value system distinct from its Russian oppressors.

One key area in which this individuality remains unrecognized is language, as evidenced in one instance by the Voice of America's refusal to broadcast world news reports to Byelorussia in its native tongue. Some argue that Russian is easily understood by Byelorussians and that a need for a broadcast in the Byelorussian native tongue is unnecessary. But the fact that neighboring Soviet reupblics do receive individual broadcasts, in addition to the fact that Byelorussian is one of three recognized Slavic tongues, makes clear to me that a right to information is being violated.

As Americans, we recognize and enjoy the benefits of living in a culturally diverse nation. We encourage a "melting pot" of beliefs and traditions. It is for this reason that I am here today to express my feelings on behalf of both Byelorussians and American-born Byelorus-

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● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

sians as they continue to establish in the minds of Americans and Russians the importance of an individual nation-state identity. The new Soviet program of "glasnost"—openness—right now establishes a flicker of light in what has been regarded as the "dark side" of intolerance, yet much progress remains to be made on behalf of this new policy. We must determine whether this "glasnost" approach is a sign of true administrative change within the Soviet Union, or merely a clever propaganda ploy. If America can recognize the Byelorussian language and communicate with the 10 million people in that nation, then perhaps we can instill some of our American "open" ideals and encourage the growth of Byelorussian patriotism. Particularly in this commemorative year of our Constitution it seems appropriate that we make an effort to acknowledge captive nations such as Byelorussia which have been forced to exist in the shadow of Communist rule.

Mr. Speaker, I wish to join the Byelorussian-American Association in its celebration of the Byelorussian Democratic Republic's 69th year of independence and would like to reiterate the need for American support of Byelorussia as a nation distinctive in language, culture, and tradition. We must not only denounce the oppressive methods practiced by the Soviet Government in suppressing Byelorussia, but we must also speak out on behalf of Byelorussians as they continue their quest for freedom.

A CONVERSATION WITH ARMANDO VALLADARES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. LAGOMARSINO. Mr. Speaker, Cuban poet and dissident Armando Valladares wrote a book entitled "Against All Hope" which was published last year. The book recounts the indignities suffered by political prisoners in Cuba and must be considered a frightening indictment of the Communist regime in Cuba, since it is based on the 22 years of imprisonment which Valladares himself suffered at the hands of Cuban President Fidel Castro.

Late last year, the Los Angeles Times magazine published an interview with Valladares. I recommend it as a good introduction to the book "Against All Hope" and I urge you to read both.

A CONVERSATION WITH ARMANDO VALLADARES

(By David DeVoss)

Q: How many political prisoners are there in Cuba today?

A: There are two groups of political prisoners. Those who reject political rehabilitation and suffer torture as the result number about 125. In addition, there are between 13,000 and 14,000 political prisoners who are in rehabilitation programs and are working on re-education farms.

Q: What is life like for those in the first category?

A: It is difficult to say which is the most terrible of the tortures employed. Is it more horrible to allow someone to die of thirst, which is what happened to former student leader Pedro Luis Boitel, or to mutilate somebody's hands with a machete, as was the case with Eduardo Capote, a teacher who fought against [former dictator Fulgencio] Batista but nevertheless was sent to the Isla de Pinos when he disagreed with Castro? Some of the worst torture occurred at the Boniato Prison, where biological experiments were conducted on prisoners.

Q: You describe different kinds of torture in your book. For example, what are drawer cells?

A: They are very narrow cells, about six feet long, that contain five or six prisoners. Prisoners had to sit with their knees against their body. There was no room to move; prisoners had to urinate and defecate right there.

All of the tortures had one purpose, which was to break the prisoner's resistance. If a prisoner called a political commissioner and said he understood he had been wrong, if he denied his religious belief, saying they were from the obscure ages, and if he admitted that he now understood that communism was the solution to mankind's problems and he wanted to have the opportunity to reenter the new communist society, then he could escape the cell and be put in a re-education farm. Then he could see his family, receive mail, and the violence would be ended as far as he was concerned.

But for many of us, to accept these things, to renounce our ideals, would have been spiritual suicide. This is why many of my comrades are still in prison today. They've been there for 27, 26, 25 years. Since 1980 they've been in blackout cells, totally dark. They're nine feet long, these cells, and four feet wide. On the floor there's a hole. That's the only sanitary facility. The window and door are sealed with steel plates. On one of the plates there are three small holes about the size of your little finger that allow air, but no light. Amnesty International says men in these cells have been in prison for an average of 22 years. And over this time they've been denied food, clothing, clean water, suffered frequent beatings and all types of psychological tortures. This is the group that I belonged to.

Q: Many people today regard Castro as a leader of the nonaligned movement rather than a hard-line Marxist. He's often depicted as a Hemingway-esque peasant hero who plays baseball, I assume you disagree with this characterization.

A: Castro is a communist dictator. All dictator should be rejected and repudiated. Unfortunately, many people have a "selective sensitivity." They are quick to denounce crimes and tortures when they're committed by men like Chilean President Augusto Pinochet but keep quiet when these same crimes and tortures are committed by Castro. They keep quiet because Castro is such "a charming man." I think this is a dishonest moral attitude. Crime and torture have to be denounced wherever they occur. Murders by Castro's police are just as contemptible as those by Pinochet's police. Castro's public image survives because of this selective sensitivity.

American Vice President Henry Wallace visited the Soviet Union during the time of Stalin. When he returned to the West, he said there were no concentration camps or political prisoners in the Soviet Union. Stalin was a kind old man who would never torture anybody, Wallace declared. It was only after Stalin's death that his crimes—acts more horrible than anything ever denounced by the West—finally were revealed by Nikita Khrushchev. The same will happen when Castro finally disappears.

Some people actually justify Castro's concentration camps, tortures and executions by firing squad with the argument that he has built hospitals and schools, too. I find this argument abominable. If we accept this argument, we must excuse Hitler and Stalin, who also build hospitals and schools. Then we have to justify Pinochet, because in the last few years he also has built some hospitals and schools.

Q: But Henry Wallace wasn't morally dishonest. He simply was deceived. Your example, however does raise the question of why many people tend to excuse abuses by lefist dictatorships, yet denounce those by dictatorships of the right.

A: I have a theory about why there is a greater tendency to criticize crimes and tortures if they're committed by the right. I think it's because of a great anti-American feeling. If Castro had been a dictator in Africa or Asia, he would have disappeared a long time ago. But his country is 90 miles from Florida. Many people sympathize with Castro because of his attitude of confrontation with the United States. Many of the people who readily denounce Soviet abuses sympathize with Castro because it's a way of channeling their anti-Americanism.

Castro has done what many of them would have liked to do: stand up to America. That's why there's so much sympathy for the Sandinistas in Nicaragua. What I find curious is that even here in the United States there are many Americans who are anti-American.

Q: It's been more than 50 years since U.S. Marines occupied Nicaragua and more than a century since U.S. forces stormed Chapultepec Castle in Mexico City. What accounts for the lingering anti-Americanism throughout Latin America?

A: For many people, these events took place last week. Others have an interest in keeping latent anti-Americanism alive. In Europe, for example, which is supposed to have a high intellectual level, when I speak about the dictatorships of Pinochet and Castro, journalists will say, "What about Reagan?" and want to include him in that group of dictators. There may be reasons to disagree with Ronald Reagan, but he's no dictator.

A few months ago I was speaking with an important Swedish politician. He thought Castro was very intelligent because back in 1980 he sent all the Mariel criminals to the United States. I asked him what his attitude would be if [French President Francois] Mitterrand cleaned out all his jails and put the prisoners on a boat to Sweden. Of course he didn't like that at all. But he thought what Castro did was cute.

Many people privately acknowledge what is going on inside Cuba but won't admit so publicly for fear it would give a weapon to the Americans. This is a generalized feeling all over the world.

Q: How do you assess the human rights situation in Latin America today?

A: I think there's been a considerable improvement throughout the continent. A growing awareness of human rights is one of the elements that has contributed to many dictatorships of the right giving way to democracies. In Central America, human rights are constantly being violated. But they're being violated by both sides, and both sides should be denounced.

Q: Do you believe that a country must be held accountable for a certain standard of behavior, no matter the level of its economic or political orientation?

A: The Universal Declaration of Human Rights [adopted by the United Nations in 1948] guarantees the individual spiritual and material freedom of each citizen. It should apply to all human beings, regardless of the political or economic status of their country. Human rights organizations that fight for this principle annoy the governments they criticize, but the fight must go on as long as the abuses continue.

Q: There have been allegations that human rights groups in El Salvador have been infiltrated by rebel sympathizers. And last year, the director of the archbishop's legal affairs office said it counts as innocent civilians all persons killed in battle by government troops. Have human rights organizations in Latin America become platforms for anti-government propaganda?

A: Some have. This is well known all over the world. Many of the people who expose human rights violations are very subjective. It's foolish to insist that every person killed by the army is an innocent civilian. Some of the civilians killed in El Salvador have been secretly carrying weapons or directly involved in combat. But it's also true that many who have died have been innocent.

Q: How can human rights be ensured in a country where terrorism and counterinsurgency are the primary weapons in a political struggle?

A: Well, El Salvador has a government that has been democratically elected by the people. The rebels were given a chance to lay down their arms and form a political party. They rejected the proposal because they knew the majority of Salvadorans would not have voted for them. They know their only path to power is that of violence and terrorism. In El Salvador those guerrillas who set off bombs should be arrested and taken to court. They should not be tortured.

Q: Are there any factors in Latin temperament or culture that might explain the high level of violence occurring today?

A: I think the great amount of violence in Latin America results from a spiritual crisis. This deficiency does not occur just in the Americas; it's universal. As men drift further away from God, they forget in time that they are men and almost become beasts. A man can't speak of charity, love and spiritual sensitivity if there is no presence of God within him.

CARIBBEAN COMMUNITY—(CARICOM)

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. DYMALLY. Mr. Speaker, in the markup of the Department of State authorizations before the Committee on Foreign Affairs, it was discovered that some members and representatives of the Department of State were not cognizant of the history and role of the Caribbean Community [CARICOM].

I am, therefore, entering in the CONGRESSIONAL RECORD, background information about CARICOM:

CARIBBEAN COMMUNITY AND COMMON MARKET [CARICOM]

Address: Bank of Guyana Building, POB 10827, Georgetown, Guyana.

Telephone: 02-69281.

Telex: 2263.

CARICOM was formed by the Treaty of Chaguaramas in 1973 as a movement toward unity in the Caribbean; it replaced the Caribbean Free Trade Association (CARIFTA), founded in 1965.

Members

Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Montserrat, Saint Christopher and Nevis, Saint Lucia, Saint Vincent and the Grenadines, and Trinidad and Tobago.

Observers

Dominican Republic, Haiti, and Suriname.

ORGANIZATION

(October 1985)

Heads of Government conference

The Conference is the final authority of the Community and determines policy. It is responsible for the conclusion of treaties on behalf of the Community and for entering into relationships between the Community and international organizations and states. The Conference is also responsible for making the financial arrangements to meet the expense of the Community, but has delegated this function to the Common Market Council. Decisions of the Conference are generally taken unanimously, but in 1984 the Conference instructed the Secretariat to examine the introduction of a voting procedure other than by unanimous vote.

Common Market Council

The principal organ of the Common Market, the Council consists of a Minister of Government designated by each member state. It is responsible for the development and smooth running of the Common Market, and for the settlement of any problems arising out of its functioning. However, the Conference may issue directives to the Council. The Council generally takes decisions unanimously.

Institutions

There are several institutions of the Caribbean Community responsible for formulating policies and supervising co-operation in services such as education, health, labour matters and foreign policy. Each member state is represented on each institution by a Minister of Government. These institutions are the Conference of Ministers Responsible for Health and the Standing Committees of Ministers Responsible (respectively) for Education; Labour; Foreign Affairs; Finance; Agriculture; Industry; Transport; Energy, Mines and Natural Resources; and Science and Technology.

Secretariat

The Secretariat is organized into five divisions: Trade and Agriculture; Economics and Industry; Functional Co-operation; General Services and Administration; Legal. At the end of 1983 there were 159 permanent staff and 48 project staff. The functions of the Secretariat are: to service meetings of the Community and of its Institutions of Committees; to take appropriate follow-up action on decisions made at such meetings; to carry out studies on questions of economic and functional co-operation relating to the region as a whole; to provide services to member states at their request in respect of matters relating to the achievement of the objectives of the Community.

ACTIVITIES

Economic Co-operation

The Caribbean Community's main field of activity is economic integration by means of a Caribbean Common Market which replaced the former Caribbean Free Trade Association (CARIFTA). However, the economic difficulties of member states have hindered the development of intra-regional trade, which accounted for 9.3% of imports in 1981, falling to 6% in 1983. The value of Community trade fell by some 13% from US $555m. in 1982 to $481m. in 1983, and during 1984 it fell by a further 12%. Jamaica's introduction of a "two-tier" exchange rate (causing a temporary trade boycott by other members), Trinidad and Tobago's imposition of import-licensing measures, and the collapse of the Community's Multilateral Clearing Facility (MCF) after it had exceeded its credit limit, all affected intra-regional trade during 1983. Another problem is the difficulty of applying the CARICOM Rules of Origin which attempt to verify that imported goods genuinely come from within the community; the garment industry is particularly affected by illegal imports.

The Secretariat and the Caribbean Development Bank carry out research on the best means of facing economic difficulties. Meetings of experts were held during 1983 to review the key components of the regional economy (bauxite, sugar and banana production, manufacturing and tourism). Meetings of the Chief Executive of commercial banks and of central bank officials were also held with the aim of strengthening regional co-operation.

In July 1984 the Conference of Heads of Government agreed to revive the MCF by seeking external financing, and to establish a common external tariff on certain products, such as steel, cement and fertilizers. They also issued the "Nassau Understanding" calling for structural adjustment in the economies of the region, including measures to expand production and reduce imports. The common external tariff was to be implemented by 1 January 1985, but the target date was postponed until 31 August, and several members had still not implemented the measures by that date.

Industry and Energy

The CARICOM industrial programme aims to promote the development of exporting industries through an 'Enterprise Regime' (subject to ratification by member governments). Work on an Investors' Guide for each member state was undertaken in 1983. CARICOM's Export Promotion Project (financed by the European Development Fund) gives training and consultancy services to regional manufacturers, and there is also a trade information unit and a sellers' and buyers' data bank at the Secretariat. The first regional manufacturers' exhibition (CARIMEX) was held in 1985.

The Secretariat is active in setting up a National Standards Bureau in each member country to harmonize technical standards, and supervises the metrication of weights and measures: in 1983 a metrication expert was engaged for a year (through the Commonwealth Fund for Technical Co-operation) to provide technical assistance to each member country during conversion to the metric system.

The CARICOM Alternative Energy Systems Project was hindered by lack of funds in 1983, and proposed training activities had to be postponed. Energy needs assessment reports and energy audits were, however, completed for several countries.

Transport

The West Indies Shipping Corporation (WISCO) forms the official carrier in the region, and in 1983 a special CARICOM committee was formed to encourage co-operation between WISCO and the national shipping lines. A survey was carried out on improving navigational aids, and training in maritime safety was given, while studies and inventories of small vessel shipping were completed with financial assistance from the UNDP. Work on co-ordinating regional air transport is also undertaken.

Agriculture

In 1983 the Agricultural Marketing Protocol, a mechanism for promoting trade in agricultural products, was abolished and alternative arrangements were being considered. The Secretariat also worked on plans for a regional nutrition strategy; the establishment of a regional information system on animal diseases and of a regional Aquaculture Centre (in collaboration with the FAO); and the development of the coconut industry. Fisheries training was also provided.

The Caribbean Agricultural Research and Development Institute (CARDI) was founded in 1975; its work concentrates on the problems of small farmers producing for local consumption, for example projects aimed at increasing productivity of yams and groundnuts. A regional food and nutrition strategy, approved in 1982, aims to improve standards of nutrition, increase production and establish food reserves, largely through the Caribbean Food Corporation, which attracts investments for agricultural projects and food marketing. In 1983 ministers of agriculture approved an investment programme of 19 projects to be implemented by 1985.

Education and Health

With assistance from UNESCO the Secretariat provided workshops on literacy teaching in 1984, and prepared a constitution for the Caribbean Council for Adult Education. It also sponsored meetings on technical education, and awarded 57 individual training grants in 1983.

In 1983 the Secretariat prepared plans of action of food safety and on community health education, and assumed responsibility for management of the Pan-Caribbean disaster Preparedness and Prevention Project. A series of workshops on health management was held in five countries.

Associate Institutions

Caribbean Development Bank: POB 408, Wildey, St. Michael, Barbados; tel. (809) 42 61152; telex 2287; f. 1969 to stimulate regional economic growth through support for agriculture, industry, transport, tourism and education; cap. US $281.6m. (Nov. 1983) of which $57.2m. is paid-up. In 1982 loan approvals from ordinary capital were $29m., from the Bank's Special Development Fund $9m. and from other special funds $16.6m. Mems: CARICOM states, plus Canada, Colombia, Mexico, Venezuela, the United Kingdom, Anguilla, the British Virgin Islands, the Cayman Islands and the Turks and Caicos Islands. Pres. WILLIAM DEMAS.

Organisation of Eastern Caribbean States—OECS: Bridge St. Castries, Saint Lucia; tel. 3185; f. 1981 by the seven states which formerly belonged to the West Indies Associated States (f. 1966). Principal institutions are: the Authority of Heads of Government (the supreme policy-making body), the Foreign Affairs Committee, the Defence and Security Committee, and the Economic Affairs Committee. A treaty forming the Eastern Caribbean Development Bank was signed by the seven members in July 1983. Following a military coup in Grenada in October 1983, the OECS acted jointly in requesting US military aid to invade the island. Mems: Antigua and Barbuda, Dominica, Grenada, Montserrat, Saint Christopher and Nevis, Saint Lucia and Saint Vincent and the Grenadines; assoc. mem.: the British Virgin Islands

Other Associate Institutions of CARICOM, in accordance with its constitution, are: the Caribbean Examinations Council, the Caribbean Meteorological Institute, the Council of Legal Education, the West Indies Shipping Corporation, the University of Guyana and the University of the West Indies.

MARYLAND'S SALUTE TO WOMEN'S HISTORY MONTH

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. HOYER. Mr. Speaker, I would like to call to the attention of my colleagues the historical and contemporary contributions made by women in the State of Maryland. As we mark March 1987 as "National Women's History Month," and "Maryland Women's History Month," it is appropriate to reflect on the outstanding role played by Maryland's women.

First, I would like to acknowledge the superlative work of the Maryland State Department of Education and the Maryland Commission for Women in promoting awareness among Marylanders of the significant position occupied by Maryland women. For 1987, these two coordinating organizations have adopted the theme of "Maryland Women and Social Reform: Making a Difference."

In addition, the Prince George's County Commission for Women has commemorated "Maryland Women's History Month" with the theme of "Women: Making a Difference." As part of its observance, in 1986, the County's Commission for Women established the Gladys Noon Spellman Award for excellence in public service. From president of a local Parents-Teacher Association to the U.S. House of Representatives, my predecessor, Gladys Noon Spellman, successfully spearheaded efforts to effect reform in all facets of life in Prince George's County, the State of Maryland, and the Nation. This annual award will serve as a perpetual commitment to women who best exemplify achievement in their chosen field or profession, in service to their community, and in their ability to make visions become a reality. For 1987, the recipient of the Gladys Noon Spellman Award is Shirley Foster, the division director for Income Maintenance, of the Prince George's County Department of Social Services. Last year, Sylvia Reisher, the division director, with the Department of Aging, won the award.

Also, the five 1987 inductees of the Maryland Women's Hall of Fame deserve a special tribute for their magnificent contributions and work. This, the third group of inductees, is certainly no less prestigious and accomplished than the first two.

The newest additions are: Clara Barton, a nurse to the wounded and dying wearing Blue and Grey at Cedar Mountain, Second Bull Run, Chantilly, South Mountain, Antietam, Fredericksburg, and other Civil War battlefields, and the founder of the American Red Cross; Frances E. Watkins Harper, an abolitionist, poet, and novelist, who is generally credited with being the first black woman to publish a short story and one of the first to publish a novel; Juanita Jackson Mitchell, the first black woman to practice law in Maryland, and a woman whose dedication and commitment to civil rights was demonstrated by her central role in the opening of public accommodations throughout the State to men and women of all races and colors; Mary Shaw Shorb, a scientist at Johns Hopkins and the University of Maryland, who identified and isolated vitamin B-12; and Helen Brooke Taussig, who after receiving a medical degree from the Johns Hopkins Medical School, founded the specialty of pediatric cardiology and became the first female to serve as the president of the American Heart Association.

In addition, I would like to note with pride and sorrow the tremendous accomplishments and terrible loss associated with two modern-day pioneers, Christa McAuliffe and Judith Resnick. The January 1986 explosion that destroyed the *Challenger* space shuttle claimed the lives of these two women with Maryland connections.

The National Aeronautics and Space Administration selected Christa McAuliffe, a social studies teacher at Concord High School in Concord, NH, from more than 11,000 applicants to be the first teacher to fly on a space shuttle and the first private citizen in space. Mrs. McAuliffe, who was born in Boston, received a master's degree in education from Bowie State College in Bowie, MD. She held a variety of teaching assignments, including several positions in the public schools of Prince George's County, MD. I would also like to note that her husband, Steven, had been a law clerk in my office. Her husband, her two children, and, indeed, all Americans, will miss this lovely, warm, talented, and dedicated teacher and woman.

NASA chose Judith Resnick among the first group of female astronauts, who were named in 1978. Serving on the *Discovery* shuttle mission in 1984 and operating many of the scientific experiments, Ms. Resnick became America's second woman, after Sally Ride, to orbit the Earth. Ms. Resnick grew up in Akron, OH, graduated from Carnegie-Mellon University, and earned a doctorate in electrical engineering from the University of Maryland. As an alumnus of the University of Maryland, I am particularly proud of the accomplishments and extraordinary ability of this young woman.

We will truly miss both Christa McAuliffe and Judith Resnick. However, their superlative example and that of the five newest additions to the Maryland Women's Hall of Fame will always serve as a guide and inspiration to others, both men and particularly women.

CONGRESS EXPRESSES CONCERN ABOUT ELBERTS AS REFUSENIK FAMILY SEEKS PERMISSION TO LEAVE SOVIET UNION FOR ISRAEL

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. LOWRY of Washington. Mr. Speaker, I would like to provide an update on Lev and

Inna Elbert of Kiev and their son Carmi. In response to repeated denials of their requests for permission to emigrate to Israel, Lev and Inna began a hunger strike during the first week of this month. At that time, I sent a telegram to General Secretary Gorbachev on their behalf which was cosigned by 54 Members of Congress. Last week, I sent a followup telegram and was joined by 112 of our colleagues. To all those who supported these urgent humanitarian appeals, my sincere thanks.

It is my understanding that Inna Elbert has followed her doctor's urgent request to stop participating in the hunger strike to avoid serious damage to her health. Lev is still continuing with the hunger strike, however.

Their case has been referred to Andrei Gromyko, the President of the Supreme Soviet, and we are awaiting word on any action that he may take. I have notified Mr. Gromyko of the concerns that so many Members of Congress have expressed about this case.

The Elbert family clearly has the right to emigrate under the Helsinki Final Act, the U.N. Universal Declaration of Human Rights, and Soviet emigration law. Accordingly, it is my sincere hope that Mr. Gromyko or other Soviet officials will act quickly to grant the Elberts an exit visa.

RAISING THE MINIMUM WAGE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. BIAGGI. Mr. Speaker, today I am very proud to join the distinguished chairman of the House Education and Labor Committee, GUS HAWKINS, in introducing a major new bill to raise our Nation's minimum wage. Simply put, this legislation is long overdue.

On the first day of this session, I introduced a bill, H.R. 79, to gradually raise the minimum wage over a 5-year period to 50 percent of the average private wage, and then to adjust it annually on a permanent basis to maintain that level. I am pleased to note that the bill being introduced today is very similar to that proposal.

Beginning on January 1, 1988, the present minimum wage of $3.35 an hour would be increased by 50 cents to $3.85 an hour. Additional 40-cent increases would occur in both 1989 and 1990, bringing the minimum wage to $4.65 over the next 3 years. The minimum wage would then be adjusted annually on a permanent basis by whatever amount it takes to keep the minimum wage at 50 percent of the average private wage for our Nation's nonsupervisory labor force.

Mr. Speaker, the need for this legislation could not be any more clear. The existing minimum wage of $3.35 an hour is an insult to working Americans. It provides neither an incentive for people to work, nor any sense of economic security if they do. In fact, when adjusting for inflation, the minimum wage has declined by 26 percent since it was last increased in 1981, and it is now at its lowest level of real spending value since 1955.

The existing minimum wage is so out of touch with the economic realities of the day that a person working full time at the current minimum wage earns only $6,968 a year, nearly $2,000 below the poverty threshold for a family of three ($8,741).

Since the Federal minimum wage was established in 1938 by the Fair Labor Standards Act, it has been adjusted by Congress periodically to keep it at about 50 percent of the average private wage for the nonsupervisory labor force. However, a failure to raise the minimum wage over the last 6 years has allowed it to slip to less than 38 percent of the average private wage ($8.85). This is a national disgrace that must be corrected.

Action cannot come soon enough. Approximately 7.4 million American workers earn the minimum wage. Contrary to popular belief, the average minimum wage worker is not a teenager looking for part-time work. More than two-thirds of all minimum wage workers are adults (over age 20), and 3 of every 10 minimum wage workers are heads of households.

Some have argued that raising the minimum wage will cause inflation and result in fewer jobs. These charges are unfounded. Just consider, for example, that the overall civilian work force has seen about a 4 to 5 percent increase in wages during the last 6 years, and inflation has gone from 13 to less than 3 percent during that same period—proving that higher wages do not mean higher inflation.

Other evidence indicates that increasing the minimum wage has actually served as a stimulus for bringing more teenagers and older persons into the workplace. Some businesses, like McDonald's and other fast-food restaurants that rely heavily on teenage workers, have been forced to voluntarily pay their employees substantially more than the minimum wage because they've found people are just not willing to work for less than poverty wages.

Mr. Speaker, the minimum wage was established in 1938 to ensure a standard of living under which nobody in our great Nation should live. That principle is no less important today than it was 50 years ago, but the present minimum wage fails miserably to live up to the original congressional intent. The bill we are introducing today will restore true meaning to the term "minimum wage."

I am pleased to note that organized labor helped develop this legislation and it has their full endorsement. Further, identical legislation is also being introduced in the Senate by Senator KENNEDY, chairman of the Labor and Human Resources Committee. Mr. Speaker, I am encouraged by these developments and am hopeful this legislation will receive the prompt and favorable consideration it deserves.

THE FOURTH ANNIVERSARY OF SDI: IT'S TIME TO DECIDE TO DEPLOY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. DORNAN of California. Mr. Speaker, Monday, March 23, 1987 marked the fourth anniversary of President Reagan's historic decision to go forward with the strategic defense of the United States. President Reagan's strategic defense initiative [SDI] is a bold step forward and away from the immoral policy of paralytic terror—mutually assured destruction or as it is aptly known MAD.

While liberal MADcapped arms controllers haggle over various interpretations of the hopelessly outdated ABM Treaty, the Soviet Union marches ahead with their own Strategic Defense Program. Not only are the Soviets doing it, they are doing it with disregard to many of the provisions of the ABM Treaty.

Strategic defense of the United States against ballistic missiles will lead to a stable peace for the future. Postponing decisions on deployment of SDI, when we have the mature technology to put a space- and ground-based defense in place, is dangerous. It is dangerous because of the threat posed by Soviet military developments across the board. I encourage all my colleagues to read the sixth edition of the recently published Department of Defense publication "Soviet Military Power" that was mailed to each and every congressional office.

Dr. Robert Jastrow, one of the most preeminent experts on strategic defenses in the world today recently warned us of the threat posed to the United States by the vigorous effort put forward by the Soviet Union. He argues that the Soviets may be as near as 5 years away from deploying a nationwide ABM defense.

This emerging defensive capability, coupled with Moscow's existing first strike offensive ICBM force will emasculate our nuclear deterrent. If this is allowed to happen, Dr. Jastrow warns, "the U.S. will have suffered the greatest military reversal in history."

Mr. Speaker, I am submitting for the RECORD the article Dr. Jastrow wrote in National Review. I strongly urge all my colleagues to take a few minutes and read this article.

The article follows:

[From the National Review, Feb. 13, 1987]

AMERICA HAS FIVE YEARS LEFT

(By Robert Jastrow)

Time is running out for the United States. Just two months ago, Robert Gates, Deputy Director of the CIA, confirmed reports that the Soviets were constructing three more huge phased-array radars in the western USSR. These mammoth radars, each as large as a football field, close the final gap in the network of radars guarding the missile corridors into the Soviet Union.

Some analysts say the Soviet radar network is intended for early warning. However, the radars have a combination of size and power that goes far beyond early-warning requirements. They have the range and angular precision needed to get an accurate track on an oncoming warhead, figure out which target the warhead is headed for, and alert ABM launch sites in the warhead's path so they can send up missiles to intercept it. In fact, they have all the properties of "battle management" radars designed for an ABM defense of Soviet territory.

The new radars and their fellows—the complete AMB radar network has nine—are the long poles in the Soviet ABM tent. They take several years to design and five or six years beyond that to build. The Soviets must have started working on the first of them around 15 years ago, while they were still negotiating the ABM Treaty.

Mr. Gates also confirmed the existence of Soviet production lines for manufacturing large quantities of ABM equipment. That means volume production of the intercepting missiles that destroy oncoming warheads, the launchers that send these missiles into battle, and the small "engagement radars" that point the missiles in the right direction to make an intercept.

Article I of the ABM Treaty says each side must promise not only that it will not deploy a nationwide ABM defense, but also that it will not "provide a base" for such defense. The Soviet radar network and ABM production lines constitute a base for a nationwide ABM defense. This goes beyond isolated technical violations like the inland location of the Krasnoyarsk radar. It tears the guts out of the ABM Treaty.

The CIA report calls the Soviet ABM buildup "ominous," with "awesomely negative implications" for American security. This is strong language coming from a senior CIA official. In the past the CIA has been conservative in its estimates of Soviet capabilities in the nuclear arena. Why is the CIA so alarmed now?

The answer is that this recently discovered buildup of Soviet ABM defense has been going on in concert with the buildup of a first-strike ICBM arsenal. Mr. Gates writes: "Their heavy ICBM force is designed for the Soviets to strike first." As a result of that missile buildup, the Soviets could, with half of their ICBM force, destroy essentially all our ICBMs plus a large fraction of our bombers, cruise missiles, and ballastic-missile submarines.

Little would be left of our nuclear forces for retaliation in the aftermath of a Soviet first strike. Destruction of U.S. military communications links would further diminish the effectiveness of the U.S. response. Against the ragged retaliatory strike the U.S. could launch after such an attack, the Soviet AMB defenses now under construction would be very effective.

The bottom line is that the Soviet Union is developing a lethal combination of a first-strike attack force and a defense against retaliation by U.S. ballistic missiles. That combination removes the ability of the United States to protect its citizens from nuclear attack. If Soviet plans come to fruition and the Soviets' nationwide ABM defense is deployed, the U.S. will have suffered the greatest military reversal in its history, with highly destructive consequences certain to follow.

How much time do we have? Not very much. The three new radars that close the gap in the Soviet network will be completed around 1991 or 1992. According to the CIA, the same time frame—the early 1990s—is also the best guess for deployment of nationwide ABM defenses in the USSR, constituting the final Soviet breakout from the ABM Treaty. That gives the U.S. about five years before our nuclear deterrent is emasculated.

A general understanding of this danger united the three authors of *NR*'s recent special SDI update [Dec. 31] in their call for an early deployment of missile defenses. They pleaded for the immediate use of technologies in hand now, without "researching the problem to death," as Jack Kemp put it. That means backing away from the laser and the particle beam as far as early deployment is concerned. These exotic devices are promising but they require more research. They will not be available in our time of greatest peril.

The technology we have in hand now is the "smart bullet," a heat-seeking missile that homes in on its target like a snake stalking a rodent. Smart-bullet technology is relatively mature and ready to use. It is just an evoluntionary development out of heat-seeking missiles (like the Sidewinder) routinely used in air defense.

Smart bullets can be fired at their targets either from launchers on the ground or from satellites in orbit. They have been tested against targets in space, including a ballistic-missile warhead, and are highly effective.

Congressman Kemp says we should make use of this proven technology by putting up one hundred smart-bullet launchers (the number permitted by the ABM Treaty) as fast as we can. I made similar proposals last year, after talking with experts about the rapid progress being made in the smart-bullet technology, although my proposals involved more launchers and would not have complied with the treaty.

A great deal of work is going on in the SDI program on these smart-bullet defenses, with a view to meeting the Soviet first-strike threat at the earliest possible moment. However, the thinking on this matter in the SDI Organization, and on the part of Defense Secretary Weinberger, is a little different from what Congressman Kemp and I, among others, had proposed.

The Secretary and senior SDI management have concluded that an effective defense must include smart bullets based on satellites orbiting over the USSR, so that the Soviet missiles can be destroyed in their boost phase as they rise from their silos, before they release their warheads and decoys. In the judgment of these DOD officials, a space-based layer is essential because a massive Soviet first strike would send thousands of warheads and perhaps a hundred thousand decoys toward the United States. A "threat cloud" of those dimensiions would confront the ground-based layers of our defense with an almost insurmountable challenge.

But if we can catch the ICBMs in their boost phase, we get them with all their eggs in one basket. It doesn't matter how many warheads and decoys each ICBM carries; we kill them all with one bullet. That greatly simplifies the problems for the ground-based layers of our defense.

The boost-phase defense, based in space, also makes it difficult for the attacker to overwhelm our defense by concentrating his attack on high-priority targets, such as MX silos or the National Command Authority, because he cannot tell beforehand which missiles and warheads are going to get through and which will be shot down.

Congessional supporters of an early missile defense grant these virtues of the space-based layer but say that the pace of the Soviet move toward a nationwide ABM defense does not permit us the luxury of waiting until the space-based layer is available. We only have four or five years. We must go forward with what we have. Even if the initial, ground-based defense is only partly effective, it will introduce a large measure of uncertainty that will deter the Soviet leadership. Any factor that discourages the Soviet Union from using its first-strike arsenal is a big plus for American security.

I myself shared these views, and believed that we should go forward with a ground-based defense without waiting for the space-based layer. Then, quite recently, I was surprised to learn that it is not necessary to make this painful choice. Several independent studies indicate that a space-based layer can be put in place in the same time frame as the ground-based layers. This result came out of the deliberations of the technical panel on missile defenses convened by the George C. Marshall Institute. The five members of the panel have more than 160 years of combined experience in defense and space. Lieutenant Colonel Worden's article in the *NR* special update confirms their finding.

The Marshall Institute panel concluded that the technical situation will allow deployment of a space-based defense layer starting in six and a half to seven years from the time the political decision is made to go forward. Deployment could start in 1993 or 1994, if the decision to proceed were made this year.

The complete defense will have three layers, the other two layers being ground-based. One of the ground-based layers—the so-called ERIS layer, which uses smart bullets to intercept oncoming warheads high above the atmosphere—has a more mature weapons technology than the other layers and can be deployed even sooner, perhaps as early as five years from the time of the political decision to proceed. That means deployment of the ERIS layer might start in 1992 if the decision to deploy is made this year.

As Congressman Kemp and Lieutenant Colonel Worden point out, an incremental approach to the deployment of the full defense, starting with deployment of the ERIS layer in 1992, would be valuable. It would provide the earliest possible protection against accidental or irrational launches, and would also provide a useful degree of deterrence against limited attacks on key military sites.

But there is a great danger in deploying an ERIS layer before the rest of the defense. ERIS has limited effectiveness against a massive attack. If we deploy ERIS first and say it will be followed up in two years by a space-based layer, critics of SDI will conveniently forget the last half of the announcement. They will say, "See here, the Soviets can overwhelm that defense easily with more warheads and decoys. SDI isn't worth much."

It's true. A defense without a spacebased layer is very vulnerable to decoys and would provide a powerful incentive for the Soviets to develop large numbers of low-cost, lightweight fake warheads. A ground-based defense by itself would give us only a few years' respite. It is essential to follow up the ERIS deployment as quickly as possible with the space-based layer.

Deploying ground-based defenses without a space-based layer would also be tantamount to handing military control of space over to the USSR. We know Soviet scientists are working very hard on lasers to destroy satellites in orbit. They are also working on lasers as a boostphase defense against U.S. ballistic missiles. If we do not press forward as rapidly as possible with our own space-based defense, by the late 1990s the Soviets will be in a position to disrupt U.S. communications and reconnaissance satellites at will. By the end of the century, they may be able to keep the United States out of space altogether. They'll close the door and say, "You can't come in."

We can no more survive as a nation without a military guarantee of free access to space than we could survive without a military guarantee of access to the world's oceans. We need space-based defenses as much as we need the U.S. Navy. That is why

Gorbachev was so insistent on killing the space-based part of SDI in Reykjavik, and why the President was so insistent on preserving it.

HOW TO BUILD A REALISTIC NICARAGUAN POLICY

HON. ROBERT J. MRAZEK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. MRAZEK. Mr. Speaker, it has become more than evident to many of us in this body that a drastic review of policy goals in Central America is in order. Without this reexamination and a subsequent will to act positively to bring peace to the region, our current policy is doomed to failure.

On March 22, Long Island's Newsday printed an editorial which outlines a series of steps we can take to build a realistic and effective Nicaraguan policy. While individual Members of this body may disagree with some of its specific recommendations, I think we would all do well to peruse the article and to reflect on the suggestions it raises. Our policy in the region is in serious disarray, and we must act decisively in the near future to reverse this trend, to prevent the further expenditure of U.S. tax dollars on a bankrupt cause, and to avoid the possibility of sending a new generation to American teenagers to atone for our mistakes.

I submit the editorial from Newsday for the RECORD, and recommend its absorption by all of my colleagues:

[From the Long Island (NY) Newsday, Mar. 22, 1987]

HOW TO BUILD A REALISTIC NICARAGUAN POLICY

One of the senators who voted Wednesday against halting aid to the Nicaraguan contras said it would be a mistake to stop the funding now because "there is no policy to take its place." Although that doesn't justify wasting more milions of dollars on the Reagan administration's futile proxy war, the senator's point is well taken. His complaint underlines the urgency of devising—in anticipation of further battles over contra aid in the months ahead—a workable Nicaraguan policy that will be acceptable to Congress and the American people.

What would be the essential elements of a workable policy on Nicaragua?

To begin with, an acceptable policy should come at a price the United States can tolerate. The escalating militarization and endless warfare envisioned by the administration to keep Marxism at bay in Central America are not supportable morally or politically. The contra movement is too tainted by the burgeoning scandal of the Iran connection, too discredited and too disunited to have a reasonable expectation of success without large scale involvement of American troops.

An acceptable policy should relate ends and means. The security of the United States and of Nicaragua's neighbors—not the political complexion of the regime in Managua—should be the primary concern. A reasonable U.S. military presence in the region can adequately convey Washington's determination to take care of security needs and back up warnings that the introduction of Soviet bases, missiles or sophisticated aircraft will not be tolerated. The option of a U.S. military response to aggression—overt or covert—need not be foreclosed.

An acceptable policy should reflect a genuine willingness to pursue diplomatic solutions to regional problems. Washington has refused to explore this possibility fully. It's as if the United States, notwithstanding disingenuous statements to the contrary, is afraid to negotiate. The administration still refuses to sit down with the Sandinistas.

An acceptable policy should build on the fact that Nicaragua shares an interest with the United States in preventing war. Nicaragua's president says his government is willing to make concessions that would satisfy American security concerns; it would even, he says, sign an agreement explicitly acknowledging the right of American troops to establish bases and conduct maneuvers in any country that invited them. Surely that position is worth examining at the negotiating table while pressing for reductions in Nicaragua's Soviet-bloc and Cuban military advisers.

An acceptable policy should give more than lip-service to the diplomatic efforts of other countries. It should establish conditions for cease-fires between governments and rebels while negotiations proceed for a verifiable limitation on military forces in the region. A Costa Rican peace plan may provide the newest opportunity for dialogue; it shouldn't be sent the way of the ill-fated Contadora process before it has been fully elaborated.

An acceptable policy should mean ending hypocritical talk about bringing democracy to Nicaragua by overthrowing a universally recognized government with mercenaries who are prone to human rights abuses and led by officers of the detested Somoza dictatorship. Attempts to effect internal reforms in Nicaragua should emphasize diplomatic pressures and economic incentives to under mine any justification for keeping the country in a repressive state of emergency.

An acceptable policy should plan a future for thousands of contras and tens of thousands of Nicaraguan refugees before they plague Honduras and its neighbors as gangs of armed bandits. They should be peacefully repatriated or dispersed and resettled in other Spanish-speaking countries.

An acceptable policy should head off future insurgencies by promoting economic development as well as social and political reforms around the region.

Finally, an acceptable policy should recognize that Central America is actually less vulnerable now than when the Sandinistas took power in 1979. Not only has Nicaragua's revolution not spread, but guerrilla movements in El Salvador and Guatemala have waned along with right-wing militarists, while civilian democracy has begun to take root. Although the example of a Marxist revolution in Nicaragua remains a cause for concern, the United States should have confidence in its own ideals and help its newly democratic friends in the region build better models.

CASEIN IMPORT LIMITATION

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. ROTH. Mr. Speaker, today I rise in support of H.R. 1436, legislation which would establish a 50 percent quota limitation on imports of casein. This measure is similar to H.R. 243, the Milk Protein Fair Trade Act of 1987, which I introduced on January 6.

The unchecked importation of casein, the principal protein component of milk which is removed and used in a variety of food, feed and industrial products, has wreaked havoc on our domestic dairy market. Imports of casein have risen from insignificant levels in the early post-World War II years to a record 231.4 million pounds in 1985.

Investigations and studies by the U.S. Department of Agriculture and the International Trade Commission document that casein imports have been causing significant and steadily-increasing interference with the dairy price support program. In 1985, a USDA study estimated that approximately $300 million in Government costs could be saved if casein imports were limited by 50 percent.

The American taxpayer is in effect paying twice for the same commodity. The lack of domestic restrictions on casein encourage foreign nations to generously export their subsidized casein to U.S. markets. Simultaneously, the Commodity Credit Corporation is buying our farmer's own surplus nonfat dry milk which has been displaced by imported casein. This is an intolerable waste of American tax dollars.

The American taxpayer, and in particular the American farmer, is being dumped upon by New Zealand and Common Market member nations which subsidize the production of casein for export abroad. Almost 50 percent of our casein imports come from New Zealand. That government has created an entire industry sector whose sole purpose is to compete in U.S. markets against U.S. dairy products. What it really boils down to is that while New Zealand failed to live up to its part of the ANZUS treaty, it is at the same time helping to impoverish the American dairy farmer.

Congress has an established policy regarding the importation of agricultural and food commodities which affect our domestic agriculture programs. Section 22 of the Agricultural Adjustment Act of 1933, as amended, allows the President to limit such imports when notified by the Secretary of Agriculture that the Secretary "has reason to believe that any article or articles * * * imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with" any domestic agricultural program.

However, there has been a consistent failure to invoke this policy with respect to casein imports. The evidence is clear that the importation of casein adversely affects the dairy farmer and the American taxpayer, who foots the bills for our farm support programs. It is imperative that the Congress act to curtail the counterproductive import of casein and I urge my colleagues to support legislation to accomplish this goal.

THE ROCKEFELLER COMMISSION REPORT: FIFTEEN YEARS LATER

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. SCHEUER. Mr. Speaker, I would like to draw the attention of the House to the 15th anniversary of the historic Rockefeller Commission Report on "Population Growth and the American Future" which occurs tomorrow. I had the privilege of serving as a member of that Commission under the chairmanship of the late John D. Rockefeller III, and recall the final report which urged the Nation to prepare for a stabilized population to help solve our economic, social, and environmental problems.

Despite the passage of time, I am pleased to note the report is still as timely and fresh as it was then. Its predictions were accurate, its concerns well founded. A few of its policy change suggestions have become law—such as employer sanctions to reduce illegal immigration which will soon become effective—but adoption of the balance of its recommendations is long overdue.

With its long list of specific action recommendations, the report is a good yardstick to measure the progress of the Congress toward enacting laws which, in sum, represent an enlightened national population policy. Progress has been made on immigration control, but there are many other sound population policy changes included that are even more imperative to adopt today than they were in 1972.

The Commission foresaw today's domestic population growth-related problems such as worsening urban sprawl and congestion, inadequate open space, increasing illegal immigration resulting in unemployment among our citizens, environmental deterioration, and expanding outdoor recreational needs.

Even before the flood of illegal immigration in the 1980's, the Rockefeller Commission recommended a national policy to limit immigration, which now accounts for more than 40 percent of the Nation's population growth.

The Simpson-Rodino bill passed last year was designed to curtail illegal immigration, but the problem of large numbers of undocumented workers entering the United States is expected to continue for years to come, especially if the Congress does not promptly give the Border Patrol the money and staff it needs to enforce the employer-sanctions law, and make our southern border real.

Since 1972, the U.S. population has grown from 208 to 241 million. The Census Bureau predicts a net increase of another 2.2 million in 1987, with births in the United States projected to reach their highest annual level since the mid-1960's. Without any further improvements in U.S. population policy along the lines recommended by the Rockefeller Commission, the Nation's population could swell to 280 million by the turn of the century.

The Commission concluded that, because "there is hardly any social problem confronting this nation whose solution would be easier if our population were larger * * * our country can no longer afford the uncritical acceptance of the population growth ethic that 'more is better.' "

A nonprofit organization was founded in Washington, DC, in 1973 specifically to advance the Rockefeller Commission's recommendations. Today, Population-Environmental Balance, Inc., is actively pursuing the passage of three pieces of population policy related legislation by the 100th Congress.

One bill calls for the adoption of the policy goal of national population stabilization and provides for improved methods of collecting analyzing and using environmental and demographic data.

The second bill would protect sensitive environmental resources from the pressures of population dispersal through the modification of all Federal programs which subsidize urban sprawl.

The third bill would establish for the first time an annual limit on the number of persons allowed to immigrate into the United States for any reason.

These three bills deserve careful consideration by Congress and I am hopeful that hearings will be held on these measures in this historic 100th Congress.

As John D. Rockefeller III observed 15 years ago tomorrow, "no substantial benefits will result from further growth of the Nation's population. We * * * have not found any convincing economic argument for continued population growth."

Nor does one exist today.

THE PARTNERSHIP ACT OF 1987

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. DOWNEY of New York. Mr. Speaker, today I am introducing the Partnership Act of 1987 [PACT], legislation that addresses poverty as a national concern and calls for a radical sorting out of Federal, State, and local responsibilities.

A sorting out of the intergovernmental system keeps faith with the American experiment. Our State and local governments have tried to fill the vacuum left by Federal inaction in the past 6 years. It is time to acknowledge this and act in a rational way to restructure priorities.

As this Congress, advocates for the poor, and even the President have acknowledged, Federal welfare policy cries out for reform.

We must be fair. A poor person in Arkansas is no less needy than a poor person in New York, and yet their benefits are greatly disparate. This legislation establishes greater national uniformity in basic income support programs and it calls for training welfare recipients who want productive work. Additionally, this bill will relieve States and localities of the growing burden of Medicaid costs.

More than the name has changed in this legislation since it was introduced in the 99th Congress. Low-income housing programs will remain a Federal responsibility, substantial "passthroughs" to local governments from State savings are mandated, and the long-term care debate is left for another day. These are among the changes we have made since introduction in the 99th Congress.

Six years on the House Budget Committee convinced me that the slow, inexorable erosion of our Federal programs cannot continue. We have seen domestic programs whittled away by 2, 5, or 10 percent year after year. There is a broad consensus that the "safety net" has been cut as much as it can be.

Our partnership, or pact, with the citizens of this country is not being met. If we are to live up to the terms of the current social contract, we must decide on our priorities and act on them decisively. The Partnership Act calls for decisive action and it addresses some of the most pressing social and intergovernmental programs this Nation faces. I urge my colleagues to support it.

GREEK INDEPENDENCE DAY

SPEECH OF

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in recognition of this important day in the celebration of Greek and American democracy. Last year this day was officially designated by law as "Greek Independence Day," a time to recognize the proud heritage of all Greeks and the tremendous contribution of Greek democratic values to the ideals of American democracy. Today, this national day is being recognized by major celebrations in communities throughout the United States.

It is especially important that during this year celebrating the Bicentennial of our Constitution we should pay tribute to the birthplace of democracy. As Thomas Jefferson, one of the great forefathers of American democracy once said, "to the ancient Greeks * * * we are all indebted for the light which led ourselves out of Gothic darkness." With the idea that political power in any society should not be in the hands of a minority, but rather in the hands of all people, this early Grecian political philosophy guided our forefathers in forging the Constitution.

Later, in the 1820's, the Greeks borrowed back these now American ideals called democracy as they fought for their independence. After winning their fight for freedom the Greeks then translated our Declaration of Independence into a declaration of their own, proclaiming America to be the proud protectorate and bastion of liberty and democracy.

However, American heritage shares even more in common with Greek heritage than just this important commitment to shared political ideals. Greeks immigrated to America in their largest numbers at the earliest part of this century and have poised themselves as a nationality of great admiration and respect from all Americans. Many of them and their native countrymen fought side by side with the Allies in World War II; 600,000 Greeks, or 9 percent of the Greek population, died for the cause of democracy in this war—a huge toll representing a tremendous contribution to the advancement of liberty.

Today Greek-Americans make up a significant proportion of our society, and the ties to Greece, the motherland of democracy, remains strong for all Americans. While today marks the 166th anniversary of the beginning of the revolution which freed the Greek people from the Ottoman Empire, it also is celebrated by Americans of all nationalities as a day of recognition for the important contributions of Greek society on the political ideals we hold.

With pride Americans can point to Greece as the homeland of democracy. We share a bond with the Greek people by our common reverence for liberty and democracy, and we pay tribute to the heritage of all Greeks today—a heritage from which we have drawn our most sacred ideals.

TRADE DEFICIT AND COMPETITIVENESS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. LAGOMARSINO. Mr. Speaker, with the trade bill currently making its way through the House and Senate I urge my colleagues and the American people to review the following article by Warren Brookes in the Washington Times entitled "Calling Their Bluff on Competitiveness?"

It is particularly interesting to note the findings of the Competitiveness Enterprise Institute, Washington-based watchdog group that grades Congress on its votes that affect our competitiveness. They found that of the 18,895 votes cast by House Democrats in the 99th Congress, only 22 percent were procompetitive. By contrast, House Republicans voted 64 percent of the time in favor of a more competitive economy. In the Senate, Republicans voted in favor of competitiveness 66 percent of the time, Democrats only 32 percent.

The article follows:

[From the Washington Times, Mar. 19, 1987]

CALLING THEIR BLUFF ON COMPETITIVENESS?

(By Warren Brookes)

Even as the Democrats are posturing high about the deceptions of Iranamok, they are engaged in one of the biggest political hoaxes in even their party's history of hokum.

It's called "competitiveness": the idea that a monopoly government, dominated by political special interests, and driven by the need to spend and tax can, in some way, make the U.S. economy more "competitive" in the world.

No one should have less credibility on this issue that the present Democratic Party and its leadership in Congress—which is now engaged in the following anti-competitive efforts:

Trying to reregulate the railroad industry just to protect the most heavily featherbedded labor force in history—even as railroad rates have come down 20 percent under deregulation.

Trying to reregulate the banking industry to protect inefficient and insolvent local banks against more competition from interstate consumer banking services, thus keeping those domestic firms who want to export from having the necessary access to international banking services in their own communities.

Trying to tax and reregulate the most competitive capital markets in the world, even as Britain, Japan, and West Germany are deeply involved in deregulating and detaxing their own.

Trying to increase the Gramm-Rudman-Hollings deficit targets so Congress can push spending and taxes back up.

Trying to force the newly competitive construction industry to reunionize all of the commercial construction trades.

Trying to pass still more quotas to protect the immensely profitable U.S. textile industry from foreign competition.

Trying to raise the minimum wage enough to make at least 3 million more workers "uncompetitive" in the world market.

We could go on and on, but you get the idea. Competitiveness is just another name for an old game: paying off the special interests that got you elected.

Fortunately, two of the smartest politicians and economic thinkers in the Republican Party, Sen. Phil Gramm of Texas and Rep. Jack Kemp of New York, have come up with an idea to turn this competitiveness theme into a real two-edged samurai sword for all of Congress and especially for the Democrats.

The Gramm-Kemp trade bill calls for a greatly expanded North American Free Trade Area, as well as expanded reciprocal trade agreements with the rest of this hemisphere.

Gramm-Kemp's most controversial element is Title III, which mandates: "The director of the Congressional Budget Office shall prepare for each bill or joint resolution reported by any committee of the House of Representatives or the Senate . . . that may affect international trade, an estimate of (1) the impact such bill or joint resolution would have on United States consumers, and (2) the costs (in the aggregate and on a per-capita basis) of such bill or joint resolution to United States consumers and shall submit such estimate in writing . . . (emphasis ours)."

In short, they are proposing a kind of Gramm-Rudman-Hollings-type check on all economic legislation that might in any way cost the consumer more, and make the nation less competitive.

Don't expect the Democrats to let this proposal stand; it could stop their "Competitiveness" issue cold, since it could be used against 70-80 percent of the legislation they routinely promote.

In case you doubt this: consider an analysis by the very aggressive Competitive Enterprise Institute, a Washington-based watchdog group that grades Congress on roughly 80-90 votes each session that affect our competitiveness — everything from taxes and increased regulation to special subsidies and tax breaks for special interests.

They found that of the 18,895 individual votes cast by the House Democrats in the 99th Congress only 4,181 (about 22 percent) were "pro-competitive." By contrast, the Republicans voted 64 percent of the time in favor of a more competitive economy. In the Senate, Republicans voted in favor of competition 66 percent of the time, Democrats only 32 percent. (See table.)

OUR ANTICOMPETITIVE CONGRESS—HOW THEY VOTED 1985–86

[In percent]

	Percent for competitiveness	Percent against competitiveness
House (80 issues):		
All Democrats	22	78
All Republicans	64	36
Competitiveness caucus:		
Democrats (83)	24	76
Republicans (33)	52	48
Speaker Wright	10	90
Senate (88 issues):		
All Democrats	32	68
All Republicans	66	34
Competitiveness caucus:		
Democrats (25)	32	68
Republicans(10)	63	37
Majority Leader Byrd	17	83

Source: Competitive Enterprise Institute, Jan. 31, 1987.

Even more intriguing: consider the voting records of the so-called congressional "Competitiveness Caucus." They turn out to be just about as anti-competitive as their colleagues, with Democrat House Caucus members voting "procompetitive" only 24 percent of the time, and Senate Democrat members 32 percent.

But the most telling scores of all are those of the Democratic leadership in both Houses of Congress: House Speaker James Wright and Senate Majority Leader Robert Byrd—two of the smarmiest special-interest pleaders of all—voted "pro-competitive" only 10 percent and 17 percent respectively.

So much for "competitiveness."

RECOGNITION OF THE DISTINGUISHED SERVICE OF DAVID A. CORONADO TO THE U.S. GOVERNMENT

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. DYMALLY. Mr. Speaker, seldom do we as Members of Congress have the opportunity to recognize our distinguished and accomplished civil servants who represent the backbone of our career professional employees in whom we place much responsibility through our legislative mandates. In this vein I wish to recognize the service and distinction of Mr. David A. Coronado of the Department of Health and Human Services after service of over 20 years to this Government, largely in the fields of health services and civil rights.

Mr. Coronado served with distinction as the regional manager in the Office for Civil Rights, Dallas and New York regions, where he established high standards of excellence and productivity. In addition to having been selected as one of the youngest management interns at HHS, Dave Coronado has since distinguished himself by having served in major health and civil rights leadership positions; these include the following:

1966–70; Public health adviser, Center for Disease Control, U.S. Public Health Service.

1970–73: Management intern, Department Health, Education and Welfare.

1973–75: Assistant to the executive officer of the Public Health Service, U.S. Public Health Service.

1975–78: Assistant director for management, Division of Dentistry.

1978–80: Programming and training officer, Peace Corps, Guatemala, U.S. Peace Corps.

1980–84: Regional manager, Office for Civil Rights, U.S. Department of Health and Human Services.

1984–85: Fellow, Industrial College of the Armed Forces, U.S. War College.

1985–86: Regional manager, Office for Civil Rights, New York Region II, U.S. Department of Health and Human Services.

Mr. Coronado has further distinguished himself by his many honors and awards, including the Joint Chiefs of Staff Award for Excellence in Research; the Pi Alpha honor fraternity for public administration; ICAF letter of commendation; cash awards for superior performance; and a letter of commendation from the Assistant Secretary for Health.

Mr. Coronado possesses a bachelor of arts from the University of Texas and a masters of public administration from the George Washington University as well as a diploma from the Industrial College of the Armed Forces. Dave Coronado has labored for many years vis-a-vis assignments in the provision of health services, including epidemiological followup on venereal diseases; development of a laboratory surveillance program; determination of compliance with State communicable disease reporting laws and assistance to prospective and approved grantees on program development and management. He has had extensive experience in negotiating compliance and settlement agreement with State and local government officials and with directors of public and private nonprofit health and human services organizations. He has also negotiated with officials of foreign governments regarding the scope and level of support of their programs to be provided by each government.

Mr. Speaker, with such a distinguished record, I am most pleased to have this House recognize the many contributions this fine career civil servant has provided to the Nation. As he seeks to complete his academic pursuits toward a doctorate, I am certain that Members will join me in saluting David A. Coronado. We Americans should be proud to have such dedicated individuals serve our Government so faithfully over the years and extend our best wishes in his academic and personal pursuits.

A MESSAGE FROM NAUM MEIMAN

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. HOYER. Mr. Speaker, we in the human rights community were all saddened by the loss last month of Inna Meiman. Inna died at Georgetown Hospital after a courageous fight against cancer.

Before being allowed to leave Moscow for medical treatment in the United States, Inna suffered through four painful and hazardous cancer operations. After continuous pressure from the West, the Soviets finally allowed Inna to come to the United States in January. However, Mr. Speaker, it was too late. Inna's cancer had spread so much that it was impossible to treat. When she died on February 10, many Members of this body, including Silvio Conte, Barney Frank, Jack Kemp, Nicholas Mavroules, Martin Sabo, and Gerry Sikorski, sent her husband, Naum, messages of condolence. Naum Meiman was prevented from accompanying his wife to the United States and was even denied permission to attend her funeral.

Mr. Speaker, Naum Meiman has sent those of us who shared in his sorrow a message. I ask unanimous consent to submit it for the Record.

I am deeply grateful to all of you for your efforts to save Inna's life. I also thank you for your cables of condolence.

Inna could not get adequate treatment in the Soviet Union. Her life was sacrificed in the name of imaginary state security. The Soviet Union would supposedly be threatened if she were to take advantage of invitations to go abroad for treatment.

I fought more than three years to get Inna permission to go to the West for treatment. Inna was allowed to go to the U.S.A. only last December following talks between Senator Gary Hart and Soviet Foreign Minister Shevardnadze. Even then the visa department did not let Inna go and delayed her departure more than a month, though every day was extremely important. The visa department kept Inna with teeth and claws. Only due to your help did Inna leave for the U.S.A. But it was too late. In fact, refusal to permit a desperately sick person to go for treatment amounts to murder.

For twelve years, I have been fighting to emigrate to Israel and rejoin my only daughter. Now I am fighting for my own life too.

Last but not least: I was not allowed to go to Inna's funeral.

Professor Naum Meiman.

Mr. Speaker, I urge the Soviets to allow Naum Meiman to join his daughter here in the United States. He has suffered too long already.

FISHING VESSEL SAFETY

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. LOWRY of Washington. Mr. Speaker, today I am introducing legislation to improve safety for our fishermen. I introduced legislation in the last Congress that would have improved fishing vessel safety. While many of the features from my bill were included in the bill that was considered by the House last year—H.R. 5013—I could not support that legislation because it contained a cap on liability.

I am pleased that my colleague, Mr. Studds, has introduced legislation that retains the safety features of the bill that was defeated last year but removes the provision that places a cap on liability. I am pleased to be a cosponsor of that legislation.

The legislation that I am introducing today contains provisions for inspection of fishing vessels, licensing of crewmembers, and other safety provisions. My purpose for introducing this bill is to allow for consideration of these additional proposals. I believe that these provisions have merit and should be considered.

I am very interested in working to pass legislation to improve fishing vessel safety. I am pleased that most of my colleagues on the Merchant Marine and Fisheries Committee are committed to passing fishing vessel safety legislation this year.

BIAGGI JOINS CHILD CARE ACTION CAMPAIGN IN URGING CONGRESS TO IMPROVE CHILD CARE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. BIAGGI. Mr. Speaker, I recently read, with great interest, a number of articles in the recent Child Care ActioNews, a publication of the Child Care Action Campaign, relating to the problems and solutions of child care in our Nation. I would like to share some of their findings and recommendations with my colleagues.

CCAC found that "49 percent of American mothers return to work before their baby's first birthday; 51 percent of mothers of children under 3 are in the labor force; 7 out of 10 mothers of school-age children are working or looking for work. In 65 percent of married-couple families with children, both the husband and wife are in the labor force." As CCAC explains further, the influx of working mothers is partly a result of economic factors: "25 percent of all working wives are married to men who earn less than $10,000 per year; 50 percent are married to men earning less than $20,000; 61 percent of all single mothers with a child between 3 and 5 years old are in the labor force. Average weekly earnings of all Americans have dropped 14.3 percent since 1973. Median family income has also declined, but by a much smaller 6 percent. Apparently, working women have helped to maintain the standard of living for many American families."

However, the cost of affordable and quality child care is a growing problem. As CCAC states, "The supply of quality, affordable child care has not, however, kept pace with the demographic change in American families. A majority of working parents report difficulty in finding the kind of child care they need at a price they can afford. As many as 7 million children under age 13 are left alone during some part of their day. And many more mothers, especially those now relying on public assistance, would work if adequate, affordable child care were available to them."

I have introduced legislation, H.R. 541 which seeks to address the growing problem of finding quality, affordable child care. H.R. 541, the On-Site Day Care Privatization Act would extend a 15-percent tax credit to businesses for all initial and ongoing costs associated with employer-operated day care facilities during the first year of operation. During the second year, the employer would receive a 10-percent credit for all costs associated with salary expenses of workers at the day care facility. This legislation would take effect immediately after passage and sunset following 2 years.

Private industry must play an increasing role in providing child care for their employees. Currently, an estimated 3,000 of the 6 million U.S. employees assist their employees in providing day care. CCAC says, "Although this represents a huge increase during the past decade, the vast majority of companies have done nothing." CCAC goes on, "Our choices are clearcut. We can continue to ignore the child care crisis, and assume that families and children will be able to survive with the current patchwork system of care. Or, we can decide that an investment in our children's future—and thereby in our national future—will be worth the price we will pay now for a comprehensive, coordinated system of easily accessible quality child care." I strongly urge my colleagues to join me in helping to provide easily accessible quality child care by supporting my legislation, H.R. 541.

THE SURGEON GENERAL'S REPORT ON ACQUIRED IMMUNE DEFICIENCY SYNDROME

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. STUDDS. Mr. Speaker, the Surgeon General of the United States, Dr. C. Everett Koop, is doing precisely what he should be doing—providing enlightened, caring, and professional leadership in the battle against the greatest public health tragedy of modern times, AIDS. "The Surgeon General's Report on Acquired Immune Deficiency Syndrome," which I include at this point in the RECORD, should be made available to all Americans on an urgent basis.

SURGEON GENERAL'S REPORT ON ACQUIRED IMMUNE DEFICIENCY SYNDROME

[From the U.S. Department of Health and Human Services]

FOREWORD

This is a report from the Surgeon General of the U.S. Public Health Service to the people of the United States on AIDS. Acquired Immune Deficiency Syndrome is an epidemic that has already killed thousands of people, mostly young, productive Americans. In addition to illness, disability, and death, AIDS has brought fear to the hearts of most Americans—fear of disease and fear of the unknown. Initial reporting of AIDS occurred in the United States, but AIDS and the spread of the AIDS virus is an international problem. This report focuses on prevention that could be applied in all countries.

My report will inform you about AIDS, how it is transmitted, the relative risks of infection and how to prevent it. It will help you understand your fears. Fear can be useful when it helps people avoid behavior that puts them at risk for AIDS. On the other hand, unreasonable fear can be as crippling as the disease itself. If you are participating in activities that could expose you to the AIDS virus, this report could save your life.

In preparing this report, I consulted with the best medical and scientific experts this country can offer. I met with leaders of organizations concerned with health, education, and other aspects of our society to gain their views of the problems associated with AIDS. The information in this report is current and timely.

This report was written personally by me to provide the necessary understanding of AIDS.

The vast majority of Americans are against illicit drugs. As a health officer I am opposed to the use of illicit drugs. As a practicing physician for more than forty years, I have seen the devastation that follows the use of illicit drugs—addiction, poor health, family disruption, emotional disturbances and death. I applaud the President's initiative to rid this nation of the curse of illicit drug use and addiction. The success of his initiative is critical to the health of the American people and will also help reduce the number of persons exposed to the AIDS virus.

Some Americans have difficulties in dealing with the subjects of sex, sexual practices, and alternate lifestyles. Many Americans are opposed to homosexuality, promiscuity of any kind, and prostitution. This report must deal with all of these issues, but does so with the intent that information and education can change individual behavior, since this is the primary way to stop the epidemic of AIDS. This report deals with the positive and negative consequences of activities and behaviors from a health and medical point of view.

Adolescents and pre-adolescents are those whose behavior we wish to especially influence because of their vulnerability when they are exploring their own sexuality (heterosexual and homosexual) and perhaps experimenting with drugs. Teenagers often consider themselves immortal, and these young people may be putting themselves at great risk.

Education about AIDS should start in early elementary school and at home so that children can grow up knowing the behavior to avoid to protect themselves from exposure to the AIDS virus. The threat of AIDS can provide an opportunity for parents to instill in their children their own moral and ethical standards.

Those of us who are parents, educators and community leaders, indeed all adults, cannot disregard this responsibility to educate our young. The need is critical and the price of neglect is high. The lives of our young people depend on our fulfilling our responsibility.

AIDS is an infectious disease. It is contagious, but it cannot be spread in the same manner as a common cold or measles or chicken pox. It is contagious in the same way that sexually transmitted diseases, such as syphilis and gonorrhea, are contagious. AIDS can also be spread through the sharing of intravenous drug needles and syringes used for injecting illicit drugs.

AIDS is not spread by common everyday contact but by sexual contact (penis-vagina, penis-rectum, mouth-rectum, mouth-vagina, mouth-penis). Yet there is great misunderstanding resulting in unfounded fear that AIDS can be spread by casual, non-sexual contact. The first cases of AIDS were reported in this country in 1981. We would know by now if AIDS were passed by casual, non-sexual contact.

Today those practicing high risk behavior who become infected with the AIDS virus are found mainly among homosexual and bisexual men and male and female intravenous drug users. Heterosexual transmission is expected to account for an increasing proportion of those who become infected with the AIDS virus in the future.

At the beginning of the AIDS epidemic many Americans had little sympathy for people with AIDS. The feeling was that somehow people from certain groups "deserved" their illness. Let us put those feelings behind us. We are fighting a disease, not people. Those who are already afflicted are sick people and need our care as do all sick patients. The country must face this epidemic as a unified society. We must prevent the spread of AIDS while at the same time preserving our humanity and intimacy.

AIDS is a life-threatening disease and a major public health issue. Its impact on our society is and will continue to be devastating. By the end of 1991, and estimated 270,000 cases of AIDS will have occurred with 179,000 deaths within the decade since the disease was first recognized. In the year 1991, an estimated 145,000 patients with AIDS will need health and supportive services at a total cost of between $8 and $16 billion. However, AIDS is preventable. It can be controlled by changes in personal behavior. It is the responsibility of every citizen to be informed about AIDS and to exercise the appropriate preventive measures. This report will tell you how.

The spread of AIDS can and must be stopped.

C. EVERETT KOOP, M.D., Sc.D.,
Surgeon General.

AIDS

AIDS Caused by Virus

The letters A-I-D-S stand for Acquired Immune Deficiency Syndrome. When a person is sick with AIDS, he/she is in the final stages of a series of health problems caused by a virus (germ) that can be passed from one person to another chiefly during sexual contact or through the sharing of intravenous drug needles and syringes used for "shooting" drugs. Scientists have named the AIDS virus "HIV or HTLV-III or LAV."[1] These abbreviations stand for information denoting a virus that attacks white blood cells (T-Lymphocytes) in the human blood. Throughout this publication, we will call the virus the "AIDS virus." The AIDS virus attacks a person's immune system and damages his/her ability to fight other disease. Without functioning immune system to ward off other germs, he/she now becomes vulnerable to becoming infected by bacteria, protozoa, fungi, and other viruses and malignancies, which may cause life-threatening illness, such as pneumonia, meningitis, and cancer.

No Known Cure

There is presently no cure for AIDS. There is presently no vaccine to prevent AIDS.

Virus Invades Blood Stream

When the AIDS virus enters the bloodstream, it begins to attack certain white blood cells (T-Lymphocytes). Substances called antibodies are produced by the body. These antibodies can be detected in the blood by a simple test, usually two weeks to three months after infection. Even before the antibody test is positive, the victim can pass the virus to others by methods that will be explained.

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[1] These are different names given to AIDS virus by the scientific community: HIV—Human Immunodefinciency Virus, HTLV-III—Human T-Lymphotropic Virus Type III, LAV—Lymphadenopathy Associated Virus.

Once an individual is infected, there are several possibilities. Some people may remain well but even so they are able to infect others. Others may develop a disease that is less serious than AIDS referred to as AIDS Related Complex (ARC). In some people the protective immune system may be destroyed by the virus and then other germs (bacteria, protozoa, fungi and other viruses) and cancers that ordinarily would never get a foothold cause"opportunistic diseases"—using the *opportunity* of lowered resistance to infect and destroy. Some of the most common are *Pneumocystis carinii* pneumonia and tuberculosis. Individuals infected with the AIDS virus may also develop certain types of cancers such as Kaposi's sarcoma. These infected people have classic AIDS. Evidence shows that the AIDS virus may also attack the nervous system, causing damage to the brain.

SIGNS AND SYMPTOMS

No Signs

Some people remain apparently well after infection with the AIDS virus. They may have no physically apparent symptoms of illness. However, if proper precautions are not used with sexual contacts and/or intravenous drug use, these infected individuals can spread the virus to others. Anyone who thinks he or she is infected or involved in high risk behaviors should not donate his/her blood, organs, tissues, or sperm because they may now contain the AIDS virus.

ARC

AIDS-Related Complex (ARC) is a condition caused by the AIDS virus in which the patient tests positive for AIDS infection and has a specific set of clinical symptoms. However, ARC patients' symptoms are often less severe than those with the disease we call classic AIDS. Signs and symptoms of ARC may include loss of appetite, weight loss, fever, night sweats, skin rashes, diarrhea, tiredness, lack of resistance to infection, or swollen lymph nodes. These are also signs and symptoms of many other diseases and a physician should be consulted.

AIDS

Only a qualified health professional can diagnose AIDS, which is the result of a natural progress of infection by the AIDS virus. AIDS destroys the body's immune (defense) system and allows otherwise controllable infections to invade the body and cause additional diseases. These opportunistic diseases would not otherwise gain a foothold in the body. These opportunistic diseases may eventually cause death.

Some symptoms and signs of AIDS and the "opportunistic infections" may include a persistent cough and fever associated with shortness of breath or difficult breathing and may be the symptoms of Pneumocystis carinii pneumonia. Multiple purplish blotches and bumps on the skin may be a sign of Kaposi's sarcoma. The AIDS virus in all infected people is essentially the same; the reactions of individuals may differ.

Long Term

The AIDS virus may also attack the nervous system and cause delayed damage to the brain. This damage may take years to develop and the symptoms may show up as memory loss, indifference, loss of coordination, partial paralysis, or mental disorder. These symptoms may occur alone, or with other symptoms mentioned earlier.

AIDS: THE PRESENT SITUATION

The number of people estimated to be infected with the AIDS virus in the United States is about 1.5 million. All of these individuals are assumed to be capable of spreading the virus sexually (heterosexually or homosexually) or by sharing needles and syringes or other implements for intravenous drug use. Of these, an estimated 100,000 to 200,000 will come down with AIDS Related Complex (ARC). It is difficult to predict the number who will develop ARC or AIDS because symptoms sometimes take as long as nine years to show up. With our present knowledge, scientists predict that 20 to 30 percent of those infected with the AIDS virus will develop an illness that fits an accepted definition of AIDS within five years. The number of persons known to have AIDS in the United States to date is over 25,000; of these, about half have died of the disease. Since there is no cure, the others are expected to also eventually die from their disease.

The majority of infected antibody positive individuals who carry the AIDS virus show no disease symptoms and may not come down with the disease for many years, if ever.

No Risk from Casual Contact

There is no known risk of non-sexual infection in most of the situations we encounter in our daily lives. We know that family members living with individuals who have the AIDS virus do not become infected except through sexual contact. There is no evidence of transmission (spread) of AIDS virus by everyday contact even though these family members shared food, towels, cups, razors, even toothbrushes, and kissed each other.

Health Workers

We know even more about health care workers exposed to AIDS patients. About 2,500 health workers who were caring for AIDS patients when they were sickest have been carefully studied and tested for infection with the AIDS virus. These doctors, nurses and other health care givers have been exposed to the AIDS patients' blood, stool and other body fluids. Approximately 750 of these heatlh workers reported possible additional exposure by direct contact with a patient's body fluid through spills or being accidentally stuck with a needle. Upon testing these 750, only 3 who had accidentally stuck themselves with a needle had a positive antibody test for exposure to the AIDS virus. Because health workers had much more contact with patients and their body fluids than would be expected from common everyday contact, it is clear that the AIDS virus is not transmitted by casual contact.

Control of Certain Behaviors Can Stop Further Spread of AIDS

Knowing the facts about AIDS can prevent the spread of the disease. Education of those who risk infecting themselves or infecting other people is the only way we can stop the spread of AIDS. People must be responsible about their sexual behavior and must avoid the use of illicit intravenous drugs and needle sharing. We will describe the types of behavior that lead to infection by the AIDS virus and the personal measures that must be taken for effective protection. If we are to stop the AIDS epidemic, we all must understand the disease—its cause, its nature, and its prevention. *Precautions must be taken.* The AIDS virus infects persons who expose themselves to known risk behavior, such as certain types of homosexual and heterosexual activities or sharing intravenous drug equipment.

Risks

Although the initial discovery was in the homosexual community, AIDS is not a disease only of homosexuals. AIDS is found in heterosexual people as well. AIDS is not a black or white disease. AIDS is not just a male disease. AIDS is found in women; it is found in children. In the future AIDS will probably increase and spread among people who are not homosexual or intravenous drug abusers in the same manner as other sexually transmitted diseases like syphilis and gonorrhea.

Sex Between Men

Men who have sexual relations with other men are especially at risk. About 70 percent of AIDS victims throughout the country are male homosexuals and bisexuals. This percentage probably will decline as heterosexual transmission increase, Infection results from a sexual relationship with an infected person.

Multiple Partners

The risk of infection increases according to the number of sexual partners one has, male or female. The more partners you have, the greater the risk of becoming infected with the AIDS virus.

How Exposed

Although the AIDS virus is found in several body fluids, a person acquires the virus during sexual contact with an infected person's blood or semen and possibly vaginal secretions. The virus then enters a person's blood stream through their rectum, vagina or penis.

Small (unseen by the naked eye) tears in the surface lining of the vagina or rectum may occur during insertion of the penis, fingers, or other objects, thus opening an avenue for entrance of the virus directly into the blood stream; therefore, the AIDS virus can be passed from penis to rectum and vagina and vice versa without a visible tear in the tissue or the presence of blood.

Prevention of Sexual Transmission—Know Your Partner

Couples who maintain mutually faithful monogamous relationships (only one continuing sexual partner) are protected from AIDS through sexual transmission. If you have been faithful for at least five years and your partner has been faithful too, neither of you is at risk. If you have not been faithful, then you and your partner are at risk. If your partner has not been faithful, then your partner is at risk which also puts you at risk. This is true for both heterosexual and homosexual couples. Unless it is possible to know with absolute certainty that neither you nor your sexual partner is carrying the virus of AIDS, you must use protective behavior. Absolute certainty means not only that you and your partner have maintained a mutually faithful monogamous sexual relationship, but it means that neither you nor your partner has used illegal intervenous drugs.

AIDS: YOU CAN PROTECT YOURSELF FROM INFECTION

Some personal measures are adequate to safely protect yourself and others from infection by the AIDS virus and its complications. Among these are:

If you have been involved in any of the high risk sexual activities described above or have injected illicit intravenous drugs into your body, you should have a blood test to see if you have been infected with the AIDS virus.

If your test is positive or if you engage in high risk activities and choose not to have a test, you should tell your sexual partner. If you jointly decide to have sex, you must protect your partner by always using a rubber (condom) during (start to finish) sexual intercourse (vagina or rectum).

If your partner has a positive blood test showing that he/she has been infected with the AIDS virus or you suspect that he/she has been exposed by previous heterosexual or homosexual behavior or use of intravenous drugs with shared needles and syringes, a rubber (condom) should always be used during (start to finish) sexual intercourse (vagina or rectum).

If you or your partner is at high risk, avoid mouth contact with the penis, vagina, or rectum.

Avoid all sexual activities which could cause cuts or tears in the linings of the rectum, vagina, or penis.

Single teen-age girls have been warned that pregnancy and contracting sexually transmitted diseases can be the result of only one act of sexual intercourse. They have been taught to say NO to sex! They have been taught to say NO to drugs! By saying NO to sex and drugs, they can avoid AIDS which can kill them! The same is true for teenage boys who should also not have rectal intercourse with other males. It may result in AIDS.

Do not have sex with prostitutes. Infected male and female prostitutes are frequently also intravenous drug abusers; therefore, they may infect clients by sexual intercourse and other intravenous drug abusers by sharing their intravenous drug equipment. Female prostitutes also can infect their unborn babies.

Intravenous Drug Users

Drug abusers who inject drugs into their veins are another population group at high risk and with high rates of infection by the AIDS virus. Users of intravenous drugs make up 25 percent of the cases of AIDS throughout the country. The AIDS virus is carried in contaminated blood left in the needle, syringe, or other drug related implements and the virus is injected into the new victim by reusing dirty syringes and needles. Even the smallest amount of infected blood left in a used needle or syringe can contain live AIDS virus to be passed on to the next user of those dirty implements.

No one should shoot up drugs because addiction, poor health, family disruption, emotional disturbances and death could follow. However, many drug users are addicted to drugs and for one reason or another have not changed their behavior. For these people, the only way not to get AIDS is *to use a clean, previously unused* needle, syringe or any other implement necessary for the injection of the drug solution.

Hemophilia

Some persons with hemophilia (a blood clotting disorder that makes them subject to bleeding) have been infected with the AIDS virus either through blood transfusion or the use of blood products that help their blood clot. Now that we know how to prepare safe blood products to aid clotting, this is unlikely to happen. This group represents a very small percentage of the cases of AIDS throughout the country.

Blood Transfusion

Currently all blood donors are initially screened and blood is *not* accepted from high risk individuals. Blood that has been collected for use is tested for the presence of antibody to the AIDS virus. However, some people may have had a blood transfusion prior to March 1985 before we knew how to screen blood for safe transfusion and may have become infected with the AIDS virus. Fortunately there are not now a large number of these cases. With routine testing of blood products, the blood supply for transfusion is now safer than it has ever been with regard to AIDS.

Persons who have engaged in homosexual activities or have shot street drugs within the last 10 years should *never* donate blood.

Mother Can Infect Newborn

If a woman is infected with the AIDS virus and becomes pregnant, she is more likely to develop ARC or classic AIDS, and she can pass the AIDS virus to her unborn child. Approximately one third of the babies born to AIDS-infected mothers will also be infected with the AIDS virus. Most of the infected babies will eventually develop the disease and die. Several of these babies have been born to wives of hemophiliac men infected with the AIDS virus by way of contaminated blood products. Some babies have also been born to women who became infected with the AIDS virus by bisexual partners who had the virus. Almost all babies with AIDS have been born to women who were intravenous drug users or the sexual partners of intravenous drug users who were infected with the AIDS virus. More such babies can be expected.

Think carefully if you plan on becoming pregnant. If there is any chance that you may be in any high risk group or that you have had sex with someone in a high risk group, such as homosexual and bisexual males, drug abusers and their sexual partners, see your doctor.

Summary

AIDS affects certain groups of the population. Homosexual and bisexual males who have had sexual contact with other homosexual or bisexual males as well as those who "shoot" street drugs are at greatest risk of exposure, infection and eventual death. Sexual partners of these high risk individuals are at risk, as well as any children born to women who carry the virus. Heterosexual persons are increasingly at risk.

AIDS: WHAT IS SAFE

Most Behavior is Safe

Everyday living does not present any risk of infection. You *cannot* get AIDS from casual social contact. Casual social contact should not be confused with casual *sexual* contact which is a major cause of the spread of the AIDS virus. Casual *social* contact such as shaking hands, hugging, social kissing, crying, coughing or sneezing, will not transmit the AIDS virus. Nor has AIDS been contracted from swimming in pools or bathing in hot tubs or from eating in restaurants (even if a restaurant worker has AIDS or carries the AIDS virus.) AIDS is not contracted from sharing bed linens, towels, cups, straws, dishes, or any other eating utensils. You cannot get AIDS from toilets, doorknobs, telephones, office machinery, or household furniture. You cannot get AIDS from body massages, masturbation or any nonsexual contact.

Donating Blood

Donating blood is not risky at all. You cannot get AIDS by donating blood.

Receiving Blood

In the U.S. every blood donor is screened to exclude high risk persons and every blood donation is now tested for the presence of antibodies to the AIDS virus. Blood that shows exposure to the AIDS virus by the presence of antibodies is not used either for transfusion or for the manufacture of blood products. Blood banks are as safe as current technology can make them. Because antibodies do not form immediately after exposure to the virus, a newly infected person may unknowingly donate blood after becoming infected but before his/her antibody test becomes positive. It is estimated that this might occur less than once in 100,000 donations.

There is no danger of AIDS virus infection from visiting a doctor, dentist, hospital, hairdresser or beautician. AIDS cannot be transmitted non-sexually from an infected person through a health or service provider to another person. Ordinary methods of disinfection for urine, stool and vomitus which are used for non-infected people are adequate for people who have AIDS or are carrying the AIDS virus. You may have wondered why your dentist wears gloves and perhaps a mask when treating you. This does not mean that he has AIDS or that he things you do. He is protecting you and himself from hepatitis, common colds or flu.

There is no danger in visiting a patient with AIDS or caring for him or her. Nomal hygienic practics, like wiping of body fluid spills with a solution of water and household bleach (1 part household bleach to 10 parts water), will provide full protection.

Children in School

None of the identified cases of AIDS in the United States are known or are suspected to have been transmitted form one child to another in school, day care, or foster care settings. Transmission would necessitate exposure of open cuts to the blood or other body fluids of the infected child, a highly unlikely occurrence. Even then routine safety procedures for handling blood or other body fluids (which should be standard for all children in the school or day care setting) would be effective in preventing transmission from children with AIDS to other children in school.

Children with AIDS are highly susceptible to infections, such as chicken pox, from other children. Each child with AIDS should be examined by a doctor before attending school or before returning to school, day care or foster care settings after an illness. No blanket rules can be made for all school boards to cover all possible cases of children with AIDS and each case should be considered separately and individualized to the child and the setting, as would be done with any child with a special problem, such as cerebral palsy or asthma. A good team to make such decisions with the school board would be the child's parents, physician and a public health official.

Casual social contact between children and persons infected with the AIDS virus is not dangerous.

Insects

There are no known cases of AIDS transmission by insects, such as mosquitoes.

Pets

Dogs, cats and domestic animals are not a source of infection from AIDS virus.

Tears and Saliva

Although the AIDS virus has been found in tears and saliva, no instance of transmission from these body fluids has been reported.

AIDS comes from sexual contacts with infected persons and from the sharing of syringes and needles. There is no danger of infection with AIDS virus by casual social contact.

Testing of Military Personnel

You may wonder why the Department of Defense is currently testing its uniformed services personnel for presence of the AIDS virus antibody. The military feel this procedure is necessary because the uniformed services act as their own blood bank in a time of national emergency. They also need to protect new recruits (who unknowingly may be AIDS virus carriers) from receiving live virus vaccines. These vaccines could activate disease and be potentially life-threatening to the recruits.

AIDS: WHAT IS CURRENTLY UNDERSTOOD

Although AIDS is still a mysterious disease in many ways, our scientists have learned a great deal about it. In five years we know more about AIDS than many diseases that we have studied for even longer periods. While there is no vaccine or cure, the results from the health and behavioral research community can only add to our knowledge and increase our understanding of the disease and ways to prevent and treat it.

In spite of all that is known about transmission of the AIDS virus, scientists will learn more. One possibility is the potential discovery of factors that may better explain the mechanism of AIDS infection.

Why are the antibiotics produced by the body to fight the AIDS virus not able to destroy that virus?

The antibiotics detected in the blood of carriers of the AIDS virus are ineffective, at least when classic AIDS is actually triggered. They cannot check the damage caused by the virus, which is by then present in large numbers in the body. Researchers cannot explain this important observation. We still do not know why the AIDS virus is not destroyed by man's immune system.

SUMMARY

AIDS no longer is the concern of any segment of society; it is the concern of us all. No American's life is in danger if he/she or their sexual partners do not engage in high risk sexual behavior or use shared needles or syringes to inject illicit drugs into the body.

People who engage in high risk sexual behavior or who shoot drugs are risking infection with the AIDS virus and are risking their lives and the lives of others, including their unborn children.

We cannot yet know the full impact of AIDS on our society. From a clinical point of view, there may be new manifestations of AIDS—for example, mental disturbances due to the infection of the brain by the AIDS virus in carriers of the virus. From a social point of view, it may bring to an end the free-wheeling sexual lifestyle which has been called the sexual revolution. Economically, the care of AIDS patients will put a tremendous strain on our already overburdened and costly health care delivery system.

The most certain way to avoid getting the AIDS virus and to control the AIDS epidemic in the United States is for individuals to avoid promiscuous sexual practices, to maintain mutually faithful monogamous sexual relationships and to avoid injecting illicit drugs.

LOOK TO THE FUTURE

The Challenge of the Future

An enormous challenge to public health lies ahead of us and we would do well to take a look at the future. We must be prepared to manage those things we can predict, as well as those we cannot.

At the present time there is no vaccine to prevent AIDS. There is no cure. AIDS, which can be transmitted sexually and by sharing needles and syringes among illict intravenous drug users, is bound to produce profound changes in our society, changes that will affect us all.

Information and Education Only Weapons Against AIDS

It is estimated that in 1991 54,000 people will die from AIDS. At this moment, many of them are not infected with the AIDS virus. With proper information and education, as many as 12,000 to 14,000 people could be saved in 1991 from death by AIDS.

AIDS will Impact All

The changes in our society will be economic and political and will affect our social institutions, our educational practices, and our health care. Although AIDS may never touch you personally, the societal impact certainly will.

Be Educated—Be Prepared

Be prepared. Learn as much about AIDS as you can. Learn to separate scientific information from rumor and myth. The Public Health Service, your local public health officials and your family physician will be able to help you.

Concern About Spread of AIDS

While the concentration of AIDS cases in the larger urban areas today, it has been found in every state and with the mobility of our society, it is likely that cases of AIDS will appear far and wide.

Special Educational Concerns

There are a number of people, primarily adolescents, that do not yet know they will be homosexual or become drug abusers and will not heed this message, there are others who are illiterate and cannot heed this message. They must be reached and taught the risk behaviors that expose them to infection with the AIDS virus.

High Risk Get Blood Test

The greatest public health problem lies in the large number of individuals with a history of high risk behavior who have been infected with and may be spreading the AIDS virus. Those with high risk behavior must be encouraged to protect others by adopting safe sexual practices and by the use of clean equipment for intravenous drug use. If a blood test for antibodies to the AIDS virus is necessary to get these individuals to use safe sexual practices, they should get a blood test. Call your local health department for information on where to get the test.

Anger and Guilt

Some people afflicted with AIDS will feel a sense of anger and others a sense of guilt. In spite of these understandable reactions, everyone must join the effort to control the epidemic, to provide for the care of those with AIDS, and to do all we can to inform and educate others about AIDS, and how to prevent it.

Confidentiality

Because of the stigma that has been associated with AIDS, many afflicted with the disease or who are infected with the AIDS virus are reluctant to be identified with AIDS. Because there is no vaccine to prevent AIDS and no cure, many feel there is nothing to be gained by revealing sexual contacts that might also be infected with the AIDS virus. When a community or a state requires reporting of those infected with the AIDS virus to public health authorities in order to trace sexual and intravenous drug contacts—as is the practice with other sexually transmitted diseases—those infected with the AIDS virus go underground out of the mainstream of health care and education. For this reason current public health practice is to protect the privacy of the individual infected with the AIDS virus and to maintain the strictest confidentiality concerning his/her health records.

State and Local AIDS Task Forces

Many state and local jurisdictions where AIDS has been seen in the greatest numbers have AIDS task forces with heavy representation from the field of public health joined by others who can speak broadly to issues of access to care, provision of care the availability of community and psychiatic support services. Such a task force is needed in every community with the power to develop plans and policies, to speak, and to act for the good of the public health at every level.

State and local task forces should plan ahead and work collaboratively with other jurisdictions to reduce transmission of AIDS by far-reaching informational and educational programs. As AIDS impacts more strongly on society, they should be charged with making recommendations to provide for the needs of those afflicted with AIDS. They also will be in the best position to answer the concerns and direct the activities of those who are not infected with the AIDS virus.

The responsibility of State and local task forces should be far reaching and might include the following areas:

Insure enforcement of public health regulation of such practices as ear piercing and tattooing to prevent transmission of the AIDS virus.

Conduct AIDS education programs for police, firemen, correctional institution workers and emergency medical personnel for dealing with AIDS victims and the public.

Insure that institutions catering to children or adults who soil themselves or their surroundings with urine, stool, and vomitus have adequate equipment for cleanup and disposal, and have policies to insure the practice of good hygiene.

School

Schools will have special problems in the future. In addition to the guidelines already mentioned in this pamphlet, there are other things that should be considered such as sex education and education of the handicapped.

Sex Education

Education concerning AIDS must start at the lowest grade possible as part of any health and hygiene program. The appearance of AIDS could bring together diverse groups of parents and educators with opposing views on inclusion of sex education in the curricula. There is now no doubt that we need sex education in schools and that it must include information on heterosexual and homosexual relationships. The threat of AIDS should be sufficient to permit a sex education curriculum with a heavy emphasis on prevention of AIDS and other sexually transmitted diseases.

Handicapped and Special Education

Children with AIDS or ARC will be attending school along with others who carry the AIDS virus. Some children will develop brain disease which will produce changes in mental behavior. Because of the right to special education of the handicapped and the mentally retarded, school boards and higher authorities will have to provide guidelines for the management of such children on a case-by-case basis.

Labor and Management

Labor and management can do much to prepare for AIDS so that misinformation is kept to a minimum. Unions should issue preventive health messages because many employees will listen more carefully to a union message than they will to one from the public health authorities.

AIDS Education at the Work Site

Offices, factories, and other work sites should have a plan in operation for education of the work force and accommodation of AIDS or ARC patients *before* the first such case appears at the work site. Employees with AIDS or ARC should be dealt with as are any workers with a chronic illness. In-house video programs provide an excellent source of education and can be individualized to the needs of a specific work group.

Strain on the Health Care Delivery System

The health care system in many places will be overburdened as it is now in urban areas with large numbers of AIDS patients. It is predicted that during 1991 there will be 145,000 patients requiring hospitalization at least once and 54,000 patients who will die of AIDS. Mental disease (dementia) will occur in some patients who have the AIDS virus before they have any other manifestation such as ARC or classic AIDS.

State and local task forces will have to plan for these patients by utilizing conventional and time honored systems but will also have to investigate alternate methods of treatment sites for care including homecare.

The strain on the health system can be lessened by family, social, and psychological support mechanisms in the community. Programs are needed to train chaplains, clergy, social workers, and volunteers to deal with AIDS. Such support is particularly critical to the minority communities.

Mental Health

Our society will also face an additional burden as we better understand the mental health implications of infection by the AIDS virus. Upon being informed of infection with the AIDS virus, a young, active, vigorous person faces anxiety and depression brought on by fears associated with social isolation, illness, and dying. Dealing with these individual and family concerns will require the best efforts of mental health professionals.

Controversial Issues

A number of controversial AIDS issues have arisen and will continue to be debated largely because of lack of knowledge about AIDS, how it is spread, and how it can be prevented. Among these are the issues of compulsory blood testing, quarantine, and identification of AIDS carriers by some visible sign.

Compulsory Blood Testing

Compulsory blood testing of individuals is not necessary. The procedure could be unmanageable and cost prohibitive. It can be expected that many who test negatively might actually be positive due to recent exposure to the AIDS virus and give a false sense of security to the individual and his/her sexual partners concerning necessary protective behavior. The prevention behavior described in this report, if adopted, will protect the American public and contain the AIDS epidemic. Voluntary testing will be available to those who have been involved in high risk behavior.

Quarantine

Quarantine has no role in the management of AIDS because AIDS is not spread by casual contact. The only time that some form of quarantine might be indicated is in a situation where an individual carrying the AIDS virus knowingly and willingly continues to expose others through sexual contact or sharing drug equipment. Such circumstances should be managed on a case-by-case basis by local authorities.

Identification of AIDS Carriers by Some Visible Sign

Those who suggest the marking of carriers of the AIDS virus by some visible sign have not thought the matter through thoroughly. It would require testing of the entire population which is unnecessary, unmanageable and costly. It would miss those recently infected individuals who would test negatively, but be infected. The entire procedure would give a false sense of security. AIDS must and will be treated as a disease that can infect anyone. AIDS should not be used as an excuse to discriminate against any group or individual.

Updating Information

As the Surgeon General, I will continually monitor the most current and accurate health, medical, and scientific information and make it available to you, the American people. Armed with this information you can join in the discussion and resolution of AIDS-related issues that are critical to your health, your children's health, and the health of the nation.

ADDITIONAL INFORMATION

Telephone Hotlines (Toll Free)

PHS AIDS Hotline, 800-342-AIDS, 800-342-2437.

National Sexually Transmitted Diseases Hotline/American Social Health Association, 800-227-8922.

National Gay Task Force AIDS Information Hotline, 800-221-7044, (212) 807-6016 (NY State).

Information Sources

U.S. Public Health Service Public Affairs Office, Hubert H. Humphrey Building, Room 725-H, 200 Independence Avenue S.W., Washington, D.C. 20201 Phone: (202) 245-6867.

Local Red Cross or American Red Cross AIDS Education Office, 1730 D Street, N.W., Washington, D.C. 20006, Phone: (202) 737-8300.

American Association of Physicians for Human Rights, P.O. Box 14366, San Francisco, CA 94114, Phone: (415) 558-9353.

AIDS Action Council, 729 Eighth Street, S.E., Suite 200, Washington, D.C. 20003, Phone: (202) 547-3101.

Gay Men's Health Crisis, P.O. Box 274, 132 West 24th Street, New York, NY 10011, Phone: (212) 807-6655.

Hispanic AIDS Forum, c/o APRED, 853 Broadway, Suite 2007, New York, NY 10003, Phone: (212) 870-1902 or 870-1864.

Los Angeles AIDS Project 1362 Santa Monica Boulevard, Los Angeles, California 90046, (213) 871-AIDS.

Minority Task Force on AIDS, c/o New York City Council of Churches, 475 Riverside Drive, Room 456, New York, NY 10115, Phone: (212) 749-1214.

Mothers of AIDS Patients (MAP), c/o Barbara Peabody, 3403 E Street, San Diego, CA 92102, (619) 234-3432.

National AIDS Network, 729 Eighth Street, S.E., Suite 300, Washington D.C. 20003, (202) 546-2424.

National Association of People with AIDS, P.O. Box 65472, Washington, D.C. 20035, (202) 483-7979.

National Coalition of Gay Sexually Transmitted Disease Services, c/o Mark Behar, P.O. Box 239, Milwaukee, WI 53201, Phone: (414) 277-7671.

National Council of Churches/AIDS Task Force, 475 Riverside Drive, Room 572, New York, NY 10115, Phone: (212) 870-2421.

San Francisco AIDS Foundation, 333 Valencia Street, 4th Floor, San Francisco, CA 94103, Phone: (415) 863-2437.

MASSACHUSETTS—LEADING THE WAY FOR AMERICA'S COMPETITIVENESS

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. MAVROULES. Mr. Speaker, the House Small Business Committee recently has been conducting extensive hearings on the issue of competitiveness and the unique contribution which our Nation's smaller enterprises play in improving our status as a world leader.

Among the witnesses at these hearings have been several individuals from my home State of Massachusetts. These people have spoken eloquently about the economic renaissance which has taken place within the Commonwealth.

As many of my colleagues are aware, during the seventies many communities in Massachusetts were plagued by the decline of heavy manufacturing industries such as textiles and shoes. Hundreds of factories fell silent, left to stand as memorials to the passing of an era in American history—the industrial revolution.

Today, however, a new revolution is taking place in Massachusetts. Leaders in government, labor, and management have recognized the unique potential of our former manufacturing centers. They also realize that the people who had once set the standard for world manufacturing are ready and able to move forward into creative new technologies, to once again lead the way for the rest of the Nation in terms of new job creation, innovation, and competitiveness.

In many instances these innovative firms have specialized in high technology and related fields. However, it is important to note that this economic activity has not been limited to high technology. A perfect example of this is evidenced by the Falcone Piano Co. Mr. Santi Falcone has transformed one of the abandoned factories along the banks of the Merrimack River in Haverhill, MA, into one of the finest piano manufacturing centers in the world.

Mr. Speaker, on March 22, the New York Times published a most informative article regarding the Falcone Piano Co. I hope that other areas of the Nation will soon come to fully appreciate the economic revival which is taking place in the Merrimack Valley and other areas of Massachusetts.

The full text of the article follows:

[From the New York Times, March 22, 1987]

WIDELY ACCLAIMED PIANOS, SYMBOLIZE OLD MASSACHUSETTS CITY'S RESURGENCE

HAVERILL, MASS., March 20—in this city near the New Hampshire border, where fortunes sank with the decline of the New England shoe industry, the Falcone Piano Company is now turning out some of the most acclaimed pianos in the field.

Their maker, Santi Falcone, and his crew of 59 workers produce three grand pianos in three sizes, completing eight or nine each month. Much of the intricate piecework is done by hand, with each instrument's voicing, and finish—whether mahogany from Africa or rosewood from Brazil—tailored to a buyer's specifications.

Indeed, the 500 to 600 hours of craftsmanship spent on each Falcone piano more closely resemble the labor-intensiveness of shoemaking that once dominated this 17th-century city on the Merrimack River than the assembly-line approach of many larger piano makers. That is why, perhaps, the Falcone Piano Company seems so at home here in a renovated, brick shoe factory whose nooks and crannies still cough up an occasional heel.

EXPRESSION OF CITY'S PAST

Falcone Piano is just one of several businesses reminiscent of Haverill's past that are now standing their ground with the high technology companies, the more familiar symbols of economic revival in the 1980's.

"What Falcone is up to is very much in keeping with Haverill's history of the small entrepreneur," said Donald Ruhl, president of the Greater Haverill Chamber of Commerce. Moreover, this fledgling company's efforts reach back to Boston's renown earlier this century as a piano-making hub. Like Boston's Chickering & Sons and Mason & Hamlin of old, Falcone benefits from being close to the usable woods of northern New England and Canada.

Not so long ago a Rand McNally survey cited Haverill as one of the country's most economically uninviting communities. A city in decay, it had been foundering since the late 1920's when its niche as the world's leading manufacturing center of women's soft shoes began to collapse.

RESURGENCE IN THE 1980'S

In the early 1980's, however, Haverill and its Merrimack Valley neighbors began to profit from the spillover of escalating businesses both to the south, around Boston, and to the north in southern New Hampshire.

Since then, the city has experienced a complete change of attitude, Mr. Ruhl said: Its land and building values have appreciated 66 percent in the last four years and its population is again approaching 50,000, a figure that Haverill's director of planning, Joseph J. Bevilacqua, said has not been reached since its shoemaking heyday.

Among the older companies now flourishing are Allen Shoe, one of only two remaining of the 122 shoe manufacturers that existed here in 1920, and the H. S. Snyder Leather Company. Like Falcone, these businesses have come to depend on a highly specialized market. Allen Shoe, for example, now makes only women's party shoes.

For Mr. Falcone, who was born in Sicily 42 years ago, stumbling upon Haverill two years ago and the dilapidated building of the former Hartman Shoe Company was "a blessing."

TO BUILD A BETTER PIANO

In 24 years as a piano technician, Mr. Falcone again and again noticed construction flaws and inferior sounds in the most prestigious European and American pianos. After building several prototypes, he became convinced that he could not only make a better sounding piano than the "Big Three"—Baldwin, Steinway and Bósendorfer—but that he could also sell his pianos much less expensively by selling directly to customers, avoiding a retailer's markup.

So, while a six-foot one-inch Falcone lists for $17,580 an equivalent-sized German-made Steinway, recognized as among the best pianos in the world, retails for $28,000.

But when Mr. Falcone decided to go ahead with piano making, he said, his most difficult hurdle was finding an affordable place for his factory.

"A building like this closer to Boston, in the midst of Route 128's high technology, would have wiped me out," he said. Initially discouraged, Mr. Falcone soon heard about reasonably priced vacant factories in Haverill to the north.

MODIFICATION, NOT REINVENTION

The new factory, which required six months of renovation, opened its doors in February 1986. Mr. Falcone says he now has a five-month backlog in orders, along with testimonials from the jazz pianist Dave McKenna, who used a Falcone to record his latest album, and the classical pianist Martha Anne Verbit, who called the Falcone "la cŕeme de la cŕeme."

"Piano technology is very old." Mr. Falcone said. "The one thing I have not done is reinvent the wheel. Instead, knowing how the wheel was made in the first place, the trick has been to discover how to modify it and make it better."

On Washington Street, around the corner from the Falcone factory, is evidence of Haverill's own recent modifications. In the former heart of the downtown shoe trade is now a vision of refurbished Queen Anne architecture and new glass storefronts. On the outskirts but within Haverill's long-undeveloped 36 square miles, seven new industrial parks and countless condominium developments have sprung up.

"I have everything I need here," Mr. Falcone said. "It's close to New Hampshire's labor pool, close to the major highways and close to the materials we depend on."

THE 50TH SEMANA NAUTICA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. LAGOMARSINO. Mr. Speaker, it is my pleasure to advise the House of a momentous event which will occur in Santa Barbara, CA, June 27. On that date, the Santa Barbara Semana Nautica Association will kick off one of the oldest and most admired of summer sports festivals. The Santa Barbara Semana Nautica was begun over half a century ago as "Fleet Week," by a group of Navy seamen. This year will mark the 50th Semana Nautica, attracting thousands of participants and many thousands more spectators.

Forty-two events will be included in the 9-day festival, ranging from ocean swimming to bicycling, from yachting to running, from biathlon to softball. This unique festival, celebrating the sunny climate and propitious location of the city on what has become known as the "California Riveria," provides a fine demonstration of skill and athletic prowess. But the true strength of Semana Nautica comes from the events organizers, who, like the Semana Nautica Association Board of Directors, volunteer their time to provide a variety of recreational opportunities for everyone who wants to participate.

Mr. Speaker, on behalf of the House of Representatives, I want to extend commendations to the Semana Nautica Association, its board of directors, its donors, organizers, and participants, on the occasion of the 50th Semana Nautica, and may the occasion be as golden as the California sunshine.

PUBLIC SUPPORT AND SDI

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. DORNAN of California. Mr. Speaker, last week one of our colleagues from the other body entered into the RECORD a statement that questioned public support for President Reagan's strategic defense initiative [SDI]. This analysis was based on some very selective poll data and is simply wrong. I would like to enter into the RECORD a more complete study of public attitude that was prepared for me by Mr. James Frelk, executive director of the George C. Marshall Institute. I encourage all my colleagues to examine the results of the various polls and then decide on whether or not our constituents support the President in his efforts to defend Americans—not avenge them.

PUBLIC ATTITUDES TOWARD THE STRATEGIC DEFENSE INITIATIVE

[Assessment of Public Opinion Polls, November 1986]

(Edited By James J. Frelk)

INTRODUCTION

Trying to gauge the political results of the Iceland summit, and Gorbachev's success in weakening the American people's support for the SDI program and President Reagan, the major U.S. television and print media quickly conducted polls. Even President Reagan's own pollster, Richard Wirthlin, conducted a post-summit tracking poll.

The following are the significant results of the polls taken prior to and after the summit.

I. SHOULD THE U.S. DEVELOP STAR WARS OR SDI?

NBC/Wall Street Journal—Do you favor or oppose the development of 'Star Wars'?

[In percent]

	Oct. 14, 1986
Yes	62
No	26

[In percent]

	Oct. 14, 1986
Unsure	14

Gallup poll—Would you like to see the United States go ahead with the development of the so-called "Star Wars" proposal—that is, its proposal to develop a space-based defense against nuclear attack—or not?

[In percent]

	Jan 1985	Oct 1985
Yes	52	61
No	38	28
No opinion	10	11

ABC/Washington Post—Reagan says it is essential for the U.S. to develop space-based weapons to defend the United States against nuclear attack. Opponents say such weapons increase the arms race and cost many billions of dollars. Suppose the only way to get an arms reduction agreement with the Soviet Union is for the U.S. to stop development of space-based weapons. Should the U.S. agree to that, or not?

[In percent]

	Oct. 14, 1986			Nov. 13, 1985 All
	All	Male	Female	
Yes, U.S. should agree to stop development of SDI	34	33	34	41
No, U.S. should not agree to stop development of SDI	58	61	55	52
No opinion	8	6	11	6

ABC/Washington Post—Supporters say such weapons (SDI) could guarantee protection of the United States from nuclear attack and are worth whatever they cost. Opponents say such weapons will not work, will increase the arms race, and that the research will cost many billions of dillars. How abut you: would you say you approve or disapprove of plans to develop such space-based weapons?

[In percent]

	July 25–26, 1985		
	All	Male	Female
Approve	41	54	30
Disapprove	53	43	63
No opinion	5	3	7

II. SHOULD THE U.S. RESEARCH SDI?

White House/Wirthlin—Some people say that research on a defense against nuclear-armed missiles, such as SDI, is a good idea because it will help deter a Soviet attack, increase the chance of reaching an arms control agreement, and reduce the risk of war. Other people say that research on a defense against nuclear-armed missiles, such as SDI, is a bad idea because it will upset the balance of power between the U.S. and the U.S.S.R., accelerate the arms race, and increase the risk of war. Which statement is closer to your own opinion—that research on defense against nuclear-armed missiles is a good idea or a bad idea?

[In percent]

	Presummit	Oct. 13	Oct. 13–14	Oct. 14–15
Good idea	62	75	75	74
Bad idea	36	22	23	24
No opinion	2	2	2	2

III. WILL STAR WARS OR SDI MAKE NUCLEAR WEAPONS OBSOLETE?

NBC/Wall Street Journal—From what you know about 'Star Wars,' do you think it would make nuclear weapons obsolete, or don't you think so?

[In percent]

	Oct. 14, 1986
Yes	23
No	58
Unsure	19

IV. WILL SDI OR STAR WARS WORK?

CBS/New York Times—The Strategic Defense Initiative—Star Wars—is a defense system in space that would destroy incoming missiles before they would reach the United States. Do you think the system is likely to work, or not?

[In percent]

	Nov. 14–15, 1986	Nov. 1985
Will work	60	58
Will not work	22	27
No opinion	18	15

V. DO THE SOVIETS BELIEVE SDI WILL WORK?

White House/Wirthlin—If the Soviets feel so strongly about the United States Strategic Defense Initiative, then they must feel it has a good chance, if developed, to shoot down intercontinental ballistic missiles.

[In percent]

	Oct. 13	Oct. 13–14	Oct. 14–15
Total agree	71	71	72
Total disagree	23	23	23
Agree strongly	37	39	42
Agree somewhat	34	31	30
Disagree somewhat	12	13	14
Disagree strongly	11	10	9
No opinion	6	6	5

VI. DO YOU BELIEVE REAGAN WAS RIGHT IN NOT TRADING SDI OR STAR WARS?

NBC/Wall Street Journal—Do you think Ronald Reagan did the right thing at the meeting in Iceland in refusing to change his ideas on the development of 'Star Wars,' or not?

[In percent]

	Oct. 14, 1986
Did the right thing	72
Did not do the right thing	18
Unsure	10

NBC/Wall Street Journal—The United States and the Soviet Union had come to an understanding at the meeting in Iceland about reducing nuclear arms but no formal agreement was reached because of differences of opinion on the development of 'Star Wars.' Do you think Ronald Reagan should have made concessions on 'Star Wars' so that a formal agreement could have been reached, or don't you think so?

[In percent]

	Oct. 14, 1986
Make concessions	31
No concessions	60
Unsure	9

CBS/New York Times—Do you think Ronald Reagan should have given up the Strategic Defense Initiative—Star Wars—in order to get Gorbachev to agree to a big reduction in Soviet and U.S. nuclear weapons?

[In percent]

	November 14–15, 1986			
	Total	Republican	Democrat	Independent
Yes	20	9	29	20
No	68	83	56	67
No opinion	12	8	15	13

ABC/Washington Post—Reagan and Gorbachev did not reach an arms control agreement at the summit meeting because Gorbachev asked for limitations on America's Strategic Defense Initiative or Star Wars program and Reagan would not agree to those limitations. Do you approve or disapprove Reagan's decision not to agree to limitations on the Star Wars in exchange for arms reduction or don't you know enough about the situation to say?

[In percent]

	October 14, 1986		
	All	Male	Female
Approve	55	67	43
Disapprove	16	17	15
Don't know	27	14	38
No opinion	3	1	4

VII. WAS THE SUMMIT IN ICELAND A STEP FORWARD OR BACKWARD?

ABC/Washington Post—Which of the following two statements best describes your view of what happened at the summit meeting:

A. Despite the disagreement over Star Wars, Reagan and Gorbachev came close to reaching an arms control agreement and that's a step forward.

B. Reagan and Gorbachev came close to reaching an arms control agreement, but their failure to do so because of Star Wars is a step backward.

[In percent]

	October 14, 1986		
	All	Male	Female
Statement A	55	65	46
Statement B	36	29	42
In between	1	1	2
Neither	3	4	1
No opinion	6	2	9

VIII. WHO IS MORE TO BLAME FOR NO ARMS CONTROL AGREEMENT IN ICELAND?

CBS/New York Times—Who is more to blame for not reaching an arms control agreement at the Iceland summit meeting—Ronald Reagan or Mikhail Gorbachev?

[In percent]

	October 14–15, 1986			
	Total	Republican	Democrat	Independent
Reagan	17	9	20	19
Gorbachev	44	54	39	40
Both (vol)	11	11	10	11
Neither (vol)	4	3	2	7
No opinion	24	23	29	23

ABC/Washington Post—Who do you think is more to blame for the failure to reach an arms agreement in Iceland—Reagan or Gorbachev?

[In percent]

	October 14, 1986		
	All	Male	Female
Reagan	16	16	16
Gorbachev	53	54	50
Both/neither or no opinion	31	30	34

IX. DO YOU APPROVE OF THE WAY REAGAN HANDLED THE ICELAND SUMMIT?

ABC/Washington Post—As you may know, Reagan recently met with Gorbachev in Iceland for summit negotiations on arms control. Do you approve or disapprove of the way Reagan handled the summit meeting and the events that followed the summit?

[In percent]

	October 14, 1986					
	All	By party			By sex	
		Republican	Democrat	Independent	Male	Female
Approve	64	82	51	65	69	60
Disapprove	22	9	34	22	22	23
No opinion	13	9	15	13	10	17

White House/Wirthlin—Ronald Reagan missed his best chance so far to negotiate a meaningful nuclear arms agreement with the Soviet Union.

	October 13	October 13–14	October 14–15
Total agree	35	33	31
Total disagree	63	66	68

X. DOES SDI TRANSLATE INTO VOTES?

NBC/Wall Street Journal—Do you think it's important to elect Members of Congress who will support Ronald Reagan in the development of "Star Wars", or don't you think so?

[In percent]

	October 14, 1986
Yes	53
No	38
Unsure	9

CBS/New York Times—Will what happened at the summit meeting make a difference in how you vote this fall for Congress?

PROBABLE ELECTORATE

[In percent]

	October 14–15, 1986
Yes	12
No	81
No opinion	7

ABC/Washington Post—Do you think Reagan's actions at the Iceland meeting with Gorbachev will make you more likely to vote Democratic in this November's elections, more likely to vote Republican or won't Reagan's actions in Iceland make that much difference one way or the other in your vote?

[In percent]

	October 14, 1986
More likely to vote Democratic	10
More likely to vote Republican	9
Won't make much difference	78
No opinion	3

XI. DO YOU APPROVE OF REAGAN'S HANDLING OF THE SOVIETS?

CBS/New York Times—In general, do you approve or disapprove of the way Ronald Reagan is handling relations with the Soviet Union?

[In percent]

	Oct. 14–15, 1986	Sept. 1986
Approve	72	61
Disapprove	20	26
No opinion	8	13

ADC/Washington Post—Do you approve or disapprove of the way Reagan is handling relations with the Soviet Union?

[In percent]

	1986			1985			
	Oct. 14	June 23	Feb. 12	Nov. 13	Oct. 28	Sept. 23	July 29
Approve	62	64	75	64	64	62	62
Disapprove	28	31	21	29	28	31	31
No opinion	10	5	4	7	8	7	7

[In percent]

	1985		1984		
	May 13	Jan. 6	July 8	May 22	Jan. 17
Approve	56	51	47	50	47
Disapprove	35	40	45	42	39
No opinion	10	9	8	8	14

[In percent]

	Oct. 14, 1986	
	Male	Female
Approve	67	57
Disapprove	24	31
No opinion	9	12

XII. THE FUTURE OF ARMS CONTROL NEGOTIATIONS

CBS/New York Times—Do you think Gorbachev wants an arms control agreement enough to make real concessions to the United States in order to get it, or not?

[In percent]

	Oct. 14–15, 1986	Sept. 1986
Yes	34	33
No	53	46
No opinion	13	21

CBS/New York Times—Do you think Reagan wants an arms control agreement enough to make real concessions to the Soviet Union in order to get it, or not?

[In percent]

	Oct. 14–15, 1986	Sept. 1986
Yes	53	49
No	37	34
No opinion	10	17

CBS/New York Times—Even though no agreement was reached at the Iceland summit, do you think that meeting will eventually lead to real arms control agreements, or not?

[In percent]

	Oct. 1986	Nov. 1985	Sept. 1985	Jan. 1985
Will lead	57	32	33	38
Will not	31	55	55	47
No opinion	12	13	12	15

APPENDIX—BACKGROUND ON POLLS

NBC/Wall Street Journal poll, October 14, 1986.

Sample: 1,202 Adults

Note.—Percentages remained the same among differing age groups, and differences in demographics were found.

CBS/New York Times poll, October 14-15, 1986.

Sample: 767 Adults.

Probable electorate: 553 Adults.

Size of subgroups	Weighted	Unweighted
Republican	224	237
Democrat	246	260

Size of subgroups	Weighted	Unweighted
Independent	264	270

ABC/Washington Post poll, October 14, 1986.

Sample: 768 Adults.

Note.—Due to the quickness of this poll October 14, no statistics were kept showing a demographic or age break down to the questions by the respondents.

White House/Wirthlin poll, October 13-15, 1986.

Sample: 1,000 Adult over a three day period.

PLEA FOR LIFE FOR DR. BENJAMIN CHARNY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. MOAKLEY. Mr. Speaker, Mr. Leon Charny, a Soviet immigrant who is now a resident of my district, began a vigil last Monday to get his terminally ill brother, Dr. Benjamin Charny, out of the Soviet Union.

Dr. Charny is gravely ill, suffering from cancer and a serious heart condition. Soviet cardiologists will not permit surgery for his cancer for fear that he will not survive the operation due to his heart condition. As a result, Dr. Charny, who is only 49 years old, has an official status as an invalid.

Although Dr. Charny has received all the medical help available in the Soviet Union, visiting foreign doctors believe that new treatment procedures in the West would greatly benefit him.

Dr. Charny, who with his brother Leon tried to emigrate from the Soviet Union together in 1979, was denied a visa for national security reasons. Dr. Charny did work in mathematics and security as long as 15 years ago, and all of his work has been published internationally for the record. This, in addition to the fact that Dr. Charny has not been able to work for the past 8 years, is significant proof that he would pose no threat to national security. Dr. Charny applied to leave the Soviet Union last year along with four other cancer patients. All but Dr. Charny have been allowed to leave.

As you, Mr. Speaker, already know, the emigration rate of Soviet Jews to the United States has recently improved under the direction of Mikhail S. Gorbachev. The month of March has brought forth the highest monthly emigration figure since the end of 1981. It is expected that nearly 500 Soviet Jews will have received permission to emigrate this month. While still far below the rate that the United States would like to see, our Nation views this as a significant step in easing one of the major problems in Soviet-American relations.

Mr. Speaker, I urge my fellow Members of Congress to continue with their efforts on behalf of all the Jews in the Soviet Union who wish to practice their religious beliefs and cultural heritage freely. I place even more emphasis on those Soviet Jews like Dr. Benjamin Charny, whose life is in great danger without the medical treatment that is available here in the West. We must pledge to do all we can to see that the human rights of these and all individuals are not violated. I am confident that with your support, these issues concerning human rights are ones that will vastly improve in the near future.

ST. PATRICK'S DAY MESSAGE OF PEACE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. BIAGGI. Mr. Speaker, as chairman of the bipartisan Ad Hoc Congressional Committee for Irish Affairs I would at this time like to place into the Congressional Record a St. Patrick's Day message of peace. This message was cosigned by 53 of my colleagues and was released on St. Patrick's Day.

It is my fervent belief that the United States is in a unique position to assist in the progress toward a political solution in Northern Ireland. It remains obvious to many observers that critical to the success of any political solution is a comprehensive commitment to rectifying the serious economic problems which befall the six counties of northeast Ireland. The Congress with the passage of legislation authorizing first time United States economic aid to Ireland and Northern Ireland has declared its intention to help. It is critical at this time to ensure that this aid does reach both communities as the authorizing legislation mandates.

I wish to thank those of my colleagues who joined on this message of peace and hope we will continue to see progress toward peace in the coming year. This message was cosigned by Senators Orrin Hatch, Alfonse D'Amato, Patrick Leahy, and Dennis DeConcini. In addition, it was cosigned by Representatives Benjamin Gilman, Bo Borski, Norman Lent, Thomas Manton, Joseph DioGuardi, Gary Ackerman, Robert Roe, Bob Mrazek, James Traficant, Ed Towns, Thomas Downey, Ron Dellums, Jim Chapman, Austin Murphy, Joe Kotler, Walter Jones, Bill Coyne, Joseph Gaydos, Tom Lantos, William Hughes, Paul Kanjorski, Douglas Applegate, Robert Garcia, Sander Levin, Charles Rangel, Bernard J. Dwyer, Frank Annunzio, Peter Rodino, Frank Guarini, Joseph Brennan, Louise Slaughter, Hamilton Fish, James Scheuer, Charles Hayes, Jim Jeffords, Bruce Vento, George Hochbrueckner, James Howard, Walter Fauntroy, Robert Dornan, Doug Walgren, Matthew Martinez, Curt Weldon, Nick Mavroules, Bruce Morrison, Tom Carper, Major Owens, and Sonny Montgomery.

St. Patrick's Day 1987

On St. Patrick's Day and everyday, we, the undersigned, maintain a firm commitment to assisting the just cause of peace, justice and freedom for Northern Ireland and Ireland.

We recognize the fact that the United States has undertaken an historic new role in its policy toward Northern Ireland with enactment of legislation providing first-time economic aid to Northern Ireland and Ireland. This decision was based on our support for a political solution to the problems in Ireland. We are confident that this aid, distributed under the terms and conditions of the legislation ensuring non-discrimination and access by both communities, will be a tangible and timely investment in Northern Ireland's peaceful future.

We remain deeply troubled over continued economic discrimination which affects the Catholic minority in Northern Ireland. We support those policies and initiatives which will alleviate, if not eradicate, the problem. We most strongly believe that American companies who provide 11 percent of the employment for the people of Northern Ireland must be especially sensitive to the need to fight discrimination. To that end, we support legislation that would require American companies to adopt the Mac Bride Principles of Fair Employment and Non Discrimination as a new code of corporate conduct in Northern Ireland.

We advocate for a change in our nation's visa policy as it affects political figures from Ireland visiting the United States. We believe all segments of political thought should be allowed to come to the United States. Present visa policies have led to the exclusion of certain segments and to deny one segment is to impose censorship on elements of the Irish American community.

On this St. Patrick's Day, we maintain our firm and unyielding opposition to all forms of violence in Northern Ireland, civilian or official. To that end, and together with Amnesty International, we urge that the British government undertake and complete an independent investigation into allegations that the Royal Ulster Constabulary, the main police force in Northern Ireland, practiced a "shoot to kill" policy which may have resulted in the deaths of 18 unarmed people over the last four years.

On this the 200th anniversary year of our own Constitution, let us recommit ourselves to the goal of having Ireland, like the United States, be one nation, indivisible with liberty and justice for all.

Happy St. Patrick's Day!

RAOUL WALLENBERG HONORED BY CHICAGO WALLENBERG COMMITTEE AND THE SWEDISH AMERICAN MUSEUM

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. LANTOS. Mr. Speaker, I would like to call to your attention and to the attention of my colleagues in the Congress an important exhibit honoring the great humanitarian and hero of our age, Raoul Wallenberg. On April 2 the Raoul Wallenberg Committee of Chicago and the Swedish American Museum will open an exhibit entitled "Raoul Wallenberg—A Tribute." The exhibition will be on display at 222 North LaSalle in Chicago during the month of April. In honor of this event, Mayor Washington has proclaimed the month of April "Raoul Wallenberg Month" in Chicago.

The exhibit depicts Wallenberg's life in 22 panels of photographs and narrative, with particular emphasis on 1944, when he worked to free Hungarian Jews from death at the hands of the Nazis.

Mr. Speaker, it is most appropriate to remember and honor this great man and humanitarian. Raoul Wallenberg is a hero in an age profoundly devoid of heroes. Many become heroes when heroism is thrust upon them, but Wallenberg went out of his way voluntarily to assume a daring and dangerous assignment.

Leaving behind the comfort and affluence, the safety and security of Stockholm, he confronted the anguish, suffering, terror, and degradation being perpetrated in Budapest. No one else had the audacity to follow the death marches, to jump in front of guns leveled at Jews, to pull people off deportation trains. Raoul Wallenberg not only saved 100,000 lives, he saved our faith in humanity.

Wallenberg saved tens of thousands from death at the hands of German and Hungarian Nazis, and the nightmare of the Holocaust was almost at an end. At this very moment of his triumph he was dragged away to the horrors of the Soviet Gulag. This year marks the 42d anniversary of his illegal abduction by Soviet troops in Budapest.

When we began our struggle to free him from the shadowy half-world of Soviet prisons, he could have been saved more easily. But many chances have been missed. Many people—and several governments—could have done a great deal to liberate him. They did not. But as long as there are any of us who remember him, we will continue to fight for his life and for the truth.

Wallenberg lives. We honor him; we remember him; his story inspires us to become better human beings and more valiant in our struggle to build a better and safer world. This outstanding exhibit in Chicago and the commemoration of his life and work through this exhibit is a testimony to that.

In history, one can find many men who have killed 100,000 people. But how many have saved 100,000? Wallenberg has shown us that one individual—motivated by a genuine and personal concern for human rights—can face evil and triumph; that one person alone can make a difference; that there are genuine heroes to illuminate our age.

TRIBUTE TO COL. ROBERT T. AZUMA

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. MATSUI. Mr. Speaker, I would like to draw the attention of my colleagues in the U.S. House of Representatives to Col. Robert T. Azuma, whose exemplary record of service at Mather Air Force Base in my Sacramento, CA congressional district has earned him a promotion to the position of chief-of-staff to the general at Hamscon Air Force Base in Massachusetts.

Colonel Azuma brings excellence and honor to his work, and has served our country with dignity and dedication. Bob distinguishes himself in the performance of outstanding service to our country during his 7-year assignment at Mather AFB as assistant operations officer, 452d Flying Training Squadron; chief, public affairs division, 323d Air Base Group; special assistant to the wing commander, 323d Air Base Group; operations officer, 449th Flying Training Squadron; chief, base exercise evaluation team, 323d Air Base Group; commander, 323d Transport Squadron; and deputy commander, 323d Air Base Group.

Bob's unmatched managerial and leadership skills resulted in major lasting contributions to the 323d Flying Training Wing. As assistant operations officer in the 452 FTS, he led an ASD team on an extremely sensitive investigation at the request of the AFSC vice commander. All actions were completed well ahead of schedule. During this period, the squadron earned an "Excellent" from the ATC IG team. Chosen by the wing commander to head the public affairs division, Bob upgraded that office and made it one of the best in the ATC, reestablishing close ties with the community and the media, and winning numerous news awards.

During his tenure as deputy commander, Bob's decisions, skills, and leadership have affected every member of the Mather community. His duties involved resource management, readiness, civilian employee performance evaluation, excellence awards boards, military justice, guidance to all Air Base Group divisions, tours, civic meetings, and choreographing everything from DV briefings to bomb threat responses. He performed all of these duties in a truly exemplary fashion, and serves as an outstanding role-model for all Air Force personnel.

Mr. Speaker, I join with all those who congratulate Col. Bob Azuma on his fine work at Mather Air Force Base. We are sorry to see him leave us, but we are glad that he served America here in Sacramento. I speak for all who know Bob personally and those who have benefited from his outstanding work when I wish him continued success at Hamscon AFB and thank him for serving his country in such a selfless and exceptional fashion.

INTRODUCTION OF BILL TO DESIGNATE THE RIO CHAMA RIVER IN NEW MEXICO AS A WILD AND SCENIC RIVER

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. RICHARDSON. Mr. Speaker, I am very proud today to join with my New Mexico colleagues—Senators' BINGAMAN and DOMENICI and Congressman MANUEL LUJAN in the introduction of a bill to designate the Rio Chama River in New Mexico as a national wild and scenic river. The Rio Chama is one of New Mexico's outstanding natural and recreational resources. Originating high in the Rocky Mountains, the Rio Chama flows from the Continental Divide through a beautiful canyon and into the Abiquiu Reservoir.

A study by the National Park Service described the Rio Chama as the most important and valuable river in the State, being less than 3 hours driving time from three-fourths of the State's population. It is not readily accessible so it has maintained its remote and wild character. To rafters, kayakers, and canoeists, it provides unparalleled beauty and tranquility.

This bill will designate the outstanding 31-miles segment of the Rio Chama, between the El Vado Dam and the flood control pool at Abiquiu Reservoir, as a national wild and scenic river. The New Mexico legislature designated this same 31-mile segment of the Rio Chama as the State's only "scenic and pastoral river." Federal designation will enhance tourism by ensuring the Rio Chama is available for rafting, kayaking, and other water recreation. A program of later summer weekend water releases from El Vado Dam will create the only late-summer rafting in New Mexico and double the number of user days.

Aside from its beauty and its recreational appeal, the Rio Chama has several other unique assets. It is considered by some archaelogists to be the earliest Navajo site in New Mexico; the Ghost Ranch area has some of the oldest fossil remains in North America. It is also a significant winter habitat for the American bald eagle.

This bill not only protects the Rio Chama, but has been carefully drafted to accommodate existing, authorized uses of the river. It has no effect on the operation of either the El Vado Dam or flood control and water storage at Abiquiu Dam as currently authorized by law as of the date of enactment of this act. It preserves the recreation, wildlife, wilderness, and private land ownership rights now existing between El Vado Dam and Abiquiu Reservoir.

Mr. Speaker, this legislation is the result of a cooperative effort for several years, among environmental organizations, local landowners and interested citizens. It is supported by numerous organizations. There is always room for improvement in legislation that is introduced. I see today's bill as a starting point for meaningful discussions. I am aware that the Governor of the State of New Mexico and the Army Corps of Engineers have expressed some concerns—I invite them to participate in the hearing process and to bring their suggestions.

Through our efforts today—with Senators' BINGAMAN and DOMENICI in the upper Chamber and Congressman LUJAN and myself in the House, we can ensure that the Rio Chama remains a free-flowing, wild and scenic river for the future enjoyment of all Americans. I urge my colleagues in the House to review this legislation and encourage them to become part of an effort to protect the Rio Chama River for future generations to enjoy.

TRIBUTE TO WILLIAM S. KISER, M.D. AND CLYDE L. NASH, JR., M.D.

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. TRAFICANT. Mr. Speaker, I would like to take this opportunity to pay tribute to two gentlemen whose contributions to the health care profession have warranted them the highest honors by the Visiting Nurse Association of Cleveland. Dr. William S. Kiser and Dr. Clyde L. Nash, Jr. will both be honored by this association on April 8, 1987 for their excellence and leadership in health care service and for their professional commitment to ensure that health care services are extended to all persons.

Dr. William Kiser, chairman of the board of governors of the Cleveland Clinic Foundation, will be honored as the National Health Professional of the Year. He has been instrumental in helping to transform our country's health services into a much sounder and viable system. He has helped lead the way in setting standards of excellence in health care that are unmatched anywhere in the world. Dr. Kiser has effectively come to the aid of tens of thousands of patients by his leadership and strong commitment to the highest medical standards.

Dr. Clyde Nash, an internationally recognized expert on scoliosis and its treatment, will be honored as the Greater Cleveland Health Professional of the Year. He has participated in an international exchange program to China in order to further international understanding and treatment in the area of scoliosis. His dedication to the field of orthopedic research in this area has put him at the forefront of the medical profession today. Dr. Nash has especially been instrumental in development of surgical treatment for scoliosis in adults, and in doing so, has helped thousands of people to live more fulfilling lives.

Certainly we as a nation have the highest respect and appreciation for those who have chosen to dedicate their talents and hard work to the medical profession. And in the health services profession it is not hard to find many dedicated persons deserving of our high praise. But a grateful community and a grateful nation are especially eager to recognize the superior efforts put forth by these two gentlemen, both of whom are the best examples of a superior health services system.

Mr. Speaker, it is with great pride that I offer my congratulations to Dr. Kiser and Dr. Nash for their accomplishments and the recognition they are receiving by the Visiting Nurse Association of Cleveland. Both of these gentlemen are highly deserving of our gratitude through their dedication and concern for helping others and for continuing to provide the absolute best medical services available anywhere in the world.

AS I SEE IT * * * OPPOSING COMMUNIST EXPANSIONISM

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. LAGOMARSINO. Mr. Speaker, I rise today to bring the attention of my colleagues to an editorial by Charles Mozley in the Fillmore (CA) Herald on February 12, 1987. Mr. Mozley, who at one time was a beloved civics teacher and spent his sabbatical in my office, articulately calls for President Reagan to more forcefully communicate his views on opposing Communist expansionism. It is a message to which we should all take heed.

As I See It * * *

(By Charles Mozley)

I have been following the debates currently coming out of our nation's capital, and amidst all of the confusion at least one thing has become abundantly clear. With regard to communist expansion in this hemisphere and elsewhere, there is no consensus among this country's leaders about what we ought to do.

As I see it, it is in large part because of this lack of consensus that Mr. Reagan has gotten himself into some of his current difficulties. He holds to very strong views about communism and communist expansion, but his views are simply not shared by a whole lot of very influential people.

Once upon a time it was not this way. Virtually everybody in government, in academia, and in the media agreed about communists, and about what should be done about them. Just like nazis and fascists, communists were contemptible people guided by contemptible ideas, and they were to be vigorously opposed everywhere. That was the view of all influential people both in and out of government, and policy decisions were made accordingly.

But in this year of 1987 this consensus no longer exists. Many Americans agree with Mr. Reagan about communism, but many others do not. Everyone still agrees that nazis and fascists are very bad people, and that they should be opposed wherever they rear their ugly heads, but everyone does not feel the same way about communists. As a matter of fact, Washington, D.C. is just filled with people—both in and out of government—who sincerely believe we should not opposed communists at all, but instead learn to live with them. The same view prevails out there in colleges and universities throughout the land, in many churches, and in the print and electronic media. Many of the people who hold to this view greatly prefer communist governments to governments that currently exist on the right, even if the governments on the right are friendly to the United States, and support our foreign policy.

Because the old anti-communist consensus has been broken, Mr. Reagan has a whole lot of problems. He obviously believes communists are a bad lot, just as bad as they were years ago when he helped clear them out of Hollywood, and he wants to not only stop them internationally, but roll them back wherever he can. Because this is so, and because the president is considered such a superb communicator, I have wondered why he has not more vigorously taken his position on communism to the people via television. He has done so on occasion, but not nearly enough to influence public opinion dramatically, or put pressure on those who oppose his policy.

If Mr. Reagan really believes in his anti-communist policy, then he should run up the flag, take his message forcefully to the people, and force his opponents to much more openly engage him in debate. In my opinion, a much more open debate on the subject would most definitely be in the public's interest.

HADASSAH ANNIVERSARY

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. LEVIN of Michigan. Mr. Speaker, it is with great pride that I recognize the members of the Greater Detroit Chapter of Hadassah who on Saturday, April 4, 1987, will convene in Dearborn, MI, in observance of the 75th anniversary of the national Hadassah—the Women's Zionist Organization of America.

Hadassah was founded in 1912 under the leadership of Henrietta Szold, with 11 co-founding members. These 12 women sought to form a national Zionist organization through education in America and by starting public health nursing in what was then Palestine.

From those modest beginnings Hadassah has grown into the largest women's organization of any kind in the world with 370,000 members. With it has grown the Greater Detroit chapter, now with 6,000 members. My mother, Bess Levin, was an active member of the Detroit chapter for many years.

Hadassah has remained true to its charter by providing educational and cultural resource materials for people of all ages, establishing a Vocational Education High School and Hadassah Community College, and by accelerating development of Israel's medical research and facilities including the renown Hadassah Hospital with its two campuses. But Hadassah is also much more than that.

In its first 75 years of development Hadassah and its members have become a leading fund raiser for Israel. It has formed summer camps and leadership training seminars for youth. And in the 50 years of its Child Rescue Movement, known as Youth Aliyah, Hadassah has helped settle 225,000 youngsters—from the first pre-war group of German youngsters to Holocaust survivors, to Ethiopian children.

On behalf of my colleagues in the House of Representatives, I wish Hadassah a "mazel tov" on their 75th anniversary, and eagerly look forward to the beginning of the next 75.

JOHN L. DORAN RETIRES AFTER 46 YEARS OF LABOR UNION SERVICE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. FLORIO. Mr. Speaker, it is my privilege to advise this body of the achievements of one of my constituents, John L. Doran, who recently has retired as business manager of the International Brotherhood of Electrical Workers Local 439. After serving with dedication for 46 years in labor unions, Mr. Doran has the satisfaction and pride of having been an ongoing advocate for the rights of labor union members.

In addition to his professional responsibilities to local union 439, John has served on numerous professional and community boards and councils—the Central Labor Union, AFL–CIO; the Southern New Jersey Health Systems Agency; the Northeastern Joint Apprenticeship and Training Committee Subcommittee; United Building & Construction Trades Council of Camden County; NJ Electrical Workers Temporary Disability Benefit Trust Fund; and College of Medicine and Dentistry of New Jersey.

It is my pleasure to recognize the many accomplishments of John Doran; his contributions to improve the working conditions and benefits for his fellow union members. In gratitude for his service the members of local 439 will honor John L. Doran with a dinner on Saturday, March 28, 1987. I share in their pride and appreciation of John and with his family, friends, and colleagues wish him every success and good fortune in his future endeavors.

PENTAGON FAILURE ON STAR WARS REPORTING NOT ACCEPTABLE

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. GEPHARDT. Mr. Speaker, there is something strange going on in Washington these days, and I don't think the American people would approve. We are debating the President's proposals for SDI, what most people call star wars, without knowing what is going on in the program, what it will cost, or what it will do to the Anti-Ballistic Missile [ABM] Treaty.

For some reason that I do not understand, the Department of Defense is refusing, mind you, refusing to provide the Congress with three reports mandated by law.

This is not an issue that has anything to do with supporting or opposing the Star Wars Program—Democrats and Republicans on all sides want to know the facts. It has to do with the right of the American people to know what their Government is doing. Certainly the continuing revelations on the Iran/Contra affair should teach us not to be complacent.

That is the reason that yesterday I introduced legislation to force the Secretary of Defense to comply with the Department of Defense Authorization Act, Public Law 99-661, by reporting on the projected costs of the SDI Program; strategic defense initiative deployment schedule; effect of the less restrictive interpretation of the Anti-Ballistic Missile Treaty on the SDI Program.

The Department of Defense has missed the legal deadlines of these reports—February 1, and March 15—and has informed us that they do not know when they will provide them. The legislation I have introduced, a resolution of inquiry, will go to the House floor in 14 days, unless the Congress receives these reports. I hope that the Secretary of Defense will do what should have been done in the first place: tell the American people and the Congress what is going on with Star Wars.

So that my colleagues can review the specifics of the current law, and the language of the resolution of inquiry, I ask that the text of both be included in the RECORD. The material follows:

DEFENSE DEPARTMENT AUTHORIZATION ACT (FISCAL YEAR 1987)

(Public Law 99-661)

SEC. 214. REPORT ON PROJECTED COSTS OF SDI PROGRAM

Section 223(b) of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 613), is amended by adding at the end the following: "The Secretary shall include in such report the following information:

"(1) The cost goals or cost objectives for the production and deployment of a Strategic Defense Initiative System determined on the basis of capabilities expected to be developed in the future and the cost goals or cost objectives for the individual components of such system (determined on the basis of capabilities expected to be developed in the future).

"(2) The estimated cost for the production and deployment of the Strategic Defense Initiative System referred to in paragraph (1) and determined on the basis of prices in effect and capabilities in existence at the time of the preparation of the report and the estimated cost for the production and deployment of the individual components of such system (determined on the basis of prices in effect and capabilities in existence at the time of the preparation of the report).".

SEC. 215. REPORT ON STRATEGIC DEFENSE INITIATIVE DEPLOYMENT SCHEDULE

(a) REPORT REQUIREMENT.—The Secretary of Defense shall submit to Congress a report detailing what Strategic Defense Initiative technologies can be developed or deployed within the next 5 to 10 years to defend against significant military threats and help accomplish critical military missions. The missions to be considered include—

(1) defending United States Armed Forces abroad and United States allies against tactical ballistic missiles, particularly new and highly accurate Soviet shorter range ballistic missiles armed with conventional, chemical, or nuclear warheads;

(2) defending against a limited but militarily effective Soviet attack aimed at disrupting the National Command Authority and other valuable military assets;

(3) providing sufficient warning and tracking information to defend or effectively evade possible Soviet attacks against military satellites including those in high orbits; and

(4) providing early warning and attack assessment information and the necessary survivable command, control, and communication to defend against possible Soviet conventional or strategic attacks.

(b) ADDITIONAL MATERIAL TO BE INCLUDED.—The report shall—

(1) identify any other significant near-term military mission that the application of Strategic Defense Initiative technologies might help accomplish;

(2) list what specific program elements of the Strategic Defense Initiative are pertinent to these applications;

(3) estimate initial operating capability dates for the systems needed to accomplish these missions;

(4) estimate the level of funding necessary for each program to reach these operating capability dates; and

(5) estimate the survivability and cost effectiveness at the margin of these systems against current and projected Soviet threats.

(c) DEADLINE FOR REPORT.—The report under subsection (a) shall be submitted not later than March 15, 1987.

SEC. 217. REPORT ON THE ANTI-BALLISTIC MISSILE TREATY

(a) REPORT ON LESS RESTRICTIVE INTERPRETATION.—The Secretary of Defense shall submit to Congress a report concerning the effect of the less restrictive interpretation of the Anti-Ballistic Missile Treaty on the Strategic Defense Initiative program.

(b) MATTERS TO BE INCLUDED.—The report shall include the following:

(1) An analysis of the ramifications of the less restrictive interpretation on the development under the Strategic Defense Initiative program, of strategic defenses, including comprehensive strategic defense systems, and more limited defenses designed to protect vital United States military and command and control assets, based on "other physical principles". This analysis should compare research and development programs pursued under both the restrictive and less restrictive interpretations of such treaty, including a comparative analysis of—

(A) the overall cost of the research and development programs,

(B) the schedule of the research and development programs, and

(C) the level of confidence attained in the research and development programs with respect to supporting a full-scale engineering development decision in the early 1990's.

(2) A list of options under the less restrictive interpretation of such treaty that meet one or more of the following objectives:

(A) Reduction of the overall development cost.

(B) Advancement of the schedule for a full-scale engineering development decision.

(C) Increase in the level of confidence in the results of the research by the original full-scale development date.

(c) DEADLINE FOR REPORT.—The report under subsection (a) shall be submitted not later than February 1, 1987.

H. RES. 132

Resolved, That not later than 10 days after the adoption of this resolution, the Secretary of Defense shall provide to the House of Representatives the following information:

(1) All documents in possession of the Secretary which have been prepared to carry out section 223(b) of the Department of Defense Authorization Act, 1986 (requiring the submission of a report on the cost estimates for procurement and deployment of Strategic Defense Initiative programs not later than submission of the budget request of the Department of Defense for fiscal year 1989).

(2) All documents in possession of the Secretary which have been prepared to carry out section 215 of the Department of Defense Authorization Act, 1987 (requiring the submission, not later than March 15, 1987, of a report on the Strategic Defense Initiative deployment schedule).

(3) All documents in possession of the Secretary which have been prepared to carry out section 217 of the Department of Defense Authorization Act, 1987 (requiring the submission, by February 1, 1987, of a report on the effect of the less restrictive interpretation of the Anti-Ballistic Missile Treaty on the Strategic Defense Initiative program).

CONGRATULATIONS ON A SPLENDID ACHIEVEMENT

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. HOCHBRUECKNER. Mr. Speaker, as you are aware, we have just commemorated National Black History Month. Across the country, students have participated in programs and activities culminating in tremendous educational achievements in recognizing the black leaders of our Nation.

One such significant achievement, a multimedia project which combined video, written, and oral skills, was produced by Steve Stubbs a junior at Riverhead High School for the Suffolk County Black History and Brotherhood Month contest. His winning presentation focused on a comparison of Dr. Martin Luther King, Jr. and Bishop Desmond Tutu to our society. His most innovative project was made possible because Steve was able to access actual footage of these two leaders from the video encyclopedia; recently purchased by his school, that captures the significant people, places, and events that make up the 20th century. This is just one example of how students are reaping the educational benefits of today's video technology so that the truths and lessons of the past can be shared, debated, and absorbed.

At this time, I would like to congratulate Steve Stubbs, who lives in my district, and the thousands of other students and educators across the country for their contributions celebrating National Black History Month.

PEOPLE'S COMMUNITY BAPTIST CHURCH AT SILVER SPRING

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mrs. MORELLA. Mr. Speaker, on Sunday, March 15, I was privileged to participate in groundbreaking ceremonies for construction of the sanctuary of the People's Community Church of Silver Spring. This was truly a historic occasion, as it marked the construction of the first new black institution in Montgomery County since the early 1900's.

People's Community Baptist has been among the most active churches in the community since it began in 1978, and its new structure exemplifies the growing commitment of the church and its leaders to the community.

Attesting to this is the fact that a major part of the church sanctuary will consist of a family living center, with programs ranging from child and elderly care to recreation activities. The construction schedule calls for the congregation to occupy its new quarters in December of this year.

The congregation was organized by Rev. Thomas J. Baltimore, and has been meeting over the years in the John F. Kennedy High School. Reverend Baltimore and Jesse S. Bogan, chairman of the board of deacons, are to be congratulated on their expanded commitment to the people of Montgomery County, and I wish them every good fortune as they embark upon this manifest expression of dedication and service.

A TRIBUTE TO JUDGE RICHARD A. HICKMAN

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. MILLER of California. Mr. Speaker, on May 21, 1987, the workers' compensation community of the San Francisco Bay area gathered to honor the retirement from public service of one of the most loved and respected individuals in the field of workers' compensation law in California, workers' compensation judge Richard A. Hickman. I rise today to share with my colleagues the career of this truly remarkable man.

Judge Hickman was born October 16, 1924, in Berkeley, CA. During World War II he gave distinguished service to his country as a fighter pilot in the Pacific theater, and after the war attended the University of California, earning his law degree at the Hastings College of Law in 1952. He entered the field of workers' compensation as an attorney with the California State Compensation Insurance Fund until 1962. He began serving as a referee for the California Workers' Compensation Appeals Board in 1967, and remained at the board's Oakland office throughout his long and distinguished career until his retirement as a judge in May 1987.

During his tenure at the workers' compensation appeals board, Judge Hickman saw the California compensation system go through the most dynamic period of change in its entire history, as it adapted to the needs of a technologically oriented society, with new concepts of occupational injury and disease emerging that required new solutions and modernizing of benefits. Throughout this period Judge Hickman earned the great respect and admiration of all who appeared before him, gaining an enviable reputation for his fairminded, even-handed application of the law, and his solicitude for the plight of the injured worker combined with an outstanding judicial demeanor and high regard for the rights of all parties to due process of law. His professionalism has served as a model not only for his junior colleagues to emulate, but for others in the community to strive to attain. Many of the concepts articulated in his literally thousands of decisions have later been adopted by the courts of appeal and California Supreme Court, becoming leading rules of law in a system of workers' compensation widely heralded for its innovation.

I am honored to document the career of this respected jurist, a man who has exemplified in his tireless devotion to the needs of the industrially injured and the fair application of the law the highest standards of judge, public servant, and outstanding citizen.

RULE ON H.R. 3, THE TRADE AND INTERNATIONAL ECONOMIC POLICY REFORM ACT OF 1987

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mr. ROSTENKOWSKI. Mr. Speaker, I take this opportunity to inform my colleagues that the Committee on Ways and Means today favorably ordered reported to the House of Representatives a substitute amendment for titles I, II, and VIII of H.R. 3, the Trade and International Economic Policy Reform Act of 1987.

I wish to serve notice, pursuant to the rules of the Democratic caucus, that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of these titles of H.R. 3.

VUCANOVICH INTRODUCES AEROJET LAND EXCHANGE BILL

HON. BARBARA F. VUCANOVICH

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 26, 1987

Mrs. VUCANOVICH. Mr. Speaker, today I am introducing a bill that would permit Aerojet General, a private corporation, to exchange wetlands it owns in Florida for Public Lands of equal value in Nevada, land which is presently managed by the Bureau of Land Management.

This legislation is beneficial to both Nevada and Florida. It will give the South Florida Water Management District the opportunity to acquire lands it has been hoping to for some time which are similar and contiguous to the Everglades National Park. This bill will also allow Aerojet to expand its operations in Nevada thereby generating hundreds of jobs in an economically depressed county, giving a much needed boost to the State of Nevada, while returning public rangeland to the tax rolls of the State.

This legislation is supported and cosponsored by the entire Nevada delegation and by my colleague from Florida, Mr. FASCELL, whose district the Florida land lays in.

This bill is a good bill, for Nevada and Florida, and I urge its quick passage during this Congress.